

2009-2010

**JOINT
APPROPRIATIONS –
NATURAL & ECONOMIC
RESOURCES**

MINUTES

MINUTES

JOINT HOUSE SENATE APPROPRIATIONS SUBCOMMITTEE ON NATURAL & ECONOMIC RESOURCES

February 25, 2009
8:30 AM

The Joint Appropriations Subcommittee on Natural & Economic Resources met in Room 423 of the Legislative Office Building on February 25, 2009, at 8:30 a.m. Representative Warren called the meeting to order and introduced the Sergeants-at-Arms, David Shearon, Ernie Sherrell, Ron Spann, and James Worth. She also introduced the House and Senate Pages: Samatha McAbee, Austin Hunter and Paige Laugisch.

The following Committee members were present: Co-Chairs: Representatives Pierce and Warren, Senator McKissick; Vice Chairs: Representatives Wilkins and Wray; Members: Representatives Bryant, Langdon, Sager, Samuelson and West; Senators Foriest and Jacumin. Staff Counsel Kristine Leggett, Lanier McRee and Kristin Walker were also in attendance.

The following attachments are included and made part of the minutes: Meeting Agenda, Attachment 1; Attendance List, Attachment 2; WRC (Wildlife Resources Commission) Revenues, Attachment 3; North Carolina Association of Community Development Corporations, Attachment 4; Land Loss Prevention Project, Attachment 5; list of Pages and Sergeants-at-Arms, Attachment 6; Visitor Registration list, Attachment 7.

After brief opening remarks, Representative Warren called on Commissioner Steve Troxler from the Department of Agriculture and Consumer Services (NCDACS) to make a presentation. Commissioner Troxler gave an overview of some of the Department's critical responsibilities. He emphasized the importance of maintaining a stable and safe food supply and pointed out that NCDACS is recognized as one of the best in the country. The Commissioner also noted that recent recalls and scares, such as those for peanut butter, tomatoes and spinach, have hurt the agriculture industry. In closing he asked that committee members keep in mind the importance of the industry and the safety of the food supply when deciding on the budget. After Commissioner Troxler concluded his remarks, there was a brief period of questions and answers, as well as praise for the work that the Department has done.

Representative Warren next introduced Commissioner Cherie Berry from the Department of Labor. Commissioner Berry recognized three members of her department: Art Britt, Director of Administration and Governmental Affairs; Jack Brinson, Budget & Management Director; and Jennifer Haigwood, Special Assistant for Government and Constituent Affairs. Commissioner Berry briefly discussed the work being done by the Labor Department to develop good relationships with business across the state. As an example, she pointed out the partnership with the company that built the Raleigh Convention Center and the resulting success in minimizing on-the-job injuries. These

efforts help keep Workers Compensation Insurance rates low. She emphasized the need to fund training that ensures that businesses can operate safely and that allows Department employees to do the travel required to fulfill their job responsibilities. Following her remarks, several committee members spoke to compliment the Department on its responsiveness and the good job it does on the inspections of rides at the State Fair and carnivals.

As the next item of business, the Chair recognized Gordon Myers, Executive Director of the Wildlife Resources Commission (WRC). Mr. Myers distributed a handout titled "WRC Revenues," a copy of which is attached and made part of the minutes as Attachment 3. He then gave an overview of the accomplishments of the Commission, as well as the challenges it faces. He noted that there are more than one million hunters, fishers, and boaters across the state who generate revenue through their outdoor activities. He said that there has been a recent increase in the number of licenses granted. When asked about the Commission's position on Sunday hunting, Mr. Myers stated that the results of a study conducted by the Commission tilted to the opposed side, but that the decision is up to the Legislature.


The next speaker on the agenda was Bridgette Raspberry, Vice-President of the NC Association of Community Development Corporations. Ms. Raspberry was substituting for Susan Cole, President, who was not able to attend. Ms. Raspberry distributed a handout that is attached and made part of the minutes as Attachment 4. She gave an overview of the organization's mission and its accomplishments. She also provided a breakdown of expenses and discussed funding priorities.

Representative Warren then called on Savi Horne, Executive Director of the Land Loss Prevention Project. Ms. Horne provided a handout that is attached and made part of the minutes as Attachment 5. In her opening remarks, Ms. Horne gave a brief history of the project and the role of the North Carolina Association of Black Lawyers. She also provided an overview of the organizations goals and accomplishments. In closing, she reviewed the Statement of Functional Expenses which is included in the attached handout.


The next item on the agenda was to be a presentation from the Coalition of Farm and Rural Families, but there was no one present from that organization.

There being no further business, the Chair adjourned the meeting at 9:45 a.m.

Respectfully submitted,



Representative Edith D. Warren
Co-Chair



Martha M. Hoover
Assistant to the Committee

ATTACHMENTS:

1. Agenda
2. Attendance List
3. WRC (Wildlife Resources Commission) Revenues
4. North Carolina Association of Community Development Corporations
5. Land Loss Prevention Project
6. List of Pages and Sergeants-at-Arms
7. Visitor Registration Sheets

Joint Appropriations Subcommittee on NER

Agenda

Wednesday, February 25, 2009, 8:30 A.M.

Room 423, Legislative Office Building

Rep. Warren, Presiding

I. Welcome

Rep. Warren

II. Agency Introductions

Steve Troxler, Commissioner, *Dept. of Agriculture and Consumer Services (DACS)*

Cherie Berry, Commissioner, *Department of Labor*

Gordon Myers, Executive Director, *Wildlife Resources Commission (WRC)*

III. NC Association of Community Development Corporations

Susan Perry Cole, President

IV. Land Loss Prevention Project

Savi Home, Executive Director

V. Coalition of Farm and Rural Families

Charnell Green, Executive Director

VI. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

Senate Appropriations Subcommittee on NER

Sen. Weinstein (Chair)

Sen. McKissick (Chair)

Sen. Foriest, Sen. Jacumin, Sen. Rouzer

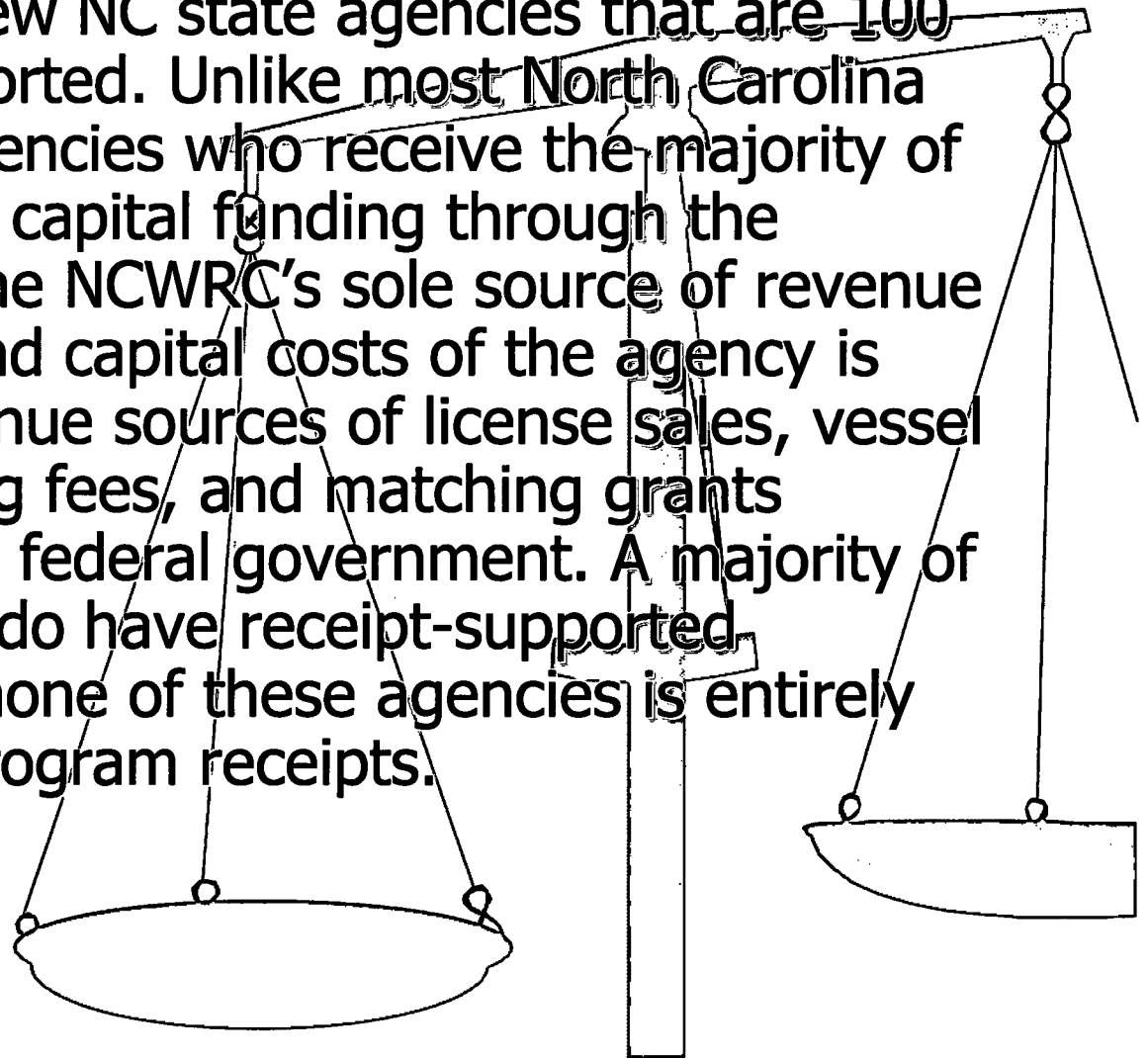
WRC Revenues

**Chapter 1: North Carolina Wildlife
Resources Commission — A Receipt
Supported Agency**



North Carolina Wildlife Resources Commission — A Receipt Supported Agency

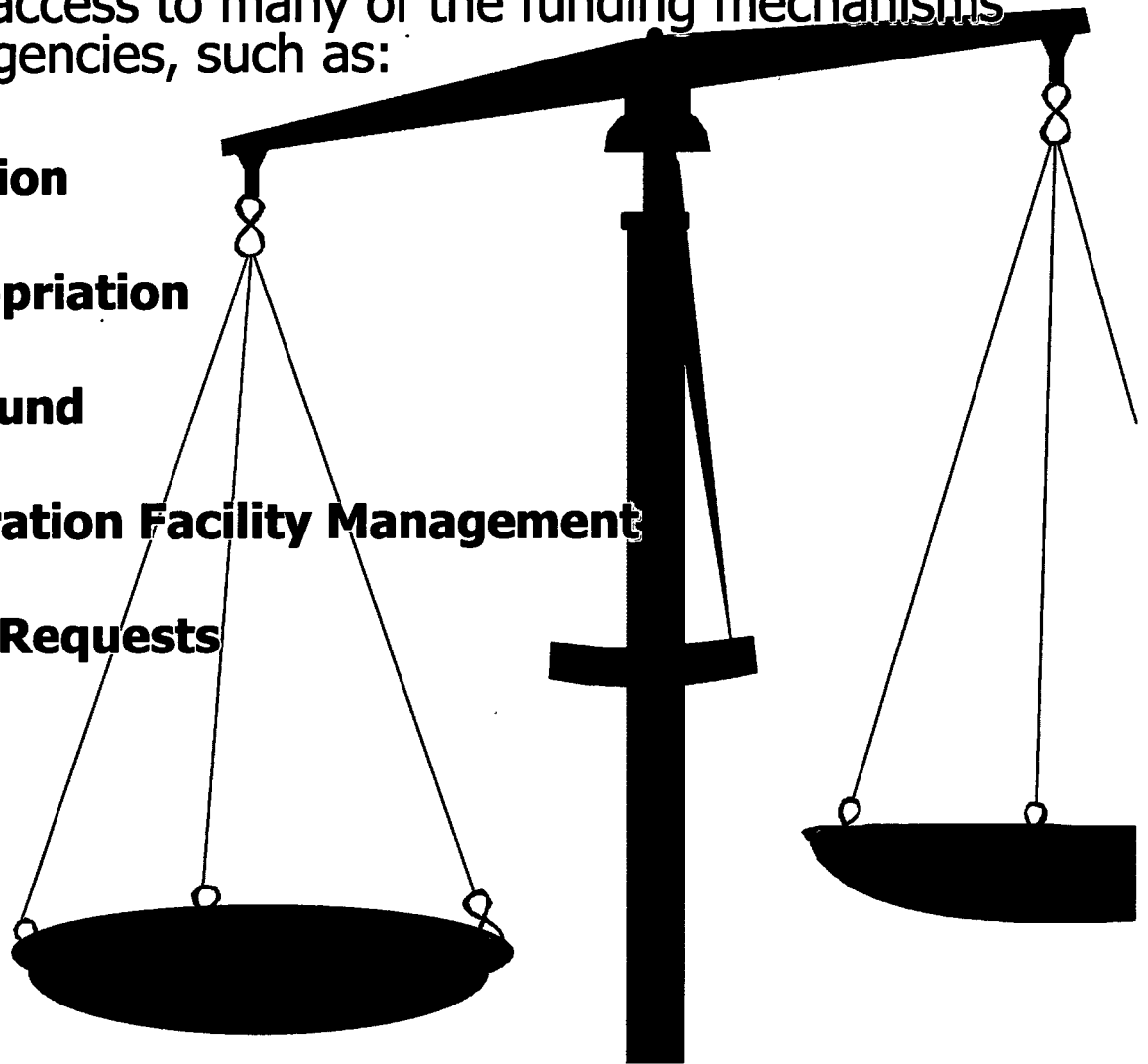
- NCWRC is one of a few NC state agencies that are 100 percent receipt supported. Unlike most North Carolina state government agencies who receive the majority of their operational and capital funding through the legislative process, the NCWRC's sole source of revenue to cover operating and capital costs of the agency is derived from its revenue sources of license sales, vessel registration and titling fees, and matching grants obtained through the federal government. A majority of other state agencies do have receipt-supported *programs*, however none of these agencies is entirely supported by their program receipts.



North Carolina Wildlife Resources Commission — A Receipt Supported Agency

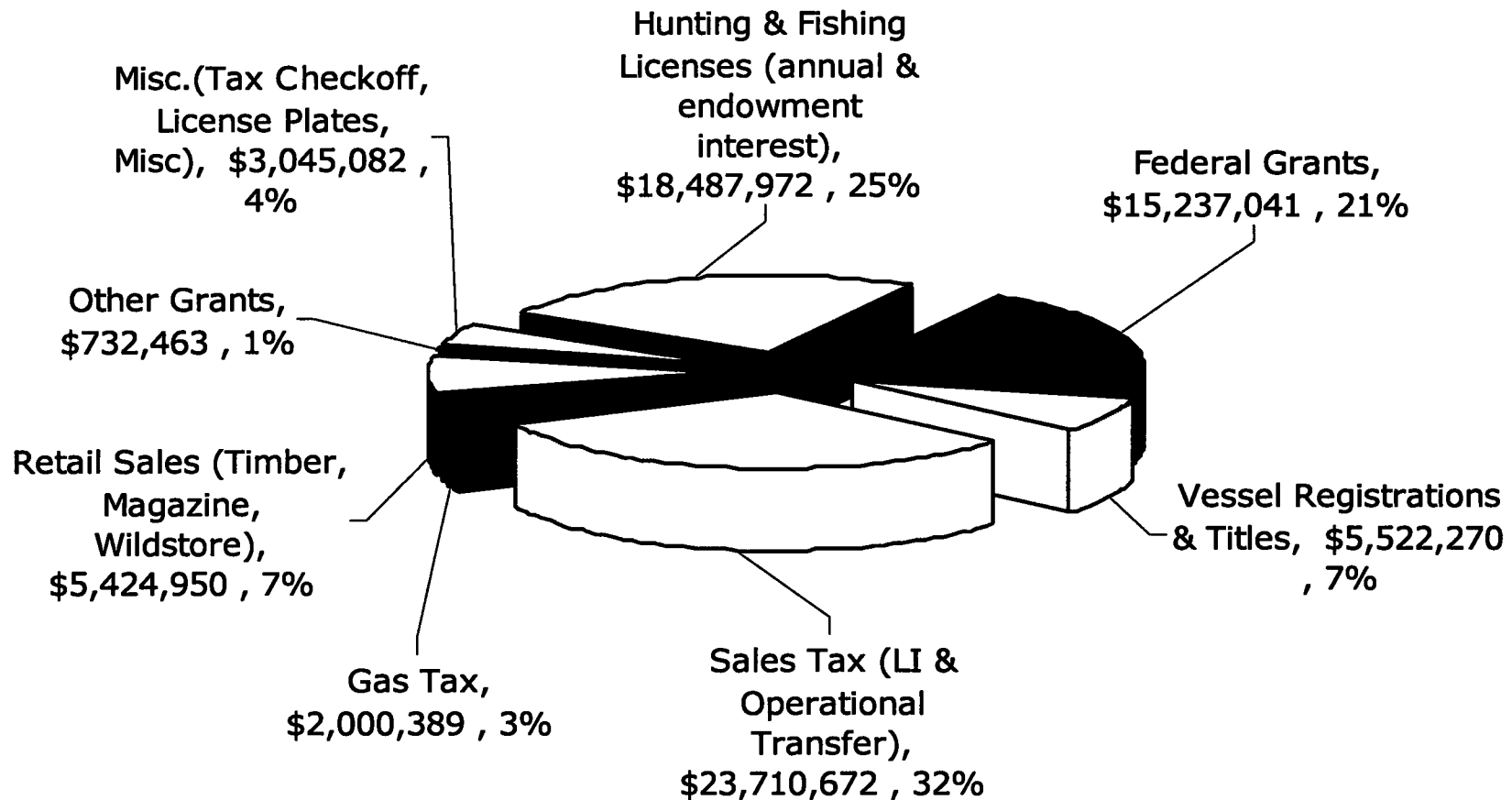
NCWRC also does not have access to many of the funding mechanisms available to other state agencies, such as:

- **General Fund Appropriation**
- **Legislative Capital Appropriation**
- **Repair and Renovation Fund**
- **Department of Administration Facility Management**
- **Information Technology Requests**
- **Salary Adjustment Fund**



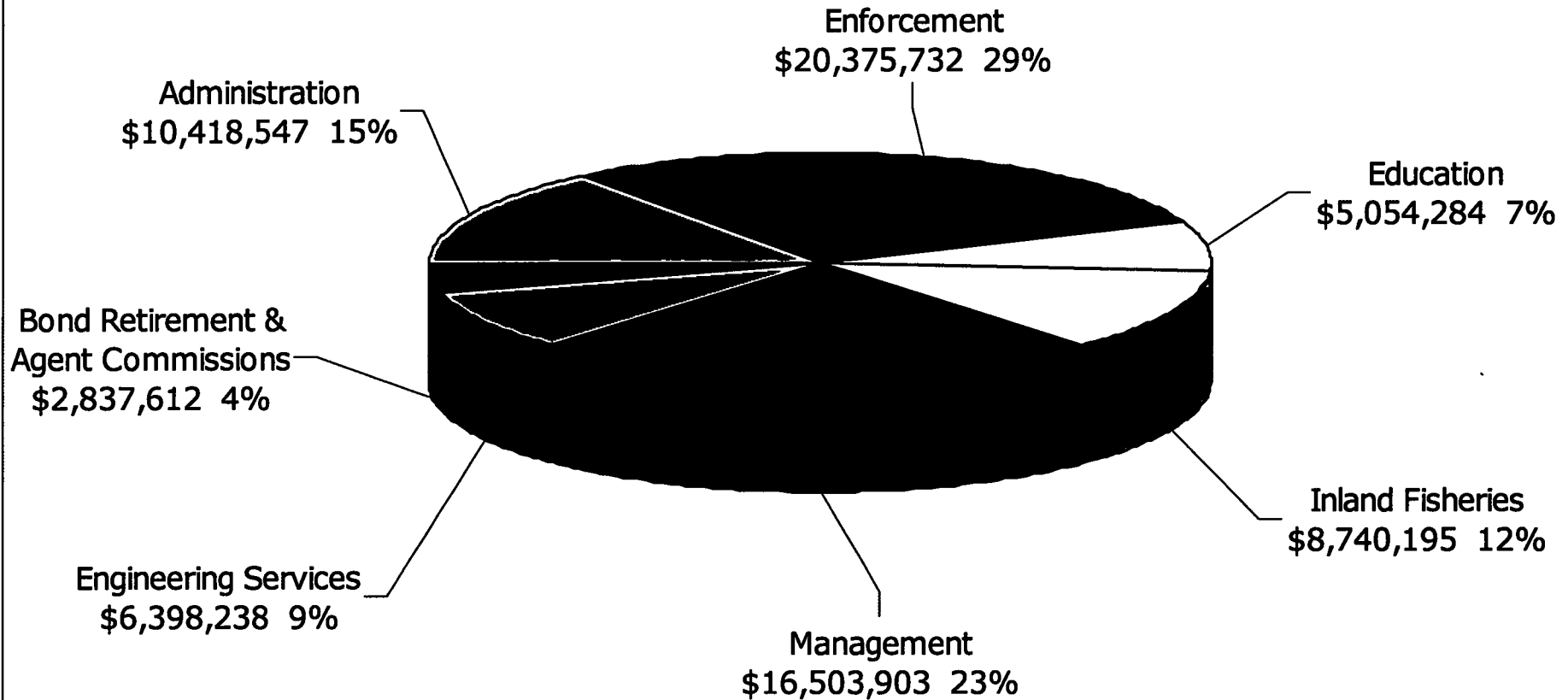
North Carolina Wildlife Resources Commission — A Receipt Supported Agency

NCWRC FY 2007-2008 Revenues



North Carolina Wildlife Resources Commission — A Receipt Supported Agency

NCWRC 2007-2008 Operating Expenditures
Total = \$70,328,515



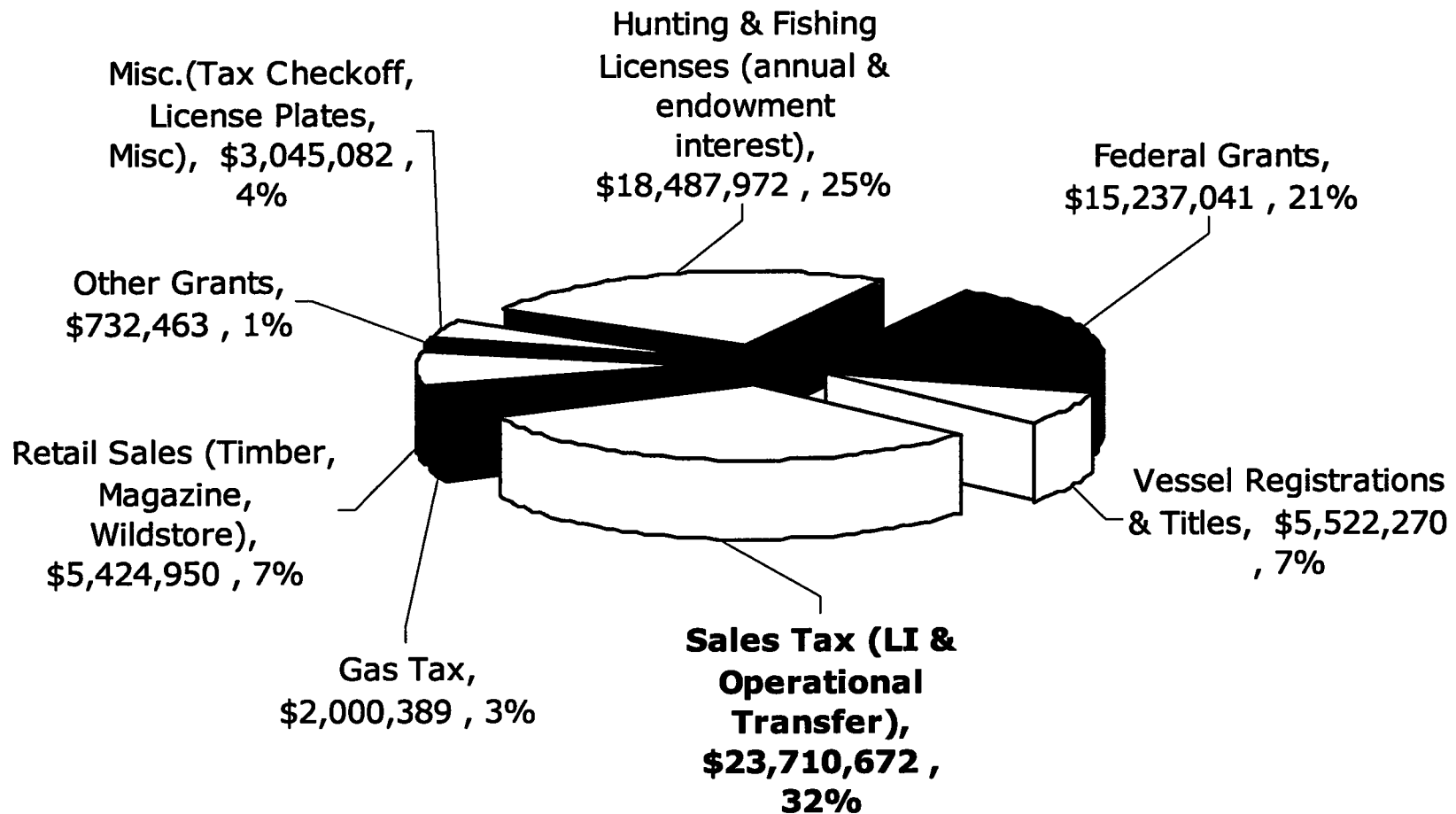
WRC Revenues

Chapter 2: **North Carolina Wildlife Resources Commission — Sources of Funding**



North Carolina Wildlife Resources Commission — Sources of Funding

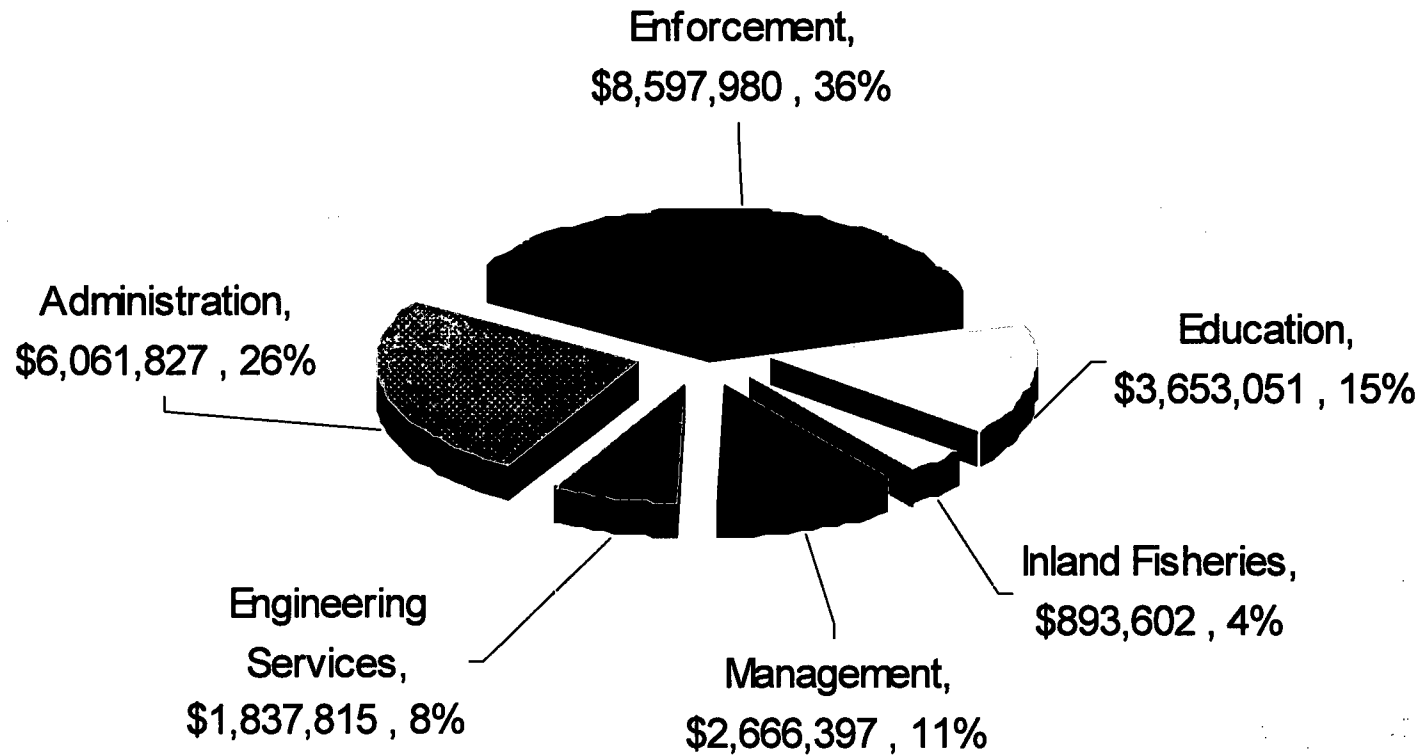
NCWRC FY 2007-2008 Revenues



North Carolina Wildlife Resources Commission — Sources of Funding

Sales Tax Distribution by Division

Total 2007-2008 = \$23,710,672



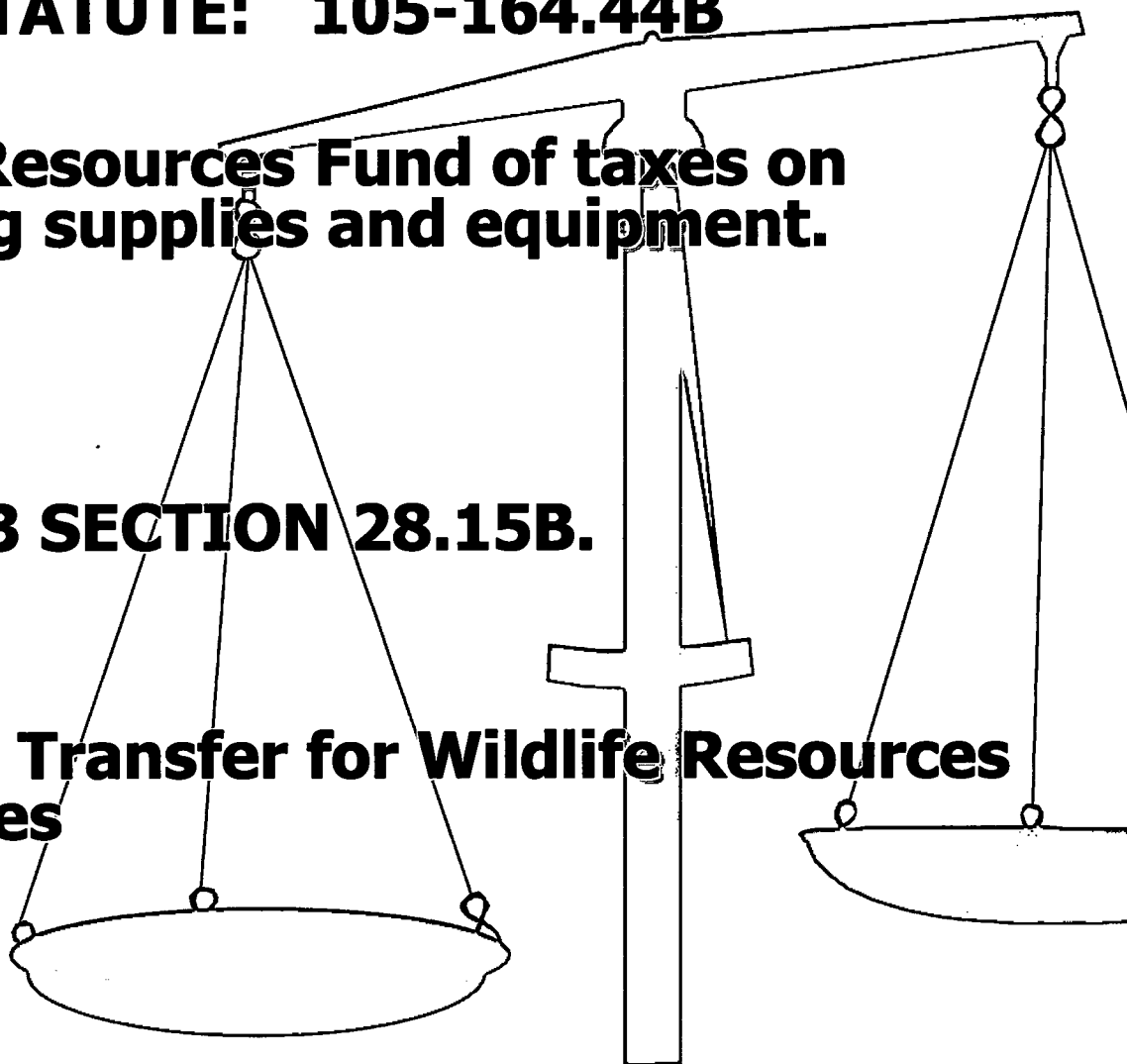
North Carolina Wildlife Resources Commission — Sources of Funding

GENERAL STATUTE: 105-164.44B

**Transfer to Wildlife Resources Fund of taxes on
hunting and fishing supplies and equipment.**

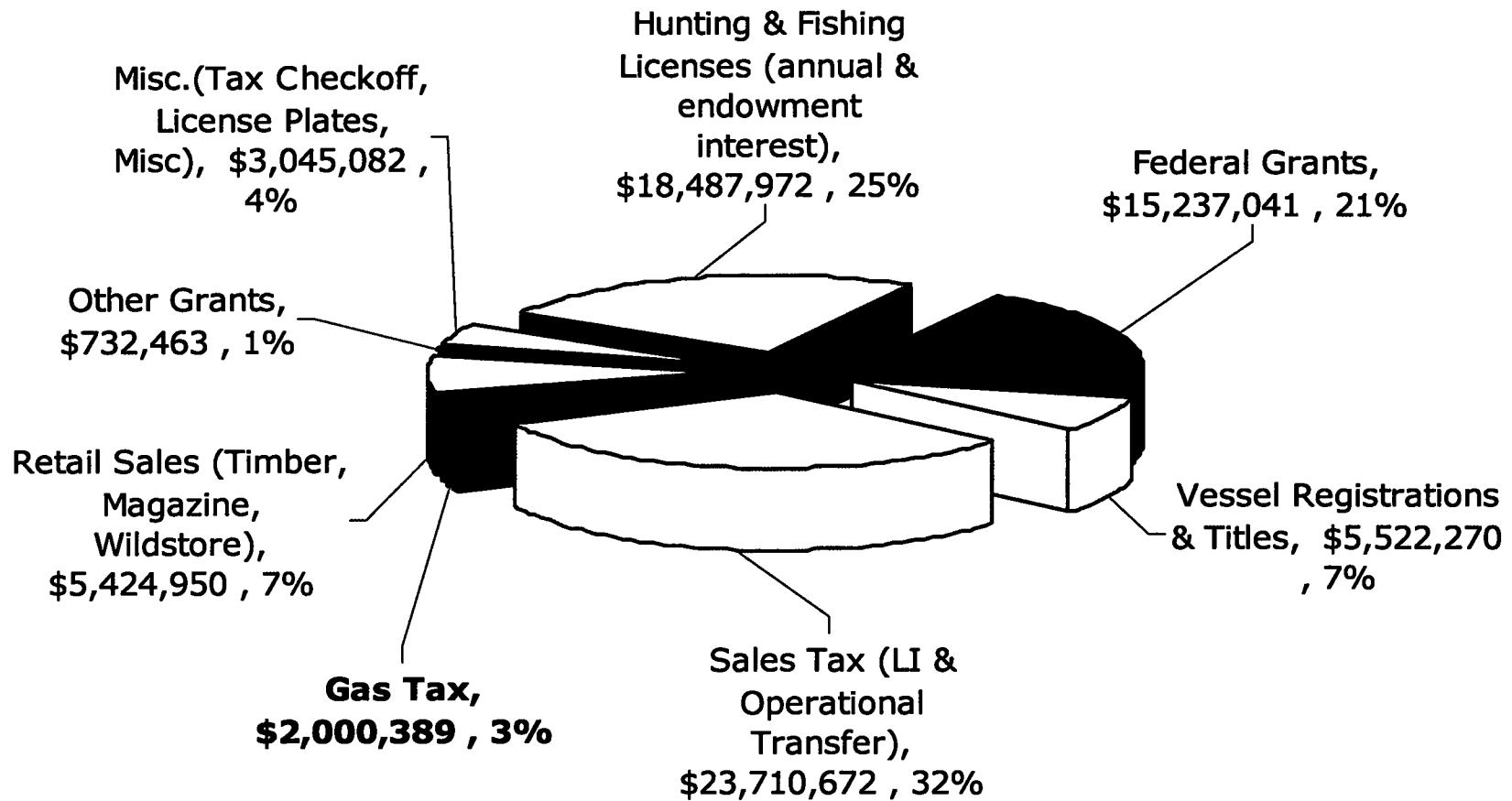
HB 1473 SECTION 28.15B.

**Temporary Sales Tax Transfer for Wildlife Resources
Commission Salaries**



North Carolina Wildlife Resources Commission — Sources of Funding

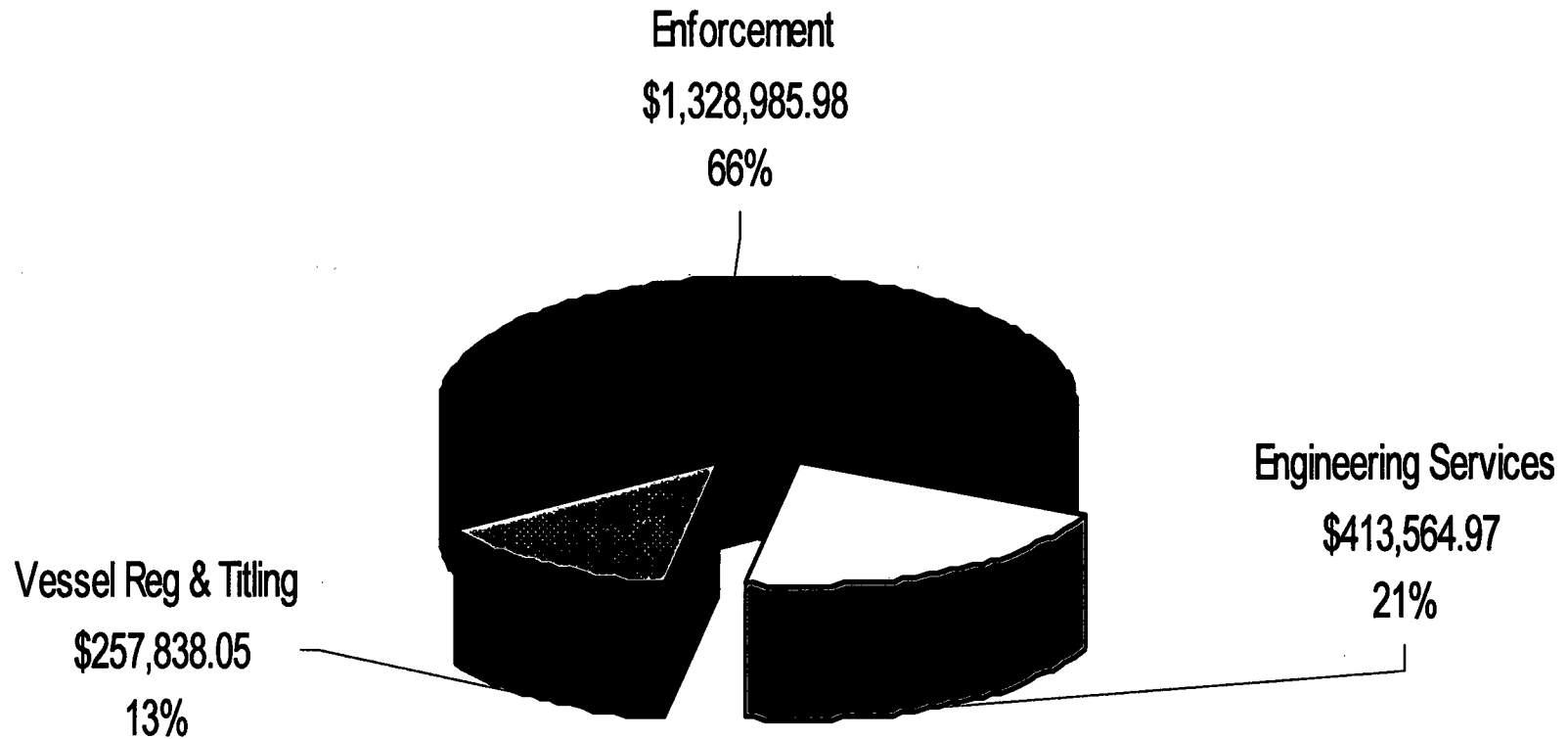
NCWRC FY 2007-2008 Revenues



North Carolina Wildlife Resources Commission — Sources of Funding

Gas Tax Distribution by Divisions

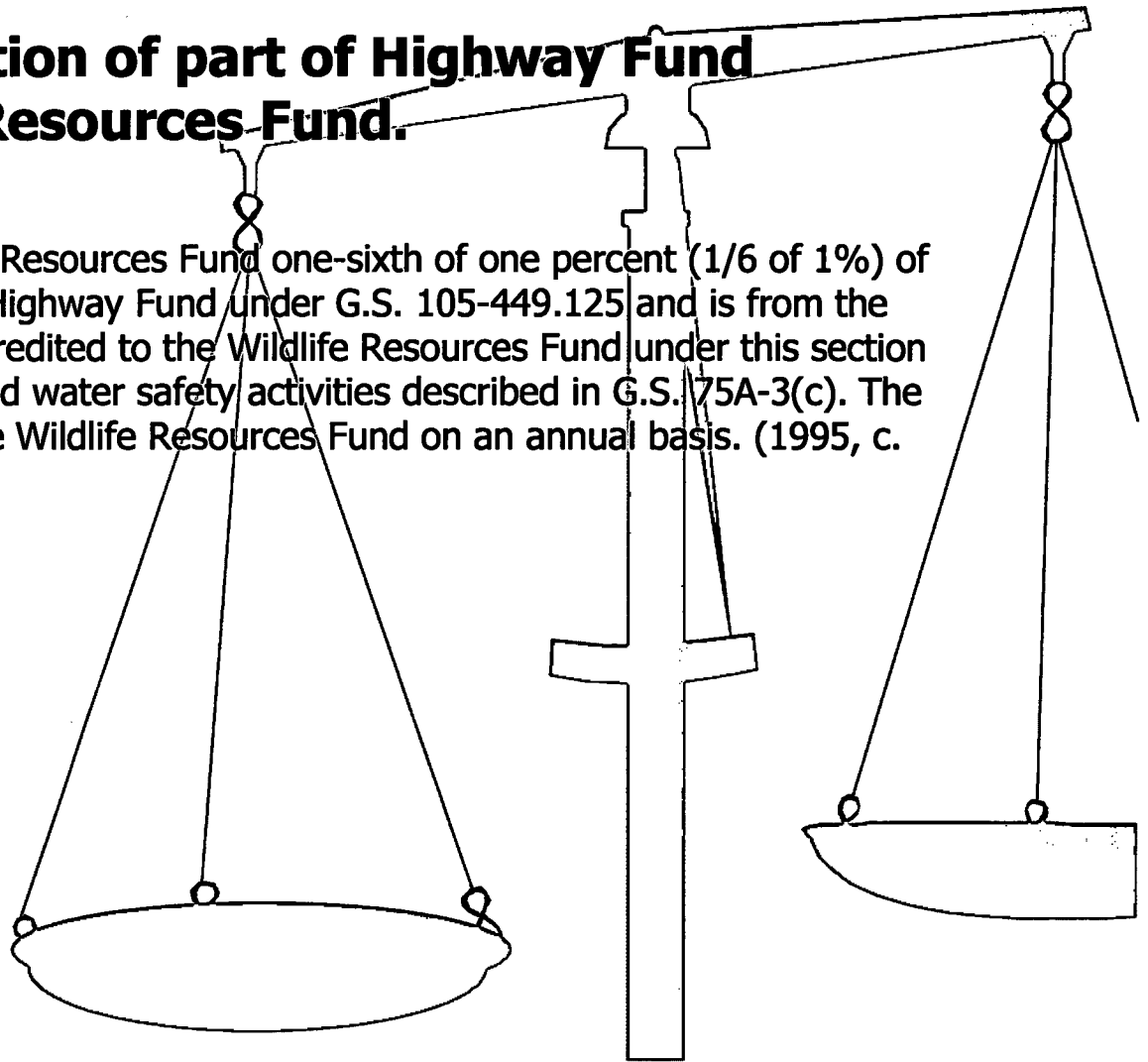
Total for 2007-2008 = \$2,000,389



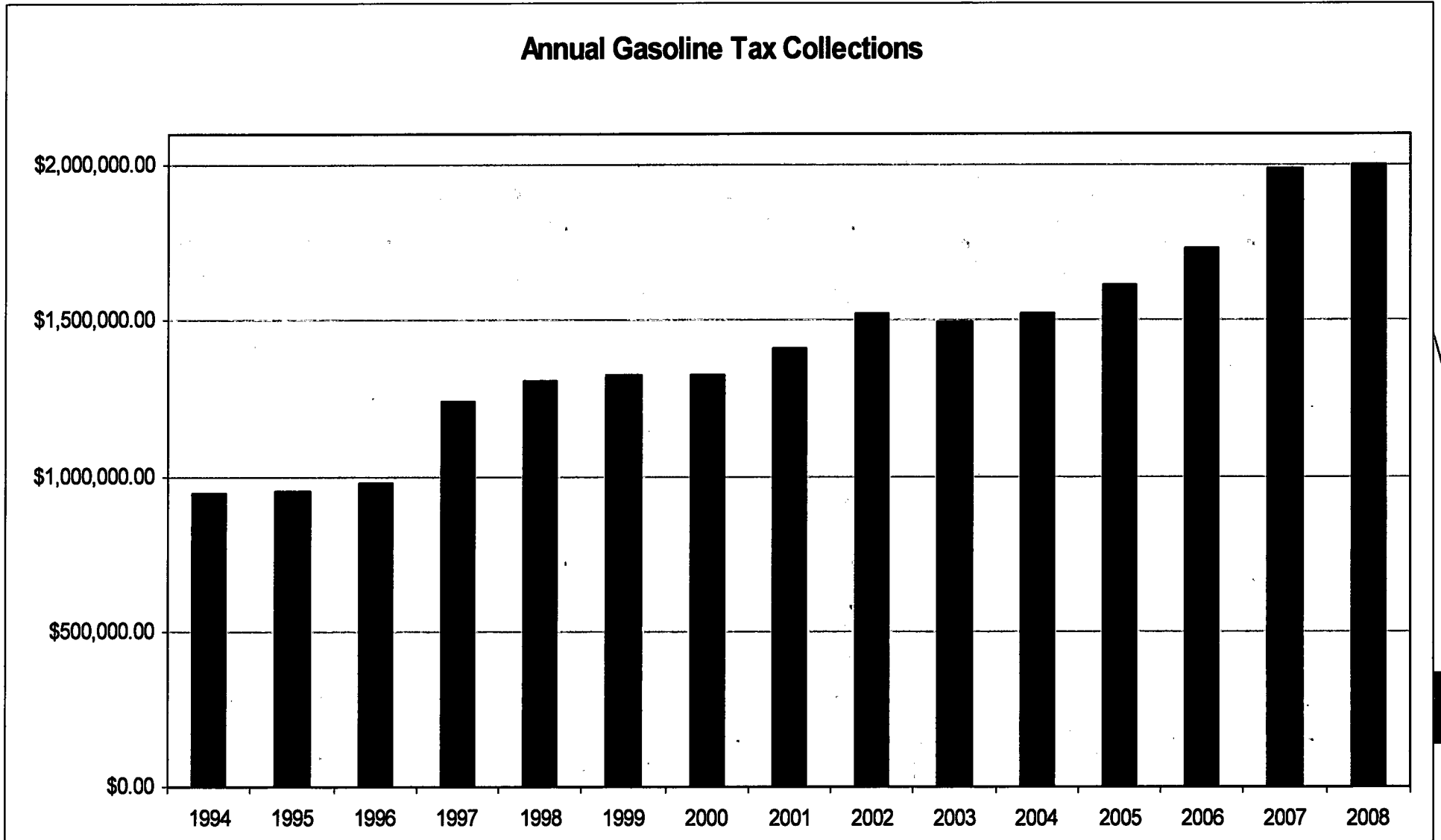
North Carolina Wildlife Resources Commission — Sources of Funding

§ 105-449.126. Distribution of part of Highway Fund allocation to Wildlife Resources Fund.

The Secretary shall credit to the Wildlife Resources Fund one-sixth of one percent ($1/6$ of 1%) of the amount that is allocated to the Highway Fund under G.S. 105-449.125 and is from the excise tax on motor fuel. Revenue credited to the Wildlife Resources Fund under this section may be used only for the boating and water safety activities described in G.S. 75A-3(c). The Secretary must credit revenue to the Wildlife Resources Fund on an annual basis. (1995, c. 390, s. 3; c. 507, s. 18.16.)

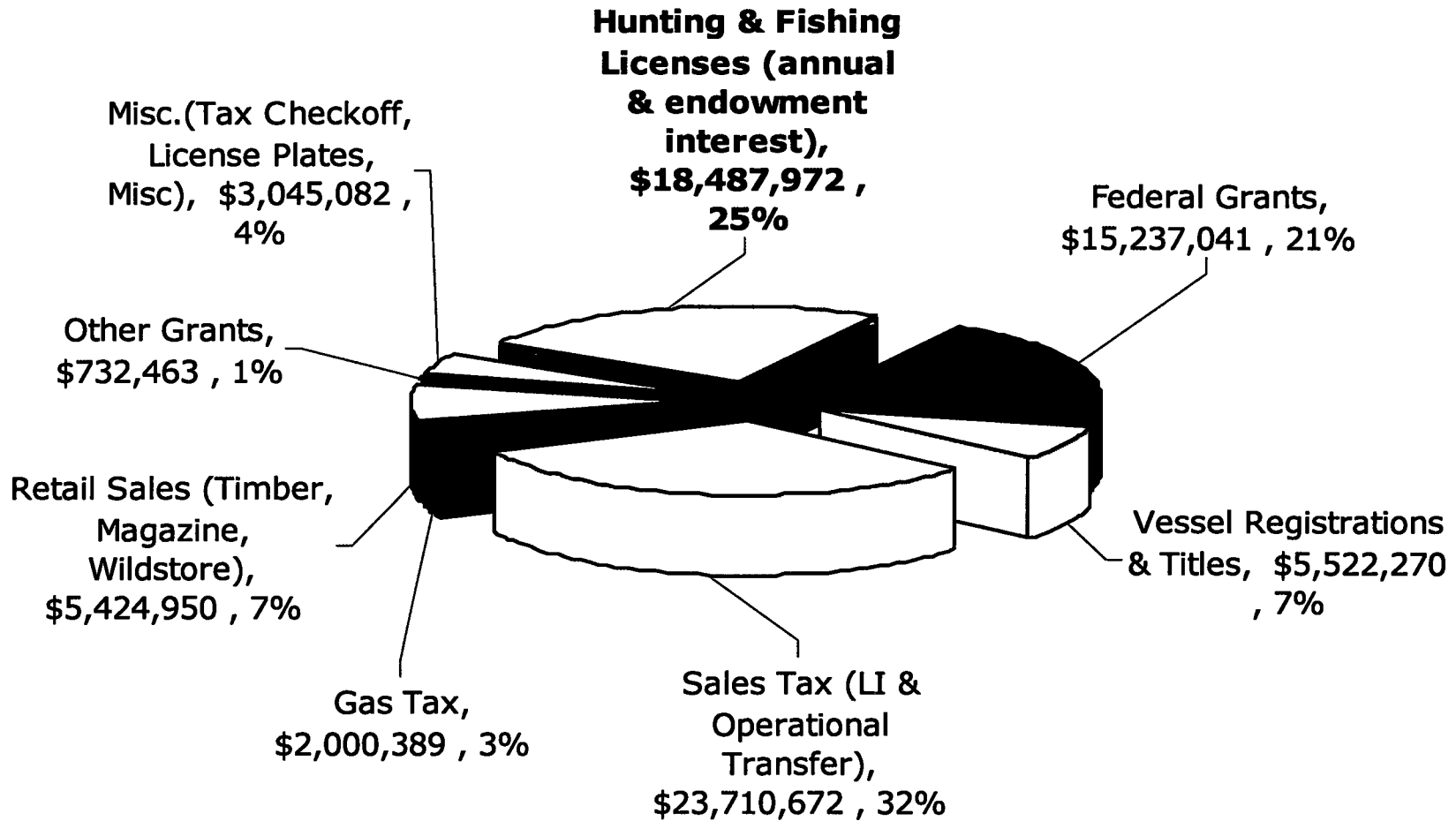


North Carolina Wildlife Resources Commission — Sources of Funding



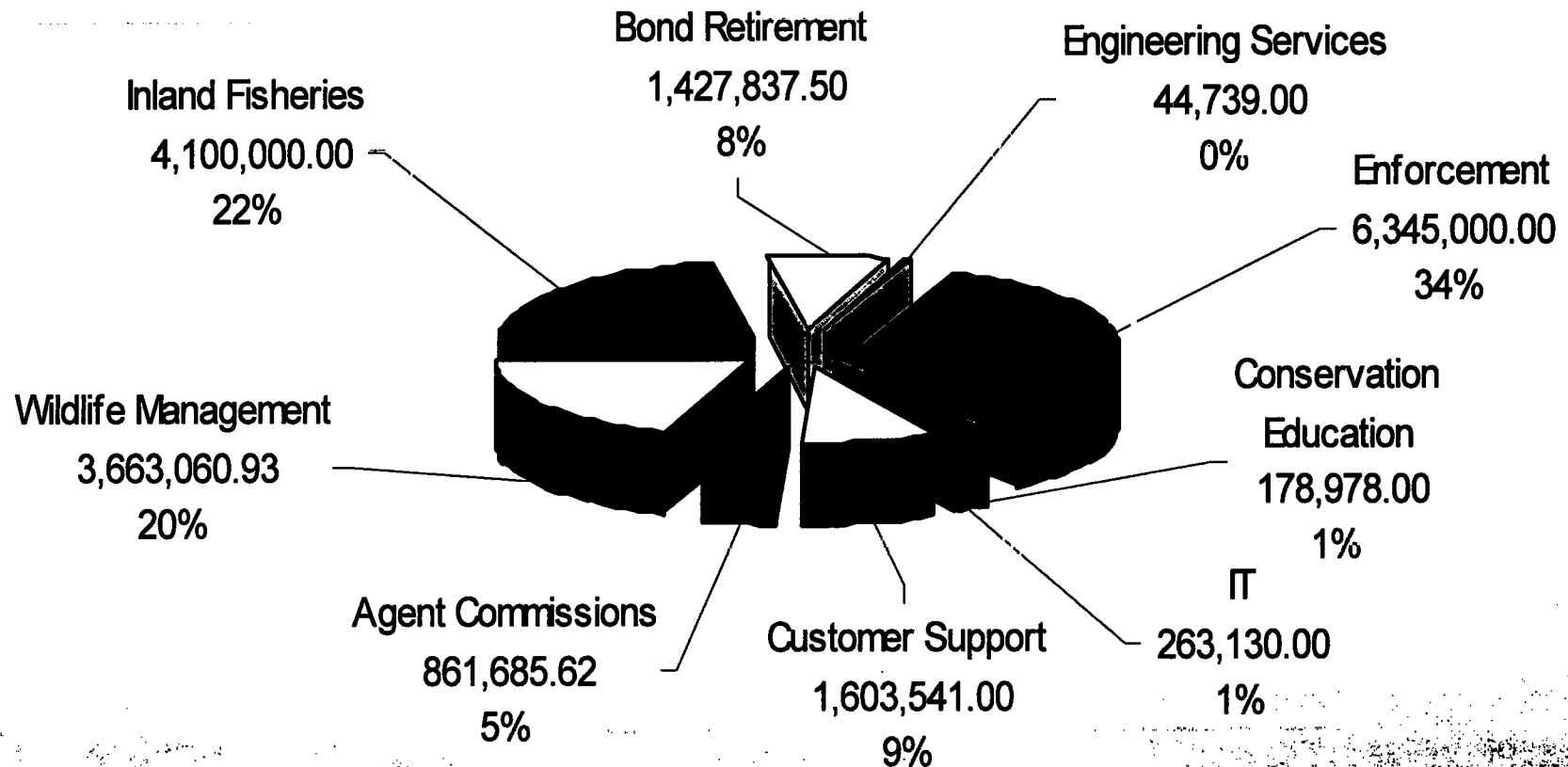
North Carolina Wildlife Resources Commission — Sources of Funding

NCWRC FY 2007-2008 Revenues

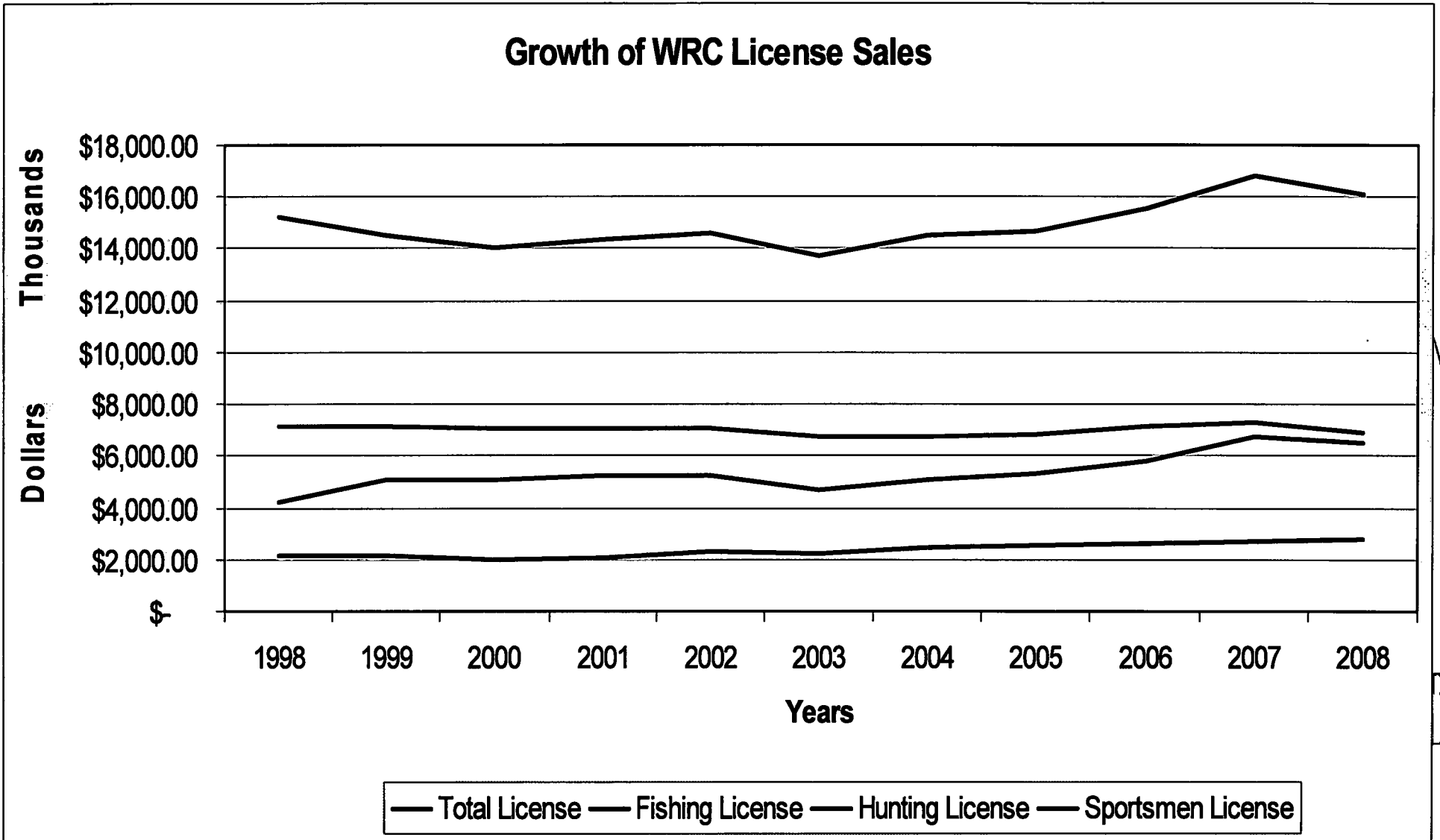


North Carolina Wildlife Resources Commission — Sources of Funding

Hunting & Fishing Licenses
(annual + endowment interest transfer)
Total 2007-08 = \$18,487,972.05

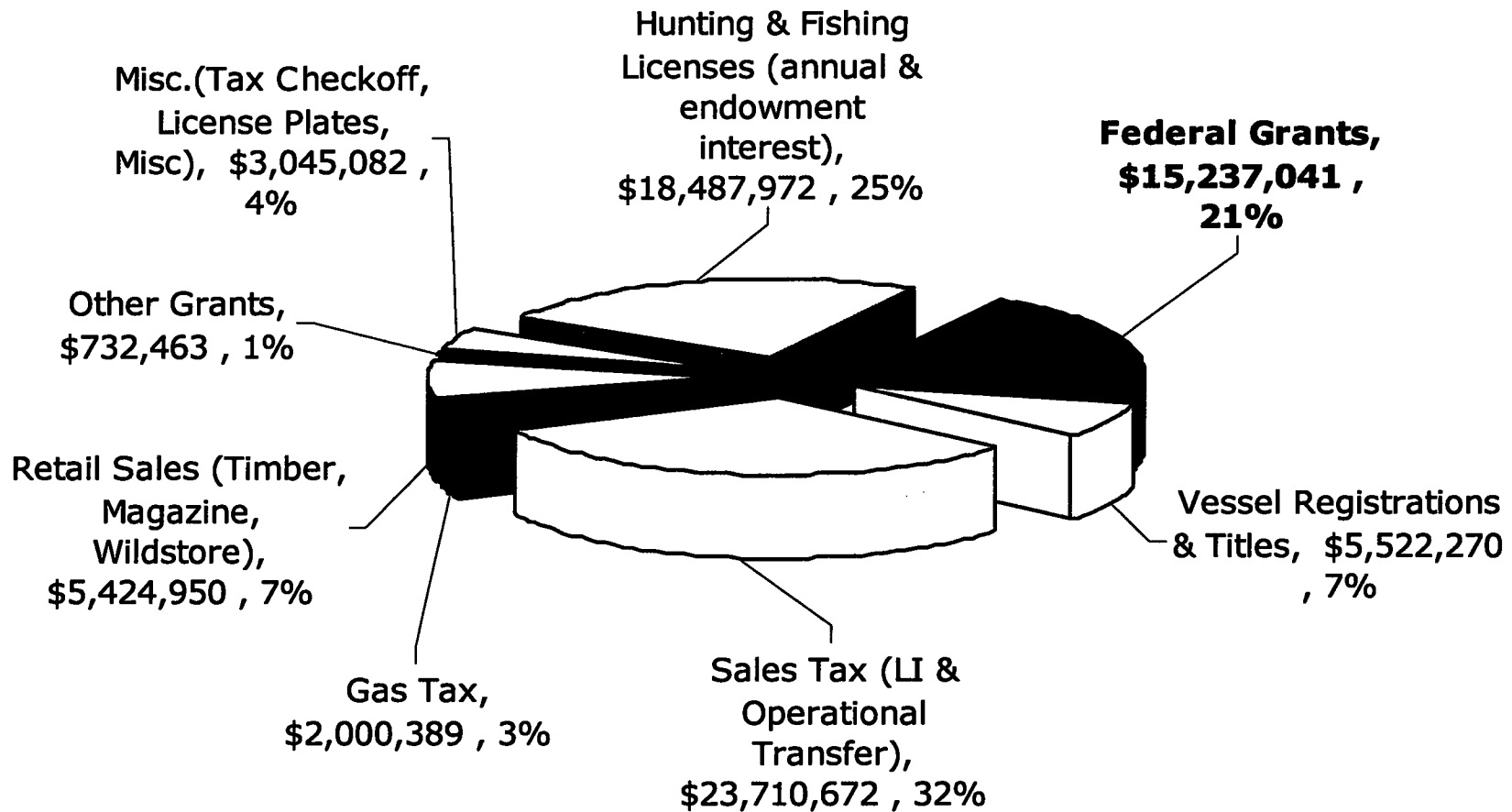


North Carolina Wildlife Resources Commission — Sources of Funding



North Carolina Wildlife Resources Commission — Sources of Funding

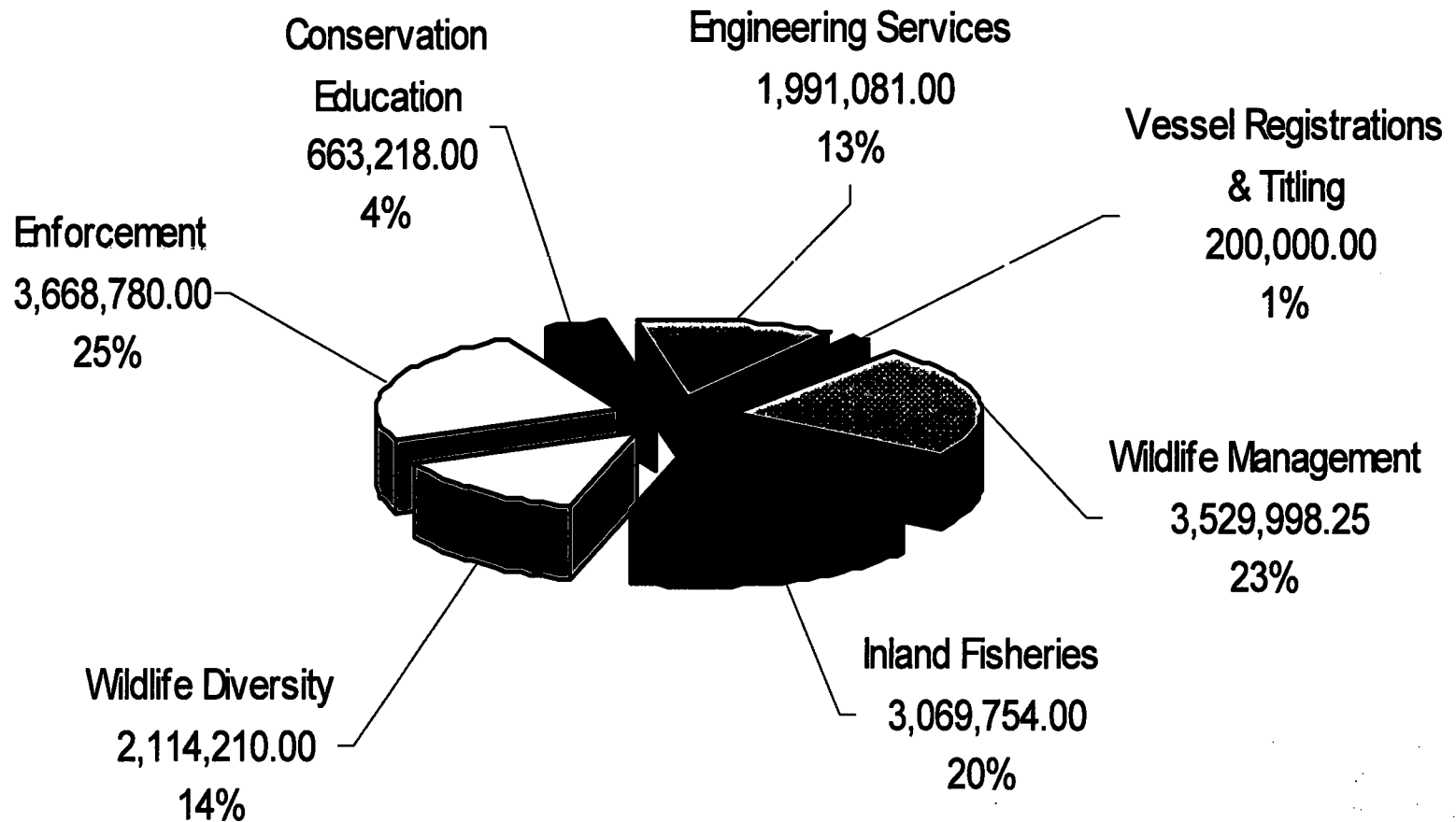
NCWRC FY 2007-2008 Revenues



North Carolina Wildlife Resources Commission — Sources of Funding

Federal Grants

Total 2007-08 = \$ 15,237,041.25



North Carolina Wildlife Resources Commission — Sources of Funding

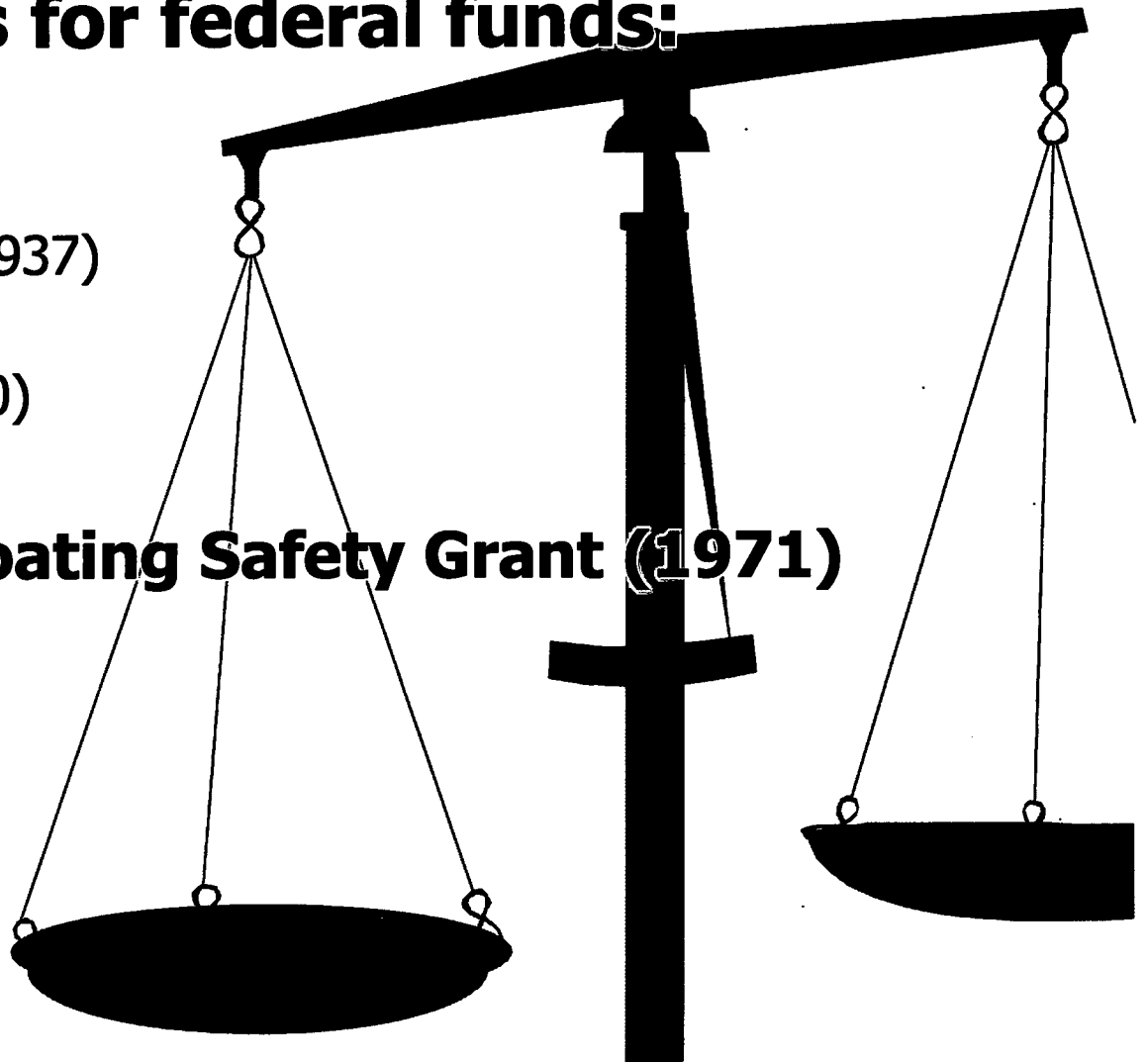
Two Main Sources for federal funds:

1: USFWS

A: Pittman-Robertson Act (1937)

B: Dingell Johnson Act (1950)

2: US Coast Guard Boating Safety Grant (1971)



North Carolina Wildlife Resources Commission — Sources of Funding

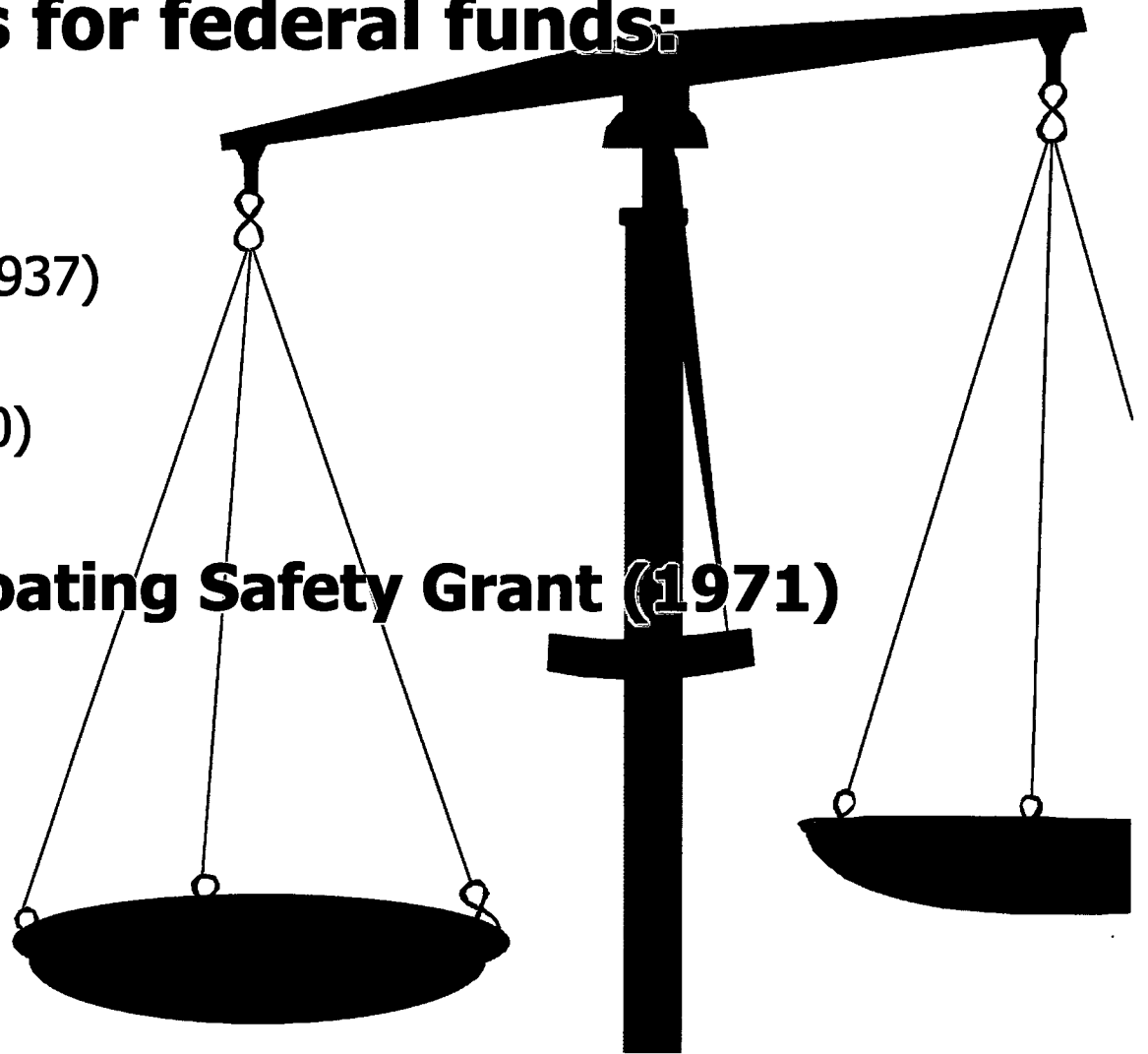
Two Main Sources for federal funds:

1: USFWS

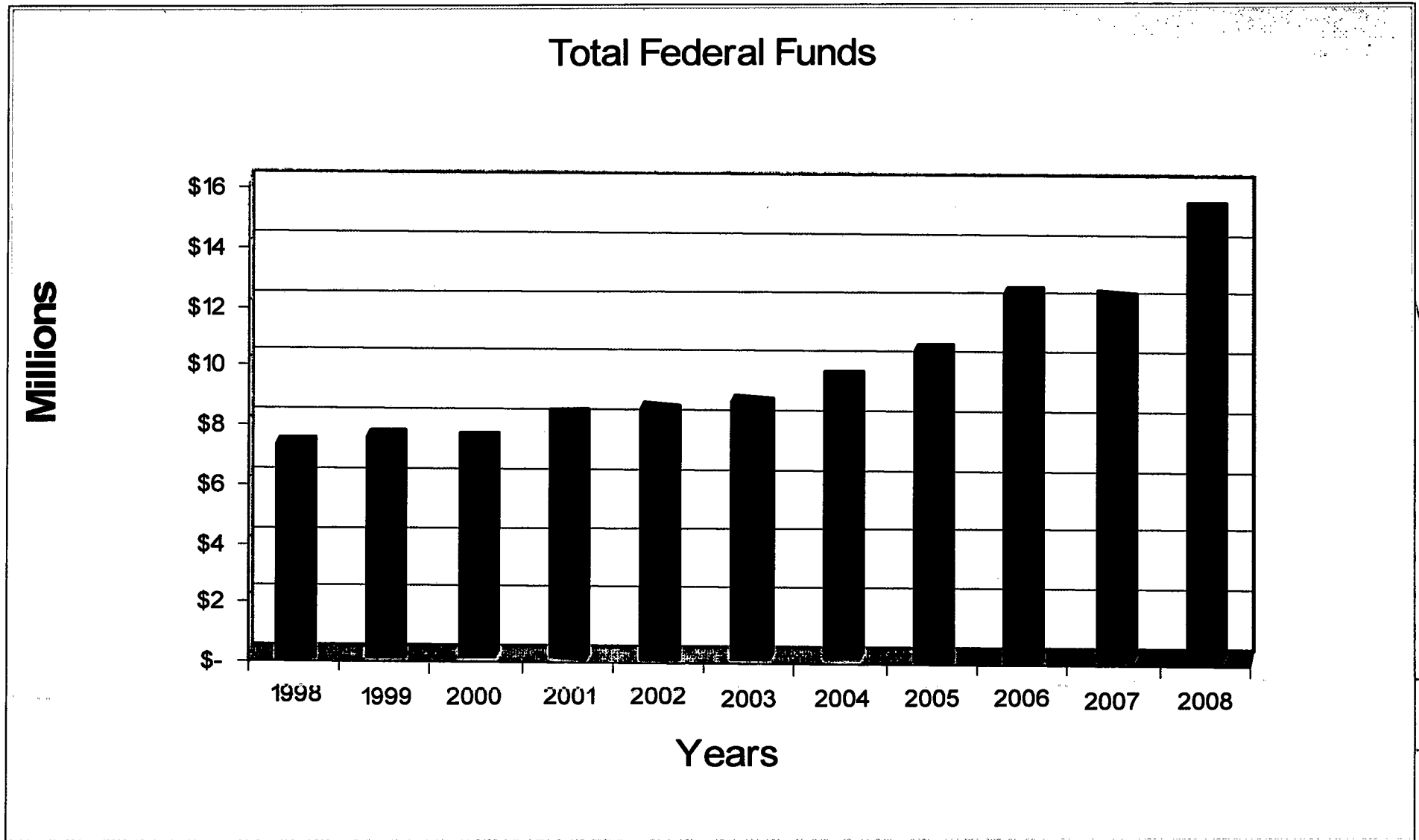
A: Pittman-Robertson Act (1937)

B: Dingell Johnson Act (1950)

2: US Coast Guard Boating Safety Grant (1971)

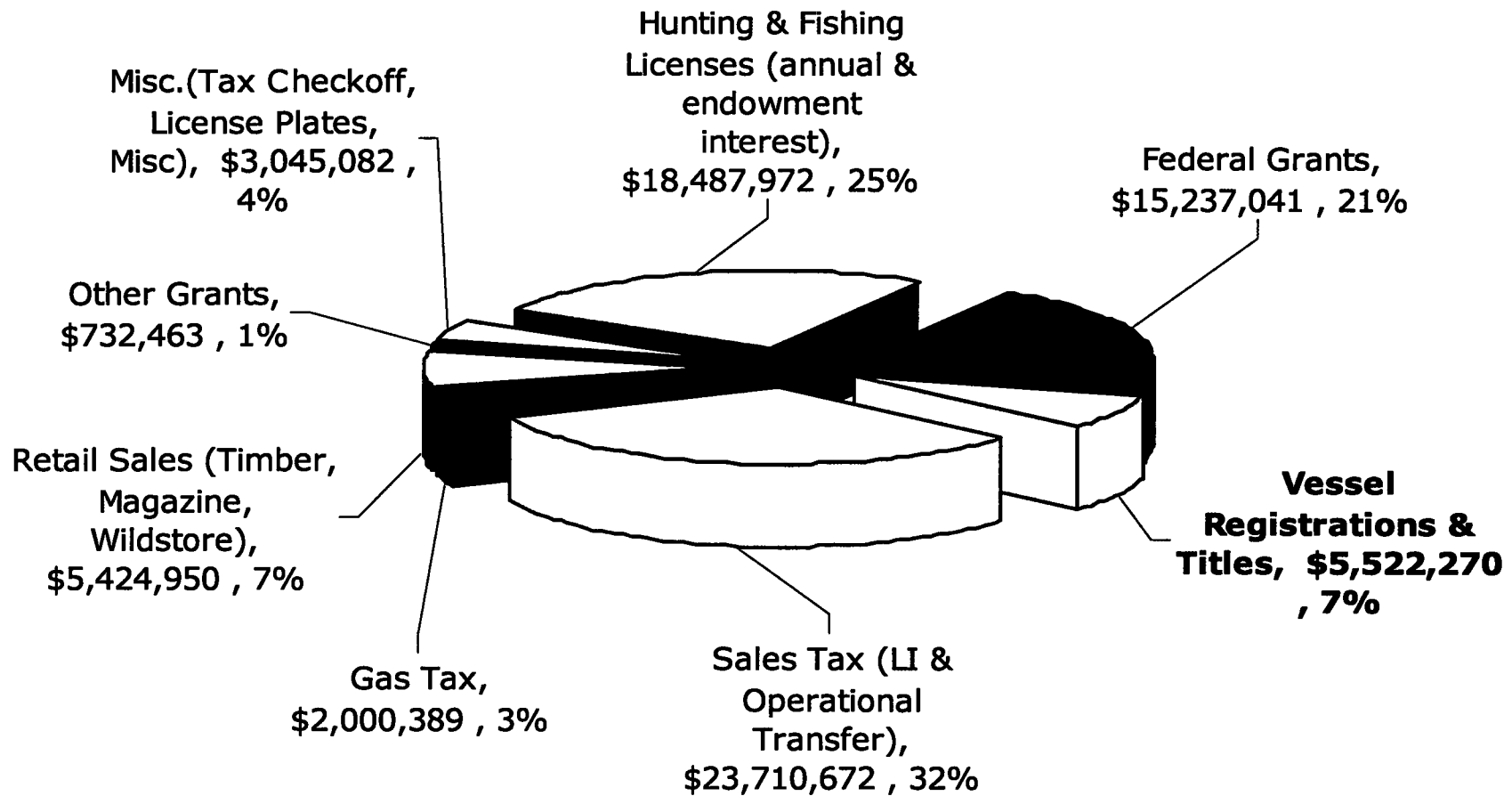


North Carolina Wildlife Resources Commission — Sources of Funding



North Carolina Wildlife Resources Commission — Sources of Funding

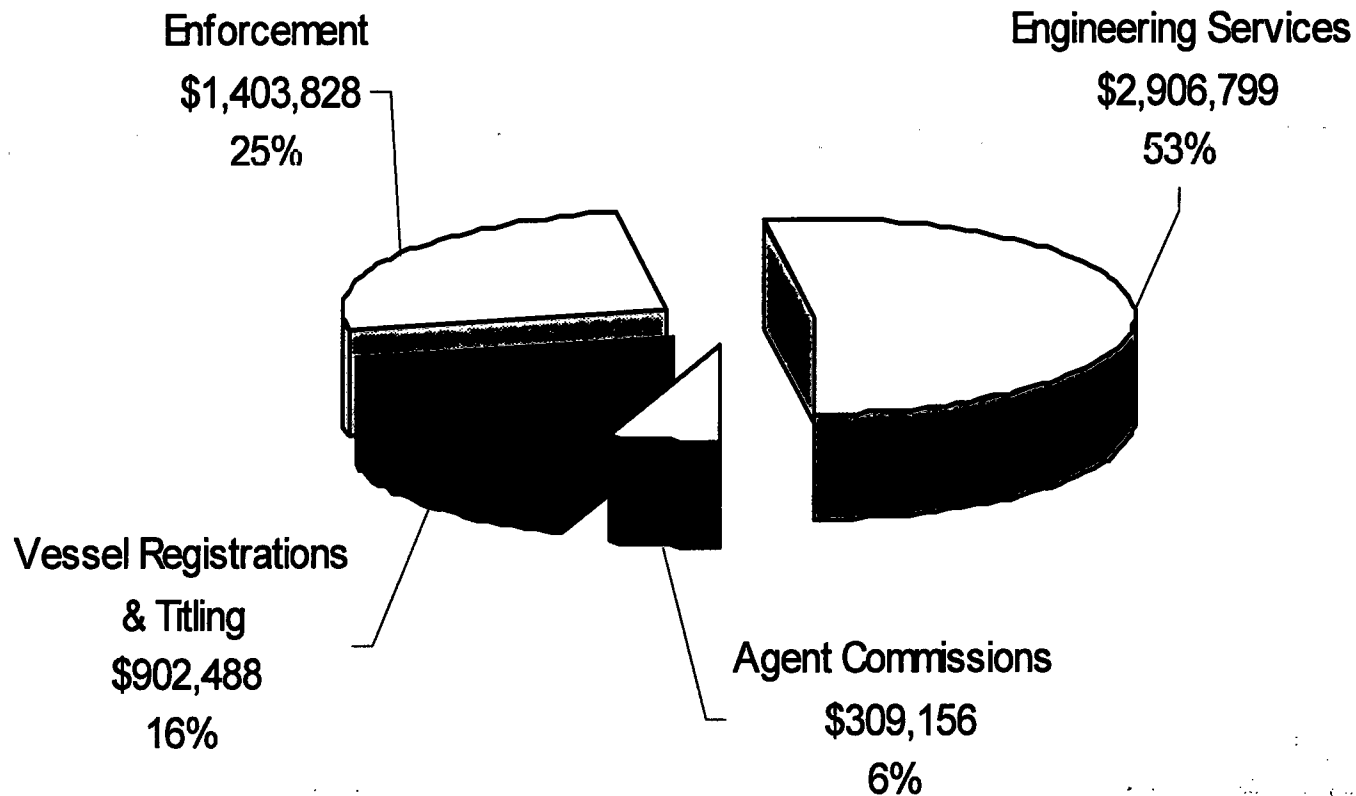
NCWRC FY 2007-2008 Revenues



North Carolina Wildlife Resources Commission — Sources of Funding

Vessel Registrations & Titles

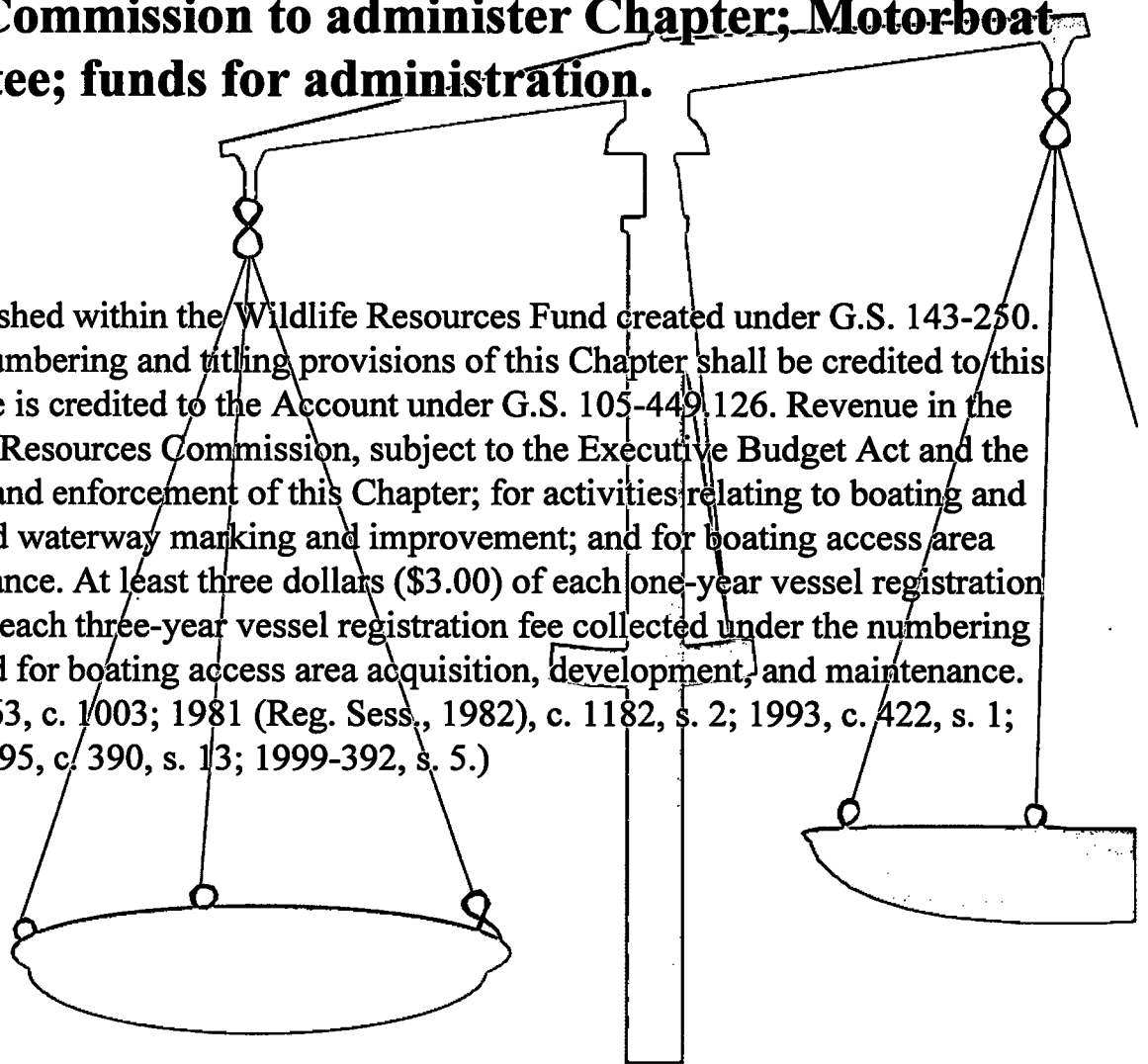
Total 2007-08 = \$5,522,270



North Carolina Wildlife Resources Commission — Sources of Funding

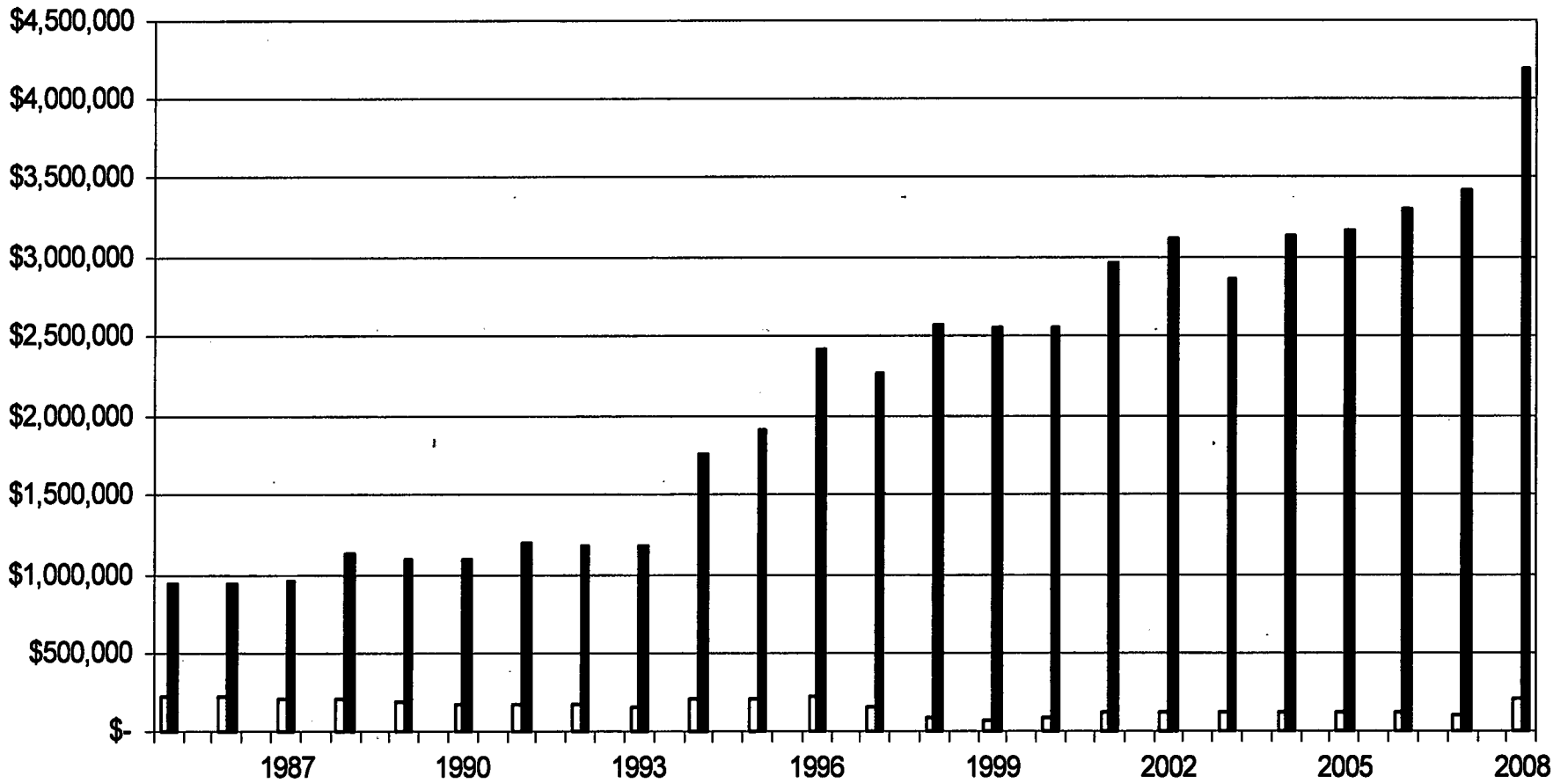
§ 75A-3. Wildlife Resources Commission to administer Chapter; Motorboat Committee; funds for administration.

- (c) The Boating Account is established within the Wildlife Resources Fund created under G.S. 143-250. All moneys collected pursuant to the numbering and titling provisions of this Chapter shall be credited to this Account. Gasoline excise tax revenue is credited to the Account under G.S. 105-449.126. Revenue in the Account shall be used by the Wildlife Resources Commission, subject to the Executive Budget Act and the Personnel Act, for the administration and enforcement of this Chapter; for activities relating to boating and water safety including education and waterway marking and improvement; and for boating access area acquisition, development, and maintenance. At least three dollars (\$3.00) of each one-year vessel registration fee and at least nine dollars (\$9.00) of each three-year vessel registration fee collected under the numbering provisions of G.S. 75A-5 shall be used for boating access area acquisition, development, and maintenance. (1959, c. 1064, s. 3; 1961, c. 644; 1963, c. 1003; 1981 (Reg. Sess., 1982), c. 1182, s. 2; 1993, c. 422, s. 1; 1995, c. 390, s. 13; 1999-392, s. 5.)



North Carolina Wildlife Resources Commission — Sources of Funding

One Yr & Three Yr Vessel Registration Revenue

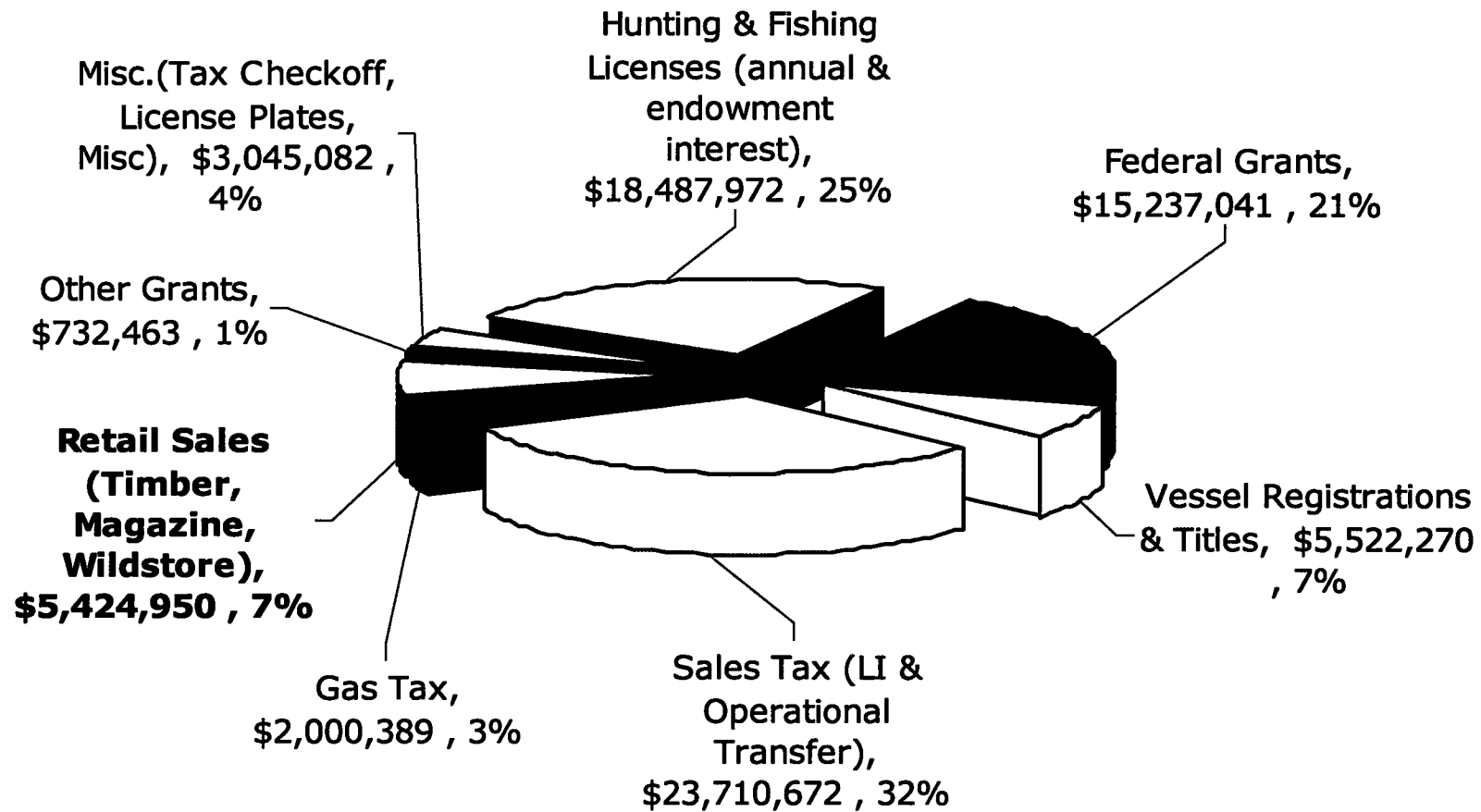


■ Annual Revenue from Three Year Registrations

□ Annual Revenue from One Year Registrations

North Carolina Wildlife Resources Commission — Sources of Funding

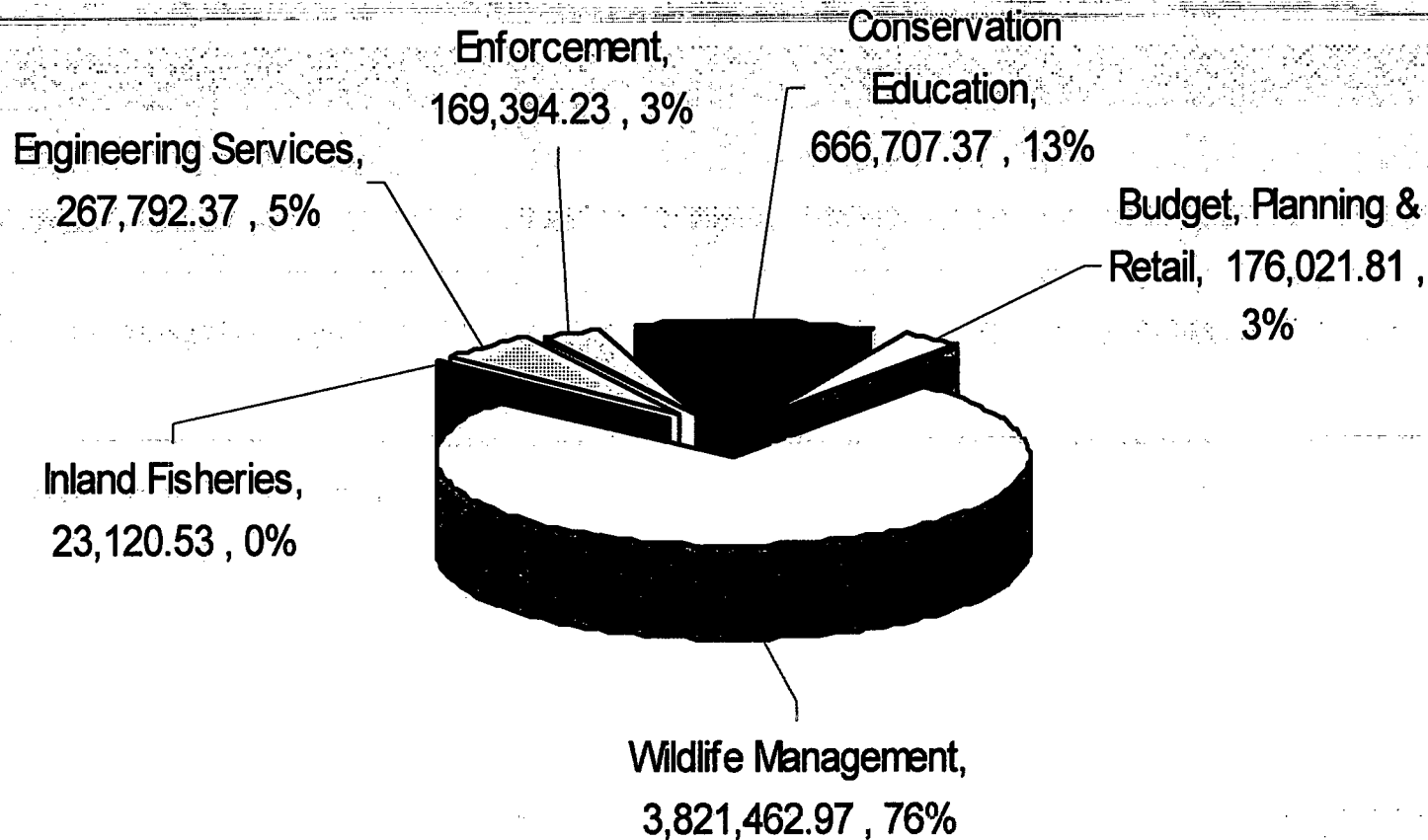
NCWRC FY 2007-2008 Revenues



North Carolina Wildlife Resources Commission — Sources of Funding

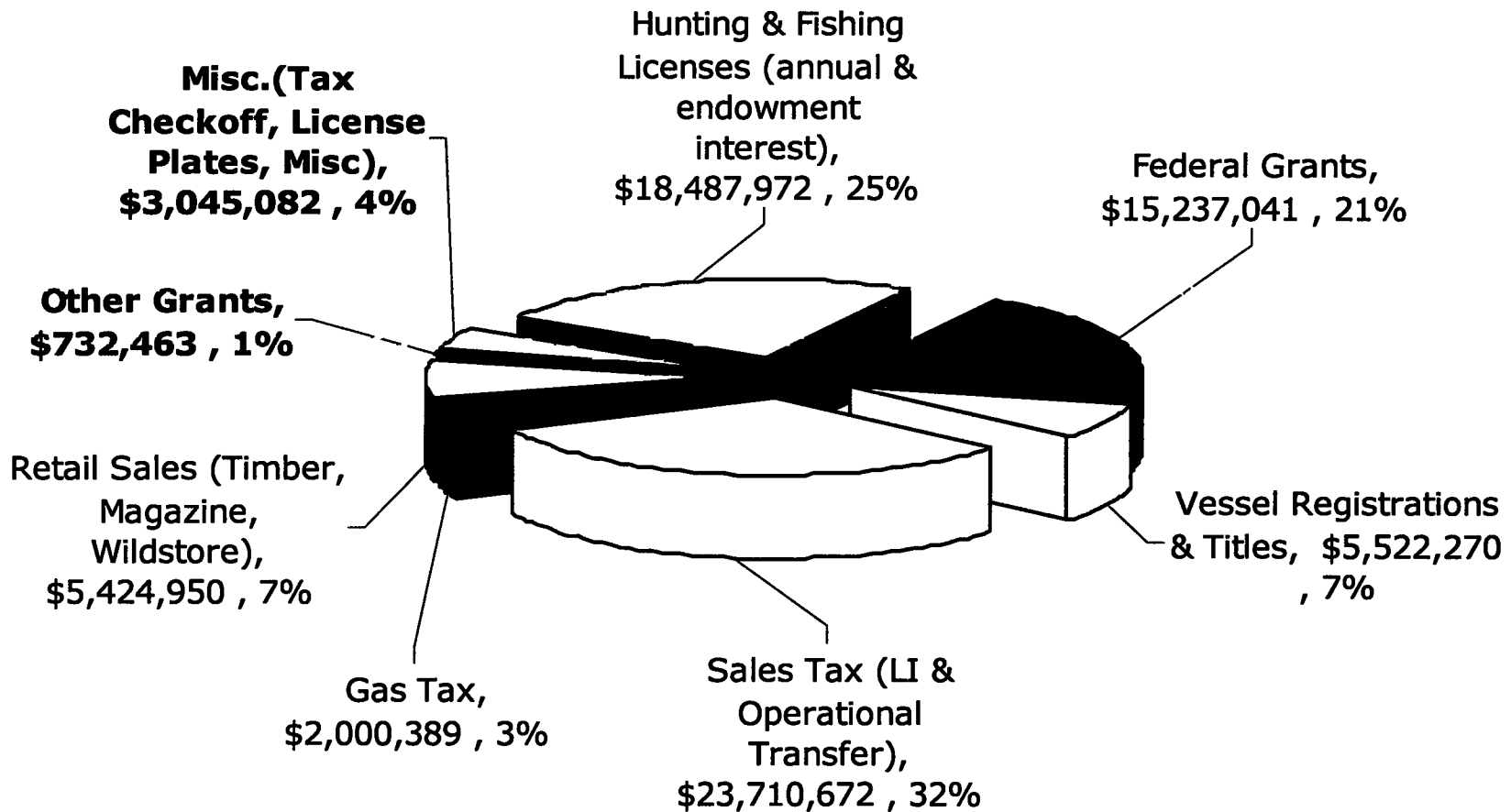
Retail Sales (Timber, Magazine, Wildstore, etc.)

Total 2007-08 = \$5,424,950.10



North Carolina Wildlife Resources Commission — Sources of Funding

NCWRC FY 2007-2008 Revenues



WRC Revenues

Chapter 3: **Sales Tax Transfer from Department of Revenue**

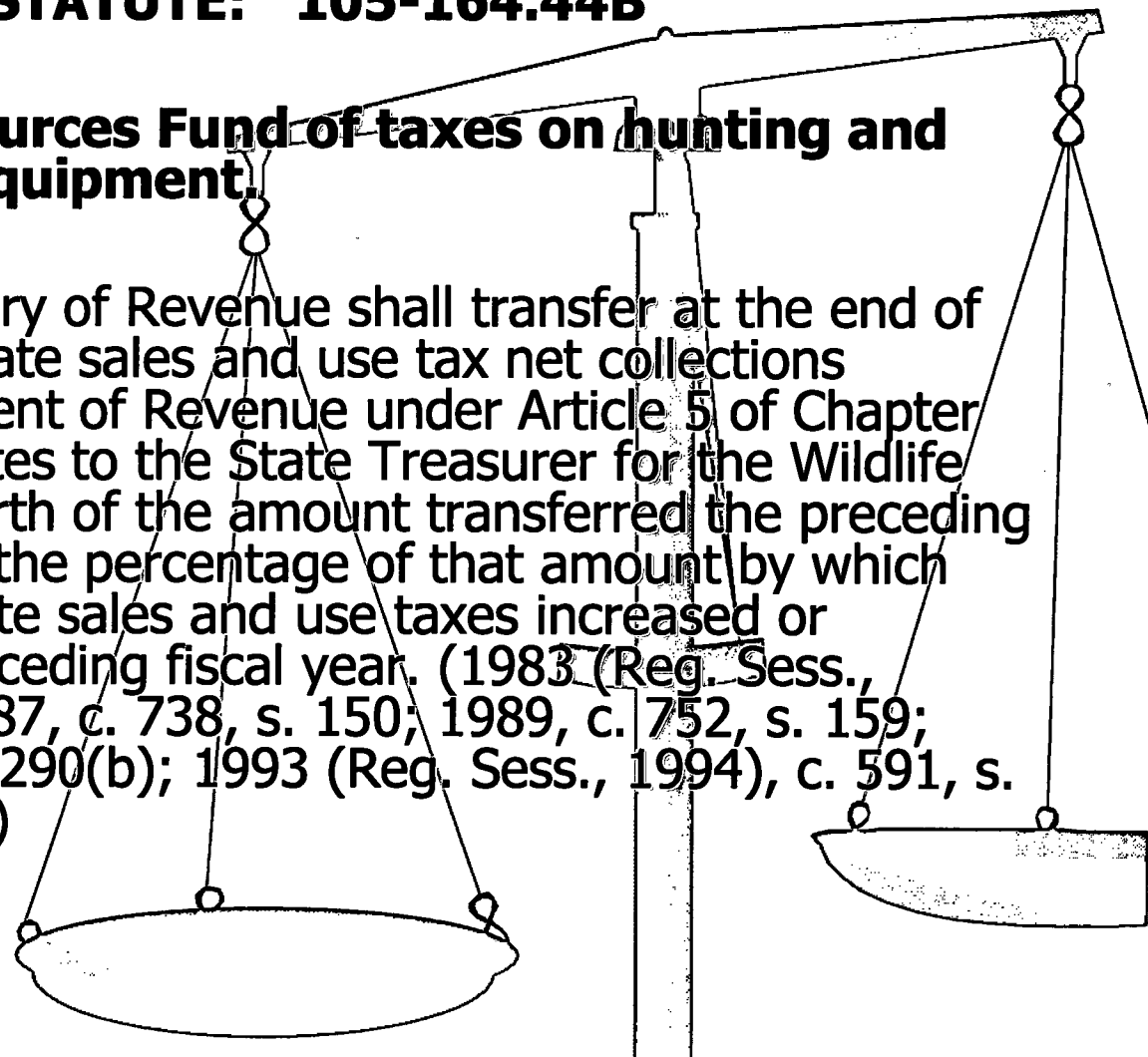


North Carolina Wildlife Resources Commission — A Receipt Supported Agency

GENERAL STATUTE: 105-164.44B

Transfer to Wildlife Resources Fund of taxes on hunting and fishing supplies and equipment.

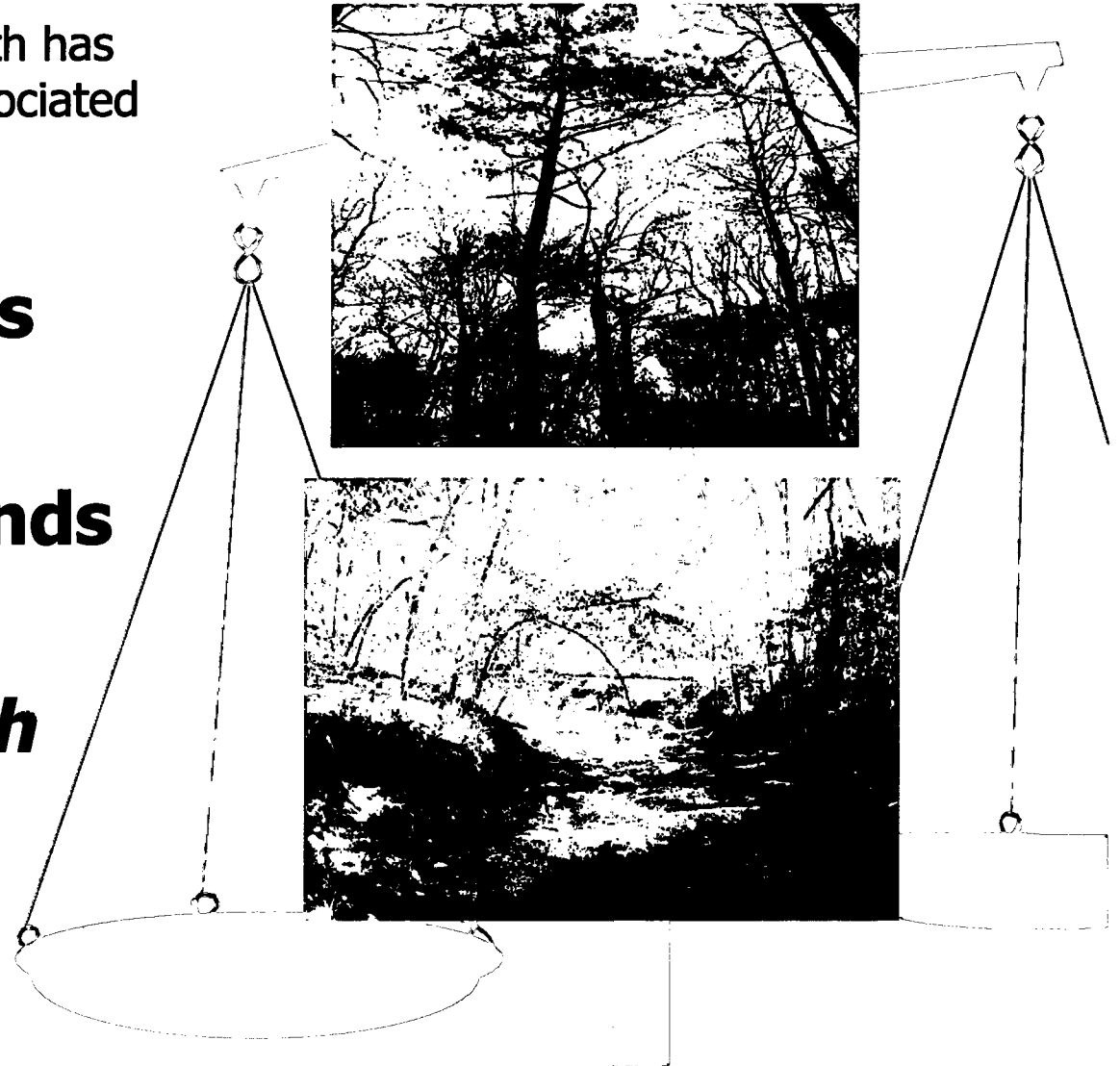
Each fiscal year, the Secretary of Revenue shall transfer at the end of each quarter from the State sales and use tax net collections received by the Department of Revenue under Article 5 of Chapter 105 of the General Statutes to the State Treasurer for the Wildlife Resources Fund, one fourth of the amount transferred the preceding fiscal year plus or minus the percentage of that amount by which the total collection of State sales and use taxes increased or decreased during the preceding fiscal year. (1983 (Reg. Sess., 1984), c. 1116, s. 88; 1987, c. 738, s. 150; 1989, c. 752, s. 159; 1993, c. 321, ss. 290(a), 290(b); 1993 (Reg. Sess., 1994), c. 591, s. 9, c. 769, s. 27.1(a), (b).)



North Carolina Wildlife Resources Commission — A Receipt Supported Agency

Since 1986, the sales tax growth has helped curb rising costs associated with:

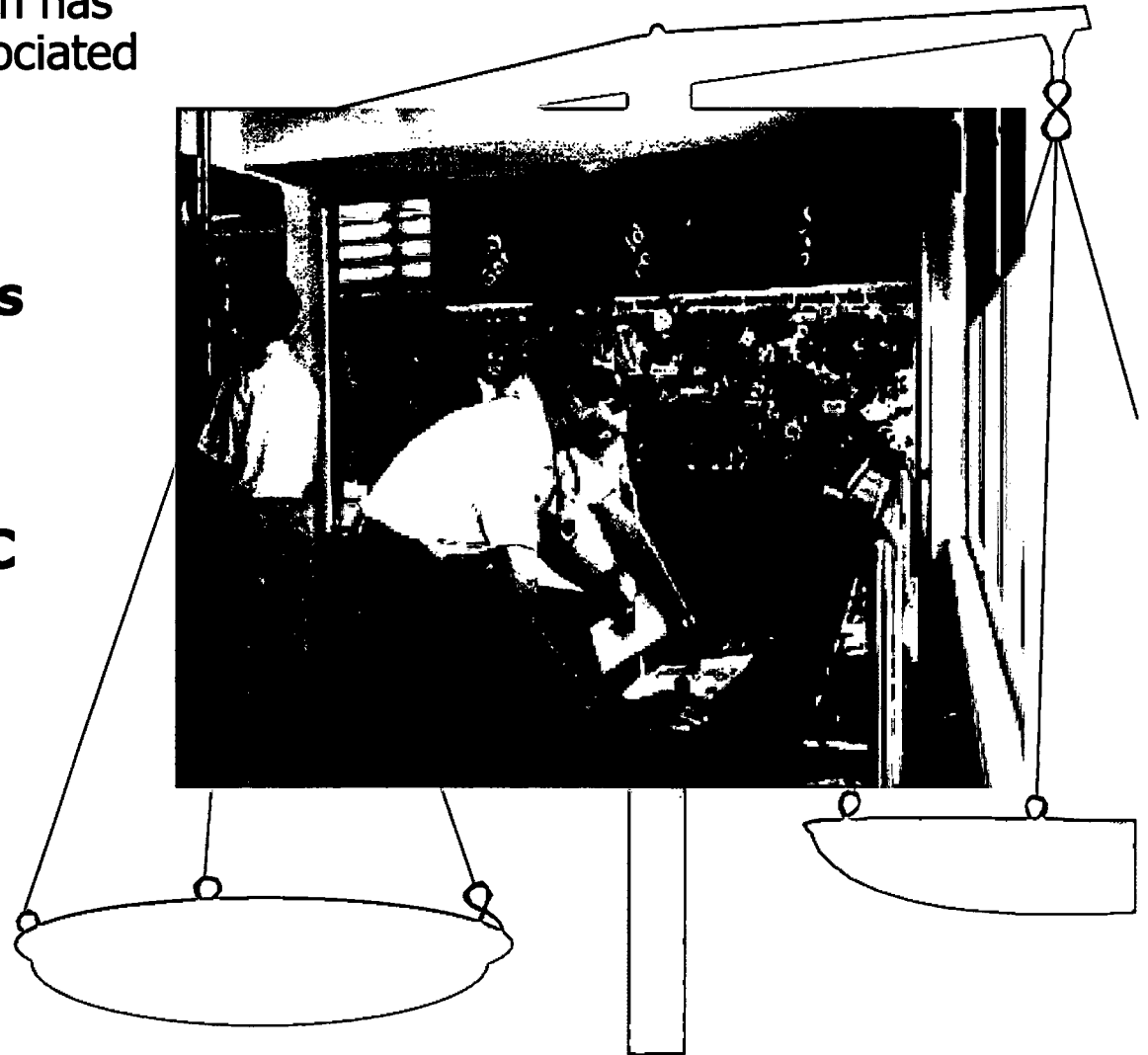
- **Patrolling Duties**
- **Public Game Lands**
- ***Wildlife In North Carolina***



North Carolina Wildlife Resources Commission — A Receipt Supported Agency

Since 1986, the sales tax growth has helped curb rising costs associated with:

- **Free Education Centers**
- **Comprehensive Major Medical Plan (CMMP) benefits to the NCWRC employees**
- **Other Programs**

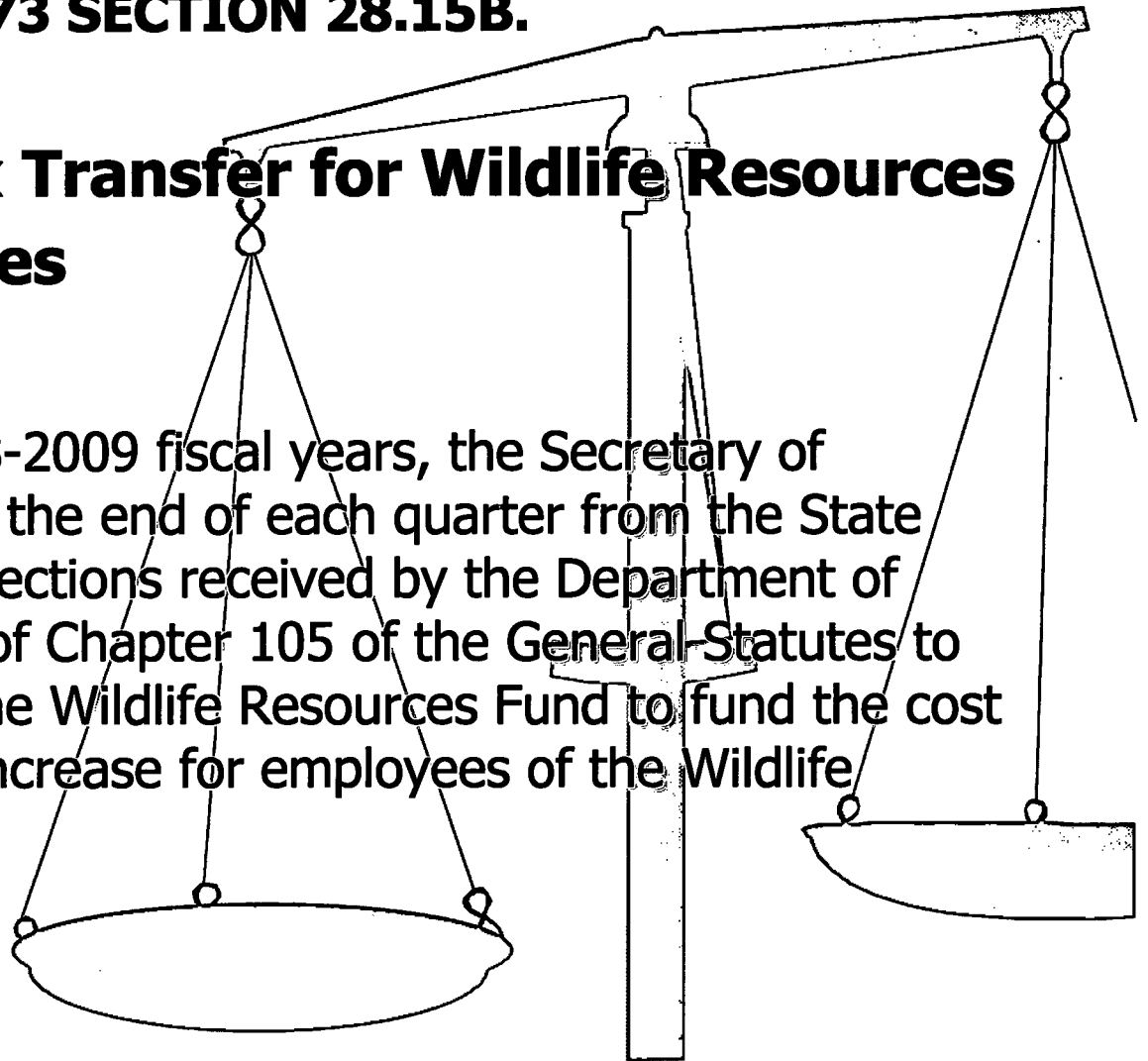


North Carolina Wildlife Resources Commission — A Receipt Supported Agency

HB 1473 SECTION 28.15B.

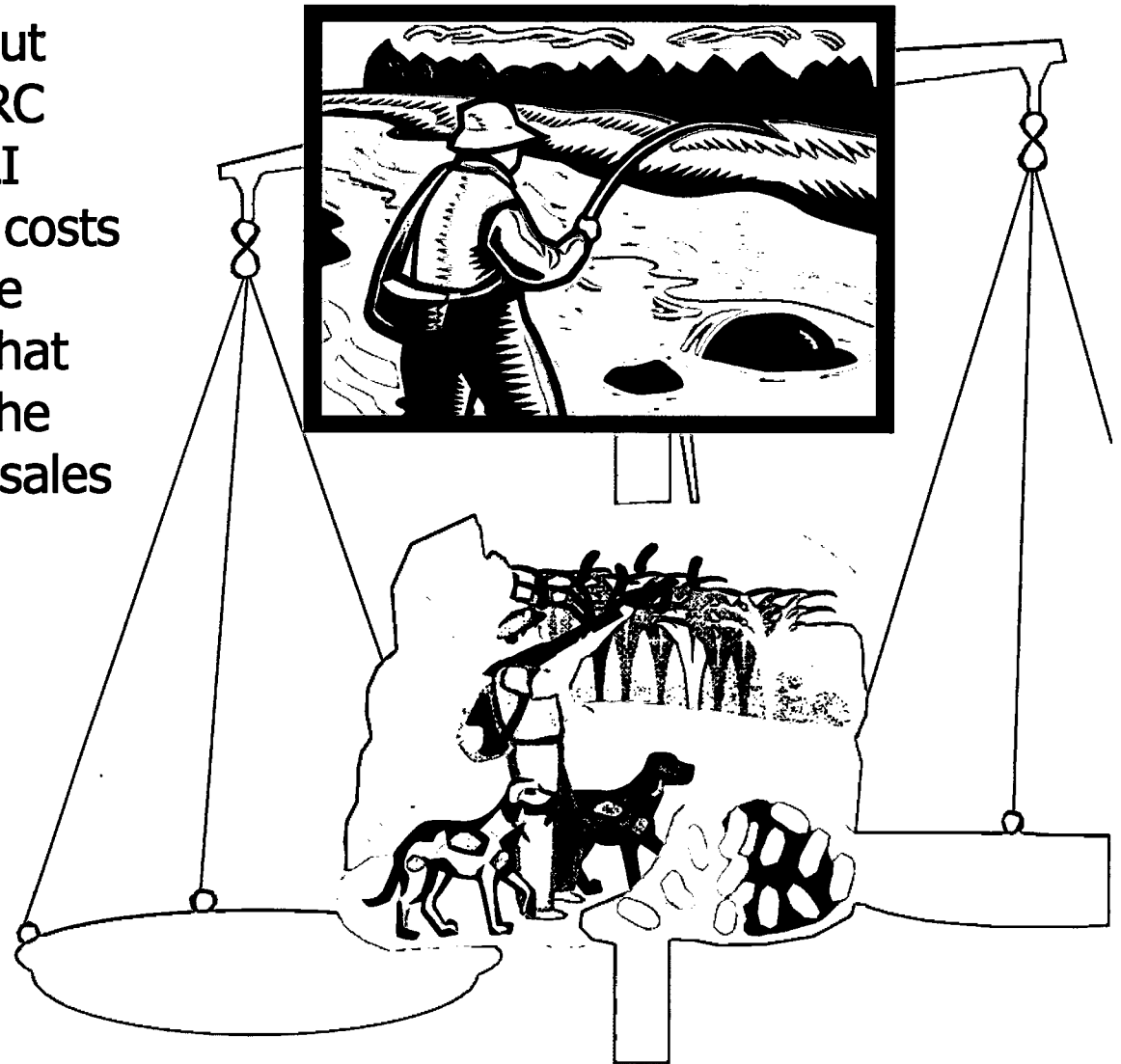
Temporary Sales Tax Transfer for Wildlife Resources Commission Salaries

For the 2007-2008 and 2008-2009 fiscal years, the Secretary of Revenue shall transfer at the end of each quarter from the State sales and use tax net collections received by the Department of Revenue under Article 5 of Chapter 105 of the General Statutes to the State Treasurer for the Wildlife Resources Fund to fund the cost of any legislative salary increase for employees of the Wildlife Resources Commission.



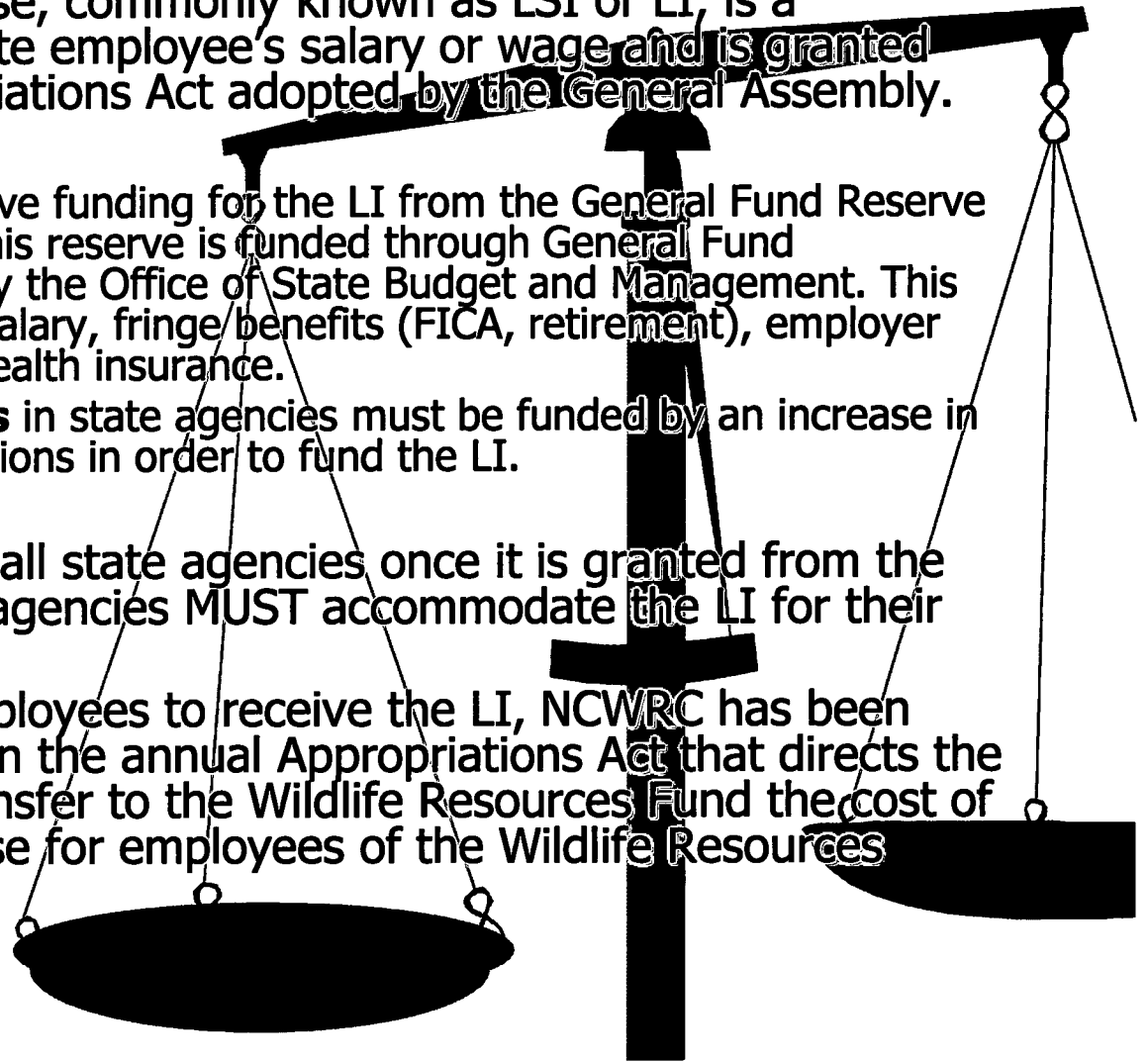
North Carolina Wildlife Resources Commission — A Receipt Supported Agency

- This legislation came about when, in 1995, the NCWRC endeavored to cover all LI increases and associated costs with an increase in license fees. The legislature, at that time, decided to handle the increase with a one time sales tax transfer which has continued as a special provision in the annual Appropriations Act.



North Carolina Wildlife Resources Commission — A Receipt Supported Agency

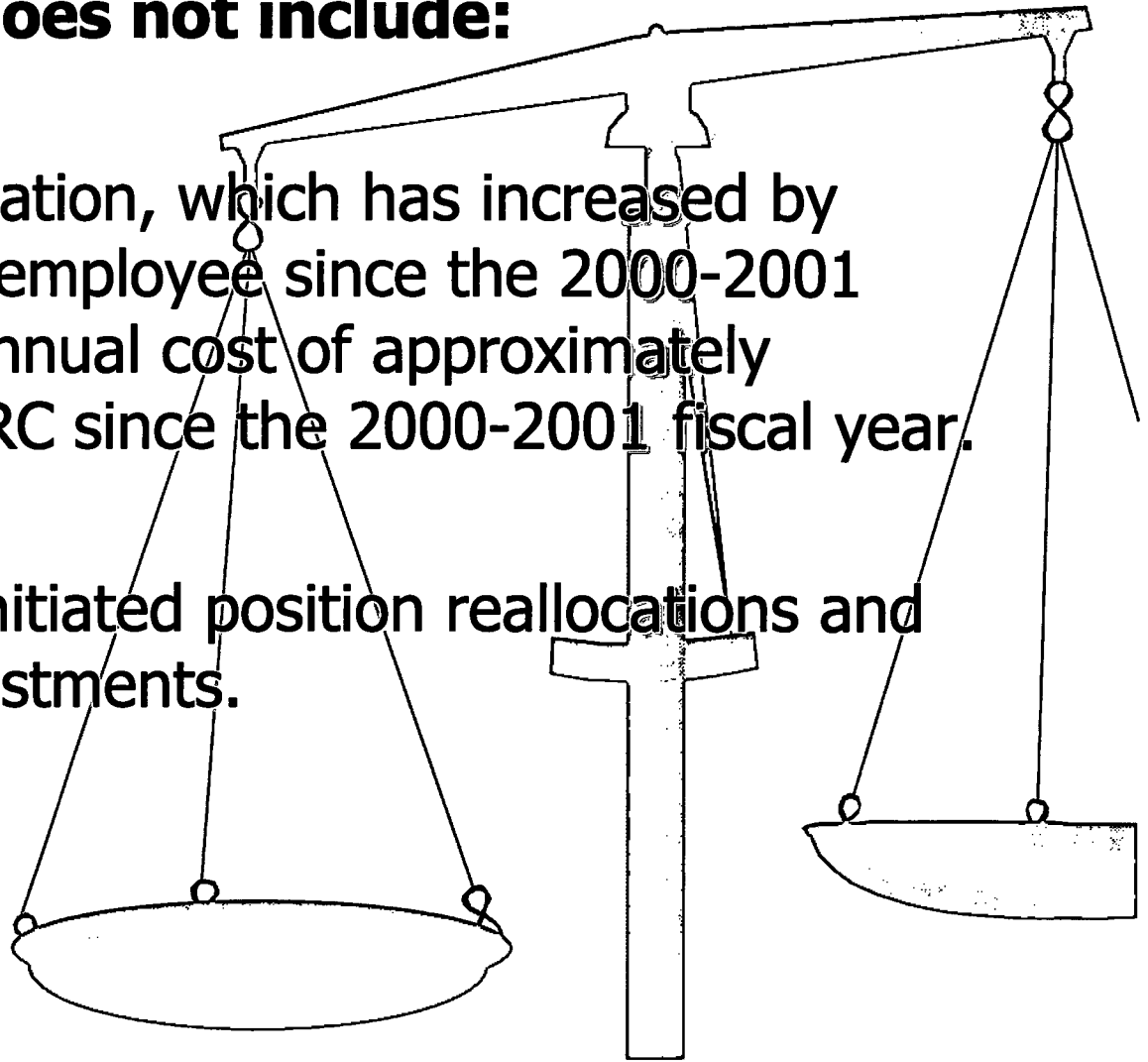
- The legislative salary increase, commonly known as LSI or LI, is a permanent increase in a state employee's salary or wage and is granted through the annual Appropriations Act adopted by the General Assembly.
- 1. **Appropriated positions** receive funding for the LI from the General Fund Reserve for Compensation Increases. This reserve is funded through General Fund appropriations and controlled by the Office of State Budget and Management. This reserve covers the increase in salary, fringe benefits (FICA, retirement), employer retirement contributions, and health insurance.
- 2. **Receipt-supported positions** in state agencies must be funded by an increase in receipts or a decrease in operations in order to fund the LI.
- The LI is NOT an option for all state agencies once it is granted from the general assembly. All state agencies MUST accommodate the LI for their employees.
- In order for the NCWRC employees to receive the LI, NCWRC has been granted a special provision in the annual Appropriations Act that directs the Secretary of Revenue to transfer to the Wildlife Resources Fund the cost of any legislative salary increase for employees of the Wildlife Resources Commission.



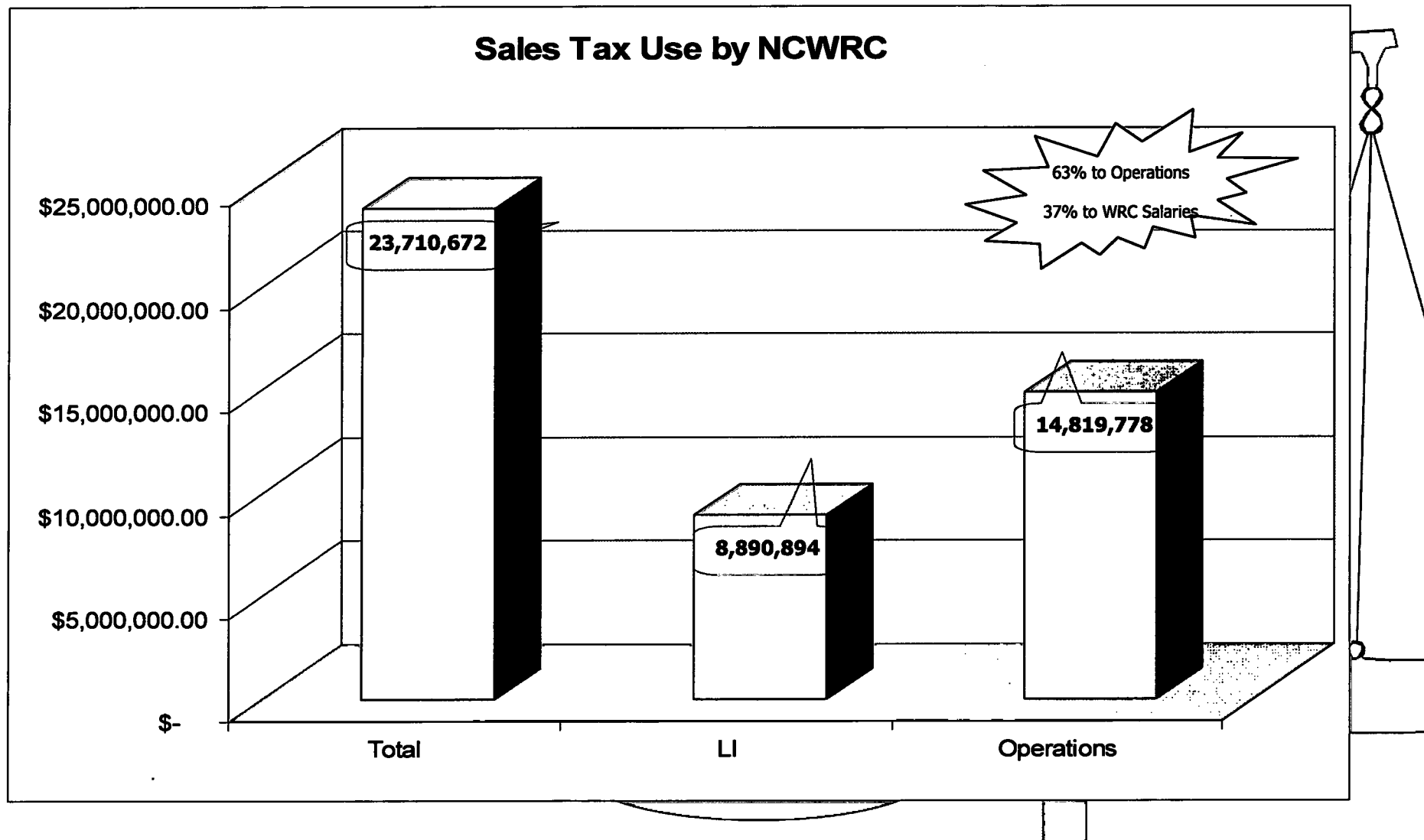
North Carolina Wildlife Resources Commission — A Receipt Supported Agency

The sales tax transfer **does not include:**

- The cost of hospitalization, which has increased by 147% or \$2,557 per employee since the 2000-2001 fiscal year, with an annual cost of approximately \$1,250,000 for NCWRC since the 2000-2001 fiscal year.
- The cost of agency-initiated position reallocations and employee salary adjustments.



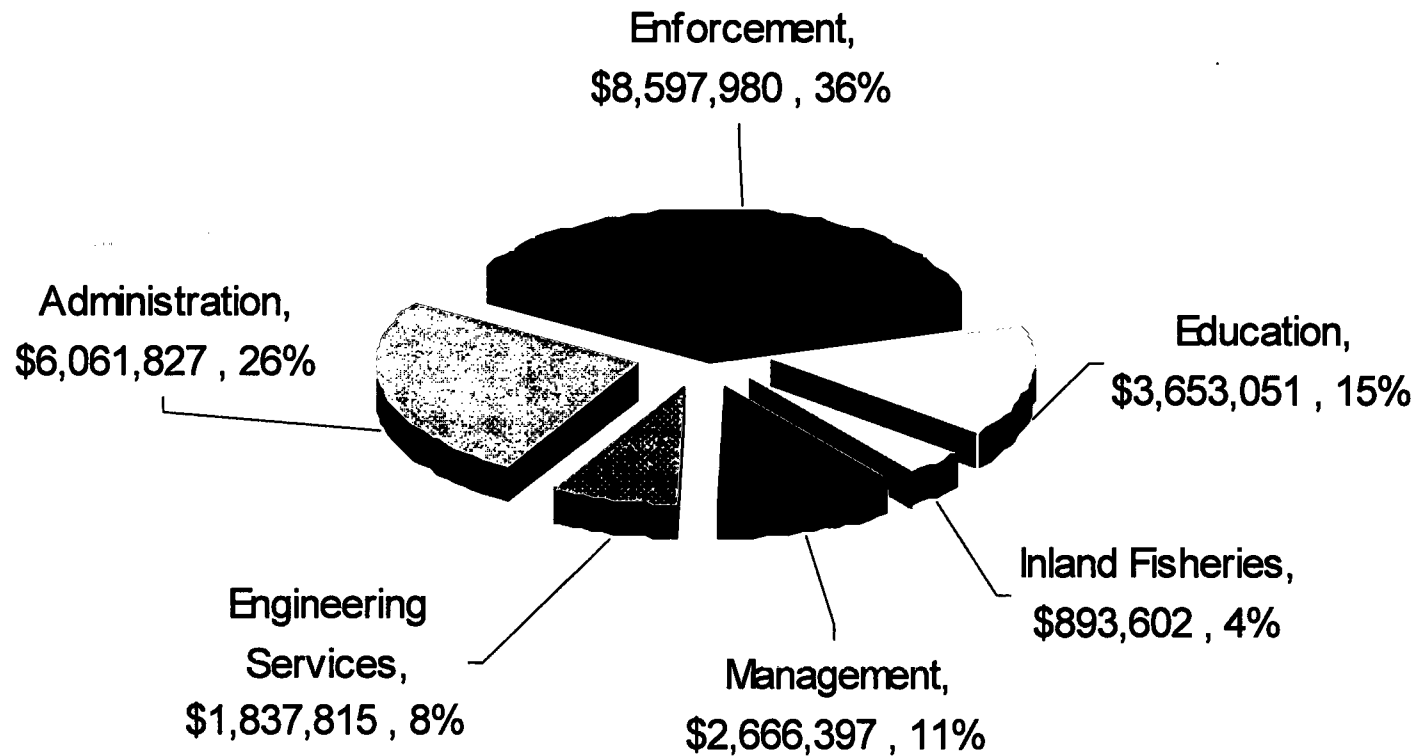
North Carolina Wildlife Resources Commission — A Receipt Supported Agency



North Carolina Wildlife Resources Commission — Sources of Funding

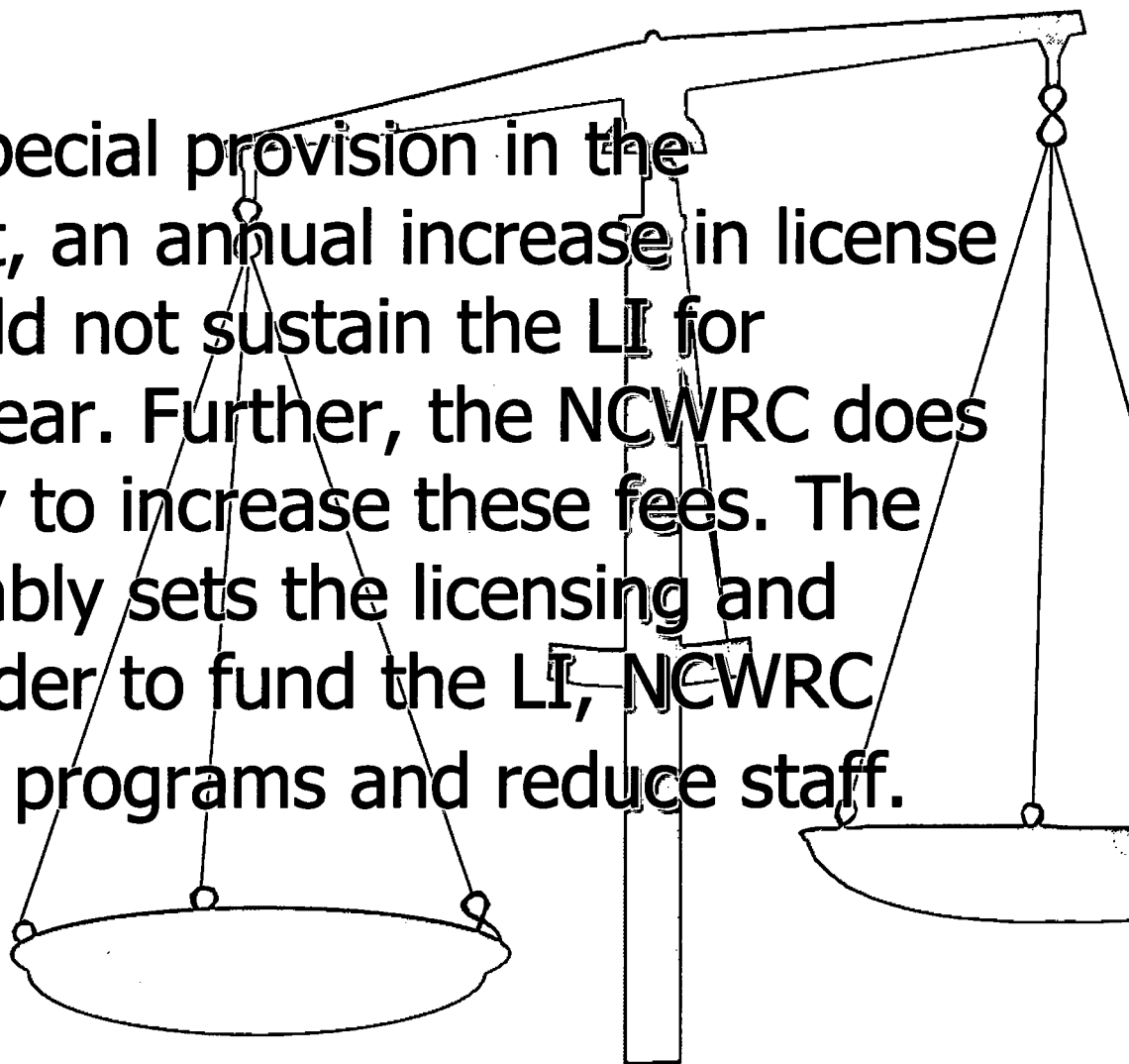
Sales Tax Distribution by Division

Total 2007-2008 = \$23,710,672



North Carolina Wildlife Resources Commission — A Receipt Supported Agency

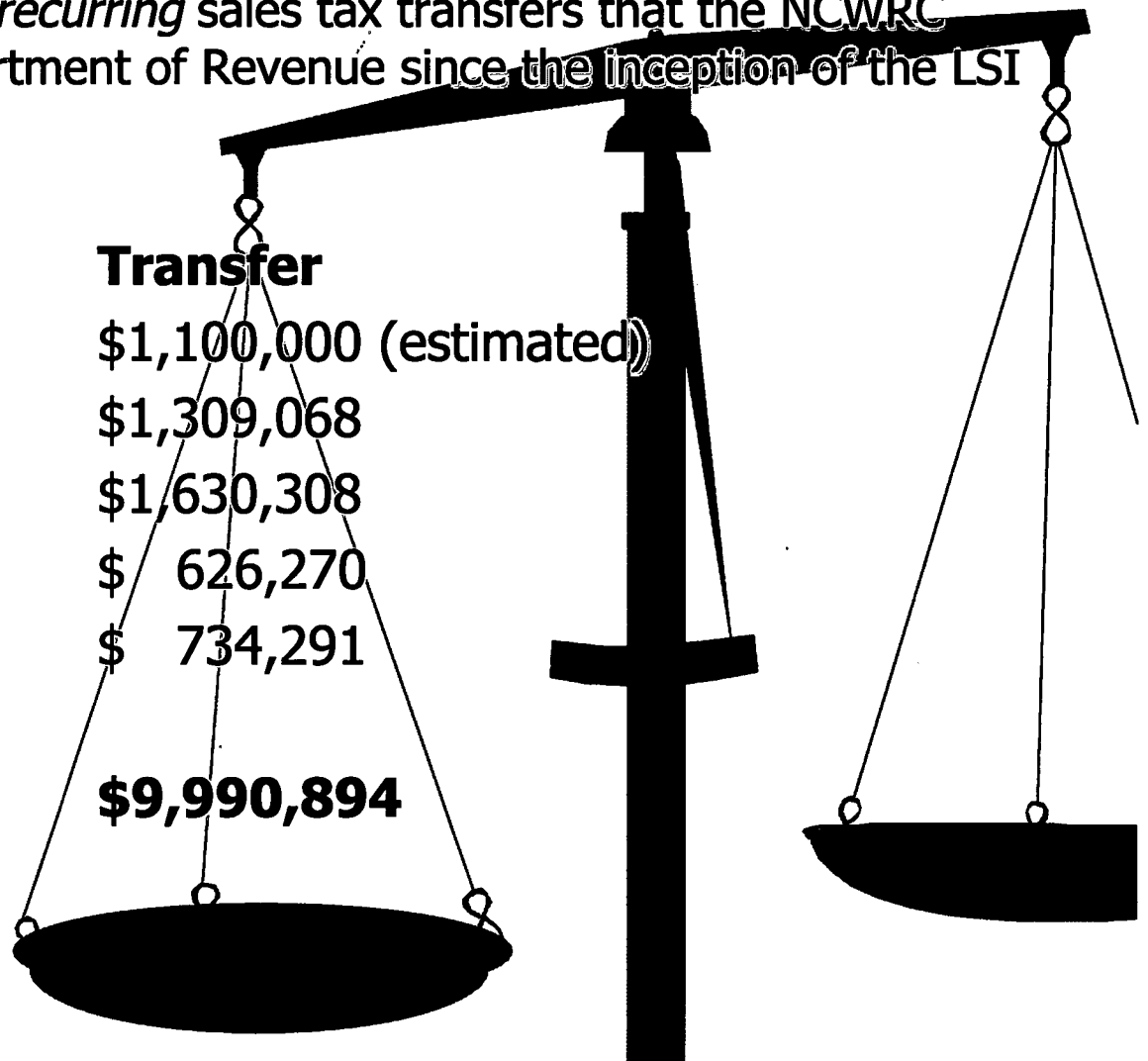
Without the LSI special provision in the Appropriations Act, an annual increase in license or vessel fees could not sustain the LI for employees each year. Further, the NCWRC does not have authority to increase these fees. The NC General Assembly sets the licensing and vessel fees. In order to fund the LI, NCWRC would have to cut programs and reduce staff.



North Carolina Wildlife Resources Commission — A Receipt Supported Agency

- Below is a partial list of the *recurring* sales tax transfers that the NCWRC has received from the Department of Revenue since the inception of the LSI special provision:

Fiscal Year	LSI %	Transfer
2009	2.75%	\$1,100,000 (estimated)
2008	4%	\$1,309,068
2007	5.5%	\$1,630,308
2006	2%	\$ 626,270
2005	2.5%	\$ 734,291
2004 – 2002	No LI	
Total Since 1995		\$9,990,894



Mission

The mission of the North Carolina Association of Community Development Corporations (NCACDC) is to strengthen the NC economy, and build a better tomorrow for all North Carolinians by enhancing community development corporations (CDCs) as they build prosperous communities. Today our state is experiencing extraordinary economic challenges with rising unemployment; unprecedented home foreclosures and tightening credit markets; we are again in place and responding connecting our CDC infrastructure, rich in human capital and relevant expertise, to available public and private resources aimed at economic recovery.

Goals

After 20 years of service, NCACDC continues its commitment to "The Power of Putting People First" an initiative that seeks to connect people to opportunities thereby creating positive, transformative change in the lives of North Carolina families, the communities in which they live and the systems which govern their daily living. No one organization, company or government entity can fully meet the challenges of economic recovery facing our state. Working together we can stabilize our eroding tax base; create and maintain jobs, while promoting a healthy and vibrant economic future for all North Carolinians.

Funding Priorities

NC's recovery efforts will take several years. Therefore, NCACDC has established a 5-year set of programmatic priorities that will help lead the community economic development industry through this period.



The Association would use the 2009 requested appropriation of \$500,000 for the purpose of strengthening the State's economy through community-based development activities, including enhancing the work of community development corporations in building prosperous communities.

Neighborhood Stabilization:

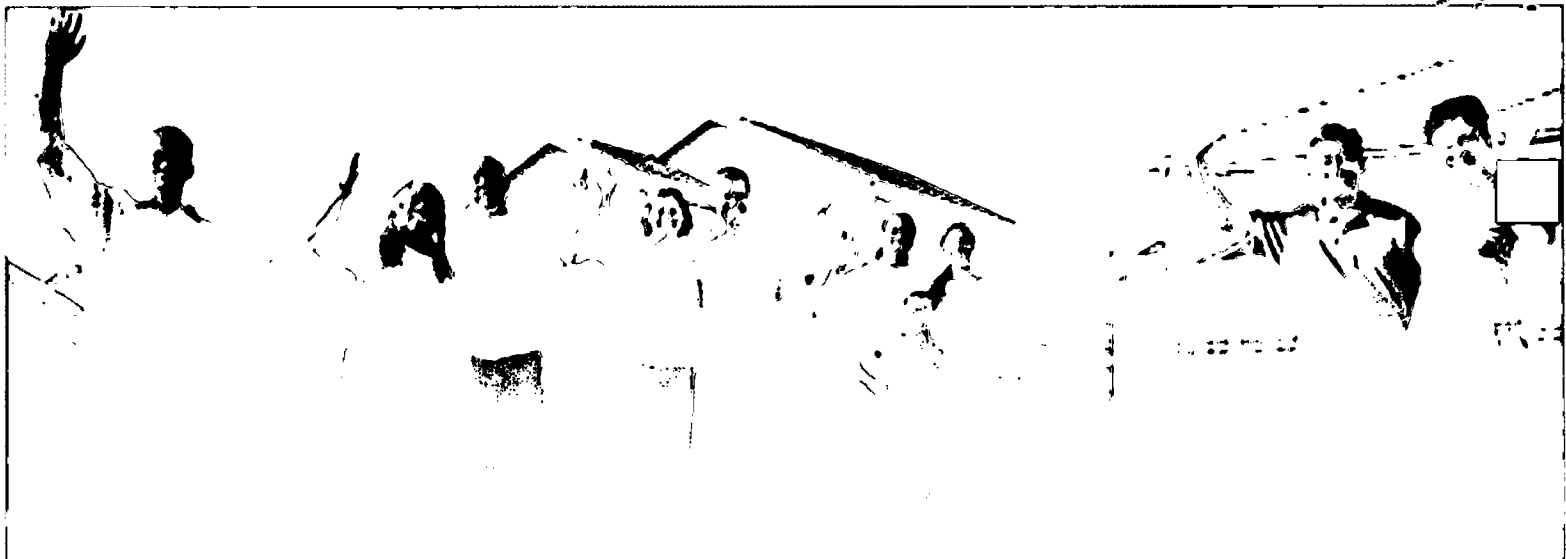
- **Foreclosure Mitigation** – advocacy, training and expansion of the existing pool of certified housing counselors to provide consistent, high quality services to families that are expected to face foreclosure over the next several years.
- **Community Recovery** – provide training in compliance and assessment; streamlined REO property transfer processes; a comprehensive approach to neighborhood stabilization and enhance the engagement of CDCs in delivering community re-development services.
- **Capacity Building: Green Economy/Green Housing** – promote training, technical assistance and best practices to an integrated green building system and energy savings; use of green audits to evaluate property improvements; integrated design charrette grants for green development planning; approaches for green consumer education; and strategies for negotiating green apprenticeships and green collar jobs for neighborhood residents.

Assessment and Accountability:

- **Outcome Assessment** – expand existing CDC outcome assessment pilot, provide direct training and coaching, facilitating access to the web-based data system of national partner, NeighborWorks America; promote and field test outcome indicators for assessing housing counseling services.
- **Compliance and Financial Stewardship** – provide training and technical assistance to support NC CDCs employing best practices in the areas of programmatic & financial compliance, effective board governance and other unique services.

Innovation, Research and Development:

- **2009 Western, NC Workforce Housing Study** – action research looking at the impacts of a lack of affordable housing opportunities on local economies, protection of the natural environment, transportation costs and family self-sufficiency.



Funding Priorities

NCACDC, in carrying out its mission, focuses on providing support and professional development to the people that lead and do the work of local CDCs. Over the last 3 to 4 years, NCACDC has:

- ◆ Delivered more than 2,000 total hours of one-on-one technical assistance;
- ◆ Facilitated more than 1,000 total hours of expert/specialized consultation;
- ◆ Offered 160 total hours of professional development;
- ◆ Trained over 1,000 individuals, representing more than 50 non-profit organizations;
- ◆ Provided more than 75 total hours of board development;
- ◆ Offered 236 hours of comprehensive development training through our CED Studies Academy, resulting in the award of 54 hours of portable college credits towards a masters degree in community economic development from Southern New Hampshire University;
- ◆ Facilitated the award of 240 hours of CLE credits;
- ◆ Mobilized more than 1,000 individuals to advocate for CED and other identified issues of importance, representing more than 96 organizations.

NCACDC also leads and advocates for an industry that is effective, efficient and innovative, thusly increasing the public confidence in and support for CDCs. The following has been accomplished in this area over the last 3 years:

- ◆ Established 3 model policies and/or best practices garnering support and adoption by more than 50% of its membership;
- ◆ Commissioned, published and/or conducted 4 academic studies, papers or surveys relevant to trends and/or innovation in CED;
- ◆ Added or Enhanced 38 partnerships and collaborative relationships of leverage;
- ◆ Attracted \$16M of support for the general operations of CDCs, while leveraging another \$2M for individual projects.

Lastly, NCACDC serves as a catalyst for ensuring improved external systems and environments that are favorable to CDCs and their role in community economic development. Some examples of accomplishments in this area are:

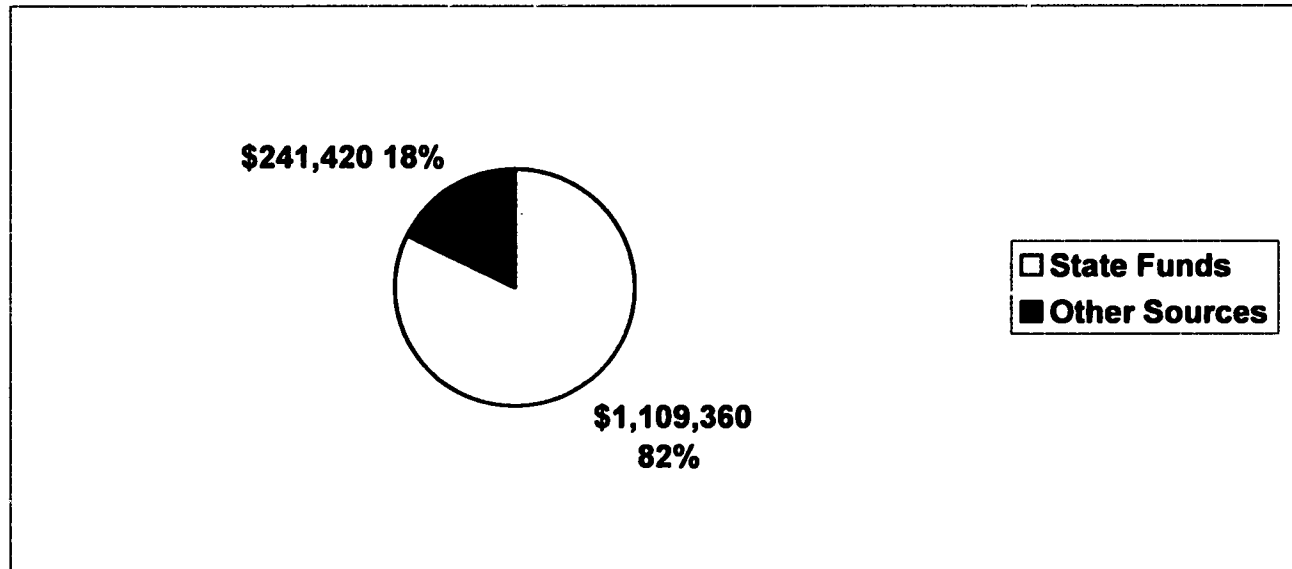
- ◆ Increased awareness of or influenced the language of 5 state or local policies;
- ◆ Advocated successfully for creation or change of more than 15 state or local policies/programs;
- ◆ Accepted more than 55 requests for speaking engagements, peer work group involvement and/or national appointments.

Contact Information

Susan Perry Cole ▪ North Carolina Association of CDCs ▪ 3109 Poplarwood Court, Suite 209 ▪ Raleigh, NC 27604
919-831-9710 ▪ cigram@ncacdc.org ▪ www.ncacdc.org

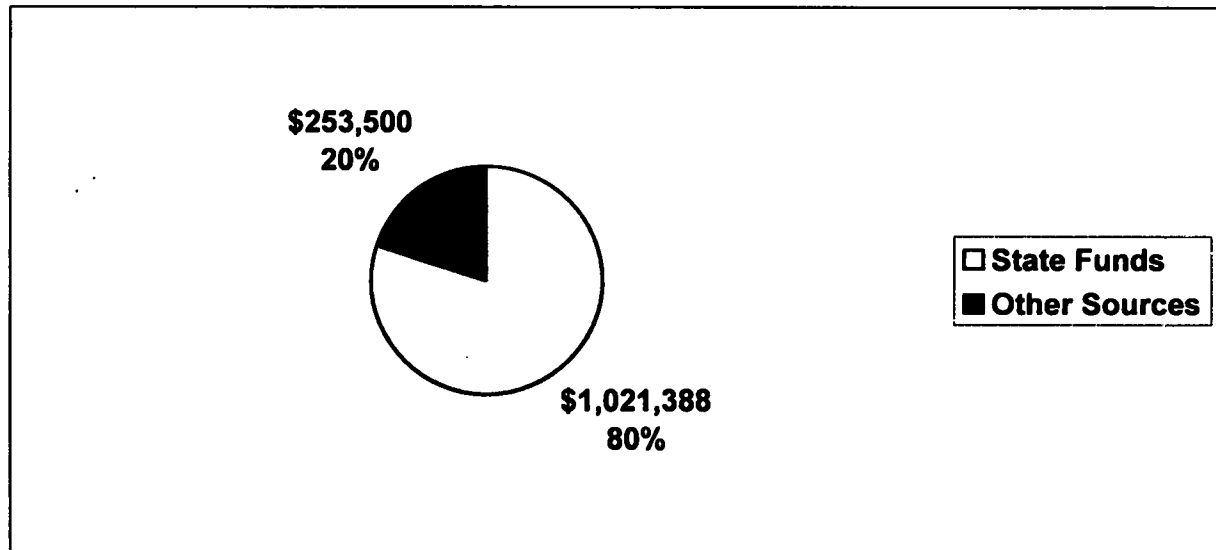
NC Association CDC's
Statement of Functional Expenses
July 2007 through June 2008

	DOC				Other Sources				TOTAL			
Revenue	1,109,360.00				241,420.08				1,350,780.08			
	Total	Program Services	Mgmt & General	% M&G	Total	Program Services	Mgmt & General	% M&G	Total	Program Services	Mgmt & General	% M&G
Total Expense	1,109,360.00	995,585.81	113,774.19	10.26%	310,683.10	220,721.35	89,961.75	28.96%	1,420,043.10	1,216,307.16	203,735.94	14.35%



NC Association CDC's
Statement of Functional Expenses (Projected)
July 2008 through June 2009

	DOC				Other Sources				TOTAL			
Revenue	1,021,388.00				253,500.00				1,274,888.00			
	Total	Program Services	Mgmt & General	% M&G	Total	Program Services	Mgmt & General	% M&G	Total	Program Services	Mgmt & General	% M&G
Total Expense	1,021,388.00	912,039.09	109,348.91	10.71%	253,500.00	231,811.50	21,688.50	8.56%	1,274,888.00	1,143,850.59	131,037.41	10.28%



Land Loss Prevention Project

Legal Assistance: Selected Case Summaries

The following summaries present a sample of the cases/matters handled by the LLPP staff:

- In October 2007, a Granville County couple successfully completed their Chapter 13 plan with a five-year payout provision, allowing them to save their home on which they had fallen behind on their mortgage payments. This concluded a multi-year effort by the LLPP to preserve their residence which had a market value at the time of the initial filing of \$69,800.
- In December 2007, the LLPP, following significant, multi-year advocacy on behalf of a Warren County farmer, gained a positive decision from the Office of the Monitor in the client's *Pigford* lender discrimination matter. The Monitor denied the USDA's request for reexamination of the prior, favorable Arbitrator's Decision, and upheld the award of \$651,903 in economic damages to the farmer in a final, unappealable decision.
- Through all of 2007 and up to June 2008, the Land Loss Prevention Project represented married Nash County farmers in a National Appeals Division case challenging the Farm Service Agency's decision to accelerate their loans. The couple had tried to apply for loan servicing but FSA rejected their application on the grounds that their application was incomplete. However, there were alleged deficiencies with FSA's provision of required technical assistance. The case settled at mediation with an agreement that the clients would provide certain material, and the FSA would then process the clients' application for loan servicing. This has occurred and the clients have obtained a loan write-down of \$34,845.83. More importantly, the FSA has rescinded its notice of acceleration of the

clients' other debt, totaling \$479,445.05, and restructured the loans. The clients have avoided the loss of their farm.

- Prior to seeking the LLPP's services, a woman in Orange County was engaged in a dispute with a service organization which assists individuals in pursuing home ownership following the construction of the residence. The LLPP was successful in clarifying the terms of the arrangement, negotiating on behalf of the client, and collaborating with all parties to resolve the financial challenges faced by the client and to allow a successful transition by the client into her new home in August 2008.
- A Martin County farmer of longstanding was able to keep threatened land in the family through the Litigation Unit's advocacy with the Farm Service Agency, ultimately arranging for the future sale of the property to a close relative as desired by the client as opposed to its loss through USDA foreclosure. This agreement was entered into in August 2008.
- Through legal efforts extending through the last quarter of 2008, the Litigation Unit prevented foreclosure of home and land valued at \$120,000 for a Pitt County family.
- In a case out of Castle Hayne, N.C., a family was able to retain their home and property following advocacy by the Litigation Unit. The client had previously achieved a consent order through a bankruptcy prior to coming to the firm. However, the private lender began returning the client's previously agreed upon payments and then pursued a foreclosure action. The Litigation Unit contested the foreclosure and had the loan reinstated in October 2008, preserving the home for the client, his wife, who was recuperating from surgery, and the couple's minor child.

- In work that took place during the reporting period and is ongoing, the Land Loss Prevention Project has been actively engaged in productive discussions with a historically Black community, local government officials, and service providers exploring extending water and sewer amenities to an underserved neighborhood.

SmartGrowth Business Center: Initiative of the Litigation Unit

- The Business Center has begun working directly with farmers and others in the agricultural economy on economic development initiatives. The Business Center, known as SmartGrowth, is a relatively new resource within the Land Loss Prevention Project dedicated to assisting farmers who desire to gain or expand their business expertise. The Business Center is designed to provide consultation and legal assistance on business issues to farmers and people considering entering farming as a profession. The resource is equipped to address such questions as “How does one best protect one’s investment?”; “Is forming a cooperative a good option?”; “How should one evaluate contractual terms?” and “How does a beginning farmer get started?” and, when appropriate, to assist in negotiations. The SmartGrowth Business Center has assisted farmers exploring new economic opportunities. In addition, its attorneys address groups interested in agricultural entrepreneurship. The Center’s focus is promoting solid business practices and using the law to help farmers secure their investment.
- In 2008, the Business Center conducted outreach to inform farmers and other interested parties about the resource and the available services. In February 2008, Business Center attorneys presented at the 10th Annual Black Land Loss Summit in Whitakers, N.C. In May, SmartGrowth was introduced at the N.C. Agricultural Mediation Program training in Sylva through a presentation by a Business Center attorney. In addition, instruction on

issue spotting in mediation was provided to participants. In September, the LLPP presented on preventing foreclosure, avoiding predatory lenders, and accessing the Business Center's resources to farmers and landowners in Maple Hill, N.C. Two months earlier, a similar presentation was given in Kenansville. SmartGrowth spearheaded the creation of an identity package, including a brochure, to assist in publicizing the resource. The brochure was distributed at the N.C. Minority Landowners & Farmers Annual Conference and similar events throughout the state. The Business Center expects to launch its website in the winter of 2009 to complement these direct outreach efforts.

The LLPP plans to do further research to expand its Business Center outreach to qualified recipients; pinpoint specific community need; continue to provide legal assistance in Business Center competencies to qualified clients; and provide training to its licensed attorneys to expand the legal and technical assistance capacity of the Business Center. Additionally, we will develop opportunities for small farmers to benefit from the 2008 Farm Bill programs. NC farmers are poised to benefit from these programs through targeted legal assistance, risk management education, and technical capacity building.

Accomplishments

In the last half of 2007, the Land Loss Prevention Project achieved \$651,903 dollars in cumulative monetary relief on behalf of clients. This is added to \$659,200 achieved in the first part of 2007. In the first half of 2008, the firm gained \$714,290.88 in relief, not including \$50,000 in tax credits, for its clients.

The LLPP used its nationally recognized work and goodwill to leverage resources to benefit the state of North Carolina. LLPP has been working with the W.K. Kellogg Foundation since 1994, when it administered a \$ 1.7 Million dollar program, Partners In Agriculture, to promote sustainable agriculture policy developments within the land grant university systems, non-governmental and community-based organizations. Since then, North Carolina land grants have garnered funds to support projects at the Center for Environmental Farming Systems (CEFS), a joint program of NCSU and NC A&T SU. This all culminated in the land grants receiving a W.K. Kellogg Foundation in the amount of \$3.15 million dollar, a major contribution to CEFS's mission to build a sustainable, local and regional-based food system. LLPP's was consulted on this endowment grant from the inception, and the organization leveraged support across the Foundation to help make it a reality. The endowment will not only support two sustainable agriculture chairs at the institutions, but will help to ensure that the CEFS remains in the front ranks of the Sustainable Agriculture Coalition and, more broadly, the community-based local food system movement in the Southeast.

Finally, the LLPP assisted in convening a process that resulted in the Sustainable Agriculture and Food Systems Funders Group choosing North Carolina as the venue for its annual meeting this coming June, at the Proximity Hotel in Greensboro. Significantly, this group includes major funders such as Kellogg and the Gates Foundation. The LLPP has been invited to participate in this meeting, where we will highlight the progress of sustainable agriculture work and the growth of local foods systems.

02/24/09
 Accrual Basis

Land Loss Prevention Project
 Statement of Functional Expenses
 July 2007 through June 2008

	DOC				Other Sources				TOTAL			
Revenue	710,953.64				324,277.14				1,035,230.78			
	Total	Program Services	Mgmt & General	% M&G	Total	Program Services	Mgmt & General	% M&G	Total	Program Services	Mgmt & General	% M&G
Expense												
Personnel												
Total Personnel	474,699.66	434,689.85	40,009.81	8.43%	72,883.53	35,777.92	37,105.61	50.91%	547,583.19	470,467.77	77,115.42	14.08%
Non-personnel												
Total Non Personnel	236,253.98	201,480.66	34,773.32	14.72%	167,323.73	111,653.12	55,670.61	33.27%	403,577.71	313,133.78	90,443.93	22.41%
Total Expense	710,953.64	636,170.51	74,783.13	10.52%	240,207.26	147,431.04	92,776.22	38.62%	951,160.90	783,601.55	167,559.35	17.62%

02/24/09
Accrual Basis

Land Loss Prevention Project
Statement of Functional Expenses
July 2007 through June 2008

	DOC				Other Sources				TOTAL			
	710,953.64				324,277.14				1,035,230.78			
Revenue	Total	Program Services	Mgmt & General	% M&G	Total	Program Services	Mgmt & General	% M&G	Total	Program Services	Mgmt & General	% M&G
Expense												
Personnel												
Salaries	355,959.34	325,959.34	30,000.00	8.43%	64,819.08	31,819.08	33,000.00	50.91%	420,778.42	357,778.42	63,000.00	14.97%
Payroll Taxes	29,308.45	26,837.75	2,470.70	8.43%	5,923.25	2,907.72	3,015.53	50.91%	35,231.70	29,745.47	5,486.23	15.57%
Health Insurance	70,809.85	64,840.53	5,969.27	8.43%	1,240.00	608.72	631.28	50.91%	72,049.85	65,449.30	6,600.55	9.16%
Employer SEP Contributio	17,026.02	15,590.73	1,435.29	8.43%	901.20	442.40	458.80	50.91%	17,927.22	16,033.13	1,894.09	10.57%
Retirement Plan Admin.	1,596.00	1,461.46	134.54	8.43%	0.00	0.00	0.00	#DIV/0!	1,596.00	1,461.46	134.54	8.43%
Total Personnel	474,699.66	434,689.85	40,009.81	8.43%	72,883.53	35,777.92	37,105.61	50.91%	547,583.19	470,467.77	77,115.42	14.08%
Non-personnel												
Payroll & Accounting	28,295.75	25,910.42	2,385.33	8.43%	0.00	0.00	0.00	#DIV/0!	28,295.75	25,910.42	2,385.33	8.43%
Contractors	22,485.76	4,485.76	18,000.00	80.05%	34,425.00	16,899.23	17,525.77	50.91%	56,910.76	21,384.99	35,525.77	62.42%
Auditor	18,300.00	16,757.31	1,542.69	8.43%	0.00	0.00	0.00	#DIV/0!	18,300.00	16,757.31	1,542.69	8.43%
Consultants	4,500.00	4,120.65	379.35	8.43%	0.00	0.00	0.00	#DIV/0!	4,500.00	4,120.65	379.35	8.43%
Rent - Facility	39,200.44	35,895.84	3,304.60	8.43%	12,870.00	6,317.88	6,552.12	50.91%	52,070.44	42,213.73	9,856.71	18.93%
Rent - Storage	2,287.31	2,094.49	192.82	8.43%	0.00	0.00	0.00	#DIV/0!	2,287.31	2,094.49	192.82	8.43%
Insurance	9,307.10	8,522.51	784.59	8.43%	0.00	0.00	0.00	#DIV/0!	9,307.10	8,522.51	784.59	8.43%
Communications	10,087.70	9,237.31	850.39	8.43%	5,935.84	2,913.90	3,021.94	50.91%	16,023.54	12,151.21	3,872.33	24.17%
Record Management	2,443.75	2,443.75	0.00	0.00%	0.00	0.00	0.00	#DIV/0!	2,443.75	2,443.75	0.00	0.00%
Postage & Shipping	4,311.26	3,947.82	363.44	8.43%	686.53	337.02	349.51	50.91%	4,997.79	4,284.84	712.95	14.27%
Printing	4,909.24	4,495.39	413.85	8.43%	0.00	0.00	0.00	#DIV/0!	4,909.24	4,495.39	413.85	8.43%
Dues & Subscription	10,600.10	9,706.51	893.59	8.43%	200.00	98.18	101.82	50.91%	10,800.10	9,804.69	995.41	9.22%
License and Fees	3,104.40	2,842.70	261.70	8.43%	0.00	0.00	0.00	#DIV/0!	3,104.40	2,842.70	261.70	8.43%
Office Supplies	6,249.25	5,722.44	526.81	8.43%	485.42	238.29	247.13	50.91%	6,734.67	5,960.73	773.94	11.49%
Library	4,429.13	4,429.13	0.00	0.00%	265.95	265.95	0.00	0.00%	4,695.08	4,695.08	0.00	0.00%
Capital Equipment	18,461.73	16,905.41	1,556.32	8.43%	622.78	305.72	317.06	50.91%	19,084.51	17,211.13	1,873.38	9.82%
Repairs & Maint.	7,098.68	6,500.26	598.42	8.43%	0.00	0.00	0.00	#DIV/0!	7,098.68	6,500.26	598.42	8.43%
Depreciation Expense	0.00	0.00	0.00	#DIV/0!	7,631.00	3,746.06	3,884.94	50.91%	7,631.00	3,746.06	3,884.94	50.91%
Meals & Entert.	0.00	0.00	0.00	#DIV/0!	1,698.75	833.92	864.83	50.91%	1,698.75	833.92	864.83	50.91%
Travel	23,711.24	21,712.38	1,998.86	8.43%	5,658.45	2,777.73	2,880.72	50.91%	29,369.69	24,490.12	4,879.57	16.61%
Travel - Mileage	5,268.68	4,824.53	444.15	8.43%	974.07	478.17	495.90	50.91%	6,242.75	5,302.70	940.05	15.06%
Conf. & Meeting	1,638.46	1,500.34	138.12	8.43%	2,345.00	1,151.16	1,193.84	50.91%	3,983.46	2,651.50	1,331.96	33.44%
Staff Training	550.00	503.64	46.37	8.43%	0.00	0.00	0.00	#DIV/0!	550.00	503.64	46.37	8.43%
Board Expenses	227.53	208.35	19.18	8.43%	376.04	184.60	191.44	50.91%	603.57	392.95	210.62	34.90%
Community Outreach	7,923.61	7,923.61	0.00	0.00%	68,931.27	68,931.27	0.00	0.00%	76,854.88	76,854.88	0.00	0.00%
Public Relations	0.00	0.00	0.00	#DIV/0!	730.00	358.36	371.64	50.91%	730.00	358.36	371.64	50.91%
Website	733.50	671.67	61.83	8.43%	0.00	0.00	0.00	#DIV/0!	733.50	671.67	61.83	8.43%
Finance Charge	129.36	118.45	10.91	8.43%	977.80	480.00	497.80	50.91%	1,107.16	598.46	508.70	45.95%
Legal Fees	0.00	0.00	0.00	#DIV/0!	17,126.56	0.00	17,126.56	100.00%	17,126.56	0.00	17,126.56	100.00%
Litigation Expense	0.00	0.00	0.00	#DIV/0!	5,289.77	5,289.77	0.00	0.00%	5,289.77	5,289.77	0.00	0.00%
Miscellaneous Expense	0.00	0.00	0.00	#DIV/0!	93.50	45.90	47.60	50.91%	93.50	45.90	47.60	50.91%
Total Non Personnel	236,253.98	201,480.66	34,773.32	14.72%	167,323.73	111,653.12	55,670.61	33.27%	403,577.71	313,133.78	90,443.93	22.41%
Total Expense	710,953.64	636,170.51	74,783.13	10.52%	240,207.26	147,431.04	92,776.22	38.62%	951,160.90	783,601.55	167,559.35	17.62%

02/24/09
 Accrual Basis

Land Loss Prevention Project
 Statement of Functional Expenses (Projected)
 July 2008 through June 2009

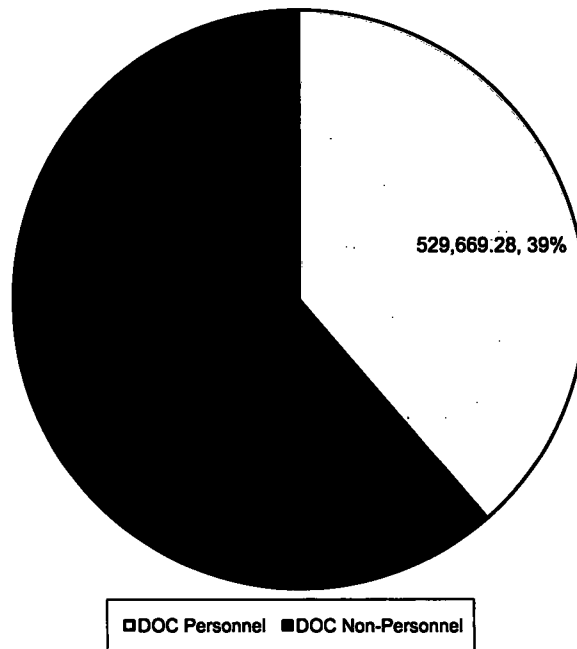
	DOC				Other Sources				TOTAL			
Revenue	841,990.00				427,910.00				1,269,900.00			
	Total	Program Services	Mgmt & General	% M&G	Total	Program Services	Mgmt & General	% M&G	Total	Program Services	Mgmt & General	% M&G
Expense												
Personnel												
Total Personnel	529,669.28	457,116.00	72,553.28	13.70%	82,800.00	44,262.96	38,537.04	46.54%	612,469.28	501,378.96	111,090.32	18.14%
Non-personnel												
Total Non Personnel	312,320.72	272,840.75	39,479.98	12.64%	225,600.00	198,287.12	27,312.88	12.11%	537,920.72	471,127.87	66,792.86	12.42%
Total Expense	841,990.00	729,956.75	112,033.25	13.31%	308,400.00	242,550.08	65,849.92	21.35%	1,150,390.00	972,506.83	177,883.17	15.46%

02/24/09
Accrual Basis

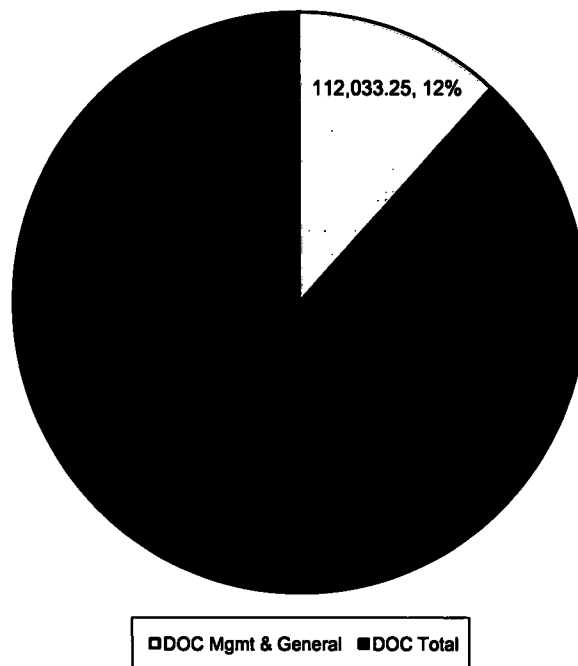
Land Loss Prevention Project
Statement of Functional Expenses (Projected)
July 2008 through June 2009

	DOC				Other Sources				TOTAL			
Revenue	841,990.00				427,910.00				1,269,900.00			
	Total	Program Services	Mgmt & General	% M&G	Total	Program Services	Mgmt & General	% M&G	Total	Program Services	Mgmt & General	% M&G
Expense												
Personnel												
Salaries	386,944.62	333,944.62	53,000.00	13.70%	75,200.00	40,200.00	35,000.00	46.54%	462,144.62	374,144.62	88,000.00	19.04%
Payroll Taxes	34,740.25	29,980.84	4,759.41	13.70%	7,300.00	3,902.58	3,397.42	46.54%	42,040.25	33,883.42	8,156.83	19.40%
Health Insurance	88,689.45	76,539.00	12,150.45	13.70%	0.00	0.00	0.00	#DIV/0!	88,689.45	76,539.00	12,150.45	13.70%
Employer SEP Contribut	17,820.46	15,379.06	2,441.40	13.70%	300.00	160.38	139.62	46.54%	18,120.46	15,539.44	2,581.02	14.24%
Retirement Plan Admin.	1,474.50	1,272.49	202.01	13.70%	0.00	0.00	0.00	#DIV/0!	1,474.50	1,272.49	202.01	13.70%
Total Personnel	529,669.28	457,116.00	72,553.28	13.70%	82,800.00	44,262.96	38,537.04	46.54%	612,469.28	501,378.96	111,090.32	18.14%
Non-personnel												
Contractors	14,035.82	12,112.91	1,922.91	13.70%	130,400.00	120,400.00	10,000.00	7.67%	144,435.82	132,512.91	11,922.91	8.25%
Payroll & Accounting	25,036.40	21,606.41	3,429.99	13.70%	0.00	0.00	0.00	#DIV/0!	25,036.40	21,606.41	3,429.99	13.70%
Auditor	15,928.86	13,746.61	2,182.25	13.70%	0.00	0.00	0.00	#DIV/0!	15,928.86	13,746.61	2,182.25	13.70%
Consultants	19,000.00	16,397.00	2,603.00	13.70%	0.00	0.00	0.00	#DIV/0!	19,000.00	16,397.00	2,603.00	13.70%
Rent - Facility	39,022.32	33,676.26	5,346.06	13.70%	16,400.00	8,767.44	7,632.56	46.54%	55,422.32	42,443.70	12,978.62	23.42%
Insurance	16,646.75	14,366.15	2,280.60	13.70%	0.00	0.00	0.00	#DIV/0!	16,646.75	14,366.15	2,280.60	13.70%
Communications	10,024.17	8,650.86	1,373.31	13.70%	7,200.00	3,849.12	3,350.88	46.54%	17,224.17	12,499.98	4,724.19	27.43%
Record Management	4,475.27	4,475.27	0.00	0.00%	0.00	0.00	0.00	#DIV/0!	4,475.27	4,475.27	0.00	0.00%
Postage & Shipping	7,095.54	6,123.45	972.09	13.70%	0.00	0.00	0.00	#DIV/0!	7,095.54	6,123.45	972.09	13.70%
Printing	3,311.98	2,858.24	453.74	13.70%	0.00	0.00	0.00	#DIV/0!	3,311.98	2,858.24	453.74	13.70%
Professional License	14,832.58	12,800.52	2,032.06	13.70%	0.00	0.00	0.00	#DIV/0!	14,832.58	12,800.52	2,032.06	13.70%
Office Supplies	11,352.16	9,796.91	1,555.25	13.70%	0.00	0.00	0.00	#DIV/0!	11,352.16	9,796.91	1,555.25	13.70%
Library	4,670.45	4,670.45	0.00	0.00%	0.00	0.00	0.00	#DIV/0!	4,670.45	4,670.45	0.00	0.00%
Capital Equipment	52,805.70	45,571.32	7,234.38	13.70%	0.00	0.00	0.00	#DIV/0!	52,805.70	45,571.32	7,234.38	13.70%
Repairs & Maint.	10,151.88	8,761.07	1,390.81	13.70%	0.00	0.00	0.00	#DIV/0!	10,151.88	8,761.07	1,390.81	13.70%
Travel	27,281.27	23,543.74	3,737.53	13.70%	13,600.00	7,270.56	6,329.44	46.54%	40,881.27	30,814.30	10,066.97	24.62%
Conf. & Meeting	6,550.00	5,652.65	897.35	13.70%	0.00	0.00	0.00	#DIV/0!	6,550.00	5,652.65	897.35	13.70%
Staff Training	7,690.00	6,636.47	1,053.53	13.70%	0.00	0.00	0.00	#DIV/0!	7,690.00	6,636.47	1,053.53	13.70%
Board Expenses	2,960.07	2,554.54	405.53	13.70%	0.00	0.00	0.00	#DIV/0!	2,960.07	2,554.54	405.53	13.70%
Community Outreach	15,000.00	15,000.00	0.00	0.00%	45,600.00	45,600.00	0.00	0.00%	60,600.00	60,600.00	0.00	0.00%
Website	4,449.50	3,839.92	609.58	13.70%	0.00	0.00	0.00	#DIV/0!	4,449.50	3,839.92	609.58	13.70%
Litigation Expense	0.00	0.00	0.00	#DIV/0!	12,400.00	12,400.00	0.00	0.00%	12,400.00	12,400.00	0.00	0.00%
Total Non Personnel	312,320.72	272,840.75	39,479.98	12.64%	225,600.00	198,287.12	27,312.88	12.11%	537,920.72	471,127.87	66,792.86	12.42%
Total Expense	841,990.00	729,956.75	112,033.25	13.31%	308,400.00	242,550.08	65,849.92	21.35%	1,150,390.00	972,506.83	177,883.17	15.46%

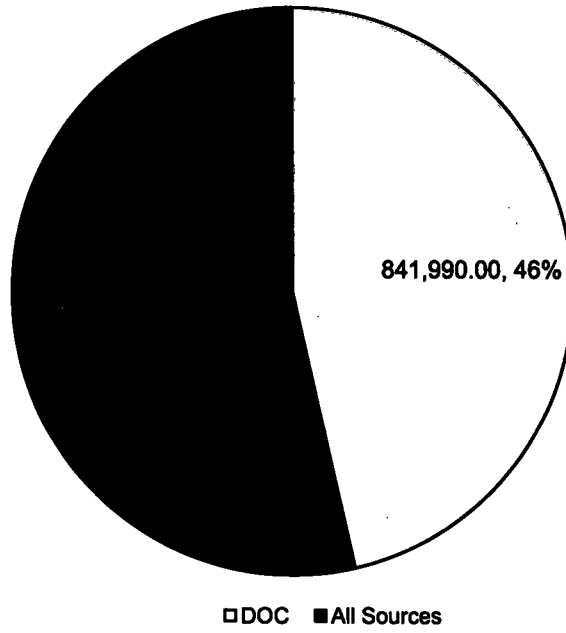
2008-09 DOC Personnel vs Non-personnel



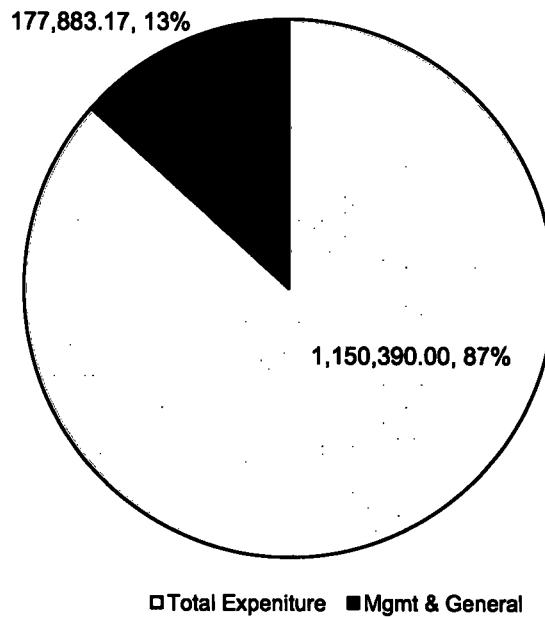
2008-2009 DOC Management & General Support vs Program Service



Expenditures Charged to DOC vs Total Expenditures 2008-2009



Management & General Support vs Total Expenditures 2008-2009





NORTH CAROLINA ASSOCIATION OF BLACK LAWYERS LAND LOSS PREVENTION PROJECT (LLPP)

The Land Loss Prevention Project was founded in 1982 by the North Carolina Association of Black Lawyers to curtail epidemic losses of Black-owned land in North Carolina. The organization was incorporated in the state of North Carolina in 1983 and broadened its mission in 1993 to provide legal support and assistance to all financially distressed and limited resource farmers and landowners in North Carolina.

GOALS

The LLPP goals and expectations encompass the protection of North Carolina's financially distressed and limited resource family farmers and landowners from actions that may result in the loss of their lands and livelihood. The organization's objectives are achieved through the provision of free legal assistance to eligible family farmers and landowners.

ORGANIZATIONAL STRUCTURE

The LLPP's organizational structure consists of a policy-governing Board of Directors and two operational units - the Litigation Unit and the Sustainable Development and Environment Unit. The Litigation Unit performs legal work and debt restructuring for farmers in crisis. The Sustainable Development and Environment Unit helps family farmers and landowners explore sustainable agricultural alternatives and it provides guidance for business development that is environmentally friendly and economically viable for a farmer's or landowner's rural community. The Sustainable Development and Environment Unit works effectively with state, regional and national coalitions who support sustainable agriculture practices, sustainable development and policy innovations. The Sustainable Development and Environment Unit shares staff with the Litigation Unit. The Land Loss Prevention Project integrates public policy, business development and community economic development in the organization's strategies for assisting its clients in counties throughout North Carolina.

The Land Loss Prevention Project's staff handled 527 cases/matters in fiscal year 2007-2008. The bulk of the matters continue to be related to real property, numbering 243 in 2007-2008. Note the chart (*on back*) for a sampling of other cases.

Land Loss Prevention Project
411 WEST CHAPEL HILL STREET, SUITE 1104
DURHAM, NORTH CAROLINA 27701
TELEPHONE: 919-682-5969 TOLL FREE: 800-672-5839

SAMPLING OF LEGAL MATTERS HANDLED

Number	Legal Area
243	Real property
113	Discrimination/civil rights actions involving the United States Department of Agriculture
26	Other agriculture-related matters
52	Predatory lending, bankruptcy and other consumer protection matters
53	Miscellaneous matters, encompassing such issues as incorporation, tax-exempt status, land use regulation, environmental questions, taxes, and rural economic development

SUMMARY OF LEGAL MATTERS HANDLED

July 1, 2007 - June 30, 2008

No. of legal matters handled	527
No. of counties in which assistance was provided	73

STAFF

The Land Loss Prevention Project has **eleven full-time staff members** consisting of seven practicing attorneys, a paralegal who is a non-practicing NC lawyer, an executive director who is licensed in New York, and two administrative personnel.

STATE FUNDING REQUEST FOR 2009-2010

The Land Loss Prevention Project is requesting \$200,000 in non-recurring funds for the 2009-2010 fiscal year. These funds will be used to continue expansion of legal representation to financially distressed small farmers and to rural landowners in underserved tobacco-dependent communities.

House Pages

Name Of Committee: NER Date: 2-25-09

1. Name: Samantha McAbee

County: McDowell

Sponsor: Rep. Gellespie

2. Name: Austin Hunter

County: wake

Sponsor: Stevens

3. Name: Paige Laugisch

County: Gaston

Sponsor: Hoyle

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

1. Name: DAVID SHEARON

Name: JAMES WORTH

} HOUSE

3. Name: RON SPANN

4. Name: ERNIE SHERRELL

} SENATE

VISITOR REGISTRATION SHEET

NER

2-25-09

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

JOHN SHAW	WAKE UP WAKE CO.
Joy Hicks	NCDA & CS
Steve Troxler	NCDA & CS
Zan Hedgecock	NCDA & CS
Joni C. Harris	WHA
Ann V. Long	NCMSC
Brigette Raspberry	NCACDC
Laverne Jayner	NCACDC
Sally Horne	Land Less Prevention Proj.
Patricia Yancey	LLPP
Thomas Auton	NEAC

VISITOR REGISTRATION SHEET

NER

2-25-09

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Trevor Minor	OSBM
Grady McElhin	NC Commercial Abstracts
Jenni Overton	NCDACS
N. Janet Smith	NCDACS
Mia Bailey	Electri Cities of NC, Inc.
Gordon Myers	NC WRU
Elizabeth Biser	DENR
Lea Henry	NCACDC
Lynn Hooper	Everett Gaskins
Cherie Berry	NC DOL
Art Britt	NC DOL
Jack Brinson	NC DOL
Jennifer Haigwood	NC DOL

MINUTES

JOINT HOUSE SENATE APPROPRIATIONS SUBCOMMITTEE ON NATURAL & ECONOMIC RESOURCES

February 25, 2009
2:00 PM

The Joint Appropriations Subcommittee on Natural & Economic Resources met in Room 423 of the Legislative Office Building on February 25, 2009, at 2:00 p.m. Representative Warren called the meeting to order and introduced the Sergeants-at-Arms, David Shearon, Ernie Sherrell, Ron Spann, and James Worth. She also introduced the House and Senate Pages: Sarah Crews and Chris Jackson.

The following Committee members were present: Co-Chairs: Representatives Harrison and Warren, Senators McKissick and Weinstein; Vice Chairs: Representatives Wilkins and Wray; Members: Representatives Bryant, Sager, and Samuelson; Senators Foriest and Jacumin. Staff Counsel Kristine Leggett, Lanier McRee and Kristin Walker were also in attendance.

The following attachments are included and made part of the minutes: Meeting Agenda, Attachment 1; Attendance List, Attachment 2; North Carolina's Regional Economic Development Partnerships: Building a Globally Competitive State through Regional Prosperity, Attachment 3; Regional Partnerships Evaluation, Attachment 4; North Carolina's Regional Economic Development Partnerships: Budget Information, Fiscal Year 07-08 & Fiscal Year 08-09, Attachment 5; COG Presentation to Joint Appropriations Subcommittee on NER, Attachment 6; North Carolina's Regional Councils: Building Regional Solutions for Local Governments, Attachment 7; list of Pages and Sergeants-at-Arms, Attachment 8; Visitor Registration Sheets, Attachment 9.

After brief opening remarks, Representative Warren called on Keith Vaughn, Chair of the NC Partnership for Economic Development to make a presentation. Mr. Vaughn distributed three handouts, copies of which are attached and made part of the minutes as Attachments 3, 4, and 5. Mr. Vaughn began his presentation with an overview of the seven regional partnerships and discussed how the partnerships leverage state funds. He acknowledged that the state is experiencing difficult economic times but also noted that the partnerships believe that economic growth should get recurring funding. Mr. Vaughn also pointed out how the Regions leverage volunteer leaders and increase North Carolina's competitiveness. After reviewing some of the awards the Regions have received, he presented a statement of support from the Center for Competitive Economies at the UNC Kenan-Flagler Business School.

Mr. Vaughn then reported three key findings from the Program Evaluation Division Report: (1) Regional model is appropriate for economic development; it provides economies of scale, flexibility and reduced competition. (2) Regional model aids rural counties in particular. (3) Program Evaluation Division found that regional partnerships

received highest levels of customer satisfaction. He further noted that the Program Evaluation Division recommended that the General Assembly consider recurring funding for the regional partnerships and commissions.

In concluding his presentation, Mr. Vaughn discussed new standards adopted by the seven regional partnerships that cover finance and accounting, procurement and contracting, HR practices, and board governance and ethics. He also noted the role of three of the partnerships in bringing businesses to the state: the Piedmont Triad Partnership with the FedEx Hub, the Southeast Commission with Tactronics Holdings, and Advantage West with ArvinMeritor.

The next item on the agenda was a presentation from the Councils of Governments (COGS). Representative Warren introduced Lionel Midgett, Chair of the Joint Regional Commission, and William McNeil, Regional Associate from the North Carolina Association of Regional Council Directors. They distributed two handouts, copies of which are attached and made part of the minutes as Attachments 6 and 7. In his opening remarks, Mr. Midgett reviewed the Regional Council background, including its successful track record over four decades. The Council was initiated in the 1970's the "lead regional organizations" to coordinate federal funding. Mr. Midgett also reviewed several ways in which the COGs bring value to the state, including bringing local governments together to solve problems, finding funds for local governments that leverage state appropriations (\$50:1), offering an efficient way to serve needs at a regional scale, and working across boundaries. He pointed out a number of federal connections and talked about the accountability of the COGs to the General Assembly, the Local Government Commission, and member local governments.

As the next speaker from the Councils of Governments, Mr. McNeil reviewed COG appropriations history since 1986, by total appropriations and per region. He also discussed the various types of technical assistance provided to local governments, such as grant-writing and management. State funding allows for professional staff in every region. Mr. McNeil then reviewed a list of regional-scale projects in which the COGs have played a major role. A UNC School of Government 2008 Regionalism Study found that COGs deliver more services to more governments and more people now than in 1994, but that COG budgets are 5% smaller on a per capita basis. In closing, Mr. McNeil provided a list of emerging assistance needs: multi-jurisdictional water supply and quality; getting ready for growth - the next 4 million; and economic stimulus. He then recognized representatives from two of the COGs who were in the audience: Grey Goddard from the Upper Coastal Plains COG and Timmy Vanes from the Kerr-Tar Cog.

There being no further business, the Chair adjourned the meeting at 2:50 p.m.

Respectfully submitted,



Representative Edith D. Warren
Co-Chair

Martha M. Hoover

Martha M. Hoover
Assistant to the Committee

ATTACHMENTS:

1. Agenda
2. Attendance List
3. North Carolina's Regional Economic Development Partnerships: Building a Globally Competitive State through Regional Prosperity
4. Regional Partnerships Evaluation
5. North Carolina's Regional Economic Development Partnerships: Budget Information, Fiscal Year 07-08 & Fiscal Year 08-09
6. COG Presentation to Joint Appropriations Subcommittee on NER
7. North Carolina's Regional Councils: Building Regional Solutions for Local Governments
8. List of Pages and Sergeants-at-Arms
9. Visitor Registration Sheets

Joint Appropriations Subcommittee on NER

Agenda

Wednesday, February 25, 2009, 2:00 P.M.

Room 423, Legislative Office Building

Rep. Warren, Presiding

I. Welcome

Rep. Warren

II. Regional Economic Development Commissions

Keith Vaughn, Chair, *NC Partnership for Economic Development*

III. Councils of Governments (COGS)

Lionel Midgett, Chair, *Joint Regional Commission*

William McNeil, Regional Associate, *NC Association of Regional Council Directors*

IV. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

Senate Appropriations Subcommittee on NER

Sen. Weinstein (Chair)

Sen. McKissick (Chair)

Sen. Foriest, Sen. Jacumin, Sen. Rouzer

NORTH CAROLINA'S REGIONAL ECONOMIC DEVELOPMENT PARTNERSHIPS



*Building a Globally Competitive State
Through Regional Prosperity*

North Carolina's Seven Economic Development Regions

NORTH CAROLINA'S
SOUTHEAST

NORTH CAROLINA'S
Piedmont Triad
PARTNERSHIP
MARKETING OUR REGION TO THE WORLD

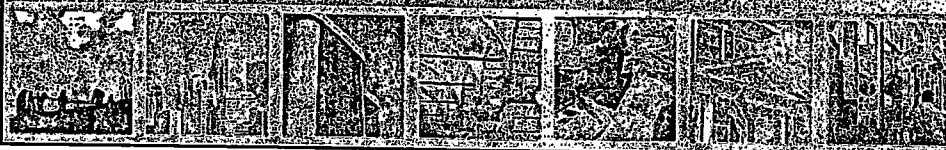

NORTH CAROLINA'S
EASTERN REGION

NORTH CAROLINA'S
RESEARCH TRIANGLE
PARTNERSHIP
www.rtp.org
Multi the Difference

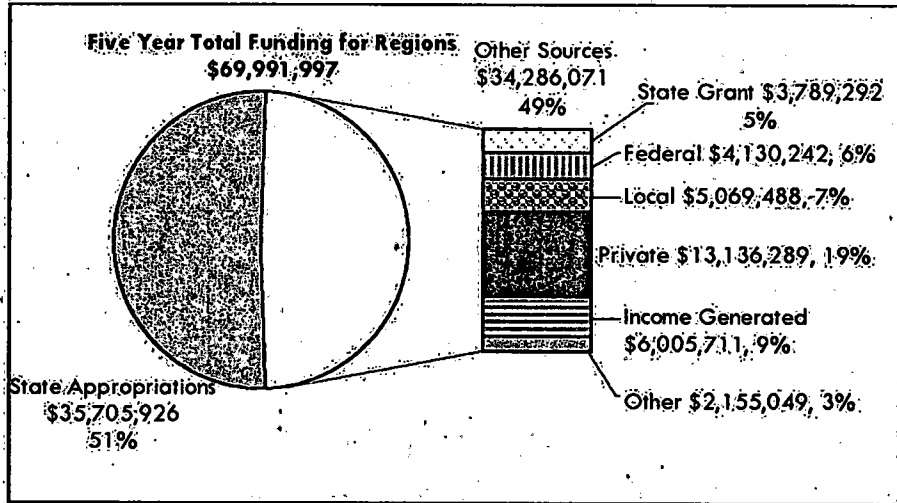

CHARLOTTE
REGIONAL
PARTNERSHIP


Research Triangle Region
NORTH CAROLINA

ADVANTAGEWEST
Economic Development Group
NORTH CAROLINA'S MOUNTAINS



Regions Leverage State Funds



Source: Program Evaluation Division based on fiscal data from Fiscal Year 2002-03 through 2006-07 from the partnerships and commissions.

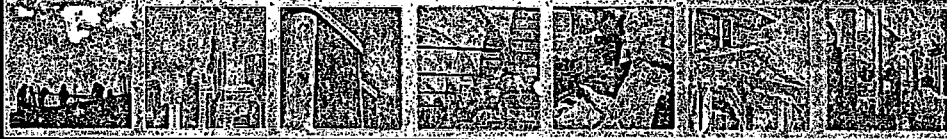
Regions Leverage Volunteer Leaders



Regions Increase NC's Competitiveness

As with many aspects of economic development, North Carolina was a leader in recognizing that a regional approach increases the competitiveness of the entire state. Regional economic development aligns with the client's perspective. Site selectors focus primarily on regions and typically do not consider political boundaries when evaluating locations.

Jeannette Goldsmith, *Principal*
McCallum Sweeney Consulting, Greenville, S.C.



Regions Garner Awards



North Carolina's regional economic development strategy is validated by the state's consistently high performance in *Site Selection* magazine's annual Business Climate Ranking. This achievement would not be possible without solid support for economic development at both the regional and state levels.

Ron Starmer, *Site Selection* magazine



Regions Supported by C³E

We recommend increasing state and regional economic development research and marketing budgets for proactive targeting of growth stage companies in targeted industry clusters.

Dr. Brent Lane, Center for Competitive Economies (C³E) - UNC Kenan-Flagler Business School

Recommendation included as part of overall strategy to improve the state's system of economic development incentives.



Program Evaluation Division Report: Three Key Findings

1. Regional model is appropriate for economic development; it provides economies of scale, flexibility and reduced competition.
2. Regional model aids rural counties in particular.
3. Program Evaluation Division survey found that regional partnerships received highest levels of customer satisfaction.



Regions Supported by Program Evaluation Division

The Program Evaluation Division recommended that the General Assembly consider **recurring funding** for the regional partnerships and commissions.

Improving Regional Economic Development through Structural Changes and Performance Measurement Incentives
Report Number 2008-05-02, May 8, 2008

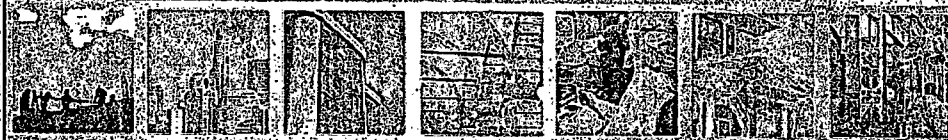


Regions are Accountable

2008: Uniform standards approved by Commerce Secretary Fain and adopted by seven regional partnerships

New standards cover:

- Finance and accounting
- Procurement and contracting
- HR practices
- Board governance and ethics



Regions Fuel Growth



The Piedmont Triad Partnership played a critical role in the successful recruitment of the FedEx Mid-Atlantic Hub to North Carolina.

The FedEx hub will open in June and is projected to cause the creation of 19,800 new jobs in the region. The hub is also anchoring a regional strategy to make North Carolina a major mid-Atlantic logistics and distribution center.

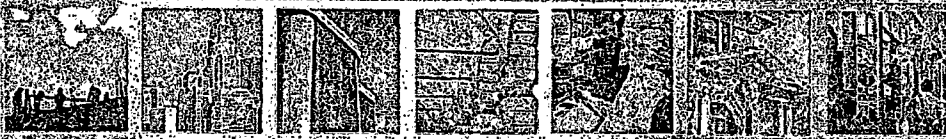


Tactronics

ENTERING THE MARKET

"One of the main reasons we're here is the support and service from the Southeast Commission."

John Forsberg, Vice President for Combat Operations,
Tactronics Holdings, LLC



ArvinMeritor™

"[ArvinMeritor] had an advantage here because there was a single point of contact – AdvantageWest. They were instrumental in helping to put together a very good package from the different entities in the region."

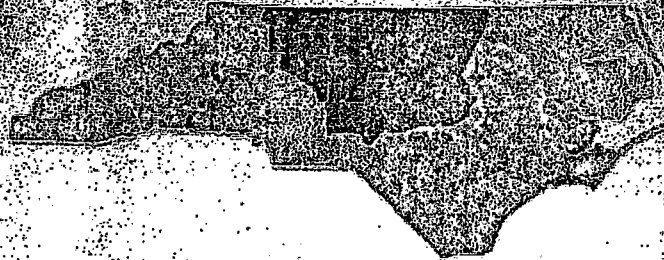
Brian Cavagnini, Site Manager for ArvinMeritor's N.C. facilities

"AdvantageWest demonstrated a sound understanding of the challenges facing today's advanced manufacturers and become a long-term partner."

Jerry Rush, ArvinMeritor Senior Executive



NORTH CAROLINA'S REGIONAL ECONOMIC DEVELOPMENT PARTNERSHIPS



***Building a Globally Competitive State
Through Regional Prosperity***

REGIONAL PARTNERSHIPS EVALUATION

General Assembly's Program Evaluation Division Affirms Regionalism, Recommends Recurring Funding

The North Carolina General Assembly Program Evaluation Division released its report on the state's regional economic development partnerships on May 8th. The report affirms North Carolina's regional economic development system and recommends recurring funding to the seven regional organizations.

Report Supports Regional Model for Economic Development

- The Report states that regionalism "provides more relevant boundaries of interest instead of unrelated political boundaries and provides economy of scale, flexibility and reduced competition."
- The Report finds that the regional model aids the smaller, poorer rural counties in particular. According to the Report, "Many rural stakeholders expressed concern that if the regional partnerships were not in place, they would have no voice in economic development in the state."

Report Recommends Recurring Funding for Partnerships

- The Report recommends recurring funding for the regional partnerships, finding that recurring funding is necessary for the long-term planning required by the partnerships to create their operating budgets and leverage funds from other sources.
- The partnerships seek a recurring appropriation equal to the 2007-08 level – a restoration of the proposed 5 percent cut in the 2008-09 budget.

Partnerships Garner Highest Levels of Customer Satisfaction in Survey

- A survey conducted by the Program Evaluation Division found that the regional partnerships received the highest levels of customer satisfaction, followed by local agencies and the Department of Commerce. *(See back for details.)*

Partnerships Embrace Uniform Standards and Performance-Based Appropriations

- The partnerships support the Report's recommendation that 15% of the state appropriation based on specific and relevant performance measures.
- In collaboration with the Department of Commerce, the partnerships have adopted a comprehensive set of uniform standards as directed by the General Assembly to achieve uniformity in their operations and administration.

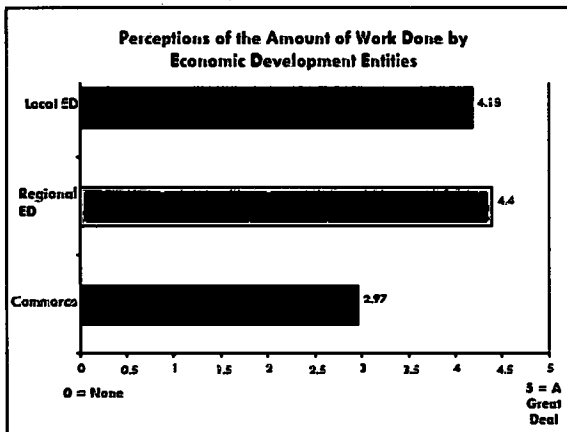
CLIENTS MOST SATISFIED BY REGIONAL PARTNERSHIPS

A client survey conducted by the Program Evaluation Division underscores the positive impact the regional partnerships are making in improving the economy of North Carolina.

Survey Methodology:

A total of 69 partnership clients were emailed a survey, and nonresponders received phone calls, resulting in a 60% response rate. The majority (78%) reported working with a region and at least one other economic developer: the Department of Commerce, a local agency (city or county), or both.

Survey Results:



Source: Program Evaluation Division's Economic Development Client Survey.

Clients rated, on a scale from 1 to 5, how much work different economic development entities did for them and their satisfaction with that work. As seen in the graph, clients reported, on average, **the regions did the most work for them**, followed by local organizations and then the Department of Commerce.

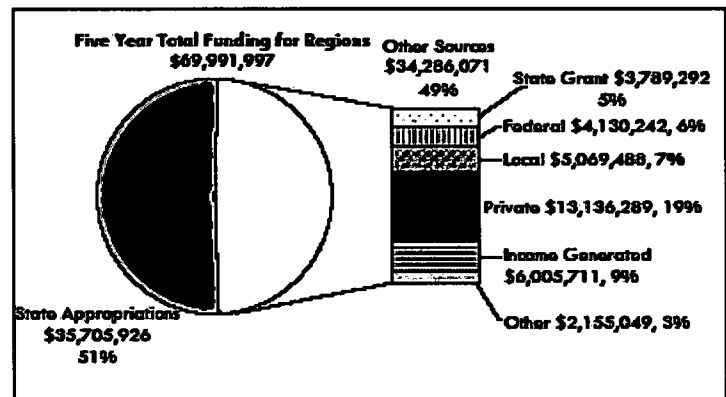
When asked for a description of how the regions' efforts compared to assistance provided by the Department of Commerce

and local economic development agencies, survey respondents gave **no negative comments about the regions.**

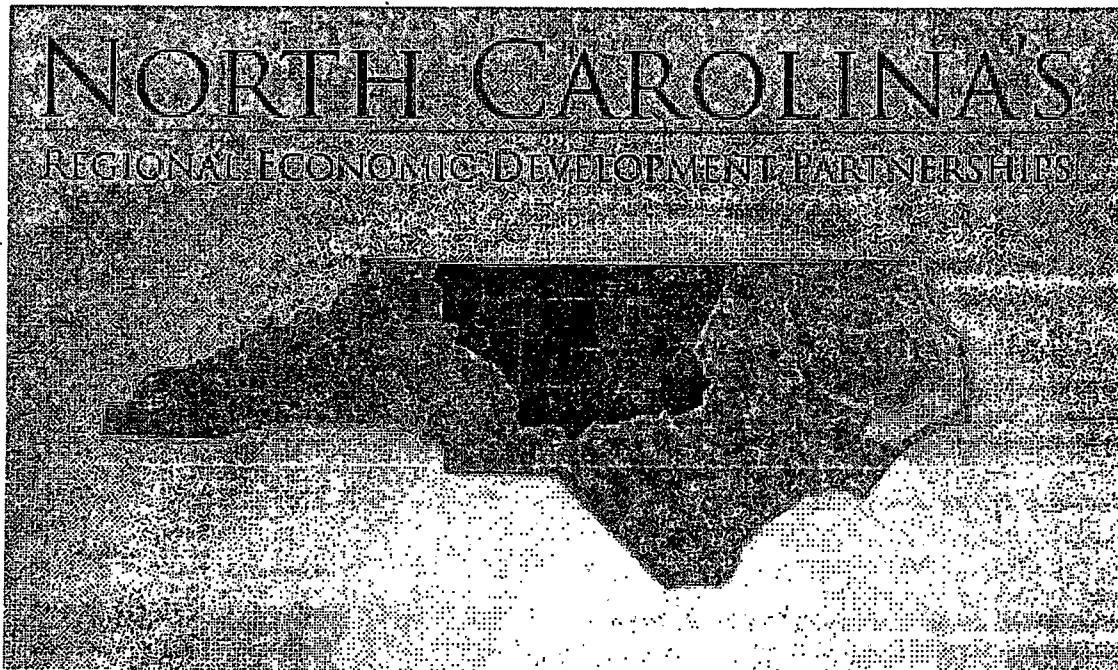
PARTNERSHIPS USE STATE MONEY TO LEVERAGE ADDITIONAL FUNDS

Cumulatively, the regions raise an equal amount of money to match state appropriations. Leveraged funds are not distributed evenly, however, and rural regions of the state are more dependent on state funds.

State money for partnerships yields a great return on investment.



Source: Program Evaluation Division based on fiscal data from Fiscal Year 2002-03 through 2006-07 from the partnerships and commissions.



Budget Information
Fiscal Year 07-08 & Fiscal Year 08-09

February 25, 2009

The staff of the Joint Appropriations Subcommittee on Natural and Economic Resources requested the following information from the regional partnerships:

- Total budget and percent of funds from all sources
- Percent of funds (all sources) used for administrative purposes
- Uses of State funds, including the percentage of State funds used for administration, percentage used for grants, etc.

This information is provided herein and is catalogued by region as follows:

<u>Region</u>	<u>Page</u>
Advantage West	1-2
Charlotte Regional Partnership	3
Piedmont Triad Partnership	5-6
Research Triangle Regional Partnership	7
North Carolina's Southeast	9-10
North Carolina's Eastern Region	11-12
North Carolina's Northeast	13

**FY 07-08 ACTUAL INFORMATION FOR WESTERN NC REGIONAL
ECONOMIC DEVELOPMENT COMMISSION d/b/a ADVANTAGEWEST**

- Total FY 07-08 Actual \$ 2,461,763

Funds from All Sources:

State Grant-in-Aid	1,548,491	(63%)
Other State Grants/Funds	155,989	(6%)
Federal Grants	41,602	(2%)
Local Support/Donors	416,955	(17%)
Private Grants	47,334	(2%)
Generated Income	148,093	(6%)
Other Income	103,299	(4%)

- % of Funds Used for Administrative Purposes (from All Sources): 19%

- Use of State Funds:

Current Year Grant-in Aid	\$1,548,491
Prior Year Appropriated Grant-in-Aid Fund Balance	<u>43,260</u>
Total Use of State Funds Budgeted 08/09	\$1,591,751

Administrative	\$ 334,659	(21%)
Program/Non-Administrative	1,126,146	(71%)
Grants	130,946	(8%)

**FY 08-09 BUDGET INFORMATION FOR WESTERN NC REGIONAL
ECONOMIC DEVELOPMENT COMMISSION d/b/a ADVANTAGEWEST**

- Total FY 08-09 Budget \$ 2,901,389

Funds from All Sources:

State Grant-in-Aid	1,423,400	(50%)
Other State Grants/Funds	615,332	(20%)
Federal Grants	222,959	(8%)
Local Support/Donors	375,063	(13%)
Private Grants	30,000	(1%)
Generated Income	234,635	(8%)

- % of Funds Used for Administrative Purposes (from All Sources): 16%

- Use of State Funds:

Current Year Grant-in Aid	\$1,423,400
Prior Year Appropriated Grant-in-Aid Fund Balance	<u>180,226</u>
Total Use of State Funds Budgeted 08/09	\$1,603,626

Administrative	\$430,747	(27%)
Program/Non-Administrative	954,179	(59%)
Grants	218,700	(14%)

Charlotte Regional Partnership

Fiscal Year 2007-2008 Actuals & Fiscal Year 2008-2009 "Board Approved Original Budget"

	<u>Actuals 2007-2008</u>		<u>Original Budget 2008-2009</u>	
	<u>FY 2007-2008</u>	<u>FY 2007-2008</u>	<u>FY 2008-2009</u>	<u>FY 2008-2009</u>
<u>Revenues by Source</u>	<u>Revenues</u>	<u>Percentage</u>	<u>Revenues</u>	<u>Percentage</u>
Private Investors	\$ 1,744,990	53%	\$ 1,714,050	53%
Public Investors	772,305	23%	793,500	25%
State of North Carolina	772,887	23%	708,000	22%
Total Revenues	\$ 3,290,182	100.00%	\$ 3,215,550	100.00%

	<u>Actuals 2007-2008</u>		<u>Original Budget 2008-2009</u>	
	<u>FY 2007-2008</u>	<u>FY 2007-2008</u>	<u>FY 2008-2009</u>	<u>FY 2008-2009</u>
<u>Expenses by Department</u>	<u>Revenues</u>	<u>Percentage</u>	<u>Revenues</u>	<u>Percentage</u>
Economic Development & Marketing	1,278,659	40%	1,389,900	43%
Investor & Community Relations	340,317	11%	342,100	11%
Communications & Public Relations	99,114	3%	106,450	3%
Charlotte Regional Film Commission	205,670	6%	225,650	7%
Information Systems & Technology	88,899	3%	112,100	3%
Administrative & Operations	1,029,422	32%	914,350	28%
Debt Repayment	137,422	4%	125,000	4%
Total Expenses	\$ 3,179,503	100.00%	\$ 3,215,550	100.00%

Revenues by Funding Source - Revised Budget - Fiscal Year 2008-2009

Reflects 7% reduction of State Funds and adjustments for Private Investors

<u>Funding Source</u>	<u>Revised Budget 2008-2009</u>	
	<u>FY 2008-2009</u>	<u>Percentage</u>
	<u>Revenues</u>	<u>of Total</u>
Private Investors	\$ 1,656,850	53%
Public Investors	793,500	26%
State of North Carolina	652,814	21%
Total Revenues	\$ 3,103,164	100.00%

Expense Breakdown of State Funds

Reflects 7% reduction of State Funds

<u>Expenses</u>	<u>Revised Budget 2008-2009</u>	
	<u>FY 2008-2009</u>	<u>Percentage</u>
	<u>Expenses</u>	<u>of Total</u>
Economic Development & Marketing	\$ 333,464	51%
Charlotte Regional Film Commission	193,850	30%
Administration & Operations	125,500	19%
Total Expenses	\$ 652,814	100.00%



NER Joint Appropriations Subcommittee

February 25, 2009



Revenues by Fund Source

	June 2008		June 2009	
	Revenues	%	Revenues	%
State Funding	\$ 820,327	21%	\$ 771,496	8%
Local Governments	254,632	7%	250,978	3%
Private Investors	478,400	12%	450,000	5%
Federal Revenues	2,247,045	58%	7,342,500	78%
Other Revenues	83,527	2%	527,467	6%
	<u>\$ 3,883,931</u>	<u>100%</u>	<u>\$ 9,342,441</u>	<u>100%</u>

Administrative Expenses and % by Source

	2008		2009	
	Administrative Expenditures	%	Administrative Expenditures	%
State Funding	\$ 144,478	18%	\$ 125,724	16%
Local Government	69,009	27%	61,970	25%
Private Investors	169,791	35%	200,281	45%
Federal Revenues	241,517	11%	246,067	3%
Other Revenues	-	0%	-	0%
	\$ 624,795	16%	\$ 634,042	7%

Year Ending June 2008 Actual & Year Ending June 2009 Budget

State Expenditures by Activity

	Personnel	Marketing Research Recrtnmt	Admin Expendtrs	Total	%
Administrative Expenditures	\$ -		\$ 144,478	\$ 144,478	18%
Program Expenditures	239,600	436,249	-	675,849	82%
Total	\$ 239,600	\$ 436,249	\$ 144,478	\$ 820,327	100%
June 2009 Budget					
Administrative Expenditures	\$ 75,724		\$ 50,000	\$ 125,724	16%
Program Expenditures	289,276	356,496	-	645,772	84%
Total	\$ 365,000	\$ 356,496	\$ 50,000	\$ 771,496	100%

Year Ending June 2008 Actual & Year Ending June 2009 Budget

07-08 RTRP (50106) audited

* Total 07/08 actual Revenue Received and percent of funds from all sources

		1,731,748	
	state funds	690,524.00	40%
	non-state funds	1,041,224.00	60%

* Percent of funds (all sources) used for administrative purposes 12.40%

* Uses of State funds, used for administration, percentage used for grants, etc.

	State funds only - yr ending 2008 (audited #)	
Personnel Services	91,635.00	12.90%
Supplies & Materials	25,756.00	3.60%
Business Recruitment/Marketing initiatives	472,519.00	66.50%
Fixed Charges & expenses (Lease, communications, etc.)	83,621.00	11.90%
Capital Outlay	-	0.00%
Grants- out going	-	0.00%
other Contracts (accounting/audits)	36,722.00	5.10%
Debt Service	-	0.00%
	710,253.00	100.00%

08-09 budgeted #

* Total 08/09 budgeted and percent of funds from all sources

		1,890,269.00	
	state funds	651,904.00	34%
	non-state funds	1,238,365.00	66%

* Percent of funds (all sources) used for administrative purposes 17%

* Uses of State funds, used for administration, percentage used for grants, etc.

	state funds only - Yr ending 08 (Budgeted)	
Personnel Services	230,576.00	34%
Supplies & Materials	15,500.00	2%
Business Recruitment/Marketing initiatives	292,417.00	43%
Fixed Charges & expenses (Lease, communications, etc.)	96,100.00	14%
Capital Outlay	-	0%
Grants- out going	-	0%
other Contracts (accounting/audits)	48,200.00	7%
Debt Service	-	0%
	682,793.00	100.00%

**North Carolina's Southeast
Response to Request for Information
from the Staff of the Joint Appropriations Subcommittee
on Natural and Economic Resources
for FY 2007-2008**

Total Budget FY 07-08:	\$1,361,296
Percentage of funds from all sources: \$92,000/\$1,361,296 Private Funds =	7%
\$1,269,296/\$1,361,296 Public Funds =	$\frac{93\%}{100\%}$
Percent of funds (all sources) used for administrative purposes: \$256,842/\$1,361,296 =	19%

Uses of State funds, including the percentage of State funds used for administration, percentage used for grants, etc.:

\$1,361,296	Total Budget	
- 256,842	Administrative (100% State Funds)	19%
<u>\$1,104,454</u>		
- 235,950	Reserves (61% State Funds/39% Private Funds)	17%
<u>\$ 868,504</u>		
- 132,000	Technology Support (100% State Funds)	10%
<u>\$ 736,504</u>		
- 607,457	Marketing (100% State Funds)	45%
<u>129,047</u>	Other (100% State Funds)	9%
		<u>100%</u>

NOTE: No grants were awarded in North Carolina's Southeast's FY 07-08 budget.

**North Carolina's Southeast
 Response to Request for Information
 from the Staff of the Joint Appropriations Subcommittee
 on Natural and Economic Resources
 for FY 2008-2009**

Total Budget FY 08-09: \$1,244,760

Percentage of funds from all sources:
 \$163,307/\$1,244,760 Private Funds = 13%
 \$1,081,453/\$1,244,760 Public Funds = 87%
100%

Percent of funds (all sources) used for administrative purposes:
 \$200,605/\$1,244,760 = 16%

Uses of State funds, including the percentage of State funds used for
 administration, percentage used for grants, etc.:

<u>\$1,244,760</u>	Total Budget	
- 200,605	Administrative (100% State Funds)	16%
<u>\$1,044,155</u>		
- 270,668	Reserves (40% State Funds/60% Private Funds)	22%
<u>\$ 773,487</u>		
- 89,000	Technology Support (100% State Funds)	7%
<u>\$ 684,487</u>		
- 556,320	Marketing (100% State Funds)	45%
<u>128,167</u>	Other (100% State Funds)	<u>10%</u>
		100%

NOTE: No grants in North Carolina's Southeast's FY 08-09 budget, nor have any grants been awarded to date, and there are no plans to award any grants during the remainder of FY 08-09.

NCER Budget for Fiscal Year 2008/2009

State Funding	13%	\$ 498,461
Interest Earnings	28%	\$1,039,564
Program Funding		
Reserve Funds	13%	\$ 479,596
Golden Leaf	4%	\$ 157,920
Office of Economic Adjustment	42%	<u>\$1,559,880</u>
Total Budget		\$3,735,421



NCER Total Budget Categories

Administrative	11%	\$ 420,811
Marketing	26%	\$ 967,390
Programs	63%	<u>\$2,347,220</u>
		\$3,735,421



NCER Uses of State Funds

Administrative Expenses

• Personnel Expenses	\$ 97,237	20%
----------------------	-----------	-----

Marketing Expenses

• Personnel Expenses	316,128	63%
• Marketing Missions, Conferences	46,966	9%
• Advertising	18,600	4%
• Trade Shows	5,580	1%
• Consultants – Special Projects	<u>13,950</u>	3%
	\$498,461	



NCER EXPENDITURES

	FY 07/08 ACTUAL	FY 08/09 PROJECTED
Personnel	550,750	723,977
Office/Administrative	240,843	307,565
Grant Expenditures	188,655	2,347,220 *
Marketing Expenditures	227,676	340,650
Capital Outlay	<u>26,547</u>	<u>16,009</u>
Total	1,234,471	3,735,421

* - Includes a \$1,559,880 grant from the Office of Economic Adjustment and a \$157,920 grant from the Golden LEAF Foundation.





Total budget and percent of funds from all sources

FY 2007-2008

	<u>Amount (000's)</u>	<u>Percent</u>
• State Funds	\$1,312	90%
• Private Funds	\$ 142	10%
• Total	\$1,454	100%



Percent of funds (all sources) used for administrative purposes

FY 2007-2008

• Private Funds	
Administrative	\$ 16
• NC's NE Commission	
Administrative	\$223

*Percentage of Funds of Admin. = 17%



Uses of State funds, including the percentage of State funds used for administration, percentage used for grants, etc.

FY 2007-2008

• Admin %	18%
• Marketing %	82%
Total	100%



Total budget and percent of funds from all sources

FY 2008-2009

	<u>Amount (000's)</u>	<u>Percent</u>
• State Funds	\$1,236	86%
• Grants Funds	\$ 58	4%
• Private Funds	\$ 144	10%
• Total	\$1,438	100%



Percent of funds (all sources) used for administrative purposes

FY 2008-2009

• Private Funds	
Administrative	\$ 23
• NC's NE Commission	
Administrative	\$248

*Percentage of Funds of Admin. \$271/1,438 = 19%



Uses of State funds, including the percentage of State funds used for administration, grants, etc.

FY 2008-2009

• Admin %	248/1,236 =	20%
• Grants %	30/1,236 =	2%
• Marketing %	958/1,236 =	78%
Total		100%

COG presentation to Joint Appropriations Subcommittee on NER

February 25, 2008

Regional Council Background

- ▶ **Successful track record over four decades**
- ▶ **Initiated in 1970's as "Lead Regional Organizations" to coordinate federal \$\$**
- ▶ **Authorized in General Statutes**
- ▶ **Re-affirmed by Executive Order**
- ▶ **General Assembly appropriation for local technical assistance since 1986**

COG "Value Added"

- COGs bring local governments together to solve problems
- COGs find funding for local governments, leveraging state appropriation (\$50:1)
- COGs offer an efficient way to serve needs at regional scale
- COGs work across boundaries

3

Federal Connections

- ▶ EDA – 12 designated Development Districts
- ▶ Labor – 14 Workforce Development Boards
- ▶ HHS – 17 Area Agencies on Aging
- ▶ EPA – 6 manage air, water, brownfields
- ▶ HUD – 14 manage CDBG, housing grants
- ▶ Defense – 2 military growth planning
- ▶ ARC – 6 administer Appalachian funds

4

Accountability

- ▶ Accountable to General Assembly
- ▶ Accountable to Local Government Commission
- ▶ Accountable to member local governments

5

COG Appropriations History

	<u>total</u>	<u>per region</u>
1986-87	\$990,000	\$55,000
2007-08	832,150	48,950
2008-09	823,828	48,460
-7%	782,629	46,037

6

COG 2008-09 Budgets Combined

Total all budgets	\$159,968,609
Average/region	9,409,918
State TA funding	782,629
State TA as % of total	.5%
(every \$ matters, leverages \$\$\$\$)	
Administrative support	13.2%

7

COG Technical Assistance

- ▶ Services driven by local government needs
- ▶ Grant-writing and management
- ▶ State funds professional staff in every region
 - Especially important to small towns, rural counties
 - Able to respond to crises (i.e. drought, hurricanes)

8

COG Technical Assistance

▸ Regional scale projects

- Triangle Growth and Infrastructure Project
- Fort Bragg Regional Task Force
- Kerr-Tar Regional EDC 'Hub' Project
- Centralina CONNECT-Regional visioning, implementation
- Upper Coastal Plain Brownfields Coalition
- Southwestern Broadband Connectivity
- Lumber River regional groundwater management

9

UNC School of Government 2008 Regionalism Study

- COGs deliver more services to more governments and more people now than in 1994.
- 16% more towns, 2.3 million more people.
- COG budgets 5% smaller on a per capita basis.
- Leaders need regional solutions for water, transportation, economic development
- COGs get people talking, to broker cooperative agreements among local governments.
- COGs are trusted to be fair and professional.

10

Emerging Assistance Needs

- ▶ Multi-jurisdictional water supply and quality
 - Preparing for drought (interconnects, efficiencies)
 - Basin-wide coalitions (Water Allocation Study)
- ▶ Getting ready for growth- the next 4 million
 - Triangle Growth and Infrastructure
 - Centralina CONNECT
 - Military Growth
- ▶ Economic Stimulus
 - Seize all opportunities
 - Keep projects on target, on time

11

For more information:

William McNeil (919) 622-3303
ncregions@mindspring.com
www.ncregions.org

12

House Pages

Name Of Committee: NER Date: 2/25/09
2:00 PM

1. Name: Sarah Crews
County: Granville
Sponsor: Crawford
2. Name: Chris Jackson
County: Guilford
Sponsor: Blust
3. Name: _____
County: _____
Sponsor: _____
4. Name: _____
County: _____
Sponsor: _____
5. Name: _____
County: _____
Sponsor: _____

Sgt-At-Arms

1. Name: James Worth
 2. Name: David Shearon
 3. Name: Ron Spann
 4. Name: Ernie Sherrill
- } House
} Senate

VISITOR REGISTRATION SHEET

NER

2-25-09

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Kerr Vaughan	Piedmont Triad Partnership
Dan H	Smith And
Pete Alfano	LLPP
Don Kirkman	Piedmont Triad Partnership
Timmy Baynes	Kerr-Tar Regional COG
Bill McNeil	NC Regional Council
Lionell Midgett	NC Regional Council - Oaslow County Commission
Dan Crawford	Conservation Council of NC
Charles Walton	Superior Ct Durham

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jim Morgan	Piedmont Triad - P.O. Box 2756 High Point, N.C. 27261
Vann Rogerson	NC Northeast Commission Edenton, NC
GREG T. GODARD	UPPER CATAWBA PLYMOUTH COUNCIL OF GOLFERS P.O. Box 9, Wilson, NC 27896
Kermit D. Williamson	NC Southeast Commission

VISITOR REGISTRATION SHEET

NER

Name of Committee

2/25/09 2:00 PM
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Amy McConkey	Smith Anderson
CHARLES HAYES	RTAP
AL DELIA	NCER
LAWRENCE BIVINS	N.C. PARTNERSHIP FOR ECONOMIC DEVELOPMENT
Scott Hamilton	AWEDG
Tommy Jenkins	Advantage West
JACK BRINSON	NC DOL
ART BRITT	NC DOL
JENNIFER HALLWOOD	NC DOL

MINUTES

**Joint Appropriations Subcommittee
on
Natural and Economic Resources
Thursday, February 26, 2009 at 8:30 a.m.
423 Legislative Office Building**

The Joint Appropriations Subcommittee on Natural and Economic Resources met at 8:30 a.m. on Thursday, February 26, 2009, in Room 423 of the Legislative Office Building. Present were Rep. Warren, Rep. Pierce, Rep. Justice, Rep. Wilkins, Rep. Bryant, Rep. Langdon, Rep. Samuelson, Rep. West and Rep. Sager. Five Senators attended the meeting and Senator David Weinstein presided.

The meeting was called to order and Sen. Weinstein introduced the new members of the committee and the pages. He also introduced the Sergeant-At-Arms.

The purpose of this meeting was to discuss the NER budget. Sen. Weinstein then introduced Paula McCoy, President of the NC Minority Support Center to present to the Committee their budget requests. (See Attachment #1)

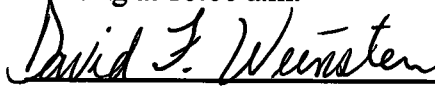
Senator Weinstein then called on Ebonie Alexander, President of the NC Community Development Initiative to present to the Committee their budget requests. (See Attachment #2)

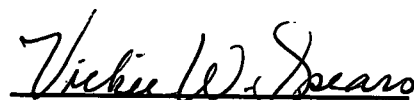
Senator Weinstein then introduced Andrea Harris, President of the NC Institute of Minority Economic Development to present to the Committee their budget requests. (See Attachment #3)

Senator Weinstein then introduced Fran Nolan, Executive Director of the Grassroots Science Museums Collaborative to brief the Committee on their budget requests. (See Attachment #4)

Senator Weinstein then called on Charnell Green, Executive Director of the Coalition of Farm and Rural Families to explain their budget requests to the Committee. (See Attachment #5)

Senator Weinstein asked if there were any questions and/or comments from the committee. With no questions and/or comments, Senator Weinstein adjourned the meeting at 10:00 a.m.


Senator David Weinstein
Chairman


Vickie W. Spears
Committee Assistant

Joint Appropriations Subcommittee on NER

Agenda

Thursday, February 26, 2009, 8:30 A.M.

Room 423, Legislative Office Building

Sen. Weinstein, Presiding

I. Welcome

Sen. Weinstein

II. NC Minority Support Center

Paula McCoy, President

III. NC Community Development Initiative

Ebonie Alexander, President

IV. NC Institute of Minority Economic Development

Andrea Harris, President

V. Grassroots Science Museums Collaborative

Fran Nolan, Executive Director

VI. Coalition of Farm and Rural Families

Charnell Green, Executive Director

VII. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

Senate Appropriations Subcommittee on NER

Sen. Weinstein (Chair)

Sen. McKissick (Chair)

Sen. Foriest, Sen. Jacumin, Sen. Rouzer



Presentation for
The Joint Appropriations Subcommittee
on Natural and Economic Resources

MISSION

- The NCMSC is a statewide advocate that partners with Community Development Credit Unions (CDCUs), providing technical assistance, grants and loans to help them build generational wealth and create opportunities for individuals, families and communities.



BRANCH LOCATIONS

First Legacy Federal Credit Union | Chartered in 1941 - 6,610 members
 Branch Locations - Charlotte • Kannapolis • Salisbury • Statesville

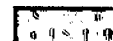
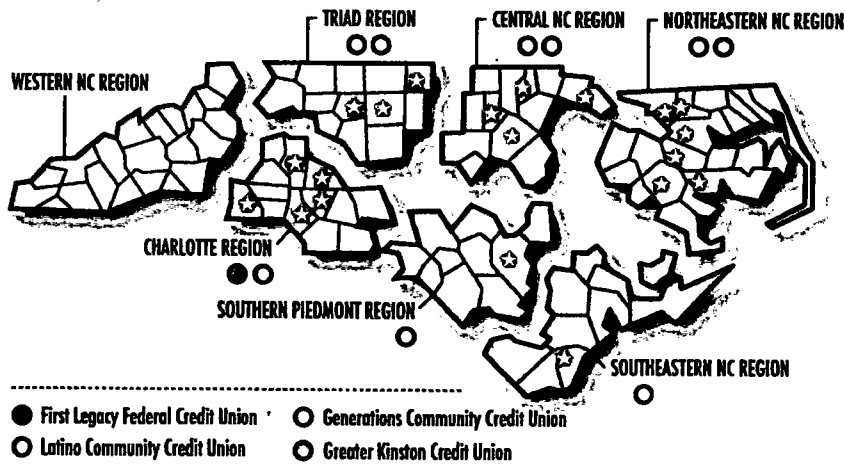
Generations Community Credit Union | Chartered in 2002 - 11,345 members
 Branch Locations - Ahoskie • Durham • Edenton • Henderson • Roanoke Rapids •
 Rich Square • Washington • Williamston • Wilmington • Windsor • Yanceyville

Greater Kinston Credit Union | Chartered in 1952 - 5,105 members
 Branch Locations - Kinston • New Bern

Latino Community Credit Union | Chartered in 2000 - 51,349 members
 Branch Locations - Charlotte • Durham • Fayetteville • Greensboro • Raleigh •
 Winston-Salem

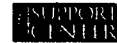


COMMUNITY DEVELOPMENT CREDIT UNIONS (CDCUs)



ACCOMPLISHMENTS

- Provided over 8,374 loans in the sum of \$80 million for housing and small business financing to individuals and families whose only other alternative would have been sub-prime lenders
- Business loan fund generated over 1,400 jobs in the State of North Carolina
- Nearly 90,000 members served
- Network operating 22 branch locations statewide
- Leveraged \$2.5 million in 2005-2006 on a 10 to 1 basis to make over \$25 million in mortgage loans statewide
- Provided access to financial literacy programs for children and adults through grants, direct programming in schools, churches, and communities. Currently piloting a youth savings club and school financial literacy program in Kinston, NC at 4 schools.
- Granted funds for financial literacy, business lending, growth and expansion, and new products and services aimed at low income North Carolinians



Historical Accomplishments

- Continued to provide technical assistance via staff training, knowledge-sharing sessions, management skill development, marketing and fundraising assistance
- Added two new credit unions to our Accounting Service center, which provides back-office accounting services-freeing credit union staff time to do community outreach
- Grant and Technical Assistance allowed credit union affiliates to add services such as real-time ATM service, check cards, rescue mortgage loans for foreclosure prevention, and business lending
- Recognized national and international models for banking the unbanked and low wealth communities
- A certified Community Development Financial Institution by the US Treasury department and has leveraged federal funding in excess of \$7 million
- Partnered to save St. Luke credit union, the oldest minority credit union in the state, and preserved services in the underdeveloped Bertie, Washington, and Hertford counties



SOURCES AND USAGE OF FUNDS

- *Total budget and percent of funds from all sources*
\$ 4,688,395.00
- *Percent of funds (all sources) used for administrative purposes*
92% for Program Services
8% for Support Services
- *Uses of State funds,*
 - Percentage used for administration,
12%
 - Percentage used for grants, etc.
88%
- *Sources of funds and percentage of budget*
State of NC – 89%
Dividends – 5%
Z Smith Reynolds Foundation – 4.5%
FB Heron Foundation – 0.5%
Kellogg Foundation – 0.4%



GOALS

- Addition of 5-8 new branch locations over next 4 years
- Expand presence in 30 underserved rural counties including eastern NC and Western Piedmont
- Efficient deliver of financial services through technology thereby reducing cost of transactions
- State will recuperate over \$6 million in direct property tax revenue in the next 5 years
- Will generate an additional \$100 million in business and mortgage loans
- Reduce sub-prime practices in vulnerable communities by increasing existing financial services to an estimated 15,000 people
- Latino CCU, Generations C, First Legacy CCU and Greater Kinston CU will provide access to bilingual financial counseling, and financial literacy education for adults and youth to over 500 people per year statewide
- Support Center's affiliates offer accessible regional retail banking and loan offices statewide. Currently serving nearly 90,000 members daily at 22 locations
- Provide services to over 220,000 lower income, unbanked families in North Carolina
- Help minority families build wealth through homeownership. By 2010, 60% of first time homebuyers will be minority and immigrant families who will be unbanked.
- Potential to leverage future federal funding through U.S. Department of Treasury's CDFI Fund



FUNDING NEEDS

- \$3 million non-recurring/maintain appropriations
- To be granted to community development credit unions in the state of NC, including Generations, Latino, First Legacy and Greater Kinston
- All funds invested in activities to expand access to CDCU services
- Primary target, low wealth minorities, women in rural and urban counties of North Carolina including low-moderate income families and underserved populations
- Branch establishment or expansion, internet and other technology-based services and ATM placement





The North Carolina General Assembly Joint Appropriations Subcommittee on NER

Thursday, February 26, 2009

The North Carolina Community Development Initiative is nationally recognized as a model public-private community economic development intermediary dedicated to increasing assets and creating wealth for communities and individuals in low-resource communities serving the state's low resource communities for fifteen years. The leadership is provided by a chief executive officer and a 17-member board of directors, representing the private sector, public officials, and leaders of community development corporations. The Chairman of the Board of Directors is Richard "Dick" Taylor, CEO of the North Carolina Advocates for Justice. Abdul Sm Rasheed, CEO, has provided the organization's leadership since its inception in 1994.

For fifteen years, the Initiative and its lending subsidiary, Initiative Capital, have taken the annual State investment/appropriation and leveraged it on average a factor of 3:1 to attract millions of dollars from private and philanthropic sectors. We have directly invested more than \$70 million into CDCs and other nonprofit community economic development organizations, resulting in more than \$439 million of completed local development.

To date, the Initiative has provided annual grants and loans to more than 50 organizations in rural areas, small towns, and major cities; as a complement to the grants and loans, the Initiative has provided place-based strategic issue management, advocacy and leadership assistance to the CDC industry statewide.

Initiative Programmatic Facts:

- Δ In 2008 our administrative cost were 15.9% of the total operating budget; of the state appropriation, 9% was used for administrative cost and 91% went directly to programs.
- Δ On average for the past 4 years we have held our overall administrative cost below 12%.
- Δ Consistently received an "unqualified opinion" from the independent auditing firm.

2008 statewide productivity through local investment/network:

- Δ generated \$2,412,358 in new real estate taxes to local communities and jurisdictions
- Δ constructed 817 new or rehabilitated single-family homes
- Δ constructed 295 new or rehabilitated multi-family homes

- Δ provided housing and financial literacy to more than 2,062 individuals
- Δ acquired 33.99 acres for future development
- Δ 29,500 square feet of commercial space currently under construction

Green Fund/Conservation Based Affordable Housing:

“Building a Green Agenda for Low-Resource Communities”

- Δ In partnership with NC State School of Design, designed and trademarked EnviroSteel, a set of fully stamped and signed engineered, ready-to-build housing plans that combine passive solar technology and steel framing.
- Δ Constructed 17 EnviroSteel single-family houses utilizing the most advanced energy conservation and efficiency standards, built with a recycled high quality environmentally friendly steel product that features the use of passive solar energy. The houses are Energy Star certified to have monthly heating of \$35 to \$38 per month.
- Δ In partnership with the state’s conservation and environmental community, successfully worked together to bridge the cultural and knowledge gap.
- Δ Invested in the development of conservation-based affordable housing project that has a local CDC, a local unit of government, and a private for-profit developer working together to plan, design and construction a green community in the Town of Wynn Fall.
- Δ In partnership with Randall Ardent, an internationally recognized conservation-based land use planner, designed four conservation based subdivision land use plans in Henderson, Raiford, Kannapolis and Fayetteville.

Social Enterprise/Sustainability Plan:

- Δ Carolina Steel Construction, LLC is a light gauge steel manufacturing company. It is a venture jointly owned by the NC Community Development Initiative Capital, Inc. and UDI CDC, dedicated to creating living wage jobs for low-income individuals and promoting “green building” by the community development sector.

Innovation For the 21st Century:

- Δ Innovative Community Building Grants
Awarded up to \$400,000 in Innovative Community Building Grants, a onetime investment opportunity, for nonprofit organizations engaged in traditional and non-traditional community based economic development to create “a safe space” for our children and young adults to grow, thrive and learn the necessary skills to become the next generation of leaders. Planning grants were awarded in Winston-Salem, Raleigh, Murfreesboro, and Maxton.
- Δ Awarded 15 rising high school seniors from across the state with Summer Youth Community Economic Development Leadership Internship. The goal of the summer internship is to interest and engage rising high school seniors in the field of community economic development and the nonprofit sector while introducing them to principles of leadership. Interns earned \$4,000 for six-weeks and commit to saving one-half of the stipend for future educational cost. Students had an opportunity to interact one-on-one with national, state and local entrepreneurs, corporate leaders and policy makers in the fields of nonprofit management, law, hospitality, entertainment, and government.




2209 Century Drive, Second Floor
 Raleigh, NC 27612
 (919) 828-5655
 (919) 834-8018 (Fax)
 www.ncinitiative.org

2008 PRODUCTION DATA
 for
Community Development Corporations
 Funded by
The North Carolina Community Development Initiative

PRODUCTION MEASURES	ANNUAL			GRAND TOTAL SINCE INCEPTION OF THE INITIATIVE IN 1994	PROJECTED
	2006	2007	2008	1994-2008	2008-2012
Fixed Asset Value of CDC Projects	\$ 49,408,228	\$ 34,486,332	\$ 47,533,520	\$ 439,962,689	\$ 176,469,518
Value of New Single Family Homes	\$ 9,229,663	\$ 6,041,548	\$ 8,236,051	\$ 149,135,129	\$ 38,840,464
Value of New Multi-Family Unit Projects	\$ 22,500,000	\$ 22,940,000	\$ 38,961,178	\$ 216,436,525	\$ 112,213,140
Single Family Units: New and Rehab	569	614	817	4,213	2,363
Multi-Family Units: New and Rehab	297	163	295	2,778	1,224
Value of Commercial Real Estate Projects	\$ 7,823,345	\$ 1,485,000	\$ -	\$ 82,700,980	\$ 45,378,298
Commercial Real Estate (sq.ft.)	39,803	20,687	9,500	924,329	303,157
Land Acquired for Future Development (acres)	66.17	32.69	33.99	1,000.82	548.59
Purchase Price (or Value) of Land Acquired	\$ 1,782,132	\$ 2,633,452	\$ 2,277,000	\$ 24,823,715	\$ 14,308,359
Jobs Created: All Development	905	613	797	9,506	3,486
CDC-Owned Businesses Established	5	4	0	36	50
Small Businesses Counseled	514	629	128	8,355	3,658
Youth / Adults Trained	569	517	563	11,475	3,541
Financial Literacy Counseling (# persons)	2,298	1,855	2,062	41,161	12,307
New Real Estate Taxes Generated by CDCs	\$ 467,908	\$ 286,497	\$ 412,358	\$ 5,125,027	\$ 1,832,667

ENVIRONMENTAL

THE INITIATIVE
Investing in...
www.ncinitiative.org



PEOPLE COMMUNITIES & FUTURES



EnviroSteel is an Initiative Capital product consisting of four ready-to-build housing plans which combine steel framing with green building technology. All of the plans utilize passive solar technology, reducing the energy needed for heating and cooling. The designs also incorporate additional energy-efficient construction standards, as well as an optional solar water heating system. The EnviroSteel plans have been fully stamped and signed by a licensed engineer and are available upon request.

- **Each house is made from six cars' worth of recycled steel.**
 - **Solar windows and bricks collect sunlight for use as a heat source when the weather turns cold.**
 - **Other windows on the houses are designed to open against the wind, maximizing interior air circulation.**
 - **Thermal wrapping of the house and solar window shades maintains the temperature inside.**
 - **Average monthly electric bill for the homes is \$38.**
 - **Steel framing is resistant to termites and mold, and is non-combustible.**
-

**North Carolina Community Development Initiative, Inc.
List of Initiative Funded CDCs**

Core

Brick Capital Sanford, NC	Metropolitan Housing & CDC, Inc. Washington, NC
Cape Fear Regional Wilmington, NC	Monroe-Union County CDC Monroe, NC
Cleveland County CDC Shelby, NC	Mountain Housing Opportunity, Inc. Washington, NC
Durham Community Land Trustees, Inc. Durham, NC	Northeastern CDC Camden, NC
East Carolina Community Development, Inc. Beaufort, NC	Outer Banks CDC Kill Devil Hills, NC
EmPOWERment, Inc. Chapel Hill, NC	Passage Home, Inc. Raleigh, NC
Gateway CDC Henderson, NC	Prosperity Unlimited, Inc. Concord, NC
Haliwa-Saponi Indian Tribe Hollister, NC	Rebuilding Broken Places Goldsboro, NC
HandMade in America Asheville, NC	Rocky Mount/Edgecombe CDC Rocky Mount, NC
Housing Assistance Corporation Henderson, NC	UDI Durham, NC
Kingdom CDC Fayetteville, NC	WCIA Wilson, NC

Targeted Strategic Investment

Community Housing Development Corporation of Mooreville/South Iredell Mooreville, NC	NC Rural Fund for Development Kinston, NC
Davidson Housing Corporation Davidson, NC	Quality of Life Association of Herford County Murfreesboro, NC
Goler CDC Winston-Salem, NC	Robeson County Community Development Corporation, Inc. Rowland, NC

Liberty CDC
Winston-Salem, NC

The Children's Home of North Carolina
Oxford, NC

NC Indian Economic Development Initiative, Inc.
Fayetteville, NC

White Oak Foundation
Apex, NC

Conservation Based Development

Blue Springs/Hoke County CDC
Raeford, NC

Metropolitan CDC
Washington, NC

Cape Fear
Wilmington, NC

Mountain Housing
Asheville, NC

Gateway CDC
Henderson, NC

Prosperity CDC
Kannapolis, NC

Innovative Building Grant

Men's League
Durham, NC

The HPL Foundation
Murfreesboro, NC

Millionaires in Training
Raleigh, NC

Union Baptist Church
Winston-Salem, NC

Quality of Life Association of Hertford County
Murfreesboro, NC

Working Capital

Brick Capital
Sanford, NC

Handmade in America
Asheville, NC

Cleveland County
Shelby, NC

Kingdom CDC
Fayetteville, NC

East Carolina Community Development, Inc.
Beaufort, NC
Northeastern CDC
Camden, NC

Monroe Union CDC
Monroe, NC
Passage Home
Raleigh, NC

BOARD OF DIRECTORS

INITIATIVE

Richard Taylor
Chairman, Initiative Board of Directors
Raleigh
Executive Director
North Carolina Advocates for Justice

Reverend G. L. Edmond
Raleigh
Pastor
Saint Paul AME Church

P.E. Bazemore
Monroe
Councilman
Monroe City Council

Fritz Gartner
Hillsborough
Principal
Wavoka, Inc.

Larry Chavis
Pembroke
President and CEO
Lumbee Guaranty Bank

Howard Graves
Stroudsburg
President
PreStar Financial Group

Fannie Corbett (Emeritus)
Wilson
Executive Director, Wilson Community
Improvement Assoc.

Karla Haynes
Shelby
Executive Director
Cleveland County CDC

Gregory A. Cummings
Richmond
Senior Vice President
Manufacturing & Quality
Philip Morris U.S.A.

Louise Mack
Concord
Executive Director
Prosperity Unlimited, Inc.

Frank Deese
Marshville
President
A+ Tax Service

James Speed
Durham
President & CEO
NC Mutual Life Insurance Company

Lynn Dickerson
Charlottesville
Vice President, Operations
State Farm Insurance Companies

Jeanne Tedrow
Raleigh
Executive Director
Passage Homes, Inc.

Mary Fant Donnan
Winston-Salem
Program Officer
Z. Smith Reynolds Foundation

William Wilson
Sanford
Attorney at Law
Wilson & Reives, Attorney at Law

BOARD OF DIRECTORS

INITIATIVE CAPITAL

Richard Taylor
Chairman, Initiative Capital Board of Director
Raleigh
Executive Director
North Carolina Advocates for Justice

Louise Mack
Concord
Executive Director
Prosperity Unlimited, Inc.

Barbara Blackston
Wilson
Executive Director
WCIA

Julio "Jack" Penasoto
Charlotte
Community Lending Business Leader, Mortgage
Wachovia

Larry Chavis
Pembroke
President & CEO
Lumbee Guaranty Bank

Selina Mack
Durham
Executive Director
Durham Community Land Trustees, Inc.

Lynn Dickerson
Virginia
Vice President, Operations
State Farm Bank

Abdul Sm Rasheed
Raleigh
Chief Executive Officer
NC Community Development Initiative, Inc.

Howard Glaves
Pennsylvania
President
PreStar Financial Group

James Speed
Durham
President & CEO
NC Mutual Life Insurance Company

Sharon Jeffries-Jones
Winston-Salem
Director of CRA/Community Development
BB and T

William Wilson
Sanford
Attorney at Law
Wilson & Reives Attorney's at Law

Robert Lovas
Raleigh
Sr. Private Client Manager
Bank of America



CONSERVATION-BASED AFFORDABLE HOUSING

CONSERVATION TRUST FOR NORTH CAROLINA
NORTH CAROLINA COMMUNITY DEVELOPMENT INITIATIVE
THE CONSERVATION FUND

Conservation and Affordable Housing
Aside from the benefits to homeowners, the availability of affordable housing generates numerous benefits for communities, including: housing for a diverse workforce, neighborhood revitalization and economic benefits that remain in the community. Similarly, land conservation results in benefits that include: ensuring high water quality, protecting wildlife habitat, and preserving working farms and forests.



Yet, issues of affordable housing and conservation often seem unrelated. At best, a disconnect exists between the strategies used to promote greater housing options for low- to moderate-income residents and strategies used to preserve land. At worst, the goals of affordable housing and conservation can seem in direct opposition—unchecked development can consume large areas of land that could be preserved, while preservation can create scarcity in land availability, driving up the cost of development. Conservation-based affordable housing (CBAH) is a strategy that merges affordable housing and land conservation to simultaneously advance their goals.

Conservation-Based Affordable Housing



CBAH preserves open space (including forests, streams, wetlands and other key amenities) by clustering the homes and allowing large swaths of open space to remain. This results in such benefits as: less impervious surface (and therefore, less pollutant runoff), more open space and natural areas preserved and higher aesthetic and recreational values.

If this type of development is coupled with affordable housing, the benefits are even greater. Clustering homes reduces the overall cost of development—infrastructure, landscaping and maintenance costs are all lessened. If applicable, conservation easements or other types of conservation funding can be used to preserve the remaining open space and lower the cost of development even further.

The cost of land frequently drives affordable housing developers to build on marginal and challenging sites (e.g. areas with steep slopes or floodplains). CBAH works with the landscape to limit the impacts of

For more information
contact:

Ebonie Alexander
ebontealexander
@ncinitiative.org
2209 Century Drive 2nd Floor
Raleigh, NC 27612
(919) 835-6000 (phone)
(919) 834-8018 (fax)

development on the environment. Housing can be accommodated in the buildable areas, while converting the challenges (e.g. wetlands, steep slopes) into amenities. CBAH produces higher quality housing where open space can be utilized for recreation, walking trails, sight and noise reducers, and habitat observation areas. In turn, this can be used to dampen the opposition to affordable housing developments that frequently arise among existing neighborhoods.



A subdivision that has turned an on-site wetland into an amenity

Conservation-based affordable housing can be a model for sustainable development that protects the most critical natural areas, while still allowing for development. These natural areas, in turn, enable the creation of high quality housing options for low- and moderate-income households that would otherwise be priced out of the communities in which they work. More importantly, however, CBAH connects two issues—conservation and affordable housing—and demonstrates how innovative strategies can be used to simultaneously advance the goals of two seemingly unrelated or opposing issues.

CBAH in Practice

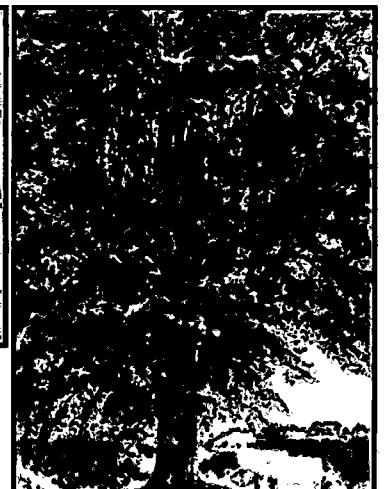
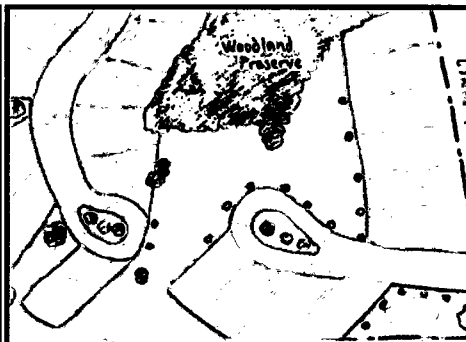
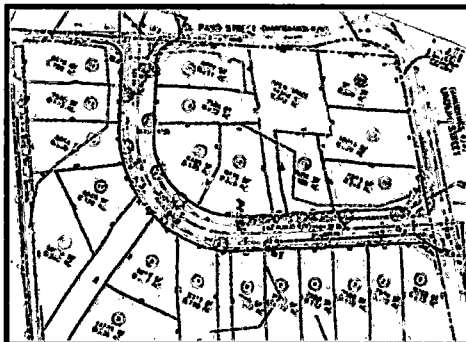
A grant by the Clean Water Management Trust Fund given to the Conservation Trust for North Carolina, the North Carolina Community Development Initiative and The Conservation Fund has enabled six community development corporations (CDCs) to do conservation planning for their proposed affordable housing developments.



Louise Mack with Randall Arendt's design

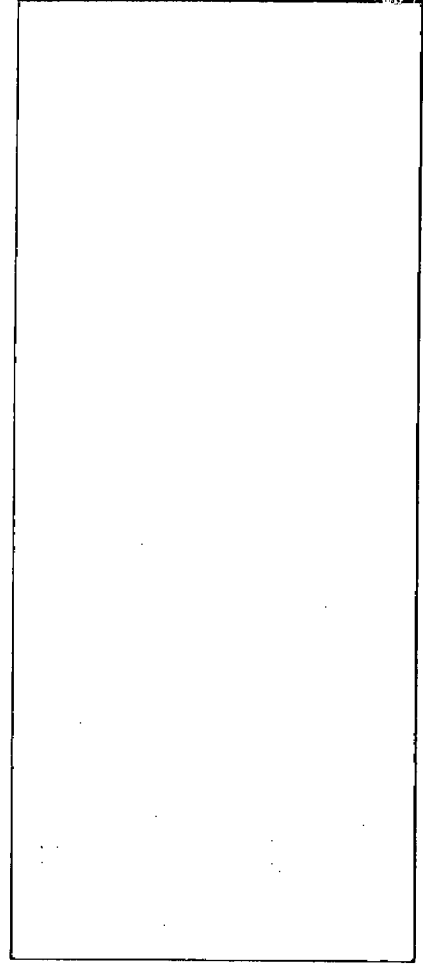
Prosperity Unlimited CDC, in Kannapolis, NC, was one of the CDCs that received funding. Although an engineering firm had already designed a site plan, it was less than desirable. Their plan preserved minimal open space, called for the removal of century-old hardwoods, had high infrastructure costs, and ignored the existing slopes on the property, which would require a large investment for grading.

With the grant, Louise Mack, Prosperity Unlimited executive director, hired Randall Arendt, a renowned landscape architect, to design an alternate plan. Arendt's plan provides for only one less lot, yet produces a higher-quality subdivision. It preserves much more open space (about 50%), saves the century-old trees and represents a large cost-saving to Ms. Mack (due to the narrower street widths and minimal grading required).



Left: The original engineer-drawn plan that preserves only minimal and restrictive open space; *Middle:* Randall Arendt's design that allows for only one less lot, yet increases the quantity and quality of open space and reduces the per lot cost; *Right:* One of the century-old trees that will be preserved with Arendt's design.

THE COSTS & BENEFITS OF GREEN AFFORDABLE HOUSING



NEW
ECOLOGY
INC.
Environmental
Protection and
Economic
Development
in Urban
Communities

TELLUS INSTITUTE
for a Great Transition

WILLIAM BRADSHAW
EDWARD F. CONNELLY
MADELINE FRASER COOK
JAMES GOLDSTEIN
JUSTIN PAULY

The Costs and Benefits of Green Affordable Housing

A Publication of New Ecology



The Green CDCs Initiative

Principal Authors

William Bradshaw
Edward F. Connelly
Madeline Fraser Cook
James Goldstein
Justin Pauly

Researchers

Lauren Baumann
Peter Brandenburg
Sara Donohue
Peter Ericson
Lining Geng
Renee Kaufman
Supriya Kota
Jeremy Shaw

BRICK CAPITAL COMMUNITY DEVELOPMENT CORPORATION

SANFORD & BROADWAY, NC



Project Summary

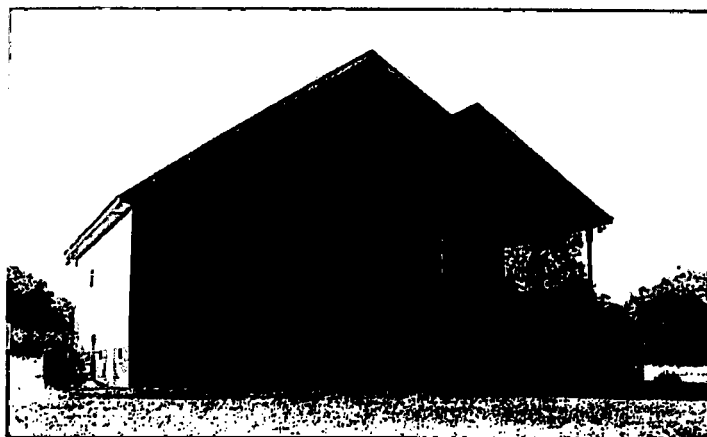
Number of Units	5
Unit Type	Detached, single-family homes
Construction	New
Target Occupant	Low-income first-time homebuyers
Developer	Brick Capital Community Development Corporation
Contractor	Gerald Womble
Architect	None
Total Square Footage	5,774
Total Development Cost	\$431,649
Average Cost per Unit	\$86,330
Average Cost per Square Foot	\$74.76
Incremental Cost to Build Green	\$7,090
Green Building Focus	Energy-Efficiency
Average Sales price	\$86,330
Financing Sources	First Citizen's Bank, North Carolina Housing Finance Agency, SunTrust Mortgage Company, North Carolina Community Development Initiative, US Department of Agriculture Rural Development Office

"What is the American Dream?"

We believe it begins with an

investment in communities."

Brick Capital Community
Development Corporation
mission statement



Overview

Brick Capital Community Development Corporation is a housing advocacy, education, and development organization working in Lee County, North Carolina. Incorporated in 1990, Brick Capital has built over seventy-five units of housing. They focus on building ten homes for first-time homebuyers each year, but they also have experience with affordable rental housing and special needs housing both for victims of domestic violence and people suffering from mental illness.

In the last half of 2002, Brick Capital developed and sold five scattered site, single-family homes to first-time homebuyers in Broadway and Sanford, NC. Gerald Womble built these three bedroom, two bath homes that ranged in size from 1,112 to 1,200 square feet. All together, these homes included 5,774 square feet of living area that cost \$431,649 to build. The homes were all new, pier and beam construction without access to attic crawl spaces, and they were all sold to low-income families or individuals. Purchase prices ranged from \$78,250 to over \$97,350. No architect worked on the project.

These homes were developed with support from a high performance building program run by the North Carolina Community Development Initiative (the Initiative) and Advanced Energy, a building science and energy consulting firm operating in Raleigh, NC.

Advanced Energy has developed a construction training and home energy analysis tool that can improve indoor air quality and lower utility expenses related to

heating and cooling. Working with the Initiative,¹ they have offered this program to community development corporations throughout the state in an attempt to improve the quality of affordable housing built in North Carolina. Under this partnership, Advanced Energy analyzes house plans, trains the general contractor, the insulation sub-contractor, and HVAC sub-contractors, recommends a set of upgrades or changes to the house, and inspects homes throughout construction and upon completion. The Initiative pays the increased cost of training and material upgrades. After completion, Advanced Energy signs a contract with the new owner, guaranteeing the amount of heating and cooling energy that the home will use in its first two years.² According to their Executive Director, Kate Rumely, Brick Capital utilized this program for two reasons:

- They had a commitment to lower the energy and maintenance costs to the greatest extent possible.
- The program required no additional capital from either Brick Capital or the prospective buyer. The Initiative took on the increased cost.

In many ways, these motivations separate Brick Capital from the other case studies included in this report. Brick Capital had access to a program that would lower energy costs without changing the cost to Brick Capital or the homebuyer. The air quality benefits related to increased air circulation and ventilation were a bonus. They made no changes to their standard construction model except those recommended by Advanced Energy.

The homes were financed by various lenders. Construction financing was provided by a revolving construction fund controlled by Brick Capital and First Citizen's Bank. First mortgages were provided to homebuyers by the United States Department of Agriculture's Rural Development Office, First Citizens Bank, and SunTrust Mortgage Company. Soft second mortgages were provided by the North Carolina Housing Finance Agency.

Green Design and Construction

The changes recommended by Advanced Energy (summarized in the following section) brought an added cost of \$1,418 per unit, which was paid for entirely by the Initiative. Tables 1 & 2 show the additional costs on a total and square footage basis. These additions account for a first-cost premium of 1.76%.

Green Features

Some of Brick Capital's standard practices already promote environmentally sustainable development. They build infill housing exclusively, focusing on areas with existing services and infrastructure. Beyond this, they provide well-constructed, durable buildings that will be easy to maintain and easy to use. This commitment has led to an internal policy to build brick buildings, and to the standard practice of using double-paned windows in all of their homes. In working with Advanced Energy, Brick Capital had to expand on this set of practices to include other materials and methods that could improve ventilation and energy efficiency. Brick Capital:

- removed drop-down stairwells from their attic to provide an unbroken insulation barrier between the attic and the house,
- used low-e double-paned windows, instead of just double-paned windows,
- raised trusses in the roof system so that insulation could be uniformly installed,
- insulated to the edge of the house,
- required that their insulation contractors follow a revised installation process that

Table 1: Total Development Costs

	Total
Acquisition Costs	\$24,768
Hard Costs	\$366,370
Soft Costs	\$10,626
Developer Fee	\$29,886
Total Costs	\$431,649

Table 2: Net Cost of Greening

	Total	Total/SF	% of Total Dev. Cost
Green Design	\$0	\$0.00	0.00%
Traditional Design			
Green Design Premium	\$0	\$0.00	0.00%
Green Construction	\$401,763	\$69.58	93.08%
Traditional Construction	\$394,673	\$68.35	
Net Cost of Greening	\$7,090	\$1.23	1.64%

Table 3: Green Premium (Savings) by Category

Category	Traditional Cost	Green Cost	Green Premium
Sustainable Sites	\$0	\$0	\$0
Water Efficiency	\$0	\$0	\$0
Energy & Atmosphere	\$0	\$4,727	\$4,727
Indoor Environmental Quality	\$0	\$2,363	\$2,363
Materials and Resources	\$0	\$0	\$0
Innovation in the Design Process	\$0	\$0	\$0
Total	\$0	\$7,090	\$7,090

Note: Based on the list of changes provided by the development team, we have assigned 2/3 of costs from greening to energy and atmosphere and 1/3 to indoor environmental quality. We do not have actual costs for changes. No changes were made in other categories.

- protected R-value at breaks in the insulation (like electrical outlets),
- vented between rooms when one room didn't have a return,
- brought fresh air into the home at increased rates, particularly in the kitchens and bathrooms.

These changes resulted in the costs described in Table 3.

Sustainable Sites

As mentioned above, all Brick Capital homes are built on infill sites with already established

infrastructure. This commitment does not increase costs, but does ensure that residents served by Brick Capital developments have better access to community resources and that less infrastructure development is needed to serve Brick Capital projects.

Water Efficiency

There were no significant water efficiency changes made in this project.

Energy and Atmosphere

The changes that Brick Capital

Table 4: Operating Costs for Green versus Conventional Homes

	Monthly heating and cooling cost	Annual heating and cooling cost
Advanced Energy Homes	\$23.02	\$276.19
Brick Capital Standard	\$22.54	\$270.53

made on this scattered site project focused on energy and atmosphere and indoor air quality as it relates to ventilation. The Energy and Atmosphere changes include: removal of drop-down stairwells to provide an insulation barrier between the attic and the house, using low-e double-paned windows instead of their standard double-paned windows, raising roof trusses so that insulation can be uniformly installed, insulating to the edge of the house, and using an insulation installation process that protects R-value at breaks in the insulation (like electrical outlets).

Materials and Resources

Brick Capital uses double-paned windows and brick in all their projects, and we have included no cost differences for these changes because they are a Brick Capital standard. There were no other significant green changes related to material choices.

Indoor Environmental Quality

Brick Capital also focused on indoor environmental quality and especially on ventilation in the unit. They increased the rate at which fresh air was brought into the green homes, with a particular focus on venting in the kitchens and bathrooms. They also vented between rooms when one room did not have a fresh air return.

Innovation in the Design Process

The Advanced Energy program represents an important innovation in the design and development

process, where a statewide expert on building science provides on-site training and technical assistance to contractors and sub-contractors. This program is made all the more effective through the commitment of the Initiative to pay for any cost increases due to these changes.

Operating Savings: Green versus Traditional

Brick Capital has supplied the research team with a small comparative sample of five homes built in the first half of 2002 that did not involve the Advanced Energy program. Working with the utility company which provides service to these homes, they have pulled information for 10 homes (5 built with Advanced Energy's program, 5 without) and removed identifying information. This comparative sample allows one to directly compare the energy costs in homes built to Advanced Energy standards and those that were not. Brick Capital has also shared that the sample of five homeowners living in the Advanced Energy upgraded buildings have significantly more disposable income than the homeowners living in the conventional buildings. These higher-income families that are living in the green homes also have more small appliances and therefore have higher energy loads than the families in the conventional houses. In order to control for the differences in heating and cooling costs, we calculated a base energy load (non-heating and cooling) for

each house in the sample. We did this by looking at the average utility expenditure for the months of April, May, September, and October – the months with the lowest heating and cooling needs in North Carolina – over the 16 month period for which we had data. Subtracting this base energy load from the total monthly energy use for each house, we estimated the heating and cooling use by each household.

The non energy efficient homes ranged in size from 1,186 square feet to 1,200 square feet, and are slightly larger than the energy efficient homes. The median size of the non-energy efficient homes (1,189 sf) is 1.19% higher than the median size of the energy-efficient ones (1,175 sf). Because identifying information has been removed from the utility records of each house, we cannot match the square footage with energy usage, and do not have an estimate of energy use per square foot of living area.

According to this information, the homes built to Advanced Energy's standards are using more energy than homes which were not. Brick Capital believes that much of this can be explained by the economic situations of the homeowners in the two samples, even after accounting for household differences in base electric loads. Either way, both homes perform very efficiently, requiring just over \$20 per month in heating and cooling costs.

Net Present Value Summary

Because the Advanced Energy Program is financed by the North Carolina Community Development Initiative (the Initiative), which pays

for all green upgrades and associated contractor training, the life-cycle calculations are fairly different for this case than our others. Brick Capital and the residents both bear no increased capital costs for green building. These costs are borne entirely by the Initiative. In addition, Brick Capital gets no ongoing benefit from including these technologies in the homes, because as a homeownership project Brick Capital is never responsible for the operation or maintenance of the buildings. In effect, the life-cycle difference for Brick Capital is zero.

The residents have a somewhat different picture. While they bear no increased costs due to the green upgrades included in the building, they do receive any benefit that accrues due to these changes. In this case, that benefit would come entirely as a result of improved heating and cooling efficiency and improved indoor air quality, the two things on which Advanced Energy focuses. We have no reliable way to measure life-cycle savings related to indoor air quality and therefore have not included it in this analysis. We have measured differentials in the heating and cooling costs, and, as shown in the previous section, the Brick Capital standard buildings actually perform slightly better on average than the Advanced Energy upgraded buildings. Using these results alone, the life-cycle cost borne by the residents are shown in Tables 5-6. This amounts to a loss of over \$140 per household over a thirty-year building lifespan or a total of \$706 for the project.

All the increased life-cycle costs come from features that were supposed to improve indoor heating and cooling efficiency. The actual energy-use data show that the opposite effect occurred and the green homes have an increase in heating and cooling bills that amounts to roughly \$0.50 per month per unit or \$706 for all five homes over a 30-year lifespan.

Table 5: Total resident NPV by feature

	Green savings (cost)
Additional Interest	\$0
Energy Efficiency	(\$706)
Total	(\$706)

Table 6: Resident NPV by Feature

	Green Savings (cost)
Additional Interest	\$0
Operating Costs	(\$706)
Replacement Costs	\$0
Total	(\$706)

References and Acknowledgements

- Phone interviews with Kate Rumely, Executive Director of Brick Capital CDC. Carried out by Will Bradshaw from May to July 2004.
- Brick Capital CDC press packet. Sent from Kate Rumely, Executive Director of Brick Capital CDC.
- Profit and Loss Statements for each Brick Capital home, energy efficient and non energy efficient. Sent from Kate Rumely, Executive Director of Brick Capital CDC.
- Progress Energy utility usage reports over the last 24 months. Sent from Kate Rumely, Executive Director of Brick Capital CDC.
- Advanced Energy program description and energy-use contract. www.advancedenergy.org

(Endnotes)

¹ There is a complementary program run through the North Carolina Housing Finance Agency (NCHFA). The services that Advanced Energy provides are identical in the two programs, and the financial partner (the Initiative or NCHFA) covers the full cost of building improvements and training in both.

² Advanced Energy does not guarantee a price for energy, but rather a given amount of energy that will be used for heating and cooling. They have a process through which the house's heating and cooling load is determined, backing out the energy used by other appliances and systems. Their guarantee also requires a set of behaviors from the resident, specifying maximum and minimum thermostat placements based on season, and requiring that people close windows and doors, etc.

THE INSTITUTE

NORTH CAROLINA INSTITUTE OF MINORITY ECONOMIC DEVELOPMENT



OVERVIEW

The North Carolina Institute of Minority Economic Development (the Institute) is a statewide non-profit with a mission to build the asset base among limited resource populations through research and information, education and training, and business development. The NCIMED is clear about why we must grow small, women, minority and historically underutilized businesses. It's about business.

It's understanding that a healthy economy is balanced and agile, and whether the business climate is booming or challenging, we must always work to sustain existing companies and to stimulate new ones. Job retention and creation, expanded tax bases, access to capital, and a healthy workplace provide the core of all of the programs and services of the Institute. In every sector of every community, we must accept that economic diversification is an imperative to business in the 21st century.

PROGRAMS

NC STATEWIDE MINORITY BUSINESS ENTERPRISE CENTER™ (MBEC)

The Institute's NCMBEC focuses on minority businesses which are high growth businesses with sales in excess of \$500,000, while simultaneously providing technical assistance services to life style businesses (those businesses with revenues under, \$500,000, particularly those with revenues of \$0 to \$250,000). The NCMBEC is a partnership between the Institute and the U.S. Department of Commerce. Services are provided through three regional office locations in Durham, Fayetteville and Charlotte.

MINORITY EXECUTIVE EDUCATION INSTITUTE (MEEI)

Developed by the Institute, MEEI delivers a comprehensive graduate level business education experience based on proven best practices and research for historically underutilized businesses. It affords businesses an opportunity to learn from experts in the field while receiving business development support. The Institute's partners are the Kenan Flagler Business School, UNC Chapel Hill; the Babcock School of Management, Wake Forest University; the Center for Creative Leadership, UNC-G, Bennett College, Meredith College; and the Fuqua School of Business, Duke University.

Women's Business Center of North Carolina

The Women's Business Center of North Carolina (WBC) is a partnership program between the Institute and the U.S. Small Business Administration (SBA). The Center's main objective is to promote economic self-sufficiency for women in North Carolina through entrepreneurship.

GOALS



Provide technical assistance and support to businesses with a particular focus on small, minority-owned, women, and service disabled veteran-owned firms.



Improve access to capital, access to market opportunities and managerial assistance.



Implement education and training model that builds financial stability and profitability of businesses; and provides financial education to college students and educates consumers.



Conduct policy and research to analyze industry and demographics trends to help all people adjust to changing market forces and the needs of commerce.

Financial Education and Training

The Institute's Financial Education and Training department plays a key role in promoting financial education for all minorities of all ages across North Carolina. The goal is to build the financial intelligence of the minority business community, low to moderate individuals and the average consumer.

Healthy Workplace Initiatives

The Healthy Workplace Initiative strengthens the interface between health, employment and economics. The department has been engaged in a highly successful tobacco prevention and cessation project and is currently involved with the On the Ground Prostate Cancer Project.

EXECUTIVE NETWORKING CONFERENCE (ENC)

The Institute's Executive Networking Conference brings minority business enterprises together with representatives from the corporate community. The purpose of the conference is to strengthen existing business relationships, nurture new relationships and develop valuable strategic alliances.

POLICY INITIATIVES

The Institute engages in policy research and analysis on emergent trends in North Carolina's low-wealth and minority communities. Research topics include minority buying power, student debt and economic impact.

THE INSTITUTE'S IMPACT

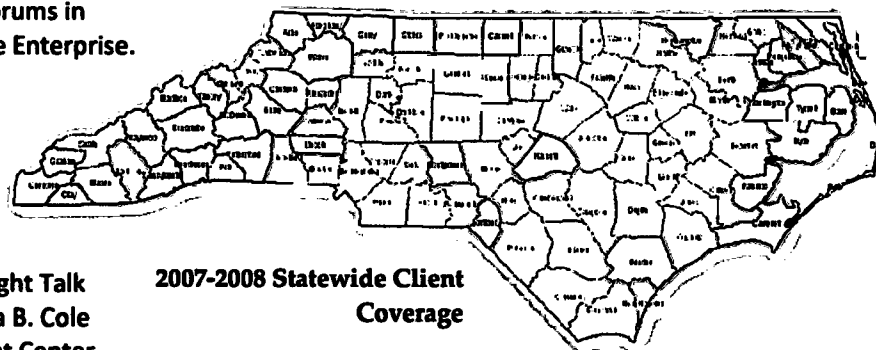
BUSINESS DEVELOPMENT IMPACT

\$118,391,943	Contracts awarded
\$58,718,873	Client financial transactions (loans, bonding, lines of credit, equity financing)
2,164	Jobs created
5,467	Jobs retained
3,138	Businesses served
9,385	Women entrepreneurs receiving training and education
9,485	Clients trained by Financial Education and Training since 2003.

- ▶ White paper titled "Removing the Millstone: Student Debt and the Growing Wealth Gap" detailing the economic impact of student debt and the inability of the next generation to increase their potential to build wealth. The publication focuses on North Carolina Community Colleges and four year institutions.
- ▶ NCIMED Healthy Workplace Initiative – Designed health awareness education program to strengthen the interface between health, employment and economics by increasing awareness of health disparities relating to prostate cancer with materials tailored to the priority population; providing supportive educational and delivery sessions. Coordinated prostate screenings in conjunction with various health care providers, state agencies and other nonprofit partners (a total of 1,052 males screened for prostate cancer across North Carolina primarily in rural communities). Note: North Carolina has the highest incidence/mortality rate of prostate cancer in the country.

POLICY ACTIVITIES AND INITIATIVES

- ▶ Conducted seven (7) Economic Information Forums in conjunction with the Kenan Institute of Private Enterprise. Forums were conducted in Shelby, Charlotte, Winston-Salem, Dunn, Fayette, Rocky Mount and Elizabeth City attracting more than 750 participants.
- ▶ The Institute sponsored North Carolina's first Historically Black College and University Straight Talk Symposium in partnership with the Johnnetta B. Cole Global Diversity & Inclusion Institute, the Joint Center for Political and Economic Studies and the North Carolina Community Development Initiative.



SUSTAINABILITY

For fiscal years 2009-2010, the Institute is requesting \$1,500,000 appropriated by the NC General Assembly for continued operating support for the following programs: managerial technical assistance, loans, contract financing, and to increase access of small firms to market opportunities, especially in underdeveloped communities, and credit facilities, per the American Recovery and Reinvestment Act, and to increase job retention and creation initiatives among small and medium sized businesses.



NORTH CAROLINA INSTITUTE OF MINORITY ECONOMIC DEVELOPMENT
114 W. PARRISH STREET
DURHAM, NC 27701
919.956.8889
WWW.NCIMED.COM

The North Carolina Institute of Minority Economic Development

Building Businesses.

Building Communities.



NCIMED 1

Andrea Harris, President

NC Institute of Minority Economic Development

The Institute Who We Are

The North Carolina Institute of Minority Economic Development (the Institute) is a statewide non-profit with a mission to build the asset base among limited resource populations through research and information, education and training, and business development. The NCIMED is clear about why we must grow small, women, minority and historically underutilized businesses.
It's about business.

It's understanding that a healthy economy is balanced and agile, and whether the business climate is booming or challenging, we must always work to sustain existing companies and to stimulate new ones. Job retention and creation, expanded tax bases, access to capital, and a healthy workplace provide the core of all of the programs and services of the Institute.

In every sector of every community, we must accept that economic diversification is an imperative to business in the 21st century.

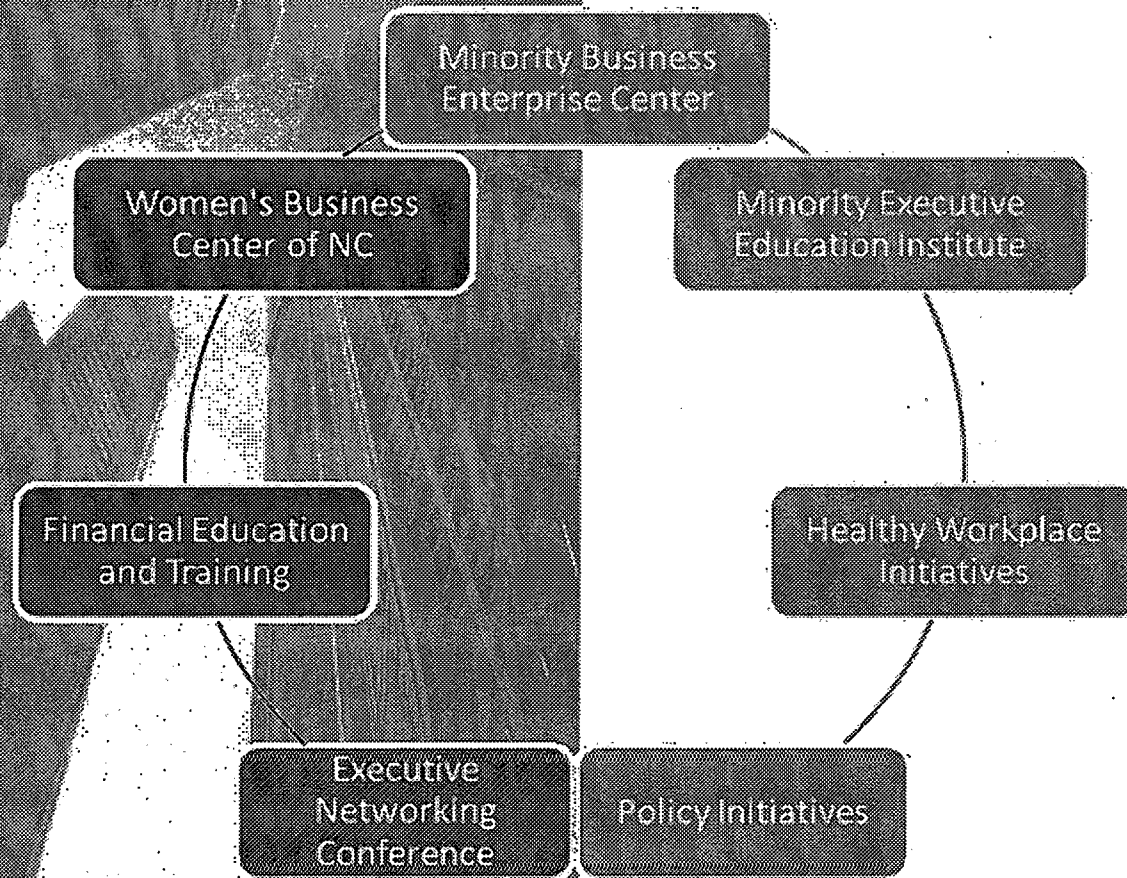


The Institute Economic Development Programs

Institute Programs and Policy Initiatives

To fulfill our mission, the Institute (along with our strategic partners) administers several innovative programs and initiatives which include:

- NC Statewide
Minority Business Enterprise Center™
- Minority Executive Education Institute
- Women's Business Center of North Carolina
- Financial Education and Training
- Healthy Workplace Initiatives
- Executive Networking Conference
- Policy Initiatives



The Institute Budget 2008-2009

Revenue	
State of NC	2,621,787
NC DHHS/OMH	63,500
NC DOT/MEEI	28,927
Rural Center	33,500
US Dept of Commerce (MBDA)	233,381
Small Business Administration	106,063
NC BCBS	75,000
Z Smith Reynolds	100,000
Direct Public & Corporate Support	182,000
Fees, & Other Income	329,996

	Total Budget	Percent
	2,621,787	69.5%
	63,500	1.7%
	28,927	0.8%
	33,500	0.9%
	233,381	6.2%
	106,063	2.8%
	75,000	2.0%
	100,000	2.6%
	182,000	4.8%
	329,996	8.7%

	State Funds	Percent	All Sources	Percent
Total Revenue	\$ 2,621,787		\$ 3,774,154	
Expenses:				
Administrative	\$ 396,088	15%	\$ 421,088	11%
Grants	\$ 403,543	15%	\$ 403,543	11%
Remaining Programs	\$ 1,822,156	70%	\$ 2,949,523	78%
Total Expenses	\$ 2,621,787		\$ 3,774,154	

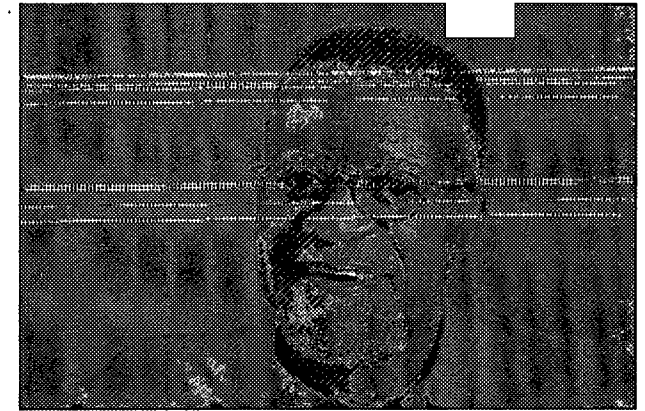
Total Revenue

3,774,154 100.0%

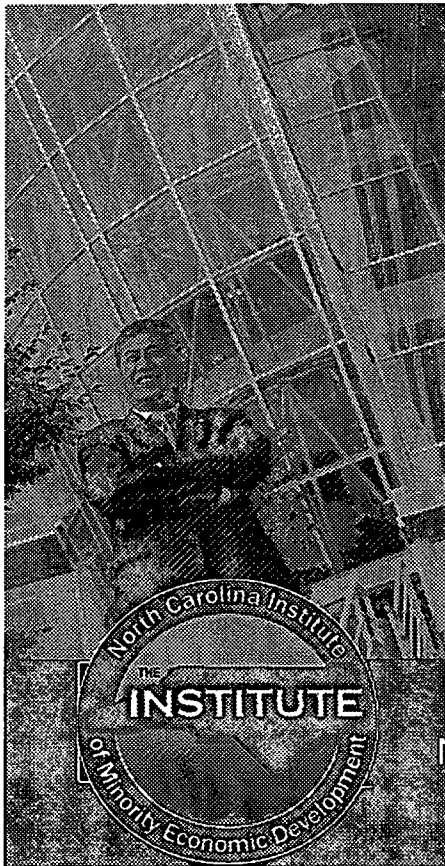
Expenses	
Salaries	29.2%
Fringe benefits (Insurance/Taxes/Pension)	6.8%
Specialized technical assistance	21.7%
Office & Program Expense	5.8%
Postage	0.2%
Communications (Phone, fax, on-line services)	2.2%
Travel	2.9%
Meals & Lodging	0.7%
Program Development	2.1%
Memberships	0.1%
Printing/Duplication/Media	1.0%
Subscriptions/Reference materials	0.1%
Special Projects/Regional Busn Dev Initiatives	10.7%
Staff/Professional development	0.8%
Insurance & bonding	0.8%
Audit/Legal	0.7%
Rent	2.6%
Board expense	0.1%
Equipment lease/maintenance	0.5%
Repairs & maintenance	1.0%
Parking	0.6%
Security	0.3%
Utilities	0.5%
In-kind Rent	0.7%
Interest Expense	0.4%
Contributions/Other	0.7%
Debt Reduction	0.4%
Capital Expenditures	6.3%
Total expenses	100%
Net increase (decrease) in net assets	



The Institute NC Minority Business Enterprise Center



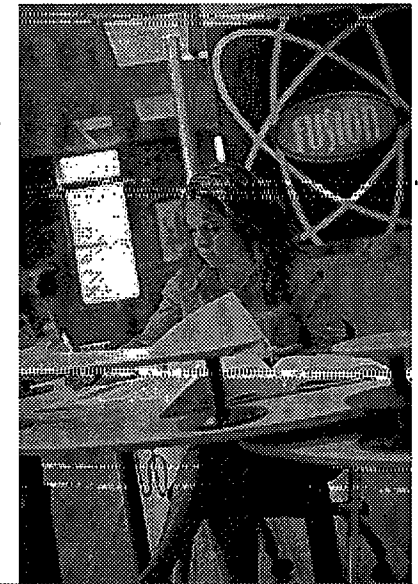
Impact Category	July 1, 2007 - June 30, 2008 (12 months)	July 1, 2008 – December 31, 2008 (6 months)
Clients Counseled	1,065	976
Market Opportunity Client Awards	\$12,064,860	\$6,576,875
Financial Client Awards	\$12,552,876	\$8,066,122
Jobs Created	76	30
Jobs Retained	645	N/A





The Institute NC Women's Business Center

Client Impact Category	July 1, 2007 to June 30, 2008 (12 months)	July 1, 2008 to December 31, 2008
Seminars/Workshops Conducted	70	53
Training attendees	842	871
Clients Counseled	212	101
Certifications	3	1
Businesses launched	12	4
Number of Loans	29	4
Total amount of loans	\$947,500	\$602,000
Total amount of contract awards	\$1,361,023	\$45,000



BUSINESS DEVELOPMENT IMPACT

\$118,391,943

Contracts awarded

\$58,718,873

Client financial transactions
(loans, bonding, lines of credit,
equity financing)

2,164

Jobs created

5,467

Jobs retained

3,138

Businesses served

9,385

**Women entrepreneurs receiving
training and education**

9,485

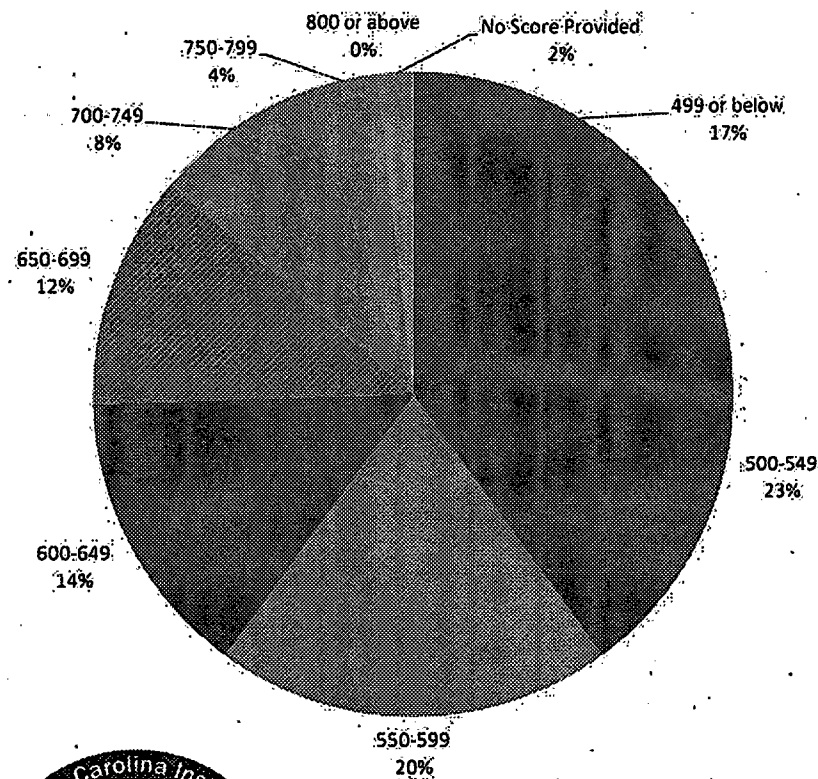
**Clients trained by Financial
Education and Training since
2003.**

FY 2004 - 2008



The Institute Financial Education and Training

Financial Education & Training Credit Analysis Client FICO Score Distribution (July 1, 2007 – June 30, 2008)



Financial Education and Training Client Summary

Client Category	July 1, 2007 to June 30, 2008 (12 months)	July 1, 2007 to December 31, 2008 (6 months)
Credit Analysis Clients	110	149
Training Participants	2,732	2,074



The Institute Minority Executive Education Institute (MEEI)

- DBE Construction Executive Education Institute
Kenan Flagler School of Business
- Family Business Executive Education Institute
Babcock School of Management, Wake Forest
University
- Women's Business Executive Institute
Center for Creative Leadership, UNC-G,
Bennett College, Meredith College, Peace
College
- Executive Education Institute
Fuqua School of Business





The Institute Health Disparities

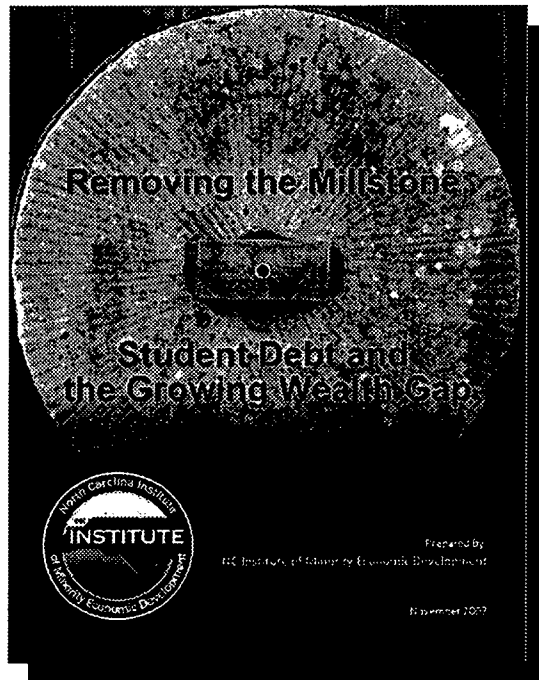
Case Management services conducted during FY 2007-2008 CFEHDI contract period in this chart below

Total Number
Reached
For Each Area
Listed

10 th Annual Raleigh Prostate Cancer Screening	347
56 General Session of the Most Worshipful Prince Hall Grand Lodge of North Carolina	63
Northeastern Prostate Cancer Screening - Ahoskie, NC	88
Asheville Buncombe Institute of Parity Achievement (ABIPA) Prostate Cancer Screening - Asheville	43
Asheville Buncombe Institute of Parity Achievement (ABIPA) Prostate Cancer Screening - Asheville	40
Total Prostate Cancer Screenings	581

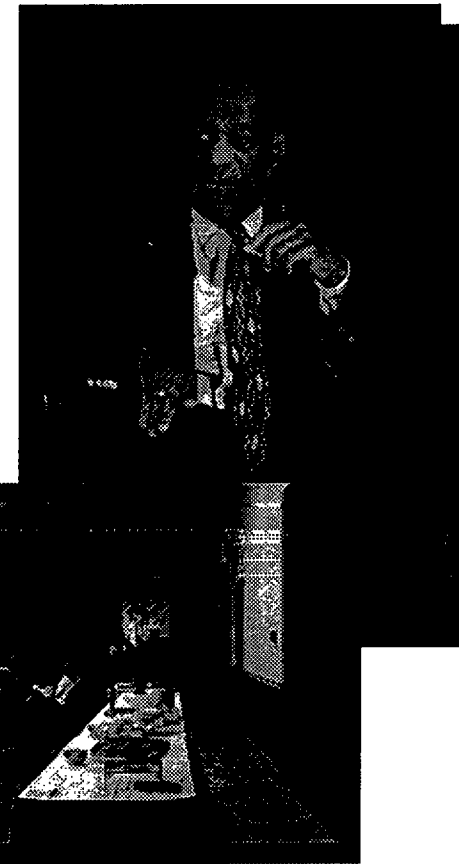


The Institute Policy Research Initiatives



Dr. William "Bill" Cosby, HBCU
Straight Talk Symposium

"Removing the Millstone:
Student Debt and the
Growing Wealth Gap"
Publication



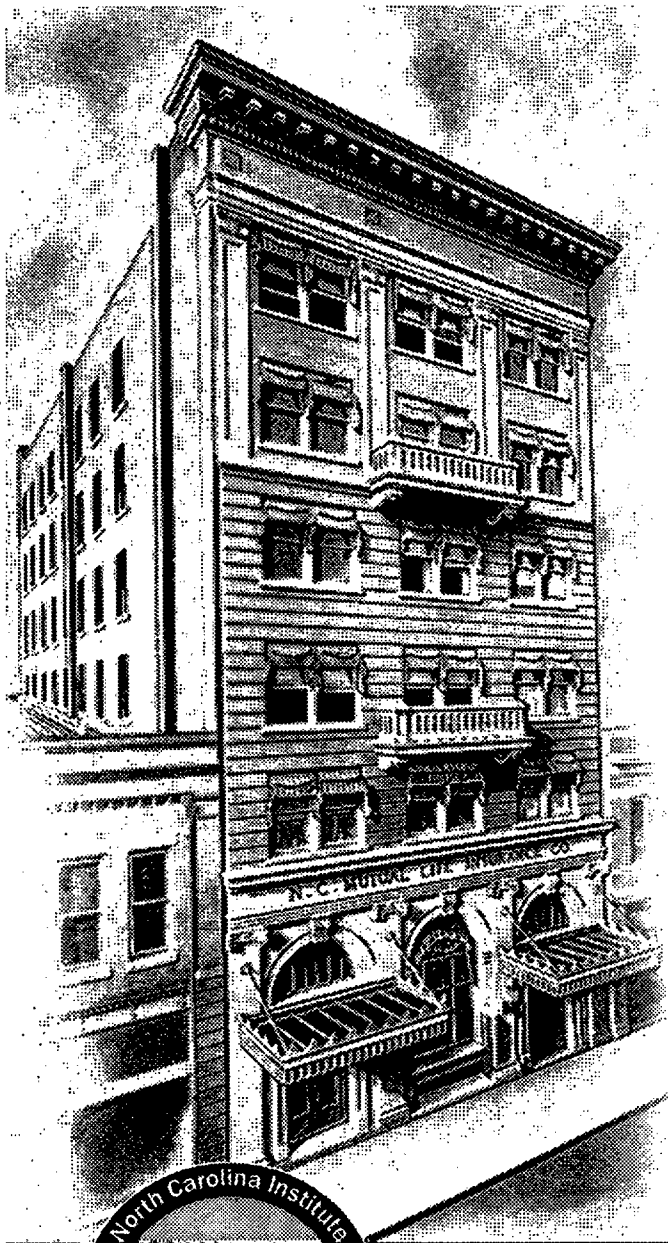
Economic Information
Forum, Elizabeth City,
NC (Fall 2008)



NCIMED 11

2009 Institute Legislative Overview

Attachment # 3



The Institute Our Legacy. Our Inheritance

“Whatever part you play, be remembered as part of a legacy...of sharing dreams and changing humanity for the better. For it's that legacy that never dies.”

~ Anonymous



NCIMED 12

2009 Institute Legislative Overview

What will they contribute to North Carolina's competitive future?



North Carolina's competitive future in science and technology depends on a prepared workforce and a supportive citizenry.

Our schools alone cannot meet this challenge. Neither can government or work places. Museums are important partners in inspiring and educating youth and adults in science and technology—in connecting classroom learning to real-world experiences. Moreover, museums are one-of-a-kind places where families learn together through engaging interactive environments.

The Grassroots Science Museums Collaborative is the only statewide partnership of museums dedicated to inspiring and educating today's youth and adults in science and technology for North Carolina's competitive future.

Where are the Grassroots Science Museums located?

Grassroots Science Museums are located in communities across the state of North Carolina—from the mountains to the coast. *Citizens from all 100 counties* visit these museums each year and are served through outreach programs. School children not only visit nearby museums but travel across county lines to other member museums. Museums travel, too, offering outreach programs across county lines.

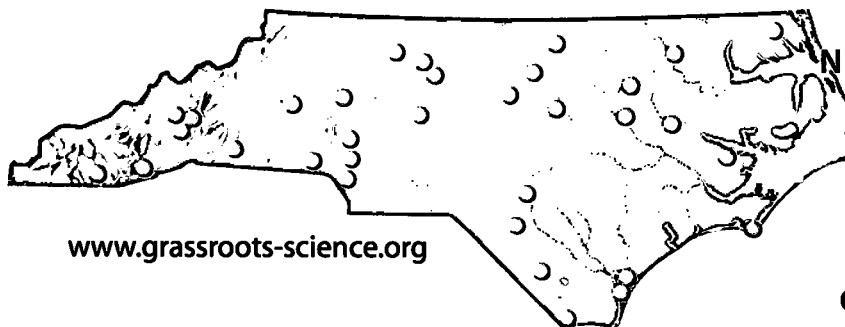
What are the impacts on North Carolina?

- 3.65 M = number of people served as visitors and through outreach annually
- 100 = number of North Carolina counties served annually
- \$100M = estimated combined economic impact on North Carolina communities
- \$5M = estimated state tax revenue generated
- Enhanced quality of life in their communities and attractors of new businesses and new homeowners
- Recognized partners in science and environmental education with schools, colleges and businesses

How are the museums funded?

Museums are funded through a mix of revenue sources—earned income, donations, grants and local government. The mix varies from institution to institution, as does the size of the institution and its needs. State funding is a small percentage of the total revenue needed to operate Grassroots Museums, yet *vital* to the operating needs of each museum. The *only* source of State funding for annual operating needs comes through funding of the Grassroots Science Museums Collaborative—which is distributed to each eligible museum based on its size (its budget and visitation).

For every \$1 of state appropriation, Grassroots Science Museums raise another \$14.8



www.grassroots-science.org

NORTH CAROLINA
**Grassroots
Science
Museums**
COLLABORATIVE



What will they contribute to North Carolina's competitive future?

North Carolina's competitive future in science and technology depends on a prepared workforce and a supportive climate.

What are the key elements of a supportive climate?

- 1. A strong pipeline of quality science and engineering students
- 2. A strong pipeline of quality science and engineering graduates
- 3. A strong pipeline of quality science and engineering professionals
- 4. A strong pipeline of quality science and engineering leaders

What are the key elements of a prepared workforce?

- 1. A strong pipeline of quality science and engineering students
- 2. A strong pipeline of quality science and engineering graduates
- 3. A strong pipeline of quality science and engineering professionals
- 4. A strong pipeline of quality science and engineering leaders

What are the key elements of a strong pipeline of quality science and engineering students?

- 1. A strong pipeline of quality science and engineering students
- 2. A strong pipeline of quality science and engineering graduates
- 3. A strong pipeline of quality science and engineering professionals
- 4. A strong pipeline of quality science and engineering leaders

What are the key elements of a strong pipeline of quality science and engineering graduates?

- 1. A strong pipeline of quality science and engineering students
- 2. A strong pipeline of quality science and engineering graduates
- 3. A strong pipeline of quality science and engineering professionals
- 4. A strong pipeline of quality science and engineering leaders

What are the key elements of a strong pipeline of quality science and engineering professionals?

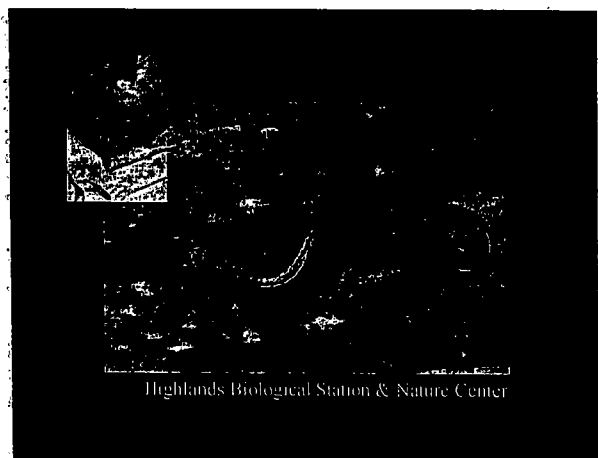
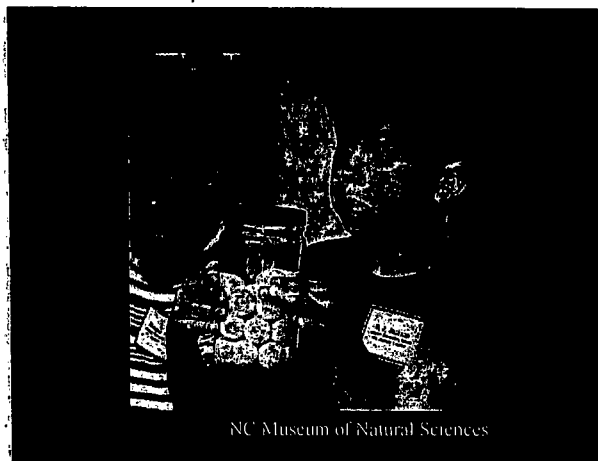
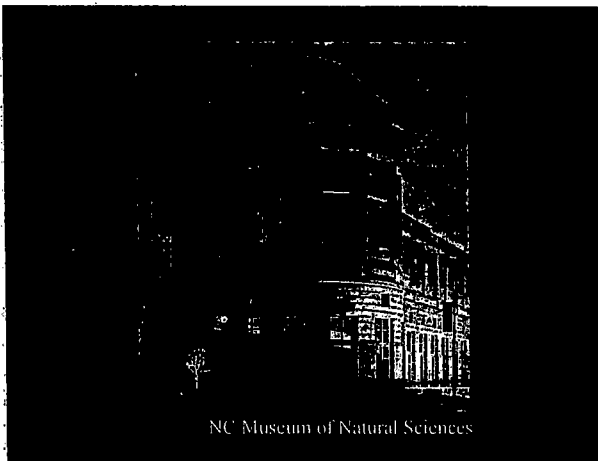
- 1. A strong pipeline of quality science and engineering students
- 2. A strong pipeline of quality science and engineering graduates
- 3. A strong pipeline of quality science and engineering professionals
- 4. A strong pipeline of quality science and engineering leaders

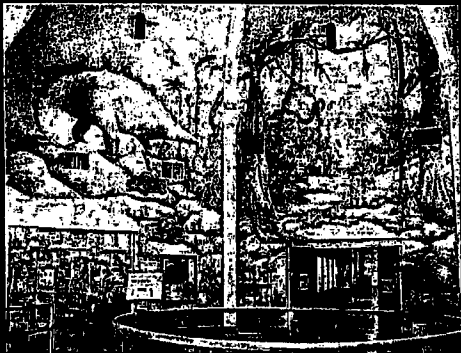
What are the key elements of a strong pipeline of quality science and engineering leaders?

- 1. A strong pipeline of quality science and engineering students
- 2. A strong pipeline of quality science and engineering graduates
- 3. A strong pipeline of quality science and engineering professionals
- 4. A strong pipeline of quality science and engineering leaders

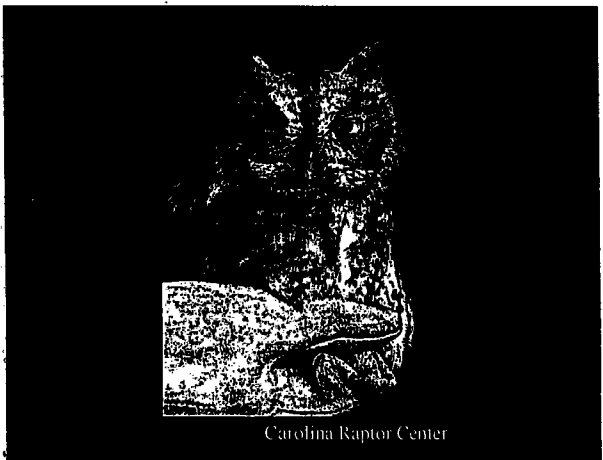
For every \$1 of state appropriation, Grassroots Science Museums raises another \$1.48

NORTH CAROLINA
Grassroots Science Museums
COLLABORATING

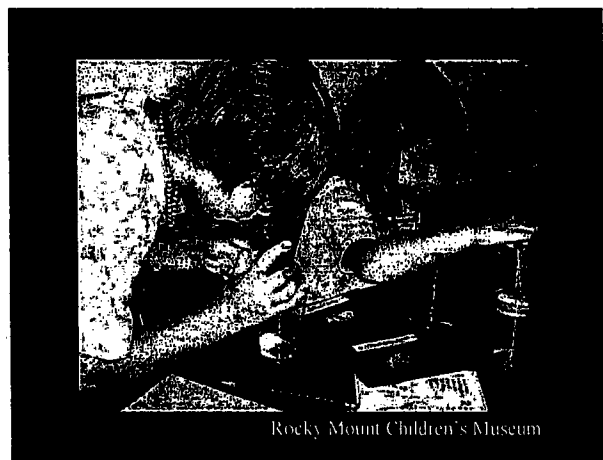




NATURAL SCIENCE CENTER OF GREENSBORO, INC.



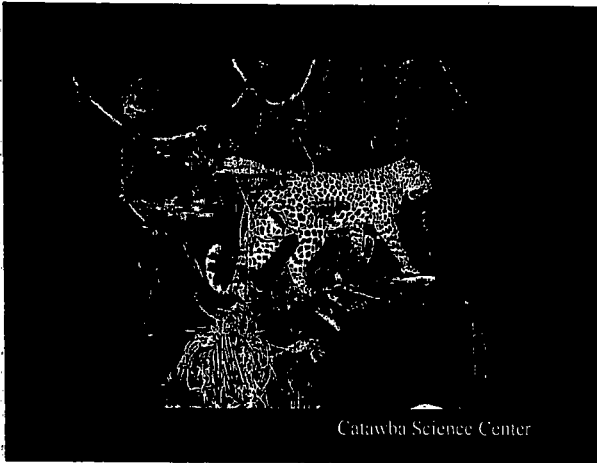
Carolina Raptor Center



Rocky Mount Children's Museum



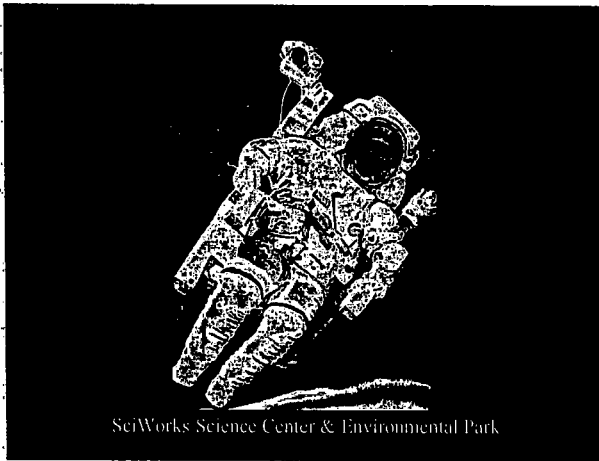
The Schiele



Catawba Science Center



The Health Adventure



SciWorks Science Center & Environmental Park



Cape Fear Museum



Fascinate-U Children's Museum



KidSenses Children's InterACTIVE Museum
Bubble.Ology



26

Brandon Young - Blog Entry Day #1, 2008

Today was our first day in which we were able to compare our work with the other students from around the world. So far, we have collaborated with Australia, Denmark, Japan, South Africa, New Zealand, and the Chinese students...

27

Brandon's 2009 Abstract

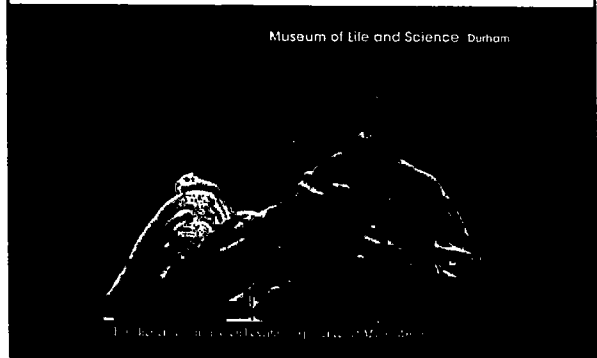
Apoptosis, or programmed cell death, occurs in response to cytotoxic stimuli that leads to the dismantling of the cell. The absence of apoptosis leads to tumorigenesis, or the formation of tumors, which implicates the proteins in apoptosis as good cancer targets. Proteins that play an integral role in apoptosis are caspases, which are a family of cysteine-dependent aspartate-directed proteases....

28

Fran Nolan, Ed.D.
Executive Director
Grassroots Science Museums Collaborative
NC Museum of Natural Sciences
11 West Jones Street
Raleigh, NC 27601-1029
Office: 919-733-7450 x260
Cell: 336-210-2972
fran.nolan@ncmail.net
www.grassroots-science.org

29

**Barry VanDeman, President and CEO of the
Museum of Life and Science**



Grassroots Science Museums Collaborative
List of Centers
February 29, 2008

	Museum Name	Membership	Funded
1.	Aurora Fossil Museum	Level 1 (Charter)	Yes
2.	Cape Fear Museum	Level 1 (Charter)	Yes
3.	Carolina Raptor Center	Level 1 (Application)	Yes
4.	Catawba Science Center	Level 1 (Charter)	Yes
5.	Charlotte Nature Museum	Affiliate to Discovery Place	No
6.	Colburn Earth Science Museum	Level 1 (Charter)	Yes
7.	Discovery Place	Level 1 (Charter)	Yes
8.	Go Science (ENCRSC)	Provisional Associate	Partial
9.	Fascinate-U Children's Museum	Level 2	Yes
10.	Granville County Museum	Level 2	Yes
11.	Greensboro Children's Museum	Level 2	Yes
12.	Highlands Nature Center	Level 2	Yes
13.	Imagination Station	Level 1 (Charter)	Yes
14.	Iredell Museums, Inc.	Level 2	Yes
15.	KidSenses Children's Museum	Level 2	Yes
16.	Morehead Planetarium and Science Center	Level 3	No
17.	Museum of Coastal Carolina	Level 1 (Charter)	Yes
18.	Natural Science Center of Greensboro	Level 1 (Charter)	Yes
19.	NC Museum of Forestry	Affiliate to the NCMNS	No
20.	NC Museum of Life and Science	Level 1 (Charter)	Yes
21.	NC State Museum of Natural Sciences	Level 1 (Charter)	No
22.	Pisgah Astronomical Research Institute	Provisional Associate	Partial
23.	Port Discover	Provisional Associate	Partial
24.	Robeson County Planetarium & S. C.	Level 3	No
25.	Rocky Mount Children's Museum & S. C.	Level 1 (Charter)	Yes
26.	Schiele Museum of Natural History	Level 1 (Charter)	Yes
27.	SciWorks	Level 1 (Charter)	Yes
28.	Sylvan Heights	Level 2	Partial
29.	The Health Adventure	Level 1 (Charter)	Yes
30.	Western NC Nature Center	Level 1 (Charter)	Yes
31.	Wilmington Children's Museum	Level 2	Yes
32.	Core Waterfowl Museum	Undesignated	Partial
33.	Dan Nicholas Park	Level 2	No

GRASSROOTS SCIENCE PROGRAM

34 **SECTION 12.5.(a)** Of the funds appropriated in this act to the Department
35 of Environment and Natural Resources for the Grassroots Science Program, the
sum of

36 three million nine hundred six thousand three hundred forty dollars
(**\$3,906,340**) for the

37 2007-2008 fiscal year and the sum of three million four hundred eighty-one
thousand

38 three hundred forty dollars (**\$3,481,340**) for the 2008-2009 fiscal year is
allocated as

39 grants-in-aid for each fiscal year as follows:

40 2007-2008 2008-2009

41

42 Aurora Fossil Museum \$59,057 \$59,057

43 Cape Fear Museum \$161,007 \$161,007

44 Carolina Raptor Center \$112,174 \$112,174

45 Catawba Science Center \$146,356 \$146,356

46 Colburn Earth Science Museum, Inc. \$74,545 \$74,545

47 Core Sound Waterfowl Museum \$50,000 \$50,000

48 Discovery Place \$662,865 \$662,865

49 Eastern NC Regional Science Center \$350,000 \$50,000

50 Fascinate-U \$81,072 \$81,072

51 Granville County Museum Commission,

General Assembly of North Carolina Session 2007

Page 160 House Bill 1473 H1473-PCCS30527-LRxf-4

1 Inc.-Harris Gallery \$56,422 \$56,422

2 Greensboro Children's Museum \$135,076 \$135,076

3 The Health Adventure Museum of Pack

4 Place Education, Arts and

5 Science Center, Inc. \$155,611 \$155,611

6 Highlands Nature Center \$79,268 \$79,268

7 Imagination Station \$86,034 \$86,034

8 The Iredell Museums, Inc. \$61,306 \$61,306

9 Kidsenses \$81,282 \$81,282

10 Museum of Coastal Carolina \$78,020 \$78,020

11 The Natural Science Center

12 of Greensboro, Inc. \$311,354 \$186,354

13 North Carolina Museum of Life

14 and Science \$379,826 \$379,826

15 Pisgah Astronomical Research Institute \$50,000 \$50,000

16 Port Discover: Northeastern

17 North Carolina's Center for

18 Hands-On Science, Inc. \$50,000 \$50,000

- 19 Rocky Mount Children's Museum \$72,254 \$72,254
- 20 Schiele Museum of Natural History
- 21 and Planetarium, Inc. \$229,547 \$229,547
- 22 Sci Works Science Center and
- 23 Environmental Park of Forsyth County \$146,499 \$146,499
- 24 Sylvan Heights Waterfowl Park
- 25 and Eco-Center \$50,000 \$50,000
- 26 Western North Carolina Nature Center \$112,879 \$112,879
- 27 Wilmington Children's Museum \$73,886 \$73,886
- 28

29 Total \$3,906,340 \$3,481,340

30 **SECTION 12.5.(b)** No later than March 1, 2008, the Department of
31 Environment and Natural Resources shall report to the Fiscal Research Division
all of

32 the following information for each museum that receives funds under this
section:

33 (1) The operating budget for the 2006-2007 fiscal year.

34 (2) The operating budget for the 2007-2008 fiscal year.

35 (3) The total attendance at the museum during the 2007 calendar year.

36 **SECTION 12.5.(c)** No later than March 1, 2009, the Department of
37 Environment and Natural Resources shall report to the Fiscal Research Division
all of

38 the following information for each museum that receives funds under this
section:

39 (1) The operating budget for the 2007-2008 fiscal year.

40 (2) The operating budget for the 2008-2009 fiscal year.

41 (3) The total attendance at the museum during the 2008 calendar year.

42 **SECTION 12.5.(d)** As a condition for qualifying to receive funding under
43 this section, all of the following documentation shall be submitted for each
museum

44 under this section to the Department of Environment and Natural Resources for
fiscal

45 years ending between July 1, 2005, and June 30, 2006, and only those costs that
are

46 properly documented under this subsection are allowed by the Department in
47 calculating the distribution of funds under this section:

48 (1) Each museum under this section shall submit its IRS (Internal Revenue
49 Service) Form 990 to show its annual operating expenses, its annual
50 report, and a reconciliation that explains any differences between
51 expenses as shown on the IRS Form 990 and the annual report.

General Assembly of North Carolina Session 2007

H1473-PCCS30527-LRxf-4 House Bill 1473 Page 161

1 (2) Each friends association of a museum under this section shall submit

2 its IRS Form 990 to show its reported expenses for the museum, its
3 annual report, and a reconciliation that explains any differences
4 between expenses as shown on the IRS Form 990 and the annual
5 report, unless the association does not have both an IRS Form 990 and
6 an annual report available, in which case, it shall submit either an IRS
7 Form 990 or an annual report.

8 (3) The chief financial officer of each county or municipal government
9 that provides funds for the benefit of the museum shall submit a
10 detailed signed statement of documented costs spent for the benefit of
11 the museum that includes documentation of the name, address, title,
12 and telephone number of the person making the assertion that the
13 museum receives funds from the county or municipality for the benefit
14 of the museum.

15 (4) The chief financial officer of each county or municipal government or
16 each friends association that provides indirect or allocable costs that
17 are not directly charged to a museum under this section but that benefit
18 the museum shall submit in the form of a detailed statement
19 enumerating each cost by type and amount that is verified by the
20 financial officer responsible for the completion of the documentation
21 and that includes the name, address, title, and telephone number of the
22 person making the assertion that the county, municipality, or
23 association provides indirect or allocable costs to the museum.

24 **SECTION 12.5.(e)** As used in subsection (d) of this section, "friends
25 association" means a nonprofit corporation established for the purpose of
supporting

26 and assisting a museum that receives funding under this section.

27 **SECTION 12.5.(f)** The Fiscal Research Division shall study the current
28 formula used to calculate the allocations for members of the Grassroots
collaborative

29 and shall report no later than January 15, 2008, its findings and any
recommendations

30 for revising this formula to be used for the 2008-2009 fiscal year to the

Appropriations

31 Subcommittees on Natural and Economic Resources in both the Senate and the
House

32 of Representatives.

History of Grassroots Science Museums Collaborative Appropriations

sheet 2

2000-01 2001-02 2002-03 2003-04 2004-05 2005-06 2006-07 2007-08 2008-09

1 Aurora Fossil Museum	64,046	57,535	57,535	56,690	56,691	59,057	59,057	59,057	59,057
2 Cape Fear Museum	131,831	187,205	187,205	185,470	185,501	161,007	161,007	161,007	161,007
3 Carolina Raptor Center		0	0	50,000	95,370	112,174	112,174	112,174	112,174
4 Catawba Science Center	115,614	151,669	151,669	134,913	134,932	133,429	146,356	146,356	146,356
5 Colburn	63,942	68,409	68,409	66,858	66,862	74,545	74,545	74,545	74,545
6 Core Sound Waterfowl M.								50,000	50,000
7 Discovery Place	776,577	610,826	610,826	624,407	624,536	662,865	662,865	662,865	662,865
8 E NC Regional Science Ctr.						50,000	50,000	350,000	50,000
9 Fascinate-U		0	0	50,000	81,720	80,742	81,072	81,072	81,072
10 Granville County Mus.	54,420	59,968	59,968	55,885	55,886	56,422	56,422	56,422	56,422
11 Greensboro Children's Mus.					131,105	135,076	135,076	135,076	135,076
12 Health Adventure	210,860	142,585	142,585	121,115	121,131	134,499	155,611	155,611	155,611
13 Highlands Nature Center	0	0	0	50,000	73,536	79,268	79,268	79,268	79,268
14 Imagination Station	108,202	88,668	88,668	85,308	85,316	86,034	86,034	86,034	86,034
15 Iredell Museums	56,243	57,198	57,198	6,616	56,618	0	61,306	61,306	61,306
16 KidSenses				50,000	50,000	50,000	81,282	81,282	81,282
17 Mus. Coast. Carolina	318,274	62,201	62,201	69,311	69,315	74,192	78,020	78,020	78,020
18 Nat. Sci. Center Greens.	321,804	223,299	223,299	183,416	183,446	186,354	186,354	311,354	186,354
19 Museum of Life & Science	465,240	391,545	391,545	388,283	388,359	379,826	379,826	379,826	379,826
20 Pisgah Astronomical Res Inst							0	50,000	50,000
21 Port Discover						50,000	50,000	50,000	50,000
22 Rocky Mt.Children's Museum	98,007	83,525	83,525	72,810	72,815	72,254	72,254	72,254	72,254
23 Schiele Museum	381,489	307,496	307,496	234,524	234,566	229,547	229,547	229,547	229,547
24 SciWorks	247,501	161,259	161,259	147,578	147,600	146,499	146,499	146,499	146,499
25 Sylvan Heights								50,000	50,000
26 W. NC Nature Ctr.	120,261	148,372	148,372	118,578	118,594	112,879	112,879	112,879	112,879
27 Wilmington Child. Mus.		0	0	50,000	63,864	71,093	73,886	73,886	73,886
GSMC Appropriation	3,534,311	2,801,760	2,801,760	2,801,762	3,097,763	3,197,762	3,331,340	3,906,340	3,481,340

2000-01 2001-02 2002-03 2003-04 2004-05 2005-06 2006-07 2007-08 2008-09

History of Grassroots Science Museums Collaborative Appropriations. Sheet 1

1991-92 1992-93 1993-94 1994-95 1995-96 1996-97 1997-98 1998-99 1999-2000

- 1 Aurora Fossil Museum
- 2 Cape Fear Museum
- 3 Carolina Raptor Center
- 4 Catawba Science Center
- 5 Colburn
- 6 Core Sound Waterfowl M.
- 7 Discovery Place
- 8 E NC Regional Science Ctr.
- 9 Fascinate-U
- 10 Granville County Mus.
- 11 Greensboro Children's Mus.
- 12 Health Adventure
- 13 Highlands Nature Center
- 14 Imagination Station
- 15 Iredell Museums
- 16 KidSenses
- 17 Mus. Coast. Carolina
- 18 Nat. Sci. Center Greens.
- 19 Museum of Life & Science
- 20 Pisgah Astronomical Res Inst
- 21 Port Discover
- 22 Rocky Mt. Children's Museum
- 23 Schiele Museum
- 24 SciWorks
- 25 Sylvan Heights
- 26 W. NC Nature Ctr.
- 27 Wilmington Child. Mus.

								64,046
				50,000	50,000	188,500	131,831	203,944
0	50,000	50,000	100,000	50,000	50,000	190,500	115,614	179,172
								63,942
0	50,000	50,000	100,000	50,000	50,000	887,250	584,070	776,577
								54,420
		35,000	70,000	35,000	35,000	162,500	114,177	210,860
0	50,000	50,000	100,000	50,000	50,000	111,000	88,276	108,202
						56,500	53,935	56,243
						66,750	59,513	130,774
0	50,000	50,000	100,000	50,000	50,000	333,000	210,232	321,802
0	50,000	50,000	100,000	50,000	50,000	398,750	274,371	465,240
0	50,000	50,000	100,000	50,000	50,000	109,750	84,414	98,007
0	50,000	50,000	100,000	50,000	50,000	383,750	250,812	381,489
0	50,000	50,000	100,000	50,000	50,000	231,000	156,434	247,501
0	50,000	15,000	30,000	15,000	15,000	130,750	136,321	120,261
0	450,000	450,000	900,000	500,000	500,000	3,250,000	2,260,000	3,482,480
1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00

Joined the GSMC
GSMC Appropriation

History of Grassroots Science Museums Collaborative Appropriations Sheet 1

1991-92 1992-93 1993-94 1994-95 1995-96 1996-97 1997-98 1998-99 1999-2000

- 1 Aurora Fossil Museum
- 2 Cape Fear Museum
- 3 Carolina Raptor Center
- 4 Catawba Science Center
- 5 Colburn
- 6 Core Sound Waterfowl M.
- 7 Discovery Place
- 8 E NC Regional Science Ctr.
- 9 Fascinate-U
- 10 Granville County Mus.
- 11 Greensboro Children's Mus.
- 12 Health Adventure
- 13 Highlands Nature Center
- 14 Imagination Station
- 15 Iredell Museums
- 16 KidSenses
- 17 Mus. Coast. Carolina
- 18 Nat. Sci. Center Greens.
- 19 Museum of Life & Science
- 20 Pisgah Astronomical Res Inst
- 21 Port Discover
- 22 Rocky Mt.Children's Museum
- 23 Schiele Museum
- 24 SciWorks
- 25 Sylvan Heights
- 26 W. NC Nature Ctr.
- 27 Wilmington Child. Mus.

								64,046	
				50,000	50,000	188,500	131,831	203,944	
	0	50,000	50,000	100,000	50,000	50,000	190,500	115,614	179,172
								63,942	
	0	50,000	50,000	100,000	50,000	50,000	887,250	584,070	776,577
								54,420	
			35,000	70,000	35,000	35,000	162,500	114,177	210,860
	0	50,000	50,000	100,000	50,000	50,000	111,000	88,276	108,202
							56,500	53,935	56,243
							66,750	59,513	130,774
	0	50,000	50,000	100,000	50,000	50,000	333,000	210,232	321,802
	0	50,000	50,000	100,000	50,000	50,000	398,750	274,371	465,240
	0	50,000	50,000	100,000	50,000	50,000	109,750	84,414	98,007
	0	50,000	50,000	100,000	50,000	50,000	383,750	250,812	381,489
	0	50,000	50,000	100,000	50,000	50,000	231,000	156,434	247,501
	0	50,000	15,000	30,000	15,000	15,000	130,750	136,321	120,261
Joined the GSMC									
GSMC Appropriation	0	450,000	450,000	900,000	500,000	500,000	3,250,000	2,260,000	3,482,480
1991-92	1992-93	1993-94	1994-95	1995-96	1996-97	1997-98	1998-99	1999-00	

Grassroots Science Museums Collaborative Statistics 2008

General Membership and Financial Information						Other (explanation)
	Opened	In GSMC	GSMC \$	Gov. Auth.	Financial Information Operating Expenses	
1 Aurora Fossil Museum	1976	1999	1999	PNFP	\$175,747.18	
2 Cape Fear Museum	0	0	0	0	\$1,785,355.00	
3 Carolina Raptor Center	1979	2001	2003	PNFP	\$977,710.00	old-2007
4 Catawba Science Center	1975	1990	1991	PNFP	\$2,109,052.00	
5 Coastal Carolina Museum	1991	0	1997	PNFP	\$435,133.00	
6 Colburn Earth Science Museum	1960	1999	1999	PNFP	\$195,044.00	
7 Core Sound Museum	1992	2007	2007	PNFP	\$427,832.00	
8 Dan Nicholas Park	1975	2007	0	COU/REG	\$248,363.00	
9 Discovery Place	1946	1990	1992	PNFP	\$11,713,826.00	
10 E NC Regional Science Center	2003	2005	2005	PNFP	\$211,556.00	
11 Fascinate U	1994	2001	2003	PNFP	\$656,485.00	
12 Granville County Museum	1996	1999	1999	PNFP	\$127,879.00	
13 Greensboro Children's Museum	1999	2004	2004	PNFP	\$1,350,139.00	
14 Greensboro Natural Science Center	1957	1992	1992	PNFP	\$2,604,526.00	
15 Health Adventure	1968	1993	1993	PNFP	\$1,887,650.00	
16 Highlands Nature Center	1927	2000	2003	UNIV/PNFP	\$302,347.00	
17 Imagination Station	1990	1990	1992	PNFP	\$559,824.00	
18 Iredell Museums	1956	2000	1997	PNFP	\$271,872.00	
19 KidSenses	2004	2003	2003	PNFP	\$666,558.00	
20 Morehead Planetarium	1949	2003	NA	University	\$3,512,786.00	
21 NC Museum of Life and Science	1946	1990	1992	PNFP	\$6,626,377.00	
22 NC Museum of Natural Sciences	1879	1990	NA	State	\$7,651,435.00	
23 Pisgah Astronomical Research	1998	2006	2007	PNFP	\$1,373,470.00	
24 Port Discover	2006	2005	2005	PNFP	\$70,705.00	
25 Robeson County Planetarium & SC	1969	2005	NA	LEA	\$0.00	old-2006
26 Rocky Mount Children's Museum	1952	1991	1992	Mun/PNFP	\$604,621.00	
27 Schiele Museum	1961	1990	1992	Mun/PNFP	\$2,913,929.00	
28 SciWorks	1964	1990	1992	PNFP	\$1,611,262.00	
Sylvan Heights Waterfowl Park	2006	2007	2007	PNFP	\$371,161.00	
Wilmington Children's Museum	1997	2001	2003	PNFP	\$1,046,805.00	
WNC Nature Center	1977	1990	1992	Municipal	\$1,112,781.00	
					\$52,313,702.00	
Totals						
	Opened	In GSMC	GSMC \$	Gov. Auth.	Financial Information Operating Expenses	

	Public Space										Non-public Space		Total Space		
	Exhibits (sq.ft.)		Theatre		Food area and store		Education areas (sf)		Other public space (sf)		Indoor	Outdoor	Indoor (Sq. Ft.)	Total Acres	Number Buildings
	Indoor	Outdoor	Sq. Ft.	# Seats	Indoor	Outdoor	Indoor	Outdoor	Indoor	Outdoor					
1 Aurora Fossil Museum	6,200	990	850	40	380	0	1,850	0	0	2,500	1,050	0	10,330	3.50	3
2 Cape Fear Museum	15,669	2,078	0	1,420	1,122	0	1,976	0	2,717	0	16,897	0	38,411	4.50	1
3 Carolina Raptor Center	200	26,920	0	0	800	0	1,000	89,100	4,000	0	6,000	1,408,000	12,000	57.00	2.00
4 Catawba Science Center	18,000	0	2,000	65	1,450	0	2,000	0	0	0	3,500	0	26,950	0.00	1
5 Coastal Carolina Museum	10,713	1,225	2,701	210	1,333	0	472	44,052	2,722	0	3,022	1,134	20,963	2.09	2
6 Colburn Earth Science Museum	3,000	0	0	0	300	0	840	0	1,500	0	3,000	0	8,640	0.00	1
7 Cape Sound Museum	8,000	218,000	0	0	2,000	0	2,000	0	3,000	0	3,000	0	18,000	16.00	1
8 Dan Nicholas Park					150	200	0	0	0	0	5,500	0	11,150	425	6
9 Discovery Place	118,000	0	0	480	5,800	200	18,000	0	0	4 acres	28,000	0	169,800	0.00	3
10 ENCRSC Go-Science	5,000	0	300	25	0	0	ECU	0	0	0	150	0	5,450	0.00	1
11 Fossil Museum	6,887	0	0	0	320	0	1,284	0	1,074	0	10,760	0	26,925	6.10	1
12 Granville County Museum	4,084	0	0	0	326	0	0	0	1,766	0	1,651	0	7,827	1.02	2
13 Greensboro Children's Museum	23,173	5,000	0	0	3,304	0	2,200	192	7,098	0	0	0	35,775	0.00	0
14 Greensboro Natural Science Center	28,044	871,200	2,500	87	9,800	0	8,830	0	2,000	0	2,000	0	53,174	30.00	2
15 Health Adventure	12,000	0	0	0	400	0	1,800	0	4,000	0	4,000	0	21,800	10.00	1
16 Highlands Nature Center	2,400	1,089,000	80	250	0	0	0	0	0	0	2,800	0	5,280	25.00	1
17 Imagination Station	5,000	0	0	50	524	0	7,000	0	1,216	0	10,000	0	23,740	2.50	1
18 Iredell Museums	5,286	1,524,600	0	0	0	0	2,755	87,119	512	0	4,275	0	12,828	37.00	13
19 Kidsense	9,500	0	0	35	1,250	0	1,500	3,000	0	0	4,000	3,000	14,250	11.00	2
20 Morehead Planetarium	2,000	0	0	250	1,247	0	5,697	0	11,005	0	7,509	0	27,458	6.00	1
21 NC Museum of Life and Science	37,000	435,600	0	0	5,100	2,500	9,200	0	44,910	4 acres	34,220	0	130,430	75.00	16
22 NC Museum of Natural Sciences	90,000	0	0	265	12,200	0	90,000	38-40 acre	7,000	0	128,800	0	328,000	40.00	6
23 Pisgah Astronomical Research	10,000	40 Acres	0	0	5,000	0	12,000	0	20,000	0	53,000	0	100,000	200.00	0
24 Port Discover	750	0	0	0	0	0	0	0	0	0	150	900	0	0.00	1
25 Robeson County Planetarium & SC	5,600	10,000	67	0	0	0	5,000	10,000	1,000	2,000	500	500	12,167	2.50	1
26 Rocky Mount Children's Museum	29,456	15,650	855	53	700	900	1,156	1,300	3,500	5,000	6,609	22,850	42,276	2.50	1 of 3
27 Schiele Museum	19,929	5,148	0	348	1,019	0	6,736	1,260	7,689	300	20,872	0	56,245	17.25	16
28 SciWorks	30,400	653,400	0	365	4,550	0	2,300	0	3,470	0	20,825	0	61,545	30.00	5
29 Sylvan Heights	1,008	392,040	0	0	320	0	1,056	217,800	256	43,560	1,600	43,560	4,240	17.00	2
30 Wilmington Children's Museum	12,000	1,000	0	0	200	0	600	400	0	0	1,800	0	14,600	0.35	4
31 WNC Nature Center	2,200	1829,520	0	0	1,800	0	2,200	130	800	37 acres	2,100	25,000	8,100	42.00	10
Totals	521,499	7,081,371	9,353	4,243	59,245	3,600	187,602	454,553	131,835	53,360	394,190	1,504,944	1,308,354	1037.31	136
	Exhibits		Theatre		Food area and store		Education areas		Other public space		Non-public Space		Area	Total	Number
	Indoor	Outdoor	Indoor	Outdoor	Indoor	Outdoor	Indoor	Outdoor	Indoor	Outdoor	Indoor	Outdoor	Indoor (Sq. Ft.)	Area (Acres)	Buildings
	Public Space										Non-public Space		(Sq. Ft.)	(Acres)	Buildings

Grassroots Science Museums Collaborative Statistics 2007

	Staff			Volunteers	
	Full-time	Part-time	FTEs	# Vois	Vol Hours
1 Aurora Fossil Museum	2	2	3.50	95	2,450.00
2 Cape Fear Museum	14	9	5.00	114	5,347.00
3 Carolina Raptor Center	13	9	17.00	341	16,173.00
4 Catawba Science Center	21	31	29.00	1,060	13,296.00
5 Coastal Carolina Museum	3	5	4.93	135	5,231.75
6 Colburn Earth Science Museum	3	2	3.38	72	2,850.00
7 Core Sound Museum	4	6	6.00	425	13,574.00
8 Dan Nicholas Park	3	19	8.20	7	2,120.00
9 Discovery Place	82	61	112.00	417	23,959.00
10 ENCRSC	0	1	0.69	2	521.50
11 Fascinate U	3	6	0.00	118	1,728.00
12 Granville County Museum	1	6	7.00	61	760.00
13 Greensboro Children's Museum	9	17	10.00	300	8,152.00
14 Greensboro Natural Science Center	25	55	16.50	740	34,707.00
15 Health Adventure	26	11	31.00	123	2,751.25
16 Highlands Nature Center	1	4	1.96	30	206.00
17 Imagination Station	8	3	9.05	54	642.00
18 Iredell Museums	2	2	3.00	70	1,750.00
19 KidSenses	5	6	7.75	31	2,670.00
20 Morehead Planetarium	37	96	62.00	70	1,600.00
21 NC Museum of Life and Science	65	82	83.50	483	11,267.00
22 NC Museum of Natural Sciences	111	55	145.00	293	27,491.00
23 Pisgah Astronomical Research I	12	4	13.00	72	6,850.00
24 Port Discover	0	6	2.00	44	1,418.00
25 Robeson County Planetarium & SC	0	0	0.00	0	0.00
26 Rocky Mount Children's Museum	5	12	0.00	77	2,547.00
27 Schiele Museum	31	15	38.15	177	6,722.00
28 SciWorks	19	15	24.00	115	4,169.00
29 Sylvan Heights	8	17	11.52	67	4,962.00
30 Wilmington Children's Museum	7	7	8.88	34	1,314.34
31 WNC Nature Center	14	2	15.00	83	2,750.00
Totals	534	566	679.01	5,710	209,978.84
	Full-time	Part-time	FTEs	# Vois	Vol Hours
	Staff			Volunteers	

	Admission		In-house Programs		Outreach programs						TOTAL (ATTENDANCE)
	Through the door Total	Price (non-member)	Program Total	Program Science	Total # Programs	Total # Persons	Science Programs	Science # persons	Teacher Programs	Teacher # persons	
1 Aurora Fossil Museum	24,365	\$0.00	0	0	0	45,936	0	0	1	32	70,301
2 Cape Fear Museum	36,630	\$6.00	370	333	186	4,170	174	4,015	4	182	40,800
3 Carolina Raptor Center	38,242	\$6.00	34,532	34,532	560	38,497	560	38,497	0	0	76,739
4 Catawba Science Center	122,196	\$4.00	39,064	38,187	317	36,929	304	31,043	3	37	159,125
5 Coastal Carolina Museum	27,411	\$8.00	20,027	18,305	7	932	5	861	0	0	28,343
6 Colburn Earth Science Museum	22,078	\$4.00	13,189	12,670	205	2,251	32	2,251	1	12	24,329
7 Core Sound Museum	17,613	\$0.00	23	7	16	1,718	7	539	0	0	19,331
8 Dan Nicholas Park	125,420	1.00/.50	0	334	10	350	0	350	0	0	125,770
9 Discovery Place	586,082	\$10.00	586,082	586,082	1,847	79,527	1,837	74,296	10	317	665,609
10 ENCRSC	3,246	\$0.00	0	0	165	0	165	0	0	0	3,246
11 Fascinate-U	46,311	\$3 child/\$1 adu	2,293	1,983	51	1,745	9	302	1	0	48,056
12 Granville County Museum	6,482	\$0.00	28	7	3	45	1	0	0	0	5,885
13 Greensboro Children's Museum	118,099	\$6.00	82,669	70,859	18	15,000	5	1,700	0	0	133,099
14 Greensboro Natural Science Center	267,086	\$8.00	56,684	56,684	2,082	2,498	43	2,498	1	15	269,584
15 Health Adventure	57,748	\$8.50	48,167	13,689	99	16,546	49	8,509	0	0	74,294
16 Highlands Nature Center	11,126	\$0.00	2,731	2,731	124	3,359	124	3,359	8	26	14,485
17 Imagination Station	15,622	\$4.00	8,521	8,521	337	11,632	337	11,632	30	259	27,254
18 Iredell Museums	18,313	\$2.00	415	232	5	1,078	3	574	0	0	19,391
19 KidSenses	44,251	\$4.00	22,673	19,700	53	5,549	48	3,675	24	624	49,800
20 Morehead Planetarium	168,378	\$6.00	168,378	168,378	400	7,200	400	7,200	12	228	175,578
21 NC Museum of Life and Science	357,896	\$10.85	97,527	97,527	1,915	75,041	1,915	75,041	4	107	432,937
22 NC Museum of Natural Sciences	553,600	\$0.00	679,724	679,724	902	36,331	902	36,331	78	1,605	673,224
23 Pisgah Astronomical Research I.	5,250	varies	19,850	19,850	142	8,245	120	6,325	22	1,920	13,495
24 Port Discover	4,474	\$0.00	63	63	99	4,904	99	4,940	0	0	9,378
25 Robeson County Planetarium & SC	0	\$0.00	0	0	0	0	0	0	0	0	0
26 Rocky Mount Children's Museum	39,352	\$4.00	1,519	1,478	52	2,051	52	2,051	6	360	41,403
27 Schiele Museum	79,000	\$7.00	0	0	0	0	620	0	0	0	79,000
28 SciWorks	92,712	\$10.00	92,715	92,712	67	7,914	67	7,914	4	130	100,626
29 Sylvan Heights	16,696	\$7.00	11	104	32	18,641	2	107	0	0	35,337
30 Wilmington Children's Museum	133,021	\$8.00	25,671	17,970	10	500	6	300	2	20	133,521
31 WNC Nature Center	96,634	\$7.00	444	417	141	3,329	141	3,329	10	347	99,909
Totals	3,135,334		2,003,370	1,943,079	9,845	431,918	8,027	327,639	230	6,221	3,645,849
	Admission		Attendance		Outreach programs						TOTAL (ATTENDANCE)
	Through the door Total	Price (non-member)	Program Total	Program Science	Total Programs	Total # persons	Science Programs	Science # persons	Teacher Programs	Teacher # persons	

NC Counties Served

County	Alam.	Alex.	Alleg.	Anson	Ashle	Avery	Beaufort	Berlie	Bladen	Brunswick	Buncombe	Burke	Cabarrus	Caldwell	Camden	Carteret	Caswell	Catawba	Chatham	Cherokee	Chowan	Clay	Cleveland	Columbus	Craven	Cumberland	Curry	Dare	Davidson	Davie	Duplin	Durham	sheet sub totals	
1 Aurora	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1		
2 Cape Fear	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	
3 Carolina R	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
4 Catawba	-	0	1	1	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
5 Coastal	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
6 Colburn	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
7 Core Sound	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
8 Dan N. Pa	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
9 Discovery	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	3
10 ENCRSC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
11 Escalante	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
12 GCM	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
13 GNSC	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
14 Granville	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
15 Health	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
16 HNC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
17 Redell	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
18 IS	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
19 Kids	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
20 Morehead	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
21 NCMLS	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
22 NCMNS	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
23 PAR	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
24 PD	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
25 RCPSC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
26 RMCM	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
27 Schiele	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
28 SciWorks	1	1	1	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
29 Syran Hill	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	
30 WCM	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
31 WNGNC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Totals	14	11	9	9	12	13	11	11	10	12	12	14	15	17	8	12	8	17	11	8	8	7	16	11	11	12	7	8	15	14	14	14	374	

Grassroots Science Museum Collaborative 2007 Statistics

NC Counties Served

County	1 Aurora	2 Cape FM	3 Carolina R	4 Catawba	5 Coastal	6 Colburn	7 Core Sound	8 Dan N. Pa	9 Discovery	10 ENCRSC	11 Fascinate	12 GCM	13 GNSC	14 Granville	15 Health	16 HNC	17 Iredell	18 IS	19 KIDS	20 Morehead	21 NCMLS	22 NCMNS	23 PARI	24 PD	25 RCPSC	26 RMCM	27 Schiele	28 SciWorks	29 Sylvan He	30 WCM	31 WNCNC	Totals
Edgecombe	1	1	0	0	0	0	1	0	1	0	0	0	1	0	0	0	0	1	0	1	1	1	0	0	0	1	0	0	0	0	0	11
Forsyth	1	0	0	0	0	0	1	0	1	0	0	0	1	0	0	0	0	1	0	1	1	1	0	0	0	1	0	0	0	0	0	18
Franklin	0	1	0	1	1	0	1	0	1	0	1	0	1	0	0	0	0	1	0	1	1	1	0	0	0	1	0	0	0	0	0	11
Gaston	0	1	0	1	1	0	1	0	1	0	1	0	1	0	0	0	0	1	0	1	1	1	0	0	0	1	0	0	0	0	0	18
Gates	1	0	0	0	0	0	1	0	1	0	0	0	1	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	10
Graham	0	0	0	0	0	0	1	0	1	0	0	0	1	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	8
Granville	0	0	1	0	0	0	1	0	1	1	0	0	1	1	0	0	0	1	0	1	1	1	0	0	0	0	0	0	0	0	0	11
Greene	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	1	0	1	1	1	0	0	0	0	0	0	0	0	0	9
Gulford	0	1	0	0	1	0	1	0	1	0	0	0	1	0	0	0	0	1	0	1	1	1	0	0	0	1	0	0	0	0	0	17
Halifax	1	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	1	0	1	1	1	0	0	0	0	0	0	0	0	0	10
Hammitt	1	1	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	10
Haywood	0	0	0	0	1	1	1	0	1	0	0	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	11
Henderson	1	0	0	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	16
Hertford	0	1	0	0	1	0	0	0	1	0	0	0	0	0	0	0	0	1	0	1	1	1	0	0	0	1	0	0	0	0	0	9
Hoke	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	8
Hyde	1	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	8
Iredell	0	1	0	1	1	0	1	0	1	0	0	0	1	0	0	0	0	1	0	1	1	1	0	0	0	0	1	0	0	0	0	15
Jackson	0	0	1	0	1	0	1	0	1	0	0	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	12
Johnston	1	1	0	0	1	0	1	0	1	0	0	0	1	0	0	0	0	1	0	1	1	1	0	0	0	0	0	0	0	0	0	13
Jones	1	1	0	0	1	0	1	0	1	0	0	0	0	0	0	0	0	1	0	1	1	1	0	0	0	0	0	0	0	0	0	10
Lee	0	1	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	11
Lenoir	1	1	0	0	1	0	1	0	1	0	0	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	12
Lincoln	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	10
Sheet sub totals																																268
Totals	11	18	11	11	11	10	19	6	23	3	8	1	11	2	4	5	6	9	2	23	23	1	4	3	0	7	8	5	23	0	0	268

Grassroot Science Museums Collaborative 2007 Statistics

NC Counties Served

	Macon	Madison	Martin	McDowell	Mecklenburg	Mitchell	Montgomery	Moore	Nash	New Hanover	Northampton	Onslow	Orange	Pamlico	Pasquotank	Pender	Perquimans	Person	Pitt	Polk	Randolph	Richmond	Robeson	Rockingham	Rowan	Rutherford	sheet sub totals
1 Aurora	0	0	1	0	1	1	0	1	1	1	0	1	0	1	1	1	0	1	0	0	1	1	1	1	1	1	17
2 Cape Fear	0	0	0	0	1	0	0	1	1	1	0	1	1	0	1	0	0	1	0	1	0	1	1	1	0	0	11
3 Carolina Raptor	1	0	0	0	1	0	0	1	0	1	0	0	0	0	0	0	0	0	0	1	1	1	1	1	1	0	11
4 Catawba	0	0	0	1	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	5
5 Coastal	0	0	0	0	1	1	0	1	1	1	0	1	1	0	0	1	1	1	1	1	1	1	1	1	1	1	17
6 Colburn	0	1	0	1	0	1	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	4
7 Core Sound	1	0	1	0	1	0	1	1	1	1	0	1	1	1	1	1	1	1	1	1	1	0	1	1	1	1	21
8 Dan.N. Park	0	0	0	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	1	1	1	0	7
9 Discovery	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	26
10 ENCRSC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	1
11 Fascinate	0	0	0	0	1	0	1	1	1	1	0	1	1	0	0	0	0	1	1	0	1	0	1	0	0	0	11
12 GCM	0	0	0	0	1	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	1	1	0	6
13 GNSC	0	1	1	0	1	1	1	1	0	1	0	0	1	0	0	0	0	1	0	0	1	1	0	1	1	1	14
14 Granville	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	1
15 Health	1	1	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	6
16 HNC	1	0	0	0	1	0	0	0	0	1	0	0	1	0	0	0	0	0	0	1	0	0	1	1	0	0	7
17 Iredell	0	0	0	0	1	0	0	0	0	0	0	0	1	0	0	0	0	0	0	1	1	0	0	0	0	0	5
18 IS	0	0	1	0	0	0	0	0	1	1	1	1	0	1	0	0	0	0	1	0	0	0	1	0	0	0	8
19 Kids	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	3
20 Morehead	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	26
21 NCMLS	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	26
22 NCMNS	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	26
23 PARI	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	2
24 PD	0	0	0	0	0	0	0	0	0	1	1	0	1	0	1	0	1	0	0	0	0	0	0	0	0	0	5
25 RCPSC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
26 RCMC	0	0	1	0	0	0	0	0	1	0	1	0	0	0	0	0	0	0	1	0	1	0	0	0	0	0	5
27 Schiele	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	1	0	0	0	1	1	6
28 SciWorks	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	1	0	0	1	1	0	5
29 Sylvan Heights	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	26
30 WCM	0	0	0	0	0	0	0	0	0	1	0	1	0	0	0	1	0	0	0	0	0	0	0	0	0	0	3
31 WNCNC	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	2
Totals	9	8	10	10	20	11	9	13	12	16	8	12	15	8	8	10	8	11	13	14	17	11	14	15	16	13	311
	Maco.	Madis.	Martin	McDo.	Meck.	Mitch.	Montg.	Moore	Nash	NewH.	North.	Onslo.	Orang.	Pamli.	Pasq.	Pend.	Perq.	Perso.	Pitt	Polk	Rand.	Rich.	Robe.	Rock.	Rowa.	Ruth.	Total

Grassroots Science Museum Collaborative 2007 Statistics

		NC Counties Served																				
		Sampson	Scotland	Stanly	Stokes	Surry	Swain	Transylvania	Tyrrell	Union	Vance	Wake	Warren	Washington	Watauga	Wayne	Wilkes	Wilson	Yadkin	Yancey	sheet sub totals	Link Totals
1	Aurora	1	0	0	0	0	0	0	1	0	0	1	1	1	0	1	1	1	0	0	8	54
2	Cape Fear	1	0	1	1	1	0	0	0	1	0	1	0	0	1	1	0	0	0	0	8	45
3	Carolina Raptor	0	0	0	0	1	0	0	0	1	0	1	0	0	0	0	0	0	0	1	4	32
4	Catawba	0	0	0	0	1	0	1	0	0	0	0	0	1	0	1	0	0	0	0	4	22
5	Coastal	1	1	1	1	1	0	1	0	1	0	1	0	0	1	0	0	1	0	10	61	
6	Colburn	0	0	0	0	0	1	1	0	0	0	0	0	0	0	0	0	0	0	1	3	13
7	Core Sound	1	0	1	1	1	1	0	1	1	1	0	1	1	1	1	1	1	1	1	16	83
8	Dan N. Park	0	0	1	1	1	0	0	0	1	0	0	0	1	0	1	0	1	0	7	29	
9	Discovery	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	19	99
10	ENCRSC	0	0	0	0	0	0	0	0	0	0	0	0	0	1	0	1	0	0	2	9	
11	Fascinate	1	1	1	0	0	0	0	0	0	0	1	0	0	1	1	1	1	0	7	36	
12	GCM	0	0	1	1	1	0	0	0	0	0	0	0	0	0	0	0	1	0	4	16	
13	GNSC	0	1	1	1	1	0	1	0	1	0	1	0	1	0	1	0	1	1	12	54	
14	Granville	0	0	0	0	0	0	0	0	1	1	1	0	0	0	0	0	0	0	3	7	
15	Health	0	0	0	1	1	1	0	0	0	0	0	0	1	0	0	0	0	1	5	22	
16	HNC	0	0	0	1	0	1	1	0	0	0	1	0	0	1	0	0	0	0	5	24	
17	Iredell	0	0	0	0	1	0	0	0	1	0	1	0	1	0	1	0	1	0	6	26	
18	IS	0	0	0	1	0	0	0	0	0	1	1	0	0	1	0	1	0	0	5	29	
19	Kids	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	9	
20	Morehead	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	19	100	
21	NCMLS	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	19	100
22	NCMNS	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	19	100
23	PARI	0	0	0	0	0	1	1	0	0	0	1	0	0	0	0	0	0	0	3	13	
24	PD	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	1	14	
25	RCPSC	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
26	RMCM	0	0	0	0	0	0	0	0	0	1	1	1	0	1	0	1	0	0	5	19	
27	Schiele	0	0	1	0	0	0	0	0	0	0	1	0	0	1	0	1	0	1	5	31	
28	SciWorks	0	0	1	1	1	0	0	0	1	0	0	0	1	0	1	0	1	0	7	26	
29	Sylvan Heights	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	19	100	
30	WCM	0	0	0	0	0	0	0	0	0	1	0	0	0	0	0	0	0	0	1	6	
31	WNCNC	0	0	0	0	0	1	0	0	0	0	0	0	0	0	0	0	0	1	2	8	
Totals		10	8	14	14	16	10	13	6	13	7	21	9	9	15	13	14	11	12	11	226	1179 link totals
																					226	1179 sheet totals
Samp.	Scott.	Stanl.	Stok.	Surry	Swain	Trans.	Tyrrell	Union	Vance	Wake	Warre.	Wash.	Wata.	Wayn.	Wilks.	Wilso.	Yadk.	Yanc.	Totals	G. Tot.		

The North Carolina Coalition of Farm and Rural Families

Attachment #5

Our History

The North Carolina Coalition of Farm and Rural Families is a private, non-profit organization, established in 1987 to advance economic development and higher standards of living for limited resource farmers and rural families. The Coalition's programs have focused on strengthening leadership and capacity of farmers and rural families to create sustainable enterprises.

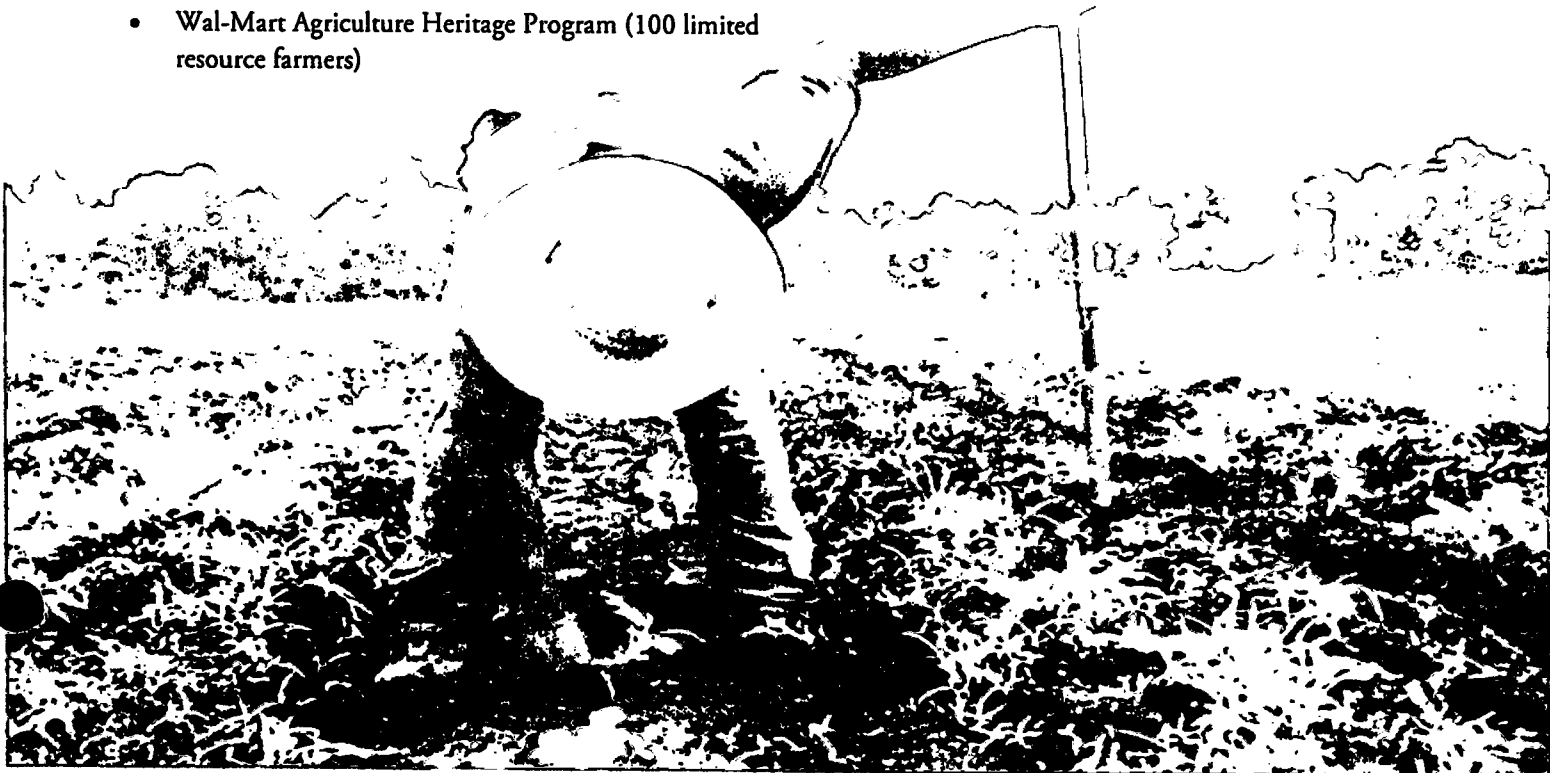
Activities have included assistance with non-traditional crops and sustainable production systems on the farm, collective marketing for small and limited resource farmers, development of a centrally located packing shed for cooperative marketing, and promotion of the *'Carolina Harvest'* brand for collectively marketing produce grown by limited resource farmers.

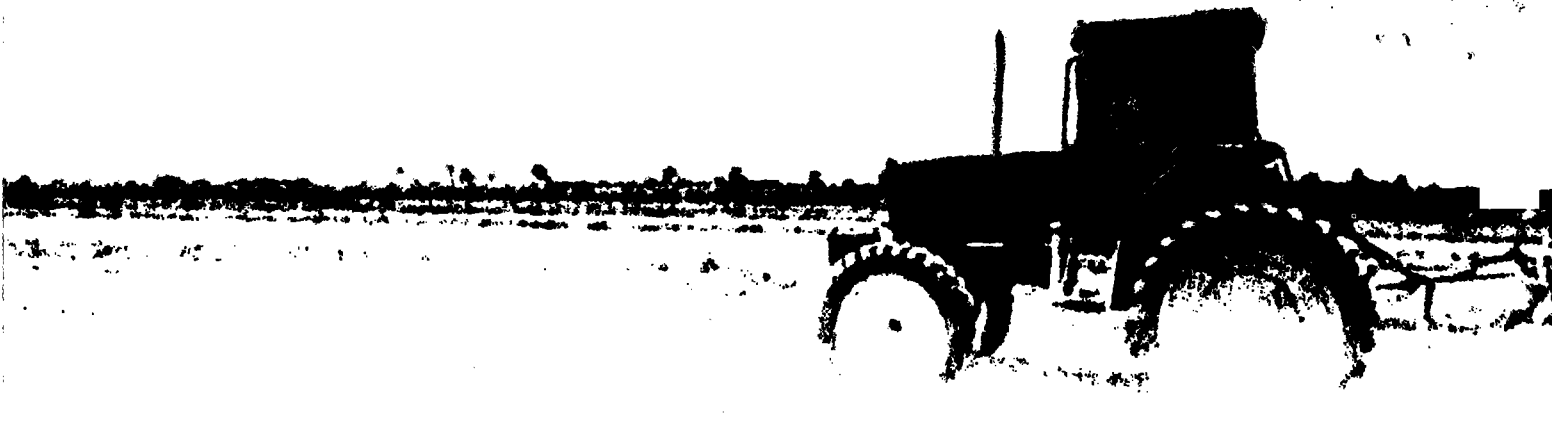
Key Issues

- NC has lost over 70% of its limited resource farmers in three decades;
- Black Farmers have lost over 64% of their land (300,000+ acres, \$1 billion in lost assets)
- Black Farmers have declined from 14.4% in 1910 to less than 1% today;
- Lack of representation on local county committees;
- Lack of education / information concerning USDA programs, other agriculture programs (70% of Black Farmers do not participate in USDA Farm Programs); and
- Lack of access to capital, Infrastructure needed to grow bio-fuel crops, assistance in transition programs.

Our Projects

- Carolina Harvest Farmers' Market
- Carolina Harvest Test-Kitchen
- Greenhouse Grown Organic Plug and Transplant Production
- Plasticulture Demonstrations
- Shiitake Mushroom Production
- Wal-Mart Agriculture Heritage Program (100 limited resource farmers)





Training Programs

- Free Range Pork Production
- Good Agriculture Practices
- Marketing Contracts and Agreements

Outreach and Education

- Conservation Programs
- Credit Scoring
- Debt Management and Record Keeping
- Financial Management and Agribusiness Planning Income Tax Planning
- Special Initiative with USDA/Farm Services Agency
- Transfer of Wealth (Wills, Estate, Heirship)

Collaborators

Carolina Free Range Beef & Poultry Cooperative
CMC Farmers Cooperative
Fayetteville State University
Land Loss Prevention Project
Natural Capital Investment Fund/The Conservation Fund
NC A&T State University
NC Department of Agriculture
NC General Assembly
NC Institute of Minority and Economic Development

NC State University
RAFI-USA
Twin Rivers Small Farmers Cooperative
USDA/Farm Services Agency
USDA/Forestry Services Agency
USDA Natural Resources Conservation Services
USDA/Risk Management Agency
USDA/Rural Development Agency

Funding

The North Carolina Coalition of Farm and Rural Families is requesting \$300,000 from the NC General Assembly Appropriations for Fiscal Year 2008-2009 (July 1, 2009 to June 30, 2010) to more effectively provide technical and marketing assistance and to strengthen its outreach, training and research programs that will strengthen the learning laboratory and demonstration activities at its packing shed, strengthen capacity building for farmers and rural families to create sustainable enterprises.

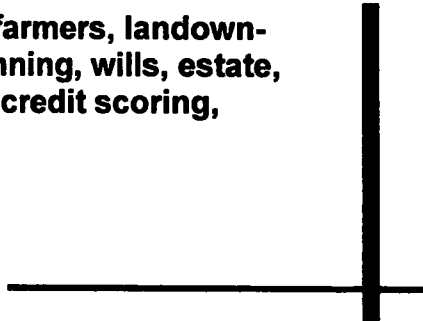
MS. CHARNELL T. GREEN, EXECUTIVE DIRECTOR
THE NC COALITION OF FARM AND RURAL FAMILIES
342 WAGONER DRIVE, SUITE 208
FAYETTEVILLE, NC 28303

TEL: 910-860-9948; FAX: 910-850-9951; E-MAIL: nccfrf@embarqmail.com



THE NORTH CAROLINA COALITION OF FARM AND RURAL FAMILIES

The 2007-2008 Appropriations were spent on the following outreach programs:

- **The 5th Annual Minority Landowners and Farmers Conference, February 22-23, 2008, Raleigh, NC**
 - **The 2nd Annual Cooperative Development Conference, November 21-22, 2008, Raleigh, NC**
 - **The 2nd Annual Farm Field Day at the Carolina Harvest Packing Shed, December 2008, Rose Hill, NC**
 - **Completion of Mushroom House at the Carolina Harvest Packing Shed, Rose Hill, NC**
 - **Four (4) training meetings for potential Shiitake Mushroom growers, Carolina Harvest Packing Shed, Rose Hill, NC, approximately 20 growers, per meeting**
 - **Five (5) informational meetings with Wal-Mart throughout the state of North Carolina, approximately 25 growers, per meeting; Five (5) growers are now in contract negotiations with Wal-Mart to grow peppers, cucumbers, squash, watermelons and sweet potatoes**
 - **Six (6) informational meetings with Mr. Ed Mitchell, owner of the Pit Restaurant, Raleigh, NC, approximately 15 grower, per meeting**
 - **Twelve (12) growers are raising Free Range Pork for Mr. Ed Mitchell's restaurant; 18 growers are pending; Mr. Mitchell is expanding to several states and will be purchasing a thousand (1,000) hogs per week. The Coalition is assisting him with an article in the National Food Network and National Travel Magazines**
 - **Conducting surveys at slaughter houses throughout North Carolina to help farmers market their pork**
 - **Conducting surveys at various restaurants and grocery chains throughout North Carolina to open markets for shiitake mushrooms**
 - **Conducted over thirty (30) workshops to limited resource farmers, landowners, and rural families on topics such as financial / tax planning, wills, estate, and heirship planning, debt management, record keeping, credit scoring, good agriculture practices, post harvest handling, etc.**
- 

**THE NC COALITION OF FARM AND RURAL FAMILIES
PROPOSED BUDGET
FISCAL YEAR 2009-2010**

PROGRAM	STATE FUNDS	MANAGEMENT	STATE FUNDS
Educational Programs	\$ 20,000.00	Meetings/Seminars	\$ -
Marketing Services	\$ 1,000.00	Dues/Fees	\$ -
Advertising Promotional	\$ 1,500.00	Office Supplies	\$ -
Technical Support	\$ 20,000.00	Office Rent	\$ 13,500.00
Travel	\$ 12,000.00	Office Janitorial Services	\$ 2,040.00
Meetings/Seminars	\$ 1,000.00	Utilities	\$ 2,500.00
Subscriptions/Books	\$ 1,000.00	Telephone	\$ 4,500.00
Technology/Computer	\$ 3,500.00	Leased Equipment	\$ 3,500.00
Licenses	\$ 500.00	Insurance/Contents	\$ 856.00
Dues/Fees	\$ 1,000.00	Insurance/Employee Dishonesty	\$ 856.00
Postage/Freight	\$ 1,000.00	Insurance/Liability	\$ 1,000.00
Office Supplies	\$ 2,500.00	Accounting/Ongoing	\$ 4,500.00
Janitorial Services	\$ 2,500.00	Audit/Tax	\$ 15,000.00
Utilities	\$ 1,200.00	Legal/Accounting	\$ 4,500.00
Telephone	\$ 2,500.00	R&M/Office Equipment	\$ 3,500.00
Taxes/Property	\$ 300.00	Travel/Lodging Board Mbrs.	\$ 3,000.00
Taxes/Vehicles	\$ -	Development/Board	\$ 2,500.00
Insurance/Vehicles	\$ 1,333.00	Salaries	\$ 41,653.00
Insurance/Liability	\$ 1,500.00	Payroll Taxes	\$ 7,496.00
Insurance/Product	\$ 1,500.00	Fringes	\$ 10,099.00
Insurance/Workers' Comp	\$ 1,500.00		
Repair&Maintenance/Vehicles	\$ 2,500.00	TOTAL	\$ 121,000.00
Repair&Maintenance/Shed	\$ 20,000.00		
Repair&Maintenance/Equip.	\$ 5,500.00		
Fuel/Vehicles&Equip.	\$ 5,500.00		
Salaries	\$ 47,347.00		
Payroll Taxes	\$ 8,523.00		
Fringes	\$ 12,297.00		
TOTAL:	\$ 179,000.00		

VISITOR REGISTRATION SHEET

Joint Appropriations Subcommittee on Natural & Economic Resources,

February 26, 2009

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Charles Whitaker	NC Coalition of Farm & Rural Families Fayetteville, NC. 342 Wagoner Drive 28303
Chanwell Green	" "
Lisa Stotts	NC DENR
Cathey Cottle	NC DENR
BARRY A. VANDEMAN	NC MUSEUM OF LIFE AND SCIENCE 433 MURRAY AVE., DURHAM, NC 27712
Julie Kehner Rigby	Museum of Life + Science " "
Jennifer Haigwood	NC DOL =
N. David Smith	Agriculture
JOE LAMER	SZO WICKER
Elizabeth Biser	DENR
Heather Barrett	Huntton & Williams

VISITOR REGISTRATION SHEET

Joint Appropriations Subcommittee on Natural & Economic Resources,

February 26, 2009

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
FARID ALI	NC INSTITUTE OF MIN. ECON. DEV.
LORI ANN HARRIS	LATHA
KILLIAN ALEXANDER	NC Initiative
Andrea Navis	NC Institute
Linda Gunn	NC Institute
James W. J.	NC MSC
Mercedes Summer Shuman	North Carolina Minority Support Center
John Bowditch	Bowditch Consulting
Brandon King	William G. Enloe High School
FRAN NOLAN	GRASSROOTS SCIENCE INC
Yvonne Wingfield	NCMSC

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

March 11, 2009
9:00 a.m.

The Joint Appropriations Subcommittee on Natural and Economic Resources met in Room 423 of the Legislative Office Building on Wednesday, March 11, 2009. Representative Garland E. Pierce presided and called the meeting to order at 9:01 a.m. Chairman Pierce welcomed and introduced the Sergeant-At-Arms and Pages who were assisting the meeting.

The following Chairs were present: Senator David F. Weinstein, Senator Floyd B. McKissick, Representative Pricey T. Harrison and Representative Edith Warren. Vice Chairs present: Representative Carolyn Justice, Representative W.A. Wilkins and Representative Michael H. Wray. Members present: Senator Tony Foriest, Senator Jim Jacumin, Senator David Rouzer, Representative Angela Bryant, Representative James Langdon, Jr., Representative Efton M. Sager, Representative Ruth Samuelson, and Representative Roger West. Counselor staff was also in attendance. A Visitor's Registration list and presentations are attached and filed as a record to the minutes.

Chairman Pierce recognized Ms. Kristine Leggett with the Fiscal Research Division of the North Carolina General Assembly to explain the Continuation Review Summary and Options. It is being noted that since State Government has gotten larger and the General Assembly cannot look at every single program annually, the agencies are given the opportunity to review their own programs, evaluate them, and return with a case to the committee for continued funding. Handouts in reference to this presentation are attached and filed as a record to the minutes.

Ms. Pamela T. Young, Chair, North Carolina Industrial Commission of the Safety Education Section was recognized by Chairman Pierce to explain her views on Continuation Review Summary and Options. Ms. Young stated they are charged with administering the North Carolina Worker's Comp Act and the State Tort Claims Act. After sharing information about herself, she requested that Mr. Jim Gilreath be allowed to give the presentation.

Chairman Pierce recognized Mr. Jim Gilreath, Safety Representative of the Industrial Commission for his report on Industrial Commission, Safety Education Section (SES). The purpose of the SES is to provide an educational, training, and public-relations unit to promote safety and accident prevention in all private industry and governmental workplaces of the State. The SES is tasked with providing education and assistance to employers within North Carolina as it relates to preventing or reducing the incidence and/or severity of accidents or injuries that result in Worker's Compensation claims. SES is vital to North Carolina's economy because it raises safety awareness among employers and employees and provides accident prevention education which results in a decrease in the number of workplace accidents and the costs of injury. This presentation is attached and filed as a record to the minutes.

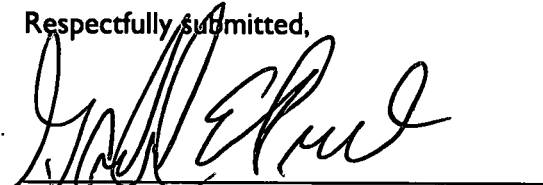
Ms. Lanier McRee with the Fiscal Research Division of the North Carolina General Assembly was recognized by Chairman Pierce to give her presentation on Continuation Review Options. Ms. McRee explained the Forest Development Program (FDP) and recurring in funding, non-recurring funding, reduced level of funding, no funding and reduce or eliminate funding and increase the timber assessment. This presentation is attached and filed as a record to the minutes.

Chairman Pierce recognized Mr. Sean Brogan, Director of Forest Management and Development to explain his presentation on Department of Environment, and Natural Resources (DENR), Forest Development Program. The North Carolina General Assembly passed the Forest Development Act (NCGS 113A-176) in 1977 which established a voluntary cost sharing program to provide financial assistance to eligible landowners to increase the productivity of the privately-owned forests of the State. The Primary Forest Product Assessment Act (NCGS 113-189) of 1977 created an assessment on primary forest products processed by North Carolina sawmills and other timber industries. This assessment (\$2,000,000 annually) along with Legislative appropriations (\$589,500 annually), provides funding for reforestation and forest improvement work cost shared under the Forest Development Program. The partnership to improve reforestation rates and provide for a long term supply of timer is a shared goal and responsibility between the State and forest industry. A copy of these reports are attached and filed as a record to the minutes.

Chairman Pierce recognized Committee members for questions. Representative Bryant's question was in reference to Mr. Brogan's presentation. She had a concern regarding the percentage of landowners in the state participating in the program. Mr. Brogan gave an estimate of over 600,000 forest landowners in the state. Each year they have approximately 1,500 with a back log of over 600. He felt there was a lot of potential, but the funding is holding them back. He also stated he was willing to provide the Committee with any description of the program if needed.

There being no further business, the Chairman adjourned the meeting at 10:01 a.m.

Respectfully submitted,



Representative Garland E. Pierce
Presiding Chairman



Mildred Alston
Committee Assistant

NER Continuation Reviews

- S.L. 2008-107, Sec. 6.7 required Continuation Review of seven programs within State government (see next page for complete special provision).
- These programs received non-recurring funding for FY 2008-09. They will not be funded in the Continuation Budget.
- Programs under Continuation Review were required to submit a report by March 1, 2009, which included:
 - Description of program
 - Measures of performance
 - Rationale for continuing, reducing, eliminating funding
 - Consequences of eliminating funding
 - Recommendations for improving program
 - Recommendations for reducing costs
 - Identification of policy issues requiring attention by NCGA
- For NER, the Safety Education Section of the Industrial Commission within the Department of Commerce and the Forest Development Fund in the Department of Environment and Natural Resources were required to complete continuation reviews.
- These programs received the following funding for FY 2008-09:
 - Safety Education Section: **\$671,665 NR**
 - Forest Development Fund: **\$589,500 NR**

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007
SESSION LAW 2008-107
HOUSE BILL 2436

AN ACT TO MODIFY THE CURRENT OPERATIONS AND CAPITAL APPROPRIATIONS ACT OF 2007, TO AUTHORIZE INDEBTEDNESS FOR CAPITAL PROJECTS, AND TO MAKE VARIOUS TAX LAW AND FEE CHANGES.

The General Assembly of North Carolina enacts:

PART VI. GENERAL PROVISIONS

CONTINUATION REVIEW OF CERTAIN FUNDS, PROGRAMS, AND DIVISIONS

SECTION 6.7.(a) It is the intent of the General Assembly to establish a process to periodically and systematically review the funds, agencies, divisions, and programs financed by State government. This process shall be known as the Continuation Review Program. The Continuation Review Program is intended to assist the General Assembly in determining whether to continue, reduce, or eliminate funding for the State's funds, agencies, divisions, and programs subject to continuation review.

SECTION 6.7.(b) The Appropriations Committees of the House of Representatives and the Senate may review the funds, programs, and divisions listed in this section and shall determine whether to continue, reduce, or eliminate funding for the funds, programs, and divisions, subject to the continuation review program. The Fiscal Research Division may issue instructions to the State departments and agencies subject to continuation review regarding the expected content and format of the reports required by this section. No later than December 1, 2008, the following agencies shall report to the Fiscal Research Division:

- (1) Tarheel Challenge Academy – Department of Crime Control and Public Safety.
- (2) Spot Safety Program – Department of Transportation.
- (3) Safety Inspection Program – Department of Commerce.
- (4) Military Business Center – Community College System.
- (5) Purchase of Medical Care Services Program – Department of Health and Human Services.
- (6) Parking Office – Department of Administration.
- (7) Forest Development Fund – Department of Environment and Natural Resources.

SECTION 6.7.(c) The continuation review reports required in this section shall include the following information:

- (1) A description of the fund, agency, division, or program mission, goals, and objectives.
- (2) The statutory objectives for the fund, agency, division, or program and the problem or need addressed.
- (3) The extent to which the fund, agency, division, or program's objectives have been achieved.
- (4) The fund, agency, division, or program's functions or programs performed without specific statutory authority.

- (5) The performance measures for each fund, agency, division, or program and the process by which the performance measures determine efficiency and effectiveness.
- (6) Recommendations for statutory, budgetary, or administrative changes needed to improve efficiency and effectiveness of services delivered to the public.
- (7) The consequences of discontinuing funding.
- (8) Recommendations for improving services or reducing costs or duplication.
- (9) The identification of policy issues that should be brought to the attention of the General Assembly.
- (10) Other information necessary to fully support the General Assembly's Continuation Review Program along with any information included in instructions from the Fiscal Research Division.

SECTION 6.7.(d) State departments and agencies identified in subsection (b) of this section shall submit a final report to the General Assembly by March 1, 2009.

**Potential Subcommittee Options
Industrial Commission – Safety Education Section**

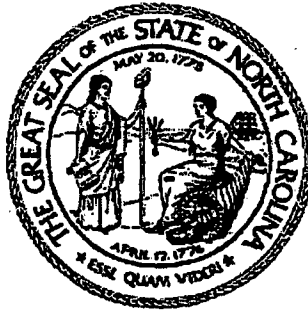
- A. Restore funding – continue the program as is

- B. Restore funding (**recurring or non-recurring**) and require further study and program changes
 - 1. Further study could include requiring the Department to track additional measures, such as the number of workers' compensation claims before and after Safety Education training.
 - 2. Program changes could include restructuring the Safety Education Section to target organizations with high workers' compensation claims.

- C. Provide a **reduced level of funding** (non-recurring or recurring)
 - 1. Reduce funding and require the Industrial Commission to limit services.
 - 2. Reduce funding and require the Industrial Commission to **charge fees** for services:
 - a. Charge fee for safety training classes
 - b. Increase other related fees to offset costs

- D. Provide **no funding** for FY 2009-10
 - 1. Eliminate the program
 - 2. Continue the program, but require it to be fully self-supporting

Beverly Eaves Perdue, Governor
Pamela T. Young, Chair



Bernadine S. Ballance, Commissioner
Laura K. Mavretic, Commissioner
Danny L. McDonald, Commissioner
Staci Meyer, Commissioner
Christopher Scott, Commissioner
Dianne C. Sellers, Commissioner

**STATE OF NORTH CAROLINA
DEPARTMENT OF COMMERCE
NORTH CAROLINA INDUSTRIAL COMMISSION**

**CONTINUATION REVIEW LEGISLATIVE REPORT
ON NCIC SAFETY EDUCATION SECTION**

Submitted: February 27, 2009

TABLE OF CONTENTS

Executive Summary	Page 3
Introduction	Page 4
I. Current Environment, Programs, Services, and Resources.....	Page 5
II. Program Performance.....	Page 10
III. Funding Rationale.....	Page 19
IV. Consequences of Discontinued Funding	Page 20
V. Service Improvement Recommendations	Page 22
VI. Cost Reduction Recommendations.....	Page 23
VII. Policy Issues.....	Page 24
VIII. Conclusion	Page 25

Appendix A: List of Commonly-Requested Accident Prevention Courses

Appendix B: List of Employers Participating in Accident Prevention in the Workplace (APW) Training Series

Appendix C: Listing of Employer Letters of Support for Safety Education Section

EXECUTIVE SUMMARY

The Safety Education Section (SES)¹ of the Industrial Commission was created by the original North Carolina Worker's Compensation Act of 1929. The purpose of the SES is to provide an educational, training, and public-relations unit to promote safety and accident prevention in all private industry and governmental workplaces of the State. The SES is tasked with providing safety education and accident prevention assistance to employers within North Carolina as it relates to preventing or reducing the incidence and/or severity of accidents or injuries that result in Worker's Compensation claims. All services are targeted to address specific types of workers' compensation claims through on-site and regional services to business, industry, school, and governmental employers.

The Safety Education Section is vital to North Carolina's economy because it raises safety awareness among employers and employees and provides accident prevention education which results in a decrease in the number of workplace accidents and the costs of injury. This result lowers the cost of doing business in North Carolina because it lowers workers' compensation costs in North Carolina.

In contrast to the SES, the N.C. Department of Labor tends to focus on training related to federal OSHA and other regulations and standards for physical workplace conditions and equipment. The SES is also different from the N.C. Safety and Health Council, an organization not affiliated with state government, because the SES provides a wider variety of safety courses in more locations, with many courses tailored to specific employer needs. The SES also has the advantage of being part of the Industrial Commission which administers all of the workers' compensation claims in the state.

The SES has experienced fluctuations in funding levels throughout recent years. The current total SES FY 08/09 projected budget is \$776,455 and is comprised of \$467,104 in General Fund appropriations (60% of total) and \$309,351 in receipts (40% of total). The receipts portion of the SES budget was established in FY 06-07 to allow for the addition of four Safety Representative positions. Since the addition of receipt funding, the portion of the total SES budget comprised of General Fund appropriations has been 70.3%, 58.3%, and 60% for FY's 06/07, 07/08 and 08/09, respectively.

The SES is comprised of ten staff members as follows: a Section Manager, eight Safety Representatives, and one clerical support staff position. The fiscal and performance data analyzed for the requested continuation review represents the fiscal years 03/04, 04/05, 05/06, 06/07, 07/08 and, in part, 08/09 and establishes the necessity and effectiveness of the SES program.

The Safety Education Section is an essential program and a necessary component of the worker's compensation system.

¹ It must be noted that in Section 6.7 of S.L. 2008-107 (House Bill 2436), the Safety Education Section is incorrectly referred to as the "Safety Inspection Program."

Over the period of evaluation:

- the number of employees trained by SES staff increased by 207.7%.
- the number of courses taught increased by 354%.
- the number of course contact hours increased by 229.3%.

- Thirty-hour workshop attendance from 2006 to present year has grown from 175 attendees (2006) to 317 (2008), an increase of 81%.

- The annual Statewide Safety Conference attendance by employers continues to remain strong with more than 1150 attendees at the 78th conference held May 13-16, 2008.

- The Safety Video loan program remains valuable, with over 424 videos loaned in FY 07/08.

- New programs, such as the Accident Prevention in the Workplace Program (APW), have been developed and implemented to address site-specific safety training needs while maximizing the efficient use of State resources. An example of an employer newly entering the APW Program: House of Raeford Farms/Nash Johnson Farms in Duplin County.

- The SES continues to sponsor and support eight regional safety councils that are arranged geographically to provide safety and accident prevention services to all 100 counties.

The SES is meeting organizational mandates, with notable improvements in nearly every performance measure. The SES is a vital, proactive part of keeping claims and costs down in the North Carolina Workers' Compensation system. Fewer workplace injuries help businesses stay in business and North Carolina workers stay productive and employed.

INTRODUCTION

Section 6.7(a)-(d) of S.L. 2008-107 (House Bill 2436) requires a Continuation Review of certain funds, programs, and divisions. The bill requires that the Department of Commerce - Industrial Commission provide a written report to the Appropriations Committees of the Senate and House of Representatives on the Safety Education Section (SES). The report must contain the following elements:

1. A detailed description of the program, including information on services provided, the recipients of the services, and the resource requirements.
2. Meaningful measures of program performance and whether the program is meeting these measures.
3. The rationale for continuing, reducing, or eliminating funding.

4. The consequences for discontinuing program funding.
5. Recommendations for improving services.
6. Recommendations for reducing costs.
7. The identification of policy issues that should be brought to the attention of the General Assembly.

I. Current Environment, Programs, Services, and Resources

Overview *“Ever since the Industrial Commission has come to our facility, we have not had any accidents and all of our employees are concerned about their safety and the safety of their co-workers.” – Morgan Gregory, Stephens Supply Company Co., Fuquay-Varina, Wake County*

The Safety Education Section (SES) of the Industrial Commission was created by the original North Carolina Worker’s Compensation Act of 1929. The purpose of the SES is to provide an educational, training, and public-relations unit to promote safety and accident prevention in all private industry and governmental workplaces of the State. The SES is tasked with providing education and assistance to employers within North Carolina as it relates to preventing or reducing the incidence and/or severity of accidents or injuries that result in Worker’s Compensation claims.

The SES strives to reduce or eliminate workplace accidents, workplace deaths, and workers’ compensation claims statewide. The SES staff consists of one Program Director, eight Safety Representatives, and one Program Assistant.

- The Director manages the section and supervises the staff’s daily activities, coordinates activities among the eight (8) Regional Safety Councils sponsored by the North Carolina Industrial Commission, and is Executive Director of the North Carolina Statewide Safety Conference.
- The Program Assistant functions as the Section’s administrative assistant, office manager, and video librarian, and maintains records, processes requests, and prepares and produces reports.
- The eight Field Safety Representatives instruct and train North Carolina employees and employers in the Worker’s Compensation process and safety and accident prevention topics, coordinate regional safety council activities, and work with other groups in their service areas.
 - The SES Safety Representatives reside in each of eight geographic areas of the State and are accessible to area industries/employers.
 - For many employers, especially small businesses, the Safety Representatives are the only source of assistance in the Worker’s Compensation and accident prevention areas.
 - The Safety Representatives bring a high level of experience and professionalism in the provision of Worker’s Compensation accident prevention training and services. Safety Representative qualifications include graduate degrees in Occupational Health, Manager of Environmental Safety & Health Program certifications from the National Safety Council, Occupational

Health & Safety Technician certifications, as well as many years of experience in the fields of safety, hazardous materials, emergency response, utilities, private industry, and the U.S. military.

Current Programs and Services

"In the past 1 1/2 years that the NCIC has served us, our accidents have continually decreased." – Magnetti Marelli Powertrain USA, Sanford, Lee County

Under direction of the Industrial Commission Chair and Commissioners, the SES provides seven different programs and services to businesses, industries, schools, and governmental agencies. These different programs have been developed to provide multiple venues for training, thus increasing the number of employers and employees reached. The current programs and services provided by the SES are described below:

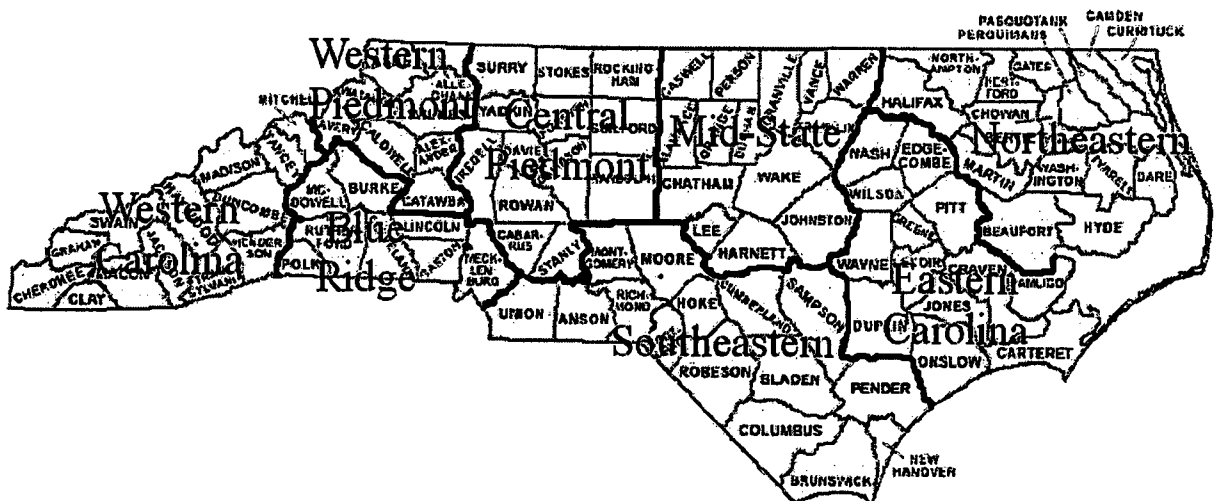
- **Safety Training and Worker's Compensation Courses:** The SES Safety Representatives schedule and present accident prevention and safety education courses to businesses, schools, and governmental agencies at the places of employment. See Appendix A for a listing of commonly requested courses. The courses are presented **at no cost** to employees/employers subject to the Worker's Compensation system and are conducted at times that consider employer needs, such as shift work and employer staffing schedules. The SES provides courses to employers upon request or upon referral. The courses are generally presented in a lecture-discussion format using multimedia elements such as PowerPoint presentations, digital video, written exercises, hands-on exercises, group activity, and examinations.
- **Accident Prevention in the Workplace (APW) Series Courses:** The SES Safety Representatives have developed a series of training courses in consultation with specific employers. The courses are selected and modified based on actual Worker's Compensation claims, accident occurrence, and other indicators to provide a **customized series of training that specifically addresses site/employer needs**. The APW series courses are provided in many formats, including all-day workshops, multi-day trainings, and monthly and quarterly training events. See Appendix B for the current list of participating employers.
- **NC Statewide Safety Conference:** The SES plans and holds the annual NC Statewide Safety Training Conference. The Conference is a weeklong educational event emphasizing safety and accident prevention in the workplaces of North Carolina. **The Conference is the largest and oldest conference of its kind in the southeastern United States**, and is among the largest and oldest in the entire country. Attendees include, but are not limited to, safety managers, human resources professionals, Worker's Compensation specialists, occupational health nurses, and industry and governmental supervisory and safety employees.

The 78th Annual Conference was held May 13-16, 2008, with 1155 registered participants, more than 40 educational sessions, and 90 safety-related exhibitors displaying goods and services. **The Conference is possible through the continued dedicated support of business and industry throughout the state and is held without benefit or support of State funding beyond SES staff resources.** Volunteers from the public and private sectors contribute to the Conference by bringing experience in employee safety and security, accident prevention, training, Workers' Compensation, and standards compliance.

- **Regional Safety Councils:** The Safety Education Section sponsors and assists eight regional safety councils which provide area employers with safety training resources. The councils are arranged geographically to **provide service to all 100 counties without the use of State funds other than the time and efforts of SES personnel.** Each council chooses its own directors and officers from volunteers from business and industry in the council service area. The councils plan their own activities including quarterly meetings and, with the assistance of SES personnel, hold workshops and functions within their geographic areas.

The state is divided into eight geographical areas to which Safety Representatives are assigned:

- Eastern Carolina Safety Council (13 counties)
- Northeastern Safety Council (16 counties)
- Southeastern Safety Council (15 counties)
- Mid-State Safety Council (14 counties)
- Central Piedmont Safety Council (13 counties)
- Western Piedmont Safety Council (8 counties)
- Blue Ridge Safety Council (8 counties)
- Western Carolina Safety Council (13 counties)



SES Safety Representatives attend all functions of the safety councils in their assigned service areas and serve as ambassadors for state government. They also actively promote the other services offered by the SES. The majority of the council training courses are facilitated by SES staff as another venue to advance accident prevention in the workplace. SES Safety Representatives also visit new business and industry locations in their service areas to offer SES services. Because Safety Representatives reside in their service areas, they are familiar with the local population and business community and are able to save significantly on transportation expenses.

- **Support of Other Safety Organizations:** The SES is a participating member and provides accident prevention and safety training for organizations including, but not limited to, local chapters of the American Society of Safety Engineers, National Safety Council, NC Rural Water Association, NC American Waterworks Association, NC Regional Safety & Health Schools, NC Safety & Health Council, and NC Operation Lifesaver. This involvement with other safety organizations allows the SES to foster a safety-oriented network and monitor the level of safety training quality in North Carolina.
- **SES Safety Bulletin:** The SES publishes a monthly newsletter addressing a wide range of safety and health topics relating to the workplace. This free newsletter is sent out monthly via email and posted on the North Carolina Industrial Commission Website at <http://ic.nc.gov>. The articles published in the monthly newsletter pertain to Workers' Compensation, current safety concerns, and other safety-related updates and news. The articles are submitted by the SES staff and business/industry associates across North Carolina. The Bulletin is one more tool used to reach employees and employers subject to the Worker's Compensation system within the state.
- **Video/DVD Library:** The SES video/DVD library is a free-loan library with over 500 titles related to safety and health issues; the videos are in twenty categories from Accident Prevention to Workers' Compensation. All the videos are placed in the library by private donations **without use of public or tax funds**. Requests for video loans are made using our Video Request form online. In FY 07/08, the library sent out 424 safety videos, which were viewed by more than 6,500 employees.

Resources

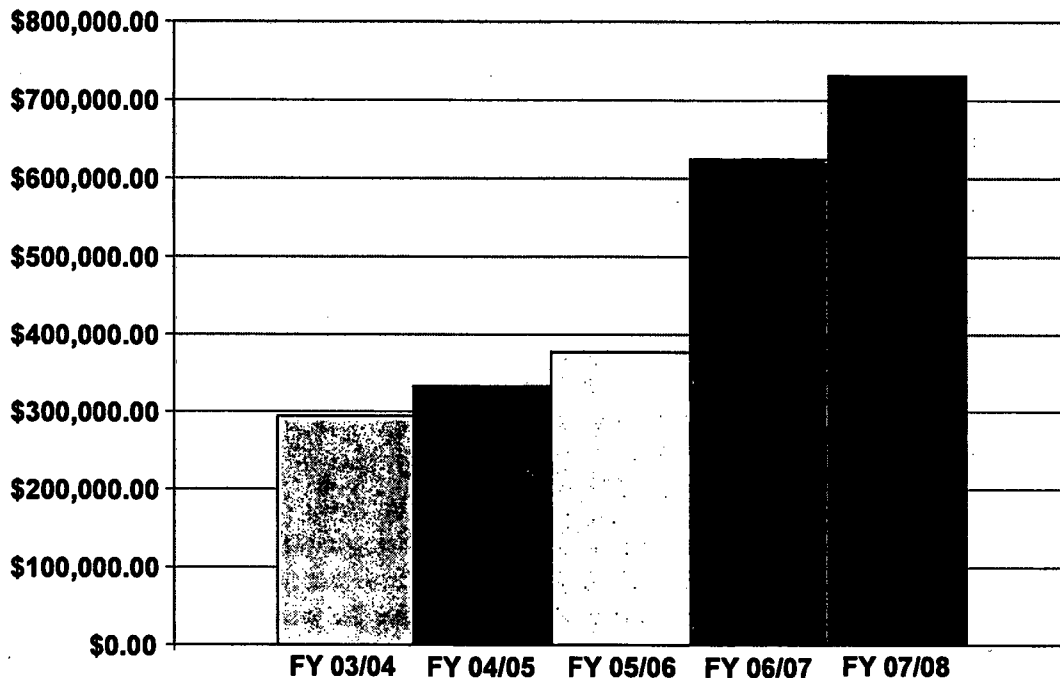
“During these challenging economic times we would not be able to afford...NCIC Safety Section services.” – Gates Corporation, Jefferson, Ashe County

Funding of the Safety Education Section is provided by both General Fund appropriations and receipts. A review of funding for the SES indicates that General Fund appropriations have increased by approximately 45% from FY 03/04 (\$294,227) to FY 07/08 (\$425,907). In recent years, General Fund appropriations have been supplemented by receipts of \$185,252 (FY 06/07) and \$305,107 (FY 07/08). Receipts for FY 08/09 are projected to be \$309,351. These receipts are generated by fees the Industrial Commission charges to employers/insurers for form agreement approvals. The fee structure enabling the collection of receipts for use in SES funding has been in place since FY 06/07 and was established to allow for the addition of four Safety Representative positions.

Total personal service expenditures (salaries, retirement contributions, etc.) have increased significantly from FY 03/04 to FY 07/08 due to the addition of the four new positions, with the bulk of the increase covered by receipts. With respect to purchased service expenditures (transportation, printing, etc.), there have been increases in transportation costs, but decreases in mailing costs. The increases in transportation are a result of the addition of the four new Safety Representatives in FY 06/07, with corresponding increases in travel costs over the 5-year period for fuel and maintenance. The decreased mailing costs are the result of a transition to email/paperless systems. The percentage of the overall budget allocated to purchased services has remained consistent from FY 03/04 to FY 07/08 at about 25%.

The bar graph on the next page provides additional perspective regarding SES budget and expenditures for the last five years.

5 YEAR HISTORY OF TOTAL EXPENDITURES



Graph 1: Five fiscal year history of total SES expenditures. **Note:** Expenditures are composed of General Fund appropriations and receipts. **Receipt funding and additional staff were established in FY 2006-2007 as represented by the notable increase in expenditures on the graph.**

II. Program Performance

"Our worker's compensation claims have been reduced by 36% over the last 3 years." – City of Jacksonville, Onslow County

The SES continues to efficiently and effectively exceed Industrial Commission mandates by providing education in safety and accident prevention as related to Worker's Compensation claims. Current staffing levels are working at and beyond normal capacity to provide excellent service to an all-time record number of employees and employers since SES creation in 1929.

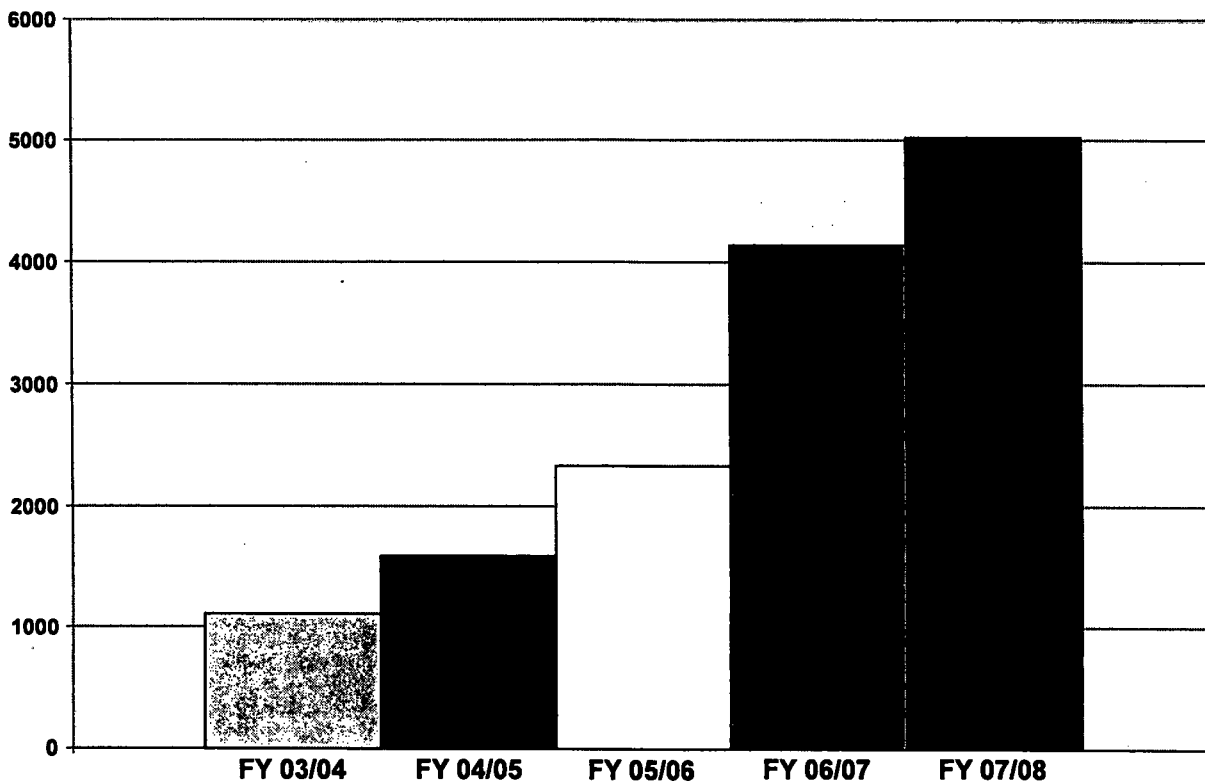
To further illustrate the SES's program performance, both quantitative and qualitative measures will be discussed below.

Quantitative Measures:

“Since May of 2005, NCIC has provided the majority of safety training for all departments within Surry County government.” – County of Surry

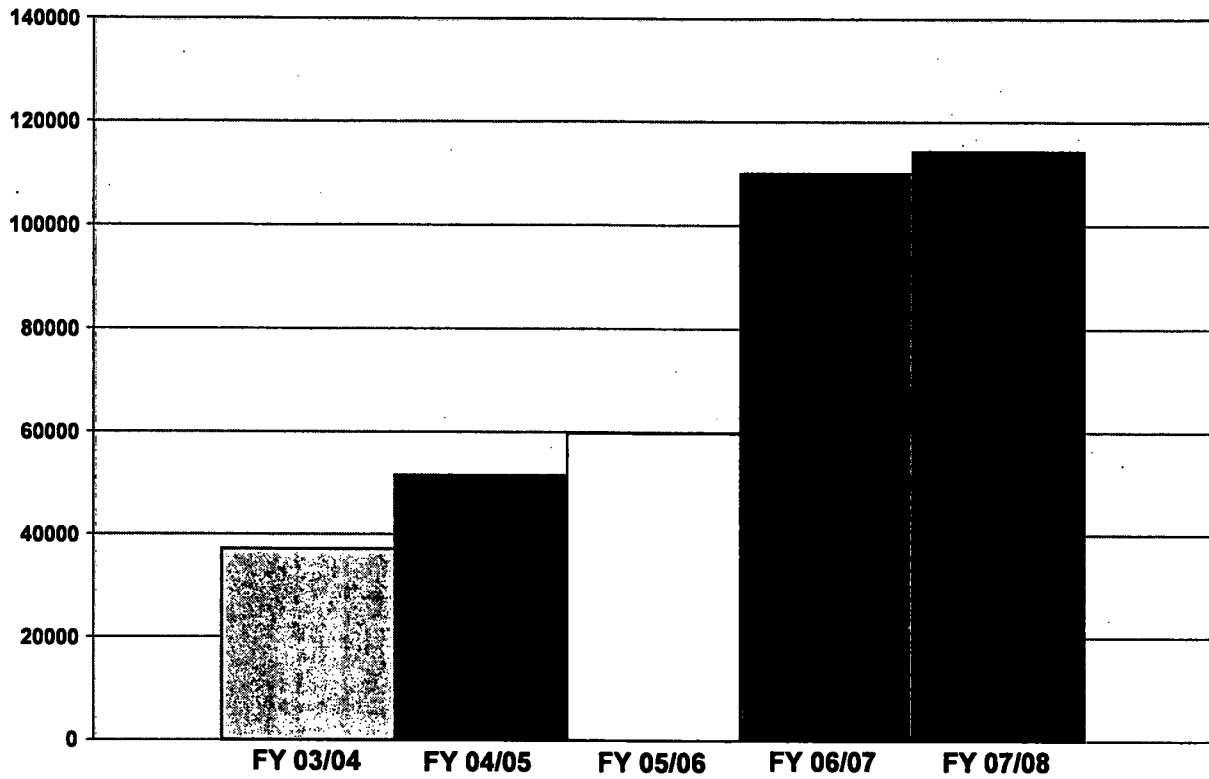
Performance measures used to gauge SES effectiveness include quantitative measures such as the number of courses offered/taught, number of students taught, number of contact hours of instruction, number of safety video requests, and the number of attendees at the 30-hour Accident Prevention Certificate Awareness Program (APCAP) and Statewide Safety Conference venues.

SAFETY SECTION FIVE YEAR HISTORY OF COURSES TAUGHT



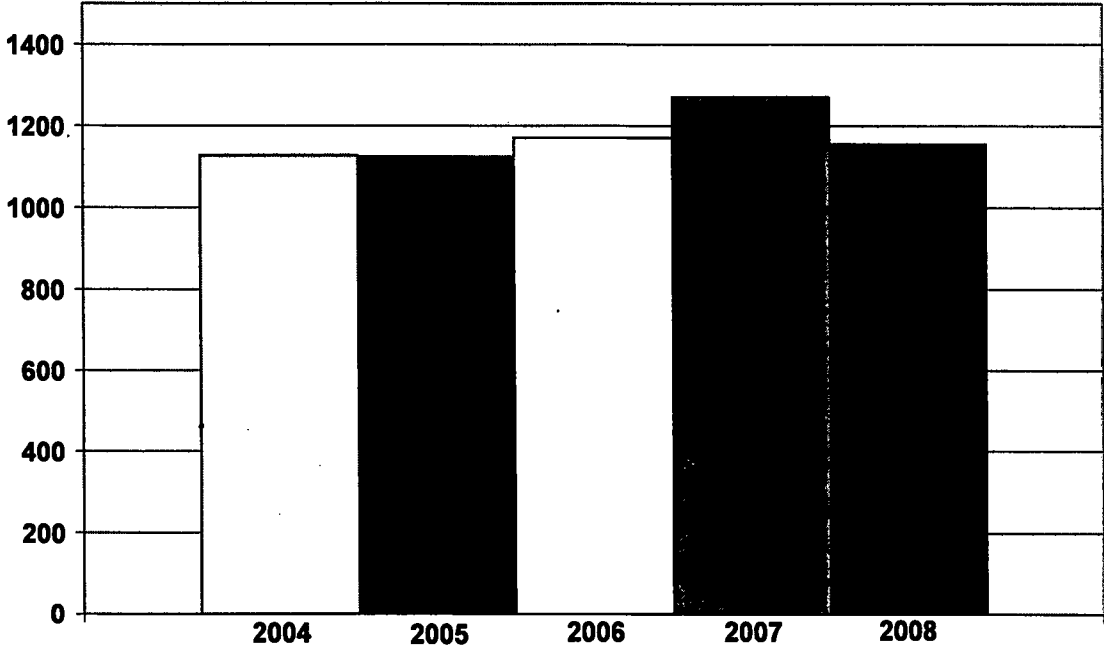
Graph 2: Five fiscal year history of total courses taught. The significant increase between FY 05/06 and FY 06/07 is related to the addition of the four receipt-funded Safety Representatives as of FY 06/07.

FIVE YEAR HISTORY OF STUDENTS TAUGHT



Graph 3: Five fiscal year history of total students taught. The significant increase between FY 05/06 and FY 06/07 is related to the addition of the four receipt-funded Safety Representatives as of FY 06/07.

**5 YEAR NORTH CAROLINA STATEWIDE SAFETY CONFERENCE
ATTENDANCE**

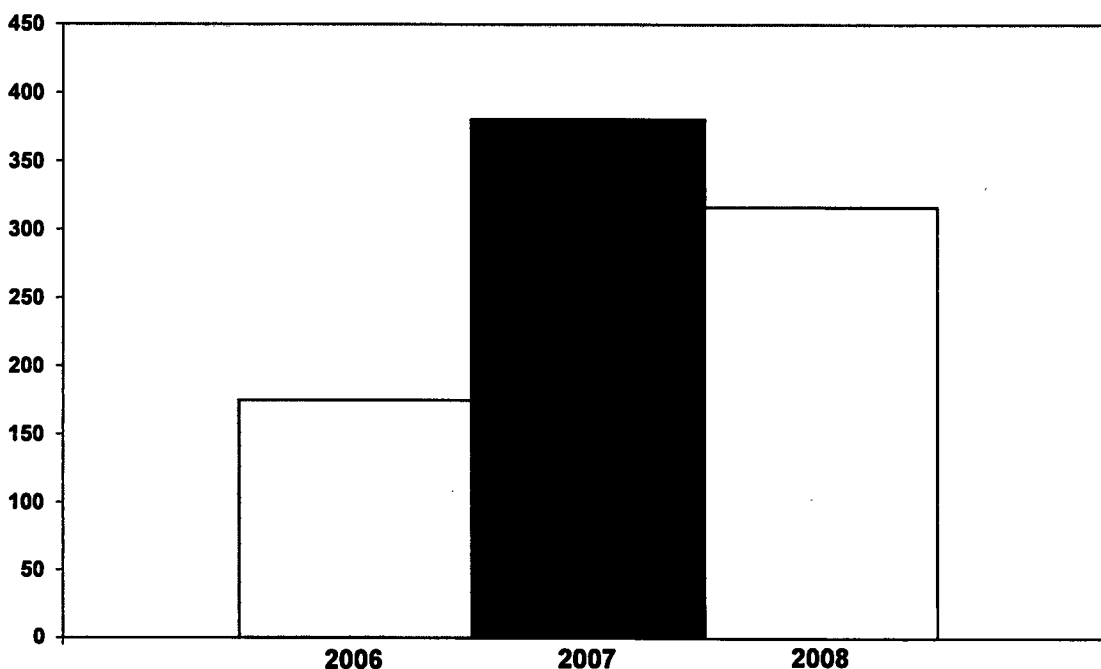


Graph 4: Five year North Carolina Statewide Safety Conference Attendance. Note: Attendance for the 2008 Conference is believed to be underreported by up to 450-500 attendees due to conference site layout and some participants attending without properly checking in at the registration tables. These issues have been addressed in the planning for the 2009 Statewide Safety Conference.

Accident Prevention Certificate Awareness Program (APCAP) – 30-hour workshop (2006-2008)

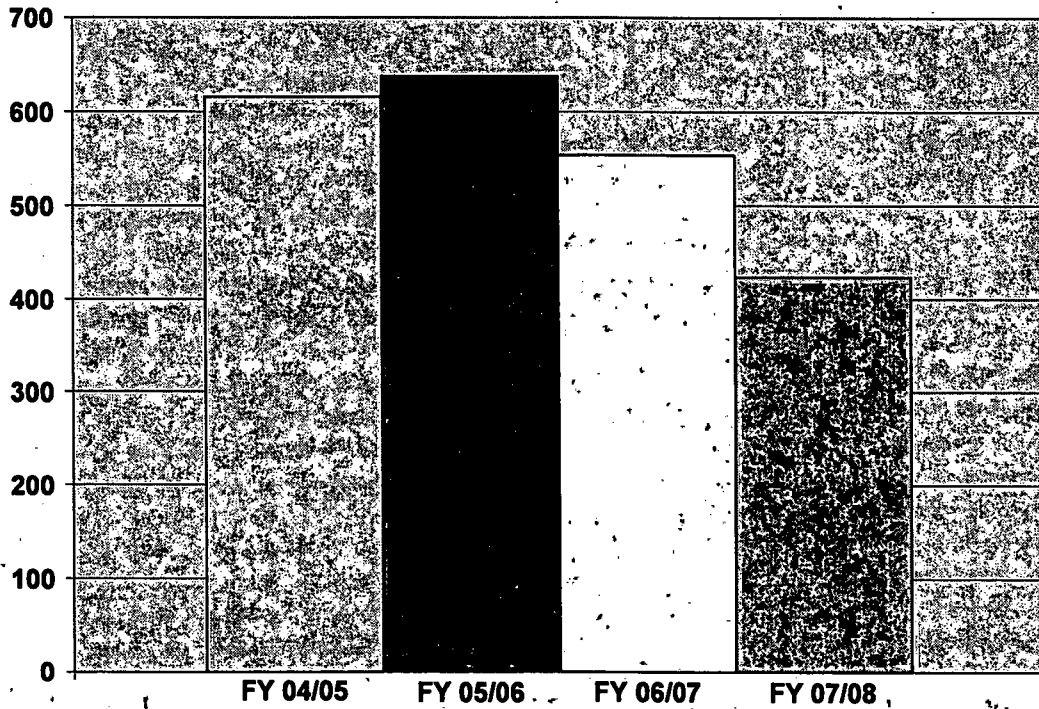
Employees Trained:	873
Courses Taught:	1,411
Contact Hours:	1,719

3 YEAR 30 HOUR ACCIDENT PREVENTION CERTIFICATE AWARENESS PROGRAM WORKSHOP ATTENDANCE



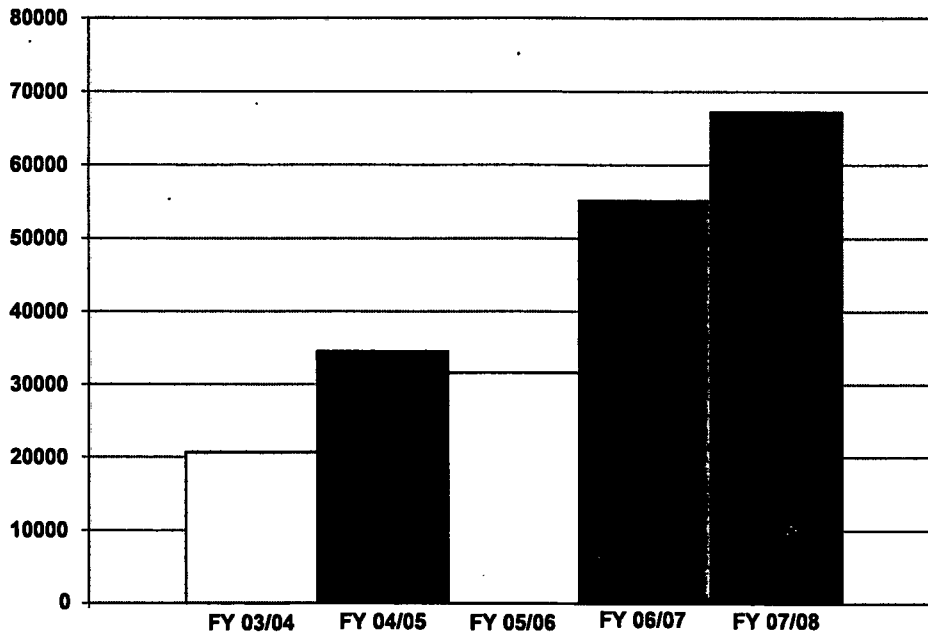
Graph 8: Three year history of 30 hour Accident Prevention Certificate Awareness Program attendance. **Note:** This workshop program has only been in existence since 2006. The drop in 2008 attendance was likely due to changing economic conditions and restricted employer travel and training budgets.

4 FISCAL YEAR HISTORY OF SAFETY VIDEO LOANS



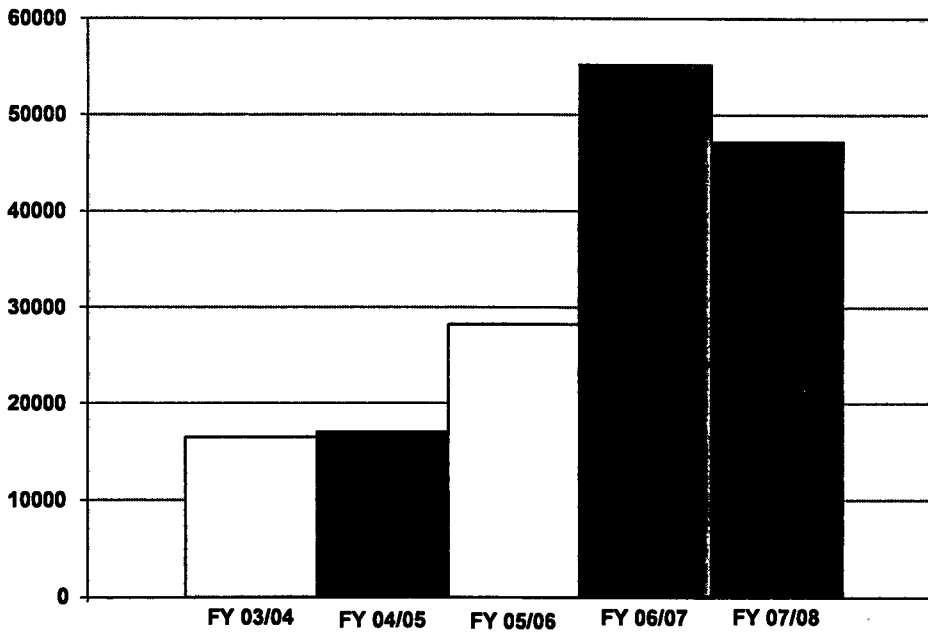
Graph 9: Four fiscal year history of the number of safety videos loaned. **Note:** Much of the video library is in VHS videotape format, whereas many employers have moved to DVD digital technology. The decrease in loan requests is likely due to this reason: The SES plans to upgrade its video library to the DVD format as funding permits.

5 YEAR HISTORY OF PRIVATE INDUSTRY STUDENTS TAUGHT



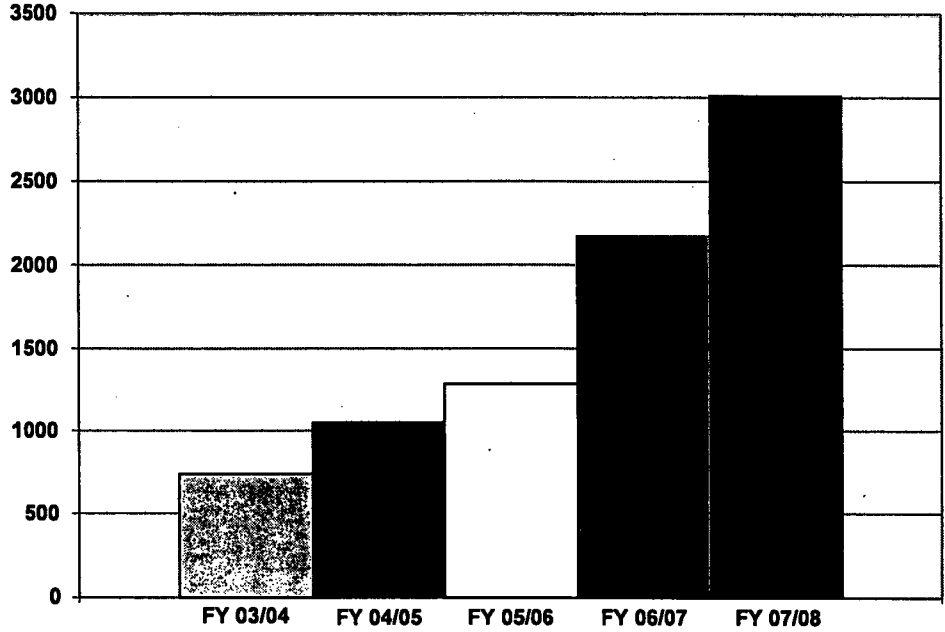
Graph 10: Five fiscal year history of number of private industry students taught.
Note: Total number of private industry students taught over all five years is 209,107.

5 YEAR HISTORY OF GOVERNMENT STUDENTS TAUGHT



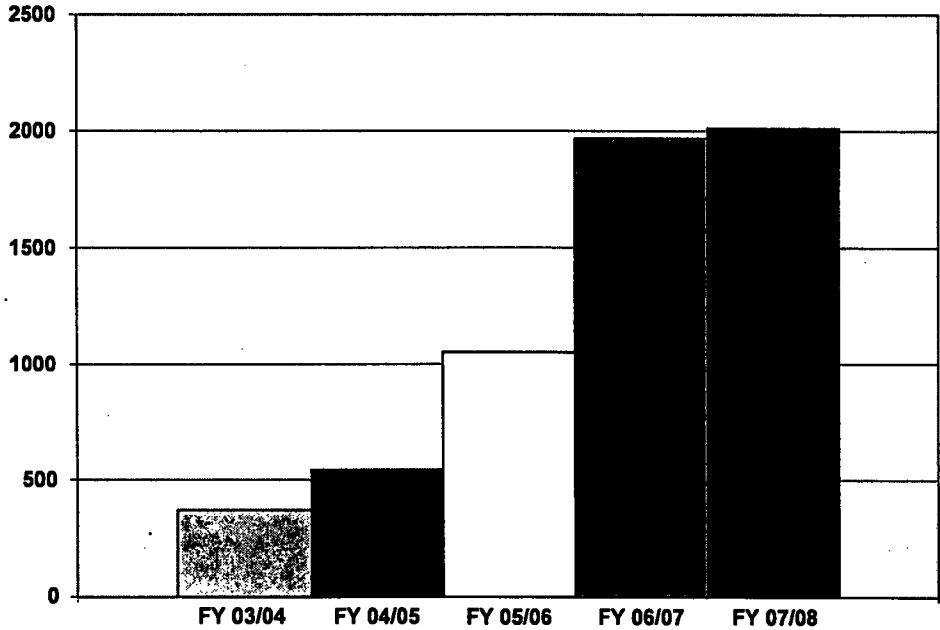
Graph 11: Five fiscal year history of number of government students taught.
Note: Total number of government students taught over all five years is 164,001.

5 YEAR HISTORY OF PRIVATE INDUSTRY COURSES TAUGHT



Graph 12: Five fiscal year history of number of private industry courses taught.
Note: Over five years, a total of 8,245 courses were taught, with 13,977 contact hours.

5 YEAR HISTORY OF GOVERNMENT COURSES TAUGHT



Graph 13: Five fiscal year history of number of government courses taught.
Note: Over five years, a total of 5,941 courses were taught, with 8,751 contact hours.

Totals by industry sector over the 5 fiscal year period:

- Private Industry –

Employees Trained:	209,107
Courses Taught:	8,245
Contact Hours:	13,977

- Government – (State, County, School and Municipality)

Employees Trained:	164,001
Courses Taught:	5,941
Contact Hours:	8,751

Qualitative/Other measures: *"[We] have seen...injuries drop from 30-some down to less than 10 a year." – Century Furniture, Hickory, Catawba County*

SES uses qualitative measures of performance including employer/employee feedback on SES training/services and creation of new programs to improve its effectiveness and efficiency in carrying out its mandate.

Surveys are collected following each workshop and conference and comments are reviewed for the purpose of gauging program quality and participant satisfaction. Survey responses are almost exclusively positive, but are reviewed carefully to allow continuous improvement of SES programs. For example, the Accident Prevention in the Workplace (APW) program has been developed to customize Worker's Compensation and accident prevention training to the needs of specific employers (Appendix B). The result is a highly effective delivery of quality instruction, efficient time and resource management, and improvement in accident prevention as reported in correspondence received from employers utilizing SES services (Appendix C).

In terms of the measuring the effectiveness SES services have in reducing accidents, it is important to understand that it can be difficult to prove a negative, i.e., why an accident did not happen. Often, one cannot draw a direct correlation between safety training and the absence of accidents. The Industrial Commission does not currently have the computer capabilities to track and make a detailed analysis of Worker's Compensation claim incidence or severity in relation to SES services. However, the employer feedback the SES receives indicates strongly that SES training and services help improve workplace safety and reduce the number and severity of workplace injuries. Below are a few examples of accident reduction data provided to the SES by participating employers.

- ***Mills Manufacturing Corp. in Asheville, Buncombe County***, reported a 50+% reduction in work accidents, which they state could not have been achieved without the SES.

- **Henderson County** reported a 50% drop in claims over the last 2 years.
- **City of Hendersonville** reported a 49% drop in claims over the last 3 years.
- **Dare County** reported a 60% reduction in accidents over the last 3 years.
- **Roanoke Rapids Sanitary District** noted no lost-time accidents in 2007. They attribute their excellent safety record to SES training.
- **Static Control Components, Inc., in Sanford, Lee County**, reported that their injury rates, particularly injuries involving lost time, have declined over the past 8 years.
- **W.A. Brown & Son, Inc., in Salisbury, Rowan County**, reported a significant decrease in their injury rate and stated that it would be difficult to obtain similar private safety training at this time.
- **JELD-WEN Millwork Distribution in Wilkesboro, Wilkes County**, reported only one minor injury in the last two years. They stated that the SES provides higher quality training than they could provide on their own.

III. Funding Rationale

"To eliminate [the SES] would cause NC industries and business to take a backward step from the safety awareness we now have begun to achieve." – William R. Lewis, Nash Johnson & Sons' Farms, Inc., Rose Hill, Duplin County

Based on the analysis of data during the period reviewed, funding for the SES should be continued. The evidence indicates that resources allocated to the SES are effectively and efficiently utilized. The SES is training more students and conducting more training courses than at any point in the SES's 80-year history. The accident reduction data provided by participating employers, including the above and other examples, also shows that the provision of SES services has a very beneficial impact on accident rates in the workplace and the number and/or severity of Worker's Compensation claims.

The total cost of the SES program for FY 07/08, inclusive of all overhead and expenditures, was \$731,014, with General Fund appropriations of \$425,907 and receipts of \$305,107. In FY 07/08, over 64,000 workers' compensation claims were filed with the Industrial Commission. As an example to illustrate the cost-effectiveness of the SES, the entire budget amount of the SES would be saved in accident claim costs if only 100 claims with a hypothetical cost of \$7,000-7,500 each were prevented as a result of SES efforts. Given that 114,000 students were trained by the SES in FY 07/08, the implication is that the cost/benefit achieved as a result of this program far exceeds annual appropriations.

Employer-provided letters and accounts support this information both quantitatively and qualitatively (Appendix C). Additionally, the average total cost of safety training for each of the 114,000 students in FY 07/08 was only \$6.41, of which \$3.74 came from General Fund appropriations. This is a very low cost per student, represents a great benefit to North Carolina's employers and workforce, and shows good management and use of State appropriations.

IV. The Consequences of Discontinued Funding

“Our service area has many small industries that can not afford to have these safety programs brought into their company. Without the [SES] programs,...[t]raining will be costly causing most industries to ignore safety training, thus increasing accidents...which can increase...claims leading to the demise of struggling industries.” – Jeff Shore, Director, Customized Training, Wilkes Community College, Wilkes County

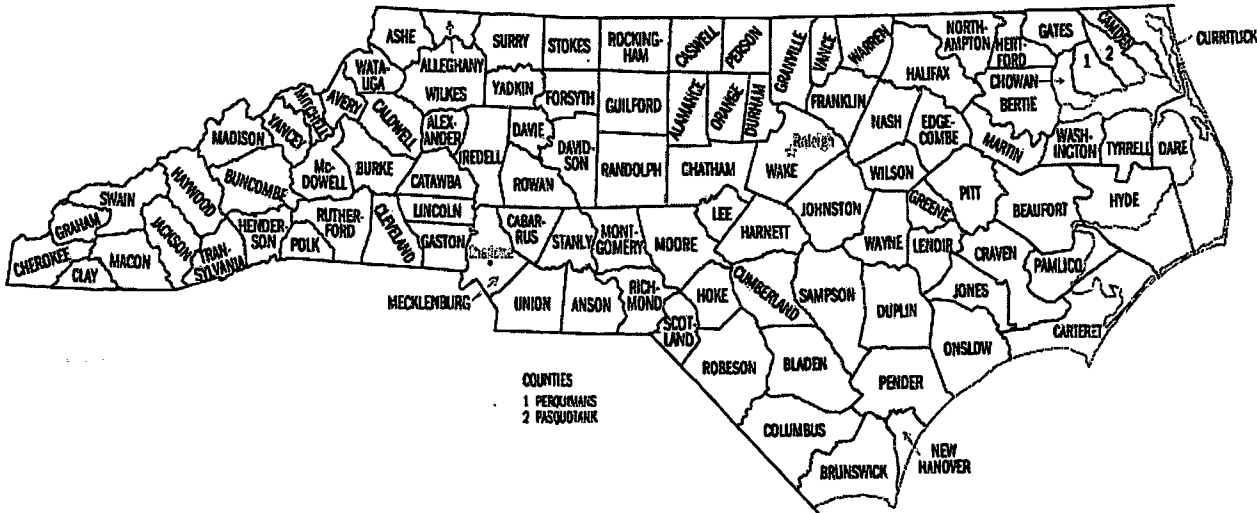
Discontinued funding of the SES will result in several significant and negative consequences statewide. If the SES's funding is discontinued, North Carolina employers will be unlikely to conduct or facilitate a similar quality and number of safety trainings at their own cost due to workforce downsizing/cost-cutting/economic factors. Therefore, the number and severity of occupational injuries and deaths is likely to increase, creating further economic strain and cost to employers and employees. Not only would businesses face increases in training costs, but also increases in Worker's Compensation claims costs and insurance coverage rates, thus affecting the general cost of doing business in the State.

The advantages that the SES's proactive efforts provide to North Carolina employers and employees would erode if funding for SES's programs were discontinued.

- State and local government agencies and private industry alike would be required to hire safety employees or private safety consultants at significant cost.
- Such additional costs will have a detrimental effect on many businesses/governmental agencies, especially in the current economic climate.
- The SES cost of training is approximately \$6.41 per student. This is a fraction of what additional hiring or other training options will cost State and local government, schools, and private employers currently utilizing SES services.
- Since approximately 114,000 employees were trained by SES in the last year, as discussed above, it is not difficult to envision that SES efforts facilitated much greater claims savings across governmental and private industry lines than its \$425,907 General Fund appropriated budget for the 07/08 fiscal year.

The SES has already received a portion of the employer letters of support expected regarding the importance of continued funding (Appendix C). The map and information below provide a breakdown of the employers by area of the state and by specific county.

Letters of Support for Continued Funding of IC Safety Section Received from North Carolina Employers/Businesses



Employers in WESTERN North Carolina:

Honeywell, Mills Manufacturing Corp., Coats North America, Baldor Electric Co., Bernhardt Furniture Co., Biltmore, The Grove Park Inn Resort & Spa, Harrah's Casino, Gaia Herbs Mfg., Billy Graham Training Center, Powder Horn Mountain POA, Haywood Vocational Opportunities, Western NC Safety & Health School.

Local Govt.: Hendersonville, Boone, Henderson Co., Graham Co. Schools.

Located in the following counties: Buncombe, Madison, Graham, Henderson, Transylvania, Watauga, Cherokee, Caldwell, Haywood, Henderson, Cleveland.

Employer letters of support reflected **substantial reductions in injury rates** due to IC Safety Section Training.

Employers in CENTRAL North Carolina:

International Paper, UNIFI, Inc., Hanesbrands, Magnetti Morelli Powertrain, Bernhardt Furniture Co., Century Furniture Indus., Quickie Mfg. Corp., Gates Corporation, Leviton Mfg., NCSU, Hickory Spring Mfg., B/E Aerospace, Inc., Shurtape Technologies, Inc., Trelleborg AB, MI-DE Design, Inc., Pioneer Eclipse Corp., Microban Int'l., Parkdale Mills, Truline Truss, JELD-WEN Millwork Distrib., IFH Hickory, W.B. Moore Co. of Charlotte, W.A. Brown & Sons, Inc., Kenco Logistic Services, Stephens Supply Co., Ashe Services for Aging, Mannington Wood Floors, MACTEC Engineering, Static Control Components, Wilkes Community College.

Local Govt.: Raleigh, Raeford, Kernersville, High Point, Wilkesboro, Durham, Gastonia, Fayetteville, Smithfield, Moore Co., Davidson Co., Surry Co., Forsyth Co., Catawba Co., Lee Co., Chatham Co., Wilkes Co. Schools, Cabarrus Co. Schools, Lincoln Co. Schools, NC Rural Water Assn.

Located in the following counties: Alleghany, Ashe, Cabarrus, Catawba, Chatham, Cumberland, Davidson, Davie, Durham, Forsyth, Gaston, Guilford, Hoke, Johnston, Lee, Lincoln, Mecklenburg, Moore, Robeson, Rowan, Surry, Wake, Wilkes.

Employers in EASTERN North Carolina:

House of Raeford Farms, Nash Johnson & Sons' Farms, A.R. Chesson Construction, Blackwater Worldwide.

Local Govt.: County of Dare, Craven County, City of Jacksonville, City of Rocky Mount, Wayne County Schools, Roanoke Rapids Sanitary District.

Located in the following counties: Craven, Currituck, Dare, Duplin, Edgecombe, Halifax, Martin, Nash, Onslow, Wayne.

Many employers stated **they could not afford comparable accident prevention training** if the IC Safety Section were eliminated.

V. Service Improvement Recommendations

"My biggest concern is that I lose this service, and as a result the schools system will have more accidents..." – Ward M. Smith, Health & Safety Manager, Cabarrus County Schools

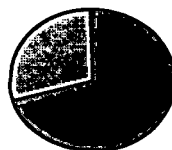
The SES continues to improve in nearly all established performance measures identified in this report. Common to the field of accident prevention, however, is that a nexus must be inferred, in many cases, between proactive efforts and expected incidence rates of injury/death, severity of injury, and other meaningful measures. **The SES would greatly benefit from the creation of a system of data collection within the Industrial Commission relative to claims filed.** Information on incidence rates by geographic location, industry, type of injury, and other criteria would allow for analysis of Worker's Compensation claim trends and "targeting" of higher risk occupations, thus allowing the SES to further improve its effectiveness and efficient use of resources.

In light of the effectiveness of SES services and the considerable benefit to business/industry/governmental employers and employees, **it is also recommended that full General Fund appropriations be continued for the Safety Education Section of the North Carolina Industrial Commission, and that the SES status be returned to "recurring" funding.**

The demand for SES services continues to grow. In uncertain, as well as prosperous, economic times, the need for Worker's Compensation claim and accident prevention training expands. **Based on a review of scheduling data for the rest of 2009 (as of February 24, 2009), the SES staff is already heavily booked for education training.** The overwhelming demand for SES services will eventually outstrip SES availability and resources, leaving many employers without access to SES accident prevention services. The SES respectfully requests that an expansion of staff and services be considered at such time as is appropriate.

NCIC Safety Education Training Commitments For Remainder of 2009 (as of 2/24/09)

28.5% available



71.5%
committed

1440 total days available. 1030 days already committed. 410 days in reserve.

VI. Cost Reduction Recommendations

"We at WB Moore understand the country's economic downturn and agree that non-essential expenses must be examined; however we consider the training provided by the Safety Education Section to be vital and essential to the North Carolina workforce..." – Steve Strokis, Safety Manager, WB Moore Company, Charlotte, Mecklenburg County

Cost Reduction Measures:

The SES has traditionally operated with a heavy focus on high quality training as well as flexibility while working with the business/industry/governmental populations served. In providing SES services in this manner, travel costs are incurred. The SES anticipated the need to conserve resources and took action in July 2008 to reduce travel expenses and Section costs. Field-based Safety Representatives have worked to adjust travel schedules and office duties toward this end. The end result is that travel days have been cut by approximately 20%. The effect of this reduction is expected to save approximately 2.92% of the total SES budget.

Additionally, SES staff meetings have been traditionally held in Raleigh, NC and involved time, travel, and lodging costs for staff traveling from the eight geographic locations throughout the State. The SES has utilized alternative formats/locations in conducting staff meetings to reduce or eliminate these expenses. The effect of this reduction over a fiscal year is expected to save approximately 1.4% of the total SES budget.

Workshop materials and workbooks that were previously provided in print have been digitized and are provided to students electronically prior to the training event. This change saves the SES printing and duplication costs and is expected to result in notable savings. The SES continues to develop other on-site training delivery systems/schedules to consolidate efforts to the degree practicable and further reduce travel and other costs.

Section Funding/Budget Option Discussion:

Recognizing the seriousness of the current and projected State budgetary shortfall, the Industrial Commission and Safety Education Section have undertaken a review of the SES expenditures, revenue options, and funding sources. The following are respectfully submitted for your consideration:

Viable Options

Option 1: Restore SES funding status to "recurring" funding.

The SES will continue to provide its excellent level of service to North Carolina employers, all of whom are facing the difficult economic times ahead, while also maximizing its efficiency and cost savings wherever possible.

Option 2: Provide funding at the current level for one year.

The SES will receive one additional year of the FY 08/09 General Fund appropriations amount of \$467,104. Staff will report in FY 2010-2011.

Non-viable Options

The SES has reviewed the option of charging individual employers/employees with course fees. This option is problematic and largely non-viable. Some concerns include:

- Lack of funding source stability and data history
- Additional staff/resources required for development of accounting, payment, and verification systems, and scheduling and fee collection.
- Difficulty or inability of employers to pay
- Need of employers to budget for costs one year in advance
- Employer resistance to change after 80 years of no-cost services

VII. Policy Issues

*"We rely heavily on Safety Section personnel to deliver quality safety training programs to our constituents." –
Barbara Cassidy, Vice Chairman, Central Piedmont Safety Council*

The Safety Education Section is an essential program and a necessary proactive component of the North Carolina worker's compensation system. It is vital to North Carolina's economy because it raises safety awareness among employers and employees which results in a decrease in the number of workplace accidents. This result lowers the financial and personal costs of workers' compensation claims to both employers and employees in North Carolina.

Over the period of evaluation (FY 03/04 to 07/08):

- the number of employees trained by SES staff increased by 207.7%.
- the number of courses taught increased by 354%.
- the number of course contact hours increased by 229.3%.

- 30-hour workshop attendance from 2006 to present year has increased by 81%.

- The annual Statewide Safety Conference attendance continues to remain strong with more than 1150 attendees at the 78th conference held May 13-16, 2008.

- The Safety Video loan program remains valuable, with over 424 videos loaned in FY 07/08.

- New programs, such as the Accident Prevention in the Workplace Program (APW), have been developed and implemented to address site-specific safety training needs while maximizing the efficient use of State resources. Example of employer newly entering the APW Program: House of Raeford/Nash Johnson Farms in Duplin County.
- The SES continues to assist and support eight regional safety councils that are arranged geographically to provide safety and accident prevention services to all 100 counties.

Without the “no charge to employer” services provided by the SES, business/industry/school/governmental employers will be required to obtain these services at great cost. Some employers, especially smaller businesses and more rural municipalities, may choose to forego some or all safety training. The resulting significant training and claims cost increases will be detrimental to North Carolina business and governmental operations. Any increase in business operating cost, whether in the form of training/staffing costs, insurance rates, or Worker’s Compensation rates/claims, will adversely impact the cost of doing business in North Carolina.

The above information demonstrates that the SES is meeting organizational mandates, with notable improvements in nearly every performance measure. **The SES is a vital part of keeping costs down in the North Carolina Workers’ Compensation system and attracting new businesses to North Carolina.**

VIII. Conclusion *“In this age of specialization, to have a resource available that offers such a broad range of safety services performed by competent personnel is impossible to find any where else.” – Nelson Bailey, B/E Aerospace, Inc., Winston-Salem, Forsyth Co.*

“Their [SES] long standing success would be difficult to rebuild or replace if budget constraints eliminate this section.” – Keith Biggs, President, Forestry Mutual Ins. Co., Raleigh, Wake County

The Safety Education Section of the North Carolina Industrial Commission strives to reduce or eliminate workplace accidents, workplace deaths, and Worker’s Compensation claims statewide. The SES staff provides efficient and effective delivery of quality services at very little cost. The continuous demand for the services of the SES has led to positive gains in nearly all measures of performance and the responsible utilization of resources. Restoring recurring funding of the SES will ensure a significant positive return in the form of cost savings and a reduction in Workers’ Compensation claims.

APPENDIX A: List of commonly-requested training courses

Current courses include, but are not limited to:

- 10 & 30-Hour Accident Prevention Certificate Awareness Program
- Accident Prevention in the Workplace Program
- Accident Prevention
- Accident Investigation
- NSC First Aid, CPR & AED
- Bloodborne Pathogen Safety
- Bomb Threat Safety
- Confined Space Safety
- CTD & Ergonomics
- Chlorine Safety
- Competent Person Trenching & Shoring
- Defensive Driving Course
- Electrical Safety
- Eye Safety
- Fall Protection
- Fire Safety
- Forklift Safety
- Hand Safety
- Hazard Communication Safety
- Job Safety Analysis
- Lifting Safety
- Lockout/Tagout Safety
- NC Operation Lifesaver
- Professional Truck Driver Defensive Driving Course
- Respiratory Protection Safety
- Respirator Fit Testing
- Safety Attitudes
- Slips, Trips, and Falls Safety
- Trenching & Shoring Safety
- Welding, Cutting and Brazing Safety
- Work Zone Traffic Control Safety
- Workers' Compensation
- Water and Wastewater Certificate/Credit Hour Programs

Appendix B:

NCIC APW PROGRAM REPORT			
In Progress	Scheduled	Made Visit / Tour	Waiting on Visit
BBT	NC ZOO	BE AEROSPACE	HICKORY SPRING
BE AEROSPACE		BBT	IREDELL CO
BERRY PLASTICS		BRIAN CENTER	LA-Z-BOY CASEGOODS
BRIAN CENTER		BUDD GROUP	LEE CO
BUDD GROUP		CAROLINA RESOURCE	NCIC IT DEPT
BURLINGTON IND.		CHATHAM COUNTY	PGI BENSON
CATAWBA CO		CITY OF BURLINGTON	R.L. STOWE MILLS
CHATHAM COUNTY		CITY OF DURHAM	
CITY OF DURHAM		CITY OF GREENSBORO	
CITY OF GREENSBORO		CITY OF HIGH POINT	
CITY OF HIGH POINT		CITY OF ROANOKE RAPIDS	
CITY OF RALEIGH		COLONY TIRE CO	
CITY OF ROANOKE RAPIDS		DARE CO	
COLONY TIRE CO		DECOLAV	
DARE CO		ELSTER ELECTRIC	
DECOLAV		FORSYTH CO	
ELSTER ELECTRIC		GARNER GLASS	
FORSYTH CO		GIRL SCOUTS/CAMP	
GIRL SCOUTS/CAMP		HOUSE OF RAEFORD	
GLEN RAVEN		IFH	
HICKORY SPRING		INSTEEL	
HOUSE OF RAEFORD		ITG (Burlington)	
IFH		ITW HI CONE	
INSTEEL		JMC	
ITG (Burlington)		KEARFOTT CORPORATION	
ITW HI CONE		LS STARRETT	
KEARFOTT CORPORATION		MAGNETTI	
LS STARRETT		NC DOA AGRONOMIC	
MAGNETTI		NC DOA STANDARDS LAB	
NC DOA AGRONOMIC		NC DOA STATE FAIR	
NC DOA STANDARDS LAB		NC VOCATIONAL REHABILITATION	
NC VOCATIONAL REHABILITATION		NC ZOO	
ORANGE CO LANDFILL		ORANGE CO LANDFILL	
PATCH RUBBER		PATCH RUBBER	
PELINK INS		PGT SALISBURY	
PIEDMONT NATURAL GAS		QUICKIE	
QUICKIE		SHURTAPE	
ROANOKE RAPIDS SANITARY DISTRICT		STEPHENS SUPPLY	
SHURTAPE		SURRY CO	
STEPHENS SUPPLY		SYNGENTA	
SURRY CO		TCOM L.P.	
SYNGENTA		US FOODS	
T.G.MANAGMENT INC		WAYNE BRO	
TOWN OF ENFIELD		WAYNE CO SCHOOLS	
WAYNE CO SCHOOLS		WTP PITTSBORO	
ZINK IMAGING		ZINK IMAGING	
		GKN SANFORD	
In progress 46	Scheduled 1	Made Visits 47	Waiting for visit 7

Appendix C:

LETTERS OF SUPPORT FOR NCIC SAFETY EDUCATION SECTION FROM NORTH CAROLINA EMPLOYERS

The following list includes the names of employers from which letters of support had been received as of February 11, 2009. It is anticipated that many more letters will be received, addressed either to the Industrial Commission or to members of the General Assembly.

Copies of any and all letters are available upon request.

Governmental:

Counties of Ashe, Catawba, Chatham,
Davidson, Forsyth, Lee, Orange, Surry, Wayne
Roanoke Rapids Sanitary District
City of Raleigh (2)
City of High Point (2)
Town of Wilkesboro
Lincoln County Schools
Town of Boone
City of Rocky Mount
Graham County Schools
City of Hendersonville
Wilkes Community College
City of Durham
NC Rural Water Association
City of Jacksonville
Lincoln County Schools
County of Moore
Town of Kernersville
Dare County
Henderson County
Greensboro Bulk Mail Center
Wilkes County Schools
NC State University
Cabarrus County Schools
Central Piedmont Safety Council
Craven County Government
Public Works Commission, Fayetteville
City of Raeford
Town of Smithfield

Industry:

House of Raeford Farms
Gates Corporation
Nash Johnson & Sons Farms, Inc.
Leviton Manufacturing
Billy Graham Training Center
Powder Horn Mountain, Inc.
Microban
Unifi
International Paper
Grove Park Inn
Century Furniture
Truline Truss
Mills Manufacturing Corporation
Jeld-Wen Millwork Distribution
Honeywell
Coats North America
Bernhardt Furniture
Magneti Marelli Powertrain USA
Baldor Electric Company
Quickie Manufacturing Corp.
Kenco Logistic Services, LLC
Parkdale
Pioneer Eclipse
Harrah's Casino
Mi-De Design, Inc
MACTEC Engineering & Consulting, Inc
Shurtape
B/E Aerospace
Victaulic Company
Hanesbrands, Inc.
W.B. Moore Company of Charlotte, Inc
Static Control Components, Inc.
Stephens Supply Co.
Gaia Herbs
Trelleborg
Forestry Mutual Insurance Company
Mannington Wood Floors

POTENTIAL SUBCOMMITTEE OPTIONS
Forest Development Program (FDP)

- A. Provide **\$589,500 recurring** in funding (i.e. continue the program as is)
- B. Provide **\$589,500 (recurring or non-recurring)** and require further study of potential program changes, such as:
1. Changing eligibility criteria,
 2. Changing cost-sharing reimbursement structure,
 3. Changing the acreage maximum, etc.
- C. Provide a **reduced level of funding** (non-recurring or recurring)
- The timber assessment charged on primary forest products processed from North Carolina timber currently provides the majority of the funds for FDP. In FY 2007-08, the timber assessment brought in \$1.89M used for FDP. In FY 2008-09, the assessment is expected to bring in over \$2.2M.
- D. Provide **no funding** for FY 2009-10
- As noted above, the timber assessment funds the majority of FDP. However, G.S. 113A-192(c) stipulates that collection of the Timber Assessment shall be suspended in any fiscal year in which the General Assembly fails to make General Fund appropriations to the Forest Development Fund. Legislation would be required in order to continue the timber assessment if no funds are appropriated.
- E. **Reduce or eliminate funding and increase the timber assessment**
- The timber assessment charged on primary forest products has not been increased since the inception of the Forest Development Fund in 1977.
 - G.S. 113A-194 sets the assessment rate for the various timber products. Table 1, taken from Appendix J of the report, provides a comparison of North Carolina's timber assessment to other states.

Table 1: Comparison of State Timber Severance Taxes

State	\$/MBF		\$/ Cord	
	Softwood Sawtimber/ Veneer	Hardwood Sawtimber/ Veneer	Softwood Pulpwood	Hardwood Pulpwood
North Carolina	\$ 0.50	\$ 0.40	\$ 0.20	\$ 0.12
Alabama	\$ 1.20	\$ 0.80	\$ 0.25	\$ 0.25
Mississippi	\$ 1.00	\$ 0.75	\$ 0.30	\$ 0.23
Louisiana	\$ 7.57	\$ 7.01	\$ 0.96	\$ 0.86

SELECTED RELEVANT GENERAL STATUTES

§ 113A-192. Operation of assessment system.

(a) The General Assembly hereby levies an assessment on all primary forest products harvested from lands within the State of North Carolina.

(b) This assessment shall be at the rates as established in G.S. 113A-194(b) and the proceeds of such assessment shall be deposited in the Forest Development Fund.

(c) The collection of the assessment shall be suspended in any fiscal year in which the General Assembly fails to make general fund appropriations to the Forest Development Fund.

(d) The collection of the assessment shall be suspended in any fiscal year in which there is carried forward from previous years a balance of unobligated funds in the Forest Development Fund greater than twice the amount appropriated from the general fund for that fiscal year.

(e) If the assessment is suspended because of either clause (c) or (d) above that suspension shall cease when the condition causing the suspension no longer exists. (1977, c. 573, s. 4.)

§ 113A-194. Assessment rates.

(a) The assessment rates shall be based on the following standards:

- (1) For primary forest products customarily measured in board feet, the "International 1/4 Inch Log Rule" or equivalent will be used;
- (2) For primary forest products customarily measured in cords, the standard cord of 128 cubic feet or equivalent will be used;
- (3) For any other type of forest product separated from the soil, the Secretary of Environment and Natural Resources shall determine a fair unit assessment rate, based on the cubic foot volume of one thousand foot board measure, International 1/4 Inch Log Rule or one standard cord, 128 cubic feet.

(b) The assessment levied on primary forest products shall be at the following rates:

- (1) Fifty cents (50¢) per thousand board feet for softwood sawtimber, veneer logs and bolts, and all other softwood products normally measured in board feet;
- (2) Forty cents (40¢) per thousand board feet for hardwood and bald cypress sawtimber, veneer, and all other hardwood and bald cypress products normally measured in board feet;
- (3) Twenty cents (20¢) per cord for softwood pulpwood and other softwood products normally measured in cords;
- (4) Twelve cents (12¢) per cord for hardwood pulpwood and other hardwood and bald cypress products normally measured in cords;
- (5) All material harvested within North Carolina for shipment outside the State for primary processing will be assessed at a percentage of the invoice value. This percentage will be established to yield rates equal to those if the material were processed within the State. (1977, c. 573, s. 6; c. 771, s. 4; 1989, c. 727, s. 218(77); 1989 (Reg. Sess., 1990), c. 1004, s. 19(b); 1997-443, s. 11A.119(a).)

§ 113A-195. Collection of assessment.

- (a) The assessment shall be levied against the processor of the primary forest product.
- (b) The assessment shall be submitted on a quarterly basis of the State's fiscal year due and payable the last day of the month following the end of each quarter.
- (c) The assessment shall be remitted to the Secretary, Department of Revenue, by check or money order, with such production reports as may be required by said Secretary.
- (d) The processor shall maintain for a period of three fiscal years and make available to the Secretary, Department of Revenue, such production records necessary to verify proper reporting and payment of revenue due the Forest Development Fund.
- (e) The production reports of the various processors shall be used only for assessment purposes. Production information will not be made a part of the public record on an individual processor basis.
- (f) Any official or employee of the State who discloses information obtained from a production report, except as may be necessary for administration and collection of the assessment, or in the performance of official duties, or in administration or judicial proceedings related to the levy or collection of the assessment, shall be guilty of a Class 3 misdemeanor punishable only by a fine not to exceed fifty dollars (\$50.00). (1977, c. 573, s. 7; 1987, c. 523; 1993, c. 539, s. 876; 1994, Ex. Sess., c. 24, s. 14(c).)

The Forest Development Program (FDP)



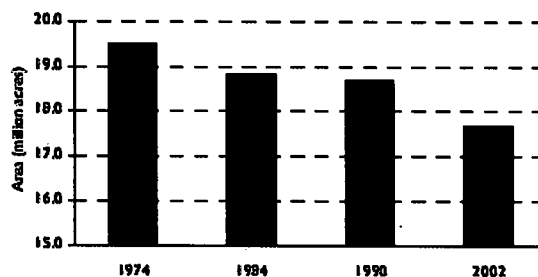
Presentation to the "NER Legislative Budget Sub-Committee"

March 11, 2009
Raleigh, NC

North Carolina Forestland

- 17.7 million acres of NC timberland
- 84% of NC forests under private ownership (small parcels)
- Recent estimates = 200,000 acres final harvest/year
- Small forest owners reforest 75,000-100,000 acres/year

Area of timberland, 1974 to 2002



Wouldn't it be nice if there was a program that....

- Preserved working forests
- Increased reforestation rates
- Contributed to Green Space retention
- Assisted in climate change mitigation
- Encouraged NC's forest-based economy
- Represented a partnership between State/Business/Citizen

The NC Forest Development Program

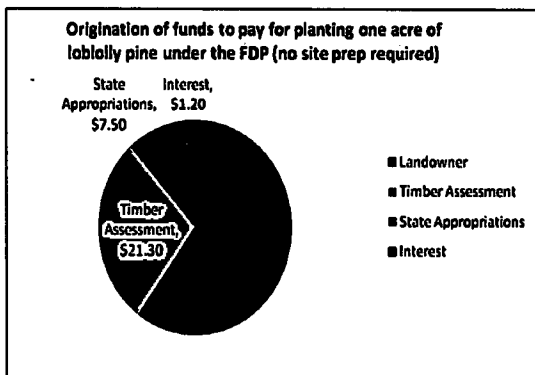
- Established in 1978
- Partnership of Forest Industry, State government and Landowners
- Increase reforestation & timber supply; protect soil/air/water
- Emphasis = tree-planting on small, private lands
- Timber stand improvement, prescribed burning
- Most users are small, non-industrial private forest landowners
- 100 acre/year limit; avg. application = 32 acres

FDP Benefits

- Over 1.2 million acres reforested since 1978
(44,000+ acres longleaf; 3,000+ acres hardwood/wetland)
- 50,000+ acres/year planted under FDP
- 1,500+ FDP landowners/year informed on water quality, wildlife, soil protection, BMPs, wildfire prevention, etc.
- 10-year maintenance clause

Who Pays for Work Under the FDP?

- Landowners typically pay 60% of the bill
- FDP typical reimburses 40% (breakdown: 71% assessment; 25% state appropriations; 4% interest)



NOTE: Projects involving site preparation are often significantly more expensive

*\$75 per acre
Landowner pays \$75*

FDP Backlog

- Annual backlog of fully-qualified landowners (management plan and application in place):
 - 600+ landowners
 - Nearly 25,000 acres
 - \$2.1 million worth of work annually
- These acres are at risk of going unplanted or having higher establishment costs

Continuation Review Findings

- FDP stream-lined, efficient, effective, significant
- FDP monies are an incentive to plant more
- Dept. of Revenue/Div. of Forest Resources coordination
- Efficiency of measuring cost share tracts
- Database conversion
- Future change in minimum acreage threshold

FDP Tree-Planting Survey

- 462 previous FDP-users surveyed
- Respondents: 50% of acreage would go unplanted without FDP
- 50,000+ acres are planted under FDP annually
- 50% decrease = 25,000+ acres/year not planted
- Lost work to businesses estimated at \$3.1 million annually
- Approximately 750 fewer "customers"/year for DFR
- Lower harvest values = loss of \$644,000 of state income tax annually

In Their Own Words...



Neville Golding - planting after Hurricane Fran

"...I wouldn't have been able to do it on my own..."

David Barnes - degraded stand harvest; planting

"...21 acres of pulpwood that was unproductive....\$4,000 out of the harvest.....probably wouldn't have (replanted) if we didn't have assistance..."



In Their Own Words...



Charles McPherson -
pasture planting

*"...would more than
likely had to have put
my land on the market
and sold it..."*

*63 acres planted
in Orange Co.*

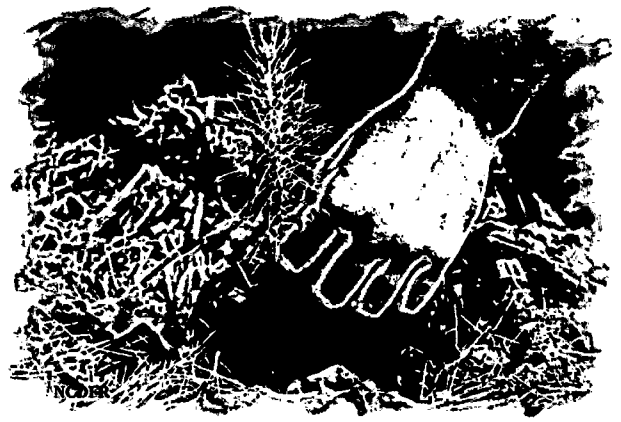
Thank you for your consideration



Forest Development Program (FDP)

Executive Summary

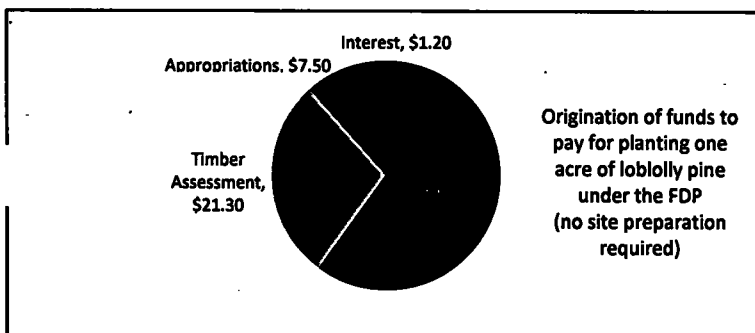
The 1977 North Carolina General Assembly passed the Forest Development Act (NCGS 113A-176) which established a voluntary cost sharing program to “provide financial assistance to eligible landowners to increase the productivity of the privately-owned forests of the State.” The Primary Forest Product Assessment Act (NCGS 113-189) of 1977 created an assessment on primary forest products processed by North Carolina sawmills and other timber industries. This assessment (typically \$2,000,000/year) along with Legislative appropriations (often \$589,500/year), provides funding for reforestation and forest improvement work cost shared under the Forest Development Program. This partnership to improve reforestation rates and provide for a long term supply of timber is a shared goal and responsibility between the State and forest industry.



The Continuation Review analysis has found evidence that:

- Landowners have planted nearly 1,200,000 acres of forestland under the FDP since 1978. This would cover an area more than twice the size of Wake County, NC. This figure includes 3,057 acres of hardwood/wetland species and 44,601 acres of longleaf pine. A review of North Carolina longleaf planting accomplished under cost share programs from 1997-2006 revealed that 25,000 acres of the 60,000 longleaf pine acres planted were done under the FDP.
- Records of North Carolina’s statewide reforestation accomplishments by small forest landowners between 1999-2008 indicate 75,000 to 100,000 acres are typically planted each year. The FDP has accounted for the planting of 50,000+ of those acres annually. The FDP also maintains a waiting list of fully-qualified but unfunded landowners each year due to a lack of funding. The work on this waiting list averages over \$2,200,000 annually and represents another 25,000+ acres/year that could be reforested. FDP funding should be expanded by \$2,200,000/year to address this need and opportunity.
- The FDP partnership successfully leverages state money with funds from private citizens and timber industry. Landowners usually pay 60% of expenses, and FDP funds typically reimburse the other 40%. Of that 40%, 71% have historically come from assessments paid by timber industry; 25% from appropriations; and 4% from earned interest on the account.
- The FDP is the Division of Forest Resources’ (DFR) “gateway program”. Many forest landowners contact the DFR solely for FDP financial assistance, but ultimately improve their knowledge of water quality protection, wildlife management and other stewardship practices that benefit society.
- The FDP assists forest landowners in carrying out expensive practices such as site preparation prior to tree planting. Landowners don’t always have income from a timber sale to offset expenses if they are planting an agricultural field or carrying out timber stand improvement work. Landowners must often

“carry these costs” for 20 years or more before they see financial benefits from their forests. This financial risk is exacerbated by potential timber loss due to wildfire, hurricanes, ice damage, insect and disease, etc.





- Communication and sharing of information must continue to improve between the DFR and the Department of Revenue. This relates to DFR needing financial information access under GS § 105-259 (b) (“*Secrecy required of officials*”).

- The FDP cost shares prescribed burning and other activities that effectively manage forest vegetation. Managed forests such as those established under the FDP help reduce the risk of devastating wildfire.

- FDP accomplishments help realize the goals of other natural resource groups, state agencies and initiatives. This includes watershed protection; climate change mitigation through carbon sequestration; woody biomass for energy production; and wildlife habitat.
- Nearly all FDP funds are used by citizens who own small forests. Between 1999-2008, the average FDP applicant was funded for just 32 acres of work. There are approximately 469,000 “family” forestland owners in North Carolina that own 61% of the State’s forested acreage. Another 23% of the forests are held by other types of private entities numbering over 56,000¹. The FDP successfully reaches over 1,500 of these forest owners each year, resulting in over 50,000+ acres reforested and improved annually. This partnership is critical where 84% of the forest is held in privately-owned parcels that are often less than 50 acres. FDP reforestation provides the raw material that drives the State’s forest-based industry, which is now the number one manufacturing industry in terms of employment and wages².
- A random survey of 462 landowners who had planted trees with FDP cost share showed that 50% of their acreage would not have been planted if FDP assistance was not available. A discontinuation of the FDP would result in nearly 25,000 fewer acres planted annually. The resulting lost work to businesses specializing in reforestation services is estimated at over \$3,100,000.
- Discontinuation of the FDP would result in a reduction of forest productivity and timber income. This would reduce personal income tax revenue by approximately \$644,000³. FDP appropriations are currently \$589,500, so the discontinuation of the FDP would mean a net loss of \$54,500 for the State.
- The Primary Processor Act specifies that timber assessments shall be suspended if the Legislature fails to make appropriations to the FDP. This emphasizes the partnership aspect of this program between the State and forest industry. If the State discontinues appropriations, legislative action will be required for the FDP to continue. If all State funding to the FDP is eliminated and the timber assessment rate is increased, political pressure from several groups could jeopardize the existence of the FDP program.
- The FDP helps landowners manage their forestland and qualify for a critical present-use value tax break. This financial benefit reduces their personal property tax burden and the pressure to sell the land for development. Discontinuing FDP will make it more difficult to retain our State’s working forests. Over 1,000,000 acres of North Carolina forestland were lost between 1990-2002.



¹ Based on the U.S. Forest Service’s “Family Forest Owners of the U.S., 2006”

² Based on N.C. Employment Security Commission data from 2nd Qtr, 2006

³ Based on a 2009 N.C. Division of Forest Resources economic analysis study

Photo by Chris Evans, River to River, CWMA, Bugwood.org

State of North Carolina
Department of Environment and Natural Resources



Division of Forest Resources

Continuation Review Legislative Report on the
Forest Development Program

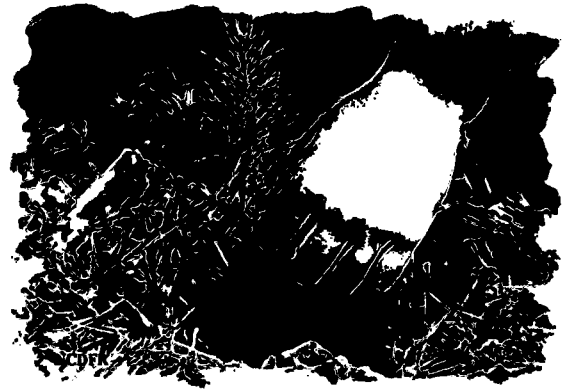
3-1-2009 Final Report

Table of Contents

<u>Executive Summary</u>	3
<u>Current Environment, Programs, Services and Resources</u>	6
Program Description and Objectives	9
Statutory Link	15
Service Statements	16
Resource Allocation.....	18
<u>Program Performance</u>	23
Performance Measures and Data.....	23
Have Objectives Been Achieved?.....	31
<u>Link between Funding and Societal Impact</u>	32
Effect of an FDP discontinuation on NC state personal income tax revenue	32
Loss of Private Business Revenue as a Result of a FDP Discontinuation	33
<u>Program Justification</u>	34
Rationale for Recommended Funding Level	34
Consequences of Discontinued Funding.....	35
Random survey of FDP landowners from 2000-08	38
Landowner Testimonials on the Importance of FDP Funding.....	39
<u>Recommendations to Improve Efficiency and Effectiveness</u>	40
Improving Services	40
Reducing Costs and Duplication.....	42
Recommended Statutory/Budgetary/Administrative Changes	43
<u>External Factors</u>	44
Policy Issues for the General Assembly	44
Other Relevant Information	45
<u>Bibliography</u>	49
<u>Appendix</u>	50

Executive Summary

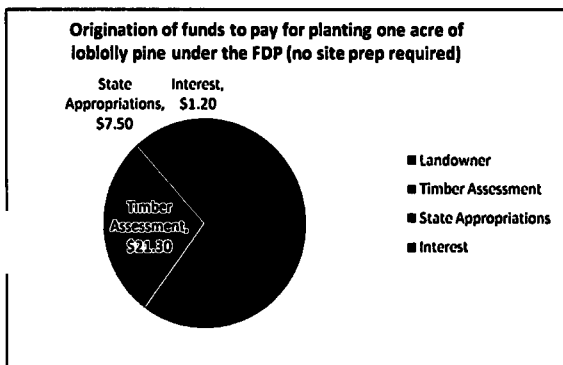
The 1977 North Carolina General Assembly passed the Forest Development Act (NCGS 113A-176) which established a voluntary cost sharing program to “provide financial assistance to eligible landowners to increase the productivity of the privately-owned forests of the State.” The Primary Forest Product Assessment Act (NCGS 113-189) of 1977 created an assessment on primary forest products processed by North Carolina sawmills and other timber industries. This assessment (typically \$2,000,000/year) along with Legislative appropriations (often \$589,500/year), provides funding for reforestation and forest improvement work cost shared under the Forest Development Program. This partnership to improve reforestation rates and provide for a long term supply of timber is a shared goal and responsibility between the State and forest industry.



The Continuation Review analysis has found evidence that:

- Landowners have planted nearly 1,200,000 acres of forestland under the FDP since 1978. This would cover an area more than twice the size of Wake County, NC. This figure includes 3,057 acres of hardwood/wetland species and 44,601 acres of longleaf pine. A review of North Carolina longleaf planting accomplished under cost share programs from 1997-2006 revealed that 25,000 acres of the 60,000 longleaf pine acres planted were done under the FDP.
- Records of North Carolina’s statewide reforestation accomplishments by small forest landowners between 1999-2008 indicate 75,000 to 100,000 acres are typically planted each year. The FDP has accounted for the planting of 50,000+ of those acres annually. The FDP also maintains a waiting list of fully-qualified but unfunded landowners each year due to a lack of funding. The work on this waiting list averages over \$2,200,000 annually and represents another 25,000+ acres/year that could be reforested. FDP funding should be expanded by \$2,200,000/year to address this need and opportunity.
- The FDP partnership successfully leverages state money with funds from private citizens and timber industry. Landowners usually pay 60% of expenses, and FDP funds typically reimburse the other 40%. Of that 40%, 71% have historically come from assessments paid by timber industry; 25% from appropriations; and 4% from earned interest on the account.
- The FDP is the Division of Forest Resources’ (DFR) “gateway program”. Many forest landowners contact the DFR solely for FDP financial assistance, but ultimately improve their knowledge of water quality protection, wildlife management and other stewardship practices that benefit society.
- The FDP assists forest landowners in carrying out expensive practices such as site preparation prior to tree planting. Landowners don’t always have income from a timber sale to offset expenses if they are planting an agricultural field or carrying out timber stand improvement work. Landowners must often

“carry these costs” for 20 years or more before they see financial benefits from their forests. This financial risk is exacerbated by potential timber loss due to wildfire, hurricanes, ice damage, insect and disease, etc.





- Communication and sharing of information must continue to improve between the DFR and the Department of Revenue. This relates to DFR needing financial information access under GS § 105-259 (b) (“*Secrecy required of officials*”).
- The FDP cost shares prescribed burning and other activities that effectively manage forest vegetation. Managed forests such as those established under the FDP help reduce the risk of devastating wildfire.

• FDP accomplishments help realize the goals of other natural resource groups, state agencies and initiatives. This includes watershed protection; climate change mitigation through carbon sequestration; woody biomass for energy production; and wildlife habitat.

- Nearly all FDP funds are used by citizens who own small forests. Between 1999-2008, the average FDP applicant was funded for just 32 acres of work. There are approximately 469,000 “family” forestland owners in North Carolina that own 61% of the State’s forested acreage. Another 23% of the forests are held by other types of private entities numbering over 56,000¹. The FDP successfully reaches over 1,500 of these forest owners each year, resulting in over 50,000+ acres reforested and improved annually. This partnership is critical where 84% of the forest is held in privately-owned parcels that are often less than 50 acres. FDP reforestation provides the raw material that drives the State’s forest-based industry, which is now the number one manufacturing industry in terms of employment and wages².
- A random survey of 462 landowners who had planted trees with FDP cost share showed that 50% of their acreage would not have been planted if FDP assistance was not available. A discontinuation of the FDP would result in nearly 25,000 fewer acres planted annually. The resulting lost work to businesses specializing in reforestation services is estimated at over \$3,100,000.
- Discontinuation of the FDP would result in a reduction of forest productivity and timber income. This would reduce personal income tax revenue by approximately \$644,000³. FDP appropriations are currently \$589,500, so the discontinuation of the FDP would mean a net loss of \$54,500 for the State.
- The Primary Processor Act specifies that timber assessments shall be suspended if the Legislature fails to make appropriations to the FDP. This emphasizes the partnership aspect of this program between the State and forest industry. If the State discontinues appropriations, legislative action will be required for the FDP to continue. If all State funding to the FDP is eliminated and the timber assessment rate is increased, political pressure from several groups could jeopardize the existence of the FDP program.
- The FDP helps landowners manage their forestland and qualify for a critical present-use value tax break. This financial benefit reduces their personal property tax burden and the pressure to sell the land for development. Discontinuing FDP will make it more difficult to retain our State’s working forests. Over 1,000,000 acres of North Carolina forestland were lost between 1990-2002.

¹ Based on the U.S. Forest Service’s “Family Forest Owners of the U.S., 2006”

² Based on N.C. Employment Security Commission data from 2nd Qtr, 2006

³ Based on a 2009 N.C. Division of Forest Resources economic analysis study



Photo by Chris Evans, River to River CWMA, Bugwood.org

Introduction-The Continuation Review Process

House Bill 2436 of the 2008 General Assembly requires a Continuation Review of certain funds, programs, and divisions. Section 6.7 (a) of House Bill 2436 requires the Department of Environment and Natural Resources to provide a written report to the Appropriations Committees of the Senate and House of Representatives on the Forest Development Program. The report must include the following elements:

1. A description of the fund, agency, division, or program mission, goals, and objectives.
2. The statutory objectives for the fund, agency, division, or program and the problem or need addressed.
3. The extent to which the fund, agency, division, or program's objectives have been achieved.
4. The fund, agency, division, or program's functions or programs performed without specific statutory authority.
5. The performance measures for each fund, agency, division, or program and the process by which the performance measures determine efficiency and effectiveness.
6. Recommendations for statutory, budgetary, or administrative changes needed to improve efficiency and effectiveness of services delivered to the public.
7. The consequences of discontinuing program funding.
8. Recommendations for improving services or reducing costs or duplications.
9. The identification of policy issues that should be brought to the attention of the General Assembly.
10. Other information necessary to fully support the General Assembly's Continuation Review Program along with any information included in instructions from the Fiscal Research Division.

Instructions and guidelines for completion of the Continuation Review were sent to DENR on October 3, 2008 from the NC General Assembly's Fiscal Research Division. As specified in Session Law 2008-107, an interim draft report was submitted on December 1, 2008. The following is the final report.

Research methodology for this Continuation Review process included the following:

- Analysis of historical program statistics dating back to 1978.
- Input gathered from a Forest Community stakeholder meeting on 11/20/2008, as well as information from DFR personnel who implement the FDP at the field level.
- A review of FDP statutory objectives and accomplishment reporting trends.
- A telephone survey of 462 NC forest landowners who had planted trees under the FDP during the last ten years. This was to determine how much of an incentive FDP funds were to them, and to determine the potential reduction in planted acreage if the FDP was discontinued.
- A review of US Forest Service Forest data on silvicultural activities carried out in North Carolina, including site preparation, tree planting and timber stand improvement work.
- Literature review on cost-share incentive programs and their impacts on forest management activities.
- Review several of the DFR accomplishment databases in order to determine how widespread the FDP's benefits are across the state.
- Review of Results-Based Budgeting service statements and field-level actions carried out under the FDP.

Current Environment, Programs, Services and Resources

The story of a typical North Carolina forest landowner

Mr. Smith is a husband, a father of 3 and a proud North Carolina forest landowner. His 2 oldest children are applying to college, and he has extensive medical bills from when his wife was in the hospital earlier this year. He had inherited 30 acres of forestland from his father years ago, and his family has always enjoyed being good stewards of the property. They like mature trees as much as anyone, but given his financial circumstances it appears that now might be the time to harvest the timber and utilize the income.

Mr. Smith contacts the NC Division of Forest Resources (DFR) and requests an inspection of his stand of trees. A County Ranger and Service Forester meet with him to discuss his management objectives and then inspect the property. The majority of the mixed stand of pine and hardwood are fifty years old and ready to be harvested. The Ranger and Forester provide Mr. Smith with a management plan summarizing their findings and recommend he work with a private consulting forester to proceed with a potential timber sale and harvest.

After meeting with several consulting foresters to discuss their fees and recommendations, Mr. Smith decides on a consulting forester. The consultant sets up the timber sale and oversees the harvest of the timber. Mr. Smith receives a check for the timber and sits down one night at his dinner table to review his situation. The income from the harvest was not as much as he had hoped for since his forest had a significant number of lower-value hardwood trees. After factoring in his wife's hospital bills and the initial costs of two college tuitions, there is hardly any much money left.

The consulting forester and the Division of Forest Resources both recommended he reforest the tract. Mr. Smith contacts the DFR again and requests they review the property and tell him what his options are in terms of reforestation. The DFR staff visit the cutover and note the condition of the trees and vegetation still present. They also review the site to ensure that all of the mandatory Forest Practices Guidelines (FPGs) related to Water Quality have been met and all the appropriate Forestry Best Management Practices (BMPs) are in place. Mr. Smith receives a management plan outlining the current conditions of the tract. There is still a large amount of vegetation and woody debris on the tract that would pose a problem to tree planting and seedling survival. The recommendation to Mr. Smith is to carry out some mechanical site preparation this summer, then plant pine trees this coming winter. The estimated cost for the mechanical site preparation and tree planting is approximately \$350 per acre. For thirty acres, this would amount to a \$10,500 bill. Mr. Smith likes the idea of replanting the tract, but he does not have that kind of money available. On top of that, the downturn in the economy has him worried and hesitant to spend what little money he does have.

The County Ranger understands Mr. Smith's financial constraints and outlines an option that may make it possible to carry out the work. He provides Mr. Smith with details on the Forest Development Program, which can help him reforest the tract properly by reimbursing him up to 40% of the expenses. This would mean it would only cost him 60% of the estimated bill, or \$6,300 to do the work. It will still be a challenge to come up with the money, but he believes he can make it work. He may not be around to see the next final harvest income, but maybe it can improve the value of the forest for his children and help them keep it in the family.

Mr. Smith reviews his management plan and works with the DFR to fill out the FDP application form. It is straightforward, and he understands that he must not carry out any work until he gets official approval; ensure that appropriate Forestry BMPs are utilized during the work; and maintain the stand of trees for a minimum of ten years. The DFR staff forward Mr. Smith's FDP application to their Central Office, and Mr. Smith receives a letter several weeks later that his application has been approved. The County Ranger informs him he is fortunate because historically many landowners have been put on a waiting list due to a lack of FDP funding. This can delay work for 1-3 years and increase costs dramatically.

Mr. Smith contacts several private contractors who specialize in site preparation and tree planting work. The contractors meet with Mr. Smith and review the tract, then make plans to carry out the work. As the work is being done, the County Ranger reviews the site to ensure that everything meets the DFRs strict guidelines. Mr. Smith gets a bill from the contractors providing details on the work that was completed and the number of acres site prepared and planted. The County Ranger reviews the finalized work and measures the tract with a mapping-grade GPS unit to confirm the accomplished acreage. Their documentation and Mr. Smith's bills are processed by the DFR Service Forester and Central Office staff. Mr. Smith receives a check in the mail the following month, and he pays the contractors for their services.

The County Ranger visits the tract the following year to ensure the tract has adequate seedling survival. Mr. Smith's stand of trees look healthy, and his future forest is growing quickly. He stops by to see Mr. Smith, tells him the good news, and leaves him some literature on managing young timberland for wildlife.

North Carolina Forest Statistics

North Carolina has 31,174,963 million acres of land (USFS Southern Research Station data). Appendix O ("Forest Inventory and Analysis Factsheet-North Carolina 2002") provides a snapshot of the state of North Carolina's forest resource. In 2002, 59% of North Carolina's land area (or 18.3 million acres) was considered forestland. Of this, 97% or 17.7 million acres was classified as timberland. The remaining 3%, or 552,000 acres, was "reserved forestland" in the Great Smoky Mountains National Park, national park wilderness areas, and State parks.

The area of timberland in the State has decreased for the last 4 US Forest Service Forest Inventory and Analysis (FIA) surveys. Timberland decreased by 800,000 acres between 1974 and 1984. There was only a minimal decline between 1984 and 1990. However, between 1990 and 2002, timberland fell by 5 percent or 1.0 million acres. The resulting 17.7 million acres of timberland represent the smallest amount in North Carolina since the survey began. The net loss was largely driven by conversion to urban and other land uses. Conversion to agricultural uses was a far second. (Brown & New, 2006) This loss of timberland to other uses likely would have been greater had it not been for financial assistance offered under the FDP.

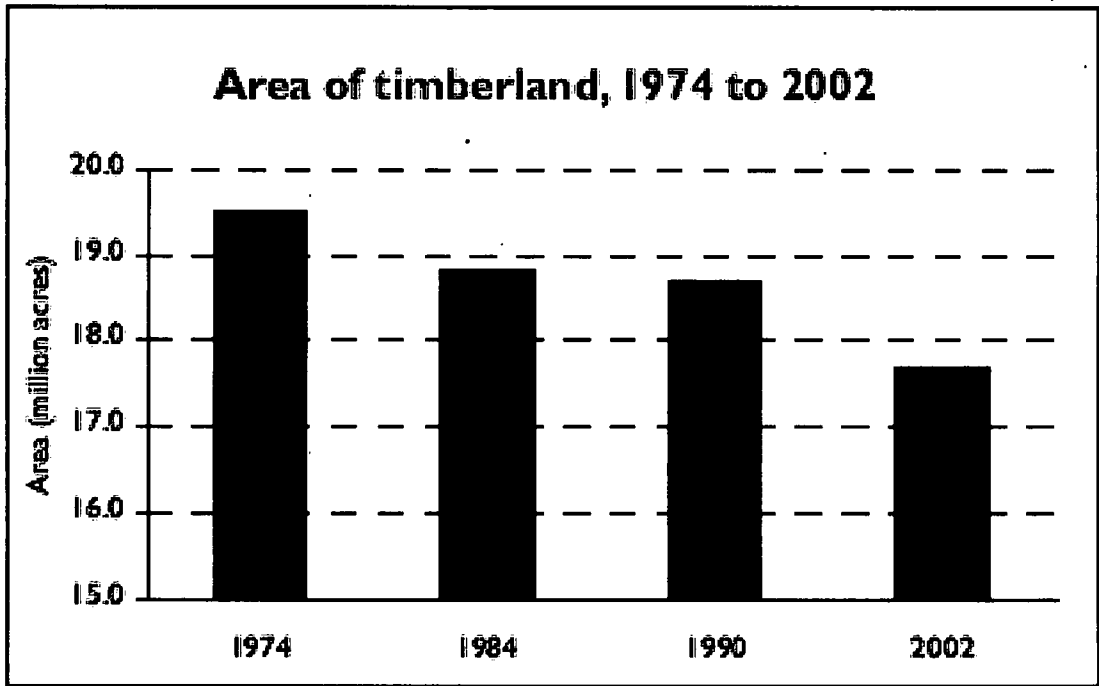


Figure 1: Loss of North Carolina timberland 1974-2002

North Carolina forestland by forest-type group

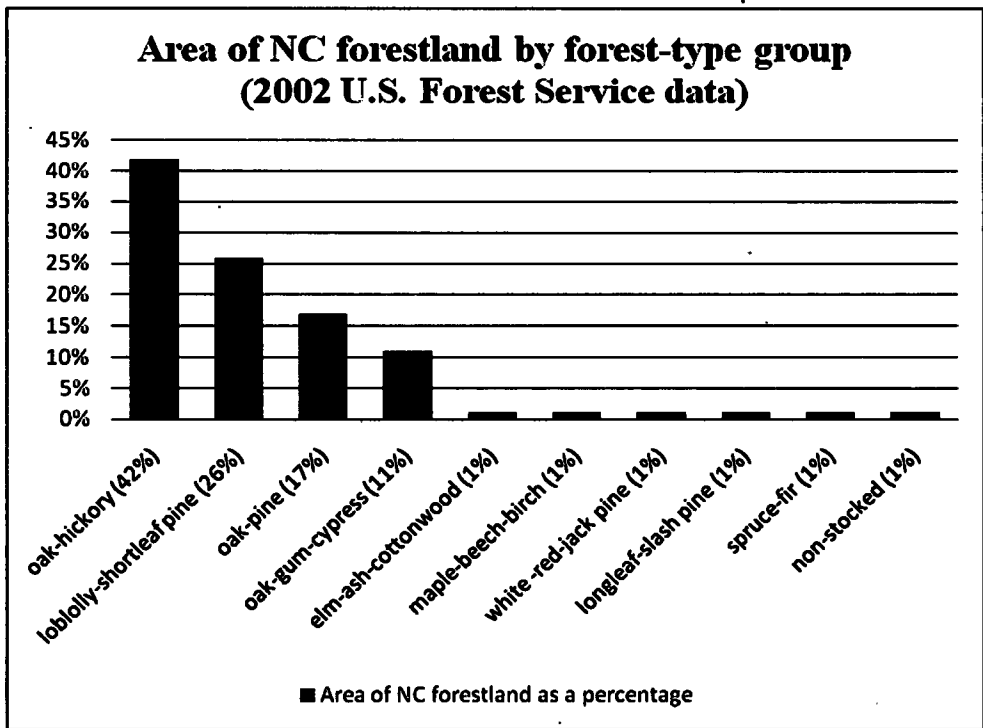


Figure 2: Area of NC forestland by forest-type group (2002 US Forest Service FIA data)

Figure 2 summarizes data released in 2002 by the U.S. Forest Service's Forest Inventory and Analysis group. It illustrates that hardwood forest types make up 72% of North Carolina's timberland, with yellow pine types accounting for 27%. Planted stands occupied 15%, or 2.6 million acres, of timberland. Most of these acres were in pine types.⁴

With nearly three-quarters of the State in hardwoods and many harvested areas coming back as a hardwood-pine mixture, there is a high degree of diversity across North Carolina. When considering concerns about species composition of our forests, it is important to remember that some of the landowners who utilize the FDP choose to apply for the "plant-only" option. In this case intense site preparation is not employed during tree establishment. The FDP also allows for the preparation and encouragement of natural seed where the amount and quality of the source is appropriate for timber production.

Reforestation in North Carolina

Pages 4-11 of the National Council for Air and Stream Improvement, Inc. "*Characteristics of Public Data Related to Reforestation*"⁵ paper highlights the availability of reforestation data. Reforestation acreages for the State of North Carolina can be viewed in this document's Appendix section⁶. The DFR maintains records of reforestation and afforestation work by small forest landowners carried under cost share programs that it oversees or has involvement in. The Division also has data on some of this work if a landowner did not utilize a cost share program as long as the DFR provided the management plan recommending the work. There is no statewide report that captures all of the annual acreage reforested by large industrial forest landowners.

U.S. Forest Service "Forest Inventory and Analysis" data indicates that between 1990 and 2002 a final harvest occurred on an average of 199,500 acres per year in North Carolina⁷. Records of North Carolina's statewide reforestation accomplishments by small forest landowners typically vary from 75,000 to 100,000 acres per year. The FDP has accounted for the planting of approximately 50,000 of those acres in each of the last ten years.

Program Description and Objectives

The Forest Development Program (FDP) was designed to encourage private woodland owners to reforest their land after harvest, and to put idle or unproductive land into trees. The significant lack of reforestation on harvested tracts of forestland owned by private, non-industrial landowners was one of the primary drivers behind this effort. Legislation was passed in 1977 creating the State's cost-share program and the companion Primary Forest Product Assessment Act. This program offers cost-share assistance to private landowners as an incentive to encourage reforestation, and thereby eases the financial burden of their long-term investment. These landowners typically will not realize any return on this investment for 25 years or longer.

⁴ Refer to Appendix O-"Forest Inventory and Analysis Factsheet-North Carolina 2002 (from 2002 USFS FIA data)"

⁵ See Weatherford, Wigley, & Van Deusen, 2008

⁶ Refer to Appendix M "Pine and Hardwood Planting in NC by Non-Industrial Private Landowners (1999-2008)" and Appendix K "Percentage of North Carolina Site Preparation, Planting, and Timber Stand Improvement Activities with FDP Funding"

⁷ Appendix K "Percentage of North Carolina Site Preparation, Planting, and Timber Stand Improvement Activities with FDP Funding"

The overall purpose of the program is to encourage commercial production of the timber resources of the state to insure future needs are met, while providing protection of the State's natural resources and supplying beneficial wildlife habitat.

The assessment levied on primary forest products processed from North Carolina timber historically provides over 70% of the funding for the FDP program. This applies to "individuals, groups, associations or corporations that procure forest products at their point of concentration for conversion to secondary products for shipment to others for such conversion"⁸. The vast majority of these assessments are paid by producers of pulp, lumber, plywood and other solid wood products. The General Assembly also appropriates funds to supplement the funds from the assessment. Appropriations have on average provided 25% of the funds for the program, with forest industry providing 71% and earned interest accounting for the remaining 4% of funds. Once again, these monies make up the amount reimbursed to the landowner for reforestation and timber stand improvements, with the remaining out-of-pocket expenses paid by the landowner.

The program guidelines were designed to allow all legitimate means of regeneration or establishment. This includes techniques such as traditional site prep and tree planting, as well as, site preparation for natural seeding, planting without site preparation, and plantings involving multiple tree species. This approach encourages beneficial species and genetic diversity.

From the program's beginning in 1978 through 1982, the cost-share rate was 60% state funds and 40% paid by the landowner. The demand for funds rapidly drained the available money, and a waiting list was created during the first year of program operation. This list continued to grow until it reached 18-24 months in length of time for landowners to receive cost-share funds.

In an effort to reduce this long waiting period, and to spread available dollars to more landowners, the cost-share rate was changed to 50/50 on July 1, 1983 and subsequently to 40/60 on July 1, 1984. In addition, a "prevailing rate" schedule for each practice is utilized. No payment may exceed these rates even if the cost to the landowner is higher. These rates are reviewed annually, and revised as needed to reflect actual rates charged by private contractors.

Beginning as a trial basis during the 1983-84 fiscal year, some of the FDP funds were set aside for "Plant Only" projects. Initially, funds for the "Plant Only" practice were derived from money released from canceled projects or from projects not using all the funds allotted to them. Landowners received priority funding status on acres which just needed planting or on acres that the landowner had paid in full for the site preparation, reducing the per acre cost of the program. Due to the success of the "Plant Only" program, a special allocation was established on July 1, 1986. This allowed a specific portion of existing FDP funds to be set aside for the program. At the same time, a special designation was established for the reforestation efforts in the Mountain Region, with an emphasis on hardwood regeneration. These "Plant-Only" and "Mountain" pots of money did not come from any extra funding of the FDP. Rather, they are simply a targeted application of some of the monies coming from the general FDP fund.

In July 1993, prompted by recent forest surveys indicating a steady decline in longleaf pine acreage, a "longleaf pine initiative" was undertaken by the DFR to increase the species in its natural range and to restore this important ecosystem. Additional attention was also focused on hardwood production and the planting of desirable species in wetland areas. To make restoration of longleaf, hardwood and wetland species more equitable and attractive, the cost-share reimbursement rate for these practices was raised to 60% vs. the typical 40% for most pine species. Results to date are 3,057 acres of hardwood/wetland species planted and 44,601

⁸ Primary Forest Product Assessment Act-Appendix B

acres of longleaf pine during the thirteen years since implementing the higher FDP cost share rate. A review of North Carolina longleaf planting accomplished under cost share programs from 1997 through 2006 revealed that 25,000 acres of the 60,000 longleaf pine acres planted were done under the FDP⁹.

During the late 1990s, there was a substantial increase in timber harvests due to salvage efforts following significant acreage of timber damage caused by hurricanes and ice storms. Although this produced more assessment dollars for cost-share purposes, it increased demand for reforestation. The actual assessment rate being paid by the primary processors (timber industry) has not changed since the original rate was established in 1977.

In August 1997, legislation was passed which provides for (1) the recovery of funds paid as forest development cost-share payments when trees are not maintained for at least ten years and (2) the conversion of the forest development fund to an interest bearing account.

Streamlining efforts reduced the waiting list for several years, and in most cases landowners were receiving approval for cost-share the same month they applied. However, an increase in the waiting period has been experienced over the last few years due to program demand and the loss or reduction in alternative programs due to limiting federal funding. Some of these Federal cost share programs include the Fran Reforestation and Rehabilitation Program; Forest Recovery Program; Forestry Incentives Program; Stewardship Incentives Program; and Forest Land Enhancement Program.

Current funding levels are not adequate for the FDP Program's demand. At the end of FY2007-08 there were at least 346 qualified landowners waiting to receive assistance on 14,032 acres. Additional funding in the amount of \$1,175,595 would be needed to satisfy this waiting list.

In July of 2005, the Legislature authorized new Forest Stand Improvement Practices to "improve tree growth and overall forest health". These new practices were specified and approved in Administrative Code in November 2006. As of July 1, 2007 landowners could apply for such improvement practices as Prescribed Burning; Fertilization; Crop-Tree Crown Release; and Cull-Tree Removal.

From the beginning of the program in July 1978 through June 2007, the program has assisted 44,625 landowners, reforested 1,133,727 acres, and paid out \$57,948,466. This figure represents approximately 40% of the landowners' FDP-reimbursed expenses during this time. That would mean that the estimated 60% out-of-pocket expense for landowners during this time was \$86,922,699, for a conservative estimated total bill of \$144,871,165 primarily aimed at reforestation activities. An additional consideration is that site preparation, tree planting and forest improvement work can often cost more than the "ceiling rate" that is cost-shared up to under the FDP. Once the price goes past this threshold, landowners bear 100% of the cost.

Over the life of the program, the average per acre cost to the landowner is \$127.00 and the average per acre cost share payment is \$51.00. The state has collected \$48,444,147 in assessments and earned \$2,340,144 in interest. State appropriations to date have totaled \$17,765,000.

⁹ Source: NC DFR 4220 Forest Management Accomplishment Reporting Database report. Accessed 4-12-2007

Examples of where funds would originate from to pay for typical activities under the FDP

Scenario 1: Landowner plants loblolly pine (no mechanical site preparation required). Cost is \$75.00 per acre. The landowner pays the entire bill up front, and upon turning in their copy of the paid bill to the NCDFR the FDP would reimburse 40%. For a \$75.00/acre cost, this would mean the payment of the bill would be broken down as follows:

Total Cost: \$75.00/acre.

Landowner pays 60%, or \$45.00/acre.

The FDP pays 40%, or \$35.00/acre. The timber products assessment portion of the FDP fund pays \$21.30/acre; the state appropriations pay for \$7.50/acre; and interest generated from the FDP fund pays \$1.20/acre.

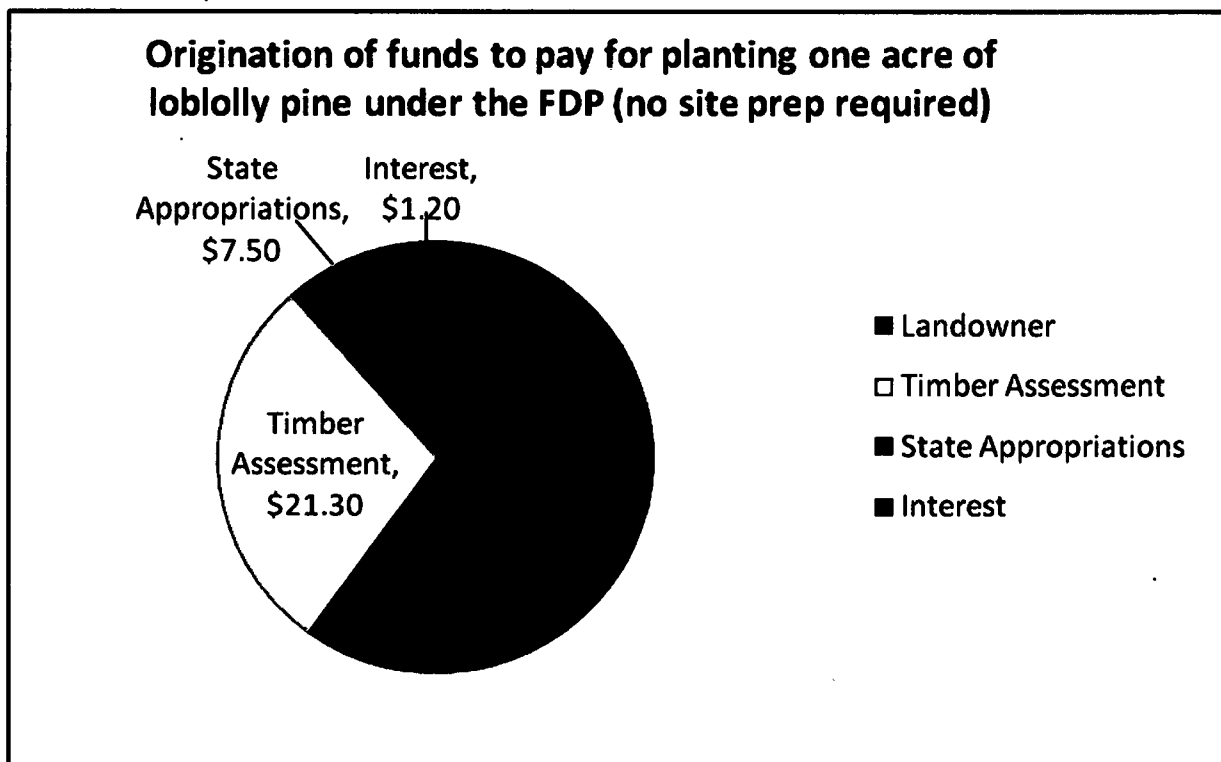


Figure 3: Origination of funds to pay for planting one acre of loblolly pine under the FDP (no mechanical site prep required)

Scenario 2: Landowner plants loblolly pine (mechanical site prep is required). Costs include mechanical site preparation (“KG & pile” = \$270.00/acre; “single bedding = \$80.00/acre)¹⁰ and tree planting (\$75.00/acre) for a total expense of \$425.00/acre. This would mean that the payment of the bill would be broken down as follows:

Total Cost: \$425.00/acre.

Landowner pays 60%, or \$255.00/acre.

The FDP pays 40%, or \$170.00/acre. The timber products assessment portion of the FDP fund pays \$120.70/acre; state appropriations pay for \$42.50/acre; and interest generated from the FDP fund pays \$6.80/acre.

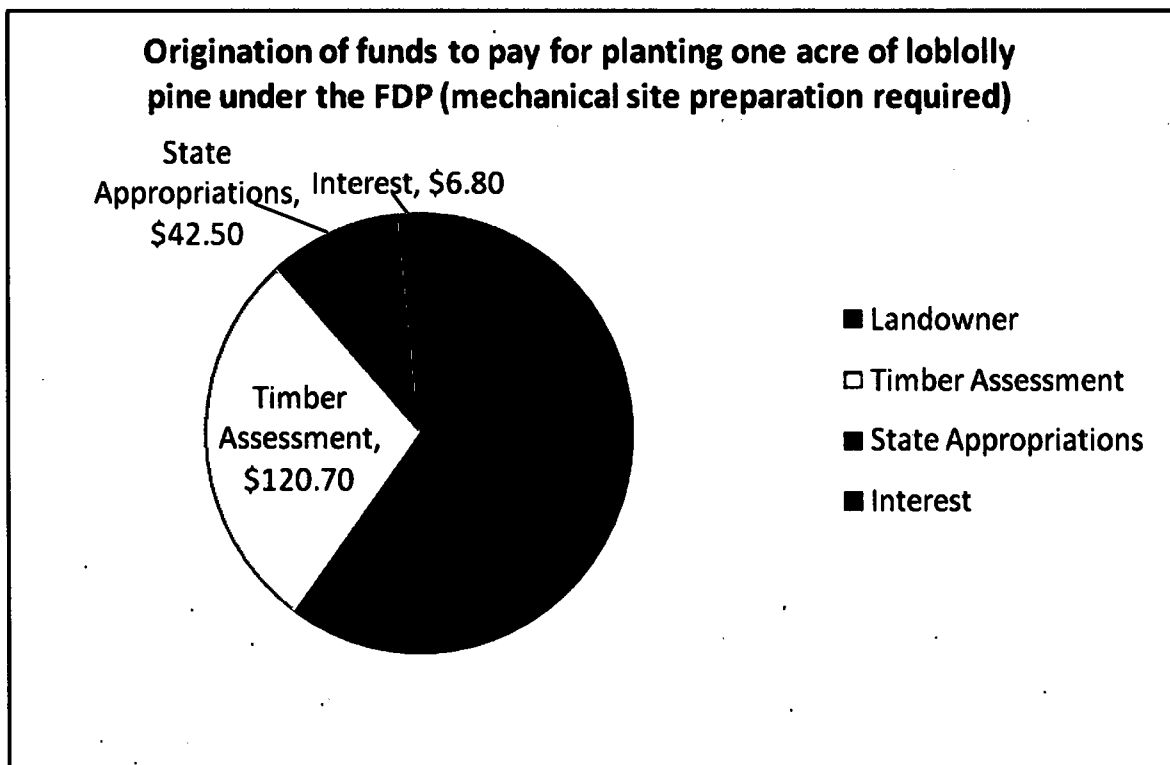


Figure 4: Origination of funds to pay for planting one acre of loblolly pine under the FDP (mechanical site prep required)

¹⁰ “KG & pile” involves a heavy tractor moving large, woody debris out of the way for tree planting; “bedding” creates raised areas of soil so the roots of planted trees are kept out of water...it is usually done in wet locations

Scenario 3: Landowner plants longleaf pine (site preparation is required). Costs include site preparation (“ground application of herbicide” = \$125.00/acre and “site preparation burn” = \$45.00/acre) and longleaf tree planting (\$115.00/acre) for a total expense of \$285.00/acre. As a reminder, FDP usually reimburses landowners 40% of the bill up to a ceiling rate; the only exception is when FDP reimburses landowners 60% for longleaf/hardwood/wetlands species tree planting. So for scenario #3, this would mean that the payment of the bill would be broken down as follows:

Total Cost: \$285.00/acre.

Landowner pays 40%, or \$115.00/acre.

The FDP pays 60%, or \$170.00/acre. The timber products assessment pays \$97.27/acre; state appropriations pay for \$34.25/acre; and interest generated from the FDP fund pays \$5.48/acre.

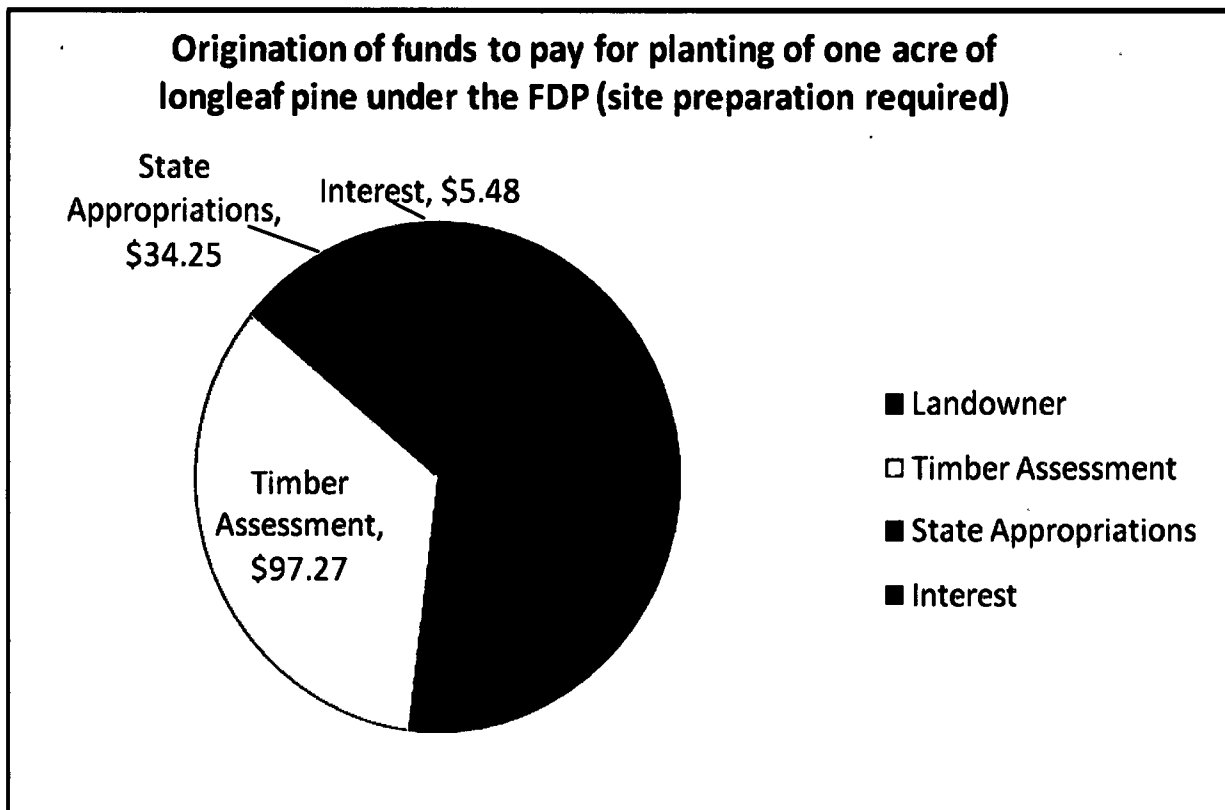


Figure 5: Origination of funds to pay for planting one acre of longleaf pine under the FDP (site prep required)

Statutory Link

Appendices A through D contain the statutory language associated with the FDP. The FDP's overall mission and objectives have been clearly defined by this text. The Forest Development Act states the following:

"§ 113A-177

- (a) *The General Assembly finds that:*
- (1) *It is in the public interest of the State to encourage the development of the State's forest resources and the protection and improvement of the forest environment.*
 - (2) *Unfavorable environmental impacts, particularly the rapid loss of forest land to urban development, are occurring as a result of population growth. It is in the State's interest that corrective action be developed now to offset forest land losses in the future.*
 - (3) *Regeneration of potentially productive forest land is a high priority problem requiring prompt attention and action. Private forest land will become more important to meet the needs of the State's population.*
 - (4) *Growing demands on forests and related land resources cannot be met by intensive management of public and industrial forest lands alone.*
- (b) *The purpose of this Article is to direct the Secretary to implement a forest development program to:*
- (1) *Provide financial assistance to eligible landowners to increase the productivity of the privately owned forests of the State through the application of forest renewal practices and other practices that improve tree growth and overall forest health.*
 - (2) *Insure that forest operations in the State are conducted in a manner designed to protect the soil, air, and water resources, including but not limited to streams, lakes and estuaries through actions of landowners on lands for which assistance is sought under provisions in this Article.*
 - (3) *Implement a program of voluntary landowner participation through the use of a forest development fund to meet the above goals.*
- (c) *It is the intent of the General Assembly that in implementing the program under this Article, the Secretary will cause it to be coordinated with other related programs in such a manner as to encourage the utilization of private agencies, firms and individuals furnishing services and materials needed in the application of practices included in the forest development program."*

This program is needed for a variety of reasons, some of which are outlined in the statutory directive above. Even in 1977, the accelerated conversion of forestland to urban use was identified as a threat to the future of the State, and FDP-assisted reforestation of harvested forest stands was identified as a need. The importance of this objective is emphasized by more recent efforts in protecting green space and the preservation of North Carolina's natural heritage. Another statutory objective was to ensure a viable stream of commercial timber originating from private forestlands. It is important to provide forest landowners with income from their property to reduce the temptation to sell their land and have it converted to another land use. It is also vital to North Carolina's forest industry, which ranked as the State's #1 manufacturing industry¹¹ as of 2007. Forest

¹¹ Refer to Appendix P-"Forest Products Industry Emerges as North Carolina's Largest Manufacturing Industry"

resource protection, which includes protecting soil, water, and air resources, is also clearly defined as a mandatory objective of the program.

There are a number of beneficial side effects resulting from the FDP's actions that are not referenced in the statutory language. These include:

- The retention and increase of forestland to sequester carbon and mitigate climate change impacts. The production of commercial timber supplies to support emerging biofuels and biomass-based energy.
- Watershed protection resulting from canopy cover and soil stabilization.
- Restoration of species in decline, such as the longleaf pine.
- Enhanced early-successional habitat for wildlife species such as quail and rabbits.

Service Statements

North Carolina's forestland is a tremendous benefit to the state, providing great economic value and adding to the quality of life for its citizens. The Division of Forest Resources' primary purpose is to ensure adequate and quality forest resources for the state to meet present and future needs. The forest products industry is the largest manufacturing industry in the state, contributing approximately 6.1 billion dollars annually to the State's Gross Product and providing over 100,000 jobs for North Carolinians¹².

The Division of Forest Resources is mandated and directed by Chapters 77, 113 and 143 of the North Carolina General Statutes and by Title 15, Chapter 9 of the North Carolina Administrative Code to protect, manage and develop the forest resources of the state. The techniques used to accomplish this mandate involve management of existing resources, development and creation of new and better forests, and protection of these valuable resources.

The programs under these objectives are directed at the hundreds of thousands of private landowners who collectively own the majority of the state's 17+ million acres of timberland. Programs include reforestation services, forest fire prevention and suppression, and insect and disease control. The Division is also involved in the operation of tree seedling nurseries, long range forestry planning and technical development, water quality controls, urban forestry assistance, training, and support to volunteer fire departments and forestry education.

The Division is organized as follows:

- Director's Office -- Deputy Director and Assistant Director (Raleigh);
- Three Sections -- Administrative Services, Forest Protection, and Forest Management/Development (Raleigh);
- Three Regional Offices -- Coastal (Kinston), Piedmont (Jordan Lake) and Mountain (Asheville);
- 13 Districts headquartered at Asheville, Lenoir, Rockingham, New Bern, Rocky Mount, Fayetteville, Elizabeth City, Whiteville, Sylva, Lexington, Hillsborough, Mount Holly and Fairfield; and
- County Forest Ranger or Forester and staff (if any) in each county.

¹² Refer to Appendix P-“Forest Products Industry Emerges as North Carolina’s Largest Manufacturing Industry”

Each county signs an agreement with the Division and shares in the cost of the county program. The county share varies from 25 to 40%, depending on the tax base of the county. All personnel employed in the counties are state employees; however, the county board of commissioners participates in the selection of the county ranger.

The county ranger is responsible for carrying out all Division programs within his or her county. The county ranger is a forest technician who has completed either a two-year forest technician course at a technical school or a comparable in-service training program administered by the Division. Professional assistance in technical areas is provided by Division foresters and specialists. All Division foresters are Registered North Carolina foresters who have at least a four year degree from an accredited college or university.

The Mission of the Division of Forest Resources is:

“To develop, protect, and manage the multiple resources of North Carolina’s forests through professional stewardship, enhancing the quality of life for our citizens while ensuring the continuity of these vital resources.”

The Mission of the Forest Development Program is to:

- (1) *Provide financial assistance to eligible landowners to increase the productivity of the privately owned forests of the State through the application of forest renewal practices and other practices that improve tree growth and overall forest health.*
- (2) *Insure that forest operations in the State are conducted in a manner designed to protect the soil, air, and water resources, including but not limited to streams, lakes and estuaries through actions of landowners on lands for which assistance is sought under provisions in this Article.*
- (3) *Implement a program of voluntary landowner participation through the use of a forest development fund to meet the above goals.*

The FDP’s Mission supports the overall Mission of the Division. It develops the State’s forests by funding reforestation activities; it protects the forests by mandating that applicable Forestry Best Management Practices be applied on all cost-shared sites prior to payment; and it manages our forests by funding activities that improve existing forestland.

Figure 6: Comparison of DFR and FDP Mission Statements

2008-09 Division of Forest Resources Results-Based-Budgeting (RBB) service statements that relate to its Forest Development Program include the following:

“Ensure healthy and sustainable forest resources on private lands for the citizens of NC by providing landowner education and professional forestry services resulting in optimum production and resource development.”

Actions carried out under the FDP help to accomplish this RBB service statement by providing incentives for forest landowners.

“Enhance and solidify partnerships with other federal, state and private entities through improved cooperative agreements, assessment of shared programs, increase joint programs and projects, and the sharing of ideas and resources to improve cooperation and reduce duplication of effort.”

Actions carried out under the FDP help to accomplish this RBB service statement by promoting better land stewardship and management to protect soil, water and air quality and to improve habitat for wildlife.

“Evaluate and refine the Forest Development Program [FDP] to better meet the changing needs of landowners, to encourage them to improve their woodlands, which provide healthy forests for all the citizens of NC.”

Actions carried out under the FDP help to accomplish this RBB service statement by helping North Carolina maintain its “green infrastructure”.

The reforestation and forest improvement activities accomplished under the FDP also support the Department of Environment and Natural Resource’s (DENR) 2008-09 Strategic Plan. The Plan’s Vision Statement is “North Carolina: Green and Growing!” Several of the Strategic Directions include “Stewardship of Conservation Lands” and “Conservation on Private Lands, including Forestland”.

Resource Allocation

Appendix H (“FDP Funding from 1978-2008, including Timber Assessments, State Appropriations and Interest Earned) contains a year-by-year tabular breakdown of the FDP’s funding. Yearly totals for the last five years are as follows:

Fiscal Year	Total Assessment Dollars	Total State Appropriations	Interest Earned	Total FDP Combined Funding
2003-04	\$1,893,332.00	\$589,500.00	\$144,525.56	\$2,627,357.56
2004-05	\$1,930,345.00	\$589,500.00	\$106,364.97	\$2,626,209.97
2005-06	\$1,968,655.00	\$589,500.00	\$141,902.00	\$2,700,057.00
2006-07	\$1,896,031.00	\$1,189,500.00	\$217,515.70	\$3,303,046.70
2007-08	\$1,888,546.00	\$589,500.00	\$257,835.00	\$2,735,881.00
Average	\$1,915,381.80	\$709,500.00	\$173,628.65	\$2,798,510.45

Table 1: FDP Budget Figures (2003-08)

FDP Funding Breakdown 1978-2008

Total Assessment Dollars
 Total State Appropriations
 Interest Earned

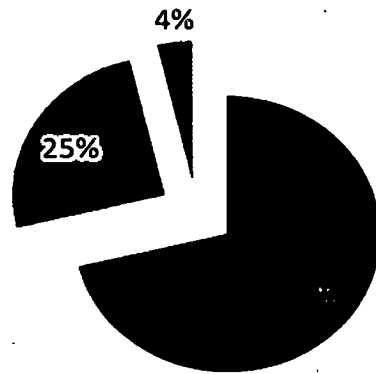


Figure 7: FDP funding breakdown (1978-2008)

The figure above shows that over the life of the FDP, approximately 71% of the funds have originated from the timber assessment; 25% have come from state appropriations; and about 4% have been generated as interest on the FDP account. This all makes up the 40% of expenses that are typically reimbursed to the landowner. Landowners typically pay for the other 60% of work expenses.

FDP State Appropriations (1978-2008)

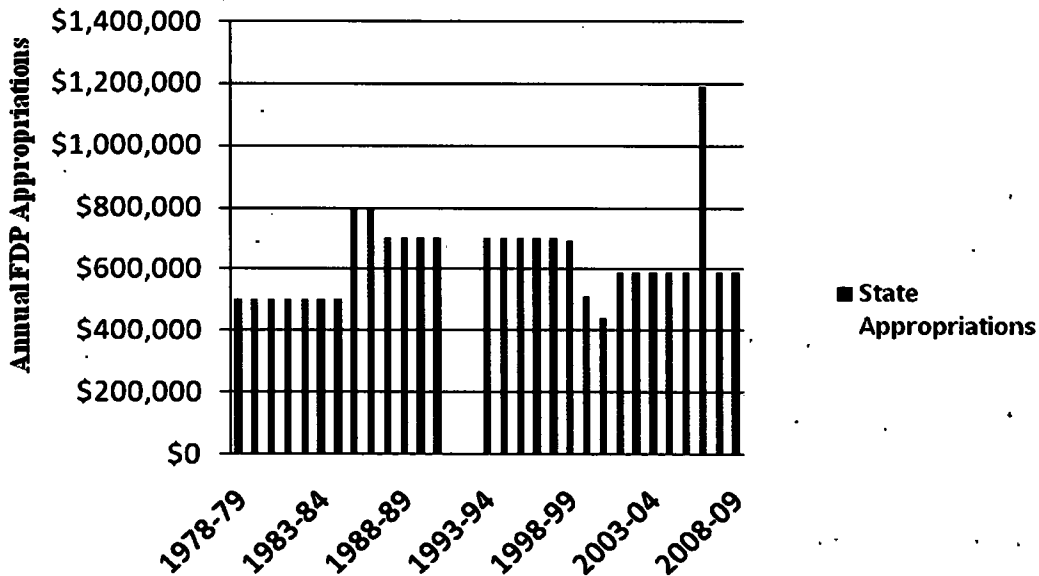


Figure 8: FDP State Appropriations (1978-2008)

Figure 8 shows how state appropriations to the FDP have remained relatively flat over the last thirty years. Despite this, North Carolina's citizens have continued to enjoy the societal benefits associated with the FDP-planted forestland the entire time. These include ecosystem services such as watershed protection, wildlife habitat, carbon sequestration, aesthetics, etc. The state did not contribute any appropriated funds in fiscal years 1991-92 and 1992-93. In fiscal year 2006-07 the state contributed \$600,000 of non-recurring funds in addition to the \$589,500 amount that had been typical in previous years.

FDP Administrative Costs Directly Deducted from the Program's Funds

The table below includes the direct annual administrative cost to the Division of Forest Resources to administer the FDP. It also lists the administrative cost to the NC Department of Revenue associated with timber assessment collection and oversight (as reported by that Department).

Fiscal Year	DFR Admin. Cost	Dept. of Revenue Admin. Cost
2003-04	\$124,718	\$83,180
2004-05	\$137,471	\$158,351
2005-06	\$138,131	\$112,771
2006-07	\$155,199	\$110,623
2007-08	\$102,509	\$118,262

Table 2: Direct FDP administrative costs to the DFR and DoR (2003-08)

The chart below summarizes the FDP cost trend:

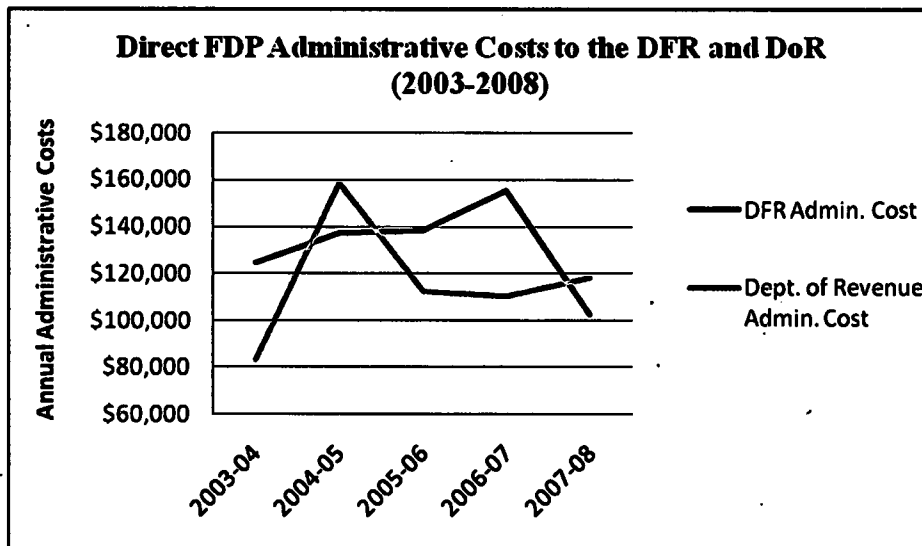


Figure 9: FDP direct administrative cost per year for the DFR and DoR (2003-08)

For a number of years, 3 full-time employees' salaries were paid for with FDP funds. In FY 2007-08, that number was reduced to two full-time positions funded. As a result, the FDP direct administrative cost to DFR dropped to \$102,509. One of the remaining positions is the FDP Program Administrator who works out of the DFR Central Office in Raleigh. This staff member coordinates FDP cost-share applications and the payment of

landowner reimbursement checks, as well as maintains the central FDP database. The other position is a full-time Management Ranger in DFR's Rocky Mount District. This staff member assists with the training of numerous DFR field staff in skills required to implement the FDP at the ground level. The Rocky Mount District historically leads the state in reforestation accomplishments, and there is a high level of FDP activity concentrated there.

In FY 2008-09, it was decided that 25% of the FDP Program Administrator's position would be fund-shifted to DFR's Southern Pine Beetle Prevention Program to more accurately reflect the position's work plan. This means the FDP program will pay for the equivalent of 1.75 positions in FY 2008-09, with an expected cost to the FDP of \$102,333.

It is worth noting that no FDP funds are used for equipment purchases even though this is allowed under Section § 113A-179 (d) of the Forest Development Act.

NC Department of Revenue Expenditures to Administer the Primary Forest Products Assessment

Since the inception of the Forestry Development Program, the Department of Revenue determined it would require two full-time equivalents (FTE's) to administer the Primary Forest Products Assessment. Annual and daily activities to administer the assessment include:

- 1) Receiving and opening the more than 750 Primary Forest Products Tax returns received per year.
- 2) Costs associated with preparing the payment for deposit, which includes the labor to manually prepare payment vouchers for each Primary Forest Products Assessment payment received by the Department, along with paper, supplies, printer maintenance etc., to generate the payment vouchers, costs associated with the courier making the daily bank deposit, etc.
- 3) Costs associated with imaging and capturing the data from the assessment return and payment through the Department's scanners in order to properly post the assessment return data and payment information to the appropriate account to the Department's Integrated Tax Administration System (ITAS). This would also include maintenance and supplies associated with the scanning equipment.
- 4) Mailing and postage costs associated with notifying individuals/companies of their liability for filing and remitting the assessment.
- 5) Costs associated with maintaining the assessment return on the Department's website.
- 6) ITS costs associated with maintaining assessment data and administering the assessment via the Department's Integrated Tax Administration System (ITAS).
- 7) Expenses associated with personnel in interpreting the General Statutes to answer assessment questions, responding to telephone inquiries from other states looking to implement similar programs, etc.
- 8) Costs associated with reviewing each Primary Forest Products Assessment return, reconciling the volumes of the four categories of wood reported against the amount of assessment remitted, and corresponding with individuals/companies should the volumes and assessment reported not reconcile.
- 9) Other activities include tracking the data from the assessment returns and reporting the information quarterly to the Department of Environment and Natural Resources.
- 10) Costs associated with the Department's Financial Services Division to administer the reporting of the penalties collected on Primary Forest Products assessments and the 20% Collection Assistance Fee assessed on final assessment notices.

The expenses reimbursed by the Department of Environment and Natural Resources, Division of Forest Resources have strictly been for only the salaries and benefits (social security, retirement, medical and longevity) for the two designated positions. Based on the data provided by DENR, the Department of Revenue

has not exceeded the 5% maximum (based on total assessments reported by DENR) up until the Fiscal Year 2004-05. As legislative increases have been granted, the salaries for the two designated positions have continued to increase. The Auditor position banded at a journey class had been previously filled by a seasoned employee, at the upper range of the pay class until August 31, 2008, when the employee retired. The position was recently filled at a lower annual salary. The Department does expect to see a decline in expenditures for FY 2008-09 as the position was filled in the fall of 2008 at a salary of \$22,000 less than the previous employee's salary. It is projected the Department's expenses to administer the Primary Forest Products Assessment will, for the current fiscal year, exceed the 5% cap, by an estimate of 0.65%.

(Information contributed by the Financial Services Division, NC Department of Revenue)

FDP implementation/administrative costs absorbed by other funding sources

The FDP is a "gateway" program for the DFR in that some landowners contact the Division strictly for the financial assistance but end up benefiting in many other ways. This includes on-the-ground assistance; technical guidance; making contacts with other natural resource professionals who can assist them; and greater knowledge of more complete land management approaches. The FDP is implemented at the ground-level by approximately 60 DFR Foresters and 200 Rangers. The field time attributed to the FDP (aside from the two full-time positions previously described in this section) is a cost covered by the salary of appropriated positions. The funding for many of these field positions, such as County Rangers and Assistant County Rangers, is funded partially by state appropriated funds as well as money from the county they work in. This county funding contribution can vary from 35-40% of the position's salary, and often depends on each county's financial ability to pay. This arrangement is beneficial to the counties seeing as how these positions increase that county's forest management accomplishments and wildfire control capacity. These DFR personnel are the ones who meet with forest landowners to discuss their management objectives; examine their forestland to determine current stand conditions and possible management alternatives; write the management plans that summarize landowner options; and help the landowner through the cost-share application and utilization process. There are additional DFR staff members (ex. 13 District Clerks and several Central Office Program Managers) that spend time on the FDP, but the majority of the time and effort devoted to the FDP is by the Division's field staff. Whenever DFR personnel spend time working on the FDP, they have been instructed to indicate such time on their BEACON state timesheet by the use of the timesheet code "0220".

An analysis of the last four years worth of DFR time worked revealed the following work hours recorded under the "0220" FDP BEACON time code (the total number of DFR hours worked is also listed):

Year	FDP Hours Recorded by DFR Personnel	All Hours Worked by DFR Personnel	% of Overall DFR Work time Attributed to FDP
2004	43,487	1,232,960	4%
2005	41,587	1,259,738	3%
2006	32,276	1,296,956	2%
2007	30,462	1,290,254	2%
Total	147,812	5,079,908	3%
Average	36,953	1,269,977	3%

Table 3: Hours worked by DFR staff on FDP activities (2004-07)

If you take the 4-year average of 36,953 DFR work hours per year spent on FDP implementation and administration and multiply it by \$25/hour (an hourly rate that more than reasonably represents the costs of the typical employee in question), the figure is \$923,825/year. Assuming there was a significant drop in reforestation and forest improvement assistance requests if the FDP was discontinued, DFR foresters and rangers would utilize that “freed-up time” to service other types of requests. DFR offers a large number of services (wildfire control; pre-harvest planning; water quality inspections; insect and disease exams; environmental education outreach programs; etc.), and many of our programs currently have backlogged requests. DFR personnel would still be able to reach some of the forest landowners in North Carolina, but the number of landowners “walking through the DFR gate” and learning about water quality, wildlife management, etc. would decrease. The discontinuation of the FDP would result in a decrease in planted and improved forest acreage, but these Forester and Ranger positions would still be needed to complete their other duties.

Program Performance

Performance Measures and Data

One indicator of the FDP’s effectiveness is the fact that over the last ten years small private landowners in North Carolina have typically reforested between 75,000 and 100,000 acres annually¹³, and 50,000 acres of that has been accomplished under the FDP program. This represents 50% -75% of the total reforestation being carried out by this class of landowners who own over 60% of the timberland in the state¹⁴.

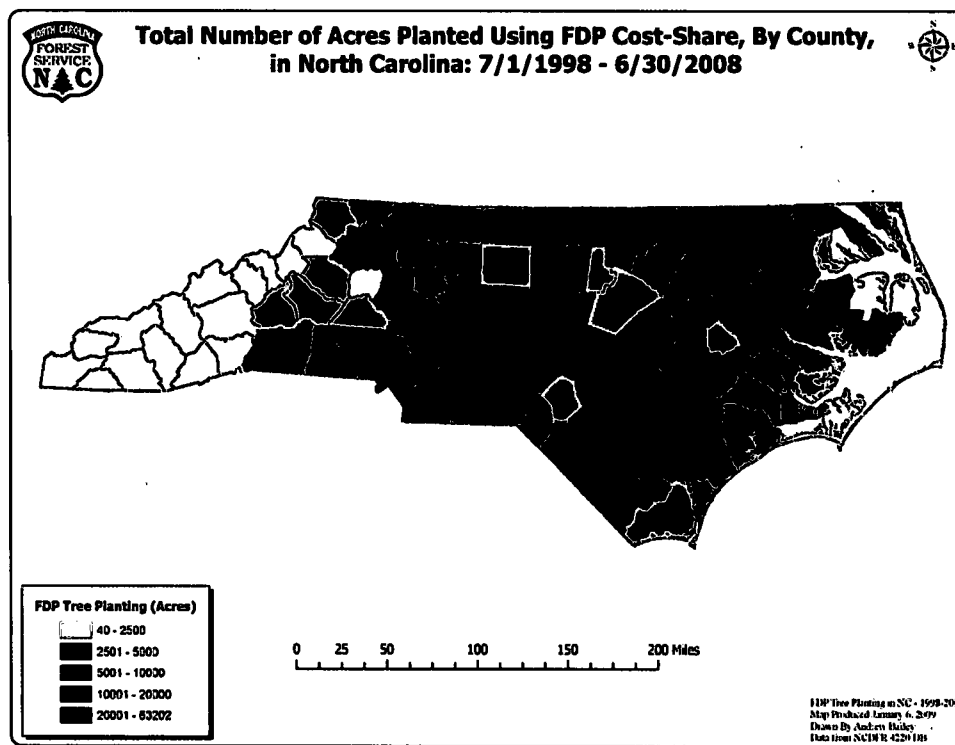


Figure 10: Total Number of Acres Planted Using FDP Cost-Share, by County, in North Carolina (1998-2008)

¹³ Refer to Appendix M-“Pine and Hardwood Planting in NC by Non-Industrial Private Landowners (1999-2008)”

¹⁴ Refer to Appendix E-“Forest Ownership in North Carolina, 2006”

Appendix L (“Total acres planted with FDP funds, by North Carolina County, between 7/1/1998 and 6/30/2008”) has a county-by-county listing of the total number of acres planted under FDP during this ten-year period. FDP-planted forests account for a significant percentage of all the private timberland in many counties. Examples include 8.1% in Caswell County; 8.5% in Northampton County; 8.8% in Person County; and 11.8% in Montgomery County.

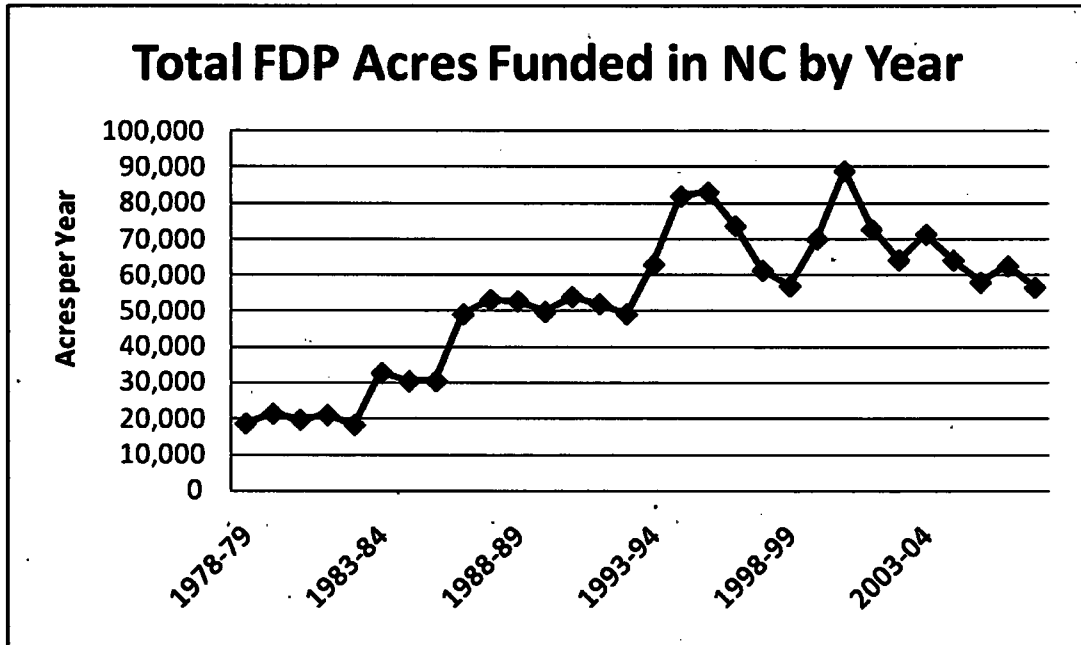


Figure 11: Total acres funded by the FDP annually

Between 1999-2008 the FDP has funded an average of 50,000+ acres annually.

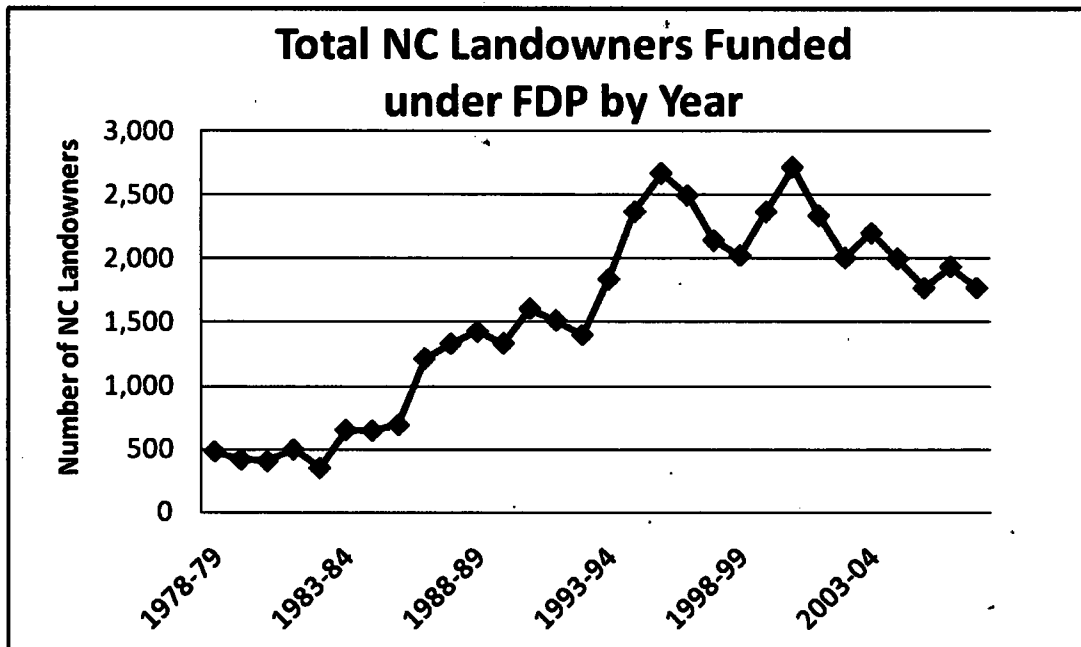


Figure 12: Total number of landowners funded under the FDP annually

An average of 1,552 landowners are funded each year under the FDP.

Spikes in the number of acres and landowners funded annually are typically associated with years following significant hurricane activity and timber loss where demand for reforestation is higher following salvage logging. Continued statewide loss of timberland acreage due to conversion for development may be influencing slight downward trend in number of acres and landowners.

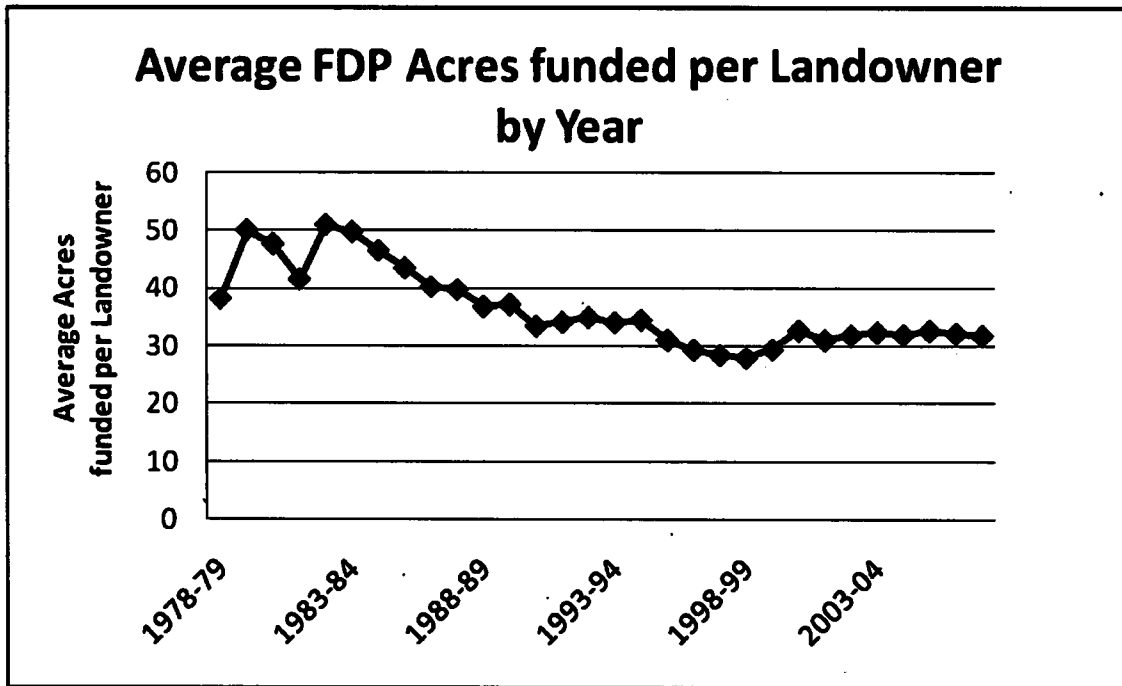


Figure 13: Average FDP acres funded per landowner annually

Between 1998-99 and 2007-08 the average FDP applicant was funded for just 32 acres of work. This relatively small number supports the claim that the FDP is a program aimed at and primarily utilized by small forest landowners.

The chart below summarizes the amount of acres reforested by state and federal cost-share programs in North Carolina since 1970. It is a visual representation of the success of the program. Many other state and federal cost share programs have come and gone due to funding limitations, but the FDP has succeeded because it is a good, simple program that works. Of the eleven programs shown below, only six remain today. Other than some limited funding for forestry projects that may be available under the emerging Environmental Quality Improvement Program (EQIP), the FDP is now the only significant forestry program available to NC landowners who are looking to reforest and grow commercial stands of timber.

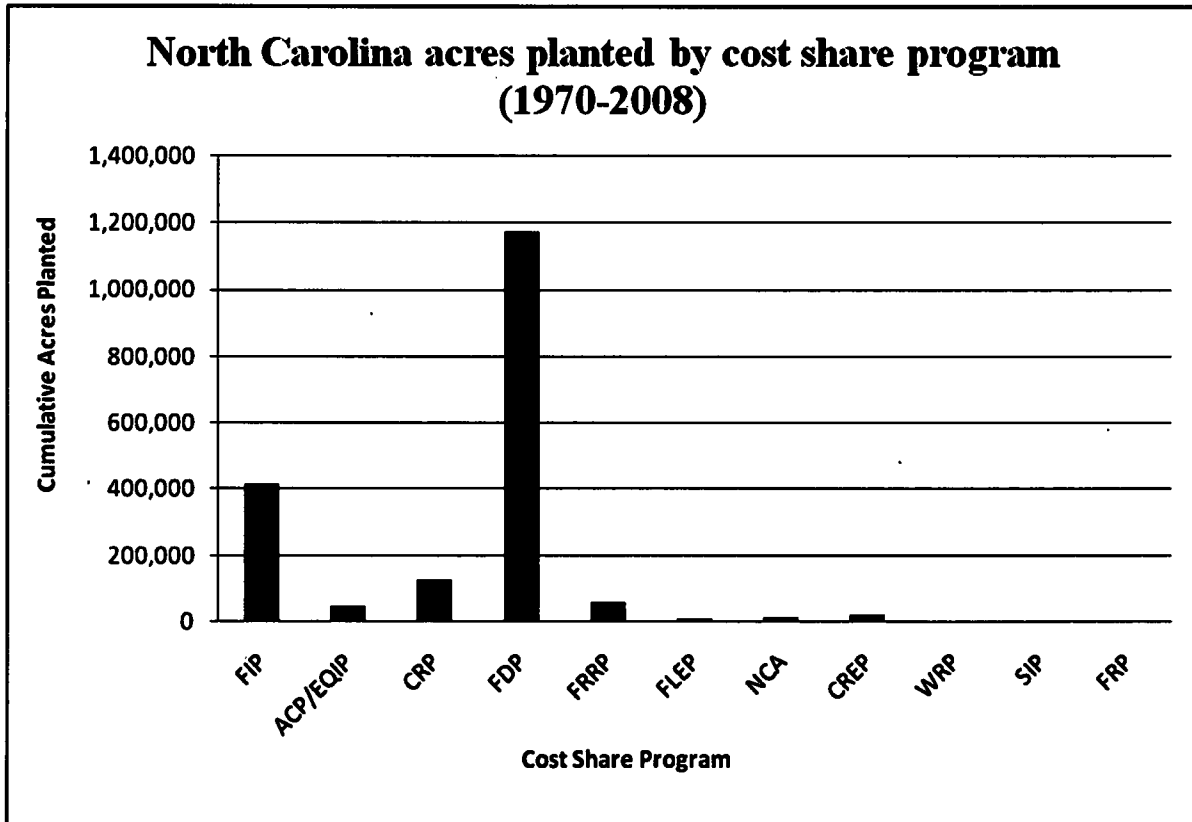


Figure 14: NC acres planted by cost share program (1970-2008)

NOTE: FIP=Forestry Incentives Program; ACP/EQIP=Agricultural Conservation Program/Environmental Quality Incentives Program; CRP=Conservation Reserve Program; FDP=Forest Development Program; FRRP=Forest Reforestation and Rehabilitation Program; FLEP=Forest Land Enhancement Program; NCA=NC Agricultural Cost-share Program; CREP=Conservation Reserve Enhancement Program; WRP=Wetland Reserves Program; SIP=Stewardship Incentives Program; FRP=Forest Recovery Program

The FDP supports the planting of many different species of trees, including longleaf pine, loblolly pine, shortleaf pine, white pine, cypress, atlantic white cedar, oak, and ash to name a few. The restoration of species in decline, such as longleaf and shortleaf pine, Atlantic white cedar and cypress, are encouraged by the FDP's slightly higher reimbursement rate of 60% for tree planting costs vs. the typical 40% given for most pine species. Their planting is encouraged where appropriate. The figures below summarize planting accomplishments for some of these species under the FDP.

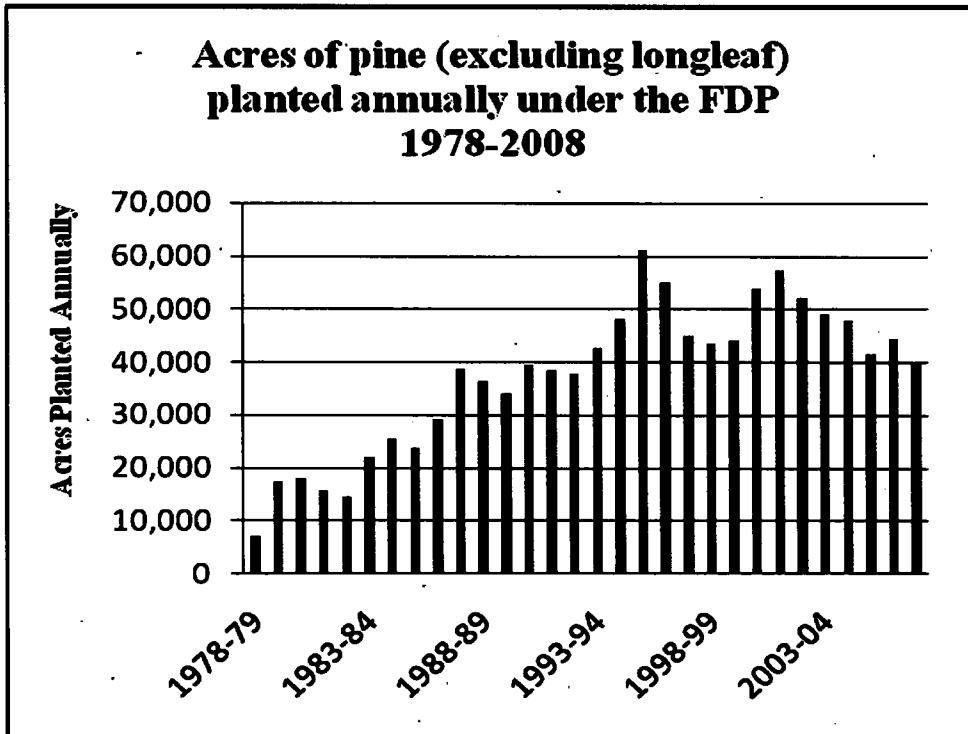


Figure 15: Acres of pine (excluding longleaf) planted annually under the FDP (1978-2008)

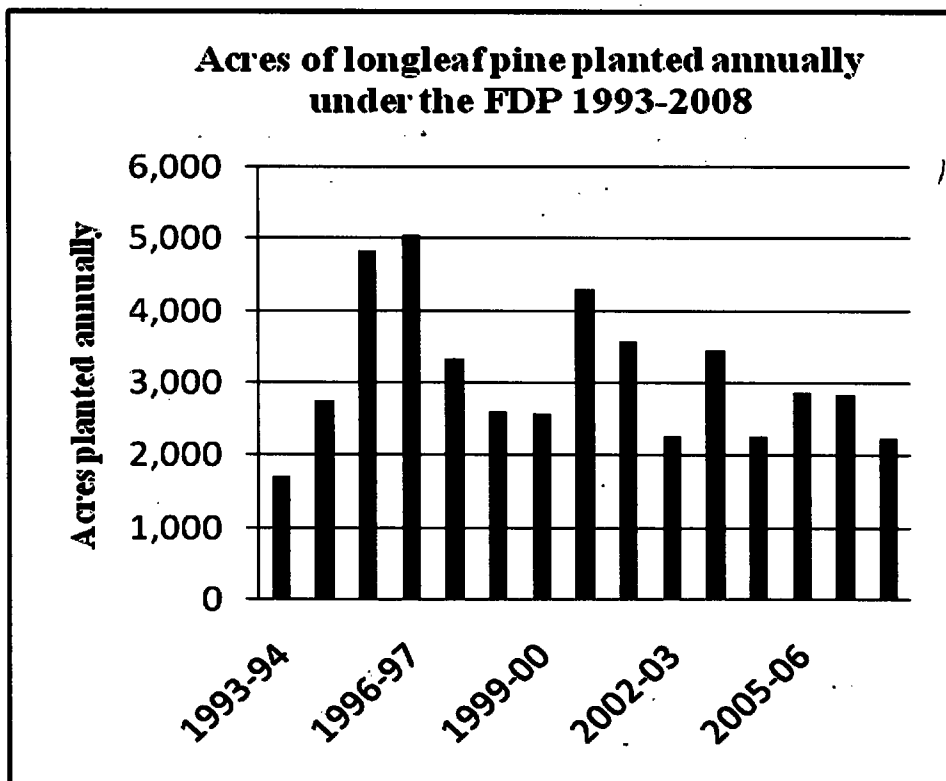


Figure 16: Acres of longleaf pine planted annually under the FDP (1978-2008)

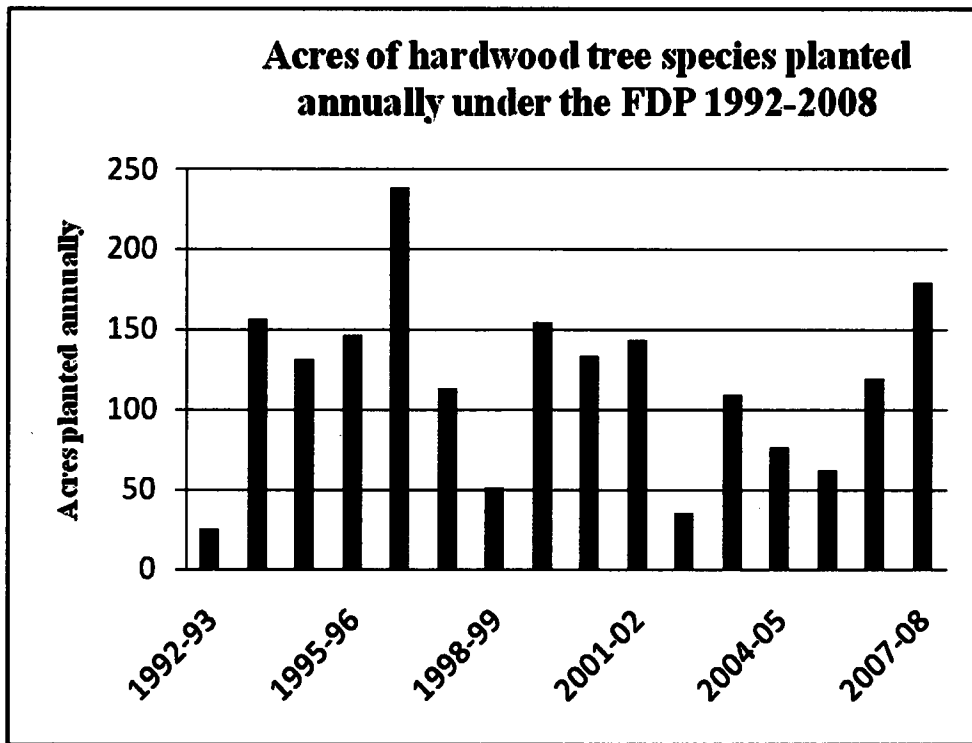


Figure 17: Acres of hardwood tree species planted annually under the FDP 1992-2008

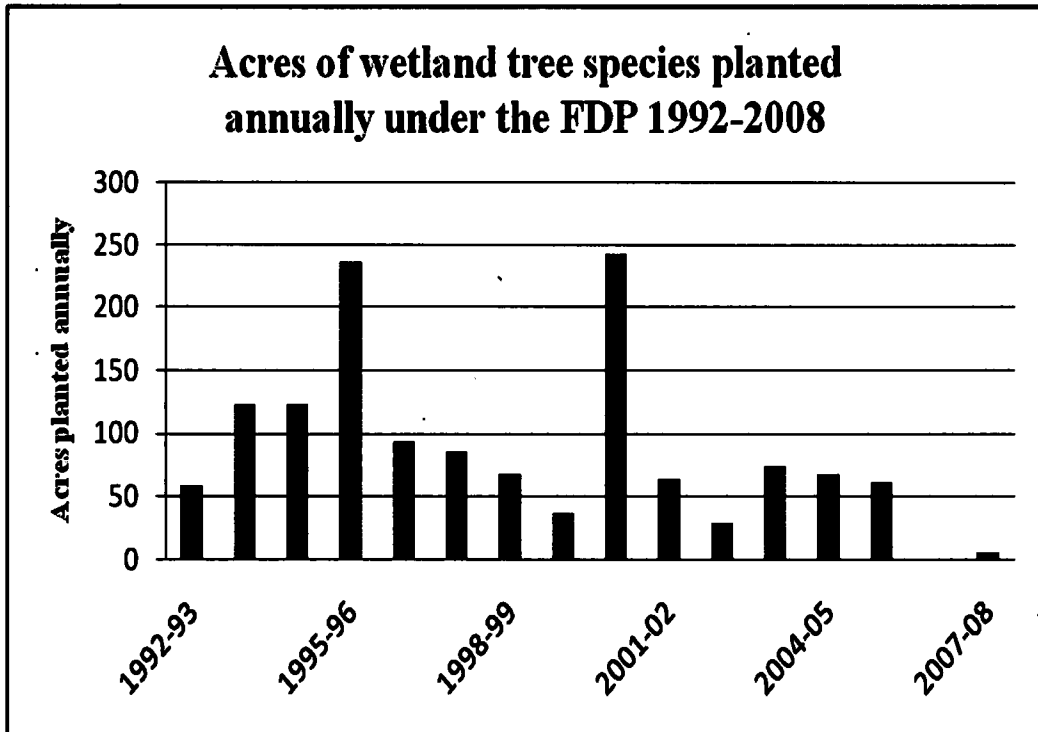


Figure 18: Acres of wetland tree species planted annually under FDP 1992-2008

The 1,176,203 acres of forestland reforested/improved under the FDP would cover an area more than twice the entire size of Wake County (533,700 acres in size). It would also cover an area nearly seven times the size of Wake County's forestland (177,300 acres).

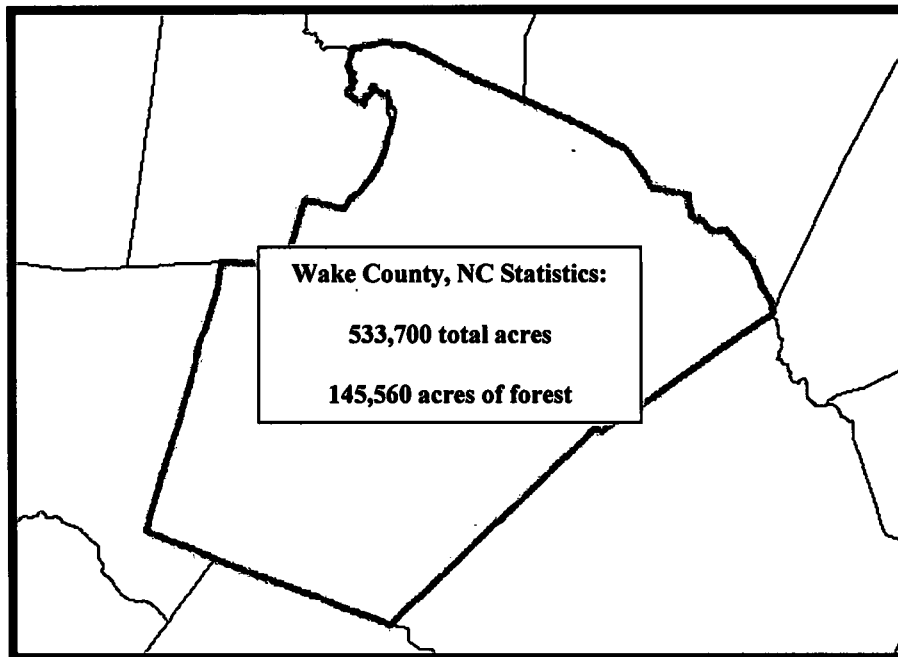


Figure 19: Wake County, NC acreage statistics (2006) as a means of comparison



Former DFR Director Stan Adams presents Raleigh resident Charles Royal with an award celebrating the one millionth acre of forestland planted under the FDP. Royal was able to reforest some of his family's land in Sampson County with assistance from the FDP in September, 2004. Appendix I - "News Release on One Millionth Acre Planted under the FDP (September, 2004)", provides the background story on this milestone.

Figure 20: The NCDFR and forest landowner celebrate millionth acre planted under the FDP

Field-level quality control measures

There are numerous fieldcheck and administrative guidelines aimed at ensuring FDP funds are utilized in a manner that is fiscally and environmentally responsible. Guidance documents that relate to these quality control measures include the DFR Policy and Procedure Manual; the Forestry Best Management Practices Manual; North Carolina's Smoke Management Guidelines; and the DFR Pocket Guide to Seedling Care and Planting Standards. Examples of quality control measures on FDP-cost shared tracts include:

- Site visits by DFR Rangers and Foresters to verify that landowners applying for FDP cost share have forestland that is appropriate for the requested assistance. This review occurs when the DFR provides the management plan and recommendation, as well as when a landowner's consulting forester makes the recommendation and submits it to the DFR for cost share approval.
- Field inspections of private contractor work by DFR Rangers and Foresters. DFR guidelines for all working carried out under the FDP must be met or the landowner will not receive FDP reimbursement. This includes onsite tree planting quality control checks where the standards and specifications outlined in the DFR Tree Planting Pocket Guide are reviewed.
- All mandatory Forest Practices Guidelines related to Water Quality (FPGs) must be in compliance and all appropriate Forestry Best Management Practices (BMPs) must be utilized prior to the landowner receiving FDP reimbursement. These ensure there are no problems with issues such as water quality blockage or degradation, hazardous fluid spills, and herbicide application.
- All Smoke Management Guidelines which protect air quality must be followed whenever site preparation or hazard reduction burning occurs with FDP cost share. These Guidelines are currently voluntary for North Carolina landowners, but when using FDP cost share they are considered mandatory. Landowners will not receive FDP reimbursement if they are not followed.
- The final completed acreage on all FDP cost shared tracts is measured by DFR staff with mapping-grade GPS units. Each staff member doing the work has completed a training program to ensure they understand the process and how to effectively use the GPS unit. GPS units meet NC State government standards and are calibrated every six months to ensure their accuracy. Acreage is measured to the nearest whole acre. This verification ensures that forest landowners and FDP funds are only being spent where satisfactory work has been completed.
- DFR County Rangers revisit those forests that have been established under the FDP one year after the tree planting work was completed. This one-year survival count is typically done in the fall when hardwood leaves have fallen off and it is easier to determine how many pine seedlings have survived. It may be done earlier in the year if the tree species planted were hardwoods or wetland species with leaves. DFR Policy mandates this be done on all tracts planted with longleaf pine, hardwoods, and wetland species. It should also be done when site or environmental conditions pose a threat to newly-established stands of trees. Examples of this might include tracts that have significant vegetative competition or during years of significant drought. On FDP cost shared tracts that don't fit these descriptions, a forest landowner can still request that the DFR perform a one-year survival count on the newly established forest. This follow-up verifies that the tree establishment effort was a success and FDP funds have been spent effectively. If tree survival has not been adequate or the planted seedlings are in jeopardy, the DFR notifies the forest landowner and discusses the need and options to re-plant or save the stand.

10-year maintenance agreement

Landowners who apply for FDP cost share funding must agree to maintain their stand of trees for at least ten years. The thinking behind this is that by the age of ten a landowner has enough money, time and effort invested in a forest that they would typically keep it in forestland from that point forward in order to reach a future harvest date. If a FDP landowner destroys their trees within this 10-year period they must pay back all the cost share funds they received on those acres impacted. With hundreds of DFR staff working throughout the state, tracts that have been planted with FDP cost share and then destroyed within the 10-year maintenance timeframe typically get noticed. These tracts are reported to the DFR Central Office staff, and then the landowner is informed in writing that they need to pay back the FDP cost share funds they originally received for those impacted acres. Appendix U "Recaptured FDP cost share funds due to non-maintenance of 10-year clause 1999-2008" illustrates the number of times the DFR is aware of FDP-planted forests being converted to another use where it violated this 10-year agreement. Based on records from 1999-2008 this only applied to a handful of tracts per year. This supports the belief that the FDP 10-year maintenance clause is similar to a temporary conservation easement in that it helps keep forestland from converting to another land use.

Have Objectives Been Achieved?

Upon reviewing the FDP objectives outlined in this document's "Statutory Link" section and the "Performance Measures and Data" that have been highlighted, it appears the FDP is meeting the statutory goals of the program. Background information detailed in the rest of this Continuation Review Report also supports that assessment. The Forest Development Program is an effective collaboration between state/private/business partners resulting in over 50,000 acres of land reforested annually. Landowners have indicated that half of those acres would not be reforested and improved without the program's assistance¹⁵.

In one respect, the FDP is not meeting its full potential to carry out its statutory goals. Limitations in funding result in annual backlogs of more than 600 fully-qualified forest landowners. These landowners have approved management plans and FDP applications that typically account for 25,000 acres each year¹⁶. Additional FDP funding of approximately \$2,200,000 per year would result in more cost-effective reforestation on these additional acres and increase the state's forest productivity.

¹⁵ Refer to this report's "Random survey of FDP landowners from 2000-08" section

¹⁶ Refer to "Backlog of FDP applicants" discussion in the "Improving Services" section of this report

Link between Funding and Societal Impact

Effect of an FDP discontinuation on NC state personal income tax revenue

Item	Description	With FDP Cost Share Funds	Without FDP Cost Share Funds
(1)	Average per acre capitalized value across all MLRA classifications for the species/stand types typically funded by FDP	\$ 701.54	\$ 701.54
(2)	Acres planted with and without FDP cost share funds	50,000	25,150
(3)	Total capitalized value for planted acres	\$ 35,077,000	\$ 17,643,731
(4)	Average per acre capitalized value across all MLRA classifications that are indicative of unmanaged, naturally-regenerated species/stand types		\$ 331.32
(5)	Increase in acres of unmanaged, naturally-regenerated timberland if FDP is discontinued		24,850
(6)	Total capitalized value for unmanaged, naturally-regenerated timberland acres		\$ 8,233,302
(7)	Total capitalized value for all acres	\$ 35,077,000	\$25,877,033
(8)	NC State personal income tax revenue (at 7%)	\$ 2,455,390	\$ 1,811,392
(9)	Lost personal state income tax revenue		\$ 643,998

Table 4: Effect of FDP discontinuation on NC state personal income tax revenue

Managed forests are more productive and will produce more high value timber products in a shorter amount of time than an unmanaged, naturally-regenerated forest. In North Carolina, when a landowner harvests timber, he is responsible for paying a personal income tax on the value of the harvested timber. Tax revenues are directly proportional to the volume and quality of the timber products produced as higher quality timber products have greater worth. If the FDP program was discontinued, some portion of the state's timberland acreage would stop being managed and would return to an unmanaged, naturally-regenerated condition that would generate less tax revenues due to decreased volumes and lower quality timber products.

An analysis was made to quantify the effect on tax revenues should the Forest Development Program be discontinued. The table of Forestry Net Present Values (pp. 29-30) in the 2009 Use-Value Manual for Agricultural, Horticultural, and Forest Land estimates the annualized NPV (net present value) for various species/stand types in each of the five Major Land Resource Areas (MLRAs) that exist in North Carolina. Using these values, we compensated for the different rotation lengths by calculating the soil expectation value (SEV) using a 4 percent discount rate. This rate is consistent with the rate used in the Use-Value manual for forestry. Soil expectation value is the capitalized value of a perpetual series of rotations and represents the maximum return from the land for forestry under the conditions presented in the Use-value manual for each species/stand type.

Species/stand types consistent with FDP projects (planted stands) were selected and multiplication factors were calculated to compensate for the distribution of site index and timberland acreage in each MLRA for each species/stand type. Species/stand types indicative of unmanaged, naturally-regenerated stands were also selected and compensation factors for the distribution of site index and timberland acreage in each MLRA for each species/stand type were also calculated. County level, forest inventory and analysis (FIA) data was used for this purpose:

Multiplying the capitalized value for each species/stand type by the site index and timberland distribution factors generated an average capitalized value for the entire state for both planted and unmanaged, naturally-regenerated stand types. For planted stands, the average capitalized value across the state is \$701.54 per acre. For unmanaged, naturally-regenerated stands, the average capitalized value across the state is \$331.32 per acre.

The results of the FDP Tree Planting Survey indicate that if the Forest Development Program was discontinued and FDP cost share funds were not available, slightly more than 50% of the acreage planted from 2000-2008 would have been planted anyway. The remaining 49.7% of the acreage would not have been planted and presumably, would have returned to an unmanaged, naturally-regenerated status. Applying these percentages to the approximately 50,000 acres that are currently planted each year with FDP funds would result in about 25,150 acres being planted and 24,850 acres returning to an unmanaged, naturally-regenerated condition if the Forest Development Program was discontinued.

Multiplying the appropriate average capitalized value for planted stands (\$701.54 per acre) and unmanaged, naturally-regenerated stands (\$331.32 per acre) by the number of acres that would be planted (50,000 acres with cost share; 25,150 acres without cost share) or returned to unmanaged, naturally-regenerated conditions (24,850 acres) without cost share; then adding the values calculated without cost share, results in a total capitalized value of \$35.1 million dollars for acreage planted with cost share funds and \$25.9 million for all forested acreages (planted and unmanaged, naturally-regenerated) without cost share. At a tax rate of 7 percent, the 50,000 acres planted each year under the Forest Development Program would generate \$2.5 million dollars of personal property tax for the state of North Carolina. The 50,000 acres established each year if the FDP program discontinued (25,150 acres planted; 24,850 acres of unmanaged, naturally-regenerated) would generate about \$1.8 million dollars in personal property tax revenues for the state. The net result is a loss of \$644,000 in personal property tax revenues each year, if the FDP program is discontinued. By investing \$589,500 of appropriated funds each year in the FDP program, North Carolina receives nearly \$644,000 in additional tax revenues annually. Should the Forest Development Program be discontinued, tax revenues would decrease by about \$644,000 and the State would have a net loss of about \$54,500. The personal income tax revenue created by the FDP's accomplishments more than pays for the appropriated funding of the program.

Loss of Private Business Revenue as a Result of a FDP Discontinuation

The Forest Development Act states:

“It is the intent of the General Assembly that in implementing the program under this Article, the Secretary will cause it to be coordinated with other related programs in such a manner as to encourage the utilization of private agencies, firms and individuals furnishing services and materials needed in the application of practices included in the forest development program.”

G.S. 113A-177(c)

When landowners apply for FDP cost-share funds, the vast majority of on-the-ground work that is to be carried out is done so by private site preparation contractors and tree planting crews. If FDP cost-share funds are reduced and the total number of landowners signing up for such work decreases, these private firms will see a direct reduction in private business revenue.

From 1998-2008, the average number of acres planted annually under FDP was 50,547¹⁷. During this period the FDP paid out an average of \$2,543,125 per year. This typically represented about 40% of the cost of the work done. If the other 60% of the bills (the part the landowners paid out-of-pocket) was added, one could assume the average total cost of the annual work carried out under FDP was approximately \$6,357,813. If the FDP was discontinued, landowners have indicated that nearly 50% of all the tree planting efforts carried out under the FDP would not occur. 50% of \$6,357,813 equals \$3,178,907 and represents the expected loss of business to contractors specializing in tree establishment services.

Indirect economic benefits from forests

Many people do not fully understand or fully value all of the indirect benefits from forests. Reforestation under the FDP is a critical first step in maintaining North Carolina's timberland and the benefits that come from it. Although this report will not devote much time to the subject, it is important to mention that the indirect benefits from forestland have been studied and are significant.

"Multipliers for industrial output, employment, value added, regional income, and personal income indicate that forest-based industries have substantial indirect effects in the North Carolina economy... up to two to three times the direct impact, depending on the sector and economic measure."

(Aruna, Cabbage, & Hamilton, 1998)

When considering the direct economic impacts of the forest industry outlined in Appendix P ("Forest Products Industry Emerges as North Carolina's Largest Manufacturing Industry"), a multiplication factor of two to three times these values is considerable.

Program Justification

Rationale for Recommended Funding Level

The information contained in the report makes the case that the FDP is an effective program that should continue to be funded. Over 50,000 acres each year are reforested under the FDP, and landowners have indicated this number will drop by half if FDP cost share assistance is not available¹⁸.

Forest establishment and improvement work carried out under the FDP increase forest productivity, timber harvest income and state personal income tax revenue collected by the state. The economic analysis outlined in this report provides data showing the increase in personal income tax collected by the state more than offsets the typical \$589,500 of appropriated funding typically devoted to the program¹⁹. This is only one measure of the

¹⁷ Refer to Appendix G-"North Carolina Acres Planted by Cost-Share Program, 1970-2008"

¹⁸ Refer to the "Random survey of FDP landowners from 2000-08" discussion in the "Consequences of discontinued funding" section of this report.

¹⁹ Refer to the "Effect of an FDP discontinuation on NC state personal income tax revenue" discussion in this report's "Link between Funding and Societal Impact" section.

economic benefit generated by the FDP. Additional economic measures, along with societal benefits and indirect multipliers, portray a program where appropriated monies effectively leverage other sources of funding and result in tremendous benefit to the State.

Demand for FDP cost share assistance is currently greater than the program can handle due to funding limitations. An additional \$2,200,000 dollars would be needed annually to more closely meet the public demand for reforestation assistance. The DFR, Department of Environment and Natural Resources (DENR) and the North Carolina Governor's budget have all recommended increased FDP funding in the past. This is largely based on the 600+ fully-qualified forest landowners who must be placed on 1-2 year waiting lists for FDP funding each year²⁰. This backlog impacts over 25,000 acres per year, resulting in higher site preparation costs and decreases in forest productivity.

It is also worth noting that demand for forest improvement practices²¹ that were added to the FDP in 2006 is expected to significantly increase. These practices have not been promoted in the last three years due to the limited funds in the FDP and the backlog of fully-qualified landowner applications that already develops annually.

Consequences of Discontinued Funding

This report's "Link between funding and societal impact" section goes into detail on how the work carried out under the FDP impacts North Carolina society and the financial consequences that would stem from a discontinuation in FDP funding. FDP users have indicated that a loss of FDP cost share assistance would result in a 50% reduction of the acreage currently planted under the program. This loss has been calculated at approximately 25,000 acres annually. This would equate to a net loss to the State in terms of dollars taken in vs. appropriated, as well as an estimated loss of over \$3,000,000 worth of business to forest establishment and improvement contractors annually.

Due to time constraints and the difficulty in fully quantifying the financial value of forest-related ecosystem services such as watershed protection and wildlife habitat, all of the possible effects of a FDP discontinuation have not been evaluated or highlighted. There should be, however, a fundamental understanding that 25,000+ fewer acres of planted forestland each year is not a positive thing.

Impact of discontinued state appropriations on the FDP

Section § 113A-192 (c) of the Primary Processor Act specifies that timber assessments collected under the Act shall be suspended in any fiscal year in which the General Assembly fails to make general fund appropriations to the FDP²². This language was provided to emphasize the partnership aspect of this program between the State and forest industry. If the State discontinues appropriations to the FDP, the program would in effect cease to operate.

²⁰ Refer to "Backlog of FDP applicants" discussion in the "Improving Services" section of this report

²¹ Refer to Appendix D-"15A NCAC 09C .0903 Approved Practices (Amendment to the FDP Effective Nov. 1, 2006)"; examples of practices include understory release; release of seedlings; cull-tree removal; crop-tree crown release; non-commercial thinning; prescribed burning; and forest fertilization.

²² Refer to Appendix B-"Primary Forest Product Assessment Act (1977)"

If it was decided that the FDP would continue to function with no state appropriations and only the current level of timber assessments, it would require legislative action to address Section § 113A-192 (c) of the Primary Processor Act. If this was implemented and the FDP continued to operate with \$589,500 less per year (which has been the typical level of state appropriated funding), planted acreage would decrease by approximately 13,000 acres annually. This was estimated by taking into account that state appropriations typically represent 25% of FDP funding, and the assumption could be made that a funding loss of 25% might lead to a corresponding 25% reduction in planted acreage. Noting the ten-year average of 52,000+ acres planted annually, this 25% reduction would mean that reforestation in North Carolina would drop by approximately 13,000 acres per year. This scenario would not precipitate the need to reduce staffing levels of DFR field personnel or the two positions funded directly with FDP monies. If this scenario occurred, the list of backlogged landowners²³ and planting projects that are not funded or implemented will continue to grow. This will result in losses to forest productivity as well as reductions in timber harvest profits and state income tax revenues.

Another scenario is that all State appropriations to the FDP are eliminated, the decision is made to try to legally enable the FDP to continue operating, and an attempt to raise the timber assessment rate occurs. The resulting political pressure from a number of influential groups could jeopardize the entire existence of the FDP program. This last point must be comprehended prior to any budgetary decisions being made. Impacts on planted acreage, staffing level needs, etc. from such a timber assessment rate increase are difficult to determine without knowing the specific details of such a scenario.

Impact of a FDP discontinuation on numbers of landowners asking for assistance

The FDP is often DFR's primary "gateway" to working with forest landowners on BMPs, forest management plans, forest stewardship, etc. The FDP Tree Planting Survey²⁴ results indicate that the absence of FDP cost share assistance would mean nearly half of the FDP users would not reforest their property. A reasonable assumption can be made that the majority of these landowners would not contact the DFR at all for assistance. The FDP program typically signs up 1,500 forest landowners each year, so the expected reduction in landowner requests would be 750 per year. This reduction in landowners reached would lead to a decreased level of statewide forest stewardship, forest productivity and other "ecosystem services-type" benefits to society.

Impact of a FDP discontinuation on staffing and fieldwork

As of 2009, annual administrative costs are paid out of the FDP to cover 2 full-time employees at the Department of Revenue and the equivalent of 1.75 full-time employees at the DFR²⁵. A discontinuation of the FDP would directly impact these four positions. A determination would have to be made on whether or not to retain these employees and their positions if the FDP was discontinued. If they were to remain State employees, funding for their positions would have to be identified and come from another source.

²³ Refer to "Backlog of FDP applicants" discussion in the *Improving Services* section of *Recommendations to Improve Efficiency and Effectiveness*

²⁴ Refer to "Random survey of FDP landowners from 2000-08" discussion located in the "Consequences of Discontinued Funding" section of this report

²⁵ Refer to the "Resource allocation" section of this report

There is a discussion outlined earlier in this report²⁶ describing how DFR field staff would be impacted by a discontinuation of the FDP. Work and staffing levels for these Ranger and Forester positions would likely remain the same since other types of requests (water quality inspections; insect and disease inquiries; environmental education outreach programs; etc.) would “fill the hole” created by a FDP discontinuation. Most of these positions are also tasked with wildfire control and incident response duties, which reinforces that their staffing levels would still be required. There would be a reduction in landowner contacts and reforestation requests if the FDP were discontinued, but their time would be occupied by the other aspects of their job.

Would as many landowners reforest if FDP cost share was discontinued?

“Although one may argue about the social efficiency of states funding reforestation on private property, in terms of increased forest productivity on nonindustrial lands, the programs are effective. Acres reforested each year increase when private landowners are provided direct economic assistance. Where costs and benefits have been compared, state cost-share programs have been found to be economically efficient. Virginia’s program was found to have a benefit-cost ratio of about 3.5 at 6% interest rate (Flick and Horton, 1981). Cost-share programs were argued not to result in capital substitution (government-induced investment replacing autonomous investment) by de Steiguer (1984). (Bullard, 1988)

De Steiguer examined forest landowner utilization of cost share funds and stated:

“Importantly, the study provided evidence that government cost-share payments have no significant effect on the level of autonomous reforestation investment. A statistically significant negative relationship between these two variables would have lent credibility to the capital substitution argument, that is, the presence of government subsidies has simply replaced autonomous investment. Conversely, a significant positive relationship would have suggested some complementary effect. This could have been attributed to the possible fact that landowners operating under cost-share agreements may decide to reforest a portion of their tract at their own expense if no funds are available. At any rate, suffice it to say that, capital substitution, as defined here, does not appear to be a valid criticism of these programs.” (de Steiguer, 1984)

“The weight of the evidence from the literature on investment behavior suggests that cost sharing and the reforestation tax credit and amortization are effective in stimulating landowner investments. In this regard, “The South’s Fourth Forest” states, “if growth in income and employment in the South’s forest industries is to be sustained, action must be taken to increase investments in those public and private programs that are effective in increasing forest productivity”. (Royer, 1988)

Many of the landowners who utilize FDP funds indicate they were only able to reforest or improve their forestlands because there was a cost sharing program available. Many of these landowners are lower and middle-class and do not have “extra” money available to implement the necessary reforestation or forest improvement in the absence of cost share funds. It is common for landowners to want to do this type of work in

²⁶ Refer to the “FDP implementation/administrative costs absorbed by other funding sources” discussion in the “Resource allocation” section of this report

an agricultural field, pasture or on a clearcut piece of land they just purchased. In these examples there is no timber harvest income for them to draw from when paying the expenses.

Random survey of FDP landowners from 2000-08

In an effort to determine the potential impact of a FDP discontinuation, the DFR conducted a random²⁷ telephone survey in January, 2009. 462 forest landowners who had planted 14,758 acres of trees under the FDP from 2000-08 were contacted.

Survey Question #1: *"If FDP cost share assistance had not been available when you were deciding to plant trees, which of the following statements best describes how you would have reacted?"*

	Responses	Percent
Statement A: "Without the FDP cost share money, I would not have planted trees on any acreage."	205	44.4%
Statement B: "Without the FDP cost share money, I would have planted the same number of acres with trees."	174	37.7%
Statement C: "Without the FDP cost share money, I would have planted trees, but on fewer acres."	83	18.0%
Totals=	462	100.0%

Table 5: Responses to FDP Tree Planting Survey Question #1

(18% of the landowners indicated that Statement C was their response to Question #1. This meant they would have replanted some reduced number of their original acres in the absence of FDP cost share. These landowners were asked Question #2)

Survey Question #2: *You indicated that you would have planted fewer acres with trees if FDP cost share funds had not been available. In the following statement, which percentage number best describes the amount of acreage you would have planted with trees: "Without FDP cost share funds, I would have planted trees on about 20%, 40%, 60%, or 80% of the original acreage."*

	Responses	Percent
20 Percent	10	12.0%
40 Percent	37	44.6%
60 Percent	30	36.1%
80 Percent	6	7.2%
Grand Total	83	100.0%

Table 6: Responses to Tree Planting Survey question #2

²⁷ Refer to Appendix R-"Procedure for Selecting Random Landowners for the FDP Tree Planting Survey" for details on how the landowners were randomly selected in an effort to remove any potential bias. Appendix S-"FDP Tree Planting Landowner Survey and analysis" provides a breakdown of the responses and shows that responses were fairly uniform across the state.

Based on survey responses, the total acreage that would be planted by these landowners (out of the 14,758 that they planted back in 2000-08) if FDP cost share funds were not available was 7,426 acres. This represents 50.3% of the total acreage sampled. Total acreage that would not be planted if FDP cost share funds were not available was 7,332 acres. This represents 49.7% of the total acreage sampled. This indicates that a FDP discontinuation would lead to a 50% reduction in planted acreage that is currently reforested under the FDP.

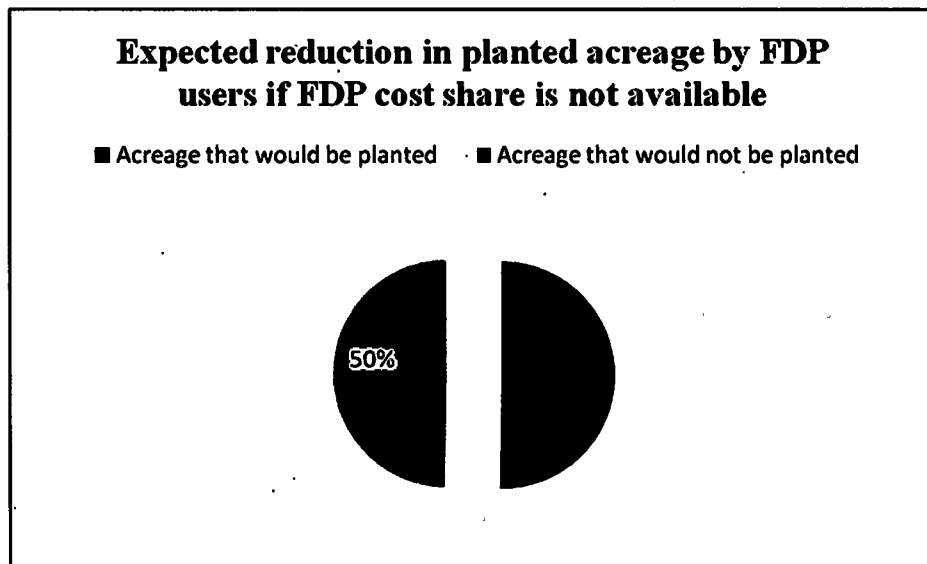


Figure 21: Expected reduction in planted acreage by FDP users if FDP cost share is not available

From 1998-2008, an average of 50,000+ acres were planted annually under the FDP. Based on landowner responses to the FDP survey described above, there would be a decrease in planted acres if the FDP was discontinued. Many of these landowners would forego the decision to conduct reforestation or forest improvement work simply because they couldn't afford it on their own. If nearly 50% of the annual FDP applicants decided they could not reforest their properties due to a lack of FDP cost share, this would on average equate to 25,000 less acres of land planted annually.

Landowner Testimonials on the Importance of FDP Funding

"The Forest Development Program has been a valuable resource to me and my family. This program provided us the option to retain family land when actively farming the land was no longer feasible. Additionally, the program enabled us to contribute to the balance and well-being of our community by preserving and expanding a very valuable but greatly diminished commodity-the trees that make a forest and forestland that provides habitat for wildlife."

Ms. Joy Dry

Willow Spring, NC

11/25/2008

"I want to thank you for the work you have done to help me. My trees were planted in the late fall of 2006, the year of the extreme drought. With the continued interest and your devotion to the work to be done and your suggestions as to "what, when and how", my trees are flourishing. Without your encouragement and expertise, I would have had beginner's luck since this is my first venture forestry. The programs you have made available to me and my family are commendable. Without the cost-share that are provided and the diligence of the NC Forest Service it would have been almost impossible for us to put this together only with out-of-pocket financing."

Kane Parsons

Fayetteville, NC

11/21/2008

"Honorable Members:

I want to call your attention to a very important program in North Carolina....the Forest Development Program. This program assisted me in establishing a stand of longleaf pine and a stand of loblolly a few years ago. I would not have accomplished this without the program. The pines are now about eight feet tall. The program has enabled me to be a good steward of the land and environment. I am aware that you have budget problems, but this is an important program and I ask that you give it your most serious consideration."

Melvin Parker

Smithfield, NC

11/18/2008

One landowner bluntly voiced the importance of FDP funds to them:

"We have trees we have set with the help of the Forest Development Program. We have some more land that we would like to set in trees but without the cost share it will be impossible."

John and Doloris Brotherton

Statesville, NC

1/24/2009

Numerous forest landowners who had utilized the FDP commented on the ease and simplicity of the program. The fact that there is a one-page application form, only one government agency to deal with and straightforward program requirements are appealing to landowners. This encourages forest landowners to participate and ultimately translates into more forested acres for North Carolina.

Recommendations to Improve Efficiency and Effectiveness

Improving Services

Backlog of FDP applicants

In order to fully meet its statutory commitment, the FDP not only needs continued funding, but also an increase in overall funding. There is a waiting list every year of eligible forest landowners who want to help keep North Carolina's forests growing and productive. These landowners want to reforest and improve their lands but they are not able to be signed up and funded under the FDP due to a lack of monies. Because of this backlog, much

of this work does not get done until the following 1-3 years when cost share funds become available and their projects are funded. At that point it usually costs the landowner and State more to successfully plant a new forest due to vegetative competition that has come up during the waiting period. In the meantime, both the landowner and State have lost timber volume and economic returns due to reduced forest productivity. These fully-qualified landowners have approved management plans and processed FDP applications that outline all the necessary fieldwork.

Based on data from FY 2004-08, the average FDP waiting list was 487 landowners for site preparation/replanting work on 19,235 of acres. Approximately \$2,000,000/year would be needed to fund this backlog. There have been as many as 600 landowners backlogged for type of FDP assistance.

Waiting list for site preparation work	Backlogged landowners	Backlogged acres	Amount needed to cost share projects
FY 2004	414	17,716	\$1,594,629
FY 2005	447	17,334	\$1,867,474
FY 2006	478	17,626	\$1,878,190
FY 2007	563	22,252	\$2,210,681
FY 2008	535	21,245	\$1,999,440
Total FY 2004-08	2,437	96,173	\$9,550,414
Average FY 2004-08	487	19,235	\$1,910,083

Table 7: Backlog of fully-qualified landowners seeking FDP cost share for site preparation 2004-08

Another waiting list of fully-qualified landowners who requested planting assistance (with no need for site preparation funding) exists and averages 128 landowners per year. This typically represents 5,000+ acres worth of reforestation. An additional \$200,000 per year would be needed to fully cost share these “Plant-Only” requests.

In the past the DFR, DENR and Governor’s budget have all recommended an increase in appropriated FDP funding in order to meet this demand and help keep our state forested. The scarcity of additional reforestation cost-share programs that allow effective timber production will continue to increase demand for FDP assistance.

Recommended action item: The NC Legislature should vote to expand FDP funding by at least \$2,200,000 annually.

FDP database conversion

The FDP database is currently housed in a mainframe system. There are a limited number of reports that can be run, which makes it difficult to query and review program components. Most reports are run by another State division and have to be physically delivered to the DFR. When these reports are created they are printed out on large amounts of paper rather than delivered in an electronic format.

A database conversion is currently underway that will move the FDP data into an Access database. This move, when completed, will allow easier and more effective management of the FDP data. The cost of this improvement will be approximately 1-2 months worth of work by a database programmer. Implementation of

the converted database will hopefully be completed by spring of 2009. A longer term improvement to this database will be to make it web-based for easier access by field personnel.

Recommended action item: DFR staff will continue to proceed with FDP database conversion.

FDP minimum acreage threshold

The Forest Development Act § 113A-181 (b) states:

"The maximum amount of forest development cost sharing funds allowed to any landowner in one fiscal year will be the amount required to complete all approved practices on 100 acres of land at the prevailing cost sharing rate established under G.S. 113A-181(a).

A minimum amount of acreage that a landowner needs to qualify for the program is not specified. Since the inception of the FDP this minimum threshold has been one acre.

There has been discussion of whether or not to raise the minimum acreage threshold in order to qualify for FDP funding eligibility. A concern by some is that personnel time and efforts are being consumed by tracts of land that are very small and potentially low in benefit. One concern is that many parcels of forestland in urbanizing areas are small in acreage. If the minimum acreage threshold for the FDP is raised, some of these small urban forest tracts may not be able to qualify for cost share funding.

Prior to making a decision on this matter, the DFR will wait until the FDP database conversion to an Access system is complete. At that point it will be easier to analyze historic FDP data and determine how much of a benefit this proposed modification would create.

Recommended action item: DFR conduct study on minimum acreage threshold at earliest opportunity.

Frequency of FDP application approval

FDP applications are currently processed by DFR Central Office staff at the end of each month. During periods of frequent activity (ex. during the winter when many planting requests are being submitted) the frequency of application approvals may need to be increased to twice per month. This could provide field staff, forest landowners and contractors with critical information on a timelier basis.

Recommended action item: DFR should begin processing FDP applications twice a month when application volumes are heavy.

Reducing Costs and Duplication

Measurement of acres on FDP cost shared tracts

The majority of tracts cost shared under the FDP are measured by County Rangers on foot with mapping grade GPS units. This is to ensure accurate measurement of the work done so FDP funds are only used on acres that have been completed. This is an excellent quality control measure, but it does come at a cost due to personnel time, gas spent driving to the tracts, etc.

A number of private consulting foresters and contractors have recommended that the DFR accept their acreage determinations when processing FDP payments. This would certainly reduce the DFR's costs, but there could

be problems with this proposal. A conflict of financial interest might jeopardize the accuracy of the measurements. Another challenge to this proposal is that these private consulting foresters and contractors would presumably still need to utilize expensive mapping-grade GPS units; undergo the same standards of GPS training that DFR field staff currently receive; and be held to the same State standards that the DFR must adhere to. The training and quality control work that the DFR would have to assume for private individuals looking to provide such measurements would be an added cost that must be considered when assessing this idea. The DFR does not believe this proposal to be in the best interest of the State or the landowner.

DFR Policy and Procedure outlines instances where other methods can be used to determine this acreage. In certain cases aerial imagery can be used. These other methods will not replace the use of GPS measurements on most tracts, but utilizing them when appropriate could represent a cost reduction and time savings. Field staff will be reminded of these alternative methods and will be encouraged to utilize them whenever possible.

Recommended action item: DFR staff will encourage field personnel to utilize all allowed tract measurement options, particularly those that save time and money.

FDP database conversion

The FDP database conversion from a mainframe system to an Access database has already been discussed. This will decrease the need to print out large numbers of extensive paper reports. Ultimately, the FDP database will be updated and moved to the IBEAM system. Web-based administration will continue to reduce paperwork and staff time per application.

Recommended action item: DFR staff will continue to proceed with FDP database conversion.

Recommended Statutory/Budgetary/Administrative Changes

Multiple Processing Facilities

Current Department of Revenue assessment reporting procedures allow companies that have multiple primary processing facilities to aggregate the volumes of primary products that were processed by all of their facilities before computing and reporting any assessments owed.

In order to more accurately determine whether every responsible facility is reporting and paying the primary forest products assessment, the Division of Forest Resources recommends the Department of Revenue create a new worksheet as part of the assessment form that breaks-out and identifies each primary processing facility under single ownership, then aggregates the results which are reported on the main part of the return. Companies with multiple processing facilities would be required to complete and return the worksheet with their return, or submit a separate return for each facility.

The Department of Revenue supports the Division of Forest Resources' position on this issue and is reviewing its form to determine if it can develop a worksheet that will allow a processor to report multiple facilities on the same report, with aggregate results reflected on Page 1 and to determine if processors can be allowed the option of using one form for all facilities or separate forms for each facility.

Recommended action item: DFR staff will cooperate with DoR staff to improve this assessment form.

Transparency of Information Shared between Agencies

North Carolina GS § 105-259 (Disclosure Law) prohibits the disclosure of certain financial information to any other person not provided for in GS § 105-259 (b). Insofar as the Department of Environment and Natural

Resources (DENR) or the Division of Forest Resources are not listed in GS § 105-259 (b), the Department of Revenue is restricted from reporting individual or regionally aggregated information regarding primary processors to the DENR or DFR.

North Carolina GS § 113A-193 (b) prescribes several duties for the Secretary of Environment and Natural Resources. Among these are:

- Provide to the Secretary, Department of Revenue, lists of processors subject to the assessment.
- Establish in November prior to those session in which the General Assembly considers the State budget, the estimated total assessment that will be collectible in the next budget period and so inform the Advisory Budget Commission and the General Assembly.
- By January 15 of each odd numbered year, report to the General Assembly on the number of acres reforested, type of owners assisted, geographic distribution of funds, the amount of funds encumbered and other matters. The report shall include the information by forestry district and statewide and shall be for the two fiscal years prior to the date of the report.

DFR is encumbered from performing its duties as spelled out in GS § 113A-193 (b) and recommends that language be added to GS § 105-259 (b) that would allow the Department of Revenue to share financial information with the Division of Forest Resources.

The Department of Revenue agrees with and supports the Division of Forest Resource's position on this issue and will assist DFR in submitting a recommendation for legislative change to GS § 105-259 (b) that allows pertinent financial information to be shared. This will improve communication between the two agencies and result in more efficient program implementation. This includes ensuring that all primary processors of timber products are paying the correct assessment amounts owed.

This proposed change will not affect the legal language in the Forest Development Act or Primary Processor Statutes.

Recommended action item: DFR staff will work with the DoR to pursue the recommended changes to GS § 105-259 (b).

External Factors

Policy Issues for the General Assembly

Biomass and Biofuels

North Carolina's biomass and biofuels capacity continues to be an emerging issue. In order to meet the future demands for woody material, forests need to be planted and more actively managed now. Reforestation accomplished under the FDP will directly support this growing capability and positively support the State's future Energy Plan portfolio.

Climate change

The retention and increase of forestland is seen as an affordable solution to sequester carbon and mitigate climate change impacts. In May of 2007 the "Agriculture, Forestry and Waste Management Technical Work Group" of NC's Climate Action Plan Advisory Group recommended that FDP funding increase so more fields could be planted back with trees.

(refer to <http://www.ncclimatechange.us/ewebeditpro/items/O120F11667.pdf>)

It is recommended that the General Assembly consider the benefits of the FDP and seek to tie funding from new sources (ex. "carbon/climate change" programs).

Other Relevant Information

Wood chips and the Primary Processor Act

Starting with the definition of primary forest product in GS § 113A-191 (1) and followed by an interpretation by the Department of Revenue, wood chips produced from whole trees (a primary forest product) are considered to be a secondary forest product. The language and interpretation fail to differentiate between wood chips produced by logging contractors in the woods (in-woods chips) and chips produced by other processors such as sawmills, pulp and paper mills and chip mills. As North Carolina biomass and biofuels markets expand, the production and utilization of wood chips will increase. The Division of Forest Resources recognizes the need to study this emerging issue and how it relates to the Primary Processor Act. At this time the DFR is not ready to propose statutory changes to address this issue, but the Division will continue to work with the Department of Revenue and its Forestry Community partners to determine the best way to proceed.

Conclusions

- The Forest Development Program's track record is thirty years long and indicates a program that is streamlined, well-liked by the citizens of North Carolina and more than fully-utilized. It has resulted in over 1,176,203 acres being planted, with an average of 50,000+ acres planted each in of the last ten years.
- Many landowners who have participated in the FDP indicated they were only able to carry out the implemented reforestation and forest improvement work with its assistance. Peer-reviewed literature was cited that concludes cost share assistance is an incentive to forest landowners to carry out reforestation work that they would normally not have done. A random survey of 462 FDP users from 2000-08 indicated that 45% of them would not have planted trees without the FDP assistance. 18% of them would have planted a reduced number of acres (most indicated they would have only planted approximately half of the acreage). When these statistics were applied to the ten-year average of 50,000+ acres of trees planted annually under the FDP, it translates into approximately 25,000 less acres of trees planted annually if the FDP is discontinued.
- Direct administrative costs for the FDP are low. This includes funding the equivalent of 2 full-time employees at the Department of Revenue (DoR), as well as the equivalent of 1.75 full-time employees at the Division of Forest Resources (DFR). All of the remaining FDP funds go toward landowner cost share funding.
- Improved dialogue and sharing of primary processor and assessment information between the DFR and DoR must occur. This Continuation Review process encouraged a face-to-face meeting between the two agencies, and it appears as though the sharing of ideas and future modifications to the North Carolina GS § 105-259 will improve implementation of the Primary Processor Act.
- The Continuation Review highlighted the need for another improvement to the FDP. The conversion of the FDP's database from a mainframe system to a more user-friendly Access database is currently being undertaken. This will help to reduce a significant amount of paperwork (past reports had to be printed by another department and physically brought to the DFR), and even more importantly make it easier to conduct queries and future program reviews.
- The Legislature should consider the annual waiting list of 600+ fully-qualified FDP applicants who cannot be funded each year. These citizens have approved management plans and FDP applications but are not able to carry out their forest management work due to the lack of FDP funds. The DFR, Department of Environment and Natural Resources (DENR) and the North Carolina Governor's budget have all recommended increased FDP funding in the past to meet this demand from the public. The Legislature should expand annual FDP funding with the \$2,200,000 it would take to meet this need and opportunity.
- The discontinuation of the FDP would result in significant economic loss. When landowners apply for FDP cost-share funds, the vast majority of on-the-ground work is performed by private site preparation contractors and tree planting crews. If the FDP was discontinued, landowners have indicated that nearly 50% of all tree planting efforts currently carried out under the FDP would not occur. This reduction in acreage to be planted would translate into an estimated loss of \$3,178,907 worth of business to contractors specializing in tree establishment services.

Table of Figures

Figure 1: Loss of North Carolina timberland 1974-2002.....	8
Figure 2: Area of NC forestland by forest-type group (2002 US Forest Service FIA data).....	8
Figure 3: Origination of funds to pay for planting one acre of loblolly pine under the FDP (no mechanical site prep required).....	12
Figure 4: Origination of funds to pay for planting one acre of loblolly pine under the FDP (mechanical site prep required)	13
Figure 5: Origination of funds to pay for planting one acre of longleaf pine under the FDP (site prep required)	14
Figure 6: Comparison of DFR and FDP Mission Statements	17
Figure 7: FDP funding breakdown (1978-2008).....	19
Figure 8: FDP State Appropriations (1978-2008).....	19
Figure 9: FDP direct administrative cost per year for the DFR and DoR (2003-08).....	20
Figure 10: Total Number of Acres Planted Using FDP Cost-Share, by County, in North Carolina (1998-2008).....	23
Figure 11: Total acres funded by the FDP annually	24
Figure 12: Total number of landowners funded under the FDP annually	24
Figure 13: Average FDP acres funded per landowner annually.....	25
Figure 14: NC acres planted by cost share program (1970-2008)	26
Figure 15: Acres of pine (excluding longleaf) planted annually under the FDP (1978-2008).....	27
Figure 16: Acres of longleaf pine planted annually under the FDP (1978-2008).....	27
Figure 17: Acres of hardwood tree species planted annually under the FDP 1992-2008.....	28
Figure 18: Acres of wetland tree species planted annually under FDP 1992-2008.....	28
Figure 19: Wake County, NC acreage statistics (2006) as a means of comparison.....	29
Figure 20: The NCDFR and forest landowner celebrate millionth acre planted under the FDP	29
Figure 21: Expected reduction in planted acreage by FDP users if FDP cost share is not available.....	39

Table 1: FDP Budget Figures (2003-08).....	18
Table 2: Direct FDP administrative costs to the DFR and DoR (2003-08)	20
Table 3: Hours worked by DFR staff on FDP activities (2004-07)	22
Table 4: Effect of FDP discontinuation on NC state personal income tax revenue.....	32
Table 5: Responses to FDP Tree Planting Survey Question #1	38
Table 6: Responses to Tree Planting Survey question #2	38
Table 7: Backlog of fully-qualified landowners seeking FDP cost share for site preparation 2004-08	41

Bibliography

- Aruna, P., Cabbage, F., & Hamilton, R. (1998). *Economic Impacts of Forestry in North Carolina*. Department of Forestry. Raleigh: North Carolina State University.
- Brown, M. J., & New, B. (2006). *Forest Inventory and Analysis Factsheet-North Carolina 2002*.
- Bullard, S. a. (1988). Structure and Funding of State-Level Forestry Cost-share Programs. *Northern Journal of Applied Forestry*, 5, 132-134.
- de Steiguer, J. (1984). Impact of cost-share programs on private reforestation investment. *Forest Science*, 30 (3), 697-704.
- Flick, W. a. (1981). Virginia's Reforestation of Timberlands Program: An Economic Analysis of the First Six Years. *Southern Journal of Applied Science*, 5 (4), 195-200.
- Royer, J. (1988). Proceedings on the Policy and Program Conference on "The South's Fourth Forest: Alternatives for the Future". *Forestry Investment Incentives in the South: A Review of Empirical Research on Cost Sharing and the Reforestation Tax Credit and Amortization* (pp. 75-87). USDA Forest Service.
- (1988). Proceedings on the Policy and Program Conference on "The South's Fourth Forest: Alternatives for the Future". *Forestry Investment Incentives in the South: A Review of Empirical Research on Cost Sharing and the Reforestation Tax Credit and Amortization* (pp. 75-87). USDA Forest Service.
- Weatherford, P. R., Wigley, T. B., & Van Deusen, P. C. (2008). *Characteristics of Public Data Related to Reforestation*. National Council for Air and Stream Improvement, Inc.
- Agriculture, Forestry, and Waste Management Technical Work Group*. (n.d.). Retrieved from www.ncclimatechange.us: <http://www.ncclimatechange.us/ewebeditpro/items/O120F11667.pdf>

Appendix

Appendix A: Forest Development Act (1977)

Appendix B: Primary Forest Product Assessment Act (1977)

Appendix C: HB 698; NC Legislative Session 2005-An Act to Expand the Findings, the Purpose, and the Approved Practices of the Current Forest Development Act

Appendix D: 15A NCAC 09C .0903 Approved Practices (Amendment to the FDP Effective Nov. 1, 2006)

Appendix E: Forest Ownership in North Carolina, 2006

Appendix F: Total Acres/Total Landowners/Average Acres per Landowner Funded Under the Forest Development Program (1978-2008)

Appendix G: North Carolina Acres Planted by Cost-Share Program (1970-2008)

Appendix H: FDP Funding from 1978-2008 (Including Timber Assessments, State Appropriations and Interest Earned)

Appendix I: News Release on One Millionth Acre Planted Under the FDP (September, 2004)

Appendix J: Assessment Rates on Timber Products from Other States

Appendix K: Percentage of North Carolina Site Preparation, Planting, and Timber Stand Improvement Activities with FDP Funding

Appendix L: Total Acres Planted with FDP Funds, by North Carolina County, Between 7/1/98 and 6/30/08

Appendix M: Pine and Hardwood Planting in NC by Non-Industrial Private Landowners (1999-2008)

Appendix N: Acres of NC Forest by County (USFS Forest Inv. & Analysis, 2006)

Appendix O: Forest Inventory and Analysis Factsheet-North Carolina 2002 (from 2002 USFS FIA data)

Appendix P: Forest Products Industry Emerges as North Carolina's Largest Manufacturing Industry

Appendix Q: Effect of an FDP discontinuation on NC state personal income tax revenue

Appendix R: Procedure for Selecting Random Landowners for the FDP Tree Planting Survey

Appendix S: FDP Tree Planting Landowner Survey and analysis

Appendix T: North Carolina GS § 105-259 Secrecy required of officials; penalty for violation ("disclosure law")

Appendix U: Recaptured FDP cost share funds due to non-maintenance of 10-year clause 1999-2008

NC Legislative Continuation Review Report-Forest Development Program (FDP)

Appendices

Appendix A: Forest Development Act (1977)

Appendix B: Primary Forest Product Assessment Act (1977)

Appendix C: HB 698; NC Legislative Session 2005-An Act to Expand the Findings, the Purpose, and the Approved Practices of the Current Forest Development Act

Appendix D: 15A NCAC 09C .0903 Approved Practices (Amendment to the FDP Effective Nov. 1, 2006)

Appendix E: Forest Ownership in North Carolina, 2006

Appendix F: Total Acres/Total Landowners/Average Acres per Landowner Funded Under the Forest Development Program (1978-2008)

Appendix G: North Carolina Acres Planted by Cost-Share Program (1970-2008)

Appendix H: FDP Funding from 1978-2008 (Including Timber Assessments, State Appropriations and Interest Earned)

Appendix I: News Release on One Millionth Acre Planted Under the FDP (September, 2004)

Appendix J: Assessment Rates on Timber Products from Other States

Appendix K: Percentage of North Carolina Site Preparation, Planting, and Timber Stand Improvement Activities with FDP Funding

Appendix L: Total Acres Planted with FDP Funds, by North Carolina County, Between 7/1/1998 and 6/30/2008

Appendix M: Pine and Hardwood Planting in NC by Non-Industrial Private Landowners (1999-2008)

Appendix N: Acres of NC Forest by County (USFS Forest Inv. & Analysis, 2006)

Appendix O: Forest Inventory and Analysis Factsheet-North Carolina 2002 (from 2002 USFS FIA data)

Appendix P: Forest Products Industry Emerges as North Carolina's Largest Manufacturing Industry

Appendix Q: Effect of an FDP discontinuation on NC state personal income tax revenue

Appendix R: Procedure for Selecting Random Landowners for the FDP Tree Planting Survey

Appendix S: FDP Tree Planting Landowner Survey and analysis

Appendix T: North Carolina GS § 105-259 Secrecy required of officials; penalty for violation ("disclosure law")

Appendix U: Recaptured FDP cost share funds due to non-maintenance of 10-year clause 1999-2008

Appendix A: Forest Development Act (1977)

Article 11.

Forest Development Act.

§ 113A-176. Title.

This Article shall be known as the "Forest Development Act." (1977, c. 562, s. 1.)

§ 113A-177. Statement of purpose.

(a) The General Assembly finds that:

- (1) It is in the public interest of the State to encourage the development of the State's forest resources and the protection and improvement of the forest environment.
- (2) Unfavorable environmental impacts, particularly the rapid loss of forest land to urban development, are occurring as a result of population growth. It is in the State's interest that corrective action be developed now to offset forest land losses in the future.
- (3) Regeneration of potentially productive forest land is a high-priority problem requiring prompt attention and action. Private forest land will become more important to meet the needs of the State's population.
- (4) Growing demands on forests and related land resources cannot be met by intensive management of public and industrial forest lands alone.

(b) The purpose of this Article is to direct the Secretary to implement a forest development program to:

- (1) Provide financial assistance to eligible landowners to increase the productivity of the privately owned forests of the State through the application of forest renewal practices and other practices that improve tree growth and overall forest health.
- (2) Insure that forest operations in the State are conducted in a manner designed to protect the soil, air, and water resources, including but not limited to streams, lakes and estuaries through actions of landowners on lands for which assistance is sought under provisions in this Article.
- (3) Implement a program of voluntary landowner participation through the use of a forest development fund to meet the above goals.

(c) It is the intent of the General Assembly that in implementing the program under this Article, the Secretary will cause it to be coordinated with other related programs in such a manner as to encourage the utilization of private agencies, firms and individuals furnishing services and materials needed in the application of practices included in the forest development program. (1977, c. 562, s. 2; c. 771, s. 4; 1989, c. 727, s. 218(73); 1989 (Reg. Sess., 1990), c. 1004, s. 19(b); 1997-443, s. 11A.119(a); 2005-126, s. 1.)

§ 113A-178. Definitions.

As used in this Article:

- (1) "Approved forest management plan" means the forest management plan submitted by the eligible landowner and approved by the Secretary. Such plan shall include forest management practices to insure both maximum forest productivity and environmental protection of the lands to be treated under the management plan.
- (2) "Approved practices" mean those silvicultural practices approved by the Secretary for the purpose of commercially growing timber through the establishment of forest

stands, of insuring the proper regeneration of forest stands to commercial production levels following the harvest of mature timber, or of insuring maximum growth potential of forest stands to commercial production levels. Such practices shall include those required to accomplish site preparation, natural and artificial forestation, noncommercial removal of residual stands for silvicultural purposes, cultivation of established young growth of desirable trees for silvicultural purposes, and improvement of immature forest stands for silvicultural purposes. In each case, approved practices will be determined by the needs of the individual forest stand. These practices shall include existing practices and such practices as are developed in the future to insure both maximum forest productivity and environmental protection.

- (3) "Department" means the Department of Environment and Natural Resources.
- (3a) "Eligible land" means land owned by an eligible landowner.
- (4) "Eligible landowner" means a private individual, group, association or corporation owning land suitable for forestry purposes. Where forest land is owned jointly by more than one individual, group, association or corporation, as tenants in common, tenants by the entirety, or otherwise, the joint owners shall be considered, for the purpose of this Article, as one eligible landowner and entitled to receive cost-sharing payments as provided herein only once during each fiscal year.
- (5) Recodified as § 113A-178(3a).
- (6) "Forest development assessment" means an assessment on primary forest products from timber severed in North Carolina for the funding of the provisions of this Article, as authorized by the General Assembly.
- (7) "Forest development cost-sharing payment" means financial assistance to partially cover the costs of implementing approved practices in such amounts as the Secretary shall determine, subject to the limitations of this Article.
- (8) "Forest development fund" means the Forest Development Fund created by G.S. 113A-183.
- (8a) "Maintain" means to retain the reforested area as forestland for a 10-year period and to comply with the provisions in the approved forest management plan.
- (9) "Secretary" means the Secretary of Environment and Natural Resources. (1977, c. 562, s. 3; c. 771, s. 4; 1989, c. 727, s. 218(74); 1989 (Reg. Sess., 1990), c. 1004, s. 19(b); 1997-352, s. 1; 1997-443, s. 11A.119(a); 2005-126, s. 2.)

§ 113A-179. Powers and duties.

- (a) The Secretary shall have the powers and duties to administer the provisions of this Article.
- (b) The Department shall serve as the disbursing agency for funds to be expended from and deposited to the credit of the Forest Development Fund.
- (c) Subject to the limitations set forth in G.S. 113A-183(d), the Secretary is authorized to employ administrative, clerical and field personnel to support the program created by this Article and to compensate such employees from the Forest Development Fund for services rendered in direct support of the program.
- (d) The Secretary is authorized to purchase equipment for the implementation of this program from the Forest Development Fund subject to the limitations of G.S. 113A-183(e). All equipment purchased with these funds will be assigned to and used only for the forest development program, except for emergency use in forest fire suppression and other activities relating to the protection of life or property. The Forest Development Fund will be reimbursed from other program funds for equipment costs incurred during such emergency use. (1977, c. 562, s. 4.)

§ 113A-180. Administration of cost sharing.

The Secretary shall have authority to administer the cost sharing provisions of this Article, including but not limited to the following:

- (1) Prescribe the manner and requirements of making application for cost sharing funds.
- (2) Identify those approved forestry practices as defined in G.S. 113A-178(2) which shall be approved for cost sharing under the provisions of this Article.
- (3) Review periodically the cost of forest development practices and establish allowable ranges for cost sharing purposes for approved practices under varying conditions throughout the State.
- (4) Determine, prior to approving forest development cost sharing payments to any landowner, that all proposed practices are appropriate and are comparable in cost to the prevailing cost of those practices in the general area in which the land is located. Should the Secretary determine that the submitted cost of any practice is excessive, he shall approve forest development cost sharing payments based upon an allowable cost established under G.S. 113A-180(3).
- (5) Determine, prior to approving forest development cost sharing payments, that an approved forest management plan as defined in G.S. 113A-178(1) for the eligible land has been filed with the Secretary and that the landowner has indicated in writing his intent to comply with the terms of such management plan.
- (6) Determine, prior to approving forest development cost sharing payments, that the approved practices for which payment is requested have been completed in a satisfactory manner, conform to the approved forest management plan submitted under G.S. 113A-180(5), and otherwise meet the requirements of this Article.
- (7) Disburse from the Forest Development Fund to eligible landowners cost sharing payments for satisfactory completion of practices provided for by this Article and the Secretary shall, insofar as is practicable, disburse the funds from the State's appropriation on a matching basis with the funds generated by the Primary Forest Product Assessment. (1977, c. 562, s. 5.)

§ 113A-180.1. Cost-share agreements.

(a) In order to receive forest development cost-share payments, an eligible landowner shall enter into a written agreement with the Department describing the eligible land, setting forth the approved practices implemented for the area and covered by the approved forest management plan, and agreeing to maintain those practices for a 10-year period.

(b) In the absence of Vis major or Act of God or other factors beyond the landowner's control, a landowner who fails to maintain the practice or practices for a 10-year period in accordance with the agreement set forth in subsection (a) of this section shall repay to the Fund all cost-sharing funds received for that area.

(c) If the landowner voluntarily relinquishes control or title to the land on which the approved practices have been established, the landowner shall:

- (1) Obtain a written statement, or a form approved by the Department, from the new owner or transferee in which the new owner or transferee agrees to maintain the approved practices for the remainder of the 10-year period; or
- (2) Repay to the Fund all cost-sharing funds received for implementing the approved practices on the land.

If a written statement is obtained from the new owner or transferee, the original landowner will no longer be responsible for maintaining the approved practices or repaying the cost-sharing funds. The

responsibility for maintaining those practices for the remainder of the 10 years shall devolve to the new owner or transferee. (1997-352, s. 2.)

§ 113A-181. Limitation of payments.

(a) An eligible landowner may receive forest development cost sharing payments for satisfactory completion of approved practices as determined by the Secretary, except that the Secretary shall approve no assistance in an amount exceeding the lesser of (i) a sum equal to sixty percent (60%) of the landowner's actual per acre cost incurred in implementing the approved practice or (ii) a sum equal to sixty percent (60%) of the prevailing per acre cost as determined by the Secretary under G.S. 113A-180(3) for implementing that approved practice.

(b) The maximum amount of forest development cost sharing funds allowed to any landowner in one fiscal year will be the amount required to complete all approved practices on 100 acres of land at the prevailing cost sharing rate established under G.S. 113A-181(a).

(c) Eligible landowners may not use State cost sharing funds if funds from any federal cost sharing program are used on the same acreage for forestry practices during the same fiscal year. (1977, c. 562, s. 6.)

§ 113A-182. Participation by government political subdivisions.

No governmental agency, federal, State or local, will be eligible for forest development payments under the provision of this Article. (1977, c. 562, s. 7.)

§ 113A-183. Forest Development Fund.

(a) The Forest Development Fund is created in the Department of Environment and Natural Resources as a special fund. Revenue in the Fund does not revert at the end of a fiscal year, and interest and other investment income earned by the Fund accrues to it. The Fund is created to provide revenue to implement this Article. The Fund consists of the following revenue:

- (1) Assessments on primary forest products collected under Article 12 of Chapter 113A of the General Statutes.
- (2) General Fund appropriations.
- (3) Gifts and grants made to the Fund.

(b), (c) Repealed by Sessions Laws 1997-352, s. 3.

(d) In any fiscal year, no more than five percent (5%) of the available funds generated by the Primary Forest Product Processor Assessment Act may be used for program support under the provisions of G.S. 113A-179(c).

(e) Funds used for the purchase of equipment under the provisions of G.S. 113A-179(d) shall be limited to appropriations from the General Fund to the Forest Development Fund designated specifically for equipment purchase. (1977, c. 562, s. 8; c. 771, s. 4; 1981, c. 1127, s. 45; 1989, c. 727, s. 218(75); 1997-352, s. 3; 1997-443, s. 11A.119(a).)

§§ 113A-184 through 113A-188. Reserved for future codification purposes.

Appendix B: Primary Forest Product Assessment Act (1977)

Article 12.

Primary Forest Product Assessment Act.

§ 113A-189. Short title.

This Article shall be known as the Primary Forest Product Assessment Act. (1977, c. 573, s. 1.)

§ 113A-190. Statement of purpose.

(a) The purpose of this Article is to create an assessment on primary forest products processed from North Carolina timber to provide a source of funds to finance the forestry operations provided for in the Forest Development Act of 1977.

(b) All assessments levied under the provisions of this Article shall be used only for the purposes specified in G.S. 113A-193(c) and in the Forest Development Act. (1977, c. 573, s. 2.)

§ 113A-191. Definitions.

The following words, terms and phrases hereinafter used for the purpose of this Article are defined as follows:

- (1) "Primary forest product" shall include those products of the tree after it is severed from the stump and cut to its first roundwood product for further conversion. These products include but are not limited to whole trees for chipping, whole tree logs, sawlogs, pulpwood, veneer bolts, and posts, poles and piling.
- (2) "Processor" shall mean the individual, group, association, or corporation that procures primary forest products at their initial point of concentration for conversion to secondary products or for shipment to others for such conversion.
- (3) "Forest Development Fund" shall mean the special fund established by the Forest Development Act of 1977.
- (4) For the purpose of this Article, the following are not considered "primary forest products":
 - a. Christmas trees and associated greens;
 - b. Material harvested from an individual's own land and used on said land for the construction of fences, buildings or other personal use developments;
 - c. Fuel wood harvested for personal use or use in individual homes. (1977, c. 573, s. 3.)

§ 113A-192. Operation of assessment system.

(a) The General Assembly hereby levies an assessment on all primary forest products harvested from lands within the State of North Carolina.

(b) This assessment shall be at the rates as established in G.S. 113A-194(b) and the proceeds of such assessment shall be deposited in the Forest Development Fund.

(c) The collection of the assessment shall be suspended in any fiscal year in which the General Assembly fails to make general fund appropriations to the Forest Development Fund.

(d) The collection of the assessment shall be suspended in any fiscal year in which there is carried forward from previous years a balance of unobligated funds in the Forest Development Fund greater than twice the amount appropriated from the general fund for that fiscal year.

(e) If the assessment is suspended because of either clause (c) or (d) above that suspension shall cease when the condition causing the suspension no longer exists. (1977, c. 573, s. 4.)

§ 113A-193. Duties of Secretaries.

(a) The Secretary, Department of Revenue, shall:

- (1) Develop the necessary administrative procedures to collect the assessment;
- (2) Collect the assessment from the primary forest product processors;
- (3) Deposit funds collected from the assessment in the Forest Development Fund;
- (4) Audit the records of processors to determine compliance with the provisions of this Article.

(b) The Secretary of Environment and Natural Resources shall:

- (1) Provide to the Secretary, Department of Revenue, lists of processors subject to the assessment;
- (2) Advise the Secretary, Department of Revenue, of the appropriate methods to convert measurements of primary forest products by other systems to those authorized in this Article;
- (3) Establish in November prior to those sessions in which the General Assembly considers the State budget, the estimated total assessment that will be collectible in the next budget period and so inform the General Assembly;
- (4) Within 30 days of certification of the State budget, notify the Secretary, Department of Revenue, of the need to collect the assessment for those years covered by the approved budget.
- (5) By January 15 of each odd-numbered year, report to the General Assembly on the number of acres reforested, type of owners assisted, geographic distribution of funds, the amount of funds encumbered and other matters. The report shall include the information by forestry district and statewide and shall be for the two fiscal years prior to the date of the report.

(c) The Secretary of Revenue shall be reimbursed for those actual expenditures incurred as a cost of collecting the assessment for the Forest Development Fund. This amount shall be transferred from the Forest Development Fund in equal increments at the end of each quarter of the fiscal year to the Department of Revenue. This amount shall not exceed five percent (5%) of the total assessments collected on primary forest products during the preceding fiscal year. (1977, c. 573, s. 5; c. 771, s. 4; 1983, c. 761, s. 120; 1985, c. 526; 1989, c. 727, s. 218(76); 1989 (Reg. Sess., 1990), c. 1004, s. 19(b); 1997-443, s. 11A.119(a); 2006-203, s. 29.)

§ 113A-194. Assessment rates.

(a) The assessment rates shall be based on the following standards:

- (1) For primary forest products customarily measured in board feet, the "International 1/4 Inch Log Rule" or equivalent will be used;
- (2) For primary forest products customarily measured in cords, the standard cord of 128 cubic feet or equivalent will be used;
- (3) For any other type of forest product separated from the soil, the Secretary of Environment and Natural Resources shall determine a fair unit assessment rate, based

on the cubic foot volume of one thousand foot board measure, International 1/4 Inch Log Rule or one standard cord, 128 cubic feet.

- (b) The assessment levied on primary forest products shall be at the following rates:
- (1) Fifty cents (50¢) per thousand board feet for softwood sawtimber, veneer logs and bolts, and all other softwood products normally measured in board feet;
 - (2) Forty cents (40¢) per thousand board feet for hardwood and bald cypress sawtimber, veneer, and all other hardwood and bald cypress products normally measured in board feet;
 - (3) Twenty cents (20¢) per cord for softwood pulpwood and other softwood products normally measured in cords;
 - (4) Twelve cents (12¢) per cord for hardwood pulpwood and other hardwood and bald cypress products normally measured in cords;
 - (5) All material harvested within North Carolina for shipment outside the State for primary processing will be assessed at a percentage of the invoice value. This percentage will be established to yield rates equal to those if the material were processed within the State. (1977, c. 573, s. 6; c. 771, s. 4; 1989, c. 727, s. 218(77); 1989 (Reg. Sess., 1990), c. 1004, s. 19(b); 1997-443, s. 11A.119(a).)

§ 113A-195. Collection of assessment.

- (a) The assessment shall be levied against the processor of the primary forest product.
- (b) The assessment shall be submitted on a quarterly basis of the State's fiscal year due and payable the last day of the month following the end of each quarter.
- (c) The assessment shall be remitted to the Secretary, Department of Revenue, by check or money order, with such production reports as may be required by said Secretary.
- (d) The processor shall maintain for a period of three fiscal years and make available to the Secretary, Department of Revenue, such production records necessary to verify proper reporting and payment of revenue due the Forest Development Fund.
- (e) The production reports of the various processors shall be used only for assessment purposes. Production information will not be made a part of the public record on an individual processor basis.
- (f) Any official or employee of the State who discloses information obtained from a production report, except as may be necessary for administration and collection of the assessment, or in the performance of official duties, or in administration or judicial proceedings related to the levy or collection of the assessment, shall be guilty of a Class 3 misdemeanor punishable only by a fine not to exceed fifty dollars (\$50.00). (1977, c. 573, s. 7; 1987, c. 523; 1993, c. 539, s. 876; 1994, Ex. Sess., c. 24, s. 14(c).)

§ 113A-196. Enforcement of collection.

The Secretary of Revenue shall enforce collection of the primary forest product assessment in accordance with the remedies and procedures contained in Article 9 of Chapter 105 of the General Statutes. (1977, c. 573, s. 8.)

§§ 113A-197 through 113A-201. Reserved for future codification purposes.

Appendix C: HB 698, NC Legislative Session 2005-An Act to Expand the Findings, the Purpose, and the Approved Practices of the Current Forest Development Act

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

**SESSION LAW 2005-126
HOUSE BILL 698**

AN ACT TO EXPAND THE FINDINGS, THE PURPOSE, AND THE APPROVED PRACTICES OF THE CURRENT FOREST DEVELOPMENT ACT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 113A-177 reads as rewritten:

"§ 113A-177. Statement of purpose.

- (a) The General Assembly finds that:
- (1) It is in the public interest of the State of North Carolina to encourage the development of the State's forest resources and the protection and improvement of the forest environment.
 - (2) Unfavorable environmental impacts, ~~although currently of a local and sporadic nature, particularly the rapid loss of forest land to urban development,~~ are occurring as a result of ~~forest operations, population growth.~~ It is in the State's interest that corrective action be developed now to ~~prevent more serious problems offset forest land losses in the future.~~
 - (3) Regeneration of potentially productive forest land is a high-priority problem requiring prompt attention and action. Private forest land will become more important to meet the needs of the State's population.
 - (4) Growing demands on forests and related land resources cannot be met by intensive management of public and industrial forest lands alone.
- (b) The purpose of this Article is to direct the Secretary of ~~Environment and Natural Resources~~ to implement a forest development program to:
- (1) Provide financial assistance to eligible landowners to increase the productivity of the privately owned forests of the State through the application of forest renewal ~~practices; practices and other practices that improve tree growth and overall forest health.~~
 - (2) Insure that forest operations in the State are conducted in a manner designed to protect the soil, air, and water resources, including but not limited to streams, lakes and estuaries through actions of landowners on lands for which assistance is sought under provisions in this ~~Article; Article.~~
 - (3) Implement a program of voluntary landowner participation through the use of a forest development fund to meet the above goals.

(c) It is the intent of the General Assembly that in implementing the program under this Article, the Secretary will cause it to be coordinated with other related programs in such a manner as to encourage the utilization of private agencies, firms and individuals furnishing services and materials needed in the application of practices included in the forest development program."

SECTION 2. G.S. 113A-178(2) reads as rewritten:

"(2) 'Approved practices' mean those silvicultural practices approved by the Secretary for the purpose of commercially growing timber through the establishment of forest stands, ~~or~~ of insuring the proper regeneration of forest stands to commercial production levels following the harvest of mature ~~timber.~~ timber, or of insuring maximum growth potential of forest stands to commercial production levels. Such practices shall include those required to accomplish site preparation, natural and artificial forestation, noncommercial removal of residual stands for silvicultural purposes, ~~and~~ cultivation of established young growth of desirable trees. ~~trees for silvicultural purposes, and improvement of immature forest stands for silvicultural purposes.~~ In each case, approved practices will be determined by the needs of the individual forest stand. These practices shall include existing practices and such practices as are developed in the future to insure both maximum forest productivity and environmental protection."

SECTION 3. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 23rd day of June, 2005.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 1:16 p.m. this 29th day of June, 2005

Appendix D: 15A NCAC 09C .0903 Approved Practices (Amendment to the FDP Effective Nov. 1, 2006)

15A NCAC 09C .0903 APPROVED PRACTICES

The following practices and sub-practices are eligible for cost-share payments:

- (1) **Site Preparation.** Preparation of a site for planting, seeding or natural regeneration of a commercial forest tree species; this may be accomplished by the following sub-practices used singularly or in combinations:
 - (a) **Burning.** The use of prescribed fire for the purpose of site preparation;
 - (b) **Chopping.** The use of a machine-pulled chopper to crush and chop non-merchantable trees, brush and other debris for the purpose of site preparation;
 - (c) **Discing.** The use of a machine-pulled disc to crush and destroy non-merchantable trees, brush and other debris for the purpose of site preparation;
 - (d) **KG/V-Blade Shear.** The use of a sharp-edged, angled blade (KG or V-blade) mounted on a tractor to shear non-merchantable trees and brush for the purpose of site preparation;
 - (e) **KG and Pile.** The use of a sharp-edged, angled blade (called KG blade) mounted on a tractor to shear non-merchantable trees and brush for the purpose of site preparation; this sheared material and other debris are pushed into piles or windrows;
 - (f) **Rake & Pile.** The use of a toothed, rake-type blade mounted on a tractor to push logging debris, but not roots or soil, into piles or windrows;
 - (g) **Bedding.** The use of a bedding plow pulled by a tractor to prepare a bed or ridge for the purpose of site preparation;
 - (h) **V-Blade Bedding.** The use of a sharp angled blade (not a KG blade) mounted on a tractor to shear non-merchantable trees and brush and a bedding plow pulled by a tractor to prepare a bed or ridge for the purpose of site preparation in a single pass operation;
 - (i) **Furrowing.** The use of a plow pulled by a tractor to prepare a shallow trench or furrow to reduce competing vegetation for the purpose of site preparation;
 - (j) **Bulldozing and Piling.** The use of a bulldozer to push over non-merchantable trees and brush for the purpose of site preparation; the material is pushed into piles or windrows;
 - (k) **Other.** The use of hand tools or other machines to destroy or reduce competing vegetation for the purpose of site preparation;
 - (l) **Chemical Control; Aerial.** The use of herbicides, applied from the air, to reduce competing vegetation for the purpose of site preparation;
 - (m) **Chemical Control; Ground.** The use of hand tools or ground chemical applications to reduce competing vegetation for the purpose of site preparation; and
 - (n) **Preharvest Treatment.** Use of chemical or mechanical means, including hand methods, to control vegetation to develop a stand of trees from advanced hardwood regeneration, natural pine regeneration, or artificial regeneration. When using this practice the following criteria apply:
 - (i) The landowner must agree to harvest overstory stand once regeneration of at least 300 seedlings of a commercial timber species is established;
 - (ii) This practice cannot be used to prepare an area for pine straw production; and
 - (iii) The only other site preparation technique that may be cost-shared at a later date is prescribed burning, if needed.
- (2) **Silvicultural Clearcut.** The felling of trees in unmerchantable stands for the purpose of removing all stems in the overstory to allow regeneration of desirable species by exposing the site to direct sunlight:
 - (a) **Fell and Leave.** Felling all trees on an area with no removal of merchantable material, for the purpose of accomplishing a silvicultural clearcut;

- (b) **Fell and Remove.** Felling all trees on an area, both merchantable and unmerchantable, for the purpose of accomplishing a silvicultural clearcut; the stumpage value of all merchantable trees removed from the area, as determined by the Director, shall be deducted from the allowable cost of completing the practice.
- (3) **Tree Planting or Seeding.** Planting seedlings or applying seed to establish a commercial forest stand. This includes:
 - (a) **Hand Planting.** The use of planting bars or other hand tools to plant forest tree seedlings;
 - (b) **Machine Planting.** The use of a planting machine to plant forest tree seedlings;
 - (c) **Machine Plant – Chemical.** The combined use of a planting machine to plant forest tree seedlings and application equipment to apply herbicides to reduce competing vegetation in a single pass operation.
 - (d) **V-Blade Planting.** The use of a tractor with attached V-shaped blade and planting machine to plant forest tree seedlings;
 - (e) **Direct Seeding.** The use of any type applicator to apply desirable forest tree seed directly to the soil.
- (4) **Tree Planting Followed by Site Preparation.** Tree planting followed by the use of a herbicide treatment, within one year after planting.
- (5) **Mixed Stand Plantings.** Tree planting to establish a mixed pine-hardwood stand, or a mixed stand of hardwood species.
- (6) **Release of Seedlings.** Reducing or eliminating unwanted vegetation that is competing with the established reproduction of desired tree species to ensure adequate regeneration (at least 300 seedlings) of a commercial timber species. This may be accomplished by one of the following treatments:
 - (a) **Chemical Control: Aerial.** The use of herbicides, applied from the air, to reduce competing vegetation for the purpose of releasing desirable reproduction;
 - (b) **Chemical Control; Ground.** The use of hand tools or ground chemical applicators to reduce competing vegetation for the purpose of releasing desirable reproduction;
 - (c) **Mechanical Control.** The use of hand tools or machines to reduce competing vegetation for the purpose of releasing desirable reproduction.
- (7) **Uneven-Aged Management.** A planned sequence of silvicultural treatments designed to maintain and regenerate a stand with three or more age classes.
- (8) **Forest Stand Improvement.** Practices that improve tree growth and overall forest health to insure maximum growth potential of forest stands to commercial production levels. The practices listed below and approved for reimbursement will improve immature forest stands for silvicultural purposes:
 - (a) **Understory Release – Complete removal or deadening of older trees or saplings that have no merchantable value, to improve growing conditions for desirable tree species;**
 - (b) **Release of Seedlings - A mechanical or chemical treatment designed to free young trees from undesirable, usually over-topping, competing vegetation;**
 - (c) **Cull-tree Removal – Complete removal or deadening of trees having no merchantable value because of defects or inferior species. Differs from understory release in that removal is to favor growth on remaining established poles and small sawtimber of better quality and species. This treatment is used only in stands beyond the sapling size class;**
 - (d) **Crop Tree Crown Release – Removal or deadening of cull trees and other undesirable trees to release the crowns of crop trees with commercial value. Crop trees are high value species, which are dominant or co-dominant in position and are well-formed and free of major forest insects and diseases. Cull trees are trees that have little or no economic value due to poor form or presence of insects or disease. Less desirable trees have poorer growth characteristics or are in poorer condition than the crop trees;**
 - (e) **Non-Commercial Thinning – A felling, deadening or removal of immature trees in a stand (predominately seedlings and saplings) which significantly reduces the stem density to accelerate growth and improve the health and form of the remaining trees;**

- (f) Prescribed Burning – The use of fire in a planned and controlled manner to provide silvicultural benefits from forest fuel reduction or reduced understory competition. Prescribed burning must be conducted under the supervision of a "certified prescribed burner" (as defined by G.S. 113-60.41 of the North Carolina Prescribed Burning Act), using a burning plan; and
- (g) Forest Fertilization – The addition of nutrient elements to the soil to overcome nutrient deficiencies or to increase growth rates.

*History Note: Authority G.S. 113-60.41; 113A-177; 113A-179; 113A-183; 143B-10(j);
Eff. August 8, 1978;
Amended Eff. November 1, 2006; August 1, 2002; October 1, 1984.*

Appendix E: Forest Ownership in North Carolina, 2006



Forest Ownership in North Carolina, 2006

This information is adapted from "Family Forest Owners of the United States, 2006" General Technical Report NRS-27. Contact Brett Butler (bbutler01@fs.fed.us) for more information.



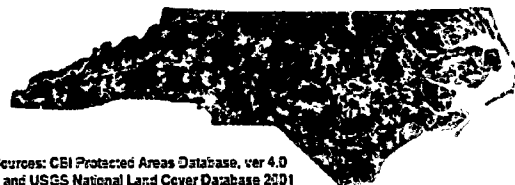
The U.S. Forest Service's National Woodland Owner Survey (www.fia.fs.fed.us/nwos) is conducted to improve our understanding of who owns the forests of the United States, why they own them, how they use them, and what they intend to do with them. This information is used by foresters, educators, and researchers to create programs, policies, and services that better meet the needs of forest owners and society. The family forest results below are a summary of the 321 owners from North Carolina who participated between 2002 and 2006.

Area of forest land and number of forest owners

Owner type	Acres		Owners
	Thousands	Percent	Thousands
Private			
Family	11,194	61	469
Other private	4,303	23	56
Public			
Federal	2,090	11	-
State	601	3	-
Local	258	1	-

Private and public forest lands

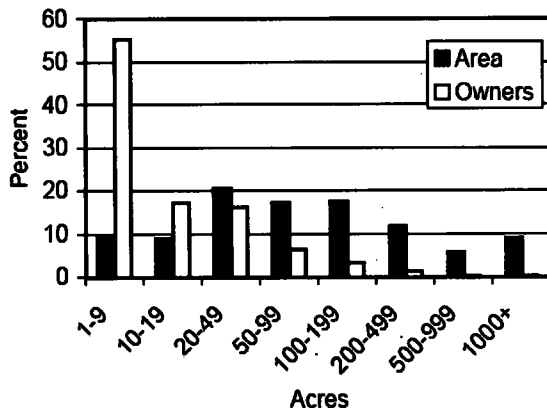
■ Private forest □ Public forest □ Nonforest



Sources: CEI Protected Areas Database, ver 4.0 and USGS National Land Cover Database 2001

Family Forest Owners

Size of forest landholdings



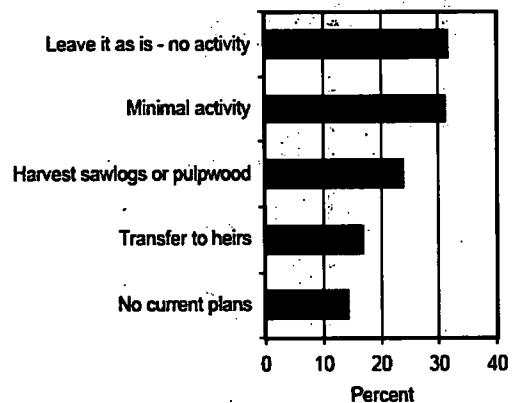
Reasons for owning

1. Pass land on to heirs
2. Land investment
3. Beauty/scenery
4. Part of farm or ranch
5. Nature protection

Important concerns

1. Fire
2. Keeping land intact for heirs
3. Insects or plant diseases
4. Wind or ice storms
5. High property taxes

Five year plans for land



**Appendix F: Total Acres/Total Landowners/Average Acres per Landowner Funded Under the
Forest Development Program (1978-2008)**

Fiscal Year	Total FDP Acres Funded	Total Landowners Funded Under FDP	Average Acres Funded Per Landowner
1978-1979	18,590	485	38
1979-1980	21,276	424	50
1980-1981	19,602	410	48
1981-1982	20,911	501	42
1982-1983	18,145	355	51
1983-1984	32,633	654	50
1984-1985	30,312	649	47
1985-1986	30,320	694	44
1986-1987	49,063	1,214	40
1987-1988	53,055	1,330	40
1988-1989	52,711	1,427	37
1989-1990	49,704	1,332	37
1990-1991	53,891	1,603	34
1991-1992	51,875	1,513	34
1992-1993	49,117	1,399	35
1993-1994	62,831	1,835	34
1994-1995	81,917	2,363	35
1995-1996	83,049	2,662	31
1996-1997	73,617	2,492	30
1997-1998	61,197	2,140	29
1998-1999	56,889	2,020	28
1999-2000	69,917	2,362	30
2000-2001	88,980	2,708	33
2001-2002	72,700	2,332	31
2002-2003	64,127	2,004	32
2003-2004	71,334	2,195	33
2004-2005	64,055	1,996	32
2005-2006	57,932	1,766	33
2006-2007	62,482	1,933	32
2007-2008	56,511	1,767	32

Total	1,578,743	46,565	1101
Average	52625	1552	37

Appendix G: North Carolina Acres Planted by Cost-Share Program (1970-2008)

YEAR	FIP	ACP/EQIP	CRP	FDP	FRRP	FLEP	NCA	CREP	WRP	SIP	FRP	TOTAL
FY1970*	N/A	*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12,357
FY1971*	N/A	*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	15,795
FY1972	N/A	*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	20,114
FY1973*	N/A	*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	15,779
FY1974*	N/A	*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	12,781
FY1975	26,875	1,336	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	28,211
FY1976	15,396	488	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	15,884
FY1977	24,062	2,002	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	26,064
FY1978	21,258	1,485	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	22,743
FY1979	22,872	1,622	N/A	7,172	N/A	N/A	N/A	N/A	N/A	N/A	N/A	31,666
FY1980	23,365	1,302	N/A	17,544	N/A	N/A	N/A	N/A	N/A	N/A	N/A	42,211
FY1981	21,709	1,963	N/A	18,124	N/A	N/A	N/A	N/A	N/A	N/A	N/A	41,796
FY1982	14,447	2,731	N/A	15,669	N/A	N/A	N/A	N/A	N/A	N/A	N/A	32,847
FY1983	13,033	3,172	N/A	14,731	N/A	N/A	N/A	N/A	N/A	N/A	N/A	30,936
FY1984	10,895	1,898	N/A	22,170	N/A	N/A	N/A	N/A	N/A	N/A	N/A	34,963
FY1985	13,163	2,900	N/A	25,510	N/A	N/A	N/A	N/A	N/A	N/A	N/A	41,573
FY1986	17,446	3,025	N/A	23,796	N/A	N/A	N/A	N/A	N/A	N/A	N/A	44,267
FY1987	12,828	3,113	14,807	29,307	N/A	N/A	N/A	N/A	N/A	N/A	N/A	60,055
FY1988	17,397	3,823	29,474	38,723	N/A	N/A	N/A	N/A	N/A	N/A	N/A	89,417
FY1989	17,976	2,738	20,762	36,359	N/A	N/A	343	N/A	N/A	N/A	N/A	78,178
FY1990	13,934	2,653	12,554	34,192	N/A	N/A	694	N/A	N/A	N/A	N/A	64,027
FY1991	17,702	2,272	1,714	39,732	N/A	N/A	785	N/A	N/A	N/A	N/A	62,205
FY1992	20,038	1,281	4,756	38,441	N/A	N/A	482	N/A	N/A	N/A	N/A	64,998
FY1993	19,218	911	3,130	37,932	N/A	N/A	820	N/A	N/A	N/A	N/A	62,011
FY1994	22,701	1,496	143	44,730	N/A	N/A	516	N/A	46	N/A	N/A	69,632
FY1995	9,938	526	57	51,285	N/A	N/A	580	N/A	54	N/A	N/A	62,440
FY1996	9,255	750	1,165	66,286	N/A	N/A	772	N/A	N/A	N/A	N/A	78,228
FY1997	5,963	531	168	60,583	N/A	N/A	454	N/A	185	N/A	N/A	67,884
FY1998	6,489	63	1,561	48,442	15,263	N/A	463	N/A	N/A	452	N/A	72,733
FY1999	4,193	36	1,005	46,441	25,805	N/A	676	N/A	389	344	N/A	78,889
FY2000	5,248	20	4,669	46,972	12,373	N/A	646	N/A	656	62	N/A	70,646
FY2001	5,005	N/A	13,399	58,595	4,759	N/A	1,323	1,777	N/A	N/A	N/A	84,858
FY2002	2,990	N/A	2,209	61,286	864	N/A	505	4,146	218	N/A	N/A	72,218
FY2003	450	15	774	54,446	N/A	N/A	339	3,065	392	N/A	N/A	59,481
FY2004	169	N/A	3,253	52,826	N/A	912	311	4,091	N/A	N/A	N/A	61,562
FY2005	35	N/A	1,598	50,273	N/A	266	182	2,959	N/A	N/A	12	55,325
FY2006	N/A	3	1,926	44,597	N/A	1,792	648	1,983	N/A	N/A	1,747	52,696
FY2007	N/A	59	2,941	47,563	N/A	1,071	461	722	N/A	N/A	455	53,272
FY2008	NA	31	2,320	42,476	N/A	2,652	169	356	N/A	N/A	N/A	48,004
TOTAL	416,050	44,245	124,385	1,176,203	59,064	6,693	11,169	19,099	1,940	858	2,214	

FIP=Forestry Incentives Program; ACP/EQIP=Agricultural Conservation Program/Environmental Quality Incentives Program; CRP=Conservation Reserve Program; FDP=Forest Development Program; FRRP=Forest Recovery and Rehabilitation Program; FLEP=Forestland Enhancement Program; NCA=NC Agricultural Cost-share Program; CREP=Conservation Reserve Enhancement Program; WRP=Wetland Reserves Program; SIP=Stewardship Incentives Program; FRP=Forest Recovery Program
 "N/A" Represents no program that year *Prior to cost-share..may include small amount of ACP

Appendix H: FDP Funding from 1978-2008 (Including Timber Assessments, State Appropriations and Interest Earned)

Fiscal Year	Total Assessment Dollars	Total State Appropriations	Comments on Appropriations	Interest Earned	Total FDP Combined Funding
1978-1979	\$1,303,362.00	\$500,000.00		\$0.00	\$1,803,362.00
1979-1980	\$1,328,987.00	\$500,000.00		\$0.00	\$1,828,987.00
1980-1981	\$1,320,041.00	\$500,000.00		\$0.00	\$1,820,041.00
1981-1982	\$1,204,700.00	\$500,000.00		\$0.00	\$1,704,700.00
1982-1983	\$1,198,314.00	\$500,000.00		\$0.00	\$1,698,314.00
1983-1984	\$1,325,572.00	\$500,000.00		\$0.00	\$1,825,572.00
1984-1985	\$1,438,562.00	\$500,000.00		\$0.00	\$1,938,562.00
1985-1986	\$1,416,203.00	\$800,000.00		\$0.00	\$2,216,203.00
1986-1987	\$1,448,244.00	\$800,000.00		\$0.00	\$2,248,244.00
1987-1988	\$1,526,674.00	\$700,000.00		\$0.00	\$2,226,674.00
1988-1989	\$1,492,575.00	\$700,000.00		\$0.00	\$2,192,575.00
1989-1990	\$1,559,900.00	\$700,000.00		\$0.00	\$2,259,900.00
1990-1991	\$1,638,011.00	\$700,000.00		\$0.00	\$2,338,011.00
1991-1992	\$1,703,544.00	\$0.00	No State Money	\$0.00	\$1,703,544.00
1992-1993	\$1,723,956.00	\$0.00	No State Money	\$0.00	\$1,723,956.00
1993-1994	\$1,819,017.00	\$700,000.00		\$0.00	\$2,519,017.00
1994-1995	\$1,874,153.00	\$700,000.00		\$0.00	\$2,574,153.00
1995-1996	\$1,868,771.00	\$700,000.00		\$0.00	\$2,568,771.00
1996-1997	\$2,015,666.00	\$700,000.00		\$0.00	\$2,715,666.00
1997-1998	\$2,084,761.00	\$700,000.00		\$252,354.57	\$3,037,115.57
1998-1999	\$1,973,431.00	\$689,500.00	7/2/98 cut \$10,500.00	\$303,462.56	\$2,966,393.56
1999-2000	\$1,821,911.00	\$509,500.00	7/2/99 non-recurring cut of \$180,000.00	\$335,972.54	\$2,667,383.54
2000-2001	\$1,939,093.00	\$439,500.00	5/01 cut \$250,000.00; transferred to Dept.	\$363,658.16	\$2,742,251.16
2001-2002	\$1,887,529.00	\$589,500.00	9/24/01 reduced funding by \$100,000 (recurring)	\$279,640.30	\$2,756,669.30
2002-2003	\$1,844,081.00	\$589,500.00		\$194,748.00	\$2,628,329.00
2003-2004	\$1,893,332.00	\$589,500.00		\$144,525.56	\$2,627,357.56
2004-2005	\$1,930,345.00	\$589,500.00		\$106,364.97	\$2,626,209.97
2005-2006	\$1,968,655.00	\$589,500.00		\$141,902.00	\$2,700,057.00
2006-2007	\$1,896,031.00	\$1,189,500.00	\$600,000 was Special Allocation non-recurring	\$217,515.70	\$3,303,046.70
2007-2008	\$1,888,546.00	\$589,500.00		\$257,835.00	\$2,735,881.00
TOTAL	\$50,333,967.00	\$17,765,000.00		\$2,597,979.36	\$70,696,946.36

Appendix I: News Release on One Millionth Acre Planted Under the FDP (September, 2004)

State officials announced today that 1 million acres of trees have been planted in North Carolina using money from a state-funded program that reimburses private landowners for some of the costs to reforest their property. The N.C. Division of Forest Resources, which administers the Forest Development Program, is planning a celebration of the reforestation milestone at 11:30 a.m. April 27. State lawmakers, forestry officials and the landowner who planted the 1 millionth acre under the program will gather for the celebration on the Halifax Mall in downtown Raleigh on Forestry Legislative Day. "This is a very significant milestone for the Division," said Stan Adams, state forester with NCDFR. "With the continued funding of the Forest Development Program, we can hopefully offset significant losses of forestland to development."

The Forest Development Program was established in 1978 and reimburses landowners for site preparation, seedling purchases, tree planting, release of desirable seedlings from competing vegetation or any other work needed to establish a forest. To qualify, the landowner must have a forest management plan approved by the N.C. Division of Forest Resources.

The program reached 1 million acres of reforested land in September 2004 when Charles Royal, of Raleigh, chose to use the cost-sharing program to grow loblolly pine trees on six acres of land he owns in Sampson County. Royal, 42, says the land he chose to reforest has been in his family since his great grandfather used it to grow cotton more than a century ago. Royal's father, C.A. Royal, deeded it to him in 2002. "I think it's a great program," said Royal, who works for Wachovia Bank in Raleigh. "I think the incentive is there to motivate and entice you to replant acreage that you might not otherwise plant."

Royal says it cost him \$350 to hire a consulting forester and to plant the trees. He received a reimbursement check from the NCDFR for \$196. Royal says even though his project wasn't a huge financial undertaking, he plans to continue using the program as he continues to reforest other parts of the 76-acre farm near his hometown of Salemburg. "I plan to keep this land in the family so I can keep timber on the property," says Royal. "I think that's good for the environment and a good investment as well." Royal said he plans one day to deed the same land to his sons, Barrett, 12, and Chip, 7. "After I cut the next wave of timber, who knows if I'll be around to reap the benefits," Royal said. "My kids will, though."

As part of its mission, the NCDFR is encouraging landowners, like Royal, to sustain their forestland rather than sell it to developers. Between 1990 and 2002, North Carolina lost a little more than 1 million acres of forestland to development, according to a forest inventory conducted by the NCDFR and the U.S. Forest Service. To understand the program's value, you can consider that 1 million acres of forestland:

- Would fit into an area about twice the size of Johnston County;
- Removes roughly 6 to 10 million tons of carbon dioxide each year;
- Produces 4 million tons of oxygen each year;
- Can provide North Carolina landowners with more than \$800 million in timber harvest revenue;
- Produces enough lumber to build more than 500,000 homes.
- Supplies enough oxygen for 18 million people to breathe each year

Appendix J: Assessment Rates on Timber Products from Other States

Comparison of State Timber Severance Taxes

State	\$/MBF Softwood Sawtimber/Veneer	\$/MBF Hardwood Sawtimber/Veneer	\$/Cord Softwood Pulpwood	\$/Cord Hardwood Pulpwood
North				
Carolina	0.50	0.40	0.20	0.12
Alabama	1.20	0.80	0.25	0.25
Mississippi	1.00	0.75	0.30	0.23
Louisiana	7.57	7.01	0.96	0.86

Some states have timber severance taxes, some have yield taxes, and some have no comparable tax at all. It is difficult to directly compare many of these states because their taxed units are different (similar to comparing "apples to oranges"). The following website has a compilation of all the states and the applicable severance or yield tax:

<http://www.timbertax.org/statetaxes/quickreference.asp>

Appendix K: Percentage of North Carolina Site Preparation, Planting, and Timber Stand Improvement Activities with FDP Funding

% of Site Preparation, Tree Planting and Timber Stand Improvement on NC's Non-Industrial, Private Forestland that is Funded by the Forest Development Program (FY1999-2008)

	FY	FDP Acres Completed			Total FDP Payment			FDP Payment per Acre			
		Site Prep.	Plant	TSI	Site Prep.	Plant	TSI	Site Prep.	Plant	TSI	
1990-2002 Average NIPF Acres by Action*:											
Final Harvest	199,300										
Partial Harvest	64,800										
Seed Traa	6,300										
Commercial Thinning	20,600										
Other Stand Improvement	9,800										
Site Prep.	45,000										
Artificial Regen.	63,000										
Natural Regen.	193,500										
		FY99-00	FY00-01	FY01-02	FY02-03	FY03-04	FY04-05	FY05-06	FY06-07	FY07-08	Total
		23,755	46,972	2,449	\$763,153	\$1,405,795	\$63,759	\$32	\$50	\$25	
		31,908	58,395	1,905	\$1,039,559	\$1,821,833	\$59,788	\$34	\$51	\$21	
		35,157	61,286	2,914	\$1,359,949	\$1,905,565	\$91,777	\$35	\$51	\$21	
		24,473	54,445	930	\$957,618	\$1,617,660	\$27,803	\$39	\$50	\$33	
		20,635	52,826	1,555	\$801,738	\$1,645,749	\$51,491	\$39	\$51	\$23	
		17,705	50,272	2,122	\$721,141	\$1,518,613	\$75,616	\$41	\$50	\$23	
		20,371	44,397	2,079	\$822,208	\$1,365,541	\$65,397	\$40	\$51	\$23	
		15,745	47,363	2,655	\$704,769	\$1,470,201	\$91,442	\$45	\$51	\$24	
		16,425	42,377	1,300	\$801,118	\$1,349,737	\$49,191	\$43	\$51	\$23	
		209,219	498,433	18,187	\$9,043,253	\$16,131,077	\$582,254	\$555	\$275	\$299	
		Average FY99-03	23,247	51,048	2,021	\$893,656	\$1,570,120	\$64,696	\$39	\$51	\$22

% Area Effectiveness of FDP		
Site Prep.	Plant	TSI
52%	51%	20%

* From "Forest Statistics for NC, 2002, Table 48"

Appendix L: Total Acres Planted with FDP Funds, by North Carolina County, Between 7/1/1998 and 6/30/2008

County Name	Acres Planted By FDP	Total Acres of Private Forest Land	Percentage Planted by FDP
Alamance	4,893	128,088	3.8%
Alexander	819	98,704	0.8%
Alleghany	3,787	85,065	4.5%
Anson	13,164	223,496	5.9%
Ashe	1,545	181,363	0.9%
Avery	118	103,532	0.1%
Beaufort	7,545	338,970	2.2%
Bertie	14,145	306,373	4.6%
Bladen	11,144	350,381	3.2%
Brunswick	2,425	378,039	0.6%
Buncombe	267	165,127	0.2%
Burke	1,011	203,020	0.5%
Cabarrus	4,191	87,891	4.8%
Caldwell	1,061	181,046	0.6%
Camden	1,503	46,610	3.2%
Carteret	1,332	112,016	1.2%
Caswell	12,477	153,525	8.1%
Catawba	1,446	110,529	1.3%
Chatham	12,697	239,590	5.3%
Cherokee	766	172,001	0.4%
Chowan	3,321	52,074	6.4%
Clay	421	34,973	1.2%
Cleveland	1,928	113,892	1.7%
Columbus	6,533	398,509	1.6%
Craven	4,972	196,707	2.5%
Cumberland	7,425	187,085	4.0%
Currituck	1,567	23,594	6.6%
Dare	42	10,497	0.4%
Davidson	9,158	170,139	5.4%
Davie	2,151	88,243	2.4%
Duplin	4,318	262,885	1.6%
Durham	1,380	72,717	1.9%
Edgecombe	9,606	172,053	5.6%
Forsyth	1,230	106,183	1.2%
Franklin	8,479	206,429	4.1%
Gaston	2,268	96,446	2.4%
Gates	6,492	117,117	5.5%
Graham	19	60,741	0.0%
Granville	11,515	200,232	5.8%
Greene	4,396	64,874	6.8%
Guilford	2,451	144,576	1.7%
Halifax	16,631	262,126	6.3%
Harnett	10,224	160,127	6.4%
Haywood	251	149,367	0.2%
Henderson	99	131,760	0.1%
Hertford	6,405	165,879	3.9%
Hoke	3,037	116,782	2.6%
Hyde	3,024	161,284	1.9%
Iredell	4,510	131,169	3.4%
Jackson	167	216,922	0.1%

County Name	Acres Planted By FDP	Total Acres of Private Forest Land	Percentage Planted by FDP
Johnston	6,652	195,769	3.4%
Jones	3,978	173,714	2.3%
Lee	3,921	115,871	3.4%
Lenoir	3,290	135,465	2.4%
Lincoln	1,740	81,251	2.1%
McDowell	260	148,409	0.2%
Macon	169	108,743	0.2%
Madison	8,018	169,968	4.7%
Martin	1,323	205,337	0.6%
Mecklenburg	677	53,755	1.3%
Mitchell	77	81,520	0.1%
Montgomery	19,784	167,215	11.8%
Moore	18,273	288,823	6.3%
Nash	7,607	176,319	4.3%
New Hanover	364	42,372	0.9%
Northampton	18,950	223,656	8.5%
Onslow	2,408	179,256	1.3%
Orange	3,560	110,724	3.2%
Pamlico	2,823	130,815	2.2%
Pasquotank	2,171	31,037	7.0%
Pender	5,070	370,712	1.4%
Perquimans	2,821	58,904	4.8%
Person	11,842	135,204	8.8%
Pitt	9,060	156,681	5.8%
Polk	2,335	88,828	2.6%
Randolph	12,879	250,227	5.1%
Richmond	9,479	195,257	4.9%
Robeson	11,157	332,954	3.4%
Rockingham	7,462	270,145	2.8%
Rowan	4,036	119,238	3.4%
Rutherford	5,272	179,319	2.9%
Sampson	11,488	274,147	4.2%
Scotland	5,770	120,515	4.8%
Stanly	4,993	123,460	4.0%
Stokes	4,754	177,598	2.7%
Surry	3,358	186,756	1.8%
Swain	53	57,632	0.1%
Transylvania	137	112,075	0.1%
Tyrrell	1,238	65,543	1.9%
Union	3,745	164,706	2.3%
Vance	5,536	92,365	6.0%
Wake	1,786	117,454	1.5%
Warren	9,530	209,131	4.6%
Washington	3,055	111,044	2.8%
Watauga	348	106,740	0.3%
Wayne	4,308	140,431	3.1%
Wilkes	4,504	318,829	1.4%
Wilson	4,929	93,816	5.3%
Yadkin	2,071	89,563	2.3%
Yancey	79	128,257	0.1%

From FDP database

Appendix M: Pine and Hardwood Planting in NC by Non-Industrial Private Landowners (1999-2008)

Costshare Program	2008		2007		2006		2005		2004		2003		2002		2001		2000		1999	
	Pine	Hrdwd	Pine	Hrdwd	Pine	Hrdwd	Pine	Hrdwd	Pine	Hrdwd	Pine	Hrdwd	Pine	Hrdwd	Pine	Hrdwd	Pine	Hrdwd	Pine	Hrdwd
FIP	0	0	0	0	35	0	35	0	172	0	450	0	2990	0	5005	0	4998	0	3516	0
WRP	0	30	0	0	0	0	0	0	0	0	32	360	218	0	0	0	22	634	0	0
EQIP	6	25	59	0	0	0	0	0	0	0	15	0	0	0	0	0	20	0	35	0
CRP	2249	71	2855	86	1562	36	1515	41	3311	252	671	103	2207	0	11450	1937	3586	469	968	33
SIP/ Stewardship	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	57	0	354	14
WHIP	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
FLEP	2652	0	1071	0	239	27	223	43	1176	0	0	0	0	0	0	0	0	0	0	0
FDP	42292	184	45048	84	44210	146	42502	1268	57174	220	47432	36	59347	143	66146	181	55734	214	77592	2047
NCA	159	10	461	0	180	2	0	0	348	0	0	0	491	0	1322	1	0	0	0	0
CREP	240	116	440	282	2113	846	2110	849	4565	991	2879	207	3883	0	0	0	0	0	0	0
Non-Cost Share	26883	7116	28788	7337	42084	10984	40859	10825	32661	11468	27411	6095	14037	0	25697	9829	8348	0	10582	1118
FRP	0	0	455	0	12	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total	74481	7552	79177	7789	90435	12041	87256	13026	99407	12931	78890	6801	83173	143	109620	11948	72765	1317	93047	3212
Forest Industry	24000	0	20000	0	21000	0	20000	0	19000	0	20000	0	19190	0	16334	0	25009	0	28827	0
Government	411	0	642	0	599	0	879	0	426	0	440	0	750	0	1092	0	1199	0	1284	0
Grand Total	98892	7552	99819	7789	93134	12041	108135	13026	118833	12931	99330	6801	103113	143	127046	11948	98973	1317	123158	3212

From the Georgia Forestry Commission's Annual Southeastern Reforestation Survey.

Forest Industry reforestation figures are likely under-reported.

NOTE: FIP=Forestry Incentives Program; ACP/EQIP=Agricultural Conservation Program/Environmental Quality Incentives Program; CRP=Conservation Reserve Program; FDP=Forest Development Program; FRRP=Forest Recovery and Rehabilitation Program; FLEP=Forestland Enhancement Program; NCA=NC Agricultural Cost-share Program; CREP=Conservation Reserve Enhancement Program; WRP=Wetland Reserves Program; SIP=Stewardship Incentives Program; FRP=Forest Recovery Program

Appendix N: Acres of NC Forest by County (USFS Forest Inv. & Analysis, 2006)

County	Ownership, 2006							Total
	National Forest (11)	Other National Forest (12)	Fish and Wildlife Service (23)	Department of Energy (24)	Other Federal (25)	State (31)	County, municipal, etc. (32)	
Alamance (1)	-	-	-	-	-	-	128,088	128,088
Alexander (2)	-	-	-	-	-	-	98,704	98,704
Alleghany (5)	-	-	-	-	-	-	85,065	85,065
Anson (7)	-	-	14,141	-	-	-	223,496	237,637
Ash (9)	-	-	-	-	-	-	181,363	181,363
Avery (11)	30,877	-	-	-	-	-	103,532	134,410
Beaufort (13)	-	-	-	-	7,438	3,638	338,970	350,046
Bertie (15)	-	-	7,404	-	-	-	306,373	313,777
Bladen (17)	-	-	-	-	44,059	-	350,381	394,440
Brunswick (19)	-	-	-	-	7,410	-	376,039	383,449
Buncombe (21)	35,880	-	-	-	-	30,877	165,127	231,884
Burke (23)	30,877	-	-	-	9,775	-	263,020	243,672
Cabarrus (25)	-	-	-	-	-	-	87,891	87,891
Caldwell (27)	50,186	-	-	-	7,719	-	181,046	238,952
Camden (29)	-	-	7,404	-	-	-	46,610	61,418
Carteret (31)	42,331	-	7,404	-	-	-	112,016	161,751
Caswell (33)	-	-	-	-	-	28,281	153,525	181,806
Catawba (35)	-	-	-	-	-	-	110,529	110,529
Chatham (37)	-	-	-	7,070	-	1,601	239,590	248,262
Cherokee (39)	76,639	-	-	-	-	-	172,001	248,640
Chowan (41)	-	-	-	-	-	-	52,074	52,074
Clay (43)	48,063	-	-	-	-	-	34,973	83,036
Cleveland (45)	-	-	-	-	-	14,141	113,892	128,032
Columbus (47)	-	-	-	-	-	13,985	398,509	412,494
Craven (49)	50,906	-	-	-	-	5,446	196,707	253,058
Cumberland (51)	-	-	-	25,486	1,884	7,410	187,085	221,866
Currituck (53)	-	-	7,251	-	5,446	7,005	23,594	43,305
Dare (55)	-	-	87,479	43,560	4,257	-	10,497	145,792
Davidson (57)	-	-	-	-	-	3,242	7,070	170,139
Davie (59)	-	-	-	-	-	-	88,243	88,243
Durbin (61)	-	-	-	-	-	646	262,885	263,531
Durham (63)	-	-	-	6,456	-	7,619	72,717	86,792
Edgecombe (65)	-	-	-	-	-	-	172,053	172,053
Forsyth (67)	-	-	-	-	-	8,601	106,183	114,784
Franklin (69)	-	-	-	-	-	-	206,429	206,429
Gaston (71)	-	-	-	-	-	-	96,446	96,446
Gates (73)	-	-	14,808	-	7,404	-	117,117	139,329
Graham (75)	97,071	-	-	-	-	-	60,741	157,811
Granville (77)	-	-	-	14,141	-	5,303	200,232	219,676
Greene (79)	-	-	-	-	-	-	2,967	64,874
Guilford (81)	-	-	-	-	-	-	24,679	144,576
Halifax (83)	-	-	-	-	-	5,446	262,126	267,571
Harnett (85)	-	-	-	7,535	-	7,410	160,127	175,074
Haywood (87)	46,316	-	-	-	-	7,719	149,367	203,402
Henderson (89)	7,719	-	-	-	-	-	131,760	152,397
Hertford (91)	-	-	-	-	-	-	165,879	165,879
Hoke (93)	-	-	-	51,489	-	-	116,782	168,271
Hyde (95)	-	-	19,667	7,404	-	12,850	161,284	201,204
Iredell (97)	-	-	-	-	-	-	131,169	131,169
Jackson (99)	35,985	-	-	-	-	5,041	216,922	257,948
Johnston (101)	-	-	-	-	-	-	195,769	195,769
Jones (103)	36,648	-	-	-	-	20,076	173,714	230,438
Lee (105)	-	-	-	-	-	-	115,871	115,871
Lenoir (107)	-	-	-	-	-	-	135,465	135,465
Lincoln (109)	-	-	-	-	-	-	81,251	81,251
McDowell (111)	85,083	-	-	-	-	-	148,409	233,492
Macon (113)	181,108	-	-	-	-	1,672	108,743	291,523
Madison (115)	38,596	-	-	-	-	-	169,958	208,564
Martin (117)	-	-	-	-	-	14,409	205,337	219,746
Mecklenburg (119)	-	-	-	-	-	-	37,252	53,755
Mitchell (121)	20,842	-	-	-	14,141	1,412	81,520	102,362
Montgomery (123)	48,566	-	-	-	-	-	167,215	231,334
Moore (125)	-	-	-	7,410	-	9,162	288,823	312,403
Nash (127)	-	-	-	-	-	-	1,815	176,319
New Hanover (129)	-	-	-	-	-	3,769	1,992	42,372
Northampton (131)	-	-	-	-	-	-	223,656	223,656
Onslow (133)	-	-	112,169	-	55,048	35,115	179,256	381,589
Orange (135)	-	-	-	-	7,070	7,070	110,724	124,865
Pamlico (137)	-	-	-	-	7,404	-	130,615	138,219
Pasquotank (139)	-	-	-	-	-	-	31,037	31,037
Pender (141)	-	-	-	-	-	44,463	370,712	415,175
Perquimans (143)	-	-	-	-	-	-	58,904	58,904
Person (145)	-	-	-	-	-	-	135,204	135,204
Polk (147)	-	-	-	-	-	-	156,681	163,991
Polk (149)	-	-	-	-	-	9,291	88,828	98,119
Randolph (151)	4,965	7,070	-	-	7,070	-	250,227	269,332
Richmond (153)	-	-	7,410	-	7,007	5,255	195,257	214,929
Robeson (155)	-	-	-	-	-	-	322,954	322,954
Rockingham (157)	-	-	-	-	-	-	270,145	270,145
Rowan (159)	-	-	-	-	-	2,229	119,238	128,537
Rutherford (161)	-	-	-	-	-	14,738	179,319	194,057
Sampson (163)	-	-	-	-	-	10,383	274,147	284,530
Scotland (165)	-	-	-	-	-	14,975	120,515	135,491
Stanly (167)	-	-	-	-	-	-	123,460	123,460
Stokes (169)	-	-	-	-	7,070	-	177,598	184,668
Surry (171)	-	-	-	-	4,998	-	186,756	191,755
Swain (173)	15,025	-	-	-	-	7,890	57,632	80,547
Taneyhanla (175)	90,717	-	-	-	15,610	7,719	112,075	226,121
Tyrrell (177)	-	-	29,616	-	7,404	29,217	65,543	131,780
Union (179)	-	-	-	-	-	-	164,706	164,706
Vanice (181)	-	-	-	12,821	7,668	-	92,365	112,853
Wake (183)	-	-	-	7,070	-	12,062	117,454	145,560
Warren (185)	-	-	-	-	-	-	209,131	209,131
Washington (187)	-	-	-	-	-	12,850	111,044	123,894
Watauga (189)	-	-	-	-	-	-	106,740	106,740
Wayne (191)	-	-	-	-	-	-	140,431	140,431
Wilkes (193)	-	-	-	-	-	17,368	318,829	336,197
Wilson (195)	-	-	-	-	-	-	93,816	93,816
Yadkin (197)	-	-	-	-	-	-	89,563	89,563
Yancey (199)	30,877	-	-	-	-	-	128,257	159,134

Totals: 1,105,977 7,070 202,594 302,614 43,687 539,007 237,033 15,606,300 18,045,681

Appendix O: Forest Inventory and Analysis Factsheet-North Carolina 2002 (from 2002 USFS FIA data)



Forest Inventory & Analysis Factsheet North Carolina 2002

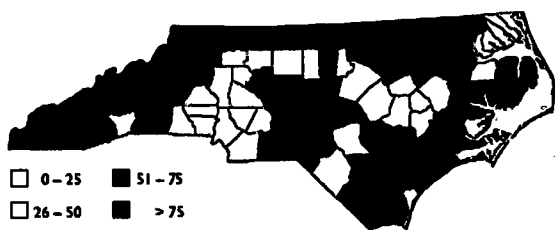
May 2006

Area

Forestland. North Carolina's forests covered 18.3 million acres, or 59 percent of the land area in 2002. Of the State's 100 counties, 67 were more than 50 percent forested, but only 20 were > 75 percent forested. Counties with the highest percentage of forestland were concentrated in the mountainous regions of the State.

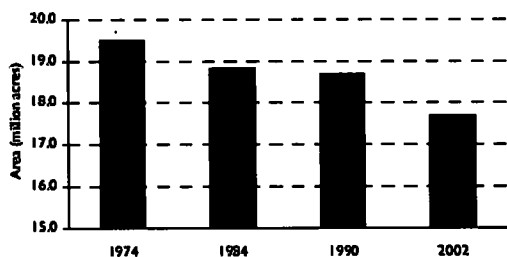
Most of the State's forestland, 97 percent or 17.7 million acres, were classified as timberland. The remaining 3 percent, or 552,000 acres, were classified as reserved forestland. Reserved forestland was mostly located in the Great Smoky Mountains National Park, national forest wilderness areas, and State parks.

Percent forestland by county, 2002



Timberland. The area of timberland in the State has decreased for the last 4 surveys. Timberland dropped 800,000 acres between 1974 and 1984. There was only a minimal decline between 1984 and 1990. However, between 1990 and 2002, timberland fell by 5 percent or 1.0 million acres. The resultant 17.7 million acres of timberland represent the smallest amount in North Carolina since the surveys began. The net loss was largely driven by conversion to urban and other land uses, conversion to agricultural uses was a far second.

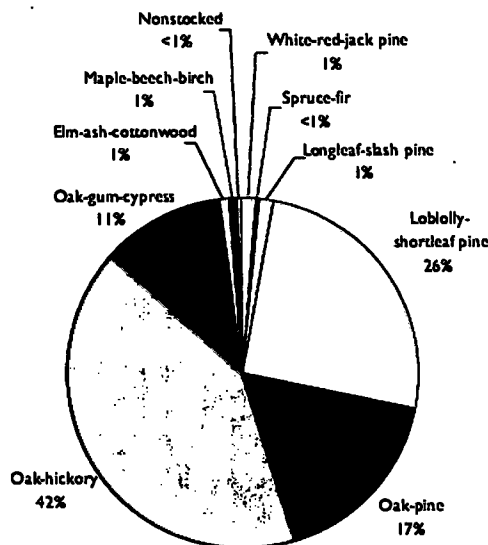
Area of timberland, 1974 to 2002



Forest type. Altogether, hardwood types comprised 72 percent of the State's timberland. Upland hardwood types made up 60 percent and lowland hardwood types 12 percent. Yellow pine types accounted for 27 percent of the timberland. White pine and nominal areas of spruce-fir combined for < 2 percent.

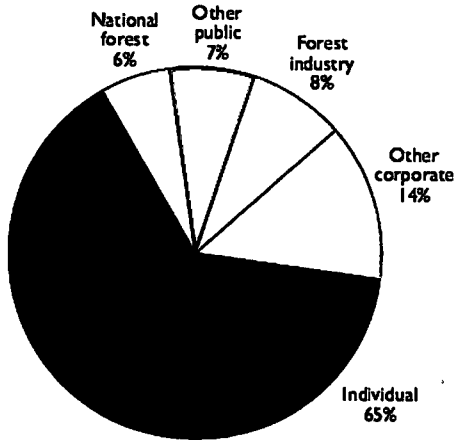
Planted stands occupied 15 percent, or 2.6 million acres, of the State's timberland, up by 17 percent since 1990. These planted stands consisted of 2.1 million acres in pine types and 0.5 million acres classified as oak-pine stands.

Area of timberland by forest-type group



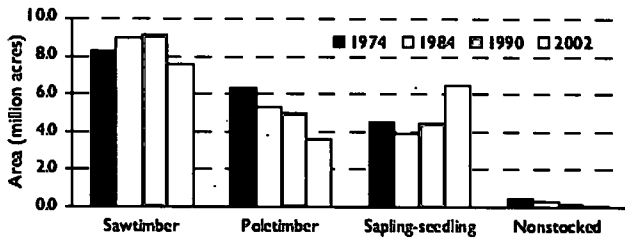
Ownership. Private individuals owned 65 percent, or 11.4 million acres, of North Carolina's timberland. Corporate ownership controlled 14 percent, or 2.4 million acres. Corporate ownership increased by 22 percent since 1990. Public agencies owned 13 percent, or nearly 2.4 million acres. Total public timberland increased by 401,000 acres since 1990. National forest lands, at 1.1 million acres, comprised 47 percent of all publicly owned timberland. Timberland owned by forest industry declined by one-third since 1990 to 1.5 million acres, 8 percent of the State total.

Timberland by ownership, 2002



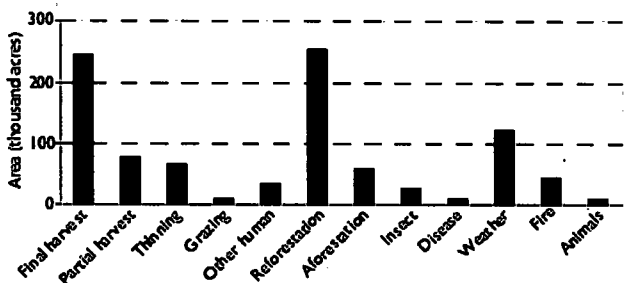
Stand size. Sawtimber-size stands covered more of the State's timberland than did other stand-sizes despite a 1.6 million acre decline in area. Sawtimber-size stands occupied 43 percent, or 7.6 million acres. Poletimber-size stands also decreased, by 1.3 million acres. Poletimber-size stands occupied 3.6 million acres and accounted for 20 percent of the State's timberland. In contrast, sapling-seedling size stands increased in area by 2.0 million acres. Sapling-seedling size stands made up 37 percent of total timberland.

Stand-size class by survey year, timberland



Disturbances. Both natural and human induced disturbances impacted timberland. Between 1990 and 2002, an area equivalent to about 6 percent of the State's timberland acreage averaged being impacted annually. Of human induced impacts, final harvest affected the most acreage with an average of 246,000 acres annually. Reforestation, both natural and artificial means combined, involved an average of 255,000 acres each year. Of natural impacts to timberland, weather was greatest, followed by fire and then insects. Weather damaged an average of 122,000 acres annually, fire 43,000, and insects 26,000.

Disturbances by type



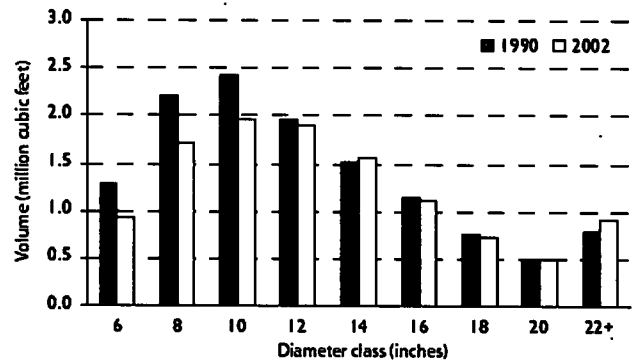
Volume and Change

Softwood trees. Volume of softwood species accounted for 34 percent of the State's total tree volume. Softwood volume decreased by 10 percent since 1990 to 11.4 billion cubic feet. Most of the softwood volume decrease occurred in the 6-, 8-, and 10-inch diameter classes. Loblolly pine accounted for most of the softwood volume, with 59 percent or 6.7 billion cubic feet. Planted pine forest types made up 28 percent, or 3.1 billion cubic feet, of total softwood volume.

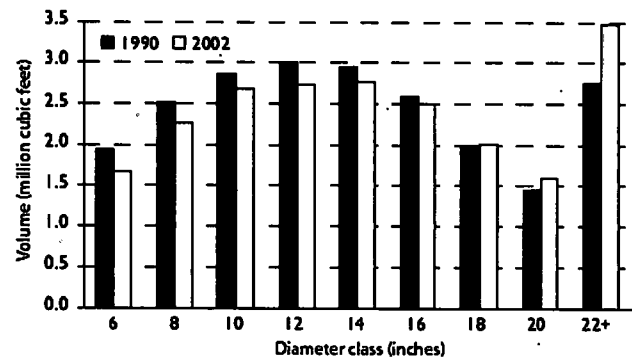
Hardwood trees. Volume of hardwood species made up 66 percent of the State's total tree volume. However, hardwood volume decreased 2 percent since 1990 to 21.6 billion cubic feet. The decrease in hardwood volume was somewhat evenly distributed across the diameter classes. Yellow-poplar was the predominant individual hardwood species with 4.1 billion cubic feet. Soft maple and sweet-gum were next with 2.5 and 2.1 billion cubic feet, respectively.

Volume in live trees by d.b.h., timberland

Softwoods



Hardwoods



Growth. Total or gross growth of all live trees averaged nearly 1.7 billion cubic feet annually in the State for the period 1990-2001. Softwoods accounted for 814 million cubic feet or 49 percent of gross growth. Hardwoods accounted for 837 million cubic feet or 51 percent. Gross growth of both hardwood and softwood trees increased 3 and 5 percent, respectively.

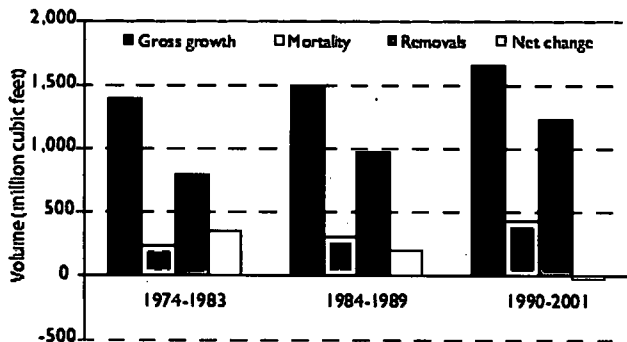
Mortality. Total mortality of all live trees averaged 426 million cubic feet annually for the period 1990-2001. Hardwoods accounted for 235 million cubic feet or 55 percent of the mortality. Softwoods accounted for 191 million cubic feet or 45 percent. Total mortality of both hardwood and softwood trees increased, but the change was much greater for softwoods. Hardwood mortality increased 40 million cubic feet annually, whereas softwood mortality rose 72 million cubic feet annually.

Removals. Total removals of all live trees averaged more than 1.2 billion cubic feet annually for the period 1990-2001. Softwoods accounted for 59 percent, or 729 million cubic feet of the removals. Hardwoods accounted for 41 percent or 498 million cubic feet. Total removals of both hardwood and softwood trees increased, but the total increase was primarily driven by softwood removals. Hardwood removals increased 37 million cubic feet annually, whereas softwood removals rose 216 million cubic feet annually.

Net change. Net change is determined by the interaction of gross growth, mortality, and removals. Gross growth, the sum of all growth components, is reduced by mortality. The deduction of mortality from gross growth leaves net growth. The resultant net growth is further reduced by removals. The deduction of removals yields a remainder referred to as net change.

For the survey periods 1974-1983 and 1984-1989, net change in volume was positive, resulting in an accumulating resource. For the survey period 1990-2001, the net change was slightly negative.

Average annual live tree gross growth, mortality, removals, and net change on timberland by survey



Statistical Reliability

A measure of reliability of inventory statistics is provided by sampling errors. These sampling errors mean that the chances are two out of three that the true population value is within the limits indicated by a confidence interval. Sampling errors (in percent) and associated confidence intervals around the sample estimates for timberland area, inventory volumes, and components of change are presented in the following table.

Statistical Reliability for North Carolina, 2002

Item	Sample estimate and confidence interval	Sampling error percent
Timberland (1,000 acres)	17,684.4 ± 60.1	0.34
All live (million ft ³)		
Inventory	33,011.9 ± 544.7	1.65
Net annual growth	1,225.4 ± 28.7	2.34
Annual removals	1,227.0 ± 45.2	3.68
Annual mortality	425.8 ± 15.2	3.56

More detailed data about North Carolina's timberland, associated sampling errors and their calculation, and further definitions of terms is available in Southern Research Station Resource Bulletin SRS-88, titled "Forest Statistics for North Carolina, 2002." The publication can be found on the Web at <http://www.srs.fs.usda.gov/pubs/6274>.

Definition of Terms

Average annual gross growth. Average annual increase in volume of trees 5.0 inches d.b.h. and larger in the absence of cutting and mortality. Gross growth includes survivor growth, ingrowth, growth on ingrowth, growth on removals before removal, and growth on mortality before death.

Average annual mortality. Average annual volume of trees 5.0 inches d.b.h. and larger that died from natural causes during the intersurvey period.

Average annual net growth. Average annual net change in volume of trees 5.0 inches d.b.h. and larger in the absence of removals during the intersurvey period. Average annual net growth is equal to average annual gross growth minus average annual mortality.

Average annual removals. Average annual volume of trees 5.0 inches d.b.h. and larger removed from the inventory by harvesting, cultural operations, (such as timber-stand improvement), land clearing, or changes in land use during the intersurvey period.

D.b.h. Tree stem diameter in inches measured outside the bark and 4.5 feet above the ground (breast height).

Forestland. Land at least 10 percent stocked by forest trees of any size, or formerly having had such tree cover, and not currently developed for nonforest use. The minimum dimensions are 1 acre in size and 120 feet in width.

Timberland. Forestland capable of producing 20 cubic feet of wood volume per acre annually and not withdrawn from timber utilization.

Reserved forestland. Public forestland capable of producing 20 cubic feet of wood volume per acre annually, but withdrawn from timber utilization through statute or administrative regulation.

Other forestland. Forestland that is incapable of producing 20 cubic feet of wood volume per acre annually under natural conditions due to adverse site conditions such as sterile soils, dry climate, poor drainage, high elevation, steepness, or rockiness.

Forest industry land. Private land owned by companies or individuals operating primary wood-using plants.

Forest type. Forestland classification of the species forming a plurality of live tree stocking, and largely based on an algorithm of tallied trees.

Forest-type groups. A combination of forest types that share closely associated species or site requirements. For this report, groups are: longleaf-slash, loblolly-shortleaf, oak-pine, oak-hickory, oak-gum-cypress, elm-ash-cottonwood, maple-beech-birch, white-red-jack pine, and spruce-fir.

Hardwoods. Dicotyledonous trees, usually broadleaf and deciduous.

Nonforestland. Land that either has never supported forests, e.g., marsh, noncensus water, or land formerly forested that has been developed for agricultural or urban uses.

Nonstocked. A forest condition < 10 percent stocked with live trees.

Private land: Individual or other corporate land.

Individual. Private land owned by individuals and families, including farms, where the owner does not own a primary wood-using plant or is not a formally incorporated company or organization.

Other corporate land. Private land owned by companies

or organizations, including farms, other than forest industry land, e.g. hunt club-owned land, nongovernment organizations, real estate investment trusts, timber investment management organizations.

Poletimber. Softwood species 5.0 to 8.9 inches d.b.h. and hardwoods 5.0 to 10.9 inches d.b.h.

Saplings. Live trees 1.0 to 4.9 inches d.b.h.

Sawtimber. Softwood species 9.0 inches d.b.h. and larger and hardwoods 11.0 inches d.b.h. and larger.

Seedlings. Live trees < 1.0 inch d.b.h. and \geq 1 foot tall for hardwoods, \geq 6 inches tall for softwoods.

Softwoods. Coniferous trees, usually evergreen, having needles or scale-like leaves.

Stand. Vegetation of a specific area (\geq 1 acre in size and \geq 120 feet in width) and sufficiently uniform in species composition, age arrangement, structure, and condition as to be distinguished from the vegetation on adjoining areas.

Stand-size class. A classification of forestland based on the diameter class distribution of live trees in the stand. Largely based on an algorithm of tallied trees and stocking.

Stocking. Stem density assigned to a sampled tree, expressed as a percent of the total density required to utilize the growth potential of the land.

Tree. Woody plants having one erect perennial stem or trunk at least 3 inches d.b.h., a more or less definitely formed crown of foliage, and a height of at least 13 feet at maturity.

Volume. The amount of sound wood in live trees at least 5.0 inches d.b.h. from a 1-foot stump to a minimum 4.0-inch top diameter outside bark of the central stem.



For more information, contact:

Mark J. Brown, Forester
Forest Inventory and Analysis
Southern Research Station, USDA Forest Service
4700 Old Kingston Pike, Knoxville, TN 37919
Phone (865) 862-2000 FAX (865) 862-0262
Email: mbrown03@fs.fed.us
Southern FIA: <http://srsfia2.fs.fed.us>
National FIA: <http://fia.fs.fed.us>

Barry D. New, Program Head
Technical Development & Planning
North Carolina Department of Environment and
Natural Resources, Division of Forest Resources
1616 Mail Service Center, 10th Floor Archdale Bldg.
Raleigh, NC 27699
Phone (919) 733-2162 ext. 249 FAX (919) 715-5247
Email: barry.new@ncmail.net
www.dfr.state.nc.us



Appendix P: Forest Products Industry Emerges as North Carolina's Largest Manufacturing Industry



NCFA

North Carolina Forestry Association

1600 Glenwood Ave, Suite I

Raleigh, NC 27608

(919) 834-3943 fax: (919) 832-6188

www.ncforestry.org

Contact: Chris Brown
cbrown@ncforestry.org

News Release

FOREST PRODUCTS INDUSTRY EMERGES AS NORTH CAROLINA'S LARGEST MANUFACTURING INDUSTRY

Surpasses Textile Industry as Top Manufacturing Employer

RALEIGH, NC (FEBRUARY 9, 2007) -- The forest products industry has surpassed textiles as North Carolina's number one manufacturing industry in terms of employment and wages, according to the latest statistics collected by the College of Natural Resources at North Carolina State University. The textiles figures include textile mills, textile product mills and apparel manufacturing while the forest products statistics include logging, wood products, paper and wood furniture.

- **# of Employees:** 103,165 Forest Products vs. 82,110 Textiles
- **# Number of Facilities:** 2,742 Forest Products vs. 1,237 Textiles
- **Annual Wages:** \$3.6 billion Forest Products vs. \$2.5 billion Textiles

"I don't know of a manufacturing segment that would be larger than Forest Products in North Carolina," stated David Ashcraft, the Executive Director of Development and College Relations, College of Natural Resources at N.C. State University. "If we combine the economic value of all uses of the forest such as tourism, recreation, Christmas trees and etc. with the manufacturing impact of forest products, I believe the resulting 'Forestry and Forest Products' entity would have the largest economic impact of any similar entity in North Carolina."

Even though the employment figure of 103,165 for the forest products industry is tops among manufacturing industries, the industry has lost jobs over the past five years due to the new global economy. In 2002, the forest products industry employed 118,489 North Carolinians. Virtually all of the loss of employment is from the furniture segment of the industry, which like textiles, has been moving off-shore.

The forest products industry has always been an important part of the state's economy. The state's "Tar Heel" nickname traces its roots back to colonial times when North Carolina led the world in the production of naval stores, such as pine tar and turpentine. Today, there are forest products facilities located in every county of North Carolina, many of which are family owned businesses.

A key factor in the health of this industry is the state's 17-plus million acres of forests which provide the raw material for the forest industry. Forests are the dominant land use in North Carolina, occupying 58 percent of land area. Almost 90 percent of these forests are privately owned by some 700,000 landowners.

“A key reason we have as much forestland as we do today is that landowners enjoy healthy markets for what they are growing. Healthy forests depend on a healthy forest industry,” said North Carolina Forestry Association Executive Vice President Bob Slocum.

When compared to the forest industry in other states, North Carolina ranks in the top 10 nationally in virtually every economic measure.

“We are fortunate to have so many markets for our trees,” explained Dr. Robert Cooper, the chair of the North Carolina Tree Farm program for the previous two years. “I have visited several states through my involvement with the Tree Farm program, and in some cases, the landowners struggle to find markets for their timber. We manage our farm for recreation, wildlife and aesthetics, but in the end, to justify our investment and land use, we hope to harvest timber for a profit. We certainly need a healthy industry. We also need more money for the North Carolina Division of Forest Resources and their programs such as the forest development fund.”

The NCFCA has produced two separate booklets on the state’s latest forest inventory data and the health of the forest products industry in North Carolina. These publications are listed on the home page under the headlines section of the NCFCA’s website: www.ncforestry.org.

“With a net loss of one million acres of forestland to other uses over the past 12 years, we must maintain the economic value of our forests. This will take healthy markets for wood products, attractive incentives for private landowners to keep and manage their forests and strong public support,” said Slocum.

For more information, please contact Bob Slocum or Chris Brown at the NCFCA at (800) 231-7723. Dr. Cooper can be reached at (336) 716-3473. David Ashcraft can be reached at (919) 515-5723.

FOREST PRODUCTS INDUSTRY OVERVIEW

➤ Number of manufacturing facilities ¹	2,742
➤ Number of manufacturing employees ¹	103,168
➤ Number of private landowners selling trees ²	300,000
➤ Contribution to State Gross Product ³ , \$billion.....	6.1
➤ Wages ¹ , \$ billion.....	3.6
➤ Value of shipments ⁴ , \$ billion.....	19.4
➤ Economic benefits of Forest, \$ billion	30.3
➤ Products in North Carolina ⁵ , Jobs	272,364
➤ Economic benefit - Jobs, including private landowners	586,144

Statistical Footnotes

- 1 NC Employment Security Commission, 2Q06. NAICS codes 113, 321, 322 and 337. (Logging, Wood Products, Furniture and Paper.) <http://eslmi23.esc.state.nc.us/ew/EVYear.asp?Report=1>
- 2 Estimate
- 3 <http://www.bea.gov/bean/regional/gsp/2004>. Logging is excluded
- 4 Annual Survey of Manufacturers, 2005 statistics. <http://www.census.gov/mcd/asmhome.html>. Logging is excluded.
- 5 The total economic activity of Forest Products in North Carolina can be determined by using an Input/Output (I/O) model such as IMPLAN, devised by the Minnesota IMPLAN Group. Although that analysis was not done for this profile, a review of “Economic Benefits of the Forestry Industry in Georgia” provided the basis for estimating the North Carolina numbers. Using the Georgia study, the jobs multiplier for North Carolina is 2.64 while the economic multiplier is 1.56. Riall, B. William. “Economic Benefits of the Forestry Industry I Georgia: 2001.” Economic Development Institute, Georgia Institute of Technology.

Appendix Q: Effect of an FDP discontinuation on NC state personal income tax revenue

Effect of an FDP discontinuation on NC state personal income tax revenue												Scenario A: No Change in Cost Share			Scenario B: Cost Share Discontinued				
MLRA A	Species/Stand Type B	Rotation Length C	Annualized NPV D	Capitalized Value (per acre) E	Site Class Factor F	Timberland Factor G	Planted Factor H	Average Planted Capitalized Value I	Natural Factor J	Average Natural Capitalized Value K	Planted Acres = 50,000		Planted Acres = 25,150	Natural Acres = 24,850		Total Tax Revenue (Distributed) S			
											Capitalized Value (Distributed) L	Total Tax Revenue (Distributed) M	Capitalized Value (Distributed) N	Tax Revenue (Distributed) P	Capitalized Value (Distributed) Q		Tax Revenue (Distributed) R	P + R	
Reference	Reference	Reference	Reference	D/D.04	F/A Data	F/A Data	F X G	E x H	F X G	E x J	E x H x 50,000	L x 0.07	E x H x 25,150	N x 0.07	E x J x 24,850	Q x 0.07	S		
153A/133A	Mixed Hardwood	50	\$16.60	\$415.00	100%	35%			35%	\$145.25							\$282,862		
	Loblolly Pine (86-104)	30	\$51.45	\$1,286.50	40%	35%	14%	\$180.11			\$9,005,500	\$630,385	\$4,528,767	\$317,884	\$3,008,468	\$212,662	\$317,884		
	Loblolly Pine (66-85)	30	\$29.86	\$746.50	48%	35%	17%	\$125.41			\$6,270,600	\$438,942	\$3,139,412	\$228,788	\$2,910,624	\$207,788	\$228,788		
	Loblolly Pine (60-65)	40	\$11.37	\$284.25	12%	35%	4%	\$11.94			\$596,925	\$41,785	\$308,253	\$21,818	\$286,435	\$20,600	\$21,818		
	Pond Pine (50-55)	50	\$5.69	\$142.25		35%											\$0		
	Longleaf Pine	50	\$4.16	\$104.00		35%											\$0		
153B	Mixed Hardwood	50	\$12.86	\$321.50	100%	6%			6%	\$19.29					\$479,357	\$33,555	\$33,555		
	Loblolly Pine (86-104)	30	\$46.26	\$1,156.50	41%	6%	2%	\$28.45			\$1,422,495	\$99,575	\$715,515	\$50,086	\$665,429	\$47,086	\$50,086		
	Loblolly Pine (66-85)	30	\$29.86	\$746.50	47%	6%	3%	\$21.05			\$1,052,565	\$73,680	\$529,440	\$37,061	\$492,379	\$34,061	\$37,061		
	Loblolly Pine (60-65)	40	\$11.37	\$284.25	12%	6%	1%	\$2.05			\$102,330	\$7,163	\$51,472	\$3,603	\$47,869	\$3,603	\$3,603		
	Pond Pine	50	\$5.61	\$140.25		6%											\$0		
137	Mixed Hardwood	50	\$17.21	\$430.25	100%	4%			4%	\$17.21					\$427,602	\$29,937	\$29,937		
	Loblolly Pine (86-104)	30	\$55.47	\$1,386.75	28%	4%	1%	\$15.53			\$776,580	\$54,361	\$390,620	\$27,343	\$362,963	\$26,343	\$27,343		
	Loblolly Pine (66-85)	30	\$32.02	\$800.50	58%	4%	2%	\$18.57			\$928,580	\$65,001	\$467,076	\$32,695	\$434,381	\$24,695	\$32,695		
	Loblolly Pine (60-65)	50	\$12.68	\$317.00	14%	4%	1%	\$1.78			\$88,760	\$6,213	\$44,646	\$3,125	\$41,521	\$3,125	\$3,125		
	Longleaf Pine (50-55)	50	\$5.19	\$129.75		4%											\$0		
136	Mixed Hardwood	50	\$16.81	\$420.25	31%	35%			11%	\$45.60					\$1,133,089	\$79,316	\$79,316		
	Loblolly Pine (86-104)	30	\$30.76	\$769.00	36%	35%	13%	\$96.89			\$4,844,700	\$339,129	\$2,436,884	\$170,582	\$2,266,302	\$153,582	\$170,582		
	Loblolly Pine (66-85)	30	\$19.36	\$484.00	51%	35%	18%	\$86.39			\$4,319,700	\$302,379	\$2,172,809	\$152,097	\$2,020,712	\$134,097	\$152,097		
	Loblolly Pine (60-65)	40	\$7.67	\$191.75	13%	35%	5%	\$8.72			\$436,231	\$30,536	\$219,424	\$15,360	\$204,064	\$13,840	\$15,360		
	Upland Hardwoods	50	\$9.11	\$227.75	69%	35%			24%	\$55.00					\$1,366,790	\$95,675	\$95,675		
130	Mixed Hardwood	50	\$16.14	\$403.50	50%	20%			10%	\$40.15					\$1,002,698	\$70,189	\$70,189		
	White Pine (70-89)	30	\$31.13	\$778.25	54%	20%	11%	\$84.05			\$4,202,550	\$294,179	\$2,113,883	\$147,972	\$1,965,911	\$147,972	\$147,972		
	White Pine (55-69)	35	\$8.95	\$223.75	46%	20%	9%	\$20.59			\$1,029,250	\$72,048	\$517,713	\$36,240	\$481,473	\$36,240	\$36,240		
	Shortleaf/Mixed hwd	60	\$3.58	\$89.50	25%	20%			5%	\$4.48					\$111,204	\$7,784	\$7,784		
	Upland oak ridge (40-68)	70	\$3.32	\$83.00	25%	20%			5%	\$4.15					\$103,128	\$7,219	\$7,219		
							100%	\$701.54	100%	\$331.32	\$35,076,766	\$2,455,374	\$17,643,613	\$1,235,063	\$16,408,550	\$1,235,063	\$1,811,391		
															Total Lost Tax Revenues		\$643,983		

Appendix R: Procedure for Selecting Random Landowners for the FDP Tree Planting Survey

Two excel data tables were generated from the DFR's internal FDP database. The first table contained individual records of all the approved forest practices for a given project. Each project would have at least one, but usually many records associated with the project (site preparation, planting, timber stand improvement, etc.). The second table contained a list of every landowner associated with each project. Only one landowner was associated with each project, but landowners could have many different projects.

The two tables were combined and sorted by the type of forestry practice (site prep, planting, timber stand improvement, etc.). Following the sort, any records that were not associated with a "tree planting" activity were deleted. This reduced the data in the table from 32,183 records to 18,922 records.

An extra field was added to the combined data table and a unique random number between 0 and 1 was generated for each of the records using an excel formula. The resulting random number generated by the formula was copied and pasted as a value to permanently assign the random number to each record.

The combined data table was then sorted using the NC county code as the primary sort field, and the random number as the secondary sort field. The sort generated a table with all the records sorted by county, in order of their random number from smallest to largest.

Another field called the "Sample Group" was added to the table. In the sample group field, the notation "Primary" was placed in the sample group cell for each of the first five records for each county that did not have duplicate landowner names. The notation "Secondary" was placed in the next three sample group cells for each county that did not have duplicate landowner names. This resulted in eight randomly selected records for each county with eight different landowners, each record having either a notation of "Primary" or "Secondary" determined by the rank of its assigned random number. Two counties, Dare County, and Graham County only had three records and four records respectively and therefore were given fewer than five "primary" notations and no "secondary" notations.

The combined data table was used as the input table for a pivot table that generated a list of the five randomly picked "primary" landowners and three randomly picked "secondary" landowners for each county (except Dare and Graham counties). The pivot table also listed pertinent information regarding the project such as the application ID#, landowner address, the FDP forestry practice, and the approved acres.

Question 1:		
Row Labels	Responses	Percent
Statement A	205	44.6%
Statement B	174	37.7%
Statement C	83	17.6%
Grand Total	462	100.0%
Question 2:		
Row Labels	Responses	Percent
20 Percent	10	12.0%
40 Percent	37	44.6%
60 Percent	30	36.1%
80 Percent	6	7.2%
Grand Total	83	100.0%

FDP District/Region	Total Planted	Percent	Total Not Planted	Percent	Total Acres
	4	7.4%	790	51.6%	1530
	7	11.0%	240	17.8%	1347
	8	68.4%	683.6	52.6%	1304
	13	314.4%	581.6	63.0%	988
Region 1	1720.8	54.7%	2501.2	43.3%	5080
	3	78.6%	506.4	53.0%	1508
	9	828.8	1067.2	56.9%	1876
	6	338.2	509.8	58.2%	908
	10	697.2	645.8	48.1%	1343
	11	851.8	621.2	42.8%	1480
Region 2	3428.6	47.1%	3628.4	51.9%	7127
	1	222.2	181.8	36.4%	507
	2	175.6	221.4	77.1%	367
	9	67.2	145.8	68.2%	213
	12	682.6	411.4	38.7%	1064
Region 3	1317.6	47.7%	1330.4	62.3%	2651
North Carolina	7466	60.3%	7305	48.7%	14733

Survey Question #1: "If FDP cost share assistance had not been available when you were deciding to plant trees, which of the following statements best describes how you would have reacted?"
Statement A: " Without the FDP cost share money, I would not have planted trees on any acreage."
Statement B: " Without the FDP cost share money, I would have planted the same number of acres with trees."
Statement C: " Without the FDP cost share money, I would have planted trees, but on fewer acres."

Survey Question #2: "You indicated that you would have planted fewer acres with trees if FDP cost share funds had not been available. In the following statement, which percentage number best describes the amount of acreage you would have planted with trees. Without FDP cost share funds, I would have planted trees on about 20%, 40%, 60%, or 80% of the original acreage."

Appendix T: North Carolina GS § 105-259 Secrecy required of officials; penalty for violation (“disclosure law”)

§ 105-259. Secrecy required of officials; penalty for violation.

(a) Definitions. – The following definitions apply in this section:

- (1) Employee or officer. – The term includes a former employee, a former officer, and a current or former member of a State board or commission.
- (2) Tax information. – Any information from any source concerning the liability of a taxpayer for a tax, as defined in G.S. 105-228.90. The term includes the following:
 - a. Information contained on a tax return, a tax report, or an application for a license for which a tax is imposed.
 - b. Information obtained through an audit of a taxpayer or by correspondence with a taxpayer.
 - c. Information on whether a taxpayer has filed a tax return or a tax report.
 - d. A list or other compilation of the names, addresses, social security numbers, or similar information concerning taxpayers.

The term does not include (i) statistics classified so that information about specific taxpayers cannot be identified, (ii) an annual report required to be filed under G.S. 55-16-22 or (iii) the amount of tax refunds paid to a governmental entity listed in G.S. 105-164.14(c) or to a State agency.

(b) Disclosure Prohibited. – An officer, an employee, or an agent of the State who has access to tax information in the course of service to or employment by the State may not disclose the information to any other person unless the disclosure is made for one of the following purposes:

- (1) To comply with a court order, an administrative law judge's order in a contested tax case, or a law.
- (2) Review by the Attorney General or a representative of the Attorney General.
- (3) To exchange the following types of information with a tax official of another jurisdiction if the laws of the other jurisdiction allow it to provide similar tax information to a representative of this State:
 - a. Information to aid the jurisdiction in collecting a tax imposed by this State or the other jurisdiction.
 - b. Information needed for statistical reports and revenue estimates.
- (4) To provide a governmental agency or an officer of an organized association of taxpayers with a list of taxpayers who have paid a privilege license tax under Article 2 of this Chapter.
- (5) To furnish to the chair of a board of county commissioners information on the county sales and use tax.
- (5a) Reserved.
- (5b) To furnish to the finance officials of a city a list of the utility taxable gross receipts and piped natural gas tax revenues attributable to the city under G.S. 105-116.1 and G.S. 105-187.44 or under former G.S. 105-116 and G.S. 105-120.
- (5c) To provide the following information to a regional public transportation authority or a regional transportation authority created pursuant to Article 26 or Article 27 of Chapter 160A of the General Statutes on an annual basis, when the information is needed to enable the authority to administer its tax laws:
 - a. The name, address, and identification number of retailers who collect the tax on leased vehicles imposed by G.S. 105-187.5.

- b. The name, address, and identification number of a retailer audited by the Department of Revenue regarding the tax on leased vehicles imposed by G.S. 105-187.5, when the Department determines that the audit results may be of interest to the authority.
- (5d) To provide the following information to a county or city on an annual basis, when the county or city needs the information for the administration of its local prepared food and beverages tax, room occupancy tax, vehicle rental tax, or heavy equipment rental tax:
 - a. The name, address, and identification number of retailers who collect the sales and use taxes imposed under Article 5 of this Chapter and may be engaged in a business subject to one or more of these local taxes.
 - b. The name, address, and identification number of a retailer audited by the Department regarding the sales and use taxes imposed under Article 5 of this Chapter, when the Department determines that the audit results may be of interest to the county or city in the administration of one or more of these local taxes.
- (6) To sort, process, or deliver tax information on behalf of the Department of Revenue.
- (6a) To furnish the county or city official designated under G.S. 105-164.14(f) a list of claimants that have received a refund of the county sales or use tax to the extent authorized in G.S. 105-164.14(f).
- (7) To exchange information with the Division of the State Highway Patrol of the Department of Crime Control and Public Safety, the Division of Motor Vehicles of the Department of Transportation, the International Fuel Tax Association, Inc., or the Joint Operations Center for National Fuel Tax Compliance when the information is needed to fulfill a duty imposed on the Department of Revenue, the Division of the State Highway Patrol of the Department of Crime Control and Public Safety, or the Division of Motor Vehicles of the Department of Transportation.
- (7a) To furnish the name and identifying information of motor carriers whose licenses have been revoked to the administrator of a national criminal justice system database that makes the information available only to criminal justice agencies and public safety organizations.
- (8) To furnish to the Department of State Treasurer, upon request, the name, address, and account and identification numbers of a taxpayer who may be entitled to property held in the Escheat Fund.
- (9) To furnish to the Employment Security Commission the name, address, and account and identification numbers of a taxpayer when the information is requested by the Commission in order to fulfill a duty imposed under Article 2 of Chapter 96 of the General Statutes.
- (9a) To furnish information to the Employment Security Commission to the extent required for its NC WORKS study of the working poor pursuant to G.S. 108A-29(r). The Employment Security Commission shall use information furnished to it under this subdivision only in a nonidentifying form for statistical and analytical purposes related to its NC WORKS study. The information that may be furnished under this subdivision is the following with respect to individual income taxpayers, as shown on the North Carolina income tax forms:
 - a. Name, social security number, spouse's name, spouse's social security number, and county of residence.
 - b. Filing status and federal personal exemptions.

- c. Federal taxable income, additions to federal taxable income, and total of federal taxable income plus additional income.
 - d. Income while a North Carolina resident, total income from North Carolina sources while a nonresident, and total income from all sources.
 - e. Exemption for children, nonresidents' and part-year residents' exemption for children, and credit for children.
 - f. Expenses for child and dependent care, portion of expenses paid while a resident of North Carolina, portion of expenses paid while a resident of North Carolina that was incurred for dependents who were under the age of seven and dependents who were physically or mentally incapable of caring for themselves, credit for child and dependent care expenses, other qualifying expenses, credit for other qualifying expenses, total credit for child and dependent care expenses.
- (10) Review by the State Auditor to the extent authorized in G.S. 147-64.7.
- (11) To give a spouse who elects to file a joint tax return a copy of the return or information contained on the return.
- (11a) To provide a copy of a return to the taxpayer who filed the return.
- (11b) In the case of a return filed by a corporation, a partnership, a trust, or an estate, to provide a copy of the return or information on the return to a person who has a material interest in the return if, under the circumstances, section 6103(e)(1) of the Code would require disclosure to that person of any corresponding federal return or information.
- (11c) In the case of a return of an individual who is legally incompetent or deceased, to provide a copy of the return to the legal representative of the estate of the incompetent individual or decedent.
- (12) To contract with a financial institution for the receipt of withheld income tax payments under G.S. 105-163.6 or for the transmittal of payments by electronic funds transfer.
- (13) To furnish the following to the Fiscal Research Division of the General Assembly, upon request:
- a. A sample, suitable in character, composition, and size for statistical analyses, of tax returns or other tax information from which taxpayers' names and identification numbers have been removed.
 - b. An analysis of the fiscal impact of proposed legislation.
- (14) To exchange information concerning a tax imposed by Subchapter V of this Chapter with the Standards Division of the Department of Agriculture and Consumer Services when the information is needed to administer the Gasoline and Oil Inspection Act, Article 3 of Chapter 119 of the General Statutes.
- (15) To exchange information concerning a tax imposed by Articles 2A, 2C, or 2D of this Chapter with one of the following agencies when the information is needed to fulfill a duty imposed on the Department or the agency:
- a. The North Carolina Alcoholic Beverage Control Commission.
 - b. The Division of Alcohol Law Enforcement of the Department of Crime Control and Public Safety.
 - c. The Bureau of Alcohol, Tobacco, and Firearms of the United States Treasury Department.
 - d. Law enforcement agencies.
 - e. The Division of Community Corrections of the Department of Correction.

- (15a) To furnish to the head of the appropriate State or federal law enforcement agency information concerning the commission of an offense under the jurisdiction of that agency discovered by the Department during a criminal investigation of the taxpayer.
- (16) To furnish to the Department of Secretary of State the name, address, tax year end, and account and identification numbers of a corporation liable for corporate income or franchise taxes or of a limited liability company liable for a corporate or a partnership tax return to enable the Secretary of State to notify the corporation or the limited liability company of the annual report filing requirement or that its articles of incorporation or articles of organization or its certificate of authority has been suspended.
- (16a) To provide the North Carolina Self-Insurance Security Association information on self-insurers' premiums as determined under G.S. 105-228.5(b), (b1), and (c) for the purpose of collecting the assessments authorized in G.S. 97-133(a).
- (17) To inform the Business License Information Office of the Department of Commerce of the status of an application for a license for which a tax is imposed and of any information needed to process the application.
- (18) To furnish to the Office of the State Controller the name, address, and account and identification numbers of a taxpayer upon request to enable the State Controller to verify statewide vendor files or track debtors of the State.
- (19) To furnish to the North Carolina Industrial Commission information concerning workers' compensation reported to the Secretary under G.S. 105-163.7.
- (20) **(Repealed effective January 1, 2012)** To furnish to the Environmental Management Commission information concerning whether a person who is requesting certification of a dry-cleaning facility or wholesale distribution facility from the Commission is liable for privilege tax under Article 5D of this Chapter.
- (21) To exchange information concerning the tax on piped natural gas imposed by Article 5E of this Chapter with the North Carolina Utilities Commission or the Public Staff of that Commission.
- (22) To provide the Secretary of Administration pursuant to G.S. 143-59.1 a list of vendors and their affiliates who meet one or more of the conditions of G.S. 105-164.8(b) but refuse to collect the use tax levied under Article 5 of this Chapter on their sales delivered to North Carolina.
- (23) To provide public access to a database containing the names and account numbers of taxpayers who are not required to pay sales and use taxes under Article 5 of this Chapter to a retailer because of an exemption or because they are authorized to pay the tax directly to the Department of Revenue.
- (24) To furnish the Department of Commerce and the Employment Security Commission a copy of the qualifying information required in G.S. 105-129.7(b) or G.S. 105-129.86(b).
- (25) To provide public access to a database containing the names of retailers who are registered to collect sales and use taxes under Article 5 of this Chapter.
- (26) To contract for the collection of tax debts pursuant to G.S. 105-243.1.
- (27) To provide a report required under this Chapter.
- (28) To exchange information concerning a tax credit claimed under Article 3E of this Chapter with the North Carolina Housing Finance Agency.
- (29) To provide to the Economic Investment Committee established pursuant to G.S. 143B-437.48 information necessary to implement Part 2F of Article 10 of Chapter 143B of the General Statutes.

- (30) To prove that a business does not meet the definition of "small business" under Article 3F of this Chapter because the annual receipts of the business, combined with the annual receipts of all related persons, exceeds the applicable amount.
- (31) **(Repealed for business activities occurring in taxable years beginning on or after January 1, 2020)** To verify with a related entity or strategic partner information relating to that entity provided by a taxpayer claiming a credit under Article 3G of this Chapter.
- (32) Repealed by Session Laws 2006-162, s. 4(c), as amended by Session Laws 2007-527, s. 24, effective July 24, 2006.
- (33) To provide to the North Carolina State Lottery Commission the information required under G.S. 18C-141.
- (34) To exchange information concerning a tax credit claimed under G.S. 105-130.47 or G.S. 105-151.29 with the North Carolina Film Office of the Department of Commerce and with the regional film commissions.
- (35) To furnish to a taxpayer claiming a credit under Article 3G of this Chapter information from a related entity or strategic partner to the extent that information was used by the Secretary to adjust the amount of tax credit claimed by the taxpayer.
- (36) To furnish to a taxpayer claiming a credit under G.S. 105-130.47 or G.S. 105-151.29 information used by the Secretary to adjust the amount of the credit claimed by the taxpayer.
- (37) To furnish the Department of Commerce with the information needed to complete the studies required under G.S. 105-129.2A and G.S. 105-129.82.
- (38) **(Effective for taxable years beginning before January 1, 2008)** To verify with a nonprofit organization information relating to eligibility for a credit under G.S. 105-129.16H.
- (38) **(Effective for taxable years beginning on or after January 1, 2008)** To verify with a nonprofit organization or a unit of State or local government information relating to eligibility for a credit under G.S. 105-129.16H.

(c) **Punishment.** – A person who violates this section is guilty of a Class 1 misdemeanor. If the person committing the violation is an officer or employee, that person shall be dismissed from public office or public employment and may not hold any public office or public employment in this State for five years after the violation. (1939, c. 158, s. 928; 1951, c. 190, s. 2; 1973, c. 476, s. 193; c. 903, s. 4; c. 1287, s. 13; 1975, c. 19, s. 29; c. 275, s. 7; 1977, c. 657, s. 6; 1979, c. 495; 1983, c. 7; 1983 (Reg. Sess., 1984), c. 1004, s. 3; c. 1034, s. 125; 1987, c. 440, s. 4; 1989, c. 628; c. 728, s. 1.47; 1989 (Reg. Sess., 1990), c. 945, s. 15; 1993, c. 485, s. 31; c. 539, s. 712; 1994, Ex. Sess., c. 14, s. 51; c. 24, s. 14(c); 1993 (Reg. Sess., 1994), c. 679, s. 8.4; 1995, c. 17, s. 11; c. 21, s. 2; 1997-118, s. 6; 1997-261, s. 14; 1997-340, s. 2; 1997-392, s. 4.1; 1997-475, s. 6.11; 1998-22, ss. 10, 11; 1998-98, ss. 13.1(b), 20; 1998-139, s. 1; 1998-212, s. 12.27A(o); 1999-219, s. 7.1; 1999-340, s. 8; 1999-341, s. 8; 1999-360, s. 2.1; 1999-438, s. 18; 1999-452, s. 28.1; 2000-120, s. 8; 2000-173, s. 11; 2001-205, s. 1; 2001-380, s. 5; 2001-476, s. 8(b); 2001-487, ss. 47(d), 123; 2002-87, s. 7; 2002-106, s. 5; 2002-172, s. 2.3; 2003-349, s. 4; 2003-416, s. 2; 2004-124, s. 32D.3; 2004-170, s. 23; 2004-204, 1st Ex. Sess., s. 4; 2005-276, ss. 31.1(cc), 39.1(c), 7.27(b); 2005-400, s. 20; 2005-429, s. 2.13; 2005-435, ss. 32(b), 32(c), 37, 48; 2006-162, s. 4(c); 2006-196, s. 11; 2006-252, s. 2.21; 2007-397, s. 13(d); 2007-491, s. 38; 2007-527, ss. 24, 33, 34, 35, 36; 2008-107, s. 28.25(d); 2008-144, s. 4.)

Appendix U: Recaptured FDP cost share funds due to non-maintenance of 10-year clause 1999-2008

FDP application #	Landowner name	Payback date	Amount
11959	Lloyd and Barbara Barnes	1/1/1999	\$ 159.20
12630	Dr. E. Marie Roberts	6/30/1999	\$ 1,207.08
12895	Haywood Rankin	8/2/1999	\$ 273.60
14424	Edith T. Godfrey	10/27/1999	\$ 800.00
17047	Jerry Philbeck	1/25/2000	\$ 156.00
16609	R K Jernigan	11/17/2000	\$ 979.88
14183	Ronnie C. Reid, Jr.	12/8/2000	\$ 1,786.00
17887	Peggy Price	1/5/2001	\$ 1,248.00
11636	Marion K. Williams	11/13/2001	\$ 153.60
12377	Louise Corpering	1/1/2002	\$ 550.00
23214	Joe Maranuk	8/9/2002	\$ 2,482.00
22919	Mary Overman & James Julius Poe	4/10/2003	\$ 572.00
24109	William McNeil	6/13/2003	\$ 660.00
22346	Hobert Sanderson	9/17/2003	\$ 696.00
24494 & 024495	Irwin Stone	9/17/2003	\$ 112.00
21525	Hazel N Scotten	12/31/2003	\$ 450.00
24218	Melville Farms	2/14/2004	\$ 420.00
26250	Madge Baber	3/17/2004	\$ 1,444.80
26439	Ricky Wicker Estate	7/4/2004	\$ 1,251.25
27629	Pansy Rhodes	8/13/2004	\$ 1,400.00
20513	Harold McDowell	8/31/2004	\$ 1,443.20
25656	James Wicker	11/19/2004	\$ 288.00
24194	Dale Newport	11/22/2004	\$ 462.00
28235	Richard Salentine	8/10/2005	\$ 219.53
28944	Charles & Bessie Blackwell	3/2/2006	\$ 312.00
31645	M D Townsley	8/10/2006	\$ 132.00
27521 21587	E M Harris, III et al	11/13/2006	\$ 5,391.10
12345	Randolph J. Weisskoff	12/21/2006	\$ 140.00
26377	John Phifer	1/14/2007	\$ 806.40
33406	Ned Gold	9/20/2007	\$ 252.00
24075	Dale Newport	9/26/2007	\$ 832.00
33883	Fred Kearns Heirs	10/8/2008	\$ 420.00
16262	Kendall Yoder	10/16/2008	\$ 790.40

Joint Appropriations Subcommittee on NER

Agenda

Wednesday, March 11, 2009, 9:00 A.M.
Room 423, Legislative Office Building

Rep. Pierce, Presiding

I. Welcome

Rep. Pierce

II. Continuation Review Summary and Options

Kristine Leggett, *Fiscal Research Division*

III. Industrial Commission, Safety Education Section

Pam Young, Chair
Jim Gilreath, Safety Representative

IV. Continuation Review Options

Lanier McRee, *Fiscal Research Division*

V. DENR, Forest Development Program

Sean Brogan, Director, *Forest Management and Development*

V. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)
Rep. Pierce (Chair)
Rep. Warren (Chair)
Rep. Justice (Vice Chair)
Rep. Wilkins (Vice Chair)
Rep. Wray (Vice Chair)
Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

Senate Appropriations Subcommittee on NER

Sen. McKissick (Chair)
Sen. Weinstein (Chair)
Sen. Foriest, Sen. Jacumin, Sen. Rouzer

House Pages

Name Of Committee: NER Date: 3-11-09

1. Name: Parker Lee
County: Davie
Sponsor: Howard
2. Name: Justin Hess
County: Forsyth
Sponsor: Mr. Megee
3. Name: Anu Singh
County: Wake
Sponsor: Sen. Stevens
4. Name: Tiffany Harmon
County: Caldwell
Sponsor: Senator Jacumin
5. Name: Emily Hamre
County: Wilson
Sponsor: Swindell

Sgt-At-Arms

1. Name: DAVID SHEARON
2. Name: JAMES WORTH
3. Name: RON SPANN
4. Name: ERNIE SHERRELL
5. Name: ---

VISITOR REGISTRATION SHEET

H. N. E. R.
Name of Committee

3/11/09
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Meredith Henderson	Industrial Commission, Dobbs Bldg 430 Salisbury St.
Pam Young	" " "
JIM GILREATH	" " "
Dennis Parnell	" " "
Elizabeth Riser	DENR
Anita McNeil	DENR
Cathy Hardy	DENR
David Knight	DENR
L. Andrews	NCFB
Art Britt	NCDA
Jay Hicks	Dept. Agriculture
Jennifer Higwood	NCDA
Kevin Beauregard	NCDA

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Joshua Heasty	• NC STATE Observer
Suzanna Vick	NC State student
Marshall Reid	NC Department of Revenue
Larry J. Such	NC Div. Forest Resources
Patrick Buffi	NMR
George Everett	Duke Energy
Michael Mann	DENR
Doug Lassiter	NCSTA
Will Owen	DENR - Forest Resources
Diann Riosley	DENR - Forestry
Bob Lorum	NCFA

VISITOR REGISTRATION SHEET

NER

3-11-09

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Preston Howard	MCIC
Tina Morris-Anderson	NCDOZ
Heather Barrett	Hurton & Williams
Anthony Brown	NEAC
PBF	NCFH
Jim Teague	NMRS
Dorey Jones	Business Ct of NC

APPROPRIATIONS SUBCOMMITTEE ON
NATURAL AND ECONOMIC RESOURCES

MINUTES
MARCH 18, 2009

Representative Pricey Harrison called the meeting to order at 8:30 a.m., March 18, 2009, in room 423 of the Legislative Building. In addition to Chairperson Harrison, those in attendance were Representatives Warren, Co-Chair, Wilkins, Wray, Bryant, Langdon, Samuelson ; Fiscal Research Staff Leggett, Walker and McRee. Representatives Pierce, Justice, Sager and West were absent.

Kristine Leggett, Fiscal Research Staffer, presented a budget overview of the Commerce Division. Exhibit B.


David Brown of the Office of State Budget and Management presented "Truth in Budgeting" referencing the Governor's Recommended Budget.

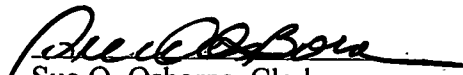
Trevor Minor, OSBM, presented the Governor's Recommended Budget for Commerce, Exhibit C.

The Governor's Recommended Budget for Department of Agriculture and Consumer Services was presented by Donna Cox, DENR, Exhibit D.

After committee discussion, the meeting was adjourned at 9:50 a.m.

Respectfully submitted


Rep. Pricey Harrison, Chair


Sue O. Osborne, Clerk

Attachments:

Exhibit A: Sergeants-At-Arms

Pages

Visitors

Exhibit B

Exhibit C

Exhibit D

House Pages

Name Of Committee: NER Date: 3-18-09

1. Name: Mariah Governor

County: Columbus

Sponsor: D-Hill

2. Name: Jandy Clemmons

County: Wake

Sponsor: WEISS

3. Name: Kelsey Radeniser

County: Wake

Sponsor: Stevens

4. Name: Elizabeth West

County: Wayne

Sponsor: Davis

5. Name: Preston Radeniser

County: ~~Fredrickson~~ Wake

Sponsor: Richard Stevens

Sgt-Ai-Arms

1. Name: DAVID SHEARON

2. Name: JAMES WORTH

3. Name: ERNIE SHERRELL

4. Name: RON SPANN

5. Name: -

Exhibit A

VISITOR REGISTRATION SHEET

NER

3-28-09

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
GORDON MYERS	NCWRC
ART BRITT	LABOR
JENNIFER HAIGWOOD	LABOR
JACK BRINSON	LABOR
JULIE KEENER RIGBY	MUSEUM OF LIFE AND SCIENCE 433 MURRAY AVE, DURHAM NC 27704
Jane A. Patterson	E-NC Agency
L. Andrews	NCFB
David Brown	OSBM
Amy McConkey	Smith Anderson
Elizabeth Biser	DENR
Cathy Hardy	DENR

VISITOR REGISTRATION SHEET

NER

Name of Committee

3/18/09

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Mig Bailey	Electri. Cities of NC, Inc.
Donna Barnes	Commerce
Shanna Hobby	Commerce
Tommy Clark	North Carolina Wildlife Resources Comm.
JOHN SHAW	WAKE UP WAKE CO.
Angie Bailey	The e-NC Authority
Ben McNeil	NC Regional Council Directors
Ben Crawford	CCNC
Catherine Stogner	Agriculture
Vernie Denton	Agriculture
Joy Hicks	NEDA:CS

VISITOR REGISTRATION SHEET

NER

Name of Committee

3/18/09

Date

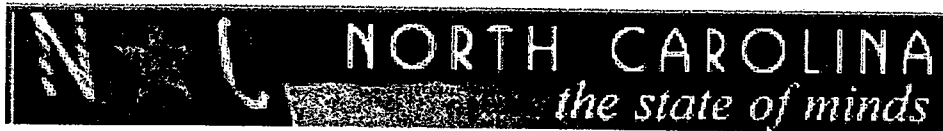
VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

NAME	FIRM OR AGENCY AND ADDRESS
Grady Rubin	NC Cabinet N. Tel.
PH P	NC ZB
N. David Smith	NZ Dept. of Agriculture
Joe Lanier	SZO WICKER
John S	Roebel CRP
ZEB ALLEY	N M R S
Conn Coker	B P MHL
John Bull	NC Zoo Society

Department of Commerce



Budget Overview

Joint Appropriations Subcommittee on
Natural and Economic Resources

March 18, 2009



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Exhibit B

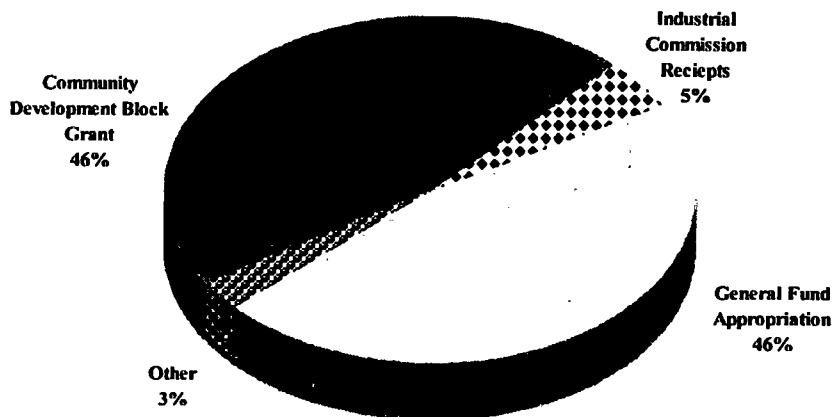
Department of Commerce Mission

To improve the economic well being and quality of life for all North Carolinians.

 FISCAL RESEARCH DIVISION
A STATE AGENCY OF THE NORTH CAROLINA DEPARTMENT OF COMMERCE

March 18, 2009

Total Continuation Budget All Sources FY 2009-10



Total Budget: \$99,124,251

 FISCAL RESEARCH DIVISION
A STATE AGENCY OF THE NORTH CAROLINA DEPARTMENT OF COMMERCE

March 18, 2009

Organization

Administration

- Fiscal management
- Human Resources

Executive Aircraft

Management Information Systems

Policy, Research & Strategic Planning

Board of Science and Technology

Wanchese Seafood Industrial Park

Business and Industry Development

- 9 Regional Offices

Finance Center

- One NC
- Job Development Investment Grant (JDIG)
- Industrial Development Fund (IDF)

International Trade

Tourism Film & Sports Development

- Tourism
- Film Office
- 9 Welcome Centers

Community Assistance

- Community Development Block Grants (CDBG)
- Main Streets Program
- 21st Century Communities

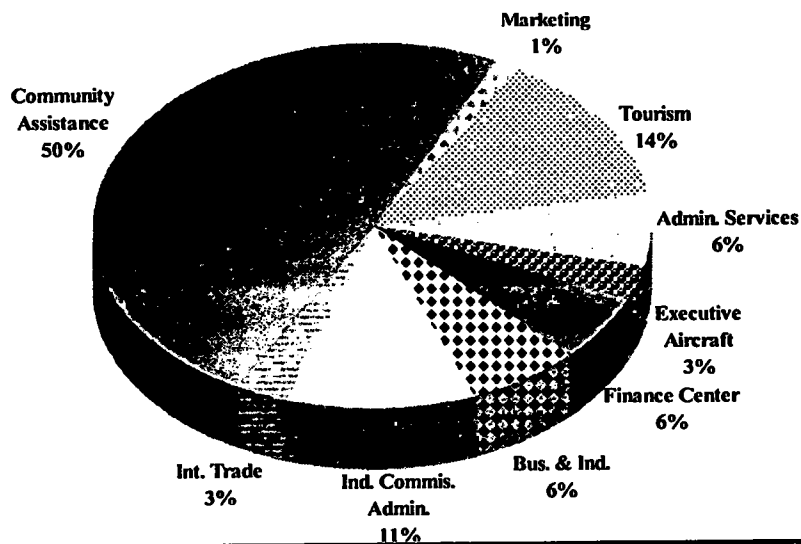
Division of Workforce Development

- One Stop/JobLink Centers
- 24 Workforce Boards

Note: This Division is funded in 24600 - Commerce Special Funds

Industrial Commission

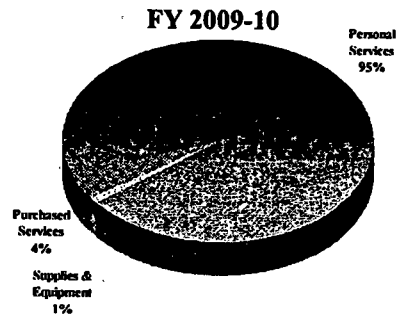
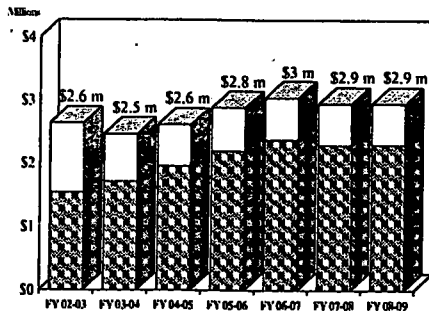
Budget Breakdown FY 2009-10



Administrative Services

- Human Resources & Fiscal Management
- Leadership
- Legal

**Continuation Budget:
\$3,035,118**



Administrative Services Budget Actions

2007

Non-profit Monitoring Position \$70,409 R

2008

Operating Efficiencies (\$18,215) R

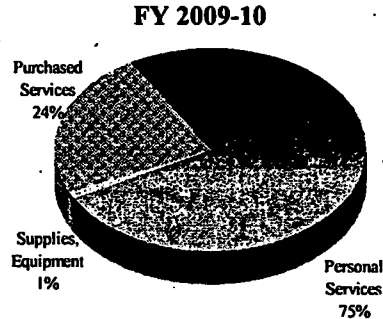
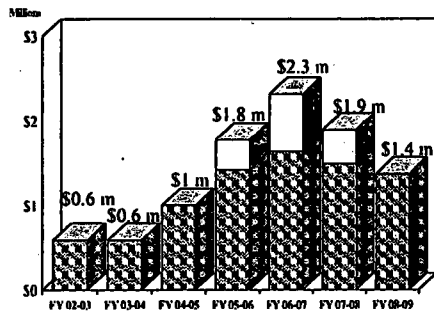
Governor's Recommendations

Continuation: \$51,740 increase to Purchased Services

Policy & Research

- Policy Analysis
- Economic Research
- EDIS

Continuation Budget:
\$1,264,045



Policy & Research Budget Actions

2007

Economic Development Intelligence System (EDIS)	\$297,898 R
	\$500,000 NR

2008

Operating Efficiencies	(\$8,916) R
EDIS	\$150,000 NR



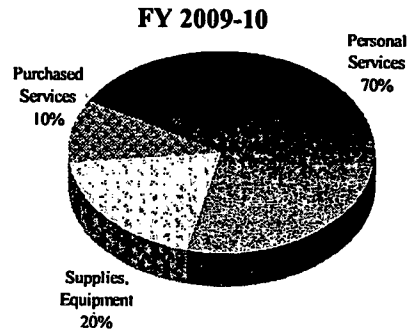
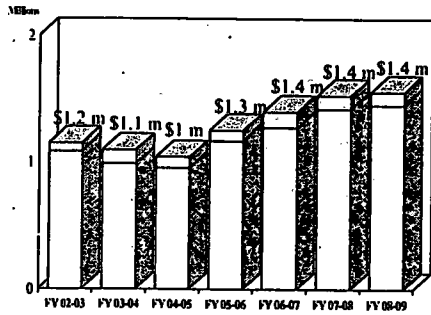
Governor's Recommendations

Continuation: No significant changes

Management Information Systems (MIS)

- IT Support
- Website

Continuation Budget:
\$1,378,738



MIS Budget Actions

2007

None.

2008

Operating Efficiencies (\$9,727) R

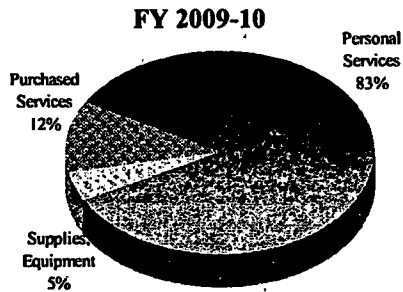
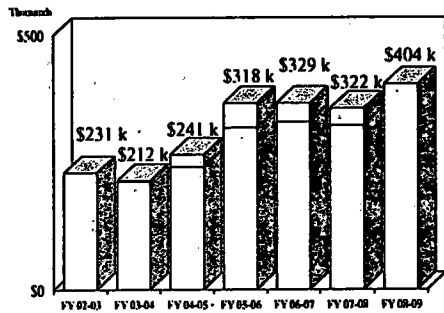
←—————→
Governor's Recommendations

Continuation: Reduction of \$98,035 for OSBM's ITS Consolidation

Board of Science and Technology

- Oversight of One NC Small Business Fund
- Studies

**Continuation Budget:
\$370,952**



Board of Science and Technology Budget Actions

2007

None.

2008

Operating Efficiencies

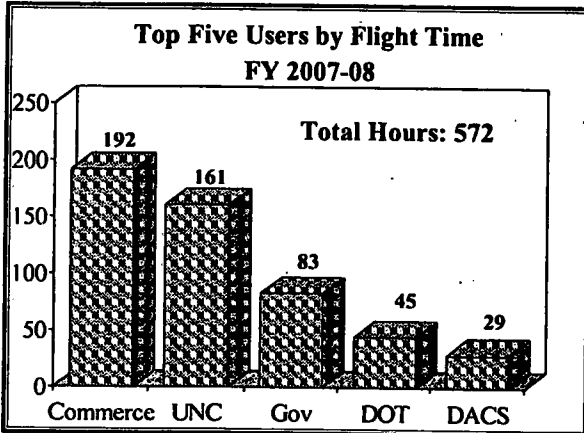
(\$2,628) R

Governor's Recommendations

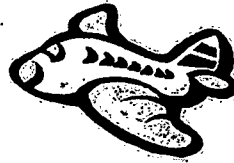
Continuation: No changes

Executive Aircraft

Provides air transportation for economic development and State Officials



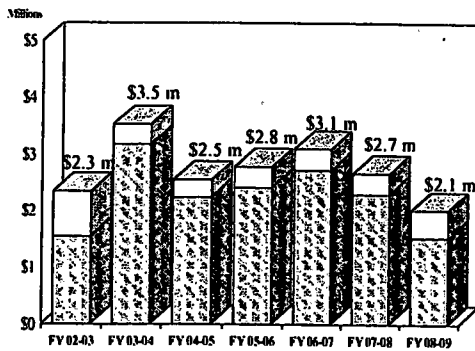
- Cessna Citation Bravo
- Sikorsky Helicopter
- Beechcraft King Air



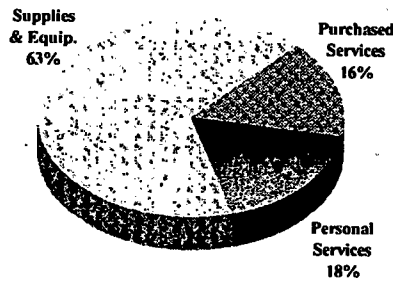
5 Pilots, 2 Maintenance

Executive Aircraft

Continuation Budget: \$3,180,165



FY 2009-10



Executive Aircraft Budget Actions

2007

Increase Aircraft Rates	(\$100,000) R
Eliminate Continuation Budget Increase	(\$423,572) R

2008

Delay Aircraft Purchase	(\$1,156,428) NR
Operating Efficiencies	(\$20,651) R

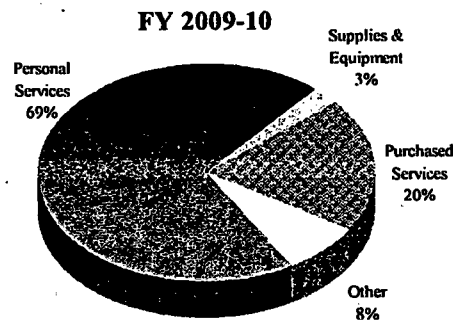
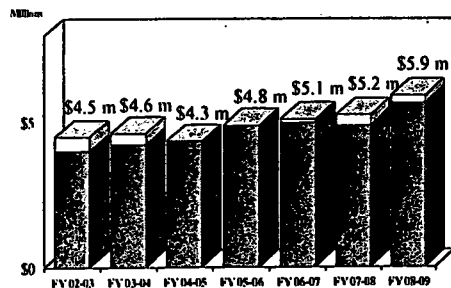
Governor's Recommendations

Continuation: No significant changes

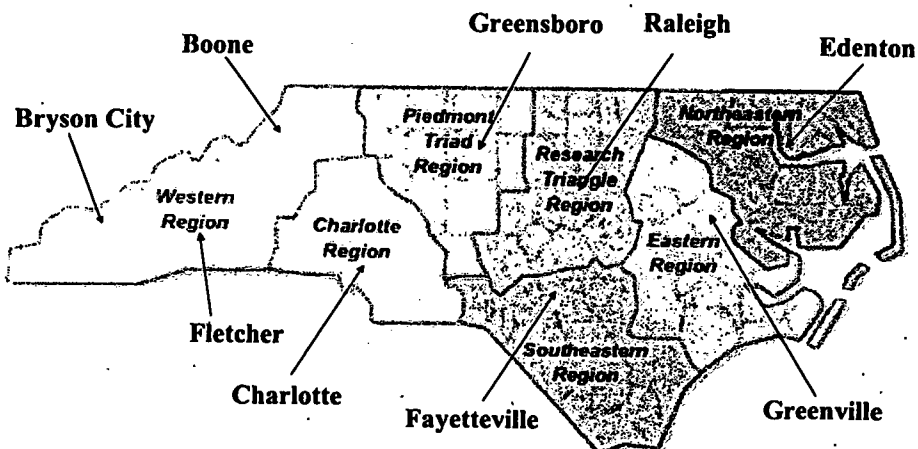
Division of Business and Industry (B&I)

- Recruitment, retention, and expansion services
- Business ServiCenter
- BLNC (www.blnc.gov)

Continuation Budget: \$5,577,268



B&I Regional Offices



9 Regional Offices

B&I Budget Actions

2007

Northeast Regional Office Econ. Developer \$92,447 R

2008

Operating Efficiencies (\$41,768) R

Building and Sites Website Redesign \$100,000 NR

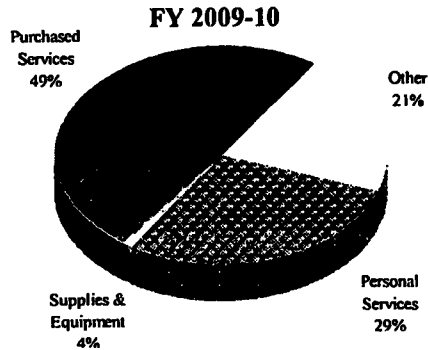
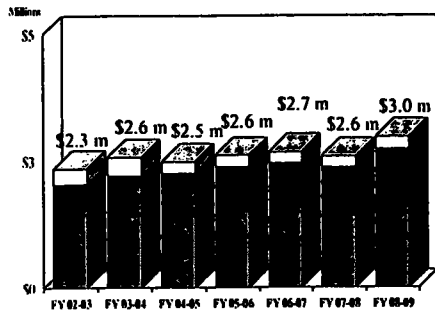
Governor's Recommendations

Continuation: \$27,930 increase to Purchased Services

International Trade Division

- Expansion into Foreign Markets
- Exports

**Continuation Budget:
\$3,163,335**



FISCAL RESEARCH DIVISION
A Unit of the U.S. Customs and Border Protection

March 18, 2009

International Trade

6 International Offices



FISCAL RESEARCH DIVISION
A Unit of the U.S. Customs and Border Protection

March 18, 2009

International Trade Budget Actions

2007

No action.

2008

Operating Efficiencies	(\$19,146) R
Eliminate Funding for Intern'l Affairs Council	(\$19,000) R
China Trade Office	\$175,000 R
Performance and Inflationary Increases	\$25,000 R

Governor's Recommendations

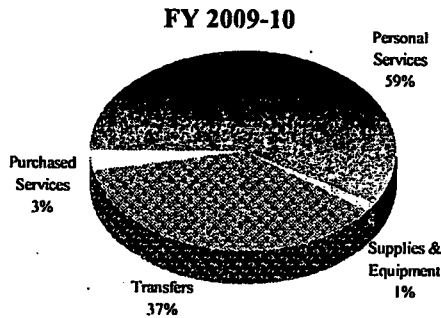
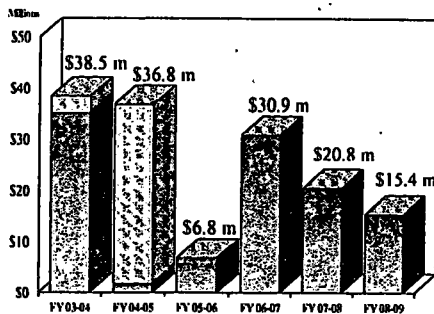
Continuation: \$175,000 increase for China Office

\$27,979 additional increases in Purchased Services

Commerce Finance

- Administers JDIG, One NC, IDF, JMAC & Industrial Revenue Bonds

Continuation Budget:
\$5,874,669



Note: Pie chart does not include \$5 m for JMAC

Commerce Finance Budget Actions

2007

Green Business Fund	\$ 1,000,000 NR
One NC Fund	\$14,000,000 NR
One NC Small Business Fund	\$ 4,830,000 NR
Reduce IDF Cash Balance	(\$ 169,789) NR

2007 Extra Session

JMAC	\$ 5,000,000 NR
------	-----------------

2008

Operating Efficiencies	(\$4,080) R
One NC Fund	\$5,000,000 NR
One NC Small Business	\$3,500,000 NR
Green Business Fund	\$1,000,000 NR

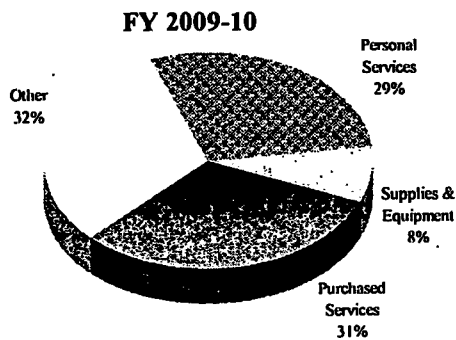
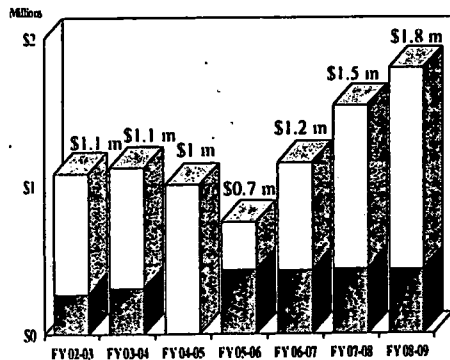
Governor's Recommendations

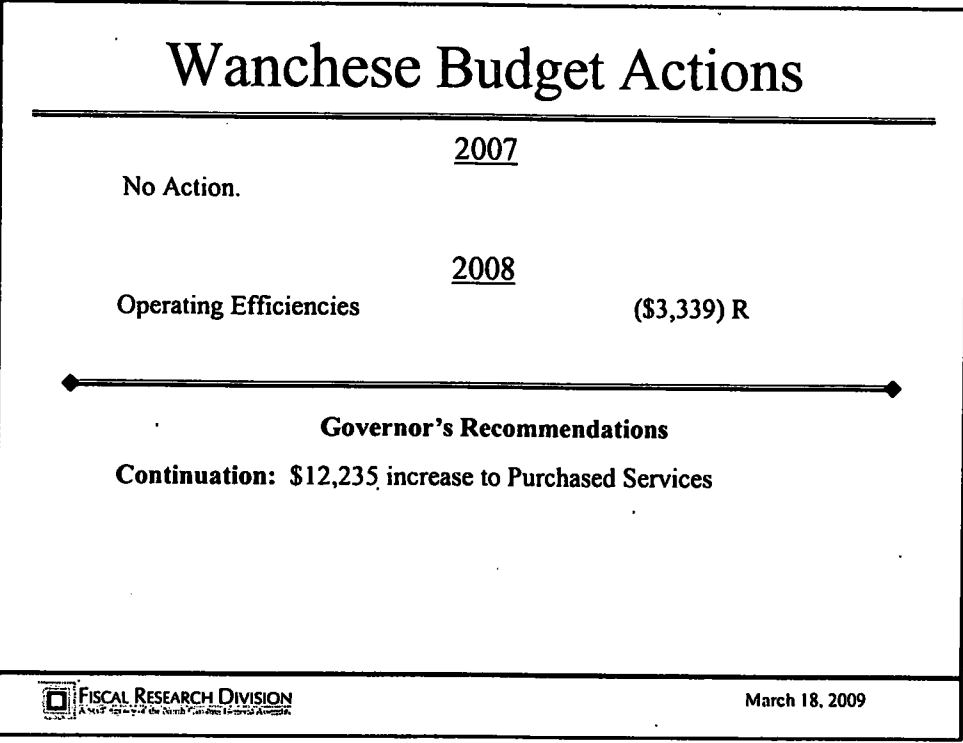
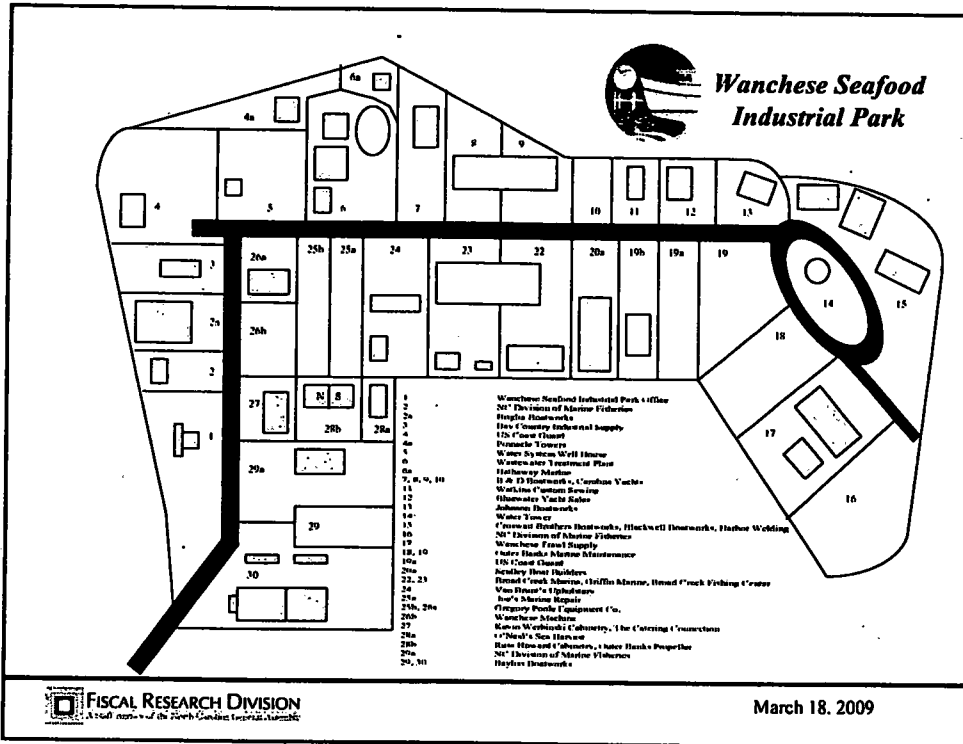
Continuation: Makes \$5 m appropriation for JMAC recurring

Wanchese Seafood Industrial Park

- Development and promotion of seafood and marine-related industries.
- Overseen by the Seafood Industrial Park Authority

Continuation Budget: \$782,906

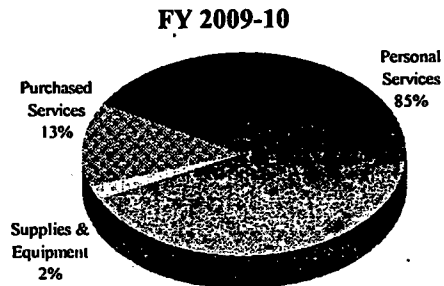
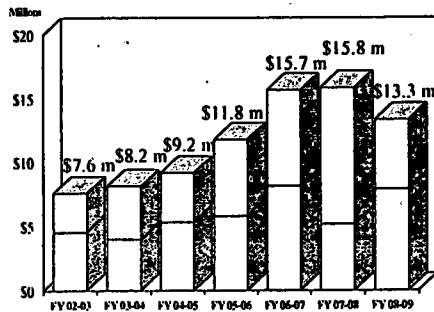




Industrial Commission Administration

Workers' Compensation

Continuation Budget:
\$10,872,347



Industrial Commission Budget Actions

2007

No Action

2008

Continuation Review of Safety Education	(\$671,665) R
	\$671,665 NR
Operating Efficiencies	(\$49,623) R
Receipt Supported Position	\$110,620 R

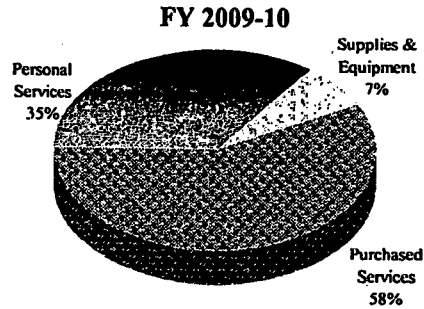
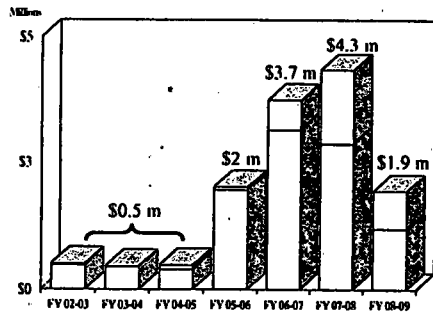
Governor's Recommendations

Continuation: \$199,415 increase to Purchased Services

Marketing Division

- Markets the State as a business destination

Continuation Budget:
\$1,247,518



FISCAL RESEARCH DIVISION
A Staff Agency of the Senate Council on Financial Affairs

March 18, 2009

Marketing Division Budget Actions

2007

Furniture Market Funds \$1,000,000 NR

2008

Operating Efficiencies (\$8,042) R
Commerce Webmaster \$78,900 R
Transfer Furniture Market Funds to State Aid (\$875,000) R

Governor's Recommendations

Continuation: \$46,987 increase to Purchased Services

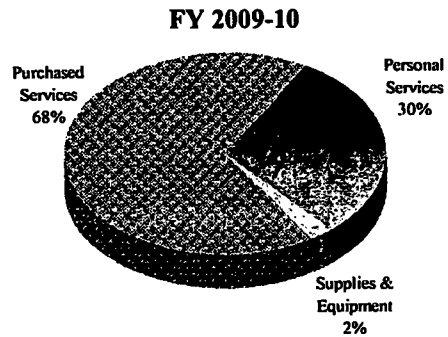
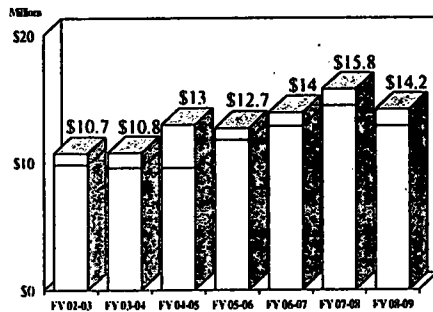
FISCAL RESEARCH DIVISION
A Staff Agency of the Senate Council on Financial Affairs

March 18, 2009

Tourism, Film and Sports Development

- Tourism Marketing
- Film Office
- Welcome Centers

**Continuation Budget:
\$13,501,483**



FISCAL RESEARCH DIVISION
A South Carolina Department of the State Budget and Finance

March 18, 2009

Tourism Budget Actions

2007

Travel and Tourism Funds	\$750,000 NR
Blue Ridge National Heritage Area	\$450,000 NR
Film Commission Funds	\$500,000 NR
Motorsports Funds	\$100,000 NR

2008

Operating Efficiencies	(\$95,849) R
Travel and Tourism Funds	\$300,000 NR

Governor's Recommendations

Continuation: No significant changes

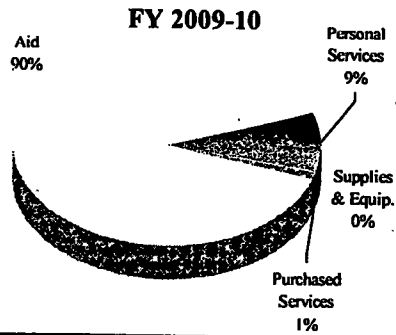
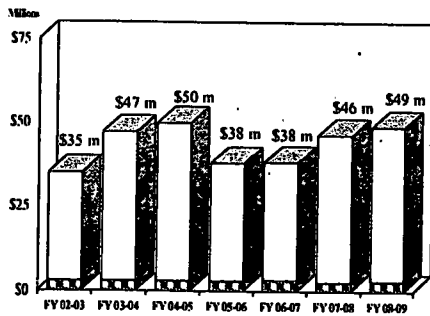
FISCAL RESEARCH DIVISION
A South Carolina Department of the State Budget and Finance

March 18, 2009

Division of Community Assistance

- Community Development Block Grant (CDBG)
- Main Street
- Small Towns Main Street
- 21st Century Communities

Continuation Budget:
\$48,672,362



FISCAL RESEARCH DIVISION
A Unit of the North Carolina General Assembly

March 18, 2009

Community Assistance Budget Actions

2007

Transfer COGs to State Aid (\$832,150) R
Community Development Planner \$65,935 R

2008

Operating Efficiencies (\$21,518) R

Governor's Recommendations

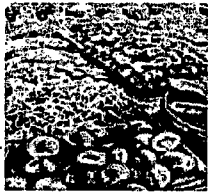
Continuation: \$21,903 increase in Purchased Services.

FISCAL RESEARCH DIVISION
A Unit of the North Carolina General Assembly

March 18, 2009

Department of Agriculture & Consumer Services

Budget Overview



NER Appropriations Subcommittee



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Mission Statement

To improve the state of agriculture in North Carolina by providing services to farmers and agribusinesses, and to serve the citizens of North Carolina by providing services and enforcing laws to protect consumers.

Organizational Structure

- Administration
- Policy, Communications & Legal Affairs
- Agricultural Services
- Consumer Protection

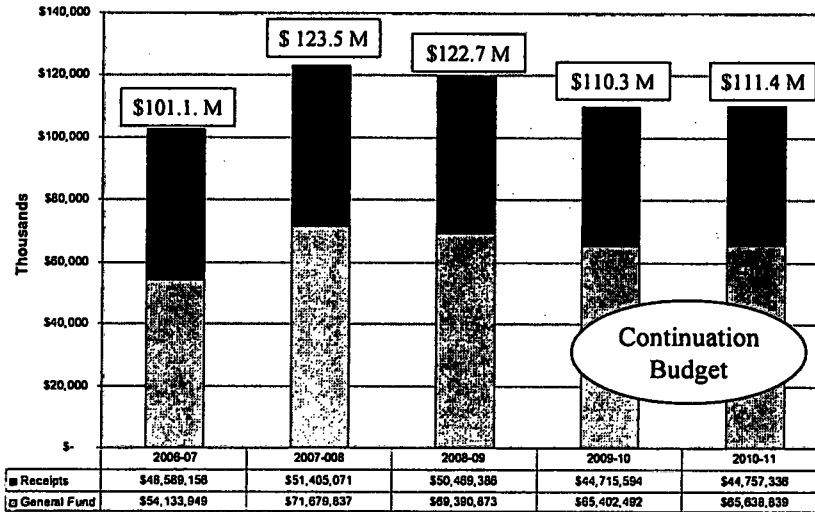


Fast Facts

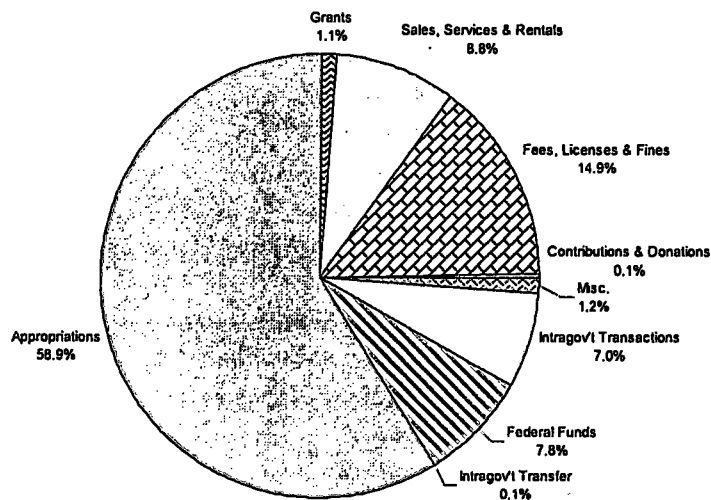
- \$122.7M in Expenditures
- \$50.5M in Receipts
- With Enterprise Funds...
 - Western NC Ag Center
 - State Fairgrounds
 - Raleigh Farmers Market
- Total 1,291 employees



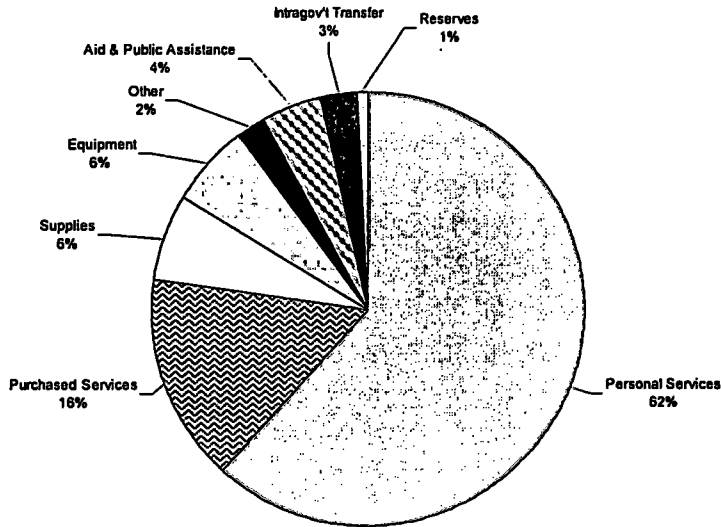
DACS Budget History



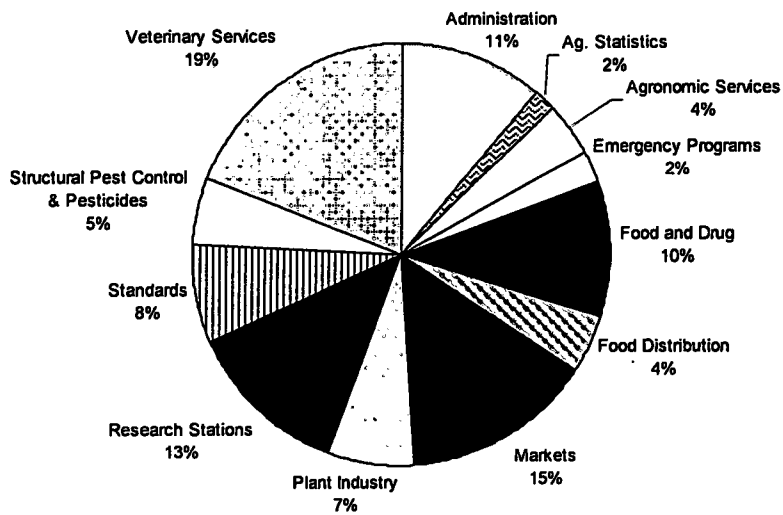
FY 2008-09 Funding Sources



FY 2008-09 Expenditures



2008 Division Expenditures



DACS Divisions

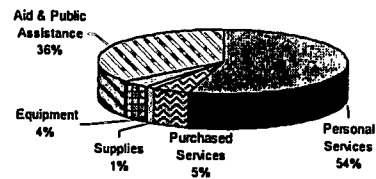
Administration

- Administration
- Budget & Finance
- Human Resources
- Public Affairs
- Property & Construction

	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 11,424,758	\$ 7,751,033	\$ 7,754,213
Less Receipts	\$ 1,035,854	\$ 943,169	\$ 943,169
Appropriations	\$ 10,388,904	\$ 6,807,864	\$ 6,811,044
Positions	86.75	86.75	86.75



2008-09 Expenditures



DACS Divisions

Agricultural Statistics

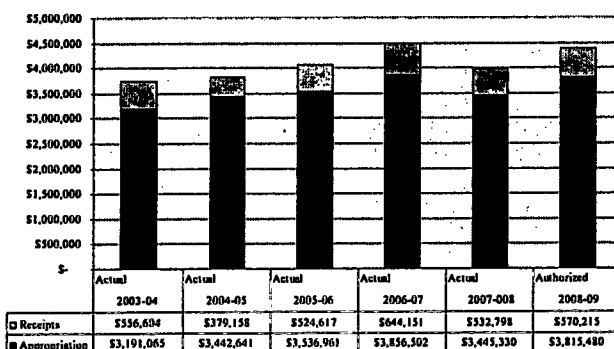
The Mission of the North Carolina Field Office of USDA's National Agricultural Statistics Service is to provide timely, accurate, and useful statistics in service to North Carolina and U.S. agriculture.

	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 1,741,723	\$ 1,737,769	\$ 1,741,293
Less Receipts	\$ 390,513	\$ 390,381	\$ 391,282
Appropriations	\$ 1,351,210	\$ 1,347,388	\$ 1,350,011
Positions	25	25	25

DACS Divisions *Agronomic Services*

- Soil Testing
- Plant Tissue Analysis
- Nematode Assay
- Waste Analysis

- \$3.6M from GF
- \$570K from Fees

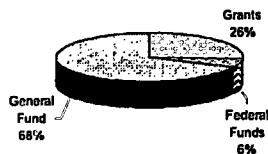


DACS Divisions *Emergency Programs*

- Represents DACS :
 - Homeland Security
 - Emergency Response
- Lead on animal disaster response & recovery
- Natural disaster planning, training, and exercise development & implementation
- Disease modeling and planning
- GIS mapping

	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 2,381,073	\$ 2,352,321	\$ 2,351,369
Less Receipts	\$ 633,016	\$ 605,201	\$ 605,201
Appropriations	\$ 1,748,057	\$ 1,747,120	\$ 1,746,168
Positions	16	16	16

2008-09 Sources of Funds



DACS Divisions

Food & Drug Protection

- Food and Section
 - Unannounced inspections of manufacturers, wholesalers, and distributors
- Commercial Animal Feed Section
 - Inspects feed mills, rendering plants, distributors
 - Chemical analysis of feed

	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 10,688,969	\$10,202,164	\$10,287,592
Less Receipts	\$ 1,981,547	\$ 1,319,833	\$ 1,319,833
Appropriations	\$ 8,707,422	\$ 8,882,331	\$ 8,967,759
Positions	136	136	136

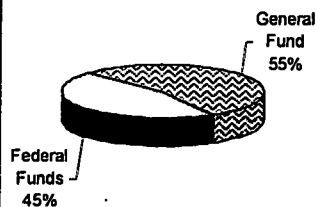
DACS Divisions

Food Distribution

Contributes to the nutritional well being of the citizens of North Carolina by distributing USDA commodities to eligible Recipient Agencies. Food Distribution administers nine food programs for USDA.

	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 4,569,793	\$ 3,541,011	\$ 3,594,217
Less Receipts	\$ 2,055,561	\$ 1,214,209	\$ 1,216,599
Appropriations	\$ 2,514,232	\$ 2,326,802	\$ 2,377,618
Positions	47	47	47

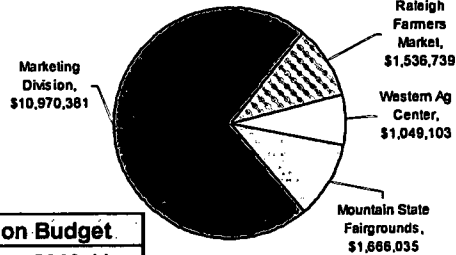
2008-09 Sources of Funds



DACS Divisions *Marketing*

- General Marketing
- 5 Farmers Markets
- 3 Agricultural Centers
- Western NC Fairgrounds

2008-09 Expenditures by Fund



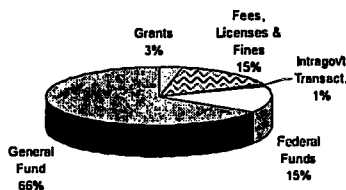
	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 15,222,258	\$13,807,032	\$13,787,248
Less Receipts	\$ 7,350,385	\$ 6,479,852	\$ 6,480,280
Appropriations	\$ 7,871,873	\$ 7,327,180	\$ 7,306,968
Positions	141	140	140

DACS Divisions *Plant Industry*

To assure that seed and fertilizer and other soil additives offered for sale in North Carolina meet prescribed standards and are truthfully labeled; To inventory and protect native plants; and To protect cultivated plants, plants products and other beneficial organisms from introduced pests

Seed Protection Fertilizer Section Plant Protection

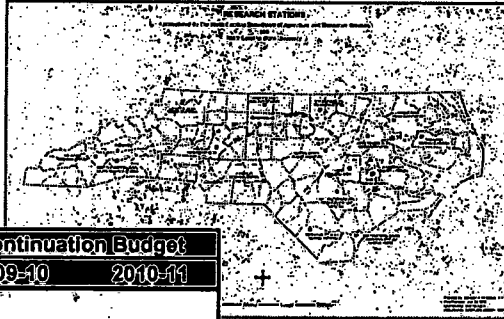
2008-09 Sources of Funds



	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 6,906,069	\$ 6,712,903	\$ 6,716,910
Less Receipts	\$ 2,370,343	\$ 2,205,207	\$ 2,205,858
Appropriations	\$ 4,535,726	\$ 4,507,696	\$ 4,511,052
Positions	92.75	92.75	92.75

DACs Divisions *Research Stations*

- 18 Research Stations
 - 12 owned by DACs
 - 6 owned by NCSU
 - All operated by DACs



	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 13,107,289	\$12,671,902	\$12,737,124
Less Receipts	\$ 3,035,470	\$ 2,413,549	\$ 2,413,549
Appropriations	\$ 10,071,819	\$10,258,353	\$10,323,575
Positions	166.75	166.75	166.75

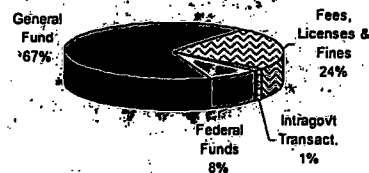
DACs Divisions *Standards*

- Motor Fuels Lab
- LP Gas Inspections
- Standards Laboratory
- Measurement

- Inspects weight, measurement, pricing devices to ensure accuracy
- Inspects packaged goods for weight compliance

	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 5,174,029	\$ 4,963,793	\$ 4,981,038
Less Receipts	\$ 3,057,174	\$ 2,909,535	\$ 2,910,069
Appropriations	\$ 2,116,855	\$ 2,054,258	\$ 2,070,969
Positions	74	74	74

2008-09 Sources of Funds



DACS Divisions

Structural Pest Control & Pesticides

Structural Pest

- Certifies, Licenses, & Monitors:
 - Insecticide
 - Fungicide
 - Rodenticide
- 22 Employees
- \$1.3 M budget FY 2008-09

Pesticide

- Certifies, Licenses, Monitors & Investigates:
 - Commercial applicators
 - Public operators
 - Farmers
 - Pesticide dealers
- Pesticide Disposal
- 52 Employees
- \$3.8 M budget FY 2008-09

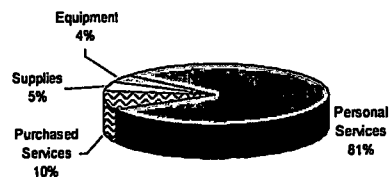
DACS Divisions

Veterinary Services

- Veterinary Services – 157 FTE
 - Animal Disease Diagnostic Laboratory System
 - Animal Health and Welfare/Shelters Program
- Meat & Poultry Inspections – 124 FTE
 - 50% Federally Funded

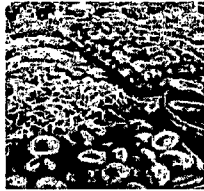
	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 19,866,682	\$19,456,124	\$19,546,643
Less Receipts	\$ 5,365,864	\$ 5,272,541	\$ 5,315,665
Appropriations	\$ 14,500,818	\$14,183,583	\$14,230,978
Positions	280.75	280.75	280.75

2008-09 Expenditures



Department of Agriculture & Consumer Services

Budget Overview



NER Appropriations Subcommittee



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Mission Statement

To improve the state of agriculture in North Carolina by providing services to farmers and agribusinesses, and to serve the citizens of North Carolina by providing services and enforcing laws to protect consumers.

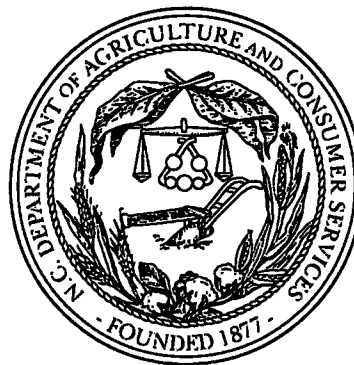
Organizational Structure

- Administration
- Policy, Communications & Legal Affairs
- Agricultural Services
- Consumer Protection

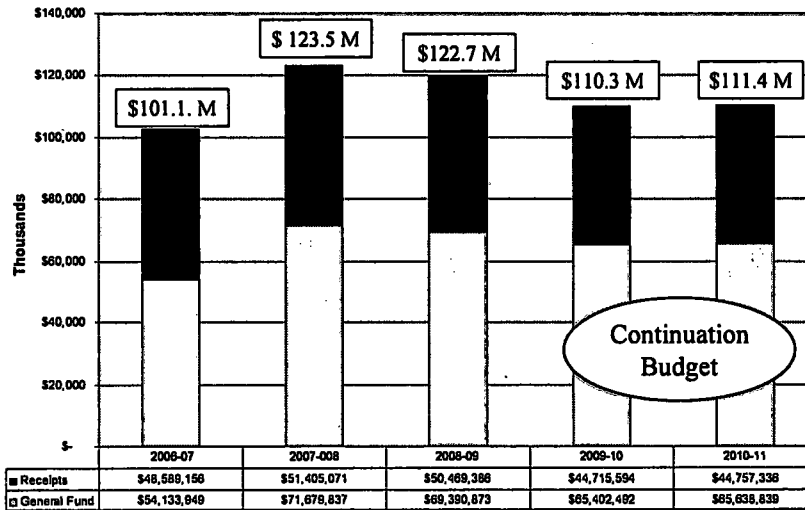


Fast Facts

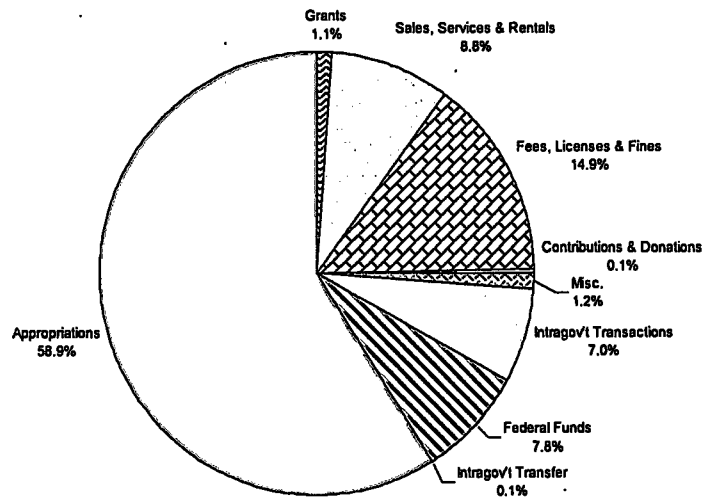
- \$122.7M in Expenditures
- \$50.5M in Receipts
- With Enterprise Funds...
 - Western NC Ag Center
 - State Fairgrounds
 - Raleigh Farmers Market
- Total 1,291 employees



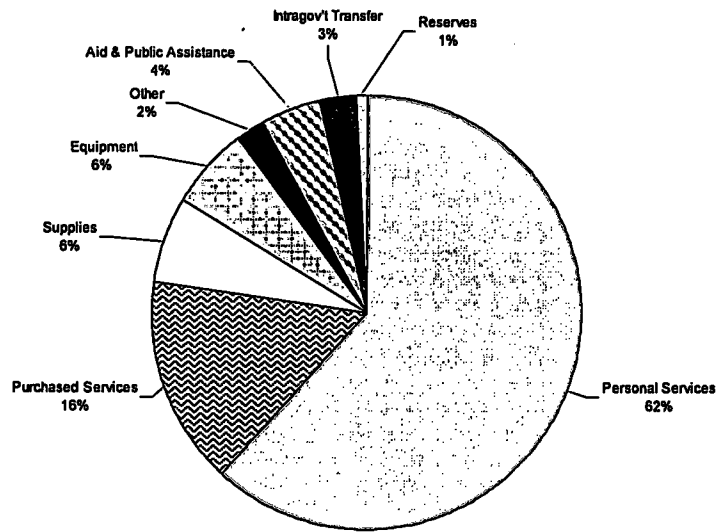
DACS Budget History



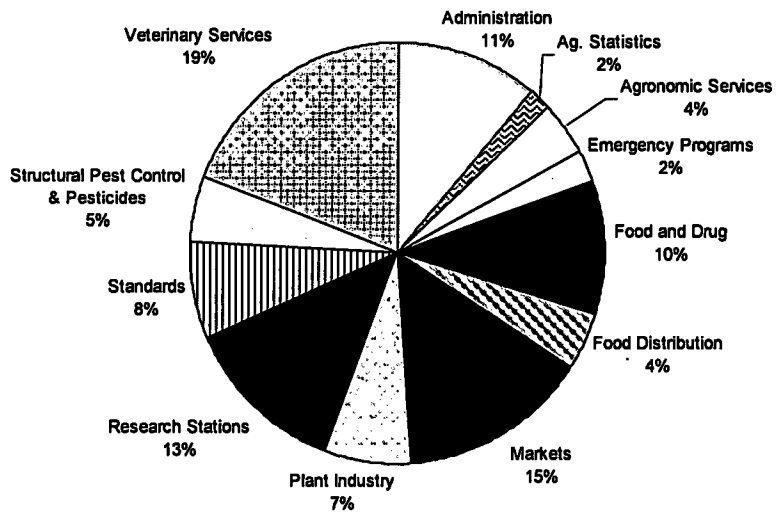
FY 2008-09 Funding Sources



FY 2008-09 Expenditures



2008 Division Expenditures



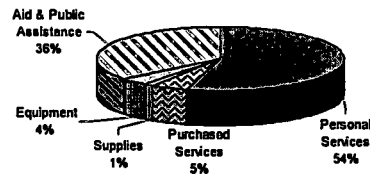
DACs Divisions *Administration*

- Administration
- Budget & Finance
- Human Resources
- Public Affairs
- Property & Construction

	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 11,424,758	\$ 7,751,033	\$ 7,754,213
Less Receipts	\$ 1,035,854	\$ 943,169	\$ 943,169
Appropriations	\$ 10,388,904	\$ 6,807,864	\$ 6,811,044
Positions	86.75	86.75	86.75



2008-09 Expenditures



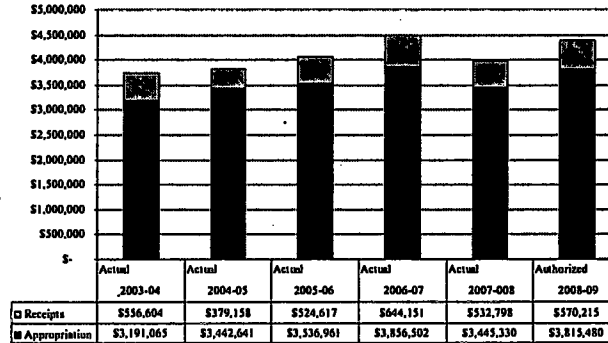
DACs Divisions *Agricultural Statistics*

The Mission of the North Carolina Field Office of USDA's National Agricultural Statistics Service is to provide timely, accurate, and useful statistics in service to North Carolina and U.S. agriculture.

	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 1,741,723	\$ 1,737,769	\$ 1,741,293
Less Receipts	\$ 390,513	\$ 390,381	\$ 391,282
Appropriations	\$ 1,351,210	\$ 1,347,388	\$ 1,350,011
Positions	25	25	25

DACS Divisions *Agronomic Services*

- Soil Testing
- Plant Tissue Analysis
- Nematode Assay
- Waste Analysis
- \$3.6M from GF
- \$570K from Fees

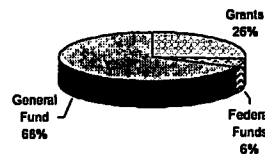


DACS Divisions *Emergency Programs*

- Represents DACS :
 - Homeland Security
 - Emergency Response
- Lead on animal disaster response & recovery
- Natural disaster planning, training, and exercise development & implementation
- Disease modeling and planning
- GIS mapping

	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 2,381,073	\$ 2,352,321	\$ 2,351,369
Less Receipts	\$ 633,016	\$ 605,201	\$ 605,201
Appropriations	\$ 1,748,057	\$ 1,747,120	\$ 1,746,168
Positions	16	16	16

2008-09 Sources of Funds



DACs Divisions

Food & Drug Protection

- Food and Section
 - Unannounced inspections of manufacturers, wholesalers, and distributors
- Commercial Animal Feed Section
 - Inspects feed mills, rendering plants, distributors
 - Chemical analysis of feed

	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 10,688,969	\$10,202,164	\$10,287,592
Less Receipts	\$ 1,981,547	\$ 1,319,833	\$ 1,319,833
Appropriations	\$ 8,707,422	\$ 8,882,331	\$ 8,967,759
Positions	136	136	136

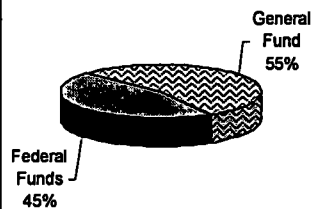
DACs Divisions

Food Distribution

*Contributes to the nutritional well being of the citizens of North Carolina.
by distributing USDA commodities to eligible Recipient Agencies.
Food Distribution administers nine food programs for USDA.*

	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 4,569,793	\$ 3,541,011	\$ 3,594,217
Less Receipts	\$ 2,055,561	\$ 1,214,209	\$ 1,216,599
Appropriations	\$ 2,514,232	\$ 2,326,802	\$ 2,377,618
Positions	47	47	47

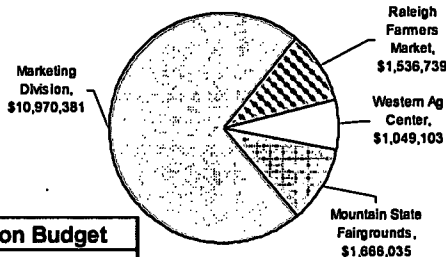
2008-09 Sources of Funds



DACs Divisions *Marketing*

- General Marketing
- 5 Farmers Markets
- 3 Agricultural Centers
- Western NC Fairgrounds

2008-09 Expenditures by Fund



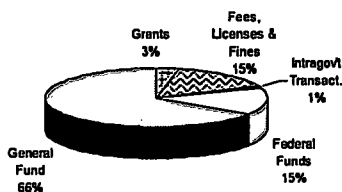
	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 15,222,258	\$13,807,032	\$13,787,248
Less Receipts	\$ 7,350,385	\$ 6,479,852	\$ 6,480,280
Appropriations	\$ 7,871,873	\$ 7,327,180	\$ 7,306,968
Positions	141	140	140

DACs Divisions *Plant Industry*

To assure that seed and fertilizer and other soil additives offered for sale in North Carolina meet prescribed standards and are truthfully labeled; To inventory and protect native plants; and To protect cultivated plants, plants products and other beneficial organisms from introduced pests

Seed Protection Fertilizer Section Plant Protection

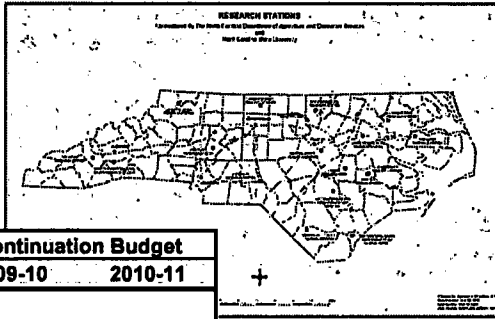
2008-09 Sources of Funds



	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 6,906,069	\$ 6,712,903	\$ 6,716,910
Less Receipts	\$ 2,370,343	\$ 2,205,207	\$ 2,205,858
Appropriations	\$ 4,535,726	\$ 4,507,696	\$ 4,511,052
Positions	92.75	92.75	92.75

DACS Divisions *Research Stations*

- 18 Research Stations
 - 12 owned by DACS
 - 6 owned by NCSU
 - All operated by DACS



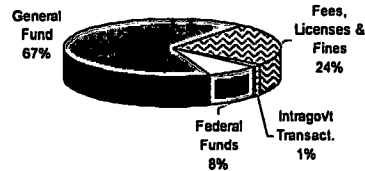
	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 13,107,289	\$12,671,902	\$12,737,124
Less Receipts	\$ 3,035,470	\$ 2,413,549	\$ 2,413,549
Appropriations	\$ 10,071,819	\$10,258,353	\$10,323,575
Positions	166.75	166.75	166.75

DACS Divisions *Standards*

- Motor Fuels Lab
- LP Gas Inspections
- Standards Laboratory
- Measurement
 - Inspects weight, measurement, pricing devices to ensure accuracy
 - Inspects packaged goods for weight compliance

	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 5,174,029	\$ 4,963,793	\$ 4,981,038
Less Receipts	\$ 3,057,174	\$ 2,909,535	\$ 2,910,069
Appropriations	\$ 2,116,855	\$ 2,054,258	\$ 2,070,969
Positions	74	74	74

2008-09 Sources of Funds



DACs Divisions

Structural Pest Control & Pesticides

Structural Pest

- Certifies, Licenses, & Monitors:
 - Insecticide
 - Fungicide
 - Rodenticide
- 22 Employees
- \$1.3 M budget FY 2008-09

Pesticide

- Certifies, Licenses, Monitors & Investigates:
 - Commercial applicators
 - Public operators
 - Farmers
 - Pesticide dealers
- Pesticide Disposal
- 52 Employees
- \$3.8 M budget FY 2008-09

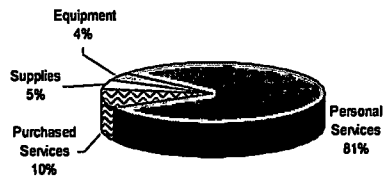
DACs Divisions

Veterinary Services

- Veterinary Services – 157 FTE
 - Animal Disease Diagnostic Laboratory System
 - Animal Health and Welfare/Shelters Program
- Meat & Poultry Inspections – 124 FTE
 - 50% Federally Funded

	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 19,866,682	\$19,456,124	\$19,546,643
Less Receipts	\$ 5,365,864	\$ 5,272,541	\$ 5,315,665
Appropriations	\$ 14,500,818	\$14,183,583	\$14,230,978
Positions	280.75	280.75	280.75

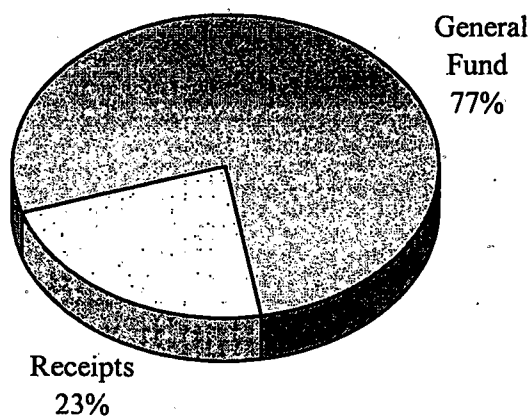
2008-09 Expenditures



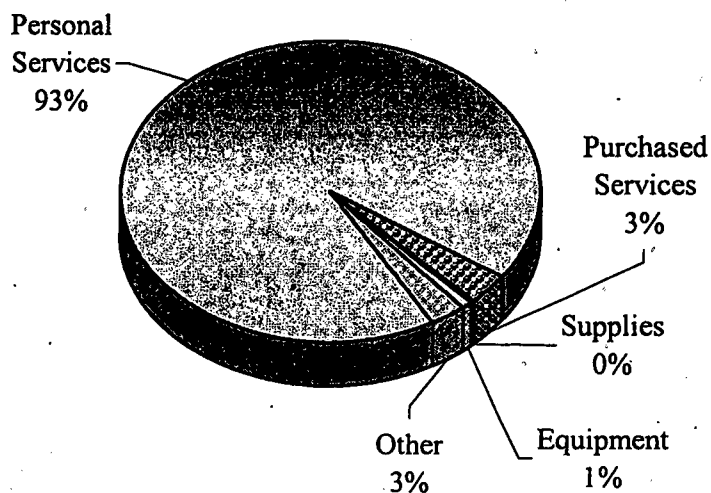
Administrative Services Department of Commerce

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	3,110,796	2,999,527	3,144,224	3,187,864	3,187,864
Receipts	765,890	722,178	713,661	711,018	711,018
Appropriations	2,344,906	2,277,349	2,430,563	2,476,846	2,476,846
Positions	40.00	38.00	38.00	38.00	38.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends
No Action

Exhibit C

**Administrative Services
Department of Commerce**

Prior Budget Actions

FY 2008-09

Operating Efficiencies		(\$18,215)
	Total:	(\$18,215)

FY 2007-08

Non-profit Monitoring Position		\$70,409
	Total:	\$70,409

FY 2006-07

Non-Profit Monitoring Position		\$63,000
Non-Profit Monitoring Position		\$87,000 NR
	Total:	\$150,000

FY 2005-06

Reduce Inflationary Increases		(\$24,287)
	Total:	(\$24,287)

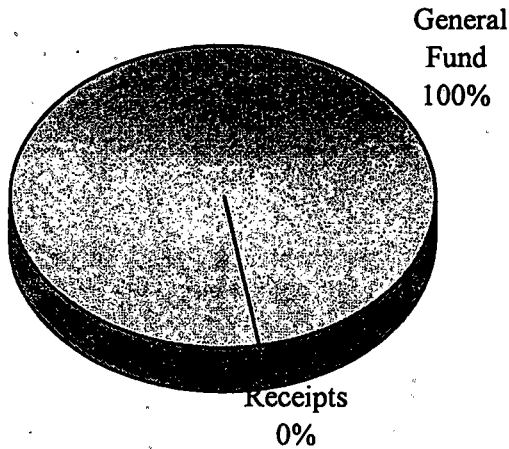
FY 2004-05

No Action

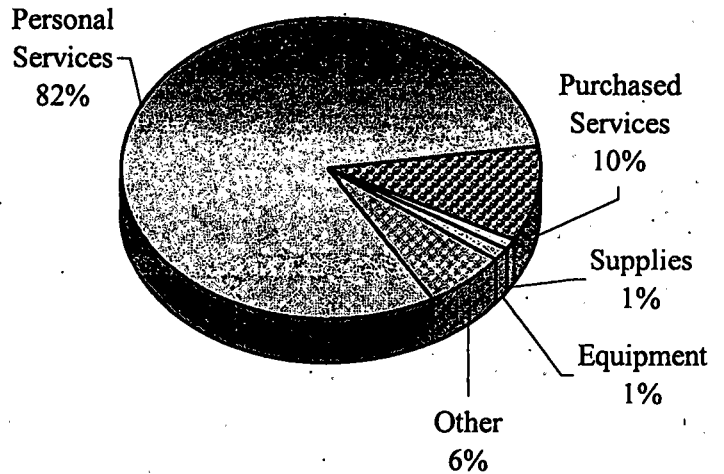
**Board of Science and Technology
Department of Commerce**

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	365,563	354,953	403,725	370,952	370,952
Receipts	36,878	32,467	0	0	0
Appropriations	328,686	322,487	403,725	370,952	370,952
Positions	3.00	3.00	3.00	3.00	3.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

- **Governor recommends**
No Action

Board of Science and Technology
Department of Commerce

Prior Budget Actions

FY 2008-09

Operating Efficiencies

(\$2,628)

Total:

(\$2,628)

FY 2007-08

No Action

FY 2006-07

No Action

FY 2005-06

Reduce funds for Purchased Services and Equipment

(\$20,000)

Funds for Deputy Director for Board of Science and Technology

\$80,000

Total:

\$60,000

FY 2004-05

Operating Support Reductions

(\$2,527)

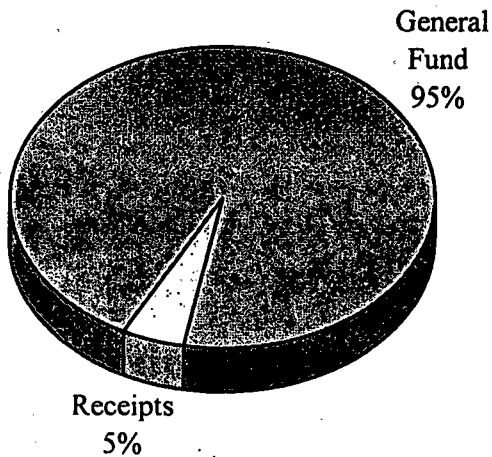
Total:

(\$2,527)

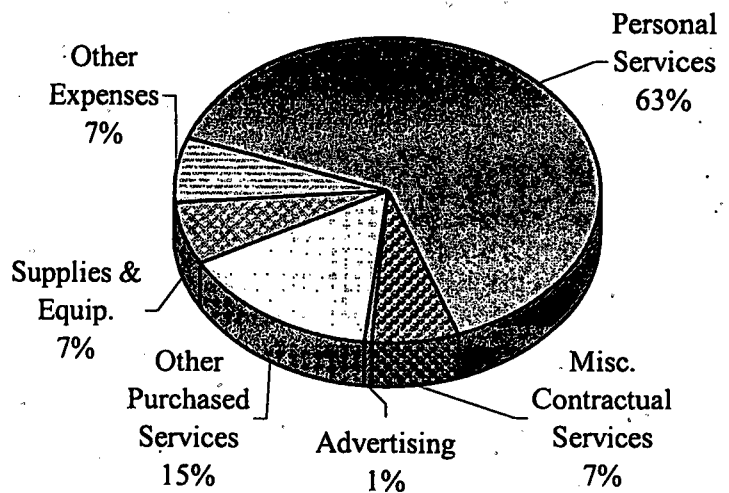
Business and Industry Development Department of Commerce

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	5,083,645	5,237,333	5,922,018	5,577,268	5,577,268
Receipts	99,644	355,620	276,799	0	0
Appropriations	4,984,001	4,881,713	5,645,219	5,577,268	5,577,268
Positions	53.50	52.50	51.50	51.50	51.50

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends

No Action

Business and Industry Development
Department of Commerce

Prior Budget Actions

FY 2008-09

Operating Efficiencies	(\$41,768)
Building & Sites Website Redesign	\$100,000 NR
Total:	\$58,232

FY 2007-08

Northeast Regional Economic Developer	\$92,447
Total:	\$92,447

FY 2006-07

No Action

FY 2005-06

Reduce Purchased Services and Equipment for B&I	(\$67,000)
Total:	(\$67,000)

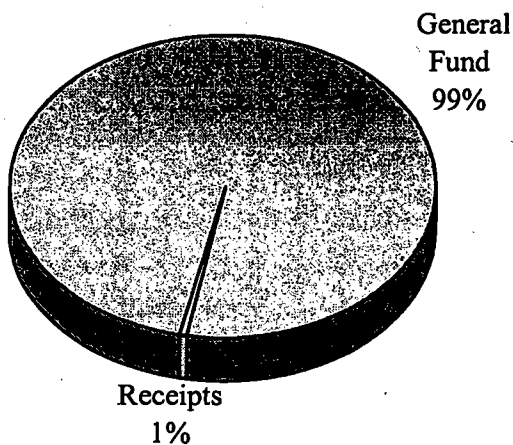
FY 2004-05

Expand Business ServiCenter	\$525,000
Expand Business ServiCenter	\$8,800 NR
Total:	\$533,800

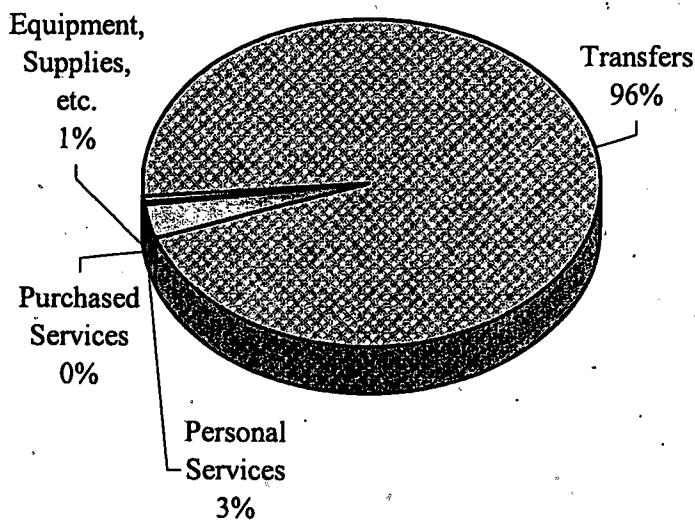
**Commerce Finance
Department of Commerce**

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	30,927,891	20,578,513	15,425,544	5,874,669	5,874,669
Receipts	127,188	122,396	83,648	0	0
Appropriations	30,800,703	20,456,117	15,341,896	5,874,669	5,874,669
Positions	6.00	7.00	7.00	7.00	7.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends

One NC Small Business	\$2,000,000	NR
Fund Green Business Fund from Stimulus	\$5,000,000	NR
Total:	\$7,000,000	

Commerce Finance
Department of Commerce

Prior Budget Actions

FY 2008-09

Operating Efficiencies	(\$4,080)
One NC	\$5,000,000 NR
One NC Small Business	\$3,500,000 NR
Green Business Fund	\$1,000,000 NR
JMAC	\$5,000,000 NR
Total:	\$14,495,920

FY 2007-08

Green Business Fund	\$1,000,000 NR
One NC	\$14,000,000 NR
One NC Small Business	\$4,830,000 NR
Reduce Industrial Development Fund Cash Balance	(\$169,789) NR
Total:	\$19,660,211

FY 2006-07

One NC	\$15,000,000 NR
Economic Development Reserve Fund	\$10,000,000 NR
Total:	\$25,000,000

FY 2005-06

One NC Fund	\$6,000,000 NR
Miscellaneous Pass-through Appropriations	\$5,055,000
Total:	\$11,055,000

FY 2004-05

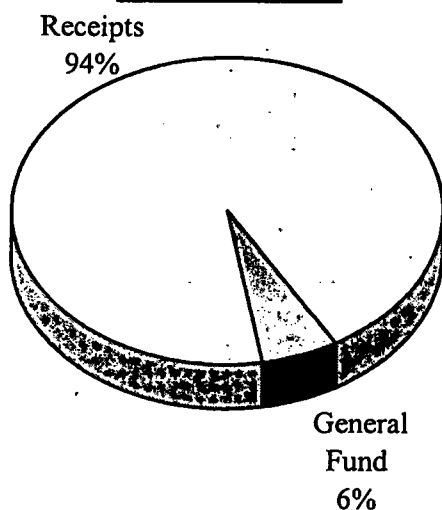
Reduce IDF Cash Balance	(\$2,211,667) NR
Total:	(\$2,211,667)

**Division of Community Assistance
Department of Commerce**

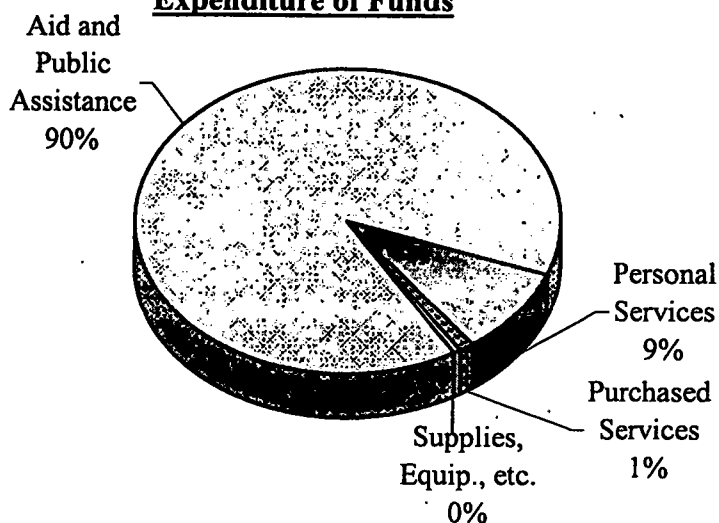
	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	38,174,043	46,326,122	48,695,640	48,672,362	48,672,362
Receipts	34,907,143	43,759,323	45,790,410	45,749,615	45,749,615
Appropriations	3,266,900	2,566,799	2,905,230	2,922,747	2,922,747
Positions	71.00	72.60	72.60	72.60	72.60

Includes the following fund codes: Local Planning and Management, and CDBG

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends

Additional Funding for Main Street	\$300,000	R
Additional Funding for Main Street	\$3,000,000	NR
Total:	\$3,300,000	

**Division of Community Assistance
Department of Commerce**

Prior Budget Actions

FY 2008-09

Operating Efficiencies	(\$21,518)
Total:	(\$21,518)

FY 2007-08

Transfer COG Funding to State Aid	(\$832,150)
Community Development Planner	\$65,935
Total:	(\$809,251)

FY 2006-07

Expand Small Towns Main Street	\$71,965
Expand 21st Century Communities	\$244,699
Total:	\$316,664

FY 2005-06

Eliminate Vacant Position	(\$53,377)
Reduce Funds for Purchased Services and Equipment	(\$35,000)
Total:	(\$88,377)

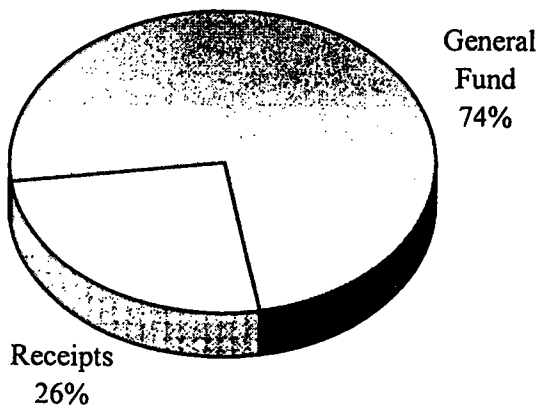
FY 2004-05

Eliminate Vacant Position	(\$47,145)
Total:	(\$47,145)

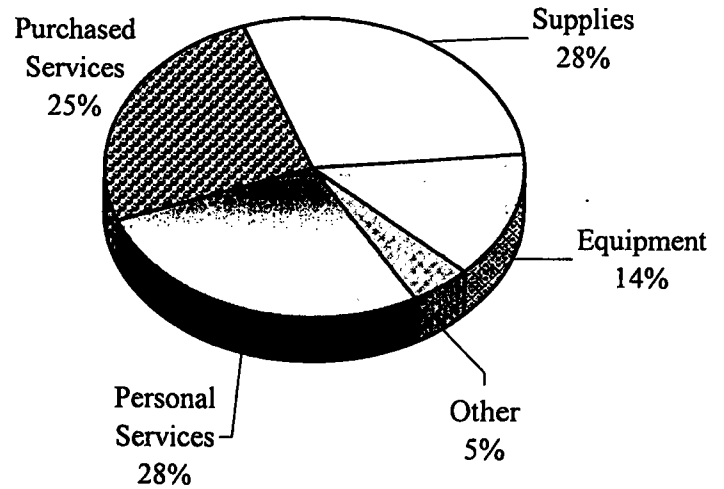
Executive Aircraft Department of Commerce

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	3,094,296	2,663,715	2,054,400	3,180,165	3,180,165
Receipts	368,733	362,220	527,107	(489,658)	(489,658)
Appropriations	2,725,563	2,301,495	1,527,293	3,669,823	3,669,823
Positions	7.00	7.00	7.00	7.00	7.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends

Eliminate Funding for New Aircraft

(\$1,326,428) R

**Executive Aircraft
Department of Commerce**

Prior Budget Actions

FY 2008-09

Operating Efficiencies	(\$20,651)
Delay Aircraft Purchase	(\$1,156,428) NR
Total:	(\$1,177,079)

FY 2007-08

Increase Aircraft Rates	(\$100,000)
Eliminate Continuation Budget Increase for New Aircraft	(\$423,572)
Total:	(\$523,572)

FY 2006-07

No Action

FY 2005-06

Reduce Inflationary Increases	(\$43,150)
Reduce Aircraft Supplies and Equipment	(\$100,000)
Total:	(\$143,150)

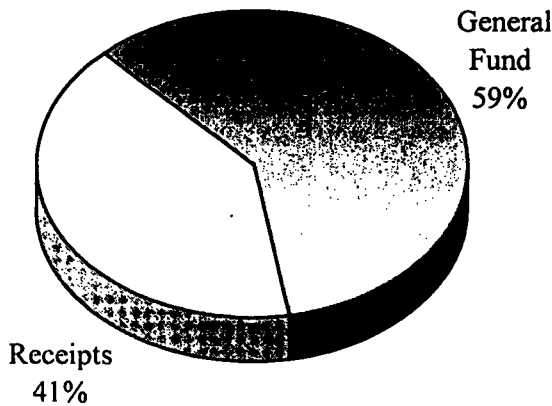
FY 2004-05

Operating Support Reductions	(\$52,328)
Total:	(\$52,328)

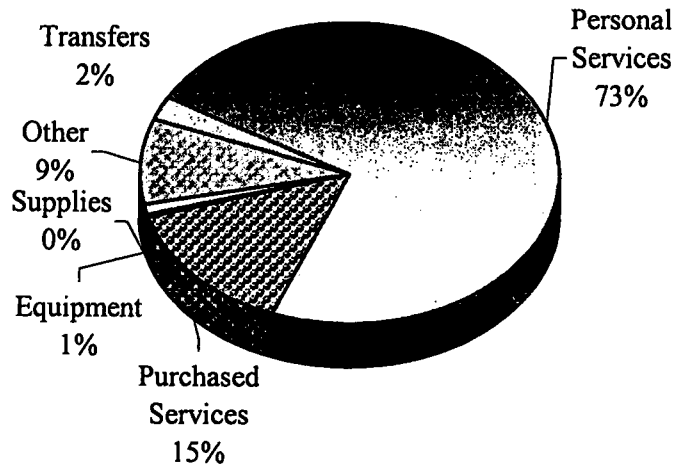
**Industrial Commission
Department of Commerce**

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	15,654,425	15,845,614	13,336,029	10,872,347	10,872,347
Receipts	7,498,182	10,653,545	5,402,494	4,567,239	4,567,579
Appropriations	8,156,243	5,192,068	7,933,535	6,305,108	6,304,768
Positions	145.43	150.72	150.72	148.72	148.72

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends:

Budget Overrealized Receipts	(\$422,837) R
Continuation Budget Correction	\$204,561 R
Restore Funding for Safety Education	\$467,104 NR

**Industrial Commission
Department of Commerce**

Prior Budget Actions

FY 2008-09

Operating Efficiencies	(\$49,623)
Receipt Supported Position	(\$110,620)
Continuation Review of Safety Education Section	(\$671,665)
Total:	(\$831,908)

FY 2007-08

No Action

FY 2006-07

Replace Electronic Document System	\$1,500,000 NR
Total:	\$1,500,000

FY 2005-06

Budget Over-realized Receipts	(\$150,000) NR
Establish 17 Receipt Supported Positions	\$816,333
Total:	(\$109,046)

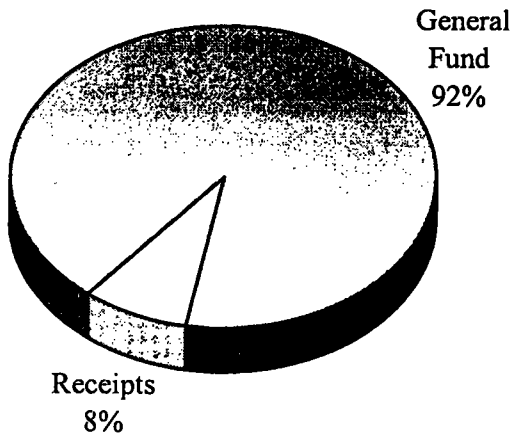
FY 2004-05

Budget Over-realized Receipts	(\$109,046)
Total:	(\$109,046)

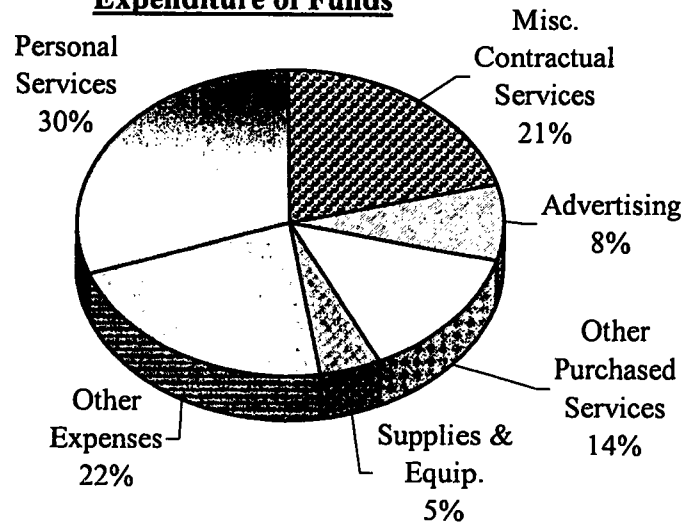
International Trade Department of Commerce

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	2,665,130	2,583,901	2,973,213	3,163,335	3,163,335
Receipts	209,034	211,714	235,764	(220,907)	(220,907)
Appropriations	2,456,096	2,372,186	2,737,449	3,384,242	3,384,242
Positions	11.00	11.00	11.00	11.00	11.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends
No Action

International Trade
Department of Commerce

Prior Budget Actions

FY 2008-09

Operating Efficiencies	(\$19,146)
China Trade Office (6 months funding)	\$175,000
Performance Increases for Foreign Trade Reps.	\$25,000
Total:	\$180,854

FY 2007-08

No Action

FY 2006-07

No Action

FY 2005-06

Eliminate Inflationary Increases in International Trade	(\$38,144)
Total:	(\$38,144)

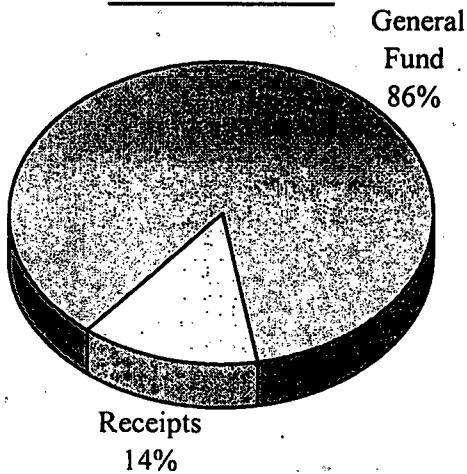
FY 2004-05

Operating Support Reductions	(\$25,000)
Total:	(\$25,000)

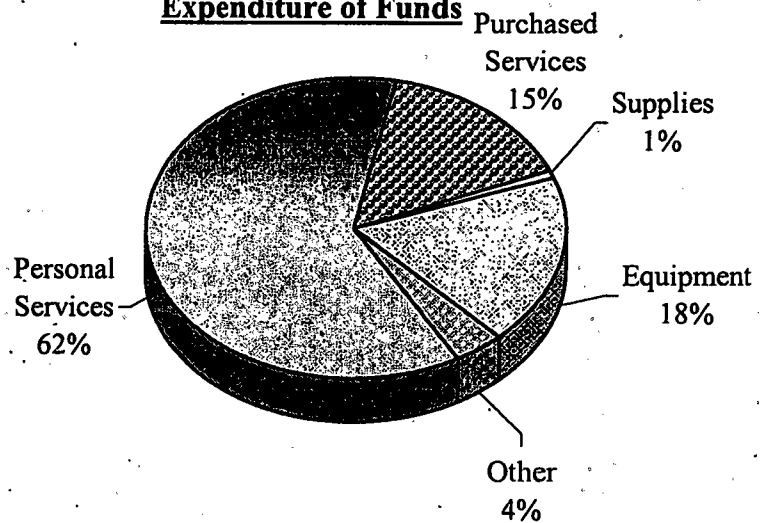
**Management Information Systems
Department of Commerce**

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	1,394,311	1,528,035	1,570,536	1,378,738	1,378,738
Receipts	130,221	104,365	215,890	98,994	98,995
Appropriations	1,264,090	1,423,670	1,354,646	1,279,744	1,279,743
Positions	10.00	10.00	10.00	10.00	10.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends

No Action

**Management Information Systems
Department of Commerce**

Prior Budget Actions

FY 2008-09

Operating Efficiencies

(**\$9,727**)

Total: (**\$9,727**)

FY 2007-08

No Action

FY 2006-07

Web Applications Development and Maintenance

\$70,819

Web Applications Development and Maintenance

\$5,000 NR

Total: **\$75,819**

FY 2005-06

No Action

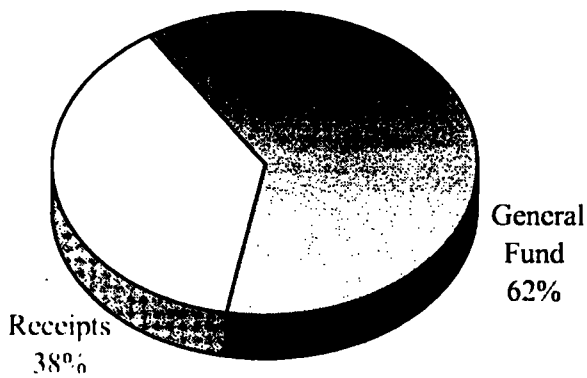
FY 2004-05

No Action

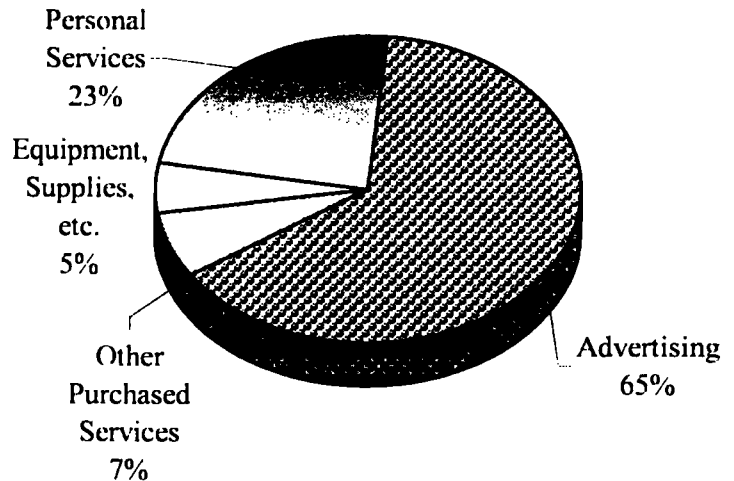
**Marketing Division
Department of Commerce**

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	3,739,290	4,322,519	1,935,725	1,298,117	1,298,117
Receipts	593,018	1,448,129	735,194	50,599	50,599
Appropriations	3,146,272	2,874,390	1,200,531	1,247,518	1,247,518
Positions	4.00	6.00	7.00	7.00	7.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends

Promote NC as a Business and Tourism Destination \$1,500,000 NR
 (This item also appears on the Tourism Sheet, as it was unclear how the funds were to be split.)
Total: \$1,500,000

Marketing Division
Department of Commerce

Prior Budget Actions

FY 2008-09

Operating Efficiencies	(\$8,042)
Commerce Webmaster	\$78,900
Move Furniture Market to State Aid	(\$875,000)
Total:	(\$804,142)

FY 2007-08

No Action.

FY 2006-07

Promote NC as a Business Destination	\$500,000
Promote NC as a Business Destination	\$500,000 NR
Furniture Market Funds	\$875,000
Furniture Market Funds	\$875,000 NR
Total:	\$2,750,000

FY 2005-06

Furniture Market Funds	\$750,000
Industrial Marketing Funds	\$750,000 NR
Total:	\$1,500,000

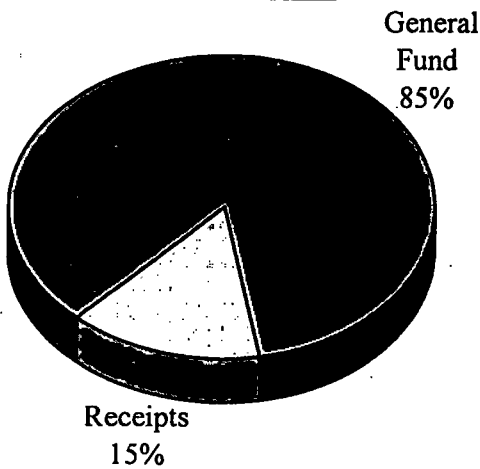
FY 2004-05

No Action.

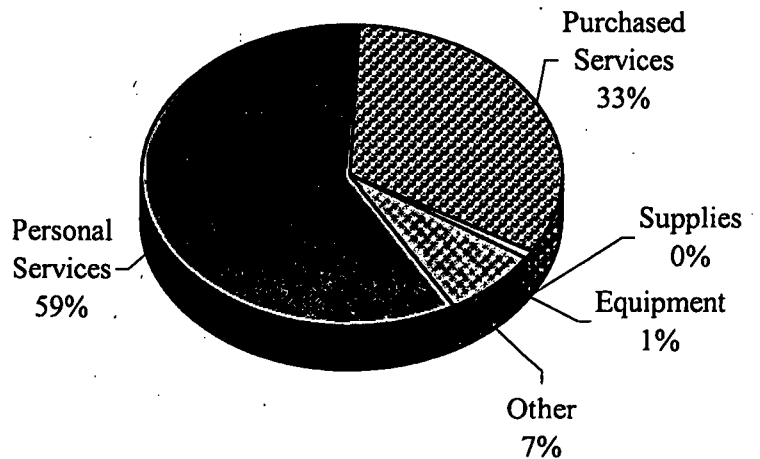
**Policy, Research, and Strategic Planning
Department of Commerce**

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	2,031,068	1,891,228	1,611,743	1,264,045	1,264,045
Receipts	673,975	395,520	238,645	0	0
Appropriations	1,357,093	1,495,707	1,373,098	1,264,045	1,264,045
Positions	14.00	13.00	13.00	13.00	13.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

- Governor recommends
No changes

Policy, Research, and Strategic Planning
Department of Commerce

Prior Budget Actions

FY 2008-09

Operating Efficiencies	(\$8,916)
Economic Development Intelligence System Funds (EDIS)	\$150,000 NR
Total:	\$141,084

FY 2007-08

EDIS - OneMap Integration	\$10,000
EDIS - OneMap Integration	\$290,000 NR
Total:	\$300,000

FY 2006-07

Policy and Research Positions (3)	\$225,000
Total:	\$225,000

FY 2005-06

Eliminate Vacant Position in Policy and Research	(\$26,244)
EDIS Data Base Administrator and Operating Support	\$297,828
EDIS Data Base Administrator and Operating Support	\$500,000 NR
Total:	\$771,584

FY 2004-05

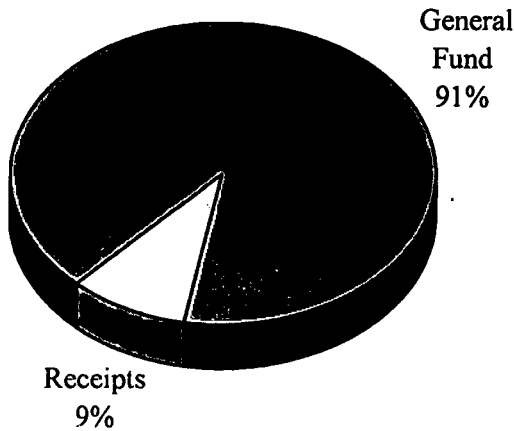
Operating Support Reductions	(\$10,814)
EDIS Development	\$375,000 NR
Total:	\$364,186

Tourism, Film, and Sports Development Department of Commerce

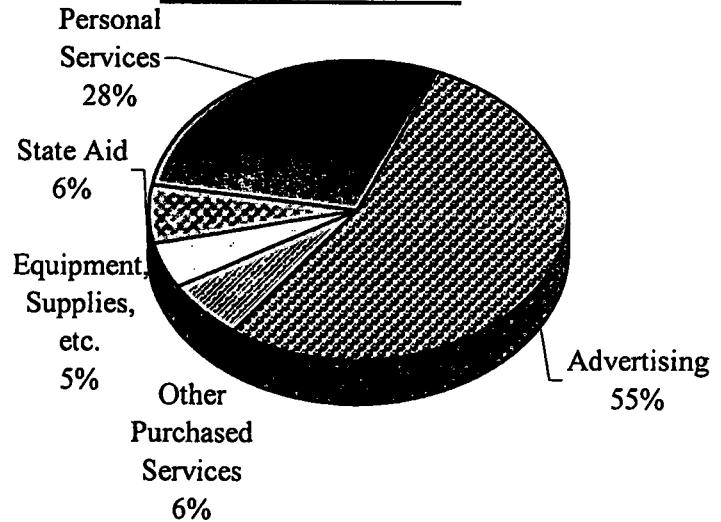
	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	13,955,107	15,754,862	14,182,047	13,501,483	13,501,482
Receipts	1,068,510	1,283,407	1,291,695	877,804	877,804
Appropriations	12,886,597	14,471,455	12,890,352	12,623,679	12,623,678
Positions	84.00	83.75	83.75	83.75	83.75

Includes the following divisions: Tourism, Film and Sports Development; and Welcome Centers

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends

Promote NC as a Business and Tourism Destination \$1,500,000 NR
 (This item also appears on the Marketing Sheet, as it was unclear how the funds were to be split.)
Total: \$1,500,000

**Tourism, Film, and Sports Development
Department of Commerce**

Prior Budget Actions

FY 2008-09

Operating Efficiencies	(\$95,849)	
Travel and Tourism Funds	\$300,000	NR
Total:	\$204,151	

FY 2007-08

Tourism Funds	\$750,000	NR
Blue Ridge National Heritage Funds	\$450,000	NR
Film Commission Funds	\$300,000	NR
Viticulture Promotion	\$500,000	NR
Motorsports Funds	\$100,000	NR
Total:	\$2,100,000	

FY 2006-07

Film Industry Funds	\$250,000	NR
Tourism Marketing Reserve	\$500,000	
Tourism Marketing Reserve	\$500,000	NR
Promote Motorsports	\$100,000	NR
Total:	\$1,350,000	

FY 2005-06

Budget Over-Collected Receipts	(\$45,000)	
Eliminate Inflationary Increases in Tourism	(\$41,369)	
Reduce Purchased Services, Equipment, and Supplies in Tourism	(\$200,000)	
Heritage Tourism Funds (Piedmont Triad, Maritime Area, and Blue Ridge)	\$150,000	
Tourism Promotion (Roanoke Rapids)	\$500,000	NR
Welcome Center Reduction	(\$45,000)	
Total:	\$318,631	

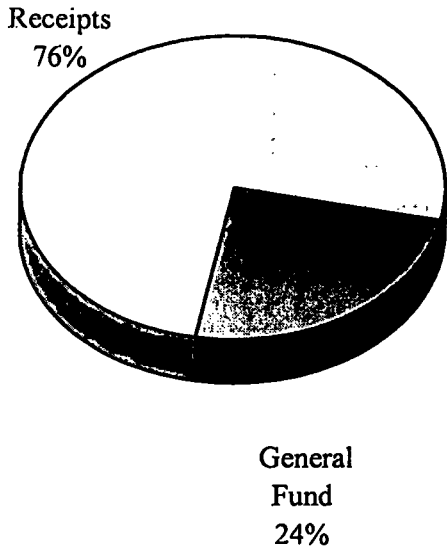
FY 2004-05

Film Commission Funds	\$300,000	NR
Heritage Tourism Funds (Rutherford and Ashe)	\$100,000	
Tourism Marketing Funds	\$850,000	NR
New Welcome Center Funds (I-26)	\$181,048	
Total:	\$1,431,048	

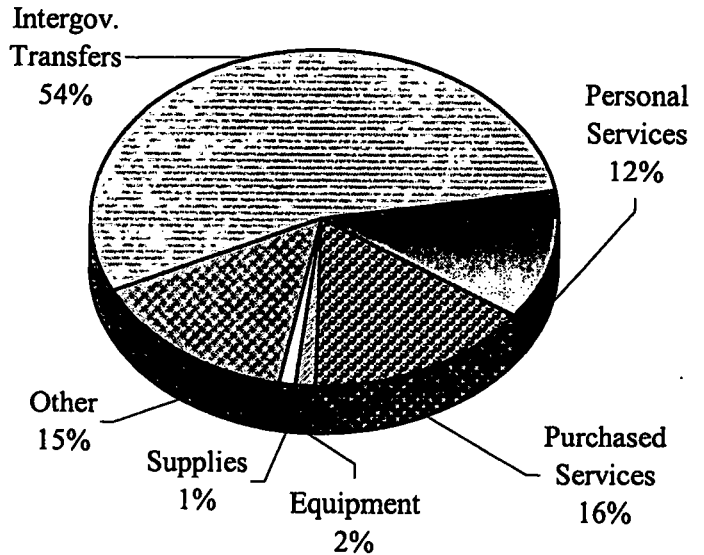
**Wanchese Seafood Industrial Park
Department of Commerce**

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	1,158,665	1,539,707	1,797,762	782,906	782,906
Receipts	725,825	1,096,019	1,360,162	333,254	333,256
Appropriations	432,840	443,687	437,600	449,652	449,650
Positions	3.00	3.00	3.00	3.00	3.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends
No Action

**Wanchese Seafood Industrial Park
Department of Commerce**

Prior Budget Actions

FY 2008-09

Operating Efficiencies

(\$3,339)

Total:

(\$3,339)

FY 2007-08

No Action

FY 2006-07

No Action

FY 2005-06

No Action

FY 2004-05

Reduce Cash Balance

(\$300,000)

Total:

(\$300,000)

Administration

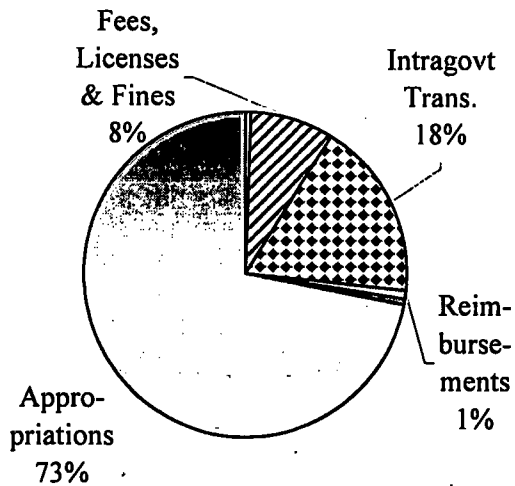
Department of Environment & Natural Resources

	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	\$24,094,999	\$30,662,306	\$29,867,281	\$23,052,081	\$23,110,224
Less Receipts	(\$8,279,579)	(\$8,857,041)	(\$8,367,671)	(\$8,178,031)	(\$8,178,031)
Cash Balance +/-	\$1,161,907	\$703,821	(\$632,475)	(\$632,475)	(\$632,475)
State Appropriations	\$16,977,327	\$22,509,086	\$20,867,135	\$14,241,575	\$14,299,718
Positions	223.50	228.77	227.61	227.61	227.61

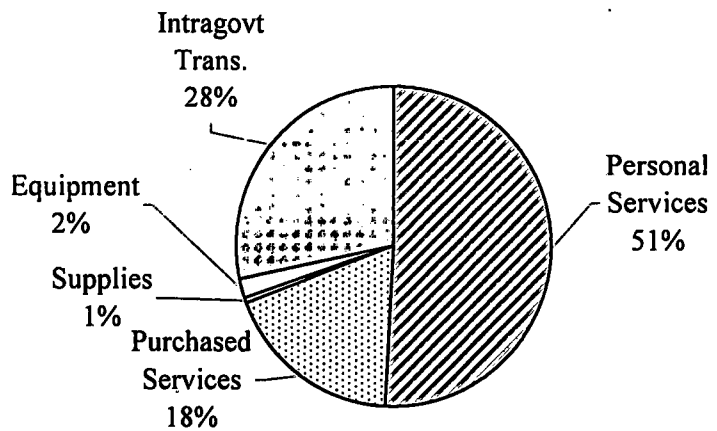
Administration includes: executive offices; budget, planning, information technology, purchasing, and human resources staff; one-stop and express permitting staff; public affairs staff; regional offices support staff; and reserves and transfers.

Fund Codes: 1130, 1140, 1910, 2356

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends

Reduce transfer for beaver management
 Drinking Water State Revolving Fund Match
 Clean Water State Revolving Fund Match

	FY 2009-10	FY2010-11
	(\$57,195)	(\$57,195)
	\$5,482,800	\$5,482,800
	\$4,000,000	\$4,000,000

DENR wide:

Truth-in-budgeting reform (\$5,868,405) (\$5,868,405)
 Eliminate 14.5 vacant positions (\$786,228) (\$786,228) -14.5 FTE
 Reduce operating - recurring (\$6,669,939) (\$669,939)
 Reduce operating - nonrecurring (\$2,081,066) (\$2,081,066) NR
 Shift operating to receipts (\$1,349,747) (\$1,349,747)
 Shift positions to receipts (\$1,739,183) (\$1,739,183) -27.33 FTE
 Reduce funding for temporary positions (\$1,120,049) (\$1,120,049)

Administration
Department of Environment & Natural Resources

Prior Budget Actions

FY 2008-09

No actions

FY 2007-08

No actions

FY 2006-07

No actions

FY 2005-06

Eliminate 1.0 vacant position - federal legislative program coordinator	(\$74,070)	
Reduce regional office rent line item	(\$50,000)	
Fund 2.0 One-Stop permitting program positions	\$113,168	
Expand Express Permitting statewide using existing receipts for 12 new positions	\$0	
Total:	(\$10,902)	

FY 2004-05

Eliminate 1.5 filled administrative services positions	(\$74,466)	
Eliminate 1.0 vacant position	(\$28,558)	
Eliminate 1.0 filled regional office position	(\$30,167)	
Reduce Winston-Salem regional field office rent	(\$80,956)	
Expand One-Stop permitting statewide by funding 4.0 new positions	\$100,000	
Expand express permitting with 4.0 positions	\$100,000	NR
Total:	(\$14,147)	

FY 2003-04

Eliminate 2.0 vacant positions	(\$85,361)	
Reduce operating support	(\$200,000)	
Eliminate 1.0 vacant field office manager position	(\$67,833)	
Eliminate bloodborne pathogen funding	(\$26,360)	
Eliminate 1.0 filled position	(\$64,498)	
Total:	(\$444,052)	

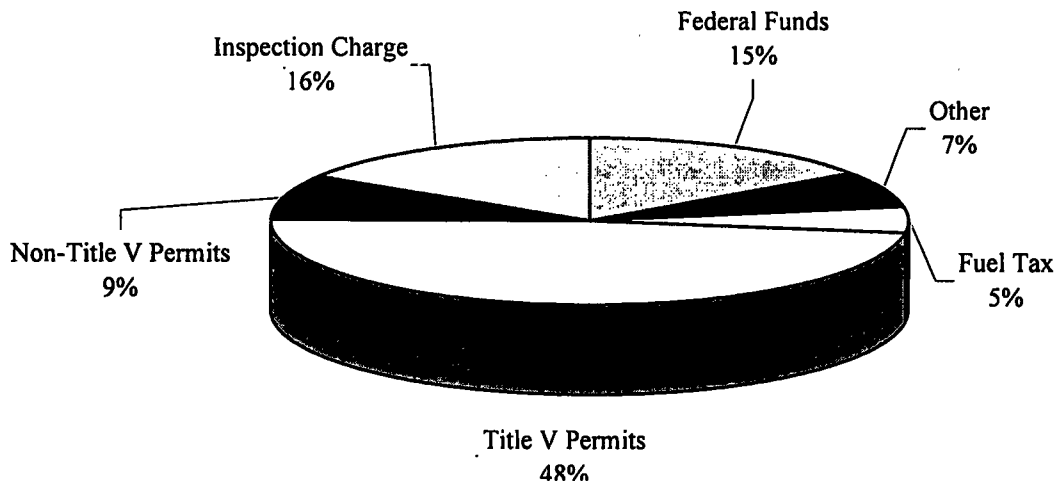
FY 2002-03

Eliminate 6.25 vacant positions	(\$280,201)	
Eliminate 1.0 filled human resources position	(\$88,968)	
Total:	(\$369,169)	

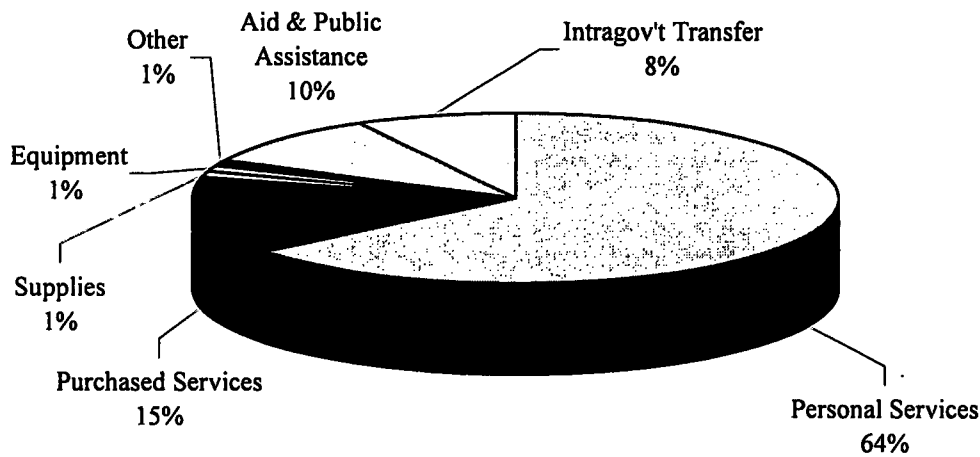
Division of Air Quality
Department of Environment & Natural Resources

	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	\$25,195,686	\$27,611,776	\$30,441,053	\$30,001,195	\$30,001,195
Less Receipts	(\$23,676,693)	(\$24,176,281)	(\$28,926,956)	(\$29,237,098)	(\$29,237,098)
Cash Balance +/- State Appropriations	(\$1,518,993)	(\$3,435,495)	(\$1,514,097)	(\$764,097)	(\$764,097)
	0	0	0	0	0
Positions	303.00	295.45	293.55	293.55	293.55

Source of Funds



Expenditure of Funds



Division of Air Quality
Department of Environment & Natural Resources

Prior Budget Actions

FY 2002-03

Eliminate general fund appopriation	(\$509,145)
Shifted 9 positions and \$32,758 to receipt support	
Reduce non-Title V air permits fund	(\$250,000)
Total:	(\$759,145)

FY 2003-04

Reduce non-Title V air permits fund	(\$77,918)
Total:	(\$77,918)

FY 2004-05

No actions

FY 2005-06

No actions

FY 2006-07

No actions

FY 2007-08

\$1 million transferred from the Fuel Tax Fund to OSBM to be used by DOJ for two lawsuits: North Carolina v. Tennessee Valley Authority and/or South Carolina v. North Carolina.	(\$1,000,000)
Total:	(\$1,000,000)

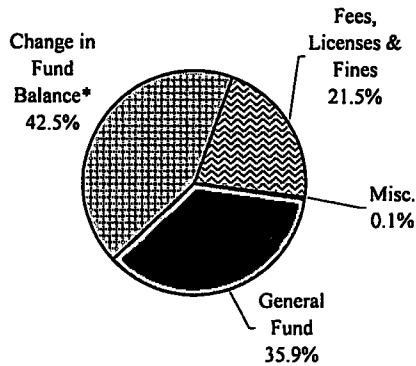
FY 2008-09

\$750,000 transferred from DAQ special fund to OSBM to be used by DOJ for two lawsuits: North Carolina v. Tennessee Valley Authority and/or South Carolina v. North Carolina.	(\$750,000)
Total:	(\$750,000)

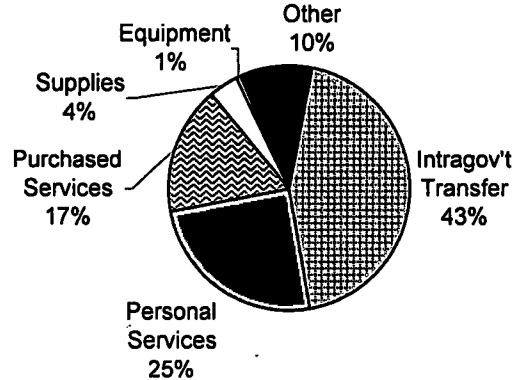
Aquariums Division
Department of Environment & Natural Resources

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	\$ 13,771,832	\$ 15,178,556	\$ 29,442,854	\$ 27,596,930	\$ 27,606,491
Less Receipts	\$ 6,384,486	\$ 5,960,102	\$ 6,718,391	\$ 6,719,891	\$ 6,718,391
+/- Fund Balance*	\$ 2,735,610	\$ 1,398,278	\$ (12,409,325)	\$ (10,514,030)	\$ (10,514,030)
Appropriations	\$ 10,122,956	\$ 10,616,732	\$ 10,315,138	\$ 10,363,009	\$ 10,374,070
Positions	121.00	124.00	122.00	128.00	128.00

Source of Funds



Expenditure of Funds



* Due to debt service and transfers to capital budget codes

Issues for the 2009-11 Biennium

Expansion/ Reduction

Eliminate Young Offenders Forest Conservation Program

Appropriation	\$ (910,761)
Positions	(10)

Continuation Budget

Operating Reserve for Capital Improvements

(Wake Co. Storage; Ashe, Buncombe, & Jackson Co. HQs; District 9 HQ; Region 2 Training Bldg)

	FY 2009-10	FY 2010-11
\$	244,110	\$ 79,543

Aquariums Division
Department of Environment & Natural Resources

Prior Budget Actions

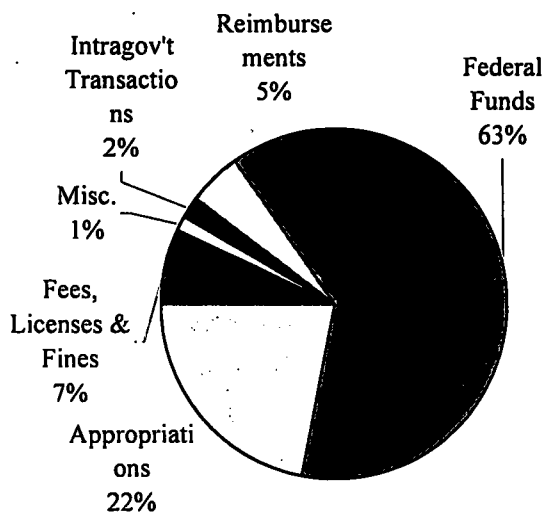
	<u>R</u>	<u>NR</u>	<u>Positions</u>
FY 2008-09			
Transfer Oyster Hatcheries Funding to DMF	\$ (600,000)		
Operating Efficiencies	\$ (114,754)		
Total:	\$ (714,754)	\$ -	-
2007-08			
Continued Increased Operating Support	\$ 2,500,000		
Total:	\$ 2,500,000	\$ -	-
FY 2006-07			
NR Operating Funds		\$ 2,500,000	
Total:	\$ -	\$ 2,500,000	-
FY 2005-06			
Pine Knoll Shores Operating Reserve	\$ 1,700,000		31.0
Oyster Hatchery Research	\$ 600,000		
Total:	\$ 2,300,000	\$ -	31.0
FY 2004-05			
Reduce operating support	\$ (50,000)		
Receipt-Supported Position - Computer Consultant I			1.0
Total:	\$ (50,000)	\$ -	1.0

**Division of Coastal Management
Department of Environment & Natural Resources**

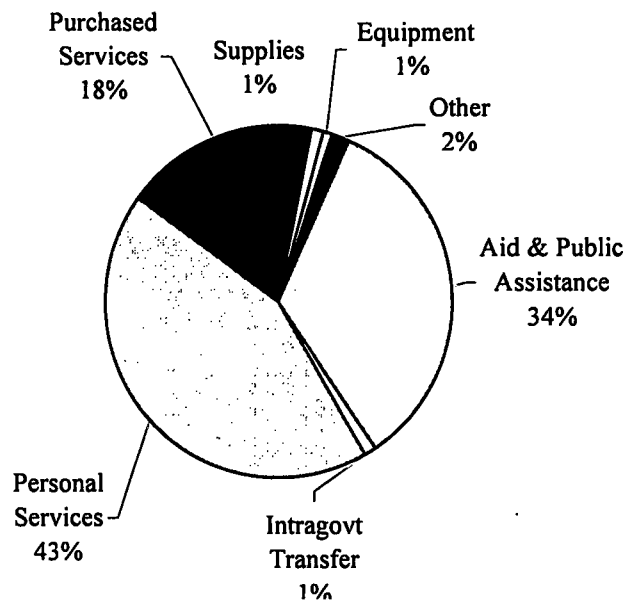
	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	6,081,176	7,046,927	10,619,270	7,072,544	7,075,147
Less Receipts	(4,485,066)	(4,838,102)	(8,281,880)	(4,680,616)	(4,680,616)
State Appropriations	1,596,109	2,208,825	2,337,390	2,391,928	2,394,531
Positions	69.00	69.00	69.00	69.00	69.00

Fund Code: 1625

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

None at this time

Division of Coastal Management
Department of Environment & Natural Resources

Prior Budget Actions

FY 2008-09

Operating efficiencies	(\$14,886)
Total:	(\$14,886)

FY 2007-08

No actions

FY 2006-07

Create four new Coastal Habitat Protection Positions	\$249,757
Total:	\$219,985

FY 2005-06

Reduce purchased services	(\$10,000)
Reduce supplies	(\$3,200)
Reduce equipment	(\$3,000)
Total:	(\$16,200)

FY 2004-05

Reduce operating support	(\$24,750)
Total:	(\$24,750)

FY 2003-04

Eliminate 1.0 filled position (Proc. Asst V)	(\$30,400)
Shift position to receipt support (Prog. Asst. V)	(\$32,741)
Reduce operating support for Coastal Resources Commission	(\$11,920)
Reduce local gov't planning grant funds	(\$73,481)
Reduce operating for Buckridge Coastal Reserve	(\$15,000)
Shift 1.0 position to federal grants	(\$64,843)
Total:	(\$228,385)

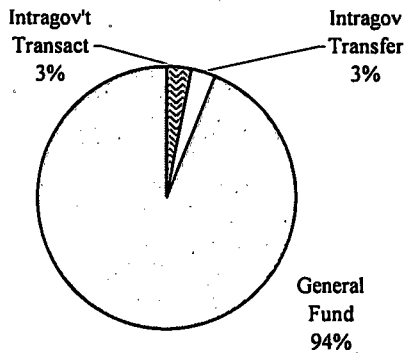
FY 2002-03

Shift 2.5 positions to receipt support	(\$133,592)
Reduce land use planning grants	(\$76,000)
Reduce operating for Buckridge Coastal Reserve	(\$33,252)
Total:	(\$242,844)

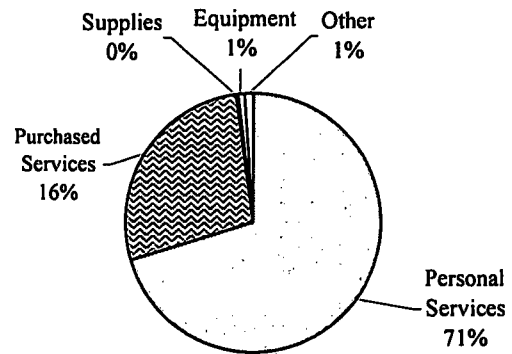
Office of Environmental Education
Department of Environment & Natural Resources

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	\$ 578,000	\$ 713,502	\$ 668,886	\$ 551,681	\$ 551,681
Less Receipts	\$ 72,641	\$ 87,951	\$ 40,000	\$ -	\$ -
Appropriations	\$ 505,359	\$ 625,550	\$ 628,886	\$ 551,681	\$ 551,681
Positions	8.00	7.00	7.00	7.00	7.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Eliminate Office of Environmental Education

- Transfer curriculum development to DPI, Community Colleges, and UNC
- Transfer clearinghouse function to DENR's Office of Public Affairs
- Transfer technical materials to the State Library in Cultural Affairs

Recurring General Fund \$ (377,209)
Positions (6.00)

Office of Environmental Education
Department of Environment & Natural Resources

Prior Budget Actions

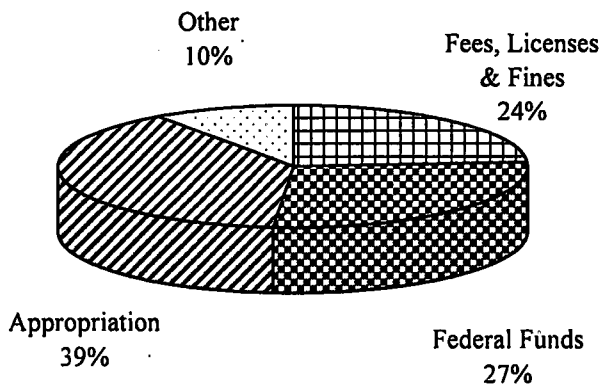
	R	NR	Positions
FY 2008-09			
N/A	\$ -	\$ -	-
Total	\$ -	\$ -	\$ -
FY 2007-08			
Operating efficiencies reductions	\$ (2,413)	\$ -	-
Total	\$ (2,413)	\$ -	\$ -

**Division of Environmental Health
Department of Environment & Natural Resources**

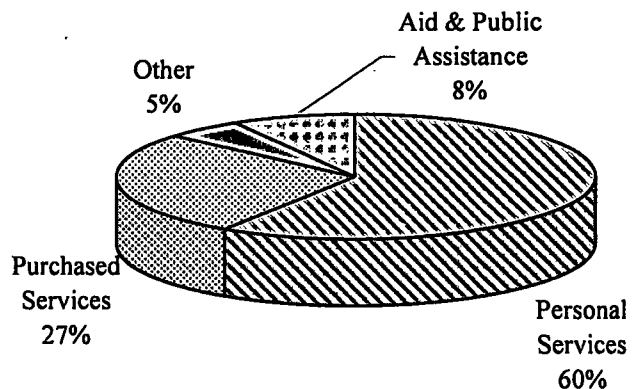
	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	22,418,945	24,502,096	28,976,797	27,420,119	27,432,675
Less Receipts	(10,766,556)	(12,772,753)	(17,695,754)	(16,039,628)	(16,038,628)
Cash Balance +/-	113,200	173,343	0	0	0
Appropriations	11,765,588	11,902,686	11,281,043	11,380,491	11,394,047
Positions	296.50	306.70	312.50	312.50	312.50

Note: The position count includes 48.2 positions funded through SRF fund codes. Those fund codes are not included in the budget amounts given above.

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends

Reduce mosquito pest management control

FY 2009-10
(\$57,475)

FY 2010-11
(\$57,475)

Division of Environmental Health
Department of Environment & Natural Resources

Prior Budget Actions

FY 2008-09

Operating efficiencies	(\$394,833)	
Total:	(\$394,833)	

FY 2007-08

Authorize 4.5 new receipt-supported positions for radiation protection		
Fund private well water safety program	\$300,000	NR
Fund emergency drinking water fund (Bernard Allen)	\$615,000	NR
Total:	\$520,167	

FY 2006-07

Fund private well water safety program	\$271,079	\$827,550 NR
Emergency drinking water funds		\$300,000 NR
Fund 3.0 shellfish sanitation positions	\$167,980	\$11,020 NR
Fund 2.0 wastewater treatment consultants	\$140,079	
Raise public water supply fees and fund 19.0 new positions	\$0	
Total:	\$579,138	

FY 2005-06

Eliminate 1.0 vacant position in on-site wastewater section	(\$61,040)	
Reduce purchased services	(\$26,500)	
Reduce supplies	(\$10,000)	
Reduce equipment	(\$2,000)	
Reduce other expenses	(\$3,000)	
Fund shift position to General Fund support	\$54,113	
Total:	(\$48,427)	

FY 2004-05

Eliminate 1.0 vacant position in on-site wastewater section	(\$58,804)	
Reduce operating support	(\$72,502)	
Expand shellfish sanitation program	\$50,000	
Total:	(\$58,804)	

FY 2003-04

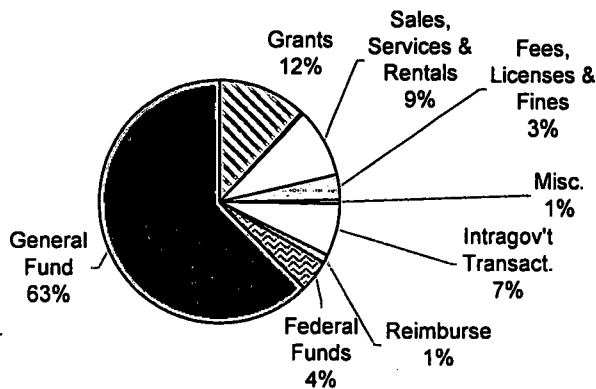
Reduce aid to locals for child lead program	(\$33,304)	
Eliminate filled Regional Supervisor I	(\$74,685)	
Sleep Products special fund reduced	(\$200,000)	NR
Total:	(\$307,989)	

**Division of Forest Resources
Department of Environment & Natural Resources**

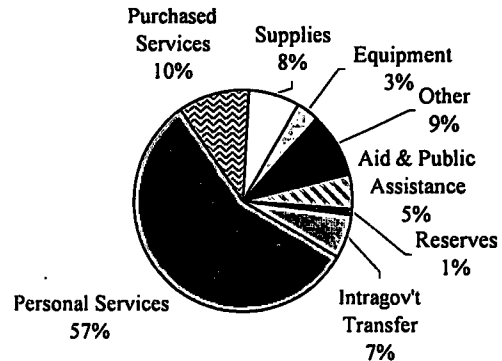
Includes Special Funds

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	\$ 59,501,875	\$ 65,078,033	\$ 70,188,082	\$ 72,313,148	\$ 72,181,486
Less Receipts	\$ 21,733,641	\$ 22,479,837	\$ 26,335,607	\$ 27,668,919	\$ 27,668,919
+/- Fund Balance	\$ 1,359,010	\$ (324,023)	\$ (107,483)	\$ (107,483)	\$ (107,483)
Appropriations	\$ 39,127,244	\$ 42,274,172	\$ 43,744,992	\$ 44,536,746	\$ 44,405,084
Positions	713.90	711.01	709.00	709.00	710.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Continuation Review of the Forest Development Program

Original Appropriation \$ 585,500

Expansion/ Reduction

Eliminate Young Offenders Forest Conservation Program

Appropriation \$ (910,761) R
Positions (10)

Continuation Budget

Operating Reserve for Capital Improvements

(Includes: Wake Co. Storage; Ashe, Buncombe, & Jackson Co. HQs; District 9 HQ; Region 2 Training Bldg)

	FY 2009-10	FY 2010-11
\$	244,110	\$ 79,543

Division of Forest Resources
Department of Environment & Natural Resources

Prior Budget Actions

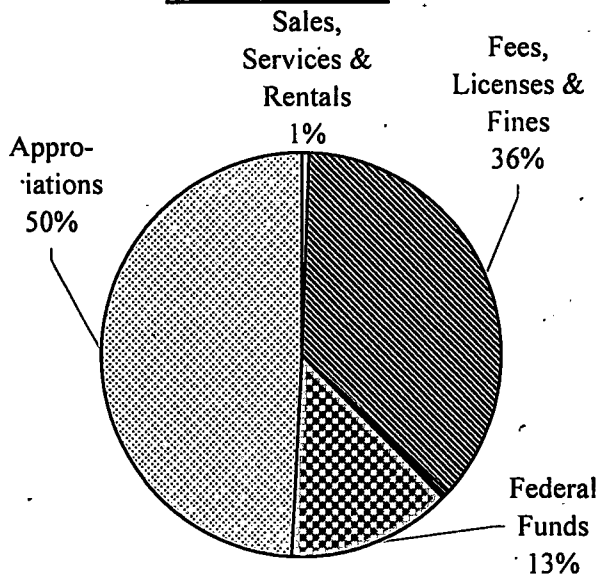
	R	NR	Positions
FY 2008-09			
Make Forest Development Program Funds NR	\$ (585,500)	\$ 585,500	
Reduce Overtime and Holiday Pay	\$ (412,278)		
Total:	\$ (997,778)	\$ -	0
FY 2007-08			
Decrease Continuation Budget for On-Call Pay	\$ (469,883)		
Reduce Recommended Increase in 3rd Party Financing	\$ (842,426)		
Total:	\$ (1,312,309)	\$ -	0
FY 2006-07			
Continuation - Equipment and Vehicles	\$ 249,542		
Forest Development Program		\$ 600,000	
Total:	\$ 249,542	\$ 600,000	0
FY 2005-06			
Continuation - Equipment and Vehicles	\$ 1,809,500		
Reduce Operating Support	\$ (25,000)		
Positions for Fire Suppression	\$ 297,618		3
Water Quality Forester Positions	\$ 132,879		3
Receipt-Supported Positions			4
Total:	\$ 2,214,997	\$ -	10
FY 2004-05			
Provide Funds for Equipment		\$ 15,000	
Reduce Operating	\$ (317,492)		
Assistant County Rangers & Equipment Operator	\$ 105,101		4
Receipt-Supported Positions - Federal grants			7
Total:	\$ (212,391)	\$ 15,000	11
FY 2003-04			
Reduce Operating Support	\$ (217,449)		
Reduce Equipment/Vehicles		\$ (1,520,287)	
Shift Bladen Lake Operating Support to Receipts		\$ (100,000)	
Reduce Holiday Pay		\$ (31,544)	
Reduce Funding for Autos and Trucks	\$ 40,000		
Total:	\$ (177,449)	\$ (1,651,831)	0

Division of Land Resources
Department of Environment & Natural Resources

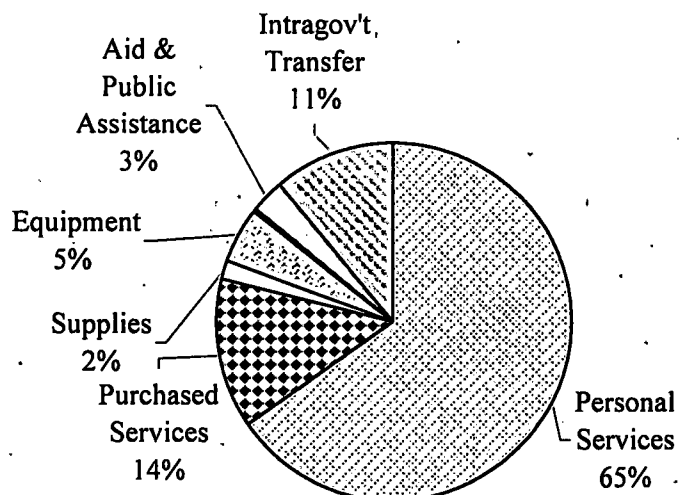
	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	9,024,834	9,757,330	12,916,781	11,861,082	11,866,936
Less Receipts	(4,359,663)	(5,017,881)	(6,835,197)	(5,722,096)	(5,722,096)
Cash Balance +/-	74,611	303,102	(92,800)	(92,800)	(92,800)
State Appropriations	4,739,782	5,042,551	5,988,784	6,046,186	6,052,040
Positions	121.34	131.00	134.00	134.00	134.00

Fund Codes: 1730, 1735, 1740, 1750, 1751, 2610, 2625, 2735, 2740, 2745

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor's budget proposes
 Eliminate county boundaries program

<u>FY 2009-10</u>	<u>FY 2010-11</u>	
(\$65,952)	\$65,952	-1.0 FTE

Division of Land Resources
Department of Environment & Natural Resources

Prior Budget Actions

FY 2008-09

Operating efficiencies	(\$19,343)	
Fund landslide hazard mapping program	\$341,305	3.0 FTE
Total:	\$321,962	

FY 2007-08

Fund landslide hazard mapping program	\$184,911	3.0 FTE
Authorize new sediment & erosion fees and 7.0 new receipt-supported positions		
Authorize new mining fees and 5.0 new receipt-supported positions		
Total:	\$184,911	

FY 2006-07

Restore funding for county boundary program	\$50,000	NR
Total:	\$50,000	

FY 2005-06

Eliminate mining education funds	(\$15,450)	
Eliminate inflationary increases	(\$10,407)	
Reduce funding for county boundary program	(\$50,000)	
Reduce operating funds	(\$20,000)	
Total:	(\$95,857)	

FY 2004-05

Reduce operating funds	(\$85,356)	
Reduce sediment education funds	(\$15,000)	
Fund shift 1.0 position in land quality to receipt support	(\$40,837)	
Total:	(\$85,356)	

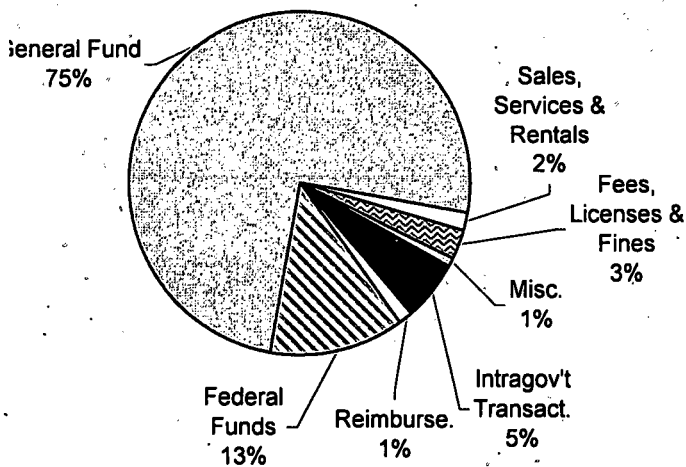
FY 2003-04

Reduce computer/data processing funds	(\$34,741)	
Reduce aid to counties	(\$50,000)	
Reduce operating funds	(\$100,813)	
Fund shift 1.75 positions in geodetic survey to federal funds	(\$53,547)	
Reduce funds for geodetic survey contracted services	(\$57,710)	
Total:	(\$296,811)	

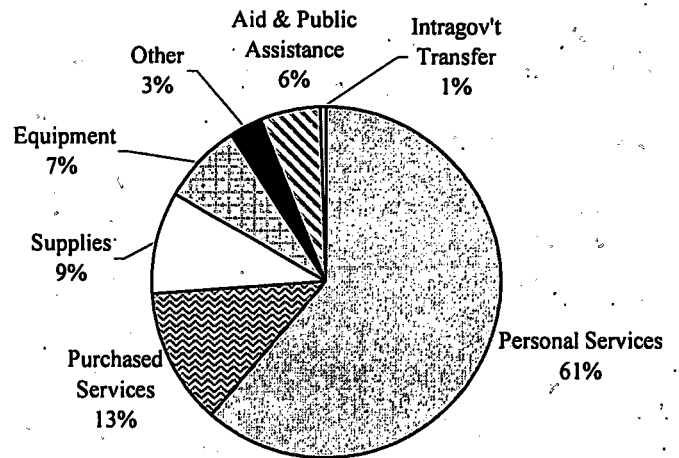
Division of Marine Fisheries
Department of Environment & Natural Resources

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	\$ 19,325,444	\$ 20,320,292	\$ 24,098,627	\$ 25,514,897	\$ 25,480,029
Less Receipts	\$ 5,283,540	\$ 5,570,833	\$ 6,062,093	\$ 5,537,626	\$ 5,537,626
Appropriations	\$ 14,041,904	\$ 14,749,459	\$ 18,036,534	\$ 19,977,271	\$ 19,942,403
Positions	252.00	249.44	260.62	260.62	260.62

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Expansion/ Reduction

Reduce Fishery Resource Grant (Sea Grant to NCSU) \$ (261,229)

Continuation Budget

	FY 2009-10	FY 2010-11
Increase Temporary Wages	\$ 109,702	\$ 109,702
Increase in Equipment	\$ 1,458,154	\$ 1,409,154

Replace worn out and unsafe boats and motors;
 Provide boat for Oyster Sanctuary project;
 Replace engines and install deck crane on vessels.

Division of Marine Fisheries
Department of Environment & Natural Resources

Prior Budget Actions

	R	NR	Positions
FY 2008-09			
CRFL Receipt-supported Position to GF Support	\$ 500,000		8.62
Oyster Sanctuary Program	\$ 2,000,000		6.00
Total:	\$ 2,500,000	\$ -	14.62
FY 2007-08			
Stock Assessment and River Herring Management	\$ 148,521	\$ 103,679	3.00
Total:	\$ 148,521	\$ 103,679	3.00
FY 2006-07			
Coastal Fishing License Implementation (NR)		\$ 375,000	2.00
Shellfish & Submerged Aquatic Vegetation Mapping	\$ 361,651	\$ 87,048	5.00
Total:	\$ 361,651	\$ 462,048	7.00
FY 2005-06			
Reduce Boat Replacement Continuation Increase	\$ (14,693)	\$ (92,000)	
Eliminate 1.0 Marine Fisheries Biologist II position	\$ (45,613)		(1.00)
Reduce Marine Fisheries Commission Board Support	\$ (30,000)		
Reduce Operating	\$ (50,000)		
Oyster Rehabilitation program	\$ 575,000		4.00
Receipt Supported Position - Computer Consultant II			
Total:	\$ 434,694	\$ (92,000)	3.00
FY 2004-05			
Eliminate Vacant Position - MF Enforcement Officer II	\$ (38,193)		(1.00)
Funds for Recreational Fishing License		\$ 750,000	
Receipt-Supported Position - Data Processing Assistant II			1.00
Eliminate Position - Marine Fisheries Tech II	\$ (31,765)		(1.00)
Reduce Operating Support	\$ (113,661)		
Total:	\$ (183,619)	\$ 750,000	(1.00)

HB 1414, Section 12.16 appropriated \$450,000 to DMF and \$300,000 to the Board of Trustees of the North Carolina Saltwater Fishing Fund to implement provisions of HB 831 pertaining to saltwater fishing licenses. DMF received \$385,000 R for Marine Fisheries Officers salary adjustments.

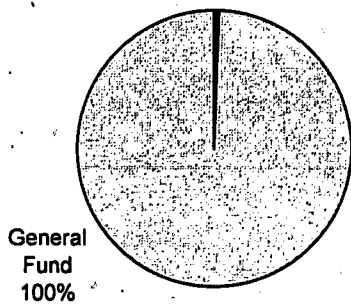
**NC Museum of Natural Sciences
Department of Environment & Natural Resources**

Fund 1360

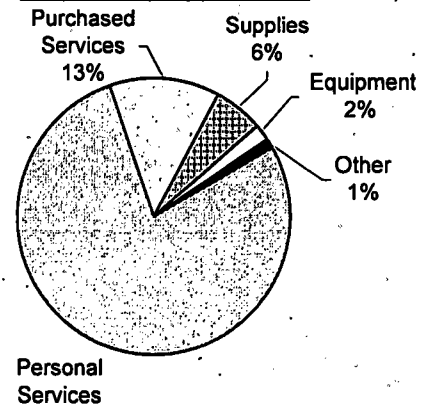
	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Budget
Expenditures	\$ 7,651,436	\$ 8,122,198	\$ 8,249,609	\$ 9,234,525	\$ 10,366,730
Less Receipts	\$ 132,721	\$ 130,865	\$ 43,939	\$ 15,646	\$ 10,950
Appropriations	\$ 7,518,715	\$ 7,991,333	\$ 8,205,670	\$ 9,218,879	\$ 10,355,780
Positions	104.00	109.00	111.00	111.00	111.00

Partnership for the Sounds	\$ 517,250	\$ 517,250	\$ 517,250	\$ 517,250	\$ 517,250
Grassroot Museums	\$ 3,331,340	\$ 3,906,340	\$ 3,481,340	\$ 3,481,340	\$ 3,481,340

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Expansion/ Reduction

7% pass through funding reduction

- Impacts Partnership for the Sound	\$ (36,208)
- Impacts Grassroots Museums	\$ (243,694)
Total:	\$ (279,901)

Continuation Budget

	FY 2009-10	FY 2010-11	Positions
Operating Reserve for Green Square	\$ 499,715	\$ 1,933,194	5
Equipment Increase for New Phone System	\$ 307,500		

**NC Museum of Natural Sciences
Department of Environment & Natural Resources**

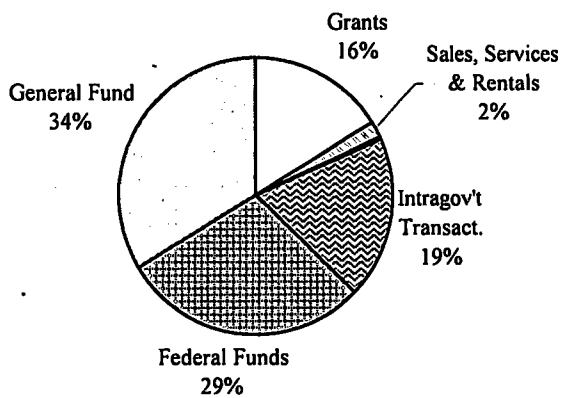
Prior Budget Actions

	<u>R</u>	<u>NR</u>	<u>Positions</u>
FY 2008-09			
Operating efficiencies reduction	\$ (50,242)		
Total	\$ (50,242)	\$ -	-
FY 2007-08			
Increase Funding for Grassroots Museums	\$ 283,577	\$ 425,000	
Total	\$ 283,577	\$ 425,000	-
FY 2006-07			
Operating Reserve for Prairie Ridge - Continuation Budget	\$ -	\$ -	
Total:	\$ -	\$ -	-
FY 2005-06			
Continuation of UNC-TV Show - Exploring NC (NR)	\$ -	\$ 250,000	
Total:	\$ -	\$ 250,000	-
FY 2004-05			
Receipt-Supported Positions - 5.0 time-limited positions			5
Reduce Operating Support		\$ (134,235)	
Total:	\$ -	\$ (134,235)	5
FY 2003-04			
None	\$ -	\$ -	
Total:	\$ -	\$ -	-

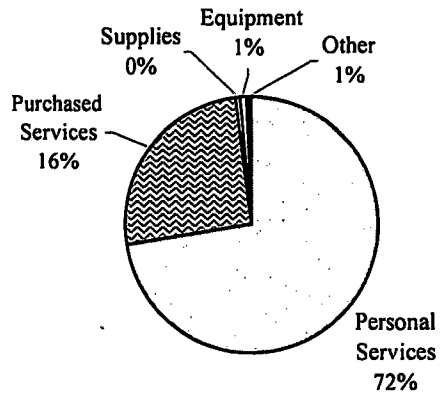
**Natural Resource Planning & Conservation
Department of Environment & Natural Resources**

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	\$ 3,403,913	\$ 2,929,998	\$ 2,817,230	\$ 3,043,591	\$ 3,044,239
Less Receipts	\$ 1,573,390	\$ 2,030,577	\$ 1,871,390	\$ 2,109,597	\$ 2,109,597
Appropriations	\$ 1,830,523	\$ 899,421	\$ 945,840	\$ 933,994	\$ 934,642
Positions	27.50	30.00	30.00	30.00	30.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Nothing to report

Natural Resource Planning & Conservation
Department of Environment & Natural Resources

Prior Budget Actions

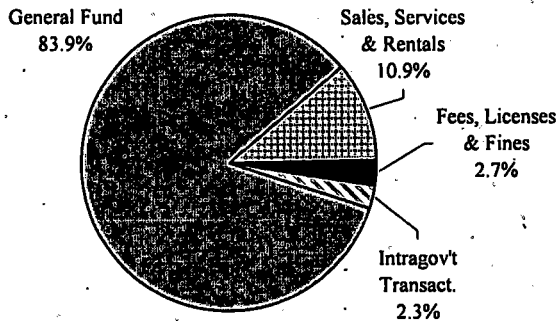
	R	NR	Positions
FY 2008-09			
N/A	\$ -	\$ -	-
Total	\$ -	\$ -	\$ -
 FY 2007-08			
River Herring Research	\$ -	\$ 100,000	
Total	\$ -	\$ 100,000	\$ -

**Division of Parks and Recreation
Department of Environment & Natural Resources**

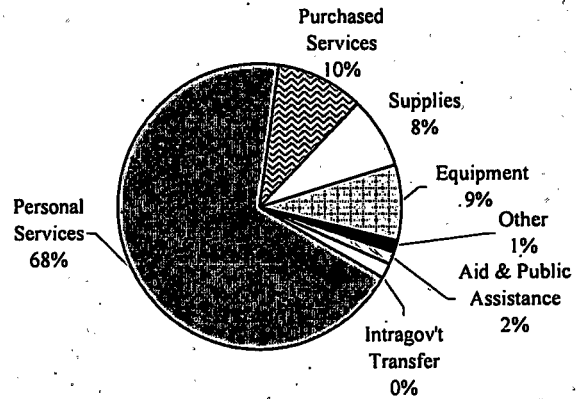
Fund 1280

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	\$ 33,346,632	\$ 38,526,273	\$ 39,037,843	\$ 45,872,272	\$ 46,901,824
Less Receipts	\$ 9,022,357	\$ 10,022,127	\$ 6,295,229	\$ 9,702,330	\$ 9,702,330
Appropriations	\$ 24,324,274	\$ 28,504,146	\$ 32,742,614	\$ 36,169,942	\$ 37,199,494
Positions	455.50	487.50	529.50	544.50	561.50

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Expansion/ Reduction

Nothing to report.

Continuation Budget

Operating Reserve for State Parks

(Includes 19 different capital projects at 15 different facilities)

	FY 2009-10	FY 2010-11	Positions
	\$ 2,812,812	\$ 3,410,289	15

**Division of Parks and Recreation
Department of Environment & Natural Resources**

Prior Budget Actions

	R	NR	Positions
FY 2008-09			
Operating Efficiencies	\$ (235,177)		
Total:	\$ (235,177)	\$ -	-
FY 2007-08			
Reduce Continuation Increase for Operating Reserves	\$ (300,000)		
Total:	\$ (300,000)	\$ -	-
FY 2006-07			
Continuation- Operating Reserve	\$2,529,358		
Capital - Hickory Nut Gorge \$15 million NR			
Total:	\$ 2,529,358	\$ -	-
FY 2005-06			
Continuation- Operating Reserve	\$2,229,358		
Operating Support	(\$25,000)		
Total:	\$ 2,204,358	\$ -	-
FY 2004-05			
Continuation - Operating Reserve	\$3,101,529		
Reduce Funding	(\$246,203)		
Total:	\$ 2,855,326	\$ -	-
FY 2003-04			
Continuation - Operating Reserve	\$1,334,954		
Establish Vehicle Access Fee at Ft. Fisher	(\$36,587)		
Increase State Park Fees	(\$233,246)		
Eliminate Vacant Position	(\$31,305)		(1.00)
Reduce Operating Support		(\$86,462)	
Reduce Seasonal Staff	(\$144,000)		
Total:	\$ 889,816	\$ (86,462)	(1.00)

**Division of Pollution Prevention & Environmental Assistance
Department of Environment & Natural Resources**

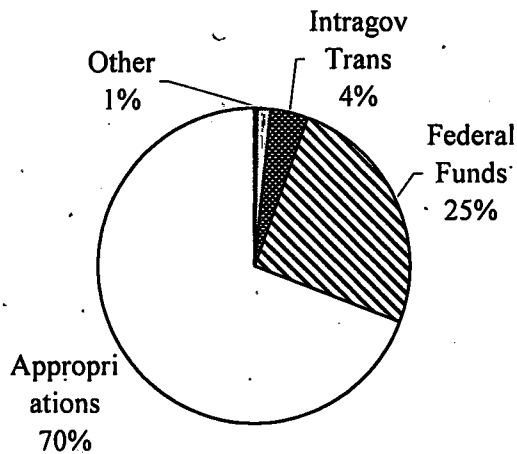
	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	1,575,250	1,632,547	2,296,293	2,290,718	2,293,192
Less Receipts	338,082	349,574	653,430	825,792	825,792
State Appropriations	\$1,913,332	\$1,982,121	\$2,949,723	\$3,116,510	\$3,118,984
Positions	29.00	30.00	31.00	31.00	31.00

Note: The position count includes 7.0 positions funded through the Solid Waste Management Trust Fund (64303 6760).

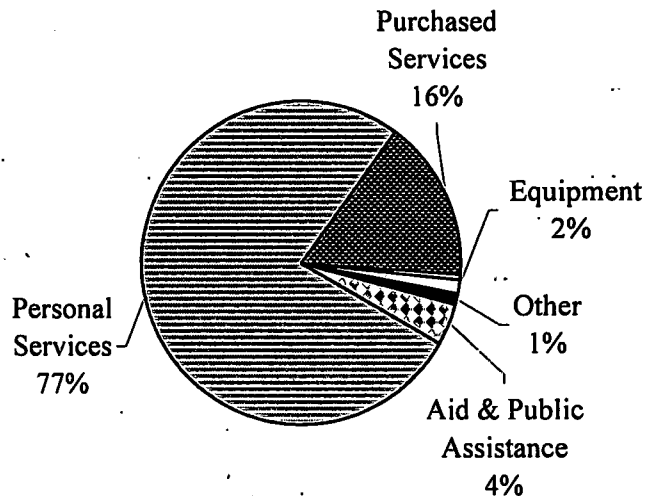
These funds are not included in the above budget figures

Fund Code: 1615

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

No items in the Governor's budget.

Division of Pollution Prevention & Environmental Assistance
Department of Environment & Natural Resources

Prior Budget Actions

FY 2008-09

Operating efficiencies	(\$6,004)	
Restore Environmental Stewardship Initiative	\$276,624	
Total:	\$270,620	

FY 2007-08

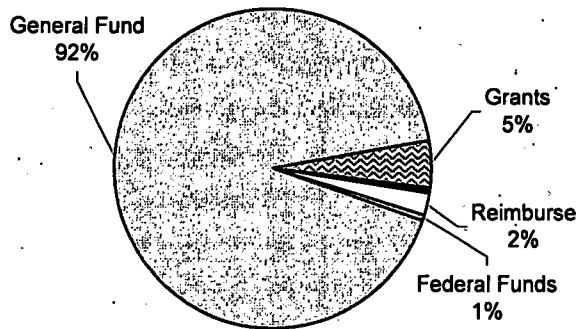
Continuation Review of Environmental Stewardship Initiative	(\$276,624)	R
	\$276,624	NR
Total:	\$0	

**Division of Soil & Water Conservation
Department of Environment & Natural Resources**

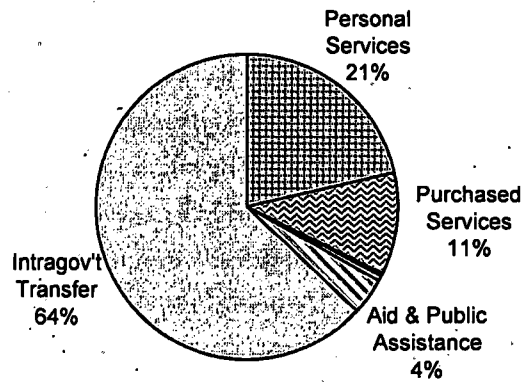
Fund 1310

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	\$ 14,181,331	\$ 16,176,465	\$ 16,067,979	\$ 14,095,462	\$ 14,097,681
Less Receipts	\$ 1,087,772	\$ 1,121,801	\$ 1,304,762	\$ 1,101,953	\$ 1,097,673
Appropriations	\$ 13,093,559	\$ 15,054,664	\$ 14,763,217	\$ 12,993,509	\$ 13,000,008
Positions	55.00	55.14	56.14	56.14	56.14

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Expansion/ Reduction

Nothing to report.

Continuation Budget

Nothing to report.

Division of Soil & Water Conservation
Department of Environment & Natural Resources

Prior Budget Actions

	R	NR	Positions
FY 2008-09			
Reduce Financial Assistance in Agriculture Cost Share	\$ (268,177)		
Provide Funds for Ag. Cost Share Technical Assistance		\$ 200,000	
Agricultural Drought Response Funds		\$ 1,500,000	
Continue Lagoon Conversion Program	\$ 72,633	\$ 14,294	1.00
Travel Funds for Soil & Water Conservation Districts		\$ 50,000	
Total	\$ (195,544)	\$ 1,764,294	1.00
FY 2007-08			
Continue BMP Funding for Poultry Waste		\$ 250,000	
Funds to Implement Community Conservation Assistance	\$ 200,000		1.00
Implement Swine Waste Technology Initiatives		\$ 2,000,000	
Expand CREP to 2 New River Basins	\$ 275,000		2.00
Total	\$ 475,000	\$ 2,250,000	3.00
FY 2006-07			
NC Agricultural Cost Share Technical Assistance	\$ 333,778		
NC Agricultural Cost Share Financial Assistance	\$ 200,000	\$ 200,000	
Extend Conservation Reserve Enhancement Program (CREP)	\$ 575,000	\$ 425,000	
Soil and Water Conservation District Supervisor Travel	\$ 25,000		
Poultry Waste Management Best Practices		\$ 200,000	
Total	\$ 1,133,778	\$ 825,000	-
FY 2005-06			
Eliminate Vacant Position	\$ (40,718)		
Reduce Operating Support	\$ (40,000)		
Establish 1.0 Position - Animal Waste Management Systems	\$ 40,000		
Total	\$ (40,718)	\$ -	-
FY 2004-05			
Restore Position - S&W Conservation Regional Coordinator	\$ 41,749		
Reduce Funding	\$ (100,000)		
Total	\$ (58,251)	\$ -	-
FY 2003-04			
Eliminate Animal Waste Cost Share Program		\$ (117,500)	
Eliminate 2.0 Vacant Positions	\$ (91,371)		
Reduce Operating Support	\$ (57,788)		
Total	\$ (149,159)	\$ (117,500)	-

Division of Waste Management

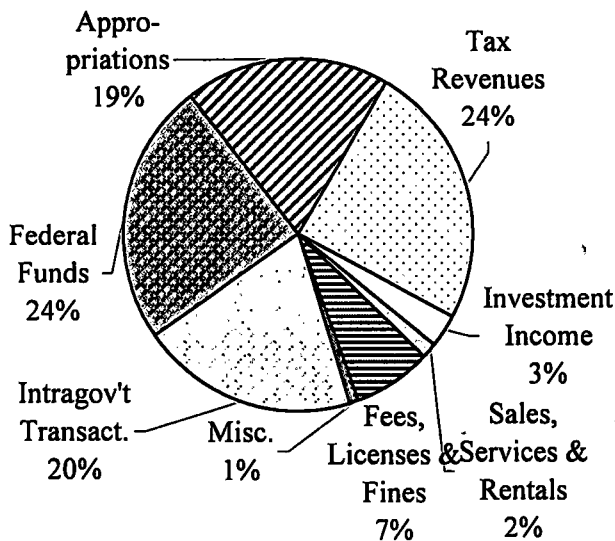
Department of Environment & Natural Resources

	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	23,659,691	29,171,104	36,625,513	36,896,291	36,903,675
Less Receipts	(28,158,016)	(27,922,579)	(29,706,079)	(30,029,617)	(30,029,617)
Cash Balance +/-	8,732,680	3,904,325	(873,156)	(873,156)	(873,156)
Appropriations	4,234,354	5,152,850	6,046,278	5,993,518	6,000,902
Positions	260.50	272.50	280.74	280.74	280.74

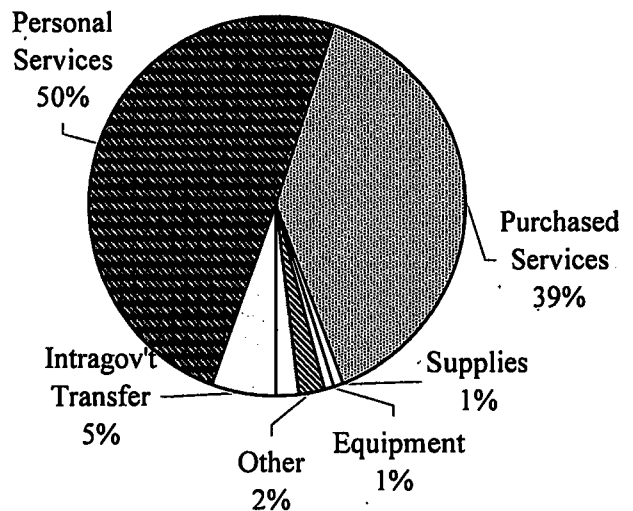
Note: The position count includes 3.0 positions funded through special fund codes (24308 2107 & 64303 6770). These fund codes are not included in the total budget given above.

Fund Codes: 1665, 1671, 1760, 24306 2126, 24306 2127, 24300 2219, 24300 2389, 24300 2391, 24300 2393

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

No items in the Governor's Budget.

Division of Waste Management
Department of Environment & Natural Resources

Prior Budget Actions

FY 2008-09

Operating Efficiencies	(\$15,501)	
Authorize 6.0 receipt-supported positions for Inactive Hazardous Sites		
Authorize 2.0 receipt-supported positions for Dry Cleaning Solvent Cleanup		
Total:	(\$15,501)	

FY 2007-08

Fund Groundwater Remediation Program	\$160,835	R 2.0 FTE
	\$11,472	NR
Fund Hazardous Waste Facilities & Management	\$125,000	2.0 FTE
Fund GIS Development	\$75,266	R 1.0 FTE
	\$3,989	NR
Total:	\$376,562	

FY 2006-07

No items

FY 2005-06

Fund shift position to hazardous waste receipts	(\$48,673)	
Reduce purchased services	(\$94,000)	
Reduce supplies	(\$20,000)	
Reduce aid and public assistance	(\$24,235)	
Mercury switch removal program funds	\$89,504	
Total:	(\$97,404)	

FY 2004-05

Fund shift 0.5 position to brownfields grant	(\$38,370)	
Eliminate 1.5 vacant positions in solid waste section	(\$71,861)	
Reduce operating support for travel	(\$8,856)	
10% state match for Superfund cost share fund	\$1,000,000	NR
Total:	\$880,913	

FY 2003-04

Increase hazardous waste fee and shift to receipt support	(\$405,000)	
Fund shift 2.0 positions to grants	(\$110,537)	
Reduce operating support	(\$45,265)	
Total:	(\$560,802)	

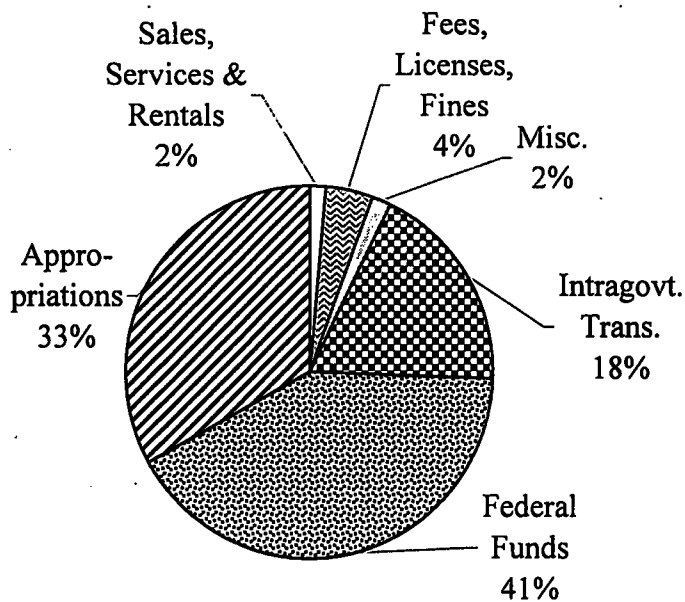
Division of Water Quality
Department of Environment & Natural Resources

	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	\$39,947,920	\$42,420,918	\$49,290,828	\$45,508,834	\$45,640,732
Less Receipts	(\$25,576,877)	(\$27,683,823)	(\$31,305,358)	(\$30,077,747)	(\$30,061,107)
Cash Balance +/-	(\$14,205)	\$20,576	\$10,000	\$0	\$0
State Appropriations	\$14,356,838	\$14,757,671	\$17,995,470	\$15,431,087	\$15,579,625
Positions	482.00	460.00	463.00	463.00	463.00

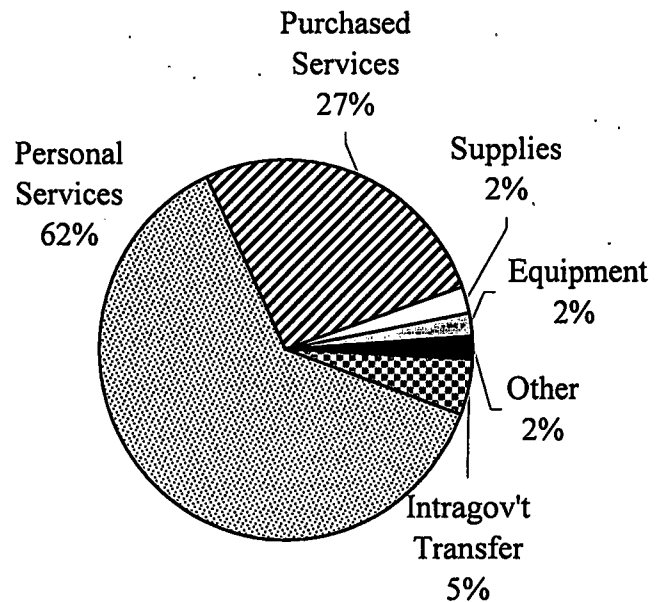
Note: The position count includes 9 positions funded through special fund codes. These unbudgeted fund codes are not included in the total budget given above.

Fund Codes: 1630, 1635, 1655, 1660, 1685, 1690, 1695, 1705, 1710, 1715, 1720, 1725, 24300 2130, 24300 2310, 24300 2332, 64311 6685

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends:

Eliminate Funding for Neuse River Rapid Response Team

(\$202,877) -4.0 FTE

Division of Water Quality
Department of Environment & Natural Resources

Prior Budget Actions

FY 2008-09

Operating Efficiencies	(\$73,960)	
Swine farm permitting and compliance positions	\$108,550	3.0 FTE
Fund Ferrymon and Modmon programs	\$384,355	NR
Total:	\$418,945	

FY 2007-08

Authorize increasing fees 20% and take corresponding GF reduction	(\$202,142)	
Fund Ferrymon	\$300,000	NR
Total:	\$97,858	

FY 2006-07

Funds for Ferrymon program	\$300,000	NR
Total:	\$300,000	

FY 2005-06

Eliminate water quality workgroup funds	(\$87,300)	
Fund shift 5.0 positions to receipt-support	(\$226,563)	
Reduce inflationary increases	(\$23,908)	
Reduce purchased services	(\$65,000)	
Reduce supplies	(\$60,000)	
Reduce equipment	(\$3,000)	
Reduce operating	(\$250,000)	
Establish receipt-supported position	\$0	
Funds for Ferrymon program	\$300,000	NR
Total:	(\$415,771)	

FY 2004-05

Reduce operating support	(\$261,378)	
Eliminate vacant position	(\$14,336)	
Shift position to receipt support	(\$32,886)	
Establish new receipt-supported position	\$0	
Total:	(\$261,378)	

FY 2003-04

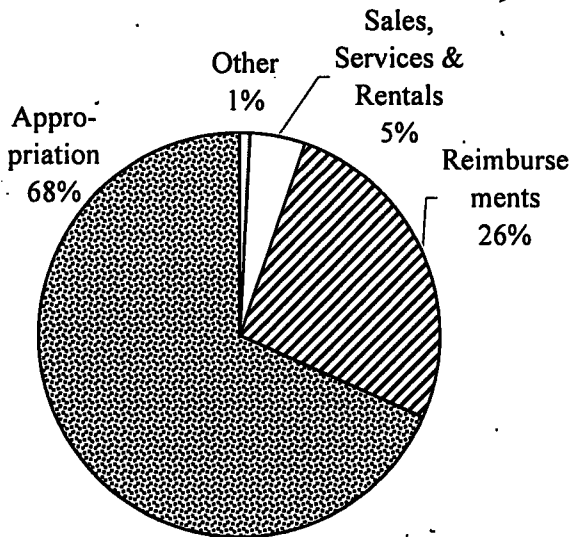
Shift position to receipt support	(\$37,065)	
Shift position to federal grants	(\$63,887)	
Reduce funding for temporary staff	(\$33,280)	
Eliminate vacant communications specialist position	(\$53,182)	
Fund shift 4 positions	(\$159,700)	
Reduce operating support	(\$11,721)	
Total:	(\$358,835)	

Division of Water Resources
Department of Environment & Natural Resources

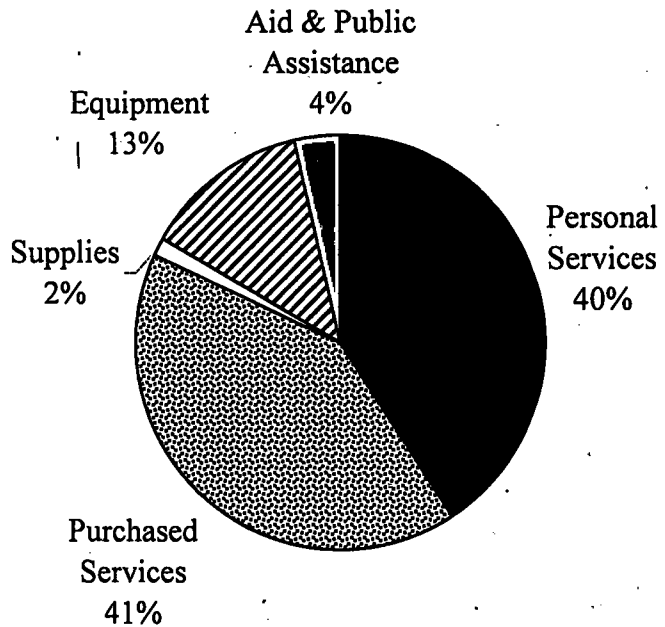
	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	3,725,628	5,757,920	7,078,011	4,560,920	4,564,421
Less Receipts	(608,106)	(839,427)	(2,237,219)	(389,756)	(389,756)
State Appropriations	3,117,522	4,918,493	4,840,792	4,171,164	4,174,665
Positions	36.00	39.00	43.00	43.00	43.00

Fund Code: 1620

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

No items in the Governor's budget.

Division of Water Resources
Department of Environment & Natural Resources

Prior Budget Actions

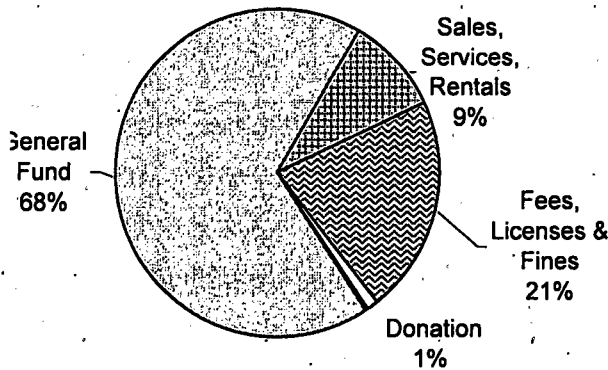
FY 2008-09		
Operating Efficiencies	<u>Recurring</u>	<u>Nonrecurring</u>
	(\$33,408)	
River Basin Water Supply Planning	\$482,384	\$26,000
Total:	\$448,976	\$26,000
FY 2007-08		
River Basin Water Supply Planning	<u>Recurring</u>	<u>Nonrecurring</u>
	\$95,000	\$5,000
Sustainable Management of Groundwater Resources	\$95,490	\$4,510
Total:	\$190,490	\$9,510
FY 2006-07		
No actions		
FY 2005-06		
Reduce Contractual Services	(\$50,000)	
Reduce Purchased Services	(\$10,000)	
Reduce Supplies	(\$5,000)	
Groundwater Monitoring	\$125,000	
Total:	\$60,000	
FY 2004-05		
Reduce USGS Cooperative Agreement Funds	<u>Recurring</u>	<u>Nonrecurring</u>
	(\$25,871)	
River Basin Water Supply Initiative	\$150,000	\$33,254
Establish Position - Environmental Engineer III	\$80,523	
Total:	\$204,652	\$33,254
FY 2003-04		
No actions		
FY 2002-03		
Eliminate 2 vacant positions	(\$87,442)	
Reduce operating	(\$48,396)	
Total:	(\$135,838)	

NC Zoo
Department of Environment & Natural Resources

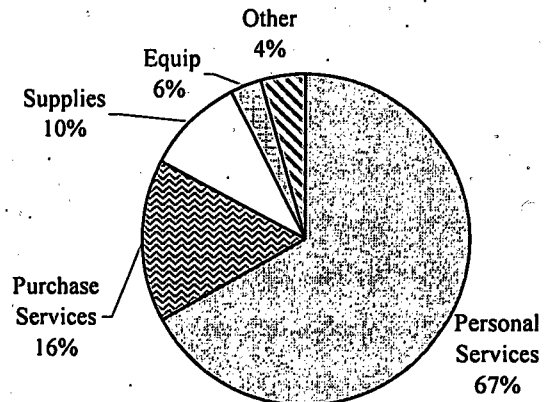
Fund 1305

	2006-2007 Actual	2007-2008 Actual	2008-2009 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	\$ 17,012,689	\$ 17,848,518	\$ 18,330,891	\$ 18,535,552	\$ 18,676,747
Less Receipts	\$ 6,435,957	\$ 6,375,650	\$ 5,978,115	\$ 5,878,577	\$ 5,878,577
Appropriations	\$ 10,576,732	\$ 11,472,868	\$ 12,352,776	\$ 12,656,975	\$ 12,798,170
Positions	255.50	264.75	265.75	265.75	265.75

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Expansion Budget

Nothing to report.

Continuation Budget

Operating reserve for capital improvements
 (Plains Barn Paddock)

	FY 2009-10	FY 2010-11	Positions
\$	96,758	193,517	3

NC Zoo
Department of Environment & Natural Resources

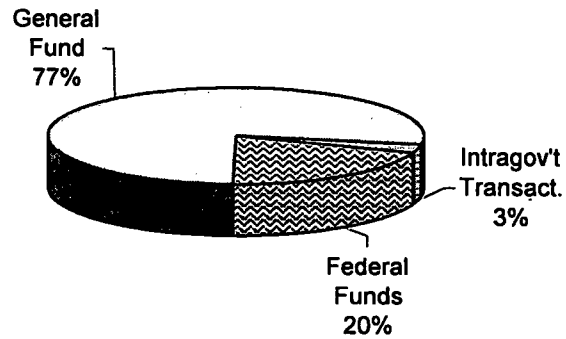
Prior Budget Actions

	R	NR	Positions
FY 2008-09			
Operating Efficiencies Reduction	\$ (50,473)		
Total:	\$ (50,473)	\$ -	-
FY 2007-08			
N/A			
Total:	\$ -	\$ -	-
FY 2006-07			
Operating Reserve for Elephant/Rhino Exhibit	\$ 219,268		
Capital - Storage Shed - \$452,800 NR			
Total:	\$219,268	\$ -	-
FY 2005-06			
Operating Reserve for Elephant/Rhino Exhibit	\$ 60,000		
Total:	\$ 60,000	\$ -	-
FY 2004-05			
Reduce Operating Support	\$ (86,847)		
Receipt-Supported Position			3.0
Total:	\$ (86,847)	\$ -	3.0
FY 2003-04			
Eliminate Vacant Facility Maintenance Manager II	\$ (50,768)		(1.0)
Shift 6.5 positions to Receipt Support	\$ (196,730)		(6.5)
Reduce Operating Support	\$ (400,000)		
Reduce Worker's Compensation budget	\$ (400,000)		
Total:	\$ (1,047,498)	\$ -	(7.5)

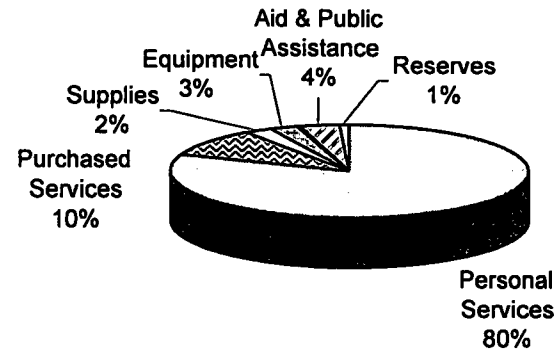
Department of Agriculture and Consumer Services

Agricultural Statistics Division						
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	\$ 1,502,606	\$ 1,528,343	\$ 1,600,645	\$ 1,741,723	\$ 1,737,769	\$ 1,741,293
Less Receipts	\$ 255,989	\$ 525,235	\$ 414,216	\$ 390,513	\$ 390,381	\$ 391,282
Appropriations	\$ 1,246,647	\$ 1,003,108	\$ 1,186,429	\$ 1,351,210	\$ 1,347,388	\$ 1,350,011
Positions	25.00	24.00	25.00	25.00	25.00	25.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Nothing to report

Exhibit D

Department of Agriculture and Consumer Services

Agricultural Statistics Division

Prior Budget Actions

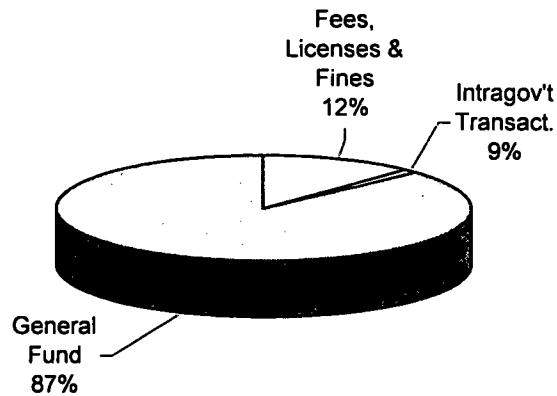
		R	NR
FY 2008-09			
N/A		\$ -	\$ -
	Total	\$ -	\$ -
FY 2007-08			
N/A		\$ -	\$ -
	Total	\$ -	\$ -

Department of Agriculture and Consumer Services

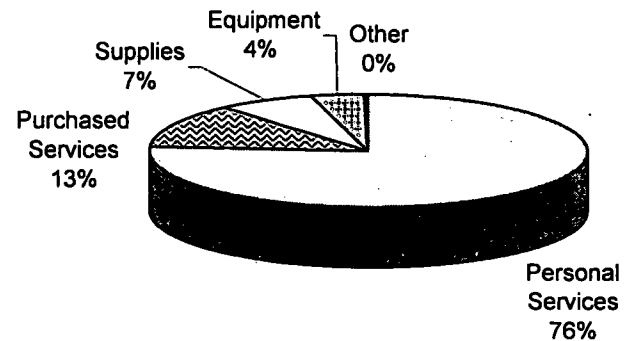
Agronomic Division

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	\$ 4,061,578	\$ 4,500,653	\$ 3,978,128	\$ 4,385,695	\$ 4,369,866	\$ 4,384,192
Less Receipts	\$ 524,617	\$ 644,151	\$ 532,798	\$ 570,215	\$ 521,070	\$ 521,070
Appropriations	\$ 3,536,961	\$ 3,856,502	\$ 3,445,330	\$ 3,815,480	\$ 3,848,796	\$ 3,863,122
Positions	60.00	58.00	58.00	59.00	59.00	59.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Nothing to report

Department of Agriculture and Consumer Services

Agronomic Division

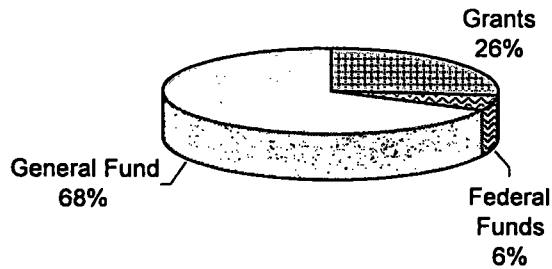
Prior Budget Actions

	R	NR
FY 2008-09		
Research Tech Position for Soil Receiving	\$ 31,875	\$ -
Total:	\$ 31,875	\$ -
FY 2007-08		
N/A	\$ -	\$ -
Total:	\$ -	\$ -

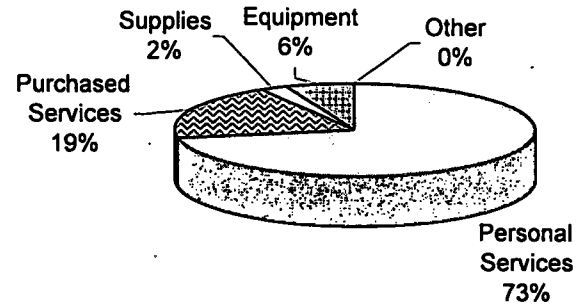
Department of Agriculture and Consumer Services

Emergency Programs						
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	\$ 2,007,030	\$ 2,293,995	\$ 2,467,189	\$ 2,381,073	\$ 2,352,321	\$ 2,351,369
Less Receipts	\$ 1,042,474	\$ 1,009,075	\$ 769,352	\$ 633,016	\$ 605,201	\$ 605,201
Appropriations	\$ 964,556	\$ 1,284,920	\$ 1,697,837	\$ 1,748,057	\$ 1,747,120	\$ 1,746,168
Positions	22.00	17.00	24.00	16.00	16.00	16.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Nothing to report

Department of Agriculture and Consumer Services

Emergency Programs

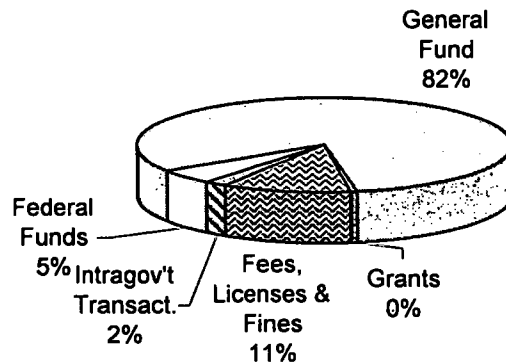
Prior Budget Actions

	R	NR
FY 2008-09		
Federally Supported Business & Tech Analyst Position	\$ -	\$ -
Total	\$ -	\$ -
FY 2007-08		
N/A	\$ -	\$ -
Total	\$ -	\$ -

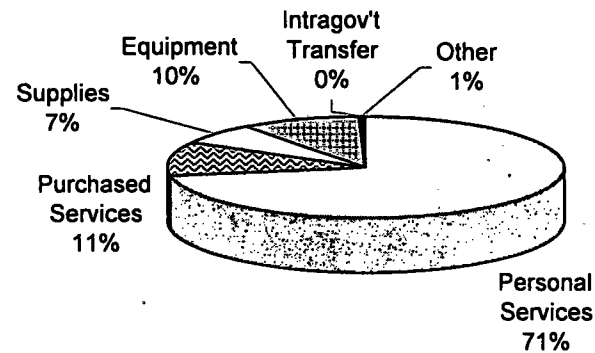
Department of Agriculture and Consumer Services

Food and Drug Protection						
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	\$ 8,261,504	\$ 11,109,421	\$ 10,629,201	\$ 10,688,969	\$ 10,202,164	\$ 10,287,592
Less Receipts	\$ 2,858,251	\$ 3,673,081	\$ 3,220,987	\$ 1,981,547	\$ 1,319,833	\$ 1,319,833
Appropriations	\$ 5,403,253	\$ 7,436,340	\$ 7,408,214	\$ 8,707,422	\$ 8,882,331	\$ 8,967,759
Positions	118.00	128.00	136.00	0.00	136.00	136.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Nothing to report

Department of Agriculture and Consumer Services

Food and Drug Protection

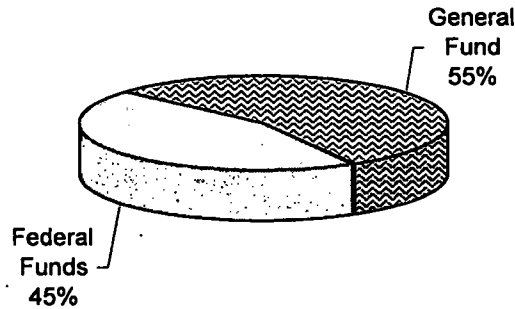
Prior Budget Actions

	R	NR
FY 2008-09		
Federally Supported Agricultural Microbiologist Position	\$ -	
Replace Appropriation with Over-Realized Receipts	\$ (130,000)	
Total:	\$ (130,000)	\$ -
FY 2007-08		
Food Regulatory Lab Equipment	\$ 200,000	
Total:	\$ 200,000	\$ -

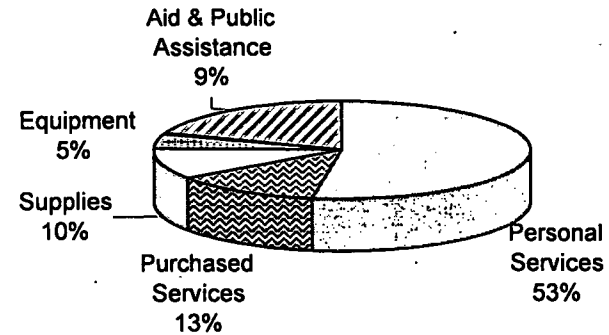
Department of Agriculture and Consumer Services

Food Distribution Division						
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11 Budget
Expenditures	\$ 4,543,166	\$ 4,191,956	\$ 4,157,457	\$ 4,569,793	\$ 3,541,011	\$ 3,594,217
Less Receipts	\$ 2,638,707	\$ 2,242,813	\$ 2,064,769	\$ 2,055,561	\$ 1,214,209	\$ 1,216,599
State Appropriation	\$ 1,904,459	\$ 1,949,143	\$ 2,092,688	\$ 2,514,232	\$ 2,326,802	\$ 2,377,618
Positions	47.00	48.00	47.00	47.00	47.00	47.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Nothing to report

Department of Agriculture and Consumer Services

Food Distribution Division

Prior Budget Actions

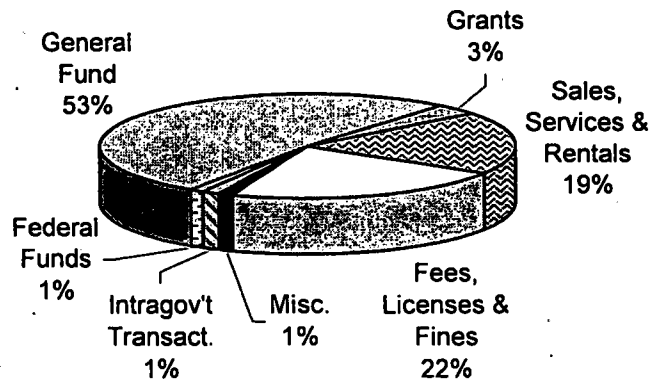
	R		NR	
FY 2008-09				
Seed Money to Re-start the Farm to School Program	\$	-	\$	200,000
Total:	\$	-	\$	200,000
FY 2007-08				
N/A				
Total:	\$	-	\$	-

Department of Agriculture and Consumer Services

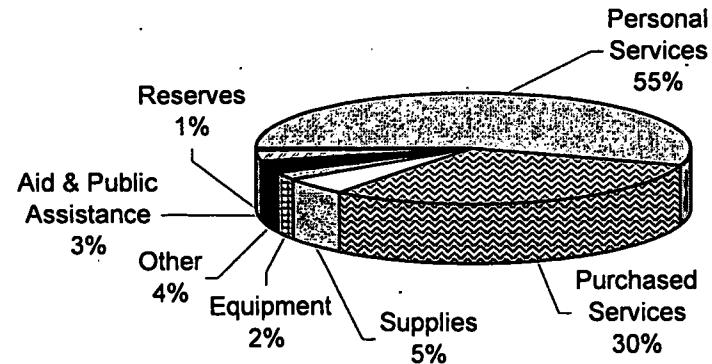
Marketing Division

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	\$ 12,879,518	\$ 13,609,547	\$ 13,850,834	\$ 15,222,258	\$ 13,807,032	\$ 13,787,248
Less Receipts	\$ 6,986,067	\$ 7,424,512	\$ 6,820,612	\$ 7,350,385	\$ 6,479,852	\$ 6,480,280
+/- Fund Balance	\$ 458,620	\$ 742,998	\$ 245,483	\$ -	\$ -	\$ -
Appropriations	\$ 6,352,070	\$ 6,928,032	\$ 7,275,705	\$ 7,871,873	\$ 7,327,180	\$ 7,306,968
Positions	142.00	138.75	141.00	141.00	140.00	140.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

\$500,000 NR Expansion of "Got to be NC"

Department of Agriculture and Consumer Services

Marketing Division

Prior Budget Actions

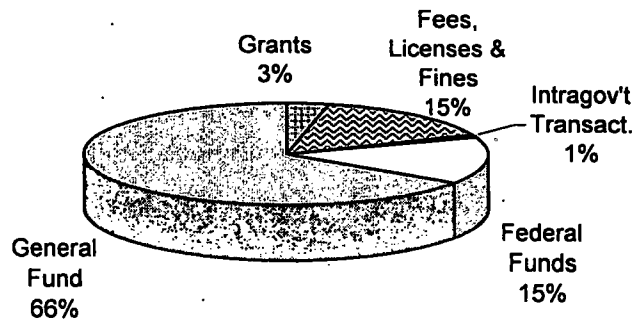
	R	NR
FY 2008-09		
Replace Appropriation with Over-Realized Receipts	\$ (145,000)	
Green Industries Education and Promotion		\$ 500,000
Marketing Funds for Agricultural Festivals		\$ 50,000
Total:	\$ (145,000)	\$ 550,000
FY 2007-08		
Marketing Funds for Agricultural Festivals	\$ -	\$ 50,000
General Marketing Funds	\$ -	\$ 200,000
Total:	\$ -	\$ 250,000

Department of Agriculture and Consumer Services

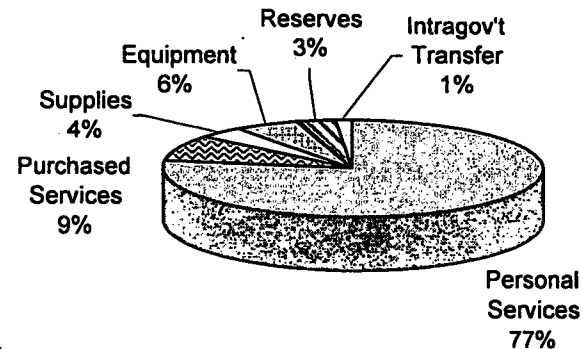
Plant Industry Division

Plant Industry Division						
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	\$ 6,763,970	\$ 6,697,872	\$ 7,481,423	\$ 6,906,069	\$ 6,712,903	\$ 6,716,910
Less Receipts	\$ 2,650,611	\$ 3,144,748	\$ 3,856,629	\$ 2,370,343	\$ 2,205,207	\$ 2,205,858
Appropriations	\$ 4,113,359	\$ 3,553,124	\$ 3,624,794	\$ 4,535,726	\$ 4,507,696	\$ 4,511,052
Positions	85.75	89.00	93.75	92.75	92.75	92.75

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Reduce equipment funding within Seed & Fertilizer Division

Close Beneficial Insects Lab

Increase plant inspection fee from \$10 to \$100 for initial acre and from \$2 to \$3 per additional acre

Increase registered nurseries fee from \$6 to \$20

Department of Agriculture and Consumer Services

Plant Industry Division

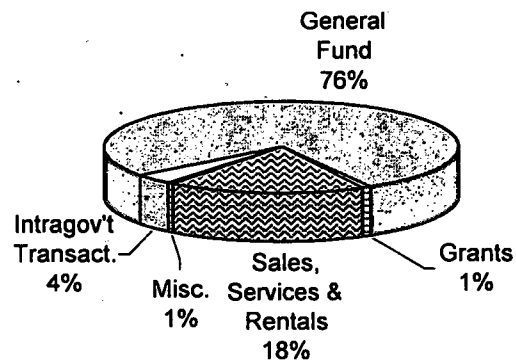
Prior Budget Actions

		<u>R</u>		<u>NR</u>	
FY 2008-09					
N/A		\$	-	\$	-
	Total	\$	-	\$	-
FY 2007-08					
N/A		\$	-	\$	-
	Total	\$	-	\$	-

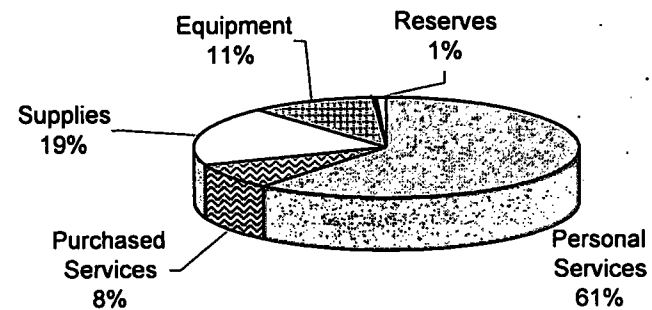
Department of Agriculture and Consumer Services

Research Stations and State Farms						
	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11
	Actual	Actual	Actual	Authorized	Continuation Budget	
Expenditures	\$ 10,206,717	\$ 10,842,602	\$ 11,875,607	\$ 13,107,289	\$ 12,671,902	\$ 12,737,124
Less Receipts	\$ 2,191,753	\$ 2,120,578	\$ 2,800,335	\$ 3,035,470	\$ 2,413,549	\$ 2,413,549
Appropriations	\$ 8,014,963	\$ 8,722,024	\$ 9,075,272	\$ 10,071,819	\$ 10,258,353	\$ 10,323,575
Positions	164.75	164.75	164.75	166.75	166.75	166.75

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Nothing to Report

Department of Agriculture and Consumer Services

Research Stations and State Farms

Prior Budget Actions

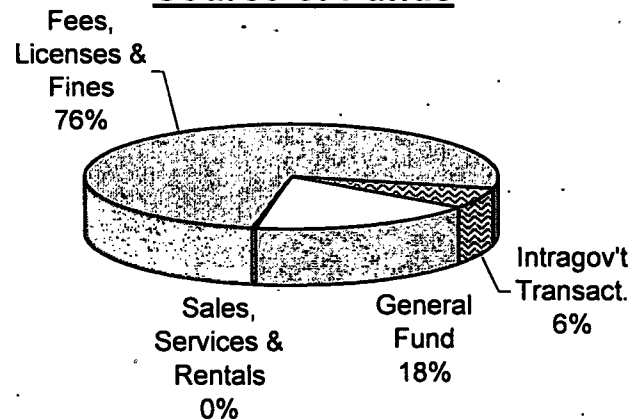
	R	NR
FY 2008-09		
Highway Fund Supported Standards Inspector I	\$ -	
Highway Fund Supported Chemistry Tech III	\$ -	
Total:	\$ -	\$ -
FY 2007-08		
Highway Fund Supported LP-Gas Inspector	\$ -	
LP-Gas Inspector Equipment (Funded by Highway Fund)	\$ -	
Total:	\$ -	\$ -

Department of Agriculture and Consumer Services

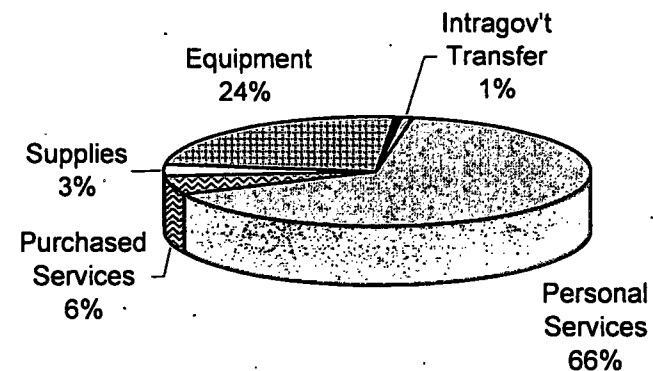
Standards Division

Standards Division						
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	\$ 5,348,242	\$ 5,866,199	\$ 6,935,627	\$ 7,774,239	\$ 6,694,683	\$ 6,548,777
Less Receipts	\$ 4,521,540	\$ 5,100,953	\$ 5,659,094	\$ 6,389,941	\$ 5,421,215	\$ 5,414,929
Appropriations	\$ 826,702	\$ 765,246	\$ 1,276,533	\$ 1,384,298	\$ 1,273,468	\$ 1,133,848
Positions	95.00	97.00	98.00	99.00	99.00	99.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Create \$20 fee for registration of petroleum device technician licenses.
Budget over-realized receipts for Calibration Receipts

Department of Agriculture and Consumer Services

Standards Division

Prior Budget Actions

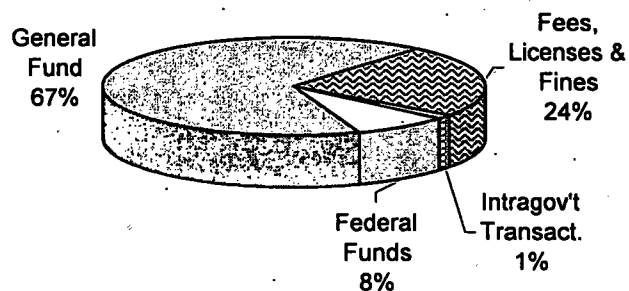
	R	NR
FY 2008-09		
Federally Supported Agricultural Microbiologist Position	\$ -	\$ -
Replace Appropriation with Over-Realized Receipts	\$ (130,000)	\$ -
Total	\$ (130,000)	\$ -
FY 2007-08		
Food Regulatory Lab Equipment	\$ 200,000	\$ -
Total	\$ 200,000	\$ -

Department of Agriculture and Consumer Services

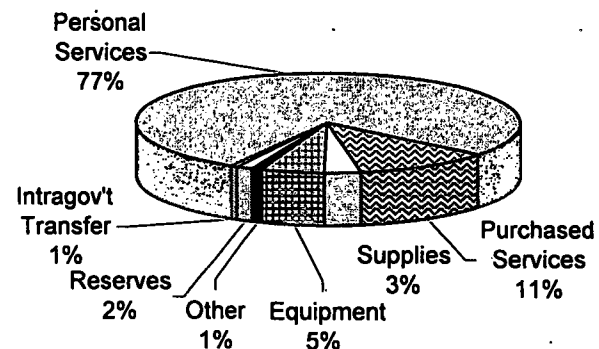
Structural Pest Division

Structural Pest Division						
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	\$ 5,219,726	\$ 4,599,442	\$ 4,841,071	\$ 5,174,029	\$ 4,963,793	\$ 4,981,038
Less Receipts	\$ 3,156,807	\$ 3,216,550	\$ 3,137,761	\$ 3,057,174	\$ 2,909,535	\$ 2,910,069
Appropriations	\$ 2,062,920	\$ 1,382,892	\$ 1,703,310	\$ 2,116,855	\$ 2,054,258	\$ 2,070,969
Positions	86.00	89.00	74.00	74.00	74.00	74.00

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Increase pesticide registration fees from \$100 to \$150

Department of Agriculture and Consumer Services

Structural Pest Division

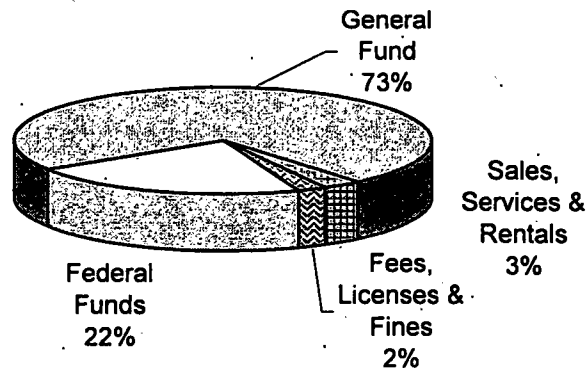
Prior Budget Actions

		R	NR
FY 2008-09			
N/A		\$ -	\$ -
	Total	\$ -	\$ -
FY 2007-08			
N/A		\$ -	\$ -
	Total	\$ -	\$ -

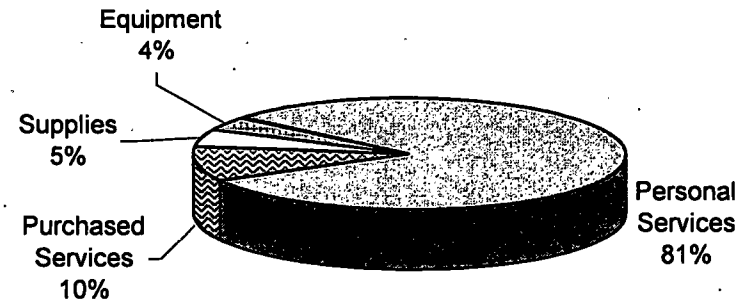
Department of Agriculture and Consumer Services

Veterinary Services Division						
	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	\$ 16,461,426	\$ 17,385,378	\$ 19,327,767	\$ 19,866,682	\$ 19,456,124	\$ 19,546,643
Less Receipts	\$ 4,678,166	\$ 5,166,979	\$ 5,931,096	\$ 5,365,864	\$ 5,272,541	\$ 5,315,665
Appropriations	\$ 11,783,260	\$ 12,218,399	\$ 13,396,671	\$ 14,500,818	\$ 14,183,583	\$ 14,230,978
Positions	283.75	283.75	277.00	280.75	280.75	280.75

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Increase animal diagnostic fees (ex: necropsy fee, cytology fee, disposal fee, etc)

Department of Agriculture and Consumer Services

Veterinary Services Division

Prior Budget Actions

	R	NR
FY 2008-09		
Federally Supported Medical Lab Tech	\$ -	\$ -
Transfer 3 Positions from Federal to State Funds	\$ 117,417	\$ -
Incinerator and Freezers for Rollins Lab	\$ -	\$ 525,000
2 Food Safety & Security Positions in meat & Poultry Inspections	\$ 141,335	\$ 2,705
Total	\$ 258,752	\$ 527,705
FY 2007-08		
Pathologist for Diagnostic Lab Support	\$ 123,000	\$ -
Replace 3 Autoclaves, Buy 1 New for Rollins Lab	\$ -	\$ 292,940
Cover Federal Funding Shortfall in Meat & Poultry Inspections	\$ -	\$ 269,000
Replace Field Automation Information Laptop Computers	\$ -	\$ 50,000
Total	\$ 123,000	\$ 611,940

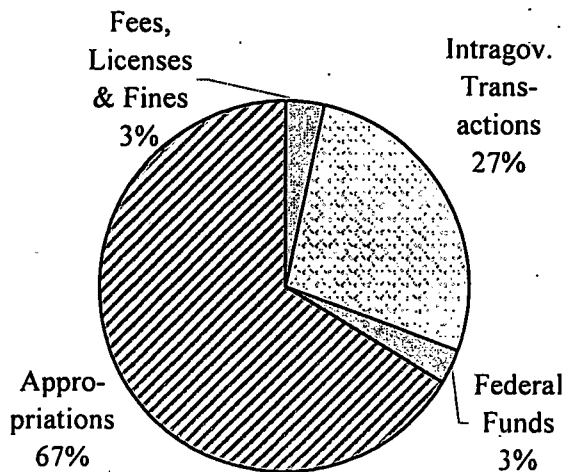
Administration Department of Labor

	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	\$3,898,901	\$4,873,958	\$4,649,178	\$4,470,031	\$4,476,360
Less Receipts	(\$1,332,570)	(\$1,908,033)	(\$1,835,136)	(\$1,604,352)	(\$1,604,352)
State Appropriations	\$2,566,330	\$2,965,925	\$2,814,042	\$2,865,679	\$2,872,008
Positions	57.05	55.20	55.20	55.20	55.20

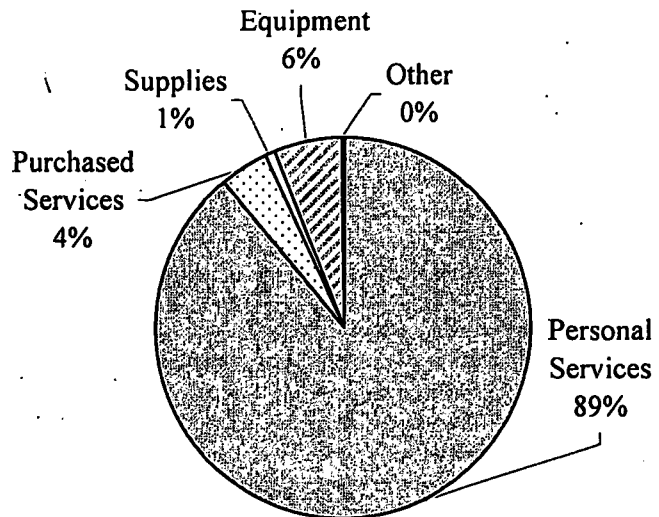
Administration includes Commissioner's Office, Administrative Services, Information Office, Research & Information Technology, OSHA/BLS Statistics, & the Individual Development Account program

Fund codes: 1110, 1120, 1130, 1210, 1360, 2460

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends - throughout Labor

Truth-in-Budgeting Reform

Eliminate 12.0 positions

Office Operating

FY 2009-10

(\$461,973)

(\$670,225)

(\$10,000)

FY 2010-11

(\$461,973)

(\$670,225)

(\$10,000)

-12.0 FTE

Administration
Department of Labor

Prior Budget Actions

FY 2008-09

no actions

FY 2007-08

no actions

FY 2006-07

Fund Travel and Office Space

\$213,894

Total: \$213,894

FY 2005-06

Eliminate 1.0 Vacant Position

(\$31,878)

Fund Shift 1.0 Position to Receipt Support

(\$36,030)

Eliminate Inflationary Increases

(\$1,755)

Reduce Operating

(\$24,461)

Total: (\$94,124)

FY 2004-05

no actions

FY 2003-04

Reduce Operating

(\$9,599)

Reduce Operating: Increase Indirect Cost Receipts

(\$74,000)

Eliminate 1 Vacant Position and Reduce Operating

(\$17,389)

Eliminate Department-wide Inflationary Increases

(\$35,976)

Increase Budgeted Indirect Cost Receipts for Information Office

(\$25,000)

Reduce Software Maintenance Costs

(\$35,000)

Total: (\$196,964)

FY 2002-03

Reduce Administration Operating

(\$35,327)

Eliminate Filled Administration Position

(\$55,988)

Shift Administration Position to Receipt-support

(\$36,722)

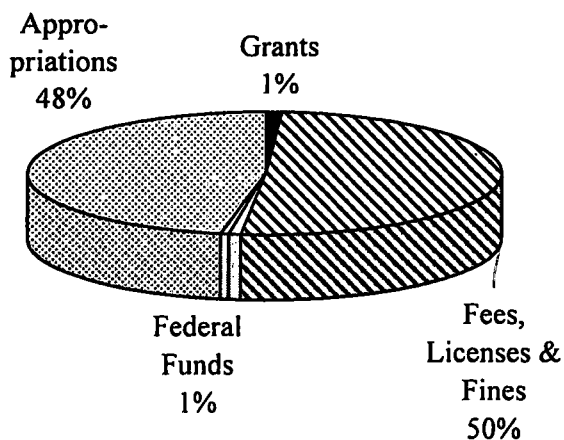
Total: (\$128,037)

**Standards & Inspections Division
Department of Labor**

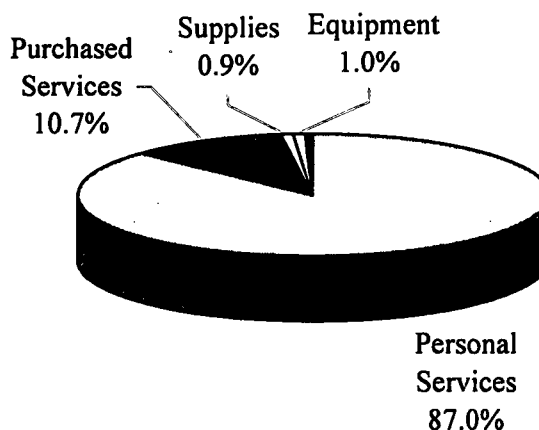
	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11
Expenditures	\$9,576,782	\$10,499,356	\$10,811,461	\$10,929,030	\$10,936,773
Less Receipts	(\$5,364,170)	(\$6,159,802)	(\$5,747,659)	(\$5,661,934)	(\$5,661,934)
Cash Balance +/-	\$405,238	\$708,525	\$0	\$0	\$0
State Appropriations	\$4,617,849	\$5,048,079	\$5,063,802	\$5,267,096	\$5,274,839
Positions	141.0	142.0	144.0	144.0	144.0

Fund Codes: 1330, 1331, 1340, 1345, 1420, 2310, 2320, 2427

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

Governor recommends:

Budget Over-realized Elevator Receipts	\$180,000	\$180,000
Budget Over-realized Boiler Receipts	\$60,000	\$60,000
Transfer Apprenticeship Program	(\$1,830,031)	(\$1,830,031) -26.0 FTE

Standards & Inspections Division
Department of Labor

Prior Budget Actions

FY 2008-09

Establish 2 Receipt-supported Field Supervisors for Elevator & Amusement Device Bureau

FY 2007-08

Wage & Hour Investigator Position	\$60,537	1.0 FTE
Total:	\$60,537	

FY 2006-07

Replace Appropriations for Mine & Quarry Program & Repeal Fee	\$200,000	
Establish 2 Receipt-supported Positions for Elevator Inspections	\$0	
Total:	\$200,000	

FY 2005-06

Establish Mine & Quarry Safety Training Fee	(\$270,000)	
Eliminate Inflationary Increases	(\$5,669)	
Reduce Operating	(\$20,100)	
Continue to Fund Apprenticeship Program	\$663,374	
Total:	\$367,605	

FY 2004-05

Replace Lost Receipts with General Fund Appropriations	\$355,226	NR
Total:	\$722,831	

FY 2003-04

Reduce Employment Discrimination Postage	(\$2,000)	
Reduce Operating for Mine & Quarry	(\$11,000)	
Eliminate 3.0 Vacant Wage & Hour Positions	(\$118,501)	
Reduce Operating	(\$20,000)	
Total:	(\$151,501)	

FY 2002-03

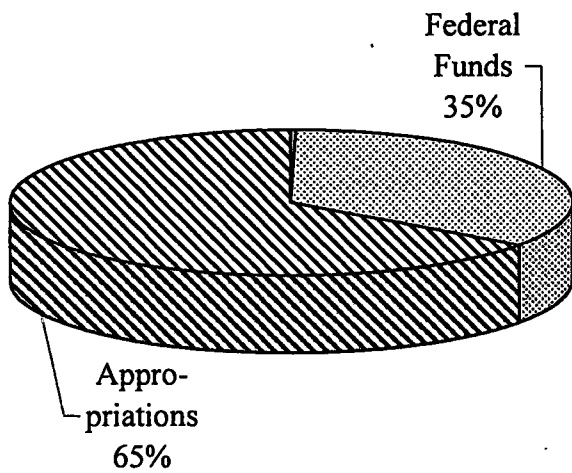
Eliminate Elevator & Amusement Device Appropriation	(\$131,934)	
Reduce Standards Operating Support	(\$88,676)	
Reduce Mine & Quarry Operating Support	(\$10,000)	
Eliminate Vacant Position	(\$28,174)	
Total:	(\$230,610)	

Occupational Safety and Health Department of Labor

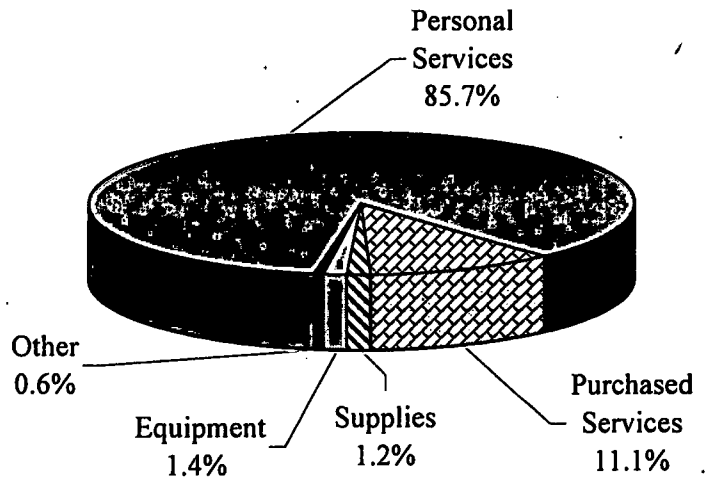
	2006-07 Actual	2007-08 Actual	2008-09 Authorized	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	\$14,397,308	\$14,695,347	\$16,697,706	\$16,906,204	\$16,925,057
Less Receipts	-\$5,664,364	-\$5,491,556	-\$5,865,738	-\$5,974,206	-\$5,977,253
State Appropriations	\$8,732,943	\$9,203,791	\$10,831,968	\$10,931,998	\$10,947,804
Positions	230	231	230	230	230

Fund Codes: 1346, 1350, 1351, 1352, 1353, 1358, 1361

Source of Funds



Expenditure of Funds



Issues for the 2009-11 Biennium

No items in the Governor's budget

Occupational Safety and Health Department of Labor

Prior Budget Actions

FY 2008-09

Federal Funding Offset	\$500,000	
Replace Partially Funded Positions	\$51,932	1.0 FTE
Worker Safety Positions	\$350,000	4.0 FTE
Total:	\$901,932	

FY 2007-08

Agricultural Safety Officers	\$124,748	2.0 FTE
Operational Funding	\$200,000	
Total:	\$324,748	

FY 2006-07

Fund operating	\$200,000	NR
Total:	\$200,000	

FY 2005-06

Eliminate Inflationary Increases	(\$47,424)	
Reduce Operating	(\$5,000)	
Total:	(\$52,424)	

FY 2004-05

Fund Shift 2 Positions to Receipt-support	(\$84,261)	
Expand Consultative Services by 2.0 positions	\$93,251	
Total:	(\$84,261)	

FY 2003-04

Reduce ASH Travel and Office Supplies	(\$10,000)	
Reduce OSH Operating	(\$307,208)	
Reduce Contractual Obligations	(\$5,468)	
Total:	(\$322,676)	

FY 2002-03

Shift ASH position to Receipt-support	(\$20,697)	
Reduce Operating	(\$201,611)	
Shift 1.9 OSH Positions to Receipt-support	(\$70,581)	
Eliminate 2 Vacant Positions	(\$74,063)	
Eliminate 3 Filled Positions	(\$200,010)	
Reduce Salary & Benefits	(\$33,795)	
Reduce OSH Review Board Operating	(\$31,419)	
Transfer HR Partner for Industrial Hygiene position from OSP	\$69,949	
Total:	(\$562,227)	

MINUTES

**Joint Appropriations Subcommittee
on
Natural and Economic Resources
Tuesday, March 17, 2009 at 9:00 a.m.
423 Legislative Office Building**

The Joint Appropriations Subcommittee on Natural and Economic Resources met at 9:00 a.m. on Tuesday, March 17, 2009 in Room 423 of the Legislative Office Building. Present were Rep. Warren, Rep. Pierce, Rep. Justice, Rep. Wilkins, Rep. Bryant, Rep. Langdon, Rep. Samuelson, Rep. West and Rep. Sager. Five Senators attended the meeting and Senator David Weinstein presided.

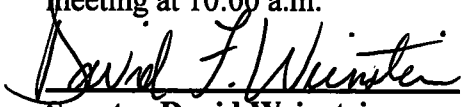
The meeting was called to order and Sen. Weinstein introduced the new members of the committee and the pages. He also introduced the Sergeant-At-Arms.

The purpose of this meeting was to discuss the NER budget. Sen. Weinstein then introduced Billy Ray Hall, President of the NC Rural Economic Development Center to present to the Committee the budget needs of the Rural Center and also their progress. (See Attachment #1)

Senator Weinstein then called on Norris Tolson, President of the NC Biotechnology Center to present to the Committee their budget requests and progress. (See Attachment #2)

Senator Weinstein then introduced Ken Tindall, Senior Vice President, Science and Business Development, Mike Wilkins, Senior Vice President, Statewide Operations and Economic Development, all with the Biotechnology Center.

Senator Weinstein asked if there were any questions and/or comments from the committee. With no questions and/or comments, Senator Weinstein adjourned the meeting at 10:00 a.m.


**Senator David Weinstein
Chairman**


**Vickie W. Spears
Committee Assistant**

Joint Appropriations Subcommittee on NER

Agenda

Tuesday, March 17, 2009, 9:00 A.M.
Room 423, Legislative Office Building

Sen. Weinstein, Presiding

I. Welcome

Sen. Weinstein

II. NC Rural Economic Development Center

Billy Ray Hall, President

III. NC Biotechnology Center

Norris Tolson, President

Ken Tindall, Senior Vice President – Science and Business Development

Mike Wilkins, Senior Vice President – Statewide Operations and Economic Development

IV. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

Senate Appropriations Subcommittee on NER

Sen. Weinstein (Chair)

Sen. McKissick (Chair)

Sen. Foriest, Sen. Jacumin, Sen. Rouzer



Presentation by

Billy Ray Hall, President
N.C. Rural Economic Development Center

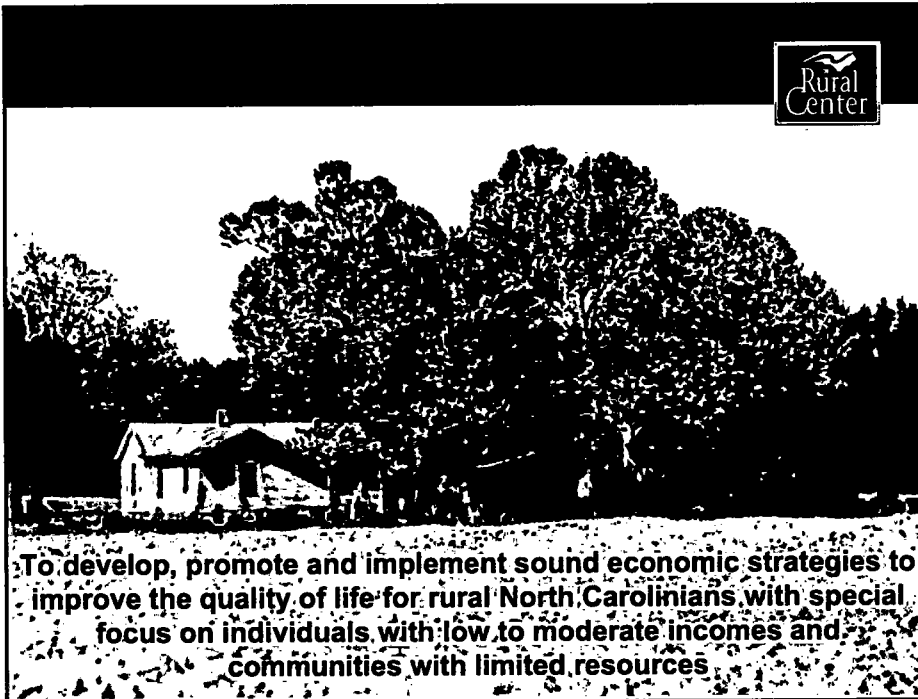
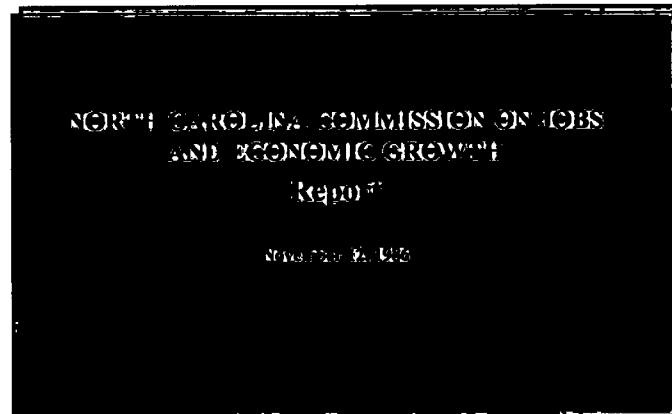
to the

Joint Appropriations Subcommittee on
Natural and Economic Resources
N.C. General Assembly

March 12, 2009



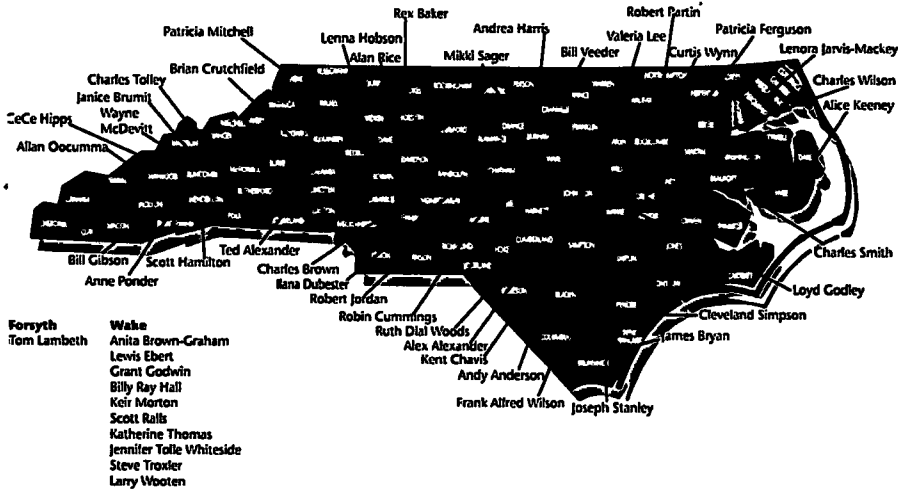
1986: Commission on Jobs & Economic Growth Issued Report



To develop, promote and implement sound economic strategies to improve the quality of life for rural North Carolinians with special focus on individuals with low to moderate incomes and communities with limited resources



Board of Directors




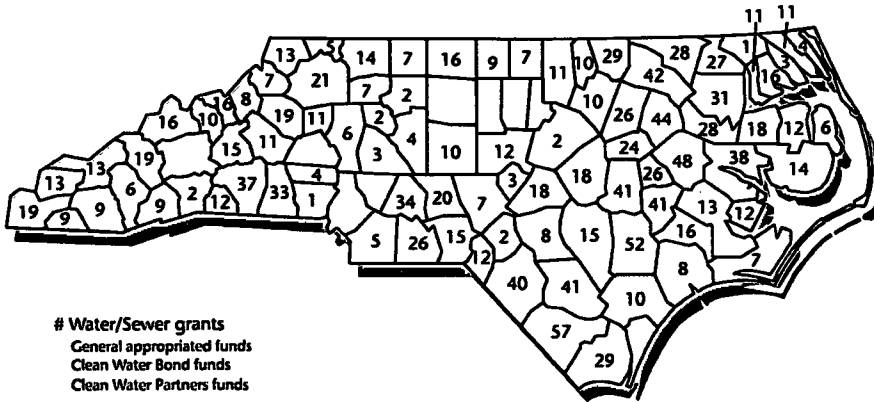
• Supplemental & capacity building grants since 1994

- 1,508 grants
- \$366 million
- \$1.3 billion leveraged
- 1.3 million utility customers served






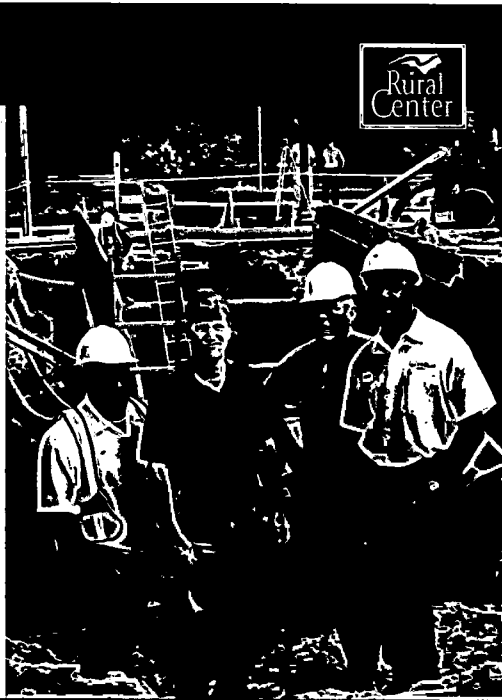
Water and Sewer Projects



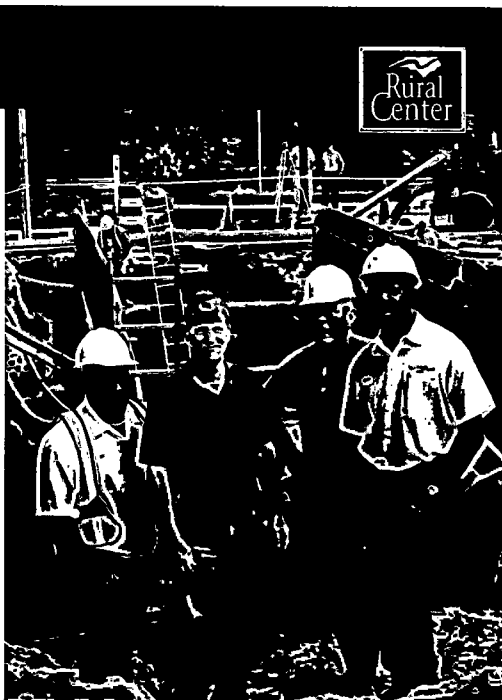
- Solving public health and environmental problems
- Technical assistance with funding packages
- Building capacity of local communities in the process



- **Established in 2007**
- **276 grants**
- **\$99.6 million awarded**
- **\$462 million leveraged**
- **355,294 utility customers benefited**

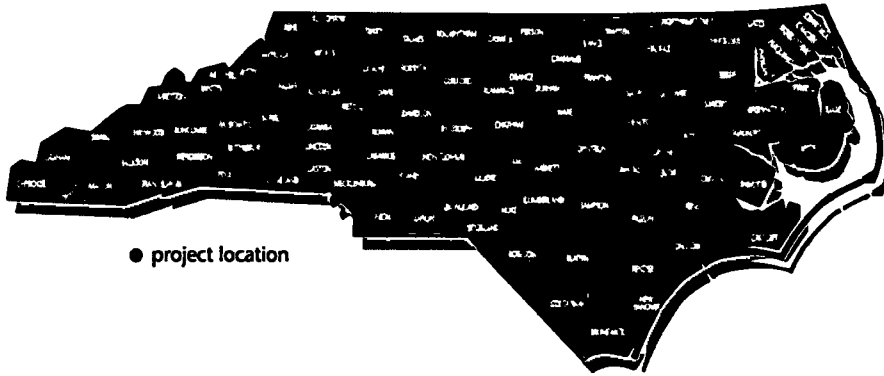


- **Lifting 16 regulatory restrictions**
- **22 water crisis grants**

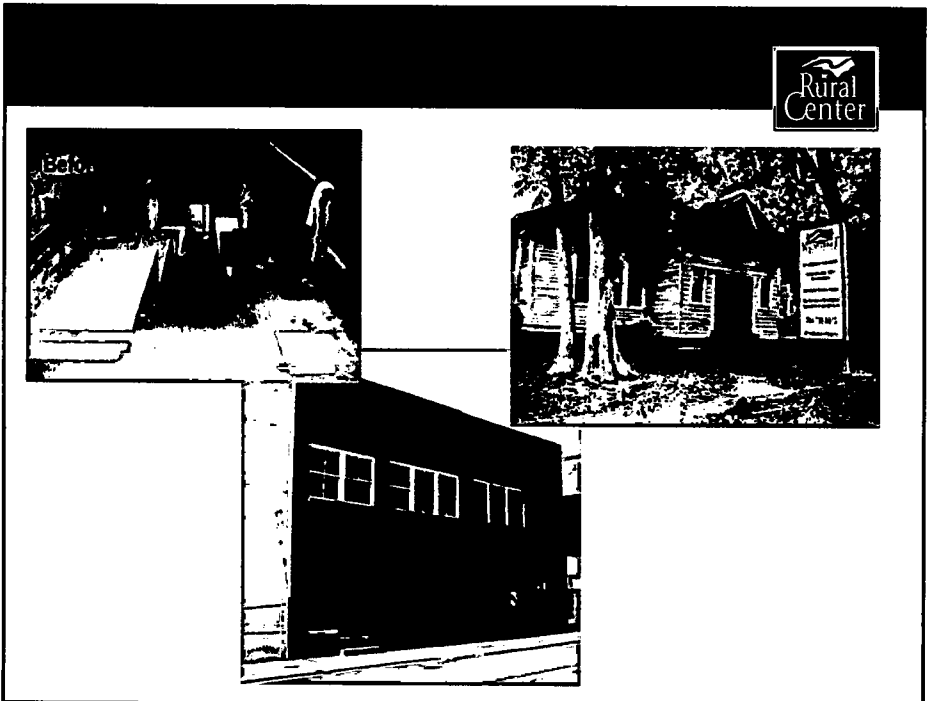
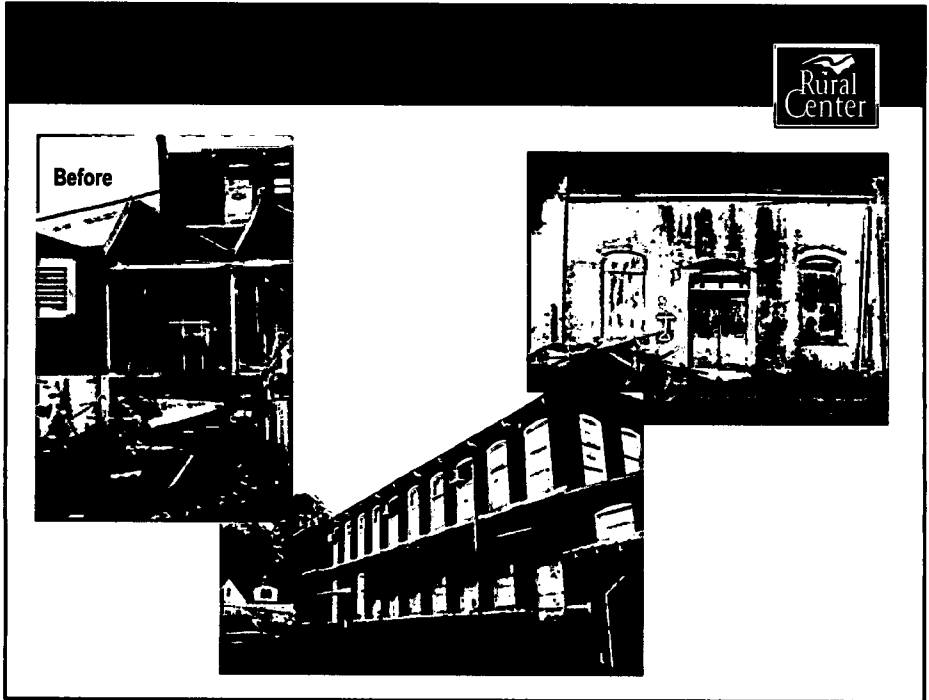




Clean Water Partners Projects



- **Established 2004**
- **134 grants**
- **\$15.8 million**
- **\$266 million leveraged**
- **4,233 new jobs**
- **135 new businesses**





Before



After



Piedmont Fiberglass, Taylorsville



AT&T, Goldsboro



Building Reuse & Restoration Projects



- **Established 2004**
- **159 grants**
- **\$49.6 million**
- **\$114.8 million leveraged**
- **5,846 new jobs**
- **184 new businesses**





Native Angels Homecare Agency, Pembroke

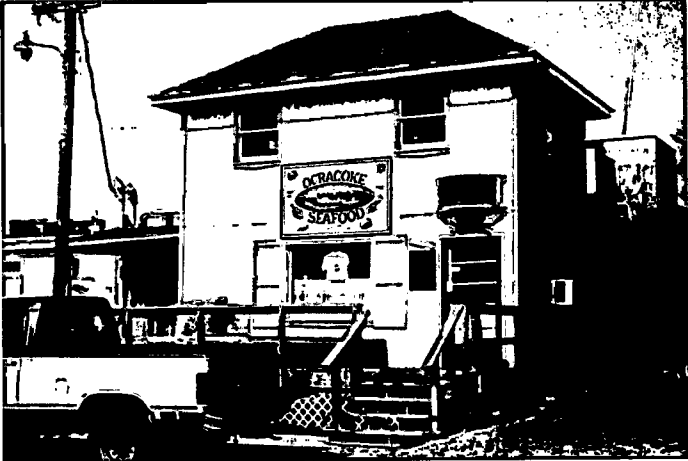



EIF Water and Sewer Projects





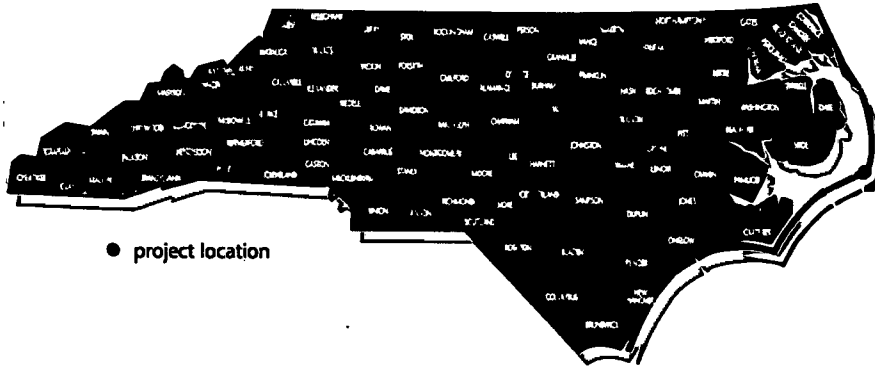
- **Established 2004**
- **92 grants**
- **\$11.4 million awarded**
- **\$17.9 million leveraged**
- **2,515 new jobs**
- **466 new businesses**



Ocracoke Fish House, Ocracoke



Economic Innovation Projects



- Launched in 2006
- 45 towns
- \$2.6 million grants awarded
- 19 strategic plans completed (32 towns)
- 24 projects completed



- **59 new businesses**
- **880 new jobs**
- **108 more projects under way**

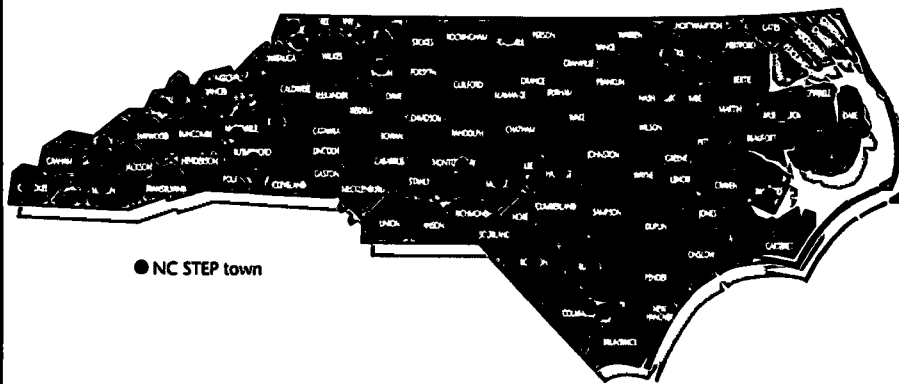


Bladen County Cluster



Scotland Neck

NC STEP Demonstration Sites





- **Established 1988**
- **80 CDCs supported**
- **\$32.4 million**
- **23 CDCs currently in program**
- **6 OICs**

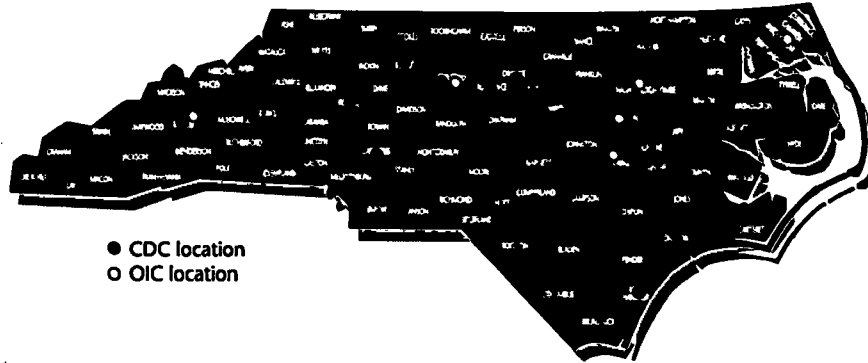


**Tyrrell County Community
Development Corporation**

Columbia

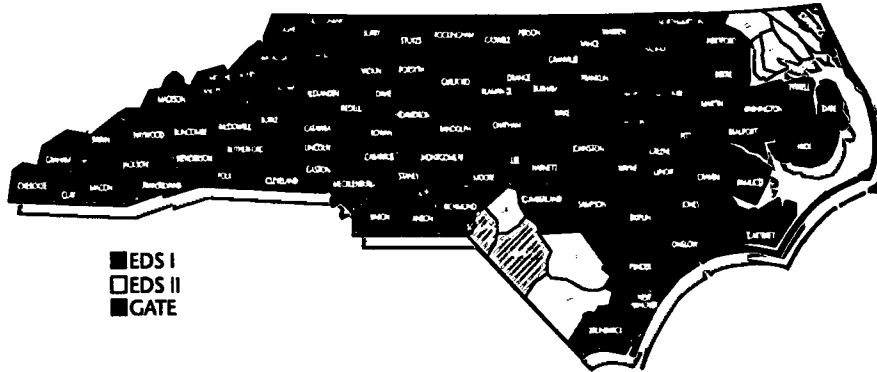


Community Development Corporations



- **Business Resource Alliance**
- **Entrepreneurship Summit**
- **Energizing Entrepreneurship training**
- **Leveraged \$3.6 million in foundation and federal funding**

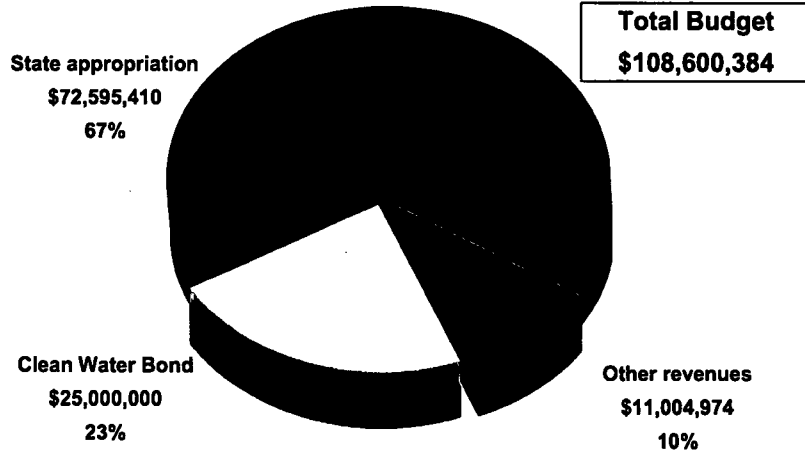
Entrepreneurship Projects



- Enhancing farm income
- Drought response
- Equine study
- Biofuels support



Funding Sources - FY 2009



Use of Funds – FY 2009

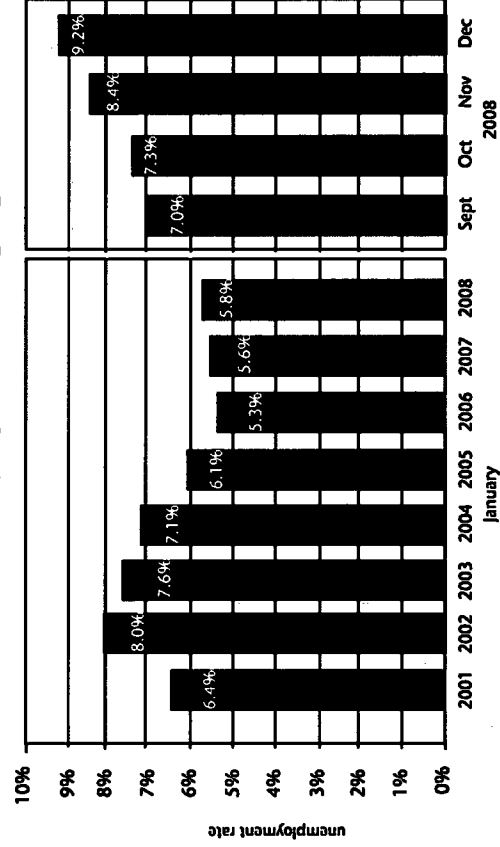
General administration	\$2,012,829	1.9%
State program administration & technical assistance	\$3,788,580	3.5%
State program grants	\$69,320,843	63.8%
Clean Water Bond grants	\$25,000,000	23.0%
Other program expenditures	\$8,058,406	7.4%
Reserves	\$419,726	0.4%
Total expenditures	\$108,600,384	100%



The Rural Center



Rural Unemployment Rising Again

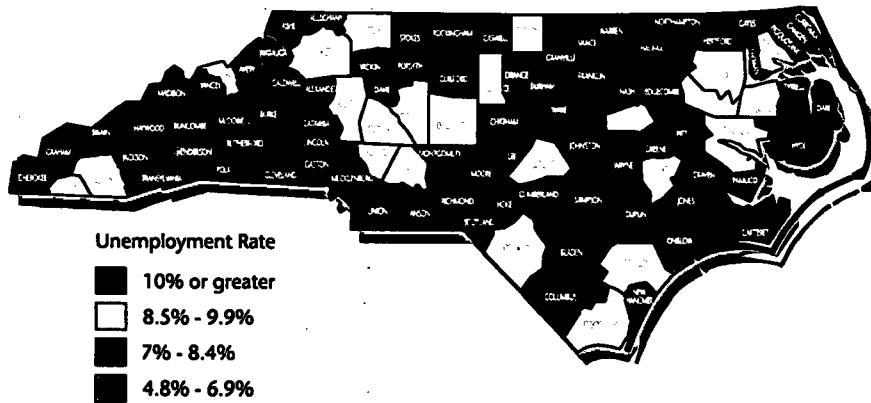


Source: N.C. Employment Security Commission



Recession Brings Rising Unemployment

December 2008

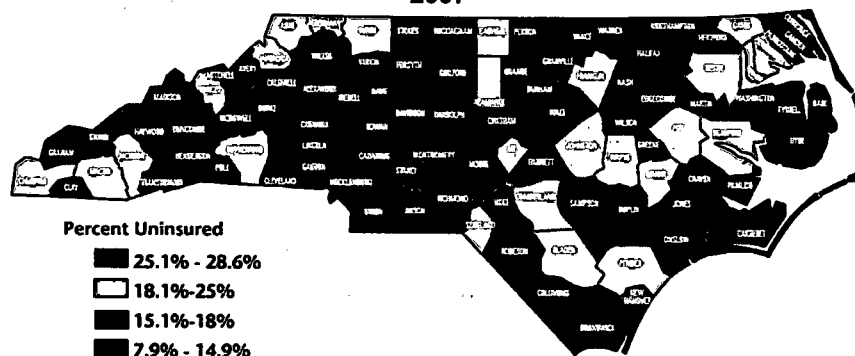


Source: N.C. Employment Security Commission



Number of Uninsured Increasing

2007

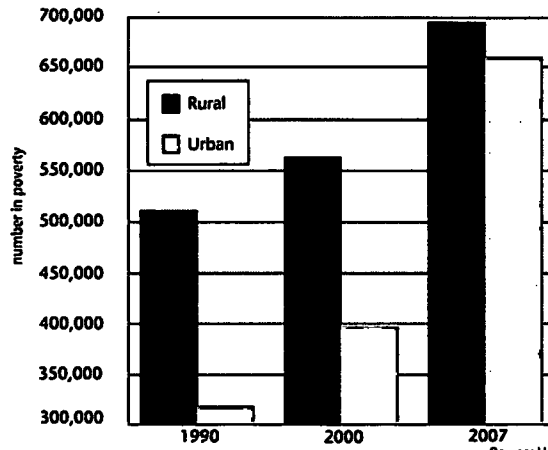


Source: UNC, The Cecil G. Sheps Center for Health Services Research



More Rural People in Poverty

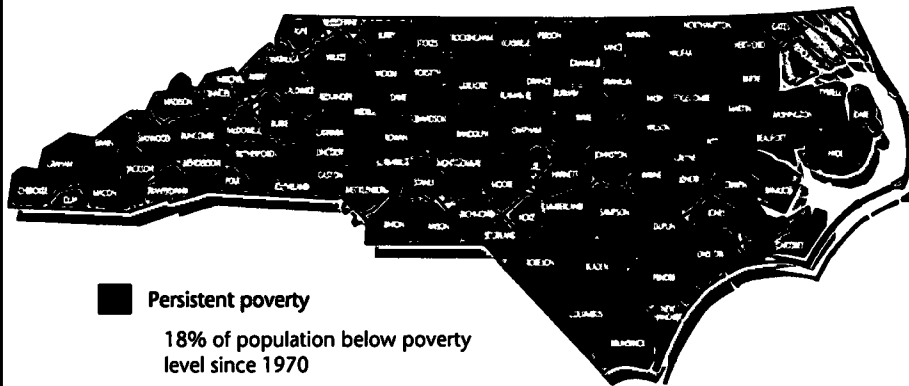
2007



Source: U.S. Census Bureau



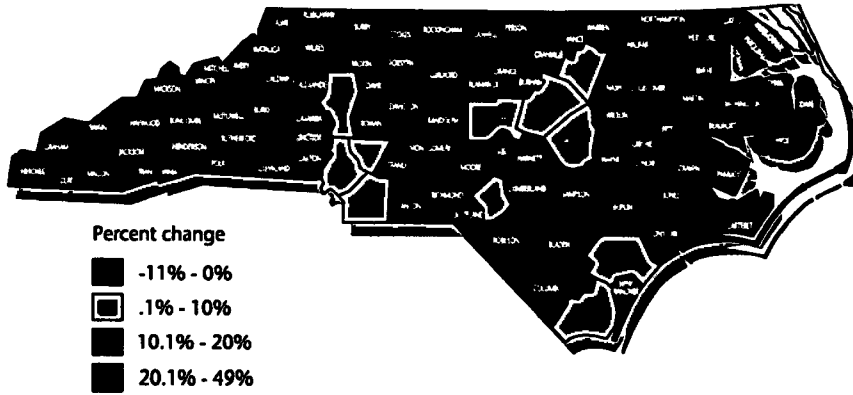
20 Counties Have Persistent Poverty



Source: U.S. Census Bureau



Population Gains and Losses 2000-2007



Source: U.S. Census Bureau





Battelle Report Highlights

The following numbers are drawn from *Evidence and Opportunity: Biotechnology Impacts in North Carolina*, presented in November, 2008 by the Battelle Memorial Institute's Technology Partnership Practice. The figures used for this analysis are from 2006 economic and employment data.

Annual Economic Impact

- Direct biotechnology sector revenues—\$28.7 billion.
- Indirect and induced impact (spending by companies and their employees on goods and services)—\$17.1 billion.
- Total economic impact of the biotechnology sector—\$45.8 billion.
- Employee compensation—\$9.4 billion.
- State and local tax revenues—\$1.4 billion.

Jobs

- 53,200 at biotechnology companies.
- 180,007 total created through indirect and induced impacts.
- Bioscience average worker salary is \$69,275. This is \$32,000 above average salary for private-sector workers in the state.

NC Biotechnology Center Portfolio Companies

- 3,734 jobs.
- \$193 million in employment compensation.
- \$26.8 million in state and local taxes.

Sector Growth

From 2001 to 2006, the net job growth was 18.5 percent in North Carolina:

- three times the national bioscience growth;
- five times the state's private sector growth; and

- by far the largest among the top 10 biotechnology states.

Industry Composition

North Carolina's biotechnology industry is diverse. It's not reliant on just pharmaceutical companies, but it has what Battelle terms specialization in three major areas:

- Agricultural Feedstock and Chemicals;
- Drugs and Pharmaceutical;
- Research, Testing and Medical Labs;
- and it has a rapidly growing Medical Device and Equipment sector.

Stakeholder Surveys

- 87 percent of North Carolina CEOs surveyed rated the Biotechnology Center as an important catalyst for biotechnology business growth in North Carolina.
- Nearly 70 percent of respondents said the impact was strong or very strong. The strongest kudos were for improving biosciences education, development of skilled workers and expansion of start-up companies.
- Almost 87 percent of CEOs said they would locate in North Carolina again.
- Of stakeholders who worked directly with the Biotechnology Center, nearly 85 percent said they were satisfied or very satisfied with the Center as a generator of positive impacts.

Quotes from stakeholder surveys

“This is an excellent endeavor run by dedicated, highly-qualified individuals. The Biotechnology Center is a critical resource to the advancement of biotechnology in the state.”

“I have worked in several states and know a fair amount about the biotech industry/education in others. One thing I believe is true: North Carolina almost certainly has the most well thought-out, coordinated biotechnology effort in the nation. I really don’t think anyone does it better and I’m referring to far more populous, wealthier states like Massachusetts and California. The Biotechnology Center deserves a lot of credit for this.”

“Without the educational workshops and financial support I’ve received over the past 15 years, I would never have been able to offer a biotechnology course here at Bertie High School, and the AP Biology and general biology classes would be much less enriching. I have had some fantastic opportunities over the years because of my involvement with the Biotechnology Center.”

“The Biotechnology Center is positioned between academia, business, and government where it stands as a unifying entity to support biotech programs in the state of North Carolina. This includes very good work with K-12 programs on educating teachers, public, legislators, and children of the benefits of biotech. Their influence has made N.C. a leading state in setting biotechnology policy and public support.”



**North Carolina
Biotechnology Center**

15 T.W. Alexander Drive • P.O. Box 13547 • Research Triangle Park, NC 27709-3547
919-541-9366 • fax 919-224-0124 • www.ncbiotech.org

Offices in ASHEVILLE • CHARLOTTE • GREENVILLE • WILMINGTON • WINSTON-SALEM

08-108 CA • 12/2008

Budget Request 2009-2011

Economic Development and Statewide Operations

Funds are requested for the Centers's loan programs for pre-venture start-up companies and creating jobs throughout North Carolina. These funds will provide financial support for early-stage life science companies resulting in more venture-ready companies in N.C. Current loan funding has been leveraged by substantial venture and angel capital investments. Continued funding will allow the Center to provide loan amounts of up to \$1.5 million per company while building a broader base of external investment partners to participate in the matching program. Also these funds are imperative as we seek to capitalize on the growing momentum of both statewide activities in biotechnology and an increased awareness of the attractive business climate in this state for company relocation and/or expansion. Specific uses of this increase will allow the Center's regional offices to expand to meet growing opportunities and demands and to reach further into the activities in their regions. Increasing opportunities to support non-traditional biotech-related activities such as industry-to-academia meetings, regional economic development awareness and intra-state exchange groups now exist due to the success of the Center's efforts to expand this industry through all 100 counties. As the prime voice for biotechnology in North Carolina, the Biotechnology Center is also taking a leadership role in driving the recruitment of biotechnology and life science companies to the state. Increased funds will allow the Center to expand its programs targeting the strategic recruitment of companies from leading clusters around the U.S. and around the world, by increasing its presence in Europe and Asia, as well as improving connections with key biotechnology-specific site selection consulting groups that often oversee company facility location projects.

Economic Development and Statewide Operations	2009-10	2010-11
Request	\$1,250,000(R)	\$1,250,000(R)
	\$1,100,000(NR)	

Building Research Capacity

Funds are requested to extend support for existing Center grant programs that enable biotechnology research activities that generate intellectual property, companies and jobs in the state. \$1,100,000 is requested to augment i) the Faculty Recruitment Grant (FRG) program which funds a portion of faculty start-up packages, thereby helping to build biotechnology research capacity at North Carolina universities, ii) the Institutional Development Grant (IDG) program that provides funding for research equipment or core facilities that serve multiple investigators, and iii) the Multi-Disciplinary Research Grant (MRG) program that funds collaboration between North Carolina scientists from at least three distinct fields of study working together. These grant funding programs provide a direct investment in North Carolina research enterprise, creating jobs, generating service company contracts and yielding intellectual property as a basis for new North Carolina companies.

Research Capacity Building	2009-10	2010-11
Request	\$1,100,000(R)	\$1,100,000(R)



Targeted Competitive Communication

Biotechnology is the world's most competitive sector. North Carolina has the leading model Center, unparalleled capabilities, and the nation's third largest company roster. The recent Battelle study on the state's biotechnology jobs and economic return verifies that biotechnology and life science here generate \$45 billion in annual business volume, \$1.44 billion in state and local taxes, 53,000 direct and 127,000 related jobs, and an average salary of \$69,000. Communicating and marketing these strong measures are key to maintaining a competitive advantage for company recruitment and expansion, sustained investment, federal decisions, and more job creation. Doing so is imperative in response to increasingly aggressive strategies from other states and places worldwide. Working with the universities, the community college system, the Departments of Commerce and Agriculture, and economic development agencies, the Center will: coordinate programs and strategies; strengthen Web presence, particularly for interactive content; proactively target other leading states; sponsor presence in conventions and trade shows; and develop press, print, and media campaigns and materials. Strategies will stress strengths, including: Centers of Innovation targeting key sectors statewide; advantageous natural life science resources and sectors; and the current statewide, multiparty policy project "Growing North Carolina's AgBiotech Landscape."

Targeted Competitive Communication	2009-10	2010-11
Request	\$350,000(R)	\$350,000(R)
	\$200,000(NR)	

For more information, please contact Norris Tolson, President and Chief Executive Officer, norris_tolson@ncbiotech.org, 919-549-8805 or Mike Wilkins, Senior Vice President, Statewide Operations and Economic Development, michael_wilkins@ncbiotech.org, 919-549-8891.

January 2009

Joint Appropriations Subcommittee March 12, 2009

North Carolina Biotechnology Center

Funding from State and Other Sources

	<u>Budget Revenue as of January, 2009</u>	<u>Percentage of Total Budget</u>
State Appropriation	18,067,632	67.78%
Economic Development Investment Funds	5,300,000	19.88%
Carryover from prior fiscal year	1,147,399	4.30%
Interest earned on investments	1,100,000	4.13%
Contributions, registrations and contracted support	664,248	2.49%
Hamner Conference Center projected revenue	378,278	1.42%
	<u>26,657,557</u>	

Expenditures by Funding

	<u>State Funds</u>	<u>Other Sources</u>	<u>Total</u>	<u>% of State Funds to Total Budget</u>	<u>% of All Funds To Total Budget</u>
Program management expenses	7,327,380	664,248	7,991,628	27.49%	29.98%
Grants	8,918,000		8,918,000	33.45%	33.45%
Loans	3,885,000		3,885,000	14.57%	14.57%
Other Programs	480,000		480,000	1.80%	1.80%
New building expansion	2,500,000		2,500,000	9.38%	9.38%
General and administrative expenses	1,404,651	1,478,278	2,882,929	5.27%	10.81%
	<u>24,515,031</u>	<u>2,142,526</u>	<u>26,657,557</u>		

VISITOR REGISTRATION SHEET

Joint Appropriations Subcommittee on Natural & Economic Resources,

March 17, 2009

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Doug Lassiter	NC STA
Helen McEnni	NCRE
Patrick Woodue	NC Rural Center
Kew Tindall	NC TRISTELA WTR
Mike Wilkins	NC Biodiv. Cent
BILLY GUILLET	NC RURAL CTR.
BILLY RAY HALL	NC RURAL CTR
Kathy Bell	NC Zoo Society
Mallory Hatcher	MWR
Joy Hicks	NDA&LS
Shannon Holley	Commerce

VISITOR REGISTRATION SHEET

Joint Appropriations Subcommittee on Natural & Economic Resources,

March 17, 2009

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Donna Barnes	Commerce
Art Dault	NCDOL
Jenifer Haiswood	NCDOL
John Monaghan	Piedmont Natural Gas
Amy McConkey	Smith Anderson
R Rogers	CWM-TF
Mia Bailey	Electric Cities of NC, Inc.

VISITOR REGISTRATION SHEET

Joint Appropriations Subcommittee on Natural & Economic Resources,

March 17, 2009

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Michelle Frazier	MFS
L. Andrews	NCFB
N. David Smith	NC Dept. of Agriculture

Name Of Committee: NER Date: 3-17-09

1. Name: Wilson Powell

County: Buncombe

Sponsor: Fisher

2. Name: Kayla McCargo

County: Dare

Sponsor: Sprack

3. Name: Linley (Senate)

County: Wake

Sponsor: Nunn

4. Name: Danielle Howell (Senate)

County: Cleveland

Sponsor: Clary

5. Name: Crysan

County: Wake

Sponsor: Bosman

Sgt-At-Arms

1. Name: DAVID SHEARON

2. Name: JAMES WORTH

3. Name: RON SPANN

4. Name: ERNIE SHERRELL

5. Name: _____

(OVER) FOR PAGES

Mitchell Smith
Buncombe
Nesbitt

Kerin Wiggins
wake county
malone

Jared Knecht
New Hanover
Justice

Donna Every
Polk County
Grice

MINUTES

JOINT HOUSE SENATE APPROPRIATIONS SUBCOMMITTEE ON NATURAL & ECONOMIC RESOURCES

March 25, 2009
8:30 AM

The Joint Appropriations Subcommittee on Natural & Economic Resources met in Room 423 of the Legislative Office Building on March 25, 2009, at 8:30 a.m. Representative Warren called the meeting to order and introduced the Sergeants-at-Arms, David Shearon, Ernie Sherrell, Ron Spann, and James Worth. She also introduced the House and Senate Pages: Destiny Gibbens, Issac Flowe, Victoria Bielby, Jay Royster, and Paul Williams.

The following Committee members were present: Co-Chairs: Representatives Harrison, Pierce, and Warren, Senators McKissick and Weinstein; Vice Chairs: Representatives Wilkins and Wray; Members: Representatives Bryant, Langdon, Sager, and West; Senators Foriest, Jacumin, and Rouzer. Staff Counsel Kristine Leggett, Lanier McRee and Kristin Walker were also in attendance.

The following attachments are included and made part of the minutes: Meeting Agenda, Attachment 1; Attendance List, Attachment 2; Department of Agriculture and Consumer Services: Research Station Locations, Attachment 3; North Carolina Department of Agriculture and Consumer Services: Farmers Markets and Agricultural Centers, Attachment 4; Young Offenders Forest Conservation Program (B.R.I.D.G.E.), Attachment 5; chart listing education activities within the Department of Natural and Economic Resources, Attachment 6; Department of Commerce: Governor's Recommended Budget FY 09-11, Attachment 7; Current Status of CWMTF (Clean Water Management Trust Fund) 2008 Awards Not Encumbered, Attachment 8; North Carolina's Statewide Biofuels Initiative: Key Content for North Carolina General Assembly, Attachment 9; Biofuels Center: 10% in 10 Years, Attachment 10; list of Pages and Sergeants-at-Arms, Attachment 11; Visitor Registration Sheets, Attachment 12.

Representative Warren then called on Commissioner Steve Troxler from the Department of Agriculture and Consumer Services (NCDACS) to make the first presentation. Commissioner Troxler provided two handouts, copies of which are attached and made part of the minutes as Attachments 3 and 4. He presented the Department's budget priorities, noting that the Governor's budget included a 9½% cut. He discussed what NCDACS sees as good points in the budget, including flexibility in choosing where some of the cuts will be made. He also noted as positive funding for the Research Stations and the "Got To Be NC" program. He expressed concerns over some of the provisions, such as cuts in funding for operating costs and Farmland Preservation, as well as the loss of positions in the Food and Drug Division and in Plant Conservation. He asked that the Department be given maximum flexibility and that the General Assembly help him retain good employees by improving the State Health Plan and salaries. He also expressed

concern that the proposed tobacco tax is too high and could result in the loss of manufacturing jobs, growers, and less money from the tobacco settlement.

At the conclusion of Commissioner Troxler's presentation, Representative Warren introduced Commissioner Cherie Berry from the Department of Labor. Commissioner Berry discussed the loss of funding for vacant positions and her priorities for the Department. She expressed her concerns about moving the apprenticeship program that has been run by the Department for 70 years to the Community College System. She commented that the Department was "blindsided" by this move. Citing the success of the program, she provided data on the number of participants, the high rate of completion and the wages earned by participants who complete the program. Commissioner Berry also discussed her concerns about VA programs that help veterans transition their skills from the military to civilian jobs. If the program is transferred to the Community College System, the state would lose grant funds. She also noted that the proposed budget cuts for the Department of Labor are 17%, almost double that of any of the other agencies covered by the NER Subcommittee.

At this point in the meeting, Representative Warren had to leave the meeting for a brief time and Senator Weinstein replaced her as Chair. He recognized Kennon Briggs, Executive Vice President and Chief of Staff for the North Carolina Community College System, to give the Community College response to the Apprenticeship Program. Mr. Briggs stated that the Governor's recommendation is for a restructuring, not a transfer, and that the proposed plan is based on the South Carolina Community College operation. He pointed out the community colleges' connections with businesses and as the recognized provider of workplace training for the state.

Senator Weinstein then introduced Dee Freeman, Secretary of the Department of Environment and Natural Resources (DENR). Secretary Freeman provided two handouts, copies of which are attached and made part of the minutes as Attachments 5 and 6. In his opening remarks, he commented on the challenges faced in this year's budget and noted that DENR is only 1% of the total state budget and that his goal is to avoid mission-critical cuts. He stated that the committee had his list of funding priorities. When asked by Senator Weinstein what one or two items DENR would like to see restored, Secretary Freeman stated that he would stand behind the priorities previously discussed.

The next item on the agenda was a presentation from Keith Crisco, Secretary of the Department of Commerce. A copy of the handout he provided is attached and made part of the minutes as Attachment 7. Secretary Crisco began by reviewing the Department's mission and the expansion items recommended in the Governor's budget: Main Street Solutions; Green Business Fund; One NC Small Business; Tourism, Marketing and Global Branding; and Industrial Commission, Safety Education Program. He gave examples of successes achieved through the Department's investments in economic development and talked about how the increased funding will be used. He also discussed the work being done to advance innovation in the state, resulting in job creation.

Senator Weinstein then called on Richard Rogers, Executive Director of the Clean Water Management Trust Fund (CWMTF). A copy of the handout used in his presentation is attached and made part of the minutes as Attachment 8. Mr. Rogers commented that he

would like to focus on last year's budget, not the Governor's recommended budget. While noting the Governor's support for the CWMTF, he noted that on February 25 she had transferred one million dollars out of the fund's balance, due to the overall budget shortfall. This transfer resulted in projects from 2008 being put on hold. Mr. Rogers said that he understood the requirement to take the money, and that he has submitted a number of the 2008 projects for federal stimulus funds. He also stated that as of now all projects are on hold as the CWMTF has no money to spend. If the General Assembly authorizes funding, he would hope to have money by September or October to start the projects that are on hold. He added that matching funds from the Rural Center are also on hold until CWMTF funds are in place. Several members expressed concerns regarding the impact of these delays on the affected communities.

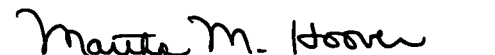
At this point in the meeting, Representative Warren had returned to the meeting and resumed the position of Chair. She introduced Steven Burke, President of the Biofuels Center. Mr. Burke provided two handouts, copies of which are attached and made part of the minutes as Attachments 9 and 10. Mr. Burke discussed the growing importance of biofuels and stated that our current practices in regard to fuel use cannot be sustained, with the growing demand for sources of energy. He commented that North Carolina has taken an important step by establishing and funding the North Carolina Biofuels Center. The goal of the Center is that by 2017 ten% of the liquid fuels sold in the state will be locally grown and produced. In his closing remarks, Mr. Burke pointed out the page in his handout that shows the breakout of the nine million dollar funding request for fiscal year 2009-2010.

There being no further business, the Chair adjourned the meeting at 9:45 a.m.

Respectfully submitted,



Representative Edith D. Warren
Co-Chair



Martha M. Hoover
Assistant to the Committee

ATTACHMENTS:

1. Meeting Agenda
2. Attendance List
3. Department of Agriculture and Consumer Services: Research Station Locations
4. North Carolina Department of Agriculture and Consumer Services: Farmers Markets and Agricultural Centers
5. Young Offenders Forest Conservation Program (B.R.I.D.G.E.)
6. (Untitled) Chart listing education activities within the Department of Natural and Economic Resources
7. Department of Commerce: Governor's Recommended Budget FY 09-11

8. Current Status of CWMTF (Clean Water Management Trust Fund) 2008 Awards Not Encumbered
9. North Carolina's Statewide Biofuels Initiative: Key Content for North Carolina General Assembly
10. Biofuels Center: 10% in 10 Years
11. List of Pages and Sergeants-at-Arms
12. Visitor Registration Sheets

Joint Appropriations Subcommittee on NER Agenda

Wednesday, March 25, 2009, 8:30 A.M.
Room 423, Legislative Office Building

Rep. Warren, Presiding

I. Welcome

Rep. Warren

II. Department of Agriculture and Consumer Services Budget Priorities

Steve Troxler, Commissioner, *Dept. of Agriculture and Consumer Services*

III. Department of Labor Budget Priorities

Cherie Berry, Commissioner, *Department of Labor*

IV. Community College Response to Apprenticeship Program

Kennon Briggs, Executive VP & Chief of Staff, *NC Community College System*

V. Department of Environment and Natural Resources Budget Priorities

Dee Freeman, Secretary, *Dept. of Environment and Natural Resources*

VI. Department of Commerce Budget Priorities

Keith Crisco, Secretary, *Department of Commerce*

VII. Clean Water Management Trust Fund Funding Update

Richard Rogers, Executive Director, *Clean Water Management Trust Fund*

VIII. Biofuels Center

Steven Burke, President, *Biofuels Center*

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

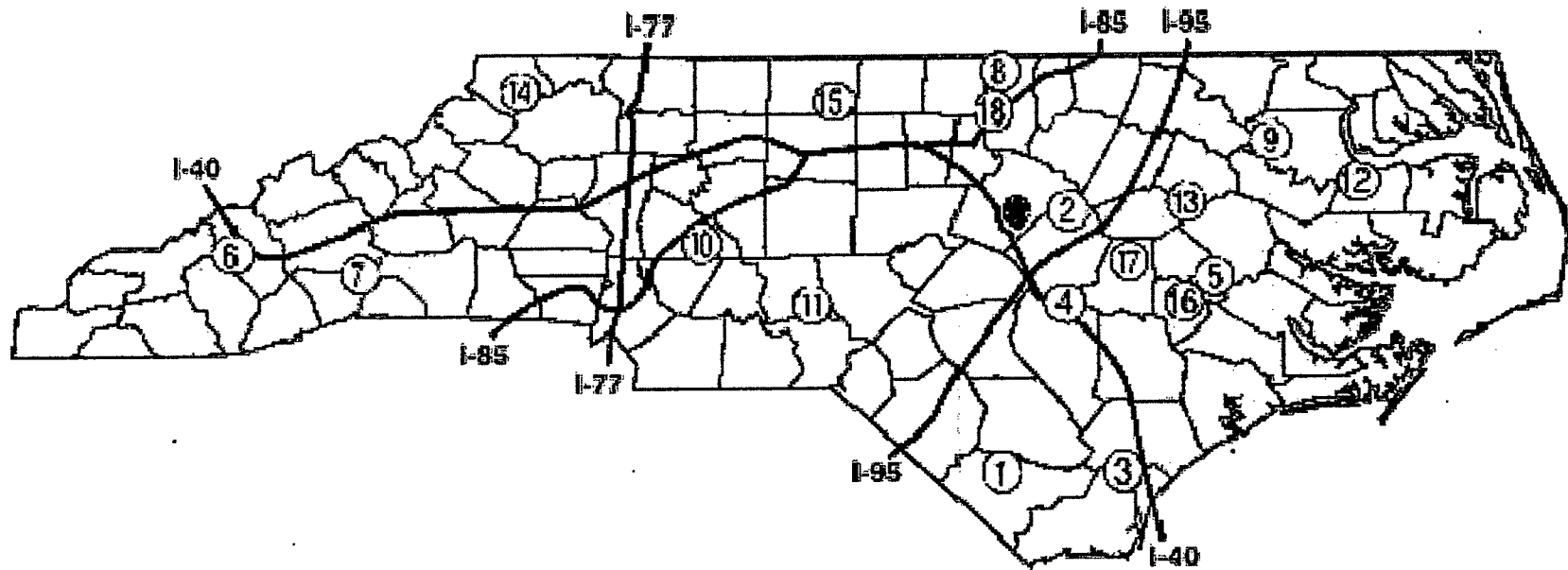
Senate Appropriations Subcommittee on NER

Sen. McKissick (Chair)

Sen. Weinstein (Chair)

Sen. Foriest, Sen. Jacumin, Sen. Rouzer

Department of Agriculture and Consumer Services
Research Station Locations



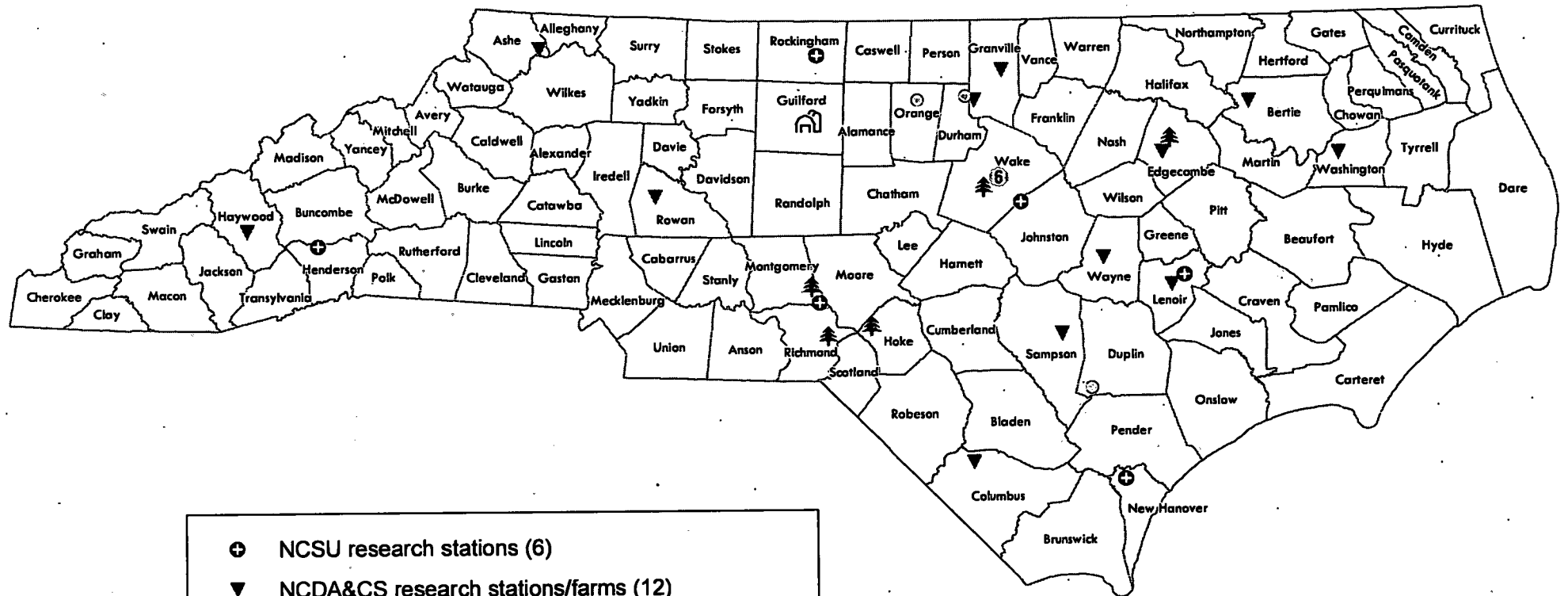
# Research Station *	# Research Station
1 Border Belt Tobacco	10 Piedmont
2 Central Crop	11 Sandhills
3 Horticultural Crop	12 Tidewater
4 Horticultural Crop 2	13 Upper Coastal Plain
5 Cunningham/ Lower Coastal Plain Tobacco	14 Upper Mountain
6 Mountain	15 Upper Piedmont
7 Mountain Horticultural	16 Caswell
8 Oxford Tobacco	17 Cherry
9 Peanut Bell	18 Umstead

*NCSU owned Research Stations are in **Bold**.

Research Station Descriptive Information

#	Research Station	Focus	Owner	# of Projects	Acres	# of Staff	% GF	Budget (2006-07)
1	Border Belt Tob	Tobacco, Soy, Corn, Peanuts	DACS	24	101	5	88%	\$ 315,295
2	Central Crop	Swine, Corn, Soy, Tobacco, Cotton, Fruit	NCSU	144	488	21	95%	\$ 1,091,118
3	Horticultural Crop	Blue/ strawberries, Cucumbers, Muscadine, Lettuce, Ornamentals	NCSU	20	111	7	99%	\$ 389,961
4	Horticultural Crop 2	Sweet potato, Cucumbers, Tomato, Cole crops, watermelon, Squash	DACS	92	349	13	98%	\$ 709,019
5	Cunningham/ Lower Coastal Plain Tob.	Tobacco, Sweet potato, Brambles, Horticultural	NCSU	95	516	8	43%	\$ 577,221
6	Mountain	Cattle, Horticultural, Xmas Trees, Meat goats, Burley Tobacco	DACS	33	407	10	90%	\$ 628,612
7	Mtn Horticultural	Apples, Veggies, Ornamentals, Organics, Aquaculture	NCSU	117	377	14	99%	\$ 882,481
8	Oxford Tobacco	Tobacco, Brambles, Blueberries	DACS	36	426	13	93%	\$ 848,589
9	Peanut Bell	Peanuts, Corn, Soy, Cotton	DACS	182	372	9	87%	\$ 502,121
10	Piedmont	Cattle, Dairy, Poultry, Corn, Soy, Small Fruits & Grains	DACS	72	1,036	31	70%	\$ 1,827,900
11	Sandhills	Fruits, Ornamentals, Soy, Brambles, Peaches, Turf Grass	NCSU	88	517	11	95%	\$ 626,281
12	Tidewater	Cattle, Swine, Aquaculture, Soy, Corn, Irish Potatoes	DACS	102	1,551	21	68%	\$ 1,283,710
13	Upper Coastal Plain	Tobacco, Peanuts, Soy, Corn, Cotton	DACS	137	442	9	92%	\$ 649,367
14	Upper Mountain	Goats, Sm. Fruit, Forage, Burley Tobacco, Xmas Trees	DACS	29	453	11	94%	\$ 700,109
15	Upper Piedmont	Cattle, Tobacco, Grapes	NCSU	24	707	9	87%	\$ 502,896
16	Caswell	Soy, Corn, Wheat	DACS	72	1,281	12	67%	\$ 798,032
17	Cherry	Dairy, Goat, Field, Swine, Beef	DACS	106	2,245	24	74%	\$ 1,657,299
18	Umstead	Hay, Forestry	DACS	4	4,520	0.5	89%	\$ 59,726
	NC A&T Farm	Beef, Dairy, Swine, Poultry, Ruminants, Horticulture crops, Field crops	A&T	249	567	15	100%	\$980,684
	NCSU Field Labs	Various	NCSU	???	4,145	89	76%	\$ 5,371,952

North Carolina Agricultural Research Facilities (34 total)



- ⊕ NCSU research stations (6)
- ▼ NCDA&CS research stations/farms (12)
- 🏠 NC A&T University Research Farm
- ⊙ NCSU Field Laboratories and Educational Units (10)
- 🌲 NCDA&CS Forest Tracts (5)

North Carolina Department of Agriculture and Consumer Services
 Farmers Markets and Agricultural Centers
 FY 2007-08 Actuals

Market or Ag Center	Location	Expenditures	Revenues	Appropriation / +/- Fund Balance	FTE	
					Appropriation	Receipts
Charlotte Farmers Market	Charlotte	\$ 318,183	\$ 188,114	\$ 130,069	4	0
Piedmont Triad Farmers Market	Greensboro	\$ 919,284	\$ 870,625	\$ 48,660	10	1
Western Farmers Market	Asheville	\$ 1,223,682	\$ 759,379	\$ 464,303	12	6
Raleigh Farmers Market	Raleigh	\$ 1,309,190	\$ 1,433,778	\$ 124,588	0	17
Lumberton Farmers Market & Ag Center	Lumberton	\$ 476,640	\$ 132,366	\$ 344,274	6	0
Northeastern Market Center	Elizabeth City	\$ 307,800	\$ 300	\$ 307,500	4	0
Senator Bob Martin Ag Center	Williamston	\$ 1,174,122	\$ 550,516	\$ 623,605	10	1
State Fairgrounds *	Raleigh	\$ 15,254,562	\$ 14,572,197	\$ (682,365)	0	66
Western Ag Center/ Fairgrounds	Fletcher	\$ 2,231,231	\$ 2,352,122	\$ 120,891	0	13

Revenues are generated through rental fees for retail space in the farmer's market and/ or facility use at the ag centers. The typical fee for retail space at a farmer's market is \$10 per day. Other fees may apply, and vary by location (e.g. electricity fee, re-stocking fee, etc).

Markets in Bold are fully receipt-supported and receive no General Fund appropriation.

* The decrease in the fund balance for the State Fairgrounds is the result of a large transfer (~\$1.85M) to a capital expenditures budget code.

YOUNG OFFENDERS FOREST CONSERVATION PROGRAM (B.R.I.D.G.E.)

The Young Offenders Forest Conservation Program (also known as BRIDGE – Building, Rehabilitating, Instructing, Developing, Growing, and Employing) is a cooperative effort with the Division of Prisons to train and utilize non-violent young inmates. The program offers rehabilitation and education opportunities to inmates while at the same time providing important services in the protection and management of the state's natural resources.

The program started in 1985, primarily as a result of the serious mountain fires North Carolina experienced that year. The Young Offenders Forest Conservation Program (BRIDGE) was first established in Burke County with 18 minimum-security inmates ranging from 18 to 21 years in age. This group began an intensive training program in mountain fire control in January 1986. The Burke County program was designed to be temporary, until a permanent home could be found. However, Burke County commissioners found it to be so useful they requested the program to continue and it is still operating. This also better serves the division's needs because fires occur more frequently in that area. The Western Youth Institution houses 85 crewmen.

In 1987, the Avery County Board of Commissioners invited the first permanent camp to be built in their county. Construction on the camp began with money appropriated by the General Assembly. The inmates, called crewmen, were used to construct the camp, with guidance from the division and contractors. The camp was opened in November 1990 and later a second dorm was added to the facility, bringing its maximum capacity to 49. Due to budget reductions the General Assembly closed this facility in July 2002. However, the legislature approved five Department of Correction Officer positions to be transferred to Morganton to continue working in the BRIDGE Program.

The program's primary goal is to provide a well-trained and equipped fire fighting force ready for deployment at a moment's notice. A secondary goal is to help the young men who participate develop a work ethic, skills, and self-esteem such that they are able to find jobs when they are released. Nationally, about 35 percent of inmates in this age group return to prison. Early statistics show that only 12 percent of Young Offenders Forest Conservation Program "graduates" are likely to return.

Today, over 3,331 crewmen have gone through the program. They are paid the standard rate of \$1.00 per day. This results in a \$67 to \$1 benefit for the division over hiring fire crewmen from the general population. In its last ten years of operation, \$9,266,702 worth of work was performed at a cost of approximately \$139,190.

The Division of Prison currently supplies seven officers and NC DFR supplies seven officers to manage 14 crews of inmates for supervision. Each officer supervises 5-6 inmates on work projects and wildfire control.

The Young Offenders Forest Conservation Program has proven to be a success in supplying the fire-fighting forces, rehabilitating inmates, and saving the DFR thousands of dollars each year.

Money Saved through the Young Offenders Forest Conservation Program

Fiscal Year	# Of Crewmen	Man-Hours	USFS Pay Rate	\$ Savings
2000 – 01	168	114,394	\$9.36 / hour	1,070,728
2001 – 02	182	103,283	\$9.68 / hour	999,770
2002 – 03	103	61,250	\$9.68 / hour	601,475
2003 – 04	134	86,783	\$9.68 / hour	868,435
2004 – 05	117	99,855	\$9.96 / hour	994,556

2005 – 06	150	105,153	\$9.96 / hour	1,047,324
TOTAL S	2,821	1,624,557		10,785,606

**Rate/hour used to calculate \$ savings are based on U.S. Forest Service Firefighter pay rate.*

These inmate crews play a critical role in Western North Carolina firefighting efforts. Request for crews on high fire danger days often exceed the capabilities of the programs' current fourteen (14) available crews. If the Division were to hire additional firefighters, to perform this job, the expense to the state would result in thousands of dollars a day. The table above outlines wildfire control hours logged by BRIDGE crews for 6 different fiscal years. Without BRIDGE crews, DFR would have to call in federal USFS hand crews for this wildfire control. USFS crews are paid at a much higher rate than the \$1.00/hour BRIDGE crews. **Annual savings are significant and wildfire control savings alone cover costs of the BRIDGE program in most years.**

Inmates are also utilized for jobs other than wildfire control. Jobs conducted range in scope from emergency relief, (i.e. hurricanes, ice storms, floods, tornadoes, etc.) emergency rescue operations, chain saw operation, tree planting, prescribed burning and a variety of other jobs. Inmates receive training in jobs ranging from landscaping to carpentry. The aforementioned jobs assist NC State Parks, NC Wildlife Resources Commission, local Government agencies, and non-profit organizations and **save these organizations thousands of dollars.** A total of 2,088,155 inmate work hours have been recorded through December 2008.

Without the BRIDGE program costs for wildfire control will increase. Not only are salaries for federal crews more expensive but the State must also pay for meals and lodging. The state would also have to provide transportation for federal crews.

DFR will struggle to find adequate numbers of trained hand crews. It will be hard to find replacements for the 14 BRIDGE hand crews currently available for wildfire control. Federal crews are available but NC must compete with other states for these crews.

DFR's ability to have a strong initial attack of wildfires will decrease. Federal crews are not available for initial attack of wildfires. BRIDGE crews are currently handling initial attack in several counties because of the lack of available pick-up fire fighters.

DFR would lose operational flexibility in wildfire control. BRIDGE crews are small and can be dispatched to many different locations allowing DFR the flexibility to cover numerous different fires with available resources. Federal crews contain 20 people and these crews cannot be divided to work in numerous locations. The crew must remain intact.

Division	Budget	Funds	Audience/ Types of EDU	Sample Topics
Environmental Education	\$645K	General Fund	<u>Target Audiences</u> <ul style="list-style-type: none"> ▪ State and local government agencies, ▪ Nonprofit organizations, ▪ Environmental education centers, ▪ Citizen groups, business and industry, ▪ Pre K-12 teachers, non-formal educators, home-schoolers, colleges and universities, libraries ▪ General public/ adult <u>Methods of Education:</u> <ul style="list-style-type: none"> ▪ Curriculum PreK-12 - university ▪ Library, Print publications, booklets ▪ Web site, email listserv, electronic newsletter ▪ Professional development workshops educators ▪ Conferences and key stakeholder meetings. ▪ NC Environmental Education Certificate program 	<p style="text-align: center;"><i>Clearinghouse of information</i></p> <ul style="list-style-type: none"> ▪ Education for adults to increase environmental awareness and to help adults make informed environmental decisions. ▪ Water quality edu on the state's 17 river basins ▪ N.C. Environmental Education Certification - capacity-building program for teachers and non-formal educators to improve environmental literacy among educators ▪ Library - collection of environmental education resources including books, journals, media and curriculum guides.
Air Quality	\$4K	Receipts	<u>Audience:</u> <ul style="list-style-type: none"> ▪ Air Quality Professionals <u>Methods:</u> <ul style="list-style-type: none"> ▪ Workshops 	<ul style="list-style-type: none"> ▪ Air quality ▪ Effects of poor air quality ▪ Cleaning the air ▪ Meeting regulations
Albemarle-Pamlico National Estuary Program	\$4K	Grant	<u>Audience:</u> <ul style="list-style-type: none"> ▪ General Public ▪ Developers ▪ Local Officials/ Governments ▪ Resource Managers ▪ Teachers ▪ <u>Methods:</u> <ul style="list-style-type: none"> ▪ Workshops/ Public Forums ▪ Field Trips ▪ Presentations ▪ Teacher Institute ▪ Field manuals/ booklets/ posters 	<ul style="list-style-type: none"> ▪ Open Space Design ▪ GIS ▪ Tools for Watershed Protection ▪ Managing the Albemarle-Pamlico Sounds: It's Everybody's Responsibility ▪ EstuaryLive ▪ General environmental edu techniques for teachers -

<p>Aquariums</p>	<p>Primary to mission</p>	<p>General Fund</p>	<p><u>Audience:</u></p> <ul style="list-style-type: none"> ▪ General Public ▪ Teachers/ Students <p><u>Methods:</u></p> <ul style="list-style-type: none"> ▪ Onsite Educational Exhibits, Displays, and Programs (overnight programs, major events, lecture series, behind the scenes tours, and underwater dive presentations) ▪ Field Educational Programs (excursions into the maritime forest, salt marsh, sound, and ocean) ▪ Outreach Education – mobile programs that travel to venues across the state (schools, civic functions, fairs) ▪ Educational Assistance (Assistance to teachers, environmental educators, mentoring and volunteering for students) ▪ Special Programs (Programs, hearings, meetings and conferences conducted at the aquarium by third parties) 	<ul style="list-style-type: none"> ▪ Topics from water quality and sustainable practices to sea turtles and alligators. <p><u>2007-2008 Education Statistics</u> Public Educational Programs: 8,277 Public Ed Program Participants: 377,873</p> <p>School Student Groups: 1,445 School Students: 82,969</p> <p>Special Educational Activities Programs: 1,359 Special Ed Act Program Participants: 35,201</p> <p>Outreach Programs: 324 Outreach Participants: 39,155</p>
<p>Coastal Management: North Carolina Coastal Reserve & National Estuarine Research Reserve</p>	<p>~\$165K 3 FTE</p>	<p>Grants</p>	<ul style="list-style-type: none"> ▪ K-12 Education (Field trips/ studies, program staff led classroom program, etc) ▪ Community Outreach (public field trips; summer camp; workshops, seminars and science symposia; environmental festivals & fairs; educational materials) ▪ Teach Professional Development (workshops and curricular materials) ▪ Coastal Training Program (workshops that provide scientific data, training, and materials on a variety of topics including grant writing, septic systems, storm water management, alternative land use practices, and marina management) 	<ul style="list-style-type: none"> ▪ Estuarine systems & processes and coastal ecosystems ▪ Ex of Community Classes: <ul style="list-style-type: none"> ▪ Beach nourishment, ▪ Water quality, ▪ Estuarine shoreline stabilization, ▪ Marine debris, ▪ Sea level rise, ▪ Climate change ▪ Ex of CTP: <ul style="list-style-type: none"> ▪ Educating realtors on septic systems and storm water management; ▪ Helping coastal communities obtain grant funding to install storm water control devices and purchase conservation easements.
<p>DPPEA Pollution Prevention Solid Waste Trust Fund</p>	<p>\$250,000</p>	<p>Trust Fund</p>	<p><u>Audience:</u></p> <ul style="list-style-type: none"> ▪ All age groups, ▪ Local governments <p><u>Methods:</u></p> <ul style="list-style-type: none"> ▪ Recycle Guys (kids), ▪ RE3 (young adult), ▪ TV advertising, events, the Web, radio ▪ Materials (esp. for local gov'ts to distribute) 	<ul style="list-style-type: none"> ▪ Recycling ▪ Increasing the publics commitment to recycling ▪ How to promote recycling in your community

Environmental Health Office of Edu & Training	\$147K / \$100K	GF / Grants	<u>Audience:</u> ▪ Environmental Health Specialists in local county health departments <u>Methods:</u> ▪ Classroom lectures, hands-on field work and facility tours	▪ Food, lodging and institutions re ons, ▪ On-site wastewater, private wells, ▪ Public swimming pools, ▪ Tattoos, ▪ Child care centers, ▪ Migrant housing and ▪ Childhood lead poisoning prevention
Environmental Health Dairy Protection Branch	No specific budget	Mix	<u>Audience:</u> ▪ Milk Hauling Companies/ Milk Transporters ▪ Milk processing plant employees ▪ Dairy Farmers <u>Methods:</u> ▪ Classroom & field training ▪ Videos/ Powerpoint ▪ Testing (if certification required)	▪ Hauler/Sampler Certification Training ▪ Pasteurizer Operator Training ▪ Pasteurizer Equipment and Testing Training; Audience ▪ FMD Response Plan Training;:
Environmental Health Radon Program	\$242,100	Grants	<u>Audience:</u> ▪ School Admin/ Builders ▪ Realtors ▪ Builders/ Home Owners Associations ▪ Home Owners/ Inspectors <u>Methods:</u> ▪ Classroom Instruction	▪ Radon Education, Radon Mitigation, and Building Schools with RRNC; ▪ Radon Testing for Homes in Real Estate Transactions ▪ Radon Resistant Construction; ▪ Mitigating for Radon
Forest Resources Educational State Forests County/ Division Personnel	\$1.26M \$317K	General Fund	<u>Audience:</u> ▪ General Public ▪ K-12 students <u>Methods:</u> ▪ Classroom presentations ▪ Nature walks in state forests ▪ Presentations at county fairs	▪ Understanding Forests and their Uses ▪ Example Classes: ▪ The True Story of Smokey the Bear ▪ Wildfire Control ▪ Out of Place (what does/ does not belong) ▪ What we get from trees ▪ Predators & their Prey
Land Resources North Carolina Geological Survey & Land Quality	No specific budget	Mix	<u>Audience:</u> ▪ Students, teachers, environmental groups, local gov't officials, naturalists <u>Methods:</u> ▪ Classroom lecture	▪ Rocks and Geology ▪ Landslide mapping

<p>Land Resources Land Quality</p>	<p>\$79,195</p>	<p>Grants</p>	<p><u>Audience:</u></p> <ul style="list-style-type: none"> ▪ Engineers, Architects, Surveyors, Contractors, & local governments ▪ General Public ▪ Educators, students <p><u>Methods:</u></p> <ul style="list-style-type: none"> ▪ Educational materials (field manual) ▪ Workshop series ▪ Presentations ▪ Teaching aids for school 	<ul style="list-style-type: none"> ▪ State sedimentation and erosion control ▪ Sedimentation pollution awareness
<p>Marine Fisheries Public Affairs Office</p>	<p>~\$39K</p>	<p>Mix</p>	<p><u>Audience</u></p> <ul style="list-style-type: none"> ▪ Schools Groups/ Teachers ▪ Fishing Clubs/ Civic Groups ▪ General Public <p><u>Methods</u></p> <ul style="list-style-type: none"> ▪ Classroom presentations/ school events ▪ Festivals/ special events ▪ Materials for teachers 	<ul style="list-style-type: none"> ▪ Marine fisheries and habitat resources and issues: ▪ Enhance the understanding of coastal fisheries resources, habitat, life history and regulations ▪ Instill a conservation ethic in the citizens of North Carolina ▪ Info on coastal regulations, fishing, & fishing licenses
<p>Museum of Natural Science</p>	<p>Primary to mission</p>	<p>GF Private</p>	<p><u>Audience:</u></p> <ul style="list-style-type: none"> ▪ Students, teachers, the general public, seniors, community centers, underserved populations, naturalists <p><u>Methods:</u></p> <ul style="list-style-type: none"> ▪ Hands-on, interactive classes ▪ Video conferencing with students. ▪ Exhibit science programs ▪ Special science education events 	<ul style="list-style-type: none"> ▪ Natural Science, Conservation, & Ecology ▪ Provides statewide leadership in informal science education by implementing and reinforcing science curricula, and by playing a critical role in professional development for teachers. ▪ Develops and demonstrates effective, innovative strategies for teaching science and other subjects for teachers and natural science interpreters.


<p>NC Zoo Education Section</p>	<p>\$561K</p>	<p>General Fund/ Receipts</p>	<p><u>Audience:</u></p> <ul style="list-style-type: none"> ▪ Students, teachers, the general public, seniors, community centers, underserved populations, naturalists ▪ In-park Educational Programs (animal demonstrations, KidZone, smart carts, exhibits) ▪ In-park Special Programs (zoo camps, overnight programs, special animal-specific events) ▪ Special Sustainability Efforts (Earth Day, the Great Backyard Bird Count (GBBC) and the Big Sweep cleanup) ▪ Teacher Training (for pre-K-12 teachers on a variety of conservation/ environmental issues) ▪ Partnerships (with UNC's Leisure Studies, NCSU College of Design's Natural Learning Institute, Asheboro HS Zoo School) 	<p><u>Topics covered include:</u></p> <ul style="list-style-type: none"> ▪ Wildlife natural history, ▪ Animal and plant adaptations, ▪ Biodiversity, ▪ Conservation, ▪ Good stewardship, ▪ Ecology; and ▪ The general biology of North American and African animals and plants.
<p>Office of Conservation and Community Affairs</p>	<p>\$12K</p>	<p>Mix</p>	<p><u>Audience:</u></p> <ul style="list-style-type: none"> ▪ Local, regional gov't decision makers, ▪ Land trusts, transportation orgs,, planners ▪ state and federal agencies, universities, <p><u>Methods::</u></p> <ul style="list-style-type: none"> ▪ Web-site ▪ Exhibits at state conferences, ▪ Presentations at meetings 	<ul style="list-style-type: none"> ▪ Use of Conservation Planning Tool to support planning for growth in an environmentally sensitive way.
<p>Parks & Rec Education Specialists (100%) Park Rangers (25%)</p>	<p>\$1.28M</p>		<p><u>Audience:</u></p> <ul style="list-style-type: none"> ▪ General Public ▪ K-12 students ▪ Teachers <p><u>Methods:</u></p> <ul style="list-style-type: none"> ▪ Presentations @ schools, community groups ▪ Field trips & nature walks in parks ▪ Campground programs ▪ Teacher Professional Development ▪ Curriculum workshops 	<ul style="list-style-type: none"> ▪ Environment: sustainability, land conservation, wildlife, ecology, water quality, ▪ Safety: recreation safety, fire safety, water safety

<p>Soil & Water Conservation Soil & Water Districts</p>	<p>No specific budget</p>	<p>Mix</p>	<p><u>Audience:</u></p> <ul style="list-style-type: none"> ▪ General Public ▪ K-12 students ▪ Teachers <p><u>Methods:</u></p> <ul style="list-style-type: none"> ▪ Conservation poster, essay and speech contests ▪ Events & Classroom presentations ▪ Environmental field days (elementary/ middle) ▪ "Envirothon" competitions (middle/ high school) ▪ Teacher workshops (e.g. Food, Land & People) ▪ Resource Conservation Workshops – week-long natural resource conservation workshop for high schools students. 	<ul style="list-style-type: none"> ▪ A significant objective of each district is to provide natural resource conservation education; DSWC helps coordinate, and support education efforts within the districts
<p>Water Resources Water Projects Section</p>	<p>~\$60K</p>	<p>General Fund</p>	<p><u>Audience:</u></p> <ul style="list-style-type: none"> ▪ All water users (citizens, industry, gov't) ▪ Teachers, environmental educators <p><u>Methods:</u></p> <ul style="list-style-type: none"> ▪ Classroom lecture & teaching aids ▪ Curriculum Development and Teaching Aids (provide a set of 86 classroom ready teaching aids for K-12; have 5 week module on water resources) ▪ Field trips/ stream monitoring 	<ul style="list-style-type: none"> ▪ Water Conservation ▪ Water Education for Teachers (WET) - Project WET Curriculum and Activity Guide designed to facilitate and promote awareness, appreciation, knowledge and stewardship of water resources ▪ Stream Watch ▪ It's Our Water - A 5-week module on water resources designed and prepared especially for North Carolina students

Department of Commerce
Governor's Recommended Budget FY 09-11



Joint Appropriations Subcommittee on
 Natural and Economic Resources
 March 25, 2009

Secretary Keith Criso
 Deputy Secretary / COO Dale Carroll




Department of Commerce Mission

*To improve the economic well being
 and quality of life for all North
 Carolinians.*

North Carolina Department of Commerce - Governor's Recommended Expansion FY 09-10

Item	Governor's Recommendation
Main Street Solutions	\$1.5M NR
Green Business Fund	\$5M NR
One NC Small Business	\$2M NR
Tourism, Marketing and Global Branding	\$1.5 M NR
Industrial Commission, Safety Education Program	\$204,561 R \$467,104 NR



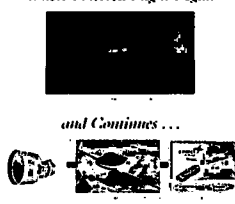

NORTH CAROLINA

Where Powered Flight Began

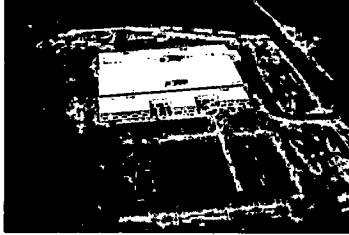
Far left image – Durham, NC

Far right – Global TransPark


and Continues ...

Turbomeca Manufacturing



170 Jobs \$46 million in Investment in Monroe



Sprit Aerosystems




1,100 jobs \$600 million in investment in Kinston




Honda

HondaJet **HONDA**
The Power of Dreams

Burlington and Greensboro




GE Aviation


LINSON 

Asheville


Durham,
Wilmington and
West Jefferson



VX Aerospace


FROM VISION TO EXECUTION

Burke County




GMAC Financial Services




200 jobs and \$16.4 million in investment in Charlotte



Furniture Manufacturing






Snap-On Inc.

Snap-on[®]

40 jobs \$2 million in investment in Murphy



Foam and Steel Technology Associates



105 jobs \$2.5 million investment in Littleton



AT&T



350 jobs \$4.5 million investment in Goldsboro



North Carolina Board of Science and Technology
NC Department of Commerce

North Carolina Green Business Fund
encourages development of biofuels industry, fosters green building industry & leverages private sector investments in clean technology & renewable energy products.
American Recovery & Reinvestment Act allocation through State Energy Office, no General Fund dollars requested.

The next generation of biofuel developed from algae.

One NC Small Business Fund
Fosters job creation & economic development by increasing competitive position in attracting & leveraging federal Small Business Innovation Research and Technology Transfer grant funding.

Images of One NC Small business awardees and their commercialized products

Advancing Innovation in North Carolina
Breakthrough report outlining a framework for competing and prospering in the interconnected global economy.

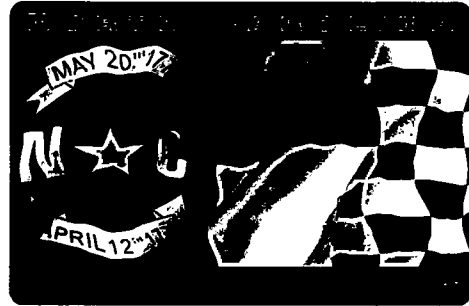
Photo credit: Hwang@NCSU

Innovative business leads the way in job creation

North Carolina Nanotechnology Commercialization Conference
March 25 – 26, Raleigh Convention Center
Legislative reception: 5:30 – 9pm, Wednesday, NC Museum of History
Conference expenses are fully supported by sponsor and registration monies.



Photo credit: High Performance Coatings



Fountain Powerboats

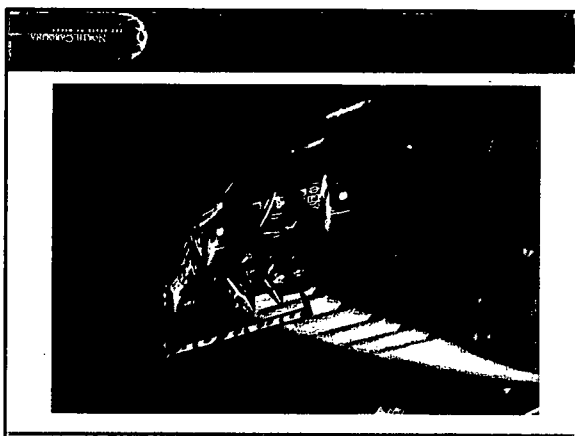
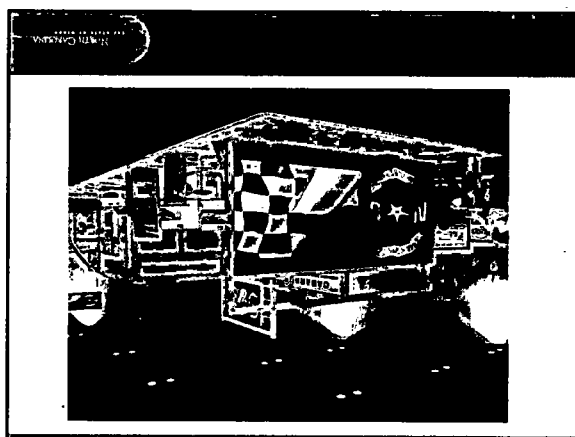
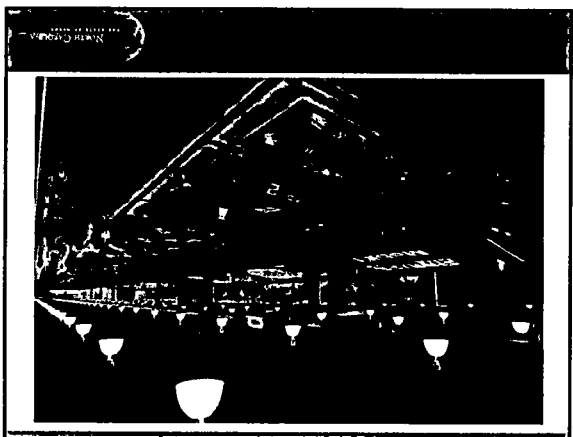
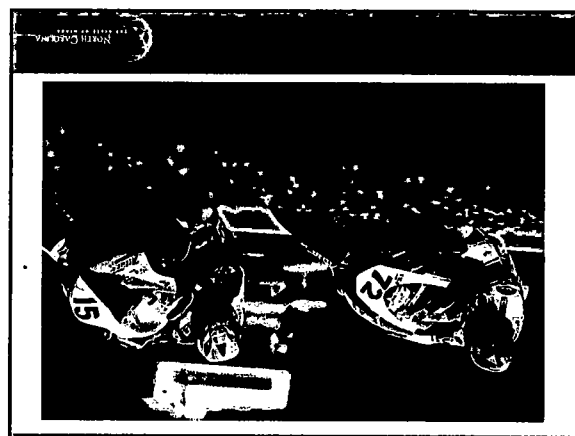
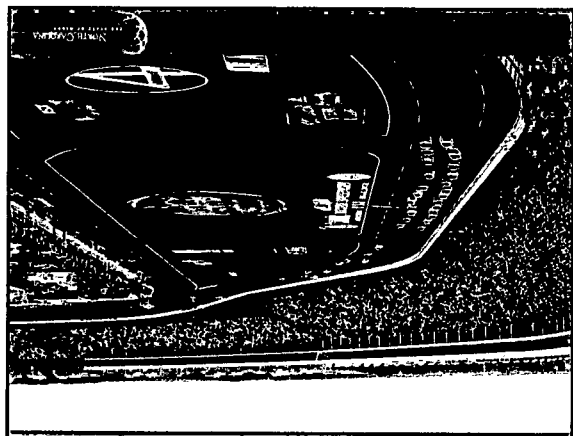


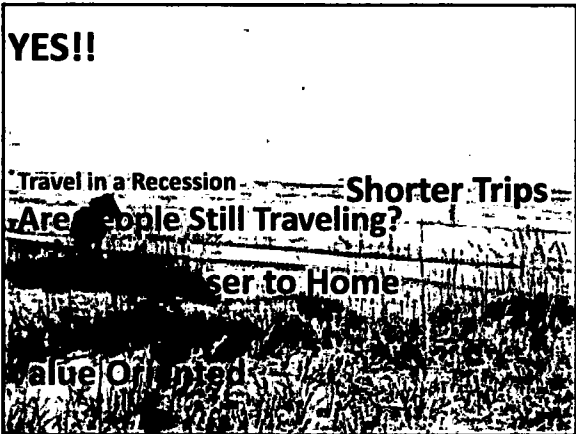
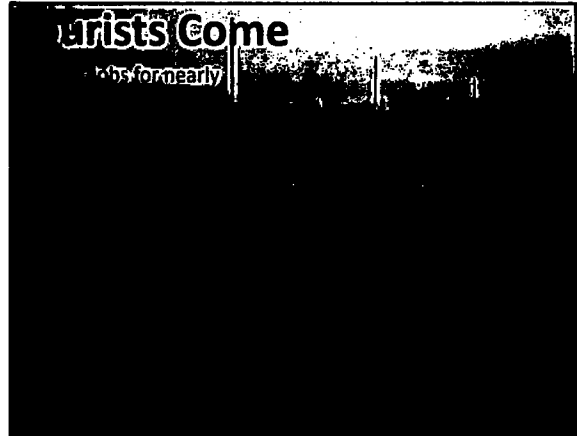
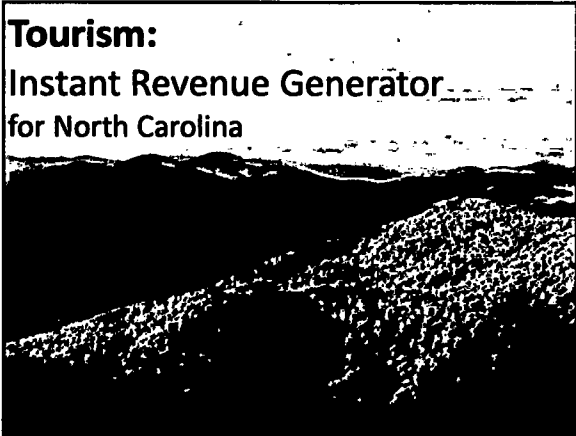
250 jobs \$12 million investment near Washington



Notice the
NC logo on
the Lotus
Fender –
Car located
at Forsyth
Technical
Community
College







**North Carolina Department of Commerce
Governor's Recommended Expansion FY 09-10**

Expansion

Item	Governor's Recommendation
<p>Main Street Solutions-3 FTE Transform existing Main Street Program into a more comprehensive economic development tool to drive regional job creation around "micropolitan" communities. Positions are to work with communities on growth strategies and manage grants program GS 143B-472.35</p>	<p>\$1.5M NR</p>
<p>Green Business Fund-program encourages development of biofuels industry, fosters green building industry & leverages private sector investments in clean technology & renewable energy products. <i>American Recovery & Reinvestment Act allocation</i> through State Energy Office, no General Fund \$s requested.</p>	<p>\$5M NR</p>
<p>One NC Small Business-general fund appropriation to foster job creation & economic development by increasing competitive position in attracting & leveraging federal Small Business Innovation Research and Technology Transfer grant funding.</p>	<p>\$2M NR</p>
<p>Tourism, Marketing and Global Branding-NC realizes a 15 to 1 return on investment of tax dollars. These funds will be used to increase visibility and awareness, both national and internationally. By targeting specific segments and markets, funds will be used to attract tourism, film and sports development through marketing, advertising, recruitment, and promoting North Carolina as a business destination.</p>	<p>\$1.5 M NR</p>
<p>Industrial Commission, Safety Education Program-NR funding FY 09-10 and recommends program become receipt supported with new fees charged for services.</p>	<p>\$204,561 R \$467,104 NR</p>

Current Status of CWMTF 2008 Awards Not Encumbered

←-----CWMTF 2008 Award Amount----->

Status Of Unencumbered Contracts	Acquisition	R/S	WW	Total	Number Projects
Contacts Signed By Chairman and Grant Recipient	\$4,540,000	\$5,044,000	\$5,570,000	\$15,154,000	36
Projects Ready-To-Go	\$28,988,794	\$6,709,000	\$18,760,000	\$54,457,794	67
Remaining 2008 Awards	\$22,238,800	\$5,114,000	\$1,879,000	\$29,231,800	88
Other Contract Set-Asides (Attorney Opinion Letter)	\$34,500			\$34,500	
Totals	\$55,802,094	\$16,867,000	\$26,209,000	\$98,878,094	191

3/23/2009

Contracts Signed By Chairman and Grant Recipient But Not Encumbered

Application No	Application Name	CW Score	CWMTF Award	Total Project Cost	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items*	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items*	Project Status
2008-711	Pilot View RC&D - Storm/ Town of Sparta BMPs and Master Plan	95	\$310,000	\$397,424	22%	Alleghany		\$15,500	5%	\$0	Design and permitting only
2008-007	Catawba Lands Conservancy - Acq/ Carolina Thread Trail Greenway	111	\$3,000,000	\$6,000,000	50%	Anson		\$248,726	8%	\$208,699	Acquisition Closed 8-12/2008
2008-409	National Committee for the New River - Rest/ NRSP Oliver Tract, South Fork New River	108	\$152,000	\$165,700	8%	Ashe					Landowner Letter of Intent Signed 1/22/08, Design, Permitting and Construction;
2008-052	NC Wildlife Resources Commission - Acq/ Miller-Hufnagel Tracts, Ben Bolen Creek	91	\$316,000	\$868,567	84%	Ashe	NHTF (\$254,896)	\$0	0%	\$15,876	
2008-415	Pilot View RC&D - Rest/ Linville River Watershed Restoration, Phase III	103	\$224,000	\$459,000	51%	Avery		\$13,300	6%	\$0	Design and permitting only
2008-413	NC State University - Storm/ Town Lake Initiative, Robeson Creek	99	\$476,000	\$1,008,400	53%	Chatham	EPA 319 Program grant (\$470,000)	\$12,343	3%	\$206,171	Design, permitting and construction
2008-078	Triangle Land Conservancy - Acq/ Williams Tract, Deep River	95	\$268,000	\$541,685	51%	Chatham		\$240,000	90%	\$98,000	
2008-421	Resource Inst., Inc - Rest/ Upper Kings Creek Watershed Restoration	72	\$442,000	\$972,000	55%	Cleveland		\$22,500	5%	\$0	Design and permitting only
2008-508	Chadbourn, Town of - WW/ Sewer Rehabilitation, Soules Swamp	71	\$1,204,000	\$1,397,536	14%	Columbus	Rural Center grant (\$193,536)	\$8,747	1%	\$1,376	Shovel Ready. Design, permitting and construction; Status as of 2/26/09: Est. design complete July, est. permit approval August, award construction October '09.
2008-813	Piedmont Triad COG - Plan/Rest/ Abbots Creek Watershed Planning	111	\$103,000	\$263,194	61%	Davidson	DWQ 319 Program grant (\$64,364)	\$3,696	4%	\$0	
2008-539	Warsaw, Town of - WW/ Sewer Rehabilitation, Stewart's Creek	60	\$400,000	\$500,000	20%	Duplin		\$0	0%	\$25,950	Shovel Ready. Design, permitting and construction; Status as of 2/26/09: Plans are 75% complete. Advertise for Bids : 5/15/09. Receive Bids: 6/15/09. Begin Construction: 7/15/09. Complete Construction: 3/15/10
2008-402	Durham SWC District - Rest/ Stirrup Iron Creek Tributary Restoration	82	\$136,000	\$200,000	32%	Durham		\$15,000	11%	\$5,000	Design and permitting only
2008-403	Durham SWC District - Rest/ Upper Sandy Creek Tributary Restoration	100	\$253,000	\$436,000	42%	Durham		\$0	0%	\$16,000	Design and permitting only
2008-077	Triangle Land Conservancy - Acq/ Snow Hill IV Tract, Little River	90	\$618,000	\$3,194,735	81%	Durham		\$600,000	97%	\$139,000	
2008-531	Princeville, Town of - WW/ Pump Station Rehabilitation, Tar River	90	\$80,000	\$100,000	20%	Edgecombe		\$0	0%	\$0	Shovel Ready. Design, permitting and construction; Status as of 2/26/09: Estimates design completed by the end of March 2009.
2008-804	Tarboro, Town of - Plan/Acq/ Tar River Greenway Plan	94	\$56,000	\$75,000	25%	Edgecombe		\$2,482	4%	\$0	

Application No	Application Name	CW Score	CWMTF Award	Total Project Cost	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items*	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items*	Project Status
2008-414	Pilot View RC&D - Rest/ Lake Hills Restoration	83	\$1,395,000	\$1,745,000	20%	Forsyth	NC DWR (\$300,000 cash)	\$349,126	25%	\$0	Shovel Ready
2008-514	Enfield, Town of - WW/ Sewer Rehabilitation & Septic Tanks, Fishing Creek	78	\$1,393,000	\$1,594,304	13%	Halifax	Rural Center Grant (\$201,304)	\$20,509	1%	\$1,910	Shovel Ready. Design, permitting and construction; Status as of 2/26/09: Est. design complete July, est. permit approval August, award construction October '09.
2008-533	Scotland Neck, Town of - WW/ Sewer Rehabilitation, Canal Creek	89	\$1,591,000	\$1,861,526	15%	Halifax	Rural Center grant (\$270,526)	\$80,340	5%	\$4,750	Shovel Ready. Design, permitting and construction; Status as of 2/26/09: Est. design complete July, est. permit approval August, award construction October '09.
2008-410	NC Coastal Federation - Rest/ Hyde County- Alligator River Growers Project, Pamlico Sound	124	\$80,000	\$105,088	24%	Hyde		\$36,602	46%	\$16,222	Preliminary Design and modelling
2008-526	Maysville, Town of - WW/ WWTP Upgrades, Septic Tanks, White Oak River	84	\$241,000	\$823,000	71%	Jones	Rural Center grant (\$500,000)	\$4,961	2%	\$57,321	Shovel Ready. Design, permitting & construction; Status as of 2/26/09: Sewer Rehab: Plans & specs are complete and can be bid at any time, b/c do not require a DWQ permit; WWTP work: Plans & specifications complete & will be submitted for A-to-C review soon.
2008-507	Candor, Town of - WW/ Pump Station Upgrade, Drowning Creek	84	\$54,000	\$63,500	15%	Montgomery		\$0	0%	\$1,000	Design, permitting and construction; Status as of 2/26/09: Design work has not been started.
2008-817	High Country COG - Plan/Storm/ Regional Watersheds Stormwater Plan	95	\$50,000	\$90,000	44%	Nash	Rural Center (\$40,000)				
2008-074	Triangle Land Conservancy - Acq/ Kirkland Tract, New Hope Creek	97	\$182,000	\$1,007,985	82%	Orange		\$0	0%	\$10,000	
2008-803	Ramseur, Town of - Plan/Acq/ Deep River Greenway Plan		\$35,000	\$43,000	19%	Randolph		\$533	2%	\$0	
2008-814	Piedmont Triad COG - Plan/Rest/ Smith Creek Watershed Planning	112	\$244,000	\$353,940	31%	Rockingham		\$4,185	2%	\$0	
2008-824	Lake Lure, Town of - Plan/WW/ Sewer Evaluation, Broad River/Lake Lure	95	\$50,000	\$60,000	17%	Rutherford		\$0	0%	\$0	Planning Study
2008-709	NC Div Soil and Water Conservation - Rest/ Agricultural BMPs, Yadkin River Watershed Improvement	101	\$545,000	\$959,866	43%	Statewide/Regional	\$600,000 cash from EQIP and/or ACSP allocations	\$0	0%	\$0	Design and construction
2008-802	Northwest Piedmont COG - Plan/Acq/ Ararat River Greenway Plan	95	\$40,000	\$61,000	34%	Surry		\$0	0%	\$0	
2008-419	Resource Inst., Inc - Rest/ Big Creek Restoration, Phase II	92	\$205,000	\$229,426	11%	Surry		\$15,500	8%	\$0	Design and permitting only
2008D-011	Carolina Mountain Land Conservancy- Donated Mini/ Herrman Tr/ Reasonover Cr		\$25,000	\$54,750	54%	Transylvania					

Application No	Application Name	CW Score	CWMTF Award	Total Project Cost	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items*	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items*	Project Status
2008-510	Columbia, Town of - WW/ Sewer Rehabilitation, Scuppernon River	87	\$400,000	\$500,000	20%	Tyrrell		\$23,870	6%	\$6,670	Shovel Ready. Design, permitting and construction; Status as of 2/28/09: Plans 90% complete; Advertise for Bids : 3/15/09; Receive Bids: 4/15/09; Begin Construction: 5/15/09; Complete Construction: 12/31/09
2008-408	National Committee for the New River - Rest/ Jimmy Smith Park, Boone Creek	97	\$55,000	\$73,040	25%	Watauga					Landowner Intent Signed 1/28/09; Design, Permitting and Construction
2008-420	Resource Inst., Inc - Rest/ Pine Orchard Creek Restoration	90	\$374,000	\$446,612	16%	Watauga		\$6,000	2%	\$0	Shovel Ready- Construction only
2005B-507	Fremont, Town of - WW/ Sewer Rehabilitation, Nahunta Swamp		\$116,000	\$2,138,400	95%	Wayne	Rural Center Grant (\$200,000)	\$0	0%	\$470,400	Additional Funds For Ongoing Project. Total Grant would be \$1,668,000; Original scope is complete. Have taken bids for the work that is to be partly funded with the additional \$116k.
2008-505	Boonville, Town of - WW/ Lift Station Upgrades, Tanyard Creek	52	\$41,000	\$82,000	50%	Yadkin	Rural Center grant (\$41,000) has been requested.	\$0	0%	\$24,472	Shovel Ready. Design, Permitting, & Construction; Status as of 2/28/09: Design 85% complete, est permit approval by mid-April, advertise for construction bids May '09.
Total 2008 Contracts Signed By Chairman And Grant Recipient			\$15,154,000	\$28,871,678		Number= 36		Total Spent To Date \$1,723,920	11%	\$1,308,817	

Projects Ready-To-Go

Application ID	Application Name	CW Score	Approved Amount	Total \$	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items	Project Status
2008-1028	Piedmont Conservation Council Inc. - InnovSW/ Alamance Community College Sustainable Initiative	67	\$495,000	\$494,500	0%	Alamance		\$0	0%	\$0	Shovel Ready
2008D-017	Blue Ridge Rural Land Trust - Donated/ Gentry Tr/ Glade Cr		\$25,000	\$480,000	95%	Alleghany		\$24,845	99%	\$455,000	Acquisition Closed 12/19/09
2008-010	Conservation Trust for NC - Acq/ Carson Tract, Roaring Fork	88	\$96,000	\$337,085	72%	Alleghany		\$5,840	6%	\$5,185	Contract signed with landowner on 2/1/08; Potential acquisition closing date to be decided.
2008-524	Lilesville, Town of - WW/ Sewer Rehabilitation, Smith Creek	73	\$1,088,000	\$1,317,677	17%	Anson	Rural Center grant (\$229,677)	\$29,773	3%	\$2,534	Shovel Ready. Design Permitting & Construction; Status as of 2/28/09: Design 10% complete & est finished in July, est. permit approval August, award construction October '09.
2008-527	Morven, Town of - WW/ Sewer Rehabilitation, South Fork Jones Creek	70	\$1,247,000	\$1,461,695	15%	Anson	Rural Center grant (\$214,695)	\$10,618	1%	\$1,039	Shovel Ready. Design Permitting & Construction; Status as of 2/26/09: Est. design complete July, est. permit approval August, award construction October '09.

Application No.	Application Name	CW Score	CWMTF Award	Total Project Cost	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items*	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items*	Project Status
2008-002	Blue Ridge Rural Land Trust - Acq/ Pond Mountain Tract, Big Horse Creek	90	\$5,000,000	\$13,458,955	63%	Ashe	NHTF (\$7,500,000 grant and COPS)	\$14,500	0%	\$8,800,000	Acquisition Closed 9/12/08
2008D-012	Blue Ridge Rural Land Trust - Donated Mini/ Baldwin Tr/ Helton Cr		\$20,700	\$327,700	94%	Ashe	NC Farmland Preservation Trust Fund	\$20,700	100%	\$307,000	Acquisition closed 12/18/08
2008-030	Nature Conservancy, The - Acq/ Alesco Tract, North Toe River	88	\$663,000	\$1,272,284	48%	Avery		\$934	0%	\$1,317	Acquisition Closed 4/30/08
2008-067	Southern Appalachian Highlands Conservancy - Acq/ Alesco Tract, Molles Branch	88	\$495,000	\$885,000	44%	Avery		\$1,998	0%	\$0	Acquisition closed 4/30/08.
2008-068	Southern Appalachian Highlands Conservancy - Acq/ Jewell Tract, Elk River	90	\$276,000	\$470,770	41%	Avery		\$4,836	2%	\$0	Acquisition closed 8/12/08.
2008D-010	Southern Appalachian Highlands Conservancy- Donated Mini/ Wells Tr/ Anthony Cr		\$25,000	\$851,019	97%	Avery					Option signed with landowner 12/31/08
2008-542	Windsor, Town of - WW/ Sewer Rehabilitation, Cashie River	61	\$1,147,000	\$1,647,000	30%	Bertie	Rural Center grant (\$500,000) requested	\$0	0%	\$0	Shovel Ready. Design Permitting & Construction; Status as of 2/26/09: Final design started. Estimate design completed in late Spring, permits this summer and bids/construction beginning in early Fall.
2008-509	Clarkton, Town of - WW/ WWTP Upgrades, Septic Tanks, Brown Marsh Swamp	101	\$500,000	\$1,310,000	62%	Bladen	Rural Center grant (\$500,000)	\$2,240	0%	\$80,737	Shovel Ready. Design Permitting & Construction; Status as of 2/26/09: WWTP work: 10/31/08 Plans submitted to DWQ for review; Sewer work permitted & ready for construction.
2008-044	NC Div. Parks and Recreation - Acq/ Barron Tract, Hall Creek	90	\$719,000	\$3,012,415	76%	Burke	NHTF, PARTF	\$0	0%	\$2,006,400	3 of 4 phases of acquisition closed. Phase 4 to close 6/30/09
2008-042	NC Coastal Land Trust - Acq/ Luken's Island Timber Tract, South River	90	\$1,007,000	\$1,957,200	49%	Cabarrus	US Dept of Navy (\$945,700)- expires summer 2013	\$0	0%	\$0	Option signed with landowner on 2/27/09; Potential acquisition closing date of 1/31/2010
2008-040	NC Coastal Land Trust - Acq/ Henry Tract, Turnagain Bay	97	\$1,798,372	\$4,038,715	55%	Carteret	US Dept. of Navy (\$1,773,695)- expires summer 2013, \$70,628 from COPS (not included in CWMTF award amount)	\$0	0%	\$4,000	Contract signed with landowner on 4/20/07; Potential acquisition closing date of 8/31/09
2008-041	NC Coastal Land Trust - Acq/ Jarrett Bay/Baker Tract, Core Sound	92	\$663,000	\$1,236,815	46%	Carteret	US Dept. of the Navy (\$426,000)- expires summer 2013	\$0	0%	\$4,000	Option signed with landowner on 2/27/09; Potential acquisition closing date of 1/31/2010
2008-1005	NC Div of Coastal Mgmt - InnovSW/Pivers Island SW Plan	84	\$496,000	\$642,100	23%	Carteret					Shovel Ready
2008-006	Catawba County - Acq/ Crescent Resource Tracts, Mountain Creek	88	\$2,629,000	\$4,387,813	40%	Catawba	Federal Energy Regulatory Commission (FERC) (\$1,119,628)	\$1,172	0%	\$2,855	Contract/option signed with landowner on 12/14/07; Potential acquisition closing date between 8/1/09 and 12/31/09.

Application No	Application Name	CW Score	CWMTF Award	Total Project Cost	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items*	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items*	Project Status
2008-008	Chatham County - Acq/ County Park, Jordan Lake	92	\$218,000	\$1,386,735	84%	Chatham					Acquisition closed late 2007
2008-1004	Craven County - InnovSW/ SW Resource Water Quality Demo Project	54	\$124,000	\$153,386	19%	Craven		\$0	0%	\$0	Shovel Ready
2008-037	Nature Conservancy, The - Acq/ Squires Tract, South River	87	\$185,000	\$394,342	53%	Cumberland		\$30,250	16%	\$3,176	Option signed with landowner on 2/9/09; Potential acquisition closing date of 5/1/09
2008-538	Walnut Island Sanitary District - WW/ WWTP Upgrade, Poplar Branch Bay	97	\$500,000	\$1,500,000	67%	Currituck	Rural Center (\$500,000)				Shovel Ready. Design Permitting & Construction; Status as of 2/26/09: Construction drawings & specs complete. Permit review process nearly complete. Est begin const. May '09.
2007-008	Durham County - Acq/ Little River Uplands, Little River	91	\$1,101,000	\$1,950,500	44%	Durham		\$755,390	69%	\$624,910	Fee acquisition closed 4/08. CWMTF to purchase CE.
2008-014	Durham County - Acq/ McClendon Tract, Little River	91	\$284,000	\$522,400	46%	Durham		\$250,978	88%	\$216,722	Acquisition closed late 2008
2008-543	Youngsville, Town of - WW/ Sewer Rehabilitation, Hatties Branch	85	\$734,000	\$919,280	20%	Franklin					Shovel Ready. Design Permitting & Construction; Status as of 2/26/09: Design 50% complete and estimate ready for bids in April '09.
2008-012	Creedmoor, City of - Acq/ Fontaine Tract, Falls Lake	89	\$2,081,000	\$4,826,300	57%	Granville		\$0	0%	\$58,350	Contract signed with landowner on 8/15/07; Potential acquisition closing date of 4/15/09
2008-031	Nature Conservancy, The - Acq/ Gaines and Livermon-Bond Tracts, Lower Roanoke River	93	\$243,000	\$678,442	64%	Halifax		\$179,314	74%	\$436,262	A portion of the acquisition closed 2/21/08. Remaining portion under contract.
2008D-008	Carolina Mountain Land Conservancy - Mini/Donated/Dennehy Tract/Beaverdam Cr Conservation Trust for NC - Acq/ Arlington Tract, Richland Creek		\$25,000	\$289,340	91%	Haywood					Acquisition closed 12/11/08
2008-009	Highlands-Cashiers Land Trust - Donated Mini/ Double Top Mtn/ Woods Br	82	\$238,000	\$615,748	61%	Haywood		\$6,835	3%	\$6,860	Contract signed with landowner on 2/11/08; Potential acquisition closing date to be decided.
2008D-013	Tuckasegee Water and Sewer Authority - WW/ WWTP no. 1 Upgrades, Tuckasegee River		\$25,000	\$326,431	92%	Jackson					Acquisition closed 12/18/08
2008-536	Benson, Town of - WW/ Reuse System Construction, Hannah Creek	89	\$3,000,000	\$4,882,000	39%	Jackson	Rural Center Grant (\$500,000) applied for	\$0	0%	\$236,537	Shovel Ready. Design Permitting & Construction; Status as of 2/26/09: Design completed, plans submitted for permit approval, review comments rec'd Feb '09, expects to resolve comments and advertise for bids in March 2009
2008-504	Benson, Town of - WW/ Reuse System Construction, Hannah Creek	106	\$1,201,000	\$2,803,500	57%	Johnston	USDA loan (\$852,500), Rural Center grant (\$750,000)	\$0	0%	\$2,924	Shovel Ready. Construction only (prev. '07 CWMTF grant = D&P.); Status as of 2/26/09: Design 90% complete, est submittal for permit by mid-March '09, est. award construction June '09.

Application No	Application Name	CW Score	CWMTF Award	Total Project Cost	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items*	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items*	Project Status
2008-520	Kenly, Town of - WW/ WWTP Upgrades, Little River	99	\$479,000	\$689,275	31%	Johnston	Rural Center grant (\$500,000)	\$0	0%	\$0	Shovel Ready. Under contract with engineering firm for design (from matching funds \$56,500). Construction only (prev. '07 CWMTF grant = D&P); Status as of 2/26/09: Design estimated to be complete and make permit submittal by the end of March '09
2008-046	NC Div. Parks and Recreation - Acq/ Riverwalk Tract, MST, Marks Creek	90	\$1,700,000	\$7,031,340	76%	Johnston	PARTF (\$2,264,600), federal NAWCA grant (\$90,000)	\$1,700,000	100%	\$3,240,000	Acquisition closed 12/08.
2008-522	LaGrange, Town of - WW/ WWTP Headworks, Mosely Creek	90	\$401,000	\$474,388	15%	Lenoir		\$0	0%	\$0	Shovel Ready. Construction only (prev. '07 CWMTF grant = D&P); Status as of 2/26/09: Reclaimed water project: Design 90% complete, est submittal for permit by end of March '09, est. award const July '09; Headworks proj: Design 100% complete, permit & A-to-C rec'd.
2008-1007	Highlands, Town of - InnovSW/Pine St. Park Installation	59	\$180,000	\$220,000	18%	Macon					Shovel Ready
2008D-015	Land Trust for the Little Tennessee - Donated/ Perrigo Tr		\$25,000	\$257,500	90%	Macon		\$12,158	49%	\$3,039	Acquisition closed 2/13/09.
2008D-016	Land Trust for the Little Tennessee - Donated/ Waldroop Tr		\$17,722	\$3,087,332	99%	Macon		\$13,938	79%	\$3,484	Acquisition closed 12/12/08.
2008-1025	Madison County SWCD - InnovSW/ Steep Slope Bioretention Pilot	81	\$83,000	\$302,000	73%	Madison	DWR (\$129,000)				Shovel Ready
2008-702	Charlotte, City of - Storm/ Campbell Creek Watershed Restoration	114	\$219,000	\$2,057,499	89%	Mecklenburg					Shovel Ready- Construction only
2008-406	Mecklenburg County - Rest/ McDowell & Torrence Creek Restoration Phase I	127	\$740,000	\$1,490,000	50%	Mecklenburg					Shovel Ready- Design in Progress.
2008-063	Sandhills Area Land Trust - Acq/ Matthews Tract, Drowning Creek	86	\$661,000	\$797,263	17%	Moore					Option Signed with Landowner 2/24/09, Potential Closing Date of 12/31/09
2008-512	Conway, Town of - WW/ Sewer Rehabilitation, Kirby's Creek	84	\$1,612,000	\$2,531,851	36%	Northampton	Rural Center grant (\$632,962)	\$0	0%	\$164,910	Shovel Ready. Design Permitting & Construction; Status as of 2/26/09: Design approximately 98% complete. Est. advertise for bids by the end of March 2009.
2008-532	Rich Square, Town of - WW/ Sewer Rehabilitation, Bridgers Creek	78	\$1,619,000	\$2,191,355	26%	Northampton	Rural Center grant (\$547,355)	\$23,676	1%	\$6,246	Shovel Ready. Design Permitting & Construction; Status as of 2/26/09: Est. design complete July, est. permit approval August, award construction October '09.
2008-602	Maple Hill Sewer District - Septic/ WW Collection and Treatment, Holly Shelter Creek	86	\$1,463,000	\$4,282,000	66%	Pender	Rural Center Grant (\$2,774,614)	\$0	0%	\$115,000	Shovel Ready. Design Permitting & Construction; Status as of 2/26/09: Design 50% complete. Estimate design completion Sept. '09.

Application No	Application Name	CW Score	CWMTF Award	Total Project Cost	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items*	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items*	Project Status
2008-033	Nature Conservancy, The - Acq/ McLean Tract, Merricks Creek	94	\$982,000	\$1,961,140	50%	Pender	Anticipated cash from North American Wetlands Conservation Act (NAWCA)	\$583,930	59%	\$306,027	A portion of the acquisition closed 12/31/08. Remaining portion under option and set to close 6/30/09.
2008-511	Contentnea Metropolitan Sewer District - WW/ Force Main Rehabilitation, Contentnea Creek	91	\$400,000	\$500,000	20%	Pitt		\$0	0%	\$0	Shovel Ready. Design Permitting & Construction; Status as of 2/26/09: Design approximately 25% complete. Est. design complete by the end of March 2009.
2007-044	Polk County - Acq/ Alexanders Ford Tract, Green River	92	\$274,000	\$1,188,620	77%	Polk					Contract/option signed with landowner on 10/16/08; Potential acquisition closing date of 6/1/09
2008-417	Polk SWC District - Rest/ North Pacolet River Restoration - Reach 3	95	\$1,708,000	\$2,783,500	39%	Polk		\$32,329	2%	\$0	Shovel Ready- Construction only
2008-054	NC Zoo - Acq/ Ward Tract, Batchelor Creek	92	\$932,000	\$1,976,034	53%	Randolph	NHTF (\$1,039,745)	\$0	0%	\$38,000	Contract Signed with Landowner 2/1/08, Potential Closing Date of 6/30/09. March Council of State agenda.
2008-032	Nature Conservancy, The - Acq/ King Tract, Hickory Nut Gorge	87	\$3,568,000	\$6,825,491	48%	Rutherford		\$3,433,366	96%	\$3,365,917	Acquisition closed 10/6/08
2008-057	Piedmont Land Conservancy - Acq/ Shaffer Tract, Hickory Creek	97	\$376,000	\$1,625,850	77%	Stokes					Option Signed with Landowner 2/1/08, Potential Closing Date of 9/1/09
2008-056	Piedmont Land Conservancy - Acq/ Freeman Tract, Fisher River	85	\$222,000	\$414,219	46%	Surry					Option Signed with Landowner 2/1/08
2008-518	Henderson, City of - WW/ UV Disinfection System, Nutbush Creek	78	\$1,581,000	\$1,976,000	20%	Vance	USDA Rural development (\$82,415), Rural Center grant (\$312,585) requested				Shovel Ready. Design Permitting & Construction; Status as of 2/26/09: Design estimated to be complete mid-March 2009. Expect to receive construction bids by end of April.
2008-710	NC State University - Storm/ Peace College Rain Harvest System, Pigeon House Branch	99	\$750,000	\$1,183,000	37%	Wake		\$1,992	0%	\$21,619	Shovel Ready
2008-1019	Raleigh, City of - InnovSW/ Fire Station Rainwater Harvesting	71	\$295,000	\$494,842	40%	Wake		\$0	0%	\$0	Shovel Ready
2008-1018	Raleigh, City of - InnovSW/ Market at Colonnade	90	\$562,000	\$1,071,500	48%	Wake		\$0	0%	\$0	Shovel Ready
2008-073	Triangle Greenways Council - Acq/ Walnut Creek Greenways	97	\$331,000	\$879,557	62%	Wake		\$0	0%	\$0	Option signed with landowner
2008-080	Wake County - Acq/ Futrell Tract, Swift Creek	93	\$300,000	\$1,963,833	85%	Wake		\$300,000	100%	\$1,669,835	Acquisition closed 1/14/08
2008-081	Wake County - Acq/ Sinclair Tract, Falls Lake	88	\$1,180,000	\$4,120,800	71%	Wake		\$1,180,000	100%	\$2,372,435	Acquisition closed in 8/29/2008.
2008-1030	Wake Forest, Town of - InnovSW/ Evaluation of Floating Island BMP	93	\$341,000	\$628,885	46%	Wake					Shovel Ready
2008-1011	National Committee for the New River - InnovSW/ Kraut Cr Urban SW Demo	80	\$136,000	\$148,000	8%	Watauga					Shovel Ready

Application No	Application Name	CW Score	CWMTF Award	Total Project Cost	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items*	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items*	Project Status
2008-047	NC Div. Parks and Recreation - Acq/ Snake Mountain Tract, North Fork New River	86	\$603,000	\$3,645,370	83%	Watauga	NHTF and PARTF (\$3,042,640)	\$0	0%	\$0	Two of 3 tracts under option and approved by Council of State. Option Signed with Landowner 10/30/08, Potential Closing Date of 5/11/09
2008-424	Western NC Alliance - Rest/ Watauga River Restoration	77	\$580,000	\$617,000	6%	Watauga					Shovel Ready- Construction only
2008-528	Mount Olive - WW/ Sewer Rehabilitation, NE Cape Fear River	82	\$717,000	\$896,000	20%	Wayne	USDA loan (\$179,000)	\$0	0%	\$81,302	Shovel Ready. Construction only (prev. '07 CWMTF grant = D&P); Status as of 2/26/09: Estimate completing design by the end of March. Estimate permits received by end of April and receive bids by the end of May.
2008-604	North Wilkesboro, Town of - Septic/ Damascus Church Road, Little Cub Creek	89	\$1,071,000	\$1,886,640	43%	Wilkes	Rural Center grant (\$500,000)				Shovel Ready. Construction only (prev. '07 CWMTF grant = D&P); Status as of 2/27/09: Design 35% complete. Estimate design complete mid-April and advertise for bids end of May '09.

Total 2008 Awards Ready-To-Go \$54,457,794 \$123,035,031 Number= 87 Total Spent To Date \$8,621,612 16% \$24,643,622

Remaining 2008 Awards

Application D	Application Name	CW Score	Approved Amount	Total \$	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items	Project Status
2008D-014	Piedmont Land Conservancy - Donated/Davis Chapel Tr		\$25,000	\$480,000	95%	Alleghany					
2008-069	Sparta, Town of - Acq/ Bledsoe Creek Greenway	82	\$200,000	\$240,491	17%	Alleghany					
2008G-005	Sparta, Town of - Mini/Greenway Planning/ Bledsoe Cr		\$35,000	\$44,000	20%	Alleghany					
2008-022	High Country Conservancy - Acq/ Bluff Mountain, Buffalo Creek	85	\$710,000	\$1,402,550	49%	Ashe		\$3,915	1%	\$772,000	
2008-811	National Committee for the New River - Plan/Rest/ Lambert-Leight Tracts, North Fork New River	109	\$25,000	\$45,800	45%	Ashe					Letter of Intent Signed By Landowner- 12/10/07. Design only.
2008-812	National Committee for the New River - Plan/Rest/ Old Field Creek Restoration	107	\$24,000	\$34,400	30%	Ashe					Letter of Intent Signed By Landowner- 1/14/08. Design only.
2008S-003	West Jefferson, Town of - Mini/Storm/Planning/Little Buffalo Creek		\$50,000	\$55,000	9%	Ashe					
2008S-007	Banner Elk, Town of - Mini/Storm/Planning/Shawneehaw Creek		\$50,000	\$55,000	9%	Avery					
2008-036	Nature Conservancy, The - Acq/ Rhyne Tract, North Toe River	86	\$3,215,000	\$6,126,464	48%	Avery		\$4,500	0%	\$2,500	Landowner ready to sign agreement.

Application No	Application Name	CW Score	CWMTF Award	Total Project Cost	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items*	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items*	Project Status
2008-502	Bath, Town of - WW/ Spray Field Upgrades, Bath Creek	92	\$117,000	\$155,725	25%	Beaufort	Rural Center Grant (\$500,000)	\$0	0%	\$115,000	Design & Permitting only
2006B-040	Washington, City of - Acq/ Barger Tract, Pamlico River		\$60,000	\$91,676	35%	Beaufort					Withdrawal- Request Board to unencumber funds in June 2009
2008-705	Leland, Town of - Rest/ Lanvale Trace Restoration and Stormwater Management	92	\$66,000	\$82,000	20%	Brunswick					Design and permitting only
2008-818	NC Coastal Federation - Plan/Storm/ Low Impact Development Planning, Lockwoods Folly River	115	\$76,000	\$104,200	27%	Brunswick	\$19,200 from NCDOT	\$9,766	13%	\$7,050	
2008-701	Asheville, City of - Storm/ Constructed Wetland and Dingle Creek Restoration	94	\$335,000	\$442,000	24%	Buncombe		\$0	0%	\$0	Permitting and construction; No monies spent to date on items identified for CWMTF funding
2008-060	RiverLink - Acq/ Holmes Tract, Flynn Branch	86	\$95,000	\$416,120	77%	Buncombe					
2008-079	Trust for Public Land - Acq/ Waller Tract, Horniny Creek	96	\$154,000	\$306,340	50%	Buncombe					
2008S-013	Harrisburg, Town of - Mini/Storm/Planning/Rocky Cr		\$50,000	\$55,000	9%	Cabarrus					
2008G-009	Kannapolis, City of - Mini/Greenway/Planning/Irish Buffaloe Cr		\$35,000	\$47,500	26%	Cabarrus		\$32,000	91%	\$0	
2008G-008	Mount Pleasant, Town of - Mini/Greenway/Planning/Adams Cr		\$34,000	\$40,800	17%	Cabarrus		\$0	0%	\$2,000	
2008-018	Foothills Conservancy - Acq/ Hull Tract, Wilson Creek	96	\$693,000	\$1,288,000	46%	Caldwell					
2008-816	Emerald Isle, Town of - Plan/Storm/ Outfall, BMP Study, Archers Creek	90	\$75,000	\$100,000	25%	Carteret					
2008-703	Emerald Isle, Town of - Storm/ Outfall Removal, Bogue Sound	100	\$97,000	\$133,000	27%	Carteret					Design, permitting and construction
2008S-008	Marine Fisheries, NC Div of- Mini/Storm/Bogue Sound		\$10,000	\$28,380	65%	Carteret					
2008-819	Newport, Town of - Plan/Storm/ Stormwater Planning, Newport River	101	\$56,000	\$70,000	20%	Carteret					
2008S-011	Conover, City of - Mini/ Storm/ Planning/ McLin Creek		\$50,000	\$55,000	9%	Catawba					
2008-801	Chatham County - Plan/Acq/ Jordan Lake Watershed Protection Plan	94	\$40,000	\$53,333	25%	Chatham					
2008B-505	Chatham County - Wastewater Reuse		\$250,000	\$7,030,519	96%	Chatham					Additional Funds For Ongoing Project. Total Grant would be \$1,250,000; 2/5/09 Email from Town of Pittsboro indicates that construction contracts are ready to be awarded.
2008-001	Andrews, Town of - Acq/ Water Supply Watershed, Beaver Creek	98	\$1,627,000	\$5,931,750	73%	Cherokee					

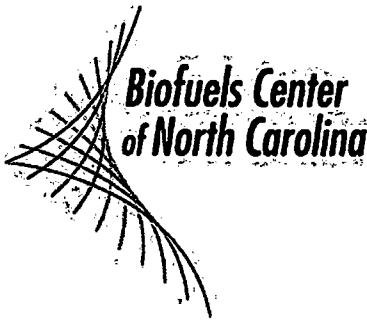
Application No	Application Name	CW Score	CWMTF Award	Total Project Cost	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items*	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items*	Project Status
2008-808	Hiwassee River Watershed Coalition - Plan/Rest/ Persimmon Creek Restoration Plan	115	\$90,000	\$115,500	22%	Cherokee		\$554	1%	\$94	
2008M-002	Land Trust for the Little Tennessee - Mini/ Andrews Water Supply/ Beaver Cr		\$14,400	\$18,000	20%	Cherokee					
2008M-003	Land Trust for the Little Tennessee - Mini/ Wood Farm Tr		\$25,000	\$31,250	20%	Cherokee		\$3,480	14%	\$870	
2008-809	Hiwassee River Watershed Coalition - Plan/Rest/ Town Creek Restoration Plan	94	\$50,000	\$63,250	21%	Clay		\$492	1%	\$27	
2008-715	Tabor City, Town of - Storm/ Stormwater Retention Basins, Grissett Swamp	80	\$157,000	\$199,000	21%	Columbus					Design and permitting only
2008-826	Spring Lake, Town of - Plan/WW/ Preliminary Engineering Report, Reuse, Little River	93	\$37,000	\$73,500	50%	Cumberland					Planning Study
2008-013	Dare County - Acq/ Mann's Harbor Marina, Croatan Sound	91	\$1,283,000	\$6,326,515	80%	Dare	Waterfront Access and Marine Industry Fund (WAMI) (\$3,000,000), cash from CAMA Access Grant (\$236,365), cash from WRC (2,000,000)	\$16,050	1%	\$300	
2008-1006	Durham Soil & Water Conservation District- InnovSW/ Approaches to Urban Watersheds	92	\$490,000	\$598,083	18%	Durham		\$16,000	3%	\$68,000	
2008S-014	Louisburg, Town of - Mini/ Storm/ Mapping/ Fox Cr		\$50,000	\$55,556	10%	Franklin					
2008-071	Tar River Land Conservancy - Acq/ Whitfield Farm, Cedar Creek	83	\$283,000	\$1,285,700	78%	Franklin		\$14,300	5%	\$18,945	No option yet with landowner. Grant Recipient has spent \$14,300 on items identified for CWMTF funding
2008D-007	Tar River Land Conservancy - Donated Mini/Whitfield Tr/ Cedar Cr		\$25,000	\$714,549	97%	Franklin					
2008-027	Land Trust for the Little Tennessee - Acq/ Miller Tract, Eller Mill Creek	88	\$2,362,000	\$5,054,450	53%	Graham					
2008-404	Greensboro, City of - Rest/ South Buffalo Creek Habitat Restoration	109	\$325,000	\$678,423	52%	Guilford					Design and permitting only
2008-423	Southwestern RC&D - Rest/ Richlands and Hominy Creeks Restoration	91	\$278,000	\$726,227	62%	Haywood					Design, permitting and construction
2008-714	Southwestern RC&D - Storm/ Richland Creek Stormwater Management	92	\$75,000	\$85,700	12%	Haywood	\$4,000 from TVA; \$3,340 from EQIP				Design and permitting only
2008-004	Carolina Mountain Land Conservancy - Acq/ Redden Tract, Mills River	95	\$3,422,000	\$10,958,025	69%	Henderson					
2008D-018	Carolina Mountain Land Conservancy- Donated/ Lenhart Tr		\$25,000	\$94,900	74%	Henderson					

Application No	Application Name	CW Score	CWMTF Award	Total Project Cost	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items*	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items*	Project Status
2008-005	Carolina Mountains Land Conservancy - Acq/ Rivercane Tract, Cane Creek	90	\$62,000	\$109,440	43%	Henderson					
2008S-012	Hendersonville, City of - Mini/ Storm/ Planning/ Britton Cr		\$50,000	\$55,000	9%	Henderson					
2008G-006	Jackson County - Mini/Greenway Planning/ Tuckasegee River		\$35,000	\$43,000	19%	Jackson		\$35,000	100%		Project complete and ready to ask for reimbursement per field rep. Estimate spent at \$35,000.
2007S-008	Benson, Town of - Storm/Mini/ Hannah Creek		\$50,000	\$56,000	11%	Johnston					
2008-523	Kinston, City of - WW/ Rouse Facility, Neuse River (originally Lenoir Co)	87	\$143,000	\$150,000	5%	Lenoir		\$41,481	29%	\$0	Design & Permitting only
2008S-009	Lincolnton, City of - Mini/ Storm/ Planning/ S. Fork Catawba River		\$50,000	\$119,540	58%	Lincoln					
2008M-004	Land Trust for the Little Tennessee - Mini/ Houston Farm Tr		\$22,400	\$28,000	20%	Macon		\$2,800	13%	\$700	
2008-405	Macon SWC District - Rest/ Little Tennessee Stream and Riparian Restoration Program	94	\$420,000	\$720,000	42%	Macon	Matching contributions in the application budget: USFWS, NFWF, Macon SWCD/State of NC, County of Macon	\$9,304	2%	\$0	Design, permitting and construction
2008-815	Charlotte, City of - Plan/Storm/ Beaverdam Creek Watershed Plan	98	\$162,000	\$557,116	71%	Mecklenburg					
2008-707	Mecklenburg SWC District - Storm/ Urban Cost-Share Program, McAlpine Creek	99	\$70,000	\$115,000	39%	Mecklenburg					Design, permitting and construction
2008G-007	Candor, Town of - Mini/ Greenway Planning/ Little River		\$34,000	\$40,000	15%	Montgomery					
2008-025	Land Trust for Central NC - Acq/ Cochran,Thompson,DeBerry Tract, Uwharrie River	98	\$450,000	\$672,200	33%	Montgomery					
2008-805	Troy, Town of - Plan/Acq/ Suck Creek Greenway Plan		\$24,000	\$30,000	20%	Montgomery					
2008-537	Vass, Town of - WW/ Vass and Crystal Lake Regionalization, Little River	94	\$192,000	\$270,000	29%	Moore		\$0	0%	\$0	Design & Permitting only
2008-704	Kure Beach, Town of - Storm/ Stormwater Management Project, Atlantic Ocean	118	\$204,000	\$299,000	32%	New Hanover					Design, permitting and construction
2008M-001	NC Coastal Land Trust - Mini/ Virginia Tr/ Meherrin River		\$6,000	\$7,500	20%	Northampton		\$6,000	100%	\$1,500	
2008-529	Onslow Water and Sewer Authority - WW/ Discharge Elimination and Sewer Rehabilitation, New River	117	\$188,000	\$249,730	25%	Onslow					Design & Permitting only
2008-519	Hillsborough, Town of - WW/ WWTP Upgrade, Eno River	108	\$492,000	\$1,258,000	61%	Orange		\$0	0%	\$0	Design & Permitting only

Application No	Application Name	CW Score	CWMTF Award	Total Project Cost	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items*	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items*	Project Status
2008-075	Triangle Land Conservancy - Acq/ Brumley Tract, Stony Creek	97	\$3,275,000	\$12,247,685	73%	Orange		\$0	0%	\$37,000	
2008-821	Candlewick Sanitary District - Plan/WW/ Feasibility Study, Little Contentnea Creek	79	\$40,000	\$50,000	20%	Pitt		\$0	0%	\$0	Planning Study
2008-823	Farmville, Town of - Plan/WW/ Preliminary Engineering Report, Middle Swamp Outfall	66	\$100,000	\$126,000	21%	Pitt		\$3,971	4%	\$1,029	Planning Study
2008-820	Pitt County - Plan/Storm/ Swift Creek Watershed Stormwater Initiative	104	\$168,000	\$215,100	22%	Pitt		\$0	0%	\$0	
2008S-002	Columbus, Town of - Mini/Storm/Planning/ White Oak Creek		\$50,000	\$55,000	9%	Polk					
2008-418	Polk SWC District - Rest/ North Pacolet River Restoration - Reach 4	95	\$93,000	\$108,000	14%	Polk	Polk SWCD (\$14,000+)	\$32,329	35%	\$0	Design and permitting only
2008-530	Parkton, Town of - WW/ Red Springs Regionalization, Dunn's Marsh	101	\$145,000	\$174,400	17%	Robeson					Design & Permitting only
2008-825	Red Springs, Town of - Plan/WW/ Collection System Survey, Little Raft Swamp	85	\$25,000	\$30,000	17%	Robeson					Planning Study
2008-1015	NCSU-Dept of Soil Science - InnovSW/ Tools for Reducing Water Quality Impacts	72	\$153,000	205,442	26%	Statewide/Regional		\$0	0%	\$0	Demo only
2008-806	Walnut Cove, Town of - Plan/Acq/ Town Fork Creek Greenway Plan		\$24,000	\$30,000	20%	Stokes					
2008-003	Carolina Mountain Land Conservancy - Acq/ Camp Rockbrook, Dunns Creek	92	\$523,000	\$2,721,265	81%	Transylvania					
2008-412	NC Div. Coastal Management - Rest/ Buckridge Coastal Reserve, Alligator River	109	\$303,000	\$381,705	21%	Tyrrell	\$65,355 cash from DCM (1/2 of Site Manager's salary and fringe for 3 years); and \$13,350 cash from APNEP (spent in 2007 for purchase and installation of another tide gate as a pilot project)	\$0	0%	\$1,060	Permitting and Construction
2008S-016	Indian Trail, Town of - Mini/ Stormwater/ Mapping		\$25,000	\$140,000	82%	Union					
2008-807	Wingate, Town of - Plan/Acq/ Meadow Branch Greenway Plan		\$24,000	\$30,000	20%	Union					
2008-070	Tar River Land Conservancy - Acq/ Morton Tract, Tar River	91	\$228,000	\$422,200	46%	Vance		\$3,590	2%	\$0	No option yet with landowner.
2008-1016	NCSU- WECO Program - InnovSW/ Black Cr Watershed Disconnection	65	\$122,000	\$301,447	60%	Wake		\$0	0%	\$0	

Application No	Application Name	CW Score	CWMTF Award	Total Project Cost	% Matching Funds	County	Match Considerations (Federal or State Funds)	Amount Spent As Of 3-3-09 On CWMTF Funded Items*	Percentage of CWMTF Award Spent On CWMTF Funded Items	Amount Spent As Of 3-3-09 on Match Funded Items	Project Status
2007-058	Trust for Public Land - Acq/ Creedmoor Tract, Beaverdam Creek	95	\$1,684,000	\$5,033,250	67%	Wake					
2006B-039	Wake County - Acq/ Liles Farm Tract, Lake Benson		\$250,000	\$544,900	54%	Wake					Withdrawal- Request Board to unencumber funds in June 2009
2008-082	Wake County - Acq/ Walnut Hill Tract, Marks Creek	94	\$745,000	\$2,615,150	72%	Wake		\$34,600	5%	\$0	
2008-401	Appalachian State University - Rest/ Boone Creek Restoration	98	\$500,000	\$1,252,789	60%	Watauga	\$300,000 grant from NCDOT	\$0	0%	\$45,495	Design, Permitting and Construction
2008-810	National Committee for the New River - Plan/Rest/ Boone Greenway Restoration	115	\$25,000	\$75,000	67%	Watauga					Letter of Intent Signed By Landowner- 1/28/08. Design Only
2008G-010	Watauga County - Mini/Greenway/Planning/New River		\$35,000	\$42,000	17%	Watauga					
2008-1013	NCSU-Dept of Biological & Agricultural Eng - InnovSW/Level Spreader	88	\$190,000	\$229,076	17%	Wilson					Demo only
2008-023	Jonesville, Town of - Acq/ Yadkin Greenway	88	\$455,000	\$480,250	5%	Yadkin					
2007-612	Jonesville, Town of - Septic/ Mountain Crest Septic Tanks, Sandyberry Creek	83	\$150,000	\$289,579	48%	Yadkin					Design, Permitting, and Construction
Total Remaining 2008 Awards			\$29,231,800	\$84,573,440		Number= 88		Total Spent To Date \$270,132	1%	\$1,073,570	

Notes: * A blank cell means that information has not yet been received from the grant recipient



***North Carolina's Statewide Biofuels Initiative:
Key Content for North Carolina General Assembly
Natural and Economic Resources Appropriations Committee***

25 March 2009

By policy and activity, the State of North Carolina has initiated a 15-20 year statewide endeavor to gain substantial capability for growth and production of non-petroleum based liquid transportation fuels.

Building from the legislatively mandated *North Carolina's Strategic Plan for Biofuels Leadership*, the State has established the Biofuels Center of North Carolina. It is the nation's only state-based agency directed comprehensively to all aspects of biofuels development over time. The Center is located in Oxford, Granville County, on North Carolina's Biofuels Campus, the nation's only state-based campus for biofuels development, demonstration, and technology acceleration.

Few states offer as much promise for developing a sustained and advanced biofuels sector as North Carolina. The State has unparalleled strengths in crop and forest agriculture, biotechnology, and manufacturing, all required in a unified framework. Trees and widely diverse crops yield an agronomically rich foundation for starch-, oil-, and cellulose-based fuels. Varied regional growing characteristics, climate, and terrain amplify opportunities for a widespread, sustainable, and economically solid sector.

North Carolina's commitment represents a realistic strategy to gain an entire new economic sector and enrichment of agriculture statewide – with unusually diverse outcomes possible for employment gain. In addition, a sustained biofuels endeavor shows smart foresight in a world of increasing environmental imperatives, in which transportation fuels will without fail decrease in ready availability and increase in cost.



Information for NER Appropriations Committee • 25 March 2009

FY 2009-2010 Funding Request, HB400 and SB tbd

3,000,000	Grants to non-profit institutions statewide for research, growing and agronomic data about biomass sources, production, commercialization, and education.
700,000	Accelerated Initiatives projects, for statewide capacity building
900,000	Trial and demonstration growing of varied feedstocks, at sites statewide and at the Williamsdale Farm biofuels facility
300,000	Education, training, and public awareness
300,000	Assistance to early stage biofuels companies, in particular for improving regional biomass capabilities
1,600,000	Phase I development, North Carolina's Biofuels Campus
1,200,000	Staff and benefits
1,000,000	Administration, facility, and site
<hr/>	
\$9,000,000	

North Carolina's Biofuels Campus, administered by the North Carolina Department of Agriculture and a key partnership activity between the Department and the Center, is a nationally unique resource. Multi-phase development over coming years will build from a commissioned site plan study, and yield a significant place for leadership and competitive advantage in four areas:

- Trial and demonstration growing, both open air and in greenhouses
- Small scale and pilot production for different conversion processes
- Company and project incubation
- Educational demonstrations, public awareness, and national meetings



Information for NER Appropriations Committee • 25 March 2009

Statewide Grants Awarded, 2008 and 2009

Projects strengthen capacity across North Carolina by addressing research, growing and agronomic data about biomass sources, production, commercialization, and education. Proposals are peer-reviewed by an external panel of subject matter experts. Six representative projects are listed for each year.

2008 • Fifteen of 75 received proposals were funded, totaling \$2,550,291

PROJECT	RECIPIENT	COUNTY	AMOUNT
Renewable Fuels Program	Washington High School	Beaufort	\$ 27,314
NC Biofuels LLC Site Development	NC's Northeast Economic Development Foundation Inc	Chowan	\$ 22,000
Blue Ridge Biofuels Biodiesel Production Expansion Project	Blue Ridge Biofuels LLC	Buncombe	\$250,000
STARworks Biofuels	Central Park NC	Montgomery	\$148,800
High-Value Transportation Fuels from NC Feedstocks	North Carolina State University	Wake	\$200,000
Growing Duckweed on Swine Wastewater for Ethanol Production	North Carolina State University	Wake	\$199,733

2009 • Seventeen of 48 received proposals were funded, totaling \$2,777,921

PROJECT	RECIPIENT	COUNTY	AMOUNT
Reducing Natural Resource Impacts Related to Biodiesel Production	Carolina Land & Lakes RC&D	Haywood	\$180,496
From Farms to Fuels: Renewable Energy Production	Craven County Schools	Craven	\$ 49,097
Integrated Low-Cost Torrefaction-Gasification for Production of Biofuels from Forest Resources	North Carolina State University	Wake	\$199,128
Energy Canes: Ideal Fuelstocks for NC's Diverse Energy Needs	Mountain Horticulture Research Station	Henderson	\$171,293
Greater Charlotte Region Biofuel Facility	Centralina Council of Governments	Mecklenburg	\$ 99,850
Algae Downstream Processes Automated for Commercialization	Cape Fear Resource Conservation & Development	New Hanover	\$108,800



Information for NER Appropriations Committee • 25 March 2009

Board of Directors: March 2009

- **W. Steven Burke • Executive Committee**
President and CEO, Biofuels Center of North Carolina
- **Jack J. Carlisle • President, Clean Burn Fuels**
- **Eva M. Clayton • President, Eva Clayton Associates International**
- **J. Keith Crisco • Secretary, North Carolina Department of Commerce**
- **S. Lawrence Davenport • President, JP Davenport & Son Farm Supply**
- **Robert C. Eubanks, Jr. • Founder & President, Franklin Street Partners**
- **Lyle H. Estill • President, Piedmont Biofuels**
- **Billy Ray Hall • President, North Carolina Rural Economic Development Center**
- **Gary F. Harris • Executive Director, NC Petroleum & Convenience Marketers**
- **Richard A. Holder • President, Harvey Fertilizer & Gas Co.**
- **Robert B. Jordan, III • President, Jordan Lumber & Supply, Inc.**
- **Thomas W. Lambeth • Senior Fellow, Z Smith Reynolds Foundation**
- **Steven Leath, PhD • Vice President for Research, University of North Carolina**
- **Matthew R. Meyer • Director, BioNetwork, NC Community College System**
- **Stephen Piccot • Director of North Carolina Operations, Southern Research Institute**
- **Jane B. Preyer • Executive Committee**
Director, Southeast Office, Environmental Defense Fund
- **Abolghasem Shahbazi, PhD • Professor, Bioenvironmental Engineering, NC A&T State University**
- **Mark Scholl • Senior Partner, Entira**
- **Garrett A. Screws • Senior Manager, Government Relations, Novozymes**
- **Larry E. Shirley • Director, State Energy Office, NC Department of Administration**
- **Patricia M. Sobrero, EdD • Associate Vice Chancellor • NC State University**
- **John C. Steffens, PhD • Executive Committee**
Head of Crop Genetics Research • Syngenta Biotechnology Inc.
- **James E. Stovall • Executive Committee**
Chair • Person County Economic Development Commission
- **E. Norris Tolson • Chair & Executive Committee**
President & CEO • North Carolina Biotechnology Center
- **Steve W. Troxler • Commissioner, NC Department of Agriculture & Consumer Affairs**
- **Clay B. Thorp • General Partner, Hatteras Venture Partners**
- **Daniel F. Weathington • Executive Director, NC Small Grain Growers Association**
- **Larry B. Wooten • President, North Carolina Farm Bureau**
- **Johnny C. Wynne, PhD • Executive Committee**
Dean & Executive Director for Agricultural Programs, NC State University

Biofuels Center of North Carolina
901 Hillsboro St. • PO Box 1919 • Oxford, NC 27565
919-693-3000 • www.biofuelscenter.org

W. Steven Burke • President and CEO • Mobile 919-619-6041 • sburke@biofuelscenter.org
Ashley Jones • Director, Government & External Relations • Mobile 919-339-3507 • ajones@biofuelscenter.org

3/25/09

PAGES

Destiny Gibbens
Crossnore
Joe Sam Queen

Issac Flowe
Mecklenburg
Danneley

VICTORIA Bielby
hillsborough
Kinnaird

Jay Royster
shelby
Garrou

Paul Williams
Clayton
David Rouzer

Sgt at Arms

H.

Jane Worth
David Shearon

S

Ron Spain
Ernie Stennell

MINUTES

HOUSE APPROPRIATIONS SUBCOMMITTEE ON
NATURAL & ECONOMIC RESOURCES

March 25, 2009

3:45 PM

Chair Edith Warren called for a meeting of the House Appropriations Subcommittee on Natural & Economic Resources around the Chamber desk of Representative Warren on March 25, 2009, at 3:45 p.m. following the House recess. The following members were present: Co-Chairs: Representatives Harrison, Pierce, and Warren; Vice Chairs: Representatives Justice and Wilkins; Members: Representatives Bryant, Langdon, Sager, and West.

There was no printed agenda for the meeting. Representative Pierce moved for a favorable report for S 89 Authorize Grandfather Mtn. as State Park. The motion passed.

SB 89 entitled: A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE ADDITION OF GRANDFATHER MOUNTAIN STATE PARK TO THE STATE PARKS SYSTEM.

There being no further business, the meeting was adjourned at 3:55 p.m.

Respectfully submitted,



Representative Edith D. Warren
Co-Chair



Martha M. Hoover
Assistant to the Committee

ATTACHMENTS:

Senate Bill 89

Subcommittee Report

Attendance List

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

S

2

SENATE BILL 89

Agriculture/Environment/Natural Resources Committee Substitute Adopted 3-5-09

Short Title: Authorize Grandfather Mtn. as State Park.

(Public)

Sponsors:

Referred to:

February 10, 2009

A BILL TO BE ENTITLED

**AN ACT TO AUTHORIZE THE ADDITION OF GRANDFATHER MOUNTAIN STATE
PARK TO THE STATE PARKS SYSTEM.**

Whereas, Section 5 of Article XIV of the North Carolina Constitution states that it shall be a proper function of the State of North Carolina to acquire and preserve park, recreational, and scenic areas and, in every other appropriate way, to preserve as a part of the common heritage of this State its open lands and places of beauty; and

Whereas, the General Assembly enacted the State Parks Act in 1987, declaring that the State of North Carolina offers unique archaeological, geological, biological, scenic, and recreational resources, and that such resources are part of the heritage of the people of the State to be preserved and managed by those people for their use and for the use of their visitors and descendants; and

Whereas, Grandfather Mountain in Watauga, Avery, and Caldwell Counties is known to be nationally significant for its excellent examples of many rare high elevation natural communities and an exemplary assemblage of rare plant and animal species; and

Whereas, Grandfather Mountain is an internationally recognized terrestrial ecosystem and is therefore designated as a Biosphere Reserve by the United Nations Educational, Scientific and Cultural Organization's Programme on Man and the Biosphere; and

Whereas, Grandfather Mountain is one of the most biologically diverse and significant sites in the Southern Appalachian region; and

Whereas, rare species found at Grandfather Mountain include Spreading avens, Roan Mountain bluet, Heller's blazing star, Blue Ridge goldenrod, Virginia big-eared bat, Carolina northern flying squirrel, the Spruce-fir moss spider, and many others; and

Whereas, Grandfather Mountain is also one of North Carolina's most important scenic landmarks and offers outstanding opportunities for wilderness recreation; and

Whereas, Grandfather Mountain has been found to possess geological, biological, and scenic resources of statewide significance; and

Whereas, the Council of State approved the purchase of Grandfather Mountain, to be operated as a State Park, and the Joint Legislative Commission on Governmental Operations approved the report of the State Property Office regarding acquisition of Grandfather Mountain by the State; and

Whereas, the proposal is for the acquisition of Grandfather Mountain to be funded through the Natural Heritage Trust Fund and the Parks and Recreation Trust Fund; Now, therefore,

The General Assembly of North Carolina enacts:



1 **SECTION 1.** The General Assembly authorizes the Department of Environment
2 and Natural Resources to add Grandfather Mountain to the State Parks System as provided in
3 G.S. 113-44.14(b).

4 **SECTION 2.** The State shall purchase Grandfather Mountain with existing funds
5 in the Natural Heritage Trust Fund and the Parks and Recreation Trust Fund, as previously
6 approved by the Council of State and the Joint Legislative Commission on Governmental
7 Operations. During the 2009-2011 fiscal biennium, the Department of Environment and
8 Natural Resources shall, with funds available, operate Grandfather Mountain State Park.

9 **SECTION 3.** This act is effective when it becomes law.

**2009 PERMANENT SUBCOMMITTEE REPORT
HOUSE OF REPRESENTATIVES**


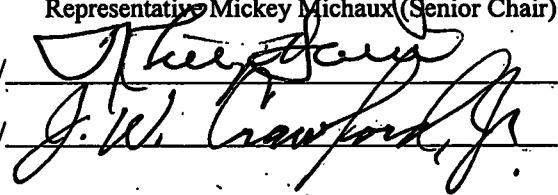
FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE
The following report(s) from permanent sub committee(s) is/are presented:

By Representative(s) Harrison, Pierce, E. Warren (Chairs) for the Appropriations Subcommittee
on Natural and Economic Resources.

Committee Substitute for
SB 89 A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE ADDITION OF
GRANDFATHER MOUNTAIN STATE PARK TO THE STATE PARKS SYSTEM.

WITH APPROVAL OF STANDING COMMITTEE CHAIR(S) FOR REPORT TO BE MADE
DIRECTLY TO THE FLOOR OF THE HOUSE:

Representative Michaux, Adams, Alexander, Crawford, Haire, Jeffus, Tolson, Yongue (Chairs) for
the Standing Committee on Appropriations.


s/ Representative Mickey Michaux (Senior Chair)

s/ J. W. Crawford, Jr.

With a favorable report.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____

_____ Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of _____


APPROPRIATIONS SUBCOMMITTEE ON
NATURAL AND ECONOMIC RESOURCES

MINUTES
APRIL 8, 2009

Representative Harrison called the meeting of the Appropriations Subcommittee on Natural and Economic Resources to order at 6:20 p.m. in the Speaker's Conference Room of the Legislative Building. Those in attendance were Representative Spear, Co-Chair Warren, Justice, Wilkins, Bryant, and Samuelson. Absent were Representatives Pierce, Wray, Langdon, Sager, and West.

Chair Harrison recognized Representative Warren in order to introduce a Proposed Committee Substitute unfavorable as to the original for recommendation to the floor of the House of Representatives House Bill 628, Aquarium Satellite Areas Funding. Representative Samuelson seconded the motion and it was carried unanimously.

Chair Harrison adjourned the meeting at 6:27 p.m.



Rep. Pricey Harrison, Chair



Sue O. Osborne, Clerk

Attachments:
2009 Permanent Subcommittee Report – HB 628

**2009 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) Harrison, Pierce, E. Warren (Chairs) for the Appropriations Subcommittee
on Natural and Economic Resources.

Committee Substitute for

HB 628 A BILL TO BE ENTITLED AN ACT TO AUTHORIZE THE DEPARTMENT OF
ENVIRONMENT AND NATURAL RESOURCES TO EXPEND EXISTING MONEYS FOR CAPITAL
IMPROVEMENT PROJECTS AT NORTH CAROLINA AQUARIUM SATELLITE AREAS.

WITH APPROVAL OF STANDING COMMITTEE CHAIR(S) FOR REPORT TO BE MADE
DIRECTLY TO THE FLOOR OF THE HOUSE:

Representative Michaux, Adams, Alexander, Crawford, Haire, Jeffus, Tolson, Yongue (Chairs) for
the Standing Committee on Appropriations.

SI Martin Budnik, Al... ..
SI Maggie Jeffus
SI D. B. G...

With a favorable report.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____

_____ Pursuant to Rule 36(b), the bill/resolution is placed on the Calendar of _____

Exhibit A

VISITOR REGISTRATION SHEET

3/25/09
Date

Name of Committee

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Sam Brake	Biofuels Center of NC
Ashley L	" " "
Steven Burke	Biofuels Center of NC
George	EGHS
Richard C. Perich	NCDA&CS
JACK BRINSON	LABOR
Kathryn Castellones	Labor
Cherie Berry	Labor
Jennifer Haigwood	WEDOL
Quinta McNeil	DENR
Elizabeth Biser	DENR
Dee Freeman	DENR

VISITOR REGISTRATION SHEET

3/25/09

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Care Honey

DENR

Mary Wilk

DENR

Reid Wilson

Conservation Trust for NC

MINUTES

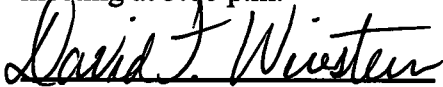
**Joint Appropriations Subcommittee
on
Natural and Economic Resources
Monday, April 6, 2009 at 4:00 p.m.
423 Legislative Office Building**


The Joint Appropriations Subcommittee on Natural and Economic Resources met at 4:00 p.m. on Monday, April 6, 2009, in Room 423 of the Legislative Office Building. Present were Rep. Warren, Rep. Pierce, Rep. Harrison, Rep. Wilkins, Rep. Bryant, Rep. Langdon, Rep. West and Rep. Sager. Five Senators attended the meeting and Senator David Weinstein presided.

Sen. Weinstein introduced to the Committee the Pages and the Sergeant-At-Arms.

The meeting was called to order and Sen. Weinstein called on the NER Fiscal Research Division Staff, Kristine Leggett, Kristin Walker, and Lanier McRee to go over for the Committee the Senate Appropriations Committee Rules for Considering Amendments, the Senate NER Budget Overview, and the Senate NER Budget Recommendations. See Attachments #1, 2, and 3)

Senator Weinstein asked if there were any questions and/or comments from the committee. With no questions and/or comments, Senator Weinstein adjourned the meeting at 5:00 p.m.


Senator David Weinstein
Chairman


Vickie W. Spears
Committee Assistant

Senate Appropriations Subcommittee on NER

Agenda

Monday, April 6, 2009, 4:00 P.M.
Room 423, Legislative Office Building

Sen. Weinstein, Presiding

I. Welcome

Sen. Weinstein

II. Senate NER Budget Overview

Fiscal Research Division Staff

III. Senate NER Budget Recommendations

Fiscal Research Division Staff

IV. Committee Discussion

V. Adjourn

**Senate Appropriations Committee
Rules for Considering Amendments**

If amendments are offered, then the following rules must be met in order to make the amendment eligible for consideration:

1. Money can only be transferred among items within the same subcommittee section.
 2. Amendments where money is being transferred among items within a subcommittee must clearly identify the items/programs that are being increased and decreased.
 3. Nonrecurring reductions cannot be made to fund recurring additions.
 4. Amendments that spend reversions are not allowed.
 5. Amendments that increase spending in the subcommittee budgets are not allowed.
 6. Amendments are not allowed where funding for an item comes from statewide reserves.
 7. Amendments must be in writing, the original signed, with 75 copies available for distribution
 8. To be considered, a proposed amendment must have been logged in by the committee clerk by 11:00 a.m.
-

**Senate Appropriations Subcommittee on
Natural and Economic Resources**

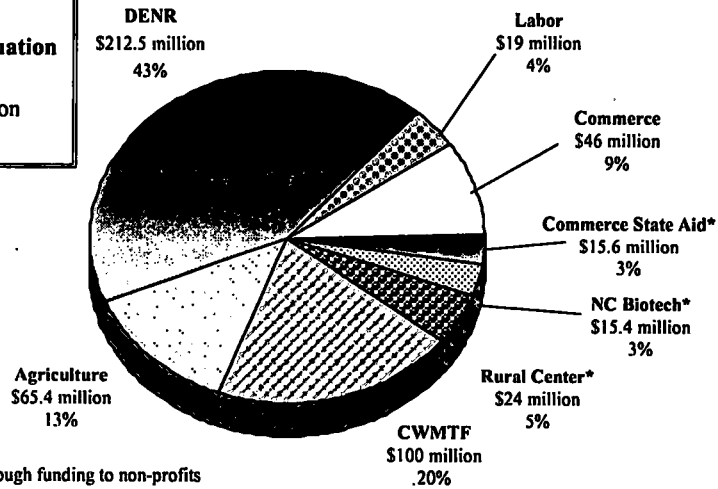
Money Report

April 6, 2009
4:00 P.M.



NER Continuation Budget FY 2009-10

**Total Continuation
Budget:**
\$498 million



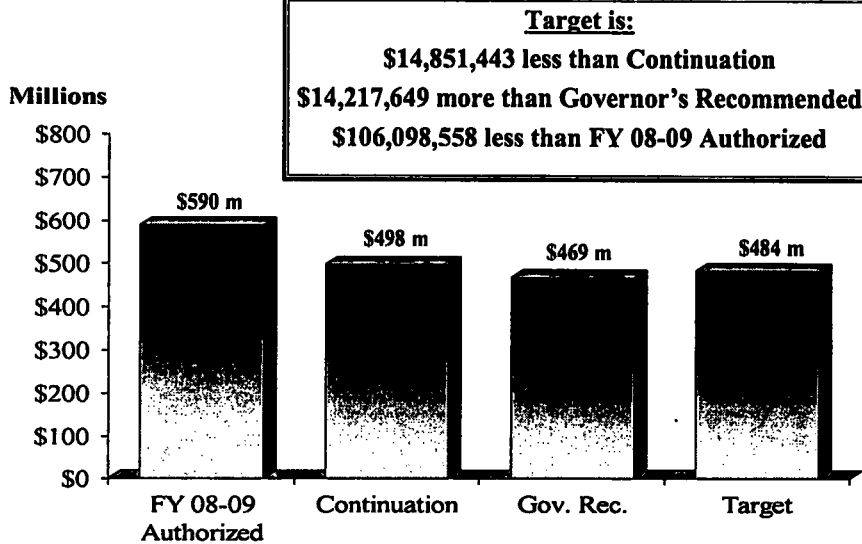
* Recurring pass-through funding to non-profits

FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

April 6, 2009



Comparisons



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

April 6, 2009



Key Terms

Management Flexibility

Provides agencies with the ability to manage a certain reduction amount in a manner best suited to the agency.

Eliminate Continuation Budget Increases

Reduces an increase included in the Continuation Budget for the following fiscal year. Does not decrease the amount an agency currently has to operate.

Fundshift Positions to Receipt Support

Directs agencies to use receipts (either federal, grant, or fees) to support a position. Saves General Fund money without eliminating filled positions.



Positions

NER Position Eliminations
FY 2009-10

	FY 2009-10				FY 2010-11			
	Filled	Fundshift	Vacant*	Total	Filled	Fundshift	Vacant*	Total
Ag	0	10.7	6.5	17.2	0	10.7	6.5	17.2
Labor			8	8			8	8
DENR	7	2	37.25	46.25	7	14	56.25	77.25
Commerce	1	18	4	23	1	18	4	23
Total	8	30.7	55.75	94.45	8	42.7	74.75	125.5

*Vacant position counts include positions added in the continuation budget for FY 2009-10.

Agriculture and Consumer Services

GENERAL FUND

	FY 09-10		FY 10-11	
Adjusted Continuation Budget	\$65,402,492		\$65,638,839	

Legislative Changes

A. Department-Wide

1 Management Flexibility Reserve		(\$2,005,780)	R	(\$2,005,780)	R
Provides the Department with flexibility to manage the reduction per Section 6.6.					
2 Fund Shift Positions to Receipt Support		(\$467,047)	R	(\$467,047)	R
Shifts 10.7 positions to receipt support. These receipts come from various enterprise funds, grants, and other revenue sources.					
		-10.70		-10.70	
3 Vacant Positions		(\$339,079)	R	(\$339,079)	R
Eliminates 6.5 positions vacant on July 1, 2008.					
		-6.50		-6.50	
Agricultural Program Specialist	\$55,880				
Medical Laboratory Technician II	\$54,851				
Meat and Poultry Inspector II	\$19,159				
Chemistry Supervisor III	\$63,140				
Administrative Officer II	\$48,359				
Agricultural Programs Administrator	\$99,322				
Executive Assistant I	\$58,368				
4 Worker's Compensation		(\$75,000)	R	(\$75,000)	R
Reduces funding for worker's compensation due to a recent decrease in premiums for the Department.					

B. Administrative Services

5 Continuation Budget Increase		(\$352,825)	R	(\$352,825)	R
Eliminates the Governor's continuation budget increases.					

D. Agronomic Services

6 Fertilizer Assessment		(\$375,000)	R	(\$375,000)	R
Replaces the General Fund appropriation with an increase in the fertilizer assessment. The fertilizer assessment will be increased from \$0.25 per ton of fertilizer to \$0.50 per ton, bringing North Carolina's assessment in line with surrounding states. All receipts from the increase will be used to support Agronomic Services.					

E. Marketing**7 Got to Be NC**

Provides nonrecurring funding for Got to Be NC marketing. This program promotes North Carolina's farmers by helping to develop markets for North Carolina produce and products in grocery stores, restaurants, farmer's markets, and other establishments. Participation in Got to Be NC by North Carolina Farmers continues to grow, and farmers report sales increases of 10 to 40 percent upon joining the Got to Be NC promotion.

\$600,000 NR

E. Markets**8 Marketing Funds**

Provides funding for the promotion of agriculture festivals in small towns with populations less than 5,000. The amount per festival shall not exceed \$5,000.

\$50,000 NR

F. Pesticides**9 Pesticide Registration Fee**

Increases the current annual pesticide registration fee from \$100 to \$150 for each brand or grade of pesticide registered and reduces General Fund appropriations to the Pesticide Division.

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

G. Plant Industry**10 Plant Inspection Fees**

Increases nursery certification and registration fees and reduces the General Fund appropriation to the Plant Industry Division. The certification fee will increase from \$10 to \$100 for the initial acre and from \$2 to \$3 for additional acres. The registration fee for nurseries will increase from \$6 to \$20.

(\$58,303) R (\$58,303) R

H. Standards**11 Calibration Inspection Over-realized Receipts**

Budgets over-realized receipts for calibration inspections services.

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

12 Petroleum Device Technician License Fee

Creates a registration fee for petroleum device technician licenses for those who service LP-Gas meters.

(\$10,000) R (\$10,000) R

I. Veterinary Services**13 Animal Diagnostic Fees**

Replaces the General Fund appropriation for veterinary services with increased fees for certain animal diagnostic tests.

(\$250,000) R (\$250,000) R

Total Legislative Changes	(\$4,453,034)	R	(\$4,453,034)	R
	\$650,000	NR		
Total Position Changes	-17.20		-17.20	
Revised Budget	\$61,599,458		\$61,185,805	

Labor

GENERAL FUND

	FY 09-10		FY 10-11	
Adjusted Continuation Budget	\$19,064,773		\$19,092,834	
Legislative Changes				
Department-Wide				
14 Vacant Positions	(\$431,371)	R	(\$431,371)	R
Eliminates eight positions vacant on July 1, 2008.				
	-8.00		-8.00	
15 Management Flexibility Reserve	(\$135,406)	R	(\$135,406)	R
Provides the Department with flexibility to manage the reduction per Section 6.6.				
Administration				
16 Administration Continuation Budget Increase	(\$86,413)	R	(\$86,413)	R
Eliminates the Governor's Continuation Budget increase.				
Occupational Safety and Health				
17 OSH Continuation Budget Increase	(\$91,721)	R	(\$91,721)	R
Eliminates the Governor's Continuation Budget increase.				
18 Publication Fees	(\$21,325)	R	(\$21,325)	R
Directs OSH to raise publication fees to adjust for inflation and to take a corresponding General Fund reduction. Fees were last raised February 1, 2001.				
Standards and Inspections				
19 Standards and Inspections Continuation Budget Increase	(\$125,051)	R	(\$125,051)	R
Eliminates the Governor's Continuation Budget increase.				
20 Apprenticeship Continuation Budget Increase	(\$23,382)	R	(\$23,382)	R
Eliminates the Governor's Continuation Budget increase.				
21 Apprenticeship Program	(\$450,000)	R	(\$450,000)	R
Directs the Apprenticeship Program to create new fees to generate enough revenue so that the program can take a 25% reduction to General Fund support.				

Senate Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

Total Legislative Changes	(\$1,364,669)	R	(\$1,364,669)	R
Total Position Changes	-8.00		-8.00	
Revised Budget	\$17,700,104		\$17,728,165	

Environment & Natural Resources

GENERAL FUND

	FY 09-10		FY 10-11	
Adjusted Continuation Budget	\$212,524,097		\$214,924,435	
Legislative Changes				
(1:0) Department-Wide				
22 Vacant Positions	(\$1,580,786)	R	(\$1,580,786)	R
Eliminates 32.25 positions throughout the Department vacant on July 1, 2008.	-32.25		-32.25	
23 Management Flexibility Reserve	(\$4,431,041)	R	(\$4,431,041)	R
Provides the Department with flexibility to manage the reduction per Section 6.6.				
(2.0) Administration				
24 Continuation Budget Increase	(\$1,437,364)	R	(\$1,437,364)	R
Eliminates the Governor's Continuation Budget increase.				
(2.0) Office of Environmental Education				
25 Environmental Education	(\$551,681)	R	(\$551,681)	R
Reorganizes the Office of Environmental Education. Transfers curriculum development functions to the Department of Public Instruction, Community Colleges, and the University system; technical materials to the State Library; and the clearinghouse function and the Program Development Coordinator to the Office of Public Affairs.	-7.00		-7.00	
(2.0) Office of Public Affairs				
26 Environmental Education	\$150,000	R	\$150,000	R
Reorganizes the Office of Environmental Education, transferring the Program Development Coordinator and associated operating expenses to the Office of Public Affairs.	1.00		1.00	
(3.0) Center for Geographic Information Analysis				
27 Center for Geographic Information Analysis Transfer				
Transfers the Center for Geographic Information Analysis from the Department to the Office of the State Chief Information Officer.				
(3.0) Coastal Management				
28 General Fund Position to Receipt Support	(\$81,492)	R	(\$81,492)	R
Shifts funding of one Environmental Supervisor II to a grant from the National Oceanic and Atmospheric Administration.	-1.00		-1.00	

(3.0) Environmental Health**29 General Fund Support to Receipt Support**

(\$61,724) R (\$61,724) R

Shifts funding for rent for the Division's main office to a federal grant.

30 Food and Lodging Inspection Fee

(\$87,680) R (\$87,680) R

Adjusts the food/lodging inspection fee for inflation. Fees are currently either \$50 or \$200 and will be increased to \$60 and \$235 respectively. Fees were last increased October 1, 2002. New fee revenue will be distributed in accordance with G.S.130A-248. Fee revenue credited to the Department will be used to support operations of the Division and will allow the Division to take a corresponding General Fund reduction.

31 General Fund Position to Receipt Support

(\$38,272) R (\$38,272) R

Shifts funding of one Processing Assistant IV from General Fund support to food and lodging inspection fee receipts.

-1.00 -1.00

32 Radiation Protection Section

(\$416,282) R (\$833,337) R

Requires that the radiation protection section become entirely receipt supported by 2010-11. Reduces General Fund support by 50% in FY 2009-10 and eliminates all General Fund support in FY 2010-11. Moves 12.0 positions from the General Fund to receipt support in FY 2010-11.

-12.00

(3.0) Land Resources**33 County Boundary Program**

(\$106,479) R (\$106,479) R

Eliminates funding for the County Boundary Program.

-1.00 -1.00

(3.0) Pollution Prevention & Enviro. Assistance**34 Solid Waste Management Trust Fund Receipts**

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

Directs the Division to shift operating expenses to the Solid Waste Management Trust Fund (SWMTF). SWMTF began receiving new revenue in FY 2008-09 from the solid waste disposal tax, a portion of which was authorized to be used for operating expenses.

(3.0) Waste Management**35 Inactive Hazardous Sites Cleanup Fund Receipts**

(\$300,000) R (\$300,000) R

Directs the Division to shift operating expenses to the Inactive Hazardous Sites Cleanup Fund. The Inactive Hazardous Sites Cleanup Fund began receiving new revenue in FY 2008-09 from the solid waste disposal tax, a portion of which was authorized to be used for operating expenses.

(4.0) Forest Resources**36 Forestry Equipment**

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

Reduces the Division of Forest Resources' equipment budget.

Senate Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

37 Continuation Budget Increase for Operating Reserves			
Reduces the continuation budget increase for operating reserves due to expected construction delays.	(\$45,197)	NR	
38 Continuation Budget Increase for Over-time Pay	(\$450,000)	R	(\$450,000) R
Reduces the continuation budget increase for over-time pay by 50%.			
(4.0) Marine Fisheries			
39 Equipment Increase	(\$1,458,154)	R	(\$1,409,154) R
Eliminates the continuation budget increase for equipment.			
40 Sea Grant Transfer	(\$253,688)	R	(\$253,688) R
Reduces the Sea Grant transfer to NCSU to \$600,000.			
(4.0) Museum of Natural Sciences			
41 Continuation Budget Increase for Nature Research Center	(\$499,715)	R	(\$1,433,479) R
Reduces the continuation budget increase for operating reserves for the Nature Research Center. The center is scheduled to open October 2011. This reduction leaves approximately \$500,000 in FY 2010-11 for program start-up prior to building completion.	-5.00		-24.00
(4.0) Parks & Recreation			
42 Aid & Public Assistance	(\$399,372)	R	(\$399,372) R
Reduces aid and public assistance by 10%.			
(5.0) Reserves & Transfers			
43 Beaver Management Assistance Program	(\$349,000)	R	(\$349,000) R
Reduces the transfer to the Wildlife Resources Commission (WRC) for the Beaver Management Assistance Program. WRC will continue to operate the program using \$349,000 in WRC revenue from the sales tax transfer.			
44 Grassroots Science Museums	(\$69,627)	R	(\$69,627) R
Reduces the funding for Grassroots Science Museums by 2%.			
45 Partnership for the Sounds	(\$10,345)	R	(\$10,345) R
Reduces General Fund support for the Partnership for the Sounds by 2%.			
46 Clean Water State Revolving Fund Match	\$2,481,000	NR	
Provides funds to meet the 20% State match required to draw down maximum federal funds for the Clean Water State Revolving Fund.			

Senate Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

47 Drinking Water State Revolving Fund

Provides funds to meet the 20% State match required to draw down maximum federal funds for the Clean Water State Revolving Fund.

\$5,482,800 NR

Total Legislative Changes	(\$13,157,702)	R	(\$14,459,521)	R
	\$7,918,603	NR		
Total Position Changes	-46.25		-77.25	
Revised Budget	\$207,284,998		\$200,464,914	

DENR-Clean Water Management Trust Fund

GENERAL FUND

	FY 09-10	FY 10-11
Adjusted Continuation Budget	\$100,000,000	\$100,000,000
Legislative Changes		
Clean Water Management Trust Fund		
48 Reduce Appropriation		
Reduce appropriation to the Clean Water Management Trust Fund by 5% in FY 2009-10.	(\$5,000,000)	NR
Total Legislative Changes	(\$5,000,000)	NR
Total Position Changes		
Revised Budget	\$95,000,000	\$100,000,000

Commerce

GENERAL FUND

	FY 09-10		FY 10-11	
Adjusted Continuation Budget	\$46,019,823		\$46,028,986	
Legislative Changes				
A. Department-Wide				
49 Management Flexibility Reserve	(\$623,108)	R	(\$623,108)	R
Provides the Department with flexibility to manage the reduction per Section 6.6.				
50 Vacant Positions	(\$158,114)	R	(\$158,114)	R
Eliminates three positions vacant on July 1, 2008.				
	-3.00		-3.00	
B. Administrative Services				
51 Continuation Budget Increase	(\$39,760)	R	(\$39,760)	R
Eliminates the Governor's Continuation Budget increase.				
52 Vacant Position	(\$148,201)	R	(\$148,201)	R
Eliminates the General Counsel position in the Secretary's Office. This position has been vacant since September 2007.				
	-1.00		-1.00	
C. Executive Aircraft				
53 Replacement Plane	(\$1,326,428)	R	(\$1,326,428)	R
Eliminates funding for lease payments for a replacement aircraft for the King Air B-200. The order for the new plane has been cancelled.				
D. MIS				
54 Continuation Budget Increase	(\$23,133)	R	(\$23,133)	R
Eliminates the Governor's Continuation Budget increase.				
55 Transferred Positions	(\$250,000)	R	(\$250,000)	R
Eliminates the salaries, benefits, and operating support for three positions that were transferred to ITS in November 2008.				
E. Policy and Research				
56 Continuation Budget Increase	(\$52,357)	R	(\$52,357)	R
Eliminates the Governor's Continuation Budget increase.				

F. Marketing**57 Continuation Budget Increase**

(\$46,987) R

(\$46,987) R

Eliminates the Governor's Continuation Budget increase.

58 Business Destination Marketing

Provides funds to market the State as a business destination. Section 14.2(a) allocates an additional \$1 million from the One North Carolina Fund cash balance for this purpose, bringing the total additional funds appropriated for marketing the State as a business destination to \$1.5 million for FY 2009-10.

\$500,000 NR

G. Business and Industry**59 Continuation Budget Increase**

(\$27,930) R

(\$27,930) R

Eliminates the Governor's Continuation Budget increase.

60 Continuation Budget Funds for China Office

\$175,000 R

\$175,000 R

Moves funds appropriated for the new China Trade Office from the International Trade Division to the Business and Industry Division. These two divisions each fund one position in the trade offices. Funds for the International Trade position were appropriated in FY 2008-09. The Continuation Budget included an adjustment to provide the Business and Industry position, but the funds were appropriated to the wrong fund. This item corrects that.

H. International Trade**61 Continuation Budget Funds for China Office**

(\$175,000) R

(\$175,000) R

Moves funds appropriated for the new China Trade Office from the International Trade Division to the Business and Industry Division. These two division each fund one position in the trade offices. Funds for the International Trade position were appropriated in FY 2008-09. The Continuation Budget included an adjustment to provide the Business and Industry position, but the funds were appropriated to the wrong fund. This item corrects that.

62 Continuation Budget Increase

(\$27,979) R

(\$27,979) R

Eliminates the Governor's Continuation Budget increase.

63 Korean Trade Office

(\$24,000) R

(\$24,000) R

Eliminates the General Fund appropriation for the Korean Trade Office. This office is shared with the NC Ports Authority, and can be fully supported by the Ports.

I. Tourism, Film, and Sports Development**64 Continuation Budget Increase**

(\$9,373) R

(\$9,373) R

Eliminates the Governor's Continuation Budget increase.

65 Tourist Destination Marketing

Provides funds to promote the State as a tourist destination. The Department of Commerce shall promote Historically Underutilized Businesses and supplier diversity when marketing the State of North Carolina. Such promotion may include advertising with minority media outlets and advertising with minorities in the motorsports industry. The Department and firms that contract with the Department to promote Historically Underutilized Businesses and supplier diversity shall make a good faith effort to achieve diversity in the bidding and awarding of marketing and advertising contracts.

\$259,165 NR

J. Welcome Centers

66 Continuation Budget Increase

Eliminates the Governor's Continuation Budget increase.

(\$19,774) R (\$19,774) R

K. Wanchese Seafood Industrial Park

67 Continuation Budget Increase

Eliminates the Governor's Continuation Budget increase.

(\$12,237) R (\$12,237) R

L. Commerce Finance

68 Continuation Budget for JMAC

Corrects the Continuation Budget for the Job Maintenance and Capital Development Fund (JMAC). Funds were appropriated for FY 2008-09 on a nonrecurring basis but were included in the Continuation Budget on a recurring basis. JMAC has a cash balance of \$5 million and does not need an appropriation for FY 2009-10.

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

69 Small Business Assistance Fund

Creates a new fund within the Department to assist small businesses with 100 or fewer employees and less than \$1 million in annual receipts. The Fund will provide loans to qualifying businesses for any of the following purposes:

\$3,000,000 NR

- To guarantee a commercial loan;
- To finance bonds to allow small businesses to better leverage federal stimulus dollars;
- To provide emergency bridge loans; and,
- For any other purpose related to small business job preservation.

70 One NC Small Business Funds

Section 14.2(b) transfers \$2 million from the One NC Fund cash balance to the One NC Small Business Fund for FY 2009-10. One NC Small Business provides matching grants to businesses that qualify for federal SBIR/STTR Incentive funds.

71 Green Business Fund

Section 20.1 allocates \$5 million of the funds received by the State under the American Recovery and Reinvestment Act and appropriated to the State Energy Office to the Green Business Fund. The Green Business Fund provides grants to private businesses with less than 100 employees, non-profit organizations, and State agencies to encourage the growth of a green economy in North Carolina.

M. Community Assistance**72 Continuation Budget Increase**

(\$16,081)	R	(\$16,081)	R
------------	---	------------	---

Eliminates the Governor's Continuation Budget increase.

73 Office of Rural Development Programs

(\$91,032)	R	(\$91,032)	R
------------	---	------------	---

Eliminates a new office created by the Department of Commerce in November 2008. This office is unnecessary, as the General Assembly provides \$24 million to the Rural Economic Development Center to serve rural areas of the State.

-1.00		-1.00	
-------	--	-------	--

74 General Fund Positions to Receipt Support

(\$262,842)	R	(\$262,842)	R
-------------	---	-------------	---

Eliminates 7 vacant receipt supported positions and transfers 5 General Fund positions to receipt support. Several of these receipt-supported positions have been vacant since before 2007.

-5.00		-5.00	
-------	--	-------	--

75 Main Street Solutions

Creates the Main Street Solutions Fund. This program will provide grants to micropolitan cities in Tier Two and Three counties to assist with economic development projects designed to foster job creation and entrepreneurship in the State's smaller cities.

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

N. Industrial Commission**76 Continuation Budget Increase**

(\$257,826)	R	(\$257,826)	R
-------------	---	-------------	---

Eliminates the Governor's Continuation Budget increase.

77 Legal Specialists to Receipt Support

(\$167,987)	R	(\$167,987)	R
-------------	---	-------------	---

Transfers support for three legal specialists in the Commissioners' Office from General Fund to receipts.

-3.00		-3.00	
-------	--	-------	--

78 Deputy Commissioners to Receipt Support

(\$203,760)	R	(\$203,760)	R
-------------	---	-------------	---

Transfers support for two Deputy Commissioners from General Fund to receipts.

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

79 Program Assistants to Receipt Support

(\$266,530)	R	(\$266,530)	R
-------------	---	-------------	---

Transfers support for eight Program Assistants from General Fund to receipts.

-8.00		-8.00	
-------	--	-------	--

Senate Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

80 Safety Education Section Continuation Review

\$204,561 R \$204,561 R

Provides funding for the Safety Education Section for one year. Beginning in FY 2010-11, this program will be wholly receipt supported. Also restores recurring funds that were inadvertently eliminated as part of this Continuation Review.

\$467,104 NR

Total Legislative Changes

(\$8,850,878) R (\$8,850,878) R

\$7,226,269 NR

Total Position Changes

-23.00 -23.00

Revised Budget

\$44,395,214 \$37,178,108

Commerce - State Aid

GENERAL FUND

	FY 09-10		FY 10-11	
Adjusted Continuation Budget	\$15,642,232		\$15,642,232	
Legislative Changes				
81 Non-profit Operating Efficiencies	(\$337,559)	R	(\$337,559)	R
Reduces the recurring pass-through appropriations to each non-profit by two percent.				
82 Regional Economic Development Commissions	\$3,000,000	NR		
Provides funding for the seven Regional Economic Development Commissions. Funds will be allotted to the Commissions in accordance with the formula set out in Section 14.13.				
83 Minority Support Center Funds				
Section 14.2(c) directs the Department of Commerce to allocate \$1 million from the One NC Fund cash balance to the Minority Support Center. These funds shall be used to further community economic development lending and support in low-wealth communities and to make capital accessible to small businesses in a way that will have an economic stimulus impact.				
84 Defense and Security Technology Accelerator	\$500,000	NR		
Provides funds for the Partnership for defense Innovation to support the Defense and Security Technology Accelerator, a business incubator focusing on economic development opportunities in industries relating to homeland security and national defense.				
85 Biofuels Center of North Carolina				
Section 20.3 allocates \$3 million of the funds received by the State under the American Recovery and Reinvestment Act and appropriated to the State Energy Office to the Biofuels Center of NC. Funds will be used for costs related to implementing the North Carolina Strategic Plan for Biofuels Leadership developed under S.L. 2006-206.				
Total Legislative Changes	(\$337,559)	R	(\$337,559)	R
	\$3,500,000	NR		
Total Position Changes				
Revised Budget	\$18,804,673		\$15,304,673	

N.C. Biotechnology Center

GENERAL FUND

	FY 09-10		FY 10-11	
Adjusted Continuation Budget	\$15,427,561		\$15,427,561	
Legislative Changes				
86 Operating Efficiencies	(\$308,551)	R	(\$308,551)	R
Reduces the budget for the Biotech Center by two percent.				
Total Legislative Changes	(\$308,551)	R	(\$308,551)	R
Total Position Changes				
Revised Budget	\$15,119,010		\$15,119,010	

Rural Economic Development Center

GENERAL FUND

	FY 09-10		FY 10-11	
Adjusted Continuation Budget	\$24,059,581		\$24,059,581	
Legislative Changes				
87 Operating Efficiencies	(\$40,128)	R	(\$40,128)	R
Reduces the administrative appropriation to the Rural Center by two percent.				
Total Legislative Changes	(\$40,128)	R	(\$40,128)	R
Total Position Changes				
Revised Budget	\$24,019,453		\$24,019,453	

24600 Commerce - Special

Special

	FY 2009-10		FY 2010-11	
	Requirements	Receipts	Requirements	Receipts
Recommended Budget	\$182,777,229	\$146,564,544	\$182,777,229	\$146,564,544
Legislative Changes				
Marketing Funds		\$1,000,000		
Directs the Department of Commerce to use \$1 million from the One NC Fund cash balance for marketing the State as a business destination.				
One NC Small Business		\$2,000,000		
Transfers \$2 million in FY 2009-10 from the One NC Fund cash balance to the One NC Small Business Fund.				
NC Minority Support Center		\$1,000,000		
Transfers \$1 million from the One NC Fund cash balance to the NC Minority Support Center.				
Total Legislative Changes		\$4,000,000		
Net Change in Fund Balance		(\$4,000,000)		

24350 Wildlife Resources - Operating

Special

	FY 2009-10		FY 2010-11	
	Requirements	Receipts	Requirements	Receipts
Recommended Budget	\$65,680,466	\$65,680,466	\$65,362,400	\$65,362,400
Legislative Changes				
Beaver Management Assistance Program	\$349,000			
Directs the Wildlife Resources Commission to continue funding the Beaver Management Assistance Program at \$349,000 using existing revenue.				
Total Legislative Changes	\$349,000			
Net Change in Fund Balance	(\$349,000)			

**Senate Appropriations Subcommittee on
Natural and Economic Resources**

Special Provisions

April 6, 2009
4:00 P.M.

1 **FISCAL CRISIS/FURLOUGH FLEXIBILITY**

2 **SECTION 6.6.(a) Findings.** – The General Assembly finds that:

- 3 (1) The extreme fiscal crisis affecting North Carolina's economy, the national
4 economy, and global economic markets has substantially reduced the State's
5 revenue projections for the 2009-2011 biennium.
- 6 (2) Economies in State expenditures and maximized efficiencies in State
7 operations must be effected immediately and systematically in order to meet
8 the compelling State interest of enacting a balanced budget in accordance
9 with the State Constitution and to protect the interests of the people of North
10 Carolina.
- 11 (3) Given the broad scope and depth of other budget reduction and efficiency
12 measures required by this act, allowing voluntary furloughs and requiring
13 mandatory furloughs of public employees, when necessary, is a reasonable
14 measure to avoid disruptive mass layoffs and the elimination of positions in
15 public employment, to preserve the public health, safety, and welfare and to
16 continue the effective administration of important governmental functions in
17 the interest of the people of North Carolina.

18 **SECTION 6.6.(b)** To achieve savings identified in the management flexibility
19 reserves established in this act, State agencies may:

- 20 (1) Reduce salary-related expenditures by (i) reductions in purchased services
21 and contractual services, (ii) reductions in force, and (iii) with the approval
22 of the Director of the Budget, implementation of furloughs in accordance
23 with subsections (c) through (g) of this section; and
- 24 (2) Reduce non-salary expenditures such as purchases of supplies and
25 equipment, maintenance expenses, rental and lease expenses, and any other
26 allowable reductions in non-salary expenditures.

27 **SECTION 6.6.(c) Definitions.** – The following definitions apply in this section:

- 28 (1) Compensation. – Base rate of compensation, not including pay for shift
29 premiums, overtime, or other types of extraordinary pay.
- 30 (2) Essential positions. – Any position deemed by the head of an agency to be
31 necessary to perform the critical functions of that agency to protect the
32 health or safety of the agency's employees, students, clients, or patients of
33 the public agency or to protect the general public.
- 34 (3) Furlough. – A temporary period of leave from employment without pay.
- 35 (4) Nonessential positions. – Any position in a public agency that is not
36 designated as essential positions by the head of that agency.
- 37 (5) Public employee. – Any person employed (i) in the executive, legislative, or
38 judicial branch of State government, (ii) by The University of North
39 Carolina, (iii) by the North Carolina Community College System, or (iv) by
40 a local school administrative unit. The term includes public officers.
- 41 (6) Public agency. – Any State agency, department, or institution; and the
42 executive, legislative, and judicial branches of State government; The
43 University of North Carolina; the North Carolina Community College
44 System; and local school administrative units.

45 **SECTION 6.6.(d) Furlough Flexibility.** – For the 2009-2010 and 2010-2011 fiscal
46 years, public agencies have management flexibility to allow voluntary furloughs and to require
47 mandatory furloughs of public employees to generate necessary economies and efficiencies in
48 budgeting.

49 **SECTION 6.6.(e) Compensation and Benefits.** – A period of furlough shall only
50 affect or reduce a public employee's base salary or compensation. A period of furlough shall
51 not affect or diminish a public employee's continuous service, length of aggregate service,

1 retirement service credits, anniversary date, eligibility for authorized holiday leave, longevity
2 pay, or the accrual of vacation and sick leave. Periods of furlough shall be applied equitably to
3 all essential and nonessential positions regardless of the funding source of the position. A
4 furloughed public employee who is a member of:

5 (1) Any of the State-supported retirement plans administered by the Retirement
6 Systems Division of the Department of the State Treasurer shall be
7 considered in active service during any period of furlough and shall be
8 entitled to all of the same benefits to which the employee was entitled on the
9 workday immediately preceding the furlough. During a furlough period, the
10 public agency shall pay both the employee and employer contributions to the
11 Retirement Systems Division on behalf of the furloughed public employee as
12 though that employee were in active service.

13 (2) The State Health Plan for Teachers and State Employees shall be considered
14 eligible for coverage under the Plan on the same basis as on the workday
15 immediately preceding the furlough. The employing public agency shall pay
16 contributions on behalf of the furloughed employee as though the employee
17 were in active service.

18 **SECTION 6.6.(f) Policies.** – The Office of State Budget and Management
19 (OSBM) and the State Board of Education (SBE) shall each adopt policies necessary for the
20 implementation of this section. The policies shall govern (i) the scheduling of furloughs, (ii) the
21 amount of notice that must be given to a public employee prior to the effective date of a period
22 of furlough, (iii) whether furloughs may be taken in increments of full days, (iv) the continued
23 accrual of annual and sick leave, (v) treatment of part-time employees, and (vi) any other
24 matter related to the implementation of this section. The OSBM and SBE shall provide
25 maximum flexibility to public agencies and public employees in the scheduling of furlough
26 days to provide public agencies the ability to effectively manage furloughs of employees
27 employed in essential positions so as not to affect critical functions. The policies shall provide
28 that a public employee whose normal workday exceeds eight hours per day will sustain the
29 same proportionate reduction as a public employee who works eight hours per day. The Office
30 of State Personnel shall provide technical assistance to OSBM, as requested, in developing a
31 plan for the implementation of furloughs.

32 **SECTION 6.6.(g)** The OSBM and SBE shall adopt emergency rules for the
33 implementation of this section in accordance with G.S. 150B-21.1A, except that
34 notwithstanding G.S. 150B-21.1A(d) those emergency rules may remain in effect until the
35 expiration of this subsection. This subsection expires June 30, 2011.

36 **SECTION 6.6.(h)** This section is effective when it becomes law.

1 **PART XI. DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES**

2
3 **COMMERCIAL FERTILIZER FEES**

4 **SECTION 11.1.** G.S. 106-671(a) reads as rewritten:

5 "(a) For the purpose of defraying expenses on the inspection and of otherwise
6 determining the value of commercial fertilizers in this State, there shall be paid to the
7 Department of Agriculture and Consumer Services a charge of ~~twenty-five cents (25¢)~~ fifty
8 cents (50¢) per ton on all commercial fertilizers other than packages of five pounds or less.
9 Inspection fees shall be paid on all tonnage distributed into North Carolina to any person not
10 having a valid reporting permit. On individual packages of five pounds or less there shall be
11 paid in lieu of the tonnage fee an annual registration fee of twenty-five dollars (\$25.00) for
12 each brand offered for sale, sold, or distributed; provided that any per annum (fiscal) tonnage of
13 any brand sold in excess of one hundred tons may be subject to the charge of ~~twenty-five cents~~
14 ~~(25¢)~~ fifty cents (50¢) per ton on any amount in excess of one hundred tons as provided herein.
15 Whenever any manufacturer of commercial fertilizer shall have paid the charges required by
16 this section his goods shall not be liable to further tax, whether by city, town, or county;
17 provided, this shall not exempt the commercial fertilizers from an ad valorem tax."
18

19 **INCREASE PESTICIDE REGISTRATION FEE**

20 **SECTION 11.2.** G.S. 143-442(b) reads as rewritten:

21 "(b) The applicant shall pay an annual registration fee of ~~one hundred dollars (\$100.00)~~
22 one hundred fifty dollars (\$150.00) plus an additional annual assessment for each brand or
23 grade of pesticide registered. The annual assessment shall be fifty dollars (\$50.00) if the
24 applicant's gross sales of the pesticide in this State for the preceding 12 months for the period
25 ending September 30th were more than five thousand dollars (\$5,000.00) and twenty-five
26 dollars (\$25.00) if gross sales were less than five thousand dollars (\$5,000.00). An additional
27 two hundred dollars (\$200.00) delinquent registration penalty shall be assessed against the
28 registrant for each brand or grade of pesticide which is marketed in North Carolina prior to
29 registration as required by this Article. In the case of multi-year registration, the annual fee and
30 additional assessment for each year shall be paid at the time of the initial registration. The
31 Board shall give a pro rata refund of the registration fee and additional assessment to the
32 registrant in the event that registration is canceled by the Board or by the United States
33 Environmental Protection Agency."
34

35 **BOARD OF AGRICULTURE REVIEW OF FEE SCHEDULES**

36 **SECTION 11.3.** G.S. 106-6.1 reads as rewritten:

37 "**§ 106-6.1. Fees.**

38 (a) A board or commission within the Department of Agriculture and Consumer
39 Services may establish fees or charges for the services it provides. The Board of Agriculture,
40 subject to the provisions of Chapter 146 of the General Statutes, may establish a rate schedule
41 for the use of facilities operated by the Department of Agriculture and Consumer Services.

42 (b) No later than February 1 of each odd numbered year, the Board of Agriculture shall
43 review the fees it established under this section to determine whether any of these fees should
44 be changed and report to the Fiscal Research Division the amount of each fee reviewed, when
45 the fee was last changed, the number of times the fee was collected during the prior fiscal year,
46 the total receipts from the fee during the prior fiscal year, and any recommendations for
47 increasing or decreasing the amount of any such fees. This report shall also include for each fee
48 an evaluation of any inflationary change since the last change to the amount of the fee and any
49 other information deemed relevant to this evaluation."
50

PART XII. DEPARTMENT OF LABOR**DEPARTMENT OF LABOR/APPRENTICESHIP PROGRAM**

SECTION 12.1. Chapter 94 of the General Statutes is amended by adding a new section to read as follows:

"§ 94-12. Fees.

In order to meet the costs of administering the Apprenticeship Program, the Department is authorized to charge and collect such reasonable fees as it may by rule establish."

PART XIII. DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**REVISE CLEAN WATER MANAGEMENT TRUST FUND OPERATIONS LIMIT**

SECTION 13.1. Notwithstanding G.S. 113A-253(d), no more than three percent (3%) of the funds appropriated to the Clean Water Management Trust Fund in each fiscal year of the 2009-2011 fiscal biennium may be used for administrative and operating expenses of the Board of Trustees of the Clean Water Management Trust Fund and its staff.

FOOD AND LODGING INSPECTION FEES INCREASES

SECTION 13.2.(a) G.S. 130A-248(d) reads as rewritten:

"(d) The Department shall charge each establishment subject to this section, except nutrition programs for the elderly administered by the Division of Aging of the Department of Health and Human Services, establishments that prepare and sell meat food products or poultry products, and public school cafeterias, an annual fee of ~~fifty dollars (\$50.00)~~ sixty dollars (\$60.00). The Commission shall adopt rules to implement this subsection. Fees collected under this subsection shall be used for State and local food, lodging, and institution sanitation programs and activities. No more than thirty-three and one-third percent (33 1/3%) of the fees collected under this subsection may be used to support State health programs and activities."

SECTION 13.2.(b) G.S. 130A-248(e) reads as rewritten:

"(e) In addition to the fees under subsection (d) of this section, the Department may charge a fee of ~~two hundred dollars (\$200.00)~~ two hundred thirty-five dollars (\$235.00) for plan review of plans for prototype franchised or chain facilities for food establishments subject to this section. All of the fees collected under this subsection may be used to support the State food, lodging, and institution sanitation programs and activities under this Part."

SECTION 13.2.(c) G.S. 130A-248(f) reads as rewritten:

"(f) Any local health department may charge a fee not to exceed ~~two hundred dollars (\$200.00)~~ two hundred thirty-five dollars (\$235.00) for plan review by that local health department of plans for food establishments subject to this section that are not subject to subsection (e) of this section. All of the fees collected under this subsection may be used for local food, lodging, and institution sanitation programs and activities. No food establishment that pays a fee under subsection (e) of this section is liable for a fee under this subsection."

RADIATION PROTECTION SECTION SUPPORTED BY FEES

SECTION 13.3. G.S. 104E-19 reads as rewritten:

"§ 104E-19. Fees.

(a) In order to meet the anticipated costs of administering ~~the educational and training programs in G.S. 104E-11(e), of enforcing and carrying out the inspection provisions in G.S. 104E-7(a)(7) and G.S. 104E-11(a), and of administering the licensing program in G.S. 104E-10.3,~~ this Chapter, the Department is authorized to charge and collect such reasonable fees as it may by rule establish.

(b) Repealed by Session Laws 1987, c. 850, s. 13."

SCRAP TIRE DISPOSAL ACCOUNT FUNDS

SECTION 13.4. Notwithstanding the provisions of G.S. 105-187.19(b), effective for taxes levied during the 2009-2010 fiscal year, the Secretary of Revenue shall credit to the General Fund three million dollars (\$3,000,000) of the net tax proceeds that G.S. 105-187.19(b) directs the Secretary to credit to the Scrap Tire Disposal Account.

MARINE FISHERIES FUNDS FOR THE FISHERY RESOURCES GRANT PROGRAM

SECTION 13.5. Of the funds appropriated in this act to the Department of Environment and Natural Resources for the Division of Marine Fisheries for the Fishery Resource Grant Program established under G.S. 113-200, the sum of one hundred forty-six thousand three hundred twelve dollars (\$146,312) for the 2009-2010 fiscal year and the sum of one hundred forty-six thousand three hundred twelve dollars (\$146,312) for the 2010-2011 fiscal year shall be used for river herring research in the Department. The remaining funds appropriated in this act to the Department for the Fishery Resource Grant Program for the 2009-2011 biennium shall be used for research related to the Sea Grant College Program only and shall not be used for any other purpose.

NEW LEASE PURCHASE/INSTALLMENT CONTRACTS FOR FORESTRY EQUIPMENT

SECTION 13.6. Prior to the Division of Forest Resources of the Department of Environment and Natural Resources entering into either a new lease purchase contract for the purchase of forestry equipment or a new installment contract for the purchase of forestry equipment, the Division of Forest Resources shall submit a detailed list of the forestry equipment to be purchased under the contract to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division. Prior to the Department of Administration entering into either a new lease purchase contract for the purchase of forestry equipment or a new installment contract for the purchase of forestry equipment on behalf of the Division of Forest Resources, the Department of Administration shall submit a detailed list of the forestry equipment to be purchased under the contract to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division. If a list is modified after it is submitted under this section, the modified list shall be submitted to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division prior to entering into the contract.

GRASSROOTS SCIENCE PROGRAM

SECTION 13.7.(a) Of the funds appropriated in this act to the Department of Environment and Natural Resources for the Grassroots Science Program, the sum of three million four hundred eleven thousand seven hundred thirteen dollars (\$3,411,713) for the 2009-2010 fiscal year and the sum of three million four hundred eleven thousand seven hundred thirteen dollars (\$3,411,713) for the 2010-2011 fiscal year is allocated as grants-in-aid for each fiscal year as follows:

	2009-2010	2010-2011
Aurora Fossil Museum	\$57,875	\$57,875
Cape Fear Museum	\$157,787	\$157,787
Carolina Raptor Center	\$109,931	\$109,931
Catawba Science Center	\$143,429	\$143,429
Colburn Earth Science Museum, Inc.	\$73,054	\$73,054
Core Sound Waterfowl Museum	\$49,000	\$49,000
Discovery Place	\$649,608	\$649,608

General Assembly of North Carolina**Session 2009**

1	Eastern NC Regional Science Center	\$49,000	\$49,000
2	Fascinate-U	\$79,451	\$79,451
3	Granville County Museum Commission,		
4	Inc.–Harris Gallery	\$55,294	\$55,294
5	Greensboro Children's Museum	\$132,374	\$132,374
6	The Health Adventure Museum of Pack		
7	Place Education, Arts and		
8	Science Center, Inc.	\$152,499	\$152,499
9	Highlands Nature Center	\$77,683	\$77,683
10	Imagination Station	\$84,313	\$84,313
11	The Iredell Museums, Inc.	\$60,080	\$60,080
12	Kidsenses	\$79,656	\$79,656
13	Museum of Coastal Carolina	\$76,460	\$76,460
14	The Natural Science Center		
15	of Greensboro, Inc.	\$182,627	\$182,627
16	North Carolina Museum of Life		
17	and Science	\$372,229	\$372,229
18	Pisgah Astronomical Research Institute	\$49,000	\$49,000
19	Port Discover: Northeastern		
20	North Carolina's Center for		
21	Hands-On Science, Inc.	\$49,000	\$49,000
22	Rocky Mount Children's Museum	\$70,809	\$70,809
23	Schiele Museum of Natural History		
24	and Planetarium, Inc.	\$224,956	\$224,956
25	Sci Works Science Center and		
26	Environmental Park of Forsyth County	\$143,569	\$143,569
27	Sylvan Heights Waterfowl Park		
28	and Eco-Center	\$49,000	\$49,000
29	Western North Carolina Nature Center	\$110,621	\$110,621
30	Wilmington Children's Museum	\$72,408	\$72,408
31			
32	Total	\$3,411,713	\$3,411,713

33 **SECTION 13.7.(b)** No later than March 1, 2010, the Department of Environment
 34 and Natural Resources shall report to the Fiscal Research Division all of the following
 35 information for each museum that receives funds under this section:

- 36 (1) The actual operating budget for the 2008-2009 fiscal year.
- 37 (2) The proposed operating budget for the 2009-2010 fiscal year.
- 38 (3) The total attendance at the museum during the 2009 calendar year.

39 **SECTION 13.7.(c)** No later than March 1, 2011, the Department of Environment
 40 and Natural Resources shall report to the Fiscal Research Division all of the following
 41 information for each museum that receives funds under this section:

- 42 (1) The actual operating budget for the 2009-2010 fiscal year.
- 43 (2) The proposed operating budget for the 2010-2011 fiscal year.
- 44 (3) The total attendance at the museum during the 2010 calendar year.

45 **SECTION 13.7.(d)** As a condition for qualifying to receive funding under this
 46 section, all of the following documentation shall, no later than November 1 of each year of the
 47 2009-2011 biennium, be submitted for each museum under this section to the Department of
 48 Environment and Natural Resources for fiscal years ending between July 1, 2007, and June 30,
 49 2008, and only those costs that are properly documented under this subsection are allowed by
 50 the Department in calculating the distribution of funds under this section:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

- (1) Each museum under this section shall submit its IRS (Internal Revenue Service) Form 990 to show its annual operating expenses, its annual report, and a reconciliation that explains any differences between expenses as shown on the IRS Form 990 and the annual report.
- (2) Each friends association of a museum under this section shall submit its IRS Form 990 to show its reported expenses for the museum, its annual report, and a reconciliation that explains any differences between expenses as shown on the IRS Form 990 and the annual report, unless the association does not have both an IRS Form 990 and an annual report available, in which case, it shall submit either an IRS Form 990 or an annual report.
- (3) The chief financial officer of each county or municipal government that provides funds for the benefit of the museum shall submit a detailed signed statement of documented costs spent for the benefit of the museum that includes documentation of the name, address, title, and telephone number of the person making the assertion that the museum receives funds from the county or municipality for the benefit of the museum.
- (4) The chief financial officer of each county or municipal government or each friends association that provides indirect or allocable costs that are not directly charged to a museum under this section but that benefit the museum shall submit in the form of a detailed statement enumerating each cost by type and amount that is verified by the financial officer responsible for the completion of the documentation and that includes the name, address, title, and telephone number of the person making the assertion that the county, municipality, or association provides indirect or allocable costs to the museum.

SECTION 13.7.(e) As used in subsection (d) of this section, "friends association" means a nonprofit corporation established for the purpose of supporting and assisting a museum that receives funding under this section.

TIMBER ASSESSMENT DESPITE APPROPRIATION

SECTION 13.8. G.S. 113A-192(c) is repealed.

FOREST DEVELOPMENT FUND/FOREST PRODUCTS ASSESSMENT RATES

SECTION 13.9.(a) G.S. 113A-192(c) through G.S. 113A-192(e) are repealed.

SECTION 13.9.(b) G.S. 113A-193(b) is amended by adding a new subdivision to

read:

"(6) Determine the appropriate assessment to be levied on primary forest products in accordance with G.S. 113A-194."

SECTION 13.9.(c) G.S. 113A-194(b) reads as rewritten:

"(b) The assessment levied on primary forest products shall ~~be~~ not exceed the following rates:

- (1) ~~Fifty cents (50¢)~~ One dollar (\$1.00) per thousand board feet for softwood sawtimber, veneer logs and bolts, and all other softwood products normally measured in board ~~feet;~~ feet.
- (2) ~~Forty cents (40¢)~~ Eighty cents (80¢) per thousand board feet for hardwood and bald cypress sawtimber, veneer, and all other hardwood and bald cypress products normally measured in board ~~feet;~~ feet.
- (3) ~~Twenty cents (20¢)~~ Forty cents (40¢) per cord for softwood pulpwood and other softwood products normally measured in ~~eords;~~ cords.

- 1 (4) ~~Twelve cents (12¢)~~ Twenty-four cents (24¢) per cord for hardwood
2 pulpwood and other hardwood and bald cypress products normally measured
3 in ~~cords;~~ cords.
- 4 (5) All material harvested within North Carolina for shipment outside the State
5 for primary processing will be assessed at a percentage of the invoice value.
6 This percentage will be established to yield rates equal to those if the
7 material were processed within the State."
8

9 BEAVER DAMAGE CONTROL PROGRAM FUNDS

10 SECTION 13.10. G.S. 113-291.10(f) reads as rewritten:

11 "(f) Each county that volunteers to participate in this program for a given fiscal year
12 shall provide written notification of its wish to participate no later than September 30 of that
13 year and shall commit the sum of four thousand dollars (\$4,000) in local funds no later than
14 September 30 of that year. At least three hundred forty-nine thousand dollars (\$349,000) each
15 fiscal year of the biennium shall be paid from funds available to the Wildlife Resources
16 Commission to provide the State share necessary to support this program, provided the sum of
17 at least twenty-five thousand dollars (\$25,000) in federal funds is available each fiscal year of
18 the biennium to provide the federal share."
19

20 PART XIV. DEPARTMENT OF COMMERCE

21 ONE NORTH CAROLINA FUND

22 SECTION 14.1. Of the funds appropriated in this act to the One North Carolina
23 Fund for the 2009-2010 fiscal year, the Department of Commerce may use up to three hundred
24 thousand dollars (\$300,000) to cover its expenses in administering the One North Carolina
25 Fund and other economic development incentive grant programs during the 2009-2010 fiscal
26 year.
27
28

29 ONE NORTH CAROLINA FUNDS/USE OF CASH BALANCE

30 SECTION 14.2.(a) Of the funds appropriated to the One North Carolina Fund in
31 prior fiscal years that are unencumbered and unexpended as of June 30, 2009, or that become
32 unencumbered or unexpended thereafter, the Department of Commerce shall use the sum of
33 one million dollars (\$1,000,000) in the 2009-2010 fiscal year to market the State as a business
34 destination.

35 SECTION 14.2.(b) Of the funds appropriated to the One North Carolina Fund in
36 prior fiscal years that are unencumbered and unexpended as of June 30, 2009, or that become
37 unencumbered or unexpended thereafter, the sum of two million dollars (\$2,000,000) shall be
38 transferred to the One North Carolina Small Business Fund for the 2009-2010 fiscal year.

39 SECTION 14.2.(c) Of the funds appropriated to the One North Carolina Fund in
40 prior fiscal years that are unencumbered and unexpended as of June 30, 2009, or that become
41 unencumbered or unexpended thereafter, the Department of Commerce shall allocate the sum
42 of one million dollars (\$1,000,000) for the 2009-2010 fiscal year to the North Carolina
43 Minority Support Center, Inc., to expand economic development lending. The funds allocated
44 under this subsection shall be used to assist small businesses having difficulty accessing credit
45 due to a lack of liquidity in financial markets. It is the General Assembly's intent that these
46 funds be used to further community economic development lending and support in low-wealth
47 communities and to make capital accessible to small businesses in a way that will have an
48 economic stimulus impact.
49

50 SMALL BUSINESS ASSISTANCE FUND

1. SECTION 14.3.(a) Part 2I of Article 10 of Chapter 143B of the General Statutes
2 reads as rewritten:

3 "Part 2I. ~~One~~ North Carolina Small Business Program Assistance.

4 "Subpart A. One North Carolina Small Business Program."

5 SECTION 14.3.(b) Part 2I of Article 10 of Chapter 143B of the General Statutes is
6 amended by adding a new Subpart to read:

7 "Subpart B. Small Business Assistance Fund.

8 "§ 143B-437.89. Establishment of fund; use of moneys; application for moneys from the
9 fund; disbursal; repayment; inspections; rules; reports.

10 (a) Fund Established. – A revolving, special revenue fund to be known as the Small
11 Business Jobs Preservation and Emergency Assistance Fund is established in the Department of
12 Commerce. This Fund shall be administered by the Department. The Department shall be
13 responsible for receipt and disbursement of all moneys as provided in this section. Interest
14 earnings shall be credited to the Fund. The Fund consists of revenue resulting from funds
15 appropriated by the State, repayments of principal of and interest on loans, fees, and other
16 amounts received by the Department with respect to financial assistance provided by the
17 Department, and any other public or private funds made available to the Fund.

18 (b) Department Authority; Loan Terms. – The Department may approve for
19 disbursements of moneys in the Fund to small businesses in accordance with the provisions of
20 this section. The Department shall develop criteria, technical specifications, policies, and
21 procedures to be used in determining whether the conditions of this section are satisfied and
22 whether the activities described in the application are otherwise consistent with the purposes of
23 this section. As used in this section, "moneys" means a disbursement from the Fund in the form
24 of a loan, and "small business" means a business whose annual receipts and number of full-time
25 employees, combined with the annual receipts and full-time employees of all related persons,
26 did not exceed one million dollars (\$1,000,000) or 100 full-time employees. A small business
27 may apply for a loan for:

28 (1) Up to eighty percent (80%) of the projected cost of the proposed activities,
29 subject to repayment within five years at the prime rate plus four percent
30 (4%).

31 (2) Up to eighty percent (80%) of the projected cost of the proposed activities,
32 subject to repayment within 10 years at the prime rate plus six percent (6%).

33 (3) Up to eighty percent (80%) of the projected cost of the proposed activities,
34 subject to repayment within 15 years at the prime rate plus eight percent
35 (8%).

36 (c) Eligible Purposes. – Moneys in the Fund shall be used for any of the following
37 eligible purposes:

38 (1) To guarantee commercial loans.

39 (2) To finance bonds to allow small business to better leverage federal stimulus
40 dollars.

41 (3) To provide emergency bridge loans where clear and apparent ability to repay
42 has been established but credit remains unavailable.

43 (4) To lend for other purposes related to small business job preservation as
44 approved or recommended by the Department.

45 (d) Application. – Any small business may apply for moneys from the Fund by
46 submitting an application to the Department. The application shall list each of the following:

47 (1) The proposed activities for which the moneys are to be used.

48 (2) The amount of moneys requested for these activities.

49 (3) Projections of the dollar amount of private investment that is expected to
50 occur as a direct result of the proposed activities.

- 1 (4) An explanation of the nature of the private investment that will result from
2 the proposed activities.
- 3 (5) A requirement for any reports, disclosures, or information required by this
4 section or necessary for the Department to fulfill its duties under this section.
- 5 (6) The total compensation received for the previous year from the small
6 business and all related persons for each of the five highest-compensated
7 employees of the small business.
- 8 (7) Any additional or supplemental information required by the Department
9 upon written request.
- 10 (e) Determination. – The Department shall review an application submitted by a small
11 business, determine whether the activities listed in the application are activities that are eligible
12 for moneys from the Fund, and determine which applicants are selected to receive moneys from
13 the Fund. A small business whose application is denied may file a new or amended application.
- 14 (f) Limitation. – A small business that is selected may not receive moneys from the
15 Fund pursuant to this section with an aggregate total of more than thirty-five thousand dollars
16 (\$35,000).
- 17 (g) Disbursements of Moneys. – The Department shall not disburse moneys for any
18 loans until the small business has confirmed a method of repayment for the loan. The terms for
19 repayment established for a given loan shall apply through the period of that loan. A small
20 business that has been selected to receive moneys shall use the full amount of the moneys for
21 the activities that were approved pursuant to subsection (b) of this section. Moneys are deemed
22 used if the small business is legally committed to spend the moneys on the approved activities.
23 For purposes of this section, approved activities do not include an increase in the total
24 compensation of any employee identified in the application under subdivision (d)(6) of this
25 section. A small business shall lose any moneys that have not been used within three years of
26 being selected. These unused moneys shall be credited to the Fund. A small business that loses
27 moneys pursuant to this subsection may file a new application. Any moneys repaid or credited
28 to the Fund pursuant to this subsection shall be available to other applicants as long as the Fund
29 exists.
- 30 (h) Cost Report. – After activities financed in whole or in part pursuant to this section
31 have been completed, the small business shall report the actual cost of the project to the
32 Department. If the actual costs of the activities exceed the projected cost upon which the
33 moneys were based, the small business may submit an application to the Department for
34 additional moneys for the difference. If the actual costs of the activities are less than the
35 projected cost, the small business shall arrange to pay the difference to the Fund according to
36 terms set by the Department.
- 37 (i) Inspection. – Inspection of a project for which moneys have been awarded may be
38 performed by personnel of the Department. No person may be approved to perform inspections
39 who is an officer or employee of the small business to which the moneys were disbursed or
40 who is an owner, officer, employee, or agent of a contractor or subcontractor engaged in the
41 activities for which the moneys were disbursed.
- 42 (j) Administration. – The Department may adopt, modify, and repeal rules establishing
43 the procedures to be followed in the administration of this section and interpreting and applying
44 the provisions of this section, as provided in the Administrative Procedure Act.
- 45 (k) Legislative Reports. – The Department shall prepare and file on or before
46 September 1 of each year with the Joint Legislative Commission on Governmental Operations
47 and the Fiscal Research Division a consolidated report for the preceding fiscal year concerning
48 the allocation of moneys authorized by this section, including a separate listing of the moneys
49 disbursed to historically underutilized businesses. The report shall set forth for the preceding
50 fiscal year itemized and total allocations from the Fund. The Department shall also prepare a
51 summary report of all allocations made from the Fund for each fiscal year; the total funds

1 received and allocations made; the total amount of moneys repaid to the Fund; and the total
 2 unallocated funds in the Fund.

3 Small businesses that have been selected to receive moneys from the Fund shall prepare and
 4 file a report that shall include the following information:

- 5 (1) The total amount of private funds that was committed and the amount that
 6 was invested in activities for which moneys from the Fund were made
 7 available during the preceding fiscal year.
- 8 (2) The total amount and character of moneys received from the Fund during the
 9 preceding fiscal year.
- 10 (3) The total amount of moneys repaid to the Fund during the preceding fiscal
 11 year.
- 12 (4) A description of how moneys from the Fund and funds from private
 13 investors were used during the preceding fiscal year.
- 14 (5) Details regarding the types of private investment created or stimulated, the
 15 dates of this activity, the amount of public money involved, and any other
 16 pertinent information, including any jobs created, businesses started, and
 17 number of jobs retained due to the approved activities."

18 SECTION 14.3.(c) This act becomes effective July 1, 2009.

19
 20 **WANCHESE SEAFOOD INDUSTRIAL PARK/OREGON INLET FUNDS**

21 SECTION 14.4.(a) Funds appropriated to the Department of Commerce for the
 22 2009-2010 fiscal year for the Wanchese Seafood Industrial Park that are unexpended and
 23 unencumbered as of June 30, 2009, shall not revert to the General Fund on June 30, 2009, but
 24 shall remain available to the Department to be expended by the Wanchese Seafood Industrial
 25 Park for operations, maintenance, repair, and capital improvements in accordance with Article
 26 23C of Chapter 113 of the General Statutes. These funds shall be in addition to funds available
 27 to the North Carolina Seafood Industrial Park Authority for operations, maintenance, repair,
 28 and capital improvements under Article 23C of Chapter 113 of the General Statutes.

29 SECTION 14.4.(b) Funds appropriated to the Department of Commerce for the
 30 2009-2010 fiscal year for the Oregon Inlet Project that are unexpended and unencumbered as of
 31 June 30, 2009, shall not revert to the General Fund on June 30, 2009, but shall remain available
 32 to the Department to be expended by the Wanchese Seafood Industrial Park for securing
 33 adequate channel maintenance of the Oregon Inlet and for operations, maintenance, repair, and
 34 capital improvements in accordance with Article 23C of Chapter 113 of the General Statutes.
 35 These funds shall be in addition to funds available to the North Carolina Seafood Industrial
 36 Park Authority for operations, maintenance, repair, and capital improvements under Article
 37 23C of Chapter 113 of the General Statutes.

38 SECTION 14.4.(c) This section becomes effective June 30, 2009.

39
 40 **NER BLOCK GRANTS**

41 SECTION 14.5.(a) Appropriations from federal block grant funds are made for
 42 the fiscal year ending June 30, 2010, according to the following schedule:

43
 44 **COMMUNITY DEVELOPMENT BLOCK GRANT**

45		
46	01. State Administration	\$ 1,000,000
47		
48	02. Urgent Needs and Contingency	1,000,000
49		
50	03. Scattered Site Housing	13,200,000
51		

1	04. Economic Development	8,710,000
2		
3	05. Small Business/Entrepreneurship	1,000,000
4		
5	06. Community Revitalization	13,000,000
6		
7	07. State Technical Assistance	450,000
8		
9	08. Housing Development	1,500,000
10		
11	09. Infrastructure	5,140,000

TOTAL COMMUNITY DEVELOPMENT

BLOCK GRANT – 2009 Program Year \$ 45,000,000

SECTION 14.5.(b) Decreases in Federal Fund Availability. – 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.

SECTION 14.5.(c) Increases in Federal Fund Availability for Community Development Block Grant. – Any block grant funds appropriated by the Congress of the United States in addition to the funds specified in this section shall be expended as follows: each program category under the Community Development Block Grant shall be increased by the same percentage as the increase in federal funds.

SECTION 14.5.(d) 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; not less than one million dollars (\$1,000,000) may be used for Urgent Needs and Contingency; up to thirteen million two hundred thousand dollars (\$13,200,000) may be used for Scattered Site Housing; eight million seven hundred ten thousand dollars (\$8,710,000) may be used for Economic Development; up to one million dollars (\$1,000,000) may be used for Small Business/Entrepreneurship; not less than thirteen million dollars (\$13,000,000) 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 five hundred thousand dollars (\$1,500,000) may be used for Housing Development; up to five million one hundred forty thousand dollars (\$5,140,000) may be used for Infrastructure. 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.

SECTION 14.5.(e) Increase Capacity for Nonprofit Organizations. – Assistance to nonprofit organizations to increase their capacity to carry out CDBG-eligible activities in partnership with units of local government is an eligible activity under any program category in accordance with federal regulations. Capacity building grants may be made from funds available within program categories, program income, or unobligated funds.

SECTION 14.5.(f) The Department of Commerce shall consult with the Joint Legislative Commission on Governmental Operations prior to reallocating Community Development Block Grant Funds. Notwithstanding the provisions of this subsection, whenever the Director of the Budget finds that:

- (1) A reallocation is required because of an emergency that poses an imminent threat to public health or public safety, the Director of the Budget may authorize the reallocation without consulting the Commission. The

1 Department of Commerce shall report to the Commission on the reallocation
2 no later than 30 days after it was authorized and shall identify in the report
3 the emergency, the type of action taken, and how it was related to the
4 emergency.

- 5 (2) The State will lose federal block grant funds or receive less federal block
6 grant funds in the next fiscal year unless a reallocation is made. The
7 Department of Commerce shall provide a written report to the Commission
8 on the proposed reallocation and shall identify the reason that failure to take
9 action will result in the loss of federal funds. If the Commission does not
10 hear the issue within 30 days of receipt of the report, the Department may
11 take the action without consulting the Commission.

12 **SECTION 14.5.(g)** By September 1, 2009, the Division of Community Assistance,
13 Department of Commerce, shall report to the Joint Legislative Commission on Governmental
14 Operations and the Fiscal Research Division on the use of Community Development Block
15 Grant Funds appropriated in the prior fiscal year.

17 MAIN STREET GRANT FUNDS

18 **SECTION 14.6.(a)** Part 15 of Article 10 of Chapter 143B of the General Statutes
19 reads as rewritten:

20 "~~Part 15. Main Street Financial Incentive Fund Solutions.~~

21 "**§ 143B-472.35. Establishment of fund; use of moneys; funds; application for grants and**
22 **loans; grants; disbursement; repayment; inspections; rules; reports.**

23 (a) A ~~revolving~~ fund to be known as the Main Street ~~Financial Incentive~~ Solutions Fund
24 is established in the Department of Commerce. This Fund shall be administered by the
25 Department of Commerce. The Department of Commerce shall be responsible for receipt and
26 disbursement of all ~~moneys~~ funds as provided in this section. Interest earnings shall be credited
27 to the Main Street ~~Financial Incentive~~ Solutions Fund.

28 (b) ~~Moneys~~ Funds in the Main Street ~~Financial Incentive~~ Solutions Fund shall be
29 available to ~~the North Carolina cities affiliated with the North Carolina Main Street Center~~
30 Program; micropolitan cities in development tier two and three counties in the State. For
31 purposes of this section, a "micropolitan city" is a city located within the State with a
32 population, according to the most recent U.S. census, of between 10,000 and 50,000 people.
33 Moneys Funds in the Main Street ~~Financial Incentive~~ Solutions Fund shall be used for any of the
34 following eligible activities:

- 35 (1) The acquisition or rehabilitation of properties in connection with private
36 investment in a designated downtown ~~area;~~ area.
- 37 (2) The establishment of revolving loan programs for private investment in a
38 designated downtown ~~area;~~ area.
- 39 (3) The subsidization of interest rates for these revolving loan
40 ~~programs;~~ programs.
- 41 (4) The establishment of facade incentive grants in connection with private
42 investment in a designated downtown ~~area;~~ area.
- 43 (5) Market studies, design studies, design assistance, or strategic planning
44 efforts, provided the activity can be shown to lead directly to private
45 investment in a designated downtown ~~area;~~ area.
- 46 (6) Any approved project that provides construction or rehabilitation in a
47 designated downtown area and can be shown to lead directly to private
48 investment in the designated downtown ~~area;~~ and area.
- 49 (7) Public improvements and public infrastructure within a designated
50 downtown area, provided these improvements are necessary to create or
51 stimulate private investment in the designated downtown area.

1 (c) Any North Carolina micropolitan city affiliated with the North Carolina Main Street
 2 Center Program located within a development tier two or three county may apply for moneys
 3 assistance from the Main Street ~~Financial Incentive~~ Solutions Fund by submitting an application
 4 to the Main Street Center in the Division of Community Assistance, Department of Commerce.
 5 Any city affiliated with the North Carolina Main Street Center Program may apply for a grant
 6 equal to ten percent (10%) of the ~~projected cost of the~~ for a proposed project. A city may apply
 7 for additional moneys as one or more loans from the Fund. Specifically, a city may apply for a
 8 loan for:

- 9 (1) ~~Up to fifteen percent (15%) of the projected cost of the proposed project in~~
 10 ~~excess of the amount to be received as a grant, subject to repayment within~~
 11 ~~fifteen years at five percent (5%) interest;~~
 12 (2) ~~Up to twenty percent (20%) of the projected cost of the proposed project in~~
 13 ~~excess of the amount to be received as a grant, subject to repayment within~~
 14 ~~ten years at eight percent (8%) interest; and~~
 15 (3) ~~Up to thirty five percent (35%) of the projected cost of the proposed project~~
 16 ~~in excess of the amount to be received as a grant, subject to repayment~~
 17 ~~within seven years at ten percent (10%) interest.~~

18 (c1) The application shall ~~list~~ include each of the following:

- 19 (1) A copy of the consensus local economic development plan developed by the
 20 micropolitan city in conjunction with the Department's Main Street Program
 21 and the city's regional economic development commission or its local
 22 council of government or both.
 23 (1a) The proposed activities for which the ~~moneys~~ funds are to be used and the
 24 projected cost of the ~~project;~~ project.
 25 (2) The amount of grant ~~moneys~~ and any loans ~~and~~ funds requested for these
 26 ~~activities;~~ activities.
 27 (3) Projections of the dollar amount of private investment that is expected to
 28 occur in the designated downtown area as a direct result of the city's
 29 proposed ~~activities;~~ activities.
 30 (4) Whether local public dollars are required to match any grant ~~plus any loan~~
 31 ~~moneys~~ funds according to the provisions of subdivision (g)(2) of this
 32 section, and if so, the amount of local public ~~dollars required;~~ funds required.
 33 (5) An explanation of the nature of the private investment in the designated
 34 downtown area that will result from the city's proposed ~~activities;~~ activities.
 35 (6) Projections of the time needed to complete the city's proposed
 36 ~~activities;~~ activities.
 37 (7) Projections of the time needed to realize the private investment that is
 38 expected to result from the city's proposed ~~activities;~~ and activities.
 39 (8) Identification of the proposed source of funds to be used for repayment of
 40 any loan obligations.
 41 (9) Any additional or supplemental information requested by the Division.

42 ~~The applicant shall furnish additional or supplemental information upon written request.~~

43 (d) A committee, comprised of representatives of: the Division of Community
 44 Assistance of the Department of Commerce, the North Carolina Main Street Program, the
 45 Local Government Commission, and the League of Municipalities ~~shall;~~ shall do each of the
 46 following:

- 47 (1) Review a city's ~~application;~~ application.
 48 (2) Determine whether the activities listed in the application are activities that
 49 are eligible for a ~~loan, and~~ grant.
 50 (3) Determine which applicants are selected to receive ~~moneys~~ funds from the
 51 Main Street ~~Financial Incentive~~ Solutions Fund.

1 A city whose application is denied may file a new or amended application.

2 (e) A Main Street City that is selected may not receive a grant ~~plus any loans~~ pursuant
3 to this section totaling less than twenty thousand dollars (\$20,000) or more than three hundred
4 thousand dollars (\$300,000).

5 ~~(f) The Department of Commerce may not disburse moneys for any loans until the city
6 has confirmed a method of repayment of the loan. The terms for repayment established for a
7 given loan shall apply throughout the period of that loan.~~

8 ~~The Department of Commerce shall establish an account in the amount of the grant plus
9 any loans for each city that is selected. These moneys shall be disbursed as expended through
10 warrants drawn on the Department of Commerce.~~

11 (g) (1) A city that has been selected to receive a grant ~~plus any loans~~ shall use the
12 full amount of the grant ~~plus any loans~~ for the activities that were approved
13 pursuant to subsection (d) of this section. ~~Moneys~~ Funds are deemed used if
14 the city is legally committed to spend the ~~moneys~~ funds on the approved
15 activities.

16 (2) If a city has received approval to use the grant ~~plus any loans~~ for public
17 improvements or public infrastructure, that city shall be required to raise,
18 before ~~moneys~~ funds for these public improvements may be drawn from the
19 city's account, local public funds to match the amount of the grant ~~plus any
20 loans~~ from the Main Street ~~Financial Incentive Solutions~~ Fund on the basis of
21 at least one local public dollar (\$1.00) for every one dollar (\$1.00) from the
22 Main Street ~~Financial Incentive Solutions~~ Fund. This match requirement
23 applies only to those ~~moneys~~ funds received for public improvements or
24 public infrastructure and is in addition to the requirement set forth in
25 subdivision (1) of this subsection.

26 (3) A city that fails to satisfy the condition set forth in subdivision (1) of this
27 subsection shall lose any ~~moneys~~ funds that have not been used within three
28 years of being selected. These unused ~~moneys~~ funds shall be credited to the
29 Main Street ~~Financial Incentive Solutions~~ Fund. A city that fails to satisfy the
30 conditions set forth in subdivisions (1) and (2) of this subsection may file a
31 new application.

32 (4) Any ~~moneys~~ funds repaid or credited to the Main Street ~~Financial
33 Incentive Solutions~~ Fund pursuant to subdivision (3) of this subsection shall
34 be available to other applicants as long as the Main Street ~~Financial
35 Incentive Solutions~~ Fund is in effect.

36 ~~(h) Each city is authorized to agree to apply any available revenues of that city to the
37 repayment of a loan obligation to the extent the generation of these revenues is within the
38 power of that city to enter into covenants to take action in order to generate these revenues;
39 provided:~~

40 ~~(1) The agreement to use this source of funds to make repayment or the
41 covenant to generate these revenues does not constitute a pledge of the city's
42 taxing power; and~~

43 ~~(2) The repayment agreement specifically identifies the source of funds to be
44 pledged.~~

45 (i) After a project financed in whole or in part pursuant to this section has been
46 completed, the city shall report the actual cost of the project to the Department of Commerce. If
47 the actual cost of the project exceeds the projected cost upon which the grant ~~plus any loans
48 were~~ was based, the city may submit an application to the Department of Commerce for a grant
49 ~~or loans~~ for the difference. If the actual cost of the project is less than the projected cost, the
50 city shall arrange to pay the difference to the Main Street ~~Financial Incentive Solutions~~ Fund
51 according to terms set by the Department.

1 (j) Inspection of a project for which a grant ~~plus any loans have~~ has been awarded may
 2 be performed by personnel of the Department of Commerce. No person may be approved to
 3 perform inspections who is an officer or employee of the unit of local government to which the
 4 grant ~~plus any loans werewas~~ made or who is an owner, officer, employee, or agent of a
 5 contractor or subcontractor engaged in the construction of any project for which the grant ~~plus~~
 6 ~~any loans werewas~~ made.

7 (k) The Department of Commerce may adopt, modify, and repeal rules establishing the
 8 procedures to be followed in the administration of this section and regulations interpreting and
 9 applying the provisions of this section, as provided in the Administrative Procedure Act.

10 (l) The Department of Commerce and cities that have been selected to receive a grant
 11 ~~plus any loans from the Main Street Financial Incentive Solutions~~ Fund shall prepare and file on
 12 or before ~~July 31~~ September 1 of each year with the Joint Legislative Commission on
 13 Governmental Operations and the Fiscal Research Division a consolidated report for the
 14 preceding fiscal year concerning the allocation of grants ~~plus any loans~~ authorized by this
 15 section.

16 The portion of the annual report prepared by the Department of Commerce shall set forth
 17 for the preceding fiscal year itemized and total allocations from the Main Street ~~Financial~~
 18 ~~Incentive Solutions~~ Fund for ~~grants and loans~~ grants. The Department of Commerce shall also
 19 prepare a summary report of all allocations made from the fund for each fiscal year; the total
 20 funds received and allocations ~~made; the total amount of loan moneys repaid to the Fund, made~~
 21 and the total unallocated funds in the Fund.

22 The portion of the report prepared by the city shall ~~include~~ include each of the following:

- 23 (1) The total amount of private funds that was committed and the amount that
 24 was invested in the designated downtown area during the preceding fiscal
 25 ~~year;~~ year.
- 26 (2) The total amount of local public matching funds that was raised, if required
 27 by subdivision (g)(2) of this ~~section;~~ section.
- 28 (3) The total amount of ~~grant plus any loans~~ grants received from the Main
 29 Street ~~Financial Incentive Solutions~~ Fund during the preceding fiscal
 30 ~~year;~~ year.
- 31 (4) ~~The total amount of loan moneys repaid to the Main Street Financial~~
 32 ~~Incentive Fund during the preceding fiscal year;~~
- 33 (5) A description of how the grant ~~and loan moneys~~ funds and funds from private
 34 investors were used during the preceding fiscal ~~year;~~ year.
- 35 (6) Details regarding the types of private investment created or stimulated, the
 36 dates of this activity, the amount of public money involved, and any other
 37 pertinent information, including any jobs created, businesses started, and
 38 number of jobs retained due to the approved activities."

39 **SECTION 14.6.(b)** This act becomes effective July 1, 2009.

40 41 **INDUSTRIAL COMMISSION FEES/COMPUTER SYSTEM REPLACEMENT**

42 **SECTION 14.7.** The North Carolina Industrial Commission may retain the
 43 additional revenue generated as a result of an increase in the fee charged to parties for the filing
 44 of compromised settlements. These funds shall be used for the purpose of replacing existing
 45 computer hardware and software used for the operations of the Commission. These funds may
 46 also be used to prepare any assessment of hardware and software needs prior to purchase and to
 47 develop and administer the needed databases and new Electronic Case Management System,
 48 including the establishment of two time-limited positions for application development and
 49 support and mainframe migration. The Commission may not retain any fees under this section
 50 unless they are in excess of the former two-hundred-dollar (\$200.00) fee charged by the
 51 Commission for filing a compromised settlement.

INDUSTRIAL COMMISSION/SAFETY EDUCATION SECTION

SECTION 14.8. The Safety Education Section of the Industrial Commission shall become fee supported effective July 1, 2010. The Industrial Commission shall establish a fee schedule for services provided by the Safety Education Section to support the operations of the Safety Education Section. At least fifty percent (50%) of the revenue used to support the Safety Education Section must come from fees charged for services provided by the Safety Education Section.

EMPLOYMENT SECURITY COMMISSION FUNDS

SECTION 14.9.(a) Funds from the Employment Security Commission Reserve Fund shall be available to the Employment Security Commission of North Carolina to use as collateral to secure federal funds and to pay the administrative costs associated with the collection of the Employment Security Commission Reserve Fund surcharge. The total administrative costs paid with funds from the Reserve in the 2009-2010 fiscal year shall not exceed two million five hundred thousand dollars (\$2,500,000).

SECTION 14.9.(b) There is appropriated from the Employment Security Commission Reserve Fund to the Employment Security Commission of North Carolina the sum of twenty million dollars (\$20,000,000) for the 2009-2010 fiscal year to be used for the following purposes:

- (1) Nineteen million seven hundred thousand dollars (\$19,700,000) for the operation and support of local Employment Security Commission offices.
- (2) Two hundred thousand dollars (\$200,000) for the State Occupational Information Coordinating Committee to develop and operate an interagency system to track former participants in State education and training programs.
- (3) One hundred thousand dollars (\$100,000) to maintain compliance with Chapter 96 of the General Statutes, which directs the Commission to employ the Common Follow-Up Management Information System to evaluate the effectiveness of the State's job training, education, and placement programs.

SECTION 14.9.(c) There is appropriated from the Employment Security Commission Reserve Fund to the Employment Security Commission of North Carolina an amount not to exceed one million dollars (\$1,000,000) for the 2009-2010 fiscal year to fund State initiatives not currently funded through federal grants.

EMPLOYMENT SECURITY COMMISSION/USE OF FEDERAL UNEMPLOYMENT TRUST FUNDS

SECTION 14.10. Of the funds credited to and held in the State of North Carolina's account in the Unemployment Trust Fund by the Secretary of the Treasury of the United States pursuant to and in accordance with section 903 of the Social Security Act, the Employment Security Commission of North Carolina may expend the sum of fourteen million dollars (\$14,000,000) for the 2009-2011 biennium for the following purposes:

- (1) Implementing and administering the provisions of State law that qualify the State for the incentive payments.
- (2) Improved outreach to individuals who might be eligible by virtue of these provisions.
- (3) The improvement of unemployment benefits and tax operations, including responding to increased demand for unemployment benefits.
- (4) Staff-assisted reemployment services for unemployment claimants.

COUNCIL OF GOVERNMENT FUNDS

1 **SECTION 14.11.(a)** Of the funds appropriated in this act to the Department of
2 Commerce, eight hundred seven thousand three hundred fifty-one dollars (\$807,351) for the
3 2009-2010 fiscal year and eight hundred seven thousand three hundred fifty-one dollars
4 (\$807,351) for the 2010-2011 fiscal year shall only be used as provided by this section. Each
5 regional council of government or lead regional organization is allocated up to forty-seven
6 thousand four hundred ninety-two dollars (\$47,492) for the 2009-2010 and the 2010-2011
7 fiscal years.

8 **SECTION 14.11.(b)** A regional council of government may use funds allocated to
9 it by this section only to assist local governments in grant applications, economic development,
10 community development, support of local industrial development activities, and other activities
11 as deemed appropriate by the member governments.

12 **SECTION 14.11.(c)** Funds allocated by this section shall be paid by electronic
13 transfer in two equal installments. Upon receipt of the report required by subsection (e) of this
14 section, the first installment shall be paid no later than September 15, 2009.

15 **SECTION 14.11.(d)** Funds allocated by this section shall not be used for payment
16 of dues or assessments by the member governments and shall not supplant funds appropriated
17 by the member governments.

18 **SECTION 14.11.(e)** By September 1 of each year, and more frequently as
19 requested, each council of government or lead regional organization shall report to the Joint
20 Legislative Commission on Governmental Operations and the Fiscal Research Division of the
21 General Assembly on prior State fiscal year program activities, objectives, and
22 accomplishments, and prior State fiscal year itemized expenditures and fund sources. Each
23 council of government or lead regional organization shall provide to the Fiscal Research
24 Division of the General Assembly a copy of the organization's annual audited financial
25 statement within 30 days of issuance of the statement.

26 27 **NONPROFIT REPORTING REQUIREMENTS**

28 **SECTION 14.12.(a)** The North Carolina Institute of Minority Economic
29 Development, Inc., Land Loss Prevention Project, North Carolina Minority Support Center,
30 North Carolina Community Development Initiative, Inc., North Carolina Association of
31 Community Development Corporations, Inc., North Carolina Biotechnology Center, and
32 Partnership for the Sounds, Inc., shall do the following:

33 (1) By September 1 of each year, and more frequently as requested, report to the
34 Joint Legislative Commission on Governmental Operations and the Fiscal
35 Research Division on prior State fiscal year program activities, objectives,
36 and accomplishments, and prior State fiscal year itemized expenditures and
37 fund sources.

38 (2) Provide to the Fiscal Research Division a copy of the organization's annual
39 audited financial statement within 30 days of issuance of the statement.

40 **SECTION 14.12.(b)** Remaining allotments after September 1 shall not be released
41 to any nonprofit organization that does not satisfy the reporting requirements provided in
42 subsection (a) of this section.

43 44 **REGIONAL ECONOMIC DEVELOPMENT COMMISSION ALLOCATIONS**

45 **SECTION 14.13.(a)** Funds appropriated in this act to the Department of
46 Commerce for regional economic development commissions shall be allocated to the following
47 commissions in accordance with subsection (b) of this section: Western North Carolina
48 Regional Economic Development Commission, Research Triangle Regional Partnership,
49 Southeastern North Carolina Regional Economic Development Commission, Piedmont Triad
50 Partnership, Northeastern North Carolina Regional Economic Development Commission,

1 North Carolina's Eastern Region Economic Development Partnership, and Carolinas
2 Partnership, Inc.

3 **SECTION 14.13.(b)** Funds appropriated pursuant to subsection (a) of this section
4 shall be allocated to each regional economic development commission as follows:

- 5 (1) First, the Department shall establish each commission's allocation by
6 determining the sum of allocations to each county that is a member of that
7 commission. Each county's allocation shall be determined by dividing the
8 county's development factor by the sum of the development factors for
9 eligible counties and multiplying the resulting percentage by the amount of
10 the appropriation. As used in this subdivision, the term "development factor"
11 means a county's development factor as calculated under G.S. 143B-437.08;
12 and
- 13 (2) Next, the Department shall subtract from funds allocated to the North
14 Carolina's Eastern Region Economic Development Partnership the sum of
15 three hundred eight thousand six hundred sixty-six dollars (\$308,666) in the
16 2009-2010 fiscal year, which sum represents: (i) the total interest earnings in
17 the prior fiscal year on the estimated balance of seven million five hundred
18 thousand dollars (\$7,500,000) appropriated to the Global TransPark
19 Development Zone in Section 6 of Chapter 561 of the 1993 Session Laws;
20 and (ii) the total interest earnings in the prior fiscal year on loans made from
21 the seven million five hundred thousand dollars (\$7,500,000) appropriated to
22 the Global TransPark Development Zone in Section 6 of Chapter 561 of the
23 1993 Session Laws; and
- 24 (3) Next, the Department shall redistribute the sum of three hundred eight
25 thousand six hundred sixty-six dollars (\$308,666) in the 2009-2010 fiscal
26 year to the seven regional economic development commissions named in
27 subsection (a) of this section. Each commission's share of this redistribution
28 shall be determined according to the development factor formula set out in
29 subdivision (1) of this subsection. This redistribution shall be in addition to
30 each commission's allocation determined under subdivision (1) of this
31 subsection.

32 **SECTION 14.13.(c)** No more than one hundred twenty thousand dollars
33 (\$120,000) in State funds shall be used for the annual salary of any one employee of a regional
34 economic development commission.

35 **SECTION 14.13.(d)** The General Assembly finds that successful economic
36 development requires the collaboration of the State, regions of the State, counties, and
37 municipalities. Therefore, the regional economic development commissions are encouraged to
38 seek supplemental funding from their county and municipal partners to continue and enhance
39 their efforts to attract and retain business in the State.

40
41 **SET REGULATORY FEE FOR UTILITIES COMMISSION**

42 **SECTION 14.14.(a)** The percentage rate to be used in calculating the public utility
43 regulatory fee under G.S. 62-302(b)(2) is twelve one-hundredths of one percent (0.12%) for
44 each public utility's North Carolina jurisdictional revenues earned during each quarter that
45 begins on or after July 1, 2009.

46 **SECTION 14.14.(b)** The electric membership corporation regulatory fee imposed
47 under G.S. 62-302(b1) for the 2009-2010 fiscal year is two hundred thousand dollars
48 (\$200,000).

49 **SECTION 14.14.(c)** This section becomes effective July 1, 2009.

50
51 **RURAL ECONOMIC DEVELOPMENT CENTER**

1 **SECTION 14.15.(a)** Of the funds appropriated in this act to the North Carolina
 2 Rural Economic Development Center, Inc. (Rural Center), the sum of four million three
 3 hundred sixty-four thousand seven hundred eighty-five dollars (\$4,364,785) for the 2009-2010
 4 fiscal year and the sum of four million three hundred sixty-four thousand seven hundred
 5 eighty-five dollars (\$4,364,785) for the 2010-2011 fiscal year shall be allocated as follows:

	2009-2010	2010-2011
6		
7		
8		
9		
10		
11		
12		
13		
14		
15		
16		
17		
18		
19		
20		
21		
22		
23		
24		
25		
26		
27		
28		
29		
30		
31		
32		
33		
34		
35		
36		
37		
38		
39		
40		
41		
42		
43		
44		
45		
46		
47		
48		
49		
50		

26 **SECTION 14.15.(b)** Funds allocated in subsection (a) of this section for
 27 community development grants shall support development projects and activities within the
 28 State's minority communities. Any new or previously funded community development
 29 corporation, as that term is defined in subsection (c) of this section, is eligible to apply for
 30 community development grant funds. However, no community development grant funds shall
 31 be released to a community development corporation unless the corporation can demonstrate
 32 that there are no outstanding or proposed assessments or other collection actions against the
 33 corporation for any State or federal taxes, including related penalties, interest, and fees.

34 **SECTION 14.15.(c)** For purposes of this section, the term "community
 35 development corporation" means a nonprofit corporation:

- 36 (1) Chartered pursuant to Chapter 55A of the General Statutes;
- 37 (2) Tax-exempt pursuant to section 501(c)(3) of the Internal Revenue Code of
 38 1986;
- 39 (3) Whose primary mission is to develop and improve low-income communities
 40 and neighborhoods through economic and related development;
- 41 (4) Whose activities and decisions are initiated, managed, and controlled by the
 42 constituents of those local communities; and
- 43 (5) Whose primary function is to act as deal maker and packager of projects and
 44 activities that will increase their constituencies' opportunities to become
 45 owners, managers, and producers of small businesses, affordable housing,
 46 and jobs designed to produce positive cash flow and curb blight in the
 47 targeted community.

48 **SECTION 14.15.(d)** The Rural Center shall provide a report containing detailed
 49 budget, personnel, and salary information to the Office of State Budget and Management in the
 50 same manner as State departments and agencies in preparation for biennium budget requests.

1 **SECTION 14.15.(e)** By September 1 of each year, and more frequently as
2 requested, the Rural Center shall report to the Joint Legislative Commission on Governmental
3 Operations and the Fiscal Research Division on prior State fiscal year program activities,
4 objectives, and accomplishments and prior State fiscal year itemized expenditures and fund
5 sources.

6
7 **RURAL ECONOMIC DEVELOPMENT CENTER/INFRASTRUCTURE PROGRAM**

8 **SECTION 14.16.(a)** Of the funds appropriated in this act to the North Carolina
9 Rural Economic Development Center, Inc. (Rural Center), the sum of nineteen million two
10 hundred ninety-seven thousand two hundred and seventy-eight dollars (\$19,297,278) for the
11 2009-2010 fiscal year and the sum of nineteen million two hundred ninety-seven thousand two
12 hundred and seventy-eight dollars (\$19,297,278) for the 2010-2011 fiscal year shall be
13 allocated as follows:

- 14 (1) To continue the North Carolina Infrastructure Program. The purpose of the
15 Program is to provide grants to local governments to construct critical water
16 and wastewater facilities and to provide other infrastructure needs, including
17 technology needs, to sites where these facilities will generate private
18 job-creating investment. At least fourteen million eight hundred and fifty
19 thousand dollars (\$14,850,000) of the funds appropriated in this act for each
20 year of the biennium must be used to provide grants under this Program.
- 21 (2) To provide matching grants to local governments in distressed areas and
22 equity investments in public-private ventures that will productively reuse
23 vacant buildings and properties, with priority given to towns or communities
24 with populations of less than 5,000.
- 25 (3) To provide economic development research and demonstration grants.

26 **SECTION 14.16.(b)** The Rural Center may contract with other State agencies,
27 constituent institutions of The University of North Carolina, and colleges within the North
28 Carolina Community College System for certain aspects of the North Carolina Infrastructure
29 Program, including design of Program guidelines and evaluation of Program results.

30 **SECTION 14.16.(c)** During each year of the 2009-2011 biennium, the Rural
31 Center may use up to three hundred seventy-eight thousand three hundred seventy-eight dollars
32 (\$378,378) of the funds appropriated in this act to cover its expenses in administering the North
33 Carolina Economic Infrastructure Program.

34 **SECTION 14.16.(d)** By September 1 of each year, and more frequently as
35 requested, the Rural Center shall report to the Joint Legislative Commission on Governmental
36 Operations and the Fiscal Research Division concerning the progress of the North Carolina
37 Economic Infrastructure Program in the prior State fiscal year.

38
39 **OPPORTUNITIES INDUSTRIALIZATION CENTERS FUNDS**

40 **SECTION 14.17.(a)** Of the funds appropriated in this act to the North Carolina
41 Rural Economic Development Center, Inc. (Rural Center), the sum of three hundred fifty-seven
42 thousand three hundred ninety dollars (\$357,390) for the 2009-2010 fiscal year and the sum of
43 three hundred fifty-seven thousand three hundred ninety dollars (\$357,390) for the 2010-2011
44 fiscal year shall be equally distributed among the certified Opportunities Industrialization
45 Centers (OI Centers).

46 **SECTION 14.17.(b)** By September 1 of each year, and more frequently as
47 requested, the Rural Center shall report to the Joint Legislative Commission on Governmental
48 Operations and the Fiscal Research Division on prior fiscal year program activities, objectives,
49 and accomplishments for each of the OI Centers receiving funds pursuant to subsection (a) of
50 this section. This report shall include data for each OI Center on itemized expenditures and
51 fund sources for the prior State fiscal year.

1 **SECTION 14.17.(c)** The Rural Center shall ensure that each OI Center files
2 annually with the State Auditor a financial statement in the form and on the schedule prescribed
3 by the State Auditor. The financial statements must be audited in accordance with standards
4 prescribed by the State Auditor to assure that State funds are used for the purposes provided by
5 law.

6 **SECTION 14.17.(d)** No funds appropriated under this act shall be released to an
7 OI Center listed in subsection (a) of this section if the OI Center has any overdue tax debts, as
8 that term is defined in G.S. 105-243.1, at the federal or State level.

9
10 **RURAL ECONOMIC DEVELOPMENT CENTER/CLEAN WATER PARTNERS**
11 **FUNDING**

12 **SECTION 14.18.** By September 1 of each year, and more frequently as requested,
13 the North Carolina Rural Economic Development Center, Inc., shall report to the Joint
14 Legislative Commission on Governmental Operations and the Fiscal Research Division
15 concerning the progress of the water/sewer improvement grants (commonly referred to as
16 funding for Clean Water Partners) as appropriated in Section 13.13A of S.L. 2007-323 and
17 Section 13.8 of S.L. 2008-107. Each report shall include a list of grants made since the last
18 report, the total amount contracted, and the amount of funds remaining. This reporting
19 requirement shall replace all previous reporting requirements and shall remain in effect until all
20 funds from this program are expended.

21
22 **RURAL ECONOMIC DEVELOPMENT CENTER/AMERICAN RECOVERY AND**
23 **REINVESTMENT ACT FUNDS**

24 **SECTION 14.19.** If the North Carolina Rural Economic Development Center, Inc.,
25 (Rural Center) finds that North Carolina will not maximize the amount of funding for water and
26 wastewater projects the State could receive under the American Recovery and Reinvestment
27 Act of 2009, the Rural Center shall use funds appropriated to the Rural Center in this act to
28 maximize such funding.
29

VISITOR REGISTRATION SHEET

Senate Appropriations Subcommittee on Natural & Economic Resources

April 6, 2009

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Rita Harris	Commerce
Mike Wilkins	Bio tech Co
Gary Brown	Northampton County
SIMON COBB	NEEAR
LISA SCHELL	COMTF
ANNE TAYLOR	ENVIRON. ED. FUND
L. Andrews	NCFB
Shirley Voj	NC MSC
Jennifer Hargwood	NCDL
At Bitt	NCDL
Jack Bensen	NCDL

VISITOR REGISTRATION SHEET

Senate Appropriations Subcommittee on Natural & Economic Resources

April 6, 2009

**VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE
CLERK**

NAME	FIRM OR AGENCY AND ADDRESS

MINUTES

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

April 15, 2009
8:30 a.m.

The Appropriations Subcommittee on Natural and Economic Resources met in Room 423 of the Legislative Office Building on Wednesday, April 15, 2009. Representative Garland E. Pierce presided and called the meeting to order at 8:31 a.m. Chairman Pierce welcomed and introduced the Sergeant-At-Arms who was assisting the meeting.

The following Chairs were present: Representative Pricey T. Harrison and Representative Edith Warren. Vice Chairs present: Representative Carolyn Justice, Representative W.A. Wilkins and Representative Michael H. Wray. Members present: Representative Angela Bryant, Representative James Langdon, Jr., Representative Efton M. Sager, Representative Ruth Samuelson, and Representative Roger West. Counselor staff was also in attendance. A Visitor's Registration list and presentations are attached and filed as a record to the minutes.

Ms. Lanier McRee with the Fiscal Research Division of the North Carolina General Assembly was recognized by Chairman Pierce to explain the Review of the Senate Budget on Agriculture and Consumer Services. She reported three major cuts in the budget of 62% total reductions. The first reduction was 7.2 million in Management Flexibility Reserve. This section provides the Department with flexibility to manage the reduction according to Section 6.6. The second reduction was \$10 million throughout NER from Limitations to the Continuation. These are increases to the budget for new money not received, so the money was removed since it was not used this year. The third reduction was Fund Shifting Positions and Operating to Receipt Support was 3.8 million across the NER budget. This will direct agencies to use receipts weather its federal money grants or fees to support positions in operating. This allows eliminating the general fund for those areas. Additional information on this presentation is attached and made a part of the minutes.

Chairman Pierce recognized Ms. Kristine Leggett with the Fiscal Research Division of the North Carolina General Assembly to continue the Review of the Senate Budget on Department of Labor, Environment & Natural Resources, and DENR-Clean Water Management Trust Fund. This presentation was in reference to budget reductions, increases, and eliminations and is attached and filed as a record to the minutes.

Chairman Pierce recognized Ms. Lanier McRee with the Fiscal Research Division of the North Carolina General Assembly to continue presenting the Environment & Natural Resources and DENR-Clean Water Management Trust Fund from the Senate Budget. The information from this presentation was shared directly from the Senate Budget and is attached as a record to the minutes.

Ms. Kristine Leggett was recognized by Chairman Pierce to continue explaining Commerce – State Aid and N. C. Biotechnology Center from the Senate Budget. The information from this presentation is attached and made a part of the minutes.

Chairman Pierce recognized Ms. Kristin Walker with the Fiscal Research Division of the North Carolina General Assembly to explain the Rural Economic Development Center's review of the Senate Budget. The information from this presentation is attached and made a part of the minutes.

Chairman Pierce recognized Committee members for questions. Representative Samuelson requested a copy of Ms. Walker's presentation in reference to the Program Evaluation Committee on Water and Sewer. According to Ms. Walker, the Program Evaluation Committee looked at the Water and Sewer funding and one of their recommendations was to move to more loans and less grant funding. She also stated that there may be a Water and Sewer discussion in the coming weeks.

Ms. Walker was recognized by Chairman Pierce to explain the Summary of Potential Cash Transfers to the General Fund on April 8, 2009. The one page document is from the Full Chairs. They are asking that the subcommittees follow their directions in their meetings. The shared document is Approach to Developing the 2009-11 Biennial Budget, Specific Areas to Review. The Full Chairs also requested that members look at specific line items, programs, grants, grants needs, loans, phones, stimulus funds, reports, and studies mentioned in 2008 Studies and justifications done previously. The Summary is attached and filed as a record to the minutes.

Chairman Pierce recognized Representative Samuelson for a question. Representative Samuelson requested a copy of #8 from Ms. Walker's presentation for members viewing. Line #8 was one of the requests from the Full Chairs to the members.

Committee Discussion

Ms. Leggett was recognized by Chairman Pierce to inform all members of the next scheduled meeting. Ms. Leggett stated the next meeting is scheduled for Tuesday, April 16, at 8:30 a.m.

Chairman Pierce recognized Vice Chair Wilkins. Vice Chair Wilkins asks that members consider others when scheduling meetings since some of the members chair committees and attend other meetings.

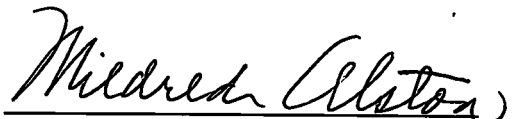
Chairman Pierce stated that all information requested by members would be provided by counselor staff.

There being no further business, the Chairman adjourned the meeting at 9:51 a.m.

Respectfully submitted,



Representative Garland E. Pierce
Presiding Co-Chair



Mildred Alston
Committee Assistant

LANIER McREE AND
KRISTINE LEGGETT, AND
KRISTIN WALKER

**House Appropriations Subcommittee on
Natural and Economic Resources**

Senate Budget

**April 15, 2009
8:30 A.M.**

Agriculture and Consumer Services

GENERAL FUND

	FY 09-10	FY 10-11
Adjusted Continuation Budget	\$65,402,492	\$65,638,839

Legislative Changes

A. Department-Wide

G^m

1 Management Flexibility Reserve (\$2,005,780) R (\$2,005,780) R
 Provides the Department with flexibility to manage the reduction per Section 6.6.

2 Fund Shift Positions to Receipt Support (\$467,047) R (\$467,047) R
 Shifts 10.7 positions to receipt support. These receipts come from various enterprise funds, grants, and other revenue sources. *gov = (\$505,074)*
 -10.70 -10.70

3 Vacant Positions (\$339,079) R (\$339,079) R
 Eliminates 6.5 positions vacant on July 1, 2008.

- Agricultural Program Specialist \$55,880
- Medical Laboratory Technician II \$54,851
- Meat and Poultry Inspector II \$19,159
- Chemistry Supervisor III \$63,140
- Administrative Officer II \$48,359
- Agricultural Programs Administrator \$99,322
- Executive Assistant I \$58,368

G

4 Worker's Compensation (\$75,000) R (\$75,000) R
 Reduces funding for worker's compensation due to a recent decrease in premiums for the Department.

B. Administrative Services

5 Continuation Budget Increase (\$352,825) R (\$352,825) R
 Eliminates the Governor's continuation budget increases.

D. Agronomic Services

6 Fertilizer Assessment (\$375,000) R (\$375,000) R
 Replaces the General Fund appropriation with an increase in the fertilizer assessment. The fertilizer assessment will be increased from \$0.25 per ton of fertilizer to \$0.50 per ton, bringing North Carolina's assessment in line with surrounding states. All receipts from the increase will be used to support Agronomic Services.

E. Marketing

7 Got to Be NC

G^m

Provides nonrecurring funding for Got to Be NC marketing. This program promotes North Carolina's farmers by helping to develop markets for North Carolina produce and products in grocery stores, restaurants, farmer's markets, and other establishments. Participation in Got to Be NC by North Carolina Farmers continues to grow, and farmers report sales increases of 10 to 40 percent upon joining the Got to Be NC promotion.

\$600,000 NR

gov = \$500,000

E. Markets

8 Marketing Funds

Provides funding for the promotion of agriculture festivals in small towns with populations less than 5,000. The amount per festival shall not exceed \$5,000.

\$50,000 NR

F. Pesticides

9 Pesticide Registration Fee

G

Increases the current annual pesticide registration fee from \$100 to \$150 for each brand or grade of pesticide registered and reduces General Fund appropriations to the Pesticide Division.

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

G. Plant Industry

10 Plant Inspection Fees

G

Increases nursery certification and registration fees and reduces the General Fund appropriation to the Plant Industry Division. The certification fee will increase from \$10 to \$100 for the initial acre and from \$2 to \$3 for additional acres. The registration fee for nurseries will increase from \$6 to \$20.

(\$58,303) R (\$58,303) R

H. Standards

11 Petroleum Device Technician License Fee

G

Creates a registration fee for petroleum device technician licenses for those who service LP-Gas meters. *should pay all Petroleum meters*

(\$10,000) R (\$10,000) R

12 Calibration Inspection Over-realized Receipts

G

Budgets over-realized receipts for calibration inspections services.

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

I. Veterinary Services

13 Animal Diagnostic Fees

G

Replaces the General Fund appropriation for veterinary services with increased fees for certain animal diagnostic tests.

(\$250,000) R (\$250,000) R

Total Legislative Changes	(\$4,453,034)	R	(\$4,453,034)	R
	\$650,000	NR		
Total Position Changes	-17.20		-17.20	
Revised Budget	\$61,599,458		\$61,185,805	

1 **PART XI. DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES**

2
3 **COMMERCIAL FERTILIZER FEES**

4 **SECTION 11.1.** G.S. 106-671(a) reads as rewritten:

5 "(a) For the purpose of defraying expenses on the inspection and of otherwise determining the
6 value of commercial fertilizers in this State, there shall be paid to the Department of Agriculture and
7 Consumer Services a charge of ~~twenty five cents (25¢)~~ fifty cents (50¢) per ton on all commercial
8 fertilizers other than packages of five pounds or less. Inspection fees shall be paid on all tonnage
9 distributed into North Carolina to any person not having a valid reporting permit. On individual
10 packages of five pounds or less there shall be paid in lieu of the tonnage fee an annual registration fee of
11 twenty-five dollars (\$25.00) for each brand offered for sale, sold, or distributed; provided that any per
12 annum (fiscal) tonnage of any brand sold in excess of one hundred tons may be subject to the charge of
13 ~~twenty five cents (25¢)~~ fifty cents (50¢) per ton on any amount in excess of one hundred tons as
14 provided herein. Whenever any manufacturer of commercial fertilizer shall have paid the charges
15 required by this section his goods shall not be liable to further tax, whether by city, town, or county;
16 provided. this shall not exempt the commercial fertilizers from an ad valorem tax."

17
18 **INCREASE PESTICIDE REGISTRATION FEE**

19 **SECTION 11.2.** G.S. 143-442(b) reads as rewritten:

20 "(b) The applicant shall pay an annual registration fee of ~~one hundred dollars (\$100.00)~~ one
21 hundred fifty dollars (\$150.00) plus an additional annual assessment for each brand or grade of pesticide
22 registered. The annual assessment shall be fifty dollars (\$50.00) if the applicant's gross sales of the
23 pesticide in this State for the preceding 12 months for the period ending September 30th were more than
24 five thousand dollars (\$5,000.00) and twenty-five dollars (\$25.00) if gross sales were less than five
25 thousand dollars (\$5,000.00). An additional two hundred dollars (\$200.00) delinquent registration
26 penalty shall be assessed against the registrant for each brand or grade of pesticide which is marketed in
27 North Carolina prior to registration as required by this Article. In the case of multi-year registration, the
28 annual fee and additional assessment for each year shall be paid at the time of the initial registration.
29 The Board shall give a pro rata refund of the registration fee and additional assessment to the registrant
30 in the event that registration is canceled by the Board or by the United States Environmental Protection
31 Agency."

32
33 **BOARD OF AGRICULTURE REVIEW OF FEE SCHEDULES**

34 **SECTION 11.3.** G.S. 106-6.1 reads as rewritten:

35 "**§ 106-6.1. Fees.**

36 (a) A board or commission within the Department of Agriculture and Consumer Services may
37 establish fees or charges for the services it provides. The Board of Agriculture, subject to the provisions
38 of Chapter 146 of the General Statutes, may establish a rate schedule for the use of facilities operated by
39 the Department of Agriculture and Consumer Services.

40 (b) No later than February 1 of each odd numbered year, the Board of Agriculture shall review
41 the fees it established under this section to determine whether any of these fees should be changed and
42 report to the Fiscal Research Division the amount of each fee reviewed, when the fee was last changed,
43 the number of times the fee was collected during the prior fiscal year, the total receipts from the fee
44 during the prior fiscal year, and any recommendations for increasing or decreasing the amount of any
45 such fees. This report shall also include for each fee an evaluation of any inflationary change since the
46 last change to the amount of the fee and any other information deemed relevant to this evaluation."

Governor's Items Not Included (Ag)	FY 09-10		FY 10-11	
1 Truth in Budgeting	(\$2,358,605)		(\$2,358,605)	
2 Reduce Various Operating Accounts	(\$449,034)		(\$449,034)	
3 Reduce Various Operating Accounts	(\$368,911)	NR	(\$368,911)	NR
4 Eliminate Positions (16)	(\$805,627)		(\$805,627)	
5 Temporary Positions Funding	(\$27,905)		(\$27,905)	
6 Temporary Positions Funding	(\$9,301)	NR	(\$9,301)	NR
7 Transfer Ag Finance Authority Service Charge to Receipts	(\$25,000)		(\$25,000)	
8 Plant Ind. - Reductions (Sci Equip. & Beneficial Insect)	(\$91,148)		(\$91,148)	
9 Plant Ind. - Reductions	(\$16,886)	NR	(\$16,886)	NR
10 Research Station - Cap Imp Cash Balance	(\$613,496)	NR	(\$613,496)	NR

Labor

GENERAL FUND

	FY 09-10		FY 10-11	
Adjusted Continuation Budget	\$19,064,773		\$19,092,834	
Legislative Changes				
Department-Wide				
14 Vacant Positions	(\$431,371)	R	(\$431,371)	R
Eliminates eight positions vacant on July 1, 2008.				
	-8.00		-8.00	
15 Management Flexibility Reserve	(\$135,406)	R	(\$135,406)	R
Provides the Department with flexibility to manage the reduction per Section 6.6.				
Administration				
16 Administration Continuation Budget Increase	(\$86,413)	R	(\$86,413)	R
Eliminates the Governor's Continuation Budget increase.				
Occupational Safety and Health				
17 OSH Continuation Budget Increase	(\$91,721)	R	(\$91,721)	R
Eliminates the Governor's Continuation Budget increase.				
18 Publication Fees	(\$21,325)	R	(\$21,325)	R
Directs OSH to raise publication fees to adjust for inflation and to take a corresponding General Fund reduction. Fees were last raised February 1, 2001.				
Standards and Inspections				
19 Standards and Inspections Continuation Budget Increase	(\$125,051)	R	(\$125,051)	R
Eliminates the Governor's Continuation Budget increase.				
20 Apprenticeship Continuation Budget Increase	(\$23,382)	R	(\$23,382)	R
Eliminates the Governor's Continuation Budget increase.				
21 Apprenticeship Program	(\$450,000)	R	(\$450,000)	R
Directs the Apprenticeship Program to create new fees to generate enough revenue so that the program can take a 25% reduction to General Fund support.				

G^m Gov transferred program to Comm. Colleges at reduced amount of \$500k 8.0 E

Senate Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

Total Legislative Changes

(\$1,364,669) R

(\$1,364,669) R

Total Position Changes

-8.00

-8.00

Revised Budget

\$17,700,104

\$17,728,165

PART XII. DEPARTMENT OF LABOR

DEPARTMENT OF LABOR/APPRENTICESHIP PROGRAM

SECTION 12.1. Chapter 94 of the General Statutes is amended by adding a new section to read as follows:

"§ 94-12. Fees.

A fee of twenty-five dollars (\$25.00) is imposed on each apprentice who is covered by a written apprenticeship agreement entered into under this Chapter. The fee is payable by the apprentice unless the employer who enters into the agreement pays the fee on behalf of the apprentice. The fees are departmental receipts and must be applied to the costs of administering the apprenticeship program. The Commissioner may adopt rules pursuant to Chapter 150B of the General Statutes to implement this section."

Governor's Items Not Included (Labor)	FY 09-10	FY 10-11
1 Truth in Budgeting Reform	(\$461,973)	(\$461,973)
2 Elevator Overrealized Receipts	(\$180,000)	(\$180,000)
3 Boiler Overrealized Receipts	(\$60,000)	(\$60,000)
4 Eliminate Positions (12)	(\$670,225)	(\$670,225)
5 Operating Accounts	(\$10,000)	(\$10,000)

Environment & Natural Resources

GENERAL FUND

	FY 09-10		FY 10-11	
Adjusted Continuation Budget	\$212,524,097		\$214,924,435	
Legislative Changes				
(1.0) Department-Wide				
22 Vacant Positions	(\$1,580,786)	R	(\$1,580,786)	R
Eliminates 32.25 positions throughout the Department vacant on July 1, 2008.	-32.25		-32.25	
23 Management Flexibility Reserve	(\$4,431,041)	R	(\$4,431,041)	R
Provides the Department with flexibility to manage the reduction per Section 6.6.				
(2.0) Administration				
24 Continuation Budget Increase	(\$1,437,364)	R	(\$1,437,364)	R
Eliminates the Governor's Continuation Budget increase.				
(2.0) Office of Environmental Education				
25 Environmental Education	(\$551,681)	R	(\$551,681)	R
Reorganizes the Office of Environmental Education. Transfers curriculum development functions to the Department of Public Instruction, Community Colleges, and the University system; technical materials to the State Library; and the clearinghouse function and the Program Development Coordinator to the Office of Public Affairs.	-7.00		-7.00	
	gov = (\$377,209)			
	(-6)			
(2.0) Office of Public Affairs				
26 Environmental Education	\$150,000	R	\$150,000	R
Reorganizes the Office of Environmental Education, transferring the Program Development Coordinator and associated operating expenses to the <u>Office of Public Affairs</u> .	1.00		1.00	
	gov = MUSEUM of Natural Sciences			
(3.0) Center for Geographic Information Analysis				
27 Center for Geographic Information Analysis Transfer				
Transfers the Center for Geographic Information Analysis from the Department to the Office of the State Chief Information Officer.				
(3.0) Coastal Management				
28 General Fund Position to Receipt Support	(\$81,492)	R	(\$81,492)	R
Shifts funding of one Environmental Supervisor II to a grant from the National Oceanic and Atmospheric Administration.	-1.00		-1.00	

(3.0) Environmental Health**29 General Fund Support to Receipt Support**

(\$61,724) R (\$61,724) R

Shifts funding for rent for the Division's main office to a federal grant.

30 Food and Lodging Inspection Fee

(\$87,680) R (\$87,680) R

Adjusts the food/lodging inspection fee for inflation. Fees are currently either \$50 or \$200 and will be increased to \$60 and \$235 respectively. Fees were last increased October 1, 2002. New fee revenue will be distributed in accordance with G.S.130A-248. Fee revenue credited to the Department will be used to support operations of the Division and will allow the Division to take a corresponding General Fund reduction.

31 General Fund Position to Receipt Support

(\$38,272) R (\$38,272) R

Shifts funding of one Processing Assistant IV from General Fund support to food and lodging inspection fee receipts.

-1.00 -1.00

32 Radiation Protection Section

(\$416,282) R (\$833,337) R

Requires that the radiation protection section become entirely receipt supported by 2010-11. Reduces General Fund support by 50% in FY 2009-10 and eliminates all General Fund support in FY 2010-11. Moves 12.0 positions from the General Fund to receipt support in FY 2010-11.

-12.00

(3.0) Land Resources**33 County Boundary Program**

(\$106,479) R (\$106,479) R

Eliminates funding for the County Boundary Program.

Gov = (65,952) R -1.00 -1.00

(3.0) Pollution Prevention & Enviro. Assistance

-1.0

34 Solid Waste Management Trust Fund Receipts

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

Directs the Division to shift operating expenses to the Solid Waste Management Trust Fund (SWMTF). SWMTF began receiving new revenue in FY 2008-09 from the solid waste disposal tax, a portion of which was authorized to be used for operating expenses.

(3.0) Waste Management**35 Inactive Hazardous Sites Cleanup Fund Receipts**

(\$300,000) R (\$300,000) R

Directs the Division to shift operating expenses to the Inactive Hazardous Sites Cleanup Fund. The Inactive Hazardous Sites Cleanup Fund began receiving new revenue in FY 2008-09 from the solid waste disposal tax, a portion of which was authorized to be used for operating expenses.

(4.0) Forest Resources**36 Forestry Equipment**

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

Reduces the Division of Forest Resources' equipment budget.

PART XIII. DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES**FOOD AND LODGING INSPECTION FEES INCREASES**

SECTION 13.2.(a) G.S. 130A-248(d) reads as rewritten:

"(d) The Department shall charge each establishment subject to this section, except nutrition programs for the elderly administered by the Division of Aging of the Department of Health and Human Services, establishments that prepare and sell meat food products or poultry products, and public school cafeterias, an annual fee of ~~fifty dollars (\$50.00)~~ sixty dollars (\$60.00). The Commission shall adopt rules to implement this subsection. Fees collected under this subsection shall be used for State and local food, lodging, and institution sanitation programs and activities. No more than thirty-three and one-third percent (33 1/3%) of the fees collected under this subsection may be used to support State health programs and activities."

SECTION 13.2.(b) G.S. 130A-248(e) reads as rewritten:

"(c) In addition to the fees under subsection (d) of this section, the Department may charge a fee of ~~two hundred dollars (\$200.00)~~ two hundred thirty-five dollars (\$235.00) for plan review of plans for prototype franchised or chain facilities for food establishments subject to this section. All of the fees collected under this subsection may be used to support the State food, lodging, and institution sanitation programs and activities under this Part."

SECTION 13.2.(c) G.S. 130A-248(f) reads as rewritten:

"(f) Any local health department may charge a fee not to exceed ~~two hundred dollars (\$200.00)~~ two hundred thirty-five dollars (\$235.00) for plan review by that local health department of plans for food establishments subject to this section that are not subject to subsection (e) of this section. All of the fees collected under this subsection may be used for local food, lodging, and institution sanitation programs and activities. No food establishment that pays a fee under subsection (e) of this section is liable for a fee under this subsection."

RADIATION PROTECTION SECTION SUPPORTED BY FEES

SECTION 13.3.(a) G.S. 104E-19 reads as rewritten:

§ 104E-19. Fees.

(a) ~~In order to meet the anticipated costs of administering the educational and training programs in G.S. 104E-11(e), of enforcing and carrying out the inspection provisions in G.S. 104E-7(a)(7) and G.S. 104E-11(a), and of administering the licensing program in G.S. 104E-10.3, the Department is authorized to charge and collect such reasonable fees as it may by rule establish. An annual fee in the amount set by the Department is imposed on a person who is required to be registered or licensed under this Chapter. The Department must set the fees at amounts that provide revenue to offset its costs in performing its duties under this Chapter.~~

(b) Repealed by Session Laws 1987, c. 850, s. 13."

SECTION 13.3.(b) G.S. 104E-9(a)(8) is rewritten to read:

"(8) To establish fees in accordance with G.S. 104E-19."

SCRAP TIRE DISPOSAL ACCOUNT FUNDS

SECTION 13.4. Notwithstanding the provisions of G.S. 105-187.19(b), effective for taxes levied during the 2009-2010 fiscal year, the Secretary of Revenue shall credit to the General Fund three million dollars (\$3,000,000) of the net tax proceeds that G.S. 105-187.19(b) directs the Secretary to credit to the Scrap Tire Disposal Account.

37 Continuation Budget Increase for Operating Reserves

Reduces the continuation budget increase for operating reserves due to expected construction delays.

(\$45,197) NR

38 Continuation Budget Increase for Over-time Pay

Reduces the continuation budget increase for over-time pay by 50%.

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

(4.0) Marine Fisheries

39 Equipment Increase

Eliminates the continuation budget increase for equipment.

(\$1,458,154) R (\$1,409,154) R

40 Sea Grant Transfer

Reduces the Sea Grant transfer to NCSU to \$600,000.

(\$253,688) R (\$253,688) R

gov = (\$261,229)

(4.0) Museum of Natural Sciences

41 Continuation Budget Increase for Nature Research Center

Reduces the continuation budget increase for operating reserves for the Nature Research Center. The center is scheduled to open October 2011. This reduction leaves approximately \$500,000 in FY 2010-11 for program start-up prior to building completion.

(\$499,715) R (\$1,433,479) R

-5.00 -24.00

(4.0) Parks & Recreation

42 Aid & Public Assistance

Reduces aid and public assistance by 10%.

(\$399,372) R (\$399,372) R

(5.0) Reserves & Transfers

43 Beaver Management Assistance Program

Reduces the transfer to the Wildlife Resources Commission (WRC) for the Beaver Management Assistance Program. WRC will continue to operate the program using \$349,000 in WRC revenue from the sales tax transfer.

(\$349,000) R (\$349,000) R

gov = (\$57,195)

44 Grassroots Science Museums

Reduces the funding for Grassroots Science Museums by 2%.

(\$69,627) R (\$69,627) R

gov = 7% = (\$243,695)

45 Partnership for the Sounds

Reduces General Fund support for the Partnership for the Sounds by 2%.

(\$10,345) R (\$10,345) R

gov = 7% = (\$36,208)

46 Clean Water State Revolving Fund Match

Provides funds to meet the 20% State match required to draw down maximum federal funds for the Clean Water State Revolving Fund.

\$2,481,000 NR

Senate Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

47 Drinking Water State Revolving Fund

Provides funds to meet the 20% State match required to draw down maximum federal funds for the Clean Water State Revolving Fund.

\$5,482,800 NR

Total Legislative Changes

(\$13,157,702) R (\$14,459,521) R

\$7,918,603 NR

Total Position Changes

-46.25 -77.25

Revised Budget

\$207,284,998 \$200,464,914

MARINE FISHERIES FUNDS FOR THE FISHERY RESOURCES GRANT PROGRAM

SECTION 13.5. Of the funds appropriated in this act to the Department of Environment and Natural Resources for the Division of Marine Fisheries for the Fishery Resource Grant Program established under G.S. 113-200, the sum of one hundred forty-six thousand three hundred twelve dollars (\$146,312) for the 2009-2010 fiscal year and the sum of one hundred forty-six thousand three hundred twelve dollars (\$146,312) for the 2010-2011 fiscal year shall be used for river herring research in the Department. The remaining funds appropriated in this act to the Department for the Fishery Resource Grant Program for the 2009-2011 biennium shall be used for research related to the Sea Grant College Program only and shall not be used for any other purpose.

NEW LEASE PURCHASE/INSTALLMENT CONTRACTS FOR FORESTRY EQUIPMENT

SECTION 13.6. Prior to the Division of Forest Resources of the Department of Environment and Natural Resources entering into either a new lease purchase contract for the purchase of forestry equipment or a new installment contract for the purchase of forestry equipment, the Division of Forest Resources shall submit a detailed list of the forestry equipment to be purchased under the contract to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division. Prior to the Department of Administration entering into either a new lease purchase contract for the purchase of forestry equipment or a new installment contract for the purchase of forestry equipment on behalf of the Division of Forest Resources, the Department of Administration shall submit a detailed list of the forestry equipment to be purchased under the contract to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division. If a list is modified after it is submitted under this section, the modified list shall be submitted to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division prior to entering into the contract.

GRASSROOTS SCIENCE PROGRAM

SECTION 13.7.(a) Of the funds appropriated in this act to the Department of Environment and Natural Resources for the Grassroots Science Program, the sum of three million four hundred eleven thousand seven hundred thirteen dollars (\$3,411,713) for the 2009-2010 fiscal year and the sum of three million four hundred eleven thousand seven hundred thirteen dollars (\$3,411,713) for the 2010-2011 fiscal year is allocated as grants-in-aid for each fiscal year as follows:

	2009-2010	2010-2011
Aurora Fossil Museum	\$57,875	\$57,875
Cape Fear Museum	\$157,787	\$157,787
Carolina Raptor Center	\$109,931	\$109,931
Catawba Science Center	\$143,429	\$143,429
Colburn Earth Science Museum, Inc.	\$73,054	\$73,054
Core Sound Waterfowl Museum	\$49,000	\$49,000
Discovery Place	\$649,608	\$649,608
Eastern NC Regional Science Center	\$49,000	\$49,000
Fascinate-U	\$79,451	\$79,451
Granville County Museum Commission, Inc.—Harris Gallery	\$55,294	\$55,294
Greensboro Children's Museum	\$132,374	\$132,374
The Health Adventure Museum of Pack Place Education, Arts and Science Center, Inc.	\$152,499	\$152,499
Highlands Nature Center	\$77,683	\$77,683
Imagination Station	\$84,313	\$84,313
The Iredell Museums, Inc.	\$60,080	\$60,080
Kidsenses	\$79,656	\$79,656
Museum of Coastal Carolina	\$76,460	\$76,460
The Natural Science Center of Greensboro, Inc.	\$182,627	\$182,627
North Carolina Museum of Life		

1	and Science	\$372,229	\$372,229
2	Pisgah Astronomical Research Institute	\$49,000	\$49,000
3	Port Discover: Northeastern		
4	North Carolina's Center for		
5	Hands-On Science, Inc.	\$49,000	\$49,000
6	Rocky Mount Children's Museum	\$70,809	\$70,809
7	Schiele Museum of Natural History		
8	and Planetarium, Inc.	\$224,956	\$224,956
9	Sci Works Science Center and		
10	Environmental Park of Forsyth County	\$143,569	\$143,569
11	Sylvan Heights Waterfowl Park		
12	and Eco-Center	\$49,000	\$49,000
13	Western North Carolina Nature Center	\$110,621	\$110,621
14	Wilmington Children's Museum	\$72,408	\$72,408
15			
16	Total	\$3,411,713	\$3,411,713

17 **SECTION 13.7.(b)** No later than March 1, 2010, the Department of Environment and
 18 Natural Resources shall report to the Fiscal Research Division all of the following information for each
 19 museum that receives funds under this section:

- 20 (1) The actual operating budget for the 2008-2009 fiscal year.
- 21 (2) The proposed operating budget for the 2009-2010 fiscal year.
- 22 (3) The total attendance at the museum during the 2009 calendar year.

23 **SECTION 13.7.(c)** No later than March 1, 2011, the Department of Environment and
 24 Natural Resources shall report to the Fiscal Research Division all of the following information for each
 25 museum that receives funds under this section:

- 26 (1) The actual operating budget for the 2009-2010 fiscal year.
- 27 (2) The proposed operating budget for the 2010-2011 fiscal year.
- 28 (3) The total attendance at the museum during the 2010 calendar year.

29 **SECTION 13.7.(d)** As a condition for qualifying to receive funding under this section, all
 30 of the following documentation shall, no later than November 1 of each year of the 2009-2011
 31 biennium, be submitted for each museum under this section to the Department of Environment and
 32 Natural Resources for fiscal years ending between July 1, 2007, and June 30, 2008, and only those costs
 33 that are properly documented under this subsection are allowed by the Department in calculating the
 34 distribution of funds under this section:

- 35 (1) Each museum under this section shall submit its IRS (Internal Revenue Service)
 36 Form 990 to show its annual operating expenses, its annual report, and a
 37 reconciliation that explains any differences between expenses as shown on the IRS
 38 Form 990 and the annual report.
- 39 (2) Each friends association of a museum under this section shall submit its IRS Form
 40 990 to show its reported expenses for the museum, its annual report, and a
 41 reconciliation that explains any differences between expenses as shown on the IRS
 42 Form 990 and the annual report, unless the association does not have both an IRS
 43 Form 990 and an annual report available, in which case, it shall submit either an
 44 IRS Form 990 or an annual report.
- 45 (3) The chief financial officer of each county or municipal government that provides
 46 funds for the benefit of the museum shall submit a detailed signed statement of
 47 documented costs spent for the benefit of the museum that includes documentation
 48 of the name, address, title, and telephone number of the person making the assertion
 49 that the museum receives funds from the county or municipality for the benefit of
 50 the museum.
- 51 (4) The chief financial officer of each county or municipal government or each friends
 52 association that provides indirect or allocable costs that are not directly charged to a
 53 museum under this section but that benefit the museum shall submit in the form of a
 54 detailed statement enumerating each cost by type and amount that is verified by the
 55 financial officer responsible for the completion of the documentation and that
 56 includes the name, address, title, and telephone number of the person making the

1 assertion that the county, municipality, or association provides indirect or allocable
2 costs to the museum.

3 SECTION 13.7.(e) As used in subsection (d) of this section, "friends association" means a
4 nonprofit corporation established for the purpose of supporting and assisting a museum that receives
5 funding under this section.

6
7 **TIMBER ASSESSMENT DESPITE APPROPRIATION**

8 SECTION 13.8. G.S. 113A-192(c) is repealed.

9
10 **FOREST DEVELOPMENT FUND/FOREST PRODUCTS ASSESSMENT RATES**

11 SECTION 13.9.(a) G.S. 113A-192(c) through G.S. 113A-192(e) are repealed.

12 SECTION 13.9.(b) G.S. 113A-193(b) is amended by adding a new subdivision to read:

13 "(6) Determine the appropriate assessment to be levied on primary forest products in
14 accordance with G.S. 113A-194."

15 SECTION 13.9.(c) G.S. 113A-194(b) reads as rewritten:

16 "(b) The assessment levied on primary forest products shall ~~be at~~ not exceed the following rates:

- 17 (1) ~~Fifty cents (50¢)~~ One dollar (\$1.00) per thousand board feet for softwood
18 sawtimber, veneer logs and bolts, and all other softwood products normally
19 measured in board feet; ~~feet.~~
- 20 (2) ~~Forty cents (40¢)~~ Eighty cents (80¢) per thousand board feet for hardwood and bald
21 cypress sawtimber, veneer, and all other hardwood and bald cypress products
22 normally measured in board feet; ~~feet.~~
- 23 (3) ~~Twenty cents (20¢)~~ Forty cents (40¢) per cord for softwood pulpwood and other
24 softwood products normally measured in ~~eords;~~ cords.
- 25 (4) ~~Twelve cents (12¢)~~ Twenty-four cents (24¢) per cord for hardwood pulpwood and
26 other hardwood and bald cypress products normally measured in ~~eords;~~ cords.
- 27 (5) All material harvested within North Carolina for shipment outside the State for
28 primary processing will be assessed at a percentage of the invoice value. This
29 percentage will be established to yield rates equal to those if the material were
30 processed within the State."

31
32
33 **BEAVER DAMAGE CONTROL PROGRAM FUNDS**

34 SECTION 13.10. G.S. 113-291.10(f) reads as rewritten:

35 "(f) Each county that volunteers to participate in this program for a given fiscal year shall
36 provide written notification of its wish to participate no later than September 30 of that year and shall
37 commit the sum of four thousand dollars (\$4,000) in local funds no later than September 30 of that year.
38 At least three hundred forty-nine thousand dollars (\$349,000) each fiscal year of the biennium shall be
39 paid from funds available to the Wildlife Resources Commission to provide the State share necessary to
40 support this program, provided the sum of at least twenty-five thousand dollars (\$25,000) in federal
41 funds is available each fiscal year of the biennium to provide the federal share."

Governor's Items Not Included (DENR)	FY 09-10	FY 10-11
1 Truth in Budgeting	(\$5,868,405)	(\$5,868,405)
2 Eliminate Positions (14.5)	(\$786,228)	(\$786,228)
3 Reduce Various Operating Accounts	(\$6,669,939)	(\$6,669,939)
4 Reduce Various Operating Accounts	(\$2,081,066) NR	(\$2,081,066) NR
5 Shift Operating to Receipt Support	(\$1,349,747)	(\$1,349,747)
6 Shift Positions to Receipt Support (27.33)	(\$1,739,183)	(\$1,739,183)
7 Temporary Positions Funding	(\$1,120,049) NR	(\$1,120,049) NR
8 Other DENR Pass-throughs	(\$246,303)	(\$246,303)
9 DFR - Reduce Young Offenders Program (Bridge)	(\$910,761)	(\$910,761)
10 DEH - Reduce Mosquito Pest Management Grants-in-Ai	(\$57,475)	(\$57,475)
11 DWQ - Neuse River Rapid Response Team	(\$202,877)	(\$202,877)

DENR-Clean Water Management Trust Fund

GENERAL FUND

	FY 09-10	FY 10-11
Adjusted Continuation Budget	\$100,000,000	\$100,000,000
Legislative Changes		
Clean Water Management Trust Fund		
48 Appropriation Reduction		
Reduces appropriation to the Clean Water Management Trust Fund by 5% in both years of the biennium.	(\$5,000,000) NR	(\$5,000,000) NR
GOV =	(\$25,000,000) NR	(\$25,000,000) NR
Total Legislative Changes	(\$5,000,000) NR	(\$5,000,000) NR
Total Position Changes		
Revised Budget	\$95,000,000	\$95,000,000

REVISE CLEAN WATER MANAGEMENT TRUST FUND OPERATIONS LIMIT

SECTION 13.1. Notwithstanding G.S. 113A-253(d), of the funds appropriated to the Clean Water Management Trust Fund for each fiscal year of the 2009-2011 fiscal biennium, no more than three million dollars (\$3,000,000) may be used for administrative and operating expenses of the Board of Trustees of the Clean Water Management Trust Fund and its staff.

1
2
3
4
5
6

Commerce

GENERAL FUND

	FY 09-10		FY 10-11	
Adjusted Continuation Budget	\$46,019,823		\$46,028,986	
Legislative Changes				
A. Department-Wide				
49 Management Flexibility Reserve	(\$623,108)	R	(\$623,108)	R
Provides the Department with flexibility to manage the reduction per Section 6.6.				
50 Vacant Positions	(\$158,114)	R	(\$158,114)	R
Eliminates three positions vacant on July 1, 2008.				
	-3.00		-3.00	
B. Administrative Services				
51 Continuation Budget Increase	(\$39,760)	R	(\$39,760)	R
Eliminates the Governor's Continuation Budget increase.				
52 Vacant Position	(\$148,201)	R	(\$148,201)	R
Eliminates the General Counsel position in the Secretary's Office. This position has been vacant since September 2007.				
	-1.00		-1.00	
C. Executive Aircraft				
53 Replacement Plane	(\$1,326,428)	R	(\$1,326,428)	R
Eliminates funding for lease payments for a replacement aircraft for the King Air B-200. The order for the new plane has been cancelled.				
D. MIS				
54 Continuation Budget Increase	(\$23,133)	R	(\$23,133)	R
Eliminates the Governor's Continuation Budget increase.				
55 Transferred Positions	(\$250,000)	R	(\$250,000)	R
Eliminates the salaries, benefits, and operating support for three positions that were transferred to ITS in November 2008.				
E. Policy and Research				
56 Continuation Budget Increase	(\$52,357)	R	(\$52,357)	R
Eliminates the Governor's Continuation Budget increase.				

G

F. Marketing**57 Continuation Budget Increase**

(\$46,987) R

(\$46,987) R

Eliminates the Governor's Continuation Budget increase.

58 Business Destination Marketing

Provides funds to market the State as a business destination. Section 14.2(a) allocates an additional \$1 million from the One North Carolina Fund cash balance for this purpose, bringing the total additional funds appropriated for marketing the State as a business destination to \$1.5 million for FY 2009-10.

\$500,000 NR

*Gov had \$1.5 m NR for
tourism : business
Marketing*

G^m**G. Business and Industry****59 Continuation Budget Increase**

(\$27,930) R

(\$27,930) R

Eliminates the Governor's Continuation Budget increase.

60 Continuation Budget Funds for China Office

\$175,000 R

\$175,000 R

Moves funds appropriated for the new China Trade Office from the International Trade Division to the Business and Industry Division. These two divisions each fund one position in the trade offices. Funds for the International Trade position were appropriated in FY 2008-09. The Continuation Budget included an adjustment to provide the Business and Industry position, but the funds were appropriated to the wrong fund. This item corrects that.

H. International Trade**61 Continuation Budget Funds for China Office**

(\$175,000) R

(\$175,000) R

Moves funds appropriated for the new China Trade Office from the International Trade Division to the Business and Industry Division. These two division each fund one position in the trade offices. Funds for the International Trade position were appropriated in FY 2008-09. The Continuation Budget included an adjustment to provide the Business and Industry position, but the funds were appropriated to the wrong fund. This item corrects that.

62 Continuation Budget Increase

(\$27,979) R

(\$27,979) R

Eliminates the Governor's Continuation Budget increase.

63 Korean Trade Office

(\$24,000) R

(\$24,000) R

Eliminates the General Fund appropriation for the Korean Trade Office. This office is shared with the NC Ports Authority, and can be fully supported by the Ports.

I. Tourism, Film, and Sports Development**64 Continuation Budget Increase**

(\$9,373) R

(\$9,373) R

Eliminates the Governor's Continuation Budget increase.

65 Tourist Destination Marketing

Gm

Provides funds to promote the State as a tourist destination. The Department of Commerce shall promote Historically Underutilized Businesses and supplier diversity when marketing the State of North Carolina. Such promotion may include advertising with minority media outlets and advertising with minorities in the motorsports industry. The Department and firms that contract with the Department to promote Historically Underutilized Businesses and supplier diversity shall make a good faith effort to achieve diversity in the bidding and awarding of marketing and advertising contracts.

\$259,165 NR

Gov had \$1.5m OR for tourism & business Marketing

J. Welcome Centers

66 Continuation Budget Increase

Eliminates the Governor's Continuation Budget increase.

(\$19,774) R

(\$19,774) R

K. Wanchese Seafood Industrial Park

67 Continuation Budget Increase

Eliminates the Governor's Continuation Budget increase.

(\$12,237) R

(\$12,237) R

L. Commerce Finance

Created 2007

68 Continuation Budget for JMAC

Corrects the Continuation Budget for the Job Maintenance and Capital Development Fund (JMAC). Funds were appropriated for FY 2008-09 on a nonrecurring basis but were included in the Continuation Budget on a recurring basis. JMAC has a cash balance of \$5 million and does not need an appropriation for FY 2009-10.

(\$5,000,000) R

(\$5,000,000) R

69 Small Business Assistance Fund

Creates a new fund within the Department to assist small businesses with 100 or fewer employees and less than \$1 million in annual receipts. The Fund will provide loans to qualifying businesses for any of the following purposes:

\$3,000,000 NR

- To guarantee a commercial loan;
- To provide emergency bridge loans; and,
- For any other purpose related to small business job preservation.

70 One NC Small Business Funds

Section 14.2(b) transfers \$2 million from the One NC Fund cash balance to the One NC Small Business Fund for FY 2009-10. One NC Small Business provides matching grants to businesses that qualify for federal SBIR/STTR Incentive funds.

Gm

Gov funded from General Fund

71 Green Business Fund

G

Section 20A.1 allocates \$5 million of the funds received by the State under the American Recovery and Reinvestment Act and appropriated to the State Energy Office to the Green Business Fund. The Green Business Fund provides grants to private businesses with less than 100 employees, non-profit organizations, and State agencies to encourage the growth of a green economy in North Carolina.

M. Community Assistance

72 Continuation Budget Increase	(\$16,081)	R	(\$16,081)	R
Eliminates the Governor's Continuation Budget increase.				

73 Office of Rural Development Programs	(\$91,032)	R	(\$91,032)	R
Eliminates a new office created by the Department of Commerce in November 2008. This office is unnecessary, as the General Assembly provides \$24 million to the Rural Economic Development Center to serve rural areas of the State.				
	-1.00		-1.00	

74 General Fund Positions to Receipt Support	(\$262,842)	R	(\$262,842)	R
Eliminates 7 vacant receipt supported positions and transfers 5 General Fund positions to receipt support. Several of these receipt-supported positions have been vacant since before 2007.				
	-5.00		-5.00	

75 Main Street Solutions	\$3,000,000	NR		
Creates the Main Street Solutions Fund. This program will provide grants to micropolitan cities in Tier Two and Three counties to assist with economic development projects designed to foster job creation and entrepreneurship in the State's smaller cities.				

G^m

Gov had \$3m NR both years
and \$300,000 R.

N. Industrial Commission

76 Continuation Budget Increase	(\$257,826)	R	(\$257,826)	R
Eliminates the Governor's Continuation Budget increase.				

77 Legal Specialists to Receipt Support	(\$167,987)	R	(\$167,987)	R
Transfers support for three legal specialists in the Commissioners' Office from General Fund to receipts.				
	-3.00		-3.00	

78 Deputy Commissioners to Receipt Support	(\$203,760)	R	(\$203,760)	R
Transfers support for two Deputy Commissioners from General Fund to receipts.				
	-2.00		-2.00	

79 Program Assistants to Receipt Support	(\$266,530)	R	(\$266,530)	R
Transfers support for eight Program Assistants from General Fund to receipts.				
	-8.00		-8.00	

Senate Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

80 Safety Education Section Continuation Review

\$204,561 R

\$204,561 R

G Provides funding for the Safety Education Section for one year. Beginning in FY 2010-11, this program will be wholly receipt supported. Also restores recurring funds that were inadvertently eliminated as part of this Continuation Review.

\$467,104 NR

Total Legislative Changes

(\$8,850,878) R

(\$8,850,878) R

\$7,226,269 NR

Total Position Changes

-23.00

-23.00

Revised Budget

\$44,395,214

\$37,178,108

PART XIV. DEPARTMENT OF COMMERCE

ONE NORTH CAROLINA FUND

SECTION 14.1. Of the funds appropriated in this act to the One North Carolina Fund for the 2009-2010 fiscal year, the Department of Commerce may use up to three hundred thousand dollars (\$300,000) to cover its expenses in administering the One North Carolina Fund and other economic development incentive grant programs during the 2009-2010 fiscal year.

ONE NORTH CAROLINA FUNDS/USE OF CASH BALANCE

SECTION 14.2.(a) Of the funds appropriated to the One North Carolina Fund in prior fiscal years that are unencumbered and unexpended as of June 30, 2009, or that become unencumbered or unexpended thereafter, the Department of Commerce shall use the sum of one million dollars (\$1,000,000) in the 2009-2010 fiscal year to market the State as a business destination.

SECTION 14.2.(b) Of the funds appropriated to the One North Carolina Fund in prior fiscal years that are unencumbered and unexpended as of June 30, 2009, or that become unencumbered or unexpended thereafter, the sum of two million dollars (\$2,000,000) shall be transferred to the One North Carolina Small Business Fund for the 2009-2010 fiscal year.

SECTION 14.2.(c) Of the funds appropriated to the One North Carolina Fund in prior fiscal years that are unencumbered and unexpended as of June 30, 2009, or that become unencumbered or unexpended thereafter, the Department of Commerce shall allocate the sum of one million dollars (\$1,000,000) for the 2009-2010 fiscal year to the North Carolina Minority Support Center, Inc., to expand economic development lending. The funds allocated under this subsection shall be used to assist small businesses having difficulty accessing credit due to a lack of liquidity in financial markets. It is the General Assembly's intent that these funds be used to further community economic development lending and support in low-wealth communities and to make capital accessible to small businesses in a way that will have an economic stimulus impact.

SECTION 14.2.(d) Of the funds appropriated to the One North Carolina Fund in prior fiscal years that are unencumbered and unexpended as of June 30, 2009, or that become unencumbered or unexpended thereafter, the sum of two million dollars (\$2,000,000) shall be transferred for the 2009-2010 fiscal year to the Regional Economic Development Commissions.

SMALL BUSINESS ASSISTANCE FUND

SECTION 14.3.(a) Part 2I of Article 10 of Chapter 143B of the General Statutes reads as rewritten:

~~"Part 2I. One North Carolina Small Business Program Assistance.~~

~~"Subpart A. One North Carolina Small Business Program."~~

SECTION 14.3.(b) Part 2I of Article 10 of Chapter 143B of the General Statutes is amended by adding a new Subpart to read:

"Subpart B. Small Business Assistance Fund.

"§ 143B-437.89. Establishment of fund; use of moneys; application for moneys from the fund; disbursement; repayment; inspections; rules; reports.

(a) Fund Established. – A revolving, special revenue fund to be known as the Small Business Jobs Preservation and Emergency Assistance Fund is established in the Department of Commerce. This Fund shall be administered by the Department. The Department shall be responsible for receipt and disbursement of all moneys as provided in this section. Interest earnings shall be credited to the Fund. The Fund consists of revenue resulting from funds appropriated by the State, repayments of principal of and interest on loans, fees, and other amounts received by the Department with respect to financial assistance provided by the Department, and any other public or private funds made available to the Fund.

(b) Department Authority; Loan Terms. – The Department may approve for disbursements of moneys in the Fund to small businesses in accordance with the provisions of this section. The Department shall develop criteria, technical specifications, policies, and procedures to be used in determining whether the conditions of this section are satisfied and whether the activities described in the application are otherwise consistent with the purposes of this section. As used in this section, "moneys" means a disbursement from the Fund in the form of a loan, and "small business" means a business whose annual receipts and number of full-time employees, combined with the annual receipts

1 and full-time employees of all related persons, did not exceed one million dollars (\$1,000,000) or 100
2 full-time employees. A small business may apply for a loan for:

- 3 (1) Up to eighty percent (80%) of the projected cost of the proposed activities, subject
4 to repayment within five years at the prime rate plus four percent (4%).
- 5 (2) Up to eighty percent (80%) of the projected cost of the proposed activities, subject
6 to repayment within 10 years at the prime rate plus six percent (6%).
- 7 (3) Up to eighty percent (80%) of the projected cost of the proposed activities, subject
8 to repayment within 15 years at the prime rate plus eight percent (8%).

9 (c) Eligible Purposes. – Moneys in the Fund shall be used for any of the following eligible
10 purposes:

- 11 (1) To guarantee commercial loans.
- 12 (2) To provide emergency bridge loans where clear and apparent ability to repay has
13 been established but credit remains unavailable.
- 14 (3) To lend for other purposes related to small business job preservation as approved or
15 recommended by the Department.

16 (d) Application. – Any small business may apply for moneys from the Fund by submitting an
17 application to the Department. The application shall list each of the following:

- 18 (1) The proposed activities for which the moneys are to be used.
- 19 (2) The amount of moneys requested for these activities.
- 20 (3) Projections of the dollar amount of private investment that is expected to occur as a
21 direct result of the proposed activities.
- 22 (4) An explanation of the nature of the private investment that will result from the
23 proposed activities.
- 24 (5) A requirement for any reports, disclosures, or information required by this section
25 or necessary for the Department to fulfill its duties under this section.
- 26 (6) The total compensation received for the previous year from the small business and
27 all related persons for each of the five highest-compensated employees of the small
28 business.
- 29 (7) Any additional or supplemental information required by the Department upon
30 written request.

31 (e) Determination. – The Department shall review an application submitted by a small
32 business, determine whether the activities listed in the application are activities that are eligible for
33 moneys from the Fund, and determine which applicants are selected to receive moneys from the Fund.
34 A small business whose application is denied may file a new or amended application.

35 (f) Limitation. – A small business that is selected may not receive moneys from the Fund
36 pursuant to this section with an aggregate total of more than thirty-five thousand dollars (\$35,000).

37 (g) Disbursements of Moneys. – The Department shall not disburse moneys for any loans until
38 the small business has confirmed a method of repayment for the loan. The terms for repayment
39 established for a given loan shall apply through the period of that loan. A small business that has been
40 selected to receive moneys shall use the full amount of the moneys for the activities that were approved
41 pursuant to subsection (b) of this section. Moneys are deemed used if the small business is legally
42 committed to spend the moneys on the approved activities. For purposes of this section, approved
43 activities do not include an increase in the total compensation of any employee identified in the
44 application under subdivision (d)(6) of this section. A small business shall lose any moneys that have
45 not been used within three years of being selected. These unused moneys shall be credited to the Fund.
46 A small business that loses moneys pursuant to this subsection may file a new application. Any moneys
47 repaid or credited to the Fund pursuant to this subsection shall be available to other applicants as long as
48 the Fund exists.

49 (h) Cost Report. – After activities financed in whole or in part pursuant to this section have
50 been completed, the small business shall report the actual cost of the project to the Department. If the
51 actual costs of the activities exceed the projected cost upon which the moneys were based, the small
52 business may submit an application to the Department for additional moneys for the difference. If the
53 actual costs of the activities are less than the projected cost, the small business shall arrange to pay the
54 difference to the Fund according to terms set by the Department.

55 (i) Inspection. – Inspection of a project for which moneys have been awarded may be
56 performed by personnel of the Department. No person may be approved to perform inspections who is

1 an officer or employee of the small business to which the moneys were disbursed or who is an owner,
 2 officer, employee, or agent of a contractor or subcontractor engaged in the activities for which the
 3 moneys were disbursed.

4 (j) Administration. – The Department may adopt, modify, and repeal rules establishing the
 5 procedures to be followed in the administration of this section and interpreting and applying the
 6 provisions of this section, as provided in the Administrative Procedure Act.

7 (k) Legislative Reports. – The Department shall prepare and file on or before September 1 of
 8 each year with the Joint Legislative Commission on Governmental Operations and the Fiscal Research
 9 Division a consolidated report for the preceding fiscal year concerning the allocation of moneys
 10 authorized by this section, including a separate listing of the moneys disbursed to historically
 11 underutilized businesses. The report shall set forth for the preceding fiscal year itemized and total
 12 allocations from the Fund. The Department shall also prepare a summary report of all allocations made
 13 from the Fund for each fiscal year; the total funds received and allocations made; the total amount of
 14 moneys repaid to the Fund; and the total unallocated funds in the Fund.

15 Small businesses that have been selected to receive moneys from the Fund shall prepare and file a
 16 report that shall include the following information:

17 (1) The total amount of private funds that was committed and the amount that was
 18 invested in activities for which moneys from the Fund were made available during
 19 the preceding fiscal year.

20 (2) The total amount and character of moneys received from the Fund during the
 21 preceding fiscal year.

22 (3) The total amount of moneys repaid to the Fund during the preceding fiscal year.

23 (4) A description of how moneys from the Fund and funds from private investors were
 24 used during the preceding fiscal year.

25 (5) Details regarding the types of private investment created or stimulated, the dates of
 26 this activity, the amount of public money involved, and any other pertinent
 27 information, including any jobs created, businesses started, and number of jobs
 28 retained due to the approved activities."

29 **SECTION 14.3.(c)** This act becomes effective July 1, 2009.
 30

31 **WANCHESE SEAFOOD INDUSTRIAL PARK/OREGON INLET FUNDS**

32 **SECTION 14.4.(a)** Funds appropriated to the Department of Commerce for the 2009-2010
 33 fiscal year for the Wanchese Seafood Industrial Park that are unexpended and unencumbered as of June
 34 30, 2009, shall not revert to the General Fund on June 30, 2009, but shall remain available to the
 35 Department to be expended by the Wanchese Seafood Industrial Park for operations, maintenance,
 36 repair, and capital improvements in accordance with Article 23C of Chapter 113 of the General Statutes.
 37 These funds shall be in addition to funds available to the North Carolina Seafood Industrial Park
 38 Authority for operations, maintenance, repair, and capital improvements under Article 23C of Chapter
 39 113 of the General Statutes.

40 **SECTION 14.4.(b)** Funds appropriated to the Department of Commerce for the 2009-2010
 41 fiscal year for the Oregon Inlet Project that are unexpended and unencumbered as of June 30, 2009,
 42 shall not revert to the General Fund on June 30, 2009, but shall remain available to the Department to be
 43 expended by the Wanchese Seafood Industrial Park for securing adequate channel maintenance of the
 44 Oregon Inlet and for operations, maintenance, repair, and capital improvements in accordance with
 45 Article 23C of Chapter 113 of the General Statutes. These funds shall be in addition to funds available
 46 to the North Carolina Seafood Industrial Park Authority for operations, maintenance, repair, and capital
 47 improvements under Article 23C of Chapter 113 of the General Statutes.

48 **SECTION 14.4.(c)** This section becomes effective June 30, 2009.
 49

50 **NER BLOCK GRANTS**

51 **SECTION 14.5.(a)** Appropriations from federal block grant funds are made for the fiscal
 52 year ending June 30, 2010, according to the following schedule:

54 **COMMUNITY DEVELOPMENT BLOCK GRANT**

56 01. State Administration

\$ 1,000,000

1		
2	02. Urgent Needs and Contingency	1,000,000
3		
4	03. Scattered Site Housing	13,200,000
5		
6	04. Economic Development	8,710,000
7		
8	05. Small Business/Entrepreneurship	1,000,000
9		
10	06. Community Revitalization	13,000,000
11		
12	07. State Technical Assistance	450,000
13		
14	08. Housing Development	1,500,000
15		
16	09. Infrastructure	5,140,000
17		
18	TOTAL COMMUNITY DEVELOPMENT	
19	BLOCK GRANT – 2009 Program Year	\$ 45,000,000
20		

21 **SECTION 14.5.(b)** Decreases in Federal Fund Availability. – If federal funds are reduced
 22 below the amounts specified above after the effective date of this act, then every program in each of
 23 these federal block grants shall be reduced by the same percentage as the reduction in federal funds.

24 **SECTION 14.5.(c)** Increases in Federal Fund Availability for Community Development
 25 Block Grant. – Any block grant funds appropriated by the Congress of the United States in addition to
 26 the funds specified in this section shall be expended as follows: each program category under the
 27 Community Development Block Grant shall be increased by the same percentage as the increase in
 28 federal funds.

29 **SECTION 14.5.(d)** Limitations on Community Development Block Grant Funds. – Of the
 30 funds appropriated in this section for the Community Development Block Grant, the following shall be
 31 allocated in each category for each program year: up to one million dollars (\$1,000,000) may be used
 32 for State Administration; not less than one million dollars (\$1,000,000) may be used for Urgent Needs
 33 and Contingency; up to thirteen million two hundred thousand dollars (\$13,200,000) may be used for
 34 Scattered Site Housing; eight million seven hundred ten thousand dollars (\$8,710,000) may be used for
 35 Economic Development; up to one million dollars (\$1,000,000) may be used for Small
 36 Business/Entrepreneurship; not less than thirteen million dollars (\$13,000,000) shall be used for
 37 Community Revitalization; up to four hundred fifty thousand dollars (\$450,000) may be used for State
 38 Technical Assistance; up to one million five hundred thousand dollars (\$1,500,000) may be used for
 39 Housing Development; up to five million one hundred forty thousand dollars (\$5,140,000) may be used
 40 for Infrastructure. If federal block grant funds are reduced or increased by the Congress of the United
 41 States after the effective date of this act, then these reductions or increases shall be allocated in
 42 accordance with subsection (b) or (c) of this section, as applicable.

43 **SECTION 14.5.(e)** Increase Capacity for Nonprofit Organizations. – Assistance to
 44 nonprofit organizations to increase their capacity to carry out CDBG-eligible activities in partnership
 45 with units of local government is an eligible activity under any program category in accordance with
 46 federal regulations. Capacity building grants may be made from funds available within program
 47 categories, program income, or unobligated funds.

48 **SECTION 14.5.(f)** The Department of Commerce shall consult with the Joint Legislative
 49 Commission on Governmental Operations prior to reallocating Community Development Block Grant
 50 Funds. Notwithstanding the provisions of this subsection, whenever the Director of the Budget finds
 51 that:

- 52 (1) A reallocation is required because of an emergency that poses an imminent threat to
 53 public health or public safety, the Director of the Budget may authorize the
 54 reallocation without consulting the Commission. The Department of Commerce
 55 shall report to the Commission on the reallocation no later than 30 days after it was

1 authorized and shall identify in the report the emergency, the type of action taken,
2 and how it was related to the emergency.

- 3 (2) The State will lose federal block grant funds or receive less federal block grant
4 funds in the next fiscal year unless a reallocation is made. The Department of
5 Commerce shall provide a written report to the Commission on the proposed
6 reallocation and shall identify the reason that failure to take action will result in the
7 loss of federal funds. If the Commission does not hear the issue within 30 days of
8 receipt of the report, the Department may take the action without consulting the
9 Commission.

10 **SECTION 14.5.(g)** By September 1, 2009, the Division of Community Assistance,
11 Department of Commerce, shall report to the Joint Legislative Commission on Governmental
12 Operations and the Fiscal Research Division on the use of Community Development Block Grant Funds
13 appropriated in the prior fiscal year.

14
15 **MAIN STREET GRANT FUNDS**

16 **SECTION 14.6.(a)** Part 15 of Article 10 of Chapter 143B of the General Statutes reads as
17 rewritten:

18 "Part 15. Main Street ~~Financial Incentive Fund~~ Solutions.

19 "§ 143B-472.35. **Establishment of fund; use of ~~moneys; funds~~; application for ~~grants and~~
20 ~~loans; grants; disbursal; repayment; inspections; rules; reports.~~**

21 (a) A ~~revolving~~ fund to be known as the Main Street ~~Financial Incentive~~ Solutions Fund is
22 established in the Department of Commerce. This Fund shall be administered by the Department of
23 Commerce. The Department of Commerce shall be responsible for receipt and disbursement of all
24 ~~moneys funds~~ as provided in this section. Interest earnings shall be credited to the Main Street ~~Financial~~
25 ~~Incentive~~ Solutions Fund.

26 (b) ~~Moneys Funds~~ in the Main Street ~~Financial Incentive~~ Solutions Fund shall be available to the
27 ~~North Carolina cities affiliated with the North Carolina Main Street Center Program~~ micropolitan cities
28 in development tier two and three counties in the State. For purposes of this section, a "micropolitan
29 city" is a city located within the State with a population, according to the most recent U.S. census, of
30 between 10,000 and 50,000 people. ~~Moneys Funds~~ in the Main Street ~~Financial Incentive~~ Solutions Fund
31 shall be used for any of the following eligible activities:

- 32 (1) The acquisition or rehabilitation of properties in connection with private investment
33 in a designated downtown ~~area; area.~~
- 34 (2) The establishment of revolving loan programs for private investment in a
35 designated downtown ~~area; area.~~
- 36 (3) The subsidization of interest rates for these revolving loan ~~programs; programs.~~
- 37 (4) The establishment of facade incentive grants in connection with private investment
38 in a designated downtown ~~area; area.~~
- 39 (5) Market studies, design studies, design assistance, or strategic planning efforts,
40 provided the activity can be shown to lead directly to private investment in a
41 designated downtown ~~area; area.~~
- 42 (6) Any approved project that provides construction or rehabilitation in a designated
43 downtown area and can be shown to lead directly to private investment in the
44 designated downtown ~~area; and area.~~
- 45 (7) Public improvements and public infrastructure within a designated downtown area,
46 provided these improvements are necessary to create or stimulate private
47 investment in the designated downtown area.

48 (c) Any ~~North Carolina micropolitan city affiliated with the North Carolina Main Street Center~~
49 ~~Program~~ located within a development tier two or three county may apply for ~~moneys assistance~~ from
50 the Main Street ~~Financial Incentive~~ Solutions Fund by submitting an application to the Main Street
51 Center in the Division of Community Assistance, Department of Commerce. Any city affiliated with the
52 North Carolina Main Street Center Program may apply for a grant ~~equal to ten percent (10%) of the~~
53 ~~projected cost of the~~ for a proposed project. A city may apply for additional moneys as one or more
54 ~~loans from the Fund. Specifically, a city may apply for a loan for:~~

- 1 (1) ~~Up to fifteen percent (15%) of the projected cost of the proposed project in excess~~
2 ~~of the amount to be received as a grant, subject to repayment within fifteen years at~~
3 ~~five percent (5%) interest;~~
4 (2) ~~Up to twenty percent (20%) of the projected cost of the proposed project in excess~~
5 ~~of the amount to be received as a grant, subject to repayment within ten years at~~
6 ~~eight percent (8%) interest; and~~
7 (3) ~~Up to thirty five percent (35%) of the projected cost of the proposed project in~~
8 ~~excess of the amount to be received as a grant, subject to repayment within seven~~
9 ~~years at ten percent (10%) interest.~~
- 10 (c1) The application shall ~~list~~include each of the following:
- 11 (1) A copy of the consensus local economic development plan developed by the
12 micropolitan city in conjunction with the Department's Main Street Program and
13 the city's regional economic development commission or its local council of
14 government or both.
- 15 (1a) The proposed activities for which the ~~moneys~~funds are to be used and the projected
16 cost of the ~~project~~project.
- 17 (2) The amount of grant ~~moneys~~and any loans~~funds~~ requested for these
18 ~~activities~~activities.
- 19 (3) Projections of the dollar amount of private investment that is expected to occur in
20 the designated downtown area as a direct result of the city's proposed
21 ~~activities~~activities.
- 22 (4) Whether local public dollars are required to match any grant ~~plus any loan~~
23 ~~moneys~~funds according to the provisions of subdivision (g)(2) of this section, and if
24 so, the amount of local public ~~dollars required~~funds required.
- 25 (5) An explanation of the nature of the private investment in the designated downtown
26 area that will result from the city's proposed ~~activities~~activities.
- 27 (6) Projections of the time needed to complete the city's proposed ~~activities~~activities.
- 28 (7) Projections of the time needed to realize the private investment that is expected to
29 result from the city's proposed ~~activities~~and activities.
- 30 (8) Identification of the proposed source of funds to be used for repayment of any loan
31 obligations.
- 32 (9) Any additional or supplemental information requested by the Division.
- 33 ~~The applicant shall furnish additional or supplemental information upon written request.~~
- 34 (d) A committee, comprised of representatives of: the Division of Community Assistance of the
35 Department of Commerce, the North Carolina Main Street Program, the Local Government
36 Commission, and the League of Municipalities ~~shall~~shall do each of the following:
- 37 (1) Review a city's ~~application~~application.
- 38 (2) Determine whether the activities listed in the application are activities that are
39 eligible for a ~~loan~~and grant.
- 40 (3) Determine which applicants are selected to receive ~~moneys~~funds from the Main
41 Street ~~Financial Incentive~~Solutions Fund.
- 42 A city whose application is denied may file a new or amended application.
- 43 (e) A Main Street City that is selected may not receive a grant ~~plus any loans~~ pursuant to this
44 section totaling less than twenty thousand dollars (\$20,000) or more than three hundred thousand dollars
45 (\$300,000).
- 46 (f) ~~The Department of Commerce may not disburse moneys for any loans until the city has~~
47 ~~confirmed a method of repayment of the loan. The terms for repayment established for a given loan~~
48 ~~shall apply throughout the period of that loan.~~
- 49 ~~The Department of Commerce shall establish an account in the amount of the grant plus any loans~~
50 ~~for each city that is selected. These moneys shall be disbursed as expended through warrants drawn on~~
51 ~~the Department of Commerce.~~
- 52 (g) (1) A city that has been selected to receive a grant ~~plus any loans~~ shall use the full
53 amount of the grant ~~plus any loans~~ for the activities that were approved pursuant to
54 subsection (d) of this section. ~~Moneys~~Funds are deemed used if the city is legally
55 committed to spend the ~~moneys~~funds on the approved activities.

- 1 (2) If a city has received approval to use the grant ~~plus any loans~~ for public
 2 improvements or public infrastructure, that city shall be required to raise, before
 3 ~~moneys funds~~ for these public improvements may be drawn from the city's account,
 4 local public funds to match the amount of the grant ~~plus any loans~~ from the Main
 5 Street ~~Financial Incentive Solutions~~ Fund on the basis of at least one local public
 6 dollar (\$1.00) for every one dollar (\$1.00) from the Main Street ~~Financial~~
 7 ~~Incentive Solutions~~ Fund. This match requirement applies only to those ~~moneys~~
 8 ~~funds~~ received for public improvements or public infrastructure and is in addition to
 9 the requirement set forth in subdivision (1) of this subsection.
- 10 (3) A city that fails to satisfy the condition set forth in subdivision (1) of this subsection
 11 shall lose any ~~moneys funds~~ that have not been used within three years of being
 12 selected. These unused ~~moneys funds~~ shall be credited to the Main Street ~~Financial~~
 13 ~~Incentive Solutions~~ Fund. A city that fails to satisfy the conditions set forth in
 14 subdivisions (1) and (2) of this subsection may file a new application.
- 15 (4) Any ~~moneys funds~~ repaid or credited to the Main Street ~~Financial~~
 16 ~~Incentive Solutions~~ Fund pursuant to subdivision (3) of this subsection shall be
 17 available to other applicants as long as the Main Street ~~Financial Incentive Solutions~~
 18 Fund is in effect.
- 19 (h) ~~Each city is authorized to agree to apply any available revenues of that city to the~~
 20 ~~repayment of a loan obligation to the extent the generation of these revenues is within the power of that~~
 21 ~~city to enter into covenants to take action in order to generate these revenues; provided:~~
- 22 (1) ~~The agreement to use this source of funds to make repayment or the covenant to~~
 23 ~~generate these revenues does not constitute a pledge of the city's taxing power; and~~
- 24 (2) ~~The repayment agreement specifically identifies the source of funds to be pledged.~~
- 25 (i) After a project financed in whole or in part pursuant to this section has been completed, the
 26 city shall report the actual cost of the project to the Department of Commerce. If the actual cost of the
 27 project exceeds the projected cost upon which the grant ~~plus any loans were was~~ based, the city may
 28 submit an application to the Department of Commerce for a grant ~~or loans~~ for the difference. If the
 29 actual cost of the project is less than the projected cost, the city shall arrange to pay the difference to the
 30 Main Street ~~Financial Incentive Solutions~~ Fund according to terms set by the Department.
- 31 (j) Inspection of a project for which a grant ~~plus any loans have has~~ been awarded may be
 32 performed by personnel of the Department of Commerce. No person may be approved to perform
 33 inspections who is an officer or employee of the unit of local government to which the grant ~~plus any~~
 34 ~~loans were was~~ made or who is an owner, officer, employee, or agent of a contractor or subcontractor
 35 engaged in the construction of any project for which the grant ~~plus any loans were was~~ made.
- 36 (k) The Department of Commerce may adopt, modify, and repeal rules establishing the
 37 procedures to be followed in the administration of this section and regulations interpreting and applying
 38 the provisions of this section, as provided in the Administrative Procedure Act.
- 39 (l) The Department of Commerce and cities that have been selected to receive a grant ~~plus any~~
 40 ~~loans from~~ the Main Street ~~Financial Incentive Solutions~~ Fund shall prepare and file on or before July
 41 ~~31~~ September 1 of each year with the Joint Legislative Commission on Governmental Operations and the
 42 Fiscal Research Division a consolidated report for the preceding fiscal year concerning the allocation of
 43 grants ~~plus any loans~~ authorized by this section.
- 44 The portion of the annual report prepared by the Department of Commerce shall set forth for the
 45 preceding fiscal year itemized and total allocations from the Main Street ~~Financial Incentive Solutions~~
 46 Fund for ~~grants and loans grants~~. The Department of Commerce shall also prepare a summary report of
 47 all allocations made from the fund for each fiscal year; the total funds received and allocations ~~made;~~
 48 ~~the total amount of loan moneys repaid to the Fund, made~~ and the total unallocated funds in the Fund.
- 49 The portion of the report prepared by the city shall ~~include; include each of the following:~~
- 50 (1) The total amount of private funds that was committed and the amount that was
 51 invested in the designated downtown area during the preceding fiscal ~~year; year.~~
- 52 (2) The total amount of local public matching funds that was raised, if required by
 53 subdivision (g)(2) of this ~~section; section.~~
- 54 (3) The total amount of ~~grant plus any loans grants~~ received from the Main Street
 55 ~~Financial Incentive Solutions~~ Fund during the preceding fiscal ~~year; year.~~

- 1 (4) ~~The total amount of loan moneys repaid to the Main Street Financial Incentive Fund~~
 2 ~~during the preceding fiscal year;~~
 3 (5) A description of how the grant ~~and loan moneys funds~~ and funds from private
 4 investors were used during the preceding fiscal ~~year;~~ year.
 5 (6) Details regarding the types of private investment created or stimulated, the dates of
 6 this activity, the amount of public money involved, and any other pertinent
 7 information, including any jobs created, businesses started, and number of jobs
 8 retained due to the approved activities."

9 **SECTION 14.6.(b)** This act becomes effective July 1, 2009.

10
 11 **INDUSTRIAL COMMISSION FEES/COMPUTER SYSTEM REPLACEMENT**

12 **SECTION 14.7.** The North Carolina Industrial Commission may retain the additional
 13 revenue generated as a result of an increase in the fee charged to parties for the filing of compromised
 14 settlements. These funds shall be used for the purpose of replacing existing computer hardware and
 15 software used for the operations of the Commission. These funds may also be used to prepare any
 16 assessment of hardware and software needs prior to purchase and to develop and administer the needed
 17 databases and new Electronic Case Management System, including the establishment of two
 18 time-limited positions for application development and support and mainframe migration. The
 19 Commission may not retain any fees under this section unless they are in excess of the former
 20 two-hundred-dollar (\$200.00) fee charged by the Commission for filing a compromised settlement.
 21

22 **INDUSTRIAL COMMISSION/SAFETY EDUCATION SECTION**

23 **SECTION 14.8.** G.S. 97-73 reads as rewritten:

24 "**§ 97-73. Fees.**

25 (a) Claims. – The Industrial Commission may establish by rule a schedule of fees for
 26 examinations conducted, reports made, documents filed, and agreements reviewed under this Article.
 27 The fees shall be collected in accordance with rules adopted by the Industrial Commission.

28 (b), (c) Repealed by Session Laws 2003-284, s. 10.33(d), effective July 1, 2003.

29 (d) Safety. – A fee in the amount set by the Industrial Commission is imposed on an employer
 30 for whom the Industrial Commission provides an educational training program on how to prevent or
 31 reduce accidents or injuries that result in workers' compensation claims or a person for whom the
 32 Industrial Commission provides other educational services. The fees are departmental receipts."
 33

34 **EMPLOYMENT SECURITY COMMISSION FUNDS**

35 **SECTION 14.9.(a)** Funds from the Employment Security Commission Reserve Fund shall
 36 be available to the Employment Security Commission of North Carolina to use as collateral to secure
 37 federal funds and to pay the administrative costs associated with the collection of the Employment
 38 Security Commission Reserve Fund surcharge. The total administrative costs paid with funds from the
 39 Reserve in the 2009-2010 fiscal year shall not exceed two million five hundred thousand dollars
 40 (\$2,500,000).

41 **SECTION 14.9.(b)** There is appropriated from the Employment Security Commission
 42 Reserve Fund to the Employment Security Commission of North Carolina the sum of twenty million
 43 dollars (\$20,000,000) for the 2009-2010 fiscal year to be used for the following purposes:

- 44 (1) Nineteen million seven hundred thousand dollars (\$19,700,000) for the operation
 45 and support of local Employment Security Commission offices.
 46 (2) Two hundred thousand dollars (\$200,000) for the State Occupational Information
 47 Coordinating Committee to develop and operate an interagency system to track
 48 former participants in State education and training programs.
 49 (3) One hundred thousand dollars (\$100,000) to maintain compliance with Chapter 96
 50 of the General Statutes, which directs the Commission to employ the Common
 51 Follow-Up Management Information System to evaluate the effectiveness of the
 52 State's job training, education, and placement programs.

53 **SECTION 14.9.(c)** There is appropriated from the Employment Security Commission
 54 Reserve Fund to the Employment Security Commission of North Carolina an amount not to exceed one
 55 million dollars (\$1,000,000) for the 2009-2010 fiscal year to fund State initiatives not currently funded
 56 through federal grants.

1
2 **EMPLOYMENT SECURITY COMMISSION/USE OF FEDERAL UNEMPLOYMENT TRUST**
3 **FUNDS**

4 **SECTION 14.10.** Of the funds credited to and held in the State of North Carolina's account
5 in the Unemployment Trust Fund by the Secretary of the Treasury of the United States pursuant to and
6 in accordance with section 903 of the Social Security Act, the Employment Security Commission of
7 North Carolina may expend the sum of fourteen million dollars (\$14,000,000) for the 2009-2011
8 biennium for the following purposes:

- 9 (1) Implementing and administering the provisions of State law that qualify the State
10 for the incentive payments.
11 (2) Improved outreach to individuals who might be eligible by virtue of these
12 provisions.
13 (3) The improvement of unemployment benefits and tax operations, including
14 responding to increased demand for unemployment benefits.
15 (4) Staff-assisted reemployment services for unemployment claimants.
16

17 **SET REGULATORY FEE FOR UTILITIES COMMISSION**

18 **SECTION 14.14.(a)** The percentage rate to be used in calculating the public utility
19 regulatory fee under G.S. 62-302(b)(2) is twelve one-hundredths of one percent (0.12%) for each public
20 utility's North Carolina jurisdictional revenues earned during each quarter that begins on or after July 1,
21 2009.

22 **SECTION 14.14.(b)** The electric membership corporation regulatory fee imposed under
23 G.S. 62-302(b1) for the 2009-2010 fiscal year is two hundred thousand dollars (\$200,000).

24 **SECTION 14.14.(c)** This section becomes effective July 1, 2009.
25

Governor's Items Not Included (Commerce)	FY 09-10	FY 10-11
1 Truth in Budgeting	(\$1,156,545)	(\$1,156,545)
2 Reduce Various Operating Accounts	(\$1,132,158)	(\$1,132,158)
3 Reduce Various Operating Accounts	(\$438,996) NR	(\$438,996) NR
4 Eliminate Positions (10)	(\$512,498)	(\$512,498)
5 Main Street Program Expansion	\$300,000	\$300,000
6 Main Street Program Expansion		\$3,000,000 NR

Commerce - State Aid

GENERAL FUND

	FY 09-10		FY 10-11	
Adjusted Continuation Budget	\$15,642,232		\$15,642,232	
Legislative Changes				
81 Non-profit Operating Efficiencies	(\$337,559)	R	(\$337,559)	R
Reduces the recurring pass-through appropriations to each non-profit by two percent.				
82 Regional Economic Development Commissions				
G ^m Provides funding for the seven Regional Economic Development Commissions. Funds will be allotted to the Commissions in accordance with the formula set out in Section 14.13.	\$3,000,000	NR	\$5,000,000	NR
	Gov had \$3,185,944 R			
83 Minority Support Center Funds				
Section 14.2(c) directs the Department of Commerce to allocate \$1 million from the One NC Fund cash balance to the Minority Support Center. These funds shall be used to further community economic development lending and support in low-wealth communities and to make capital accessible to small businesses in a way that will have an economic stimulus impact.				
84 Defense and Security Technology Accelerator				
G ^m Provides funds for the Partnership for defense Innovation to support the Defense and Security Technology Accelerator, a business incubator focusing on economic development opportunities in industries relating to homeland security and national defense.	\$500,000	NR		
	Gov had \$1.5m			
85 Biofuels Center of North Carolina				
Section 20A.2 allocates \$3 million of the funds received by the State under the American Recovery and Reinvestment Act and appropriated to the State Energy Office to the Biofuels Center of NC. Funds will be used for costs related to implementing the North Carolina Strategic Plan for Biofuels Leadership developed under S.L. 2006-206.				
Total Legislative Changes	(\$337,559)	R	(\$337,559)	R
	\$3,500,000	NR	\$5,000,000	NR
Total Position Changes				
Revised Budget	\$18,804,673		\$20,304,673	

COUNCIL OF GOVERNMENT FUNDS

SECTION 14.11.(a) Of the funds appropriated in this act to the Department of Commerce, eight hundred seven thousand three hundred fifty-one dollars (\$807,351) for the 2009-2010 fiscal year and eight hundred seven thousand three hundred fifty-one dollars (\$807,351) for the 2010-2011 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-seven thousand four hundred ninety-two dollars (\$47,492) for the 2009-2010 and the 2010-2011 fiscal years.

SECTION 14.11.(b) A regional council of government may use funds allocated to it 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.

SECTION 14.11.(c) Funds allocated by this section shall be paid by electronic transfer in two equal installments. Upon receipt of the report required by subsection (e) of this section, the first installment shall be paid no later than September 15, 2009.

SECTION 14.11.(d) Funds allocated 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.

SECTION 14.11.(e) By September 1 of each year, and more frequently as requested, each council of government or lead regional organization shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division of the General Assembly on prior State fiscal year program activities, objectives, and accomplishments, and prior State fiscal year itemized expenditures and fund sources. Each council of government or lead regional organization shall provide to the Fiscal Research Division of the General Assembly a copy of the organization's annual audited financial statement within 30 days of issuance of the statement.

NONPROFIT REPORTING REQUIREMENTS

SECTION 14.12.(a) The North Carolina Institute of Minority Economic Development, Inc., Land Loss Prevention Project, North Carolina Minority Support Center, North Carolina Community Development Initiative, Inc., North Carolina Association of Community Development Corporations, Inc., North Carolina Biotechnology Center, and Partnership for the Sounds, Inc., shall do the following:

- (1) By September 1 of each year, and more frequently as requested, report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on prior State fiscal year program activities, objectives, and accomplishments, and prior State fiscal year itemized expenditures and fund sources.
- (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.

SECTION 14.12.(b) Remaining allotments after September 1 shall not be released to any nonprofit organization that does not satisfy the reporting requirements provided in subsection (a) of this section.

REGIONAL ECONOMIC DEVELOPMENT COMMISSION ALLOCATIONS

SECTION 14.13.(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 Partnership, Southeastern North Carolina Regional Economic Development Commission, Piedmont Triad Partnership, Northeastern North Carolina Regional Economic Development Commission, North Carolina's Eastern Region Economic Development Partnership, and Carolinas Partnership, Inc.

SECTION 14.13.(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 development factor by the sum of the development factors for eligible counties and multiplying the

1 resulting percentage by the amount of the appropriation. As used in this
2 subdivision, the term "development factor" means a county's development factor as
3 calculated under G.S. 143B-437.08; and

4 (2) Next, the Department shall subtract from funds allocated to the North Carolina's
5 Eastern Region Economic Development Partnership the sum of three hundred eight
6 thousand six hundred sixty-six dollars (\$308,666) in the 2009-2010 fiscal year,
7 which sum represents: (i) the total interest earnings in the prior fiscal year on the
8 estimated balance of seven million five hundred thousand dollars (\$7,500,000)
9 appropriated to the Global TransPark Development Zone in Section 6 of Chapter
10 561 of the 1993 Session Laws; and (ii) the total interest earnings in the prior fiscal
11 year on loans made from the seven million five hundred thousand dollars
12 (\$7,500,000) appropriated to the Global TransPark Development Zone in Section 6
13 of Chapter 561 of the 1993 Session Laws; and

14 (3) Next, the Department shall redistribute the sum of three hundred eight thousand six
15 hundred sixty-six dollars (\$308,666) in the 2009-2010 fiscal year to the seven
16 regional economic development commissions named in subsection (a) of this
17 section. Each commission's share of this redistribution shall be determined
18 according to the development factor formula set out in subdivision (1) of this
19 subsection. This redistribution shall be in addition to each commission's allocation
20 determined under subdivision (1) of this subsection.

21 **SECTION 14.13.(c)** Of the funds appropriated for the Southeastern North Carolina
22 Regional Economic Development Commission, the sum of two hundred fifty-four thousand dollars
23 (\$254,000) for the 2009-2010 fiscal year and the sum of two hundred fifty-four thousand dollars
24 (\$254,000) for the 2010-2011 fiscal year shall be transferred to BRAC Regional Task Force, Inc., for
25 economic development including defense procurement capabilities in the 11-county region it serves.

26 **SECTION 14.13.(d)** No more than one hundred twenty thousand dollars (\$120,000) in
27 State funds shall be used for the annual salary of any one employee of a regional economic development
28 commission.

29 **SECTION 14.13.(e)** The General Assembly finds that successful economic development
30 requires the collaboration of the State, regions of the State, counties, and municipalities. Therefore, the
31 regional economic development commissions are encouraged to seek supplemental funding from their
32 county and municipal partners to continue and enhance their efforts to attract and retain business in the
33 State.

Governor's Items Not Included (State Aid)

FY 09-10

FY 10-11

1 Aerospace Alliance

\$250,000

NR

N.C. Biotechnology Center

GENERAL FUND

	FY 09-10		FY 10-11
Adjusted Continuation Budget	\$15,427,561		\$15,427,561
Legislative Changes			
86 Operating Efficiencies	(\$308,551)	R	(\$308,551) R
Reduces the budget for the Biotech Center by two percent.			
Total Legislative Changes	(\$308,551)	R	(\$308,551) R
Total Position Changes			
Revised Budget	\$15,119,010		\$15,119,010

Rural Economic Development Center

GENERAL FUND

	FY 09-10		FY 10-11	
Adjusted Continuation Budget	\$24,059,581		\$24,059,581	
Legislative Changes				
87 Operating Efficiencies	(\$40,128)	R	(\$40,128)	R
Reduces the administrative appropriation to the Rural Center by two percent.				
Total Legislative Changes	(\$40,128)	R	(\$40,128)	R
Total Position Changes				
Revised Budget	\$24,019,453		\$24,019,453	

RURAL ECONOMIC DEVELOPMENT CENTER

SECTION 14.15.(a) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc. (Rural Center), the sum of four million three hundred sixty-four thousand seven hundred eighty-five dollars (\$4,364,785) for the 2009-2010 fiscal year and the sum of four million three hundred sixty-four thousand seven hundred eighty-five dollars (\$4,364,785) for the 2010-2011 fiscal year shall be allocated as follows:

	2009-2010	2010-2011
Technical Assistance and Center Administration of Research and Demonstration Grants	\$431,156	\$431,156
Center Administration, Oversight, and Other Programs	\$586,290	\$586,290
Water/Wastewater Administration and Technical Assistance	\$449,203	\$449,203
Research and Demonstration Grants	\$366,300	\$366,300
Institute for Rural Entrepreneurship	\$142,560	\$142,560
Community Development Grants	\$987,436	\$987,436
Community Development Grants Administration	\$ 48,510	\$ 48,510
Microenterprise Loan Program	\$193,050	\$193,050
Water/Sewer/Business Development Matching Grants	\$874,170	\$874,170
Statewide Water/Sewer Database	\$ 99,000	\$ 99,000
Agricultural Advancement Consortium	\$114,345	\$114,345
Agricultural Advancement Consortium Operating	\$ 72,765	\$ 72,765

SECTION 14.15.(b) Funds allocated in subsection (a) of this section for community development grants shall support development projects and activities within the State's minority communities. Any new or previously funded community development corporation, as that term is defined in subsection (c) of this section, is eligible to apply for community development grant funds. However, no community development grant funds shall be released to a community development corporation unless the corporation can demonstrate that there are no outstanding or proposed assessments or other collection actions against the corporation for any State or federal taxes, including related penalties, interest, and fees.

SECTION 14.15.(c) 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.

SECTION 14.15.(d) The Rural Center 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.

SECTION 14.15.(e) By September 1 of each year, and more frequently as requested, the Rural Center shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on prior State fiscal year program activities, objectives, and accomplishments and prior State fiscal year itemized expenditures and fund sources.

RURAL ECONOMIC DEVELOPMENT CENTER/INFRASTRUCTURE PROGRAM

SECTION 14.16.(a) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc. (Rural Center), the sum of nineteen million two hundred ninety-seven thousand two hundred and seventy-eight dollars (\$19,297,278) for the 2009-2010 fiscal year and the sum of nineteen million two hundred ninety-seven thousand two hundred and seventy-eight dollars (\$19,297,278) for the 2010-2011 fiscal year shall be allocated as follows:

- (1) To continue the North Carolina Infrastructure Program. The purpose of the Program is to provide grants to local governments to construct critical water and wastewater facilities and to provide other infrastructure needs, including technology needs, to sites where these facilities will generate private job-creating investment. At least fourteen million eight hundred and fifty thousand dollars (\$14,850,000) of the funds appropriated in this act for each year of the biennium must be used to provide grants under this Program.
- (2) To provide matching grants to local governments in distressed areas and equity investments in public-private ventures that will productively reuse vacant buildings and properties, with priority given to towns or communities with populations of less than 5,000.
- (3) To provide economic development research and demonstration grants.

SECTION 14.16.(b) The Rural Center may contract with other State agencies, constituent institutions of The University of North Carolina, and colleges within the North Carolina Community College System for certain aspects of the North Carolina Infrastructure Program, including design of Program guidelines and evaluation of Program results.

SECTION 14.16.(c) During each year of the 2009-2011 biennium, the Rural Center may use up to three hundred seventy-eight thousand three hundred seventy-eight dollars (\$378,378) of the funds appropriated in this act to cover its expenses in administering the North Carolina Economic Infrastructure Program.

SECTION 14.16.(d) By September 1 of each year, and more frequently as requested, the Rural Center shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division concerning the progress of the North Carolina Economic Infrastructure Program in the prior State fiscal year.

OPPORTUNITIES INDUSTRIALIZATION CENTERS FUNDS

SECTION 14.17.(a) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc. (Rural Center), the sum of three hundred fifty-seven thousand three hundred ninety dollars (\$357,390) for the 2009-2010 fiscal year and the sum of three hundred fifty-seven thousand three hundred ninety dollars (\$357,390) for the 2010-2011 fiscal year shall be equally distributed among the certified Opportunities Industrialization Centers (OI Centers).

SECTION 14.17.(b) By September 1 of each year, and more frequently as requested, the Rural Center shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division on prior fiscal year program activities, objectives, and accomplishments for each of the OI Centers receiving funds pursuant to subsection (a) of this section. This report shall include data for each OI Center on itemized expenditures and fund sources for the prior State fiscal year.

SECTION 14.17.(c) The Rural Center shall ensure that each OI Center files annually with the State Auditor a financial statement in the form and on the schedule prescribed by the State Auditor. The financial statements must be audited in accordance with standards prescribed by the State Auditor to assure that State funds are used for the purposes provided by law.

SECTION 14.17.(d) No funds appropriated under this act shall be released to an OI Center listed in subsection (a) of this section if the OI Center has any overdue tax debts, as that term is defined in G.S. 105-243.1, at the federal or State level.

RURAL ECONOMIC DEVELOPMENT CENTER/CLEAN WATER PARTNERS FUNDING

SECTION 14.18. By September 1 of each year, and more frequently as requested, the North Carolina Rural Economic Development Center, Inc., shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division concerning the progress of the water/sewer improvement grants (commonly referred to as funding for Clean Water Partners) as appropriated in Section 13.13A of S.L. 2007-323 and Section 13.8 of S.L. 2008-107. Each report shall

1 include a list of grants made since the last report, the total amount contracted, and the amount of funds
2 remaining. This reporting requirement shall replace all previous reporting requirements and shall remain
3 in effect until all funds from this program are expended.
4

5 **RURAL ECONOMIC DEVELOPMENT CENTER/AMERICAN RECOVERY AND**
6 **REINVESTMENT ACT FUNDS**

7 **SECTION 14.19.** If the North Carolina Rural Economic Development Center, Inc., (Rural
8 Center) finds that North Carolina will not maximize the amount of funding for water and wastewater
9 projects the State could receive under the American Recovery and Reinvestment Act of 2009, the Rural
10 Center shall use funds appropriated to the Rural Center in this act to maximize such funding.
11

Governor's Items Not Included (Rural Center)

FY 09-10

FY 10-11

1 Water and Sewer Funds

\$10,000,000

Summary of Potential Cash Transfers to the General Fund on April 8, 2009

#	Budget Code	Fund	Short Title	Balance on 3/31/2009	Transfer Amount	Brief Summary
1	23460	2120	Health and Wellness Trust Fund	60,115,179	22,000,000	Intercept 50% of funds to be received 4-16-09
2	23703	2801	Tobacco Trust Fund	17,238,286	22,000,000	Intercept 50% of funds to be received 4-16-09
3	24160	2000	Unobligated Funds	15,720,881	8,000,000	Will not impact operations
4	64170		Forfeited Funds	2,921,729	2,000,000	Funds not needed as of 6-30-08
5	24160	2405	BEACON Learning Solutions	7,390,000	7,390,000	Project delayed, funds not needed
6	14420		DSS -- TANF Contingency	20,000,000	20,000,000	Additional federal monies
7	67425	6725	Hard of Hearing -- NC Dual Party Relay	16,644,020	5,000,000	Offered up by department
8	24410		DHHS -- IT Projects Reserve	31,683,298	2,900,000	Estimate recommended by DHHS
9	24300		DENR -- Assorted Fees	31,975,474	12,131,040	Will not impact programs
10	24304		DENR -- Wetlands Trust Fund	45,166,303	1,200,000	Revised estimate from DENR
11	24306		DENR -- Dry Cleaning Solvent	34,087,884	6,326,799	Will not impact program
12	64303	6770	DENR -- Scrap Tire Fund	12,517,617	7,453,981	Will not impact program
13	24309	2235	DENR -- Parks & Rec Trust Fund	39,119,100	6,000,000	Will not impact existing contracts
14			DENR -- Natural Heritage Trust Fund	25,346,958	2,832,961	Will not impact existing contracts
15	26802	2202	Community Colleges -- Data Connec.	3,348,463	3,348,463	Transfer entire balance
16	63501	6108	DPI -- Trust Fund	18,625,000	12,000,000	Fully covers all applicants
17	06010	0600	SEAA -- Unobligated Funds	4,226,585	4,226,585	Fully covers all applicants
18			Total		144,809,829	

State Education Assistance Authority

KRISTIN WALKER

HOUSE APPROPRIATIONS SUBCOMMITTEES
APPROACH TO DEVELOPING THE 2009-11 BIENNIAL BUDGET
SPECIFIC AREAS TO REVIEW

Due to the magnitude of the current fiscal crisis and the significant budget gaps projected for the next two to four fiscal years, subcommittees are being asked to implement a targeted approach to developing the budget.

As you meet with your subcommittees over the next three to four weeks, examine the following.

1. Require Agencies and Nonprofits to Justify The Budget

Build on the General Assembly's past and current justification and continuation review initiatives: require state agencies and nonprofits to justify continuing some expenditures. You should use this approach for:

- Individual programs, including non-essential, ineffective, obsolete, redundant or new (created in the past four years) programs and services.
- Specific line items within programs. (See list on back of page.)

2. Use Governmental and Proprietary Fund Cash Balances

Cash balances can be transferred to the General Fund, or expenditures can be transferred to the other funds.

3. Eliminate Vacant Positions

Consider cutting vacant positions, especially those vacant for 6 months or more as of January 1, 2009 (excluding public school teachers). Note: The Governor budgeted some salaries at less than 100%; this will affect budget reductions that are based on eliminating positions.

4. Increase or Implement Fees

Examine fees to determine if any increases are appropriate and could be used to offset operating appropriations.

5. Examine Rate Changes

If the base budget contains rate increases, such as built-in contract increases, these increases should be eliminated if possible.

6. Change Funding Formulas

Funding allocation formulas to determine if changes can be implemented to improve the method and achieve cost savings.

7. Use Federal American Recovery and Reinvestment Act (ARRA) funds

Budget any relevant federal Recovery funds. To the extent possible and allowed by federal regulations, use the funds for supplanting and for non-recurring needs. The Governor's budget uses some Recovery funds for expansions; some of these dollars can be used to supplant. Other dollars have not yet been budgeted at all.

8. Finally, Consider Applicable Recommendations Found In Any of the Following:

- Reports issued by the General Assembly's Program Evaluation Division
- Audits or studies, including reports mandated in S.L. 2007-323 and S.L. 2008-107;
- Past Justification Reviews; prior- and current-year Continuation Reviews.

Specific Line Items within Programs That Should be Justified by Agencies

1. Direct appropriations and grants to nonprofit organizations
2. Contracted personal services
3. Miscellaneous contractual services
4. Rental/lease of equipment
5. Travel and other employee expense
6. Cellular phone services
7. Furniture and equipment replacement schedules
8. Discretionary grants
9. Directed grants
10. Loans
11. Other aids and grants
12. Any other programs and expenditures identified by the subcommittees as appropriate for review using a justification review approach.

House Appropriations Subcommittee on NER

Agenda

Wednesday, April 15, 2009, 8:30 A.M.

Room 423, Legislative Office Building

Rep. Pierce, Presiding

I. Welcome

Rep. Pierce

II. Review of Senate Budget

Fiscal Research Staff

III. Committee Discussion

IV. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

House Pages

APPROPRIATIONS - NATURAL &

Name Of Committee: ECON RES.

Date: 4-15-09

1. Name: Will Hayman

County: Wake

Sponsor: Hackney

2. Name: Ray Manigo

County: Cumberland

Sponsor: Floyd

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

1. Name: JAMES WORTH

2. Name: DAVID SHERRON

3. Name: BOB ROSSI

4. Name: _____

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

April 15, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Doug Lassiter	NC STA
Art Britt	Labor
Jennifer Haigwood	Labor
Jack Brinson	Labor
Kathy Gill	NC Zoo Society
FRAN NOLAN	GRASSROOTS SCIENCE M.C.
Elizabeth Biser	DENR
Cathy Hardy	DENR
Anta McNeal	DENR
Zund Meind	OSBM
Donna S. Cat	OSBM

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

April 15, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Tommy Clark	NCWRC
Sarah Clapp	NCWRC
GORDON MYERS	NCWRC
N. David Smith	NZ Dept. of Agriculture
Ed Suljic	Brooks Pierce
Jenni Overton	NCDACS
Amy McConkey	Smith Anderson
Angie Bailey	e-NC Authority
Lou Ann Harris	LAAHA
JSP	NC TD
L. Andrews	NCFB

MINUTES

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL & ECONOMIC RESOURCES

April 21, 2009

8:30 AM

The House Appropriations Subcommittee on Natural & Economic Resources met in Room 423 of the Legislative Office Building on April 21, 2009, at 8:30 a.m. Representative Warren called the meeting to order and welcomed the attendees, including those from the Tarheel Challenge program. She then introduced the Sergeants-at-Arms: David Shearon and James Worth. She also introduced the House Pages: McKenzi Toogood and Sarah Fogleman.

The following Committee members were present: Co-Chairs: Representatives Harrison, Pierce, and Warren; Vice Chairs: Representatives Wilkins and Wray; Members: Representatives Bryant, Sager, Samuelson and West. Staff Counsel Kristine Leggett, Lanier McRee and Kristin Walker were also in attendance.

The following attachments are included and made part of the minutes: Meeting Agenda, Attachment 1; Attendance List, Attachment 2; NER Special Funds, Attachment 3; DENR Special Funds, Attachment 4; Wildlife Resources Commission, Attachment 5; list of Pages and Sergeants-at-Arms, Attachment 6; Visitor Registration list, Attachment 7.

At the first order of business, Representative Warren called on Kristin Walker to begin the presentation on NER Special Funds. A copy of the handout she used is attached and made part of the minutes as Attachment 3. Ms. Leggett defined "special funds" as accounts to which revenues are deposited that are designated for a specific purpose and remain in the account until expended for that purpose. She explained that the committee was considering these funds because the state laws preventing the Governor from taking money from these funds have been suspended because of the budget emergency. She also noted that Budget Codes are 5-digit numbers and are "parent." Fund Codes are 4-digit and are "child."

The next section of Ms. Walker's presentation focused on special funds in the Department of Labor. She focused on five funds: Boiler Inspection, Elevator Inspection, Pre-Apprenticeship, Youth Apprenticeship, and Individual Development Accounts. For the Boiler Inspection and Elevator Inspection funds, Ms. Walker reviewed a list of inspections that bring in receipts to the funds and presented the five-year history of receipts and expenditure, as well as the current balances in each. She described the purposes of the other three funds. Ms. Walker also pointed out differences in how the current versions of the House and Senate budgets differ regarding these funds.

Following the discussion of the Department of Labor, Ms. Walker presented information on the special funds in the Department of Environment and Natural Resources (DENR). A copy of the handout is attached and made part of the minutes as Attachment 4. Ms. Walker noted that DENR has more special funds than any of the other departments covered by the NER Committee. A number of the funds have significant balances. There is about \$350 million in funds with 1x codes and about \$558 million in funds with 2x and 6x


codes. Ms. Walker described a number of funds within DENR, including those related to Fines & Penalties, Express Permitting, SB 7 Hurricane Administration, Air Quality, Environmental Health, Land Resources, Pollution Prevention & Environmental Assistance, Water Quality, Water Resources, Waste Management, Mercury Pollution Prevention, Dry Cleaning Solvent Cleanup, Scrap Tire Disposal, White Goods, LUST Funds, and the Clean Water Management Trust. She noted several instances in which the Governor has taken funds to cover the budget shortfall and described some restrictions on General Assembly ability to reallocate balances.

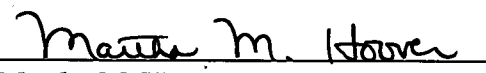
Representative Warren next introduced Lanier McRee to continue the discussion of DENR Special Funds. Ms. McRee presented information on the funds within the Natural Resources section of DENR. The first funds she presented were those associated with Aquariums, focusing on the fund from Aquarium Admissions which has a balance of twelve million dollars. She also discussed the following groups of funds: Ecosystem Enhancement Program, Forest Resources, Marine Fisheries, Museum of Natural Sciences, Natural Resource Planning & Conservation, Parks & Recreation, Soil & Water Conservation, and the North Carolina Zoo.

As the next item of business, Ms. McRee presented budget information for the Wildlife Resources Commission (WRC). A copy of handout used in her presentation is attached and made part of the minutes as Attachment 5. Ms. McRee gave an overview of the Commission, including the responsibilities of its various divisions. She presented charts showing WRC revenue sources, a history of its expenditures from FY 2002-2003, and its cash balance history since FY 2005-2006. In addition, she presented information on the Wildlife Endowment Fund, including its purpose and current cash balance.

There being no further business, the Chair adjourned the meeting at 9:50 a.m.

Respectfully submitted,


Representative Edith D. Warren
Co-Chair


Martha M. Hoover
Assistant to the Committee

ATTACHMENTS:

1. Agenda
2. Attendance List
3. NER Special Funds
4. DENR Special Funds
5. Wildlife Resources Commission
6. List of Pages and Sergeants-at-Arms
7. Visitor Registration Sheets

House Appropriations Subcommittee on NER

Agenda

Tuesday, April 21, 2009, 8:30 A.M.

Room 423, Legislative Office Building

Rep. Warren, Presiding

I. Welcome

Rep. Warren

II. NER Special Funds

Fiscal Research Staff

III. Committee Discussion

IV. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

NER Special Funds

House Appropriations Subcommittee on
Natural and Economic Resources

April 21, 2009



What are Special Funds?

Accounts to which revenues are deposited that are designated for a specific purpose and remain in the account until expended for that purpose.

Budget Codes & Fund Codes

Budget Codes – 5-digit; “parent”

Fund Codes – 4-digit; “child”

1x – General Fund

2x – Special Funds

5x – Enterprise Funds

6x – Trust Funds

Questions



Labor Special Funds

**House Appropriations Subcommittee on
Natural and Economic Resources**

April 21, 2009



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Labor Special Funds

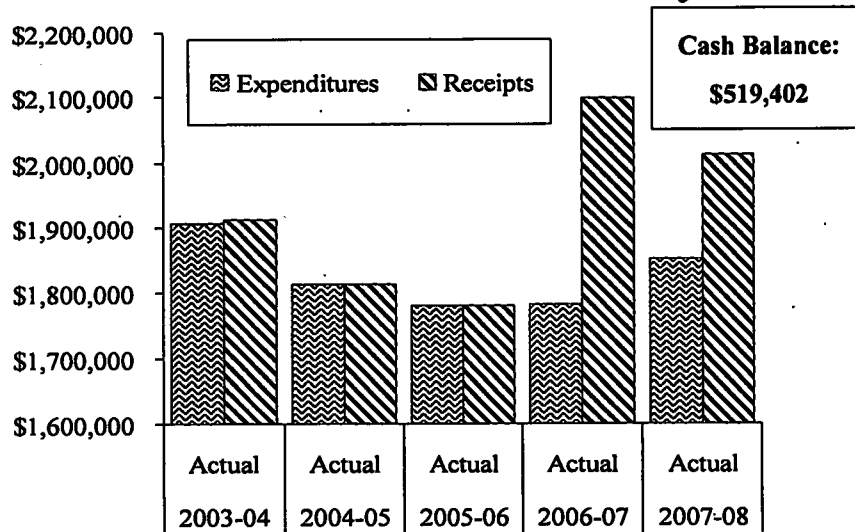
- 23800 2310 Boiler Inspection
- 23800 2320 Elevator Inspection
- 23800 2422 Pre-Apprenticeship
- 23800 2427 Youth Apprenticeship
- 23800 2460 Individual Development Accounts
 - Two 6x funds hold IDA funds until they are transferred to 23800 2460

23800 2310 Boiler Inspection

- Enforces Uniform Boiler & Pressure Vessel Act (G.S. 95, Article 7A)
- Inspections include
 - High pressure and low pressure boilers
 - Antique boilers
 - Model/hobby boilers
 - Air storage tanks



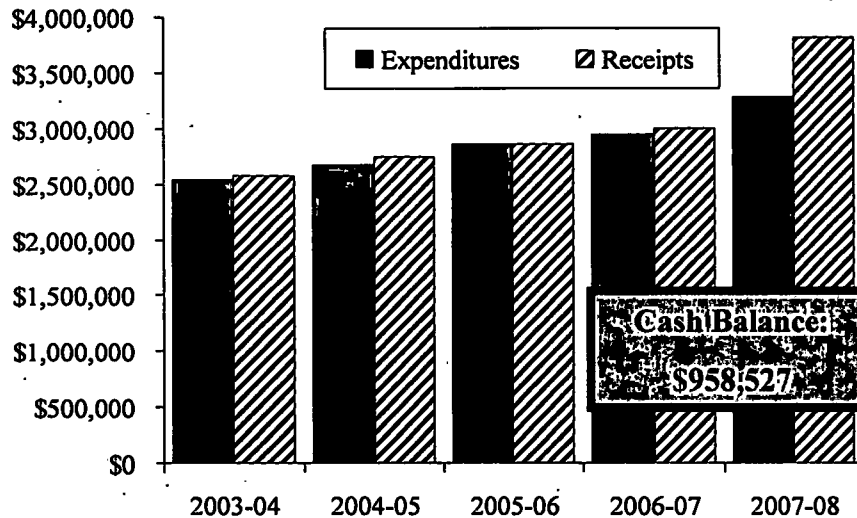
Five-Year Boiler History



23800 2320 Elevator Inspection

- **Enforces the Elevator Safety Act**
(G.S. Chapter 95, Article 14A)
 - **Responsible for proper installation & operation of**
 - Elevators
 - Escalators
 - Workman's hoists
 - Dumbwaiters
 - Moving walkways
 - Aerial passenger tramways
 - Incline railways
 - Lifting devices
-
- Amusement devices
 - Portable rock walls
 - Inflatable amusement devices

Five-Year Elevator History



23800 2422 Pre-Apprenticeship

- Fees collected during previous pre-apprenticeship programs (no longer exist)
- Cash balance is used for
 - unemployment compensation payments to ESC
 - worker comp claims
 - legal settlements and other expenses
- Cash Balance on 1/31/09: \$102,066

23800 2427 Youth Apprenticeship

- Pass-through account for apprenticeship contract with the US Department of Veterans Affairs
- Supports 2 positions and operating costs
- Funds can only be used for VA activities, per grant agreement



23800 2460

Individual Development Accounts

- Designed to help low-wealth individuals build assets for
 - the start-up of new businesses,
 - post-secondary educational investments, or
 - the purchase of a home.
- DOL partners with community organizations
- Funds are committed to participants and will be paid out once they meet savings goals.

Questions



DENR Special Funds



House Appropriations Subcommittee on
Natural and Economic Resources

April 21, 2009



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

DENR Budget

- 39 Budget Codes
- 51 1x Fund Codes
- 250+ Special Fund (2x, 6x) Codes
- In 1x codes:
 - \$350 million (\$210M is General Fund)
 - 3,385 FTE
- In 2x & 6x codes:
 - \$558 million
 - 652 FTE



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

DENR Administration

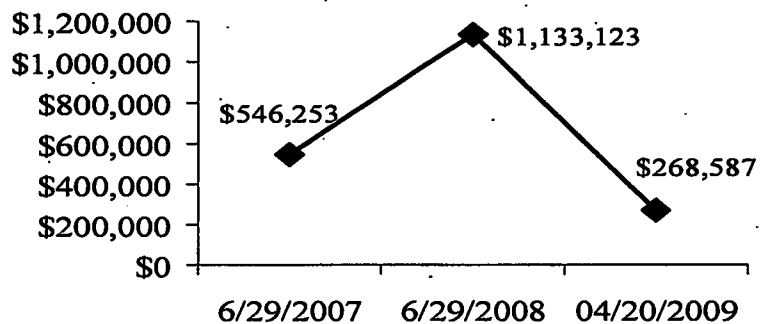
Budget comprised of

- Two 1x Fund Codes
- Three 2x Fund Codes
 - 2339 – Fines & Penalties
 - 2356 – Express Permitting
 - 2770 – S.B. 7 Hurricane Administration



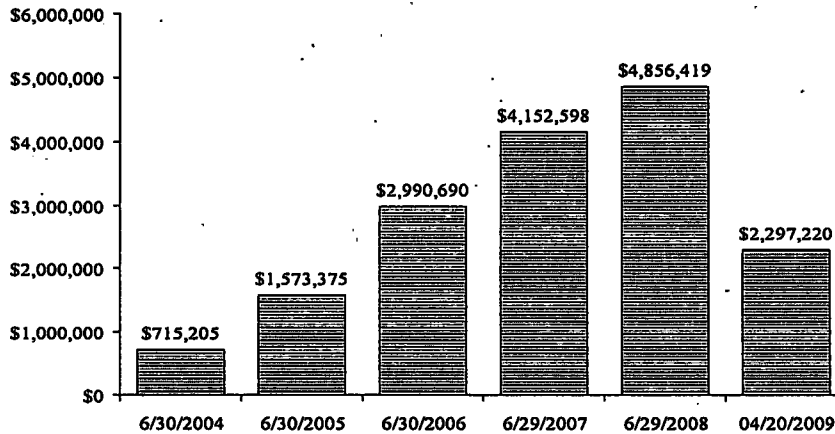
2339 Fines & Penalties

Administrative expenses associated with collecting fines & penalties



DENR Express Permitting

Express Permitting Fund Balance (24300 2356)

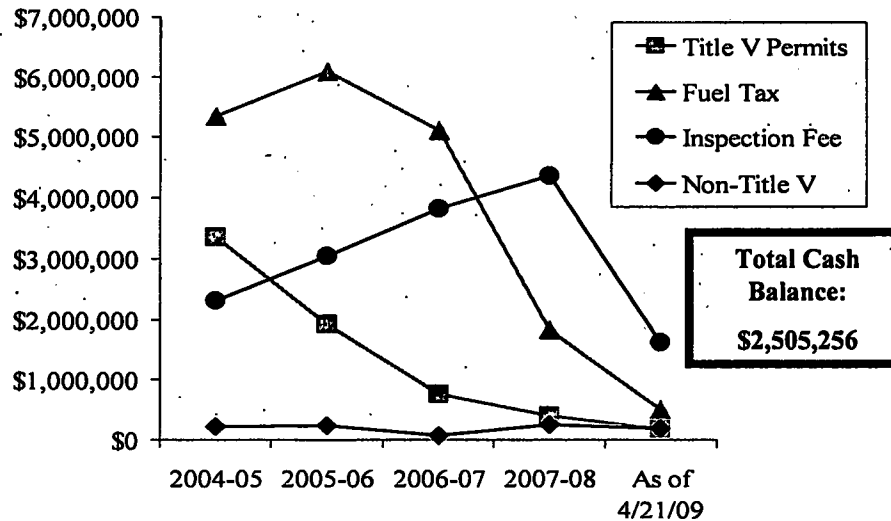


Air Quality

Budget comprised of

- One 1x Fund Code
- Seven 2x Fund Codes
 - 2331 - Air Permits (Non-Title V)
 - 2333 - Clean Air Act (Title V)
 - 2338 - Inspection & Maintenance (Inspection Fee)
 - 2334 - Fuel Tax
 - 2342 - CMAQ/DOT - Air Awareness
 - 2343 - DAQ Terrorism Defense
 - 2345 - School Bus Retrofit

Air Quality Fund Balances



Air Quality Fund Balances

- 2342 – CMAQ/DOT – Air Awareness
– Cash Balance: (\$11,764)
- 2343 – DAQ Terrorism Defense
– Cash Balance: \$5,363
- 2345 – School Bus Retrofit
– Cash Balance: \$500,000

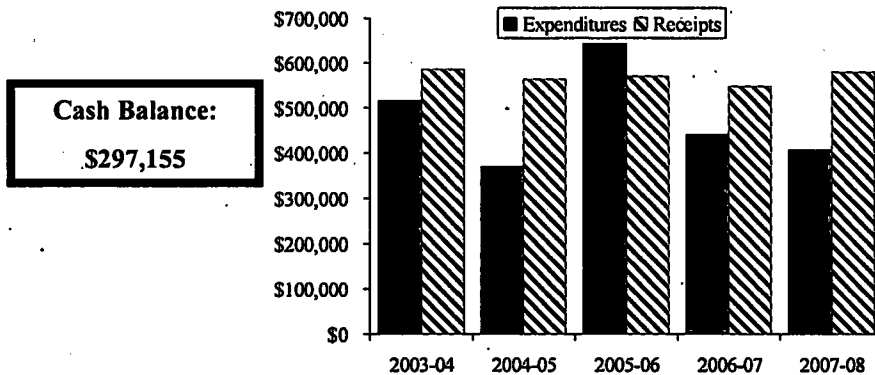
Environmental Health

Budget comprised of

- Six 1x Fund Codes
- Five 2x Fund Codes
 - 2106 – Sleep Products
 - 2179 – Onsite Wastewater Certification
 - 2754 – Onsite Wastewater System Account
 - 2760 – S.B. 7 Hurricane Funds
 - 2810 – Radiation Equipment Funds
- Many 6x Fund Codes – State Revolving Fund

2106 – Sleep Products

- Annual license fees paid by bedding manufacturers, sanitizers, and dealers



2179 – On-site Wastewater Certification

On-site Wastewater Certification

- Fees paid by contractors and inspectors
- Required to construct, install or repair an on-site wastewater system

Fees first collected in FY 2006-07

Cash Balance:

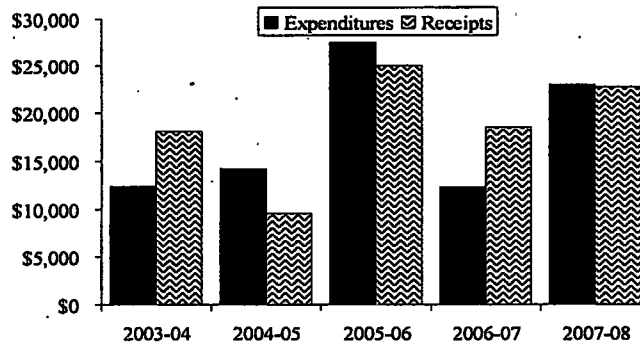
\$500,559

2754 – Onsite Wastewater System Account

- Fees paid by on-site wastewater system companies for review of systems

Cash Balance:

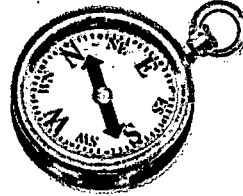
\$21,717



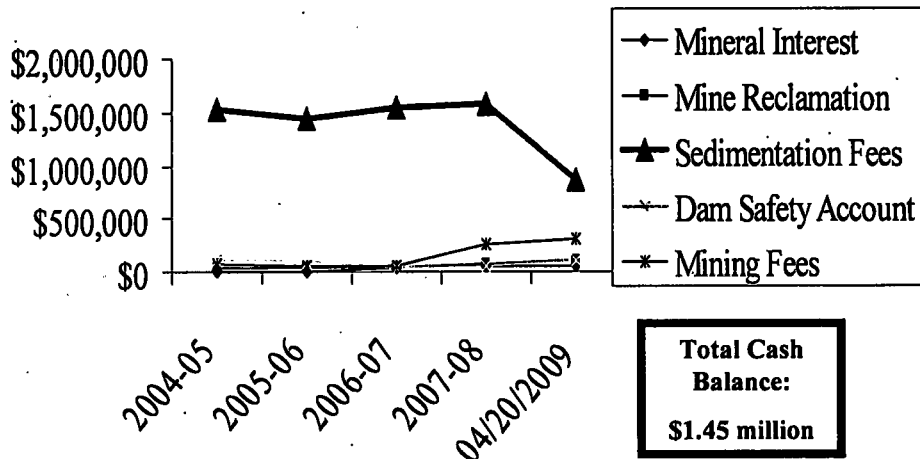
Land Resources

Budget comprised of

- Five 1x Fund Codes
- Eight 2x Fund Codes
 - 2610 – Mineral Interest
 - 2625 – Mine Reclamation
 - 2735 – Sedimentation Fees
 - 2740 – Dam Safety
 - 2745 – Mining Fees
 - 2766 – S.B. 7 Landslide Hazard Mapping
 - 2770 – S.B. 7 Hurricane Recovery Coordination
 - 2815 – Geodetic Survey - DOT



Land Resources Fund Balances



Pollution Prevention & Environmental Assistance

Budget comprised of

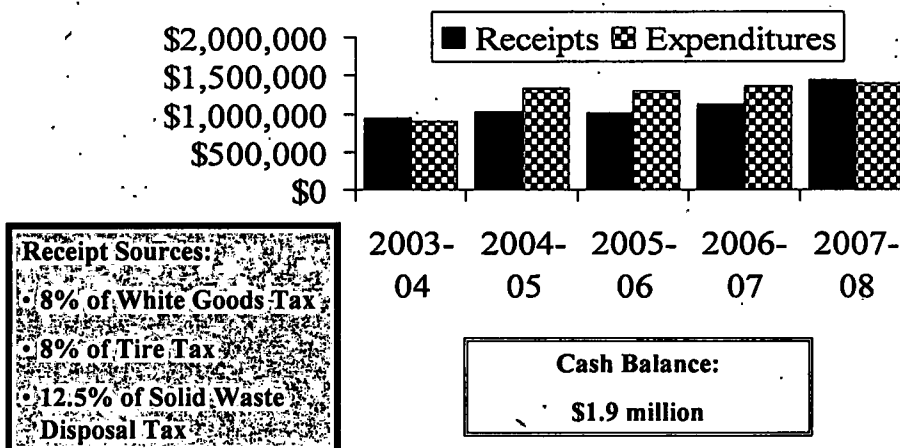
- One 1x Fund Code
- One 2x Fund Code
 - 6760 - Solid Waste Management Trust Fund (SWMTF)

SWMTF Supports:

- Local recycling markets
- Public education
- Technical assistance
- Research



Solid Waste Management Trust Fund



Receipt Sources:

- 8% of White Goods Tax
- 8% of Tire Tax
- 12.5% of Solid Waste Disposal Tax

Water Quality

Budget comprised of

- Twelve 1x Fund Codes
- Six 2x Fund Codes
 - 2130 – Well Construction Fund
 - 2310 – Oil Pollution Control
 - 2311 – State V. Mattox
 - 2335 – Lab Certification Fees
 - 2341 – Water Permits
 - 2526 – Smithfield
- Many 6x Fund Codes – State Revolving Fund

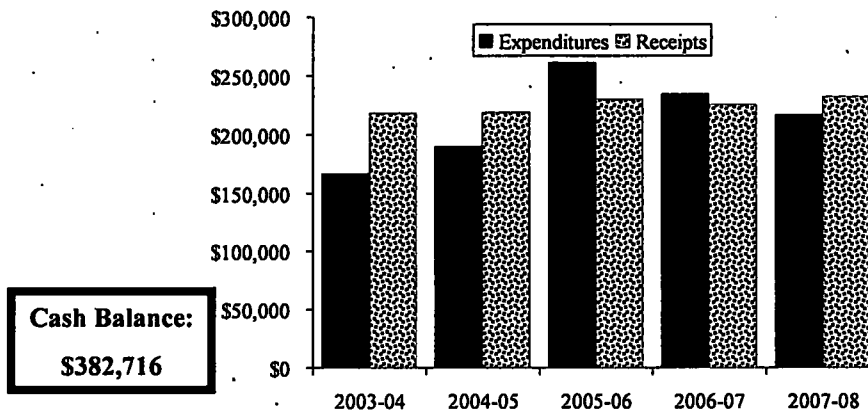
DWQ Special Funds

- 2310 – Oil Pollution Control
 - Governor took entire balance on 4/9/09
- 2311 – State V. Mattox
 - \$35,000 fund balance – awaiting court order
- 2526 – Smithfield
 - (\$346) cash balance



2130 Well Construction Fund

- Fees paid by well contractors
- Supports water quality monitoring and basinwide plan development

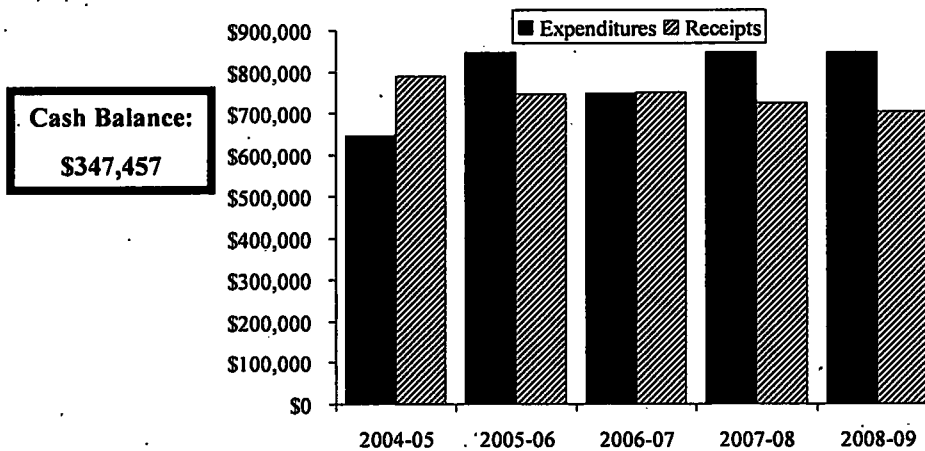


FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

19

April 21, 2009

2335 Lab Certification Fees



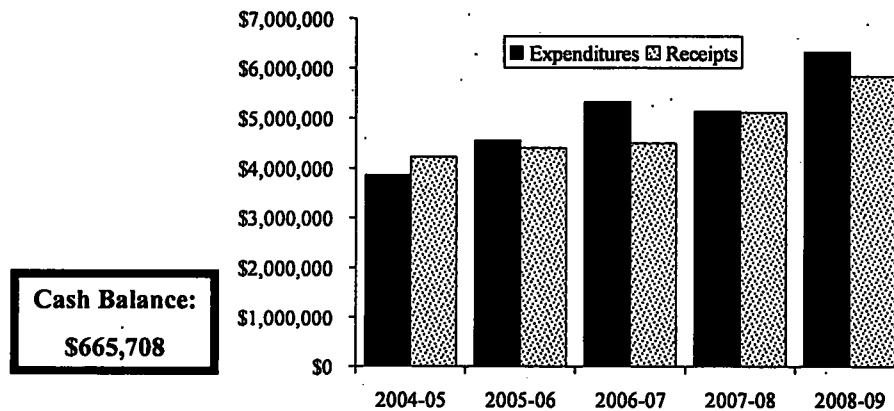
FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

20

April 21, 2009

2341 – Water Permits

Water Quality Permit Fees



Water Resources

Budget comprised of

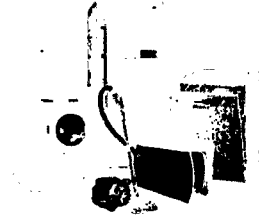
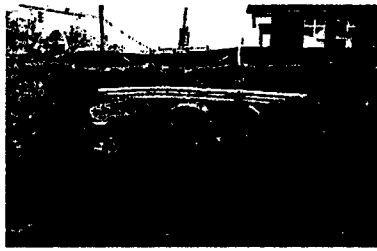
- One 1x Fund Code
- Four 2x Fund Codes
 - 2767 – SB 7 Hurricane Hazard Remediation
 - 2768 – SB 7 Hurricane Implementation
 - 2053 – FERC Cheoah Relicense
 - 2180 - Streamwatch



Waste Management

Budget comprised of

- Three 1x Fund Codes
- Eighteen 2x Fund Codes
- Twelve 6x Fund Codes



Waste Management 2x Codes

- **2219 – Mercury Pollution Prevention**
- 2389 – Registered Environmental Consultants
- 2391 – UST Soil Permitting Fees
- 2393 – Septage Fees
- 2394 – Solid Waste Permitting Fees
- 2126 – Admin. Dry Cleaning Solvent
- **2127 – Dry Cleaning Solvent Cleanup**
- **2054 – Bernard Allen Emergency Drinking Water Fund**
- 2107 – MGP Agreement Funds
- 2355 – Reimbursement Cleanup Gasoline
- 2387 – Hazardous Waste Fees

Waste Management 2x Codes

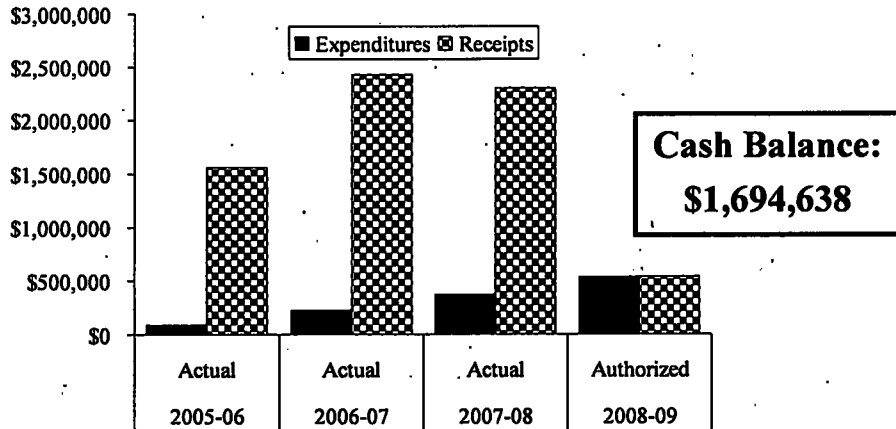
- **2x Cleanup Funds**
 - 2108 – Gresham’s Lake Project
 - 2116 – Kernersville Site
 - 2117 – Burlington Industries Site
 - 2118 – Meadowview Site
 - 2121 – Lexington Site
 - 2122 – Pillowtex
 - 2123 – Davidson River Village



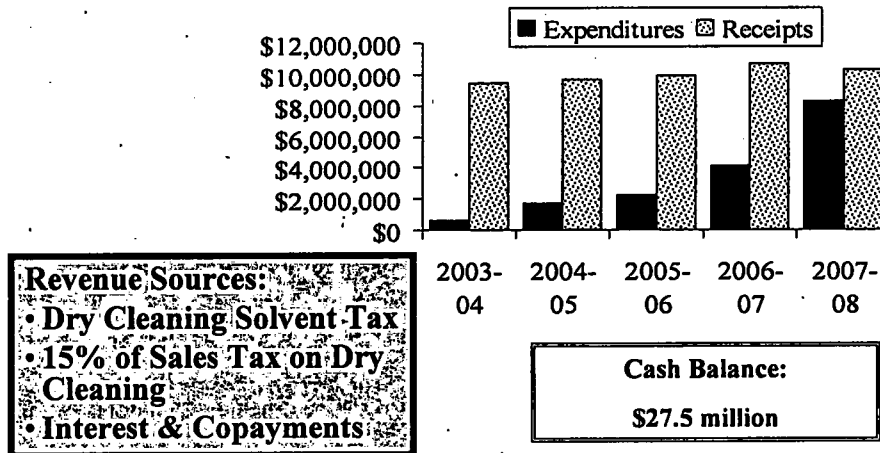
Waste Management 6x Codes

- **6770 – Scrap Tire Disposal Account**
- **6780 – White Goods Fund**
- **6370 – Commercial LUST Fund**
- **6371 – Non-Commercial LUST Funds**
- **6372 – Inactive Hazardous Sites Cleanup**
- **6373 – Emergency Response Fund**
- **6374 – Martin Scrap Recycling Fund**
- **6375 – Superfund Cost Share**
- **6376 – Brownfields**
- **6377 – Brownfields – Charlotte**
- **6378 – Carolina Wood Preserving**
- **6379 – Inactive Hazardous Sites S.B. 1492**

24300 2119 Mercury Pollution Prevention



24306 2126 & 2127 Dry Cleaning Solvent Cleanup



Revenue Sources:

- Dry Cleaning Solvent Tax
- 15% of Sales Tax on Dry Cleaning
- Interest & Copayments

24318 2054

Bernard Allen Emer. Drinking Water

- General Fund Appropriations
 - FY 2006-07: \$300,000
 - FY 2007-08: \$615,000
- Provides for notices of contamination, drinking water, and the costs of testing private wells
- Cash Balance: \$575,739

64303 6770

Scrap Tire Disposal Account

Receipt Source

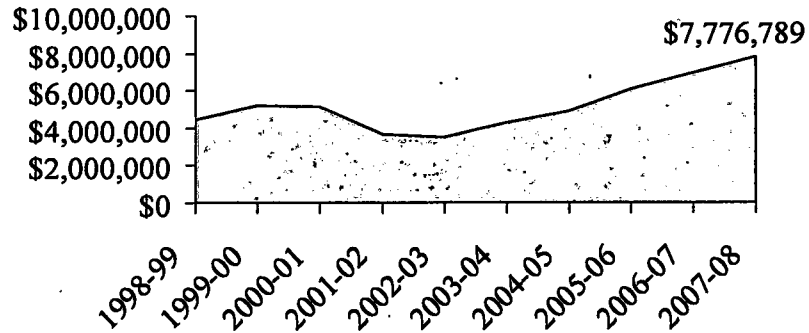
- Fund receives 22% of the net proceeds from the Tire Tax
 - 2% less than 20 inches
 - 1% more than 20 inches

Uses of Fund

- 50% -- grants to local government to assist them in disposing of scrap tires;
- 40% -- grants to encourage the use of processed scrap tire materials
- Remaining revenue *only* allowed to be used to clean up nuisance scrap tire collection sites

64303 6770 Scrap Tire Disposal Account

Scrap Tire Fund Balance



64303 6780 White Goods

Receipt Source

- 20% of the net tax proceeds from the \$3.00 advance disposal tax on white goods

Uses of Fund

- Grants to local governments to manage white goods disposal, include CFCs

Cash Balance:

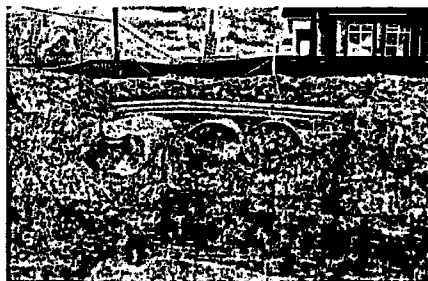
\$1.39 million

LUST Funds

What does the program do?

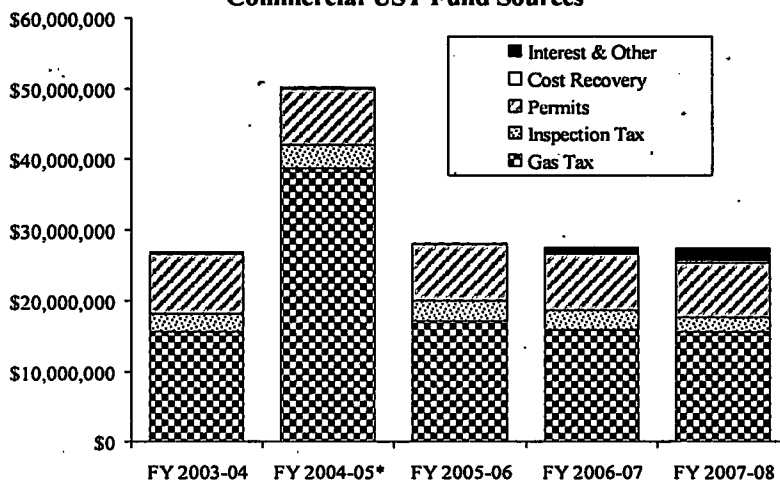
- Registers & collects annual tank fees from commercial owners
- Ensures compliance with regulations for operational standards & permanent closures
- Administers trust funds to reimburse cleanup costs

Commercial = heating oil or motor fuel tanks over 1,100 gal.
Noncommercial = tanks less than 1,100 gal.



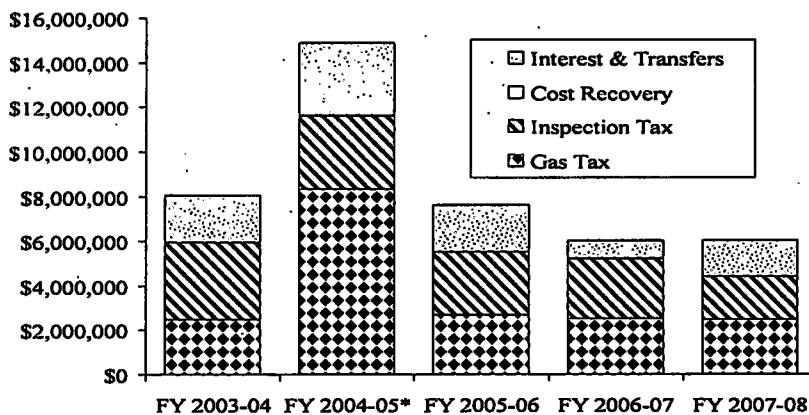
LUST Funds

Commercial UST Fund Sources



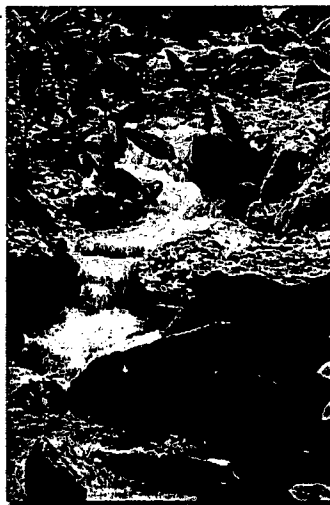
LUST Funds

Non-Commercial LUST Fund Sources



Clean Water Management Trust Fund

- Funds appropriated to 14301 & then transferred to 24305
 - Two 2x Fund Codes
- Cash Balance:
\$155,741,714



Questions



DENR Natural Resource Special Funds

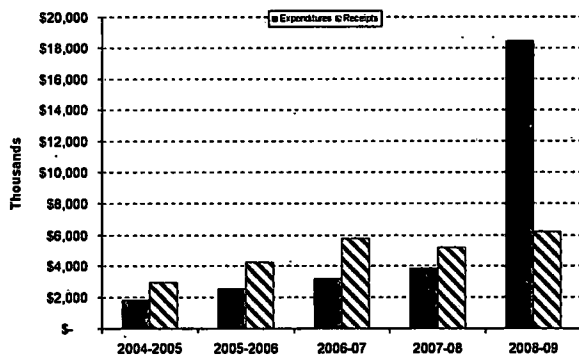
Aquariums

Budget comprised of

- One 1x Fund Code
- Seven 2x Fund Codes
 - 2850 – Roanoke Special Activity
 - 2851 – Roanoke Special Events
 - 2855 – Fort Fisher Special Activity
 - 2856 – Fort Fisher Special Events
 - 2860 – Pine Knoll Shores Special Activity
 - 2861 – Pine Knoll Shores Special Events
 - 2865 – Aquarium Admissions

2865 – Aquarium Admissions

- Funds are from admissions from all three aquariums
- Fund balance grows by a least \$1M in a typical year



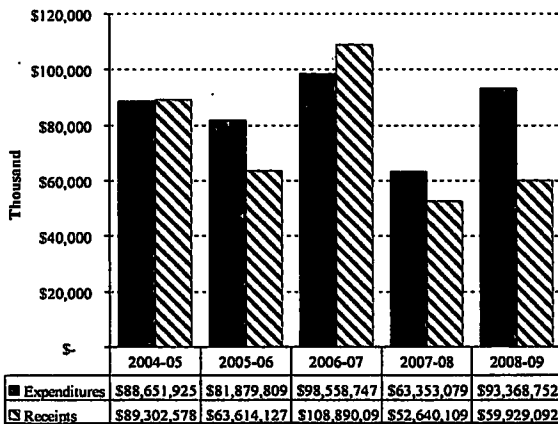
3/31/09 Cash Balance
\$12,315,723

Ecosystem Enhancement Program (EEP)

Budget comprised of

- One 1x Fund Code – supposedly closed...
- Four 2x Fund Codes
 - 2980 – Wetland Restoration
 - 2981 – Compensatory Mitigation
 - 2982 – Riparian Buffer Restoration
 - 2984 – Tri-party MOU Fund

EEP



Cash Balance:	
3/31/09	\$ 45.2M
4/8/09 Transfer	\$ 1.2M
Balance	\$ 44.0M

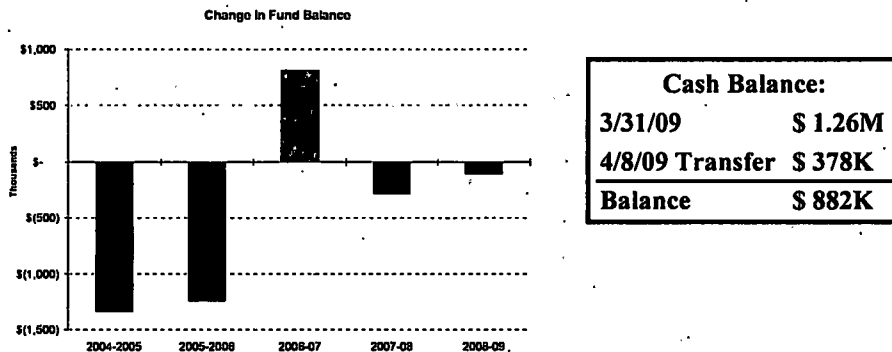
Forest Resources

Budget comprised of

- Five 1x Fund Code
- Three primary 2x Fund Codes
 - 2221 – Bladen Lakes State Forest
 - 2222 – Nursery Seedling
 - 2251 – Forest Development Program
- Several additional 2x Fund Codes, mostly for disaster relief
 - Evans Rd Fire
 - Hurricane Fran, Ivan, & Isabel

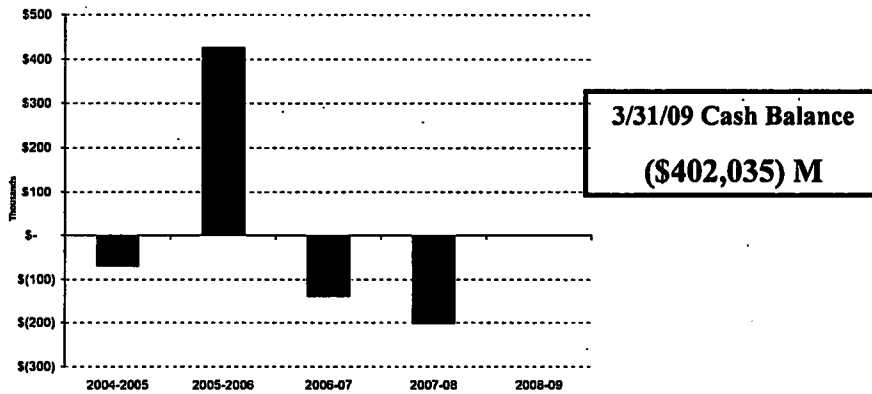
2221 – Bladen Lake State Forest

- Supported by fees for forest services (timber mgmt, pine straw production, etc)



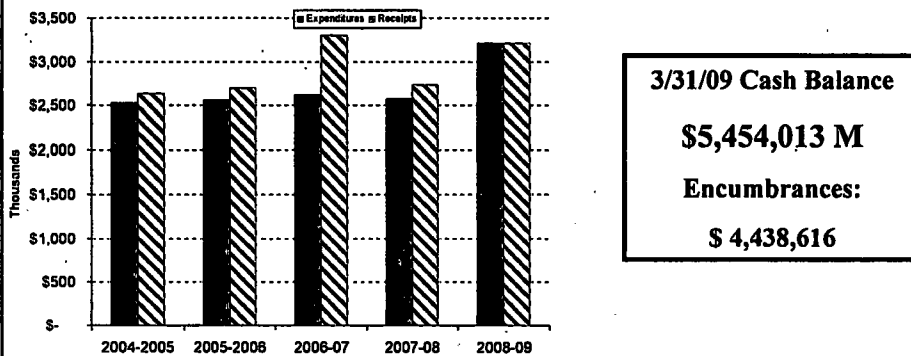
2222 – Nursery Seedling

- Revenue from the sale of tree seedlings



2251 – Forest Development

- Funded by the Timber Assessment and \$589,500 GF Appropriation



Marine Fisheries



Budget comprised of

- Three 1x Fund Code
- Eleven 2x Fund Codes
 - Marine Resources Fund (8)
 - 2128 – Artificial SCUBA Reefs
 - 2392 – Advanced License Sales
 - 2991 – Governor’s Cup Trust
- Multiple 6x Fund Codes
 - Marine Resources Endowment

24323 – Marine Resources Fund

- Eight separate fund codes within this budget code
- Supports 14 positions
- Established by G.S. 113-175.1
- Revenue is from annual and 10-day CRFL licenses
- DMF may authorize the funds only *to manage, protect, restore, develop, cultivate, conserve, and enhance North Carolina’s marine resources.*

3/31/09 Cash Balance

\$ 8,118,198

DMF – 6x Fund Codes

- G.S. 113-175.5 established the Marine Resources Endowment Fund
 - Revenues generated from the sale of lifetime CRFLs are deposited into this fund
 - DMF may authorize the use of endowment investment income only *to manage, protect, restore, develop, cultivate, conserve, and enhance the marine resources of the State.*
 - This is an interest bearing fund.

3/31/09 Cash Balance

\$ 4,971,530

Museum of Natural Sciences

Budget comprised of

- One 1x Fund Code
- Nine 2x Fund Codes
 - 2460 – Research
 - 2461 – EA Publishing
 - 2462 – Science Fairs
 - 2463 – Public Programs
 - 2464 – Extension Activities
 - 2465 – Scientific Publications
 - 2468 – Belize Funds
 - 2470 – School Programs
 - 2479 – Girls in Science

MNS – 2x Fund Codes

- Funds are from fees for services

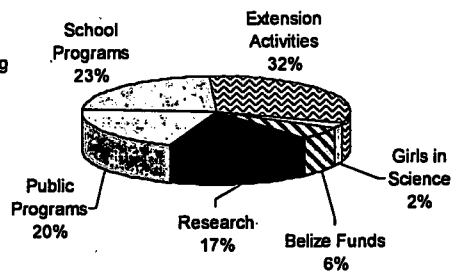
12/31/08 Expenditures

\$ 174,256

School
Science Fairs

Scientific
Publications

EA Publishing
0%



3/31/09 Cash Balance

\$ 51,836

Natural Resource Planning & Conservation

Budget comprised of

- One 1x Fund Code
- One 2x Fund Codes
 - 2410 – Conservation Grant Fund
- Four 6x Fund Codes
 - 6710 – Natural Heritage Trust Fund
 - 6704 – Conservation Grant Endowment - Principle
 - 6705 – Conservation Grant Endowment – Interest EEP
 - 6706 – Conservation Grant Endowment – Interest CWMTF

6710 – Natural Heritage Trust Fund

- Established by G.S. 113-77.7
- Majority of funds are from deed stamp tax
- Uses include:
 - Land acquisition that represents NC's ecological diversity
 - Land acquisition for state parks, trails, forests, wildlife mgmt, wild & scenic rivers, etc
 - Debt for the purposes above

Cash Balance:	
3/31/09	\$ 25.4M
4/8/09 Transfer	\$ 2.8M
Balance	\$ 22.5M

Conservation Grant Endowment

- Established by G.S. 113-232
- Purpose:
 - To stimulate the use of conservation easements and tax credits,
 - To improve the capacity of private nonprofit land trust organizations to successfully accomplish conservation projects,
 - To better equip real estate related professionals to pursue opportunities for conservation,
 - To increase landowner participation in land and water conservation, and
 - To provide an opportunity to leverage private and other public monies for conservation easements.
- Revenue from Interest on principle and on funds by EEP and CWMTF

3/31/09 Cash Balance
\$ 3,401,071

Parks & Recreation

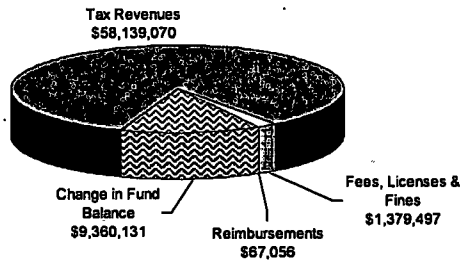
Budget comprised of

- One 1x Fund Code
- One Primary 2x Fund Codes
 - 2235 - Parks & Recreation Trust Fund
- Disaster 2x Fund Codes are sometimes used
 - 2713 - Hurricane Fran
 - Temporarily established for accounting of disaster funds



2235 - Parks & Rec Trust Fund

- Funds are from:
 - Deed stamp tax
 - License plate revenue



Cash Balance:	
3/31/09	\$ 39.1M
4/8/09 Transfer	\$ 6.0M
Balance	\$ 33.1M

Soil & Water Conservation

Budget comprised of

- One 1x Fund Code
- Thirteen 2x Fund Codes
 - 2313 – CREP
 - 2912 – Poultry Waste
 - 2315 – Swine Farm Easements
 - 2308 – Drought Response
 - 2317 – EEP Agreement
 - 2309 – Drought Response (Rural Ctr)
 - 2510 – Ag Cost Share Programs
 - 2316 – Ag Cost Share Emergency
 - 2520 – Animal Waste Cost Share
 - 2530 – Swine Waste
 - 2905 – Tar-Pam Relocation
 - 2535 – Community Conservation
 - 2911 – CREP Expansion



Ag Cost Share & BMP Initiatives

- Encourages Best Management Practices to reduce agricultural nonpoint source pollution
 - 1984 – Jordan Lake, Falls Lake and Chowan River
 - 1990 – Expanded Statewide
- These funds provide assistance for implementation of BMPs on agricultural lands to protect water quality.

Fund	Description	Cash Balance 1-31-09	Source Of Funds
2510	Ag Cost Share	\$ 8,439,159	GF Appropriation
2316	Ag Cost Share Emergency Funds	\$ 123,555	GF Appropriation
2317	EEP Agreement	\$ 2,334	EEP Receipts
2535	Community Conservation	\$ 108,169	GF Appropriation
2905	TAR-PAM Relocation	\$ (7,700)	Receipts
Total		\$ 8,665,517	

2313 & 2911 - CREP

- CREP – Conservation Reserve Enhancement Program
- Voluntary land retirement program
- Aims to:
 - Protect environmentally sensitive land,
 - Decrease erosion,
 - Restore wildlife habitat, and
 - Safeguard ground & surface water
- Funds from USDA and Appropriation

1/31/09 Cash Balance

\$ 946,920

Animal Waste Programs

- Provide assistance for implementation of animal waste BMP on agricultural lands to protect water quality to assist compliance with animal waste management regulations

Fund	Description	Cash Balance 1-31-09	Source Of Funds
2520	Animal Waste Cost Share	\$ 83,211	GF Appropriation
2530	Swine Waste*	\$ 1,597,047	GF Appropriation
2912	Poultry Waste	\$ 268,645	GF Appropriation
Total		\$ 1,948,903	

* The Governor took \$400,000 from Swine Waste on 4/8/2009; this cash balance reflects the 1/31/2009 cash balance less than reduction.

SWC – Other Funds

- Drought Response
 - 2308 – General Fund Appropriation from HB 2436 to address the recent drought (s).
 - 2309 – Rural Center funds for drought response.
- Swine Farm Easements/ Swine Buy-out Program
 - Receipt supported by CWMTF and USDA Natural resource Conservation Service
 - Used to:
 - Acquire easements on swine farms in the 100-year floodplain,
 - Close lagoons on participating farms, and
 - Implement best management practices to protect water quality.



North Carolina Zoo

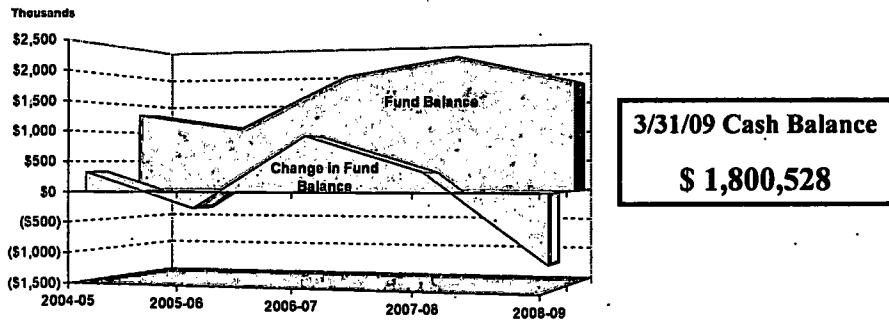
Budget comprised of

- One 1x Fund Code
- One 2x Fund Code
 - 2240 – Zoo Special Fund
- One 6x Fund Code
 - 6790 – Zoo Gift Donations & Sale of Animals



2240 - Special Zoo Fund

- Created in 1989 to retain over-realized receipts



Questions



Wildlife Resources Commission



House Appropriations Subcommittee on
Natural and Economic Resources

April 21, 2009

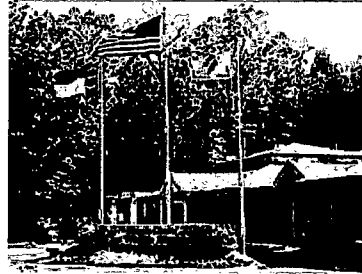
Wildlife Resources Commission

To protect, develop, conserve and regulate the wildlife resources of the state and to administer the laws relating to these resources and to safe boating.

- Create in 1947
- Over 600 employees
- Guided by 19 member Commission
- Six divisions
- Wildlife Endowment Fund

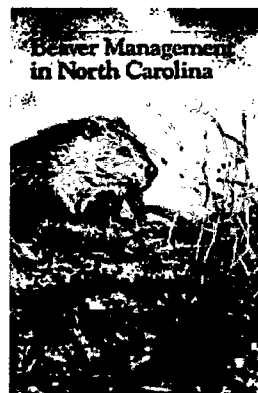
WRC Divisions

- **Administrative Services**
 - Hunting/fishing licenses
 - Vessel registrations
- **Conservation Education**
 - 3 Environmental education centers
 - Educational programming
 - Wildlife in North Carolina magazine
- **Engineering Services**
 - Construction projects, including boating, fishing access



WRC Divisions

- **Inland Fisheries**
 - Wildlife Diversity
 - Fisheries Management: 6 fish hatcheries
 - Habitat Conservation
- **Division of Wildlife Enforcement**
 - 223 Law Enforcement Officers
 - Enforcement & Hunter Safety Certifications
- **Wildlife Management**
 - Manages 1.8 Million Acres of Public Game Lands
 - Works with private landowners to manage nuisance wildlife

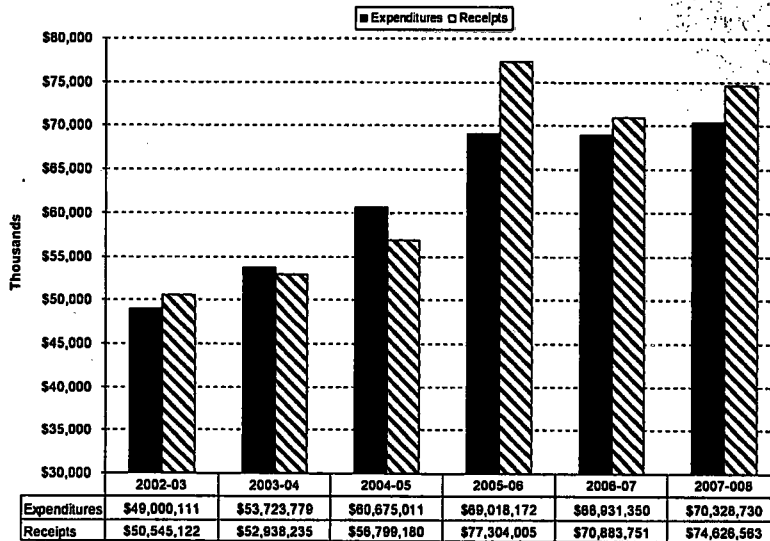


WRC Revenue Sources

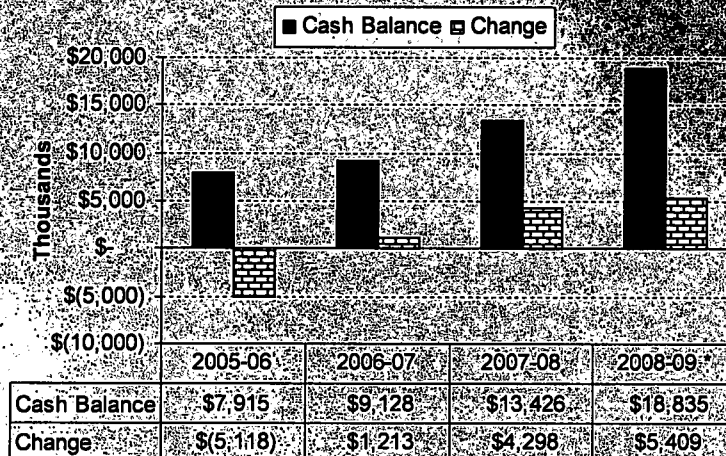
- Revenue Sources (2007-08)

– Sales Tax Transfer	~ \$ 24.8 M	32%
– Motor Fuel Tax Transfer	~ \$ 2 M	3%
– Hunting & Fishing Licenses	~ \$ 18.5 M	25%
– Boat Registration & Titling	~ \$ 5.2 M	7%
– Other Funds	~ \$ 9 M	12%
– Federal Funds	~ \$ 16 M	21%
	~ \$ 75.5 M	

2007-08 Expenditures



WRC Cash Balance



Wildlife Endowment Fund

- G.S. 143-250.1 established the Wildlife Endowment Fund
 - Revenues generated from the sale of
 - Lifetime hunting, fishing, and sportsman licenses
 - Lifetime subscriptions to Wildlife magazine
 - Combination licenses for disabled residents
 - WRC may authorize the use of endowment investment income only for *furthering the conservation of wildlife resources and the efficient operation of the North Carolina WRC*
 - This is an interest bearing fund

3/31/09 Cash Balance
\$ 331,312

House Pages

Name of Committee: NER Date: 4-21-09

1. Name: McKenzi Toogood

County: Sampson

Sponsor: TCA

2. Name: Sarah Fogleman

County: Sampson

Sponsor: TCA

Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

1 Name: DAVID SHEARON

2. Name: JAMES WORTH

3. Name: _____

4. Name: _____

VISITOR REGISTRATION SHEET

NER

Name of Committee

4-21-09

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

FRAN NOCAN	GRASSROOTS S.M.C
N. David Smith	NZ Dept. of Agriculture
Art Britt	NCDOL
Jennifer Haigwood	NCDOL
Jack Brindson	NCDOL
Doug Lassiter	NC STA
Elizabeth Biser	DENR
Cary S. Hays	DENR
Andrea McNamee	DENR
Michael Hutson	MWC
PBP	ACTB
JOHN SHAW	WAKE UP WAKE

VISITOR REGISTRATION SHEET

NER

4-21-09

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Trevor Minor	OSBM
Cecilca Edgar	WRC
Tommy Clark	WRC
Sarah Clapp	WRC
GORDON MYERS	WRC
Ed Julez	Bfence
Rita Harris	Commerce Dept
L Andrews	NCFB
Joel Mayhew	GRAM & ASSOC
JOE LANIER	SZO WICKER
Kathy Bull	NC Zoo Society

MINUTES

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

April 23, 2009
8:30 a.m.

The Appropriations Subcommittee on Natural and Economic Resources met in Room 423 of the Legislative Office Building on Wednesday, April 23, 2009. Representative Garland E. Pierce presided and called the meeting to order at 8:29 a.m. Chairman Pierce welcomed and introduced the Sergeant-At-Arms who was assisting the meeting.

The following Chairs were present: Senator Floyd B. McKissick, Representative Pricey T. Harrison, and Representative Edith Warren. Vice Chair: Representative W.A. Wilkins. Members: Senator Tony Foriest, Representative Angela Bryant, Representative James Langdon, Jr., Representative Efton M. Sager, Representative Ruth Samuelson, and Representative Roger West. Counselor staff was also in attendance. A Visitor's Registration list and presentations are attached and filed as a record to the minutes.

Chairman Pierce recognized Ms. Kristine Leggett with the Fiscal Research Division of the North Carolina General Assembly to explain the Natural and Economic Resources (NER) Special Funds and Fees on Commerce. Ms. Leggett provided members with reports received in the last two years for their information. These reports were completed by others and their recommendations for change or information to use for budget decisions. All reports will be available for committee members at their request. This presentation is attached and filed as a record to the minutes.

Chairman Pierce recognized Representative Samuelson for a question. Representative Samuelson stated that Ms. Leggett's presentation had the same figures (\$222,579) listed for FY 07-08 and FY 08-09 on page 11 under Cemetery Commission (Ending Cash Balance Since FY 2003-04). Ms. Leggett stated that the material would be corrected and redistributed to members.

Chairman Pierce asks Ms. Lanier McRee with the Fiscal Research Division of the North Carolina General Assembly to explain the Department of Ag Funds. Ms. McRee spoke directly from the handouts entitled, "Department of Ag & Consumer Services" and "Department of Agriculture & Consumer Services – Fee Overview." These handouts are attached and filed as a record to the minutes.

Committee Discussion

Chairman Pierce recognized Ms. Kristin Walker with the Fiscal Research Division of the North Carolina General Assembly to explain her presentation on Labor Fees and Department of Environment & Natural Resources. This presentation will be presented at the next meeting due to having Session at 10 a.m. Ms. Walker's handouts are attached for viewing and filed as a record to the minutes.

Chairman Pierce received questions from the Committee before adjournment. Senator Foriest requested that someone explain the process of fees again. The fee process was explained by Ms. Walker and Senator McKissick.

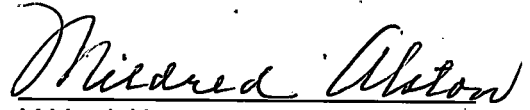
Chairman Pierce recognized Ms. Leggett to share information regarding upcoming meetings.

There being no further business, the Chairman adjourned the meeting at 9:35 a.m.

Respectfully submitted,



Representative Garland E. Pierce
Presiding Co-Chair



Mildred Alston
Committee Assistant

**House Appropriations Subcommittee on Natural and Economic Resources
Selected Studies and Reports
Submitted Since 2007**

Department of Agriculture and Consumer Services (DACS)

- 1. The Feasibility and Advisability of Increasing Fees for Services provided by the North Carolina Veterinary Diagnostic Laboratory, *Veterinary Division, DACS*
- 2. Soil Testing Fee Feasibility Assessment, *Agronomic Division, DACS*
- 3. Study of the Feasibility and Advisability of Using Alternative Sources of Funding for the *Agricultural Review* Newspaper Published by the NC Department of Agriculture and Consumer Services, *Public Affairs Division, DACS*
- 4. Consolidating Agricultural Research Facility Management Would Improve Efficiency and Effectiveness, *Program Evaluation Division, NCGA*

Department of Commerce

- 5. Improving Regional Economic Development through Structural Changes and Performance Measurement Incentives, *Program Evaluation Division, NCGA*
- 6. Continuation Review Legislative Report on the Industrial Commission Safety Education Program, *Industrial Commission*
- 7. Justification Review of the Welcome Center Program, *Fiscal Research Division, NCGA*
- 8. 2008 NC Workforce Development Inventory, *Fiscal Research Division, NCGA*
- 9. 2008 NC Economic Development Inventory, *Fiscal Research Division, NCGA*
- 10. 2009 NC Economic Development Inventory, *Fiscal Research Division, NCGA*

Department of Environment & Natural Resources

- 11. Continuation Review Legislative Report on the Environmental Stewardship Initiative, *Division of Pollution Prevention and Environmental Assistance, DENR*
- 12. Continuation Review Legislative Report on the Forest Development Program, *Division of Forest Resources, DENR*
- 13. North Carolina's Water and Wastewater Infrastructure Funding Lacks Strategic Focus and Coordination, *Program Evaluation Division, NCGA*

Rural Economic Development Center

- 14. Study of the Equine Industry

Department of Labor

- none

KRISTINE LEGGETT

Department of Commerce



Special Funds and Fees

House Appropriations Subcommittee on
Natural and Economic Resources

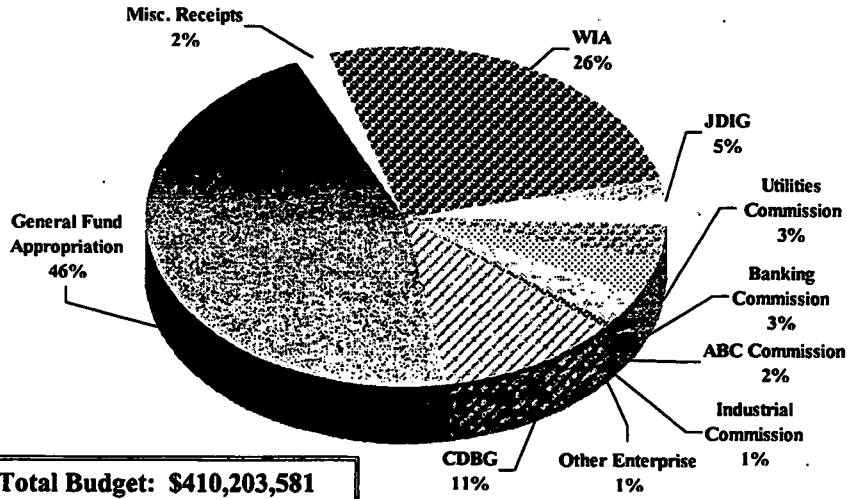
April 23, 2009



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Total Commerce* Funds by Source FY 2008-09

*Does not include ESC or Lottery



FISCAL RESEARCH DIVISION
A Division of the North Carolina Department of Commerce

April 21, 2009

Commerce Special Funds

Three Main Types of Funds

- **Enterprise Funds**

Utilities Commission
Banking Commission
ABC Commission
Cemetery Commission
Rural Electrification Authority
Credit Union Commission

- **Federal Funds**

Workforce Development Admin
Workforce Investment Act (WIA)

- **Special Funds**

One North Carolina Fund
JDIG
IDF
Grape Grower's Council



FISCAL RESEARCH DIVISION
A Division of the North Carolina Department of Commerce

April 21, 2009



Utilities Commission

**Utilities Commission – 58 FTE
(54600-5211)**

G.S. 62

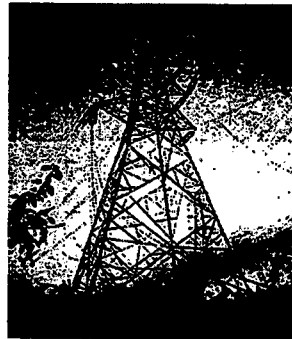
- Administers the Public Utilities Act
- Regulates the rates and quality of service of public utilities operating in the State
- Promote and ensure the availability of adequate, reliable, and economical public utility services

**Utilities Commission Public Staff – 89 FTE
(54600-5221)**

- Represents the public before the Utilities Commission in matters affecting the rates and services of regulated public utilities

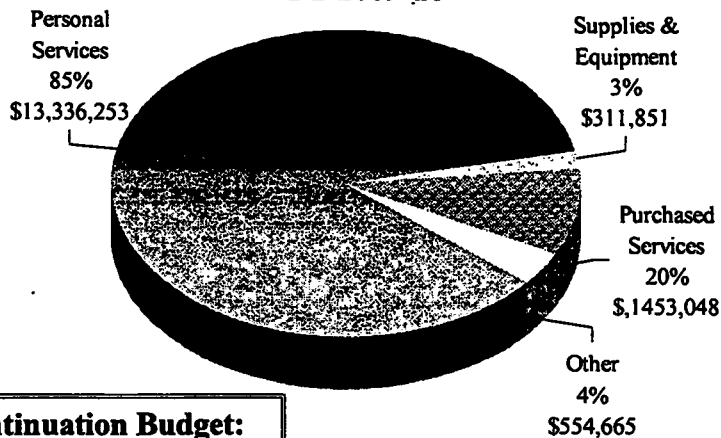
**Utilities Commission Gas Pipelines – 6 FTE
(54600-5217)**

- Ensures the safety of natural gas distribution



Utilities Commission

FY 2009-10



**Continuation Budget:
\$15,655,817**



Utilities Commission

Regulatory Fee

- Assessment on public utilities' revenues in the State
- Since 1997 rate has been 0.12% (\$200,000 for EMCs)
- Generates \$13.8 million
- Set by special provision each year

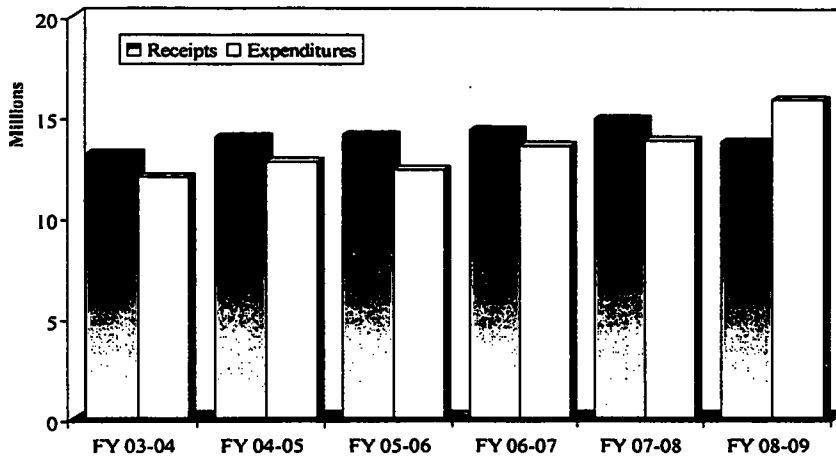
Other Fees

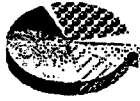
- Filing, transcript, registration, etc.
- Range from \$1 - \$500
- Generate ~ \$168,000
- Fees set out in G.S. 62-300



Utilities Commission

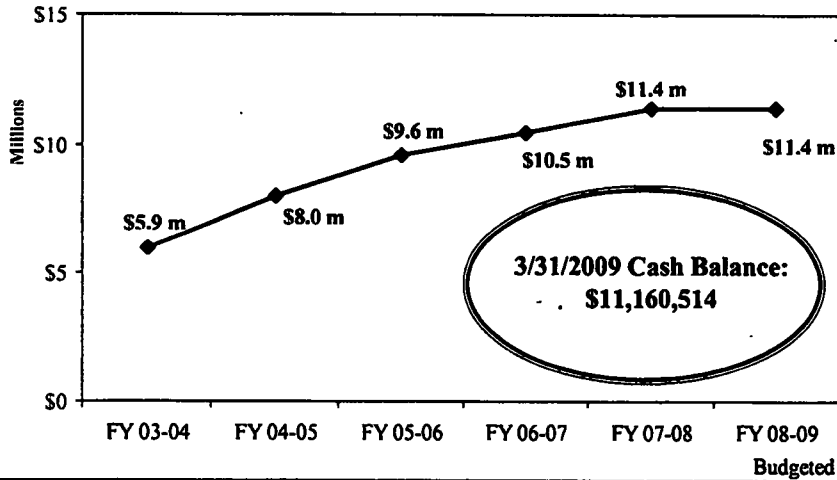
Receipts and Expenditures FY 2003-04 to FY 2008-09





Utilities Commission

Ending Cash Balance Since FY 2003-04



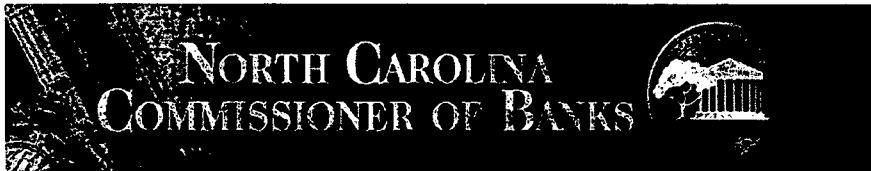
FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

April 21, 2009



Banking Commission

- 54600-5811
- Charters and supervises banks
- Licenses or registers a variety of consumer industries
- Licenses mortgage lenders, brokers, and their loan officers
- Enforces regulatory compliance of all supervised financial services companies



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

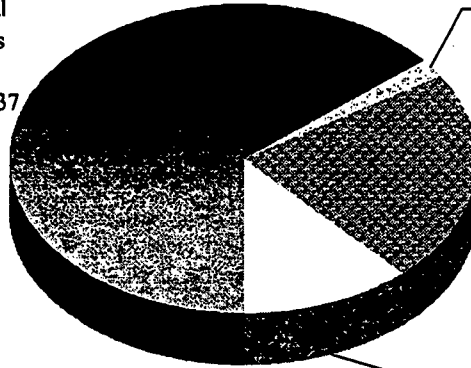
April 21, 2009



Banking Commission

FY 2009-10

Personal Services
64%
\$9,008,137



Supplies & Equipment
3%
\$290,600

Purchased Services
20%
\$3,117,100

Other
12%
\$1,683,500

**Continuation Budget:
\$14,099,337**



Banking Commission

Assessments

- Paid by banks chartered and supervised by the Commission
- Sliding scale fee per \$100,000 based on assets:
 - Up to \$50 m - \$10,000
 - \$50 m to \$250 m - \$14
 - \$250 m to \$500 m - \$11
 - \$500 m to \$1b - \$7
 - \$1 b to \$10 b - \$4
 - \$10 b and up - \$2
- Also, Consumer Finance Assessment
- Generates \$8.3 million
- G.S. 53-122
- Last increased 2007





Banking Commission

Licenses

- Trust Company License - \$200 Initial Registration/ \$200 Renewal
- Consumer Finance License - \$250 Initial Application/ \$25 Relocation
- Money Transmitter License - \$500 Initial Application/ \$1,000 License
- Refund Anticipation Lenders - \$250/\$100 Renewal
- Check Casher License - \$750/\$250 Renewal/\$50 Branch
- Mortgage Company - \$1,250/ \$625 Renewal .
- Branch Office - \$125/ \$125 Renewal
- Loan Officer - \$67.50/ \$67.50 Renewal
- **Generate \$2,571,488**
- **G.S. 53-160, 53-168, 53-197, 53-248, 53-243**



 FISCAL RESEARCH DIVISION
A UNIT OF THE NORTH CAROLINA FISCAL RESEARCH DIVISION

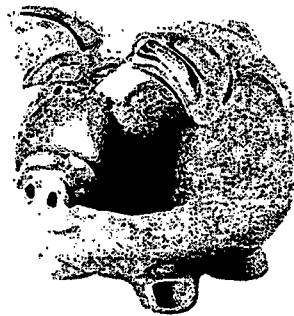
April 21, 2009



Banking Commission

Other Fees

- Formation/Conversion/Merger Fees: \$750 - \$8,000
- Holding Company Fees: \$1,000 Initial Application/\$750 Renewal
- Accreditation of Educational Sponsors: \$250 Initial Application/ \$100 Renewal
- Inspection/Examination Fees: \$25-\$75 per hour
- Research and Reproduction Charges: \$0.25-\$35
- **Generate \$122,052**
- **G.S. 54B-57 and G.S. 54C-55**



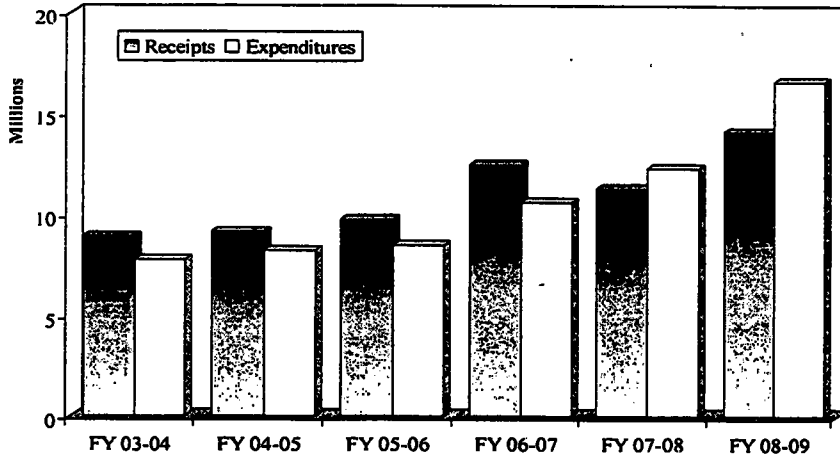
 FISCAL RESEARCH DIVISION
A UNIT OF THE NORTH CAROLINA FISCAL RESEARCH DIVISION

April 21, 2009



Banking Commission

Receipts and Expenditures FY 2003-04 to FY 2008-09



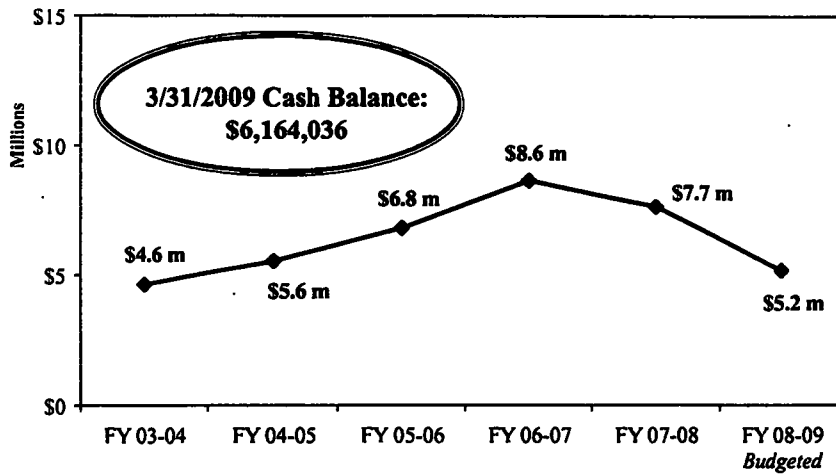
FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

April 21, 2009



Banking Commission

Ending Cash Balance Since FY 2003-04



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

April 21, 2009



ABC Commission

ABC Commission – 46 FTE (54600-5881)

- Provides regulation and control of the manufacture, distribution, advertisement, sale, possession, and consumption of liquor, wine, and malt beverages
- Administers the ABC laws
- Sets the price of beverages sold in local ABC stores
- Issues ABC permits

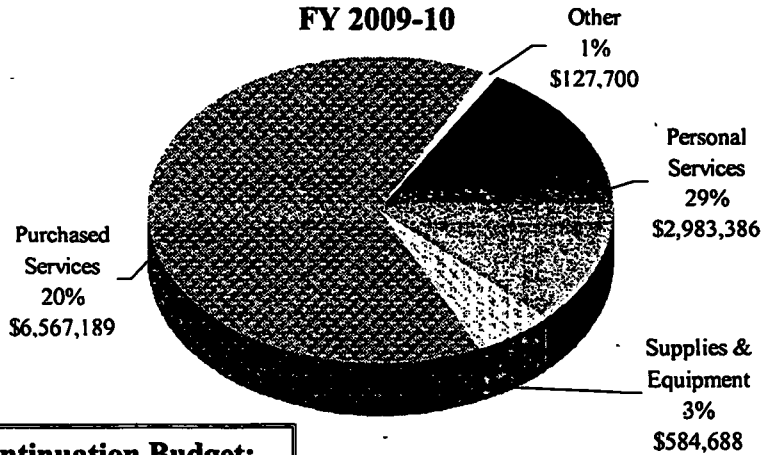
ABC Warehouse – 0 FTE (54600-5882)

- Provides a central warehouse for the storage, distribution, and monitoring of all liquors sold by the ABC boards



ABC Commission

FY 2009-10



**Continuation Budget:
\$10,262,963**



ABC Commission

ABC Commission Fees

- ABC Surcharge on liquor sales: \$.80-.85/case
- Sale of publications (\$2-11) and chemical analysis fees (\$10)
- **Total \$3,847,878**

ABC Warehouse Fees

- Bailment: \$.90-1.10/case
- Special Service Distillers: \$3-\$10/case
- Liquidation: varies
- **Total \$5,228,214**

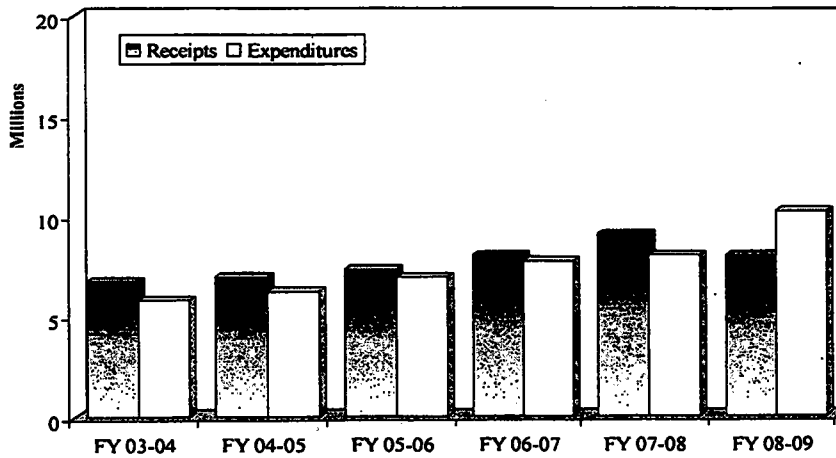


- ❖ **Surcharge and Bailment last increased in 2006**
- ❖ **G.S. 18B-203(a)(15)**



ABC Commission

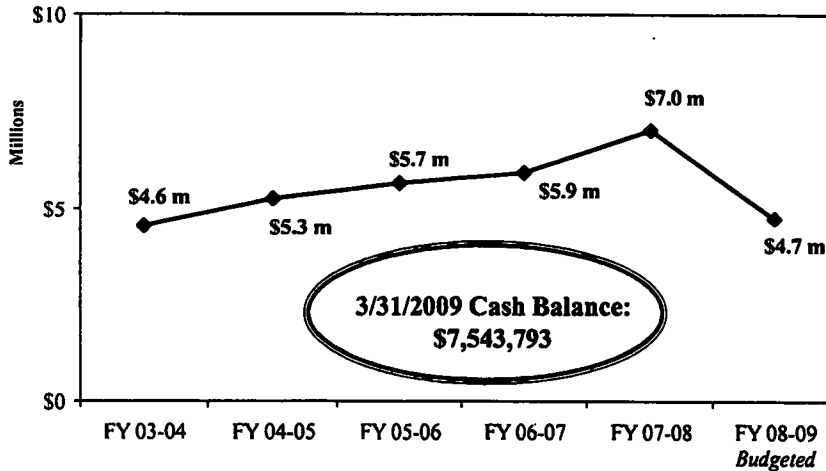
Receipts and Expenditures FY 2003-04 to FY 2008-09





ABC Commission

Ending Cash Balance Since FY 2003-04



Cemetery Commission

- Regulate and supervise the activities of cemetery companies
- Examine all 176 licensed cemeteries in NC.
- Issue annual cemetery licenses



FY 2009-10 Budget:
\$252,900
3 FTE



Cemetery Commission

24600-2851

Licenses

- Cemetery: \$500
- Cemetery Agents: \$50
- Cemetery Sales: \$500
- Total \$116,100

Other Fees

- Application & filing: \$15 - \$800
- Assessments: \$2-\$5
- Total \$139,314

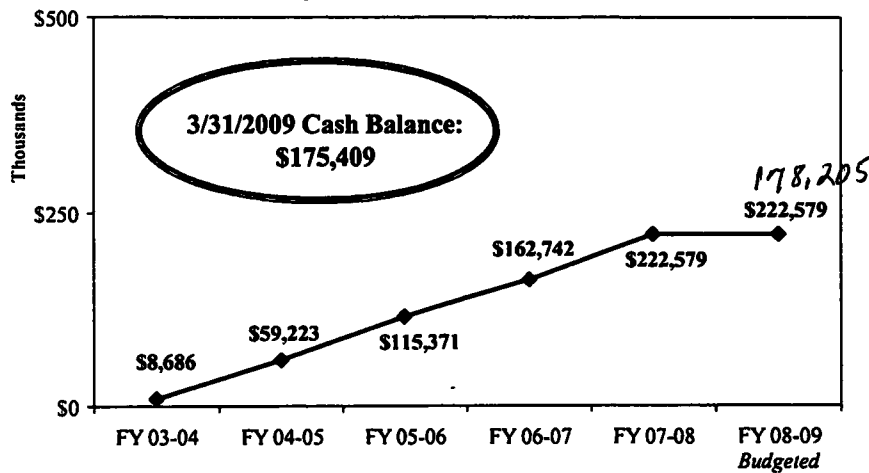
Last increased in 2005

G.S. 65-54 through G.S. 65-66



Cemetery Commission

Ending Cash Balance Since FY 2003-04





Rural Electrification Authority

24600-2241

Purpose: *To secure and continue adequate and dependable electric and telephone services to customers in predominately rural areas.*

- Investigate complaints
- Act as an agent for any membership corporation in securing federal loans or grants



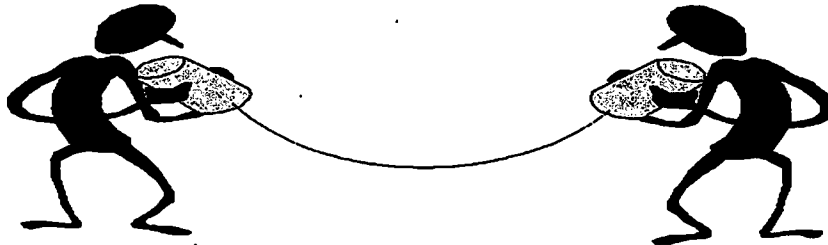
FY 2009-10 Budget:
\$195,577
2 FTE



Rural Electrification Authority

Regulatory Fees

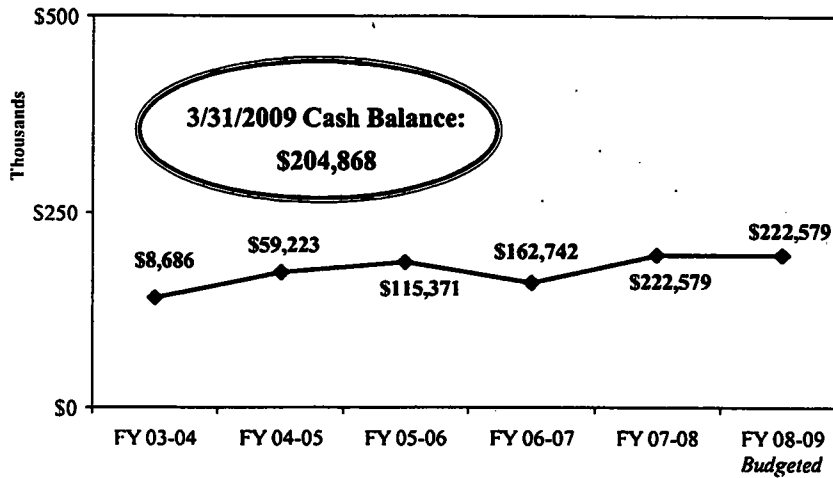
- Electric Membership Corporations: \$0.0375/ meter
- Telephone Membership Corporations: \$0.0375/ access line
- Total \$174,170
- Last increased in 1996
- G.S. 117-3.1





Rural Electrification Authority

Ending Cash Balance Since FY 2003-04



FISCAL RESEARCH DIVISION
A UNIT OF THE STATE OF TEXAS DEPARTMENT OF TREASURY

April 21, 2009

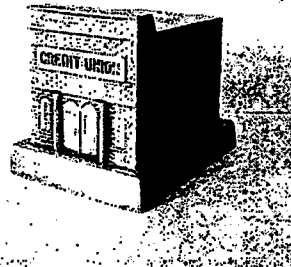


Credit Union Supervision

24600-2821

Purpose: *To advocate for and assist in the formation of State chartered credit unions, and ensure their safety and soundness.*

FY 2009-10 Budget:
\$1,655,288
16 FTE



FISCAL RESEARCH DIVISION
A UNIT OF THE STATE OF TEXAS DEPARTMENT OF TREASURY

April 21, 2009



Credit Union Supervision

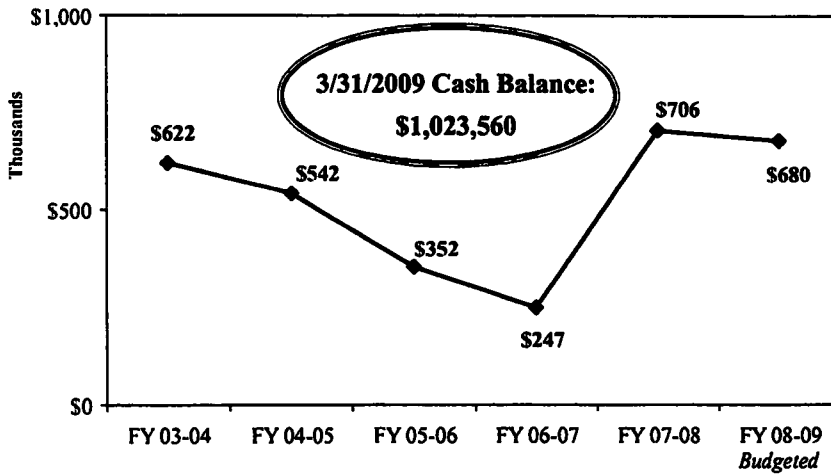
Fees

- Credit Union Supervisory Fee: \$200,000
- Credit Union Exam Fee: \$40
- Total \$1,767,895
- Last increased in 2007
- G.S. 54-109.14



Credit Union Supervision

Ending Cash Balance Since FY 2003-04





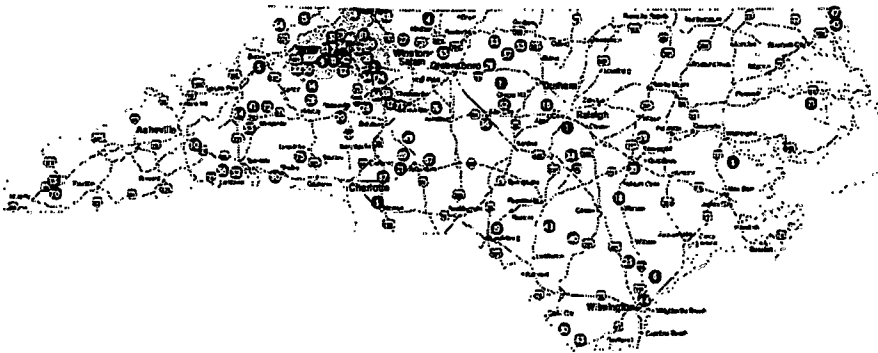
Wine & Grape Growers Council

- 24600-2553
- Transferred from DACS to Commerce in 2005
- 11 members appointed by Secretary of Commerce
- Fully funded from the tax on unfortified wine sales (G.S. 105-113.81A)
- FY 2008-09 Budget: \$1.5 million
- 3 FTE



NC Wineries

• Within the Tarheel Valley Appellation
North Carolina's First American Viticultural Area



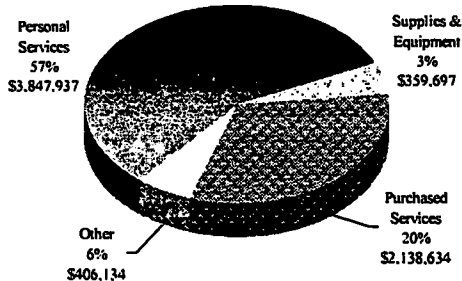


Employment & Training Division

- 24600-2680, 2681
- Administers WIA funds
- Staffs the Commission on Workforce Development
- Conducts research on labor trends



FY 2009-10



Continuation Budget:
\$6,752,402



Commission on WFD

- **G.S. 143B-438.10**
- **38 Member Board**
 - 32 Appointed by Governor – 4 year terms
 - Secretary of DHHS
 - Chair of ESC
 - Superintendent of Public Instruction
 - President of NCCCS
 - Commissioner of Labor
 - Secretary of Commerce



NORTH CAROLINA
the state of minds

- **Develop a State plan for workforce training and development**
- **Administer State and local workforce development programs**
- **Advise on programs & policies to enhance the State's workforce**



Workforce Investment Act (WIA)



- Created a comprehensive workforce investment system
- Provides \$120 million for workforce programs in NC
- Mandates JobLinks and Commission on WFD

North Carolina

24 Local WFD Boards

104 JobLinks

State WFD Board = Commission on WFD



Career Planning, Training & Placement Services

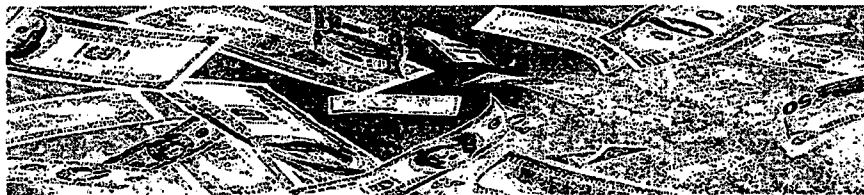
FISCAL RESEARCH DIVISION
A part of the State's Economic Development

April 21, 2009

Economic Development Funds

*As of
March 31, 2009*

24600-2533 One North Carolina:	\$51,678,057
24600-2534 One NC Small Business:	\$ 3,147,732
24600-2581 JDIG Fees:	\$ 318,777
24600-2711 IDF:	\$ 3,647,458
24600-2712 Utility Account:	\$ 6,959,924



FISCAL RESEARCH DIVISION
A part of the State's Economic Development

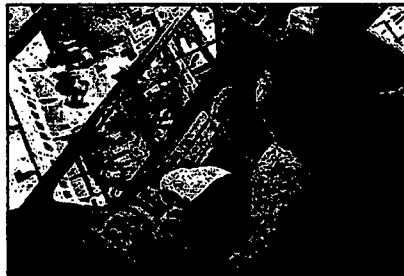
April 21, 2009



Industrial Commission Fees

Fees

- **Compromise Settlement: \$250**
- **Other Hearing Fees: \$60 - 250**

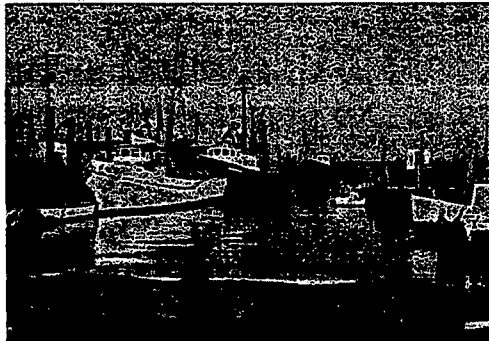


- **Total Fees: \$5.5 m**
- **G.S. 97-80 – Authority to set fees**
- **Senate budget added language directing IC to charge for Safety Education programs**



Other Commerce Fees

- **Trade Show Booth Rental: \$239,416**
- **Workshop Registration: \$264,516**
- **Wanchese Rental Fees: \$344,589**
- **Total: \$1,014,647**



Questions

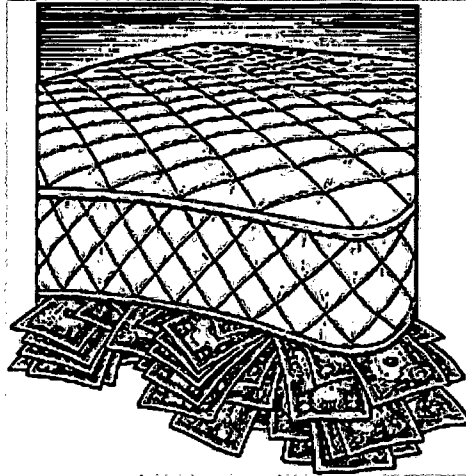


Dept. of Ag & Consumer Services

Special Funds

*NER Appropriations
Subcommittee*

April 21, 2009



Special Revenue Funds

<i>As of 03/31/2009</i>	
Expenditures	\$ 12,985,063
Revenue	\$ 593,800
Change in Cash Balance	\$ (12,391,263)
Cash Balance	\$ 11,677,866
Encumbrances	\$ 20,165

- 24 Different Funds
- Small cash balances
- No positions funded in this budget code
- Support division operations (plant industry, markets, etc)

Special Revenue Funds

Fund Information	Cash Balance	Percent of Total	Source of Funds	Uses
Farmland Preservation	\$ 10,239,214	87.68%	General Fund	Funds for farmland preservation
Livestock Acquisition Fund	\$ 205,038	1.76%	Livestock Sale	Acquisition of animals for research projects
Plant Conservation - DOT	\$ 190,000	1.63%	DOT	Grant to fund land management
Umstead Dairy Herd Sale & Proceeds	\$ 270,725	2.32%	Livestock Sale	Piedmont Research Station Improvements
Got to Be NC	\$ 150,000	1.28%	Tobacco Trust	Grant to fund Got to Be NC
Lab Info Mgmt System	\$ 227,800	1.95%	Tobacco Trust	Grant to fund new information management system for Agronomic Services
Other	\$ 395,089	3.38%	Various	

- Used for operations, programs, funds for special projects, etc...
- Funds sources vary, include
 - Appropriations
 - Sales
 - Grants, etc...

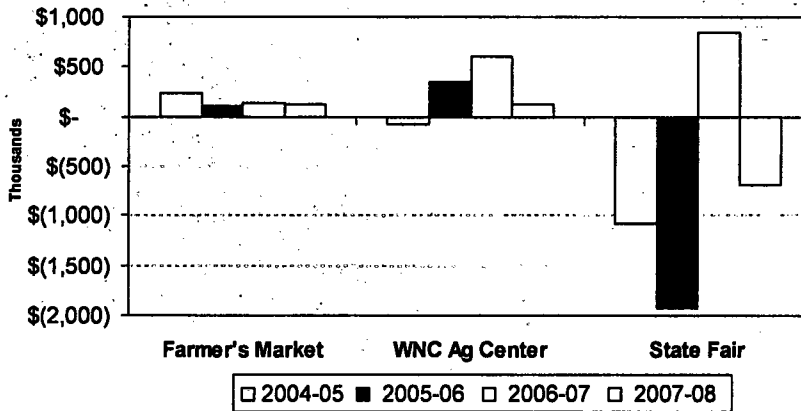
Enterprise Funds

As of 03/31/2009	
Expenditures	\$ 23,890,147
Revenue	\$ 19,535,196
Change in Cash Balance	\$ (4,354,951)
Cash Balance	\$ 6,640,435
Encumbrances	\$ 1,702,486

- Three Enterprise Funds:
 - Raleigh Farmer's Market
 - State Fairgrounds
 - WNC Ag Center
- Revenue Sources:
 - Gate Admissions,
 - Rentals, etc...
- Supports:
 - Personnel Expenses
 - 96 positions
 - Facility Expenses
 - Operations,
 - Maintenance, and
 - Renovations

Enterprise Funds

Historical Change in Cash Balance by Fund



Trust Funds

As of 03/31/2009		
Expenditures	\$	9,439,409
Revenue	\$	8,548,668
Change in Cash Balance	\$	890,741

As of 03/31/2009			
Fund	Cash Balance	% of Total	Source of Funds
Misc. Trusts	\$ 493,032	3.29%	Fees
Ag Finance Authority	\$ 8,512,364	56.78%	Fees
Cooperative Grading	\$ 5,986,155	39.93%	Fees
Total	\$ 14,991,552		

Trust Funds

Misc. Trust Funds

- Registered Structural Pest Control
 - Funds the development and production of materials for the Registered Technician Training Program
 - Funded by a \$25 fee for all individuals enrolled in the program
- Pesticide Environmental Trust Fund
 - Funds agro-medicine programs at NCSU, ECU, NCA&T
 - Supports pesticide related programs
- Commodity Refund
 - Funds generated by the sale of surplus equipment
 - Pay for emergency repairs to Food Distribution center equipment

Trust Funds

Ag Finance Authority

- Established in 1983 by the "North Carolina Agricultural Finance Act" (G.S. 122D)
- Created to address the "serious shortage of capital and credit available for investment in agriculture"
- Empowered to alleviate this shortage "by providing such capital and credit at interest rates within the financial means of persons and businesses engaged in agriculture and agricultural exports"
- Lender of last resort for farmers and agribusinesses

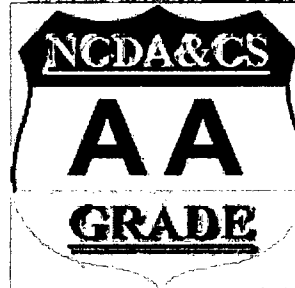
Trust Funds

Grading Services

- Food Grading
 - Identify and measure product quality
 - Provide grade for various products

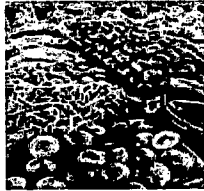
- Food Safety Audit Program
 - Certify that meet food safety guidelines

- Regulatory
 - Monitor grade, type, weight, size of various products



Department of Agriculture & Consumer Services

Fee Overview



NER Appropriations Subcommittee

April 23, 2007

General Fee Authority

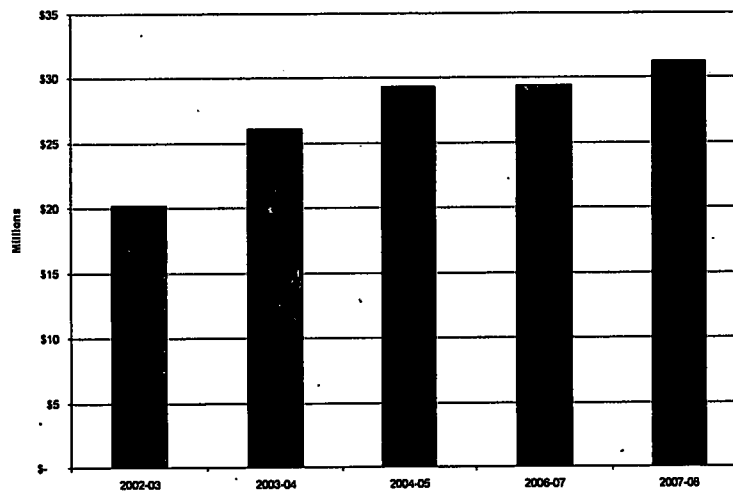
§ 106-6.1. Fees.

- A board or commission within the Department of Agriculture and Consumer Services may establish fees or charges for the services it provides. The Board of Agriculture, subject to the provisions of Chapter 146 of the General Statutes, may establish a rate schedule for the use of facilities operated by the Department of Agriculture and Consumer Services.

DACS Fee Fast Facts

- Ag collects over **335 different fees**
- Ag collected over **\$31M** in *fees and fines* in 2007-08
- **State Fair Gate Admission** is the largest single fee-based revenue source in DACS (\$4.5M in 2007-08)
- The longest standing un-changed fee is the fertilizer assessment – last changed in **1947**

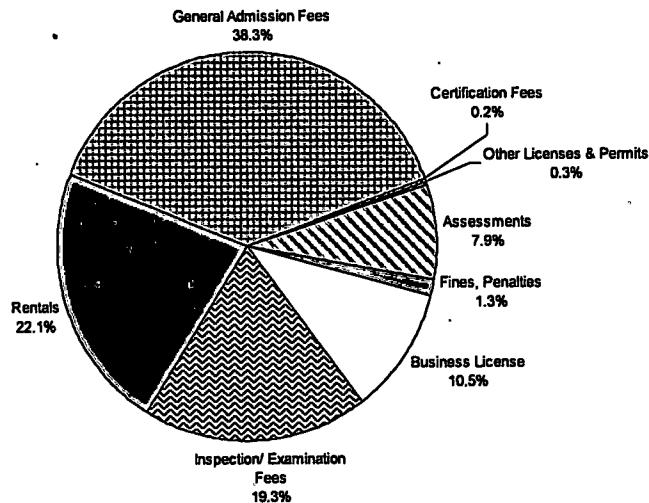
Fees Revenue History



Fines

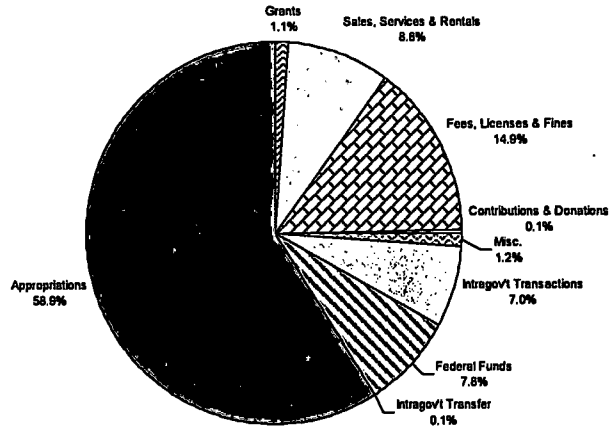
- Article IX, Section 7(b) of the Constitution directs that all fines and penalties to be deposited in the Civil Penalty and Forfeiture Fund.
 - Ag collected over **\$31M** in *fees and fines* in 2007-08
- Of this, **\$406,734** were fines and penalties
 - Transferred **\$333,237** to Department of Public Instruction
 - Retained about **18%** or **\$73,496.79**

Types of Fees



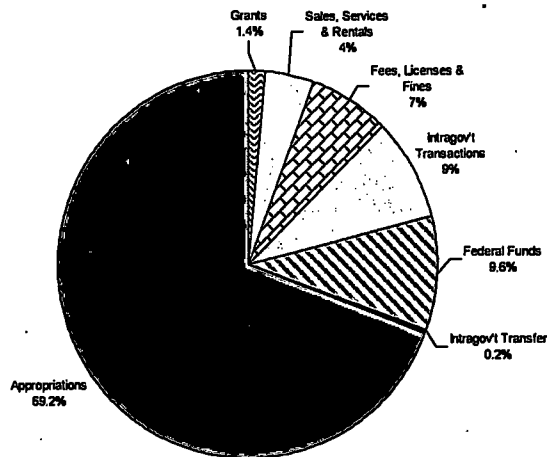
FY 2008-09 Funding Sources

13700 + Enterprise Funds



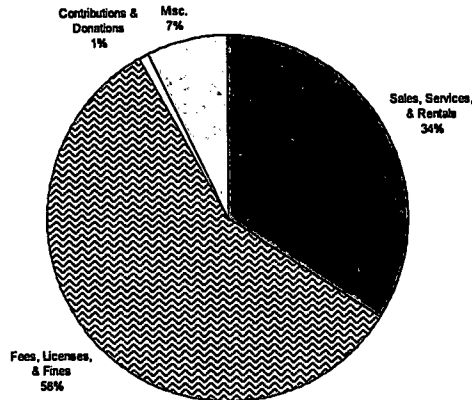
FY 2008-09 Funding Sources

13700 Code Only



FY 2008-09 Funding Sources

Enterprise Funds



General Admission Fees

Charged at Markets & Ag Centers

2007-08 Revenue

\$ 11,958,842

- Midway Receipts \$ 4,603,316
 - State Fair \$6.5/ paid attendee \$ 4,021,174
 - Mtn State Fair 51.46% of ride revenue \$ 582,143
- Gate/ Admissions Fees \$ 7,104,123
 - Annual State Fair \$ 4,543,119
 - Mountain State Fair \$ 582,941
 - Raleigh Farmer's Market \$ 784,410
 - Farmer's Markets & Ag Centers \$ 1,193,653
- State Fairground Horse Facility \$ 251,404

Rental Fees

2007-08 Revenue

\$ 6,915,195

- Charged at Markets & Ag Centers
- Rental Fees vary by market, time of year, space rented, residence, lease length, etc.

WNC FM Garden Center	\$7.54/sq. ft.
Triad FM Restaurant	\$3,500
Martin Ag Center-Coliseum Stall Rental (1,2,3,4,5 days)	\$15, \$22, \$30, \$35, \$38 per show day
Lumberton All Areas 1-5 < 6 hours	\$400
Raleigh Wholesale Bldg II (Unit 13-15)	\$2,553.00
WNC Ag - Two Way Radios	\$8/day - \$25 Min
WNC Ag - Sales Arena and Barn (Ag Group, Non-Ag Group, Youth)	\$200, \$300, \$100
WNC Ag - Restaurant Area	\$120/day, \$60/half-day
WNC Ag - Outside space (Novelty and Jewelry)	\$55/linear front ft

State Fairgrounds

WNC Ag - Sales Arena and Barn (Ag Group, Non-Ag Group, Youth)	\$200, \$300, \$100
WNC Ag - Restaurant Area	\$120/day, \$60/half-day
WNC Ag - Outside space (Novelty and Jewelry)	\$55/linear front ft

State Fairgrounds

Dumpsters	\$400/Dump
220 Volt Service (30 Amps, 50 Amps)	\$50, \$90
L R Center (Youth Center)	\$500/10%
Gov. Scott Building	\$1800/10%

Markets & Ag Centers

- Raleigh Farmer's Market, Western NC Ag Center, and the State Fairgrounds are 100% receipt supported
- Other Markets and Ag Centers receive appropriations

Market or Ag Center	Expenditures	Revenues	%
Charlotte Farmers Market	\$ 318,183	\$ 188,114	59.1%
Piedmont Triad Farmers Market	\$ 919,284	\$ 870,625	94.7%
Western Farmers Market	\$ 1,223,682	\$ 759,379	62.1%
Lumberton Farmers Market & Ag Center	\$ 476,640	\$ 132,366	27.8%
Senator Bob Martin Ag Center	\$ 1,174,122	\$ 550,516	46.9%
	\$ 4,111,911	\$ 2,501,000	60.8%

Inspections & Examinations

2007-08 Revenue

\$ 6,037,004

Oldest

Food, Drug, Cosmetics	\$ 978-992	1973	\$ 144,917
Commercial Feed & Pet	\$ varies	1973	\$ 59,079

Top Five Revenue Generators

Cooperative Grading	\$ varies	varies	\$ 4,177,164
Soil & Plant Analysis	\$3-\$25	varies	\$ 325,781
Weights/Meas. Calibration	\$ varies	varies	\$ 220,452
Sales Terminal Inspect.	\$ varies	1998	\$212,306
Histopathology Fee	\$15	2003	\$193,972

Business Licenses

- 28 Different License & Registration Fees

Longest

Standing: Livestock Mkt Reg. \$ 100 1971

Lowest: Apiary Reg. \$ 1 1978

Highest: Anti-freeze Reg. \$ 250 1975

Most

Revenue: Pesticide Reg. \$ 100 2003

2007-08 Revenue

\$ 3,292,140

Assessments

Assessment	Rate	Amount	Last Change
Fertilizer	\$0.25/ton	\$ 591,521	1-Jul-47
Lime	\$0.10/ton	\$ 109,438	1-Jul-79
Seed	\$0.02	\$ 255,286	1-Jul-63
Feed		\$ 1,420,911	1-Jan-73
Canned	\$0.03/ 48 can case	\$ 2,377,156	
Dry	\$0.12/ ton	\$ 2,460,310	



2007-08 Revenue \$ 2,460,310

Other Licenses & Permits

- One in Meat & Poultry Inspections
 - Overtime \$19/ hr 1989 \$41,116

- Several for the State Fair & Mtn State Fair
 - State Fair Entry Fees \$2 - \$7 2004 \$25,750
 - Mtn Fair Entry Fees \$3 - \$10 2005 \$19,455

2007-08 Revenue \$ 90,462
--

Certification Fees

- All within the Pesticides Division

– Private Application Certificate	\$6	1987
– Examination Fee	\$25	1989
– Certified Applicator Exam Fee	\$10	1989
– Re-inspection Fees	\$10 / \$50/ \$100	2001

2007-08 Revenue

\$ 47,852

Other Fees

• Tuition	\$11,875
– \$25 tuition for the Structural Pest Technician Training Program	
• Sale of Publications	\$3,930
– 75% from the Markets Division	
– 25% from the State Fairgrounds	

March 2009 Fee Studies

1. Soil Testing Fee Feasibility Assessment
 - Recommended increasing fertilizer assessment in lieu of charging for soil testing services
2. Increasing Fees for Services Provided by NCVCLS
 - Reviewed services & fees relative to other state/ private labs
 - Recommended allowing Vet lab Study to move forward
3. Using Alternative Sources of Funding for the Agricultural Review Newspaper
 - Considered subscriptions, sponsorships, advertizing
 - Did not recommend these but did propose cost saving option

Recommended Fee Changes

Fee	Gov	Senate	Amt
Petroleum Device Technician License *	X	X	\$10K
Pesticide Registration	X	X	\$500K
Nursery Certification & Registration	X	X	\$58K
Animal Diagnostic Tests	X	X	\$250K
Fertilizer Assessment		X	\$375K
Total	\$818K	\$1.19M	

* New license fee

Recommended Fee Changes

Fee	Old Fee	New Fee	Changed
Petroleum License *	\$0	\$20	N/A
Pesticide Registration	\$100	\$150	2003
Nursery Registration	\$6	\$20	1985
Nursery Certification	\$10 / \$2	\$100 / \$3	1985
Animal Diagnostic Tests	Varies	Varies	Varies
Fertilizer Assessment	\$0.25/ ton	\$0.50/ ton	1947

* New license fee

Animal Diagnostic Test Fees

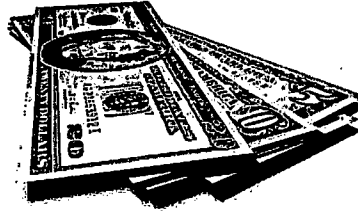
- Alter 21 Animal Diagnostic Testing Fees
- Create 13 New Fees that range from \$1 to \$25

Fee	Old Fee	New Fee	Changed
Necropsy Disposal	\$5 - \$30	\$15 - \$50	2003
Companion Animal Necropsy	\$25/ \$30	\$50/\$75	2003
Histopathology	\$30	\$35	2003
NPIP Salmonella	\$0	\$6	N/A
Livestock Necropsy	\$0	\$25	N/A
Bordetella Avium ELISA	\$0	\$1	N/A

Questions



Labor Fees



House Appropriations Subcommittee on
Natural and Economic Resources

April 23, 2009



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Labor Fees

- Three Types of Fees
 - Registration Fees
 - Publication Fees
 - Inspection Fees
 - Boilers
 - Elevators & Amusement Devices

- FY 2007-08: **\$8.6 million** in fee and fines & penalties revenue

Registration Fees

- Ag Safety, Wage & Hour, and Mine & Quarry
 - Host events with nominal registration fees and/or donations
- Revenue: ~\$17k/year
- Cover expenses



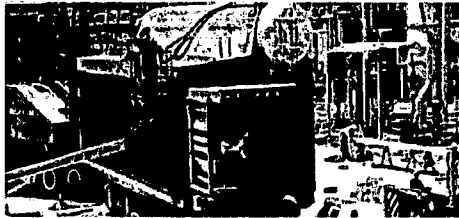
OSH Publication Fees

- Charge for Standards Guides & Industry Guides
 - Print and CD
- Fees from \$2.50 to \$42.50
- Revenue ~\$100k/year
- Last raised on 2/1/2001
- Statutory authority to raise via rulemaking
- Senate Budget
 - Inflationary increase (19%)
 - Generate additional \$21,325 and take corresponding General Fund reduction

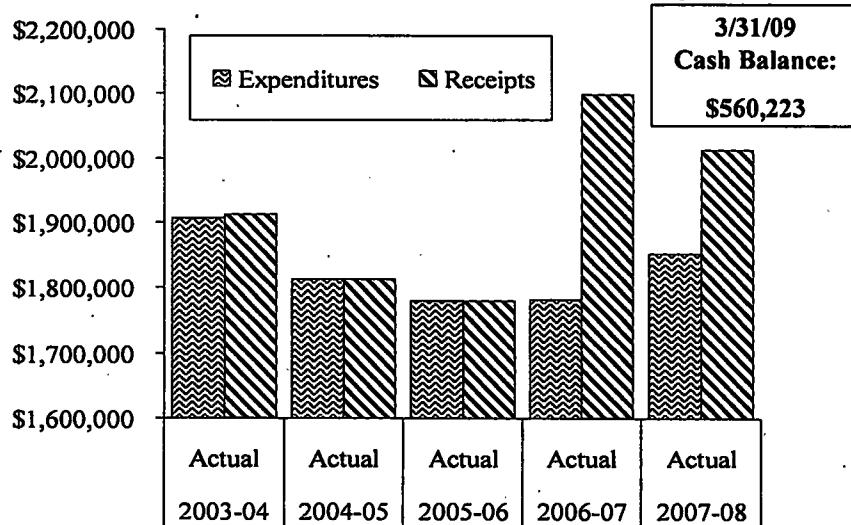


Boiler Inspection Fees

- Charge for inspection of boilers and pressure vessels
- Fees from \$30 to \$640
 - Most Common: \$35 for external pressure vessel < 20 sqft.
- Revenue ~\$2 million/year
- Last raised on 3/1/2007
- G.S. 95-69.11 allows Commissioner to set fees

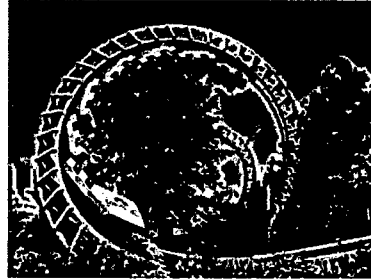


Five-Year Boiler History

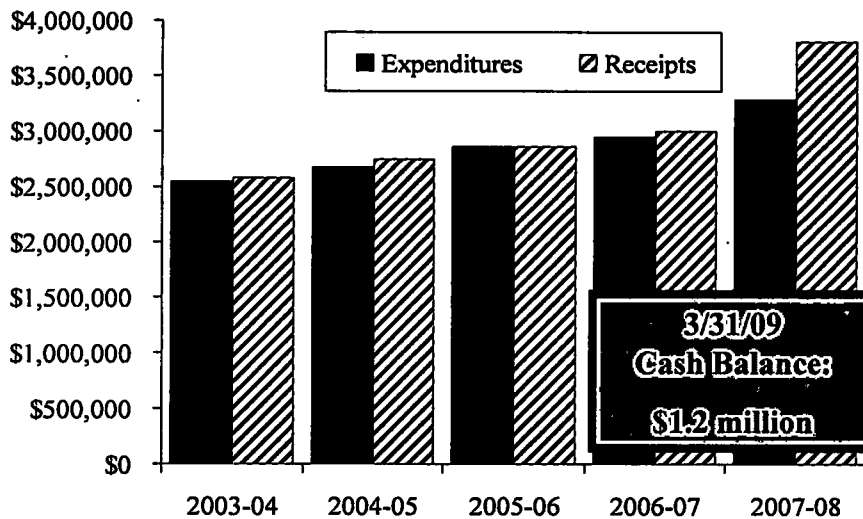


Elevator & Amusement Device Inspection Fees

- Charge for inspection of elevators & amusement devices
- Fees from \$35 to \$250
 - Elevator: \$200
- Revenue ~\$3.8 million/year
- Last raised in 2001 and 2007
- Statutory authority to raise via rulemaking



Five-Year Elevator History



Fines & Penalties

- \$2.5 million in fines, violations, civil penalties
 - OSH: \$2.36 million
 - Youth Employment: \$54k
 - Ag Safety: \$62k
 - Elevator: \$25k
- Labor retains 7% for administrative expenses
 - \$165k



Apprenticeship Program

- Average: 18,400 apprentices, 1,715 employers
- \$1.8 million General Fund appropriation
- Could charge employers or apprentices
 - Employers: Flat fee or per apprentice
- Senate Budget
 - \$450,000 cut
 - \$25 per apprentice fee = \$460,000 in revenue

Questions

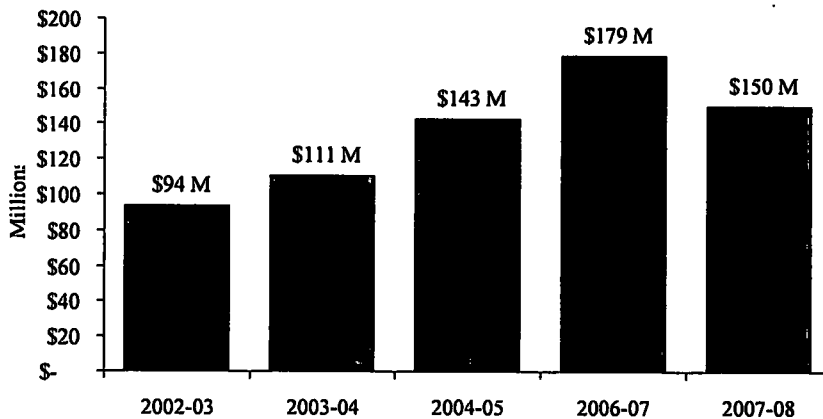


Department of Environment & Natural Resources

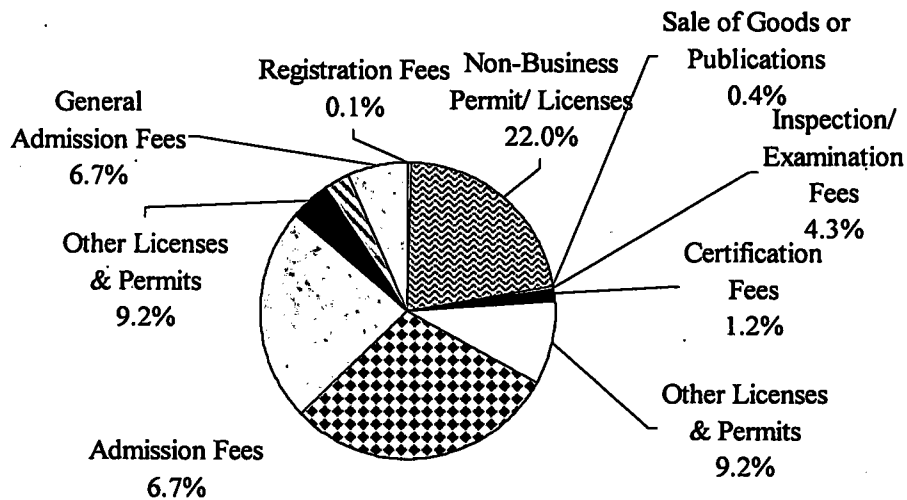
*House Appropriations Subcommittee
on Natural & Economic Resources*



Historical Collection of DENR Fees



Fee Revenue by Type



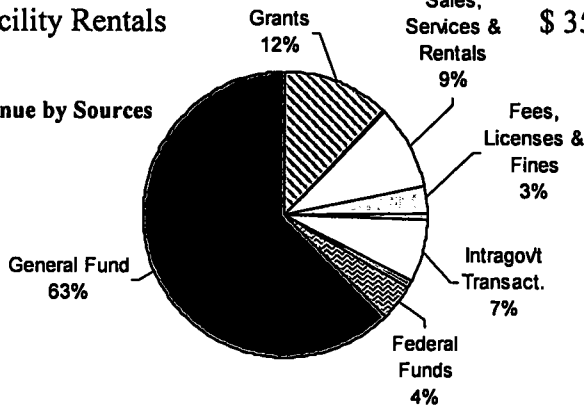
Fines

- Article IX, Section 7(b) of the Constitution directs that all fines and penalties to be deposited in the Civil Penalty and Forfeiture Fund.
- DENR collected over **\$150M** in *fees and fines* in 2007-08
 - Of this, **\$3.37M** were fines and penalties transferred to the Civil Penalties and Forfeiture Fund to be used by the Department of Public Instruction .
 - Allowed to retained about **18%** - spent about **\$291.9K** of funds retained

Forest Resources

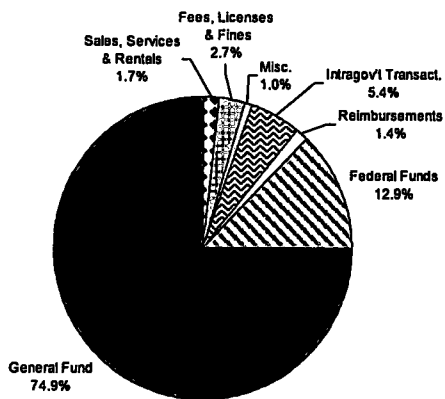
Agricultural & Forestry Product Sales	\$ 5,262,733
Forest Assessment	\$ 1,888,547
Facility Rentals	\$ 359,320

2008-09 Revenue by Sources



Marine Fisheries

2008-09 Revenue by Sources



CRFL & Hook/Line \$ 5,919,501

- Rate varies

Commercial License \$ 1,357,695

-- Set in 1999

- \$100 - \$800

Commercial Vessel \$ 401,353

- Set in 1999

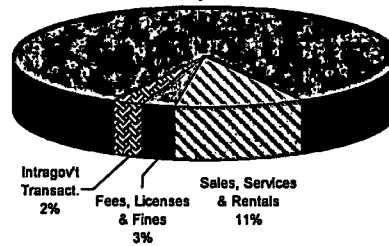
- \$1 - \$6/ ft

Parks & Recreation

- Campsite, Cabin, & Shelters \$ 3,198,377
- Admissions/ Parking \$ 952,891
- Activity Permits \$ 82,938
- Equipment \$ 64,257

- Gate Admissions
 - Jordan, Kerr, & Falls Lake \$ 5/ car
 - Hammocks Beach \$ 5/ car
 - Fort Fisher \$ 10/ day

2008-09 Revenue by Sources
Appropriation 83.9%



Parks & Recreation

Campsite, Cabin, & Shelter Rentals

	Camping	Cabins	Shelters
North Carolina	\$12-\$23 *	\$83 per night *	\$28-\$88 *
Georgia	\$5-\$50	\$80-\$150 per night	\$15-\$90
South Carolina	\$4-\$28	\$87-\$115 per night	\$32-\$157
Tennessee	\$8-\$25	\$75-\$120 per night	\$40-\$100
Virginia	\$11-\$35	\$75-\$119 per night	\$53-\$84

- Vary depending season, amenities, size, etc.
- Cabin & Shelter rates increased in 2003
- Campsite rates constant since 1997

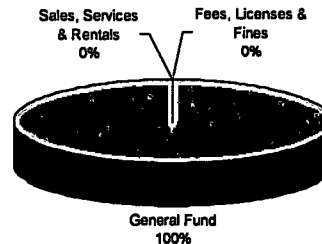


* Includes \$3 fee increase to begin July 15 upon implementation of centralized reservation system

Aquariums

Admissions	\$6 - \$8
- Fort Fisher	\$ 1,930,184
- Pine Knoll Shore	\$ 1,720,423
- Roanoke Island	\$ 1,494,424
Special Activities & Events	\$1 - \$5,000
- Fort Fisher	\$ 359,233
- Pine Knoll Shore	\$ 298,083
- Roanoke Island	\$ 119,393

2008-09 Revenue by Sources



Museum of Natural Sciences

Over 99% of operations are supported
by the General Fund

- Do not have an admission fee except to special exhibits

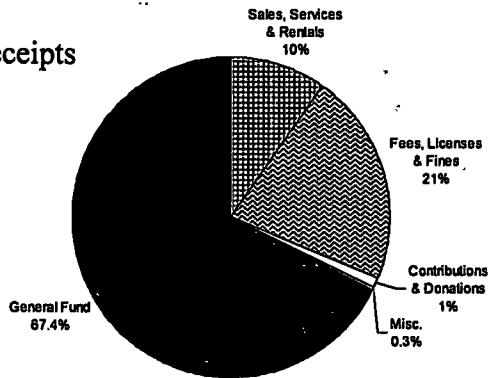


- Do have fees that support special activities

School Programs	\$ based on cost	\$ 46,677
Extension Activities	\$ varies	\$ 44,753
Public Programs	\$ 2 - \$195	\$ 32,144
Belize Funds	\$ 500	\$ 10,400
Research	\$ varies	\$ 5,852
Girls in Science	\$ 5 - \$185	\$ 3,320

Zoo

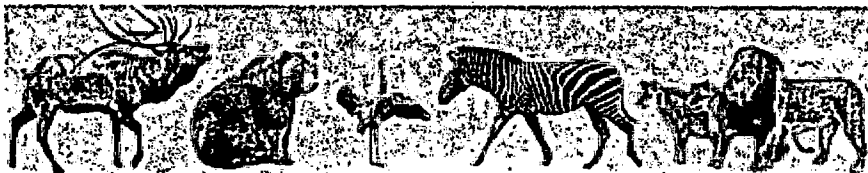
- Receipts support 32.6% of expenditures
 - Fees make up over 95% of these receipts
- Zoo budgets over-realized receipts to a special fund
 - 2007-08 Actual Receipts \$ 6,375,650
 - 2007-08 Year End Auth \$ 6,407,574
- Rates constant since 2001



2008-09 Revenue by Sources

Zoo

Admissions	\$1-\$10	\$ 3,825,982
Adults	\$10.00	
Senior Citizens	\$8.00	
Children 2-12	\$6.00	
Stroller Rentals	\$3.79-\$7.50	\$ 80,982
Property Rental	\$ 100/ party	\$ 6,150
Midway Receipts	\$2.00	\$ 154,895



Miscellaneous



Soil & Water Conservation \$30.37

- Sale of Publications -- \$2.50/ publication

Natural Resource Planning & Conservation

- Sale of Publications \$ 636
- Licenses Plate Fee \$ 3,187,477

Parks & Recreation Trust Fund

- Licenses Plate Fee \$ 1,445,813

Environmental Education \$ 5,325

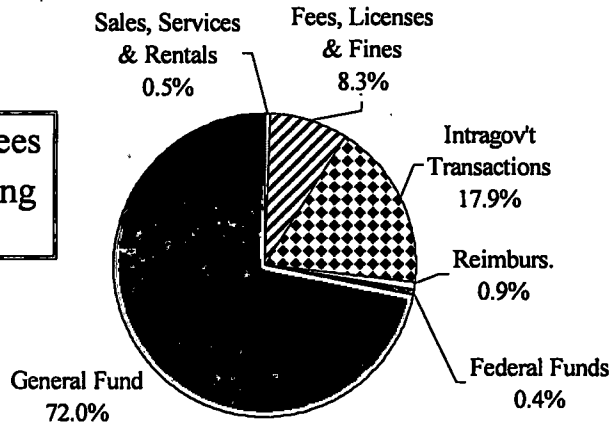
- Teacher Certification -- \$50/ participant

Questions



Administration

- \$2.6 million in fees
- Express Permitting primary source



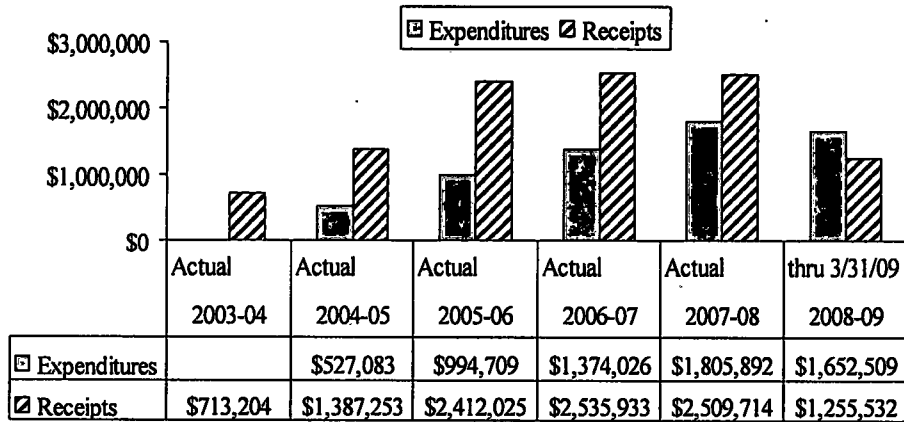
Express Permitting Fees

- Stormwater
- Wetland/401
- Erosion and Sedimentation Control
- CAMA (Major Only)
- Non-Discharge
- Stream Determinations

FY 2006-07

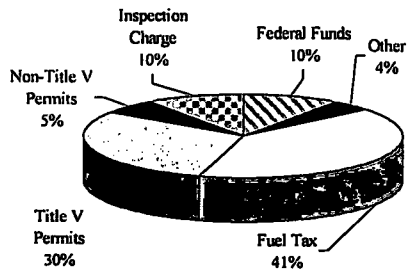
- 1,181 express permits
 - 82% issued in 30 days or less
 - Erosion & Sed. Control make up about 50%

Express Permitting Budget History



Air Quality

\$27.9M annual budget
•\$14 million from fees



Title V Permits \$8.7M
-\$6,074 + per ton charge

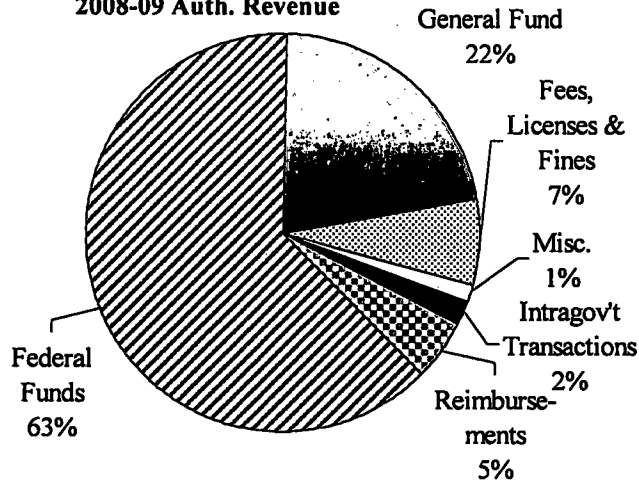
Non-Title V \$1.5M
-\$250-\$1,500

I&M \$2.8M
-\$0.65 per inspection

Fuel Tax \$11.8M
-1/64 of \$.01 of gas tax

Coastal Management

2008-09 Auth. Revenue



CAMA Permits Fees

Total Revenue of \$786K

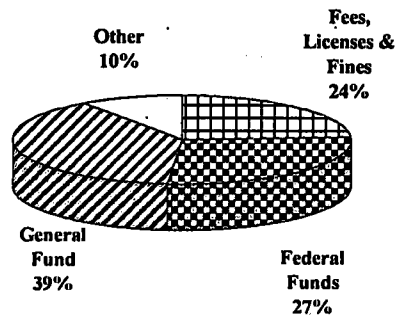
Minor Permits	\$100
Minor Mod.	\$100
General Permits	\$200
Gen. Wetlands	\$200
Gen. Sandbags	\$400
Major	\$250-400

- Last raised in 2000
- G.S. 113A-119.1.
 - Fees not to exceed \$400
 - Total funds collected should not exceed 1/3 of Division personnel costs related to CAMA

Environmental Health

- Food and Lodging Fee
- Water System Permits
- Radiation Protection Fees
- Bedding Stamps
- Onsite Wastewater Cert.
- Onsite Wastewater Review
- Registration Fees
- Publication Sales

2008-09 Auth. Revenue



Food & Lodging Fee

- G.S. 130A-248 establishes fees
 - \$50 inspection fee
 - \$25 late payment fee
 - \$150 reinstatement fee
 - \$200 plan review fee
- Current revenue of \$1.5M
 - 2/3 to counties, 1/3 to DEH
 - Last raised 10/1/2002

- Senate Budget
 - Adjusted fees on inflationary basis ~17%
 - Inspection Fee - \$60
 - Plan Review Fee - \$235
 - G.F. reduction of \$87,680

Radiation Protection Fees

- G.S. 104E-19 gives Division authority to set fees
- **Senate Budget:** Directs Radiation Protection to become entirely fee supported by FY 2010-11. G.F reduction of \$416k in 2009-10 and \$833k in 2010-11

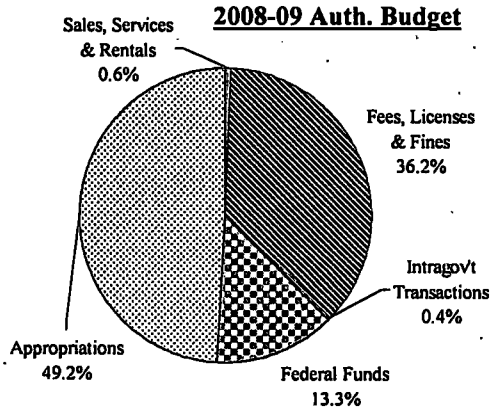
Source of Receipts	2006-07 Actual	2007-08 Actual	2008-09 Authorized
Tanning Facility Fees	346,992	334,368	417,630
Radioactive Mat. Fees	263,190	297,945	714,671
Radiation Fees	888,210	921,744	965,992
EPA Grants	182,288	210,404	274,558
Intragovt. Transfers	149,860	392,956	413,194
Other	314,871	289,283	431,973
Total	\$2,145,411	\$2,446,701	\$3,218,018

Radiation Protection Fees (Cont.)

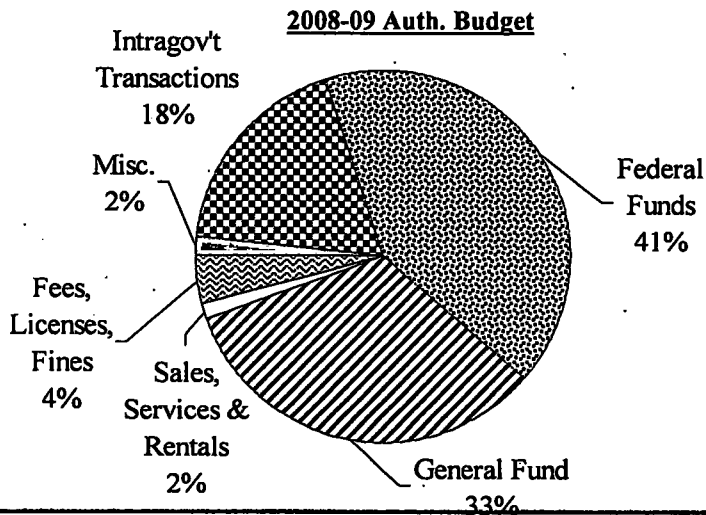
- | | |
|--|---|
| <ul style="list-style-type: none"> • Radioactive Materials <ul style="list-style-type: none"> - Fees raised 2008 - \$150 - \$3,600 • Tanning Facilities <ul style="list-style-type: none"> - Fees raised 1994 - \$100 for first piece of equipment, \$16 for each subsequent piece • Radiation/X-Ray <ul style="list-style-type: none"> - Fees raised 2002 - \$65 to \$195 for first piece of equipment, \$13 to \$29.25 for each subsequent piece | <p><u>Senate Budget:</u></p> <ul style="list-style-type: none"> • Does <i>not</i> direct which fees should be raised • If wanted to raise those fees not raised recently and meet revenue requirements: <ul style="list-style-type: none"> - Tanning Fees could be increased to \$165 and \$26.50 for each additional piece - X-ray Fees could be increased to \$107.25 to \$321.75 and \$21.50 to \$48 for each additional piece |
|--|---|

Land Resources

Mineral Interest	\$29k
- varies	
Mine Reclamation	\$42k
- varies	
Sedimentation Fees	\$2.1M
- \$65/acre	
Dam Permit Fees	\$72k
- \$200 - \$50,000	
Mining Fees	\$252k
- \$100 - \$5,000	



Water Quality



Water Quality Fees

Biological Lab Cert. Fees \$19k

- \$400-\$500
- Last raised 1998

Insp/Exam Fees \$143k

- Varies
- Last raised 2002

Lab Certification Fees \$725k

- Varies
- Last raised 2002



Water Quality Fees

Water Quality Permits \$5.1M

- \$60-\$3,440
- Last raised 2007

Wastewater Treatment Plant

Operator Fees \$540k

- \$10-\$200
- Last raised 1999

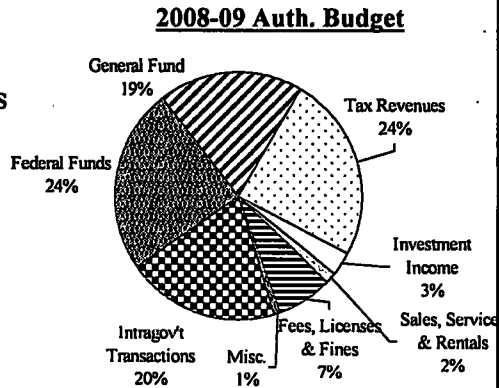
Well Drillers Fee \$232k

- \$50-\$200
- Last raised 1997



Waste Management

- **UST Permit Fees**
- **Solid Waste Permit Fees**
- **Hazardous Waste Facility Fees**
- **Brownfields Application Fees**
- **Mercury Pollution Prevention**
- **Resident Inspection Fees**
- **REC Program Fees**
- **Septage Fees**
- **Cost Recovery & Other Reimbursements**



Waste Management Fees

UST Permit Fees

- G.S. 143-215.94C
- Raised in 2009
- \$420 per tank annually
- \$12.1M in revenue



Solid Waste Permit Fees

- G.S. 130A-295.8
- New in 2007
- New Permits
 - \$250 - \$50,000
- Annual Permits
 - \$500 - \$3,500
- \$1.1M in revenue

Questions



House Appropriations Subcommittee on NER

Agenda

Thursday, April 23, 2009, 8:30 A.M.
Room 423, Legislative Office Building

Rep. Pierce, Presiding

I. Welcome

Rep. Pierce

II. NER Special Funds & Fees

Fiscal Research Staff

III. Committee Discussion

IV. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

House Pages

Name of Committee: NER Approp Date: 4/23/09

1. Name: Kassy Green
County: Wake
Sponsor: Tarheel Challenge Academy
2. Name: Crystal D. Bradford
County: Cumberland
Sponsor: Tarheel challenge
- Name: mckenzi Toogood
County: Sampson
Sponsor: Tarheel challenge
4. Name: Sarah Fogleman
County: Sampson
Sponsor: TCA
5. Name: _____
County: _____
Sponsor: _____

Sgt-Ar-Arms

1. Name: James Worth
- Name: David Shearon
3. Name: Ken Burroughs
4. Name: _____

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

April 23, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Angie Bailey	The e-NC Authority
Lee Cox	Radiation Protection / DENR
Tommy Clark	NCWRC
Sarah Clapp	NCWRC
Joy Hicks	NCDA&CS
N. David Smith	NC Dept. of Agriculture
Robin Smith	DENR
Zeb Alley	WMRS
David Smith	DENR
JOE LANIER	SZO WICKER
Ed Judge	BP

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

April 23, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Alicia D... Meredith Henderson	MWC NCIC - Commerce
Doug Lassiter	NCSTA
Art Britt	NCDOJ
Jennifer Harwood	NCDOJ
Jack Brinson	NCDOJ
Denise A. Seosoma	Commerce
Elizabeth Biser	DENR
Cathy S. Hay	DENR
Anita ...	DENR
Jay Sytem	NCAA

North Carolina State Government Fee Report

Fiscal Year 2007-08

*NER Agencies

*Entire document available at www.osbm.state.nc.us

Compiled by Office of State Budget and Management, Office of the Governor
March, 2009

Table of Contents

	Page
Introduction	v
Summary Tables	ix
Comparison Tables, 2007-08 and earlier years	xxiv
North Carolina State Government Fee Report, Fiscal Year 2007-08	1
Community Colleges	3
Department of Administration	5
Department of Agriculture and Consumer Services	11
Department of Commerce	34
Department of Correction	45
Department of Crime Control and Public Safety	46
Department of Cultural Resources	49
Department of Environment and Natural Resources	52
Department of Health and Human Services	85
Department of Insurance	110
Department of Justice	121
Department of Labor	125
Department of Revenue	130
Department of Secretary of State	131
Department of State Treasurer	141
Department of Transportation	142
Judicial Branch	148
NC Educational Lottery Commission	151
North Carolina Occupational Licensing Boards	152
Office of the Governor	220
Office of the State Controller	222
Public Education	224
State Board of Elections	235

Table of Contents

Continued

	Page
The University of North Carolina	236
UNC Chapel Hill	236
North Carolina State University	268
UNC Greensboro	310
UNC Charlotte	317
UNC Asheville	324
UNC Wilmington	335
East Carolina University	355
North Carolina Agricultural and Technical State University	366
Western Carolina University	374
Appalachian State University	382
UNC Pembroke	400
Winston-Salem State University	411
Elizabeth City State University	416
Fayetteville State University	423
North Carolina Central University	436
North Carolina School of the Arts	441
North Carolina School of Science and Mathematics	447
Comments Regarding Fees	449

Introduction

N.C. G.S. 143C-9-4 mandates that state agencies, boards, and commissions submit a complete report of all funds received during the fiscal year for the use of a property, the provision of a service, or the exercise of a regulated privilege.

Data reported by agencies for these types of funds during fiscal year 2007-08 are listed by agency, budget code, fund code, and revenue account code as reported in the North Carolina Accounting System (NCAS). Data for boards that do not report to NCAS are assigned a "comparable" accounting code beginning with the characters "XX." Information is reported as received from the agency; for some fees, the information is incomplete.

In many cases, the fees are subdivided into parts, or sub fees, to clarify the differing rates within the fee. Titles for the sub fees were supplied by the agencies for purposes of this report and are not reflected in NCAS.

The following definitions apply for fees and sub fees collected during fiscal year 2007-08.

Fee - Funds received during the fiscal year for the use of a property, the provision of a service, or the exercise of a regulated privilege. Not all fees that might fall under this definition have been included in this survey; North Carolina Accounting System (NCAS) account codes 4341#####, 4342#####, 434320###, 434321###, 434330###, 434390###, 434500###, and 434600### have been excluded. The account code 434195### is included in 2006-07 (as well as in 2002-03, 2003-04, and 2005-06); it applies only to universities and colleges.

Sub Fee - A breakout of a fee in order to list a particular rate instead of a range of values and/or in order to give more specific information about particular fees within the main fee reported.

Fee Title - The title and/or the description of the fee or sub fee being charged.

Fee ID - A sequential numbering of fees, which uniquely identifies them within the fee database.

Fee Rate - A statement of the amount of fees per unit in effect on the last day of the fiscal year.

Date of Last Change in Fee Amount - The date of the last change in the fee rate or sub fee rate, prior to July 1, 2008.

Frequency of Collection - The frequency of collection of the fee or sub fee during the fiscal year. Available options are *daily, weekly, monthly, quarterly, semi-annually, yearly, per occurrence, and other*.

Number of Collections - The total number of collections for the referenced fee or sub fee during the fiscal year.

Amount Collected - The total dollar amount of revenues collected for the referenced fee or sub fee during the fiscal year.

Statutory Authority - The citation from the North Carolina General Statutes that authorizes the collection of the fee or sub fee.

Administrative Authority - The citation from the North Carolina Administrative Code that authorizes the collection of the referenced fee or sub fee.

Fee Type – A broad category of accounts designated by NCAS. The specific NCAS account codes used for purposes of this report are shown in the following table.

Fee Type	NCAS Range
Business License Fees	435100
Non-Business Permit/License Fees	435200 - 435261
Certification Fees	435300
Inspection/Examination Fees	435400 - 435460
Fines, Penalties, and Assessment Fees	435500
Registration Fees	435600
General Admission Fees	435700
Tuition and Fees	435800 - 435850
Other Licenses, Fees, and Permits	435900
Sale of Goods or Publications	434310
Rentals	434410 - 434430
University/Community College Auxiliary Sales	434195

Table 5. Total Amounts for All Fees by Department, 2007-08, 2006-07, 2005-06, 2003-04, and 2002-03

<u>Department</u>	<u>2007-08</u>	<u>2006-07</u>	<u>2005-06</u>	<u>2003-04</u>	<u>2002-03</u>
Community Colleges	\$182,072,453.72	\$164,889,887.84	\$164,047,023.07	\$154,547,982.28	\$143,576,652.07
Department of Administration	\$7,920,542.84	\$7,994,598.68	\$7,541,913.37	\$6,366,726.64	\$6,461,608.30
Department of Agriculture/ Consumer Services	\$31,221,800.50	\$29,428,137.32	\$29,303,582.55	\$26,096,270.12	\$20,186,035.96
Department of Commerce	\$63,110,984.15	\$61,605,883.14	\$57,400,912.30	\$52,532,006.48	\$48,276,217.06
Department of Correction	\$1,015,376.81	\$1,044,080.39	\$22,025.00	\$100,525.32	\$49,228.46
Department of Crime Control and Public Safety	\$3,253,957.63	\$6,148,136.48	\$2,591,533.10	\$3,339,747.07	\$3,300,603.86
Department of Cultural Resources	\$4,080,637.82	\$4,120,563.64	\$3,370,607.56	\$3,364,752.19	\$2,578,788.12
Department of Environment/Natural Resources	\$150,354,969.07	\$178,731,272.86	\$142,918,621.62	\$110,668,261.15	\$93,835,221.44
Department of Health and Human Services	\$130,607,454.32	\$126,720,703.95	\$126,755,782.04	\$26,132,667.32	\$13,373,606.60
Department of Insurance	\$78,788,081.57	\$63,887,099.09	\$59,666,740.61	\$51,083,033.62	\$59,278,551.45
Department of Justice	\$23,624,343.65	\$12,801,011.20	\$14,119,476.67	\$22,890,646.46	\$11,740,692.15
Department of Labor	\$8,601,501.20	\$7,779,852.06	\$7,347,828.77	\$7,140,076.86	\$7,448,475.61
Department of Revenue	\$306,731.45	\$355,440.54	\$453,426.17	\$215,939.43	
Department of Secretary of State	\$63,012,968.28	\$58,845,514.82	\$56,645,465.46	\$41,195,170.89	\$37,316,264.76
Department of State Treasurer	\$5,148,837.52	\$4,962,834.96	\$4,795,085.90	\$4,557,512.69	\$5,435,120.97
Department of Transportation	\$918,960,668.72	\$915,393,530.48	\$855,685,200.58	\$682,820,540.88	\$613,226,594.47
Judicial Branch	\$227,937,927.71	\$196,165,665.30	\$187,493,916.28	\$167,990,282.68	\$149,171,566.59
NC Education Lottery Commission	\$4,559,365.00	\$4,623,910.00	\$1,099,119.11		
North Carolina Occupational Licensing Boards	\$54,479,648.54	\$50,933,215.76	\$47,925,573.82	\$28,642,152.88	\$25,571,549.74
Office of Administrative Hearings		\$9,711.30	\$29,998.57	\$2,475.00	
Office of the Governor	\$74,531,140.49	\$56,404,034.55	\$53,106,114.52	\$39,444,413.76	\$35,728,635.41
Office of the State Controller	\$87,109,849.53	\$78,178,837.57	\$81,445,005.26	\$80,717,411.54	\$89,778,676.28
Public Education	\$6,248,849.33	\$6,304,748.58	\$6,205,788.20	\$5,590,531.07	\$3,545,920.78
State Board of Elections	\$581,451.17	\$91,150.67	\$421,045.47	\$166,257.10	\$40,655.00
The University of North Carolina (*)	\$2,097,482,338.19	\$1,939,595,593.93	\$1,711,484,270.97	\$1,481,737,625.87	\$1,365,652,475.55
State Total (*)	\$4,225,011,879.21	\$3,977,015,415.11	\$3,621,876,056.97	\$2,997,343,009.30	\$2,735,573,140.63

(*) includes correction to data published in 2002-03 Fee Report

Note: 2000-01 figures exclude independent boards that do not report to NCAS; data for these boards are included in later years for those boards that responded to the fee survey. When comparing data for 2000-01 or 2001-02 with 2002-03 or later, it is also important to note that the account code 434195 University/Community College Auxiliary Sales was added as a result of GASB Statement 34/35 in the fiscal year ending June 30, 2002. Prior to usage of the code, universities and community colleges reported the fees in account code 435800. There was no fee report for 2004-05. The Education Lottery Commission began in FY2006.

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
13700	1012	ADMINISTRATIVE SERVICES	435100004	132	Grain Dealers License	\$50	\$16,330.07	228	per occurrence	7/1/1989	GS 106-604	
					Grain Dealer's License and Decal Duplicates	\$5			per occurrence	7/1/1989	GS 106-604	
					Grain Dealer's Buying Stations	\$30			yearly	7/1/1989	GS 106-604	
					Grain Dealer's Decals	\$30			yearly	7/1/1989	GS 106-604	
					Grain Dealer's Sign	\$10			per occurrence	7/1/1989	GS 106-624	
					Grain Dealer's Sign Duplicate	\$5			per occurrence	7/1/1989	GS 106-624	
13700	1012	ADMINISTRATIVE SERVICES	435100116	133	Cotton Registration Fee	\$25	\$2,130.00	85	yearly	1/1/2000	GS 106-451.41	
13700	1012	ADMINISTRATIVE SERVICES	435500006	*135	Fertilizer Tax	\$0.25/ton	\$59,094.24	360	monthly	7/1/1947	GS 106-671	
13700	1012	ADMINISTRATIVE SERVICES	435500017	136	Grain Dealers Penalty	\$20	\$140.00	7	per occurrence	7/1/1989	GS 106-607	
13700	1020	MARKETS	434310000	*139	Sale of Publications	\$20	\$2,965.00	148	yearly	1/2/1997	GS 106-287	
13700	1020	MARKETS	434410000	*142	Rental of Real Property Martin Ag Center	see sub-fees \$900 or 10%/day	\$1,122,207.37	178	per occurrence	12/1/2007 7/1/2002	GS 106-6.1	
					Lumberton Kitchen Brought in Food	\$100		36	per occurrence	4/1/2000	GS 106-6.1	
					WNC FM Wholesale Bldg.	\$4.62/4.63sq. ft.		40	monthly	11/1/2007	GS 106-22.106-530	
					WNC FM Small Dealers Bldg.	\$6.55/sq. ft.		96	monthly	12/1/2007	GS 106-22.106-530	
					WNC FM Small Dealers Storage	\$4.10/sq. ft.		24	monthly	12/1/2007	GS 106-22.106-530	
					WNC FM Restaurant	\$12.23/sq.ft.		12	monthly	10/1/2007	GS 106-22.106-530	
					WNC FM Deli	\$8.75/sq. ft.		12	monthly	1/1/2002	GS 106-22.106-530	
					WNC FM Garden Center	\$7.54/sq. ft.		12	monthly	6/1/2007	GS 106-22.106-530	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					WNC FM ATM	\$200		12	monthly	8/1/2000	GS 106-22.106-530	
					Charlotte FM-Rent of Real Property	\$4125.75		12	monthly	9/1/2003	GS 106-6.1	
					Triad Market ATM	\$150		12	monthly	10/3/1996	GS 106-6.1	
					Triad FM Garden Center	\$6,500		12	monthly	7/15/2007	GS 106-6.1	
					Triad FM Restaurant	\$3,500		12	monthly	4/1/2006	GS 106-6.1	
					Triad FM Wholesale Bldg.	\$10,462.14		12	monthly	7/1/2007	GS 106-6.1	
					Martin Ag Center-Coliseum Stall Rental (1,2,3,4,5 days)	\$15,\$22,\$30,\$35,\$38 per show day		6632	per occurrence	7/1/1998	GS 106-6.1	
					Martin Ag Center Meeting Center Full Building	\$700/day, \$400/part day		55	per occurrence	7/1/2001	GS 106-6.1	
					Martin Ag Center Meeting Center Hall	\$400/day, \$200/part day		123	per occurrence	7/1/2001	GS 106-6.1	
					Martin Ag Center Meeting Center Room	\$200/day, \$125/part day		39	per occurrence	7/1/2001	GS 106-6.1	
					Lumberton- Area 1,2,3,4,5 < 6 hours	\$125, \$125, \$250, \$125, \$125		262	per occurrence	8/27/2001	GS 106-6.1	
					Lumberton All Areas 1-5 < 6 hours	\$400		0	per occurrence	4/1/2000	GS 106-6.1	
					Lumberton All Areas > 6 hours	\$700		53	per occurrence	4/1/2000	GS 106-6.1	
					Lumberton Kitchen	\$150		145	per occurrence	4/1/2000	GS 106-6.1	
					Lumberton Conference Room 3 or more hours	\$75		1	per occurrence	4/1/2000	GS 106-6.1	
13700	1020	MARKETS	435500091	5573	Compensatory Mitigation	varies	\$24.51	1	per occurrence	9/1/2007	GS 143-214.11	
13700	1020	MARKETS	435700000	143	Gate/Admission Fees	see sub fees	\$1,193,652.79	8674	other	1/1/2004		
					WNC FM Truck Shed 12' Wide/day all year	\$10, \$12			daily	1/1/2004	GS 106-22;106-530	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Fund</u>	<u>Account</u>	<u>Fee</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num.</u>	<u>Date</u>	<u>Statutory</u>	<u>Administrative</u>
<u>Code Code Fund Title</u>	<u>Code</u>	<u>ID Fee Title</u>			<u>Coll. Frequency</u>	<u>Changed</u>	<u>Authority</u>	<u>Authority</u>
		WNC FM Truck Shed 12/week June-Oct	\$50, \$56.25		weekly	1/1/2004	GS 106-22;106-530	
		WNC FM Truck Shed 12/week Apr, May, Nov, Dec	\$37.50, \$43.75		weekly	1/1/2004	GS 106-22;106-530	
		WNC FM Truck Shed 12/week Jan, Feb, Mar	\$18.75, \$25.00		weekly	1/1/2004	GS 106-22;106-530	
		WNC FM Truck Shed Holding Fee/mon Jan Feb Mar	\$25		monthly	1/1/2004	GS 106-22;106-530	
		WNC FM Gate Fees (Vehicles)	\$1,\$5; \$3, \$8		per occurrence	1/1/2004	GS 106-22;106-530	
		WNC FM Gate Fees (Ton Trucks/6 Wheelers)	\$6, \$8; \$10,		per occurrence	1/1/2004	GS 106-22;106-530	
		WNC FM Gate Fees (10 Wheelers/Tractor Trailers)	\$10, \$12; \$13, \$15		per occurrence	1/1/2004	GS 106-22;106-530	
		WNC FM Delivery Permit up to 6 wheels, over 6 wheels	\$400, \$500		yearly	1/1/2004	GS 106-22;106-530	
		Charlotte FM Daily, Out of State and Saturday	\$10, \$15		daily	1/1/2004	GS 106-6.1	
		Charlotte FM Weekly	\$45,\$55		weekly	1/1/2004	GS 106-6.1	
		Charlotte FM Deliveries, Tractor- Trailers	\$5, \$10		per occurrence	1/1/2004	GS 106-6.1	
		Triad FM Gate Farmers	\$6,\$10		daily	1/1/2004	GS 106-6.1	
		Triad FM Gate Retail Tenants	\$10		daily	1/1/2004	GS 106-6.1	
		Triad FM Christmas Tree	\$3/tree		per occurrence	9/1/1999	GS 106-6.1	
		Triad FM Deliveries (<100 and >100 pkgs)	\$6, 10\$		daily	1/1/2004	GS 106-6.1	
		Lumberton Gate Fees	\$10, \$12		daily	1/1/2004	GS 106-6.1	
		WNC FM Retail Building	\$12.24/sq ft,		weekly	1/1/2004	GS 106-22;106-530	
		Lumberton Arena	\$250		daily	1/1/2007	GS 106-6.1	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Fund</u> <u>Code Code Fund Title</u>	<u>Account</u> <u>Code</u>	<u>Fee</u> <u>ID Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num.</u> <u>Coll. Frequency</u>	<u>Date</u> <u>Changed Authority</u>	<u>Statutory</u> <u>Authority</u>	<u>Administrative</u> <u>Authority</u>
13700 1040 AGRONOMIC SERVICES	435400002	*148 Soil and Plant Analysis Fee	See sub fees	\$325,780.94				
		Nematode Samples	\$3		24681 daily	7/1/2005	GS 106.22	
		Routine waste, solution, and plant samples	\$5		24859 daily	7/1/2005	GS 106.22	
		Research soil samples	\$5		2834 daily	7/1/2005	GS 106.22	
		Research nematode samples	\$10		1066 daily	7/1/2005	GS 106.22	
		Research plant, waste and solution samples	\$12		3762 daily	7/1/2005	GS 106.22	
		Nonresident nematode samples	\$10		250 daily	7/1/2005	GS106.22	
		Nonresident plant, waste and solution samples	\$25		103 daily	7/1/2005	GS106.22	
		Heavy Metals	\$25		676 daily	7/1/2005	GS 106.22	
13700 1040 AGRONOMIC SERVICES	435500006	*149 Fertilizer Tax	\$0.25/ton	\$206,829.84	1264 monthly	7/1/1947	GS 106-671	
13700 1070 COMMERCIAL FEED AND PET	435100006	*154 Non Canned Pet Food Registration	\$5	\$306,145.01	per occurrence	7/1/1989	GS 106-284.34	
		Packages over 5 lbs	\$5		9148 yearly	7/1/1989	GS 106-284.34	
		Packages of 5 lbs or less	\$40		4709 yearly	7/1/1989	GS 106-284.34	
		Packages > and <= 5 lbs	\$45		1600 yearly	7/1/1989	GS 106-284.34	
13700 1070 COMMERCIAL FEED AND PET	435100014	155 Canned Pet Food Registration	\$12	\$29,241.00	2436 yearly	7/1/1989	GS 106-284.34	
13700 1070 COMMERCIAL FEED AND PET	435400000	*156 Inspection/Examination Fees	varies	\$59,078.80	6 other	1/1/1973	GS 106-671 (b)	
13700 1070 COMMERCIAL FEED AND PET	435400009	*157 Feed Analysis Fees	\$10	\$26,230.00	daily	7/1/1989	GS 106-21.1	
		Feed Analysis Fees-\$75	\$75		8 daily	7/1/1989	GS 106-21.1	
		Feed Analysis Fees-\$10	\$10		2563 daily	7/1/1989	GS 106-21.1	
13700 1070 COMMERCIAL FEED AND PET	435500005	158 Feed Tax		\$1,420,911.35	2791			
		Feed Tax-Dry Feed	\$.12/ton		quarterly	7/1/1973	GS 106-284.40 (b)	
		Feed Tax-Canned Pet Food	\$.03/48 can case		quarterly	7/1/1973	GS 106-284.40 (a)	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
13700	1070	COMMERCIAL FEED AND PET	435500009	5574	Feed Registration Penalty		\$4,594.10	153				
13700	1070	COMMERCIAL FEED AND PET	435500015	3377	Non-Canned Pet Food Registration Penalty	\$30/product	\$44,954.00	1498	per occurrence	7/1/1973	GS 106-284.34(e)	
13700	1070	COMMERCIAL FEED AND PET	435500019	159	Feed Tax Penalty-Delinquent	10%	\$8,952.68	62	per occurrence	7/1/1973	GS 106-284.42	
13700	1070	COMMERCIAL FEED AND PET	435500082	160	Feed Deficiency Penalty	10-20%	\$10,412.48	92	per occurrence	7/1/1973	GS 106-284.42(j)	
13700	1070	COMMERCIAL FEED AND PET	435500084	162	Non-Can Pet Food Def Pnlty	10%	\$4,840.90	91	per occurrence	7/7/1973	GS 106-284.42(j)	
13700	1090	PESTICIDE CONTROL AND AN	435100017	*175	Pesticide Registration	\$100	\$1,389,225.00	13892	yearly	7/1/2003	GS 143-442	
13700	1090	PESTICIDE CONTROL AND AN	435100082	*176	Pesticide Aerial Applicators License		\$8,525.00		yearly	7/1/1989	GS 143-452	
					Applicator's License	\$50		142	yearly	7/1/2003	GS 143-452	
					Pesticide Aircraft Inspection Fee	\$25		90	yearly	7/1/2003	GS 143-452	
13700	1090	PESTICIDE CONTROL AND AN	435100083	177	Pesticide Ground Applicators License	\$50	\$466,000.00	9320	yearly	7/1/2003	GS 143-452	
13700	1090	PESTICIDE CONTROL AND AN	435100084	178	Pesticide Dealers License	\$50	\$30,200.00	604	yearly	7/1/2003	GS 143-448	
13700	1090	PESTICIDE CONTROL AND AN	435100085	179	Pesticide Consultants License	\$50	\$4,550.00	91	yearly	7/1/2003	GS 143-455	
13700	1090	PESTICIDE CONTROL AND AN	435300003	*180	Private Application Certificate	\$6	\$30,566.00	5094	yearly	7/1/1987	GS 143-140	
13700	1090	PESTICIDE CONTROL AND AN	435500013	182	Pest Delinquent Penalties	\$200	\$8,800.00	44	per occurrence	7/1/1989	GS 143-442	
13700	1090	PESTICIDE CONTROL AND AN	435500086	183	Performance Settlement - Pesticide	varies	\$35,550.00	44	per occurrence	7/1/1998	GS 143-469(b) & (d)	
13700	1090	PESTICIDE CONTROL AND ANALYSIS	435600000	5575	Registration Fees		(\$2,545.00)					
13700	1100	FOOD,DRUG AND COSMETIC A	435100005	185	Anti-Freeze Registration	\$250	\$69,250.00	277	yearly	7/1/1975	GS 106-579.4	
13700	1100	FOOD,DRUG AND COSMETIC A	435100011	186	Drug Registration		\$258,175.00					

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Drug Registration-Manufacturer and Repackager	\$500		156	yearly	7/1/1988	GS 106-140.1	
					Drug Registration-Wholesaler	\$350		514	yearly	7/1/1988	GS 106-140.1	
13700	1100	FOOD,DRUG AND COSMETIC A	435100012	187	Drug License Fee		\$116,200.00					
					Drug License-Distributor	\$350		186	yearly	7/1/1988	GS 106-145	
					Drug License-Manufacturer and Repackager	\$500		102	yearly	7/1/1988	GS 106-145	
13700	1100	FOOD,DRUG AND COSMETIC A	435100013	188	Milk Tester's License	\$5	\$745.00	149	yearly	7/1/1989	GS 106-267.1	
13700	1100	FOOD,DRUG AND COSMETIC A	435100090	189	Babcock Tester's License	\$5	\$165.00	33	yearly	7/1/1989	GS 106-267.1	
13700	1100	FOOD,DRUG AND COSMETIC A	435400000	*190	Inspection/Examination Fees	\$978.61 - \$992.21	\$144,916.61	6	quarterly	1/1/1973		FDA
13700	1100	FOOD,DRUG AND COSMETIC A	435400005	*191	Dairy Products Inspection Fee		\$30,835.00					
					Dairy Products Inspection Fee-Wholesale	\$40		181	yearly	7/1/1989	GS 106-254	
					Dairy Prod. Insp. Fee-Retail	\$10		2360	yearly	7/1/1989	GS 106-254	
13700	1120	STRUCTURAL PEST	435100086	193	Structural Pest Control License		\$220,095.00					
					Structural Pest Control License-Phase 1	\$150		124	yearly	8/4/1999	GS 106-65.31 (b)	
					Structural Pest Control License-Phase 2	\$65		594	yearly	8/4/1999	GS 106-65.31 (b)	
					Structural Pest Control License-Phase 3	\$65		28	yearly	8/4/1999	GS 106-65.31 (b)	
					Structural Pest Control License-Duplication Fee	\$10		0	per occurrence	7/1/1989	GS 106-65.31 (b)	
					Structural Pest Control License-Transfer Fee	\$10		271	per occurrence	10/1/1989	GS 106-65.31 (b)	
13700	1120	STRUCTURAL PEST	435100087	194	Structural Pest Registered Technician License	\$25	\$106,090.00	4244	yearly	7/1/1989	GS 106-65.31(b1)	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
13700	1120	STRUCTURAL PEST	435100088	195	Certified Applicator's License	\$30	\$54,870.00	1829	yearly	7/1/1976	GS 106-65.31(a)	
					Duplicate Certified ID Card	\$5		0	per occurrence	7/1/1976	GS 106-65.31(a)	
					Certified Applicators ID Card Transfer Fee	\$5		283	per occurrence	7/1/1981	GS 106-65.31(a)	
13700	1120	STRUCTURAL PEST	435300001	196	Structural Pest Re-Inspect Fee	\$10	\$4,371.41	95	per occurrence	7/1/2001		2 NCAC 34.1103
					Re-Inspection Fee-2nd	\$50		28	per occurrence	7/1/2001		(a)
					Re-Inspection Fee - 3rd	\$100		20	per occurrence	7/1/2001		2 NCAC 34.1103 (a)
13700	1120	STRUCTURAL PEST	435300002	197	Exam Fee- Certified Applicators	\$10	\$8,890.00	890	monthly	10/1/1989	GS 106-65.27(a)	
13700	1120	STRUCTURAL PEST	435300015	198	Examination Fees	\$25	\$4,025.00	161	monthly	10/1/1989	GS 106-65.27(b)	
13700	1120	STRUCTURAL PEST	435500087	199	Performance Settlement - Structural Pests	varies	\$24,674.20	25	per occurrence	8/1/1980		APA (Administrative Procedures Act)
13700	1130	VETERINARY SERVICES	435100009	205	License Fee-Pet Shops, Kennels	\$50	\$29,088.03	457	yearly	7/1/1989	GS 19A-27,28,29	
13700	1130	VETERINARY SERVICES	435100018	*206	Livestock Market Operation Fee	\$100	\$2,100.00	21	per occurrence	7/1/1971	GS 106-416	
13700	1130	VETERINARY SERVICES	435100068	*4181	Temporary License	\$5	\$1,145.00	229	per occurrence	1/1/2004		
13700	1130	VETERINARY SERVICES	435400006	207	Hatchery Inspection Fee	\$25	\$3,210.10	158	yearly	7/1/1983	GS 106-542	
13700	1130	VETERINARY SERVICES	435400014	208	Necropsy Fee	\$25	\$52,672.50	2107	monthly	7/1/2003	GS 106-6.1	
13700	1130	VETERINARY SERVICES	435400015	209	Histopathology Fee	\$15	\$193,972.00	12931	monthly	7/1/2003	GS 106-6.1	
13700	1130	VETERINARY SERVICES	435400043	3909	Companion Animal Cultures	\$10	\$9,233.00	923	monthly	7/1/2003	GS 106-6.1	
13700	1130	VETERINARY SERVICES	435400044	*3910	Necropsy Disposal	\$5 - \$30 Varies	\$21,651.50	1443	daily	7/1/2003	GS 106-6.1	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
13700	1130	VETERINARY SERVICES	435400045	3911	Cytology Tests	\$10	\$5,700.00	570	per occurrence	7/1/2003	GS 106-6.1	
13700	1130	VETERINARY SERVICES	435500000	*4675	Fines, Penalties & Assessment Fees	varies	\$3,000.00	4	per occurrence	7/1/1995	GS 516	
13700	1140	MEAT AND POULTRY	435500000	212	Fines, Penalties & Assessment Fees	<=\$5000	\$8,220.00	24	other	6/28/1996	GS 106-549.35	
13700	1140	MEAT AND POULTRY	435900004	213	Meat and Poultry-Overtime Poultry	\$19	\$41,116.00	148	monthly	7/1/1989	GS 106-549.39	
					Red Meat	\$19/hour			monthly	7/1/1989	GS 106-549.39	
13700	1150	WEIGHTS AND MEASURES INS	435100133	4182	Scale Tech License Fee	\$20	\$15,520.00	762	daily	9/1/2005	GS 314-72	
13700	1150	WEIGHTS AND MEASURES	435400007	*215	Weight and Measures Fee	\$25	\$133,198.83	5195	daily	9/1/2005	GS 81A-72	
13700	1150	WEIGHTS AND MEASURES	435400012	216	Calibration Fee		\$220,452.04					
					Tape measures and Rigid rules (Set up Fee)	\$40per instrument		4	per occurrence	9/1/2005	GS 81A-12 (f)	
					Tape Measures and Rigid rules (Calibration)	\$10 per calibration point		4	per occurrence	9/1/2005	GS 81A-12 (f)	
					Liquid-in-glass and electronic thermometers (Set up Fee)	\$40 per instrument		20	per occurrence	9/1/2005	GS 81A-12 (g)	
					Liquid-in-glass and electronic thermometers (Calibration)	\$20per calibration point		62	per occurrence	9/1/2005	GS 81A-12 (g)	
					Resistance Thermanely Coefficient Calculation and	\$100			per occurrence	9/1/2005	GS 81A-12 (g)	
					Special Tests or Weight Cleaning	\$70 per hour		1	per occurrence	9/1/2005	GS 81A-12 (h)	
					Weight Cart	\$100		8	per occurrence	9/1/2005	GS81A-12(a)	
					Invoice for adjustments (for \$25 minimum)	\$25 +		79	per occurrence	9/1/2005	GS 81A-12(h)	
					Less than ANSI/ASTM Class 4 (0-10 lb or 0-5 kg)	\$5		11506	per occurrence	9/1/2005	GS 81A-12 (a)	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Fund</u> <u>Code Code Fund Title</u>	<u>Account</u> <u>Code</u>	<u>Fee</u> <u>ID Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num.</u> <u>Coll. Frequency</u>	<u>Date</u> <u>Changed</u>	<u>Statutory</u> <u>Authority</u>	<u>Administrative</u> <u>Authority</u>
		Less than ANSI/ASTM Class 4 (11-100 lb or 6-50 kg)	\$10		5519 per occurrence	9/1/2005	GS 81A-12 (a)	
		Less than ANSI/ASTM Class 4 (101-1000 lb or 51-500 kg)	\$20		496 per occurrence	9/1/2005	GS 81A-12 (a)	
		Less than ANSI/ASTM Class 4 (1001-2500 lb or 501-1000 kg)	\$30		35 per occurrence	9/1/2005	GS 81A-12 (a)	
		Weigh Carts up to 6000 lb	\$125		8 per occurrence	9/1/2005	GS 81A-12 (c)	
		Meets ANSI/ASTM Class 4 (0-10 lb or 0-5 kg)	\$10		2449 per occurrence	9/1/2005	GS 81A-12 (b)	
		Meets ANSI/ASTM Class 4 (11- 100 lb or 6-50 kg)	\$20		6 per occurrence	9/1/2005	GS 81A-12 (b)	
		Meets ANSI/ASTM Class 4 (101- 1000 lb or 51-500kg)	\$40		per occurrence	9/1/2005	GS 81A-12 (b)	
		Meets ANSI/ASTM Class r (1001- 2500 lb or 501-1000 kg)	\$60		per occurrence	9/1/2005	GS 81A-12 (b)	
		Meets ANSI/ASTM Class r (2501- 6000 lb or 1001-2500 kg)	\$100		per occurrence	9/1/2005	GS 81A-12 (b)	
		All Weights calibrated (0-20 lb or 0-10 kg)	\$20		33 per occurrence	9/1/2005	GS 81A-12 (c)	
		All Weights Calibrated(21-50 lb or 11-30 kg)	\$40		53 per occurrence	9/1/2005	GS 81A-12 (c)	
		All Weights Calibrated (51-1000lb or 31-500kg)	\$70		per occurrence	9/1/2005	GS 81A-12(c)	
		Small Volume Provers Gravimetric Calibration (0-100	add \$2 per gallon		1000 per occurrence	9/1/2005	GS 81A-12(e)	
		All Weights Calibrated (1001- 2500 lb or 501 - 1000 kg)	\$130		per occurrence	9/1/2005	GS 81A-12(c)	
		All weights calibrated (2501-6000 lb or 1001-2500 kg)	\$200		per occurrence	9/1/2005	GS 81A-12(c)	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					NIST Weighing Design (0-2 lb or 0-1 kg)	\$30 each with a minimum of \$90 (3 weights)		9	per occurrence	9/1/2005	GS 81A-12 (d)	
					NIST Weighing Design (3-50 lb or 2-30 kg)	\$30 each with a minimum of \$90 (3 weights)		2	per occurrence	9/1/2005	GS 81A-12 (d)	
					Provers or Test Measures by Volume Transfer (0-5 gal or 0-20 liters)	\$30		396	per occurrence	9/1/2005	GS 81A-12(e)	
					Provers or Test Measures Gravimetric Calibration Fee (0-500 gal or 0-500 liter)	\$.50/liter			per occurrence	9/1/2005	GS 81A-12(e)	
					Small Volume Prover Gravimetric Calibration (0-500)	add \$0.50 per liter			per occurrence	9/1/2005	GS 81A-12(e)	
					Small Volume Prover Gravimetric Set UP Fee(0-100 gal or 0-500 liter))	\$100		12	per occurrence	9/1/2005	GS 81A-12(e)	
					Provers or Test Measures by Volume Transfer (over 5 gal or 20 liters)	\$30 + \$0.40 each additional gal/ or \$.10/liter		5	per occurrence	9/1/2005	GS 81A-12(e)	
					Provers or test Measures Gravimetric Set up Fee (0-100 gal or 0-500 liters)	\$50		5	per occurrence	9/1/2005	GS 81A-12(e)	
					Provers or Test Measures Gravimetric Calibration Fee (0-100 gal)	\$2/gal		46	per occurrence	9/1/2005	GS 81A-12(e)	
13700	1150	WEIGHTS AND MEASURES	435500023	*217	Weights & Measurements	\$15/item on shelf for over charge	\$137,235.75	63	per occurrence	7/1/1975	GS 81A-30.1	
13700	1175	SEED AND FERTILIZER	435100003	5576	Seed Dealers License		\$73,531.00					

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Wholesale/Retail Seed (large quantities)	\$100		160	yearly	1/1/1989	GS 106-277-28	
					Retail Seed (no more than \$500)	\$5		1771	yearly	1/1/1989	GS 106-277-28	
					Retail Seed (more than \$500 but less than \$1,000)	\$15		777	yearly	1/1/1989	GS 106-277-28	
					Retail Seed	\$25		1571	yearly	1/1/1989	GS 106-277-28	
					Seed Fee Upgrades (more than \$500 but less than \$1,000)	\$15		0	per occurrence	1/1/1989	GS 106-277-28	
					Seed Fee upgrades (more than \$1,000)	\$25		0	per occurrence	1/1/1989	GS 106-277-28	
					Seed Fee Upgrades (wholesale/retail)	\$100		0	per occurrence	1/1/1989	GS 106-277-28	
13700	1175	SEED AND FERTILIZER	435100007	5577	Soil Additives Registration	\$100	\$7,500.00	75	yearly	7/1/1989	GS 106-50-31	
13700	1175	SEED AND FERTILIZER	435100010	5578	Fertilizer License Fee	\$100	\$44,900.00	472	yearly	7/1/1989	GS 106-660	
13700	1175	SEED AND FERTILIZER	435100015	5579	Fertilizer Registration		\$37,145.00					
					Fertilizer Registration - 5 lbs. or more	\$5		3671	yearly	7/1/1989	GS 106-660	
					Fertilizer Registration - 5 lbs. or less	\$30		479	yearly	7/1/1989	GS 106-660	
					Fertilizer Registration - Products sold at both 5 lbs or less and 5 lbs or more	\$35		129	yearly	7/1/1989	GS 106-660	
13700	1175	SEED AND FERTILIZER	435100016	5580	Lime Registration		\$1,550.00					
					Limestone Registration - 5 lbs and more	\$5		83	yearly	7/1/1989	GS 106-92.7	
					Limestone Registration - <5lbs	\$25		13	yearly	7/1/1989	GS 106-92.7	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Fund Code</u>	<u>Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
13700	1175	SEED AND FERTILIZER	435400000	5581	Inspection/Examination Fees		\$1,625.00					
					Tetrazolium Tests	\$5		264	per occurrence	7/1/1978	GS 106-277-28.0023	
					Endophyte Seed Stain	\$25		0	per occurrence	7/1/1986		2 NCAC 480-002
					Endophyte Plant Tissue Out of State	\$25		3	per occurrence	7/1/1986		2 NCAC 480-002
					Endophyte Seed Stain Out of State	\$35		0	per occurrence	7/1/1986		2 NCAC 480-002
					Endophyte Plant Tissue In State	\$15		2	per occurrence	7/1/1986		2 NCAC 480-002
					Endophyte Viability Assay Out of State	\$45		0	per occurrence	7/1/1986		2 NCAC 480-002
					Endophyte Viability Assay In	\$25		0	per occurrence	7/1/1986		2 NCAC 480-002
					Loose Smut of Small Grain	\$15		0	per occurrence	6/1/1991		2 NCAC 480-002
					Endophyte							
13700	1175	SEED AND FERTILIZER	435500006	5582	Fertilizer Tax	\$0.25/ton	\$325,596.72	1958	monthly	7/1/1947	GS 106-671	
13700	1175	SEED AND FERTILIZER	435500007	5583	Lime Tax	\$0.10/ton	\$109,438.47	348	quarterly	7/1/1979	GS 109-92.8	
13700	1175	SEED AND FERTILIZER	435500008	5584	Seed Tax	\$0.02	\$255,285.68	297	quarterly	7/1/1963	GS 106-277-28	
13700	1175	SEED AND FERTILIZER	435500011	5585	Fertilizer Registration Penalty	Statutory Authority / Current Marketplace	\$187,237.88	490	per occurrence	7/1/1997	GS 106-671	
13700	1175	SEED AND FERTILIZER	435500012	5586	Lime Registration Penalty	Statutory Authority / Current Marketplace	\$8,507.21	96	per occurrence	1/1/1994	GS 106-92.11	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
13700	1175	SEED AND FERTILIZER	435500018	5587	Fertilizer Tax Penalty-Delinquent	10%	\$854.70	115	per occurrence	7/1/1947	GS 106-671(b)	
13700	1175	SEED AND FERTILIZER	435500019	5588	Feed Tax Penalty-Delinquent	varies	\$10.00	1	per occurrence		GS 106	
13700	1175	SEED AND FERTILIZER	435500020	5589	Lime Tax Penalty-Delinquent	10%	\$367.89	2	per occurrence	7/1/1979	GS 106-92.8	
13700	1175	SEED AND FERTILIZER	435500085	5590	Seed Tax Pnlty-Delinquent	10%	\$1,510.94	45	per occurrence	7/1/1963	GS 106-277	
13700	1180	PLANT PROTECTION	435100008	226	Apiary Registration	\$1	\$7.00	7	yearly	7/1/1978		2 NCAC 48A.0225
13700	1180	PLANT PROTECTION	435100089	227	Apiary Permit To Sell	\$25	\$1,718.25	58	yearly	7/1/1991	GS 106-639.1	
13700	1180	PLANT PROTECTION	435400001	228	Plant Protection Inspection Fee		\$181,143.00					
					Certified Nursery (1st acre)	\$10		688	yearly	1/1/1985		2 NCAC 48A.1205
					Certified Nursery (Over 1 Acre)	\$2		664	yearly	1/1/1985		2 NCAC 48A.1205
					Registered Nursery	\$6		314	yearly	1/1/1985		2 NCAC 48A.1205
					Plant Collector's Fee	\$1		85	yearly	12/19/1957		2 NCAC 48A.1209
					Nursery Dealer License	\$50		2550	yearly	7/1/2003		2 NCAC 48A.1208
13700	1180	PLANT PROTECTION	435400046	4184	Phytosanitary Fees		\$55,696.00					
					Phytosanitary Certification Fee (Fed. shipment < \$1,250)	\$23		265	yearly	12/1/1991		2NCAC
					Phytosanitary Certification Fee (Fed. shipment > \$1,250)	\$50		991	yearly	12/1/1991		2NCAC
					Reissue Certification Fe (Fed. or State)	\$7		51	yearly	12/1/1991		2NCAC

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
13700	1190	RESEARCH STATIONS OPERAT	434410000	*4185	Rental of Real Property	\$425	\$8,017.31	6	yearly	2/10/2001	GS 106-530	
53700	5100	FARMERS MARKET-RALEIGH	434410000	236	Rental of Real Property		\$614,785.85					
					ATM	\$166.67		12	monthly	6/1/2008	GS 106-530	
					Garden Center	\$4,381.23		12	monthly	3/1/2008	GS 106-530	
					Restaurant	\$3752.50		12	monthly	5/15/2001	GS 106-530	
					Seafood Building	\$532.86		12	monthly	4/1/2008	GS 106-530	
					Wholesale Building 1	\$14,467		12	monthly	7/1/2008	GS 106-530	
					Wholesale Building II (Unit 1-11)	\$9,361		12	monthly	7/1/2008	GS 106-530	
					Wholesale Building II (Unit 12)	\$851.00		12	monthly	7/1/2008	GS 106-530	
					Wholesale Building II (Unit 13-15)	\$2,553.00		12	monthly	7/1/2008	GS 106-530	
					Wholesale Building II (Unit 16-17)	\$3,611.36		12	monthly	6/1/2008	GS 106-530	
					Wholesale Building IV	\$8295.50		12	monthly	6/1/2004	GS 106-530	
53700	5100	FARMERS MARKET-RALEIGH	435700000	237	Gate/Admission Fees		\$784,409.50					2 NCAC43L0113
					Wholesale/Retail Fees-Farmers Area (Vehicles)	\$10 In State, \$20 Out of State			daily	1/1/2004	GS 106-530	2 NCAC43L.0113
					Wholesale/Retail Fees-Space (Jan-Dec)	\$10			daily	1/1/2004	GS 106-530	
					Wholesale/Retail Fees (Off Season Holding Fee)	\$75		17	yearly	6/1/1994	GS 106-530	
					Bldg 3 Retail Space (Jan-Dec)	\$10		52	daily	1/1/2004	GS 106-530	
					Bldg 4 Truckers (Vehicles)	\$10		12	daily	1/1/2004	06/01/1994	
					Delivery Fees (less than 50	\$3			per occurrence	1/1/2004	GS 106-530	
					Delivery Fees (51-100 pkgs)	\$6			per occurrence	1/1/2004	GS 106-530	
					Delivery Fees (> 100 Packages)	\$10			per occurrence	1/1/2004	GS 106-530	
63700	6110	STRUCT PEST TRAINING MATERIALS	435800000	239	Tuition and Fees	\$25	\$11,875.00	475	per occurrence	7/1/1998		2 NCAC 34.0313 (d)

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
63704	6422	POULTRY	435400036	245	Cooperative Grading Fee	varies \$11.06 - \$62.76	\$2,052,045.28	563	monthly	9/1/2000		USDA & NCDA&CS
63704	6423	LIVESTOCK	435400036	246	Cooperative Grading Fee	\$39.80/\$43.20	\$43,851.71	69	per occurrence	9/1/1999		NCDA&CS
63704	6424	COOPERATIVE GRADING SERVICE	435400036	250	Cooperative Grading Fee	varies	\$1,812,870.89	704	other	9/1/2002		Advisory Committee
63704	6424	COOPERATIVE GRADING SERVICE	435400037	251	Non-USDA Grading Fee	varies	\$182,139.35	802	other	9/1/2002		Advisory Committee
63704	6424	COOPERATIVE GRADING SERVICE	435400038	252	Sales Terminal Inspection	varies	\$212,306.02	387	other	4/6/1998		USDA
63704	6425	FIELD CROPS	435400010	254	Aflatoxin Fees	\$21	\$147.00	5	per occurrence	9/1/1992		NCDA&CS
63704	6425	FIELD CROPS	435400036	255	Cooperative Grading Fee	varies	\$267,447.38	60	monthly	9/1/1992		NCDA&CS
63704	6425	FIELD CROPS	435400039	256	USDA Certificate Fee	varies	\$801.40	58	monthly	9/1/1992		USDA
53725	5210	WNC AGRICULTURAL	434410000	258	Rental of Real Property		\$654,050.37		daily	7/1/2005		
					McGough Arena (Livestock, Non-Livestock, LS Clinic)	\$900/12%net, \$1,100/12%Net, \$675		43	per occurrence	10/1/2006	GS 106-6.1	
					Davis Arena (Livestock, Non-Livestock, LS Clinic)	\$600/12%, \$900/12%, \$300		27	per occurrence	10/1/2006	GS 106-6.1	
					Sales Arena (Ag Group, Non-Ag Group, Youth)	\$100, \$200, \$50		52	per occurrence	7/1/2005	GS 106-6.1	
					Sales Arena and Barn (Ag Group, Non-Ag Group, Youth)	\$200, \$300, \$100		20	per occurrence	9/1/2005	GS 106-6.1	
					Grounds	\$150 per day or \$.10 per square yard		0	per occurrence	9/1/2005	GS 106-6.1	
					Youth Building	\$60/day, \$30 per 1/2 day		35	per occurrence	7/1/2005	GS 106-6.1	
					Restaurant Area	\$120/day, \$60/half-day		10	per occurrence	9/1/2005	GS 106-6.1	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Chairs	\$.50/Chair		33	per occurrence	7/1/2005	GS 106-6.1	
					Concessionaire	\$25		40	per occurrence	9/1/2005	GS 106-6.1	
					Electrical Connection	\$25		33	per occurrence	9/1/2005	GS 106-6.1	
					Jumps	\$75/day		3	per occurrence	9/1/2005	GS 106-6.1	
					Livestock Panels, Installed Small Ones	\$4/day		15	per occurrence	7/1/2005	GS 106-6.1	
					Two Way Radios	\$8/day or \$25 Minimum		12	per occurrence	9/1/2005	GS 106-6.1	
					Riding Privileges, Camper Parking, RV Horse Trailer Power Connection	\$10/day,\$16/day,\$16/day		57	per occurrence	7/1/2005	GS 106-6.1	
					Stall Fees *	\$19/Day,\$26/2 days,\$32 3/days, \$38 4/days,41 5 days \$4 add. days		53	per occurrence	7/1/2005	GS 106-6.1	
					Tables (Rectangular, Round)	\$3/day, \$5/day		40	per occurrence	7/1/2005	GS 106-6.1	
53725	5210	WNC AGRICULTURAL CENTER	435900000	5591	Other Licenses, Fees & Permits		\$592.00	28	other			
53725	5220	MOUNTAIN STATE FAIR	434410000	261	Rental of Real Property		\$162,342.51		per occurrence	7/1/2005	GS 106-6.1	
					Outside space (Novelty and Jewelry)	\$55/linear front ft		36	per occurrence	7/1/2005	GS 106-6.1	
					Outside Space (All Other)	\$50/linear front ft.		83	per occurrence	7/1/2005	GS 106-6.1	
					Inside Space (Novelty and Jewelry)	\$5/sq. ft.		27	per occurrence	7/1/2005	GS 106-6.1	
					Inside Space (All Other)	\$4.50/sq. ft.		28	per occurrence	7/1/2005	GS 106-6.1	
53725	5220	MOUNTAIN STATE FAIR	435700000	262	Gate/Admission Fees	varies	\$582,941.32		yearly	7/1/1999	GS 106-6.1	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Adult, Senior, Child (6-12), Child (5 and Under)	\$5, \$2, \$2, Free		177869	per occurrence	7/1/1999	GS 106-6.1	2 NCAC 43L0309
53725	5220	MOUNTAIN STATE FAIR	435700005	263	Midway Receipts	51.46% Ride Revenue	\$582,142.62	10	daily	7/1/1996	GS 106-6-1	2 NCAC 43L0309
53725	5220	MOUNTAIN STATE FAIR	435900000	3382	Other Licenses, Fees & Permits	varies	\$10,260.00	10	per occurrence	7/1/2005		NCDA&CS
53725	5220	MOUNTAIN STATE FAIR	435900002	265	Entry Fees		\$19,455.00					
					Open Dairy Goat Show	\$5/head		505	per occurrence	7/1/1999	GS,106-6-1	
					Open Dairy Cattle Show	\$6/head		129	per occurrence	7/1/1999	GS 106-6-1	
					Open Rabbit Show	\$3/head		380	per occurrence	7/1/1999	GS 106-6-1	
					Meat Goat Show	\$5/head		125	per occurrence	7/1/1999	GS 106-6-1	
					Open Senior Swine Show	\$5/head		4	per occurrence	7/1/1999	GS 106-6-1	
					Llama Show	\$10/class		138	per occurrence	7/1/1999	GS 106-6-1	
					Open Wood Bred Sheep Show	\$5/class		552	per occurrence	7/1/1999	GS 106-6-1	
					Feeder Calves Show	\$7/pen		0	per occurrence	7/1/1999	GS 106-6-1	
53725	5220	MOUNTAIN STATE FAIR	435900003	3383	Privilege Fees	varies	\$12,020.00	10	other	1/1/1832		NCDA&CS

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

State Fair Division

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
53750	5110	ADMINISTRATION	434310000	*4893	Sale of Publications	varies	\$955.00	1	per occurrence	7/1/2007		
53750	5110	ADMINISTRATION	434410000	270	Rental of Real Property	varies	\$2,989,836.36		other	4/2/2007		Board of Agriculture
					Pitzer Heritage Circle	\$300/10%		15	per occurrence	4/2/2007		Board of Agriculture
					Martin Building	\$500/10%		30	per occurrence	11/17/2006		Board of Agriculture
					Pegboard Art Panels	\$20 event		50	per occurrence	1/1/1908		Board of Agriculture
					Farm Bench	\$6 event		100	per occurrence	1/1/1902		Board of Agriculture
					Grounds	\$150- \$1500/10%		30	per occurrence	4/2/2007		Board of Agriculture
					Sam Rand Grandstand	\$500/10%		12	per occurrence	1/1/2002		Board of Agriculture
					Dumpsters	\$400/Dump		50	per occurrence	1/1/2008		Board of Agriculture
					Galvanized Mesh Fence	\$2 per linear foot		5000	per occurrence	1/1/1908		Board of Agriculture
					Exposition Center	\$2,750/10%		70	per occurrence	4/2/2007		Board of Agriculture
					Ticket Booth	\$75		13	per occurrence	1/1/2008		Board of Agriculture
					J S Dorton Arena	\$2000/10%		60	per occurrence	4/2/2007		Board of Agriculture
					Gov. Scott Building	\$1800/10%		70	per occurrence	4/2/2007		Board of Agriculture
					Jim Graham Building	\$3500/10%		80	per occurrence	4/2/2007		Board of Agriculture

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

State Fair Division
Budget Fund
Code Code Fund Title

<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coli.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
		Graham Meeting Room	\$500/10%		10	per occurrence	4/2/2007		Board of Agriculture
		Gov. Holshouser Building	\$700/10%		40	per occurrence	4/2/2007		Board of Agriculture
		L R Center (Youth Center)	\$500/10%		65	per occurrence	4/2/2007		Board of Agriculture
		Dormitory building	\$300		8	per occurrence	4/2/2007		Board of Agriculture
		Flea Market	\$832,000/Year			yearly	11/1/2003		Board of Agriculture
		Public Safety Officers	\$22 non-certified; \$28 certified		10000	weekly	1/1/2008		Board of Agriculture
		Cattle/Swine Pens	\$5/section		1000	per occurrence	1/1/2006		Board of Agriculture
		Bleachers	\$60		20	per occurrence	1/1/2000		Board of Agriculture
		Staging (4 feet high, 2 feet high)	\$1.00/sq. ft., \$.75/sq. ft.		60000	per occurrence	1/1/2006		Board of Agriculture
		Tables (8'x30' or 6'x30')	\$6 first day, \$2 after first day		16000	per occurrence	1/1/2006		Board of Agriculture
		Chairs (padded)	\$2 chair		30000	per occurrence	1/1/2006		Board of Agriculture
		120 Volt Service (up to 20 Amp, 100 Amp)	\$25, \$125		3000	per occurrence	1/1/2006		Board of Agriculture
		220 Volt Service (30 Amps, 50 Amps)	\$50, \$90		300	per occurrence	1/1/2006		Board of Agriculture
		Labor for Support Services	\$22/hour		200	per occurrence	1/1/2008		Board of Agriculture

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

State Fair Division

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Operator Driven Equipment W/Operator	\$50/hour		100	per occurrence	1/1/2006		Board of Agriculture
					Catering Fees (St. Fair Cater, Outside Cater)	\$.75/plate, \$1.50/plate		5000	per occurrence	1/1/2008		Board of Agriculture
53750	5110	ADMINISTRATION	434410003	4895	Rent prop-campsite rental	\$25/night	\$150,263.00	6011	other	1/1/2008		Board of Agriculture
53750	5110	ADMINISTRATION	435700000	5570	Gate/Admission Fees		\$6,725.00	1				
53750	5110	ADMINISTRATION	435700005	5571	Midway Receipts		\$13,238.57	616605				
53750	5130	ANNUAL STATE FAIR	434310000	5572	Sale of Publications		\$10.00	1				
53750	5130	ANNUAL STATE FAIR	434410000	274	Rental of Real Property	varies	\$551,639.00	26	yearly	1/1/2005		Board of Agriculture
					Inside Space-Gov Scott Building	\$11.00-\$9.00/sq. ft.			per occurrence	10/1/2004		Board of Agriculture
					Inside Space-Comm./Education Bldgs.	\$11.00-\$8.00/sq. ft.			per occurrence	10/1/2004		Board of Agriculture
					Inside Space-Dorton Arena	\$11.00-\$8.00/sq. ft.			per occurrence	10/1/2004		Board of Agriculture
					Inside Space-Hobbies and Crafts Bldg.	\$11.00-\$8.00/sq. ft.			per occurrence	10/1/2004		Board of Agriculture
					Inside Space-NC Agric Commodity Groups	\$9.00			per occurrence	10/1/2004		Board of Agriculture
					Bulk Exhibitor Space (10'x10'), Electrical Chg.	\$180-\$120			per occurrence	10/1/2004		Board of Agriculture
					Outside Space (per front foot base rent, electrical charge	\$140, EC \$180-\$120			per occurrence	10/1/2004		Board of Agriculture

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

State Fair Division

**Budget Fund
Code Code Fund Title**

<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
		Outside Space (non-profit groups per front foot)	\$120			per occurrence	10/1/2004		Board of Agriculture
		Novelty and Jewelry Booth (Outside per front foot + electricity)	\$160 EC \$180-\$120			per occurrence	10/1/2004		Board of Agriculture
		Novelty and Jewelry Booth (Inside per sq. ft.)	\$11			per occurrence	10/1/2004		Board of Agriculture
		Corner Locations (Additional)	\$250-\$100			per occurrence	10/1/2004		Board of Agriculture
		Concession/Exhibitor Pass Book (10 Passes)	\$35			per occurrence	10/1/2004		Board of Agriculture
		Early Opening Food Concessions (5 Days)	\$350			per occurrence	10/1/2004		Board of Agriculture
		Vendor Charge, Electricity Chg if Vendor uses Power	\$300, Elec \$120 or \$180			per occurrence	10/1/2004		Board of Agriculture
53750	5130	ANNUAL STATE FAIR							
434410003	4897	Rent prop-campsite rental	\$25/night	\$58,366.00	2335	daily	1/1/2008		Board of Agriculture
53750	5130	ANNUAL STATE FAIR							
435700000	275	Gate/Admission Fees	varies	\$4,536,394.14	858611	other	7/1/2007		Board of Agriculture
		Gate Prices	\$7-Adults, \$2-Children (Ages 6-12)			per occurrence	10/1/2000		Board of Agriculture
		Advance Sales	\$5-Adults, \$1-Children (Ages 6-12), \$4.75-Group (40 or More)			per occurrence	10/1/2000		Board of Agriculture
53750	5130	ANNUAL STATE FAIR							
435700001	276	State Fair Horse Receipts	varies	\$251,403.55	2	yearly	1/1/2004		Board of Agriculture
		Permanent Stalls-Hunter Show	\$130			per occurrence	1/1/2004		Board of Agriculture

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

State Fair Division
Budget Fund
Code Code Fund Title

<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
		Permanent Stalls-All Breed Show	\$45, \$30, \$85, \$35			per occurrence	1/1/2004		Board of Agriculture
		Temporary Stalls	\$35, \$25, \$70			per occurrence	1/1/2004		Board of Agriculture
		School/Office Fee	\$30			per occurrence	1/1/2004		Board of Agriculture
		Non-stabling Ground Fee	\$35			per occurrence	1/1/2004		Board of Agriculture
		Non-Showing Fee	\$100			per occurrence	1/1/2004		Board of Agriculture
		Post Entry Fee (Hunter Fee, All Breed-1st Deadline, All Breed-2nd Deadline	\$35, \$10, \$30			per occurrence	1/1/2004		Board of Agriculture
		Exhibitor Passes (Daily)	\$7			per occurrence	1/1/2007		Board of Agriculture
		Parking Passes (Weekly)	\$10			per occurrence	1/1/2004		Board of Agriculture
		Entry Fees (Over 1200 Classes)	\$0 - \$425			per occurrence	1/1/2004		Board of Agriculture
		Shavings	\$6.50/bag			per occurrence	1/1/2004		Board of Agriculture
53750 5130 ANNUAL STATE FAIR	435700005	277 Midway Receipts	\$6.50 per paid attendance	\$4,007,935.00	1	yearly	7/1/2005		Board of Agriculture
53750 5130 ANNUAL STATE FAIR	435900000	*278 Other Licenses, Fees & Permits	excess given out	(\$18,731.27)	1	yearly	7/1/2005		Board of Agriculture
53750 5130 ANNUAL STATE FAIR	435900002	279 Entry Fees		\$25,750.00	5150	yearly	10/1/2004		Board of Agriculture
		Cattle per Head	\$5				10/1/2004		Board of Agriculture

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Agriculture and Consumer Services**

State Fair Division

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Pens of three Feeder Calves	\$7				10/1/2004		Board of Agriculture
					Individual Feeder Calf	\$5				10/1/2004		Board of Agriculture
					Sheep or Swine per Head	\$2				10/1/2004		Board of Agriculture
					Goats per Head	\$5				10/1/2007		Board of Agriculture
53750	5150	HORSE & LIVESTOCK FACILI	434410000	283	Rental of Real Property		\$540,172.85		other	4/2/2007		Board of Agriculture
					Gov Hunt Horse Complex	\$1000/10%		50	per occurrence	4/2/2007		Board of Agriculture
					Covered Ring	\$600/10%		8	per occurrence	4/2/2007		Board of Agriculture
					Outside Warm-up Rings	\$300			per occurrence	4/2/2007		Board of Agriculture
					Stall Rental Rates (1, 2,3,4,5 Days, Add. Days)	\$22, \$28, \$36, \$42, \$44, \$3		45	per occurrence	4/2/2007		Board of Agriculture
					Stall Rental Youth/Educational Rates (1,2,3,4,5 Days, Add.	\$13, \$15, \$19, \$22, \$23, \$3			per occurrence	4/2/2007		Board of Agriculture
					Jumps per Ring per Day	\$200			per occurrence	1/1/2006		Board of Agriculture
53750	5150	HORSE & LIVESTOCK FACILI	434410003	4899	Rent prop-campsite rental	\$25/night	\$63,515.00	2541	other	1/1/2008		Board of Agriculture

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Commerce**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
14600	1520	MARKETING & CUSTOMER SVC	435900002	*5617	Entry Fees	\$5,000 - \$7,000	\$12,000.00	7	per occurrence	7/1/2007		
14600	1520	MARKETING & CUSTOMER SVC	435900012	*342	Missions Collections	\$200.00 - \$500.00	\$27,250.00	42	per occurrence	6/1/2007		
14600	1541	INTERNATIONAL DEVELOPMENT	435900012	*1361	Missions Collections	\$25.00 - \$20000.00	\$200,165.64	55	per occurrence	8/1/2008		
					Booth Space-CeBit trade show	\$200.00	\$220.00	1	per occurrence	7/1/2006	None	None
					Booth Space-Cologne Furniture Fair	\$1500-\$10,000	\$11,500.00	2	per occurrence	7/1/2006	None	None
					Annual Fee-Foreign Trade Zones	\$3,000-\$10,000	\$23,000.00	5	per occurrence	7/1/2006	None	None
					Booth space-ChinaPlas Trade show	\$500-\$550	\$2,150.00	4	per occurrence	7/1/2006	None	None
					Booth Fees-General Trade Show Expense	\$300-\$2,405	\$11,559.64	17	per occurrence	7/1/2006	None	None
					Sponsorship-BIO 2007	\$3,000-\$20,000	\$150,500.00	25	per occurrence	8/1/2008	None	None
					Booth Space-Heimtextil Trade Show	\$1200	\$1,200.00	1	per occurrence	7/1/2006	None	None
14600	1551	TRAVEL & TOURISM	434310000	1362	Sale of Publications	varies	\$126.14	45	per occurrence	7/1/2004		
14600	1561	WANCHESE SEAFOOD IND. PK	434410000	*1365	Rental of Real Property	\$0.20 to 0.26 per sq foot	\$338,064.26	384	monthly	1/1/2003	GS 113-315.29	04 NCAC 17.0205
14600	1561	WANCHESE SEAFOOD IND. PK	434410001	*5618	Dock Rental Fees	\$6,525	\$6,525.00	1	yearly	7/1/2007	GS 113-315.29	
14600	1581	INDUSTRIAL FINANCING	435300000	*1366	Certification Fees	\$500	\$43,875.00	4	per occurrence	8/1/1999	GS 105-129.6	
14600	1831	INDUSTRIAL COMM ADM	435500048	*1370	IC Penalties And Fines	\$5.00 to \$1,000	\$69,825.73	101	per occurrence	1/1/1991	GS 97-80, 97-18, 97-21, 97-88.3, 97-92, 97-94, 97-101	
14600	1831	INDUSTRIAL COMM ADM	435900032	*1371	Industrial Commission Hearing Costs	\$60 - \$250	\$3,715,737.21	21340	per occurrence	1/1/2000	GS 97-80	04 NCAC 10B.0207

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Commerce**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Approval of Compromise Settlement Agree.-Exec. Sec.	\$200.00	\$2,274,000.00	11370	per occurrence	1/1/2000	GS 97-80	04 NCAC 10B.0207
					First Level Contested Case Hearing Before Deputy	\$120.00	\$386,056.80	3217	per occurrence	1/1/2000	GS 97-80	04 NCAC 10B.0207
					Appeal Hearing Before Full Commission	\$220.00	\$210,348.40	956	per occurrence	1/1/2000	GS 97-80	04 NCAC 10B.0207
					Agreement Approved (Deputy Commissioner)	\$200.00	\$487,920.00	2440	per occurrence	1/1/2000	GS 97-80	04 NCAC 10B.0207
					Form 24 Hearing	\$60.00	\$134,492.00	2242	per occurrence	1/1/2000	GS 97-80	04 NCAC 10B.0207
					Third Party Distribution Order	\$200.00	\$222,920.00	1115	per occurrence	1/1/2000	GS 97-80	04 NCAC 10B.0207
14600	1831	INDUSTRIAL COMM ADM	435900058	*3969	Compromised Settlement Fees - IT Equipment	\$250	\$708,382.00	2833	per occurrence	6/30/2003	GS 97-80	04 NCAC 10A.0502
14600	1831	INDUSTRIAL COMM ADM	435900066	4225	For 21/26 Review Fee	\$125.00	\$987,143.00	7897	per occurrence	9/1/2005	GS 97-73	04 NCAC 10A.0408
24600	2581	JDIG FEES	435900021	3972	Application Fee	\$5,000	\$100,000.00	20	per occurrence	2/27/2003	GS 143B-437.55(a)	
24600	2581	JDIG FEES	435900061	3973	Annual Report Filing Fee	\$1,500	\$66,000.00	44	per occurrence	2/27/2003	GS 143B-437.58(a)	
24600	2680	DIVISION OF WORKFORCE DEVELOPMENT	435600000	*5619	Registration Fees	\$10 - \$2,200	\$264,515.91	1549	per occurrence	7/1/2007		
					Job Seekers Who Happen to Have a Criminal Record	\$10	\$870.00	87	per occurrence	7/1/2007	None	None
					Job Seekers Who Happen to Have a Criminal Record	\$45	\$4,005.00	89	per occurrence	7/1/2007	None	None
					Navigating a Successful Career Path	\$60	\$600.00	10	per occurrence	7/1/2007	None	None
					Fee For Service: Nuts & Bolts	\$65	\$3,705.00	57	per occurrence	7/1/2007	None	None
					Customer Service	\$1,100	\$5,500.00	5	per occurrence	7/1/2007	None	None

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Commerce**

<u>Budget Fund</u>	<u>Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Customer Service	\$1,300	\$2,600.00	2	per occurrence	7/1/2007	None	None
					Customer Service	\$40	\$1,240.00	31	per occurrence	7/1/2007	None	None
					Customer Service	\$50	\$1,700.00	34	per occurrence	7/1/2007	None	None
					Grant Writing	\$90	\$2,430.00	27	per occurrence	7/1/2007	None	None
					Assessment & Planning - Older Youth	\$45	\$720.00	16	per occurrence	7/1/2007	None	None
					Train the Trainer Customer Service	\$95	\$2,660.00	28	per occurrence	7/1/2007	None	None
					Disability Awareness	\$20	\$1,100.00	55	per occurrence	7/1/2007	None	None
					Engaging & Retaining Older Youth in WIA	\$55	\$880.00	16	per occurrence	7/1/2007	None	None
					Engaging & Retaining Older Youth in WIA	\$1,850	\$1,850.00	1	per occurrence	7/1/2007	None	None
					Workplace Skills	\$50	\$1,400.00	28	per occurrence	7/1/2007	None	None
					Successful Job Search Strategies for the Challenging Customer	\$50	\$3,800.00	79	per occurrence	7/1/2007	None	None
					Case Notes	\$35	\$525.00	15	per occurrence	7/1/2007	None	None
					Case Notes	\$701.91	\$701.91	1	per occurrence	7/1/2007	None	None
					Case Notes	\$729	\$729.00	1	per occurrence	7/1/2007	None	None
					Assessment - Case Management	\$2,200	\$2,200.00	1	per occurrence	7/1/2007	None	None
					Keeping Your Cool - When Others are Hot	\$1,300	\$3,900.00	3	per occurrence	7/1/2007	None	None
					E-Train	\$75	\$150.00	2	per occurrence	7/1/2007	None	None
					CDF	\$525	\$75,075.00	143	per occurrence	7/1/2007	None	None
					NC TASC	\$850	\$850.00	1	per occurrence	7/1/2007	None	None
					HHS-Child Development	\$200	\$200.00	1	per occurrence	7/1/2007	None	None
					NC DHHS	\$100	\$100.00	1	per occurrence	7/1/2007	None	None
					07 Workforce Dev Partnership Conf	\$50	\$650.00	13	per occurrence	7/1/2007	None	None

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Commerce**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					07 Workforce Dev Partnership Conf	\$175	\$118,475.00	677	per occurrence	7/1/2007	None	None
					07 Workforce Dev Partnership Conf	\$200	\$23,200.00	116	per occurrence	7/1/2007	None	None
					07 Workforce Dev Partnership Conf	\$225	\$2,700.00	12	per occurrence	7/1/2007	None	None
24600	2821	CREDIT UNION DIVISION	435400031	*1405	Credit Union Supervisory Fees	\$200,000.00 plus	\$1,553,325.32	148	semi-annually	6/30/2007	GS 54-109.15(c) GS 54-109.14	
24600	2821	CREDIT UNION DIVISION	435400034	*1406	Credit Union Exam Fees	\$40.00	\$214,570.00	74	yearly	1/1/2007	GS 54-109.15(c) GS 54-109.14	
24600	2851	CEMETERY COMMISSION	435100052	1415	Cemetery Licenses	\$500.00	\$90,500.00	181	yearly	7/1/2005	GS 65-54	04 NCAC 5A.0107
24600	2851	CEMETERY COMMISSION	435100053	*1416	Cemetery Agents License	\$50.00	\$24,100.00	482	other	7/1/2005	GS 65-58(c)	04 NCAC 5C.0301
24600	2851	CEMETERY COMMISSION	435100055	*1417	Cemetery Sales Licenses	\$500.00	\$1,500.00	3	yearly	7/1/2005	GS 65-57(c)	04 NCAC 5C.0202
24600	2851	CEMETERY COMMISSION	435300014	*1418	Cemetery Commission-Application & Filing Fees	\$15.00-\$800.00	\$11,750.00	235	per occurrence	7/1/2005	GS 65	04 NCAC 5C
					Application and Filing Fees/New Cemetery	\$1000.00			per occurrence	7/1/2005	GS 65-55(c)	4 NCAC 5C.0101
					Application and Filing Fees/Sales and Mgmt Organizations	\$600.00			per occurrence	7/1/2005	GS 65-57(c)	4 NCAC 5C.0201
					Application and Filing Fees/Broker	\$400.00			per occurrence	7/1/2005	GS 65-579(c)	4 NCAC 5C.0201
					Application and Filing Fees/PreNeed Indiv Salesperson	\$50.00			per occurrence	7/1/2005	GS 65-58(c)	4 NCAC 5C.0301
					Application and Filing Fees/Change of control	\$500.00			per occurrence	7/1/2005	GS 65-59	4 NCAC 5C.0103

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Commerce**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
24600	2851	CEMETERY COMMISSION	435500051	*1419	Cemetery Commission Assessments	\$2.00-\$5.00	\$127,564.00	31891	monthly	6/1/2004	GS 65-56	04 NCAC 5A.0106
					Assessments/grave spaces Assessments/PreNeed Items	\$2.00 \$5.00			monthly monthly	6/1/2004 6/1/2004	GS 65-56 GS 65-56	4 NCAC 5A.0106 4NCAC 5A.0106
24600	2851	CEMETERY COMMISSION	435500052	*5620	Cemetery Commission Fines	\$25	\$750.00	30	per occurrence	7/1/2007	GS 64-66	
24600	5211	UTILITIES-COMMISSION STA	434310000	*4935	Sale of Publications	\$33.00	\$1,128.68	34	per occurrence	6/29/2004	GS 62-49	
24600	5211	UTILITIES-COMMISSION STA	435500054	*4987	Utilities Filing Fees	\$25.00-\$500.00	\$53,472.80	352	per occurrence	7/1/1995	GS 62-300	04 NCAC 11 R01-31
24600	5211	UTILITIES-COMMISSION STA	435500055	*4989	Utilities Transcript Fees	\$1.00/page	\$3,476.00	10	per occurrence	1/1/1997	GS 62-300	04 NCAC 11 R01-31
24600	5211	UTILITIES-COMMISSION STA	435500096	*4991	Utilities Fine, Penalties, and Forfeitures	varies	\$95,358.13	17	per occurrence	1/1/2000	GS 62-300	04 NCAC 11 R01-31
24600	5211	UTILITIES-COMMISSION STA	435900013	*4995	Utilities Misc. Fees	\$5.00-\$50.00	\$356.08	9	per occurrence	1/1/2000	GS 62-300; GS 62-17	04 NCAC 11 R01-31
24600	5217	UTILITIES-GAS PIPELINE S	435600000	*4993	Registration Fees	\$65.00	\$13,303.31	35	per occurrence	7/1/2006		
24600	5811	STATE BANKING COMMISSION	434310000	*4937	Sale of Publications	\$0.25 - \$35.00	\$84.53	1	per occurrence	7/1/1995		04 NCAC 3C.1600
24600	5811	STATE BANKING COMMISSION	435100041	*4943	Consumer Refund Anticipation Loan	\$100-\$250.00	\$210,450.00	1887	per occurrence	7/1/1995	GS 53-248	
					Annual licenses	\$100.00	\$174,200.00	1742	yearly	7/1/1995	GS 53-248	None
					Initial Applications	\$250.00	\$36,250.00	145	per occurrence	7/1/1995	GS 53-248	None
24600	5811	STATE BANKING COMMISSION	435100043	*4945	Trust & Fiduciary Licenses	\$200.00	\$11,300.00	56	yearly	7/1/1997	GS 53-160	
24600	5811	STATE BANKING COMMISSION	435100044	*4947	Consumer Finance Application Fee	\$25.00 - \$250.00	\$8,425.00	82	per occurrence	7/1/1997	GS 53-168	04 NCAC 3E
					Initial Applications	\$250.00	\$6,250.00	25	per occurrence	7/1/1997	GS 53-168	04 NCAC 3E
					Relocate/Other Business	\$25.00	\$1,175.00	47	per occurrence	7/1/1997	GS 53-168	04 NCAC 3E
					Transfer/Assignment	\$100.00	\$1,000.00	10	per occurrence	7/1/1997	GS 53-168	04 NCAC 3E

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Commerce**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
24600	5811	STATE BANKING COMMISSION	435100058	*4949	Money Transmission Application & Analysis Fee	\$10.00 - \$1,500.00	\$158,830.00	3776	other	7/1/1991	GS 53-197	04 NCAC 3F
					Initial Application and Analysis	\$1,500.00	\$87,000.00	58	per occurrence	7/1/1991	GS 53-197	04 NCAC 3F
					Annual Licenses	\$1,000.00	\$35,000.00	35	yearly	7/1/1991	GS 53-197	04 NCAC 3F
					Branch Location Fees	\$10.00	\$35,830.00	3683	per occurrence	7/1/1991	GS 53-197	04 NCAC 3F
24600	5811	STATE BANKING COMMISSION	435100107	*4951	Check Cashier Application	\$750.00	\$238,489.00	318	per occurrence	7/1/1997	GS 52-278	
24600	5811	STATE BANKING COMMISSION	435100117	*4953	MB-Mortgage Lender/Broker Licensing Fee	\$25.00 - \$1,000.00	\$1,239,985.06	11851	other	7/1/2002	GS 53-243.05	
					Initial License Apps-Brokers/Lenders	\$1,000.00	\$336,000.00	336	per occurrence	7/1/2002	GS 53-243.05	None
					Annual License Renewals-Brokers/Lenders	\$500.00	\$353,500.00	707	yearly	7/1/2002	GS 53-243.05	None
					Late Fees-Companies and Loan Officers	\$250.00	\$14,750.00	59	yearly	7/1/2002	GS 53-243.05	None
					Branch Location Fees	\$100.00	\$10,000.00	100	per occurrence	7/1/2002	GS 53-243.05	None
					Criminal/Credit Fees	\$55.00	\$185,185.00	3367	per occurrence	7/1/2002	GS 53-243.05	None
					Initial Appl and Renewals-Loan Officer License	\$50.00	\$317,000.00	6340	per occurrence	7/1/2002	GS 53-243.05	None
					Re-issue Fees-Loan Officers and Companies	\$25.00	\$23,550.00	942	per occurrence	7/1/2002	GS 53-243.05	None
24600	5811	STATE BANKING COMMISSION	435100118	*4955	MB-Loan Officer License	\$50.00 - \$97.00	\$704,009.25	135833	other	7/1/2005	GS 53-243.05 & 243.06	
					Initial License Applications	\$97.00	\$51,313.00	529	per occurrence	7/1/2005	GS 53-243.05 & 243.06	None
					Annual Renewals	\$50.00	\$652,700.00	13054	yearly	7/1/2005	GS 53-243.05 & 243.06	None
24600	5811	STATE BANKING COMMISSION	435100120	*4957	MB-Application Fee for Continuing Ed Courses Approved	\$100.00 - 750.00	\$18,788.00		other	7/1/2002	GS 53-243.07	
						\$250.00	\$7,750.00	31	yearly	7/1/2002	GS 53-243.07	None

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Commerce**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Courses Renewed	\$100.00	\$9,500.00	95	per occurrence	7/1/2002	GS 53-243.07	None
					Reverse Mortgage-Initial application	\$750.00	\$1,500.00	2	per occurrence	7/1/2002	GS 53-243.07	None
24600	5811	STATE BANKING COMMISSION	435400000	*4961	Inspection/Examination Fees	varies	\$62,179.25	5	per occurrence	7/1/1987	GS 53-100	
24600	5811	STATE BANKING COMMISSION	435400027	*4963	Bank Application Fee (Special Investigation)	\$250.00 - \$8,000.00	\$153,672.30	319	per occurrence	7/1/1995	GS 53 Article 2	04 NCAC 3C.1601
					New Bank/Trust	\$8,000.00	\$48,000.00	6	per occurrence	7/1/1995	GS 53 Article 2	04 NCAC 3C.1601
					Charter conversion	\$2,500.00	\$2,500.00	1	per occurrence	7/1/1995	GS 53 Article 2	04 NCAC 3C.1601
					Merger/Acquisition/Liquidation	\$3,000.00	\$24,000.00	8	per occurrence	7/1/1995	GS 53 Article 2	04 NCAC 3C.1601
					Subsidiary Approval	\$750.00	\$78,750.00	105	per occurrence	7/1/1995	GS 53 Article 2	04 NCAC 3C.1601
24600	5811	STATE BANKING COMMISSION	435400029	*4965	Bank Assessment / Special Exams	Tiered based on companies assets at year end	\$7,816,113.55	52	yearly	5/3/2007	GS 53-122	
24600	5811	STATE BANKING COMMISSION	435400041	*5621	Check Casher Exam Fee	varies	\$43.75	1	per occurrence	7/1/2000		
24600	5811	STATE BANKING COMMISSION	435500040	*4983	Consumer Finance Assessment & Special Inspections	Tiered based on companies assets at year end	\$473,206.00	25	yearly	7/1/1998	GS 53-122	
24600	5811	STATE BANKING COMMISSION	435900028	*4997	Holding Company Fees	\$750.00 - 1,000.00	\$41,000.00		other	7/1/1984	GS 53-122	
					Initial registration of Bank Holding Company	\$1,000.00	\$5,000.00	5	per occurrence	7/1/1984	GS 53-122	None
					Annual Registration of Bank Holding Company	\$750.00	\$36,000.00	48	yearly	7/1/1984	GS 53-122	None
24600	5881	ABC COMMISSION	434310000	*4939	Sale of Publications	\$2.00 - 11.00	\$2,172.40	411	daily	1/1/2000	GS 12-3.1(c)	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Commerce**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
24600	5881	ABC COMMISSION	435400035	*4967	ABC Chemical Analysis Fee	\$10.00	\$76,975.00	7695	daily	1/1/1992	GS 12-3.1(c)	
24600	5881	ABC COMMISSION	435500035	*4973	ABC Surcharge	\$0.80 - .85 per case	\$3,712,905.29	2657	daily	11/1/2006	GS 18B-203(15)	
24600	5881	ABC COMMISSION	435500036	*4979	ABC Surcharge-Military	\$0.80 - .85 per case	\$55,825.75	89	daily	11/1/2006	GS 18B-203(15)	
24600	5882	ABC-WAREHOUSE	435100039	*4941	Special Service-Distillers	\$3.00 - 10.00 per case	\$291,208.75	408	daily	11/1/2006	GS 18B-204	
24600	5882	ABC-WAREHOUSE	435500036	*4975	ABC Bailment	\$0.90 - 1.10 per case	\$4,870,096.35	2927	daily	11/1/2006	GS 18B-203(15)	
24600	5882	ABC-WAREHOUSE	435500037	*4977	ABC Bailment-Military	\$0.90 - 1.10 per case	\$65,266.00	99	daily	5/1/2001	GS 18B-203(15)	
24600	5882	ABC-WAREHOUSE	435500039	*4981	Liquidation Fees	varies	\$1,643.00	1	per occurrence	11/1/2006	GS 18B-203(15)	
24604	2604	MOREHEAD CITY	435900033	1431	Pilotage Fees	\$25.00-250.00	\$8,394.07	12	per occurrence	3/12/1982	GS Chapter 76A Art.4	04 NCAC 15.0116
24605	2625	CAPE FEAR RIVER NAVIGATI	435900033	1432	Pilotage Fees	\$2.26-566	\$4,288.70	8	per occurrence	3/12/1982	GS Chapter 76A Article 1	04 NCAC 15.0116
64605	6431	UTILITIES COMMISSION & PUBLIC	435500043	1433	Utility Co. Assessments	\$0.12%	\$13,782,929.12	3543	quarterly	7/1/1997	GS 62-302	04 NCAC 11 R01-31
24610	2415	SECOND INJURY FUND	435500049	*1434	Insurance Company	\$250 or 750	\$151,480.00	303	per occurrence	1/1/1994	GS 97-40.1	
					Second Injury Fund-Minor Member (finger, toe)	\$250.00	\$38,000.00	152	per occurrence	1/1/1994	GS 97-40.1	None
					Second Injury Fund-Major Member (arm, leg, eye)	\$750.00	\$113,480.00	151	per occurrence	1/1/1994	GS 97-40.1	None
24610	2415	SECOND INJURY FUND	435500050	*1435	Self-Insurer Assessments	\$250 or 750	\$10,000.00	20	per occurrence	1/1/1994	GS 97-40.1	
					Second Injury Fund-Minor Member (finger, toe)	\$250.00	\$2,500.00	10	per occurrence	1/1/1994	GS 97-40.1	None

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Commerce**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Second Injury Fund-Major Member (arm, leg, eye)	\$750.00	\$7,500.00	10	per occurrence	1/1/1994	GS 97-40.1	None
64612	6412	N C RURAL ELECTRIFICATION AUTH	435900030	*1437	Rural Electric Authority - Electric Regulatory Fees	\$0.0375	\$148,828.98	124	quarterly	7/1/1996	GS 117-3.1	
64612	6412	N C RURAL ELECTRIFICATION AUTH	435900031	*1438	Rural Electric Authority - Telephone Regulatory Fee	\$0.0375	\$25,341.28	36	quarterly	7/1/1996	GS 117-3.1	
19962	1000	DEPT OF COMMERCE-ABC BOARD APP	435100059	2821	Duplicate License	\$10.00	\$9,090.00	909	daily	10/1/1989	GS 18B-903 (f)(g)	
19962	1000	DEPT OF COMMERCE-ABC BOARD APP	435100068	2822	Temporary License	\$50.00	\$215,150.00	4303	daily	5/1/1999	GS 18B-902(d)	
19962	1000	DEPT OF COMMERCE-ABC BOARD APP	435100076	2823	Liquor By The Drink Permit	\$200.00 to 1,000	\$4,123,350.00	5435	daily	5/1/1999	GS 18B-902(d)	
					Application Fee-New Permit	\$200.00 - 1,000.00	\$1,060,800.00	1108	daily	5/1/1999	GS 18B-902(d)	None
19962	1000	DEPT OF COMMERCE-ABC BOARD APPLICATION F	435100077	4229	Fuel Alcohol Permit	\$50.00 - 750.00 \$100.00	\$3,062,550.00 \$100.00	4327 1	daily daily	5/1/1999 5/1/1999	GS 18B-902(d) GS 18B-902(d)	
19962	1000	DEPT OF COMMERCE-ABC BOARD APP	435100078	2824	Non-Resident Vendor Permit	\$100.00	\$27,900.00	279	daily	5/1/1999	GS 18B-902(d)	
19962	1000	DEPT OF COMMERCE-ABC BOARD APP	435100079	*2825	Application Fee-Liquor	\$400.00	\$123,800.00	1081	daily	5/1/1999	GS 18B-902(d)	
					Application Fee	\$200 - 400	\$22,400.00	57	daily	5/1/1999	GS 18B-902(d)	None
					Renewal Fee	\$50 - 100	\$101,400.00	1024	daily	5/1/1999	GS 18B-902(d)	None
19962	1000	DEPT OF COMMERCE-ABC BOARD APP	435100080	2826	Application Fee-Beer & Wine	\$100.00 - 500.00	\$8,890,175.00	39179	daily	1/1/2003	GS 18B-902(d)	
					Reg. Fee	\$200 - 500	\$6,792,175.00	33906	daily	1/1/2003	GS 18B-902(d)	None
					Application Fee	\$100 - 400	\$2,098,100.00	5273	daily	5/1/1999	GS 18B-902(d)	None
19962	1000	DEPT OF COMMERCE-ABC BOARD APP	435100081	2827	Application Fee-Culinary	\$200.00	\$6,600.00	33	daily	5/1/1999	GS 18B-902(d)	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Commerce**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
19962	1000	DEPT OF COMMERCE-ABC BOARD APP	435500000	2828	Fines, Penalties & Assessment Fees	\$1,000.00	\$1,354,550.00	1354	daily	7/1/1981	GS 18B-104	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Commerce**

Employment Security Commission

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
64650	6100	SPECIAL ADMINISTRATION	435500000	1441	Fines, Penalties & Assessment Fees		\$5,285,594.56		daily	1/12/2007	GS 96-10.	Title 04
					Interest	0.0059 tax due per mo, from due date until date paid	\$1,140,002.36	66446	daily	6/1/2005	GS 96-10	
					Late Filing Penalty	5% tax due per mo, from due date until filed date; max- 25% of tax due	\$1,503,683.93	39121	daily	4/1/2001	GS 96-10	
					Late Payment Penalty	10% of tax due	\$2,606,327.47	58747	daily	4/1/2001	GS 96-10	
					Worthless Check Penalty	10% of worthless amount; min \$1; max for checks \$200 and EFT \$1,000	\$35,580.80	710	daily		GS 96-10	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
14300	1210	DFR -FORESTRY-FIELD ORGANIZATI	434310000	*609	Sale of Publications	Cost	\$3,317.10		per occurrence	7/1/2007	GS 113-8	
					Buyers of Timber Products	\$6.80		0	per occurrence		GS 113-8	
					Common Trees of NC	\$1.85		474	per occurrence		GS 113-8	
					Field Foresters Handbook	\$7.50		91	per occurrence		GS 113-8	
					Biltmore Stick	\$2.50		703	per occurrence		GS 113-8	
14300	1210	DFR -FORESTRY-FIELD ORGANIZATI	434410000	613	Rental of Real Property	varies - See subfees	\$331,237.06		per occurrence	9/1/2003	GS 143B-10(j)	
					Kinston Training Facility	\$47.00/Day - determined by length of stay		1404	per occurrence	9/1/2003	GS 143B-10(j)	
					Mountain Training Facility	\$47.00/Day - determined by length of stay		5619	per occurrence	2/1/1997	GS 143B-10(j)	
					Region 3 Rentals	varies		45	per occurrence		GS 113-44	
14300	1210	DFR -FORESTRY-FIELD ORGANIZATION	434410002	*4129	Rent prop-emp rent income	varies	\$9,670.00	96	monthly	1/1/1935	GS 113-44	
14300	1210	DFR -FORESTRY-FIELD ORGANIZATION	434410004	4707	Rent prop-cabin/group facility	varies	\$2,013.00	3	per occurrence	1/1/1935	GS 113-44	
14300	1210	DFR -FORESTRY-FIELD ORGANIZATION	434410005	4709	Lease or Rental of Land	varies	\$8,899.74	1	yearly	1/1/1935	GS 113-44	
14300	1210	DFR -FORESTRY-FIELD ORGANIZATION	435600000	5536	Registration Fees	varies	\$3,148.25	3	per occurrence	1/1/1989	GS 113-8	
14300	1280	DPR -STATE PARKS-FIELD OPERATI	434310000	*626	Sale of Publications	cost	\$10,147.35	4043	per occurrence	2/1/1997	GS 143B-313	
14300	1280	DPR -STATE PARKS-FIELD OPERATI	434410000	*629	Rental of Real Property	varies - See subfees	\$897,987.04	17960	per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Picnic Shelter 1-2 Tables	\$25.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Picnic Shelter 3-4 Tables	\$40.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Picnic Shelter 5-8 Tables	\$60.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Picnic Shelter 9-12 Tables	\$85.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Community Buildings	\$175.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
14300	1280	DPR -STATE PARKS-FIELD OPERATI	434410001	*630	Dock Rental Fees	varies - See subfees	\$83,454.42	501	per occurrence	2/3/2003	GS 113-35(b)	15A NCAC 12B.1206
					Marina Lease-Transient,overnight (no longer than 14 consecutive days)	\$20.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Marina Lease-Slip Rental 25 Feet and smaller	\$175.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Marina Lease-Slip Rental 26 ft. to 35 ft.	\$260.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Marina Lease-Slip Rental 36 ft. to 42 ft.	\$305.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Boat Launching Fee	\$5.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Marina Lease-Slip Rental 43 ft. to 45 ft.	\$345.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Marina Six Month Lease-Slip Rental 25 ft. and smaller	\$830.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Marina Six Month Lease-Slip Rental 26 ft. to 35 ft.	\$1,250.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Marina Six Month Lease-Slip Rental 36 ft. to 42 ft.	\$1,460.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Marina Six Month Lease-Slip Rental 43 ft. to 45 ft.	\$1,665.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Marina 12 Month Lease-Slip Rental 25 ft. and smaller	\$1,250.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Marina 12 Month Lease-Slip Rental 26 ft. to 35 ft.	\$1,875.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Marina 12 Month Lease-Slip Rental 36 ft. to 42 ft.	\$2,185.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Marina 12 Month Lease-Slip Rental 43 ft. to 45 ft.	\$2,500.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
14300	1280	DPR -STATE PARKS-FIELD OPERATI	434410002	*631	Rent prop-emp rent income	varies - See subfees	\$75,072.00	1283	per occurrence	7/1/1990	GS 143B-313	
					Good Accessibility-Building Class A Pay Grade 65-71	\$85.00			monthly	7/1/1990		
					Good Accessibility-Building Class A Pay Grade 62-65	\$70.00			monthly	7/1/1990		
					Good Accessibility-Building Class A Pay Grade 60-62	\$57.00			monthly	7/1/1990		
					Good Accessibility-Building Class A Pay Grade 60	\$42.00			monthly	7/1/1990		
					Good Accessibility-Building Class B Pay Grade 65-71	\$78.00			monthly	7/1/1990		
					Good Accessibility-Building Class B Pay Grade 62-65	\$64.00			monthly	7/1/1990		
					Good Accessibility-Building B Pay Grade 60-62	\$50.00			monthly	7/1/1990		
					Good Accessibility-Building Class B Pay Grade 60	\$35.00			monthly	7/1/1990		
					Good Accessibility-Building Class C Pay Grade 65-71	\$70.00			monthly	7/1/1990		
					Good Accessibility-Building Class C Pay Grade 62-65	\$57.00			monthly	7/1/1990		

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Good Accessibility-Building Class C Pay Grade 60-62	\$42.00			monthly	7/1/1990		
					Good Accessibility-Building Class C Pay Grade 60	\$32.00			monthly	7/1/1990		
					Good Accessibility-Building Class D Pay Grade 65-71	\$57.00			monthly	7/1/1990		
					Good Accessibility-Building Class D Pay Grade 62-65	\$50.00			monthly	7/1/1990		
					Good Accessibility-Building Class D Pay Grade 60-62	\$35.00			monthly	7/1/1990		
					Good Accessibility-Building Class D Pay Grade 60	\$28.00			monthly	7/1/1990		
					Fair Accessibility-Building Class A Pay Grade 65-71	\$70.00			monthly	7/1/1990		
					Fair Accessibility-Building Class A Pay Grade 62-65	\$57.00			monthly	7/1/1990		
					Fair Accessibility-Building Class A Pay Grade 60-62	\$42.00			monthly	7/1/1990		
					Fair Accessibility-Building Class A Pay Grade 60	\$35.00			monthly	7/1/1990		
					Fair Accessibility-Building Class B Pay Grade 65-71	\$64.00			monthly	7/1/1990		
					Fair Accessibility-Building Class B Pay Grade 62-65	\$50.00			monthly	7/1/1990		
					Fair Accessibility-Building Class B Pay Grade 60-62	\$39.00			monthly	7/1/1990		
					Fair Accessibility-Building Class B Pay Grade 60	\$32.00			monthly	7/1/1990		
					Fair Accessibility-Building Class C Pay Grade 65-71	\$57.00			monthly	7/1/1990		

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Fair Accessibility-Building Class C Pay Grade 62-65	\$42.00			monthly	7/1/1990		
					Fair Accessibility-Building Class C Pay Grade 60-62	\$35.00			monthly	7/1/1990		
					Fair Accessibility-Building Class C Pay Grade 60	\$28.00			monthly	7/1/1990		
					Fair Accessibility-Building Class D Pay Grade 65-71	\$50.00			monthly	7/1/1990		
					Fair Accessibility-Building Class D Pay Grade 62-65	\$35.00			monthly	7/1/1990		
					Fair Accessibility-Building Class D Pay Grade 60-62	\$28.00			monthly	7/1/1990		
					Fair Accessibility-Building Class D Pay Grade 60	\$25.00			monthly	7/1/1990		
					Isolated stations-Building Class A Pay Grade 65-71	\$57.00			monthly	7/1/1990		
					Isolated stations-Building Class A Pay Grade 62-65	\$50.00			monthly	7/1/1990		
					Isolated stations-Building Class A Pay Grade 60-62	\$42.00			monthly	7/1/1990		
					Isolated stations-Building Class A Pay Grade 60	\$35.00			monthly	7/1/1990		
					Isolated stations-Building Class B Pay Grade 65-71	\$50.00			monthly	7/1/1990		
					Isolated stations-Building Class B Pay Grade 62-65	\$42.00			monthly	7/1/1990		
					Isolated stations-Building Class B Pay Grade 60-62	\$35.00			monthly	7/1/1990		
					Isolated stations-Building Class B Pay Grade 60	\$28.00			monthly	7/1/1990		

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Isolated stations-Building Class C Pay Grade 65-71	\$42.00			monthly	7/1/1990		
					Isolated stations-Building Class C Pay Grade 62-65	\$35.00			monthly	7/1/1990		
					Isolated stations-Building Class C Pay Grade 60-62	\$28.00			monthly	7/1/1990		
					Isolated stations-Building Class C Pay Grade 60	\$25.00			monthly	7/1/1990		
					Isolated stations-Building Class D Pay Grade 65-71	\$35.00			monthly	7/1/1990		
					Isolated stations-Building Class D Pay Grade 62-65	\$32.00			monthly	7/1/1990		
					Isolated stations-Building Class D Pay Grade 60-62	\$25.00			monthly	7/1/1990		
					Isolated stations-Building Class D Pay Grade 60	\$20.00			monthly	7/1/1990		
14300	1280	DPR -STATE PARKS-FIELD OPERATI	434410003	*632	Rent prop-campsite rental	varies - See subfees	\$2,155,276.89	107764	per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					Campsite w/electrical (daily)	\$20.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Campsite w/electrical/senior citizen (daily)	\$14.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					Campsite w/o electrical	\$15.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Campsite w/o electrical/senior citizen (daily)	\$10.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					Primitive with pit privies per campsite daily	\$9.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Primitive group tent camping(1.00 per person with	\$9.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Improved group camping (per day/max cap 50)	\$50.00			per occurrence	1/7/2007	GS 113-35(b)	15A NCAC 12B.1206
					Improved Group Camping (per day/max cap 100)	\$105.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Group Lodge-William B. Umstead (max of cap of 25)	\$30.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
14300	1280	DPR -STATE PARKS-FIELD OPERATI	434410004	*633	Rent prop-cabin/group facility	varies - See subfees	\$145,112.83	484	per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Hanging Rock and Morrow Mountain Cabins-per wk (June-Labor Day)	\$500.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Hanging Rock and Morrow Mountain Cabins-per wk(June-Labor Day w/swimming priv.)	\$520.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					William B. Umstead Group Camp-Apr,May,Sept,Oct-One	\$30.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					William B. Umstead Group Camp-Apr,May,Sept,Oct-Mess	\$75.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					William B. Umstead Group Camp-June to Aug-Weekly only-Camp Crabtree	\$375.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					William B. Umstead Group Camp-June to Aug-Weekly only-Camp Whispering Pines	\$375.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					William B. Umstead Group Camp-June to Aug-Weekly only-Camp Lapihio	\$425.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					Singletary Lake Group Camp-Apr.,May,Sept,Oct-Ipecac or Loblolly	\$95.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					Singletary Lake Group Camp-Apr,May,Sept,Oct-Cabin Unit	\$40.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Singletery Lake Group Camp- Apr,May,Sept,Oct-Mess Hall Daily	\$75.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					Singletery Lake Group Camp- June to Aug-Weekly only-Camp Ipecac or Loblolly	\$390.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
14300	1280	DPR -STATE PARKS-FIELD OPERATI	434420000	*634	Rental of Equipment	varies - See subfees	\$64,256.74	14440	per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Rowboat/Canoe Rental First Hr.	\$5.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Rowboat/Canoe Rental Each Additional Hr.	\$3.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
14300	1280	DPR -STATE PARKS-FIELD OPERATI	435200008	*635	State Lakes Pier Permit	varies - See subfees	\$66,825.00	1481	yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
					Construction of new structure/replacement of existing structure	\$60.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
					Modification of existing structure	\$60.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
					Application for renewal to operate pier	\$60.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
					Transfer fee	\$30.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
					Application for nonconforming use permit	\$150.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
					Annual fee/Piers not more than 50 ft in length	\$15.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
					Annual fee/Piers more that 50 ft. in length but not more than 100	\$30.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
					Annual fee/Piers more than 100 ft. in length but not more than 150	\$45.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Annual Fee/Piers more than 150 in length	\$60.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
					Annual Fee/Boat Ramps, boat mooring buoy	\$15.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
					Commercial Structures/Piers not more than 225 ft. in length	\$75.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
					Commercial Structures/Piers more than 225 ft. in length	\$150.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
					Commercial Structures/Boat Ramps, boat mooring buoy	\$75.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
					Public Structures	\$30.00			yearly	8/1/1991	GS 113-35	15A NCAC 12C.0306
14300	1280	DPR -STATE PARKS-FIELD OPERATI	435200009	*636	Special Activity Permit	\$30.00	\$16,112.70	536	per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
14300	1280	DPR -STATE PARKS-FIELD OPERATI	435700000	*637	Gate/Admission Fees	varies - See subfees	\$834,341.15	171323	per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					Jordan, Kerr, and Falls Lake/ per car	\$5.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Jordan, Kerr, and Falls Lake/per car/senior citizen	\$3.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					Jordan, Kerr, and Falls Lake/per bus	\$10.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					Jordan, Kerr, and Falls Lake/advance purchase of daily passes (10 passes)	\$40.00			per occurrence	4/1/1997	GS 113-35(b)	15A NCAC 12B.1206
					Hammocks Beach Ferry/per adult (ages 13 and over)	\$5.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
					Hammocks Beach Ferry (senior citizen/children ages 6-12)	\$3.00			per occurrence	2/1/2003	GS 113-35(b)	15A NCAC 12B.1206
14300	1280	DPR -STATE PARKS-FIELD OPERATIONS	435700006	*3867	Vehicle Access Fee	Fort Fisher \$10/day \$40/yr	\$118,550.00	11258	per occurrence	2/1/2003	GS 113-35	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
14300	1305	ZOO -GENERAL OPERATION	434410000	4132	Rental of Real Property	\$100/party	\$6,150.00	60	per occurrence	7/1/2001	GS 143b-177	
14300	1305	ZOO -GENERAL OPERATION	434420001	4133	Equip Rental-Strollers	\$3.79 - 7.50	\$80,982.40	16195	per occurrence	7/1/2001	GS 143b-177	
14300	1305	ZOO -GENERAL OPERATION	435700000	642	Gate/Admission Fees	\$1-10	\$3,825,981.50		daily	7/1/2001	GS 143-177.3b	
					Gate Admissions Fee - Adults	\$10.00		204296	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Adult	\$9.00		18745	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Adult	\$8.50		250	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Adults	\$8.00		76744	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Adult	\$7.00		2523	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Adults	\$6.00		664	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Adults	\$5.00		854	daily	7/1/2001	GS 143-177.3b	
					Gate/Admission Fees-Adult	\$4.00		809	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Adults	\$1.00		1976	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Child	\$6.00		95647	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Child	\$5.00		13791	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Child	\$4.50		141	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Child	\$4.00		29585	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Child	\$3.00		574	daily	7/1/2001	GS 143-177.3b	
					Gate/Admission Fees-child	\$2.00		1508	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Child	\$1.00		0	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Senior Citizen	\$6.00		1784	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Senior Citizen	\$5.00		190	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Senior Citizen	\$4.50		78	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Senior Citizen	\$4.00		72	daily	7/1/2001	GS 143-177.3b	
					Gate Admission Fee - Senior Citizen	\$3.00		235	daily	7/1/2001	GS 143-177.3b	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Gate Admission Fee - Senior	\$1.00		0	daily	7/1/2001	GS 143-177.3b	
					Gate/Admission Fees-senior	\$2.00		0	daily	7/1/2001	GS 143-177.3b	
					Gate/Admission Fee-SimEx	\$3.00		61863	per occurrence	7/1/2001	GS 143-177.3b	
14300	1305	ZOO -GENERAL OPERATION	435700005	4134	Midway Receipts	\$2.00	\$154,895.00	77448	per occurrence	1/7/2007	GS 113-35	
14300	1310	SWC -SOIL & WATER CONSERVATION	434310000	*644	Sale of Publications	\$2.50	\$30.37	13	per occurrence	1/1/2007	GS 139	
14300	1315	DMF -MARINE FISHERIES-ADMIN	435500095	3868	Unlawful Sale/Purchase of Fish	varies	\$904.00	12	per occurrence	1/1/1998	GS 113	
14300	1325	DMF -MARINE FISHERIES-LAW ENFO	435100000	656	Business License Fees	\$1-500	\$10,516.16	204	yearly	1/1/2004	GS 113-202	15A NCAC 30.0103
					Shellfish water column amendments-shellfish bottom leases	\$50 - 500			yearly		GS 113-202	
					shellfish bottom leases rental fees.	\$1 - 100			yearly		GS 113-202	
14300	1325	DMF -MARINE FISHERIES-LAW ENFO	435100025	*657	License for Fish Dealers	\$50-300	\$24,670.00	221	per occurrence	7/1/1999	GS 113-169.3	
14300	1325	DMF -MARINE FISHERIES-LAW ENFO	435100036	659	License/Ocean Piers	\$0.50 per linear ft.	\$1,831.50	5	yearly	7/1/1999	GS 113-169.4	
14300	1325	DMF -MARINE FISHERIES-LAW ENFO	435100109	660	Commercial Fishing Vessel Registration	\$1-6 per ft.	\$149,205.99	3273	per occurrence	7/1/1999	GS 113-168.6	15A NCAC 30.0103
14300	1325	DMF -MARINE FISHERIES-LAW ENFO	435100111	661	License/Shellfish No SCFL	\$25	\$29,425.00	1024	yearly	7/1/1999	GS 113-169.2	
14300	1325	DMF -MARINE FISHERIES-LAW ENFO	435100112	*662	Commercial Fishing License	\$200-800	\$557,907.00	2438	yearly	7/1/1999	GS 113-168.2-5	
					Commercial Fishing License	\$100			yearly	7/1/1999	GS 113-168.3	
					Menhaden Endorsement	\$2/ton			yearly	7/1/1999	GS 113-168.5	
					Shellfish Endorsements	0			yearly	7/1/1999	GS 113-168.5	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Non Resident SCFL	\$800			yearly	7/1/1999	GS 113-168.2	
					Non-Resident Retired SCFL	\$800			yearly	7/1/1999	GS 113-168.2	
14300	1325	DMF -MARINE FISHERIES-LAW ENFO	435100115	664	Land/Sell Fishing Vessels License	\$200 or amount of non-res fee charged by non-res state	\$28,450.00	82	yearly	7/1/1999	GS 113-169.5	
14300	1325	DMF -MARINE FISHERIES-LAW ENFO	435200027	665	Tournament License	\$100	\$2,400.00	24	yearly	7/1/1999	GS 113-168.4	
14300	1475	DEH -ENVIRONMENTAL HEALTH	435100028	*672	Food & Lodging Fee Collection Program	\$50-225	\$1,498,975.00	26919	yearly	10/1/2002	GS 130A-248(d)	15A NCAC;18A 2900
14300	1475	DEH -ENVIRONMENTAL HEALTH	435500063	*4717	Reinstatement Fees	\$25 - 175	\$141,040.00	1000		10/1/2002	GS 130A-248	
14300	1475	DEH -ENVIRONMENTAL HEALTH	435600000	673	Registration Fees	\$25-40	\$4,525.00	60	per occurrence	1/1/2005	GS 130A- 248	
14300	1475	DEH -ENVIRONMENTAL HEALTH	435900000	3398	Other Licenses, Fees & Permits	\$200	\$114,380.00	572	per occurrence	10/1/2002	GS 130A 248(d)	
14300	1490	DEH -WATER SUPPLY PROTECTION	434310000	*674	Sale of Publications	\$0.10 - 8.40	\$1,708.50	25	per occurrence	1/1/2004	GS 132-6.2(a)-(e)	
14300	1490	DEH -WATER SUPPLY PROTECTION	435100027	677	Community Water System Permit Fee	\$150 - 850	\$1,510,998.17	1809	yearly	1/1/2006	GS 130A-328	15A NCAC 2100
					Community Water System Permit Fee	\$150 for population <100			yearly			
					Community Water System Permit Fee	\$175 for population 101-500			yearly			
					Community Water System Permit Fee	\$300 for population 501-3300			yearly			

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Community Water System Permit Fee	\$450 for population 3301-5000			yearly			
					Community Water System Permit Fee	\$550 for population 5001-10,000			yearly			
					Community Water System Permit Fee	\$650 for population 10,001-50,000			yearly			
					Community Water System Permit Fee	\$850 for population > 50,000			yearly			
14300	1490	DEH -WATER SUPPLY PROTECTION	435100134	4711	Public Water System - Plan Review Fee	varies	\$335,075.00	1998	per occurrence	7/1/2007	GS 130A-328	
14300	1490	DEH -WATER SUPPLY PROTECTION	435300013	678	NC Water Treatment-Certification Board	\$25	\$279,745.00	3607	yearly	8/1/2000	GS 90A-27	15A NCAC 18D
14300	1490	DEH -WATER SUPPLY PROTECTION	435500028	679	Operations Permit Penalties	varies per violation	\$25,637.50	126	per occurrence	1/1/2006	GS 130A-328	15A NCAC2100
14300	1490	DEH -WATER SUPPLY PROTECTION	435500029	680	Water Supply Penalties	variable per violation	\$165,692.64	340	per occurrence	1/1/2007	GS 130A-22(b)	15A NCAC 18C
14300	1490	DEH -WATER SUPPLY PROTECTION	435500096	4719	Utilities Fine, Penalties, and Forfeitures	varies	\$2,275.00	4	per occurrence	10/1/1998	GS 90A-30	
14300	1610	CCA -OFC CONSERVATION/COMMUNITY AFFAIRS	434310000	3869	Sale of Publications	cost	\$636.00	64	per occurrence	10/23/2008	GS 143-215	
14300	1620	DWR -DIVISION OF WATER RESOURC	434310000	*685	Sale of Publications	\$7.50-10.00	\$1,535.83	154	per occurrence	1/1/1997	GS 143-215.7F-In/a	15A NCAC 02E0310
14300	1620	DWR -DIVISION OF WATER RESOURC	435100000	*688	Business License Fees	\$50	\$6,064.15	121	per occurrence	1/1/1997	GS 143-215.22G,h	15A 02E0310

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
14300	1620	DWR -DIVISION OF WATER RESOURCES	435500094	5537	Civil Penalties Assessment	varies	\$14,038.38	1	per occurrence	8/1/2003	GS 143-215.11-22	
14300	1625	DCM -COASTAL MANAGEMENT	435100093	694	Coastal Management Permit Fees	varies - See subfees	\$785,900.10	2765	daily	8/1/2000	GS 1113A	
					General Permits	\$200		2301	per occurrence	8/1/2000	GS 1113A	
					Major Permits, Major Modificat	\$250 - 400		195	per occurrence	9/1/1999	GS 1113A	
					Minor Permits	\$100		123	per occurrence	8/1/2000	GS 1113A	
					Permit Transfers	\$100		50	per occurrence	8/1/2000	GS 1113A	
					General Permits, Sandbags	\$400		9	per occurrence	8/1/2000	GS 1113A	
					General Permits, Wetlands Protection	\$200		37	per occurrence	8/1/2000	GS 1113A	
					Emergency General Permit	0		0	per occurrence	8/1/2000	GS 1113A	
					Minor Modifications	\$100		50	per occurrence	8/1/2000	GS 1113A	
14300	1625	DCM -COASTAL MANAGEMENT	435500033	*695	Coastal Management-Civil Penalty	\$50 - 2500	\$71,112.25	186	weekly	6/1/1991	GS 113A-126	15A NCAC 7J
14300	1625	DCM -COASTAL MANAGEMENT	435600000	4139	Registration Fees	varies	\$715.00	75	per occurrence	1/1/2006	GS 113a-126	
14300	1625	DCM -COASTAL MANAGEMENT	435900022	5538	Registration Fee	\$10.00	\$480.00	48	per occurrence	10/22/2008	GS 113A-126	
14300	1625	DCM -COASTAL MANAGEMENT	435900056	5539	Cost Recovery	varies	\$1,223.00	30	per occurrence	2/1/2007	GS 113a-126(d)(4A)	
14300	1630	DWQ -DIVIS OF WATER QUALITY (E)	435400000	*698	Inspection/Examination Fees	Cost/hour	\$143,433.42	750	per occurrence	7/1/2002	GS 143-215.6A,6B,6C	
14300	1630	DWQ -DIVIS OF WATER QUALITY (E)	435500026	699	Fines-Environmental Violation	max \$25,000/day or violation	\$1,312,808.49	750	per occurrence	7/1/2002	GS 143-215.6A,6B,6C	
14300	1690	DWQ -WATER QUALITY CONTROL	435300009	709	Biological Lab Certification Fees	\$400.00 - \$500.00	\$18,577.74	10	yearly	10/1/1998	GS 143-215.3(a)(1);(a)(10); & 143-215.66	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
14300	1735	DLR -GEOLOGICAL SURVEY	434310000	*713	Sale of Publications	\$0.25 - 150	\$30,784.39	938	daily	7/1/2002	GS 113-8	T15A NCAC C.4
14300	1740	DLR -LAND QUALITY	435500026	*718	Fines-Environmental Violation	Up to \$5,000 per day	\$942,286.00	70	per occurrence	12/17/2003	GS 113A-84	T15A NCAC C.4
14300	1750	DLR -GEODETTIC SURVEY	434310000	5540	Sale of Publications	varies	\$25.00	1	per occurrence	7/1/1989		
14300	1755	DRP -RADIATION PROTECTION	434310000	*720	Sale of Publications	\$0.10-\$10.00	\$7,696.60	3331	per occurrence	7/1/1989	GS 104E-19(a)	See Stat. Authority
14300	1755	DRP -RADIATION PROTECTION	435100101	*723	Tanning Facility Fee	\$100.00	\$334,367.75	2522	yearly	7/1/1994	GS 104E-9(a)(8);104E-19(a)	T15A NCAC 11.1423
14300	1755	DEH -DRP/RADIATION PROTECTION	435100102	*3404	Radioactive Materials Fee	\$100.00-\$1525.00	\$297,945.00	1134	yearly	8/1/2002	GS 104E-9(a)(8);104E-19(a)	T15A NCAC 11.1105(b), (c), and (d)
14300	1755	DRP -RADIATION PROTECTION	435100103	*724	Radiation Fees	\$90.00-\$130.00	\$921,743.91	7396	yearly	8/1/2002	GS 104E-9(a)(8);104E-19(a)	T15A NCAC 11.1105(a)
14300	1755	DRP -RADIATION PROTECTION	435500000	*725	Fines, Penalties & Assessment Fees	\$100.00-\$10,000.00	\$8,103.34	6	per occurrence	10/31/1998	GS 104E-24	
14300	1760	DWM -WASTE MANAGEMENT	435400026	732	Resident Inspection Program	\$3 per ton of waste	\$286,381.32	120	monthly	7/24/1999	GS 30A-295.02	15A NCAC 13A.001
14300	1760	DWM -WASTE MANAGEMENT	435500000	5541	Fines, Penalties & Assessment Fees	varies	\$720,090.09	459	per occurrence	8/1/2007	GS 130A-22	
14300	1760	DWM -WASTE MANAGEMENT	435900056	5542	Cost Recovery	varies	\$3,470.62	1	per occurrence	8/1/2007	GS 130A-22(g)	
14300	1770	DAQ -AIR QUALITY CONTROL	435500026	*737	Fines-Environmental Violation	Up to \$25,000	\$939,858.82	207	per occurrence	10/1/2007	GS 143-215.114A & 114B	T15A NCAC
14300	2053	DWR -FERC CHEOAH RELICENSE	435900000	*4749	Other Licenses, Fees & Permits	varies	\$27,710.00	1	yearly	1/1/2007		Fiduciary Agreement

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
24300	2106	DEH -SLEEP PRODUCTS	435100029	741	Bedding Stamps	\$0.52/unit	\$579,867.98	1575	yearly	1/1/1987	GS 130A-269-270	T15A;18B.0200-.0212
24300	2119	DWM -MERCURY POLLUTION PREVENTION	435260000	*5543	Title Fees	\$1.00 per transaction	\$2,307,234.30	2307234	per occurrence	1/1/2006	GS 130A-310.57	
24300	2130	DWQ -WELL CONSTRUCTION FUND	435100037	*742	Well Drillers Registration Fee	\$200	\$232,225.00	910	yearly	8/4/1997	GS 87-98.9	T15A:27.0201(1)
					Well Construction Temporary Certification Fee	\$100			yearly	8/4/1997	GS 87-98.9	
					Well Contractors Exam Fee 1	\$50			per occurrence	8/4/1997	GS 87-98.9	
					Well Contractors Exam Fee 2	\$100			per occurrence	8/4/1997	GS 87-98.9	
24300	2179	DEH -OSW CERT FUND	435300000	4747	Certification Fees	varies	\$443,325.00	2400	per occurrence	1/1/2008	GS 90A-74:78	
24300	2203	DMF -COASTAL RECREATIONAL FISHING LICENS	435200029	4739	Sales - Hook and Line	\$5 - 30	\$4,143,045.00	139432	yearly	1/1/2007	GS 113-174.2	
24300	2203	DMF -COASTAL RECREATIONAL FISHING LICENS	435200032	4741	Sales - Hook and Line Fishing/Unified	\$35 - 55	\$677,310.00	20809	yearly	1/1/2007	GS 113-174.2	
24300	2203	DMF -COASTAL RECREATIONAL FISHING LICENS	435200039	4743	Sales - CRFL Blanket for Hire License (Coastal Recreational Fishing Lic)	\$250 - 350	\$171,350.00	494	yearly	1/1/2007	GS 113-174.3	
24300	2203	DMF -COASTAL RECREATIONAL FISHING LICENS	435200040	4745	Sales - CRFL Blanket Pier License	\$4 /ft	\$52,056.00	15	yearly	1/1/2007	GS 113-174.4	
24300	2204	DMF -RECREATIONAL COMMERCIAL GEAR LICENS	435200028	4737	Recreation Commercial Gear License	varies	\$191,969.00	5113	yearly	1/1/2005	GS 113-173	
24300	2221	DFR -FORESTRY-BLADEN LAKES	434410000	744	Rental of Real Property	See subfees.	\$28,083.30	1	per occurrence	1/1/1935	GS 113-44	
					Land Rental for NC Wildlife Resources	\$27,000.00			yearly		GS 113-44	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
24300	2221	DFR -FORESTRY-BLADEN LAKES	434410002	4140	Rent prop-emp rent income	\$32.50	\$357.50	11	monthly	3/1/1989	GS 113-144	
24300	2331	DAQ -AIR PERMITS	435100001	*4731	Clean Air Act Permit Fees	varies	\$85,580.00	3	per occurrence	1/1/2001	GS 143-215	
24300	2331	DAQ -AIR PERMITS	435100092	*752	Air Permits	\$250-1500	\$1,302,294.00	2559	yearly	3/8/1994	GS 143-215.3A(c)	15A NCAC 2Q.0203
24300	2333	DAQ -AIR QUAL CLEAN AIR ACT	435100001	*755	Clean Air Act Permit Fees	Basic \$6,074 + \$17.42/ton	\$7,811,626.00	336	yearly	1/1/2001	GS 143-215.3A(c)	15A NCAC 2Q.0203
24300	2335	DWQ -LAB CERTIFICATION FEES	435300008	*756	Lab Certification Fees	cost/parameter	\$724,689.22	750	per occurrence	8/1/2002	GS 143-215.3(a)(10)	T15A NCAC 2H.0800
					Biological Lab Certification	cost/parameter			per occurrence		GS 143-215.3(a)(10)	T15A NCAC 2H.0800
24300	2338	DAQ -I&M AIR POLLUTION CONTROL	435400025	758	Emission Inspection Fees	\$0.65	\$2,823,020.22	4178380	per occurrence	12/31/2001	GS 143-215.3A(c)	15A NCAC 2D.1000
24300	2341	DWQ -WATER PERMITS	435100095	*760	Water Permits	\$60 - \$3,440	\$5,128,740.53	9500	yearly	1/1/1999	GS 143-215.3D	T15A:02H.0100-.0200
24300	2341	DWQ -WATER PERMITS	435900000	*3407	Other Licenses, Fees & Permits	varies	\$50.00	2	per occurrence	1/1/1999	GS 143-215	
24300	2356	ADM -EXPRESS PERMITTING	435100093	3880	Coastal Management Permit Fees	\$2,000	\$77,458.83	40	per occurrence	1/1/2004	SL 2003-284,Sec 11.4	
24300	2356	ADM -EXPRESS PERMITTING	435100095	3881	Water Permits	\$200 - \$5,635	\$1,703,683.57	550	per occurrence	1/1/2004	SL 2003-284,sec.11.4	
24300	2356	ADM -EXPRESS PERMITTING	435400024	3883	Sedimentation Plan Fees	\$250 - \$2,000	\$728,515.16	575	per occurrence	1/1/2004	SL 2003-284,Sec.11.4	
24300	2389	DWM -REC PROGRAM	435400000	761	Inspection/Examination Fees	\$500-2,500	\$151,499.18	67	per occurrence	4/18/1997	GS 130A.310.12(B)(3)	15 NCAC .0307(C)
24300	2391	DWM -UST SOIL PERMITTING FEES	435100097	762	Remediation Permit Fees	\$200-400	\$4,755.00	9	per occurrence	10/1/1991	GS 143-215.1(A)(1-11)	15 NCAC 2H.1
24300	2392	DMF -ADVANCE LICENSE SALE	435100025	763	License for Fish Dealers	\$50-300	\$57,400.00	517	per occurrence	7/1/1999	GS 113-169.3	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
24300	2392	DMF -ADVANCE LICENSE SALE	435100034	764	License/Spotter Planes	\$100	\$900.00	9	yearly	7/1/1999	GS 113-171.1	
24300	2392	DMF -ADVANCE LICENSE SALE	435100036	765	License/Ocean Piers	\$0.50	\$5,814.00	15	yearly	7/1/1999	GS 113-169.4	
24300	2392	DMF -ADVANCE LICENSE SALE	435100109	766	Commercial Fishing Vessel Registration	\$1-6	\$252,147.05	5573	per occurrence	7/1/1999	GS 113-168.6	15A NCAC 30.0103
24300	2392	DMF -ADVANCE LICENSE SALE	435100110	767	Menhaden License	\$2/ton	\$10,550.00	10	yearly	7/1/1999	GS 113-169	
24300	2392	DMF -ADVANCE LICENSE SALE	435100111	768	License/Shellfish No SCFL	\$25	\$19,900.00	682	yearly	7/1/1999	GS 113-169.2	
24300	2392	DMF -ADVANCE LICENSE SALE	435100112	769	Commercial Fishing License	\$200-800	\$799,787.50	3509	yearly	7/1/1999	GS 113-168.2-5	
24300	2392	DMF -ADVANCE LICENSE SALE	435100115	770	Land/Sell Fishing Vessels License	\$200 or amount of non-res fee charged by non-res state	\$7,360.00	22	yearly	7/1/1999	GS 113-169.5	
24300	2392	DMF -ADVANCE LICENSE SALE	435200027	771	Tournament License	\$100	\$600.00	6	yearly	7/1/1999	GS 113-168.4	
24300	2393	DWM -SEPTAGE FEES	435100032	360	Septage Management Fees	\$550-800	\$346,550.00	528	yearly	1/1/2002	GS 130A-291.1(E)	15A NCAC 13.B
24300	2393	DWM -SEPTAGE FEES	435900056	5545	Cost Recovery	varies	\$1,444.69	2	per occurrence	7/1/1998	GS 130A-22(g)	
24300	2394	DWM -SOLID WASTE PERMITTING FEE	435100000	5546	Business License Fees	varies	\$1,143,750.00	160	per occurrence	8/1/2007	GS 130A-295.8	
24300	2610	DLR -MINERAL INTEREST	434410000	*773	Rental of Real Property	\$29,065.65	\$29,096.65	1	yearly	1/1/1995	GS 146-3 & 64	
24300	2625	DLR -MINE RECLAMATION	435500000	5547	Fines, Penalties & Assessment Fees	varies	\$41,800.00	2	per occurrence	12/1/2002	GS 74-59	
24300	2735	DLR -SEDIMENTATION FEES	434310000	*774	Sale of Publications	\$15-75	\$7,114.47	75	per occurrence	12/17/2003	GS 113A-59	T15 NCAC C.5
24300	2735	DLR -SEDIMENTATION FEES	435400024	775	Sedimentation Plan Fees	\$65 per acre	\$2,085,533.11	2972	per occurrence	8/1/2007	GS 113A-54.2	15A NCAC 04B.0126
24300	2740	DLR -DAM SAFETY ACCOUNT	435100100	776	Dam Permit Fees	\$200-50,000	\$72,522.47	39	per occurrence	12/17/2003	GS 143-215.28A	15A NCAC 2K.0022

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Fund Code</u>	<u>Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
24300	2745	DLR -MINING FEES	434310000	5548	Sale of Publications	Cost	\$233.65	4	per occurrence	1/1/2006		
24300	2745	DLR -MINING FEES	435100099	778	Mining Permit Fees	\$100-5,000	\$252,000.00	174	per occurrence	8/1/2007	GS 74-54.1	15 NCAC 05B.0012
24300	2754	DEH -DEH-GSWW SYSTEM ACCOUNT	435400042	321	Onsite Wastewater Review Fee	\$100-\$3,000	\$22,724.75	17	per occurrence	12/19/2001	GS 130A-343-Section 2.2(k)	
24300	2865	AQM -NC AQUARIUMS (RRE)	435700002	*779	Roanoke Island Admission	\$6.00 to \$8.00	\$1,494,424.16	211236	daily	11/30/2004	GS 143B-289.23	
24300	2865	AQM -NC AQUARIUMS (RRE)	435700003	*368	Fort Fisher Admissions	\$6.00 to \$8.00	\$1,930,183.70	276190	daily	11/30/2004	GS 143B-289.23	
24300	2865	AQM -NC AQUARIUMS (RRE)	435700004	*780	Pine Knoll Shores Admissions	\$5.00 to \$7.00	\$1,720,422.59	246655	daily	11/30/2004	GS 143B-289-23	
24301	2334	DAQ -AIR QUALITY - FUEL	435900000	*784	Other Licenses, Fees & Permits	1/64 of .01 of gas tax	\$8,291,239.75	12	other	7/1/1995	GS 105-449.125	15A NCAC
64301	6342	DWQ -WASTEWATER TRT PLANT OPE	435100068	785	Temporary License	\$75 - \$200	\$4,300.00	100	per occurrence	1/1/1999	GS 90A-42	T15A:08G
64301	6342	DWQ -WASTEWATER TRT PLANT OPE	435300025	787	Annual Renewal Fees	\$10 - \$35	\$329,985.00	2800	yearly	1/1/1999	GS 90A-42,47	T15A:08G
64301	6342	DWQ -WASTEWATER TRT PLANT OPE	435300028	3887	Animal Waste Operator Fee	\$10	\$26,750.00	2675	yearly	1/1/1999	GS 90A-42,47	
64301	6342	DWQ -WASTEWATER TRT PLANT OPE	435400019	788	Examination/Audit Fees	\$25 - \$85	\$3,690.00	149	per occurrence	1/1/1999	GS 90A-42,47	T15A:08G
64301	6342	DWQ -WASTEWATER TRT PLANT OPE	435400042	3888	Onsite Wastewater Review Fee	\$20 - 50	\$174,895.00	3876	per occurrence	1/1/1999	GS 90A-42	T15A:08G
64302	6710	NRP -NATURAL HERITAGE TRUST FUND (DPR)	435900000	*5551	Other Licenses, Fees & Permits	varies based on sales	\$3,187,477.25	12	monthly	1/1/2007	GS 20-87	
64302	6A01	DMF -LIFETIME ADULT	435200029	4753	Sales - Hook and Line	\$250 - 500	\$87,875.00	212	other	1/1/2007	GS 113-174.2	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
64302	6A01	DMF -LIFETIME ADULT	435200032	4791	Sales - Hook and Line Fishing/Unified	\$675 - 1,350	\$195,825.00	323	other	1/1/2007	GS 113-174.2	
64302	6A02	DMF -LIFETIME DISABLED ADULT	435200029	4755	Sales - Hook and Line	\$10	\$9,620.00	506	other	1/1/2007	GS 113-174.2	
64302	6A02	DMF -LIFETIME DISABLED ADULT	435200032	4793	Sales - Hook and Line Fishing/Unified	\$110	\$4,480.00	183	other	1/1/2007	GS 113-174.2	
64302	6A03	DMF -LIFETIME DISABLED VETERAN	435200029	4757	Sales - Hook and Line	\$10	\$4,690.00	228	other	1/1/2007	GS 113-174.2	
64302	6A03	DMF -LIFETIME DISABLED VETERAN	435200032	4795	Sales - Hook and Line Fishing/Unified	\$110	\$2,850.00	118	other	1/1/2007	GS 113-174.2	
64302	6A04	DMF -LIFETIME ELDERLY	435200029	4759	Sales - Hook and Line	\$15	\$173,100.00	3761	other	1/1/2007	GS 113-174.2	
64302	6A04	DMF -LIFETIME ELDERLY	435200032	4797	Sales - Hook and Line Fishing/Unified	\$30	\$126,585.00	2468	other	1/1/2007	GS 113-174.2	
64302	6A05	DMF -LIFETIME NON-RESIDENT	435200029	4761	Sales - Hook and Line	\$500	\$7,500.00	15	other	1/1/2007	GS 113-174.2	
64302	6A05	DMF -LIFETIME NON-RESIDENT	435200032	4799	Sales - Hook and Line Fishing/Unified	\$350	\$6,650.00	19	other	1/1/2007	GS 113-174.2	
64302	6B22	DMF -LIFETIME INFANT 2006	435200029	4763	Sales - Hook and Line	\$100	\$3,850.00	58	other	1/1/2007	GS 113-174.2	
64302	6B22	DMF -LIFETIME INFANT 2006	435200032	4801	Sales - Hook and Line Fishing/Unified	\$275	\$64,575.00	433	other	1/1/2007	GS 113-174.2	
64302	6B23	DMF -LIFETIME INFANT 2007	435200029	4765	Sales - Hook and Line	\$100	\$4,650.00	66	other	1/1/2007	GS 113-174.2	
64302	6B23	DMF -LIFETIME INFANT 2007	435200032	4803	Sales - Hook and Line Fishing/Unified	\$275	\$131,625.00	678	other	1/1/2007	GS 113-174.2	
64302	6B24	DMF -LIFETIME INFANT 2008	435200032	5552	Sales - Hook and Line Fishing/Unified	\$275	\$5,025.00	60	per occurrence	1/1/2007	GS 113-174.2	
64302	6Y11	DMF -LIFETIME YOUTH 1995	435200029	4767	Sales - Hook and Line	\$150	\$1,050.00	7	other	1/1/2007	GS 113-174.2	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
64302	6Y11	DMF -LIFETIME YOUTH 1995	435200032	4805	Sales - Hook and Line Fishing/Unified	\$450	\$6,200.00	13	other	1/1/2007	GS 113-174.2	
64302	6Y12	DMF -LIFETIME YOUTH 1996	435200029	4769	Sales - Hook and Line	\$150	\$900.00	6	other	1/1/2007	GS 113-174.2	
64302	6Y12	DMF -LIFETIME YOUTH 1996	435200032	4807	Sales - Hook and Line Fishing/Unified	\$450	\$10,600.00	23	other	1/1/2007	GS 113-174.2	
64302	6Y13	DMF -LIFETIME YOUTH 1997	435200029	4771	Sales - Hook and Line	\$150	\$900.00	6	other	1/1/2007	GS 113-174.2	
64302	6Y13	DMF -LIFETIME YOUTH 1997	435200032	4809	Sales - Hook and Line Fishing/Unified	\$450	\$4,000.00	9	other	1/1/2007	GS 113-174.2	
64302	6Y14	DMF -LIFETIME YOUTH 1998	435200029	4773	Sales - Hook and Line	\$150	\$150.00	1	other	1/1/2007	GS 113-174.2	
64302	6Y14	DMF -LIFETIME YOUTH 1998	435200032	4811	Sales - Hook and Line Fishing/Unified	\$450	\$3,700.00	8	other	1/1/2007	GS 113-174.2	
64302	6Y15	DMF -LIFETIME YOUTH 1999	435200029	4775	Sales - Hook and Line	\$150	\$400.00	2	other	1/1/2007	GS 113-174.2	
64302	6Y15	DMF -LIFETIME YOUTH 1999	435200032	4813	Sales - Hook and Line Fishing/Unified	\$450	\$3,000.00	6	other	1/1/2007	GS 113-174.2	
64302	6Y16	DMF -LIFETIME YOUTH 2000	435200029	4777	Sales - Hook and Line	\$150	\$450.00	3	other	1/1/2007	GS 113-174.2	
64302	6Y16	DMF -LIFETIME YOUTH 2000	435200032	4815	Sales - Hook and Line Fishing/Unified	\$450	\$2,500.00	5	other	1/1/2007	GS 113-174.2	
64302	6Y17	DMF -LIFETIME YOUTH 2001	435200029	4779	Sales - Hook and Line	\$150	\$150.00	1	other	1/1/2007	GS 113-174.2	
64302	6Y17	DMF -LIFETIME YOUTH 2001	435200032	4817	Sales - Hook and Line Fishing/Unified	\$450	\$1,300.00	2	other	1/1/2007	GS 113-174.2	
64302	6Y18	DMF -LIFETIME YOUTH 2002	435200029	4781	Sales - Hook and Line	\$150	\$150.00	1	other	1/1/2007	GS 113-174.2	
64302	6Y18	DMF -LIFETIME YOUTH 2002	435200032	4819	Sales - Hook and Line Fishing/Unified	\$450	\$1,700.00	4	other	1/1/2007	GS 113-174.2	
64302	6Y19	DMF -LIFETIME YOUTH 2003	435200029	4783	Sales - Hook and Line	\$150	\$300.00	2	other	1/1/2007	GS 113-174.2	
64302	6Y19	DMF -LIFETIME YOUTH 2003	435200032	4821	Sales - Hook and Line Fishing/Unified	\$450	\$1,300.00	3	other	1/1/2007	GS 113-174.2	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
64302	6Y20	DMF -LIFETIME YOUTH 2004	435200029	4785	Sales - Hook and Line	\$150	\$150.00	1	other	1/1/2007	GS 113-174.2	
64302	6Y20	DMF -LIFETIME YOUTH 2004	435200032	4823	Sales - Hook and Line Fishing/Unified	\$450	\$1,800.00	4	other	1/1/2007	GS 113-174.2	
64302	6Y21	DMF -LIFETIME YOUTH 2005	435200029	4787	Sales - Hook and Line	\$150	\$3,000.00	20	other	1/1/2007	GS 113-174.2	
64302	6Y21	DMF -LIFETIME YOUTH 2005	435200032	4825	Sales - Hook and Line Fishing/Unified	\$450	\$1,300.00	3	other	1/1/2007	GS 113-174.2	
64302	6Y22	DMF -LIFETIME YOUTH 2006	435200029	4789	Sales - Hook and Line	\$150	\$900.00	6	other	1/1/2007	GS 113-174.2	
64302	6Y22	DMF -LIFETIME YOUTH 2006	435200032	4827	Sales - Hook and Line Fishing/Unified	\$450	\$1,500.00	3	other	1/1/2007	GS 113-174.2	
64302	6Y23	DMF -LIFETIME YOUTH 2007	435200029	5553	Sales - Hook and Line	\$150.00	\$150.00	1	other	1/1/2007	GS 113-174.2	
64302	6Y23	DMF -LIFETIME YOUTH 2007	435200032	5554	Sales - Hook and Line Fishing/Unified	\$450.00	\$300.00	1	other	1/1/2007	GS 113-174.2	
24303	2990	DMF -MARINE CONSERVATION FUND	434310003	4727	Artworks	varies	\$4,345.00	43	per occurrence	1/1/1997	GS 143B-289.59	
24303	2990	DMF -MARINE CONSERVATION FUND	435500046	4147	Fish Restock Fee	varies/fish cost	\$12,637.15	18	per occurrence	1/1/2006	GS 113	
64303	6770	DWM -SCRAP TIRE FUND-SWMGT	435900056	3890	Cost Recovery	varies	\$20,368.36	2	per occurrence	1/1/2006	GS 143	
24304	2981	DWQ -COMPENSATORY MITIGATION	435500091	791	Compensatory Mitigation	\$245 - \$146,754	\$11,036,323.50	192	other	1/1/2005	GS 143-214.11,12 & 143-215.3	T15A:02R.0400
24304	2982	DWQ -RIPARIAN BUFFER RESTORAT	435500091	792	Compensatory Mitigation	\$0.96	\$6,348,368.60	401	other	1/1/2005	GS 143-214.21	T15A:02B.0200
24304	2984	EEP -TRI-PARTY MOA FUND	435500091	4146	Compensatory Mitigation	varies	\$20,894,720.00	4	quarterly	1/1/2006	GS 143-214	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
64305	6370	DWM -LEAKING PETROLEUM STORAGE	435100094	793	Storage Tank Cleanup Fees	\$200-300	\$7,686,323.66	21642	yearly	1/1/1992	GS 143.215.94?	15 NCAC 02
64305	6370	DWM -LEAKING PETROLEUM STORAGE	435500079	795	LUST Cost Recovery	Cost Recovery	\$186,446.18	18	per occurrence	1/1/1992	GS 143-215.94	
64305	6370	DWM -LEAKING PETROLEUM STORAGE TANKS	435900056	5549	Cost Recovery	varies	\$20,142.12	15	per occurrence	1/1/1992	GS 143-215.94	
64305	6372	DWM -INACTIVE HAZARDOUS SITES CLEANUP	435900000	5550	Other Licenses, Fees & Permits	\$500	\$2,500.00	5	per occurrence	10/1/1997	GS 30A-310.7	
64305	6376	DWM -BROWNFIELDS SUPERFUND	435900000	788	Other Licenses, Fees & Permits	per appl -1000 old sites/2000 new sites	\$175,073.05	50	per occurrence	10/1/1997	GS 130A-310.39	
24307	2251	DFR -FOREST DEVELOPMENT	435500031	*799	Forest Production Assessment	varies	\$1,888,546.77	12	monthly	1/1/1989	GS 113A.189a12	
24308	2105	DEE -ENV EDUC CERTIFICATION	435600000	*800	Registration Fees	\$25	\$5,325.00	213	per occurrence	7/1/1996	GS 143B-285.23(2) 138-6(a)(4)	
24308	2220	DFR -FORESTRY IMPROVEMENT PROJECT	435200009	4829	Special Activity Permit	varies	\$336.00	1	per occurrence	4/1/2003	GS 113-35b	
24308	2355	DWM -REIMBURSEMENT CLEANUP-GAS	435500079	802	LUST Cost Recovery	Cost recovery	\$16,246.41	10	per occurrence	1/1/1992	GS 143-215.94	15 NCAC 02
24308	2387	DWM -HAZARDOUS WASTE FEES	435100105	4148	Hazardous Waste Facility	varies	\$996,868.43	108502	per occurrence	12/31/1907	GS 130A-294.1	
24308	2460	MNS -RESEARCH	435600000	5555	Registration Fees	varies	\$5,852.15	6	per occurrence	1/1/2006	GS 143B-279.2	
24308	2463	MNS -MUS NAT SCI/PUBLIC PROGRA	435600000	*805	Registration Fees	\$2 - 195	\$32,144.50	519	per occurrence	1/1/2006	GS 143.B-279.2	
24308	2464	MNS -MUS NAT SCI/OTHER EXTENSION ACTIVIT	435600000	*4149	Registration Fees	varies	\$44,752.60	653	per occurrence	1/1/2006	GS 143b-279.2	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
24308	2468	MNS -MUS NAT SCI/BELIZE FUNDS	435600000	*807	Registration Fees	\$500	\$10,400.00	4	per occurrence	1/1/2006	GS 143b-279.2	
24308	2470	MNS -MUS NAT SCI/SCHOOL PROGRA	435600000	*809	Registration Fees	varies based on cost of	\$46,676.51	755	per occurrence	1/1/2006	GS 143.B-279.2	
24308	2479	MNS -MUS NAT SCI/GIRLS IN SCIE	435600000	*810	Registration Fees	\$5-180	\$3,320.50	3	per occurrence	1/1/2006	GS 143.B-279.2	
					Girls in Science Program	\$5			daily			
					Girls in Science Program	\$180.00			daily			
					Girls in Science Program	\$50			daily			
					Girls in Science Program	\$60			daily			
					Girls in Science Program	\$75			daily			
					Girls in Science Program	\$150.00			daily			
24308	2850	AQM -SPECIAL ACTIVITIES/ROANOKE	434410000	4150	Rental of Real Property	varies	\$7,715.00	5	monthly	1/1/2006	GS 143	
24308	2850	AQM -AQUARIUM SPEC ACTV-ROANOK	435900000	*811	Other Licenses, Fees & Permits	\$3.00 to \$92.00	\$44,737.20	3064	per occurrence	1/1/2006	GS 143	Enacted by Secretary of DOA, 1989
24308	2851	AQM -EVENTS ROANOKE ISLAND	434410000	*4151	Rental of Real Property	varies	\$66,940.50	31		1/1/2006	GS 143	
24308	2855	AQM -SPEC ACTV-FORT FISHER	435900000	*812	Other Licenses, Fees & Permits	\$1.00 to \$5,000.00	\$242,967.28	38541	per occurrence	1/1/2006	GS 143	Enacted by Secretary of DOA, 1989
24308	2856	AQM -EVENTS/FORT FISHER	434410000	*3894	Rental of Real Property	varies	\$116,265.62	46	other	1/1/2006	GS 143	
24308	2860	AQM -AQUARIUM SPEC ACTV-PINE K	435900000	*813	Other Licenses, Fees & Permits	\$2.70 to \$550.00	\$152,467.65	8717	per occurrence	1/1/2006	GS 143	Enacted by Secretary of DOA, 1989
24308	2861	AQM -EVENTS/PINE KNOLL SHORES	434410000	*4152	Rental of Real Property	varies	\$145,615.15	59	other	1/1/2006	GS 143	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
24309	2235	DPR -PARTF (PARKS & REC TRUST FUND)	435800000	*5544	Other Licenses, Fees & Permits	varies	\$1,445,813.47	4	quarterly	1/1/2007	GS 20-79.7 (b)	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

NC Wildlife Resources Commission

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
24350	2112	CUSTOMER SUPPORT	434310006	*821	Sale of Federal Stamps	\$0.50	\$121.00	242	per occurrence	7/1/2003	GS 143-239	
24350	2112	CUSTOMER SUPPORT	435500000	*4155	Fines, Penalties & Assessment Fees	\$25.00	\$1,725.00	69	per occurrence	7/1/1994	GS 113-	
24350	2116	MARKETING & FULLFILLMENT	434310002	*3583	Calendars	\$6.00	\$119,461.28	19910	per occurrence	7/1/1984	GS 143-239	
24350	2121	ENFORCEMENT DIVISION	435500000	*4156	Fines, Penalties & Assessment Fees	varies	\$518.12	1	per occurrence	1/1/2004	GS 113	
24350	2131	CONSERVATION EDUCATION	435600000	*830	Registration Fees	See Sub Fees	\$23,190.00		per occurrence		GS 143-239	
					\$40 course	\$40.00	\$1,880.00	42	per occurrence	7/1/1997	GS 143-239	
					\$80 course	\$80.00	\$1,760.00	22	per occurrence	7/1/2007	GS 143-239	
					\$95 course	\$95.00	\$95.00	1	per occurrence	7/1/2007	GS 143-239	
					\$100 course	\$100.00	\$600.00	6	per occurrence	7/1/2007	GS 143-239	
					\$185 course	\$185.00	\$19,055.00	103	per occurrence	7/1/1997	GS 143-239	
24350	2135	MAGAZINE WILDLIFE IN NC	434310000	*3584	Sale of Publications	\$2.00	\$256.75	128	per occurrence	1/1/1991	GS 143-239	
24350	2135	MAGAZINE WILDLIFE IN NC	434310007	*3585	One Year Subscription	\$12.00	\$170,732.47	14227	per occurrence	7/1/2003	GS 143-239	
24350	2135	MAGAZINE WILDLIFE IN NC	434310008	*3586	Three Year Subscription	\$30.00	\$199,980.50	6666	per occurrence	7/1/2003	GS 143-239	
24350	2141	INLAND FISHERIES	434310003	5556	Artworks		\$2,787.50			7/1/2007	GS 143-250	
					Print-Regular Edition-Distributor	\$37.50	\$37.50	1	per occurrence			
					Print-Regular Edition-Employee Sales	\$45.00	\$225.00	5	per occurrence			
					Print-Regular Edition-Retail Sales	\$75.00	\$675.00	9	per occurrence			
					Print-Artist Proof Edition-Employee Sales	\$75.00	\$375.00	5	per occurrence			
					Print-Artist Proof Edition-Retail Sales	\$125.00	\$1,000.00	8	per occurrence			
					Pencil Remarque-Retail Sales	\$15.00	\$165.00	11	per occurrence			

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

NC Wildlife Resources Commission

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Mint Stamp-Retail Sales	\$10.00	\$280.00	28	per occurrence			
					Signature on Stamp-Retail Sales	\$2.00	\$30.00	15	per occurrence			
24350	2141	INLAND FISHERIES	435900021	*833	Application Fee	\$5.00	\$2,085.00	417	per occurrence	7/1/1997	GS 143-239	
24350	2151	WILDLIFE MANAGEMENT	434410000	*836	Rental of Real Property	varies	\$43,824.91	15	per occurrence	7/1/2002	GS 143-250	
24350	2151	WILDLIFE MANAGEMENT	435200021	*5557	Sales-Permit License	\$12.00	\$12.00	1	per occurrence	1/1/1987	GS 113-273	
24350	2151	WILDLIFE MANAGEMENT	435200022	*4837	Sales-Special License	\$25.00	\$50.00	2	per occurrence	1/1/1987	GS 113-273	
24350	2151	WILDLIFE MANAGEMENT	435600000	4845	Registration Fees	see sub fees	\$27,775.00			7/1/2007		15A NCAC 10B.0106
					Non-Govt	\$175.00	\$19,775.00	133	per occurrence	7/1/2007		15A NCAC 10B.0106
					Govt	\$200.00	\$8,000.00	40	per occurrence	7/1/2007		15A NCAC 10B.0106
24350	2161	ENGINEERING SERVICES	435200029	*3898	Sales - Hook and Line	\$20.00	\$34,292.00	1715	per occurrence	7/1/1987	GS 113-271	
24350	2171	WILDLIFE FUND-RECEIPTS	435900000	*849	Other Licenses, Fees & Permits	\$5.00	\$3,216.00	643	per occurrence	5/29/1981	GS 113-272.3	
64350	6011	SPORTSMAN-ADULT	435200013	*850	Sportsmans License-Adult	\$500.00	\$388,590.00	777	per occurrence	7/1/1987	GS 113-270	
64350	6011	LIFETIME SPORTSMAN-ADULT	435200033	*4857	Sportsman's Unified License - Adult	\$500.00	\$406,365.00	812	per occurrence	1/1/2007	GS 113-270.1D	
64350	6014	LT COMPREHENSIVE HUNTING	435200016	853	Lifetime Hunting License	\$250.00	\$66,000.00	264	per occurrence	7/1/1987	GS 113-270.2	
64350	6015	LT COMPREHENSIVE FISHING	435200017	854	Lifetime Fishing License	\$250.00	\$100,750.00	403	per occurrence	7/1/1987	GS 113-271	
64350	6015	LIFETIME COMPREHENSIVE FISHING LICENSES	435200032	*4855	Sales - Hook and Line Fishing/Unified	\$250.00	\$66,750.00	267	per occurrence	1/1/2007	GS 113-270.1D	
64350	6017	DISABLED RESIDENT SPORTS	435200013	*856	Sportsmans License-Adult	\$100.00	\$19,300.00	193	per occurrence	7/1/1997	GS 113-270.1D	
64350	6017	LIFETIME SPORTSMAN-DISABLED RESIDENT	435200033	*4859	Sportsman's Unified License - Adult	\$100.00	\$73,100.00	731	per occurrence	1/1/2007	GS 113-270.1D	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

NC Wildlife Resources Commission

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
64350	6018	COMBO H/F FOR DISABLED RESIDEN	435200013	857	Sportsmans License-Adult	\$10.00	\$20,055.00	2005	per occurrence	7/1/1997	GS 113-270.1C	
64350	6019	LIFETIME SPORTSMAN - AGE 65	435200013	4847	Sportsmans License-Adult	\$15.00	\$145,095.00	9673	per occurrence	1/1/2007	GS 113-270.1D(b)(5)	
64350	6019	LIFETIME SPORTSMAN - AGE 65	435200029	4853	Sales - Hook and Line	\$15.00	\$163,785.00	10919	per occurrence	1/1/2007	GS 113-271(d)(6a)	
64350	6019	LIFETIME SPORTSMAN - AGE 65	435200033	*4861	Sportsman's Unified License - Adult	\$15.00	\$126,475.00	8431	per occurrence	1/1/2007	GS 113-271(d)(6a)	
64350	6020	LT MAGAZINE SUBSCRIPTION	434310000	858	Sale of Publications	\$150.00	\$57,750.00	385	per occurrence	7/1/2003	GS 143-250.1	
64350	6090	LT SPORTSMAN-NON-	435200018	859	Lifetime Sportsman License Non-Resident	\$1,000.00	\$59,000.00	59	per occurrence	7/1/1987	GS 113-270.1D	
64350	6090	LIFETIME SPORTSMAN-NON-RESIDENT	435200038	*4891	Lifetime Unified Sportsman License Non-Resident	\$1,000.00	\$19,000.00	19	per occurrence	1/1/2007	GS 113-270.1D(b)(4)	
64350	6122	LIFETIME SPORTSMAN-INFANT 2022	435200014	4166	Lifetime Sportsman-Infant	\$200.00	\$161,400.00	807	per occurrence	7/1/1987	GS 113-270.d	
64350	6122	LIFETIME SPORTSMAN-INFANT 2022	435200034	*4863	Lifetime Unified Sportsman - Infant	\$200.00	\$172,600.00	863	per occurrence	1/1/2007	GS 113-270.1D(b)(1)	
64350	6123	LIFETIME SPORTSMAN-INFANT 2023	435200014	4849	Lifetime Sportsman-Infant	\$200.00	\$289,800.00	1449	per occurrence	1/1/1987	GS 113-270.1D(b)(1)	
64350	6123	LIFETIME SPORTSMAN-INFANT 2023	435200034	*4865	Lifetime Unified Sportsman - Infant	\$200.00	\$354,600.00	1773	per occurrence	1/1/1987	GS 113-270.1D(b)(1)	
64350	6124	LIFETIME SPTMAN INF 2024	435200014	5559	Lifetime Sportsman-Infant	\$200.00	\$10,800.00	54	per occurrence	7/1/1987	GS 113-270.d	
64350	6124	LIFETIME SPTMAN INF 2024	435200034	5560	Lifetime Unified Sportsman - Infant	\$200.00	\$13,400.00	67	per occurrence	1/1/2007	GS 113-270.d	
64350	6211	SPORTSMAN-YOUTH - 2011	435200015	884	Lifetime Sportsman-Youth	\$350.00	\$34,650.00	99	per occurrence	7/1/1987	GS 113-270.1D	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

NC Wildlife Resources Commission

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
64350	6211	LIFETIME SPORTSMAN-YOUTH-2011	435200035	*4867	Lifetime Unified Sportsman - Youth	\$350.00	\$21,700.00	62	per occurrence	1/1/2007	GS 113-270.1D(b)(2)	
64350	6212	SPORTSMAN-YOUTH - 2012	435200015	886	Lifetime Sportsman-Youth	\$350.00	\$53,550.00	153	per occurrence	7/1/1987	GS 113-270.1D	
64350	6212	LIFETIME SPORTSMAN-YOUTH 2012	435200035	*4869	Lifetime Unified Sportsman - Youth	\$350.00	\$37,100.00	106	per occurrence	1/1/2007	GS 113-270.1D(b)(2)	
64350	6213	SPORTSMAN-YOUTH - 2013	435200015	888	Lifetime Sportsman-Youth	\$350.00	\$17,850.00	51	per occurrence	7/1/1987	GS 113-270.1D	
64350	6213	LIFETIME SPORTSMAN-YOUTH 2013	435200035	*4871	Lifetime Unified Sportsman - Youth	\$350.00	\$14,000.00	40	per occurrence	1/1/2007	GS 113-270.1D(b)(2)	
64350	6214	SPORTSMAN-YOUTH - 2014	435200015	890	Lifetime Sportsman-Youth	\$350.00	\$12,600.00	36	per occurrence	7/1/1987	GS 113-270.1D	
64350	6214	LIFETIME SPORTSMAN-YOUTH 2014	435200035	*4873	Lifetime Unified Sportsman - Youth	\$350.00	\$13,300.00	38	per occurrence	1/1/2007	GS 113-270.1D(b)(2)	
64350	6215	SPORTSMAN-YOUTH - 2015	435200015	892	Lifetime Sportsman-Youth	\$350.00	\$7,700.00	22	per occurrence	7/1/1987	GS 113-270.1 D	
64350	6215	LIFETIME SPORTSMAN-YOUTH 2015	435200035	*4875	Lifetime Unified Sportsman - Youth	\$350.00	\$10,850.00	31	per occurrence	1/1/2007	GS 113-270.1D(b)(2)	
64350	6216	LIFETIME SPTMAN YTH 2016	435200015	894	Lifetime Sportsman-Youth	\$350.00	\$7,700.00	22	per occurrence	7/1/1987	GS 113-270.1D	
64350	6216	LIFETIME SPORTSMAN-YOUTH 2016	435200035	*4877	Lifetime Unified Sportsman - Youth	\$350.00	\$8,750.00	25	per occurrence	1/1/2007	GS 113-270.1D(b)(2)	
64350	6217	LIFETIME SPTMAN YTH 2017	435200015	234	Lifetime Sportsman-Youth	\$350.00	\$3,850.00	11	per occurrence	7/1/1987	GS 113-270.1D	
64350	6217	LIFETIME SPORTSMAN-YOUTH 2017	435200035	*4879	Lifetime Unified Sportsman - Youth	\$350.00	\$4,200.00	12	per occurrence	1/1/2007	GS 113-270.1D(b)(2)	
64350	6218	LIFETIME SPTMAN YTH 2018	435200015	3594	Lifetime Sportsman-Youth	\$350.00	\$5,250.00	15	per occurrence	7/1/1987	GS 113-270.1D	
64350	6218	LIFETIME SPORTSMAN-YOUTH 2018	435200035	*4881	Lifetime Unified Sportsman - Youth	\$350.00	\$5,600.00	16	per occurrence	1/1/2007	GS 113-270.1D(b)(2)	
64350	6219	LIFETIME SPTMAN YTH 2019	435200015	3902	Lifetime Sportsman-Youth	\$350.00	\$5,250.00	15	per occurrence	7/1/1987	GS 113-270.1D	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

NC Wildlife Resources Commission

Budget Fund			Account	Fee	Fee Rate	Amount	Num.	Date	Statutory	Administrative
Code	Code	Fund Title	Code	ID Fee Title			Coll. Frequency	Changed	Authority	Authority
64350	6219	LIFETIME SPORTSMAN-YOUTH 2019	435200035	*4883 Lifetime Unified Sportsman - Youth	\$350.00	\$4,900.00	14 per occurrence	1/1/2007	GS 113-270.1D(b)(2)	
64350	6220	LIFETIME SPORTSMAN-YOUTH 2020	435200015	4167 Lifetime Sportsman-Youth	\$350.00	\$5,950.00	17 per occurrence	7/1/1987	GS 113-270.1D	
64350	6220	LIFETIME SPORTSMAN-YOUTH 2020	435200035	*4885 Lifetime Unified Sportsman - Youth	\$350.00	\$5,600.00	16 per occurrence	1/1/2007	GS 113-270.1D(b)(2)	
64350	6221	LIFETIME SPORTSMAN-YOUTH 2021	435200015	4168 Lifetime Sportsman-Youth	\$350.00	\$5,600.00	16 per occurrence	7/1/1987	GS 113-270.1D	
64350	6221	LIFETIME SPORTSMAN-YOUTH 2021	435200035	*4887 Lifetime Unified Sportsman - Youth	\$350.00	\$4,550.00	13 per occurrence	1/1/2007	GS 113-270.1D(b)(2)	
64350	6222	LIFETIME SPORTSMAN-YOUTH 2022	435200015	4851 Lifetime Sportsman-Youth	\$350.00	\$8,750.00	25 per occurrence	7/1/1987	GS 113-270.1D	
64350	6222	LIFETIME SPORTSMAN-YOUTH 2022	435200035	*4889 Lifetime Unified Sportsman - Youth	\$350.00	\$5,250.00	15 per occurrence	1/1/2007	GS 113-270.1D(b)(2)	
64350	6223	LIFETIME SPTMAN YTH 2023	435200015	5561 Lifetime Sportsman-Youth	\$350.00	\$350.00	1 per occurrence	7/1/1987	GS 113-270.1D	
64350	6223	LIFETIME SPTMAN YTH 2023	435200035	5562 Lifetime Unified Sportsman - Youth	\$350.00	\$1,050.00	3 per occurrence	1/1/2007	GS 113-270.1D(b)(2)	
24351	2221	ENFORCEMENT	435600000	*897 Registration Fees	See Sub Fees	\$7,660.00		7/1/1995		
				District Tournaments	\$25.00	\$5,500.00	220 per occurrence		GS 143-239	
				State Tournament	\$40.00	\$2,160.00	54 per occurrence		GS 143-239	
24351	2252	FAUNAL DIVERSITY PROGRAM	435200021	5558 Sales-Permit License	\$5.00	\$395.00	79 per occurrence	7/1/1987	GS 113-273 G.S 113-272.4 G.S. 113-272.5	
24351	2254	WATERFOWL FUND	434310003	*901 Artworks	See Sub Fee	\$20,452.00		7/1/1987	GS 113-270.2B	
				Retail Print Sales	\$135.00	\$5,670.00	42 per occurrence			
				Art Dealer Sales	\$67.50	\$945.00	14 per occurrence			

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

NC Wildlife Resources Commission

Budget Fund		Account	Fee	Fee Rate	Amount	Num.	Date	Statutory	Administrative
Code	Code	Code	ID Fee Title			Coll. Frequency	Changed	Authority	Authority
			Distributor Sales	\$45.00	\$20,250.00	450 per occurrence			
			Museum Edition Print Sales	\$50.00	\$250.00	5 per occurrence			
			Educational Discount	\$81.00	\$162.00	2 per occurrence			
24351	2254 WATERFOWL FUND	434310004	*902 Collector Stamps	See Sub Fees	\$27,284.00	per occurrence	7/1/1987	GS 113-270	
			2006 Collector Stamp	\$10.00	\$2,250.00	225 per occurrence	1/1/2002		
			2007 Collector Stamp	\$10.00	\$18,190.00	1819 per occurrence	1/1/2003		
			2007 Collector Stamp	\$6.00	\$12.00	2 per occurrence	1/1/2003		
24351	2254 WATERFOWL FUND	435200022	*3588 Sales-Special License	\$10.00	\$52,680.00	5268 yearly	1/1/1987	GS 113-270.3	Item Type - 005
24351	2271 WILDLIFE FUND - RECEIPTS	435200013	*3589 Sportsmans License-Adult	See Sub Fees	\$5,912,800.00	yearly	7/1/1987	GS 113-270.1C & D	
			Annual Sportsman	\$40.00	\$5,449,560.00	136239 yearly	7/1/1987		
			Annual Combination	\$20.00	\$463,240.00	23162 yearly	7/1/1987		
24351	2271 WILDLIFE FUND - RECEIPTS	435200019	*910 Sales-Hunting License	See Sub Fees	\$1,442,180.00	yearly		GS 113-270 & 271	
			Resident State Hunt	\$15.00	\$389,175.00	25945 yearly	7/1/1987	GS 113-270.2	
			Resident Comprehensive Hunt	\$30.00	\$188,310.00	6277 yearly	7/1/1987	GS 113-270.2	
			Resident County Hunt	\$10.00	\$38,000.00	3800 yearly	7/1/1987	GS 113-270.2	
			Non Resident State Hunt	\$60.00	\$378,600.00	6310 yearly	7/1/2001	GS 113-270.2	
			Non Resident 6 Day Hunt	\$40.00	\$278,120.00	6953 yearly	7/1/2001	GS 113-270.2	
			Controlled Hunting Preserve	\$15.00	\$20,940.00	1396 yearly	7/1/1987	GS 113-270.2	
			Reciprocating Profit	varies	\$149,035.00	0 yearly	7/1/2003	GS 113-270	
24351	2271 WILDLIFE FUND - RECEIPTS	435200021	*3590 Sales-Permit License	\$5.00	\$145,215.00	29043 per occurrence	7/1/1987	GS 113-274	
24351	2271 WILDLIFE FUND - RECEIPTS	435200022	912 Sales-Special License	See Sub Fees	\$1,096,017.00			GS 113-273	
			Res State Trapping	\$25.00	\$22,925.00	917 yearly	7/1/1987		
			Non Resident Trapping	\$100.00	\$2,200.00	22 yearly	7/1/2001		
			Resident County Trapping	\$10.00	\$6,620.00	662 yearly	7/1/1987		

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

NC Wildlife Resources Commission

Budget Fund			Account	Fee	Fee Rate	Amount	Num.	Date	Statutory	Administrative
Code	Code	Fund Title	Code	ID Fee Title			Coll. Frequency	Changed	Authority	Authority
					Non Resident Big Game 6 Day	\$40.00	\$278,120.00	6953 yearly	7/1/2001	
					Resident Big Game Season	\$10.00	\$341,080.00	34108 yearly	7/1/1987	
					Non Resident Big Game Season	\$60.00	\$265,020.00	4417 yearly	7/1/2001	
					Non Resident Bear/WildBoar	\$125.00	\$98,875.00	791 yearly	7/1/2001	
					Game Lands Use	\$15.00	\$51,840.00	3456 yearly	7/1/1987	
					Resident Hunt/Fish Guide	\$10.00	\$11,690.00	1169 yearly	7/1/1987	
					Non Resident Hunt/Fish Guide	\$100.00	\$4,500.00	45 yearly	7/1/2001	
					Taxidermy License	\$10.00	\$9,665.00	966 yearly	1/1/1981	
					Resident Fur Dealer	\$60.00	\$720.00	12 yearly	7/1/1987	
					Non Resident Fur Dealer	\$300.00	\$300.00	1 yearly	7/1/2001	
					Fur Dealer Station	\$120.00	\$240.00	2 yearly	7/1/1987	
					Reciprocating Profit	varies	\$2,222.00	11438 yearly	7/1/2001	
24351	2271	WILDLIFE FUND - RECEIPTS	435200023	*913 Sales-Fur Tags	\$2.25	\$7,038.05	3128 per occurrence	9/1/1980	GS 113-273.(b)(1)	
24351	2271	WILDLIFE FUND - RECEIPTS	435200029	*3591 Sales - Hook and Line	See Sub Fees	\$5,993,053.00	per occurrence		GS 113-271 & 272	
					Resident State Fish	\$15	\$3,039,563.00	202638 per occurrence	7/1/1987	GS 113-271
					Nonresident State Fish	\$30	\$775,230.00	25841 per occurrence	7/1/1987	GS 113-271
					Resident County Fish	\$10	\$26,680.00	2668 per occurrence	7/1/1987	GS 113-271
					Resident Comp Fish	\$20	\$1,211,000.00	60550 per occurrence	7/1/1987	GS 113-271
					Special Trout License	\$10	\$335,280.00	33528 per occurrence	7/1/1987	GS 113-272
					Special Guest Fish	\$50	\$43,750.00	875 per occurrence	7/1/1987	GS 113-271
					Res Inl Fish 10 Day	\$5	\$87,400.00	17480 per occurrence	1/1/2006	GS 113-271
					NR Inl Fish 10 Day	\$10	\$474,150.00	14415 per occurrence	1/1/2006	GS 113-271
24351	2271	WILDLIFE FUND - RECEIPTS	435200030	*3592 Sales - Special Device Fishing	See Sub Fees	\$19,140.00				
					Resident Non Commercial	\$10	\$15,790.00	1579 per occurrence	7/1/1987	GS 113-272.2

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Environment and Natural Resources**

NC Wildlife Resources Commission

Budget Fund			Account	Fee	Fee Rate	Amount	Num.	Date	Statutory	Administrative
Code	Code	Fund Title	Code	ID Fee Title			Coll. Frequency	Changed	Authority	Authority
					Nonresident Noncommercial	\$50	21 per occurrence	7/1/1987	GS 113-272.2	
					Resident Commercial	\$100	21 per occurrence	7/1/1987	GS 113-272.2	
					Nonresident Commercial	\$200	1 per occurrence	7/1/1987	GS 113-272.2	
24351	2271	WILDLIFE RECEIPTS - INTEREST BEARING	435200032	*4839 Sales - Hook and Line Fishing/Unified	\$20.00	\$429,200.00	21460 per occurrence	1/1/2006	GS 113-351(c)(2)	
24351	2271	WILDLIFE RECEIPTS - INTEREST BEARING	435200033	*4841 Sportsman's Unified License - Adult	\$40.00	\$948,400.00	23710 per occurrence	1/1/2006	GS 113-351(c)(1)	
24351	2271	WILDLIFE FUND - RECEIPTS	435500000	*914 Fines, Penalties & Assessment Fees	varies	\$84,849.35	55 per occurrence	7/1/1994	GS 113 - 294	
24351	2271	WILDLIFE FUND - RECEIPTS	435900000	*915 Other Licenses, Fees & Permits	\$5.00	\$113,865.00	22773 per occurrence	7/1/1987	GS 113-174.1(h)	
24351	2314	WATERCRAFT REG/TITLING	435200010	4159 Motor Boat Registration 1 yr.	\$10.00	\$216,010.00	21601 yearly	1/1/2000	GS 75A-5	
24351	2314	WATERCRAFT REG/TITLING	435200011	4160 Motor Boat Registration 3 yr.	\$25.00	\$4,177,545.00	167102 other	1/1/2000	GS 75A-5	
24351	2314	WATERCRAFT REG/TITLING	435200012	4161 Motor Boat Registration Duplicate - Transfer	\$5.00	\$50,225.00	10045 per occurrence	1/1/2006	GS 75A-5	
24351	2314	WATERCRAFT REG/TITLING	435260000	4162 Title Fees	\$20.00	\$740,060.00	37003 per occurrence	1/1/1990	GS 75A-38B	
24351	2314	WATERCRAFT REG/TITLING	435261000	4163 Title-Transfer/Duplicate Fees	\$10.00	\$338,430.00	33843 per occurrence	1/1/1994	GS 75A-38B	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Labor**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
13800	1120	ADMINISTRATIVE SERVICES	435900000	*4679	Other Licenses, Fees & Permits	7.07% of Collections	\$165,230.43		per occurrence	7/1/2007	GS 115c-457.2	
13800	1330	MINE/QUARRY INSPECTION DIVISIO	435600000	*3431	Registration Fees	\$40.00	\$10,910.00	273	yearly			
13800	1340	WAGE AND HOUR DIVISION	435600000	3913	Registration Fees	\$15.00 per person	\$4,775.00	318	yearly			
13800	1346	AGRICULTURAL SAFETY AND HEALTH	435600000	*293	Registration Fees	\$12.50 per person	\$1,500.00	120	yearly			13 NCAC 07F
13800	1350	OSHA - ADMINISTRATION	434310000	*294	Sale of Publications		\$99,542.78		other	2/1/2001		13 NCAC 07A.0302
					Standards for General Industry CD	\$15.00 each	\$540.00	36	other	2/1/2007		13 NCAC 07A.0302
					Standards for Construction CD	\$15.00 each	\$345.00	23	other	2/1/2007		13 NCAC 07A.0302
					CD Sets	\$25.00 each	\$1,700.00	68	other	2/1/2007		13 NCAC 07A.0302
					Sale of NC OSHA General Industry Standard	\$27.00 each	\$20,061.00	743	other	2/1/2001		13 NCAC 07A.0302
					Sale of NC Standards for Construction	\$22.00 each	\$74,580.00	3390	other	2/1/2001		13 NCAC 07A.0302
					Sale of Industry Guides	\$ 2.50 each	\$2,317.00	927	other	2/1/2001		13 NCAC 07A.0302
					NC Occupational Safety and Health Decisions Vol.1-4	\$42.50 each	\$0.00	0	other	2/1/2001		13 NCAC 07A.0302
13800	2310	BOILER INSPECTION BUR	435400016	*4683	Boiler Inspection Fee		\$2,012,509.36			3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Non Nuclear Shop Inspection (1/2 Day)	\$350.00	\$700.00	2	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Non Nuclear Shop Inspection (1/2 Day)	\$300.00	\$77,700.00	259	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Labor**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Heat Exchangers External Inspection less than 500 sq. ft.	\$45.00	\$8,775.00	195	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Hobby Boiler	\$30.00	\$690.00	23	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Follow Up Boiler or PV External Inspection	\$35.00	\$24,780.00	708	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Heat Exchangers External Inspection 2000-3000 sq. ft.	\$125.00	\$250.00	2	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Internal Pressure Vessel Inspection 20 sq. ft. - 49 sq. ft.	\$55.00	\$110.00	2	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Special Pressure Vessel Inspection	varies	\$4,109.00	28	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Nuclear Shop Inspection (1	\$560.00	\$34,720.00	62	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Internal Pressure Vessel Inspection 50 sq. ft. - 69 sq. ft.	\$125.00	\$2,875.00	23	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Non Nuclear Shop Inspection (1 Day)	\$500.00	\$36,000.00	72	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Special Boiler Inspection	varies	\$29,583.00	91	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Boiler External Inspection 500sq. ft. to 4999 sq. ft.	\$110.00	\$24,530.00	223	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Boiler Internal Inspection 500 sq. ft. to 4999 sq. ft.	\$225.00	\$43,200.00	192	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Boiler Internal Inspection 5000 sq. ft. and more	\$500.00	\$12,000.00	24	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Insurance Boiler Follow Up Inspection	\$44.00	\$132.00	3	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					NB Exam Fee	\$100.00	\$700.00	7	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Labor**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Internal Pressure Vessel Inspection Less Than 20 sq. ft.	\$40.00	\$40.00	1	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Audit Fee (1 Day)	\$640.00	\$32,000.00	50	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Boiler External Inspection less than 500 sq. ft.	\$45.00	\$242,550.00	5390	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Boiler Internal Inspection less than 500 sq. ft.	\$80.00	\$33,280.00	416	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Boiler External Inspection 5000 sq.ft. and more	\$300.00	\$4,800.00	16	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Insurance PV Follow Up Inspection	\$35.00	\$35.00	1	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					External pressure Vessel Inspection 70 sq.ft. and larger	\$125.00	\$104,125.00	833	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					External Pressure Vessel Inspection Less Than 20 sq. ft.	\$35.00	\$381,115.00	10889	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Overtime Audit Fee	\$50/Hr.	\$0.00	0	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Locomotive Boiler Inspection	\$75.00	\$600.00	8	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					External Pressure Vessel Inspection 20 sq. ft. - 49 sq ft.	\$45.00	\$110,745.00	2461	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					External Pressure Vessel Inspection 50 sq. ft. - 69 sq. ft.	\$75.00	\$29,850.00	398	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Insurance Non Certified Boiler Inspection	\$80.00	\$0.00	0	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Insurance Boiler or Pressure Vessel Inspection	\$30.00	\$769,290.00	25643	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Miscellaneous Fees	varies	\$0.00	0	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Labor**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
					Commission	\$25.00	\$900.00	36	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Internal Pressure Vessel Inspection 70 sq. ft. and larger	\$180.00	\$0.00	0	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Audit Fee (1/2 Day)	\$400.00	\$1,200.00	3	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
					Exhibition Boiler Inspection	\$45.00	\$1,125.00	25	other	3/1/2007	GS 95-69.11	13 NCAC 13.0213
13800	2320	ELEVATOR INSPECTION BUR	435400017	*4685	Elevator Inspection Fee		\$3,804,739.11			4/1/2007	GS 95-105	
					Dumbwaiters and Handicap Lifts	\$65.00	\$86,775.00	1335	yearly	9/1/2007	GS 95-105	
					Waterslides	\$90.00	\$7,290.00	81	yearly	9/1/1907	GS 95-105	
					Amusement Major Ride Inspection	\$90.00	\$115,380.00	1282	per occurrence	4/1/2007	GS 95-106	
					Inflatables Inspections	\$100.00	\$204,100.00	2041	yearly	10/20/2001	GS 95-106	
					Kiddie Rides Inspection	\$45.00	\$96,615.00	2147	per occurrence	4/1/2007	GS 95-106	
					Traction Elevators 1-10 Floors	\$200.00	\$107,880.00	696	yearly	9/1/2007	GS 95-105	
					Go Karts Inspection	\$35.00/Kart	\$39,200.00	1120	yearly	4/1/2007	GS 95-106	
					Traction Elevators Over 10 Floors	\$200.00	\$1,198,350.00	5992	yearly	10/20/2001	GS 95-105	
					Dumbwaiters and Handicapped Lifts	\$35.00	\$10,570.00	302	yearly	10/20/2001	GS 95-105	
					Hydraulic Elevators, Escalators, Special Lifting Devices	\$175.00	\$2,093,467.00	12786	yearly	9/1/2007	GS 95-105	
					Permanent Coasters	\$250.00	\$1,500.00	6	yearly	4/1/2007	GS 95-106	
					Amusement Rock Wall Inspection	\$100.00	\$6,900.00	69	yearly	4/1/2007	GS 95-106	
					Amusement Return Trip Inspection	\$250.00	\$11,750.00	47	per occurrence	10/20/2001	GS 95-106	
19967	1510	CITATIONS/PENALTIES	435500061	*2829	OSHA Citation Fees	varies	\$2,360,975.81		per occurrence			13 NCAC 07A.0301
19967	1510	CITATIONS/PENALTIES	435500062	*4187	Elevator Penalties	varies	\$25,160.94		per occurrence		GS 95-105	

**North Carolina State Government Fee Report, Fiscal Year 2007-08
Department of Labor**

<u>Budget Code</u>	<u>Fund Code</u>	<u>Fund Title</u>	<u>Account Code</u>	<u>Fee ID</u>	<u>Fee Title</u>	<u>Fee Rate</u>	<u>Amount</u>	<u>Num. Coll.</u>	<u>Frequency</u>	<u>Date Changed</u>	<u>Statutory Authority</u>	<u>Administrative Authority</u>
19967	1510	CITATIONS/PENALTIES	435500088	*2830	Civil Youth Penalties	varies	\$53,665.02		per occurrence			13 NCAC, 12.0701, NCAC 12.0702
19967	1510	CITATIONS/PENALTIES	435500089	*2831	AG Safety Penalties	varies	\$62,492.75		per occurrence			13 NCAC 16.0402 and 13 NCAC 07F.0301

APPROPRIATIONS SUBCOMMITTEE ON
NATURAL AND ECONOMIC RESOURCES

MINUTES
APRIL 28, 2009

Representative Pricey Harrison called the meeting to order at 8:30 a.m., April 28, 2009, in room 423 of the Legislative Building. In addition to Chairperson Harrison, those in attendance were Representatives Pierce, Co-Chair, Warren, Co-Chair, Wilkins, Wray, Bryant, Langdon, Sager, Samuelson and West; Fiscal Research Staff Leggett, Walker and McRee. Representative Justice was absent.

Kristin Walker, of the Fiscal Research Division, presented a report on Water and Sewer Overview attached as Exhibit B.


Larry Yates, Program Evaluation Division presented the division's report on Water and Sewer, attached as Exhibit C.

The State Water Infrastructure Commission Chair, Bill Holman gave a report on the Commission.

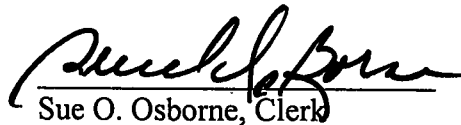
Robin Smith, Assistant Secretary for Department of Environment and Natural Resources presented a report on ARRA Funding from DENR, Exhibit D.

After committee discussion, the meeting was adjourned at 10:00 a.m.

Respectfully submitted



Rep. Pricey Harrison, Chair



Sue O. Osborne, Clerk

Attachments:

Exhibit A: Sergeants-At-Arms
Pages
Visitors

Exhibit B
Exhibit C
Exhibit D

House Pages

Name of Committee: NER Date: 4-28-09

1. Name: Jessica Gail Metts

County: Jones

Sponsor: Pat McElraft

2. Name: _____

County: _____

Sponsor: _____

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

1. Name: DAVID SHEARON

2. Name: JAMES WORTH

3. Name: _____

4. Name: _____

Exhibit A

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Amy Pickle	NICHOLS INSTITUTE Duke U
Peta Harris	Dept of Commerce
J B D	ACF
John Allen	NMRS
Tracy Kimbrell	Parker Poe
Joshe Leveque	Capstrat
John	Richardson Co of NC
Rob Hill	NC Zoo Society
Amy McConkey	Smith Anderson
Walter	NCDP & NCPA
Genevieve Higgins	Chatham Co Partnership for Children

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

A. Rogers	CWMIF
LISA SCHELL	CWMIF
Alicia Don	MWR
Elizabeth Piser	DENR
Robin Smith	DENR
Don Holman	Northern (us) East / Duke Univ. // SUFC
Tom Coors	TNC
Doug Lassiter	NCSTA
Joy Hides	NCDAICS
Ed Jurek	BP
Steven Waters	Living Streets

VISITOR REGISTRATION SHEET

NER

Name of Committee

4/28/09

Date

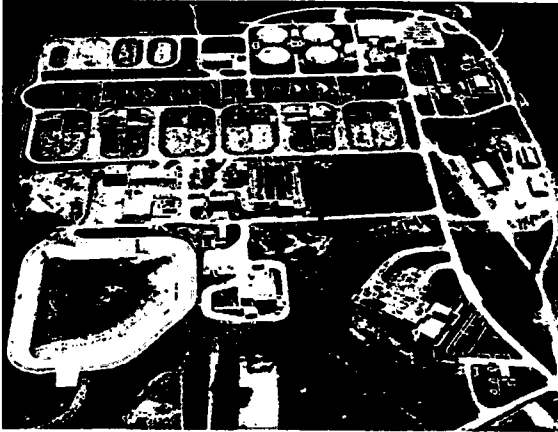
VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Trevor Mindel	OSBM
Billy Guillet	NRRC
Sara Stuckey	NC Rural Center
Joy Stem	NCAA
Cathy Hardy	DENR
Tommy Clark	NCWRC
Sarah Clapp	NCWRC
Linda Andrews	NCFB
Jennifer Haigwood	NCDDC
Art Smith	NCDDC
Amber McNeil	NCDENR

Water & Sewer



**House Appropriations
Subcommittee on
Natural and Economic
Resources**

April 28, 2009



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Water & Sewer Overview

- **Staff Overview of Current Programs**
- **Program Evaluation Report**
- **State Water Infrastructure Commission**
- **ARRA Funding Update - DENR**



 **FISCAL RESEARCH DIVISION**
A Staff Agency of the North Carolina General Assembly

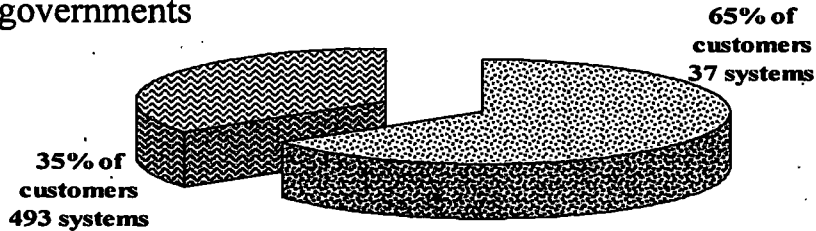
2

April 28, 2009

Exhibit B

Status of Infrastructure

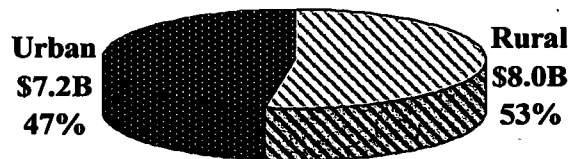
- 400+ sewer systems owned by local governments
- 500+ public water systems owned by local governments



- Most NC customers served by local government owned utilities or not-for-profit water corporations

Financial Situation

- Since 1986, price paid for water has increased 160%
- \$15.2 billion in needs by 2030



- Federal funding has declined
- 1998 Bond - \$800 million – almost all grants
- Past few years, State has funded both grant and loan programs

Funding Sources

- **Federal Government**
 - USDA Rural Development
 - Economic Development Administration
 - Appalachian Regional Commission
 - EPA (through State Revolving Funds)
 - HUD (through Community Development Block Grant)

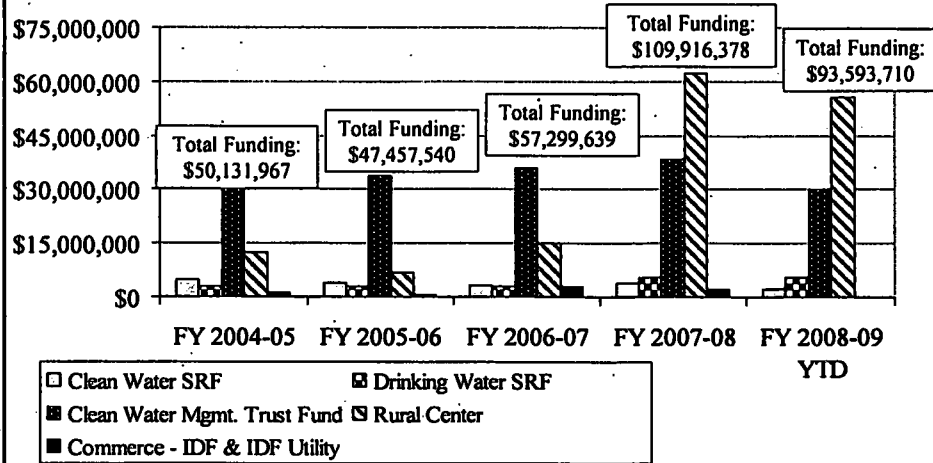
- **Non Profits**
 - Rural Economic Development Center
 - Golden LEAF



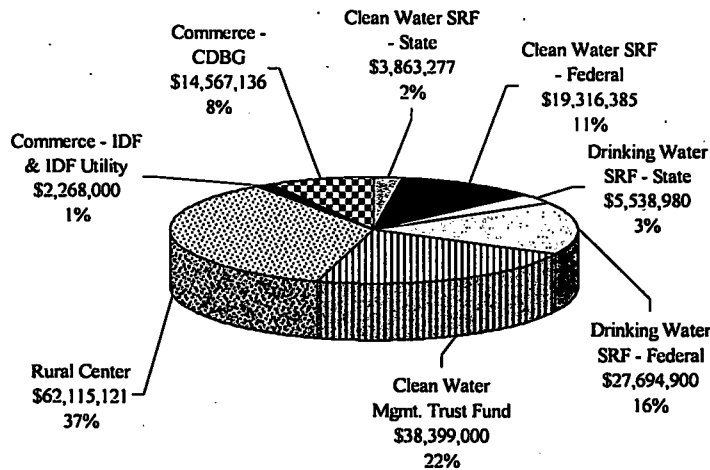
Funding Sources (cont.)

- **State Government**
 - Dept. of Environment & Natural Resources
 - Clean Water State Revolving Fund
 - Drinking Water State Revolving Fund
 - Wastewater Reserve & Drinking Water Reserve
 - Clean Water Management Trust Fund
 - Department of Commerce
 - Community Development Block Grant
 - Industrial Development Fund
 - Industrial Development Fund Utility Account

State General Fund Funding FY 2003-04 – FY 2008-09



FY 2007-08 State Appropriated Funding



State Revolving Funds

- Clean Water & Drinking Water
- 80/20 Grant from EPA
- Loans
 - Up to 20 years
 - Interest rate is 2.5%
- Criteria/Eligibility
 - 40 CFR 35.3520
 - 15A NCAC, Subchapters N & J
 - G.S. 159G



DENR Drinking & Wastewater Reserves

- Established in G.S. 159G
- No new funding in several years
- Loans or Grants
 - General
 - High Unit Cost (1.5%)
 - Tech. Assistance
 - Emergency
- Project limit: \$3 million annually
- Criteria in G.S. 159G-23
 - Public necessity
 - Effect on impaired waters
 - Efficiency
 - Comprehensive land use plan
 - Flood hazard ordinance
 - Sound management
 - Capital improvement plan
 - Coastal habitat protection

Clean Water Management Trust Fund

- Wastewater & Stormwater
- Grants
- ~\$35 million/year
- Eligibility: State agencies, local govts, nonprofits
- Criteria: G.S. 159G + Board
 - “economically distressed”

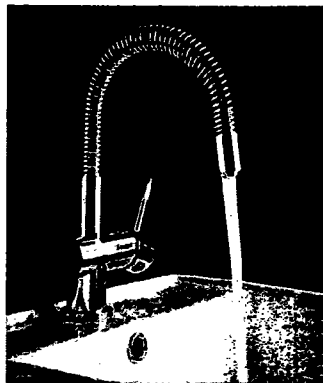


Criteria for Wastewater:

- Cost benefit
- Discharge elimination/decrease
- Reuse
- Regionalization
- Treatment –compliance or beyond
- Value added product
- Groundwater or surface water withdrawal reduction
- Protect pristine or restore degraded waters
- Tier of County
- High unit cost v. local rates

Community Development Block Grant

- Funding from HUD
- Water/Wastewater
 - Correct problems that pose a severe health or environmental risk
- Grants
 - \$750k maximum
- 70% of residents low and moderate income



Industrial Development Fund & IDF Utility Fund

- Water, sewer, and other uses
- Eligibility
 - Local governments in the 65 most economically distressed counties
- Criteria
 - Job creation
 - Capability to operate facility
 - Not result in abandonment of existing facility
 - No significant adverse effect on environment

Rural Economic Development Center

- Water/Sewer Database
- Supplemental Grants
 - Water, sewer, and business development
 - Matching grants
 - Eligibility: Local governments and nonprofits
 - Subcategories:
 - Economically distressed
 - Health or environmental quality problems
 - Alternative processes

Rural Economic Development Center

- Infrastructure Program
 - Grants only
 - Local governments
 - Water, wastewater, other infrastructure needs
 - Job creation
- Clean Water Partners - \$150M total
 - Grants only
 - Criteria: G.S. 159G-23 + Board
 - Eligibility: Local governments in 85 rural counties
 - Priority to economically distressed; poverty rate 150% of State poverty rate

Questions



USDA Rural Development

- Only fund municipalities under 10,000 population (or counties serving such municipalities)
- No per project limit
- Can fund public and non-profit utilities
- Mix of grants/loans
 - 40-year loan terms



USDA Federal Stimulus

- Nationwide: \$1.6 billion
 - NC might get
 - ~ \$100-120M for loans
 - ~ \$40M for grants
- June 1st – anticipate getting State allocation
 - No projects submitted yet
- Subject to Buy American clause
- Contact Dennis Delong: 919-873-2046



**North Carolina's Water and
Wastewater Infrastructure Funding
Lacks Strategic Focus and
Coordination**

**Appropriations Subcommittee on Natural and
Economic Resources**

April 28, 2009

Larry Yates, Principal Program Evaluator

**Water and Wastewater Infrastructure:
Project Team**

Larry Yates, Principal Evaluator

Sean Hamel, Research Analyst

Catherine Moga Bryant, Senior Evaluator

Kelly Quick, Research Analyst

Carol Ripple, Principal Evaluator

Carol Shaw, Principal Evaluator

Pamela Taylor, Statistician

Exhibit C

Research Questions

- **How does the state fund water and wastewater infrastructure in North Carolina?**
- **Is the current system set up to identify and meet the water and wastewater infrastructure needs of the state?**
- **What other practices for funding water and wastewater projects can be applied to North Carolina?**

Report p. 2

Overview: Findings

1. **The State Water Infrastructure Commission (SWIC) has fallen short of achieving its mission**
2. **No statewide strategic plan has been developed for water and wastewater infrastructure funding**
3. **North Carolina's infrastructure funding system is complex, fragmented, and burdensome**
4. **State infrastructure funding is skewed towards grants versus loans**

5/10/09

Water and Wastewater Infrastructure Is Expensive

- **FY 1998-99 to FY 2006-07**
 - \$2.5 billion provided by federal and state sources
 - \$1.2 billion from state appropriations and the Clean Water Bond

- **Water 2030 report identified \$16.6 billion in need**

Report p. 3

State Funding Entities

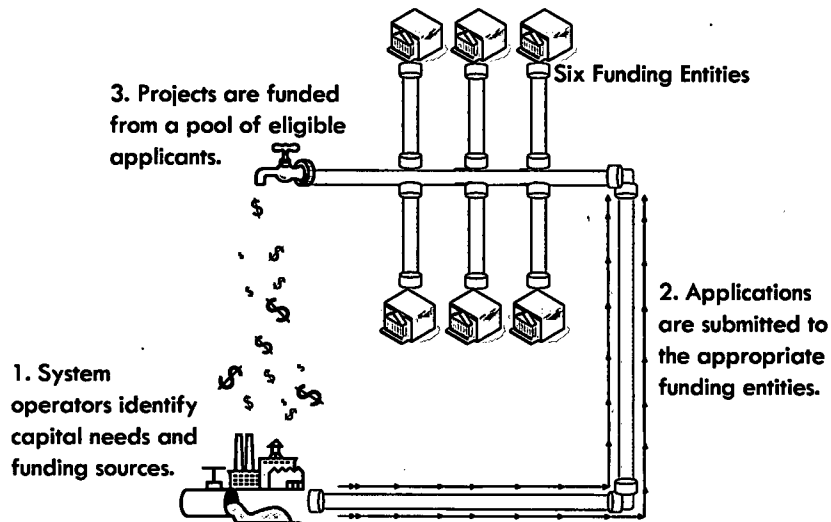
Funding Entities	Projects Funded		FY 2007-08 Appropriations			Award Type	
	Drinking Water	Wastewater	Federal	State	Total	Grants	Loans
DENR, Construction Grants & Loans		X	\$19.3M	\$3.8M	\$23.1M	X	X
DENR, Public Water Supply	X		27.6M	5.5M	33.2M	X	X
DOC, Commerce Finance Center	X	X	2.2M	.15M	2.3M	X	
DOC, Division of Community Assistance	X	X	13.7M	0	13.7	X	
Clean Water Management Trust Fund		X		100M (41.9M)	100M (41.9M)	X	
Rural Center	X	X		115.6M	115.6	X	

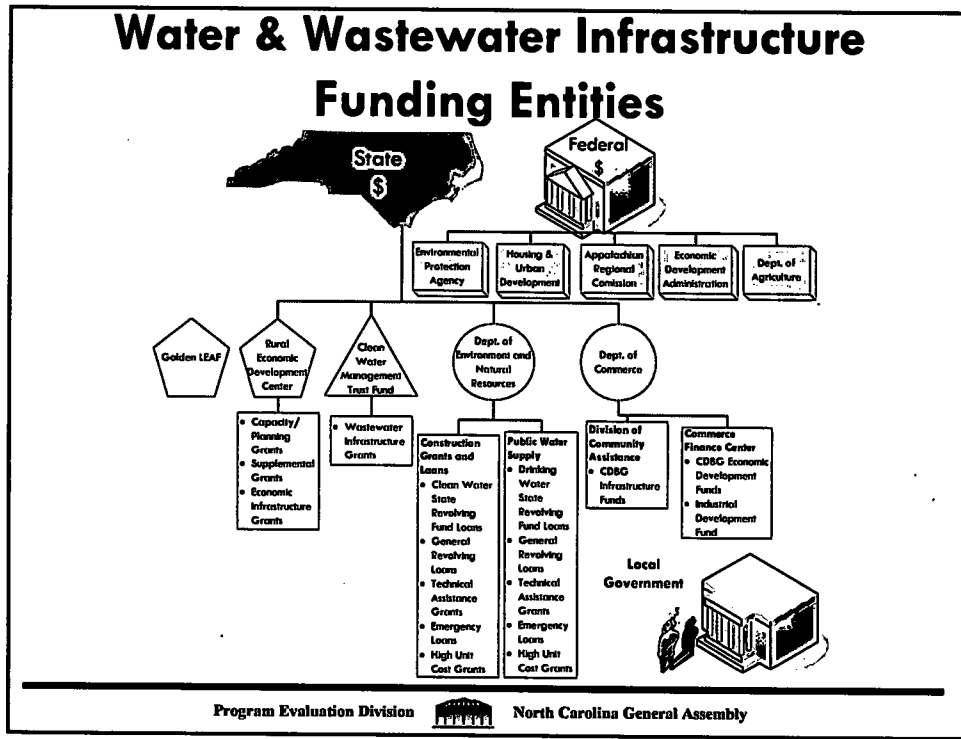
State Water Infrastructure Commission (SWIC)

- **Primary Objectives**
 - identify the state's water infrastructure needs
 - develop a plan to meet those needs
 - monitor the implementation of the plan
- **Additional Duties**
 - assess, prioritize, and make recommendations for funding
 - ensure that funds are used in a coordinated manner

Report p. 8

Bottom-Up Process for Funding Projects





Findings

Finding 1. SWIC Has Fallen Short of Achieving Its Mission

- **Lacks authority to require compliance with practices or policies**
- **Lacks adequate resources to achieve objectives**

Report pp. 8-9

Finding 2. No Statewide Strategic Plan Has Been Developed

Lack of a strategic plan has compromised the state's ability to

- **identify and prioritize needs**
- **determine the type and amount of money required to meet needs**
- **calculate return on investment**

Report pp. 10-13 .



Finding 3. System for Infrastructure Funding is Complex, Fragmented, and Burdensome

- **Six entities administer funding for infrastructure**
- **Each funding entity operates independently**
- **Each entity has an individual application process with different eligibility requirements**
- **Award dates vary from entity to entity**
- **Informal cooperation exists**

Report p. 13



Finding 4. Funding is Skewed Towards Grants Rather than Loans

- **Loans are sustainable, whereas grants are not**
- **Grant funding limits North Carolina's ability to optimize scarce state dollars**
- **Grant funding is, and will continue to be, essential**

Report pp. 21-23



Recommendations

Recommendation 1. Develop a Strategic Plan for Infrastructure Funding

- **SWIC should develop a statewide strategic plan and needs assessment**
- **A strategic plan would**
 - **provide mechanisms to identify and establish statewide priorities**
 - **establish the state's role in financing infrastructure across funding entities**
 - **establish policy goals that are linked to performance measures**



Recommendation 2. Improve Oversight of Infrastructure Funding

- **General Assembly should require better oversight by authorizing an entity to**
 - implement a statewide strategic plan
 - establish and track performance measures
 - develop and manage a centralized database

Report p. 24



Option A. Empower SWIC to Coordinate and Oversee Funding

- **Replaces current informal cooperation with formal coordination**
- **SWIC has the authority and responsibility to coordinate water and wastewater funding**
- **Six funding entities continue to operate and are required to adhere to the standards set by SWIC**

Report pp. 27-28



Option B. Establish Single Independent Authority

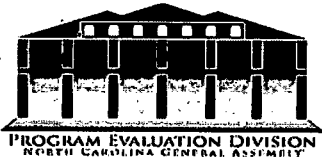
- **Eliminates system fragmentation**
- **Responsible for administering water and wastewater infrastructure funds**

Report pp. 28-29

Recommendation 3. Increase Emphasis on Loans

- **Loans optimize scarce state dollars**
- **Grant money is focused on communities with greater financial needs**
- **Statewide strategic plan would identify the appropriate mix of grants and loans**

Report pp. 29-30



**North Carolina's Water and Wastewater
Infrastructure Funding Lacks Strategic Focus
and Coordination**

Report available online

**[http://www.ncleg.net/PED/Reports/Topics/Environmentand
NaturalResources.html](http://www.ncleg.net/PED/Reports/Topics/EnvironmentandNaturalResources.html)**

Larry Yates

larryy@ncleg.net





North Carolina Department of Environment and Natural Resources

Beverly Eaves Perdue, Governor

Dee Freeman, Secretary

February 26, 2009

Representative James W. Crawford, Jr.
Co-Chair, Joint Legislative Program Evaluation Oversight Committee
North Carolina General Assembly
Legislative Building
16 West Jones Street
Raleigh, NC 27601

Senator Daniel G. Clodfelter
Co-Chair, Joint Legislative Program Evaluation Oversight Committee
North Carolina General Assembly
Legislative Building
16 West Jones Street
Raleigh, NC 27601

Senator Fletcher L. Hartsell, Jr.
Co-Chair, Joint Legislative Program Evaluation Oversight Committee
North Carolina General Assembly
Legislative Building
16 West Jones Street
Raleigh, NC 27601

Gentlemen:

We are writing to you today in follow up to the Program Evaluation Division's report to the Joint Legislative Committee regarding water and wastewater infrastructure funding. One of the main points of discussion in the report and at the meeting concerned the need for greater coordination of activities among the different funding entities. While each of our programs was created to meet a specific statutory purpose, we also understand the value of coordinating our activities to be more efficient, to improve project management, and to provide more complete and understandable information on progress made toward meeting the state's water and wastewater infrastructure needs.

Our agencies have discussed ways to increase coordination of our water and wastewater infrastructure funding activities. Recognizing that our agencies are charged by the General Assembly to address different needs, our goal is to do so in a manner that adds value to each agency, minimizes the burden on applicants and provides clear and

1601 Mail Service Center, Raleigh, North Carolina 27699-1601
Phone: 919-733-4984 \ FAX: 919-715-3060 \ Internet: www.enr.state.nc.us/ENR/

One
North Carolina
Naturally

An Equal Opportunity / Affirmative Action Employer - 50 % Recycled \ 10 % Post Consumer Paper

Exhibit D

complete information on the performance of our funding programs. We identified five specific ways to accomplish this goal without increased bureaucracy or cost:

1. Develop a common first page for grant and loan applications. The intent is to create a single template for project descriptions that will make it easier to identify and coordinate on projects that request funding from multiple agencies, as well as to streamline the application process for applicants.
2. Schedule regular joint meetings of the funding agencies to share water and wastewater funding opportunities with potential applicants. This is an approach that the funding agencies have used periodically in the past, most recently to help water systems identify funding for drought response projects.
3. If a project receives funding from multiple state funding sources, we propose to exchange progress reports and site visit information among the funding agencies. Our agencies believe that there are opportunities for programs that jointly fund a particular project to also share and improve oversight responsibilities.
4. In addition to preparing our individual program funding reports for the General Assembly, each agency would share a copy in a common format with the State Water Infrastructure Commission. SWIC could then merge the information into a single annual funding report on all water/wastewater funding activities. A single report will make it much easier for both the General Assembly and the public to understand and evaluate water/wastewater funding activities.
5. Examine the needs assessment that is currently done by the Environmental Protection Agency (EPA), the needs survey done by DENR, and the Water 2030 data to determine what all the assessment tools tell us and where there may be gaps in the data in order to begin the process of developing a statewide needs assessment.

Our agencies are currently working to develop a document further defining our ideas for improved coordination and to ultimately sign a Memorandum of Understanding between our agencies adopting these coordination recommendations. We expect to have a more detailed document to share with you very soon.



Dee Freeman
Secretary of Environment and Natural Resources

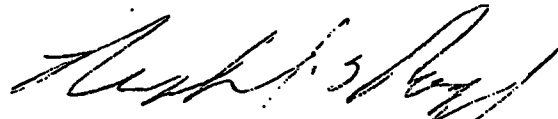
Sincerely,



J. Keith Crisco
Secretary of Commerce



Billy Ray Hall, President
N.C. Rural Economic Development
Center



Richard Rogers, Executive Director
Clean Water Management Trust
Fund

North Carolina Clean Water State Revolving Fund			
Final ARRA 2009 Round One Funded Project List			
April 21, 2009			
Community Name	Project Description	County	Recovery Amount
Charlotte, City of	Stream Restoration and Storm water Treatment (Muddy Creek/Campbell Creek and Tributaries)	Mecklenburg	\$2,194,900
Fayetteville, City of	SW Improvements (Kornbow Neighborhood)	Cumberland	\$600,000
Carolina Beach, Town of	Wilmington beach Stormwater Treatment Ponds	New Hanover	\$2,300,000
Burlington, City of	Kernodle Center Cistern (stormwater collection for Irrigation)	Alamance	\$65,000
Raleigh, City of	Storm water Treatment (Rainwater Harvesting/Reuse at Fire Stations)	Wake	\$465,735
Marion, City of	Improvements to Corpening Creek WWTP, construct new PS and FM to remove Catawba River WWTP from service	McDowell	\$2,601,364
Graham, City of	2009 Sanitary Sewer System Improvements	Alamance	\$1,000,000
Hickory, City of	Cripple Creek Replacement (Replacement of 21" Clay with 24" PVC Sewer)	Catawba	\$1,938,000
Youngsville, Town of	Sewer Rehab (Hattles Branch)	Franklin	\$919,280
Carolina Beach, Town of	Lake Park Blvd. Sanitary Sewer Rehab and Replacement	New Hanover	\$1,000,000
Eden, City of	Dry Creek Phase 1/Smith River Phase 1 Sanitary Rehabilitation and Repair	Rockingham	\$714,303
Morehead City	Renovate Pump Station #12 and Replace Pump Station #9	Carteret	\$2,100,000
Charlotte, City of	Revolution Park Water Reuse Project, Construction of 8-10 Acre Regional Basin	Mecklenburg	\$577,555
Mebane, City of	Ninth Street Sewer Outfall Replacement	Alamance	\$230,000
Kure Beach, Town of	Replace/Rehab Approx. 6,500 lf of Sewer	New Hanover	\$619,432
Moore County	Pinehurst Lake Lift Station Replacements, 5 Pump Stations to Replace Existing Stations	Moore	\$3,000,000
Cove City, Town of	Sewer System Extension, New Pump Station and 3,900 lf of Sewer	Craven	\$1,250,000
Selma, Town of	Telemetry of WW Pumping Station	Johnston	\$180,000
Conover, City of	NE Outfall and Associated Sewer System Rehabilitation and Replacement Project	Catawba	\$1,727,025
Murphy, Town of	Pump Station Upgrades, Replacement of Existing Pumps (M.M. Center PS) - Upgrade of Existing Pumps (C.H. PS), Addition of Emergency Generator	Cherokee	\$771,500
Rich Square, Town of	Sewer Rehab (Bridgers Creek)	Northampton	\$1,728,180
Columbus, Town of	Sewer Rehabilitation, Replacement of approximately 35 Manholes	Polk	\$280,600
Gastonia, City of	Rehab for Influent Sewer Line (Catawba Creek)	Gaston	\$308,532
Highlands, Town of	Mirror Lake Sewer Improvements - 10,150 LF of 8" iron sewer lines, service connections, and one pump station to connect area currently served by onsite septic systems	Macon	\$3,000,000
Hertford, Town of	Sewer System Rehab (14,835 lf of 6"-10" Sewer), 420 Vertical Feet of Manhole Repairs/replacement	Perquimans	\$854,187
Scotland Neck, Town of	Sewer Rehab (Canal Creek)-Wastewater Collection System Improvements-Phase IV	Halifax	\$1,534,250
Rhodhiss, Town of	Sewer Rehab, Rehab 30 deteriorated manholes, New frames/coves for 20 manholes, Rehab 2,500 lf of gravity sewer, CCTV inspection on	Burke	\$188,764

Community Name	Project Description	County	Recovery Amount
Liberty, Town of	Frazier Ave. Replacement/Rehab, Replace approximately 3,000 lf of 8" sewer, Replace/Rehab 6 manholes	Randolph	\$300,000
Troutman, Town of	Gravity sewer pipe and manhole rehabilitation and pump station modifications, Replacement of 12 Manholes	Iredell	\$237,595
Tuckaseegee Water & Sewer Authority	WW Treatment Plant Expansion, Expand Capacity from 1.5 MGD to 3.5 MGD, Addition of SBRs, Screening, Grit Removal, Post EQ, CL Contact Basin, Post Aeration, Aerobic Digester, and Sludge Drying	Jackson	\$3,000,000
Buncombe County MSD	Lake Julian Sewer Rehabilitation	Buncombe	\$1,029,600
Dover, Town of	Sewer System Expansion, One Pump Station and 5,000 lf of Sewer	Craven	\$1,100,000
Chadbourn, Town of	Sewer Rehab (Soules Creek)	Columbus	\$1,212,491
Wilson, City of	Sewer Rehab (Contentnea Interceptor), Lining for 9,008 lf of 30" Sewer	Wilson	\$1,396,006
High Point, City of	Replace Obsolete Sanitary Sewer Lines - replace 9,940 LF with new and/or relined 8" sanitary lines in 9 inner city High Point neighborhoods	Guilford	\$1,798,500
Roxboro, City of	Rehabilitation of Sewer outfalls and mains draining to the City of Roxboro's Brooks Pump station consisting of lining 3700 ft of 8 inch sewer, pipe bursting 970 ft of 6 and 8 inch sewer pipe, and repairing 33 sewer connections.	Person	\$465,548
Bryson City, Town of	Sewer Replacement and Pump Station Upgrade, Replace Pump Station (Tuckaseegee River), Replace Approx. 2,300 lf of 10" with 16"	Swain	\$166,524
Lake Lure, Town of	Sewer joint wrapping/sealing	Rutherford	\$3,000,000
			\$45,854,871

MINUTES

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL & ECONOMIC RESOURCES

April 29, 2009

8:30 AM

The House Appropriations Subcommittee on Natural & Economic Resources met in Room 423 of the Legislative Office Building on April 29, 2009, at 8:30 a.m. Representative Pierce called the meeting to order and welcomed the attendees. He then introduced the Sergeants-at-Arms: Bob Rossi and James Worth. He also introduced the House Page: Colby White.

The following Committee members were present: Co-Chairs: Representatives Harrison, Pierce, and Warren; Vice Chair: Representative Wilkins; Members: Representatives Langdon, Sager, and Samuelson. Staff Counsel Kristine Leggett, Lanier McRee and Kristin Walker were also in attendance.

The following attachments are included and made part of the minutes: Meeting Agenda, Attachment 1; Attendance List, Attachment 2; Department of Environment & Natural Resources, Attachment 3; Labor Fees, Attachment 4; Office of Environmental Education, Attachment 5; The North Carolina Office of Environmental Education, Attachment 6; No Child Left Inside Act of 2009 (H.R. 2054 and S. 866), Attachment 7; list of Pages and Sergeants-at-Arms, Attachment 8.

At the first order of business, Representative Pierce called on Lanier McRee to discuss fees in the Department of Environment and Natural Resources (DENR). A copy of the slides used in her presentation are attached and made part of the minutes as Attachment 3. To begin, Ms. McRee presented information on the history of DENR fees collected since the 2002-2003 fiscal year. She broke down the amount by percentages for the various types of fees, such as non-business permits and licenses, general admission fees, inspection and/or examination fees, and other licenses and permits. She also described revenues collected in the form of fines and penalties. In the next part of her presentation, Ms. McRee discussed the types, amounts, and percentages of fees collected by the divisions within DENR: Forest Resources, Marine Fisheries, Parks and Recreation, Aquariums, the Museum of Natural Sciences, the Zoo, Soil and Water Conservation, Natural Resource Planning and Conservation, Parks and Recreation Trust Fund and Environmental Education.

At this point in the meeting, Representative Warren assumed the role of Chair and called on Kristin Walker to continue with the presentation on DENR fees. Copies of the slides she used are included in Attachment 3. Ms. Walker began by stating that she would discuss fees on the DENR regulatory side, beginning with Administration. She noted that revenues from express permitting fees are down significantly this year, due to the economic slowdown. She provided a history of the budget for express permitting, showing receipts and expenditures since fiscal year 2003-2004. Ms. Walker then presented information for various groups within DENR: Air Quality, Coastal Management, Environmental Health, Land Resources, Water Quality, and Waste Management. Following Ms. Walker's presentation, there were several questions related to possibly raising the radiation protection

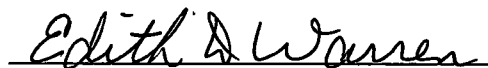
fees by the Environmental Health division. The Chair recognized Mr. William Potter, a visitor attending the meeting. Mr. Potter represents the North Carolina Dental Society and expressed concerns that most of the fee increases would go to dentists, greatly increasing the costs of X-rays and limiting access to care.

The next item on the agenda was a discussion of fees charged by the Department of Labor. Representative Warren called on Ms. Walker for this presentation, a copy of which is attached and made part of the minutes as Attachment 4. Ms. Walker began by describing the three types of fees collected by Labor: registration fees, publication fees, and inspection fees. She pointed out that the fiscal year 2007-2008, the department collected \$8.6 million in fees, fines, and penalties. In discussing the publication fees, she noted that the amount charged for standards guides and industry guides was last raised on February 1, 2001, and that the Senate had recommended an inflationary increase of 19%. The majority of fees collected by Labor are from the inspection fee category; which includes boiler inspections and elevator inspections. Ms. Walker provided a five-year history for each of these categories. In closing, she presented information on Labor fines and penalties and the Apprenticeship Program.


Representative Warren next called on Lanier McRee for a presentation on the Office of Environmental Education (OEE). A copy of the slides she used and two additional handouts are attached and made part of the minutes as Attachment 5, 6, and 7. Ms. McRee presented the budget authorized for OEE in 2008-09 and the recommendations from the Governor and the Senate for 2009-2011. Both recommended eliminating the majority of funding for OEE, transferring curriculum responsibilities to the Department of Public Instruction and moving library holdings to the State Library. Ms. McRee presented several questions for the committee to consider as they decide on their recommendations. To provide further background, Ms. McRee reviewed the purpose of OEE, as defined in statute. She also gave an overview of the programs and initiatives currently in operation: EE Certification, Information Clearinghouse, Resource Database, Event and Workshop Calendar, Listserv and RSS Feeds, PreK-12 Education. She closed with information on the number and types of events conducted over the past few years. During a brief period of discussion, Representative Warren recognized Lisa Tolley, OEE Division Director, for clarification of some of the education activities conducted by the division.

There being no further business, the Chair adjourned the meeting at 9:45 a.m.

Respectfully submitted,



Representative Edith D. Warren
Co-Chair



Martha M. Hoover
Assistant to the Committee

ATTACHMENTS:

1. Agenda
2. Attendance List
3. Department of Environment & Natural Resources
4. Labor Fees
5. Office of Environmental Education
6. The North Carolina Office of Environmental Education
7. No Child Left Inside Act of 2009 (H.R. 2054 and S. 866)
8. List of Pages and Sergeants-at-Arms

House Appropriations Subcommittee on NER

Agenda

Wednesday, April 29, 2009, 8:30 A.M.

Room 423, Legislative Office Building

Rep. Warren, Presiding

I. Welcome

Rep. Warren

II. Department of Environment & Natural Resources Fees

Lanier McRee, *Fiscal Research Division*
Kristin Walker, *Fiscal Research Division*

III. Department of Labor Fees

Kristin Walker, *Fiscal Research Division*

IV. Environmental Education Overview

Lanier McRee, *Fiscal Research Division*

V. Committee Discussion

VI. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

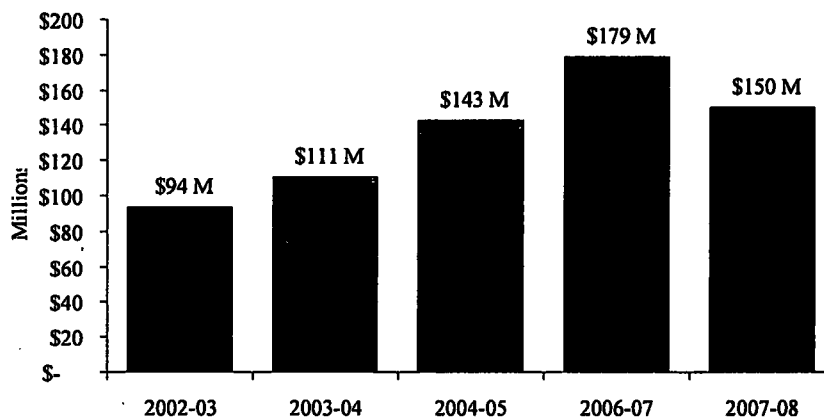
Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

Department of Environment & Natural Resources

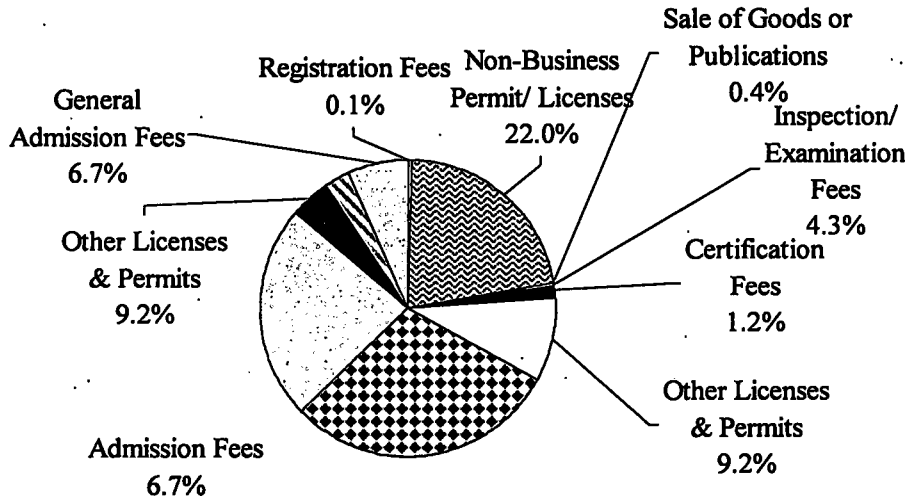
*House Appropriations Subcommittee
on Natural & Economic Resources*



Historical Collection of DENR Fees



Fee Revenue by Type



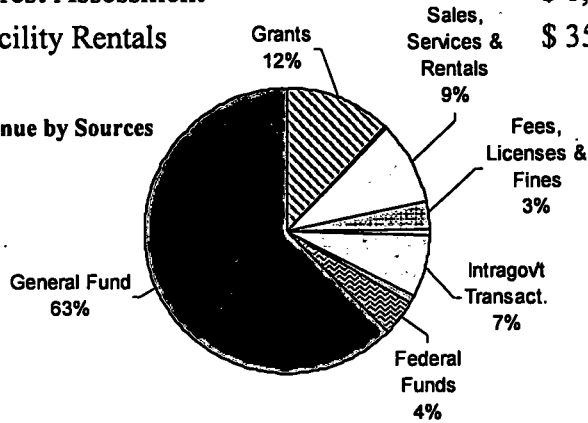
Fines

- Article IX, Section 7(b) of the Constitution directs that all fines and penalties to be deposited in the Civil Penalty and Forfeiture Fund.
- DENR collected over **\$150M** in *fees and fines* in 2007-08
 - Of this, **\$3.37M** were fines and penalties transferred to the Civil Penalties and Forfeiture Fund to be used by the Department of Public Instruction.
 - Allowed to retained about **18%** - spent about **\$291.9K** of funds retained

Forest Resources

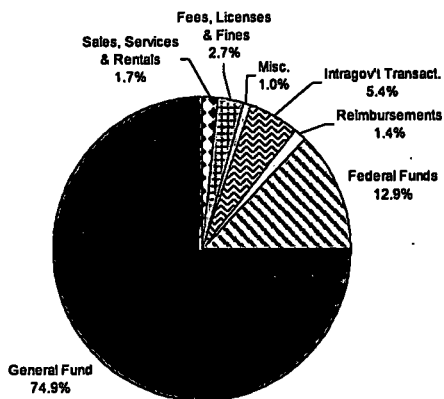
Agricultural & Forestry Product Sales	\$ 5,262,733
Forest Assessment	\$ 1,888,547
Facility Rentals	\$ 359,320

2008-09 Revenue by Sources



Marine Fisheries

2008-09 Revenue by Sources



CRFL & Hook/Line \$ 5,919,501

- Rate varies

Commercial License \$ 1,357,695

- Set in 1999

- \$100 - \$800

Commercial Vessel \$ 401,353

- Set in 1999

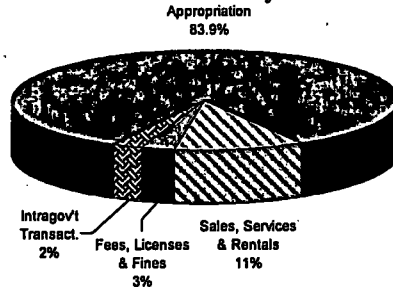
- \$1 - \$6/ ft

Parks & Recreation

- Campsite, Cabin, & Shelters \$ 3,198,377
- Admissions/ Parking \$ 952,891
- Activity Permits \$ 82,938
- Equipment \$ 64,257

- Gate Admissions
 - Jordan, Kerr, & Falls Lake \$ 5/ car
 - Hammocks Beach \$ 5/ car
 - Fort Fisher \$ 10/ day

2008-09 Revenue by Sources



Parks & Recreation

Campsite, Cabin, & Shelter Rentals

	Camping	Cabins	Shelters
North Carolina	\$12-\$23 *	\$83 per night *	\$28-\$88 *
Georgia	\$5-\$50	\$80-\$150 per night	\$15-\$90
South Carolina	\$4-\$28	\$87-\$115 per night	\$32-\$157
Tennessee	\$8-\$25	\$75-\$120 per night	\$40-\$100
Virginia	\$11-\$35	\$75-\$119 per night	\$53-\$84

- Vary depending season, amenities, size, etc.
- Cabin & Shelter rates increased in 2003
- Campsite rates constant since 1997

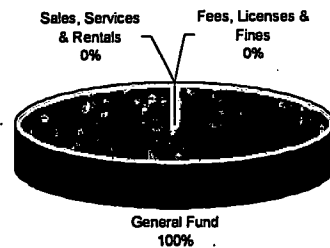


* Includes \$3 fee increase to begin July 15 upon implementation of centralized reservation system

Aquariums

Admissions	\$6 - \$8
– Fort Fisher	\$ 1,930,184
– Pine Knoll Shore	\$ 1,720,423
– Roanoke Island	\$ 1,494,424
 Special Activities & Events	 \$1 - \$5,000
– Fort Fisher	\$ 359,233
– Pine Knoll Shore	\$ 298,083
– Roanoke Island	\$ 119,393

2008-09 Revenue by Sources



Museum of Natural Sciences

Over 99% of operations are supported
by the General Fund

- Do not have an admission fee except to special exhibits

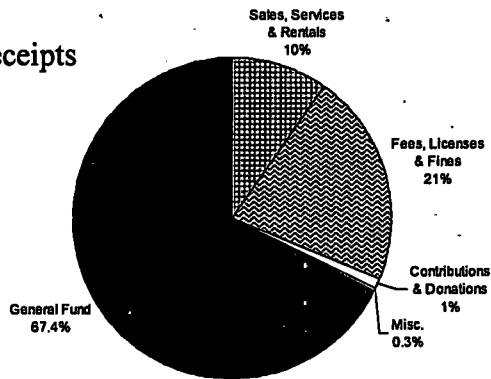


- Do have fees that support special activities

School Programs	\$ based on cost	\$ 46,677
Extension Activities	\$ varies	\$ 44,753
Public Programs	\$ 2 - \$195	\$ 32,144
Belize Funds	\$ 500	\$ 10,400
Research	\$ varies	\$ 5,852
Girls in Science	\$ 5 - \$185	\$ 3,320

Zoo

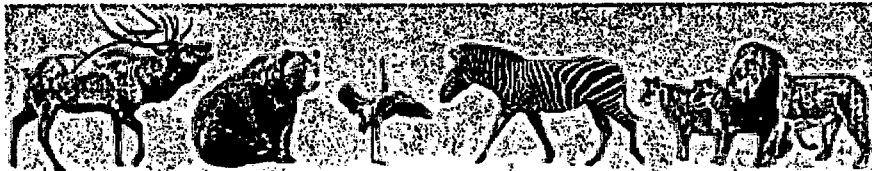
- Receipts support 32.6% of expenditures
 - Fees make up over 95% of these receipts
- Zoo budgets over-realized receipts to a special fund
 - 2007-08 Actual Receipts
\$ 6,375,650
 - 2007-08 Year End Auth
\$ 6,407,574
- Rates constant since 2001



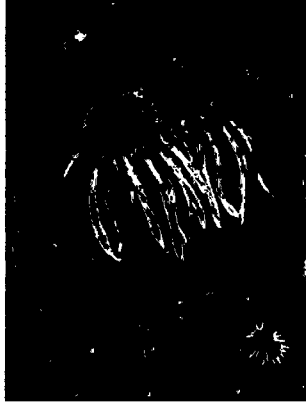
2008-09 Revenue by Sources

Zoo

Admissions	\$1-\$10	\$ 3,825,982
Adults	\$10.00	
Senior Citizens	\$8.00	
Children 2-12	\$6.00	
Stroller Rentals	\$3.79-\$7.50	\$ 80,982
Property Rental	\$ 100/ party	\$ 6,150
Midway Receipts	\$2.00	\$ 154,895



Miscellaneous



Soil & Water Conservation \$30.37

- Sale of Publications -- \$2.50/ publication

Natural Resource Planning & Conservation

- Sale of Publications \$ 636
- Licenses Plate Fee \$ 3,187,477

Parks & Recreation Trust Fund

- Licenses Plate Fee \$ 1,445,813

Environmental Education \$ 5,325

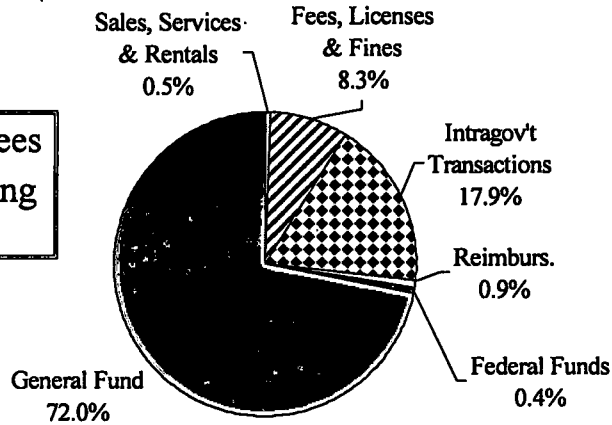
- Teacher Certification -- \$50/ participant

Questions



Administration

- \$2.6 million in fees
- Express Permitting primary source



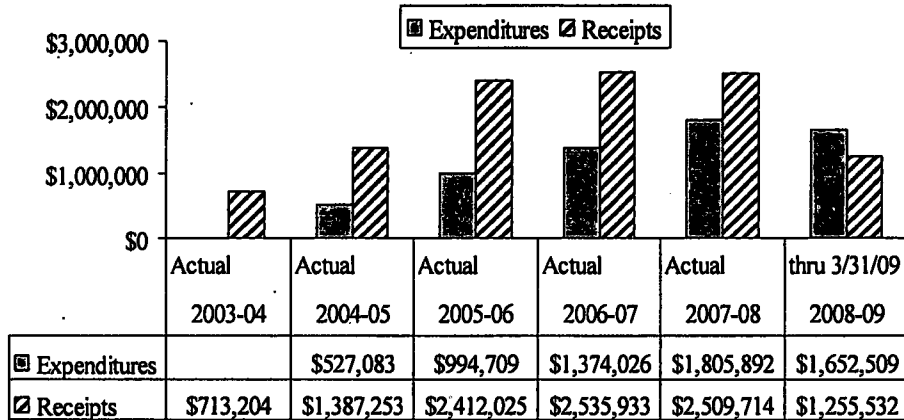
Express Permitting Fees

- Stormwater
- Wetland/401
- Erosion and Sedimentation Control
- CAMA (Major Only)
- Non-Discharge
- Stream Determinations

FY 2006-07

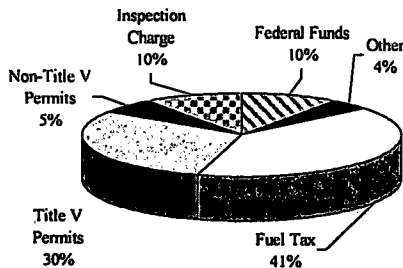
- 1,181 express permits
 - 82% issued in 30 days or less
 - Erosion & Sed. Control make up about 50%

Express Permitting Budget History



Air Quality

\$27.9M annual budget
•\$14 million from fees



Title V Permits \$8.7M
-\$6,074 + per ton charge

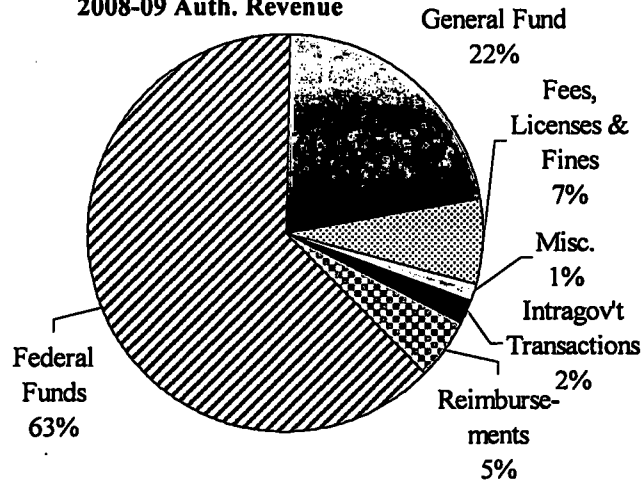
Non-Title V \$1.5M
-\$250-\$1,500

I&M \$2.8M
-\$0.65 per inspection

Fuel Tax \$11.8M
-1/64 of \$.01 of gas tax

Coastal Management

2008-09 Auth. Revenue



CAMA Permits Fees

Total Revenue of \$786K

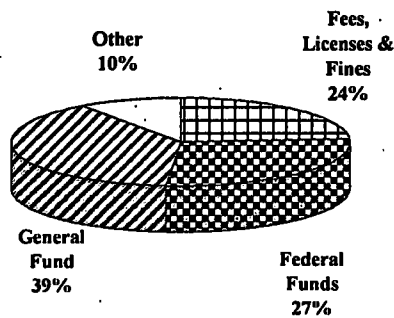
Minor Permits	\$100
Minor Mod.	\$100
General Permits	\$200
Gen. Wetlands	\$200
Gen. Sandbags	\$400
Major	\$250-400

- Last raised in 2000
- G.S. 113A-119.1.
 - Fees not to exceed \$400
 - Total funds collected should not exceed 1/3 of Division personnel costs related to CAMA

Environmental Health

- **Food and Lodging Fee**
- **Water System Permits**
- **Radiation Protection Fees**
- **Bedding Stamps**
- **Onsite Wastewater Cert.**
- **Onsite Wastewater Review**
- **Registration Fees**
- **Publication Sales**

2008-09 Auth. Revenue



Food & Lodging Fee

- **G.S. 130A-248 establishes fees**
 - \$50 inspection fee
 - \$25 late payment fee
 - \$150 reinstatement fee
 - \$200 plan review fee
- **Current revenue of \$1.5M**
 - 2/3 to counties, 1/3 to DEH
 - Last raised 10/1/2002

- **Senate Budget**
 - Adjusted fees on inflationary basis ~17%
 - Inspection Fee - \$60
 - Plan Review Fee - \$235
 - G.F. reduction of \$87,680

Radiation Protection Fees

- G.S. 104E-19 gives Division authority to set fees
- **Senate Budget:** Directs Radiation Protection to become entirely fee supported by FY 2010-11. G.F reduction of \$416k in 2009-10 and \$833k in 2010-11

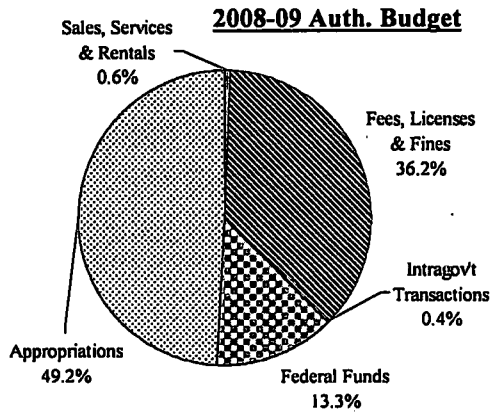
Source of Receipts	2006-07 Actual	2007-08 Actual	2008-09 Authorized
Tanning Facility Fees	346,992	334,368	417,630
Radioactive Mat. Fees	263,190	297,945	714,671
Radiation Fees	888,210	921,744	965,992
EPA Grants	182,288	210,404	274,558
Intragovt. Transfers	149,860	392,956	413,194
Other	314,871	289,283	431,973
Total	\$2,145,411	\$2,446,701	\$3,218,018

Radiation Protection Fees (Cont.)

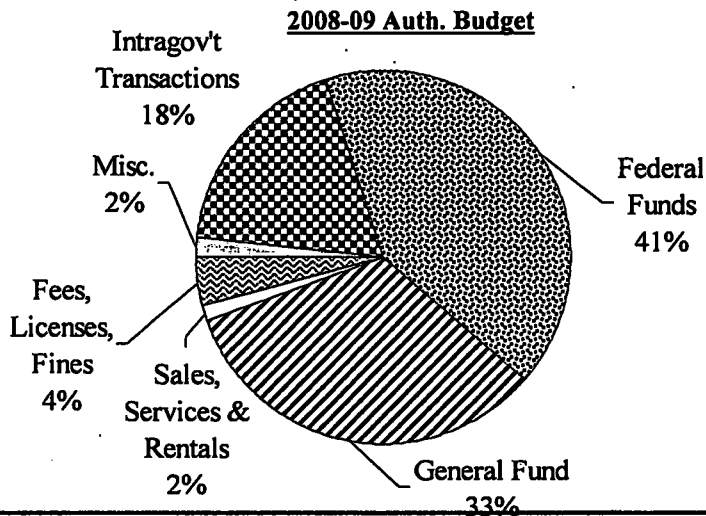
- | | |
|--|--|
| <ul style="list-style-type: none"> • Radioactive Materials <ul style="list-style-type: none"> – Fees raised 2008 – \$150 - \$3,600 • Tanning Facilities <ul style="list-style-type: none"> – Fees raised 1994 – \$100 for first piece of equipment, \$16 for each subsequent piece • Radiation/X-Ray <ul style="list-style-type: none"> – Fees raised 2002 – \$65 to \$195 for first piece of equipment, \$13 to \$29.25 for each subsequent piece | <p>Senate Budget:</p> <ul style="list-style-type: none"> • Does <u>not</u> direct which fees should be raised • If wanted to raise those fees not raised recently and meet revenue requirements: <ul style="list-style-type: none"> – Tanning Fees could be increased to \$165 and \$26.50 for each additional piece – X-ray Fees could be increased to \$107.25 to \$321.75 and \$21.50 to \$48 for each additional piece |
|--|--|

Land Resources

Mineral Interest	\$29k
– varies	
Mine Reclamation	\$42k
– varies	
Sedimentation Fees	\$2.1M
– \$65/acre	
Dam Permit Fees	\$72k
– \$200 - \$50,000	
Mining Fees	\$252k
– \$100 - \$5,000	



Water Quality



Water Quality Fees

Biological Lab Cert. Fees \$19k

- \$400-\$500
- Last raised 1998

Insp/Exam Fees \$143k

- Varies
- Last raised 2002

Lab Certification Fees \$725k

- Varies
- Last raised 2002



Water Quality Fees

Water Quality Permits \$5.1M

- \$60-\$3,440
- Last raised 2007

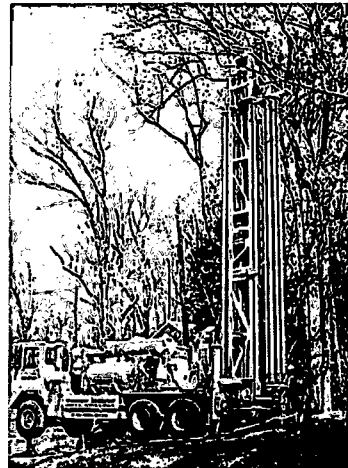
Wastewater Treatment Plant

Operator Fees \$540k

- \$10-\$200
- Last raised 1999

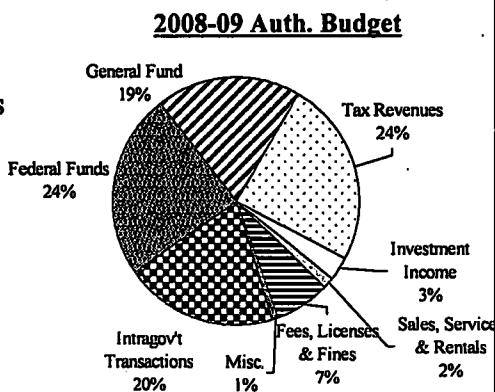
Well Drillers Fee \$232k

- \$50-\$200
- Last raised 1997



Waste Management

- **UST Permit Fees**
- **Solid Waste Permit Fees**
- **Hazardous Waste Facility Fees**
- **Brownfields Application Fees**
- **Mercury Pollution Prevention**
- **Resident Inspection Fees**
- **REC Program Fees**
- **Septage Fees**
- **Cost Recovery & Other Reimbursements**



Waste Management Fees

UST Permit Fees

- G.S. 143-215.94C
- Raised in 2009
- \$420 per tank annually
- \$12.1M in revenue



Solid Waste Permit Fees

- G.S. 130A-295.8
- New in 2007
- New Permits
 - \$250 - \$50,000
- Annual Permits
 - \$500 - \$3,500
- \$1.1M in revenue

Questions



Labor Fees



**House Appropriations Subcommittee on
Natural and Economic Resources**

April 23, 2009



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Labor Fees

- Three Types of Fees
 - Registration Fees
 - Publication Fees
 - Inspection Fees
 - Boilers
 - Elevators & Amusement Devices

- FY 2007-08: **\$8.6 million** in fee and fines & penalties revenue

Registration Fees

- Ag Safety, Wage & Hour, and Mine & Quarry
 - Host events with nominal registration fees and/or donations
- Revenue: ~\$17k/year
- Cover expenses



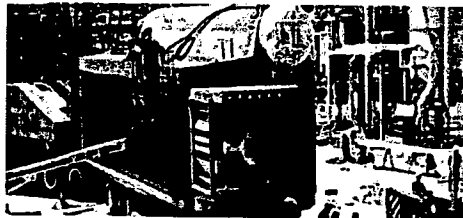
OSH Publication Fees

- Charge for Standards Guides & Industry Guides
 - Print and CD
- Fees from \$2.50 to \$42.50
- Revenue ~\$100k/year
- Last raised on 2/1/2001
- Statutory authority to raise via rulemaking
- Senate Budget
 - Inflationary increase (19%)
 - Generate additional \$21,325 and take corresponding General Fund reduction

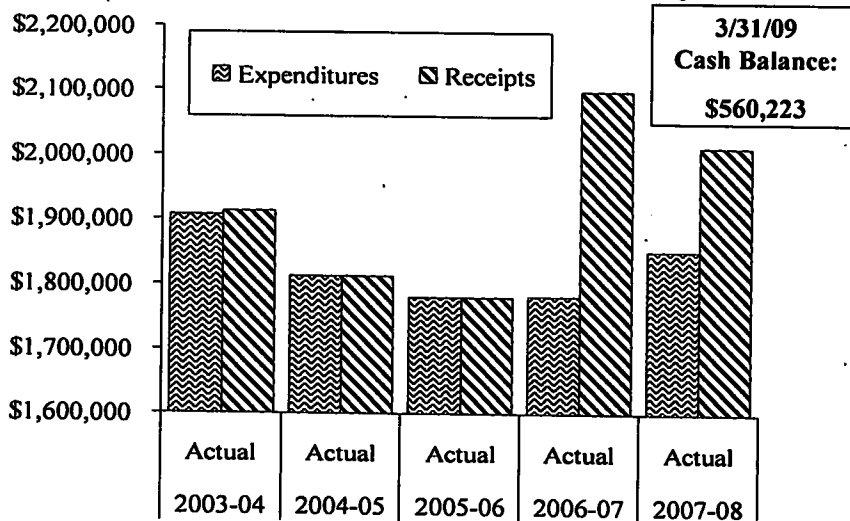


Boiler Inspection Fees

- Charge for inspection of boilers and pressure vessels
- Fees from \$30 to \$640
 - Most Common: \$35 for external pressure vessel < 20 sqft.
- Revenue ~\$2 million/year
- Last raised on 3/1/2007
- G.S. 95-69.11 allows Commissioner to set fees

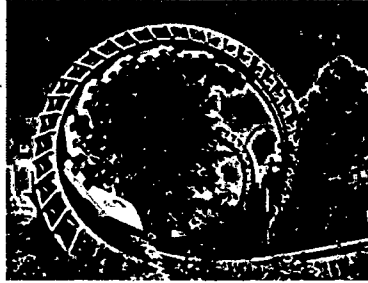


Five-Year Boiler History

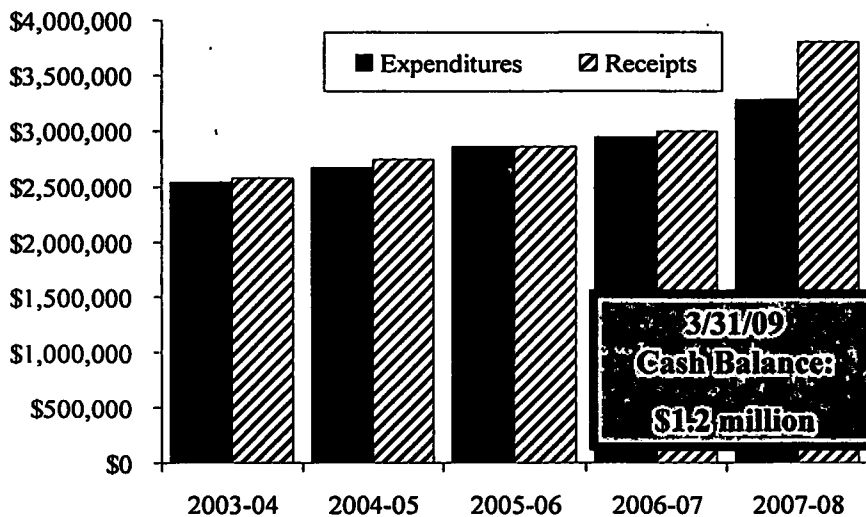


Elevator & Amusement Device Inspection Fees

- Charge for inspection of elevators & amusement devices
- Fees from \$35 to \$250
 - Elevator: \$200
- Revenue ~\$3.8 million/year
- Last raised in 2001 and 2007
- Statutory authority to raise via rulemaking



Five-Year Elevator History



Fines & Penalties

- \$2.5 million in fines, violations, civil penalties
 - OSH: \$2.36 million
 - Youth Employment: \$54k
 - Ag Safety: \$62k
 - Elevator: \$25k
- Labor retains 7% for administrative expenses
 - \$165k



Apprenticeship Program

- Average: 18,400 apprentices, 1,715 employers
- \$1.8 million General Fund appropriation
- Could charge employers or apprentices
 - Employers: Flat fee or per apprentice
- Senate Budget
 - \$450,000 cut
 - \$25 per apprentice fee = \$460,000 in revenue

Questions





All of North Carolina's EE Resources in One Place!

Office of Environmental Education



*House Appropriations Subcommittee on
Natural and Economic Resources*

April 29, 2009

Budget



	Authorized	Continuation Budget	
	2008-09	2009-10	2010-11
Expenditures	\$ 668,886	\$ 551,681	\$ 551,681
Less Receipts	\$ 40,000	\$ -	\$ -
Appropriations	\$ 628,886	\$ 551,681	\$ 551,681
Positions	7	7	7

2009-2011 Recommendation

- The Governor's and the Senate's budget "re-organize" the Office of Environmental Education (OEE):
 - Eliminate the majority of funding for OEE
 - **Senate:** 1 position + operating funds = ~\$150K
 - **Governor:** 1 positions + operating funds = ~\$135K
 - Transfer curriculum responsibilities to DPI
 - Transfer library holdings to the State Library

Questions to Consider

- What role should OEE's play?
- Should the Office be eliminated?
- Should some of its duties be eliminated but the office remain?
- Should it be housed within one of the agencies that provides EE?
- Are there ways to increase revenue for OEE so that certain functions can remain?

Purpose

Defined in G.S. 143B-285.20-24:

1. Serve as a **clearinghouse**
2. Maintain a database of existing **DENR materials & programs**
3. Plan for **DENR's future needs** for EE materials & programs
4. Maintain a **speaker's bureau of environmental specialists**
5. Evaluate **opportunities for establishing regional EE centers**
6. Assist DPI in **integrating EE into course curricula**
7. Develop & administer **grant & award program** for EE projects

NC Environmental Education Plan

- Currently drafting 3rd edition of Statewide EE Plan
 - Original Master Plan for EE released in 1974
- Master Plan
 - Recommends statewide goals for EE
 - Identifies areas that need strengthening
 - Describes strategies to meet statewide goals
- Developed in coordination with NC's EE Advisory Council

Budget
\$ 99,740 / 1 FTE

EE Certification

- The purpose of the certification program is to:
 - Recognize professional development in EE,
 - Acknowledge committed to environmental stewardship,
 - Establish standards for professional excellence in EE, and
 - Enhance EE capacity across the state

Budget
\$ 90,634 / 1 FTE

- Workshops are offered by organizations throughout NC



EE Certification

NC EE Certification Program

- 832 Certified Educators
 - 766 Individuals currently enrolled
 - Represent 94 counties
 - Cost = \$50/ participant
- Complete 200 hours of training within 4 years
 - Self-guided curriculum
 - Continuing education required
 - 50 hours of within 5 years


Information Clearinghouse

Maintains:

- A listing of EE facilities, resources, materials, organizations, events, workshops...
- A listserv, RSS feeds, & website
- An environmental educator job & internship database
- A list of environmental mentors willing to help students complete their Graduation Projects

Budget
\$148,805 / 1.67 FTE

Resource Database



Office of Environmental Education
All of North Carolina's EE Resources in One Place!

Home | About Us | Resources | Library | EE Centers | News & Events | My Account

Find: Sorted by: Search for: All Words Any Word Exact Phrase Search Tips Show Advanced

Resources: Title:

Distance: City: Or Zip:

Within 50 miles City:

Match ANY of my selections in a menu group below. Match ALL of my selections.

<p>Resource Type:</p> <ul style="list-style-type: none"> After School Programs Camps Citizen Science Resources College/University EE Courses 	<p>Environmental Focus:</p> <ul style="list-style-type: none"> Agriculture/Farming Air Animals/Wildlife Astronomy
<p>Audience Served:</p> <ul style="list-style-type: none"> Families General Public Home Schools Non-formal Educators 	<p>Age Groups:</p> <ul style="list-style-type: none"> All Ages Pre-K Kindergarten 1st Grade
<p>Academic Focus:</p> <ul style="list-style-type: none"> Arts - Performing Arts - Visual Character Education Health 	

Meets North Carolina Standard Course of Study
 Provides North Carolina Renewal Credits

Promote 186 EE Centers
across the state

*135 are not affiliated
with DENR*

Event & Workshop Calendar



Office of Environmental Education
All of North Carolina's EE Resources In One Place!

Home About Us Resources Library EE Centers News & Events My Account

March 2009

March 2009

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		8:00 AM - The Early Bird	10:00 AM - Storytime for Totals: "From Little Acorns" by Sam Godwin	Ribbon Walk: Nature Preserve Photo Contest	9:00 AM - WOW! Wonders of Wetlands Workshop	Tour of the North Carolina Botanical Garden
		9:30 AM - P.L.A.N.T. Club Series: Beautiful Birds	10:00 AM - Weekday Mill Tours	9:00 AM - Project Wild	9:00 AM - Living with White-tailed Deer Youth Day at the 2009 Dixie Deer Classic	9:00 AM - NC CATCH
		10:00 AM - Little Tadpoles	10:00 AM - Maritime Forest Walk	9:00 AM - B.W. Walls, Tarheel Ecologist Workshop	9:00 AM - Black Bears in Eastern North Carolina	9:00 AM - POW! Planning of Wetlands Workshop
		10:00 AM - Wonderful World of Wood Ducks	6:00 PM - Tai Chi	10:00 AM - Under Construction	11:00 AM - Preschoolers Day Out	9:00 AM - The Early Bird Gets The Worm
		3:00 PM - Shells	6:15 PM - Wildlife Wednesdays	5:00 PM - WOW! Wonders of Wetlands Workshop	2:00 PM - Beach Exploration	9:00 AM - Bird Watching
		5:00 PM - FR in Nature: Hike for Your Health			7:00 PM - Owl Prowl	9:30 AM - Astronomy for Middle and High School Educators
		▶ MORE (7 total)				▶ MORE (12 total)

Listserv & RSS Feeds

Listserv

- Forum for the exchange of ideas, questions, solutions
- Send/ receive approximately 70 emails per month
- 1,727 members
- Open to all interested in EE



RSS Feeds

- Report Calls on Society to Nudge Kids Outside
 - National Wildlife Federation releases Children and the Outdoors
 - a State Policy Solutions Guide
- Envirothon helps connect students to natural world
 - Envirothon, Catawba College Center for the Environment,

PreK – 12 Education

- Work to integrate environmental concepts into state curriculum
 - G.S 143B-285.25 requires DPI to identify an EE liaison within the Office of Instructional Services
 - No liaison has been identified since 1993
- Provides resources and coordinates an annual teacher professional development institute
 - Institute has served 228 teachers from 60 counties since 2002
- Currently developing a PreK-12 environmental literacy plan
 - Plan makes NC eligible for federal EE grants pending the passage of the *No Child Left Inside* legislation.

Budget
\$ 66,966 / 0.67 FTE

Other Functions

- Provides adult education/ consumer awareness
 - The river basin awareness program
 - The informed consumer initiative
- Manages DENR's Library
 - Contains documents by DENR as well as journals, book, videos, etc...
- Conduct Survey of DENR's EE Programs & Outreach

Budget
\$134,684 / 0.67 FTE

Budget
\$120,813 / 1 FTE

Budget
\$56,881 / 1 FTE



Division of Water Resources



Division of Coastal Management

NORTH CAROLINA
SOIL & WATER
CONSERVATION



North Carolina Zoo



Division/ Agency	Non-			Budget for EE		
	Indicator Workshops	Educators Workshops	# of Events	% of Expenditures	Approximate Expenditures	# of FTE
Aquariums	19	7,956	56	10%	\$1.38 M	23.00
Coastal Mgmt	9	89	7	0%	-	3.00
OEE	1	-	9	100%	\$575 K	5.00
Forest Resources	29	2,799	-	3%	\$1.79 M	37.00
Land Resources	-	21	33	2%	\$207 K	0.45
Marine Fisheries	-	62	27	0%	-	0.25
Museum of Natural Sciences	25	1,870	10	25%	\$1.91 M	56.50
Parks & Rec.	45	8,347	158	4%	\$1.17 M	46.00
Pollution Prevention	-	162	84	0%	-	1.00
Soil & Water Conservation	28	425	45	0%	-	1.10
Water Resources	12	4	3	1%	\$50 K	1.00
Zoo	17	272	6	6%	\$1.02 M	5.00
Wildlife Resources	104	1,409	3	8%	\$5.18 M	50.00
Total	289	23,416	441	~ 5.3%	\$13.27 M	229.30

Source: 2006-07 Environmental Education in North Carolina, NCDENR

Questions to Consider

- What role should OEE's play?
- Should OEE be eliminated?
- Should some of its duties be eliminated but the office remain?
- Should it be housed within one of the agencies that provides EE?
- Are there ways to increase revenue for OEE so that certain functions can remain?





The North Carolina Office of Environmental Education

Serving Our State's People, Environment and Economy Since 1993

Mission

The N.C. Office of Environmental Education in the N.C. Department of Environment and Natural Resources was established to increase environmental literacy and natural resource stewardship in North Carolina by encouraging, promoting and supporting environmental education programs, facilities and resources throughout the state. The office serves as North Carolina's clearinghouse, or central source, for all the environmental education resources in the state and is responsible for disseminating information on those resources to PreK-12 schools, colleges and universities, government agencies, non-profit organizations, environmental education centers, citizen groups, business and industry, libraries and the general public.

Office Operations

- Yearly Operating Budget (does not include staff salaries and fringe benefits): \$85,711
- Average Yearly Grant Funds Awarded to the Office of EE (since 2004): \$91,821
- Total Grant Funding for which Office has Applied (2009-2010): \$301,100
- Number of Staff: 7



Building a Green Economy and Workforce

Environmental Education Certification Program

North Carolina was the first state to develop a professional development program for environmental educators.

- 832 environmental educators have completed the Certification Program (24% are classroom teachers)
- 773 individuals are currently enrolled
- Individuals in 94 counties and 14 other states have been certified or are enrolled
- 24 organizations, including 9 within DENR, provide professional development programs for enrollees
- NC Division of Parks and Recreation rangers, Educational State Forest supervisors, and Wildlife Resources Commission Conservation Education staff are required to complete the EE Certification Program. Several other DENR agencies and other environmental organizations list EE Certification as a preferred qualification in hiring.

Environmental Education Centers

Environmental Education Centers contribute significantly to local economies and local communities in NC, and they are helping us preserve land and our ecological heritage for generations to come.

- The Office of EE web site has the only comprehensive, searchable listing of North Carolina's EE Centers
- There are 187 Environmental Education Centers statewide
- More than 20 million people visit DENR EE Centers each year (a conservative estimate)



Consumer Education

The Office of EE developed and manages the Informed Consumer Initiative to educate the adult public about the links between everyday choices and natural resources. Informed consumers with critical thinking skills and balanced information are crucial for a sustainable economic and ecological future.

- Consumer Education news feeds receive an average of 10,269 page views per month
- More than 32,000 Local Produce Postcards requested since Sept. 2006

Jobs

The Office of EE hosts an Environmental Education Jobs & Internships listing. This resource and the NC-EE listserv serve as important conduits for those searching for employees as well as those searching for employment in the green sector.

Building a Green Community



Office of EE Web site

The award-winning www.eenorthcarolina.org Web site allows EE providers to post their information for statewide dissemination. Teachers use the web site to search for classroom resources, parents use the site to find family programs, and out-of-town visitors use it to find events and attractions where they are travelling.

- 385,822 Visitor Sessions in 2008, a 20% increase from 2007
- More than 1.7 million Page Views in 2008
- 887 Resources have been posted to the site
- An average of 179 events are added to the calendar each month
- 323 organizations across NC have added themselves to the site

North Carolina Environmental Education Email Listserv (NC-EE)

An email list moderated by the Office that serves as the primary means of communication for the NC environmental education community.

- Membership has increased more than 30% since 2006
- 1,727 listserv subscribers
- An average of 83 messages are posted each month.

Serving Teachers & Students

Love-A-Tree Program

Through a partnership with the International Paper and the Environmental Education Fund, the Office of EE offers free Love-A-Tree resource packets to NC teachers .

- 3,500 resource packets were ordered and mailed in 2007
- 50,000 teachers served and more than 1 million students reached since 1996
- Students and teachers in all 100 counties have been served by the Love-A-Tree program

"The kit is wonderful!! I am using it with my gifted students. The vast amount of material in the packet is amazing. I am impressed with the level of critical thinking skills students get and also the joy of learning about their environment. I like the idea of the packet being aligned with the NC Standard Course of Study. The kids are learning a lot." NC 5th Grade Teacher



Environmental Education Teacher Institute

The Office coordinates professional development institutes for teachers every summer

- 228 K-12 teachers served in 60 North Carolina counties since 2002
- More than 111,000 students reached since 2002

"This institute was better in providing environmental knowledge than any college course I've taken."

-NC High School Science Teacher

River Basin Program

School teachers, non-formal educators, conservation organizations, environmental consulting firms, outdoor gear retailers and the general public continue to request the Office of EE's river basin materials.

- To date, more than 950,000 of these publications have been requested and distributed.

"Because my school has such limited resources, the River Basin Map is the only large map of NC I have in my classroom! I don't know what I'd do without this!" - NC Elementary Teacher

The Office of EE is a State, National, and International Model

High School Graduation Project Assistance

The Office of EE's web site listing for graduation project mentors has been lauded as a model for other business and industry groups by the Department of Public Instruction.

- 186 individual mentors and 5 organizations have been identified
- 60 counties represented
- 54 environmental topic areas included

"What you have done is a great example of what business and industry could do to reach out to students and schools. Thank you for taking the initiative and linking your work with the Graduation Project. If we could get others to follow your example, we would be in great shape to link the world of work with public education." - Graduation Project Coordinator, Department of Public Instruction

Korean Forest Service

The Republic of South Korea's National Recreation Forest Office sent a forest consultant to North Carolina for two years to study the NC Environmental Education Certification Program. She will return and establish a similar program within South Korea's forest office.

Polluted Runoff Education Postcards

The Office of Environmental Education began its Informed Consumer Initiative in 2006. As part of this program, postcards were created informing people of the water quality impacts of not picking up after their dog. These postcards were then offered to veterinary clinics across the state.

- To date, more than 85,000 postcards have been requested by vet clinics, homeowners associations, parks, water quality organizations and more.
- Digital copies have been requested by organizations in 35 states, Puerto Rico and British Columbia to use in their own clean water education efforts.



No Child Left Inside Act of 2009 (H.R. 2054 and S. 866)

- The No Child Left Inside Act of 2009 (H.R. 2054) is an amendment of the Elementary and Secondary Education Act of 1965. It has a companion bill in the Senate (S. 866).
- It establishes **2 new federal grant programs for environmental education (EE)**: one for teacher training and one for national capacity building and **a requirement for states to have an environmental literacy plan for PreK-12 students to be eligible for these funds.**
- To carry out these programs and help states develop environmental literacy plans, the **NCLI Act authorizes \$100,000,000 for 2010 and each of the following 4 years.**

Environmental Literacy Plans

- **To be eligible for funding through these new grant programs, within 1 year of the enactment of the No Child Left Inside legislation, a state must have in place a PreK-12 Environmental Literacy Plan ensuring that elementary and secondary students are environmental literate.**
- The plan must be peer reviewed and approved by the U.S. Dept. of Education.
- The Environmental Literacy Plan (ELP) must be developed by the State's educational agency **in consultation with a State environmental or natural resource management agency and with input from the public** [*existing ELP's that have been developed in cooperation with a state environmental or natural resource agency may be submitted (relevant because NC DENR/OEE and DPI have already formed a partnership to develop an ELP)*].
- The ELP must:
 1. **prepare students to meet major environmental challenges;**
 2. **provide field experiences as part of regular curriculum and create programs that contribute to healthy lifestyles through outdoor recreation and sound nutrition;**
 3. **provide for teacher professional development to enhance teacher's environmental content knowledge and pedagogical skills in teaching environmental issues (including field-based learning and use of technology).**
- The ELP will have the following parts:
 1. **A description of how the State educational agency will measure the environmental literacy of students, including relevant content standards and courses or subjects where EE will be integrated into the curriculum as well as the relationship of the plan to state graduation requirements;**
 2. **A description of programs for professional development for teachers;**
 3. **A description of how the State educational agency will implement the plan, including securing funding and other necessary support.**
- The ELP must be updated every 5 years and the State education agency must report on the implementation of the plan to the U.S. Department of Education every 2 years.

Environmental Education Professional Development Grant Program

Funds awarded to DPI who would then subgrant to Eligible Partnerships:

- Eligible partnerships *shall* include an LEA and *may* also include:
 - institution of higher education; another LEA or school or consortium of schools; **federal, state, regional or local environmental or natural resource agency**; or a non-profit organization

Funds can be used to:

- Create on-going EE professional development opportunities to improve environmental content knowledge and skills in interdisciplinary, research-based and field-based pedagogy of all teachers
- Establish summer institutes with follow-up training for the teaching of EE
- Develop or redesign rigorous EE teacher training curricula
- Design mentoring and peer teaching programs by teachers in EE
- Establish programs that bring teachers into contact with working environmental professionals
- Create initiatives to incorporate EE within preservice teacher training and accreditation standards
- Provide outdoor EE experiences for students as part of the regular school curriculum.

Environmental Education Grant Program to help build National Capacity

Funds awarded by the US Dept. of Education directly to Eligible Partnerships

- Eligible partnerships *shall* include an LEA and *may* also include:
 - institution of higher education; another LEA or school or consortium of schools; **federal, state, regional or local environmental or natural resource agency**; or a non-profit organization

Funds can be used to:

- Develop state EE standards and curriculum frameworks
- Replicate or disseminate information about proven and tested model EE programs
- Develop new policy approaches to advancing EE at the state and national level
- Conduct studies of national significance that:
 - Assess state of EE practice in the US
 - Evaluate effectiveness of teaching EE as a separate subject and as integrating concept
 - Evaluate effectiveness of using EE to help students improve assessment scores in core academic areas, student behavior, student attendance and graduation rates
- Execute projects that advance state and LEA-wide adoption and use of EE standards

House Pages

Name of Committee: NER Date: 4-29-09

1. Name: Colby White

County: Stokes

Sponsor: Holloway

2. Name: _____

County: _____

Sponsor: _____

Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

1. Name: JAMES WORTH

2. Name: BOB ROSS

3. Name: _____

4. Name: _____

MINUTES

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

April 30, 2009
8:30 a.m.

The Appropriations Subcommittee on Natural and Economic Resources met in Room 423 of the Legislative Office Building on Thursday, April 30, 2009. Representative Garland E. Pierce presided and called the meeting to order at 8:35 a.m. Chairman Pierce welcomed and introduced the Sergeant-At-Arms and Pages who were assisting the meeting.

The following Chairs were present: Representative Pricey T. Harrison and Representative Edith Warren. Vice Chairs: Representative W.A. Wilkins and Representative Michael H. Wray. Members: Representative Angela Bryant, Representative James Langdon, Jr., Representative Efton M. Sager, Representative Ruth Samuelson, and Representative Roger West. Counselor staff was also in attendance. A Visitor's Registration list and presentations are attached and filed as a record to the minutes.

Chairman Pierce recognized Ms. Kristine Leggett from the Fiscal Research Division of the North Carolina General Assembly to explain her slide presentation on Marketing and Small Business Assistance on Commerce. Ms. Leggett stated that for someone looking to start-up a business, information can be obtained from www.blnc.gov with start-up, exporting, financing, permitting/licensing, training/education, and market research. This presentation is attached and filed as a part of the minutes.

Chairman Pierce recognized Chairman Warren for a question. Chairman Warren wanted to know how many tourists do we have from foreign countries, and what percentage of the visitors are from foreign countries. Ms. Leggett stated she would research this concern and get back with an answer.

Chairman Pierce recognized Ms. Lanier McRee from the Fiscal Research Division of the North Carolina General Assembly to explain the Marketing and Small Business Assistance in DACS. This slide presentation was on the Department of Agriculture & Consumer Services. The Ag Development and Farmland Preservation Trust Fund consist of four funds. They are: 1) the costs of administering the ADFP Trust Fund, 2) the purchase of agricultural conservation easements, conservation agreements to maintain active production of farms, and 3) the public and private enterprise programs that promote profitable and sustainable family farms. Grants awarded for 2008-09 to Ag Development projects was \$1.26 million and \$1.17 million to Farmland Protection Plans. This presentation is attached and filed as a record to the minutes.

Chairman Pierce received questions regarding Ms. McRee's presentation.

Chairman Pierce recognized Dr. Frank Bordeaux, Executive Director with the Agricultural Finance Authority to explain his presentation. The North Carolina Agricultural Finance Authority (NCAFA) was established by the North Carolina General Assembly to provide credit to agriculture in local areas where it is not available at reasonable rates and terms. The mission applies to all aspects of

agriculture; farming, processing, manufacturing and exporting. The NCAFA is self supporting and no general fund appropriations have been received in the last 14 years. A trust fund of \$2.3 million was established in the first five years. In 2001 the North Carolina Rural Rehabilitation Corporation loan portfolio and cash on hand valued at \$8 million was transferred to NCAFA with a mandate to clean up their bad loans and use the remaining funds to make loans with a federal guarantee. They operate as an Agricultural Bank that services and finances loans in the agricultural sector that would otherwise not be made. Additional information regarding this presentation is attached and filed as a record to the minutes.

Chairman Pierce received questions regarding Dr. Bordeaux's presentation.

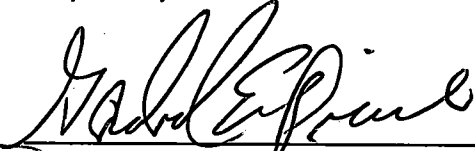
Committee Discussion

Chairman Pierce recognized Ms. Leggett to inform all members of the next scheduled meetings.

On Monday, May 4, a joint meeting is scheduled with Ms. Jane Gove at 2 p.m. to discuss Neighborhood Stabilization. The state is receiving \$52 million in funds from the federal government for housing. The Members will also hear about stimulus money for housing and energy. On Tuesday, May 5, an Education meeting will be held to discuss economic development and stimulus funds.

There being no further business, the Chairman adjourned the meeting at 9:49 a.m.

Respectfully submitted,

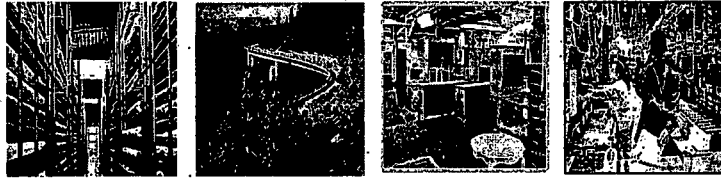


Representative Garland E. Pierce
Presiding Co-Chair



Mildred Alston
Committee Assistant

Department of Commerce
Marketing, International Trade,
and Small Business Assistance

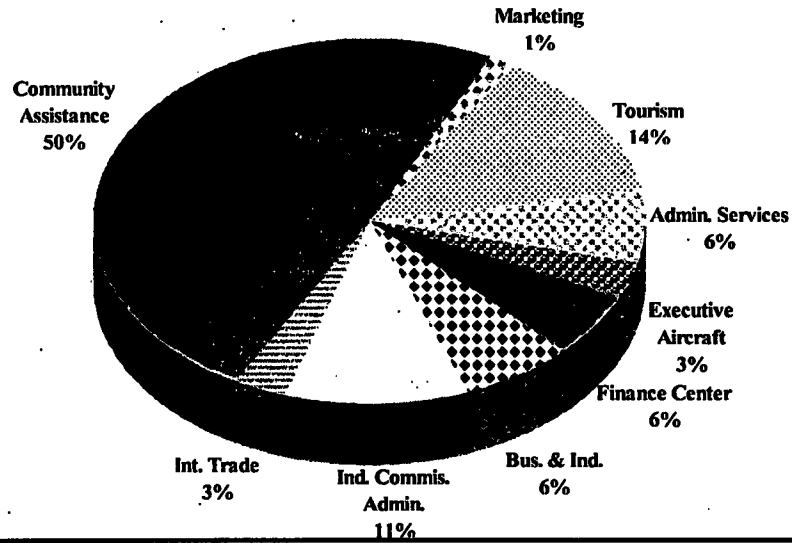


House Appropriations Subcommittee on
Natural and Economic Resources
April 28, 2009



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Budget Breakdown FY 2009-10



Business Marketing

- Historically used blanket approach
- Moving towards targeted sectors:
 - Aerospace
 - Automotive
 - Biotech/Pharma/Life Sci.
 - Chemicals/Plastics/Rubber
 - International
 - Furnishings
 - Information/Communications
 - Military/Defense
 - Textiles
 - Tourism & Entertainment





Business Marketing

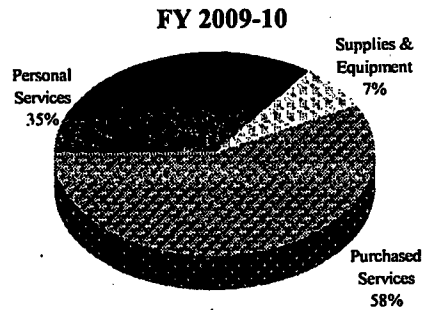
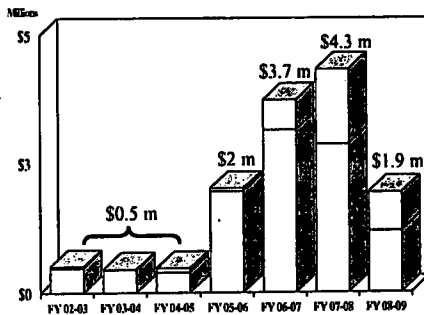
- Traditional Advertising
- Trade Shows
- Face-to-face Meetings



Marketing Division

- 7 FTE
- Advertising: \$600,000

Continuation Budget:
\$1,298,117





Marketing Division Budget Actions

	<u>2007</u>	
Furniture Market Funds		\$1,000,000 NR
	<u>2008</u>	
Operating Efficiencies		(\$8,042) R
Commerce Webmaster		\$78,900 R
Transfer Furniture Market Funds to State Aid		(\$875,000) R

Governor's Recommendations

Continuation: \$46,987 increase to Purchased Services

Expansion: \$1.5 m for tourism and business destination marketing

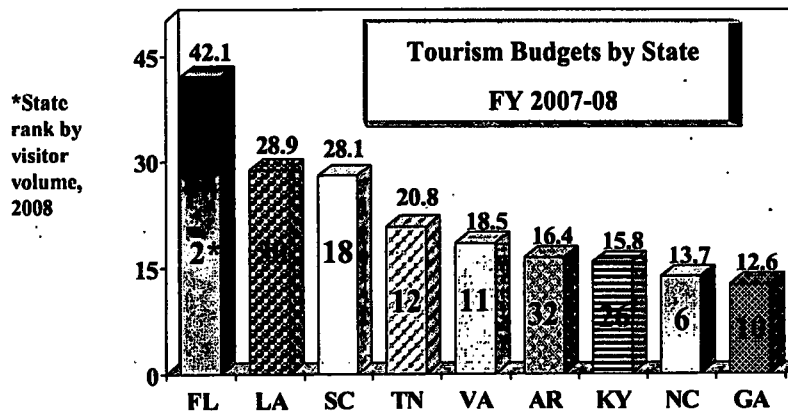
Senate Recommendations

- Eliminate Continuation Budget Increase – (\$46,987)
- Business Destination Marketing - \$1,500,000 NR



Tourism Marketing

- Tourists spent \$16.5 b in 2007
- Tourism supports 190,900 jobs
- NC was 6th most visited state in 2008



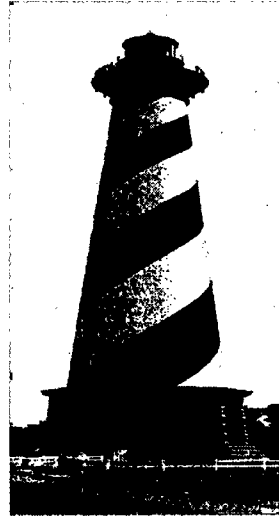


Tourism Marketing

- Advertising
- Travel Trade Development
- International Marketing
- Publications

\$12,512,777

23 FTE



Tourism Marketing

Heritage Tourism

- 12 Tourism Development Officers
- Host sites provide office space
- Provides technical assistance and product evaluation
- Tourism Matching Funds Grant

\$608,231

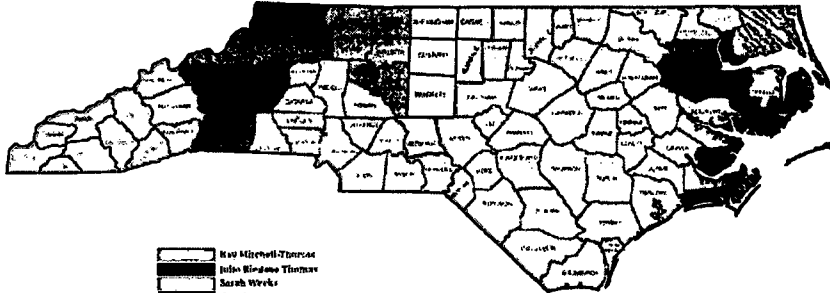
12 FTE















Tourism Marketing

Tourism Development Regions



-  New Mitchell-Thorpe
-  Julia Ringess Thomas
-  Sarah Weeks
-  Connie Hanson
-  Kaye Myers
-  Tom Holder
-  Helen Ruth Almond
-  Frankie McWhorter
-  Tom Edwards
-  Bruce Harrelson

Leona Brandon: Development Officer serving as Coordinator, 75th Anniversary of Blue Ridge Parkway



Tourism Marketing

Welcome Centers

- 9 Welcome Centers
- 1 Manager, 3 FT counselors, 1 PT counselor, 1 30-hour janitor per center
- I-95 N & S additional PT counselor

\$1,946,947
44.75 FTE

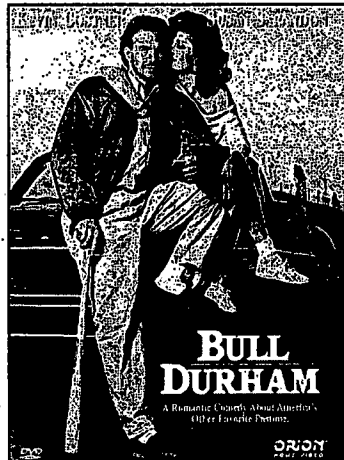




Tourism, Film and Sports Development

- Film Office
- Sports Development

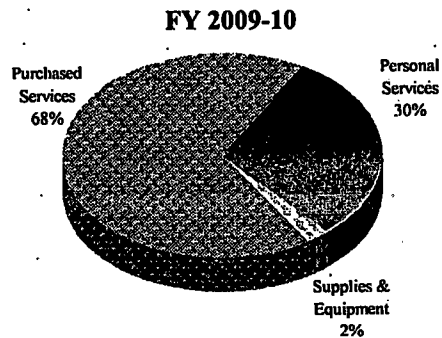
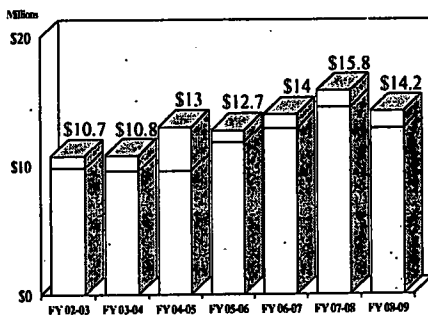
\$806,325
8 FTE



Tourism, Film and Sports Development

- 83.75 FTE
- Advertising: \$7.9 m

Continuation Budget:
\$13,501,483





Tourism Budget Actions

2007

Travel and Tourism Funds	\$750,000 NR
Blue Ridge National Heritage Area	\$450,000 NR
Film Commission Funds	\$500,000 NR
Motorsports Funds	\$100,000 NR

2008

Operating Efficiencies	(\$95,849) R
Travel and Tourism Funds	\$300,000 NR

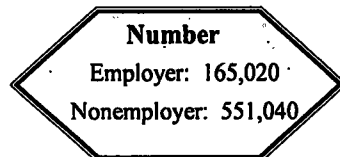
Governor's Recommendations

- Continuation:** \$9,373 increase in Tourism
\$19,774 increase in Welcome Centers
- Expansion:** \$1.5 m for tourism and business destination marketing

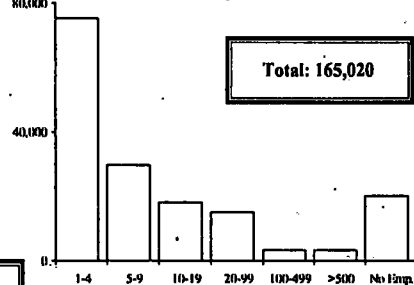
Senate Recommendations

- Eliminate Continuation Budget Increases - (\$29,147)
- Tourist Destination Marketing - \$259,165 NR

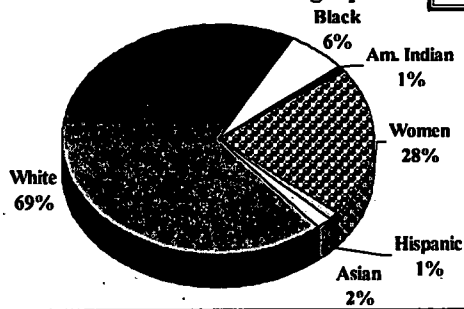
Businesses in NC (2002)



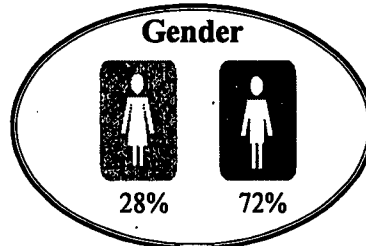
NC Businesses by Size of Firm



Business Owner Demographics

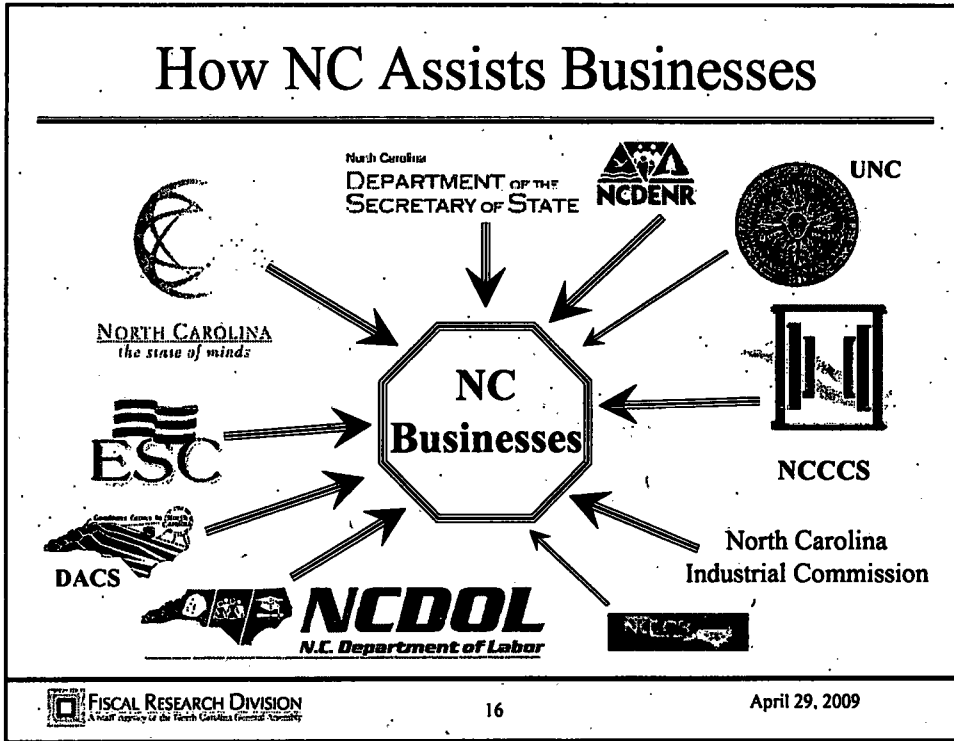


Gender



Source: US Census Bureau

How NC Assists Businesses



Commerce's Role

- **Business ServiCenter:** \$1 m
- **Existing Industry Specialists:** \$1.2 m
- **International Trade** \$2.5 m



NORTH CAROLINA
the state of minds

FISCAL RESEARCH DIVISION
A staff agency of the North Carolina General Assembly

17

April 29, 2009



Business ServiCenter

Business License Information Office (BLIO)

Transferred from Secretary of State's Office in FY 05-06

Provides free customized information about licenses

Small Business Ombudsman

Established in 2004 Budget Bill

G.S. 143B-432.1: The Small Business Ombudsman:

...works with small businesses to ensure they receive timely answers to questions and timely resolution of issues involving State government.



Other Services

One-on-one client consultations

Referrals to other State and federal resources

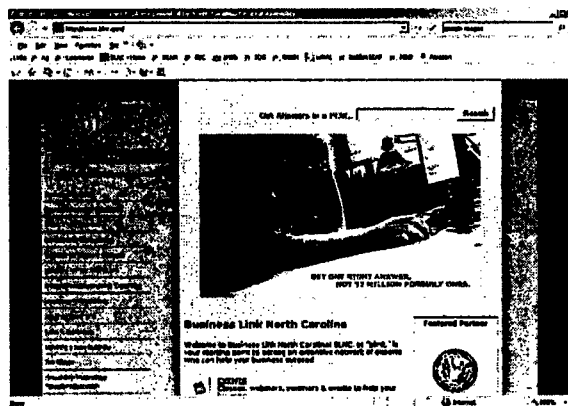


BLNC

www.blnc.gov

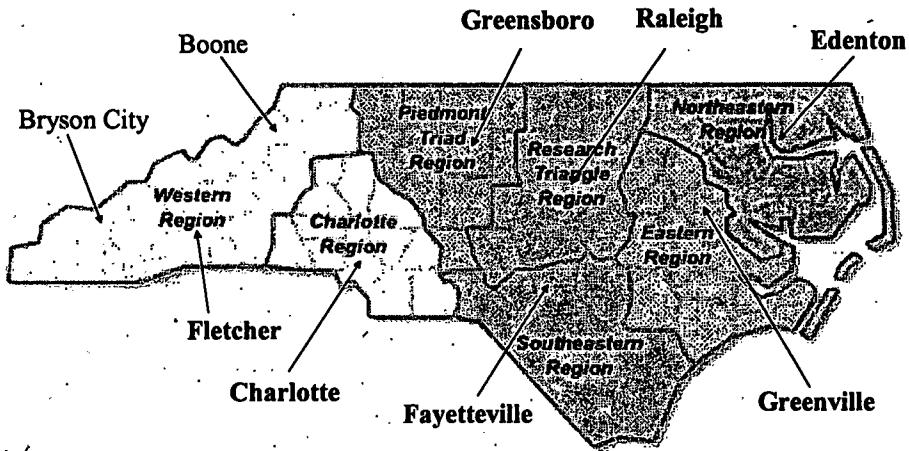
Assistance with:

- Start-up
- Exporting
- Financing
- Permitting/Licensing
- Training/Education
- Market Research





Existing Industry Specialists



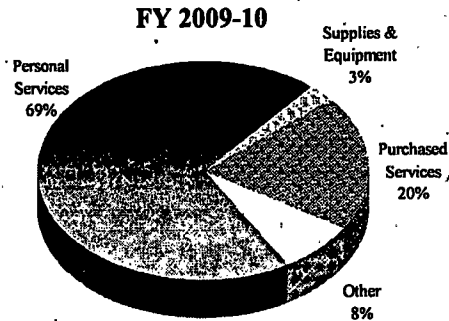
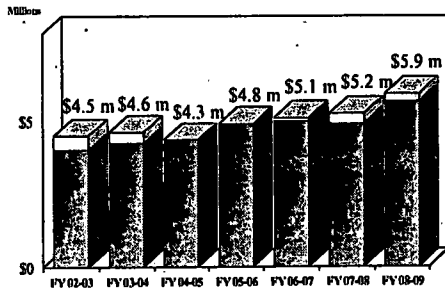
9 Regional Offices



Division of Business and Industry (B&I)

- Recruitment, retention, and expansion services
- Business ServiCenter
- BLNC (www.blnc.gov)

Continuation Budget: \$5,577,268





B&I Budget Actions

2007

Northeast Regional Office Econ. Developer \$92,447 R

2008

Operating Efficiencies (\$41,768) R
 Building and Sites Website Redesign \$100,000 NR

Governor's Recommendations

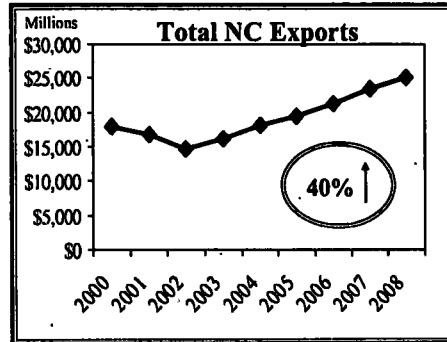
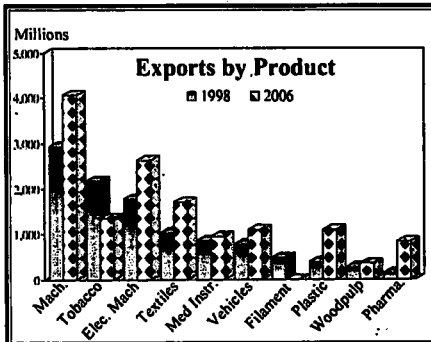
Continuation: \$27,930 increase to Purchased Services

Expansion: No changes.

Senate Recommendations

- Eliminate Continuation Budget Increases – (\$27,930)
- Budget Correction for China Trade Office - \$175,000

NC Exports



Where is our stuff going?

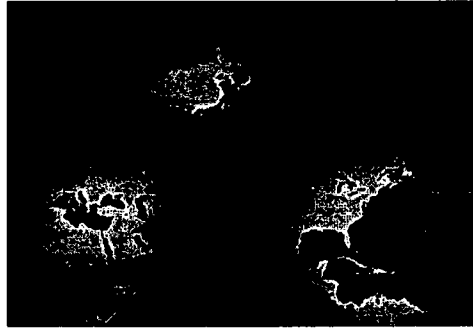
- Canada
- Japan
- Mexico
- China
- United Kingdom

Source: NC Department of Commerce



International Trade

- **Counseling & Referral**
- **Distributor & Agency Searches**
- **Trade Events & Trade Shows**
- **Education & Training**
- **Export Financing Assistance**
- **Advocacy**



International Trade

7 International Offices

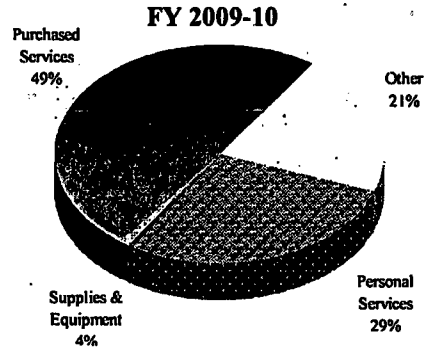
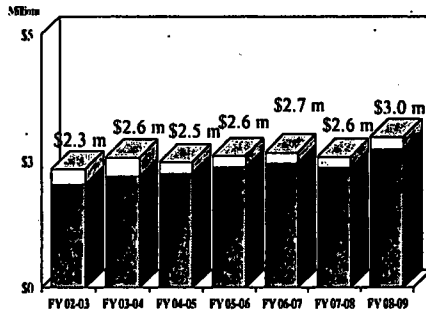




International Trade Division

- Expansion into Foreign Markets
- Exports

Continuation Budget:
\$3,163,335



International Trade Budget Actions

2007

No action.

2008

Operating Efficiencies	(\$19,146) R
Eliminate Funding for Intern'l Affairs Council	(\$19,000) R
China Trade Office	\$175,000 R
Performance and Inflationary Increases	\$25,000 R

Governor's Recommendations

- Continuation: \$175,000 increase for China Office
\$27,979 additional increases in Purchased Services

Expansion: No change.

Senate Recommendations

- Eliminate Continuation Budget Increases - (\$27,979)
- Eliminate GF Appropriation for Korean Office - (\$24,000)
- Budget Correction for China Trade Office - (\$175,000)

Questions



Resources for Small Businesses in North Carolina
Updated March 4, 2009

State Agencies

Department of Commerce Business Link North Carolina (BLNC)

The BLNC is a network of statewide, State-funded agencies and organizations that provide services to the State's businesses, from Fortune 500 companies to start-ups. BLNC provides a single entry point to find experts who can help businesses start, grow and succeed.

Contact: 1-800-228-8443 www.blnc.gov

Department of Commerce Small Business Ombudsman:

The Ombudsman works with small businesses to ensure they receive timely answers to questions and timely resolution of issues involving State government.

Contact: (919) 733-4151 www.nccommerce.com

NC Community College System Small Business Centers:

Small Business Centers support the development of new businesses and the growth of existing businesses by providing training, counseling, and resource information. A Small Business Center is located within 30 minutes of nearly everyone in the state at a local Community College.

Contact: (919) 807-7100 <http://www.ncccs.cc.nc.us/>

Small Business and Technology Development Center (SBTDC):

The SBTDC is the University of North Carolina's business and technology extension service. SBTDC specialists provide management counseling and educational services to small and mid-sized businesses throughout North Carolina. The SBTDC's core service is in-depth management counseling, addressing financing, marketing, human resources, operations, business and strategic planning, and feasibility assessment. Most SBTDC services are free of charge, and all SBTDC services are confidential.

Contact: (800) 258-0862 www.sbtdc.org

Nonprofits

NC Rural Economic Development Center:

The Rural Center runs two programs that provide capital for business start-ups and expansions. The Microenterprise Loan Program serves the smallest rural businesses through a combination of loans, business planning and technical assistance. The Rural Venture Fund, announced in 2007, offers investments ranging from equity to subordinated debt for qualified businesses in economically distressed counties of North Carolina.

Contact: (919) 250-4314 <http://www.ncruralcenter.org/>

NC Biotechnology Center:

The Biotechnology Center provides low-interest loans to early-stage NC biotechnology companies across the state. These loans are designed to help companies meet meaningful commercial and research milestones associated with company inception, research and growth.

Contact: (919) 541-9366 www.biotech.org

Institute for Minority Economic Development:

The North Carolina Institute of Minority Economic Development is a statewide nonprofit organization representing the interest of underdeveloped and underutilized sectors of the state's economic base. The Institute's business development team works to assist historically underutilized businesses in accessing affordable capital, expanded market opportunities, and stable internal management and control systems. The Institute provides direct technical assistance and small group education and training.

Contact: (919) 956-8889 www.ncimed.com

Center for Community Self-Help:

The nonprofit Center for Community Self-Help and its financing affiliates Self-Help Credit Union and Self-Help Ventures Fund provide financing, technical support and advocacy for female, rural and minority borrowers across North Carolina. The Center provides loans to small businesses and nonprofit organizations that want to grow and continue their success. Loan products are targeted at companies and nonprofits whose financing needs are not met by traditional lenders.

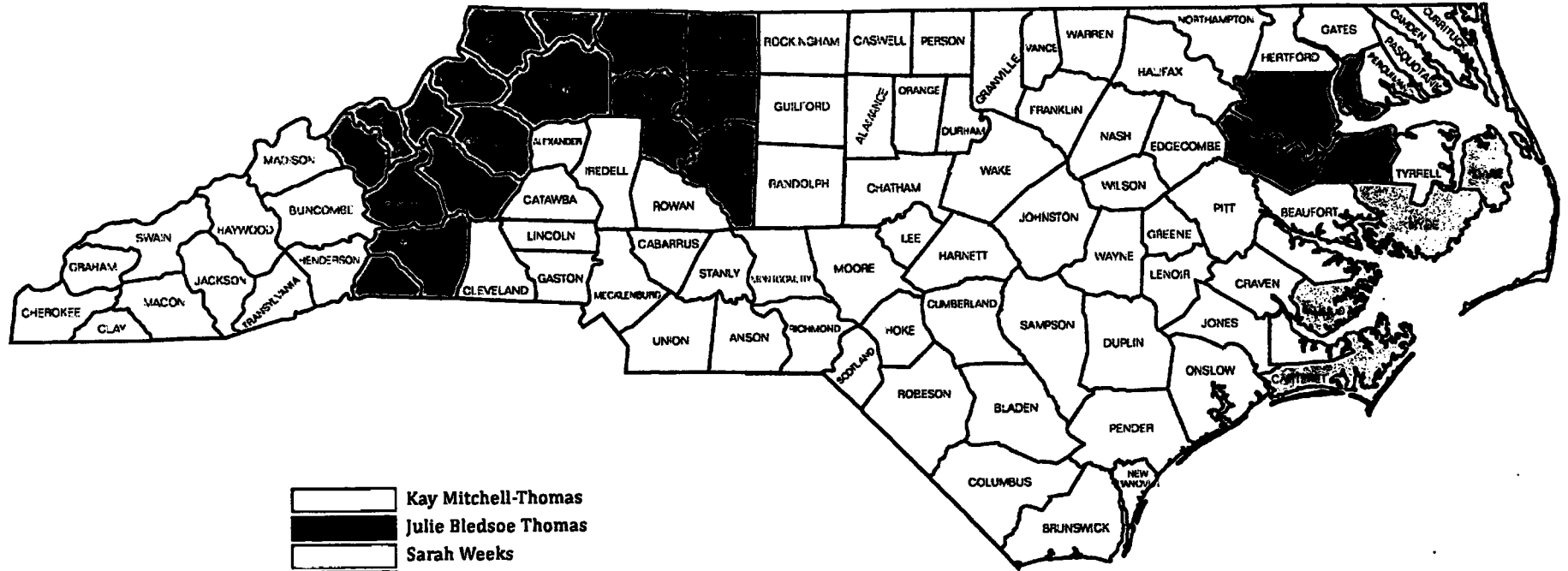
Contact: (919) 956-4400 www.self-help.org








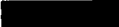


Federal**Small Business Administration:**

The SBA helps Americans start, build and grow businesses. SBA provides a number of financial assistance programs for small businesses. They have been specifically designed to meet a business's key financing needs including the need for debt financing (loans), equity financing (investment/seed money), and surety bonds.

Contact: (800) 827-5722 www.sba.gov

North Carolina Tourism Development Regions

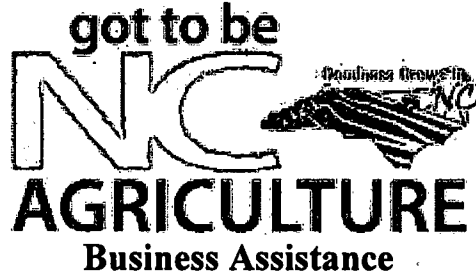


-  Kay Mitchell-Thomas
-  Julie Bledsoe Thomas
-  Sarah Weeks
-  Connie Mason
-  Kaye Myers
-  Tom Holder
-  Helen Ruth Almond
-  Frankie McWhorter
-  Tom Edmonds
-  Russ Haddad



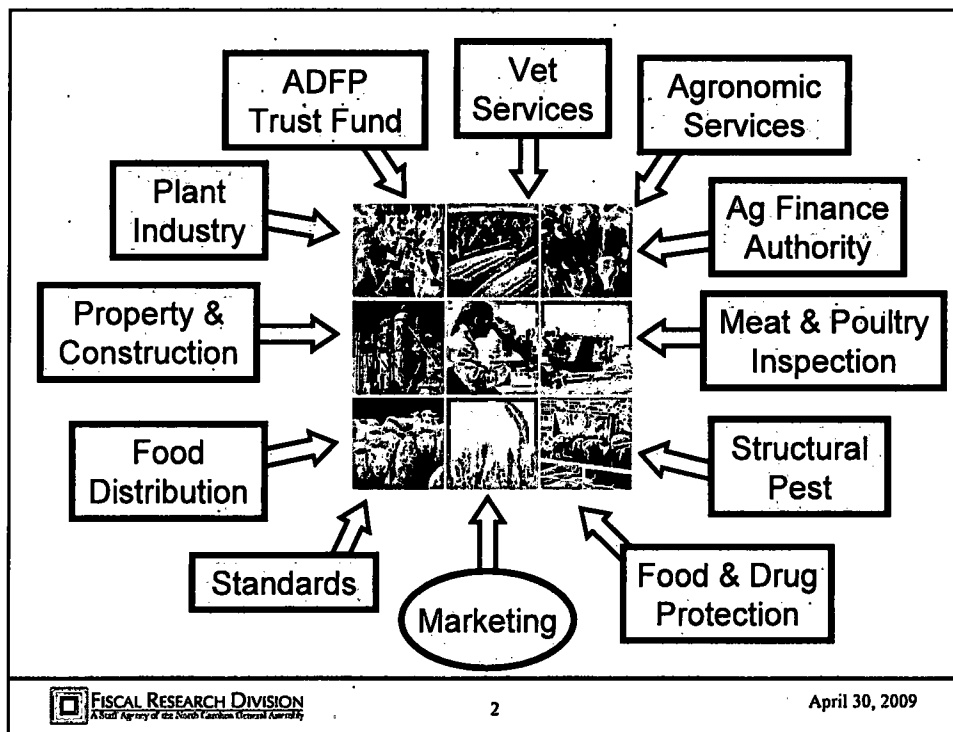
Leesa Brandon: Development Officer serving as Coordinator, 75th Anniversary of Blue Ridge Parkway

Department of Agriculture & Consumer Services



*House Appropriations Subcommittee on
Natural and Economic Resources*

April 30, 2007



Ag Development & Farmland Preservation Trust Fund

- G.S. 106-744(c) allows 4 uses for ADFP Trust Funds
 - The costs of administering the ADFP Trust Fund
 - The purchase of agricultural conservation easements
 - Conservation agreements to maintain active production of farms
 - **Public and private enterprise programs that promote profitable and sustainable family farms**

2008-09 Grant Cycle

Application Type	# of Applications	\$ Requested	Est. Project Value
Perpetual Easements	55	\$21.5M	\$55.5M
Term Easements	4	\$1.0M	\$1.5M
Enterprise Projects	34	\$6.5M	\$15.5M
Total	93	\$29M	\$72.5M

Ag Development & Farmland Preservation Trust Fund

2008-09 Grant Awards

\$2.43M to Enterprise programs

Matched by \$1.87M

\$1.26M for Ag Development projects

\$1.17M for Farmland Protection Plans

- Appalachian Sustainable Agriculture Project (\$16.2K; Match: \$4.2K)
 - Create *The Mixing Bowl*, a listing of local buyers, suppliers, and host events (farm & chef workshops, field days, etc)
- Cabarrus County Value-Added Project (\$675K; Match: \$199K)
 - Fund a slaughterhouse, food council, and marketing plan
- Natural Capital Investment Fund (\$216K; Match: \$153K)
 - Purchase storage bins for 90 limited-resource farmers in eastern NC.

Agronomic Services

- Testing
 - Test soil, nematode assay, plant waste & tissue, solution
 - Provide site & crop specific lime, fertilizer, & pest management recommendations
 - Charge small fee for most testing services
- Field Services
 - Instruct on collecting & submitting samples
 - Assist in interpreting & implementing reports
 - Provide on-site consultation

Testing

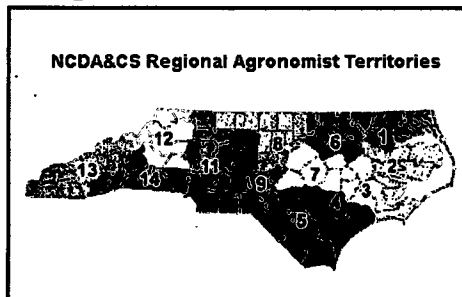
- 411,743 tests conducted
- 56,426 advisory reports

Field Services

- 9,466 agronomists consultations
- 578 environmental consultations
- 27 lab lectures/ tours

Agronomic Services

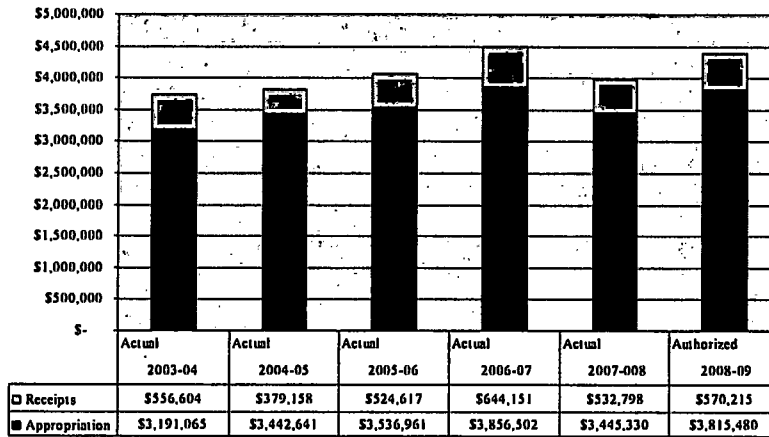
- 13 Regional Agronomist who provide field services
- Clients include:
 - Farmers,
 - Nurseries,
 - Golf courses,
 - Water quality specialists,
 - Waste facilities, etc..



“By reading the plant report, I was able to reduce my nitrogen application by 10 to 15 gallons per acre. At \$2 a gallon, that’s a savings of at least \$20 per acres...”

-Pate Pierce, Hertford County

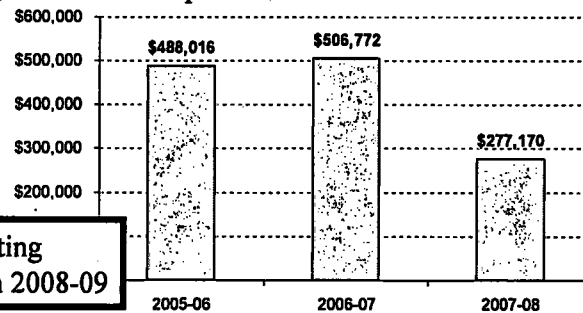
Agronomic Services



Food Distribution

Farms to School

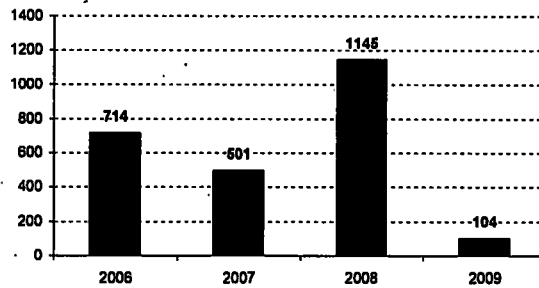
- Create new markets for North Carolina agricultural products
- Joint effort with Markets Division, NC Growers Cooperative
- Since FY2005-06, schools have purchased over **\$1.27M** in NC farm products



- Program is self-supporting
- Received \$200K NR in 2008-09

Food & Drug Protection

- Provide guidance on processing, labeling requirements
- Troubleshoot impediments to processing (ex: pets, unapproved water sources, refrigeration requirements)
- Provide referrals for alternative processing (ex: shared use facilities, co-packers)



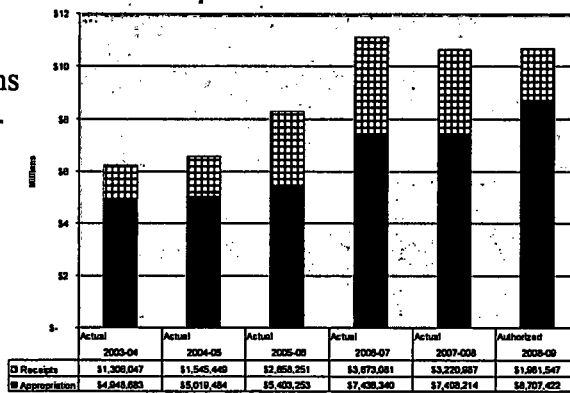
Food & Drug Protection

2008-09 Budget Actions

- Federally supported Microbiologist position
- Budgeted \$130K in over-realized receipts

2007-08 Budget Actions

- Provided \$200K R for Food Regulatory Lab Equipment



Meat & Poultry Inspection

- Respond to requests about starting businesses
- Provide:
 - Free custom blueprints for new and existing production facilities
 - Technical advice on regulatory requirements
 - On-site reviews of potential new facilities free of charge
 - Free courses on food safety

2008 Assistance 11 new processing facilities 2 new export warehouses

Meat & Poultry Inspection

2007-08 Actuals Expenditures: \$6,963,040 Receipts: \$3,350,540 FTE: 120
--

2008 – 09 Budget Actions

- 2 Food Safety & Security Positions (\$141,335 R)

2007-08 Budget Actions

- Cover federal funding shortfall (\$269,000 R)
- Replace 52 field laptops (\$50,000 NR)

Property & Construction

- Provide technical consultation to agribusinesses on:

- Construction,
- Regulatory requirements,
- Best management practices

2007-08 Actuals	
Expenditures:	\$457,073
Receipts:	\$125,862
FTE:	7

- Assist in planning new facilities
 - Free custom blueprints for processing plants
- Worked with 14 businesses in the 1st Quarter of 2009

Marketing

Five Sections within Marketing

- Domestic Marketing
- Farmer's Markets & Marketing Centers
- International Marketing
- Agribusiness Development Section
- Cooperative Grading

Agribusinesses Using Marketing Services	
2007-08:	421,953
2006-07:	364,864
2005-06:	201,031

Domestic Marketing

- Retail & Foodservice Marketing
 - Market NC products through buyer relationships
 - Negotiate promotions that lock-in markets for NC products
- Specialty Food Marketing
 - Assist medium & small producers in finding niche markets
 - Coordinate group business development efforts
- Livestock Marketing
 - Develop cooperative programs with commodity associations
 - Provide market assistance to producers and meat packers



Specialty Foods Association

NORTH CAROLINA
Green Industry



MARKETING DIVISION

LIVESTOCK

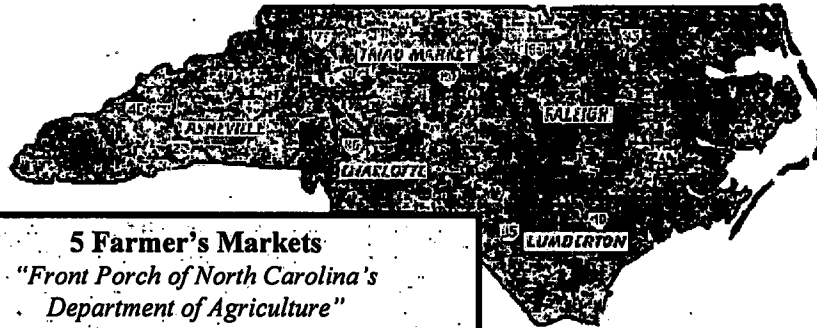
Domestic Marketing

- Goodness Grows Program/ Got to Be NC Campaign
 - 1500+ Goodness Grows member
 - Create markets through awareness & marketing campaigns
 - Market raw products to value-added companies



- NC Farm Fresh
 - Website to marketing small farms, farmers markets, pick your own, roadside stands...
- Flavors of NC Shows
 - Reception connecting NC food producers with buyers
 - 3 shows held per year

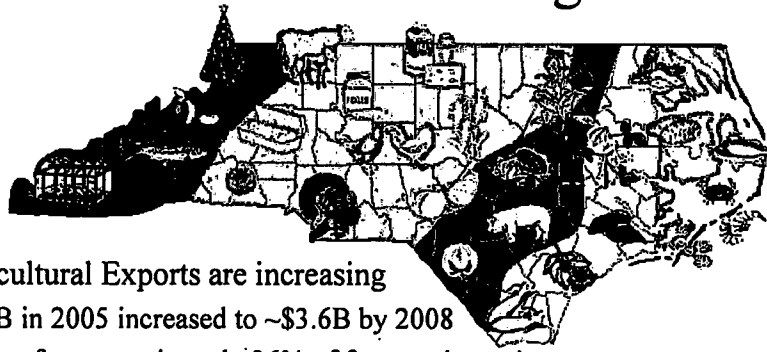
Farmer's Markets & Marketing Centers



5 Farmer's Markets
*"Front Porch of North Carolina's
 Department of Agriculture"*

5 Market Centers
 Provide specialized marketing advice
 If possible, co-locate with farmer's markets

International Marketing



- NC Agricultural Exports are increasing
 - ~\$2.5B in 2005 increased to ~\$3.6B by 2008
 - Account for approximately 26% of farm cash receipts
- Largest single buyer of NC agriculture products is Japan
 - Growing export markets for pork, tobacco, & cotton exports in China & Central America
- Tobacco is the largest export (by dollar value)

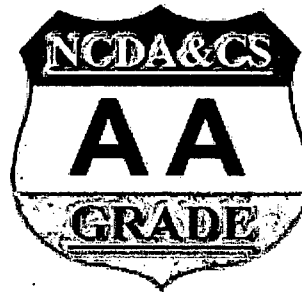
International Marketing

- Employs 4 Marketing Specialists
- Partners with USDA
 - Provide resources other than those available through Commerce
- Hosts local events on marketing internationally
 - Conducting an “Export University” on May 19th to provide training & tips on marketing, exporting, & available resources
 - Working with individual farm one on one – bring together bankers, international buyers, and farmers
- Produce Ag Exports newsletter
- Provides resources for international buyers

Cooperative Grading

Grading Services

- Food Grading
 - Identify and measure product quality
 - Provide grade for various products
- Food Safety Audit Program
 - Certify that meet food safety guidelines
- Regulatory
 - Monitor grade, type, weight, size of various products



Agribusiness Development

- 6 Agribusiness/ Agritourism Specialists
- Provide guidance on available resources
 - USDA, SBA, Commerce, etc...
- Help modify resources to fit agriculture needs
 - Work with entrepreneurs on capital needs
 - Tailor business plans from Small Business Centers
- Run the “Small Dairy Pasteurizer Loan Program”
- Aid in development of home-grown food ventures
 - Blue Ridge Food Ventures Value-added Farmers Association

Markets Division

2007-2008

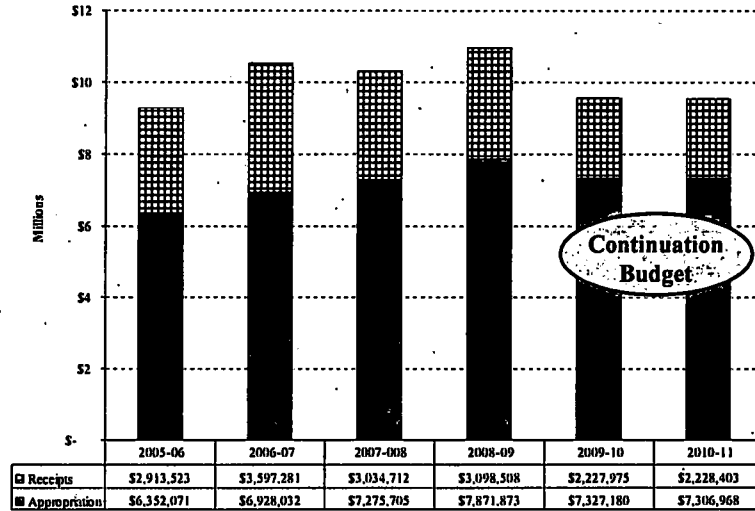
Expenditures: \$10.31M

Receipts: \$ 3.03M

Appropriation: \$ 7.28M

FTE: 111

Budget History



FY 2007-09 Biennium Items

2008-09 Session

- Budget Over-realized Receipts (\$145,000)
- Green Industries Education & Promotion \$500,000 NR
- Marketing Funds for Ag Festivals \$50,000 NR

2007-08 Session

- General Marketing Funds \$200,000 NR
- Marketing Funds for Ag Festivals \$50,000 NR

FY 2009-11 Budget

Continuation Budget

- Increase in Personal Services \$7,401
- Decrease for Non-recurring Items (\$550,000)

Governor's Budget

- Got to Be NC Marketing Funds \$500,000

FY 2009-11 Senate Budget

Reduction

- Department-Wide Reductions (\$ TBD)
- Fund-shifted Positions (\$377,327)
 - \$122K to Cooperative Grading receipts
 - \$105K to receipt over-realized within general Markets Division
 - \$202K to receipts from Enterprise Funds

Expansion

- Got to Be NC Marketing Funds \$600,000
- Marketing Funds for Ag Festivals \$50,000

North Carolina Agricultural Finance Authority

Frank Bordeaux, Ph.D.
Executive Director
1101 Spring Forest Road
Raleigh, N.C. 27615

Telephone 919-790-3949
Facsimile 919-790-3954

Mission Statement

The North Carolina Agricultural Finance Authority (NCAFA) was established by the North Carolina General Assembly to provide credit to agriculture in local areas where it is not available at reasonable rates and terms. The mission applies to all aspects of agriculture; farming, processing, manufacturing and exporting.

Source of Funding: NCAFA is self supporting. No General Fund appropriations have been received in the last 14 years. A trust fund of \$2.3 million was established in the first five years. In 2001 the North Carolina Rural Rehabilitation Corporation loan portfolio and cash on hand valued at \$8 mil was transferred to NCAFA with a mandate to clean up their bad loans and use remaining funds to make loans with a federal guarantee.

Operating Procedure

Loans: Essentially operating as the North Carolina 'Agricultural Bank' NCAFA originates, services, and finances loans in the agricultural sector that would otherwise not be made. Using federal guarantees and secondary markets, state funds are leveraged with minimal risk of loss.

NCAFA Finance Programs

A. Farm Loans

- Series "I" Farm Real Estate Loans
- Series "II" Beginning Farm Loans
- "AgStart" Beginning Farm Loans
- Agricultural Facilities Disaster Loans

B. Agribusiness Loans

- Agribusiness loans increase income and provide jobs in rural areas
Using USDA, RD Loan Guarantees NCAFA lends to Agribusinesses to generate "value added" dollars in rural areas.

C. Tax Exempt Agricultural Development Bonds

- **Agricultural Development Bonds:** NCAFA has state wide authority to issue tax exempt Agricultural Development Bonds. Bonds (tax-exempt or taxable) are issued for agribusiness firms. These Bonds provide better interest rates for agribusiness. They usually are used for projects from \$1.5 to \$10 million. Since 1995, \$46,810,000 of ADBs have been issued for development of agricultural processing and manufacturing.
- Borrower cost (interest) currently is less than one percent. These bonds allow smaller agribusinesses to receive lower interest rates and be more competitive with the larger conglomerates

Success of Loans: Typical loan is a 15 year loan. The loan is made to someone that would not qualify for a loan with other lenders. The average borrower graduates to normal credit with a different lender after 3.9 years
We then re-loan money, our portfolio has high turnover due to graduation to other lenders.
We specialize in this type of lending.

Current Portfolio: Approximately \$17 million
Accumulated losses since January 1, 2009 about \$20,000.
Portfolio - January 2008, \$20.5 million
Portfolio – June 30, 2007, \$23.3 million
The wide gyrations in agricultural prices and input costs have made it difficult to make loans to the weaker farmers since mid 2007.

Recent Loans: Although it has been difficult to find new borrowers who can qualify for loans, **in the first quarter of 2009 we have originated \$4,000,000 in loans.**
This includes a \$3,000,000 working capital loan to Coastal Carolina Pork (stimulus package style). With 30,000 sows they rank as the 21st largest sow operation in the USA.

In addition, two loans totaling \$1,000,000 have been committed for **on farm hog waste treatment systems**. DEHNR was given a directive in a previous legislative session (Senate Bill 1465?) to provide some swine waste 'on farm projects'. They have selected two projects at this time and NCAFA is funding the projects through the construction stage.

Potential Losses: NCAFA currently has on watch approximately \$2.4 mil. of troubled loans that may fail this year due to weakness in the swine and poultry sector. NCAFA will have to initially buy back the gross amount of these loans (\$2.4 mil.) and request government payment of USDA 90 percent guarantees leaving a net loss of \$240,000 for NCAFA.

NC Agricultural Finance Authority
Agricultural Development Bonds [ADB's] Issued

<u>Bond Purpose & County</u>	<u>Bond Amount</u>	<u>Date of Issue</u>
1 <u>Cotton Gin</u> Craven Co.	\$ 3,240,000	5/20/1995
2 <u>Cotton Gin</u> Duplin Co.	\$ 1,600,000	9/14/1995
3 <u>Cotton Gin</u> Beaufort Co.	\$ 3,000,000	4/30/1996
4 <u>Cotton Gin</u> Wilson Co.	\$ 3,370,000	5/30/1996
5 <u>Lumber Drying</u> Davidson Co.	\$ 2,000,000	4/21/1997
6 <u>Ham Processing</u> Lenior Co.	\$ 7,000,000	4/1/1998
7 <u>Cotton Gin</u> Hyde Co.	\$ 5,400,000	3/25/1999
8 <u>Lumber Processing</u> Pasquotank County	\$ 6,000,000	10/5/2000
9 <u>Cotton Gin</u> Wayne County	\$ 3,700,000	10/4/2001
10 <u>Cotton Gin</u> Pitt County	\$ 4,500,000	12/4/2001
11 <u>Cotton Gin</u> Chowan County	\$ 3,400,000	12/6/2001
12 <u>Solid Waste Compost Manufacturing</u> Chatham County	\$ 3,600,000	12/17/2003
Total	\$ 46,810,000	

House Appropriations Subcommittee on NER

Agenda

Thursday, April 30, 2009, 8:30 A.M.
Room 423, Legislative Office Building

Rep. Pierce, Presiding

I. Welcome

Rep. Pierce

II. Marketing and Small Business Assistance in Commerce

Kristine Leggett, *Fiscal Research Division*

III. Marketing and Small Business Assistance in DACS

Lanier McRee, *Fiscal Research Division*

IV. Agricultural Finance Authority

Dr. Frank Bordeaux, Executive Director

V. Committee Discussion

VI. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

April 30, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Patrick Woodie	NC Rural Center
Sarah Clapp	NC WRC
Alicia Dant	MWC
Jennifer Haignwood	NCDUL
Art Duff	NCDUL
Joy Hicks	NCDARECS
FRANK BORDEAUX	NCAFA
Stephanie Oxley	NCAFA
DAVID RHODES	Commerce
Elizabeth Riser	DENR
DICK HAMILTON KELLY DARDE	Greenville

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

April 30, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

NAME	FIRM OR AGENCY AND ADDRESS
<i>Zib Alley</i>	<i>NMRS</i>

House Pages

Name of Committee: NER Approp Date: 4/30/09

1. Name: Charles Marsh

County: Cabarrus

Sponsor: Rep. Jeff Barnhart

2. Name: _____

County: _____

Sponsor: _____

Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

1. Name: James Worth

Name: David Shearon

3. Name: _____

4. Name: _____

MINUTES

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL & ECONOMIC RESOURCES

May 5, 2009

8:30 AM

The House Appropriations Subcommittee on Natural & Economic Resources met in Room 423 of the Legislative Office Building on May 5, 2009, at 8:30 a.m. Representative Warren called the meeting to order and welcomed the attendees. She then introduced the Sergeants-at-Arms: David Shearon and James Worth. She also introduced the House Page: Tyniquea Joyner.

The following Committee members were present: Co-Chairs: Representatives Harrison, Pierce, and Warren; Vice Chairs: Representatives Wilkins and Wray; Members: Representatives Bryant, Langdon, Sager, Samuelson, and West. Staff Counsel Kristine Leggett, Lanier McRee and Kristin Walker were also in attendance.

The following attachments are included and made part of the minutes: Meeting Agenda, Attachment 1; Attendance List, Attachment 2; Fiscal Research Follow-Up on Previous Questions, Attachment 3; Department of Commerce: Economic Development, Attachment 4; Economic Development maps, Attachment 5; NER Stimulus Funds, Attachment 6; list of Pages and Sergeants-at-Arms, Attachment 7; Visitor Registration Sheets, Attachment 8.

At the first order of business, Representative Warren called on Lanier McRee who distributed a handout with answers to questions that had come up in previous meetings. A copy is attached and made part of the minutes as Attachment 3. The handout contained information from Fiscal Research on the following topics:

1. Tourism: The number of visitors from other countries and the economic impact of travel on each of the counties in North Carolina (expenditures, percent change from 2006-2007, payroll, employment, state tax receipts and local tax receipts).
2. Wildlife Resources Commission: Revenue sources, sales tax transfer and fund balance, and historical information on the sales and use tax transfer and the number of hunters and anglers in North Carolina.
3. Dairy Equipment Loan Program: History, purpose, and costs of the program, statistics on the number of dairies who have borrowed equipment, and status of the state's dairy milk industry.
4. Value-Added Agribusiness Incubators: Definition and purpose of the program, and examples of successes.
5. Marketing: Farm to Fork Program and NC Farm Fresh: Definition and purpose of the two programs and information on an upcoming "Farm to Fork" conference.
6. Meat and Poultry Business Assistance Results: New Plants Jan 2008 - April 2009: A list of new plants across the state that resulted from the program.

7. American Recovery and Reinvestment (ARRA): Description of funding, expenditures, and status of The Emergency Food Assistance Program (TEFAP); information on funding, grant process, and status of program for Aquaculture Farmers.
8. Summary of 2004 Hurricane Season Appropriations (S.L. 2005-1, Hurricane Recovery Act of 2005), Fall 2008: Chart showing types of assistance and for each type the receiving department, original appropriation, revised as of 8/08, amount disbursed, available balance, and amount obligated.
9. Mercury Pollution Prevention: Purpose, source of funding, budget history, and program description.
10. Inactive Hazardous Sites: Purpose, source of funding, budget history, and program description.

Representative Warren next introduced Kristine Leggett to discuss Department of Commerce Economic Development. Ms. Leggett provided handouts of the slides she used, copies of which are attached and made part of the minutes as Attachments 4 and 5. Ms. Leggett began by outlining the topics in her presentation: Economic development in NC, the tier system, grant programs, and issues for further discussion. She provided a list of the various economic development programs within the Department of Commerce and the statutes authorizing each. In her discussion of the factors in location, she noted that statutory tax incentives are the least effective in attracting business and the most expensive. Key factors are the availability of a skilled workforce and infrastructure. Ms. Leggett then presented slides showing the state spending by type and by fund source. She discussed General Fund appropriations for economic development and provided background information on the Bill Lee Act and Article 3J Credits.

After briefly describing how the tier system rankings are determined, Ms. Leggett reviewed the nine Commerce grant programs: Job Development Investment Grant (JDIG), One North Carolina Fund, Industrial Development Fund, IDF Utility Account, Job Maintenance and Capital Development, One NC Small Business, Green Business Fund, Site Infrastructure Development, Economic Development Reserve. She noted the purpose and grant amounts for each fund and displayed maps showing awards by county for several of the programs. She then discussed the groups involved in economic development, such as the Department of Commerce, regional economic development commissions, COGs, and local Economic development offices. In closing, Ms. Leggett presented several issues for further discussion by the committee.

The next item of business was a presentation, also by Ms. Leggett, on NER Stimulus Funds. A copy of her presentation is attached and made part of the minutes as Attachment 6. She began by quoting Article V, Section 7, of the North Carolina Constitution which says that "No money shall be drawn from the State treasury but in consequence of appropriations made by law" This provision means that all \$478 million in NER stimulus funds must be appropriated. After briefly reviewing the nine areas to which these funds are allocated, Ms. Leggett discussed in more detail the Workforce Investment Act (WIA), including its purpose, services for adults, services for youth, and WIA statewide activities. She provided a breakout by funds for adult, youth, and dislocated workers for the \$79 million in total stimulus funds for workforce investment.

Ms. Leggett next discussed NER stimulus funds for the Employment Security Commission (ESC), noting that North Carolina has borrowed \$375 million to pay claims. She described four ECS programs: regular unemployment insurance, extended unemployment compensation (Tier I), extended unemployment (Tier II), and extended benefits. She pointed out the programs funded by stimulus money. She then reviewed ARRA changes to benefits that provide federal additional compensation and fund extended benefits. There are also ARRA funds available to the state for improving ESC administration.

There being no further business, the Chair adjourned the meeting at 9:50 a.m.

Respectfully submitted,

Edith D. Warren
Representative Edith D. Warren
Co-Chair

Martha M. Hoover
Martha M. Hoover
Assistant to the Committee

ATTACHMENTS:

1. Agenda
2. Attendance List
3. Fiscal Research Follow-Up on Previous Questions
4. Department of Commerce: Economic Development
5. Economic Development maps
6. NER Stimulus Funds
7. List of Pages and Sergeants-at-Arms
8. Visitor Registration Sheets

House Appropriations Subcommittee on NER

Agenda

Tuesday, May 5, 2009, 8:30 A.M.
Room 423, Legislative Office Building

Rep. Warren, Presiding

I. Welcome

Rep. Warren

II. Follow-Up on Previous Questions

Lanier McRee, *Fiscal Research Division*

III. Economic Development Incentives

Kristine Leggett, *Fiscal Research Division*

IV. NER Stimulus Funds

Kristine Leggett, *Fiscal Research Division*

V. Committee Discussion

VI. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West



House Appropriations Subcommittee on NER
May 5, 2009

Follow-Up on Previous Questions



North Carolina Department of Commerce

Beverly Eaves Perdue, Governor
J. Keith Crisco, Secretary

Lynn D. Mingès, Assistant Secretary

MEMORANDUM

TO: Kristine Leggett
FROM: Lynn D. Mingès *L. Mingès*
DATE: May 4, 2009
SUBJECT: NER Tourism Follow-up

Below and attached are responses to the follow-up tourism related questions from the NER meeting.

- 1) There were approximately 21.7 million overseas visitors to the US in 2006. An estimated 303,000 of these overseas visitors (1.4%) indicated North Carolina was a destination on their US trip. Additionally, in 2007 411,400 overnight Canadian visitors traveled to North Carolina. Therefore, we estimate that a total of 707,500 total (overseas and Canadian) international visitors traveled to North Carolina last year, representing 2% of all travelers within the state. However, it is important to note that international visitor spending is significantly greater than domestic visitor spending within the state. International visitors to the US who visit North Carolina have total trip expenditures averaging \$2,568 dollars. Domestic visitors who travel to North Carolina have total trip expenditures averaging \$562. The international visitor breakdown by country is as follows according to the most recent statistics available.

a) Canada	404,500
b) Germany	51,000
c) United Kingdom	50,000
d) Japan	22,000
e) Italy	13,000
f) France	11,000
g) India	11,000
h) Brazil	11,000

2) Visitors to the state travel fairly consistently throughout North Carolina. I have attached a list of visitor spending by county, but have also aggregated them by geographical region as follows.

- a) Mountains \$2.4 billion
- b) Piedmont \$11.2 billion
- c) Coast \$2.9 billion

The 2007 Economic Impact of Travel on North Carolina Counties

Prepared for the North Carolina Division of Tourism, Film and Sports Development

By the Travel Industry Association of America

County	Expenditures (\$ Millions)	Percent Change 2006/07	Payroll (\$ Millions)	Employment (Thousands)	State Tax Receipts (\$ Millions)	Local Tax Receipts (\$ Millions)
ALAMANCE	\$140.84	7.2%	\$22.99	1.32	\$7.84	\$2.60
ALEXANDER	16.81	3.3%	2.48	0.12	0.88	0.74
ALLEGHANY	19.43	8.3%	3.65	0.18	0.91	1.35
ANSON	14.28	4.1%	1.84	0.11	0.79	0.37
ASHE	39.94	4.7%	6.11	0.37	1.98	2.28
AVERY	90.72	1.6%	22.07	1.23	4.49	4.16
BEAUFORT	64.97	5.2%	8.79	0.45	3.13	4.11
BERTIE	10.85	4.4%	1.16	0.05	0.56	0.65
BLADEN	30.61	1.2%	3.47	0.19	1.71	0.94
BRUNSWICK	392.19	6.6%	77.69	4.97	17.99	25.48
BUNCOMBE	709.38	9.9%	164.38	9.35	35.24	22.72
BURKE	73.22	2.9%	11.22	0.65	3.85	2.26
CABARRUS	275.41	12.1%	65.58	3.50	15.34	4.56
CALDWELL	46.55	6.7%	7.23	0.37	2.39	1.54
CAMDEN	1.69	3.6%	0.20	0.01	0.09	0.15
CARTERET	269.56	2.9%	50.69	3.17	11.99	17.39
CASWELL	6.54	2.8%	0.71	0.04	0.30	0.49
CATAWBA	215.17	3.6%	40.82	2.33	11.22	6.93
CHATHAM	24.83	6.0%	3.16	0.17	1.40	0.47
CHEROKEE	35.60	2.8%	5.77	0.34	1.66	2.24
CHOWAN	18.56	5.6%	2.89	0.17	0.87	1.23
CLAY	12.43	4.4%	1.42	0.07	0.50	1.44
CLEVELAND	87.20	4.2%	13.00	0.71	4.86	1.60
COLUMBUS	45.22	8.3%	5.65	0.31	2.46	1.32
CRAVEN	101.70	8.0%	20.75	1.04	5.28	2.37
CUMBERLAND	369.33	3.6%	74.88	4.00	19.10	8.13
CURRITUCK	120.01	-0.2%	23.53	1.52	5.09	5.91
DARE	762.65	8.6%	165.60	11.25	36.13	36.33
DAVIDSON	116.73	3.6%	17.65	0.95	6.21	4.00
DAVIE	28.86	4.2%	5.32	0.27	1.53	0.54
DUPLIN	33.29	0.5%	4.02	0.21	1.83	1.04
DURHAM	533.80	6.4%	114.34	7.27	27.83	16.25
EDGECOMBE	48.98	0.9%	7.03	0.38	2.56	0.88
FORSYTH	598.75	7.6%	106.75	5.94	33.46	11.79
FRANKLIN	16.50	3.7%	2.01	0.11	0.87	0.43
GASTON	187.22	6.8%	30.76	1.74	10.19	3.29
GATES	5.14	-0.5%	0.46	0.02	0.29	0.21
GRAHAM	24.54	2.1%	4.49	0.29	1.13	1.69
GREENVILLE	39.05	10.6%	5.14	0.30	2.14	1.15
HELEN	4.47	1.9%	0.46	0.03	0.24	0.16
GUILFORD	1,083.72	5.7%	277.42	13.03	54.04	26.22
HALIFAX	64.80	7.4%	8.37	0.46	3.74	1.50

The 2007 Economic Impact of Travel on North Carolina Counties

Prepared for the North Carolina Division of Tourism, Film and Sports Development

By the Travel Industry Association of America

County	Expenditures (\$ Millions)	Percent Change 2006/07	Payroll (\$ Millions)	Employment (Thousands)	State Tax Receipts (\$ Millions)	Receipts (\$ Millions)
HARNETT	\$62.68	9.9%	\$9.43	0.55	3.32	1.50
HAYWOOD	116.64	5.0%	23.83	1.40	5.83	5.01
HENDERSON	199.85	5.6%	37.58	2.07	8.80	9.33
HERTFORD	24.53	4.2%	3.31	0.19	1.36	0.64
HOKE	7.98	2.8%	1.03	0.06	0.43	0.13
HYDE	27.29	-4.1%	5.50	0.37	1.27	1.53
IREDELL	182.84	5.9%	30.46	1.74	9.69	5.97
JACKSON	72.61	6.5%	12.58	0.70	3.23	5.94
JOHNSTON	174.14	8.3%	27.80	1.66	9.31	4.66
JONES	3.39	1.0%	0.49	0.02	0.19	0.11
LEE	56.80	-0.4%	10.55	0.59	3.09	1.16
LENOIR	72.04	7.1%	12.65	0.66	3.80	1.48
LINCOLN	39.51	4.1%	6.67	0.34	2.08	1.24
MACON	115.42	3.8%	21.14	1.13	5.13	9.74
MADISON	30.32	11.1%	6.18	0.34	1.52	1.46
MARTIN	27.24	2.6%	4.25	0.25	1.42	0.72
MCDOWELL	38.60	4.3%	6.06	0.36	1.94	1.48
MECKLENBURG	3,447.36	9.5%	1,228.02	41.33	157.74	92.10
MITCHELL	19.87	6.7%	3.18	0.18	0.85	0.90
MONTGOMERY	21.12	0.7%	2.23	0.10	0.95	2.06
MOORE	349.07	0.8%	83.17	5.22	17.57	11.08
NASH	218.37	12.7%	44.79	2.87	11.08	6.10
NEW HANOVER	426.08	9.7%	99.17	5.67	20.36	16.69
NORTHAMPTON	12.03	2.5%	1.46	0.06	0.51	1.06
ONSLOW	159.51	7.4%	31.43	1.56	8.01	5.81
ORANGE	147.55	7.2%	28.62	1.74	7.80	3.05
PAMLICO	14.98	4.3%	1.86	0.09	0.61	1.75
PASQUOTANK	47.55	8.2%	7.66	0.47	2.52	1.13
PENDER	66.29	-0.9%	11.78	0.69	2.97	4.73
PERQUIMANS	8.23	1.7%	1.04	0.04	0.34	0.97
PERSON	28.81	9.5%	3.77	0.22	1.58	0.68
PITT	176.66	4.7%	35.62	1.99	8.82	4.14
POLK	19.60	9.6%	2.96	0.17	0.97	1.17
RANDOLPH	102.70	4.1%	16.77	0.90	5.84	1.70
RICHMOND	42.10	7.0%	7.89	0.45	2.16	0.83
ROBESON	115.39	9.5%	18.09	1.12	6.29	2.19
ROCKINGHAM	61.91	3.1%	10.30	0.59	3.15	1.57
ROWAN	118.27	5.5%	20.40	1.20	6.06	3.91
RUTHERFORD	135.06	2.6%	20.26	1.21	7.61	4.25
SAMPSON	42.94	6.1%	5.83	0.30	2.27	1.45
SCOTLAND	34.99	3.9%	6.01	0.36	1.84	0.65
STANLY	66.76	7.2%	9.29	0.52	3.66	2.12

The 2007 Economic Impact of Travel on North Carolina Counties

Prepared for the North Carolina Division of Tourism, Film and Sports Development

By the Travel Industry Association of America

County	Expenditures (\$ Millions)	Percent Change 2006/07	Payroll (\$ Millions)	Employment (Thousands)	State Tax Receipts (\$ Millions)	Local Tax Receipts (\$ Millions)
STOKES	\$19.42	5.2%	\$2.59	0.13	0.94	0.80
SURRY	83.32	6.9%	12.71	0.70	4.43	1.88
SWAIN	251.03	4.2%	75.14	3.33	14.45	5.59
TRANSYLVANIA	80.14	6.0%	15.28	0.83	3.07	3.83
TYRRELL	3.62	-0.5%	0.37	0.02	0.16	0.37
UNION	93.29	12.2%	15.28	0.88	5.00	1.78
VANCE	40.24	4.3%	5.79	0.31	2.23	1.27
WAKE	1,480.16	10.7%	486.02	18.61	68.82	42.34
WARREN	20.34	4.8%	2.59	0.12	0.73	1.84
WASHINGTON	12.83	6.4%	1.78	0.10	0.68	0.57
WATAUGA	191.15	6.7%	43.56	2.58	9.38	7.82
WAYNE	113.03	4.0%	15.95	0.90	6.57	1.83
WILKES	61.42	3.3%	9.39	0.55	2.89	1.45
WILSON	86.98	7.6%	13.69	0.79	4.83	1.75
YADKIN	29.96	0.8%	5.38	0.35	1.55	0.78
YANCEY	27.20	2.6%	4.78	0.24	1.20	2.03
C Totals	\$16,510.74	7.2%	\$4,023.59	190.89	\$814.98	529.03

WILDLIFE RESOURCES COMMISSION

1947: Wildlife Resources Commission established

1984: Established an annual transfer from Sales & Use Tax collections to the Wildlife Resources Fund; the first transfer was \$2,000,000 in FY 1985-86. (G.S. Section 105-164.45A)

- Future fiscal years' transfers will be the amount of the previous year's transfer "plus or minus the percentage of that amount by which the *total collection of State sales and use taxes increased or decreased* during the preceding fiscal year."

2008: The transfer for FY 2007-08 is \$24.8M; an increase of 1140%.

- The total General Fund state budget increase over the same period is 306%. (\$5.13B to \$20.85B)

Revenue Sources

	FY 2007-08	Sales Tax Transfer
Sales & Use Tax Transfer *		\$24.8M
Motor Fuels Tax Transfer		\$2M
Sale of Fishing & Hunting Licenses **		\$18.5M
Boat Titles & Registrations		\$5.2M
Federal Funds		\$16M
Other		\$9M
Total		\$75.5M

* Theoretically equivalent to tax on recreational equipment.

** Lifetime license revenue is deposited into the Wildlife Resources Endowment Fund and is not included. The Endowment's principal is ~\$68M.

Sales Tax Transfer & Fund Balance

Year	Sales Tax Transfer	Annual % Change	Fund Balance	Change in Fund Balance
2005-06	\$18.6 M		\$7.9 M	
2006-07	\$21.9 M	18%	\$9.1 M	\$1.2 M
2007-08	\$23.7 M	8%	\$13.4 M	\$4.3 M
2008-09	\$24.8 M	5%	\$18.8 M (on 3/31/09)	\$5.4 M
2009-10 Expected	\$23.1 M	-7%	TBD	TBD

WRC has received additional sales tax transfers to cover legislative salary increases for employees (See .

Historical Information

FY	Sales & Use Tax Transfer		Hunters & Anglers in North Carolina *			
	Transfer	% Increase	Number	Change in Number	Equipment Expenditures	Change in Expenditures
1985-86	\$2.0M	0%	N/A	N/A	N/A	N/A
1990-91	\$2.8M	40%	1.88M	N/A	N/A	N/A
1995-96	\$6.6M	136%	1.93M	2.6%	\$1,432M	N/A
2000-01	\$12.2M	85%	1.58M	-17.9%	\$1,012M	-29.3%
2005-06	\$18.6M	53%	1.56M	-0.9%	\$772M	-23.7%

* Total hunting and fishing activities in North Carolina by U.S. Residents

Source: 1991, 1996, 2001, & 2006 USFWS National Survey of Fishing, Hunting, & Wildlife-Associated Recreation

The U.S. Fish and Wildlife Services' National Survey of Fishing, Hunting, and Wildlife-Associated Recreation shows that the number of and equipment expenditures by anglers and hunters in the State of North Carolina has been declining since 1991. Nevertheless, because the transfer to WRC is tied to total sales and use tax collections, WRC's sales and use tax transfer has increased.

DAIRY EQUIPMENT LOAN PROGRAM

Department of Agriculture & Consumer Services

North Carolina's Small Dairy Pasteurizer Loan Program began as a pilot program in 2004 and was developed in partnership with the NC Rural Center and the NC State Food Science Extension. It loans small batch dairy pasteurizers to specialty farmstead dairy producers in the state. This project is designed to lower the capital costs of entry into value-added dairy production, with particular focus on farmstead cheese. In addition, the project encourages farmstead dairy entrepreneurs to invest in sanitary production facilities to manufacture wholesome and safe products for the consumer. The program loans the equipment to the borrower for at least one year.

- Five dairies have borrowed the equipment – one cow dairy and four goat dairies.
 - These dairies span the state – one was in the southeast, two in the west, and two in north central North Carolina
- North Carolina's dairy milk industry has been on the decline since 2000 but cheese processing has increased:
 - In 2000, there were 950 Grade A cow's milk dairies and nine cheese processors (2 cow, 7 goat)
 - In 2008, there were 295 Grade A cow's milk dairies and 30 cheese processors (27 goat, 3 cow)
- The equipment loaned costs, on average, \$13,000 to \$18,000 for a Pasteurizer with small batch (i.e. 25-50 gallon) capacity.
 - Borrowers must pay a \$1,500 refundable deposit on the equipment.

A February 2007 article on the Farmstead Dairy Pasteurizer Loan Program published in the *Ag Review* follows.

NCDA&CS Seeking Small Farmstead Dairy for Pasteurizer Loan Program

Ag Review

February 2007

The N.C. Department of Agriculture and Consumer Services' (NCDA&CS) Agribusiness Development Section is looking for a small dairy in North Carolina interested in starting or expanding its farmstead operation.

Farmstead dairies process milk produced on their farm into value-added products such as cheese. The milk may come from goats or cattle. NCDA&CS received grant money from the N.C. Agricultural Advancement Consortium and U.S. Department of Agriculture to purchase a small-batch pasteurizer that will be available to the most qualified applicant for one year at no charge.

"We have encouraged farmers to look at value-added opportunities to improve their bottom lines, and this program helps farmers with a good business plan get started without having to initially invest in a pasteurizer," said Agriculture Commissioner Steve Troxler. "We have been able to help four dairies become established agribusinesses since starting this loan program."

Currently, there are 14 farmstead dairy operations across the state.

Applications to participate in the project are due by Feb. 16, and project administrators hope to identify a participant by Feb. 28. The dairy will be selected on a competitive basis using the following criteria:

- Business readiness of the applicant;
- Experience in the dairy industry;
- Viability of the business plan;
- Knowledge of value-added dairy production;
- Suitability of available pasteurizer to the planned production;
- Personal investment of time and money in the value-added venture.

The selected recipient must agree to allow officials from the NCDA&CS to review the business' books to track the profitability of the operation using the supplied equipment. The farmstead receiving the equipment must also post a \$1,500 refundable deposit against the value of the pasteurizer, and must agree to abide by all laws and regulations pertaining to production and marketing of the value-added dairy products.

"Our Food and Drug Protection Division will help monitor the program and work with the recipient through the process," Troxler said.

Complete rules and information are available from Ron Fish, assistant director of marketing, NCDA&CS, 1020 Mail Service Center, Raleigh, NC 27699. He may also be reached at (919) 733-7887, ext. 219, or ron.fish@ncmail.net.

VALUE-ADDED AGRIBUSINESS INCUBATORS
Department of Agriculture & Consumer Services

A value-added center, also known as a shared use facility, is a food business incubator that provides equipment and technical assistance to start up food companies. The facilities are approved for food preparation. The user is able to produce a product without having to incur the large, upfront cost of a facility and equipment.

Blue Ridge Food Ventures in Asheville is the most successful value-added center. It is not self supporting; the manager's salary and benefits are supported by Advantage West, the local economic development partnership. Blue Ridge Food Ventures would operate with approximately a \$50,000 deficit if not for the support of Advantage West. The Tobacco Trust Fund is also providing a grant to Blue Ridge Food Ventures.

The Agricultural Development and Farmland Trust Fund recently provided grants to two value-added centers. The grants are new and no conclusion can be made regarding the success of the centers. The grants are:

- A \$675,000 grant in Cabarrus County to develop slaughter facility, food council, and marketing plan. The grant is intended to provide funding for the slaughter facility with the county providing the remainder of the funding.
- A \$132,000 grant in Orange County to establish a regional share value added kitchen and food processing center. The Tobacco Trust Fund is also providing grant funds to this venture.

Smithson Mills of Mars Hill College is regarded as the best authority on the subject of value-added centers. He developed the material on the following two pages for the North Carolina Rural Economic Development Center (Rural Center) several years ago.

In May 2006, the North Carolina Rural Economic Development Center (Rural Center) awarded a \$35,000 Research and Demonstration grant to the Center for Assessment & Research Alliances at Mars Hill College to conduct an analysis of the development of shared-use food and agricultural facilities in the state. This research was designed to serve as a development tool for community leaders, stewards of state resources, funding decision-makers and elected leaders to identify strategies for supporting shared-use facilities within the parameters of measured demand, community capacity and available resources.

To date, at least nine different shared-use projects have invested more than \$3.4 million into feasibility analysis, facility renovation, equipment and personnel. Most of these resources have come from state, federal and private foundation grants. Another 16 projects have been identified as being under development or under consideration for development over the past three years.

In very broad terms, researchers have identified three types of facilities for shared-use food and agricultural processing:

1. Regional value-added food processing centers, which are large and provide a wide range of advanced equipment for value-added food processing and catering. These projects have programs for technical assistance, business training and access to capital. They are recommended to be 5,000 to 10,000 square feet to provide adequate production and storage space.
2. Shared-use community kitchens, which are typically rather small and provide limited cooking and value-adding food processing lines. These projects are housed at existing community centers and typically have less than 3,000 square feet of production and storage space.
3. Shared-use agricultural processing facilities, which are designed for use by farmers for collective grading, processing and packaging of farm produce or other commodities. These projects require the same levels of institutional capacity as regional facilities.

In North Carolina, researchers identified two existing regional food processing centers: Blue Ridge Food Ventures (BRFV) in Buncombe County and Creative Food Ventures (CFV) in Ashe County. Together these projects have invested more than \$2 million in resources since 2002. Over a nearly two-year period, BRFV has hosted 51 businesses, supporting the creation of 20 full-time and 63 part-time jobs. The value of products made and sold directly by the manufacturers at BRFV is estimated at \$660,917, with almost half of that amount produced in the second half of 2006. Client use fees generated for the project's operations have totaled \$100,604. The Ashe County project opened in January 2007 and does not yet have any measurable economic impact.

Regional processing facilities under consideration for development are found in Carteret, Harnett, Northampton and the western Research Triangle area. Only the latter two can be considered active projects at this time.

Researchers identified two existing shared-use community kitchens: Stecoah Valley Food Ventures in Graham County and Rockingham Community Kitchen in Rockingham County. The Graham County project opened for business in September 2005. In the last six months of 2006, this project hosted eight individuals or businesses making food products for a total of 273 hours of use. The estimated product output value during this period was just over \$10,000. The

Rockingham County project opened for business in September 2006 and has since had eight clients using the kitchen.

Community kitchen projects under active development can be found in Pender, Bladen and Columbus counties. Other projects under consideration for development are located in Hyde, Iredell and Stokes counties.

Researchers identified one existing project that meets the definition of a shared-use agricultural processing facility: the Madison County Multi-Purpose Agricultural Complex in Marshall in Madison County. This project hosts a consortium of approximately 25 farmers who are collectively processing and selling their production to area colleges and schools. Estimated value of production from August to December of 2006 was \$40,000.

Other shared-use agricultural processing facilities are under consideration in Franklin, Duplin, McDowell, Robeson and Wilkes counties. In addition, a feasibility study is now being conducted for shared-use processing by a food bank in eastern North Carolina.

Some key findings from this research include the following:

- Successful regional food processing centers have the potential for significant economic impact. These projects serve as incubators for food entrepreneurship and can be a catalyst for job creation and income generation. These projects require the very highest levels of multi-organizational collaboration and institutional capacity to succeed and are most successful when located near large population centers that provide both markets for products and a large pool of aspiring food entrepreneurs. These projects require full-time staff and programs that provide clients with technical assistance, business development and access to capital. Significant economic impact for farmers can best be achieved with innovative targeted programs within these projects.
- Community kitchens have very limited economic impact. Their value lies in a combination of economic *and* community development. They are successful as components of community centers and do not succeed as standalone projects. A cost-benefit analysis should be carefully considered when judging these projects for funding.
- Shared-use agricultural facilities will be the next wave of the shared-use concept. Projects on the horizon include meat and poultry processing for independent growers and collaborative efforts with food banks to address food security.

MARKETING: FARM TO FORK PROGRAM AND NC FARM FRESH
Department of Agriculture & Consumer Services

NC Farm Fresh – <http://www.ncfarmfresh.com>

North Carolina Farm Fresh is an online directory of pick-your-own farms, roadside farm markets, and farmers markets throughout North Carolina. It is designed to help the consumer, find the freshest locally grown fruits, vegetables, Christmas trees, ornamental plants, flowers, and herbs. The website connects consumers directly to farms, stands and farmers markets.

Farm to Fork – <http://www.cefsfarmtofork.com>

North Carolina State University's (NCSU) Center for Environmental Farming Systems (CEFS) is hosting a day and a half long "Farm to Fork" Summit in Raleigh, NC, on May 11-12th, 2009. This conference will be held at NCSU's McKimmon Center. The registration fee is \$35 and includes lunch and an evening reception on Monday.

Participants in the day and a half summit will explore the outcomes from the six regional meetings and Working Issues Team meetings, provide input about "game changer" and "local tool box" ideas, and help produce a *Statewide Action Plan for Building a Local Food Economy*.

Areas of focus at the Summit include:

- Expanding institutional, retail, and food service markets for small and medium-sized farms.
- Farm-to-School programming
- Public health and food access disparities
- Direct markets
- New and transitioning farmers support
- Community gardens and farms
- Land Use & Local Government Initiatives
- Youth & Social Networking
- Consumer Outreach & Marketing
- Processing & Other Physical Infrastructure
- Formalizing the Initiative: Foundations & Baselines

MEAT & POULTRY BUSINESS ASSISTANCE RESULTS: NEW PLANTS JAN 2008 – APRIL 2009
Department of Agriculture & Consumer Services

Custom

Gentry's Store Deer Processing
11830 Virgilina Road
Roxboro, NC 27574

State Plants

A Full Measure Catering, P-115
174 Knight Lane
Advance, NC 27006

Uncle Zip's Beef Jerky, P-313
5457 Trade Street
Hope Mills, NC 28348

Cook Out, Inc. #2, P-314
108 Interstate Drive
Archdale, NC 27263

Wilkes Butcher Shop, P-315
719 Elkin Highway
North Wilkesboro, NC 28659

TA Plants

Chef Charles Catering, TA 38465
605 Phillip Davis Drive
Charlotte, NC 28217

Old World Meat Market, TA 21169A
3280 Clodfelter Rd.
Winston-Salem, NC 27107

Farm Brew, LLC, TA 34737
6810 Caratoke Highway
Jarvisburg, NC 27947

Scruggs Poultry Company, TA 34371
751 Fenner Rd
Rocky Mount, NC 27802

Hawaiian Dave's Tropical Treats, TA 31958
607 Ellis Rd., #56
Durham, NC 27703

White House Packing Co, TA 09199
266 Bethesda Church Rd
Fairmont, NC 28340

North Carolina Meat Plant, TA 34749
223 North McCaskey Road
Williamston, NC 27892

Warehouses

MBM Corporation #1 ID-19559
7251 North US Highway 301
Battleboro, NC 27809

MBM Corporation #2 ID-31815
1951 Centura Highway
Rocky Mount, NC 27801

AMERICAN RECOVERY & REINVESTMENT ACT (ARRA)

Department of Agriculture & Consumer Services

The Emergency Food Assistance Program (TEFAP)

- ARRA provides TEFAP \$150 million in additional funding in federal FY 2009 and 2010.
 - Funds will be distributed per the TEFAP allocation formula.
- \$50 million is set aside for administrative purposes; 50% will be distributed in federal FY 2009 and 50% in 2010.
 - NC will receive \$776,812 in administrative funds in federal FY 2009.
 - 40% of the administrative funds must be passed-through to or expended on the behalf of emergency feeding operations.
 - States must match any funds retained or distributed to organizations that are not emergency feeding operations.
 - Any administrative funds that remain unobligated as of September 30, 2009, may be recovered and redistributed by USDA.
- \$100 million will be used to purchase food
 - NC will receive an additional \$3,099,478 in TEFAP commodities starting in March 2009.
- ARRA requires that administrative expenditures made with ARRA funds are distinguishable from those made with funds provided through the normal appropriation process. States are expected to track ARRA expenditures separately.
- DACS is waiting on other State agencies to put the processes in place for us to receive and start granting the funds, and would like to grant funds to local agencies as soon as possible.

Aquaculture Farmers

- ARRA provides \$50 million for a 2008 Aquaculture Grant Program to assist aquaculture farmers for losses associated with high feed input costs during calendar year 2008.
 - Grants will be made to state Departments of Agriculture based on pro rata basis, based on the amount of aquaculture feed used in the State in calendar year 2007.
 - NC's grant amount for this program has not yet been determined.
 - DACS expects NC's share to be around \$500,000.
- Includes all aquaculture species produced in a controlled environment that experienced at least a 25% increase in 2008 over the previous five year average
- Waiting on additional information from USDA.

Other

- Additional stimulus funds may be available for DACS under one or more grant programs but nothing is final at this time.

N. C. Office of State Budget and Management
 Summary of 2004 Hurricane Season Appropriations (S.L. 2005-1, Hurricane Recovery Act of 2005)
 Fall 2008

Item	Description	Receiving Department	Original Appropriation	Revised as of 8/08	Amount Disbursed	Available Balance	Amount Obligated
FEMA Match Requirements							
1	FEMA Match-Hazard Mitigation Grant Program	CC & PS	\$ 16,900,000	\$ 1,765,259	\$ 960,634	\$ 804,625	\$ 804,625
2	FEMA Match-Individual Assistance	CC & PS	\$ 6,509,955	\$ 3,719,058	\$ 3,719,058	\$ -	\$ -
3	FEMA Match-Public Assistance	CC & PS	\$ 20,854,355	\$ 15,221,360	\$ 6,729,031	\$ 8,492,329	\$ 8,492,329
Total Existing Match Requirements			\$ 44,264,310	\$ 20,705,677	\$ 11,408,723	\$ 9,296,954	\$ 9,296,954
Housing Programs and Assistance							
4	Grants to SBA Housing Loan Applicants	CC & PS	\$ 2,400,000	\$ 620,000	\$ 620,000	\$ -	\$ -
5	State Acquisition and Relocation Fund (SARF)	CC & PS	\$ 15,500,000	\$ 2,206,871	\$ 976,017	\$ 1,230,854	\$ 1,230,854
6	Crisis Housing Assistance Fund (CHAF)	CC & PS	\$ 17,628,450	\$ 26,456,572	\$ 14,612,979	\$ 11,843,593	\$ 11,843,593
7	N. C. Community Development Initiative, Inc.	OSBM	\$ 3,000,000	\$ 2,995,152	\$ -	\$ 2,995,152	\$ 2,995,152
Total Housing Programs and Assistance			\$ 38,528,450	\$ 32,278,595	\$ 16,208,996	\$ 16,069,599	\$ 16,069,599
Business Disaster Assistance							
8	Emergency Bridge Loans for Businesses	Commerce	\$ 1,000,000	\$ -	\$ -	\$ -	\$ -
9	Business Disaster Recovery Loans	Commerce	\$ 7,000,000	\$ 10,097,653	\$ 10,097,653	\$ -	\$ -
10	Interest Buy-Down for SBA Loans	Commerce	\$ 2,000,000	\$ 634,650	\$ 634,650	\$ -	\$ -
11	Rural Economic Development Center	REDC	\$ 5,000,000	\$ 4,991,921	\$ 4,442,266	\$ 549,655	\$ 549,655
12	Western Travel and Tourism (C&E funded)	Commerce	\$ 500,000	\$ 500,000	\$ 500,000	\$ -	\$ -
Total Business Disaster Assistance			\$ 15,500,000	\$ 16,224,224	\$ 15,674,569	\$ 549,655	\$ 549,655
Agriculture and Fishing Disaster Assistance							
13	Farm Structure and Equipment Loss	Agriculture	\$ 1,282,000	\$ 1,289,194	\$ 1,289,194	\$ -	\$ -
14	Crop Loss Assistance	Agriculture	\$ 6,343,370	\$ 19,980,510	\$ 19,980,510	\$ -	\$ -
	Crop Loss Assistance C&E Appropriation	Agriculture	\$ 30,768	\$ 30,768	\$ 30,768	\$ -	\$ -
15	Grants and Loans to Commercial Fishermen	Agriculture	\$ 723,000	\$ 750,755	\$ 750,755	\$ -	\$ -
Total Agriculture & Fishing Disaster Assistance			\$ 8,379,138	\$ 22,051,227	\$ 22,051,227	\$ -	\$ -
Public Health and Environment Assistance							
16	Drinking Water Protection	DENR	\$ 868,213	\$ 561,513	\$ 561,513	\$ -	\$ -
17	Water Quality Monitoring	DENR	\$ 232,750	\$ 135,000	\$ 135,000	\$ -	\$ -
18	Solid and Hazardous Waste Cleanup	DENR	\$ 10,786,368	\$ 3,243,146	\$ 1,992,884	\$ 1,250,262	\$ 1,250,262
19	Underground Storage Tank Assessments	DENR	\$ 20,000	\$ -	\$ -	\$ -	\$ -
20	NRCS Stream Clearance	CC&PS	\$ 20,687,134	\$ 11,903,706	\$ 10,807,716	\$ 1,095,990	\$ 1,095,990
	NRCS Stream Clearance-ECP Assistance	Agriculture	\$ 3,312,866	\$ 1,591,322	\$ 1,591,323	\$ -	\$ -
21	Forestland Restoration	DENR	\$ 500,000	\$ 437,085	\$ 437,085	\$ -	\$ -
Total Public Health and Environment			\$ 36,407,331	\$ 17,871,772	\$ 15,525,520	\$ 2,346,252	\$ 2,346,252
Local Government Assistance							
22	Infrastructure Grants to Local Governments	CC&PS	\$ 6,583,928	\$ 1,564,710	\$ 1,564,710	\$ -	\$ -
23	Other Grants to Local Governments	CC&PS	\$ 34,100,000	\$ 39,285,072	\$ 33,684,029	\$ 5,601,043	\$ 5,601,043
Total Local Government Assistance			\$ 40,683,928	\$ 40,849,782	\$ 35,248,739	\$ 5,601,043	\$ 5,601,043

N. C. Office of State Budget and Management
 Summary of 2004 Hurricane Season Appropriations (S.L. 2005-1, Hurricane Recovery Act of 2005)
 Fall 2008

Item	Description	Receiving Department	Original Appropriation	Revised as of 8/08	Amount Disbursed	Available Balance	Amount Obligated
Mapping and Studies							
24	Hazard Remediation and Mitigation Studies	DENR	\$ 3,000,000	\$ 1,042,625	\$ 661,318	\$ 381,307	\$ 381,307
25a	Floodplain Mapping	CC&PS	\$ 9,300,000	\$ 22,684,972	\$ 21,518,542	\$ 1,166,430	\$ 1,166,430
25b	Streambed Mapping	DENR	\$ 2,685,000	\$ 2,680,565	\$ 2,680,565	\$ -	\$ -
26	Landslide Mapping	DENR	\$ 1,600,000	\$ 1,301,410	\$ 1,244,926	\$ 56,484	\$ 56,484
27	Funds to Implement Studies	OSBM/DENR	\$ 30,000,000	\$ 16,551,523	\$ 710,587	\$ 15,800,936	\$ 15,800,936
Total Mapping Studies			\$ 46,585,000	\$ 44,261,095	\$ 26,815,938	\$ 17,405,157	\$ 17,405,157
Other Disaster Relief Funds							
28	Private Bridge Repair (C&E, Highway Credit Bal.)	CC&PS/DOT	\$ 6,250,000	\$ 4,942,233	\$ 4,942,233	\$ -	\$ -
	C&E Share of Private Bridge)	CC&PS	\$ 500,000	\$ 500,000	\$ 500,000	\$ -	\$ -
29	Disaster Recovery Contingency	OSBM	\$ 10,443,290	\$ 175,000	\$ 175,000	\$ -	\$ -
29a	Western Recovery Coordinator's Office (606#110016 in 24310)	DENR	\$ -	\$ 344,634	\$ 240,063	\$ 104,571	\$ 104,571
30	Statewide Expenditures:						
30a	\$400,000 for all programs	OSBM	\$ -	\$ 77,072	\$ 74,658	\$ 2,414	\$ 2,414
30b	State Declared Disasters - (Alex, Charley, Jeanne)	CC&PS	\$ -	\$ 2,597,454	\$ 2,597,454	\$ -	\$ -
31	Hurricane Deobligations (Fran & Floyd)	CC&PS/OSBM	\$ -	\$ 6,341,531	\$ -	\$ 6,341,531	\$ 6,341,531
32	Other Disasters (Floyd, Isabel, Ophelia, Ice Storms)	CC&PS	\$ -	\$ 12,321,151	\$ 771,228	\$ 11,549,923	\$ 11,549,923
33	General Fund Reversion	OSBM	\$ -	\$ 26,000,000	\$ -	\$ 26,000,000	\$ 26,000,000
Total Other Disaster Relief Funds			\$ 17,193,290	\$ 53,299,075	\$ 9,300,636	\$ 43,998,439	\$ 43,998,439
Grand Total			\$ 247,541,447	\$ 247,541,447	\$ 152,234,348	\$ 95,267,098	\$ 95,267,098

Fund 24300 2119: Mercury Pollution Prevention

Statutory Authority: G.S. 130A-310.54

Purpose: Reimbursement for removal of mercury switches and development of a mercury minimization plan.

Source of Funding: \$1 from every Certificate of Title fee paid under G.S. 20-85. Certificate of Title fees are \$40 as of May 1, 2009.

Budget History:

	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Auth.	2009-10 Continuation Budget	2010-11 Continuation Budget
Expenditures	90,058	227,997	372,339	533,167	378,907	378,907
Receipts	1,553,692	2,431,013	2,307,234	533,167	378,907	378,907
Cash Balance	\$1,463,634	\$3,666,650	\$5,601,546			

Note: \$4,974,768 was transferred to the General Fund by the Governor on April 9, 2009 to cover FY 2008-09 revenue shortfalls.

Description: Fund provides resources for reimbursement to scrap metal recyclers for removal of mercury switches from end-of-life vehicles. Recyclers and other processors are reimbursed \$5 per switch. In FY 2007-08, recyclers were reimbursed for 17,150 switches at a cost of \$85,750.

Funding is also provided for developing and administering a mercury minimization plan.

Positions: 3.5

Note: Fiscal Research estimates that this program will continue to build a large fund balance if the program remains unchanged. Currently, use of the Fund is restricted to administration and reimbursement of recyclers and processors. To avoid building a large fund balance either 1.) the Certificate of Title transfer should be reduced to \$0.25 or 2.) the uses of the Fund should be expanded in Statute.

Fund 64305 6372: Inactive Hazardous Sites

Statutory Authority: G.S. 130A-298

Purpose: Assessment and remedial actions at contaminated sites.

Source of Funding: This fund has received General Fund one-time appropriations and some penalty money. G.S. 130A-298 states that the Department shall maintain the Fund with fees collected under G.S. 130A-294(a)(6), which are fees on hazardous waste disposal facilities; however, the Department has not implemented this fee because disposal facilities for hazardous waste do not exist in NC. Per S.L. 2008-107, \$400,000 from interest earned on the Dry Cleaning Solvent Cleanup Fund cash balance was transferred to this Fund in FY 2008-09.

Budget History:

	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Auth
Expenditures	\$860,679	\$936,008	\$738,175	\$417,460	\$1,138,174
Receipts	\$869,897	\$1,895,069	\$771,945	\$67,803	\$400,000
Cash Balance	\$142,564	\$1,101,625	\$1,135,395	\$785,737	

Description: Funds the cost of cleaning up hazardous sites, primarily those that pose an imminent threat or have no viable responsible party.

Positions: 0

Fund 64305 6379: Inactive Hazardous Sites – S.B. 1492

Statutory Authority: G.S. 130A-310.11

Purpose: Assessment and remediation at pre-1983 landfills

Source of Funding: G.S. 130A-310.11 states that the Fund shall consist of General Fund appropriations, grants, taxes, and other monies paid to it or recovered by the Department. The primary source of funding is 50% of the revenue collected from the Solid Waste Disposal Tax (G.S. 105-187.63(1)) established as \$2/ton.

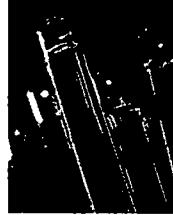
Budget History:

	<u>2008-09 Auth</u>	<u>2008-09 as of 5/4/09</u>
Expenditures	\$12,384,030	\$23,258
Receipts	\$12,384,030	\$1,843,367
Cash Balance		\$1,820,801

Description: Funding is used to assess and remediate un-permitted, pre-1983 landfills.

Positions: Up to 7% of revenue from Solid Waste Disposal Tax can be used for administration for the assessment and remediation of pre-1983 landfills (G.S. 130A-295.9). 6.0 positions have been authorized as of May 4, 2009.

Department of Commerce
Economic Development



House Appropriations Subcommittee on
Natural and Economic Resources
May 5, 2009



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Presentation Outline

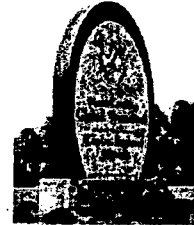
Economic Development in NC



The Tier System

Grant Programs

Issues for Further Discussion



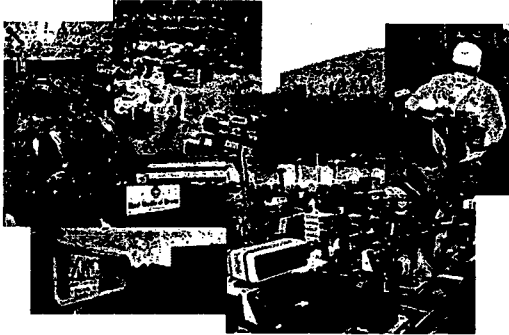
Statutory References

- G.S. 143B-434** Economic Development Board
- G.S. 143B-437.01** Industrial Development Fund
- G.S. 143B-437.02** Site Infrastructure Development
- G.S. 143B-437.04** Community Development Block Grants
- G.S. 143B-437.08** Development Tier Designation
- G.S. 143B-437.012** Job Maintenance and Capital Development
- G.S. 143B-437.1** Community Development Council
- G.S. 143B-437.5** Job Development Investment Grant Program
- G.S. 143B-437.54** Economic Investment Committee
- G.S. 143B-437.70** One North Carolina Fund
- G.S. 143B-437.80** One NC Small Business

Factors in Location

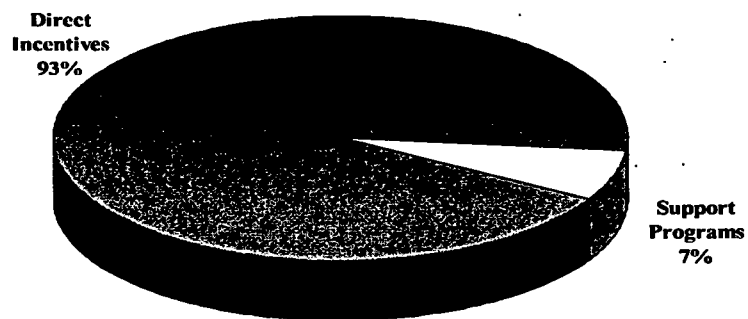
Availability of skilled workforce

Infrastructure



Economic Development in NC

**Economic Development Spending by Type
FY 2007-08**



Total: \$1.3 billion

Economic Development in NC

Economic Development by Fund Source FY 2007-08

Fund Source	Amount
Bill Lee Act Credits Taken	\$31,932,134
Tax Incentives	\$1,070,900,000
General Fund Appropriations	\$136,441,804
Transportation	\$65,250,000
Total	\$1,304,523,938

GF Appropriations for ED Incentives

FY 2008-09



Bill Lee Act

Created in 1996

- Divided counties into 5 enterprise tiers according to poverty level, unemployment rates, and population growth
- Created development zones
- Higher credits for facilities in lower tiers or development zones



Eligibility determined by:

- Primary business of taxpayer
- Primary business of establishment
- Location
- Number of jobs created

Article 3J Credits

Replaces the Bill Lee Act

- Effective beginning January 1, 2007
- Creates three tiers, Urban Progress Zones, & Agrarian Growth Zones
- Three types of credit: job creation, business property investment, and in Tier I, real property investment



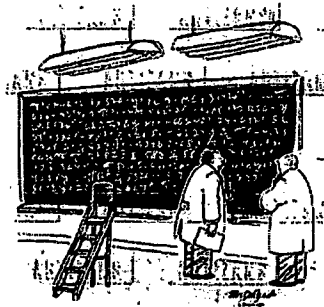
Eligibility determined by:

- Primary activity of taxpayer
- Average wage
- Location
- Number of jobs created

The Tier System

Based on ranking of:

- Unemployment
- Household Income
- Population Growth
- Property Value per Capita

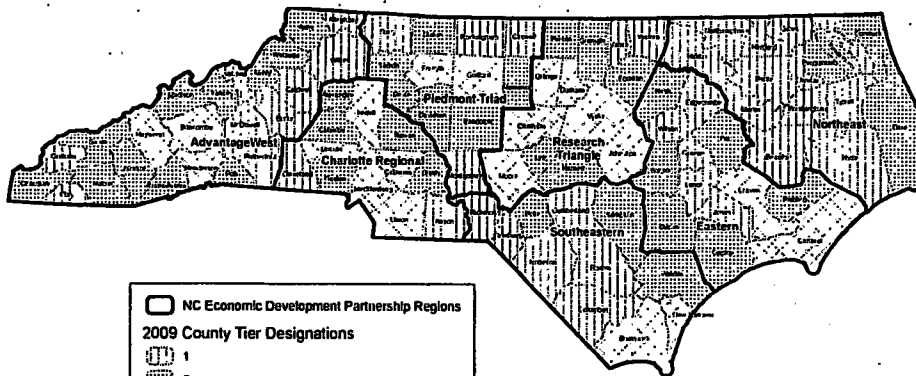


"Of course, this is just the simplified version."

Ranks for each are added together

- Higher total = greater distress level
- 2009 – Edgecombe is most distressed, Currituck is least
- *But* – adjustments are made for small populations so Currituck is Tier 2

The Tier System



NC Economic Development Partnership Regions
2009 County Tier Designations
 1
 2
 3

Commerce Grant Programs

Nine Commerce Grant Programs

- Job Development Investment Grant (JDIG)
- One North Carolina Fund
- Industrial Development Fund
- IDF Utility Account
- Job Maintenance and Capital Development
- One NC Small Business
- Green Business Fund
- Site Infrastructure Development
- Economic Development Reserve



Job Development Investment Grant (JDIG)

Discretionary grant program

- Funded in the Reserve Section of the budget
- \$27.4 million recurring

Eligibility Requirements:

- Tier I – create at least 10 new jobs; Tiers II & III - 20
- Not a retail business; not a sports team (unless motorsports)
- Health Insurance
- No OSHA violations



Grant recipients are chosen by the Economic Investment Committee

JDIG (con't)

Grant Amounts

- Determined by percentage of withholdings
- 25% transferred to Utility Account if Tier III
- 15% transferred to UA if Tier II
- Can't exceed 12 years

If a company does not meet the agreement terms, grant funds are not distributed



JDIG Outcomes



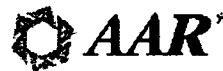
31,804 new jobs

**\$4.6 billion
investments**

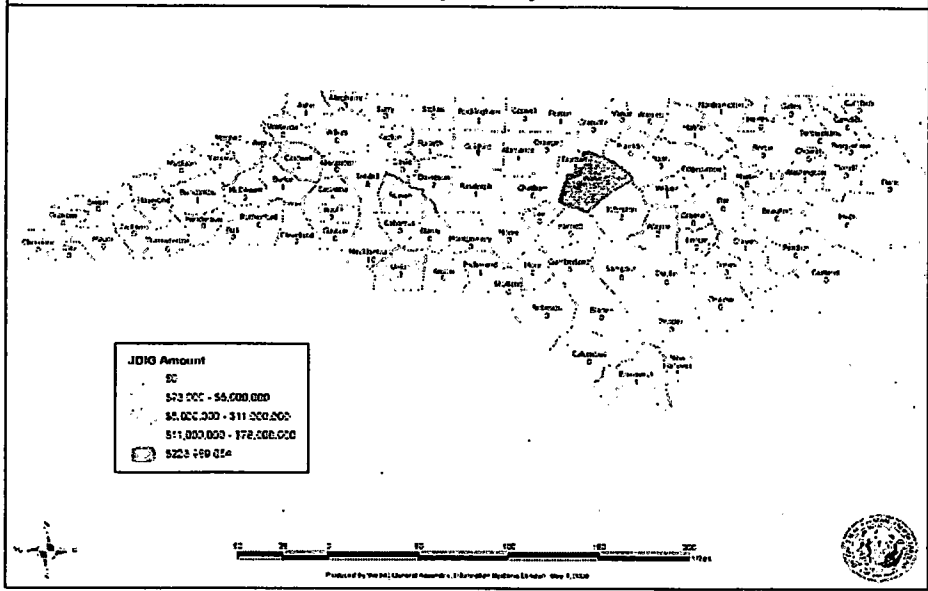
84 Grants



TESSERA 



JDIG Awards by County Since 2003



One NC

Discretionary Grant Program



- Subject to annual appropriations
- FY 08-09 \$5 million

Grant Uses

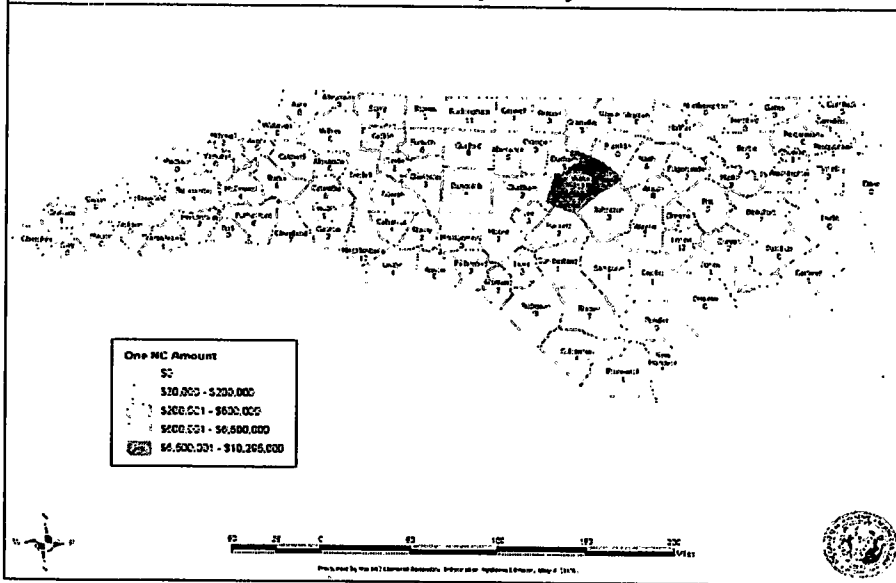
- Infrastructure development
- R&R to existing facilities
- Machine and equipment purchases



Requires Job Creation & Local Match

Grant recipients are chosen by the EI Committee

One NC Fund Awards by County Since 2003



Industrial Development Fund

Local Government Reimbursements

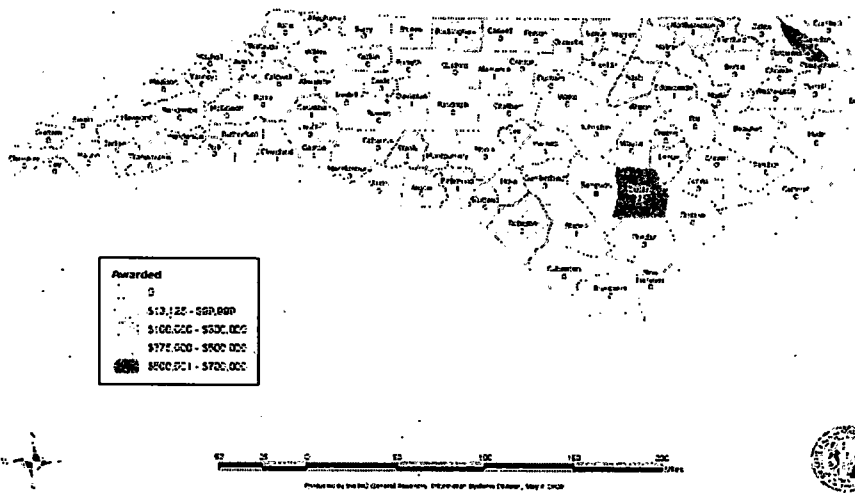
- Local grants for improved public infrastructure
- Local loans for building renovations or equipment purchases (privately owned)
- No assistance for purchase of land or buildings

Projects must be in Tier I or II counties

Funding level limited to lower of \$500 k per project or \$5,000 per job created



IDF Awards by County Since 2003



IDF Utility Account

Same requirements as IDF except:

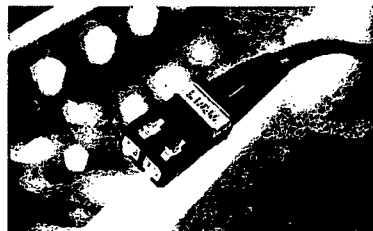
- No wage standard
- May be used for job retention

Funds come from JDIG Awards

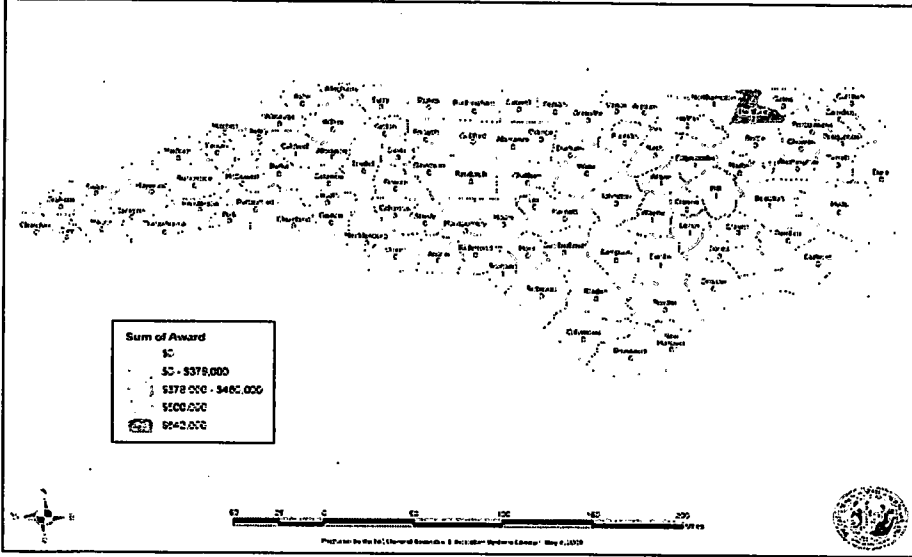
- 25% of awards to companies in Tier III
- 15% of awards to companies in Tier II

Used for construction of or improvements to:

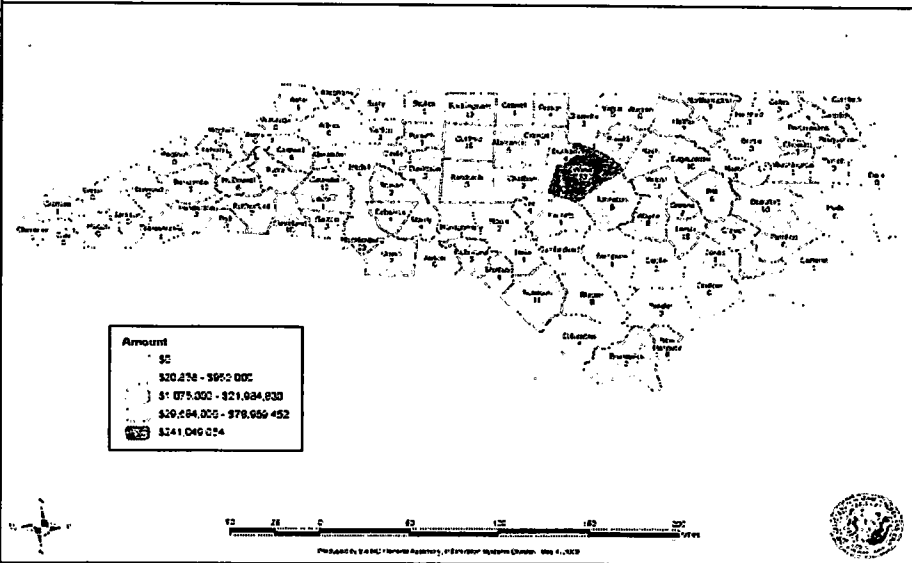
- Water, sewer, gas, telecommunications, broadband, electrical utility
- Transportation infrastructure



Utility Account Awards by County Since 2003



Major Economic Development Fund Awards by County Since 2003



Job Maintenance and Capital Development

Created in 2007

- Existing companies in Tier I counties
- Company must invest \$200 m
- Maintain 2,000 existing jobs

Total Grants Max \$60 m

FY 2008-09 - \$5 m

Two Recipients:



One NC Small Business Fund

Created in 2005

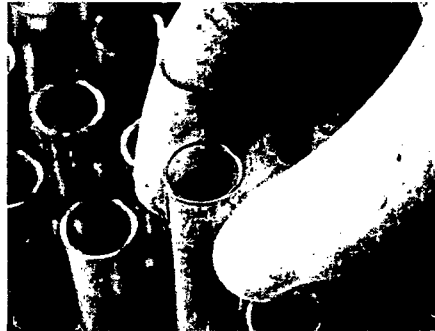
Matching Fund

- Matches federal SBIR/STTR grants
- Up to \$100,000

Incentive Fund

- Reimbursement for costs incurred applying for SBIR/STTR
- 50% of costs up to \$3,000

FY 2008-09 - \$4.75 m



Green Business Fund

Created in 2007

Encourage development of biofuels and green building industries

Leverage investment in clean technology and renewable energy products

Eligible Recipients:

- Small business (less than 100 emp.)
- Nonprofits
- State Agencies

Max Award - \$100,000

FY 2008-09 - \$1 m



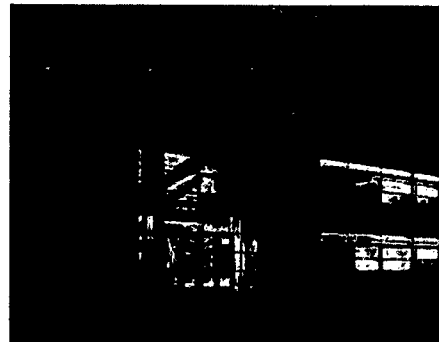
Other Funds

Site Infrastructure Grant

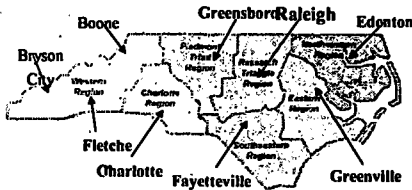
- Created in 2003
- Grants or loans for acquisition of land
- \$24 m to Merck in 2009

Economic Development Reserve:

- Created in 2006
- Governments and Nonprofits
- For local ED projects or land acquisition
- \$10 m in FY 2006-07



Who Develops?



9 Regional Offices



7 International Offices

Commerce

Regional Economic Development Commissions

COGs

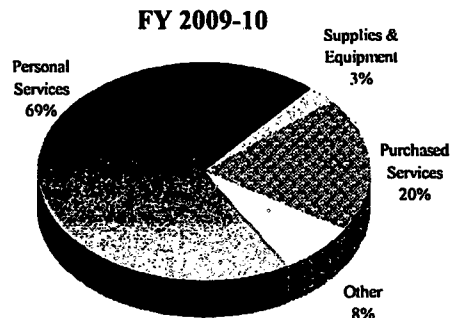
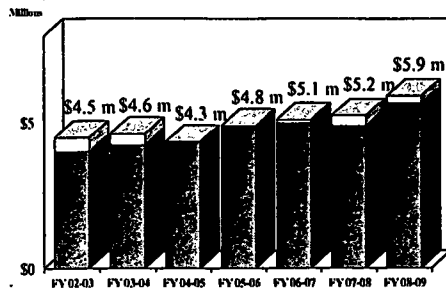
Local Economic Development Offices



Division of Business and Industry (B&I)

- Recruitment, retention, and expansion services
- Business ServiCenter
- BLNC (www.blnc.gov)

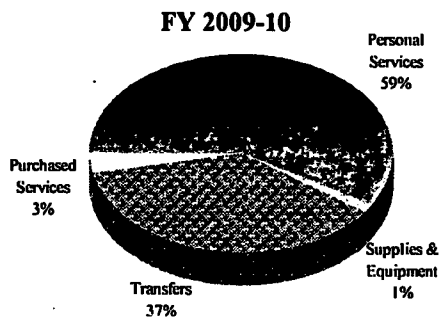
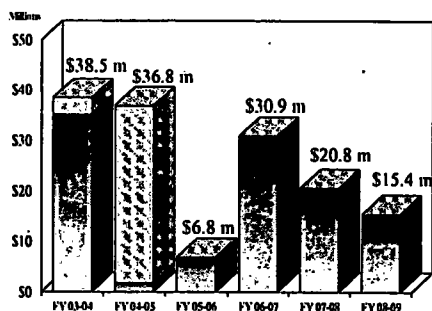
Continuation Budget: \$5,577,268



Commerce Finance

- Administers JDIG, One NC, IDF, JMAC & Industrial Revenue Bonds

**Continuation Budget:
\$5,874,669**



Note: Pie chart does not include \$5 m for JMAC

Commerce Finance Budget Actions

2007

Green Business Fund	\$ 1,000,000 NR
One NC Fund	\$14,000,000 NR
One NC Small Business Fund	\$ 4,830,000 NR
Reduce IDF Cash Balance	(\$ 169,789) NR

2007 Extra Session

JMAC	\$ 5,000,000 NR
------	-----------------

2008

Operating Efficiencies	(\$4,080) R
One NC Fund	\$5,000,000 NR
One NC Small Business	\$3,500,000 NR
Green Business Fund	\$1,000,000 NR

Governor's Recommendations

Continuation: Makes \$5 m appropriation for JMAC recurring

Economic Development Funds

24600-2533 One North Carolina:	\$51,678,057
24600-2534 One NC Small Business:	\$ 3,147,732
24600-2581 JDIG Fees:	\$ 318,777
24600-2711 IDF:	\$ 3,647,458
24600-2712 Utility Account:	\$ 6,959,924



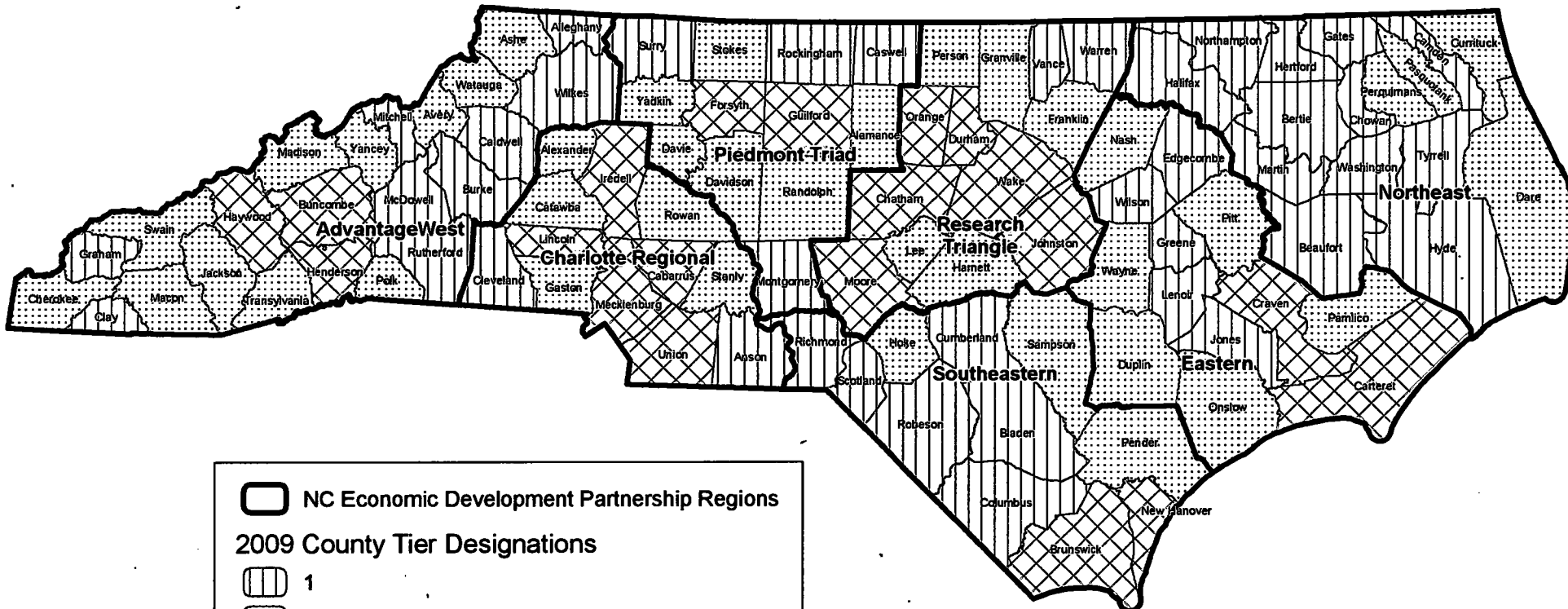
Issues for Further Discussion

- **Is the State making the best use of limited resources through the existing programs?**
- **What changes need to be made to the current programs to make them more effective?**
- **Is one approach appropriate for the entire State, or should different tactics be used for different areas?**



Questions





NC Economic Development Partnership Regions

2009 County Tier Designations

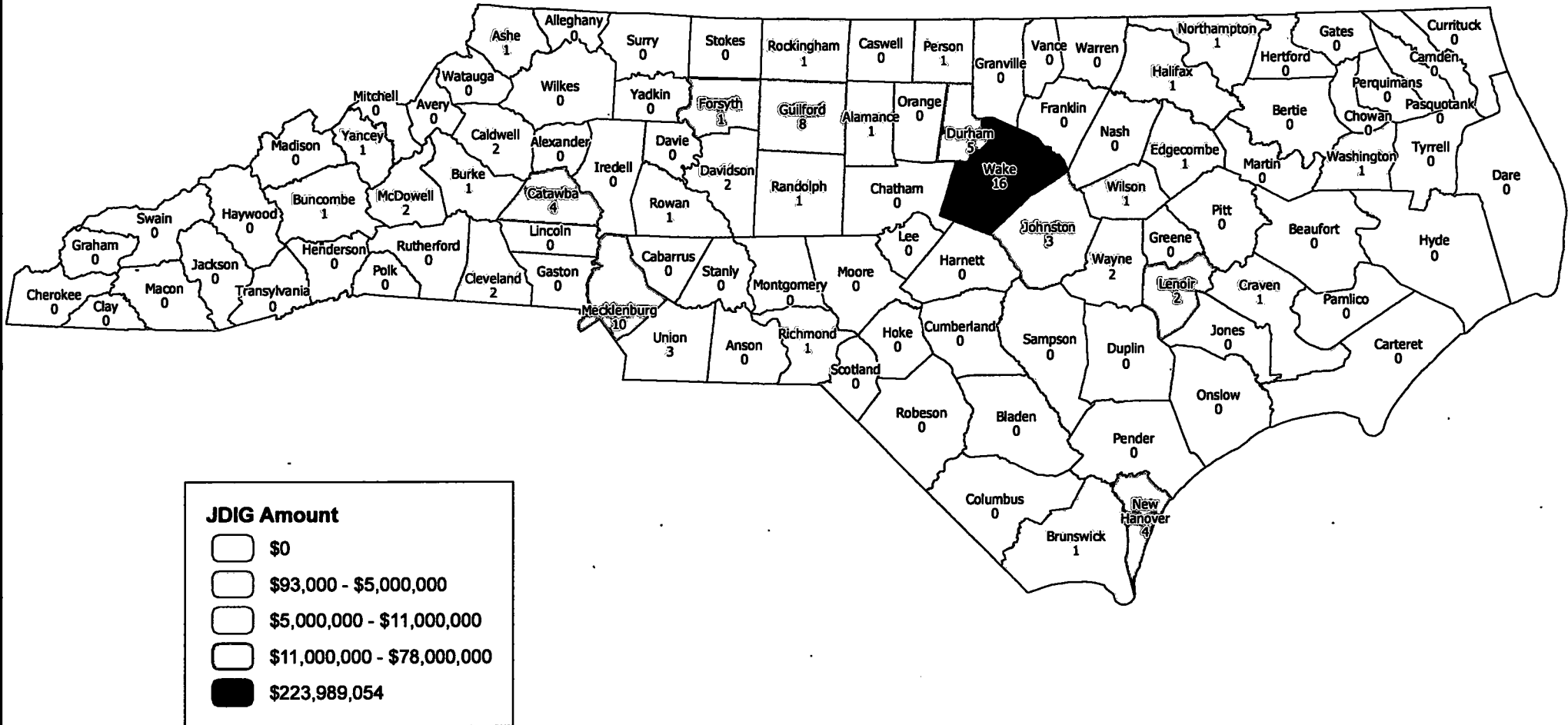
-  1
-  2
-  3



Produced by the NC General Assembly, Information Systems Division, April 28, 2009.



JDIG Awards by County Since 2003

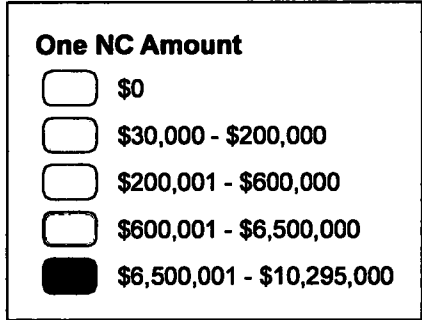
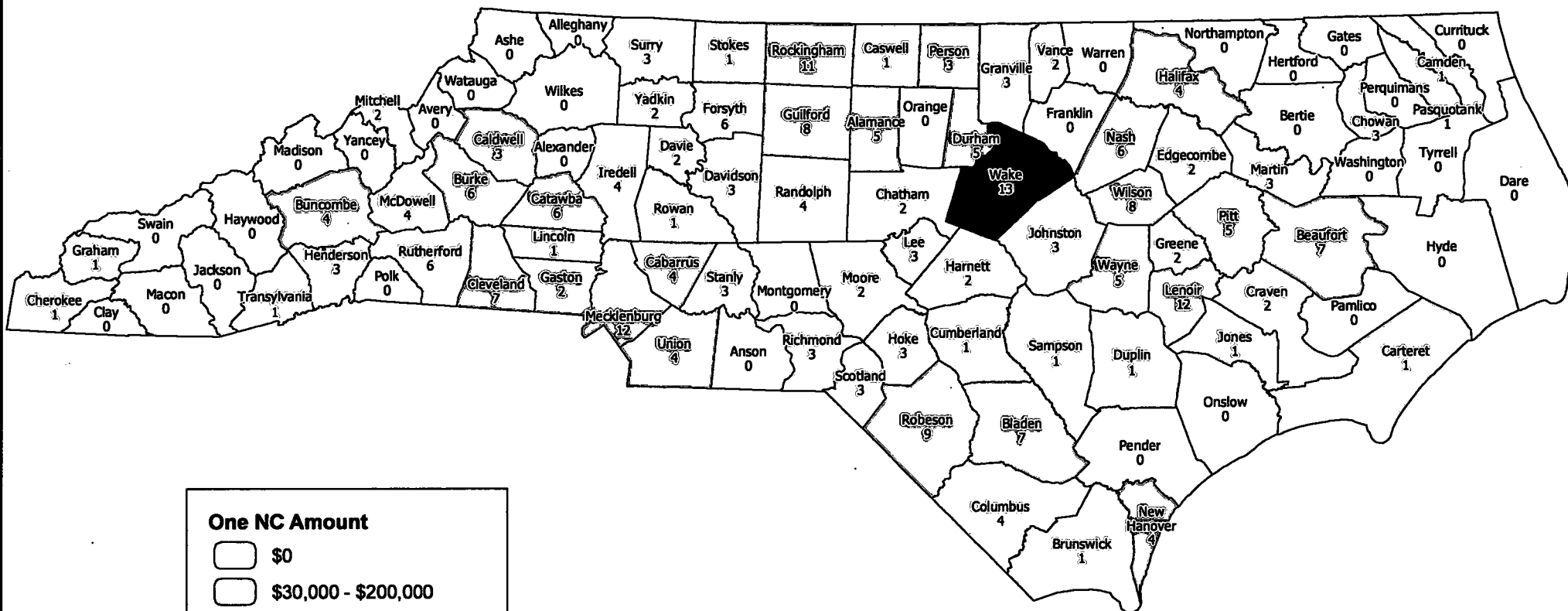


JDIG Amount

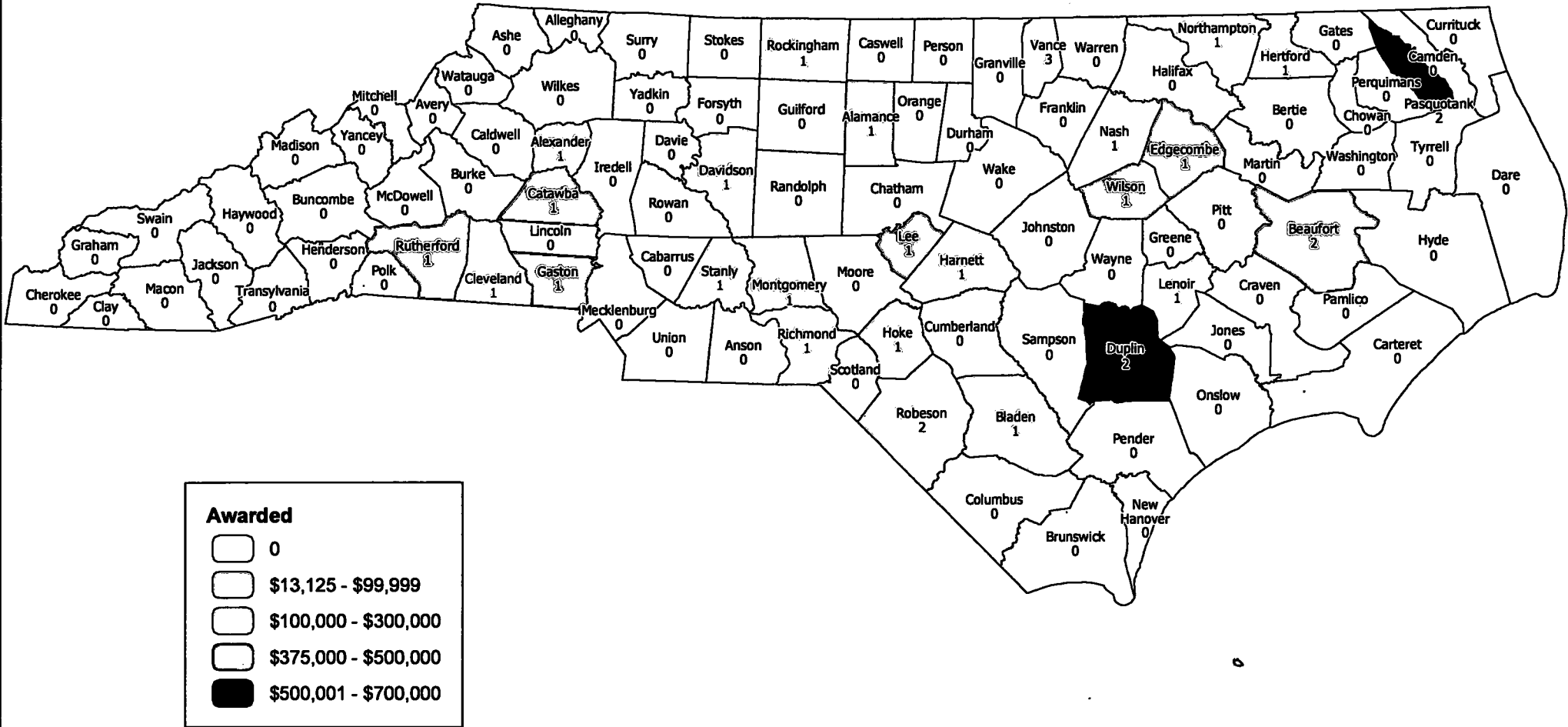
- \$0
- \$93,000 - \$5,000,000
- \$5,000,000 - \$11,000,000
- \$11,000,000 - \$78,000,000
- \$223,989,054



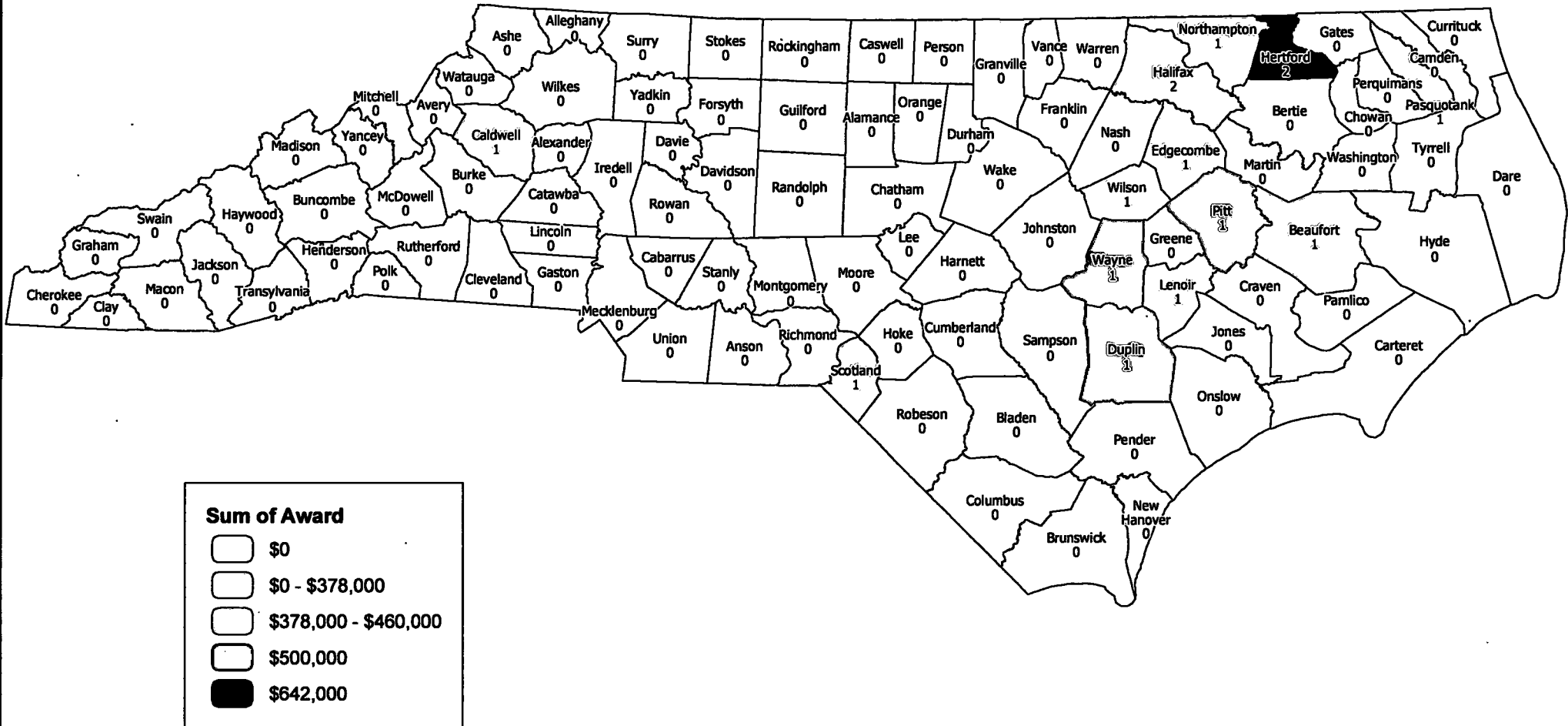
One NC Fund Award by County Since 2003



IDF Awards by County Since 2003



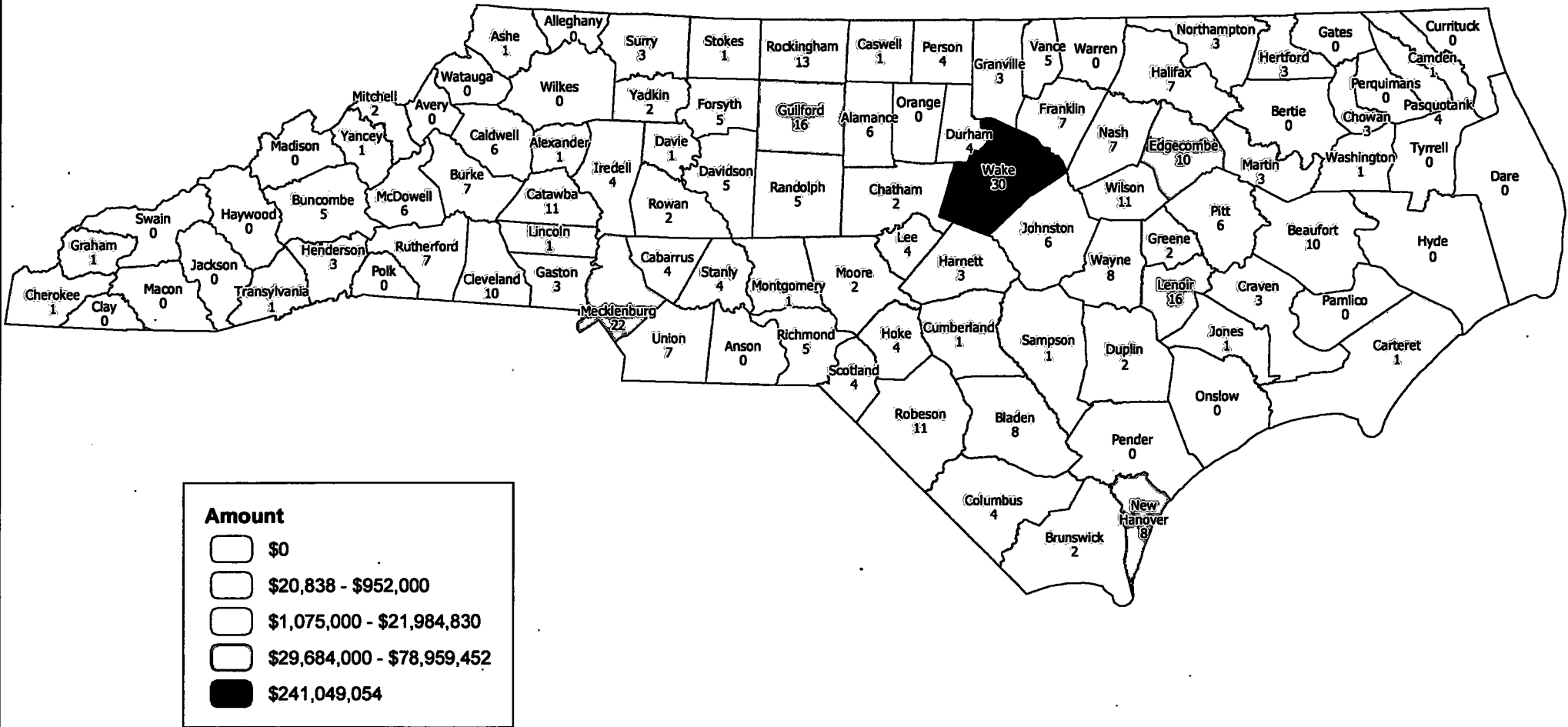
Utility Account Awar by County Since 2003



Produced by the NC General Assembly, Information Systems Division, May 4, 2009.



Major Economic Development Incentive Awards by County Since 2000



NER Stimulus Funds



NORTH CAROLINA
the state of minds

House Appropriations Subcommittee on
Natural and Economic Resources

May 5, 2009



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

NER Stimulus Funds



NORTH CAROLINA
the state of minds

House Appropriations Subcommittee on
Natural and Economic Resources

May 5, 2009



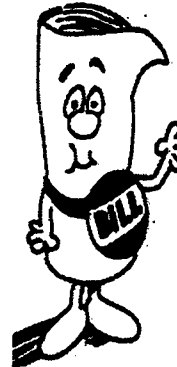
FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

NER Stimulus Funds

*"No money shall be drawn from the
State treasury but in consequence
of appropriations made by law..."*

Article V, Section 7, NC
Constitution

All stimulus funds must be appropriated.



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

May 5, 2009

NER Stimulus Funds

Emergency Food Assistance:	\$ 3.9 m
Aquaculture Farmers:	\$ 0.5 m
Division of Air Quality:	\$ 1.7 m
Water Quality Planning:	\$ 0.7 m
LUST Funds:	\$ 3.8 m
State Revolving Funds:	\$ 137 m
Community Development Block Grant:	\$ 19 m
Workforce Investment Act:	\$79.8 m
Employment Security Commission:	\$ 231 m



Total: \$478 m



Workforce Investment Act (WIA)



- Created a comprehensive workforce investment system
- Provides \$120 million for workforce programs in NC
- Mandates JobLinks and Commission on WFD

24 Local WFD Boards

104 JobLinks

State WFD Board = Commission on WFD

North Carolina



**Career Planning, Training
& Placement Services**

Workforce Investment Act

Adult and Dislocated Worker Core Services

- Job search and placement assistance
- Labor market information
- Initial assessment of skills and needs
- Information about services

Adult and Dislocated Worker Intensive Services

- More comprehensive assessments
- Development of individual plans
- Group and individual counseling
- Case management
- Short-term, pre-vocational services



In cases where intensive services are not sufficient, clients may receive training services which are *directly related to job opportunities in their area.*

WIA Youth Services

Eligibility

- Low-income youth ages 14-21
- School drop-out
- Basic literacy skills deficient
- Homeless, runaway, or fostered
- Pregnant or a parent
- Offender
- Need help completing an educational program or holding a job.

Services

- Tutoring, study skills, instruction
- Alternative school services
- Mentoring
- Paid and unpaid work experience
- Guidance and counseling



WIA Statewide Activities

Must be Used for:

- Incentive Grants
- Technical Assistance
- Management Information Systems
- Evaluation
- One-Stop System Building

May be Used for:

- Incumbent Worker Projects
- Adult and Youth Activities
- Additional System Building
- Administration



 FISCAL RESEARCH DIVISION
A Unit of the State of North Carolina

May 5, 2009

Workforce Investment Act

Total Stimulus Funds: \$79,827,126

- Adult: \$10,337,165
- Youth: \$25,070,698
- Dislocated Worker: \$44,419,273

10% of each reserved for Statewide Activities

25% of Dislocated Worker reserved for Rapid Response



\$56,748,247 to Local Boards
\$23,078,889 to Commerce

 FISCAL RESEARCH DIVISION
A Unit of the State of North Carolina

May 5, 2009

Unemployment Insurance Trust Fund

- Unemployment Insurance taxes go into the Trust Fund
- Funds in the UI are used to pay unemployment benefits
- ESC is currently paying out \$22 m per day in benefits
- To date, NC has borrowed \$375 m to pay claims



Employment Security Commission

Four Programs

- **Regular Unemployment Insurance – 26 weeks**
Paid from State Unemployment Insurance Fund
- **Extended Unemployment Compensation (EUC Tier I) – 20 weeks**
Paid by federal government
- **Extended Unemployment Compensation (EUC Tier II) – 13 weeks**
Paid by federal government
- **Extended Benefits (EB) – 20 weeks**
Triggered when rate is 6.5% or higher for three months. Funded 50% by State, 50% by federal. Rate increased again triggering an additional 7 weeks in April.



Total: 79 Weeks

ARRA Changes to Benefits

- **Federal Additional Compensation (FAC)**

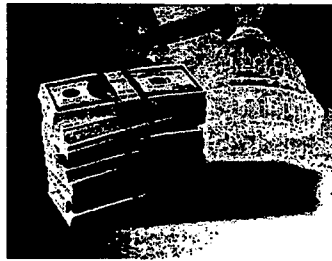
Pays an additional \$25 per week in benefits. Available from February 2009-July 2010

- **Extended Benefits (EB)**

100% federally funded for claims after February 19

- **Emergency Unemployment Compensation (EUC08)**

Extended until December 2009 and phased out by May 2010



ARRA Funds for ESC

- **UI Special Administrative Transfer: \$14,647,397**

- Hardware replacement and expansion
- Software updates
- Security enhancements
- Information systems staff
- Development of new systems, products, and analyses of unemployment system data



- **Wagner-Peyser Act and Reemployment Service: \$11,091,396**

- Local staff to provide reemployment services: \$7 m
- Equipment and maintenance for self- and assisted services: \$4 m

- **UI Modernization Incentive Payments: \$205,063,552**

- 1/3 for Alternate Base Period - \$68,354,517
- 2/3 Modernization of UI Eligibility - \$136,709,035

Questions



House Pages

Name of Committee: NER Date: 5-05-09

1. Name: Iniqua Janner
County: Hertford
Sponsor: Anne Mobley

2. Name: _____

County: _____

Sponsor: _____

Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

1. Name: David Shearon

2. Name: James Worth

3. Name: _____

4. Name: _____

VISITOR REGISTRATION SHEET

NER

5-5-09

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jay Stem	NCAA
Alicia DA	MWC
Doug Lassiter	NCSTA
Scott Hamilton	AWFBC
CHARLES HAYES	RTRA
Tom Coas	TNC
Angie Bailey	e-NC Authority
Joy Hicks	NCDA:CS
Linda Andrews	NCFB
LAWRENCE BIVINS	NCPED
Amy McConkey	Smith Anderson

VISITOR REGISTRATION SHEET

NER

Name of Committee

5/5/09

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

NAME	FIRM OR AGENCY AND ADDRESS
ART BRITT	LABOR
JENNIFER HAIGWOOD	LABOR
JACK BRINSON	LABOR
Sarah Clapp	NCWRC
GORDON MYERS	NCWRC
LORI ANN HARRIS	LAAA
Bob Spurr	NCPA

APPROPRIATIONS SUBCOMMITTEE ON
NATURAL AND ECONOMIC RESOURCES

MINUTES
May 13, 2009


Representative Pricey Harrison, Chair, called the meeting of the Appropriations Subcommittee on Natural and Economic Resources to order at 6:30 p.m. at her desk in the House Chamber on May 13, 2009. In addition to Rep. Harrison, those in attendance included Representatives Warren, Samuelson, Bryant, Wray and Wilkinson. Representative Harrison relinquished the chair to Representative Warren to facilitate the introduction of a technical amendment in the form of a Committee Substitute for House Bill 684, Exhibit A, in order to be introduced on the floor of the House of Representatives, pursuant to Rule 36(b).

Representative Samuelson made a motion to accept a favorable report as to the committee substitute bill, unfavorable to the original bill, seconded by Representative Bryant. The voice vote was unanimous.

The meeting was adjourned at 6:45 p.m.



Rep. Pricey Harrison, Chair


Sue O. Osborne, Clerk

Attachments:

Committee Substitute, Exhibit A

2009 Permanent Subcommittee Report, Exhibit B

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

D

HOUSE BILL 684*
PROPOSED COMMITTEE SUBSTITUTE H684-PCS80441-RK-51

Short Title: NC Farmland Preservation Trust Fund.

(Public)

Sponsors:

Referred to:

March 19, 2009

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE A CHANGE TO THE MEMBERSHIP OF THE NORTH CAROLINA
3 AGRICULTURAL DEVELOPMENT AND FARMLAND PRESERVATION TRUST
4 FUND ADVISORY COMMITTEE, AND TO MAKE TECHNICAL CHANGES.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. G.S. 106-744(c) reads as rewritten:

7 "(c) There is established a "North Carolina Agricultural Development and Farmland
8 Preservation Trust Fund" to be administered by the Commissioner of Agriculture. The Trust
9 Fund shall consist of all monies received for the purpose of purchasing agricultural
10 conservation easements or funding programs that promote the development and sustainability
11 of farming and assist in the transition of existing farms to new farm families, or monies
12 transferred from counties or private sources. The Trust Fund shall be invested as provided in
13 G.S. 147-69.2 and G.S. 147-69.3. The Commissioner shall use Trust Fund monies for any of
14 the ~~following~~ following purposes:

- 15 (1) ~~The~~ For the purchase of agricultural conservation easements, including
16 transaction costs.
- 17 (2) ~~Public~~ For the costs of public and private enterprise programs that will
18 promote profitable and sustainable family farms through assistance to
19 farmers in developing and implementing plans for the production of food,
20 fiber, and value-added products, agritourism activities, marketing and sales
21 of agricultural products produced on the farm, and other agriculturally
22 related business activities.
- 23 (3) To fund conservation agreements to bring into or maintain farmland in
24 active production of food, fiber, and other agricultural products.
- 25 (4) ~~The~~ For the costs of administering the program under this Article, including
26 the cost of staff and staff support."

27 SECTION 2. G.S. 106-744(c1) reads as rewritten:

28 "(c1) The Commissioner shall distribute Trust Fund monies for ~~such purchases, only the~~
29 purposes under subsection (c) of this section, including transaction costs, as follows:

- 30 (1) To a private nonprofit conservation organization that matches thirty percent
31 (30%) of the Trust Fund monies it receives with funds from sources other
32 than the Trust Fund.
- 33 (2) To counties according to the match requirements under subsection (c2) of
34 this section."



Exhibit A

1
2
3
4
5
6
7
8

SECTION 3. G.S. 106-744(g)(11) reads as rewritten:

"(11) ~~The Director of the Southeast Regional Office of the American Farmland Trust or the~~ The Executive Director of the Rural Advancement Foundation International – USA or the Executive Director's designee."

SECTION 4. This act is effective when it becomes law and the change in membership of the Agricultural Development and Farmland Preservation Trust Fund Advisory Committee under G.S. 106-744, as amended by Section 3 of this act, shall occur prior to the next quarterly meeting of the Advisory Committee that occurs on or after that date.

**2009 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) Harrison, Pierce, E. Warren (Chairs) for the Appropriations Subcommittee on Natural and Economic Resources.

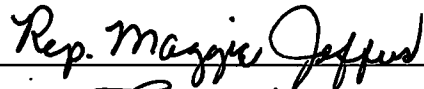
Committee Substitute for

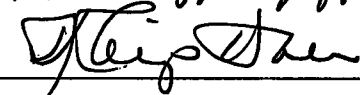
HB 684 A BILL TO BE ENTITLED AN ACT TO CLARIFY THAT THE NORTH CAROLINA AGRICULTURAL DEVELOPMENT AND FARMLAND PRESERVATION TRUST FUND IS A NONREVERTING ACCOUNT, TO MAKE A CHANGE TO THE MEMBERSHIP OF THE ADVISORY COMMITTEE FOR THE TRUST FUND, AND TO MAKE TECHNICAL CHANGES.

WITH APPROVAL OF STANDING COMMITTEE CHAIR(S) FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE:

Representative Michaux, Adams, Alexander, Crawford, Haire, Jeffus, Tolson, Yongue (Chairs) for the Standing Committee on Appropriations.

s/ 
Representative Mickey Michaux, Senior Chair

s/ 

s/ 

With a favorable report as to the committee substitute bill, which changes the title, unfavorable as to the original bill.

(FOR JOURNAL USE ONLY)

_____ Pursuant to Rule 32(a), the bill/resolution is re-referred to the Committee on _____

_____ The (House) committee substitute bill/(joint) resolution (No. _____) is re-referred to the Committee on _____. (The original bill/resolution) (House/Senate Committee Substitute Bill/(Joint) resolution No. _____) is placed on the Unfavorable Calendar.

_____ Pursuant to Rule 36(b), the committee substitute resolution is placed on the Calendar of _____. The original resolution is placed on the Unfavorable Calendar.

Exhibit B
5-13-09

MINUTES

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL & ECONOMIC RESOURCES

May 19, 2009

8:30 AM

The House Appropriations Subcommittee on Natural & Economic Resources met in Room 423 of the Legislative Office Building on May 5, 2009, at 8:30 a.m. Representative Warren called the meeting to order and welcomed the attendees. She then introduced the Sergeants-at-Arms: Ken Burroughs, David Shearon, and James Worth. She also introduced the House Pages: Danner Washburn, Michael MoDrak, and Anna Killian.

The following Committee members were present: Co-Chairs: Representatives Harrison, Pierce, and Warren; Vice Chairs: Representatives Wilkins and Wray; Members: Representatives Bryant, Langdon, Sager, Samuelson, and West. Staff Counsel Kristine Leggett, Lanier McRee and Kristin Walker were also in attendance.

The following attachments are included and made part of the minutes: Meeting Agenda, Attachment 1; Attendance List, Attachment 2; Budget Process, Attachment 3; House Appropriations Subcommittees Guidance and Rules: May 18, 2009, Attachment 4; Subcommittee Target by Agency: FY 2009-2010, Attachment 5; Department of Labor, Attachment 6; Department of Agriculture and Consumer Services, Attachment 7; list of Pages and Sergeants-at-Arms, Attachment 8; Visitor Registration Sheets, Attachment 9.

At the first order of business, Representative Warren called on Kristine Leggett to present the budget process. Copies of the documents she used are attached and made part of the minutes as Attachments 3, 4, and 5. Ms. Leggett opened her presentation by showing a flow chart of activities and projected dates for completing the budget process. She noted that the Governor released her recommended budget in March and that the Senate passed its version in April. She noted that the goal is for the House to pass the budget in June and for the conference budget to pass by June 30.

In the next part of her presentation, Ms. Leggett discussed the NER continuation budget for FY 2009-2010 and the reduction required. She compared the \$355 million target with different versions of the budget: \$43.5 million less than the continuation budget (\$398 million), \$38.9 million less than the FY 08-09 authorized, recurring only (\$393 million), \$39.5 million less than the Governor's recommended (\$394 million), and \$34.3 million less than the Senate recommended (\$388 million).

Ms. Leggett then reviewed the rules given to the Appropriations subcommittees by the full Appropriations committee. She pointed out the following starting points:

1. All subcommittees must eliminate continuation budget increases.
2. All subcommittees must consider eliminating positions vacant since 7/1/2008.
3. All subcommittees must reduce purchased services (including contracts) by at least one percent.

In closing, Ms. Leggett reviewed the targets by agency for fiscal years 2009-2010 and 2010-2011. The overall target for NER for 2009-2010 is \$354.6 million, a 6% decrease. For 2010-2011 the target is \$349.6 million, an 8% decrease. The handout she distributed shows the reductions required by agency, assuming that each agency is reduced by the same percentage. She noted that the rules do not require percentage cuts to be equal across agencies.

The next topic on the agenda was a discussion of budget options for the Department of Labor, with the discussion led by Kristin Walker. A copy of the handout used in her presentation is attached and made part of the minutes as Attachment 6. She began by stating that the reductions listed are suggestions for the subcommittee and pointed out that the total is greater than required. In addition, she noted that some items are suggested cuts but that the shaded items are not optional, based on the rules given to the Appropriations subcommittees. She told the members that although there would not be an official vote taken in this meeting, the chairs would take their recommendations to the chairs of the full committee.

Ms. Walker then reviewed the 10-year history of General Fund appropriations for the Department of Labor. In the discussion following the presentation, there was a brief period of discussion regarding the suggested reductions.

Representative Warren next introduced Lanier McRee to present options for reductions within the Department of Agriculture and Consumer Services. A copy of the handout used in her presentation is attached and made part of the minutes as Attachment 7. Ms. McRee first presented the 10-year history of appropriations for the Department. She pointed out a jump in fiscal year 2007-2008 that included Farmland Preservation and Biofuels, both of which were non-recurring.

In the next section of her presentation, Ms. McRee reviewed a list of suggested cuts for the committee to consider. She stated that some of the cuts were optional, while others were required under the rules given to the Appropriations subcommittees. Ms. McRee also provided a chart showing expenditures and revenues for each of the five locations of the Veterinary Diagnostic Laboratory System. Following the presentation, there was a brief period of discussion regarding the possible reductions.

Representative Warren reminded the members that the cuts offered for consideration total more than the required percentage for reduction. Ms. Leggett added that some of the ideas came from the agencies, while staff also made suggestions. The agencies will also have an opportunity to provide feedback.

There being no further business, the Chair adjourned the meeting at 9:40 a.m.

Respectfully submitted,



Representative Edith D. Warren
Co-Chair

Martha M. Hoover

Martha M. Hoover
Assistant to the Committee

ATTACHMENTS:

1. Agenda
2. Attendance List
3. Budget Process
4. House Appropriations Subcommittees Guidance and Rules: May 18, 2009
5. Subcommittee Target by Agency: FY 2009-2010
6. Department of Labor
7. Department of Agriculture and Consumer Services
8. List of Pages and Sergeants-at-Arms
9. Visitor Registration Sheets

House Appropriations Subcommittee on NER

Agenda

Tuesday, May 19, 2009, 8:30 A.M.
Room 423, Legislative Office Building

Rep. Warren, Presiding

I. Welcome

Rep. Warren

II. House Subcommittee Target and Rules

Kristine Leggett, *Fiscal Research Division*

III. Labor Budget Options

Kristin Walker, *Fiscal Research Division*

IV. Agriculture Budget Options

Lanier McRee, *Fiscal Research Division*

V. Committee Discussion

VI. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

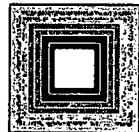
Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

House Appropriations Subcommittee on
Natural and Economic Resources

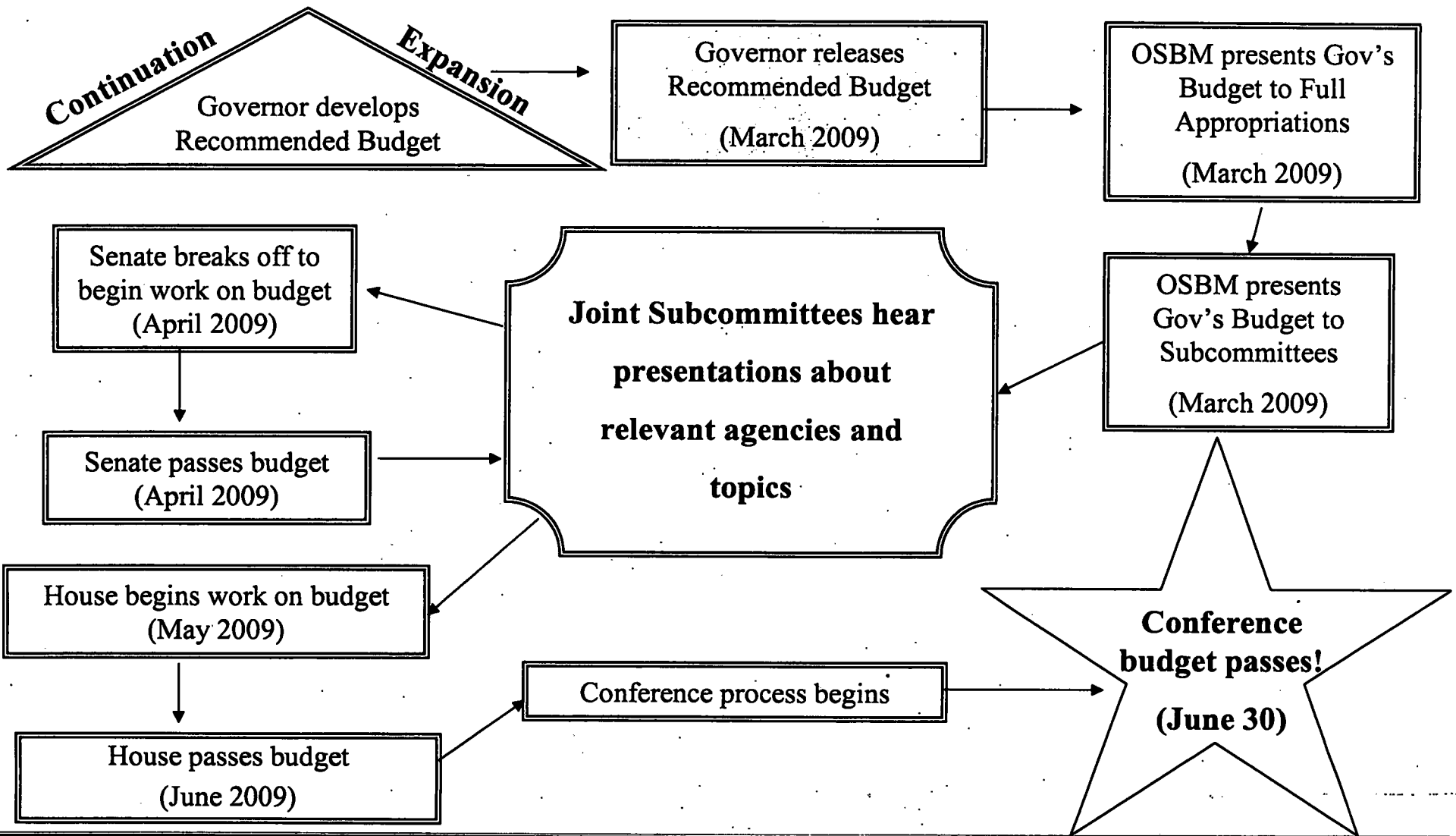
Budget Process

May 19, 2009



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

The Budget Process



Schedule

May 27 – Subcommittee Completes Work

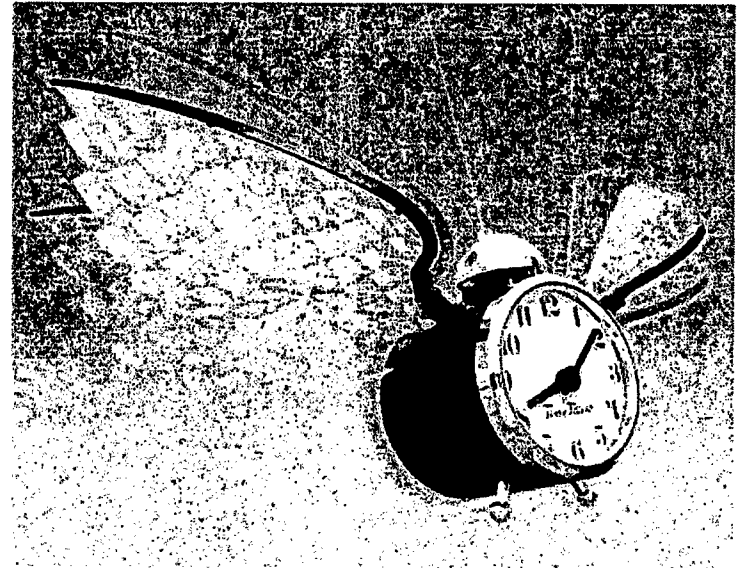
May 28 – Subcommittees Report to Full Chairs

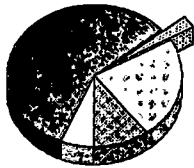
June 4 – Subcommittees Vote

June 15 – Full Appropriations

June 18 – House Budget Passes

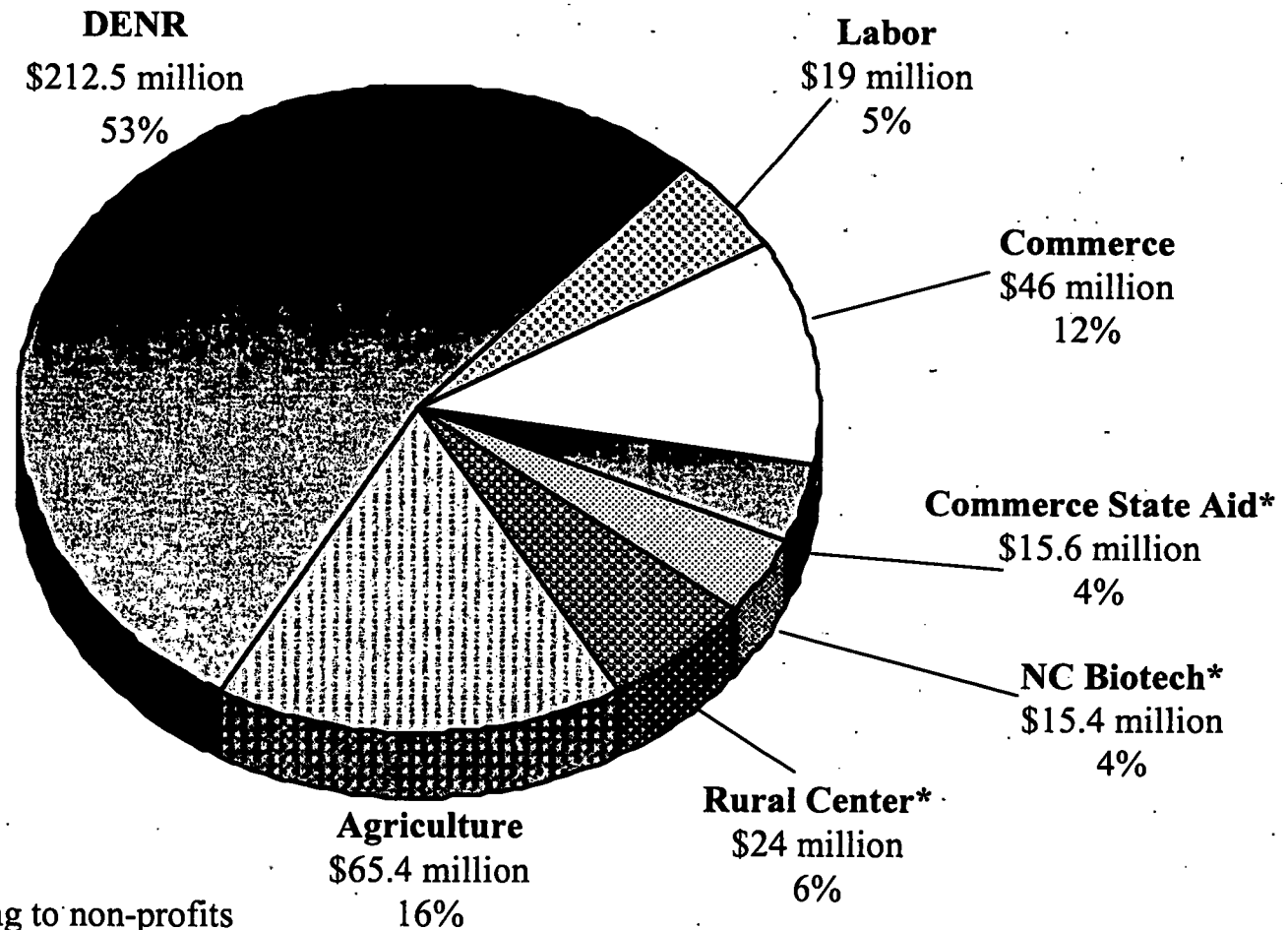
June 30 – Conference Report Adopted



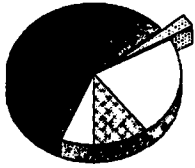


NER Continuation Budget FY 2009-10

**Total Continuation
Budget:**
\$398 million

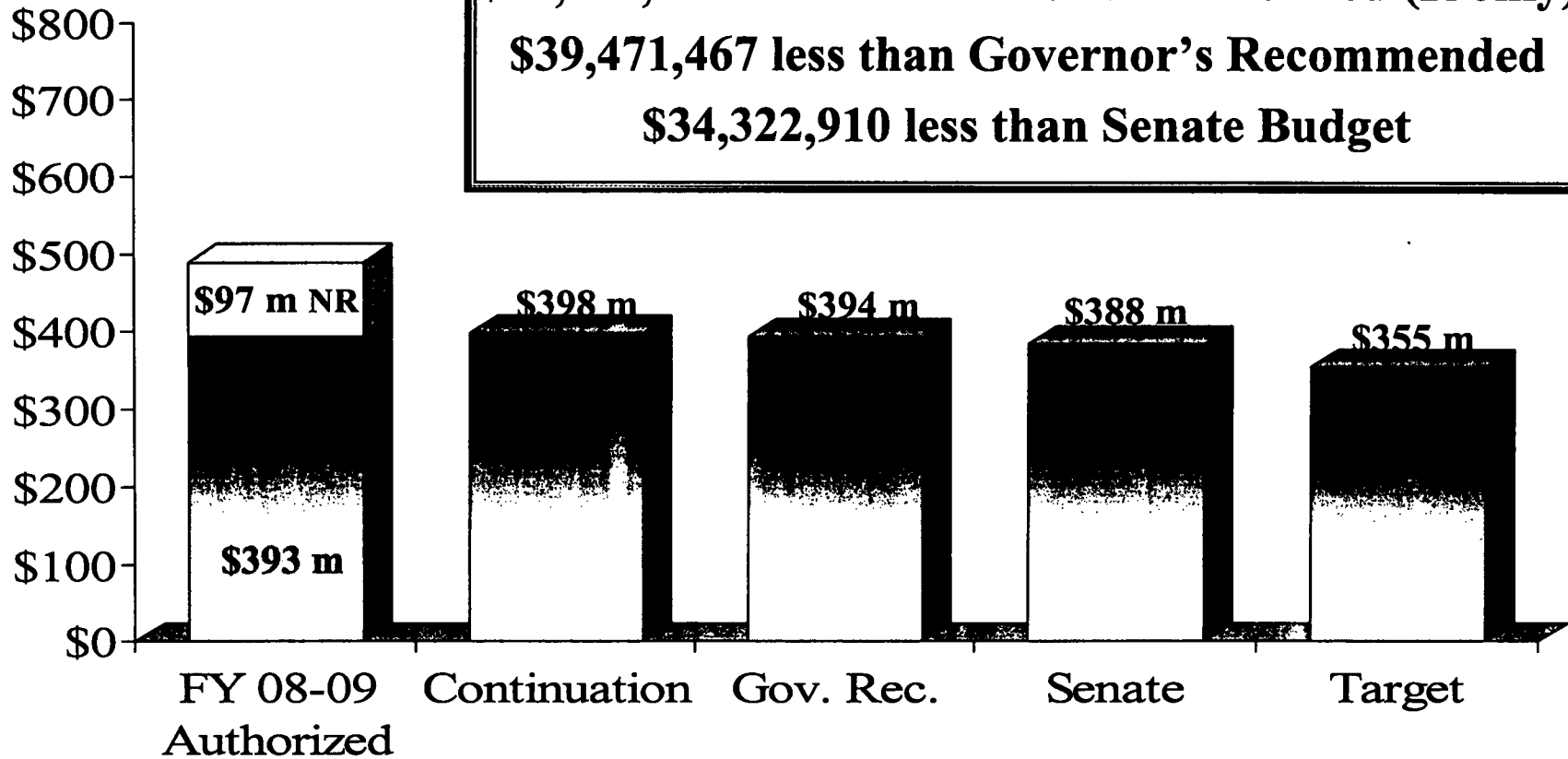


* Recurring pass-through funding to non-profits



Comparisons

Millions



Target is:
\$43,540,559 less than Continuation
\$38,910,185 less than FY 08-09 Authorized (R only)
\$39,471,467 less than Governor's Recommended
\$34,322,910 less than Senate Budget

Rules

1. **No expansion**
2. Eliminate all continuation budget increases
3. All reductions must be recurring
4. No negative reserves
5. Focus on core mission of agencies
6. Maximize federal stimulus funds
7. Reduce pass-through appropriations to non-profits
8. Identify at least one program of significant size for continuation review
9. Eliminate direct transfers from tax collections and move to appropriations
10. Clean Water Management Trust Fund will be handled by the Full Chairs



Starting Points

All subcommittees must eliminate continuation budget increases:

- Continuation budget increases are increases to the base budget for inflation, building reserves, equipment, etc.
- Continuation budget increases represent **new money** for the agencies.

All subcommittees must ^{consider} eliminate ^{ing} positions vacant since 7/1/2008.

Starting Points

All subcommittees must reduce purchased services (including contracts) by at least one percent. Subcommittee chairs recommend the following reductions for all agencies:

- Non-employee expenditures (100%)
- Employee Education Assistance (50%)
- Office Furniture (100%)
- Registration Fees (50%)
- Cell Phones (50%)
- Membership Dues/Subscript. (50%)

Questions



2009 LEGISLATIVE SESSION

HOUSE APPROPRIATIONS SUBCOMMITTEES GUIDANCE AND RULES

May 18, 2009

1. **Focus Funding on the Core Mission of Each Agency**
2. **Require Agencies and Nonprofits to Justify the Budget**
 - Build on the General Assembly's past and current justification and continuation review initiatives: require state agencies and nonprofits to justify continuing selected expenditures.
 - Use this approach for:
 - Individual programs, including non-essential, ineffective, obsolete, redundant or new (created in the past four years) programs and services.
 - Specific line items within programs.
3. **Fund Mandatory Program Growth**
 - Fund adjustments for growth in mandatory programs and services (including public schools, Medicaid and prisons) within subcommittee targets.
4. **Subcommittee Money Reports Shall Not Include:**
 - Expansion funding.
 - Negative reserves or "management flexibility" reductions.
5. **Special Provisions Shall Not:**
 - Authorize the expenditure of reversions.
 - Include "shall not revert" or "carry forward" language.
 - Amend substantive policy or law and must be directly related to the budget. (House Rule 36.4).
6. **Subcommittee Money Reports Must:**
 - Identify all budget adjustments (reductions or mandatory increases) as recurring or non-recurring.
 - Identify all position changes for all funds (eliminations, fund shifts, newly-established).
7. **Utilize Reduction Strategies That:**
 - Eliminate ineffective or obsolete programs
 - Eliminate duplication of effort (Span of Control);
 - Eliminate administrative inefficiencies;
 - Streamline and consolidate departments, programs, offices, and services;
 - Reduce non-essential government services
 - Reduce non-profit funding
 - Minimize the loss of non-State revenues

8. Use Cash Balances of Non-General Funds, and Close the Funds When Possible

- Identify Special Funds that divert revenue from the General Fund; permanently close the funds and transfer balances and responsibilities to the General Fund, if feasible; if not feasible, then permanently close the funds and transfer balances and responsibilities to other funds as appropriate.

9. Eliminate Vacant Positions

- Consider eliminating vacant positions, especially those vacant for 6 months or more as of January 1, 2009.

10. Increase or Implement Fees

- Examine fees to determine if any increases are appropriate and could be used to offset operating appropriations. Subcommittees considering fee increases must first consult with House Full Chairs.

11. Examine Rate Changes

- Subcommittees shall not fund inflationary or rate increases and should reduce all rates by at least 1%

12. Use Federal American Recovery and Reinvestment Act (ARRA) funds

- Maximize any relevant federal Recovery funds
- Use the funds for supplanting and for non-recurring needs to the extent possible and allowed by federal regulations.

13. Propose a Continuation Review

- Identify at least one Continuation Review of **significant** size.

14. Consult the House Full Chairs

- Refer **all** salary-related, debt service, and other statewide issues to the House Full Chairs.
- Consult with House Full Chairs when considering fee increases.
- Consult with the House Full Chairs and the appropriate subcommittee chairs prior to proposing budget adjustments, program transfers or policy changes that impact another subcommittee area.

15. Consult Other Subcommittees as Necessary

- Consult with the chairs of the appropriate subcommittee and the House Full Chairs prior to proposing budget adjustments, program transfers or policy changes that impact another subcommittee area.

**House Appropriations Subcommittee on Natural and Economic Resources
Subcommittee Target by Agency
FY 2009-2010**

Target	\$354,600,000
Percent Decrease	6%

	Continuation Budget	Less Continuation Budget Increases	Less Technical Corrections	Adjusted Continuation Budget	6% Decrease	Target
Agriculture	\$65,402,492	(\$1,394,889)		\$64,007,603	\$4,068,502	\$59,939,101
Labor	\$19,064,773	(\$405,676)		\$18,659,097	\$1,186,024	\$17,473,073
DENR	\$212,524,097	(\$10,777,322)		\$201,746,775	\$12,823,589	\$188,923,186
Commerce	\$46,019,823	(\$1,893,394)	(\$5,000,000)	\$39,126,429	\$2,486,985	\$36,639,444
Commerce State Aid	\$15,642,232	\$0		\$15,642,232	\$994,264	\$14,647,968
NC Biotech	\$15,427,561	\$0		\$15,427,561	\$980,619	\$14,446,942
Rural Center	\$24,059,581	\$0		\$24,059,581	\$1,529,294	\$22,530,287
Total	\$398,140,559	(\$14,471,281)	(\$5,000,000)	\$378,669,278	\$24,069,278	\$354,600,000

**House Appropriations Subcommittee on Natural and Economic Resources
Subcommittee Target by Agency
FY 2010-2011**

Target	\$349,600,000
Percent Decrease	8%

	Continuation Budget	Less Continuation Budget Increases	Less Technical Corrections	Adjusted Continuation Budget	8% Decrease	Target
Agriculture	\$65,638,839	(\$1,844,203)		\$63,794,636	\$4,876,584	\$58,918,052
Labor	\$19,092,834	(\$433,681)		\$18,659,153	\$1,426,341	\$17,232,812
DENR	\$214,924,435	(\$13,107,174)		\$201,817,261	\$15,427,297	\$186,389,964
Commerce	\$46,028,986	(\$1,893,393)	(\$5,000,000)	\$39,135,593	\$2,991,600	\$36,143,993
Commerce State Aid	\$15,642,232	\$0		\$15,642,232	\$1,195,722	\$14,446,510
NC Biotech	\$15,427,561	\$0		\$15,427,561	\$1,179,312	\$14,248,249
Rural Center	\$24,059,581	\$0		\$24,059,581	\$1,839,160	\$22,220,421
Total	\$400,814,468	(\$17,278,451)	(\$5,000,000)	\$378,536,017	\$28,936,017	\$349,600,000

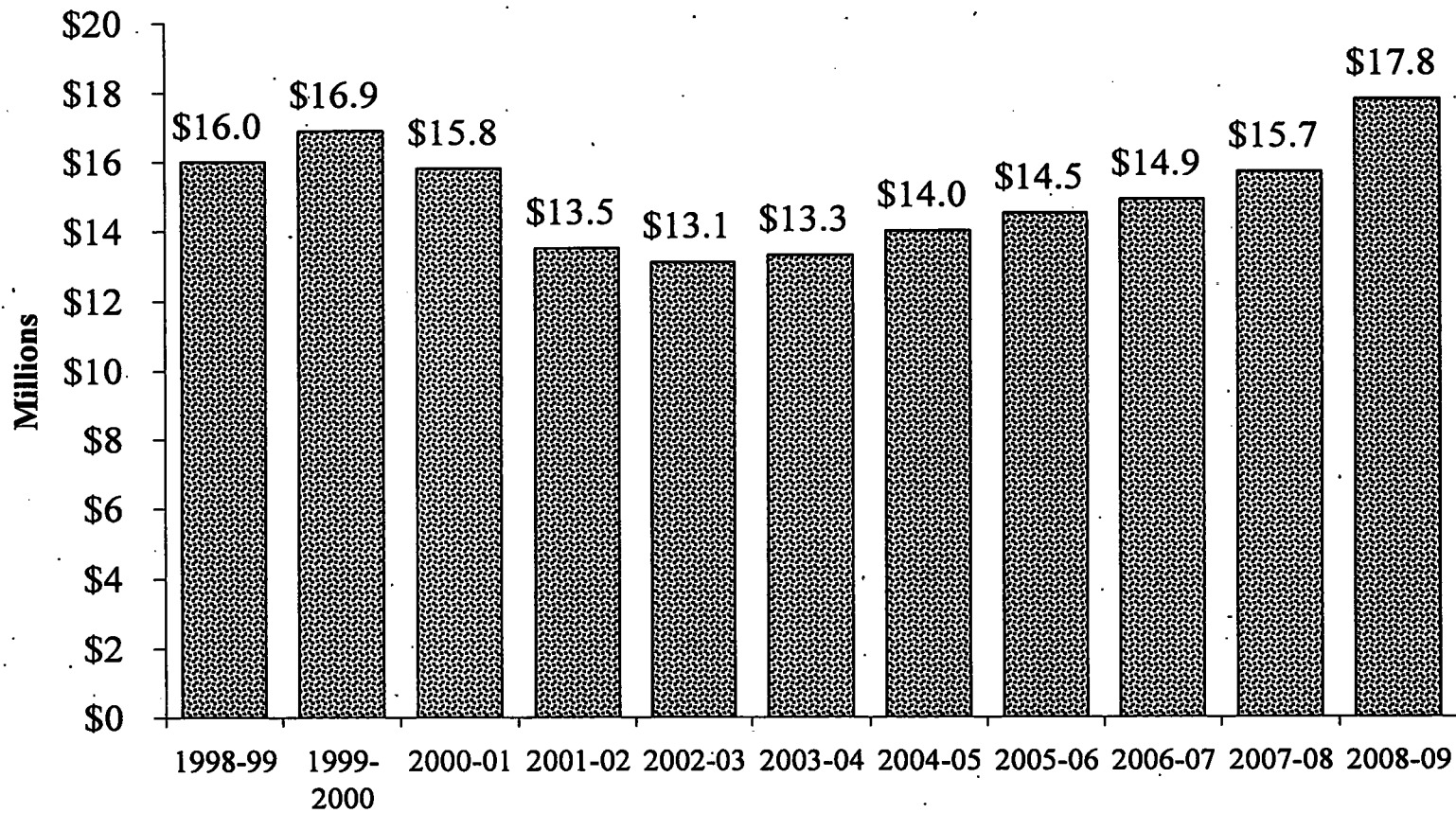
Labor

Budget Items		House	House		
		2009-10	2010-11		
		Amount	FTE	Amount	FTE
<i>Continuation Budget</i>		\$19,064,773	360.75	\$19,092,834	360.75
Reductions					
1	Eliminate Continuation Budget Increases	(\$405,676)		(\$433,681)	
<i>Adjusted Continuation Budget</i>		\$18,659,097		\$18,659,153	
2					
3					
4	Eliminate Vacant Positions	(\$431,371)	(8.00)	(\$431,371)	(8.00)
5	Eliminate Funding for Non-employee Travel, Education, & Subsistence - 100%	(\$2,768)		(\$2,768)	
6	Eliminate Funds for Office Furniture - 100%	(\$3,949)		(\$3,949)	
7	Reduce Funds for Cell Phones - 50%	(\$54,328)		(\$54,328)	
8	Reduce Funding for Registrations - 50%	(\$19,330)		(\$19,330)	
9	Reduce Funds for Employee Education - 50%	(\$4,979)		(\$4,979)	
10	Reduce Funds for Memberships & Subscriptions - 50%	(\$16,610)		(\$16,610)	
11	Raise OSH Publication Fees and Take GF Reduction	(\$21,325)		(\$21,325)	
12	Make Apprenticeship Program 50% Fee Supported	(\$900,000)		(\$900,000)	
13	Reduce Library Staff by One Position - Library Assistant	(\$46,770)	(1.00)	(\$46,770)	(1.00)
14	Eliminate 100% State Funding for Library Periodicals	(\$18,306)		(\$18,306)	
15	Eliminate State Funding - Librarian & 50/50 Periodicals. Transfer Collection to State Library	(\$46,092)	(1.00)	(\$46,092)	(1.00)
16	Reduce Printing Staff	(\$100,000)	(2.00)	(\$100,000)	(2.00)
17					
18					
19					
20					
21	Total Reductions	(\$1,665,828)	(12.00)	(\$1,665,828)	(12.00)
22	Total Budget	\$16,993,269	348.75	\$16,993,325	348.75

DEPARTMENT OF LABOR

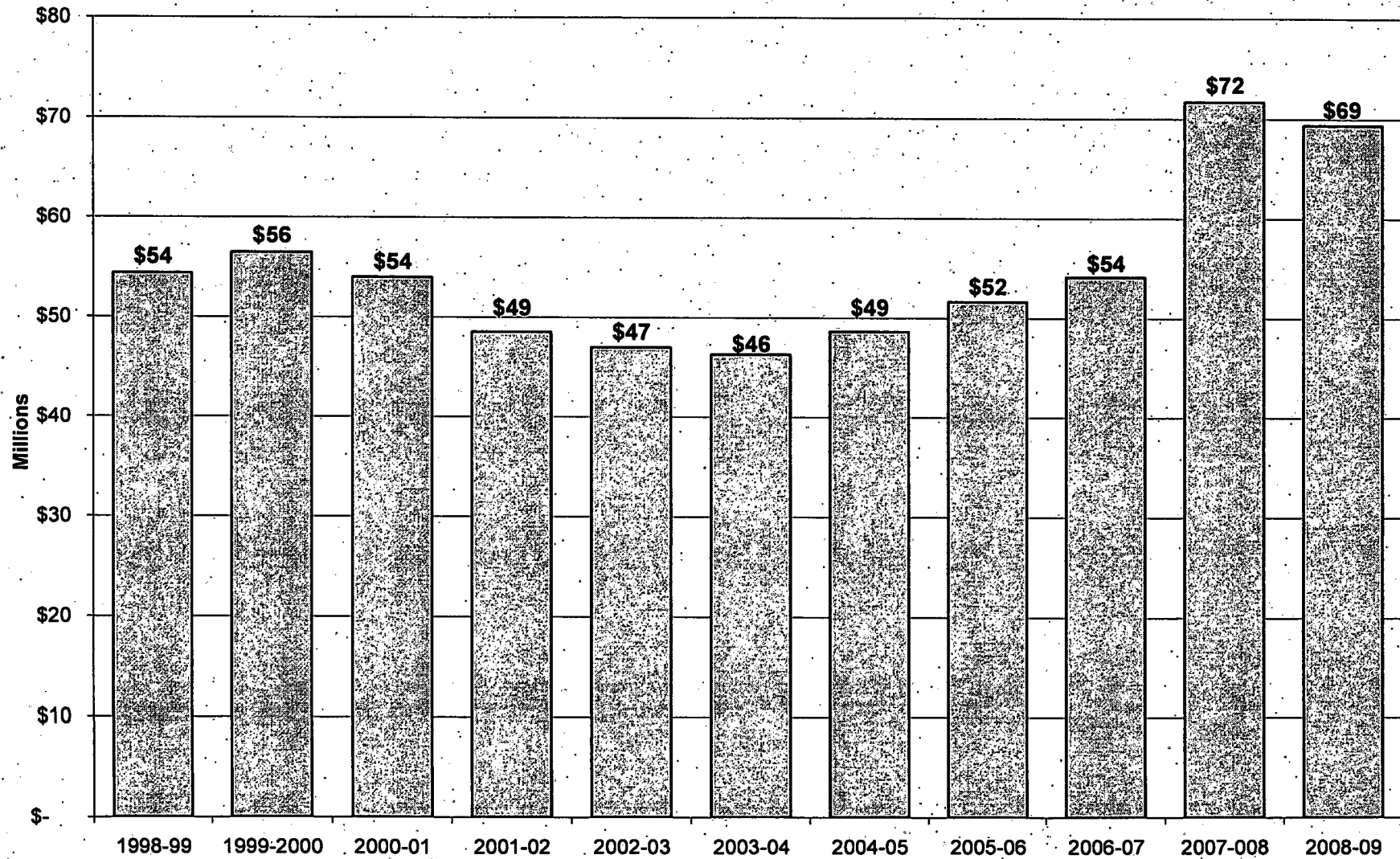
Mission: to promote the safety, health, and general well-being of workers in the State

General Fund Actual Appropriations



Mission: To improve the state of agriculture in North Carolina by providing services to farmers and agribusinesses, and to serve the citizens of North Carolina by providing services and enforcing laws to protect consumers.

Actual Appropriations History
FY 1998-99 to FY 2008-09
Dept. of Agriculture and Consumer Services



DRAFT - WORKING DOCUMENT

Agriculture					
Budget Items		House 2009-10	House 2010-11		
		Amount	FTE	Amount	FTE
<i>Continuation Budget</i>		\$65,402,492	1,198	\$65,638,839	1,198
Reductions					
1	All Continuation Budget Increases	(\$1,394,889)	(5.00)	(\$1,844,203)	(5.00)
2	<i>Adjusted Continuation Budget</i>	\$64,007,603	1,193	\$63,794,636	1,193
3					
4	Dept-wide - Eliminate Positions Vacant since 7/1/2008	(\$671,225)	(8.50)	(\$671,225)	(8.50)
5	Eliminate Funding for Non-employee travel, education, & subsistence	(\$14,126)		(\$14,126)	
6	Eliminate Compensation to Board Members	(\$4,371)		(\$4,371)	
7	Reduce Funding for Registrations - 50%	(\$55,663)		(\$55,663)	
8	Reduce Funds for Employee Education Assistance Program - 50%	(\$2,783)		(\$2,783)	
9	Reduce Funds for Employee Education - 50%	(\$36,355)		(\$36,355)	
10	Reduce Funds for Office Furniture - 100%	(\$111,987)		(\$111,987)	
11	Reduce Funds for Memberships & Subscriptions - 50%	(\$48,416)		(\$48,416)	
12	Reduce Funds for Cell Phones - 50%	(\$161,400)		(\$161,400)	
13	Dept-wide - Fund Shift to All Vacant Receipt-supported Positions*	(\$737,615)	-	(\$737,615)	-
14	Dept-wide - Fund Shift Positions to Receipts Support (10.7)	(\$467,047)	-	(\$467,047)	-
15	Dept-wide - Workers' Compensation	(\$75,000)	-	(\$75,000)	-
16	HR - Charge Ag Finance Authority for HR, Acct Support Services	(\$50,000)	-	(\$50,000)	-
17	Ag Stats - Eliminate W/A Technology Support Analyst	(\$30,276)	(1.00)	(\$30,276)	(1.00)
18	Agro Services - Move to Online Only Vet Lab Reporting (1/2 in FY10, all FY11)	(\$12,500)	-	(\$25,000)	-
19	Agro Services - Fee for Soil Testing (\$5/ test - 200,000 tests (now 343,000))	(\$1,000,000)	-	(\$1,000,000)	-
20	Agro Services - Replace GF with Fertilizer Assessment Increase	(\$375,000)	-	(\$375,000)	-
21	Mkts - Reduce GF Support for Farmer's Markets (increase revenue 10%)	(\$250,000)	-	(\$250,000)	-
22	Pest Control - Pesticide Registration Fee Increase	(\$500,000)	-	(\$500,000)	-

Agriculture					
Budget Items		House 2009-10		House 2010-11	
		Amount	FTE	Amount	FTE
23	Plant Ind. - Plant Inspection Fees	(\$58,303)	-	(\$58,303)	-
24	Plant Ind. - Close Beneficial Insect Lab	(\$152,706)	(2.00)	(\$152,706)	(2.00)
25	Property - Close Division of Property & Construction	(\$426,743)	(7.00)	(\$426,743)	(7.00)
26	Pub Affairs - Reduce GF Support for Ag Review	(\$167,196)	-	(\$167,196)	-
27	Stds - Calibration Inspection Over-realized Receipts	(\$20,000)	-	(\$20,000)	-
28	Stds - Petroleum Device Technician License Fee	(\$10,000)	-	(\$10,000)	-
29	Vet - Animal Diagnostic Fees	(\$250,000)	-	(\$250,000)	-
30	Vet - Eliminate one Processing Assistant III - Rose Hill Lab.	(\$27,603)	(1.00)	(\$27,603)	(1.00)
31	Vet - Eliminate 2 Compliance Officers in Animal Health Programs	(\$71,469)	(2.00)	(\$71,469)	(2.00)
32	<i>Vet - Close Vet Lab</i>				
33					
34	Total Reductions	(\$5,787,782)	(21.50)	(\$5,800,282)	(21.50)
35	Total Budget	\$58,219,821	1,171.50	\$57,994,354	1,171.50

* This includes all vacant receipt-supported positions; however, not all positions will be able to be used.

Expenditures and Revenues for NCDVLS

FY 2007-08

Fiscal Year 2007/2008						
	Rollins	Arden	Elkin	Monroe	Rose Hill	TOTAL
Expenditures						
Personal Services	\$ 3,263,598	\$ 374,864	\$ 368,504	\$ 335,592	\$ 358,884	\$ 4,701,442
Purchased Services	\$ 440,284	\$ 97,568	\$ 53,590	\$ 66,515	\$ 46,100	\$ 704,057
Supplies	\$ 520,627	\$ 16,696	\$ 140,858	\$ 65,674	\$ 95,174	\$ 839,029
Property, Plant & Equipment	\$ 328,674	\$ 2,716	\$ 1,315	\$ 3,340	\$ 42,619	\$ 378,664
Other Expenses & Adjustments	\$ 5,688	\$ 626	\$ 1,039	\$ 753	\$ 672	\$ 8,778
Total Expenditures	\$ 4,558,871	\$ 492,470	\$ 565,306	\$ 471,874	\$ 543,449	\$ 6,631,970
Non-Regulatory Testing Fee						
Receipts	\$ 254,378	\$ 19,710	\$ 8,320	\$ 9,575	\$ 5,820	\$ 297,803
Regulatory Testing Fee Receipts	\$ 84,462	\$ 0	\$ 98,299	\$ 27,023	\$ 70,043	\$ 279,827
Total Expenditures	\$ 338,840	\$ 19,710	\$ 106,619	\$ 36,598	\$ 75,863	\$ 577,630
Total Appropriation	\$ 4,220,031	\$ 472,760	\$ 458,687	\$ 435,276	\$ 467,586	\$ 6,054,340

House Pages

Name of Committee: NER Date: 5-19-09

1. Name: Danner Washburn

County: Forsyth

Sponsor: Folwell

2. Name: Michael MolDrak

County: Iredell

Sponsor: Mills

3. Name: Anna Killian

County: Caldwell

Sponsor: Rep Phillip Frye

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

Name: KEN BURROUGHS

2. Name: DAVID SHEARON

3. Name: JAMES WORTH

VISITOR REGISTRATION SHEET

NER

5-19-2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

NAME	FIRM OR AGENCY AND ADDRESS
GORDON MYERS	NCWRC
Richard Rogers	NC DENR
John McManis	REF + S
Patricia Yancey	LLPP
Wally Z	Biopros Cheykc
Heather Barnett	Huntton & Williams
Johnny Longest	Martin County Board of Education
Darnell Boyd	Rep. Adams

VISITOR REGISTRATION SHEET

NER

5-19-09

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Savi Horne	Land Loss Prevention Div P.O. Box 175, Durham, NC 27702
N. David Smith	NR Dept. of Agriculture
Jenni Overton	NCDACS
Joy Hicks	NCDACS
L. Andrews	NCFB
Elizabeth Biser	DENR
Cathy Handorf	DENR
Anita McNeal	DENR
Patrick Buff	NMRS
Melissa Tomlin	NCAAC
Andrew Meehan	NCAEC

APPROPRIATIONS SUBCOMMITTEE ON
NATURAL AND ECONOMIC RESOURCES

MINUTES
May 20, 2009

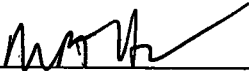
Representative Pricey Harrison, Chair, called the meeting of the Appropriations Subcommittee on Natural and Economic Resources to order at 8:35 a.m. on May 20, 2009, in room 423 of the Legislative Office Building. All members were present including the staff from Fiscal Research.

Lanier McRee, staff, follow up from previous meeting on outstanding Agriculture issues.

Kristine Leggett, staff, presented Commerce Budget Options, including funding histories, Exhibit B.

Kristin Walker and Kristine Leggett, staff, presented Budget Options for State Aid, Exhibit C.

After discussion among committee members, the meeting was adjourned at 9:45 a.m.



Rep. Pricey Harrison, Chair



Sue O. Osborne, Clerk

Attachments:

Attendance, Exhibit A

Sergeants-At-Arms

Pages

Visitors

Commerce Budget Options, Exhibit B

Budget Options for State Aid, Exhibit C

VISITOR REGISTRATION SHEET

NER

Name of Committee

Date

5-20-2009

VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE ASSISTANT

FIRM OR AGENCY	NAME
ComSpace	JOE Crocker
Industrial Commission	Meredith Henderson
Piedmont Natural Gas	John Monaghan
NCEON	JOHN PETERSON
AurBGC	Sally Hamilton
Smith Anderson	Amy McConkey
NCWRC	Gordon Myers
NCWRC	Sarah Clapp
NCWRC	Tommy Clark
OSBM	David H. Minton
NCDAICS	Joy Hillis
NEOABCs	N. David Smith
NCRE	Bryanna
NCCS	Jennifer Willis
C-IT - Phylis	Jan Patkus
NCR	Linda Andrews
Miss NCPA	William H. ...

Exhibit A

VISITOR REGISTRATION SHEET

NER

5-20-2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Paula J. McCoy	123 W Main NC Minority Support Ctr Durham 27701
Savi Home	Land Loss Prevention Div. Durham
Ed Luchter	Kroger Place
Jim	NCPBA
Patricia Young	LLPP
July R	Bioparc Ctr of NC
Zach Woodard	Credits

VISITOR REGISTRATION SHEET

NER

5/20/09

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Art Britt	NCDCOL
Jennifer Haigwood	NCDCOL
Jack Brinson	NCDCOL
Cam Crow	BPMHL
Andrew Navis	NCIMED
Briette Razberry	NCACDC
Gloria Vance Lewis	NC Dept Commerce
Sam Yong	NC MSC
Denise A. Escame	Commerce
PRESTON FLOWERS	NCIC
Paul Foghorn	Infam

House Pages

Name of Committee: NER Date: 5-20-09

1. Name: Tim Coston

County: Wake

Sponsor: Darren Jackson

2. Name: Anna Killian

County: Caldwell

Sponsor: Rep. Phillip Frye

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

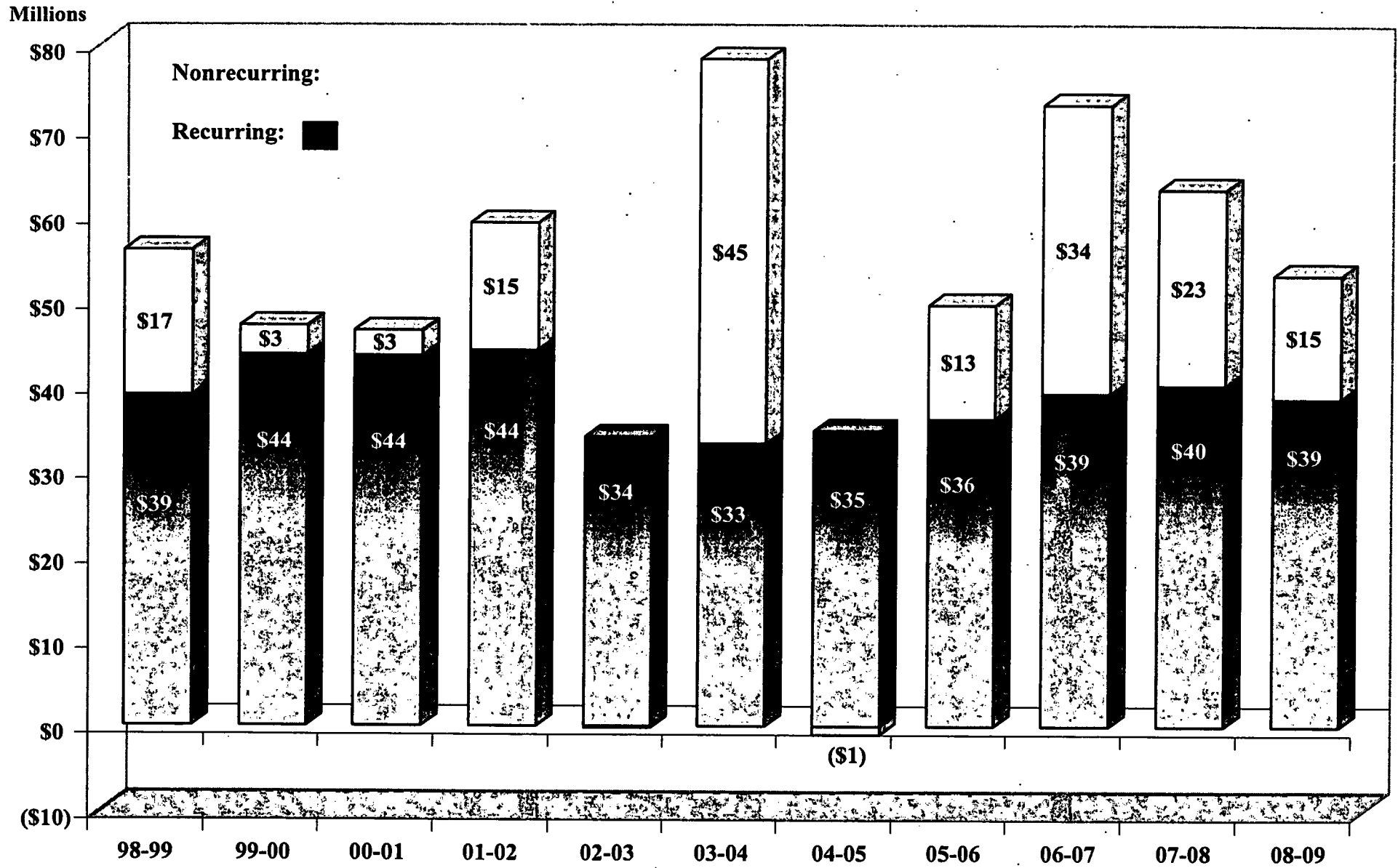
Sgt-At-Arms

Name: David Shearon

1. Name: James Worth

2. Name: _____

Commerce Appropriations History



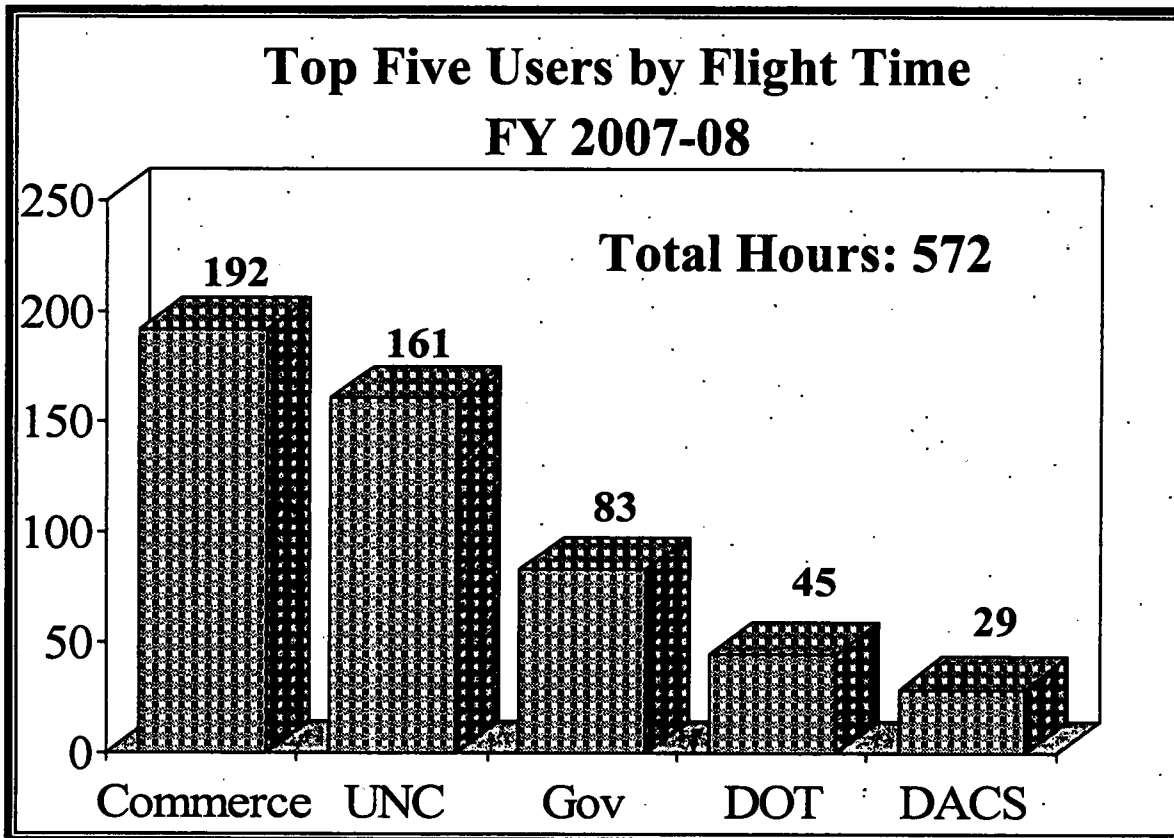
Commerce

Budget Items	House 2009-10		House 2010-11		
	Amount	FTE	Amount	FTE	
	<i>Continuation Budget</i> \$46,019,823		\$46,028,986		
Reductions					
1	Eliminate continuation budget increases	(\$1,893,394)		(\$1,893,393)	
2	Technical Correction Continuation Budget	(\$5,000,000)		(\$5,000,000)	
3	Eliminate vacant positions	(\$306,315)	(4)	(\$306,315)	(4)
4		<i>Required Reductions</i> (\$7,199,709)	(4)	<i>(\$7,199,708)</i>	(4)
5		<i>Adjusted Continuation Budget</i> \$38,820,114		<i>\$38,829,278</i>	
6					
7	Non-employee Compensation and Travel	(\$41,838)		(\$41,838)	
8	Registration Fees (50% Reduction)	(\$72,230)		(\$72,230)	
9	Employee Education	(\$62,098)		(\$62,098)	
10	Cell Phones (50%) Reduction	(\$69,364)		(\$69,364)	
11	Office Furniture	(\$37,426)		(\$37,426)	
12	Membership Dues and Subscriptions	(\$80,910)		(\$80,910)	
13	Eliminate Vacant Positions	(\$306,315)	(4)	(\$306,315)	(4)
14	MIS SB 991 Reduction	(\$250,000)		(\$250,000)	
15	Eliminate Funding for Korean Trade Office	(\$24,000)		(\$24,000)	
16	Eliminate Performance Bonus Increases for International Trade	(\$25,000)		(\$25,000)	
17	Eliminate International Trade Contractors in B&I	(\$500,000)		(\$500,000)	
18	Eliminate Office of Rural Development	(\$91,032)		(\$91,032)	
19	DCA - Shift General Fund Positions to Receipt Support	(\$262,842)	(5)	(\$262,842)	(5)
20	Replace GF with Receipts Three legal specialists in IC Commissioners Office	(\$167,987)	(3)	(\$167,987)	(3)
21	Replace GF with Receipts Two Deputy Commissioners IC	(\$203,760)	(2)	(\$203,760)	(2)
22	Replace GF with Receipts Eight Program Assitants IC	(\$266,530)	(8)	(\$266,530)	(8)
23	Eliminate Remaining Aircraft Funds	(\$250,000)		(\$250,000)	

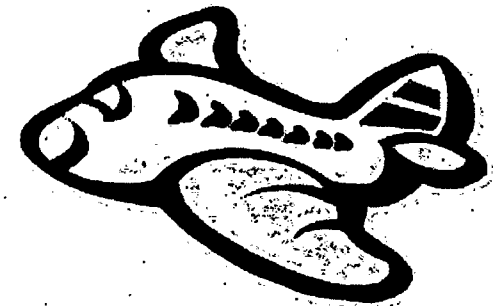
Commerce				
Budget Items	House 2009-10		House 2010-11	
24 Reduce Aircraft Fleet by One Plane	(\$296,115)	(1)	(\$296,115)	(1)
25 Make Wanchese Fully Receipt Supported	(\$449,652)	(3)	(\$449,652)	(3)
26 Eliminate Heritage Tourism	(\$657,886)	(13)	(\$657,886)	(13)
27 Welcome Centers - Reduce One Position Each	(\$308,570)	(9)	(\$308,570)	(9)
28				
29				
30				
31				
32				
33				
34				
35				
36				
37				
38				
39				
40	Total Reductions	(\$4,423,555)	(48)	(\$4,423,555) (48)
41	Total Budget	\$34,396,559	(48)	\$34,405,723 (48)

Executive Aircraft

Provides air transportation for economic development and State Officials



- Cessna Citation Bravo
- Sikorsky Helicopter
- Beechcraft King Air

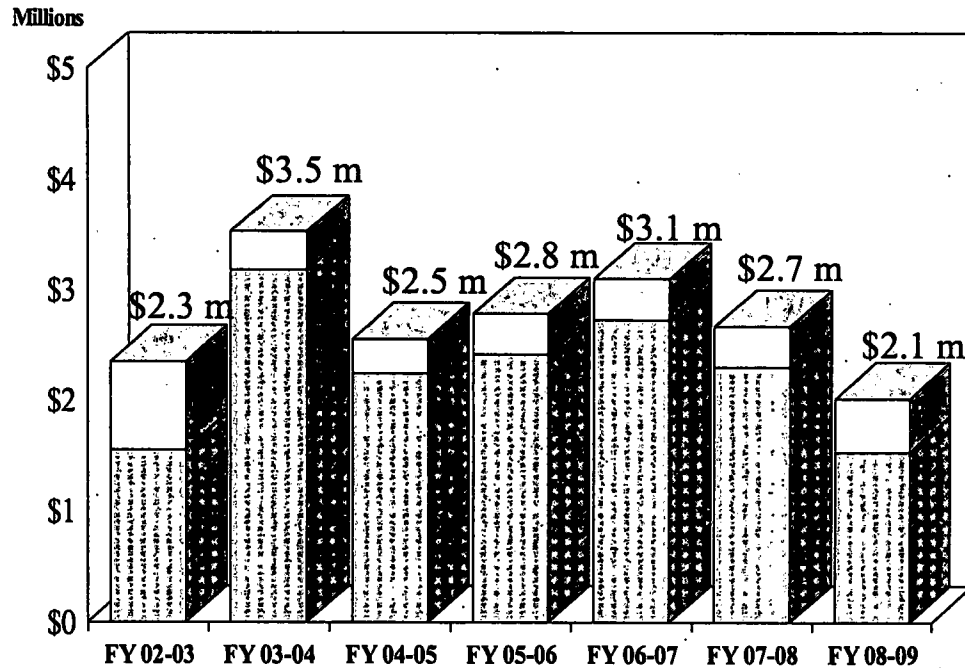


5 Pilots, 2 Maintenance

Executive Aircraft

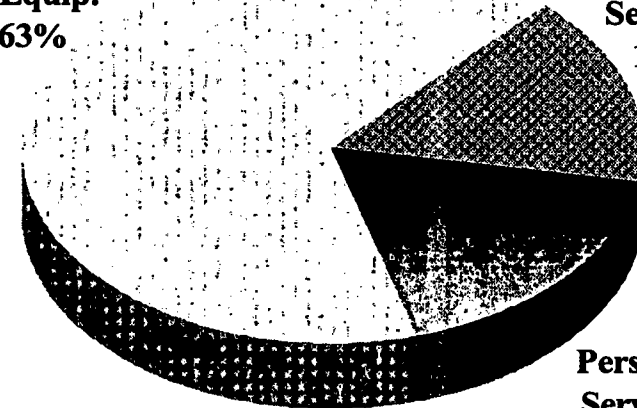
Continuation Budget: \$3,180,165

FY 2009-10



**Supplies & Equip.
63%**

**Purchased
Services
16%**

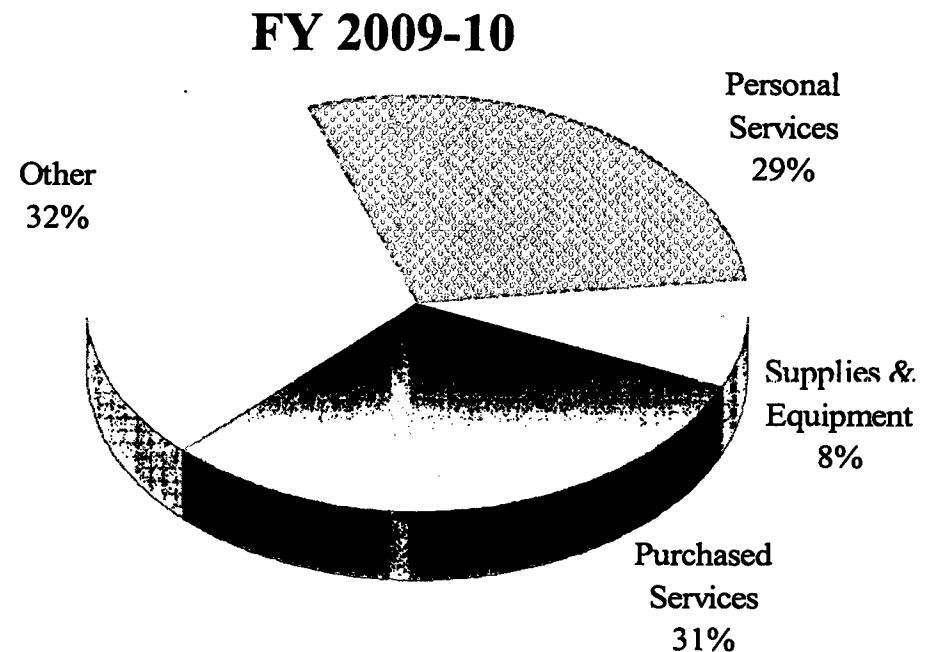
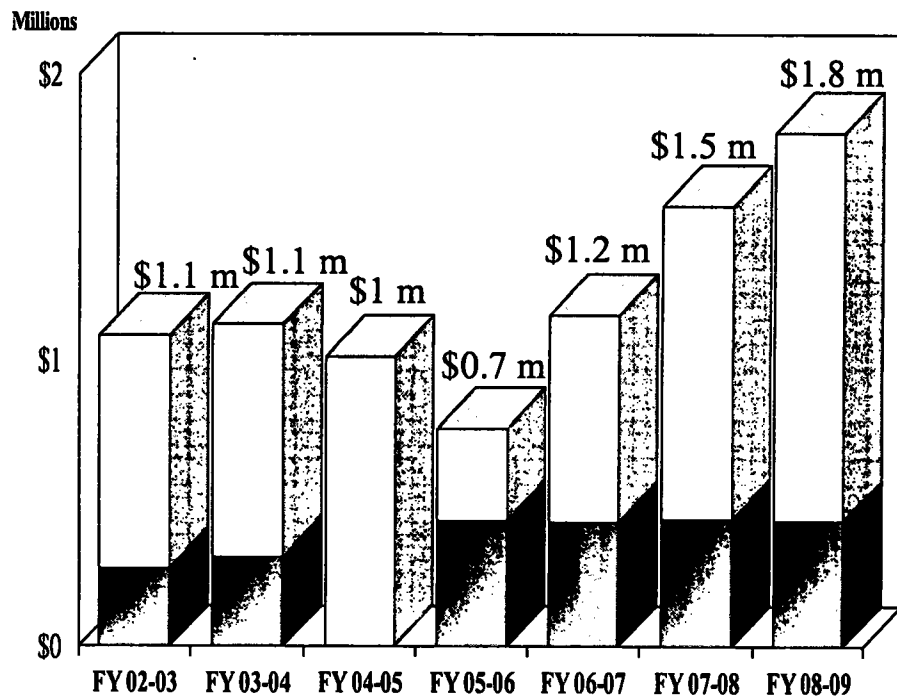


**Personal
Services
18%**

Wanchese Seafood Industrial Park

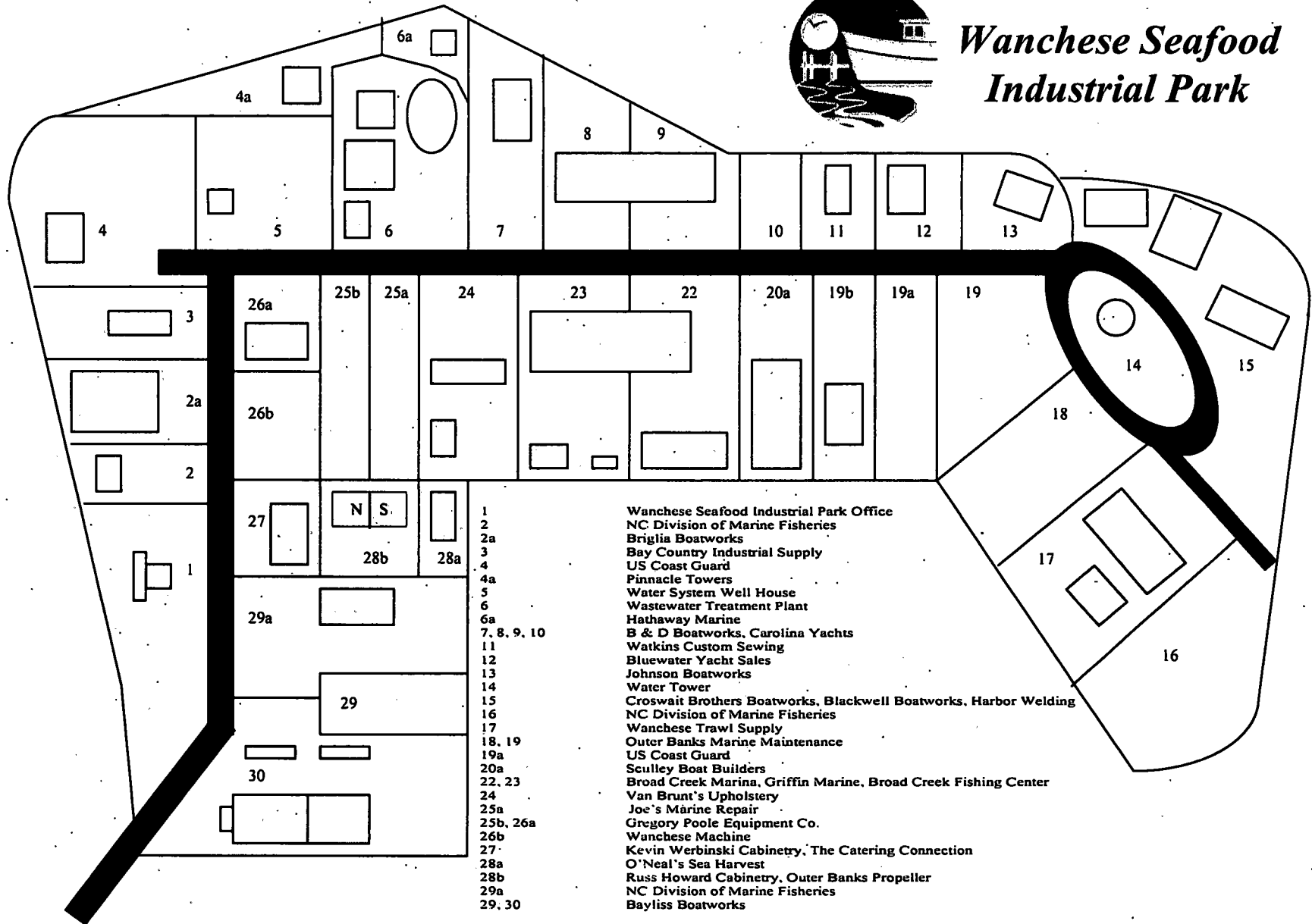
- Development and promotion of seafood and marine-related industries.
- Overseen by the Seafood Industrial Park Authority

Continuation Budget: \$782,906





Wanchese Seafood Industrial Park



- | | |
|-------------|---|
| 1 | Wanchese Seafood Industrial Park Office |
| 2 | NC Division of Marine Fisheries |
| 2a | Briglia Boatworks |
| 3 | Bay Country Industrial Supply |
| 4 | US Coast Guard |
| 4a | Pinnacle Towers |
| 5 | Water System Well House |
| 6 | Wastewater Treatment Plant |
| 6a | Hathaway Marine |
| 7, 8, 9, 10 | B & D Boatworks, Carolina Yachts |
| 11 | Watkins Custom Sewing |
| 12 | Bluewater Yacht Sales |
| 13 | Johnson Boatworks |
| 14 | Water Tower |
| 15 | Crowait Brothers Boatworks, Blackwell Boatworks, Harbor Welding |
| 16 | NC Division of Marine Fisheries |
| 17 | Wanchese Trawl Supply |
| 18, 19 | Outer Banks Marine Maintenance |
| 19a | US Coast Guard |
| 20a | Sculley Boat Builders |
| 22, 23 | Broad Creek Marina, Griffin Marine, Broad Creek Fishing Center |
| 24 | Van Brunt's Upholstery |
| 25a | Joe's Marine Repair |
| 25b, 26a | Gregory Poole Equipment Co. |
| 26b | Wanchese Machine |
| 27 | Kevin Werbinski Cabinetry, The Catering Connection |
| 28a | O'Neal's Sea Harvest |
| 28b | Russ Howard Cabinetry, Outer Banks Propeller |
| 29a | NC Division of Marine Fisheries |
| 29, 30 | Bayliss Boatworks |

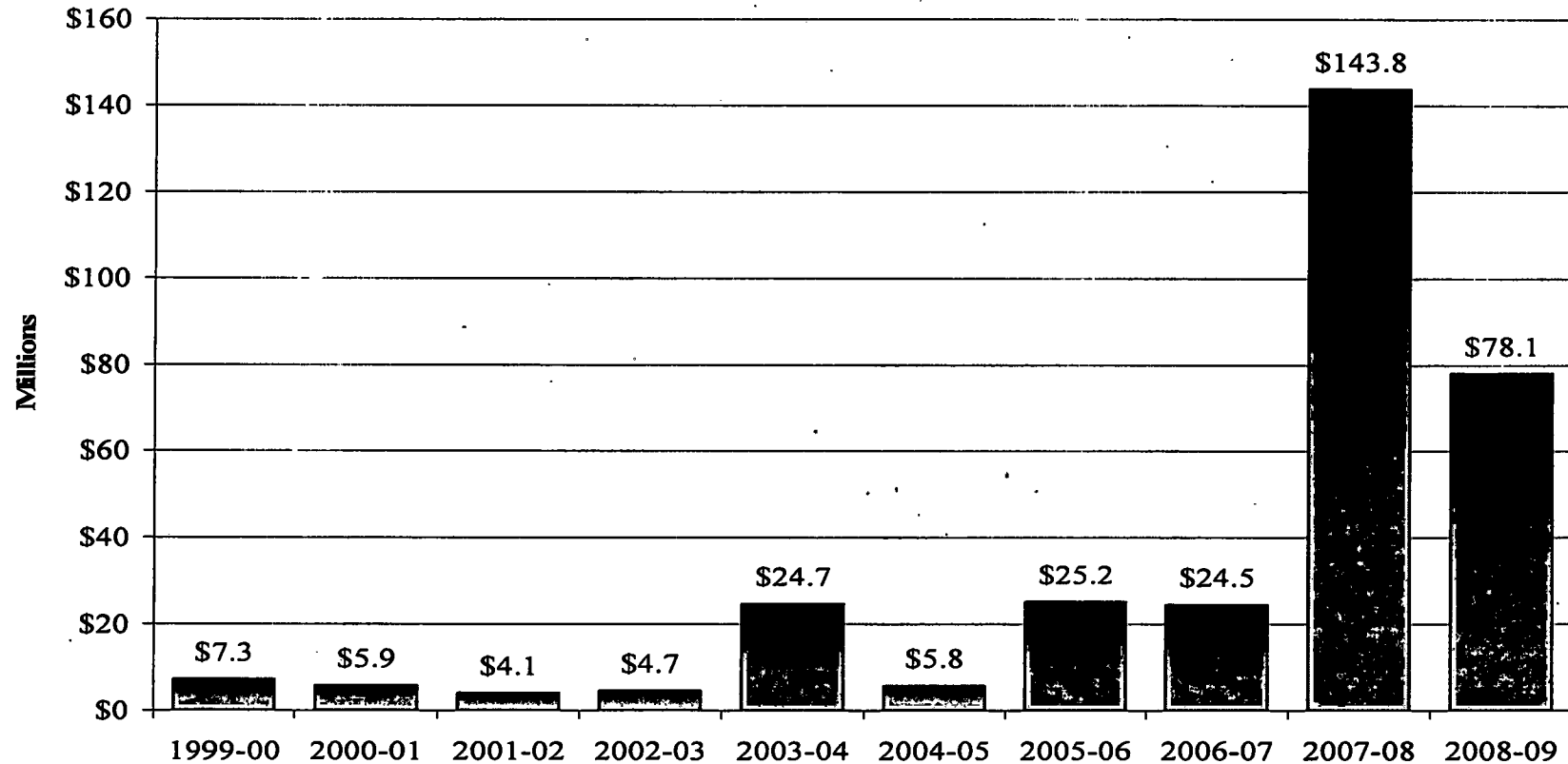
Commerce General Fund Vacant Positions

Position	Organizational Unit	Date	GF	TSRS	Hosp	SS Total Salary		
50080946	Com B&I Business Recruitment	Director Of Industrial Recruiting	02/28/2009	\$106,787	\$8,692	\$4,157	\$8,169	\$127,806
60080955	Com B&I Business Recruitment	Econ Development Rep	08/01/2008	\$69,966	\$5,695	\$4,157	\$5,352	\$85,171
60080983	Com B&I Recruit Advantage West	Regional Asst	09/01/2008	\$36,967	\$3,009	\$4,157	\$2,828	\$46,961
60080997	Com B&I Ret Business ServiCenter	Processing Assistant V	12/18/2006	\$31,196	\$2,539	\$4,157	\$2,386	\$40,279
60080963	Com B&I Ret Northeast	Program Asst IV	11/01/2008	\$25,705	\$2,092	\$4,157	\$1,966	\$33,921
60081198	Com CA Planning Southeast Regional Off	Senior Planner	10/13/2008	\$47,971	\$3,905	\$4,157	\$3,670	\$59,703
60081202	Com CA Planning Southeast Regional Off	Planner	01/17/2009	\$56,369	\$4,588	\$4,157	\$4,312	\$69,427
60081004	Com International Trade	Business Development Manager	09/01/2008	\$79,630	\$6,482	\$4,157	\$6,092	\$96,361
60077180	Com Legal	General Counsel Chief Legislative	09/24/2007	\$123,000	\$10,012	\$4,157	\$9,410	\$146,579
60080826	Com MIS HelpDesk	Helpdesk Manager	08/16/2008	\$62,268	\$5,069	\$4,157	\$4,764	\$76,257
65006719	Com Science Tech	Grants Management Specialist	04/08/2009	\$50,000	\$4,070	\$4,157	\$3,825	\$62,052
60080862	Com Tourism	Director Tourism Programs	06/21/2008	\$53,248	\$4,334	\$4,157	\$4,073	\$65,813
60080927	Com Tourism Heritage	Heritage Tourism Officer	01/01/2009	\$38,600	\$3,142	\$4,157	\$2,953	\$48,852
60080933	Com Tourism Heritage	Development Officer	07/01/2008	\$41,335	\$3,365	\$4,157	\$3,162	\$52,019
60080943	Com Tourism Heritage	Heritage Tourism Officer	05/01/2009	\$41,712	\$3,395	\$4,157	\$3,191	\$52,455
60081259	Com Tourism Marketing	Administrative Assistant I	02/28/2009	\$36,990	\$3,011	\$4,157	\$2,830	\$46,988
60080858	Com Tourism VS Inquiry	Inquiry Supervisor	02/28/2009	\$36,065	\$2,936	\$4,157	\$2,759	\$45,917
60080923	Com Tourism Welcome I77S	General Utility Worker	09/27/2008	\$18,124	\$1,475	\$4,157	\$1,386	\$25,143
60080888	Com Tourism Welcome I95S	Certified Travel Counselor	05/01/2009	\$34,319	\$2,794	\$4,157	\$2,625	\$43,895
60080661	Industrial Commission Comm Chair	Administrative Officer II	02/05/2009	\$38,174	\$3,107	\$4,157	\$2,920	\$48,359
60080715	Industrial Commission Comm Deputy XV	Program Assistant V	02/01/2009	\$32,827	\$2,672	\$4,157	\$2,511	\$42,167
60080739	Industrial Commission Comm Medical	Processing Assistant IV	03/21/2009	\$25,705	\$2,092	\$4,157	\$1,966	\$33,921
60080691	Industrial Commission Commissioner Off	Legal Specialst	04/04/2009	\$54,679	\$4,451	\$4,157	\$4,183	\$67,470
Total				\$1,141,637	\$92,929	\$95,611	\$87,335	\$1,417,512

RURAL ECONOMIC DEVELOPMENT CENTER

Mission: to develop, promote, and implement sound economic strategies to improve the quality of life of rural North Carolinians.

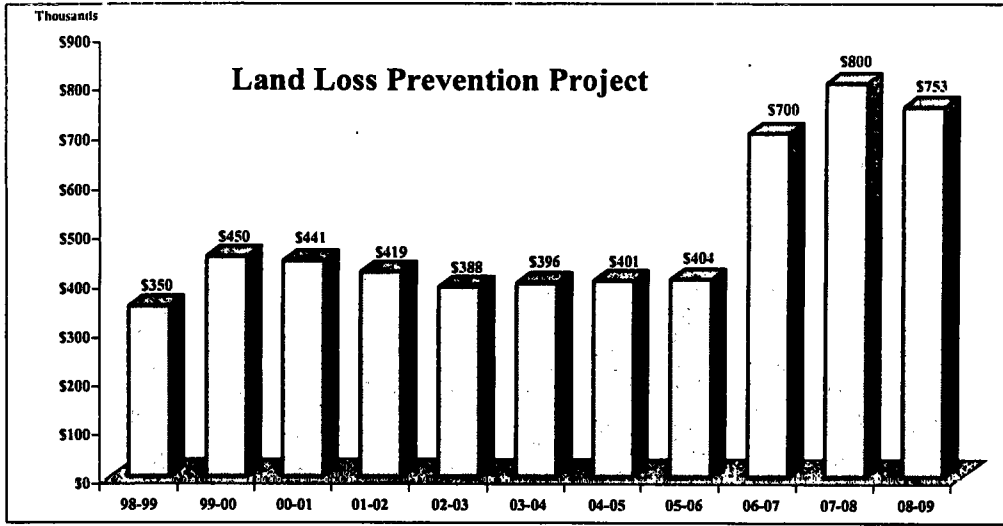
General Fund Appropriations



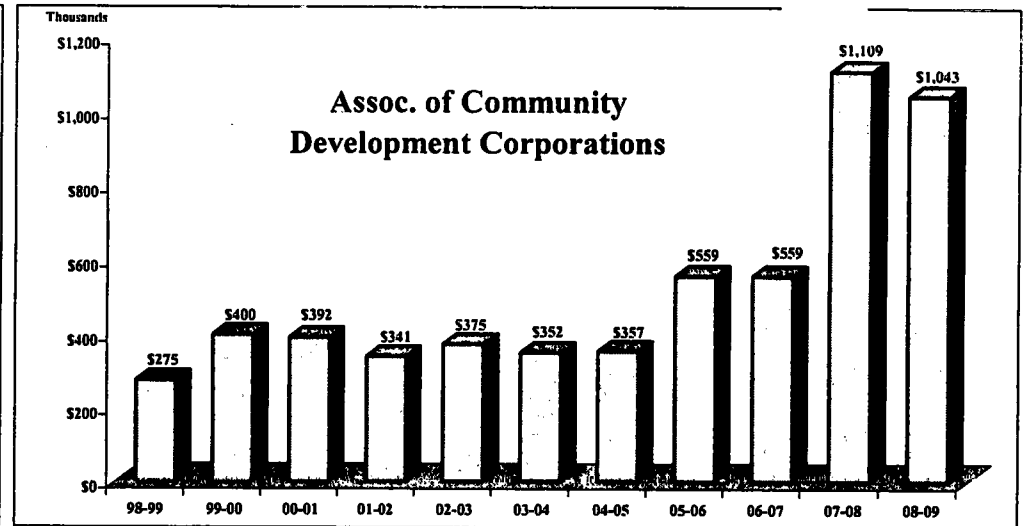
Rural Center		House 2009-10	House 2010-11
Budget Items			
	<i>Continuation Budget</i>	\$24,059,581	\$24,059,581
	Reductions		
1	6% and 8% across the board reduction	(\$1,443,575)	(\$1,924,766)
2	Reduction to administration - 10%	(\$202,670)	(\$202,670)
3	Eliminate funding for Opportunities Industrialization Centers - <i>granted out</i>	(\$357,390)	(\$357,390)
4	Reduce funding for Community Development Corporations - 25% <i>granted out</i>	(\$246,859)	(\$246,859)
5	Reduce Infrastructure Program funding - 25%	(\$4,824,320)	(\$4,824,320)
6			
7			
8			
9			
10			
11			
12			
13			
14			
15			
16	Total Reductions	(\$7,074,813)	(\$7,556,005)
17	Total Budget	\$16,503,576	\$16,503,576

State-Aid I

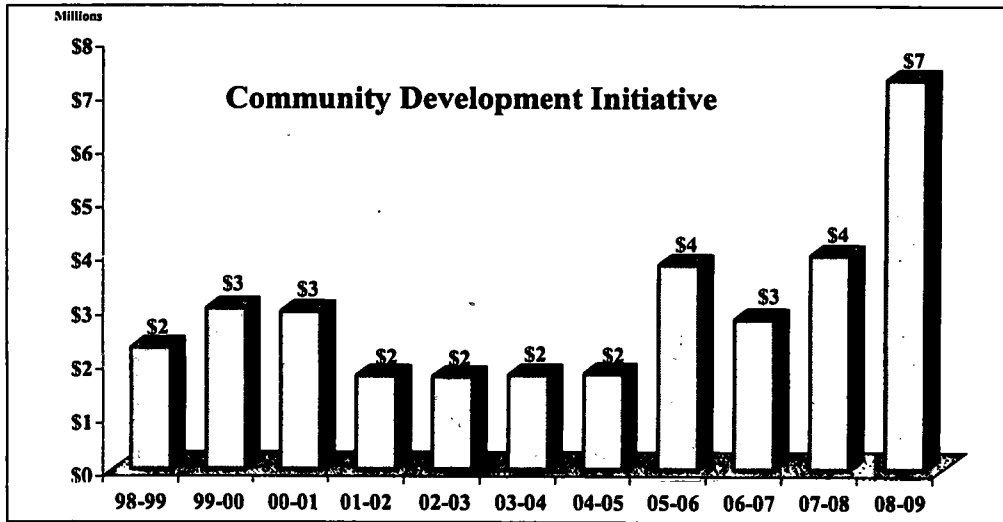
ig Histories



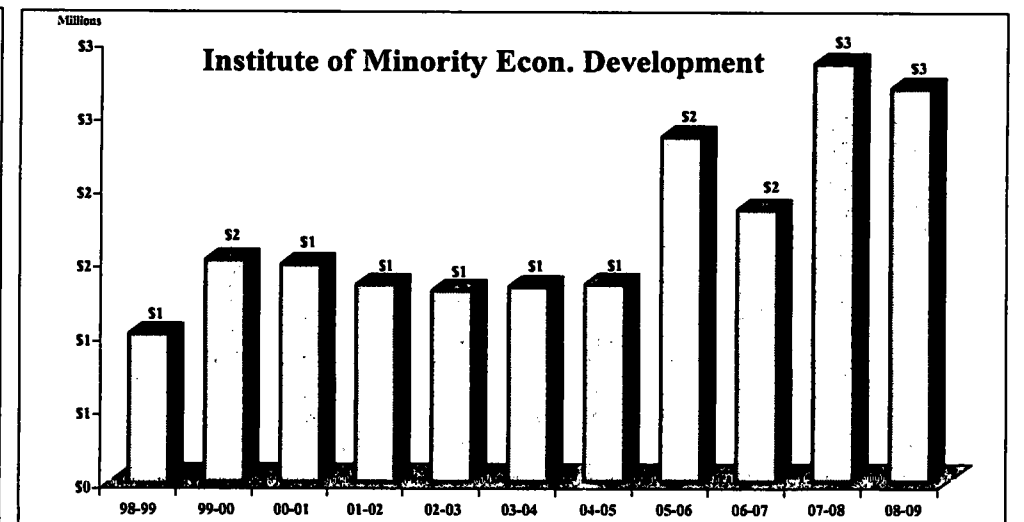
Land Loss Prevention: To provide legal support and assistance to all financially distressed and limited resource farmers and landowners in NC.



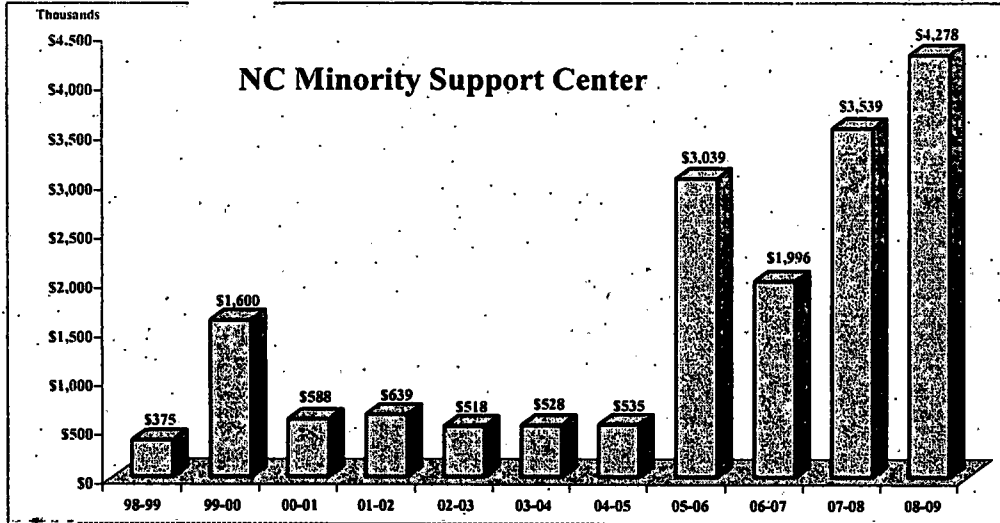
Association of CDCs: To strengthen the economy and create a better tomorrow for all North Carolinians by enhancing CDCs in their role of creating prosperous communities for the long term.



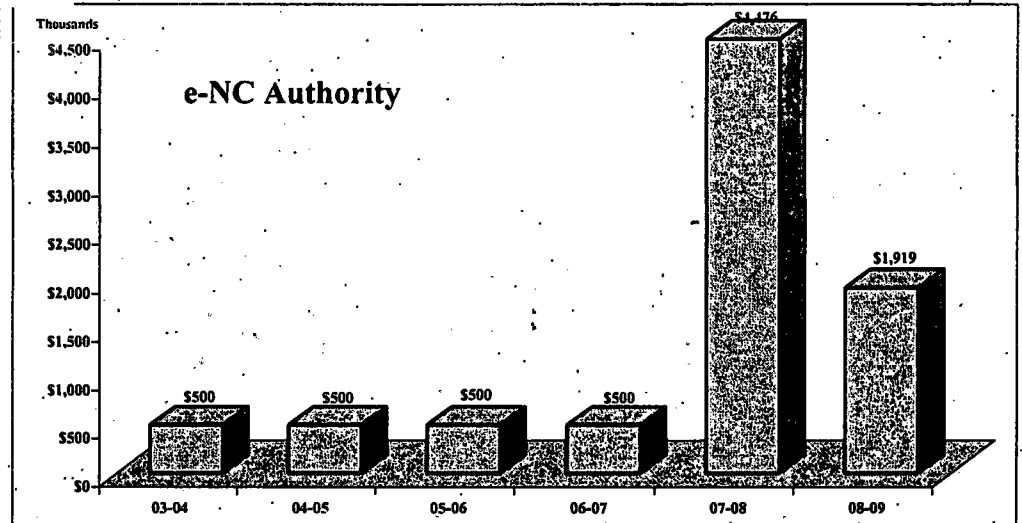
Community Development Initiative: To strengthen the capacity of mature CDCs to increase the impact and sustainability of community economic development.



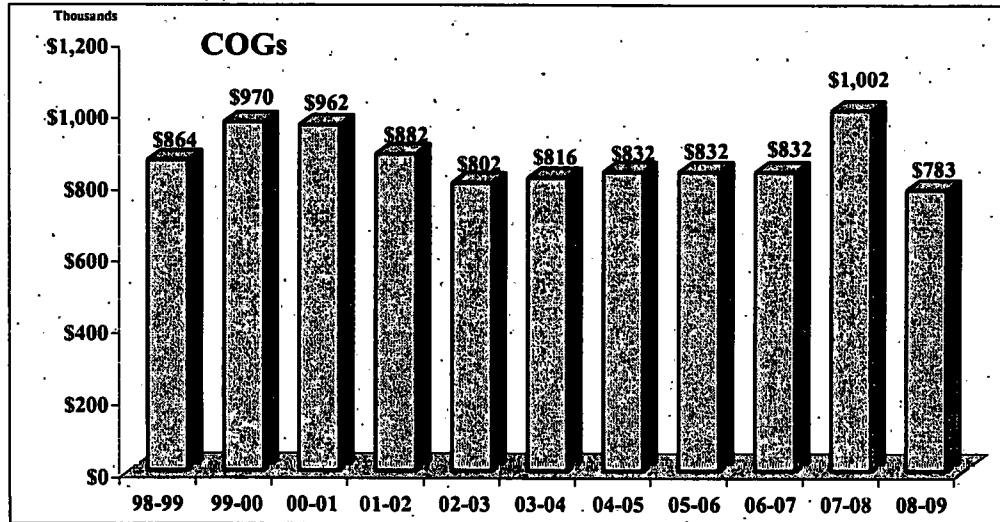
Institute of Minority Economic Development: To strengthen the asset base of limited resource populations as a means of building economically vibrant and socially responsible communities.



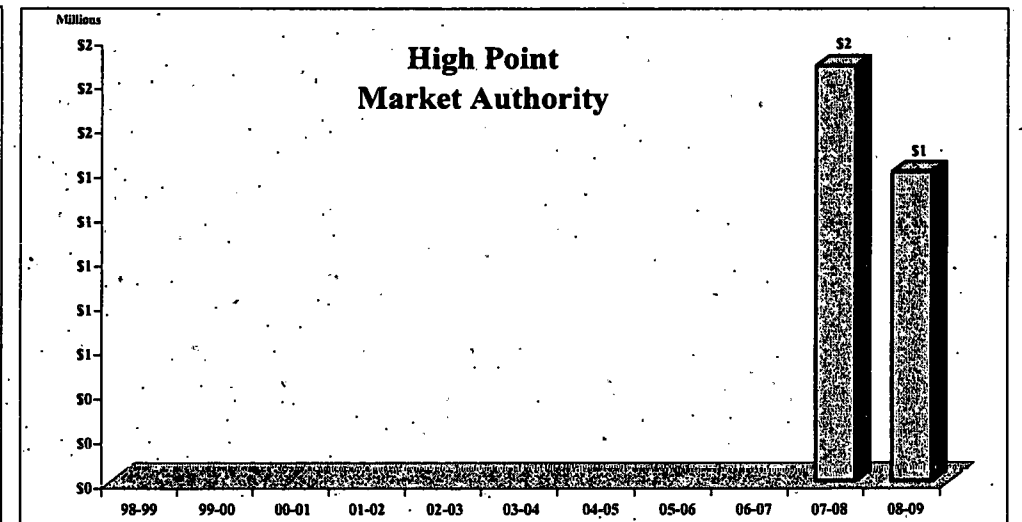
Minority Support Center: To partner with Community Development Credit Unions, providing technical assistance, grants and loans to help them build generational wealth and create opportunities for individuals, families and communities.



e-NC Authority: To use the Internet as a tool for helping people to improve their quality of life.



Councils of Governments: To bring counties, towns, and cities together to address common concerns on a regional basis.



High Point Market Authority: To promote market attendance.

Commerce State-Aid		
Budget Items	House 2009-10	House 2010-11
	<i>Continuation Budget</i>	<i>\$15,642,232</i>
		<i>\$15,642,232</i>
Reductions		
1	8% Across-the-Board (10% 2nd Year)	(\$1,251,379)
2	Eliminate Funding for COGs	(\$823,828)
3	Reduce Community Development Initiative by \$1 million	(\$1,000,000)
4	Reduce Non-profits Back to FY 06-07 Recurring Appropriation Level	(\$8,064,069)
5	Fund Minority Support Center through Banking Commission	(\$3,503,651)
6		
7		
8	Total Reductions	(\$14,642,927)
9	Total Budget	\$999,305
		\$686,461

Commerce State Aid Continuation Budgets by Organization	
Organization	2009-10 Continuation
Land Loss Prevention Project	792,277
NC Institute of Min. Econ. Dev.	2,819,126
NC Assoc. of CDCs	1,098,266
NC Minority Support Center	3,503,651
NC Community Development Initiative	5,243,834
e-NC Authority	495,000
COGs	823,828
High Point Furniture Market	866,250
TOTALS	\$15,642,232

**Commerce State Aid to Non-State Entities
Since FY 2004-05**

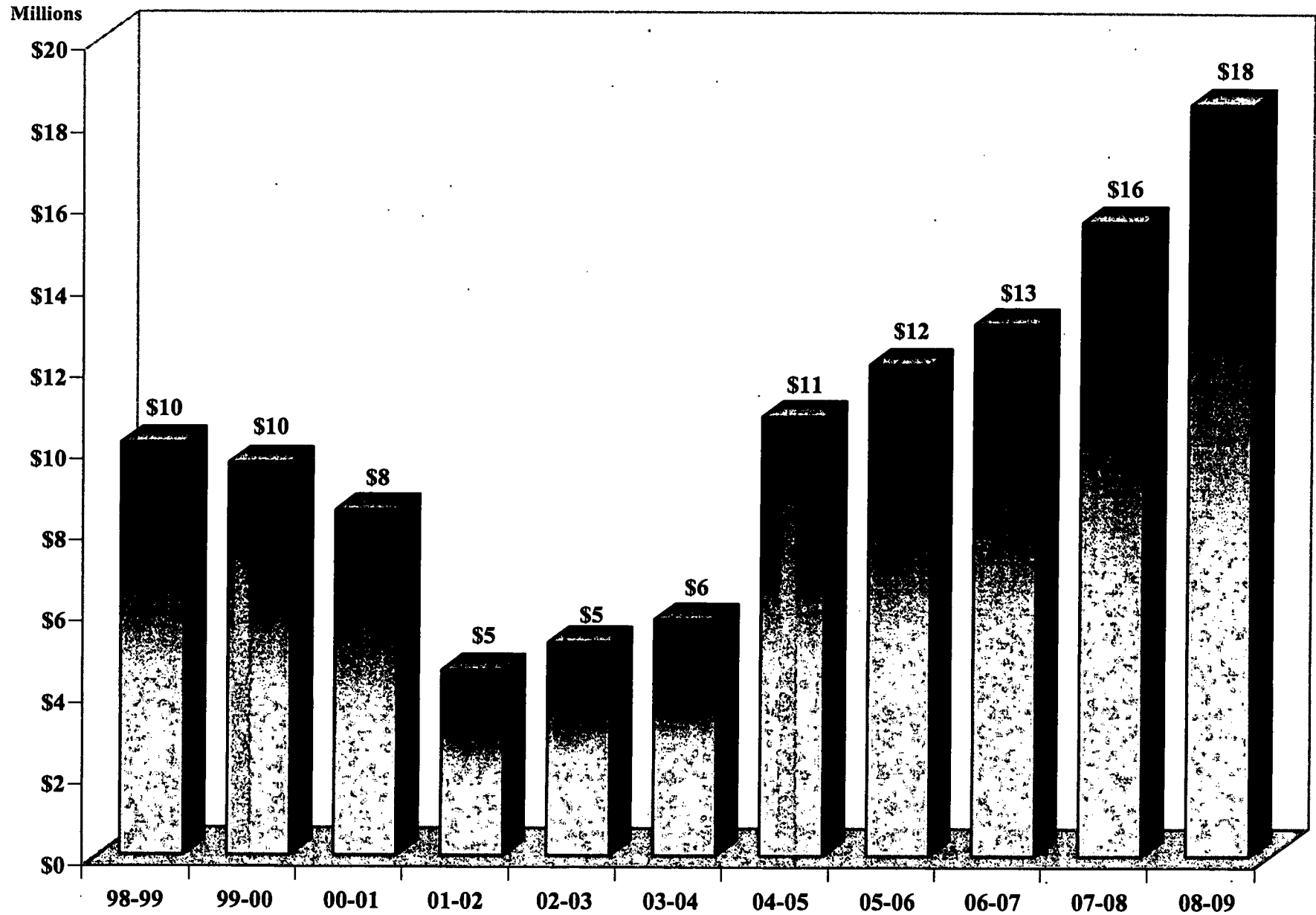
Organization / Agency	2004-05 Actual	2005-06 Actual	2006-07 Actual	2007-08 Actual	2008-09 Authorized**	2009-10 Continuation	2009-10 Senate
NC Center for Automotive Research*			1,127,323	995,055	12,627,620	0	0
NC Biotechnology Center	10,801,770	12,083,395	13,083,395	15,583,395	18,456,183	15,427,561	15,119,010
NC Rural Economic Development Center	25,759,087	25,277,607	24,552,607	143,802,607	74,156,602	24,059,581	24,019,453
Regional Ec. Dev. Commissions	8,674,167	8,525,000	6,775,000	6,775,000	5,798,418	0	3,000,000
Land Loss Prevention Project	401,248	404,280	700,280	800,280	752,663	792,277	776,431
NC Institute of Min. Econ. Dev.	1,337,495	2,347,602	1,847,602	2,847,602	2,678,170	2,819,126	2,762,743
NC Assoc. of CDCs	356,665	559,072	559,360	1,109,360	1,043,353	1,098,266	1,076,301
NC Minority Support Center	534,998	3,039,041	1,996,179	3,539,041	4,278,468	3,503,651	3,433,578
NC Community Development Initiative	1,783,326	3,796,802	2,796,802	3,972,602	7,255,842	5,243,834	5,138,957
Coalition of Farm and Rural Families	-	125,000	-	300,000	150,996	0	0
e-NC Authority	-	-	500,000	4,475,835	1,919,415	495,000	485,100
Defense and Security Technology Center				1,125,000	1,800,000	0	500,000
Johnson & Wales University	1,000,000	1,000,000	1,000,000	2,000,000	1,425,000	0	0
COGs	832,150	832,150	832,150	1,002,150	782,637	823,828	807,351
High Point Furniture Market				1,875,000	1,392,937	866,250	848,925
NC Biofuels				5,000,000	4,750,000	0	\$3 m ARRA
Misc. One-time Recipients		205,000		2,175,000			
TOTALS	\$6,245,882	\$12,308,947	\$55,770,698	\$197,377,927	\$139,268,304	\$55,129,374	\$57,967,850

*NCCAR funds are held in reserve at OSBM until approved for release. FY 08-09 amount are the accumulated appropriations available for NCCAR.

**Authorized FY 08-09 includes carryforward funds from FY 2007-08 and a required 7% reversion from each entity.

Source: EOY BD701s and 12/31/08 BD701

NC Biotechnology Center



Biotechnology		
Budget Items	House 2009-10	House 2010-11
	<i>Continuation Budget</i>	<i>\$15,427,561</i>
		<i>\$15,427,561</i>
Reductions		
1 Reduce Funding by 8% (10% in Second Year)	(\$1,234,205)	(\$1,542,756)
2 Reduce Funding to FY 06-07 Recurring Appropriation Level (\$12.6 m)	(\$2,844,166)	(\$2,844,166)
3 Eliminate Funding for Regional Centers of Innovation	(\$3,000,000)	(\$3,000,000)
4		
5		
6		
7		
8		
9		
10		
11		
12	Total Reductions	(\$7,078,371)
13	Total Budget	\$8,349,190
		\$8,040,639

STATE VETERINARY DIAGNOSTIC LABORATORIES

STATE	AAVLD ACCREDITED	NUMBER OF LABS/AFFILIATION
ALABAMA	No	1 full service, Dept. of Agric. 2 poultry satellites
ALASKA	No	1 full service, university affiliated
ARIZONA	No	1 full service, university affiliated
ARKANSAS	Yes	1 full service, Dept. of Agric.
CALIFORNIA	Yes	5 full service, university affiliated
COLORADO		1 full service, university affiliated 2 satellites
CONNECTICUT	Yes	1 full service, university affiliated
DELAWARE		1 full service 1 poultry
FLORIDA	Yes	1 full service, Dept. of Agric. 1 regulatory, Dept. of Agric.
GEORGIA	Yes	2 full service, university affiliated 2 poultry, university affiliated
HAWAII	No	1 full service, Dept. of Agric.
IDAHO	No	1 full service, Dept. of Agric.
ILLINOIS	Yes	1 full service, university affiliated 2 full service, Dept. of Agric.
INDIANA	Yes	1 full service, university affiliated
IOWA	Yes	1 full service, university affiliated
KANSAS	Yes	1 full service, university affiliated
KENTUCKY	Yes	2 full service, university affiliated
LOUISIANA	Yes	1 full service, university affiliated
MAINE	No	1 full service, university affiliated
MARYLAND	No	1 full service, Dept. of Agric. 3 satellites
MASSACHUSETTS	No	1 full service, university affiliated
MICHIGAN	Yes	1 full service, university affiliated
MINNESOTA	Yes	1 full service, university affiliated 1 poultry, Dept. of Agric.
MISSISSIPPI	Yes	1 full service, Dept. of Agric.
MISSOURI	Yes	1 full service, university affiliated
MONTANA	Yes	1 full service, university affiliated
NEBRASKA	Yes	1 full service, university affiliated
NEVADA	No	1 full service, university affiliated
NEW JERSEY	No	1 full service, Dept. of Agric.
NEW HAMPSHIRE	No	1 full service, Dept. of Agric.
NEW MEXICO	Yes	1 full service, Dept. of Agric.
NEW YORK	Yes	1 full service, university affiliated
NORTH CAROLINA	Yes	1 full service, Dept. of Agric., 4 satellites

STATE	AAVLD ACCREDITED	NUMBER OF LABS/AFFILIATION
NORTH DAKOTA	Yes	1 full service, university affiliated
OHIO	Yes	1 full service, Dept. of Agric.
OKLAHOMA	Yes	1 full service, university affiliated
OREGON		1 full service, university affiliated
PENNSYLVANIA	Yes	2 full service, university affiliated 1 full service, Dept. of Agric.
SOUTH CAROLINA	Yes	1 full service, university affiliated
SOUTH DAKOTA	Yes	1 full service, university affiliated
TENNESSEE	Yes	1 full service, Dept. of Agric.
TEXAS	Yes	2 full service, university affiliated 2 poultry satellites
UTAH	No	1 full service, university affiliated 1 satellite
VERMONT	Yes	1 full service, Dept. of Agric.
VIRGINIA	No	5 full service, Dept. of Agric.
WASHINGTON	Yes	1 full service, university affiliated 1 poultry satellite
WEST VIRGINIA	Yes	1 full service, Dept. of Agric.
WISCONSIN	Yes	1 full service, university affiliated 1 full service, Dept. of Agric.
WYOMING	Yes	1 full service, university affiliated

Livestock and Poultry
2007 Census of Agriculture
Table 1: State Summary

State	Inventory									
	Total		Cattle & Calves		Hogs & Pigs		Sheep & Lambs		Layers	
	#	Rank	#	Rank	#	Rank	#	Rank	#	Rank
United States	519,725,846		96,347,858		67,786,318		5,819,162		349,772,508	
North Carolina	23,730,175	7	820,182	36	10,134,004	2	27,714	32	12,748,275	9
Alabama	11,006,626	16	1,187,171	27	178,275	26	16,926	35	9,624,254	13
Alaska	20,154	50	14,823	49	757	48	951	49	3,623	43
Arizona	1,153,867	40	1,000,038	31	(D)		153,829	11	(D)	
Arkansas	16,085,061	11	1,802,653	17	289,342	22	15,262	36	13,977,804	8
California	27,339,800	5	5,498,025	4	153,983	27	596,163	2	21,091,629	5
Colorado	7,944,348	21	2,745,253	10	882,695	15	413,450	3	3,902,950	23
Connecticut	59,625	47	50,213	44	3,645	42	5,767	47	(D)	
Delaware	30,852	49	20,994	48	8,955	38	903	50	(D)	
Florida	13,531,736	13	1,711,011	18	19,937	34	13,030	39	11,787,758	10
Georgia	20,665,052	9	1,117,087	28	263,471	23	11,313	41	19,273,181	6
Hawaii	557,021	41	151,479	42	14,933	35	22,376	33	368,233	34
Idaho	2,497,963	34	2,236,147	14	32,794	31	229,022	8	(D)	
Illinois	10,867,764	17	1,231,105	26	4,298,716	4	52,360	27	5,285,583	18
Indiana	28,831,941	4	875,350	34	3,669,057	5	49,021	28	24,238,513	3
Iowa	77,280,433	1	3,982,344	7	19,295,092	1	209,285	10	53,793,712	1
Kansas	8,638,609	19	6,669,163	2	1,885,252	9	84,194	18	(D)	
Kentucky	7,365,009	23	2,395,455	12	348,023	19	36,996	30	4,584,535	21
Louisiana	2,889,943	32	878,664	33	10,615	37	8,723	43	1,991,941	30
Maine	103,510	46	88,191	43	4,401	41	10,918	42	(D)	
Maryland	2,875,370	33	190,504	41	(D)		22,143	34	2,662,723	29
Massachusetts	209,956	45	46,852	45	11,553	36	11,787	40	139,764	38
Michigan	11,196,323	14	1,048,206	30	1,032,054	14	81,728	19	9,034,335	14
Minnesota	20,788,631	8	2,395,217	13	7,652,284	3	144,557	12	10,596,573	11
Mississippi	7,569,952	22	987,342	32	337,244	20	8,414	44	6,236,952	16
Missouri	14,720,673	12	4,292,702	6	3,101,469	7	77,082	21	7,249,420	15
Montana	3,398,519	31	2,589,679	11	181,602	25	272,012	7	355,226	35
Nebraska	20,409,364	10	6,576,950	3	3,268,544	6	76,397	22	10,487,473	12
Nevada	519,011	42	441,629	37	2,949	43	68,581	24	5,852	42
New Hampshire	257,723	44	36,880	47	2,792	44	7,671	46	210,380	37
New Jersey	1,621,761	39	38,198	46	8,551	40	14,835	37	1,560,177	32
New Mexico	1,654,876	38	1,525,976	21	1,972	47	126,928	13	(D)	
New York	5,545,195	25	1,443,297	22	85,741	30	63,182	25	3,952,975	22

Livestock and Poultry
2007 Census of Agriculture
Table 1: State Summary

State	Inventory									
	Total		Cattle & Calves		Hogs & Pigs		Sheep & Lambs		Layers	
	#	Rank	#	Rank	#	Rank	#	Rank	#	Rank
United States	519,725,846		96,347,858		67,786,318		5,819,162		349,772,508	
North Carolina	23,730,175	7	820,182	36	10,134,004	2	27,714	32	12,748,275	9
Alabama	11,006,626	16	1,187,171	27	178,275	26	16,926	35	9,624,254	13
North Dakota	2,191,232	35	1,811,523	16	181,679	24	88,686	17	109,344	39
Ohio	30,296,756	3	1,272,402	25	1,831,084	10	123,161	14	27,070,109	2
Oklahoma	11,189,754	15	5,391,337	5	2,398,372	8	76,243	23	3,323,802	25
Oregon	4,364,179	29	1,389,189	23	21,125	33	217,401	9	2,736,464	28
Pennsylvania	24,855,887	6	1,609,147	19	1,167,449	12	96,883	15	21,982,408	4
Rhode Island	54,685	48	5,085	50	2,316	46	1,459	48	45,825	40
South Carolina	5,416,978	27	400,996	39	293,793	21	7,852	45	4,714,337	20
South Dakota	8,434,458	20	3,687,728	8	1,490,034	11	335,897	5	2,920,799	27
Tennessee	4,003,364	30	2,122,018	15	138,207	28	29,751	31	1,713,388	31
Texas	34,927,209	2	13,709,543	1	1,155,790	13	945,164	1	19,116,712	7
Utah	5,465,935	26	843,474	35	760,035	16	277,635	6	3,584,791	24
Vermont	505,054	43	264,823	40	2,701	45	13,925	38	223,605	36
Virginia	5,223,953	28	1,566,217	20	371,176	18	77,648	20	3,208,912	26
Washington	6,956,259	24	1,088,846	29	28,545	32	53,220	26	5,785,648	17
West Virginia	1,678,594	37	411,028	38	8,948	39	38,338	29	1,220,280	33
Wisconsin	8,773,987	18	3,373,923	9	436,814	17	89,575	16	4,873,675	19
Wyoming	1,848,021	36	1,311,799	24	107,180	29	412,804	4	16,238	41

(D) denotes data suppressed by USDA

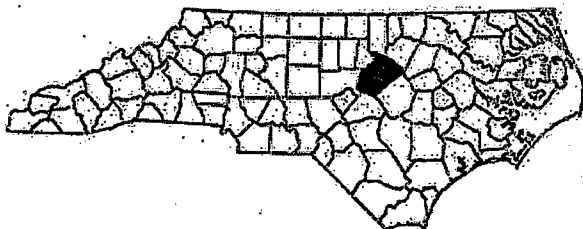
LABORATORY FACT SHEET

Rollins Animal Disease Diagnostic Laboratory (Central Laboratory)

Location:

City: Raleigh, NC

County: Wake



Laboratory Statistics:

Staff: 76

Year Built: 1972

Addition added: 1984

Animal Holding Facility added: 1998

BSL3 Facility added: 2002

Square Footage: 27,669

2008 Necropsy Totals

Bovine - 173

Equine - 90

Fish - 12

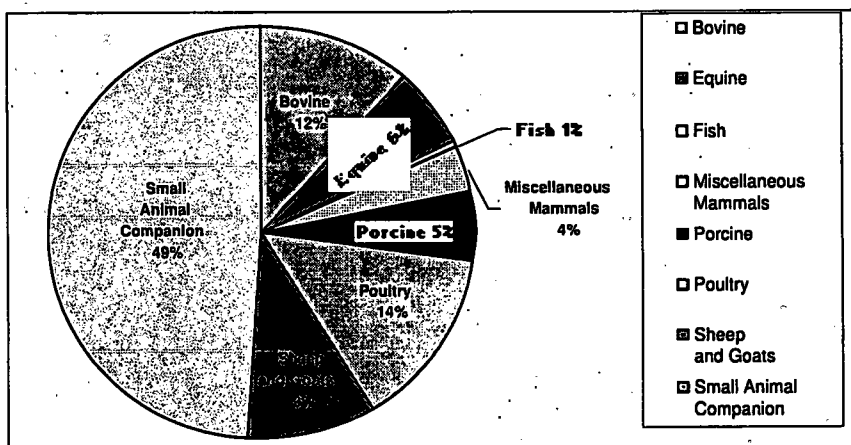
Miscellaneous Mammals - 54

Porcine - 76

Poultry - 213

Sheep and Goats - 141

Small Animal Companion - 731



Other Laboratory Tests (2008):

- Bacterial Serology Tests – 403,165
- Bacteriological Tests – 58,059
- Parasitology - 562
- Electron Microscopy – 158
- Molecular Diagnostics – 9,816
- Viral Histopathology Testing – 18,876
- Virology Testing – 8,526
- Immunohistochemistry – 507
- Viral Serology Testing – 119,933
- Virology Testing – 1,882

Laboratory Improvements:

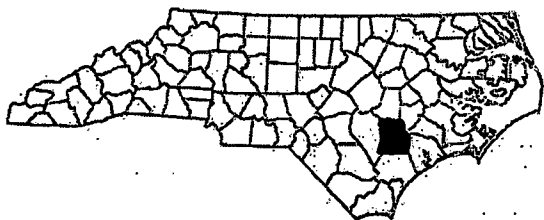
- General Assembly funding and approval for renovation of the vacant Chemistry suite into BSL 2 laboratory space- expected completion, July 2009
- Funding for a new incinerator through '08 Joint Committee on Disaster Preparedness efforts- expected installation, April 2009

Laboratory Events:

- The Laboratory System received full accreditation from the American Association of Veterinary Laboratory Diagnosticians in May, 2008
- The central core laboratory in the system providing a wide array of advanced testing
- The staff includes three mammalian and one avian pathologist, one PhD Microbiologist, and one board certified MS Microbiologist

LABORATORY FACT SHEET

Rose Hill Animal Disease Diagnostic Laboratory



Location:

City: Rose Hill, NC

County: Duplin

Laboratory Statistics:

Staff: 7

Year Built: 1980

Addition added: 1988

Square Footage: 8,517

2008 Necropsy Totals

Bovine - 64

Equine - 19

Fish - 1

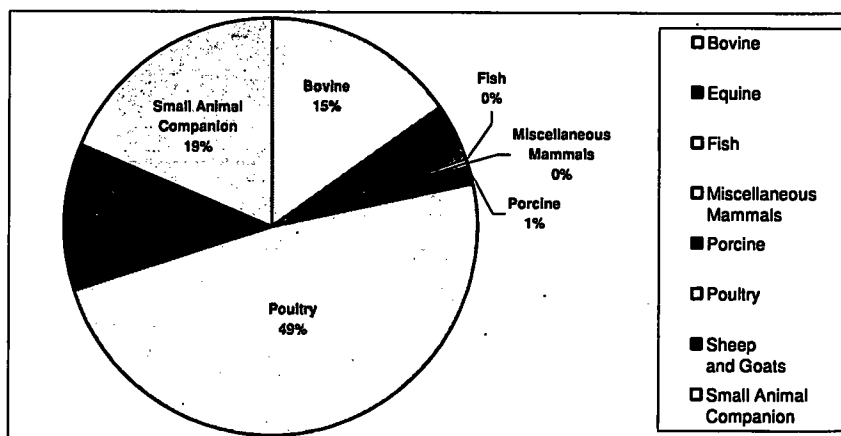
Miscellaneous Mammals - 1

Porcine - 6

Poultry - 204

Sheep and Goats - 48

Small Animal Companion - 79



Other Laboratory Tests (2008):

- Bacterial Serology Tests – 248,323 (primarily poultry NPIP testing)
- Viral Serology Testing – 64,969 (poultry and swine)
- Virology Testing – 8,526 (Avian Influenza antigen testing for commercial poultry)

Laboratory Improvements:

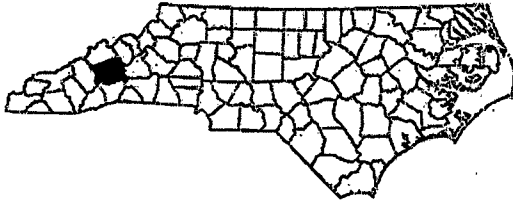
- Repair and renovations completed in 2008 include parking lot resurfacing, exterior painting and power washing, and remodeling in poultry necropsy areas to meet AAVLD biosecurity requirements
- New autoclave ordered, funded through '08 Joint Committee on Emergency Preparedness efforts

Laboratory Notes:

Located in the dense swine and turkey producing area of Sampson and Duplin counties

LABORATORY FACT SHEET

Western Animal Disease Diagnostic Laboratory



Location:

City: Arden, NC

County: Buncombe

Laboratory Statistics:

Staff: 6

Year Built: 1974

Square Footage: 9,292

2008 Necropsy Totals

Bovine - 165

Equine - 88

Fish - 2

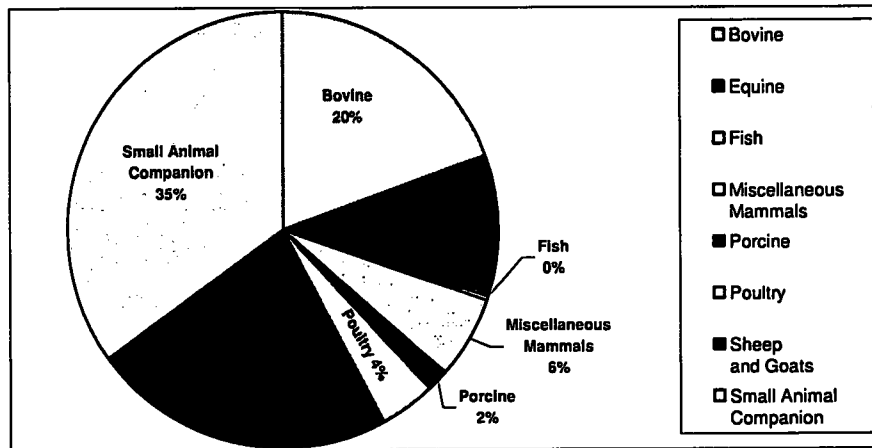
Miscellaneous Mammals - 53

Porcine - 15

Poultry - 34

Sheep and Goats - 194

Small Animal Companion - 295



Other Laboratory Tests (2008):

- Bacterial Serology Tests – 128
- Parasitology – 408

Laboratory Improvements:

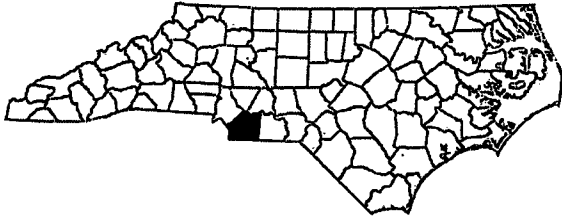
- Current renovations completed in February, 2008 include heating and cooling improvements, additions necessary to meet ADA requirements, new lighting throughout the lab, installation of sprinklers and fire alarm system, painting, and renovation of the necropsy loading dock.

Laboratory Events:

- The only satellite laboratory approved to conduct Coggins testing (Equine Infectious Anemia)
- The most diverse and active satellite lab in terms of case load and variety of species
- Assists local public health departments and other agencies on zoonotic issues in the more remote section of the state (rabies sampling, etc.)

LABORATORY FACT SHEET

Hoyle C. Griffin Animal Disease Diagnostic Laboratory



Location:

City: Monroe, NC

County: Union

Laboratory Statistics:

Staff: 8

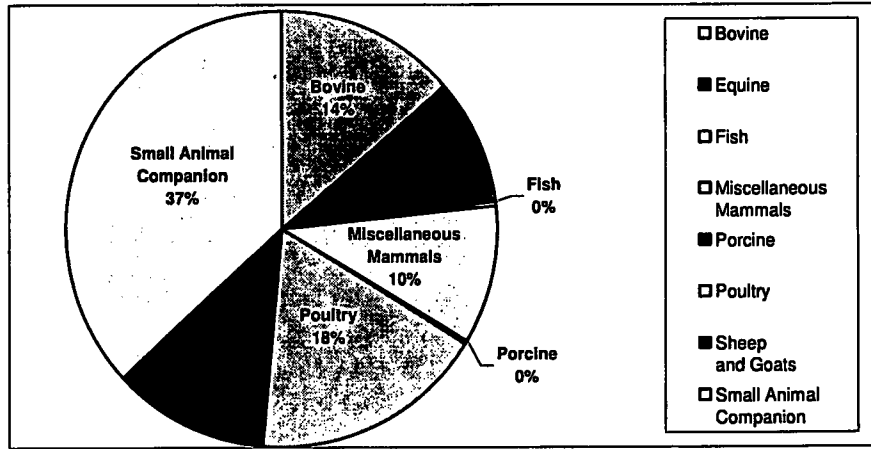
Year Built: 1979

Addition: 1987

Square Footage: 8,390

2008 Necropsy Totals

- Bovine - 57
- Equine - 40
- Fish - 1
- Miscellaneous Mammals - 44
- Porcine - 1
- Poultry - 74
- Sheep and Goats - 49
- Small Animal Companion - 156



Other Laboratory Tests (2008):

- Bacterial Serology Tests – 117,238 (commercial poultry NPIP testing)
- Serological Testing – 42,456 (primarily commercial poultry)
- Salmonella Culturing – 3,611 (basic NPIP *Salmonella* testing)
- Parasitology – 149
- Virology Testing – 4,127 (commercial poultry Avian Influenza detection)

Laboratory Improvements:

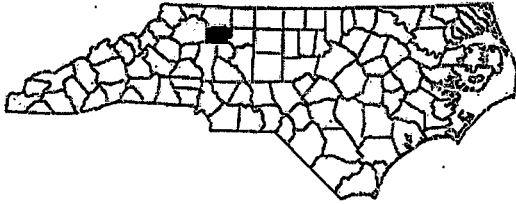
- Renovations completed in 2008 include interior and exterior painting, inside flooring and renovation of the necropsy area
- Purchase of new autoclave approved by '08 Joint Committee on Disaster Preparedness

Laboratory Events:

- One laboratory employee has been certified by the National Poultry Improvement Plan to test for *Salmonella* culturing
- Very diverse and varied case load representing all species

LABORATORY FACT SHEET

Northwestern Animal Disease Diagnostic Laboratory



Location:

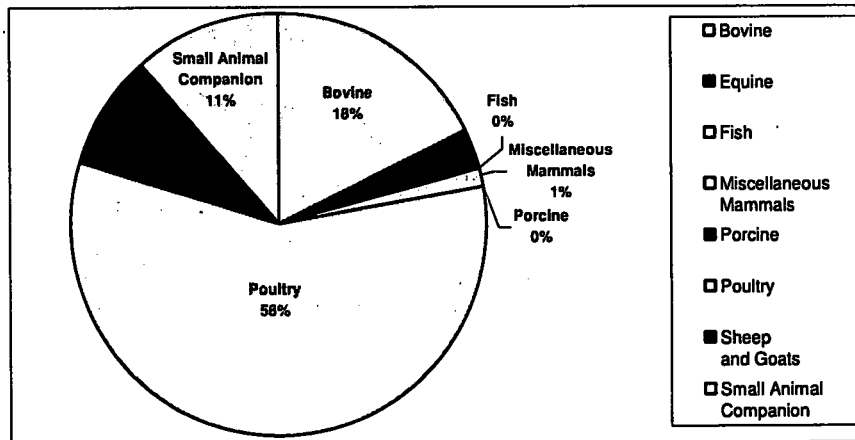
City: Elkin, NC
County: Yadkin

Laboratory Statistics:

Staff: 6
Year Built: 1987
Square Footage: 12,102

2008 Necropsy Totals

Bovine - 152
Equine - 25
Fish - 2
Miscellaneous Mammals - 10
Porcine - 0
Poultry - 492
Sheep and Goats - 75
Small Animal Companion - 98



Other Laboratory Tests (2008):

- Bacterial Serology Tests – 459,848 (commercial poultry NPIP testing)
- Parasitology - 680
- Viral Serology Testing – 86,643 (commercial poultry Avian Influenza detection)

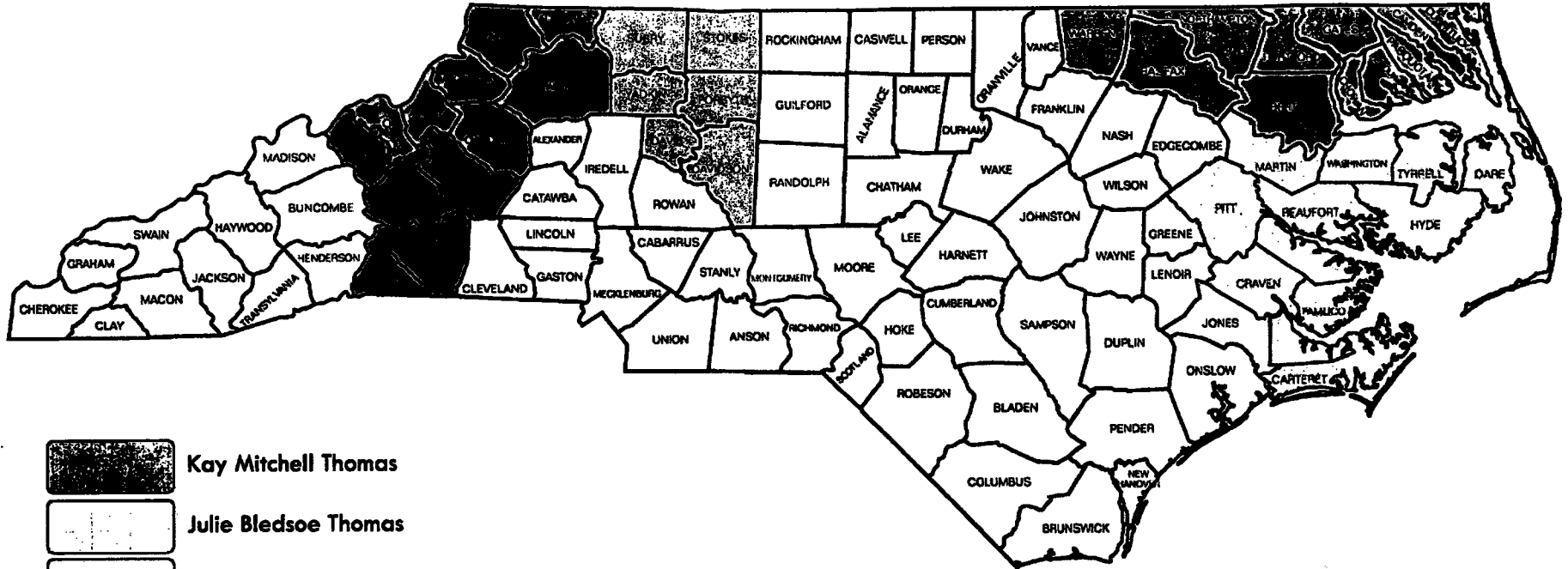
Laboratory Improvements:







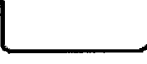
- Renovations completed in 2008 include exterior painting, fire alarm and sprinkler system added, security doors added, repair of necropsy loading dock, and parking lot resealed and striped
- New office equipment installed

Laboratory Notes:

- Two laboratory employees completed ELISA serology training at Rollins Laboratory
- A new laboratory diagnostician was added to the staff in July, 2008
- The newest and most modern satellite lab facility

NORTH CAROLINA TOURISM DEVELOPMENT OFFICER REGION MAP



-  Kay Mitchell Thomas
-  Julie Bledsoe Thomas
-  Tom Edmonds
-  Tom Holder
-  Helen Ruth Almond
-  Frankie McWhorter
-  Kaye Myers



Leesa Brandon,
 Development Officer serving as
 Coordinator for the 75th Anniversary
 of the Blue Ridge Parkway

Tourism & Community Development
 NC Division of Tourism, Film & Sports Development
 (919)733-7502

MINUTES

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

May 21, 2009
8:30 a.m.

The Appropriations Subcommittee on Natural and Economic Resources met in Room 423 of the Legislative Office Building on Thursday, May 21, 2009. Representative Garland E. Pierce presided and the meeting was called to order at 8:30 a.m. Chairman Pierce welcomed and introduced the Sergeant-At-Arms and Pages who were assisting the meeting.

The following Chairs were present: Representative Pricey T. Harrison and Representative Edith Warren. Vice Chairs present: Representative Carolyn Justice, Representative W.A. Wilkins and Representative Michael H. Wray. Members present: Representative Angela Bryant, Representative James Langdon, Jr., Representative Efton M. Sager, Representative Ruth Samuelson, and Representative Roger West. Counselor staff was also in attendance. A Visitor's Registration list and presentations are attached and filed as a record to the minutes.

Chairman Pierce recognized Ms. Kristin Walker with the Fiscal Research Division of the North Carolina General Assembly to explain the DENR Budget Options. Ms. Walker explained the budget and provided a Commerce Vacant Position Report as requested in the May 20 meeting. This presentation consisted of positions, funds, reductions and where funds were placed. This presentation is attached and filed as a record to the minutes.

Chairman Pierce recognized Ms. Lanier McRee with the Fiscal Research Division of the North Carolina General Assembly to continue explaining the DENR Budget Options. The same DENR Budget Report is attached and filed as a record to the minutes.

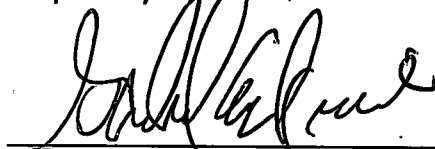
Committee Discussion

Chairman Pierce recognized Committee members for questions. In reference to Ms. McRee's presentation, Representative Bryant asked the Chairs to consider grassroots museums. Their startup amount was \$50,000 which was reduced to 6% or 49%. She requested that the Chairs consider those who was not on the formula with a lower amount be given the benefit of the formula.

Chairman Pierce asks if the next meeting was scheduled for next Wednesday (May 27).

There being no further business, the Chairman adjourned the meeting at 9:00 a.m.

Respectfully submitted,



Representative Garland E. Pierce
Presiding Co-Chair



Mildred Alston
Committee Assistant

Commerce Vac osition Report

Organizational Unit	Position	Date Vacant	Funding Source			
			GF	Federal	Receipts	
Com B&I Ret Northeast	60080963	Program Asst IV	11/01/2008	\$25,705		
Com Commerce Finance Center	60081022	Admin	12/15/2008		\$38,790	
Com Workforce Administrative Services	60081155	Program Assistant	12/30/2008		\$32,445	
Com Tourism Heritage	60080927	Heritage Tourism Officer	01/01/2009	\$38,600		
Industrial Commission Comm Chief Dep	60080696	Special Deputy	01/01/2009		\$54,679	
Industrial Commission Comm Deputy XVII	60080714	Program Assistant V	01/01/2009		\$34,016	
Com CA Planning Southeast Regional Off	60081202	Planner	01/17/2009	\$56,369		
Com CA Policy & Tech	60081174	W/A Processing Assistant	01/31/2009		\$31,622	
Com PRSP Market Research	60081021	Financial Specialist	01/31/2009		\$57,540	
Com Workforce Grants Mgt Field Service	60081145	Field Services Unit Supervisor	02/01/2009		\$80,658	
Industrial Commission Comm Deputy XVII	60080715	Program Assistant V	02/01/2009	\$32,827		
Industrial Commission Comm Chair	60080661	Administrative Officer II	02/05/2009	\$38,174		
Com B&I Business Recruitment	60080946	Director Of Industrial Recruiting	02/28/2009	\$106,787		
Com Tourism Marketing	60081259	Administrative Assistant I	02/28/2009	\$36,990		
Com Tourism VS Inquiry	60080858	Inquiry Supervisor	02/28/2009	\$36,065		
Industrial Commission Comm Medical	60080739	Processing Assistant IV	03/21/2009	\$25,705		
Industrial Commission Comm Safety	60080726	Safety Consultant I	04/01/2009		\$44,881	
Industrial Commission Commissioner Office VI	60080691	Legal Specialst	04/04/2009	\$54,679		
Com Science Tech	65006719	Grants Management Specialist	04/08/2009	\$50,000		
Com Tourism Heritage	60080943	Heritage Tourism Officer	05/01/2009	\$41,712		
Com Tourism Welcome I95S	60080888	Certified Travel Counselor	05/01/2009	\$34,319		
Number of Positions:		51	Total:	\$1,141,637	\$921,298	\$451,075

Source: Beacon Vacancy Report, May 19, 2009

Commerce Vac Position Report

Organizational Unit	Position	Date Vacant	Funding Source	
			GF	Federal Receipts
Com CA Data	60081219	Community Planner II	07/16/2004	\$41,173
Com CA Director's Office	60081172	Information & Communications Spec II	09/01/2005	\$36,685
Com CA Policy & Tech	60081173	Housing Code Specialist	01/31/2006	\$38,978
Com CA Plan & Evaluation	60081222	Community Planner II	08/21/2006	\$43,110
Com B&I Ret Business ServiCenter	60080997	Processing Assistant V	12/18/2006	\$31,196
Com Workforce Grants Mgt Field Service	60081153	Field Representative	01/01/2007	\$51,290
Com CA	60081224	Receptionist	08/01/2007	\$33,374
Com Workforce Development	60081253	Senior Policy Associate	09/11/2007	\$71,628
Com Legal	60077180	General Counsel And Chief Leg Lia	09/24/2007	\$123,000
Com Commerce Finance Center	60081018	Financial Specialist	11/26/2007	\$50,044
Com CA Policy & Tech	60081218	Accounting Clerk V	11/30/2007	\$33,228
Com CA Policy & Tech	60081220	Administrative Officer II	12/01/2007	\$48,140
Com Workforce B&I Rapid Response	60081151	Employment & Training Specialist I	12/05/2007	\$41,173
Com Tourism Visitor Centers	60080849	Receptionist	01/22/2008	\$25,291
Com CA Director's Office	60081234	Grants Auditor	04/01/2008	\$50,598
Com CA Plan & Evaluation	60081227	Grant Rep	04/01/2008	\$43,724
Industrial Commission Comm Chair	60080699	Fraud Investigator	04/05/2008	\$54,475
Com Workforce Business Industry Servc	60081127	Director	04/15/2008	\$92,568
Com Workforce P&G JobLink	60081244	Joblink Liaison	05/01/2008	\$60,860
Com Workforce Admin Srv Performance Mng	60081152	Data Validator	05/24/2008	\$40,000
Com Tourism	60080862	Director Tourism Programs	06/21/2008	\$53,248
Com Tourism Heritage	60080933	Development Officer	07/01/2008	\$41,335
Com Tourism Wine and Grape	65005907	Marketing Specialist	07/01/2008	\$49,903
Industrial Commission Comm IT	65007374	Chief Technology Officer	07/01/2008	\$91,500
Com B&I Business Recruitment	60080955	Econ Development Rep	08/01/2008	\$69,966
Com MIS HelpDesk	60080826	Helpdesk Manager	08/16/2008	\$62,268
Com B&I Recruit Advantage West	60080983	Regional Asst	09/01/2008	\$36,967
Com International Trade	60081004	Business Development Manager	09/01/2008	\$79,630
Com Tourism Welcome I77S	60080923	General Utility Worker	09/27/2008	\$18,124
Com CA Planning Southeast Regional Off	60081198	Senior Planner	10/13/2008	\$47,971

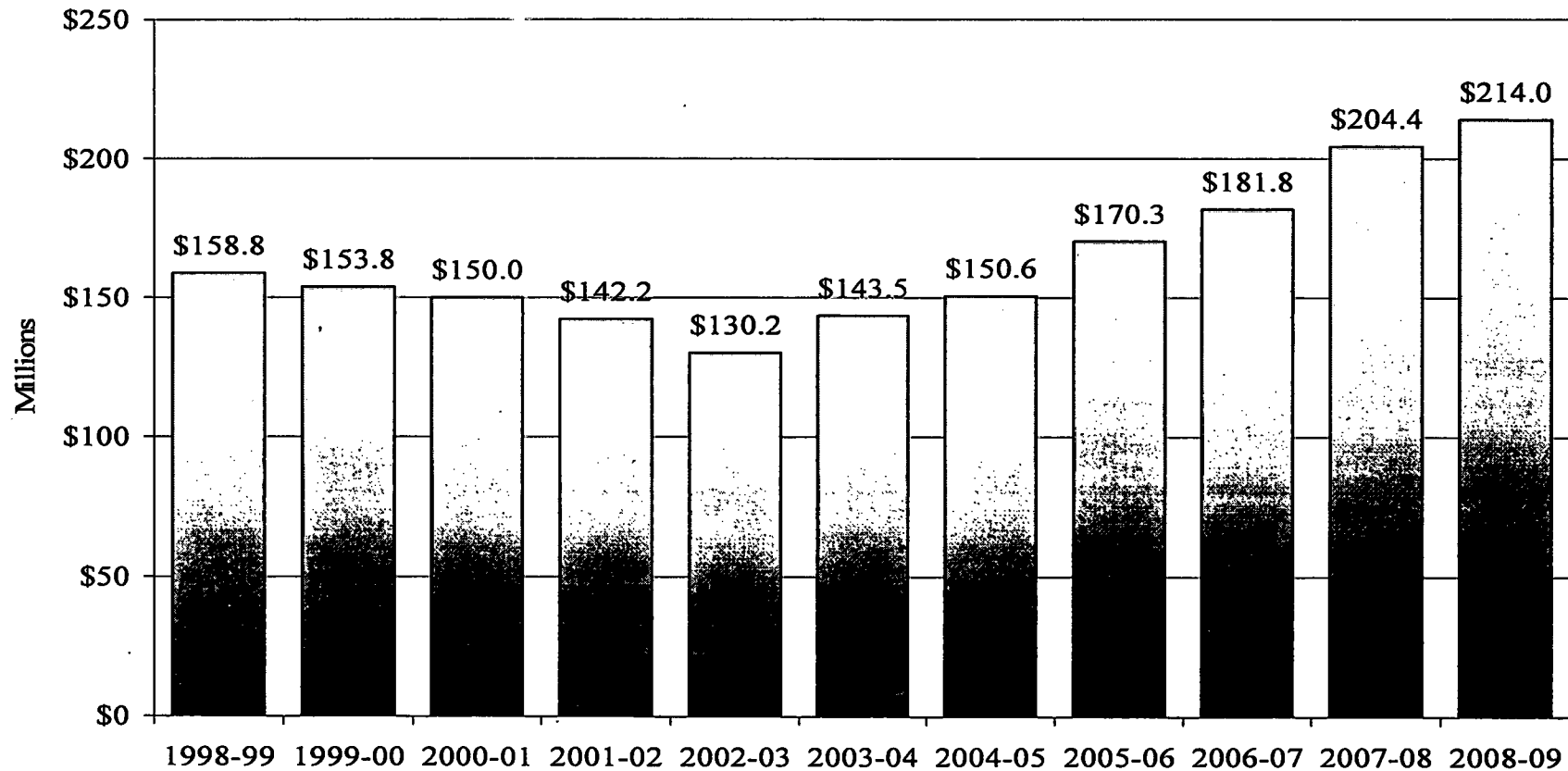
DRAFT - WORKING DOCUMENT

DENR					
Budget Items		House 2009-10		House 2010-11	
		Amount	FTE	Amount	FTE
<i>Continuation Budget</i>		\$212,524,097		\$214,924,435	
Reductions					
1	All Continuation Budget Increases	(\$10,777,322)		(\$13,107,174)	
2	<i>Adjusted Continuation Budget</i>	\$201,746,775		\$201,817,261	
3	<i>6% of Adjusted Continuation</i>	\$12,823,589		\$15,427,297	
4	<i>Target if Reduce all Agencies by 6%</i>	\$188,923,186		\$186,389,964	
5					
6	Eliminate Funding for Non-employee travel, education, & subsistence	(\$449,585)		(\$449,585)	
7	Eliminate Compensation to Board Members	(\$161,726)		(\$161,726)	
8	Eliminate Funds for Honorariums	(\$14,670)		(\$14,670)	
9	Eliminate Funds for Office Furniture - 100%	(\$410,064)		(\$410,064)	
10	Reduce Funds for Cell Phones - 50%	(\$420,071)		(\$420,071)	
11	Reduce Funds for Workshop Travel 50%	(\$4,381)		(\$4,381)	
12	Reduce Funds for Workshop Subsistence - 50%	(\$419)		(\$419)	
13	Reduce Funding for Registrations - 50%	(\$251,981)		(\$251,981)	
14	Reduce Funds for Employee Education Assistance Program - 50%	(\$28,788)		(\$28,788)	
15	Reduce Funds for Employee Education - 50%	(\$57,725)		(\$57,725)	
16	Reduce Funds for Memberships & Subscriptions - 50%	(\$160,450)		(\$160,450)	
17	Eliminate Positions Vacant Since 7/1/2008	(\$1,962,485)	(39.25)	(\$1,962,485)	(39.25)
18	Fund shift GF Positions to Receipt (non-Federal) Positions	(\$3,060,067)	(53.25)	(\$3,060,067)	(53.25)

DEPARTMENT OF ENVIRONMENT & NATURAL RESOURCES

Mission: to conserve and protect North Carolina's natural resources and to maintain an environment of high quality for the health, well being, and benefit of all

DENR Actual Appropriations



DRAFT - WORKING DOCUMENT

DENR					
Budget Items		House 2009-10		House 2010-11	
43	Res. - Reduce Beaver Management Assistance Program Funding	(\$349,000)		(\$349,000)	
44	Res. - Reduce GF Support for Grassroots Museum State Funds - 6% & 8%	(\$208,881)		(\$278,508)	
45	Res. - Reduce GF Support of the Partnership for the Sounds - 6% & 8%	(\$31,035)		(\$41,380)	
46	Res. - Reduce GF Support for Grassroots Museum State Funds - 8% & 10%	(\$278,508)		(\$348,135)	
47	Res. - Reduce GF Support of the Partnership for the Sounds - 8% & 10%	(\$41,380)		(\$51,725)	
48	Res. - Reduce GF Support for Grassroots Museum State Funds - 10.9% & 12.8%	(\$379,467)		(\$445,613)	
49	Res. - Reduce GF Support of the Partnership for the Sounds - 10.9% & 12.8%	(\$56,380)		(\$66,208)	

D					
Budget Items		House 2009-10		House 2010-11	
19	Regional Offices - Reduce Administrative Staff an average of two FTE per Office	(\$560,000)	(14.00)	(\$560,000)	(14.00)
20	CGIA transfer to ITS	(\$167,549)	(2.00)	(\$167,549)	(2.00)
21	Consolidate Customer Service Center and Ombudsman Office	(\$125,000)	(2.00)	(\$125,000)	(2.00)
22	DCM - Fund Shift 1 Position to NOAA Grant	(\$81,492)		(\$81,492)	
23	DEH - Reduce Mosquito Pest Management Grants-in-Aid - 50%	(\$308,096)		(\$308,096)	
24	DEH - Fund Shift Rent to Federal Grant	(\$61,724)		(\$61,724)	
25	DEH - Raise Food/Lodging Inspection Fee to \$75, plan review to \$250	(\$250,000)		(\$250,000)	
26	DEH - Fund Shift Position to Food/Lodging Inspection Fee	(\$38,272)		(\$38,272)	
27	DEH - Eliminate GF Support for Radiation Protection Section (Phase-In)	(\$416,282)		(\$833,337)	
28	DLR - Eliminate County Boundary Program	(\$106,479)	(1.00)	(\$106,479)	(1.00)
29	DLR - Reduce Landslide Mapping Aerial Photography 50%	(\$50,000)		(\$50,000)	
30	DPPEA - Fund shift to SWMTF	(\$225,000)		(\$225,000)	
31	DWR - Reduce Stream and Well Monitoring Contracts 10%	(\$21,884)		(\$21,884)	
32	DWQ - Neuse River Rapid Response Team	(\$202,877)	(4.00)	(\$202,877)	(4.00)
33	AQM - Reduce GF to 2006-07 Recurring level, Replace with Gate Admissions	(\$2,500,000)		(\$2,500,000)	
34	OEE - Eliminate Library	(\$93,413)	(1.00)	(\$93,413)	(1.00)
35	OEE - Eliminate Admin Asst for OEE	(\$43,980)	(1.00)	(\$43,980)	(1.00)
36	DFR - Reduce Funds for Equipment in Forestry	(\$500,000)		(\$500,000)	
37	DFR - Reduce Young Offenders Program (Bridge)	(\$1,043,814)	(10.00)	(\$1,043,814)	(10.00)
38	DMF - Sea Grant Transfer (Sea Grant only)	(\$253,688)		(\$253,688)	
39	DMF - Reduce Funding for Reefs (Funding will be picked up by Feds)	(\$500,000)		(\$500,000)	
40	DPR - Reduce Aid & Public Assistance by 15%	(\$599,058)		(\$599,058)	
41	DPR - Charge \$5 Parking Fee at State Parks	(\$9,000,000)		(\$9,000,000)	
42	DSW - Reduce Funds for Ag Cost Share Program - 10%	(\$820,514)		(\$820,514)	

DENR Vacant Appropriated Positions

BEACON Vacancy Report as of May 20, 2009

Fund	Title	Days Vacant	Date Vacant	Salary	Full-time FTE
1140	Program Assistant V	466	5-Feb-08	\$ 38,174	1.00
1210	Service Forester	746	1-May-07	\$ 35,610	1.00
1210	District Ranger	502	31-Dec-07	\$ 39,262	1.00
1210	Ast County Ranger	488	14-Jan-08	\$ 16,583	0.60
1210	Ast County Ranger	442	29-Feb-08	\$ 27,639	1.00
1210	Ffeo	438	4-Mar-08	\$ 17,701	0.60
1210	CI215 Pilot	410	1-Apr-08	\$ 65,024	1.00
1210	Ast State Pilot	348	2-Jun-08	\$ 49,514	1.00
1210	County Ranger - R1, D13, Dare	320	30-Jun-08	\$ 16,583	0.60
1210	Helicopter Crew Chief	319	1-Jul-08	\$ 45,546	1.00
1235	Project Leader	349	1-Jun-08	\$ 27,870	1.00
1260	Nursery Tech	716	31-May-07	\$ 27,863	1.00
1280	Deputy Director, NC State Parks	691	25-Jun-07	\$ 81,416	1.00
1280	Maintenance Mechanic I	446	25-Feb-08	\$ 25,705	1.00
1280	Journey Park Ranger	329	21-Jun-08	\$ 33,477	1.00
1280	Park Ranger	319	1-Jul-08	\$ 37,328	1.00
1280	Park Ranger	319	1-Jul-08	\$ 37,328	1.00
1280	Park Ranger	319	1-Jul-08	\$ 42,783	1.00
1280	Office Assistant IV	319	1-Jul-08	\$ 25,705	1.00
1280	Office Assistant IV	319	1-Jul-08	\$ 25,705	1.00
1280	Maintenance Mechanic I	319	1-Jul-08	\$ 25,705	1.00
1280	Maintenance Mechanic II	319	1-Jul-08	\$ 31,517	1.00
1280	Maintenance Mechanic III	319	1-Jul-08	\$ 30,414	1.00
1280	Maintenance Mechanic IV	319	1-Jul-08	\$ 32,746	1.00
1280	Park Ranger	319	1-Jul-08	\$ 42,783	1.00
1280	Park Ranger	319	1-Jul-08	\$ 37,328	1.00
1280	Park Superintendent	319	1-Jul-08	\$ 54,400	1.00
1280	Park Ranger	319	1-Jul-08	\$ 42,783	1.00
1280	Park Ranger	319	1-Jul-08	\$ 37,328	1.00
1310	Engineer	533	30-Nov-07	\$ 57,323	1.00
1320	Marine Fisheries Section Chief	319	1-Jul-08	\$ 66,001	1.00
1320	Research Vessel Engineer	319	1-Jul-08	\$ 28,402	1.00
1320	Research Vessel Engineer	319	1-Jul-08	\$ 28,402	1.00
1320	Research Vessel Captain	319	1-Jul-08	\$ 30,815	1.00
1320	Marine Fisheries Technician III	319	1-Jul-08	\$ 30,815	1.00
1355	Admissions Manager	410	1-Apr-08	\$ 25,142	1.00
1495	Ss Section Chief	319	1-Jul-08	\$ 71,915	1.00
1625	Washington District Planner	486	16-Jan-08	\$ 50,340	1.00
1690	Environmental Senior Specialist	380	1-May-08	\$ 11,778	0.25
1735	Hydro/Geologist	807	1-Mar-07	\$ 52,547	1.00
1740	Env Spec	349	1-Jun-08	\$ 38,174	1.00
1760	Bus and Technology Applications Analyst	694	22-Jun-07	\$ 5,500	0.10
1760	Hydrogeologist	349	1-Jun-08	\$ 4,979	0.10

\$ 1,553,954 39.25
 SSI \$ 118,877
 Retire \$ 126,492
 Health Ins. \$ 163,162

Total Reduction for Positions Vacant on July 1, 2008 **\$ 1,962,485**

DENR Vacant Appropriated Positions

BEACON Vacancy Report as of May 20, 2009

Fund	Title	Days Vacant	Date Vacant	Salary	Full-time FTE
1210	Regional Ranger For Facilities	318	2-Jul-08	\$ 44,560	1.00
1210	Patrol Pilot	318	2-Jul-08	\$ 50,485	1.00
1280	Park Ranger	313	7-Jul-08	\$ 14,948	0.50
1690	Environmental Specialist	305	15-Jul-08	\$ 42,868	1.00
1210	Hr Rep	302	18-Jul-08	\$ 42,249	1.00
1210	Ast County Ranger	296	24-Jul-08	\$ 16,583	0.60
1320	Marine Fisheries Biologist II	295	25-Jul-08	\$ 40,116	1.00
1210	Ast County Ranger	288	1-Aug-08	\$ 16,583	0.60
1310	Environmental Program Supervisor IV	288	1-Aug-08	\$ 70,103	1.00
1620	Environmental Engineer III	277	12-Aug-08	\$ 54,233	1.00
1615	Environmental Engineer III	276	13-Aug-08	\$ 55,724	1.00
1210	Administrative Assistant I	273	16-Aug-08	\$ 36,604	1.00
1210	Admin Asst	271	18-Aug-08	\$ 34,163	1.00
1480	Environmental Senior Specialist	270	19-Aug-08	\$ 42,833	1.00
1615	Environmental Supervisor II	259	30-Aug-08	\$ 56,351	1.00
1735	Senior Geologist	257	1-Sep-08	\$ 73,598	1.00
1500	Environmental Health Regional Specialist	252	6-Sep-08	\$ 46,476	1.00
1740	Receptionist	248	10-Sep-08	\$ 28,282	1.00
1750	Engineer Technician	243	15-Sep-08	\$ 40,732	1.00
1740	Engineer	243	15-Sep-08	\$ 47,829	1.00
1210	Forest Ranger	231	27-Sep-08	\$ 27,639	1.00
1740	Engineer	227	1-Oct-08	\$ 46,549	1.00
1325	Law Enforcement Officer	227	1-Oct-08	\$ 36,215	1.00
1305	General Utility Worker	227	1-Oct-08	\$ 25,898	1.00
1490	Engineering Supervisor	227	1-Oct-08	\$ 79,282	1.00
1280	Labor Crew Leader	225	3-Oct-08	\$ 24,861	1.00
1280	Parks Designer I	222	6-Oct-08	\$ 41,173	1.00
1760	Environmental Specialist	222	6-Oct-08	\$ 42,339	1.00
1210	District Ranger	215	13-Oct-08	\$ 39,262	1.00
1635	Chemistry Technician II	215	13-Oct-08	\$ 32,300	1.00
1210	Ast County Ranger	213	15-Oct-08	\$ 16,583	0.60
1210	Ast County Ranger	208	20-Oct-08	\$ 16,583	0.60
1210	Mechanic	208	20-Oct-08	\$ 39,839	1.00
1210	Management Ranger	205	23-Oct-08	\$ 31,795	1.00
1620	Environmental Specialist	199	29-Oct-08	\$ 41,496	1.00
1305	Zoo Curator	198	30-Oct-08	\$ 51,605	1.00
1210	Forest Supv	196	1-Nov-08	\$ 32,253	1.00
1210	Edu Ranger	196	1-Nov-08	\$ 27,639	1.00
1320	Marine Fisheries Biologist Supervisor	196	1-Nov-08	\$ 53,713	1.00
1280	Park Ranger	196	1-Nov-08	\$ 34,686	1.00
1280	Park Ranger	196	1-Nov-08	\$ 35,053	1.00
1280	Park Ranger	196	1-Nov-08	\$ 36,100	1.00
1210	Assistant County Ranger	194	3-Nov-08	\$ 16,583	0.60
1280	Park Ranger	194	3-Nov-08	\$ 34,291	1.00
1490	Environmental Specialist	194	3-Nov-08	\$ 38,174	1.00
1690	Environmental Program Supervisor III	194	3-Nov-08	\$ 66,595	1.00
1210	Aircraft Mechanic	192	5-Nov-08	\$ 49,113	1.00

DENR Vacant Appropriated Positions

BEACON Vacancy Report as of May 20, 2009

Fund	Title	Days Vacant	Date Vacant	Salary	Full-time FTE
1280	Office Assistant III	187	10-Nov-08	\$ 25,811	1.00
1280	Park Ranger	187	10-Nov-08	\$ 34,344	1.00
1490	Environmental Senior Specialist	182	15-Nov-08	\$ 46,395	1.00
1280	Park Ranger	180	17-Nov-08	\$ 34,577	1.00
1355	Exhibit Curator	175	22-Nov-08	\$ 41,100	1.00
1210	Ffeo	172	25-Nov-08	\$ 41,184	1.00
1320	Technology Support Analyst	170	27-Nov-08	\$ 42,691	1.00
1625	Field Representative	166	1-Dec-08	\$ 47,331	1.00
1310	Environmental Specialist	166	1-Dec-08	\$ 43,410	1.00
1280	Park Ranger	166	1-Dec-08	\$ 34,638	1.00
1280	Park Ranger	166	1-Dec-08	\$ 34,344	1.00
1280	Park Superintendent	166	1-Dec-08	\$ 52,421	1.00
1280	Exhibit Coordinator	166	1-Dec-08	\$ 37,160	1.00
1280	Office Assistant III	166	1-Dec-08	\$ 25,811	1.00
1655	Environmental Senior Technician	166	1-Dec-08	\$ 50,281	1.00
1760	It Support	166	1-Dec-08	\$ 55,957	1.00
1320	Marine Fisheries Technician III	164	3-Dec-08	\$ 31,622	1.00
1280	Park Ranger	161	6-Dec-08	\$ 30,997	1.00
1210	PERSONNEL OFFICER I	156	11-Dec-08	\$ 41,228	1.00
1280	Park Ranger	155	12-Dec-08	\$ 34,344	1.00
1280	Park Ranger	155	12-Dec-08	\$ 34,638	1.00
1210	County Ranger - Moore	152	15-Dec-08	\$ 19,077	0.60
1280	Park Ranger	152	15-Dec-08	\$ 33,748	1.00
1280	Park Ranger	152	15-Dec-08	\$ 17,536	0.50
1280	Park Ranger	147	20-Dec-08	\$ 30,997	1.00
1620	Environmental Supervisor 1	135	1-Jan-09	\$ 63,014	1.00
1210	Maintenance Mechanic	135	1-Jan-09	\$ 49,108	1.00
1210	Regional Trn Off	135	1-Jan-09	\$ 44,560	1.00
1210	Office Mgr	135	1-Jan-09	\$ 37,854	1.00
1210	County Ranger	135	1-Jan-09	\$ 27,581	0.60
1210	Ffeo	135	1-Jan-09	\$ 19,176	0.65
1320	Marine Fisheries Biologist II	135	1-Jan-09	\$ 40,116	1.00
1280	Office Assistant III	135	1-Jan-09	\$ 29,569	1.00
1490	Administrative Secretary II	135	1-Jan-09	\$ 31,777	1.00
1690	Environmental Specialist	135	1-Jan-09	\$ 42,317	1.00
1690	Information Technology Manager	135	1-Jan-09	\$ 43,677	0.50
1130	Office Assistant	135	1-Jan-09	\$ 26,595	1.00
1210	Ffeo	133	3-Jan-09	\$ 17,701	0.60
1630	Accounting Technician	131	5-Jan-09	\$ 37,446	1.00
1210	Edu Forest Supv	126	10-Jan-09	\$ 41,451	1.00
1280	Maintenance Mechanic II	126	10-Jan-09	\$ 27,544	1.00
1280	Park Superintendent	124	12-Jan-09	\$ 51,654	1.00
1305	Zookeeper II	120	16-Jan-09	\$ 29,623	1.00
1210	Water Quality Forester	116	20-Jan-09	\$ 43,124	1.00
1655	Environmental Specialist	116	20-Jan-09	\$ 43,779	1.00
1210	Ffeo	104	1-Feb-09	\$ 39,493	1.00
1210	County Ranger	104	1-Feb-09	\$ 25,421	0.60
1360	Security Guard	98	7-Feb-09	\$ 29,989	1.00

DENR Vacant Appropriated Positions

BEACON Vacancy Report as of May 20, 2009

Fund	Title	Days Vacant	Date Vacant	Salary	Full-time FTE
1690	Environmental Engineer	92	13-Feb-09	\$ 48,199	1.00
1320	Marine Fisheries Biologist II	91	14-Feb-09	\$ 41,721	1.00
1140	Accounting Technician	89	16-Feb-09	\$ 35,179	1.00
1620	Environmental Specialist	84	21-Feb-09	\$ 38,174	1.00
1210	District Forester	76	1-Mar-09	\$ 62,554	1.00
1280	Park Ranger	76	1-Mar-09	\$ 43,611	1.00
1280	Park Superintendent	76	1-Mar-09	\$ 53,944	1.00
1475	Environmental Health Regional Specialist	76	1-Mar-09	\$ 50,796	1.00
1740	Env Spec	67	10-Mar-09	\$ 43,621	1.00
1210	Ffeo	53	24-Mar-09	\$ 38,213	1.00
1305	Horticulture/grounds Technician	53	24-Mar-09	\$ 26,587	1.00
1280	Park Ranger	47	30-Mar-09	\$ 33,398	1.00
1280	Office Assistant III	47	30-Mar-09	\$ 25,811	1.00
1210	County Ranger	45	1-Apr-09	\$ 26,773	0.60
1310	Engineer Technician	45	1-Apr-09	\$ 34,884	1.00
1210	Ast County Ranger	44	2-Apr-09	\$ 17,382	0.60
1325	Office Assistant IV	42	4-Apr-09	\$ 29,049	1.00
1280	Park Ranger	40	6-Apr-09	\$ 34,344	1.00
1280	Office Assistant III	38	8-Apr-09	\$ 25,811	1.00
1320	Marine Fisheries Biologist II	36	10-Apr-09	\$ 41,352	1.00
1690	Environmental Program Manager I	30	16-Apr-09	\$ 42,037	0.50
1355	Aquarist	29	17-Apr-09	\$ 33,069	1.00
1210	District Forester	15	1-May-09	\$ 65,939	1.00
1210	County Ranger	15	1-May-09	\$ 25,834	0.60
1210	Business Officer	15	1-May-09	\$ 48,318	1.00
1280	Maintenance Mechanic I	15	1-May-09	\$ 27,314	1.00
1305	Hvac Mechanic	15	1-May-09	\$ 39,282	1.00
1355	Educator	15	1-May-09	\$ 33,069	1.00
1690	Biological Assessment Unit Supervisor	15	1-May-09	\$ 74,151	1.00
1210	Ffeo	9	7-May-09	\$ 37,526	1.00
				\$ 4,815,093	117.85
				SSI \$ 368,355	
				Retire \$ 391,949	
				Health Ins. \$ 489,902	
Total Reduction Positions Vacant After July 1, 2008				\$ 6,065,299	

DENR Vacant Receipt-Supported Positions

BEACON Vacancy Report as of May 20, 2009

Fund	Title	Days Vacant	Date Vacant	Funding Source	Salary	FTE
1130	Technology Support Specialist	234	24-Sep-08	Receipts	\$ 55,719	1.00
1210	Aviation Parts Mgr	624	31-Aug-07	Receipts	\$ 33,676	1.00
1210	Pilot	593	1-Oct-07	Receipts	\$ 65,024	1.00
1210	Ast County Ranger	488	14-Jan-08	Receipts	\$ 11,056	0.40
1210	Ffeo	438	4-Mar-08	Receipts	\$ 11,801	0.40
1210	Custom Ranger	410	1-Apr-08	Receipts	\$ 40,434	1.00
1210	County Ranger - R1, D13, Dare	320	30-Jun-08	Receipts	\$ 11,056	0.40
1210	Ast County Ranger	296	24-Jul-08	Receipts	\$ 11,056	0.40
1210	Ast County Ranger	288	1-Aug-08	Receipts	\$ 11,056	0.40
1210	Ast County Ranger	213	15-Oct-08	Receipts	\$ 11,056	0.40
1210	Ast County Ranger	208	20-Oct-08	Receipts	\$ 11,056	0.40
1210	Assistant County Ranger	194	3-Nov-08	Receipts	\$ 11,056	0.40
1210	County Ranger - Moore	152	15-Dec-08	Receipts	\$ 12,718	0.40
1210	County Ranger	135	1-Jan-09	Receipts	\$ 18,388	0.40
1210	Ffeo	135	1-Jan-09	Receipts	\$ 10,326	0.35
1210	Ffeo	133	3-Jan-09	Receipts	\$ 11,801	0.40
1210	County Ranger	104	1-Feb-09	Receipts	\$ 16,948	0.40
1210	County Ranger	45	1-Apr-09	Receipts	\$ 17,849	0.40
1210	Ast County Ranger	44	2-Apr-09	Receipts	\$ 11,588	0.40
1210	Ffeo	33	13-Apr-09	Receipts	\$ 35,031	1.00
1210	County Ranger	15	1-May-09	Receipts	\$ 17,222	0.40
1280	Architect	573	21-Oct-07	Receipts	\$ 57,427	1.00
1280	Park Ranger	313	7-Jul-08	Receipts	\$ 14,949	0.50
1280	Park Ranger	152	15-Dec-08	Receipts	\$ 17,535	0.50
1280	Office Assistant IV	76	1-Mar-09	Receipts	\$ 32,560	1.00
1310	Environmental Specialist	346	4-Jun-08	Receipts	\$ 47,084	1.00
1325	Data Control Unit Supervisor V	831	5-Feb-07	Receipts	\$ 27,544	1.00
1325	Bus & Tech Applic Analyst	715	1-Jun-07	Receipts	\$ 52,650	1.00
1475	Technology Support Analyst	686	30-Jun-07	Receipts	\$ 43,778	1.00
1490	Environmental Senior Specialist	110	26-Jan-09	Receipts	\$ 50,759	1.00
1500	Environmental Health Specialist	824	12-Feb-07	Receipts	\$ 40,000	1.00
1610	Environmental Specialist	777	31-Mar-07	Receipts	\$ 40,047	1.00
1671	Accounting Technician	836	31-Jan-07	Receipts	\$ 31,622	1.00
1671	Bus & Tech Applic Analyst	694	22-Jun-07	Receipts	\$ 49,500	0.90
1671	Hydrogeologist	349	1-Jun-08	Receipts	\$ 44,813	0.90
1671	Engineer	196	1-Nov-08	Receipts	\$ 58,308	1.00
1671	Environmental Specialist	196	1-Nov-08	Receipts	\$ 48,528	1.00
1671	Environmental Specialist	196	1-Nov-08	Receipts	\$ 48,528	1.00
1671	Environmental Specialist	196	1-Nov-08	Receipts	\$ 48,528	1.00
1671	Environmental Specialist	196	1-Nov-08	Receipts	\$ 48,386	1.00
1671	Environmental Specialist	196	1-Nov-08	Receipts	\$ 48,528	1.00
1671	Environmental Specialist	196	1-Nov-08	Receipts	\$ 48,528	1.00
1671	Environmental Specialist	45	1-Apr-09	Receipts	\$ 43,601	1.00
1695	Environmental Engineer	1,050	1-Jul-06	Receipts	\$ 44,670	1.00
1695	Environmental Engineer	1,050	1-Jul-06	Receipts	\$ 44,670	1.00
1695	Environmental Engineer	1,050	1-Jul-06	Receipts	\$ 44,670	1.00
1695	Environmental Engineer	1,050	1-Jul-06	Receipts	\$ 44,670	1.00
1695	Environmental Engineer	685	1-Jul-07	Receipts	\$ 50,940	1.00
1695	Engineer	349	1-Jun-08	Receipts	\$ 51,297	1.00
1695	Environmental Senior Specialist	227	1-Oct-08	Receipts	\$ 55,886	1.00

DENR Vacant Receipt-Supported Positions

BEACON Vacancy Report as of May 20, 2009

Fund	Title	Days Vacant	Date Vacant	Funding Source	Salary	FTE
1695	Engineer	129	7-Jan-09	Receipts	\$ 60,785	1.00
1695	Engineer	40	6-Apr-09	Receipts	\$ 69,336	1.00
1705	Environmental Senior Specialist	410	1-Apr-08	Receipts	\$ 68,380	1.00
1735	Program Assistant V	1,013	7-Aug-06	Receipts	\$ 2,754	0.10
1740	Engineer	231	27-Sep-08	Receipts	\$ 49,042	1.00
1750	Engineer	989	31-Aug-06	Receipts	\$ 50,831	1.00
1755	Processing Assistant IV	685	1-Jul-07	Receipts	\$ 25,705	1.00
1755	Health Physicist	685	1-Jul-07	Receipts	\$ 42,833	1.00
1755	Health Physicist	685	1-Jul-07	Receipts	\$ 42,833	1.00
1755	Health Physicist	685	1-Jul-07	Receipts	\$ 42,833	1.00
1755	Health Physicist	166	1-Dec-08	Receipts	\$ 50,533	1.00
1755	Rps Section Chief	135	1-Jan-09	Receipts	\$ 79,524	1.00
1755	Health Physicist	104	1-Feb-09	Receipts	\$ 48,016	1.00
1755	Environmental Specialist	76	1-Mar-09	Receipts	\$ 48,226	1.00
1760	Hydrogeologist	44	2-Apr-09	Receipts	\$ 54,047	1.00
Subtotal Receipts					\$ 2,451,599	53.25
SSi					\$ 187,547	
Retire					\$ 199,560	
Health Ins.					\$ 221,360	
Total Reduction for Vacant Receipt					\$ 3,060,067	

DENR Vacant Receipt-Supported Positions

BEACON Vacancy Report as of May 20, 2009

Fund	Title	Days Vacant	Date Vacant	Funding Source	Salary	FTE	
1230	Ffeo	351	30-May-08	Federal	\$ 30,048	1.00	
1230	Dbr Ranger	227	1-Oct-08	Federal	\$ 49,141	1.00	
1255	Admin Asst	182	15-Nov-08	Federal	\$ 38,636	1.00	
1280	Office Assistant III	404	7-Apr-08	Federal	\$ 24,092	1.00	
1320	Business & Tech Applic Tech	1,353	1-Sep-05	Federal	\$ 38,739	1.00	
1320	Marine Fisheries Technician II	1,212	20-Jan-06	Federal	\$ 28,484	1.00	
1320	Marine Fisheries Biologist I	1,186	15-Feb-06	Federal	\$ 37,042	1.00	
1320	Marine Fisheries Technician II	470	1-Feb-08	Federal	\$ 28,484	1.00	
1320	Marine Fisheries Technician I	166	1-Dec-08	Federal	\$ 41,211	1.00	
1320	Marine Fisheries Technician II	112	24-Jan-09	Federal	\$ 29,850	1.00	
1410	Administrative Secretary I	836	31-Jan-07	Federal	\$ 33,183	1.00	
1410	Fixed Wing Pilot	56	21-Mar-09	Federal	\$ 51,191	1.00	
1490	Engineer	177	20-Nov-08	Federal	\$ 58,308	1.00	
1490	Engineer	135	1-Jan-09	Federal	\$ 49,727	1.00	
1490	Administrative Assistant I	103	2-Feb-09	Federal	\$ 40,783	1.00	
1490	Engineer	45	1-Apr-09	Federal	\$ 69,935	1.00	
1490	Processing Assistant IV	45	1-Apr-09	Federal	\$ 36,404	1.00	
1625	Wetlands Specialist	778	30-Mar-07	Federal	\$ 44,721	1.00	
1660	Geologist	705	11-Jun-07	Federal	\$ 49,391	1.00	
1660	Geologist	494	8-Jan-08	Federal	\$ 46,267	1.00	
1660	Environmental Specialist	257	1-Sep-08	Federal	\$ 39,211	1.00	
1660	Geologist	196	1-Nov-08	Federal	\$ 53,462	1.00	
1690	Processing Assistant IV	239	19-Sep-08	Federal	\$ 31,100	1.00	
1690	Engineer	166	1-Dec-08	Federal	\$ 56,944	1.00	
1690	Office Assistant III	147	20-Dec-08	Federal	\$ 28,256	1.00	
1690	Information Technology Manager	135	1-Jan-09	Federal	\$ 43,676	0.50	
1690	Office Assistant III	75	2-Mar-09	Federal	\$ 29,463	1.00	
1690	Environmental Program Manager I	30	16-Apr-09	Federal	\$ 42,036	0.50	
1720	Environmental Senior Specialist	836	31-Jan-07	Federal	\$ 44,914	1.00	
1720	Environmental Engineer I	201	27-Oct-08	Federal	\$ 50,221	1.00	
1725	Environmental Specialist	299	21-Jul-08	Federal	\$ 41,100	1.00	
1725	Environmental Technician	135	1-Jan-09	Federal	\$ 37,544	1.00	
1755	Environmental Senior Specialist	199	29-Oct-08	Federal	\$ 42,833	1.00	
1760	Engineer	1,931	1-Feb-04	Federal	\$ 52,354	1.00	
1760	Bus & Tech Applic Spec	856	11-Jan-07	Federal	\$ 53,364	1.00	
1760	Hydrogeologist	76	1-Mar-09	Federal	\$ 55,196	1.00	
1760	Hydrogeologist	76	1-Mar-09	Federal	\$ 55,399	1.00	
1770	Environmental Specialist	397	14-Apr-08	Federal	\$ 47,389	1.00	
1770	Engineer	296	24-Jul-08	Federal	\$ 52,795	1.00	
1770	Engineer	231	27-Sep-08	Federal	\$ 37,411	0.70	
1770	Engineer	227	1-Oct-08	Federal	\$ 63,368	0.75	
1770	Info & Comm Spec I	104	1-Feb-09	Federal	\$ 17,329	0.50	
1770	Engineer	70	7-Mar-09	Federal	\$ 2,581	0.05	
Subtotal Federal					\$	1,803,583	40.00

North Carolina State Parks
2008 Visitation by Park

State Park	Total 2008		Potential Revenue (50% of cars pay)
	Visitors	Cars	
Carolina Beach	464,838	140,860	\$ 352,150
Chimney Rock	206,626	62,614	\$ 156,535
Cliffs of the Neuse	127,571	38,658	\$ 96,645
Crowders Mountain	349,389	105,875	\$ 264,689
Dismal Swamp	33,754	10,228	\$ 25,571
Elk Knob	6,004	1,819	\$ 4,548
Eno River	414,301	125,546	\$ 313,864
Falls Lake	788,843	239,043	\$ 597,608
Fort Fisher	667,818	202,369	\$ 505,923
Fort Macon	1,181,234	357,950	\$ 894,874
Goose Creek	177,933	53,919	\$ 134,798
Gorges	18,403	5,577	\$ 13,942
Hammocks Beach	124,374	37,689	\$ 94,223
Haw River	26,170	7,930	\$ 19,826
Hanging Rock	447,689	135,663	\$ 339,158
Jones Lake	63,696	19,302	\$ 48,255
Jordon Lake	810,869	245,718	\$ 614,295
Jockey's Ridge	1,403,781	425,388	\$ 1,063,470
Kerr Lake	1,154,164	349,747	\$ 874,367
Lake James	375,108	113,669	\$ 284,173
Lake Norman	493,365	149,505	\$ 373,761
Lake Waccamaw	72,802	22,061	\$ 55,153
Lumber River	80,304	24,335	\$ 60,836
Merchants Millpond	227,977	69,084	\$ 172,710
Medic Mountain	56,697	17,181	\$ 42,952
Mount Mitchell	181,924	55,128	\$ 137,821
Morrow Mountain	380,220	115,218	\$ 288,045
New River	270,010	81,821	\$ 204,553
Pettigrew	60,599	18,363	\$ 45,908
Pilot Mountain	390,345	118,286	\$ 295,716
Raven Rock	121,577	36,842	\$ 92,104
Singletary Lake	29,668	8,990	\$ 22,476
South Mountain	178,780	54,176	\$ 135,439
Stone Mountain	326,968	99,081	\$ 247,703
Weymouth Woods	50,285	15,238	\$ 38,095
William B. Umstead	722,732	219,010	\$ 547,524
Systemwide Total	12,486,818	3,783,884	\$ 9,459,711

House Appropriations Subcommittee on NER

Agenda

Thursday, May 21, 2009, 8:30 A.M.
Room 423, Legislative Office Building

Rep. Pierce, Presiding

I. Welcome

Rep. Pierce

II. DENR Budget Options

Kristin Walker, *Fiscal Research Division*
Lanier McRee, *Fiscal Research Division*

III. Committee Discussion

IV. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

House Pages

Name of Committee NER Approp Date: 5/21/09

1. Name: Anna Killian

County: Caldwell

Sponsor: Rep. Phillip Frye

2. Name: Tina Rosada

County: Mechlenburg

Sponsor: Rep Golley

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

Name: James Worth

2. Name: David Shearon

3. Name: _____

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

May 21, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
FRAN NOLAN	GRASSROOTS SCIENCE MUSEUMS C.
ALAN MAY	Schiele Museum / Grassroots
Ann Tippitt	Schiele Museum - Grassroots
Jonathan Brooks	Imagination Station Science Museum / Grassroots Science
Roger Conner	GSMC - Grassroots Science Collective, Eastern NC Regional Science Center
Julie Ketner Rigby	Museum of Life and Science / GSMC
Art Bill	NCDOL
Jennifer Haigwood	NCDOL
Lisa Riegel	NHTF
ANTHONY AUBIN	NOACC
Gandy McCall	NCCN
Tom Coors	TNC

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

May 21, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

James A. Patterson	The e-nc Authority
Bob Greene	NCFA
Doug Lassiter	NCSTA
Robin Smith	DENR
Manly Wilder	DEAR
Helen McLean	NC Rural Center
Billy Gullitt	NCRC
Patrick Woodie	NC Rural Center
N. David Smith	NCDA & CS
Joy Wilder	NCDA & CS
Linda Andrews	NCFB

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

May 21, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Sheryl Kelly	OSBM
Domina S. Col	OSBM
Elizabeth Biser	DENR
Cathy Hardy	DENR
Anta McNeel	DENR
Sejal Amin	DENR
Amy Simes	DENR
Alina Darr	MNC
Jay Stem	
Mike Watson	NCRPA
Dr. Ann Harris	LANTA

MINUTES

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL & ECONOMIC RESOURCES

May 27, 2009

8:30 AM

The House Appropriations Subcommittee on Natural & Economic Resources met in Room 423 of the Legislative Office Building on May 27, 2009, at 8:30 a.m. Representative Warren called the meeting to order and welcomed the attendees. She then introduced the Sergeants-at-Arms: David Shearon and James Worth. She also introduced the House Pages: Delise Barnard and Samara Clark.

The following Committee members were present: Co-Chairs: Representatives Harrison, Pierce, and Warren; Vice Chairs: Representatives Justice and Wilkins; Members: Representatives Bryant, Langdon, Sager, Samuelson and West. Staff Counsel Kristine Leggett, Lanier McRee and Kristin Walker were also in attendance.

The following attachments are included and made part of the minutes: Meeting Agenda, Attachment 1; Attendance List, Attachment 2; Commerce and State Aid Special Provisions, Attachment 3; Rural Center, Labor, DENR Regulatory Special Provisions, Attachment 4; DENR Natural Resources and Ag Special Provisions, Attachment 5; list of Pages and Sergeants-at-Arms, Attachment 6; Visitor Registration Sheets, Attachment 7.

At the first order of business, Representative Warren called on Kristine Leggett to lead the discussion on special provisions and specials funds for the Department of Commerce and State Aid. A copy of the handout she provided is attached and made part of the minutes as Attachment 3. In her opening comments, Ms. Leggett stated that most special funds are in the special provisions. She then reviewed each of the various provisions and compared the amounts with those in the Senate budget.

Representative Warren then called on Kristin Walker to present the special provisions and special funds for the Rural Center, the Department of Labor, and the regulatory functions of the Department of Environment and Natural Resources (DENR). A copy of the handout she distributed is attached and made part of the minutes as Attachment 4. Ms. Walker reviewed the various provisions and compared the amounts with those in the Senate budget.

As the next item of business, the Chair recognized Lanier McRee to lead the discussion on special provisions and special funds for DENR Natural Resources and the Department of Agriculture and Consumer Services. A copy of the handout used in her presentation is attached and made part of the minutes as Attachment 5. Ms. McRee reviewed the various provisions and compared the amounts with those in the Senate budget.

In closing remarks, Representative Warren reminded the members that the subcommittee chairs expect to meet with the full Appropriations Committee chairs next week and encouraged them to submit their input as soon as possible.

There being no further business, the Chair adjourned the meeting at 9:30 a.m.

Respectfully submitted,

Edith D. Warren

Representative Edith D. Warren
Co-Chair

Martha M. Hoover

Martha M. Hoover
Assistant to the Committee

ATTACHMENTS:

1. Agenda
2. Attendance List
3. Commerce and State Aid Special Provisions
4. Rural Center, Labor, DENR Regulatory Special Provisions
5. DENR Natural Resources and Ag Special Provisions
6. List of Pages and Sergeants-at-Arms
7. Visitor Registration Sheets

House Appropriations Subcommittee on NER

Agenda

Wednesday, May 27, 2009, 8:30 A.M.

Room 423, Legislative Office Building

Rep. Warren, Presiding

I. Welcome

Rep. Warren

II. Commerce and State Aid Special Provisions and Special Funds

Kristine Leggett, *Fiscal Research Division*

III. Rural Center, Labor, and DENR Special Provisions and Special Funds

Kristin Walker, *Fiscal Research Division*

IV. DENR and Ag Special Provisions and Special Funds

Lanier McRee, *Fiscal Research Division*

V. Committee Discussion

VI. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

**House Appropriations Subcommittee on
Natural and Economic Resources**

**Commerce and State Aid
Special Provisions**

May 27, 2009
8:30 A.M.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

S
Boilerplate

DRAFT
SPECIAL PROVISION



2009-COMM-H1(S14.1)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **ONE NORTH CAROLINA FUND**

2 **SECTION 14.1.** Of the funds appropriated in this act to the One North Carolina
3 Fund for the 2009-2010 fiscal year, the Department of Commerce may use up to three hundred
4 thousand dollars (\$300,000) to cover its expenses in administering the One North Carolina
5 Fund and other economic development incentive grant programs during the 2009-2010 fiscal
6 year.

DRAFT
FOR REVIEW ONLY

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H2A(S14.2)

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **ONE NORTH CAROLINA FUNDS/USE OF CASH BALANCE**

2 SECTION 14.2. Of the funds appropriated to the One North Carolina Fund in prior
3 fiscal years that are unencumbered and unexpended as of June 30, 2009, or that become
4 unencumbered or unexpended thereafter, the sum of five million dollars (\$5,000,000) shall be
5 transferred for the 2009-2010 fiscal year to the Regional Economic Development
6 Commissions.

DRAFT
FOR REVIEW ONLY

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



DRAFT
FOR REVIEW ONLY
2009-COMM-H26

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 ***ECONOMIC DEVELOPMENT FUNDS/ REPORTING REQUIREMENTS***

2 SECTION #.(a) G.S. 143B-437.02(k) reads as rewritten:

3 "(k) Monitoring and Reports. – The Department is responsible for monitoring
4 compliance with the performance criteria under each site development agreement and for
5 administering the repayment in case of default. The Department shall pay for the cost of this
6 monitoring from funds appropriated to it for that purpose or for other economic development
7 purposes.

8 ~~Within two months after the end of each calendar quarter,~~ On September 1 of each year until
9 all funds have been expended, the Department shall report to the Joint Legislative Commission
10 on Governmental Operations regarding the Site Infrastructure Development Program. This
11 report shall include a listing of each agreement negotiated and entered into during the preceding
12 quarter, year, including the name of the business, the cost/benefit analysis conducted by the
13 Committee during the application process, a description of the project, and the amount of the
14 site development incentive expected to be paid under the agreement during the current fiscal
15 year. The report shall also include detailed information about any defaults and repayment
16 during the preceding quarter, year. The Department shall publish this report on its web site and
17 shall make printed copies available upon request."

18 SECTION #.(b) G.S. 143B-437.012(m) reads as rewritten:

19 "(m) Monitoring and Reports. – The Department is responsible for monitoring
20 compliance with the performance criteria under each grant agreement and for administering the
21 repayment in case of default. The Department shall pay for the cost of this monitoring from
22 funds appropriated to it for that purpose or for other economic development purposes.

23 ~~Within two months after the end of each calendar quarter,~~ On September 1 of each year
24 until all funds have been expended, the Department shall report to the Joint Legislative
25 Commission on Governmental Operations regarding the Job Maintenance and Capital
26 Development Fund. This report shall include a listing of each grant awarded and each
27 agreement entered into under this section during the preceding quarter, year, including the name
28 of the business, the cost/benefit analysis conducted by the Committee during the application
29 process, a description of the project, and the amount of the grant expected to be paid under the
30 agreement during the current fiscal year. The report shall also include detailed information
31 about any defaults and repayment during the preceding quarter, year. The Department shall
32 publish this report on its Web site and shall make printed copies available upon request."

33 SECTION #.(c) G.S. 143B-437.83 reads as rewritten:

34 "§ 143B-437.83. Reports.

35 The Department of Commerce shall publish a report on the use of funds in the One North
36 Carolina Small Business Account ~~at the end of each fiscal quarter on September 1 of each year~~
37 until all funds have been expended. The report shall contain information on the disbursement
38 and use of funds allocated under the One North Carolina Small Business Program. The report is
39 ~~due no later than one month after the end of the fiscal quarter and~~ must be submitted to the
40 following:

- 41 (1) The Joint Legislative Commission on Governmental Operations.

- 1 (2) The chairs of the House of Representatives and Senate Finance Committees.
2 (3) The chairs of the House of Representatives and Senate Appropriations
3 Committees.
4 (4) The Fiscal Research Division of the General Assembly."

5 SECTION #.(d) G.S. 143B-438.13(d) is repealed.

6 SECTION #.(e) 143B-438.17 reads as rewritten:

7 "§ 143B-438.17. Reporting.

8 (a) ~~Beginning July 1, 2005, the Department of Commerce, in conjunction with the~~
9 ~~Employment Security Commission and the Community Colleges System Office, shall publish a~~
10 ~~monthly written report on the Trade Jobs for Success (TJS) initiative. The monthly report shall~~
11 ~~provide information on the commitment, disbursement, and use of funds and the status of any~~
12 ~~grant proposals or waivers requested on behalf of the Trade Jobs for Success initiative. The~~
13 ~~monthly report shall be submitted to the Governor and to the Fiscal Research Division of the~~
14 ~~General Assembly.~~

15 (b) ~~Beginning October 1, 2005, the Department of Commerce, in conjunction with the~~
16 ~~Employment Security Commission and the Community Colleges System Office, shall publish a~~
17 ~~quarterly written report on the Trade Jobs for Success initiative. The quarterly report shall~~
18 ~~include legislative proposals and recommendations regarding statutory changes needed to~~
19 ~~maximize the effectiveness and flexibility of the TJS initiative. Copies of the quarterly report~~
20 ~~shall be provided to the Joint Legislative Commission on Governmental Operations, to the~~
21 ~~chairs of the Senate and House of Representatives Appropriations Committees, and to the~~
22 ~~Fiscal Research Division of the General Assembly.~~

23 (c) Beginning January 1, 2006, the Department of Commerce, in conjunction with the
24 Employment Security Commission and the Community Colleges System Office, shall publish a
25 comprehensive annual written report on the Trade Jobs for Success initiative. The annual report
26 shall include a detailed explanation of outcomes and future planning for the TJS
27 initiative. initiative and legislative proposals and recommendations regarding statutory changes
28 needed to maximize the effectiveness and flexibility of the TJS initiative. Copies of the annual
29 report shall be provided to the Governor, to the Joint Legislative Commission on Governmental
30 Operations, to the chairs of the Senate and House of Representatives Appropriations
31 Committees, and to the Fiscal Research Division of the General Assembly."

32 SECTION #.(d) Part 15 of Article 10 of Chapter 143B of the General Statutes is
33 repealed.

34 SECTION #.(e) G.S. 143B-472.80(5) is repealed.

DRAFT
FOR REVIEW ONLY

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H24

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 ***STUDY STATE AIRCRAFT FLEET***

2 SECTION #. The Performance Evaluation Division of the General Assembly
3 (Division) shall study the number, use, and effectiveness of the State's aircraft fleet. The study
4 shall consider ways to achieve efficiency savings and whether it is desirable or feasible to sell
5 any of the fleet or to transfer any of the aircraft to another State agency. No later than May 30,
6 2010, the Division shall prepare a report of the findings and recommendations of the study and
7 submit it to the House of Representatives and Senate Appropriations Subcommittees on Natural
8 and Economic Resources and the Fiscal Research Division.
9

DRAFT
FOR REVIEW ONLY

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H23A

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **EXECUTIVE AIRCRAFT /USE FOR ECONOMIC DEVELOPMENT PRIORITY.**

2 SECTION #. G.S. 143B-437.011 reads as rewritten:

3 "**§ 143B-437.011. Executive aircraft used for economic development; other uses.**

4 The use of executive aircraft by the Department of Commerce for economic development
5 purposes shall take precedence over all other uses. The Department of Commerce shall
6 annually review the rates charged for the use of executive aircraft and shall adjust the rates, as
7 necessary, to account for upgraded aircraft and inflationary increases in operating costs,
8 including jet fuel prices. If an executive aircraft is not being used by the Department of
9 Commerce for economic development purposes, priority of use shall be given first to the
10 Governor, second to the Council of State, and third to other State officials purposes, the aircraft
11 may be used by the Governor or a State official who is employed by an agency that does not
12 have its own aircraft and is traveling on State business. If an executive aircraft is used to attend
13 athletic events or for any other purpose related to collegiate athletics, the rate charged shall be
14 equal to the direct cost of operating the aircraft as established by the aircraft's manufacturer,
15 adjusted for inflation."
16

DRAFT
FOR REVIEW ONLY

DRAFT
SPECIAL PROVISION



2009-COMM-H5(S14.5)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **NER BLOCK GRANTS**

2 **SECTION 14.5.(a)** Appropriations from federal block grant funds are made for
3 the fiscal year ending June 30, 2010, according to the following schedule:
4

5 **COMMUNITY DEVELOPMENT BLOCK GRANT**

6			
7	01. State Administration	\$	1,000,000
8			
9	02. Urgent Needs and Contingency		1,000,000
10			
11	03. Scattered Site Housing		13,200,000
12			
13	04. Economic Development		8,710,000
14			
15	05. Small Business/Entrepreneurship		1,000,000
16			
17	06. Community Revitalization		13,000,000
18			
19	07. State Technical Assistance		450,000
20			
21	08. Housing Development		1,500,000
22			
23	09. Infrastructure		5,140,000
24			
25	TOTAL COMMUNITY DEVELOPMENT		
26	BLOCK GRANT – 2009 Program Year	\$	45,000,000
27			

FOR DRAFT REVIEW ONLY

28 **SECTION 14.5.(b)** Decreases in Federal Fund Availability. – If federal funds are
29 reduced below the amounts specified above after the effective date of this act, then every
30 program in each of these federal block grants shall be reduced by the same percentage as the
31 reduction in federal funds.

32 **SECTION 14.5.(c)** Increases in Federal Fund Availability for Community
33 Development Block Grant. – Any block grant funds appropriated by the Congress of the United
34 States in addition to the funds specified in this section shall be expended as follows: each
35 program category under the Community Development Block Grant shall be increased by the
36 same percentage as the increase in federal funds.

37 **SECTION 14.5.(d)** Limitations on Community Development Block Grant Funds. –
38 Of the funds appropriated in this section for the Community Development Block Grant, the
39 following shall be allocated in each category for each program year: up to one million dollars
40 (\$1,000,000) may be used for State Administration; not less than one million dollars
41 (\$1,000,000) may be used for Urgent Needs and Contingency; up to thirteen million two

1 hundred thousand dollars (\$13,200,000) may be used for Scattered Site Housing; eight million
2 seven hundred ten thousand dollars (\$8,710,000) may be used for Economic Development; up
3 to one million dollars (\$1,000,000) may be used for Small Business/Entrepreneurship; not less
4 than thirteen million dollars (\$13,000,000) shall be used for Community Revitalization; up to
5 four hundred fifty thousand dollars (\$450,000) may be used for State Technical Assistance; up
6 to one million five hundred thousand dollars (\$1,500,000) may be used for Housing
7 Development; up to five million one hundred forty thousand dollars (\$5,140,000) may be used
8 for Infrastructure. If federal block grant funds are reduced or increased by the Congress of the
9 United States after the effective date of this act, then these reductions or increases shall be
10 allocated in accordance with subsection (b) or (c) of this section, as applicable.

11 **SECTION 14.5.(e)** Increase Capacity for Nonprofit Organizations. – Assistance to
12 nonprofit organizations to increase their capacity to carry out CDBG-eligible activities in
13 partnership with units of local government is an eligible activity under any program category in
14 accordance with federal regulations. Capacity building grants may be made from funds
15 available within program categories, program income, or unobligated funds.

16 **SECTION 14.5.(f)** The Department of Commerce shall consult with the Joint
17 Legislative Commission on Governmental Operations prior to reallocating Community
18 Development Block Grant Funds. Notwithstanding the provisions of this subsection, whenever
19 the Director of the Budget finds that:

- 20 (1) A reallocation is required because of an emergency that poses an imminent
21 threat to public health or public safety, the Director of the Budget may
22 authorize the reallocation without consulting the Commission. The
23 Department of Commerce shall report to the Commission on the reallocation
24 no later than 30 days after it was authorized and shall identify in the report
25 the emergency, the type of action taken, and how it was related to the
26 emergency.
- 27 (2) The State will lose federal block grant funds or receive less federal block
28 grant funds in the next fiscal year unless a reallocation is made. The
29 Department of Commerce shall provide a written report to the Commission
30 on the proposed reallocation and shall identify the reason that failure to take
31 action will result in the loss of federal funds. If the Commission does not
32 hear the issue within 30 days of receipt of the report, the Department may
33 take the action without consulting the Commission.

34 **SECTION 14.5.(g)** By September 1, 2009, the Division of Community Assistance,
35 Department of Commerce, shall report to the Joint Legislative Commission on Governmental
36 Operations and the Fiscal Research Division on the use of Community Development Block
37 Grant Funds appropriated in the prior fiscal year.

New this year.

**DRAFT
FOR REVIEW ONLY**

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H27

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **NER CDBG/AMERICAN RECOVERY AND REINVESTMENT ACT 2009**

2 SECTION #.(a) Appropriations from federal block grant funds are made for the
3 2009-2010 fiscal year, according to the following schedule:

4 **COMMUNITY DEVELOPMENT BLOCK GRANT**

5
6 01. Administration:

7 State

\$ 604,030.50

8 Local Governments

604,030.50

9
10 02. Infrastructure

5,872,553

11
12 03. Housing

3,000,000

13
14 04. Special Projects

2,000,000

15
16 **TOTAL COMMUNITY DEVELOPMENT**

17 **BLOCK GRANT – Recovery**

18 2009-2010 Fiscal Year

\$ 12,080,614

19 **SECTION #.(b) Limitations on Community Development Block Grant Funds. –**

20 Of the funds appropriated in this section for the Community Development Block Grant, the
21 following shall be allocated: up to one million two hundred eight thousand and sixty-one
22 dollars (\$1,208,061) may be used for Administration; up to five million eight hundred seventy-
23 two thousand five hundred fifty three dollars (\$5,872,553) may be used for Infrastructure; up to
24 three million (\$3,000,000) may be used for Housing; and up to two million (\$2,000,000) may
25 be used for Special Projects.

26 **SECTION #.(c) The Department of Commerce shall consult with the Joint**

27 Legislative Commission on Governmental Operations prior to reallocating Community
28 Development Block Grant Recovery Funds appropriated under this section.

29
30
**DRAFT
FOR REVIEW ONLY**

DRAFT
SPECIAL PROVISION



2009-COMM-H7(S14.7)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **INDUSTRIAL COMMISSION FEES/COMPUTER SYSTEM REPLACEMENT**

2 **SECTION 14.7.** The North Carolina Industrial Commission may retain the
3 additional revenue generated as a result of an increase in the fee charged to parties for the filing
4 of compromised settlements. These funds shall be used for the purpose of replacing existing
5 computer hardware and software used for the operations of the Commission. These funds may
6 also be used to prepare any assessment of hardware and software needs prior to purchase and to
7 develop and administer the needed databases and new Electronic Case Management System,
8 including the establishment of two time-limited positions for application development and
9 support and mainframe migration. The Commission may not retain any fees under this section
10 unless they are in excess of the former two-hundred-dollar (\$200.00) fee charged by the
11 Commission for filing a compromised settlement.

DRAFT
FOR REVIEW ONLY

DRAFT
SPECIAL PROVISION



2009-COMM-H8(S14.8)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **INDUSTRIAL COMMISSION/SAFETY EDUCATION SECTION**

2 SECTION 14.8. G.S. 97-73 reads as rewritten:

3 "§ 97-73. Fees.

4 (a) Claims. – The Industrial Commission may establish by rule a schedule of fees for
5 examinations conducted, reports made, documents filed, and agreements reviewed under this
6 Article. The fees shall be collected in accordance with rules adopted by the Industrial
7 Commission.

8 (b), (c) Repealed by Session Laws 2003-284, s. 10.33(d), effective July 1, 2003.

9 (d) Safety. – A fee in the amount set by the Industrial Commission is imposed on an
10 employer for whom the Industrial Commission provides an educational training program on
11 how to prevent or reduce accidents or injuries that result in workers' compensation claims or a
12 person for whom the Industrial Commission provides other educational services. The fees are
13 departmental receipts."

DRAFT
FOR REVIEW ONLY

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H9A(S14.9)

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **EMPLOYMENT SECURITY COMMISSION FUNDS**

2 **SECTION 14.9.(a)** Funds from the Employment Security Commission Reserve
3 Fund shall be available to the Employment Security Commission of North Carolina to use as
4 collateral to secure federal funds and to pay the administrative costs associated with the
5 collection of the Employment Security Commission Reserve Fund surcharge. The total
6 administrative costs paid with funds from the Reserve in the 2009-2010 fiscal year shall not
7 exceed two million five hundred thousand dollars (\$2,500,000).

8 **SECTION 14.9.(b)** There is appropriated from the Employment Security
9 Commission Reserve Fund to the Employment Security Commission of North Carolina the sum
10 of twenty million dollars (\$20,000,000) for the 2009-2010 fiscal year to be used for the
11 following purposes:

- 12 (1) Nineteen million seven hundred thousand dollars (\$19,500,000) for the
13 operation and support of local Employment Security Commission offices.
14 (2) Two hundred thousand dollars (\$200,000) for the State Occupational
15 Information Coordinating Committee to develop and operate an interagency
16 system to track former participants in State education and training programs.
17 (3) Three hundred thousand dollars (\$300,000) to maintain compliance with
18 Chapter 96 of the General Statutes, which directs the Commission to employ
19 the Common Follow-Up Management Information System to evaluate the
20 effectiveness of the State's job training, education, and placement programs.

21 **SECTION 14.9.(c)** There is appropriated from the Employment Security
22 Commission Reserve Fund to the Employment Security Commission of North Carolina an
23 amount not to exceed one million dollars (\$1,000,000) for the 2009-2010 fiscal year to fund
24 State initiatives not currently funded through federal grants.

25 **SECTION 14.9.(d)** There is appropriated from the Employment Security
26 Commission Reserve Fund to the Employment Security Commission of North Carolina an
27 amount not to exceed one million five hundred thousand dollars (\$1,500,000) for the
28 2009-2010 fiscal year to fund a system upgrade to the Common Follow-Up Management
29 Information System.
30

DRAFT
FOR REVIEW ONLY

S

DRAFT
SPECIAL PROVISION



2009-COMM-H10(S14.10)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **EMPLOYMENT SECURITY COMMISSION/USE OF FEDERAL UNEMPLOYMENT**
2 **TRUST FUNDS**

3 **SECTION 14.10.** Of the funds credited to and held in the State of North Carolina's
4 account in the Unemployment Trust Fund by the Secretary of the Treasury of the United States
5 pursuant to and in accordance with section 903 of the Social Security Act, the Employment
6 Security Commission of North Carolina may expend the sum of fourteen million dollars
7 (\$14,000,000) for the 2009-2011 biennium for the following purposes:

- 8 (1) Implementing and administering the provisions of State law that qualify the
9 State for the incentive payments.
10 (2) Improved outreach to individuals who might be eligible by virtue of these
11 provisions.
12 (3) The improvement of unemployment benefits and tax operations, including
13 responding to increased demand for unemployment benefits.
14 (4) Staff-assisted reemployment services for unemployment claimants.

DRAFT
FOR REVIEW ONLY

Placeholder: Transfer Enterprise Funds to General Fund Appropriation

The provision will amend all the related statutes to direct that the receipts for the following entities will go to the General Fund:

24600-2241	Rural Electrification Authority	\$ 195,577	2 FTE
24600-2821	Credit Union Supervision	\$ 1,655,288	16 FTE
24600-2851	Cemetery Commission	\$ 252,900	3 FTE
54600-5211, -17, - 21	Utilities Commission Staff	\$15,655,817	153 FTE
54600-5811	Banking Commission	\$14,099,337	121 FTE
54600-5881, -82	ABC Commission	\$10,262,963	46 FTE
24600-2553	Grape Grower's Council	\$ 900,000	3 FTE

Corresponding items in the Committee Report will appropriate funds to these entities through Commerce's 14600 budget. Reductions will be taken at the same level as other NER reductions.

Placeholder: Boards and Commissions Performance Bonuses

This provision will clarify that Boards or Commissions that are exempt from the State Personnel Act shall not pay any performance bonuses in FY 2009-10 or FY 2010-11.

**DRAFT
FOR REVIEW ONLY**

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H22

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **STATE BANKING COMMISSION/FEES & ASSESSMENT CHANGES EFFECTIVE**
2 **JULY 1**

3 SECTION #. G.S. 53-122(e) reads as rewritten:

4 "(e) In the first half of each calendar year, the State Banking Commission shall review
5 the estimated cost of maintaining the office of the Commissioner of Banks for the next fiscal
6 year. If the estimated fees and assessments provided for under this section shall exceed the
7 estimated cost of maintaining the office of the Commissioner of Banks for the next fiscal year,
8 then the State Banking Commission may reduce by uniform percentage the fees and
9 assessments provided for in this section. If the estimated fees and assessments provided for
10 under this section shall be less than the estimated cost of maintaining the office of the
11 Commissioner of Banks for the next fiscal year, then the State Banking Commission may
12 increase by uniform percentage the fees and assessments provided for in this section to an
13 amount which will increase the amount of the fees and assessments to be collected to an
14 amount at least equal to the estimated cost of maintaining the office of the Commissioner of
15 Banks for the next fiscal year. Any reduction or increase of fees and assessments provided for
16 under this section shall become effective July 1 of the next fiscal year. In no event shall any
17 surplus at the end of any fiscal year resulting from the collection of fees and assessments
18 pursuant to this section revert to the general fund."
19

DRAFT
FOR REVIEW ONLY

DRAFT
SPECIAL PROVISION



Boilerplate

2009-COMM-H14(S14.14)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **SET REGULATORY FEE FOR UTILITIES COMMISSION.**

2 **SECTION 14.14.(a)** The percentage rate to be used in calculating the public utility
3 regulatory fee under G.S. 62-302(b)(2) is twelve one-hundredths of one percent (0.12%) for
4 each public utility's North Carolina jurisdictional revenues earned during each quarter that
5 begins on or after July 1, 2009.

6 **SECTION 14.14.(b)** The electric membership corporation regulatory fee imposed
7 under G.S. 62-302(b1) for the 2009-2010 fiscal year is two hundred thousand dollars
8 (\$200,000).

9 **SECTION 14.14.(c)** This section becomes effective July 1, 2009.

DRAFT
FOR REVIEW ONLY

DRAFT
SPECIAL PROVISION



2009-COMM-H11A(S14.11)

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **COUNCIL OF GOVERNMENT FUNDS**

2 **SECTION 14.11.(a)** Of the funds appropriated in this act to the Department of
3 Commerce, the sum of four hundred twenty-five thousand dollars (\$425,000) for the 2009-2010
4 fiscal year and the sum of four hundred twenty-five thousand dollars (\$425,000) for the
5 2010-2011 fiscal year shall only be used as provided by this section. Each regional council of
6 government or lead regional organization is allocated up to twenty-five thousand dollars
7 (\$25,000) for the 2009-2010 and the 2010-2011 fiscal years.

8 **SECTION 14.11.(b)** A regional council of government may use funds allocated to
9 it by this section only to assist local governments in grant applications, economic development,
10 community development, support of local industrial development activities, and other activities
11 as deemed appropriate by the member governments.

12 **SECTION 14.11.(c)** Funds allocated by this section shall be paid by electronic
13 transfer in two equal installments. Upon receipt of the report required by subsection (e) of this
14 section, the first installment shall be paid no later than September 15, 2009.

15 **SECTION 14.11.(d)** Funds allocated by this section shall not be used for payment
16 of dues or assessments by the member governments and shall not supplant funds appropriated
17 by the member governments.

18 **SECTION 14.11.(e)** By September 1 of each year, and more frequently as
19 requested, each council of government or lead regional organization shall report to the Joint
20 Legislative Commission on Governmental Operations and the Fiscal Research Division of the
21 General Assembly on prior State fiscal year program activities, objectives, and
22 accomplishments, and prior State fiscal year itemized expenditures and fund sources. Each
23 council of government or lead regional organization shall provide to the Fiscal Research
24 Division of the General Assembly a copy of the organization's annual audited financial
25 statement within 30 days of issuance of the statement.

**DRAFT
FOR REVIEW ONLY**

DRAFT
FOR REVIEW ONLY
DRAFT
SPECIAL PROVISION



2009-COMM-H13A(S14.13)

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

REGIONAL ECONOMIC DEVELOPMENT COMMISSION ALLOCATIONS

SECTION 14.13.(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 Partnership, Southeastern North Carolina Regional Economic Development Commission, Piedmont Triad Partnership, Northeastern North Carolina Regional Economic Development Commission, North Carolina's Eastern Region Economic Development Partnership, and Carolinas Partnership, Inc.

SECTION 14.13.(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 development factor by the sum of the development factors for eligible counties and multiplying the resulting percentage by the amount of the appropriation. As used in this subdivision, the term "development factor" means a county's development factor as calculated under G.S. 143B-437.08; and
- (2) Next, the Department shall subtract from funds allocated to the North Carolina's Eastern Region Economic Development Partnership the sum of three hundred eight thousand six hundred sixty-six dollars (\$308,666) in the 2009-2010 fiscal year, which sum represents: (i) the total interest earnings in the prior 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 (ii) the total interest earnings in the prior fiscal year on loans made from the 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 three hundred eight thousand six hundred sixty-six dollars (\$308,666) in the 2009-2010 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 development 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.

SECTION 14.13.(c) No more than one hundred twenty thousand dollars (\$120,000) in State funds shall be used for the annual salary of any one employee of a regional economic development commission.

1 **SECTION 14.13.(d)** The General Assembly finds that successful economic
2 development requires the collaboration of the State, regions of the State, counties, and
3 municipalities. Therefore, the regional economic development commissions are encouraged to
4 seek supplemental funding from their county and municipal partners to continue and enhance
5 their efforts to attract and retain business in the State.

**DRAFT
FOR REVIEW ONLY**

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H12A(S14.12)

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **NONPROFIT REPORTING REQUIREMENTS**

2 **SECTION 14.12.(a)** The North Carolina Institute of Minority Economic
3 Development, Inc., Land Loss Prevention Project, North Carolina Minority Support Center,
4 North Carolina Community Development Initiative, Inc., North Carolina Association of
5 Community Development Corporations, Inc., North Carolina Biotechnology Center, North
6 Carolina Center for Automotive Research, Inc., and Partnership for the Sounds, Inc., shall do
7 the following:

- 8 (1) By September 1 of each year, and more frequently as requested, report to the
9 Joint Legislative Commission on Governmental Operations and the Fiscal
10 Research Division on prior State fiscal year program activities, objectives,
11 and accomplishments, and prior State fiscal year itemized expenditures and
12 fund sources.
13 (2) Provide to the Fiscal Research Division a copy of the organization's annual
14 audited financial statement within 30 days of issuance of the statement.

15 **SECTION 14.12.(b)** Remaining allotments after September 1 shall not be released
16 to any nonprofit organization that does not satisfy the reporting requirements provided in
17 subsection (a) of this section.

DRAFT
FOR REVIEW ONLY

**House Appropriations Subcommittee on
Natural and Economic Resources**

**Rural Center, Labor, DENR Regulatory
Special Provisions**

May 27, 2009
8:30 A.M.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

Follows \$

DRAFT
SPECIAL PROVISION



2009-COMM-H15A(S14.15)

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

DRAFT
FOR REVIEW ONLY

RURAL ECONOMIC DEVELOPMENT CENTER

SECTION 14.15.(a) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc. (Rural Center), the sum of four million forty-four thousand dollars (\$4,044,000) for the 2009-2010 fiscal year and the sum of three million nine hundred fifty-seven thousand dollars (\$3,957,000) for the 2010-2011 fiscal year shall be allocated as follows:

	2009-2010	2010-2011
Center Administration, Technical Assistance, & Oversight	\$1,490,000	\$1,459,000
Research and Demonstration Grants	\$337,000	\$330,000
Institute for Rural Entrepreneurship	\$131,000	\$128,000
Community Development Grants	\$908,000	\$889,000
Microenterprise Loan Program	\$177,000	\$174,000
Water/Sewer/Business Development Matching Grants	\$805,000	\$785,000
Statewide Water/Sewer Database	\$ 91,000	\$ 89,000
Agricultural Advancement Consortium	\$105,000	\$103,000

SECTION 14.15.(b) Funds allocated in subsection (a) of this section for community development grants shall support development projects and activities within the State's minority communities. Any new or previously funded community development corporation, as that term is defined in subsection (c) of this section, is eligible to apply for community development grant funds. However, no community development grant funds shall be released to a community development corporation unless the corporation can demonstrate that there are no outstanding or proposed assessments or other collection actions against the corporation for any State or federal taxes, including related penalties, interest, and fees.

SECTION 14.15.(c) 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.

1 **SECTION 14.15.(d)** The Rural Center shall provide a report containing detailed
2 budget, personnel, and salary information to the Office of State Budget and Management in the
3 same manner as State departments and agencies in preparation for biennium budget requests.

4 **SECTION 14.15.(e)** By September 1 of each year, and more frequently as
5 requested, the Rural Center shall report to the Joint Legislative Commission on Governmental
6 Operations and the Fiscal Research Division on prior State fiscal year program activities,
7 objectives, and accomplishments and prior State fiscal year itemized expenditures and fund
8 sources.

**DRAFT
FOR REVIEW ONLY**

Follows \$

DRAFT
SPECIAL PROVISION



2009-COMM-H16A(S14.16)

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

RURAL ECONOMIC DEVELOPMENT CENTER/INFRASTRUCTURE PROGRAM

SECTION 14.16.(a) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc. (Rural Center), the sum of nineteen million three hundred five thousand dollars(\$19,305,000) for the 2009-2010 fiscal year and the sum of nineteen million three hundred five thousand dollars(\$19,305,000) for the 2010-2011 fiscal year shall be allocated as follows:

- (1) To continue the North Carolina Infrastructure Program. The purpose of the Program is to provide grants to local governments to construct critical water and wastewater facilities and to provide other infrastructure needs, including technology needs, to sites where these facilities will generate private job-creating investment. At least fifteen million dollars (\$15,000,000) of the funds appropriated in this act for each year of the biennium must be used to provide grants under this Program.
- (2) To provide matching grants to local governments in distressed areas and equity investments in public-private ventures that will productively reuse vacant buildings and properties, with priority given to towns or communities with populations of less than 5,000.
- (3) To provide economic development research and demonstration grants.

SECTION 14.16.(b) The Rural Center may contract with other State agencies, constituent institutions of The University of North Carolina, and colleges within the North Carolina Community College System for certain aspects of the North Carolina Infrastructure Program, including design of Program guidelines and evaluation of Program results.

SECTION 14.16.(c) During each year of the 2009-2011 biennium, the Rural Center may use up to three hundred eighty-five thousand dollars (\$385,000) of the funds appropriated in this act to cover its expenses in administering the North Carolina Economic Infrastructure Program.

SECTION 14.16.(d) Of the funds appropriated in subsection (a) of this section to the Rural Center for the 2009-2010 fiscal year, the sum of two million four hundred eighty-one thousand dollars (\$2,481,000) and the sum of five million four hundred eighty-two thousand eight hundred dollars (\$5,482,800) shall be transferred to the Department of Environment and Natural Resources to be used to provide the State match to draw down maximum federal funds for the Clean Water State Revolving Loan Fund and the Drinking Water State Revolving Loan Fund respectively.

SECTION 14.16.(e) By September 1 of each year, and more frequently as requested, the Rural Center shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division concerning the progress of the North Carolina Economic Infrastructure Program in the prior State fiscal year.

**DRAFT
FOR REVIEW ONLY**

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H17A(S14.17)

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **OPPORTUNITIES INDUSTRIALIZATION CENTERS FUNDS**

2 **SECTION 14.17.(a)** Of the funds appropriated in this act to the North Carolina
3 Rural Economic Development Center, Inc. (Rural Center), the sum of three hundred thirty
4 thousand dollars (\$330,000) for the 2009-2010 fiscal year and the sum of three hundred twenty-
5 two thousand dollars (\$322,000) for the 2010-2011 fiscal year shall be equally distributed
6 among the certified Opportunities Industrialization Centers (OI Centers).

7 **SECTION 14.17.(b)** By September 1 of each year, and more frequently as
8 requested, the Rural Center shall report to the Joint Legislative Commission on Governmental
9 Operations and the Fiscal Research Division on OI Centers receiving funds pursuant to
10 subsection (a) of this section. The report shall include data for each OI Center on all itemized
11 expenditures and all fund sources for the prior State fiscal year. The report shall also contain a
12 written narrative on prior fiscal year program activities, objectives, and accomplishments that
13 were funded with funds appropriated in subsection (a) of this section.

14 **SECTION 14.17.(c)** The Rural Center shall ensure that each OI Center files
15 annually with the State Auditor a financial statement in the form and on the schedule prescribed
16 by the State Auditor. The financial statements must be audited in accordance with standards
17 prescribed by the State Auditor to assure that State funds are used for the purposes provided by
18 law.

19 **SECTION 14.17.(d)** No funds appropriated under this act shall be released to an
20 OI Center listed in subsection (a) of this section if the OI Center has any overdue tax debts, as
21 that term is defined in G.S. 105-243.1, at the federal or State level.

DRAFT
FOR REVIEW ONLY

DRAFT
SPECIAL PROVISION



2009-COMM-H18(S14.18)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **RURAL ECONOMIC DEVELOPMENT CENTER/CLEAN WATER PARTNERS**
2 **FUNDING**

3 SECTION 14.18. By September 1 of each year, and more frequently as requested,
4 the North Carolina Rural Economic Development Center, Inc., shall report to the Joint
5 Legislative Commission on Governmental Operations and the Fiscal Research Division
6 concerning the progress of the water/sewer improvement grants (commonly referred to as
7 funding for Clean Water Partners) as appropriated in Section 13.13A of S.L. 2007-323 and
8 Section 13.8 of S.L. 2008-107. Each report shall include a list of grants made since the last
9 report, the total amount contracted, and the amount of funds remaining. This reporting
10 requirement shall replace all previous reporting requirements and shall remain in effect until all
11 funds from this program are expended.

DRAFT
FOR REVIEW ONLY

S

DRAFT
SPECIAL PROVISION



2009-COMM-H19(S14.19)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *RURAL ECONOMIC DEVELOPMENT CENTER/AMERICAN RECOVERY AND*
2 *REINVESTMENT ACT FUNDS*

3 SECTION 14.19. If the North Carolina Rural Economic Development Center, Inc.,
4 (Rural Center) finds that North Carolina will not maximize the amount of funding for water and
5 wastewater projects the State could receive under the American Recovery and Reinvestment
6 Act of 2009, the Rural Center shall use funds appropriated to the Rural Center in this act to
7 maximize such funding.

DRAFT
FOR REVIEW ONLY

6

Follows \$

DRAFT
SPECIAL PROVISION



2009-LAB-H1A(S12.1)

Department of Labor
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 DEPARTMENT OF LABOR/APPRENTICESHIP PROGRAM

2 SECTION 12.1. Chapter 94 of the General Statutes is amended by adding a new
3 section to read as follows:

4 "§ 94-12. Fees.

5 The following fees are imposed on each apprentice who is covered by a written
6 apprenticeship agreement entered into under this Chapter: (i) a registration fee of fifty dollars
7 (\$50); and (ii) an annual fee of fifty dollars (\$50). Each fee authorized by this section is payable
8 as thirty dollars (\$30.00) by the employer and twenty dollars (\$20.00) by the apprentice. The
9 fees are departmental receipts and must be applied to the costs of administering the
10 apprenticeship program. The Commissioner may adopt rules pursuant to Chapter 150B of the
11 General Statutes to implement this section."
12

* Language will be added to exempt all State and local government agencies and their apprentices from the fees.

DRAFT
FOR REVIEW ONLY

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-LAB-H2

Department of Labor
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **DEPARTMENT OF LABOR/REVIEW ALL FEES BIENNIALLY**

2 SECTION #. Article 1 of Chapter 95 of the General Statutes is amended by adding
3 a new section to read as follows:

4 **"§ 95-14.1. Department review fees biennially.**

5 No later than February 1 of each odd-numbered year, the Department of Labor shall review
6 all fees charged under its authority to determine whether any of the fees should be changed and
7 shall report its findings to the Fiscal Research Division. The report required by this section
8 shall include all of the information reported to the Office of State Budget and Management for
9 its Biennial Fee Report and all of the following:

- 10 (1) The names of the programs or divisions supported by the fee.
11 (2) The total expenditures of the programs or divisions.
12 (3) Any recommendations for increasing or decreasing the amount of the fee.
13 (4) An evaluation of inflation since the last change to the amount of the fee.
14 (5) Any other information deemed relevant to the review."
15

DRAFT
FOR REVIEW ONLY

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-LAB-H3

Department of Labor
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *DEPARTMENT OF LABOR/MOVE ELEVATOR AND AMUSEMENT DEVICE BUREAU*
2 *AND BOILER BUREAU FUNDS TO GENERAL FUND CODE*

3 SECTION #. The Department of Labor shall, in consultation with the Office of
4 State Budget and Management and the Office of the State Controller, move the Elevator and
5 Amusement Device Bureau and Boiler Bureau funds from a Special Fund code to a General
6 Fund code and permanently close the Special Funds.

DRAFT
FOR REVIEW ONLY

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-LAB-H4

Department of Labor
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *DEPARTMENT OF LABOR/CLOSE PRE-APPRENTICESHIP SPECIAL FUND AND*
2 *TRANSFER BALANCE*

3 SECTION #. The Department of Labor shall, in consultation with the Office of
4 State Budget and Management and the Office of the State Controller, permanently close the
5 Pre-Apprenticeship Special Fund and transfer the balance in the Fund to the Apprenticeship
6 Program to be used for operating expenses in the 2009-2010 fiscal year.

DRAFT
FOR REVIEW ONLY

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION.



2009-ENV-H1

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES REVIEW OF FEE**
2 **SCHEDULES**

3 SECTION #. G.S. 143B-279.2 reads as rewritten:

4 **"§ 143B-279.2. Department of Environment and Natural Resources – duties.**

5 It shall be the duty of the Department:

- 6 (1) To provide for the protection of the environment;
- 7 (1a) To administer the State Outer Continental Shelf (OCS) Task Force and
8 coordinate State participation activities in the federal outer continental shelf
9 resource recovery programs as provided under the OCS Lands Act
10 Amendments of 1978 (43 USC §§ 1801 et seq.) and the OCS Lands Act
11 Amendments of 1986 (43 USC §§ 1331 et seq.).
- 12 (1b) To provide for the protection of the environment and public health through
13 the regulation of solid waste and hazardous waste management and the
14 administration of environmental health programs.
- 15 (2) Repealed by Session Laws 1997-443, s. 11A.5.
- 16 (2a) To provide and keep a museum or collection of the natural history of the
17 State and to maintain the North Carolina Biological Survey; and
- 18 (3) To provide for the management of the State's natural resources.
- 19 (4) No later than February 1 of each odd numbered year, to review all fees
20 charged under any program under its authority to determine whether any of
21 these fees should be changed and submit a report to the Fiscal Research
22 Division that includes all of the following:
- 23 a. The most recent Biennial Fee Report submitted by the Department to
24 the Office of State Budget and Management.
- 25 b. A list of each fee charged under any program under the Department's
26 authority that, for each fee, identifies the program, if any, and the
27 division of the Department, if any, that is supported by the fee; the
28 total expenditures for each program supported by fees; an evaluation
29 of any inflationary change since the last change to the amount of the
30 fee; and any other information deemed relevant to this review.
- 31 c. The Department's findings resulting from its review under this
32 subdivision and any recommendations to increase or decrease any of
33 these fees."

DRAFT
FOR REVIEW ONLY

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-ENV-H2

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *JOINT DEPARTMENTAL STUDY OF TRANSFERRING GRADE "A" MILK*
2 *SANITATION PROGRAM*

3 SECTION #.(a) The Department of Environment and Natural Resources and the
4 Department of Agriculture and Consumer Services shall, in consultation with the Fiscal
5 Research Division, jointly study the feasibility and the advisability of transferring the Grade
6 "A" Milk Sanitation Program under Part 9 of Article 8 of Chapter 130A of the General Statutes
7 that is currently located within the Division of Environmental Health of the Department of
8 Environment and Natural Resources to the Department of Agriculture and Consumer Services.
9 When conducting the study under this section, the Department of Environment and Natural
10 Resources and the Department of Agriculture and Consumer Services may consult with entities
11 outside the two departments, including entities regulated by either department. No later than
12 May 1, 2010, the Department of Environment and Natural Resources and the Department of
13 Agriculture and Consumer Services shall submit a report of their findings and any
14 recommendations and legislative or administrative proposals to the Chairs of the House and
15 Senate Appropriations Subcommittees on Natural and Economic Resources and the Fiscal
16 Research Division. This report shall include all of the following:

- 17 (1) A description and assessment of the current budget and staffing levels for the
18 Grade "A" Milk Sanitation Program within the Department of Environment
19 and Natural Resources.
20 (2) A description and assessment of the current budget and staffing levels for the
21 Dairy Section within the Food Program of the Food and Drug Protection
22 Division of the Department of Agriculture and Consumer Services.
23 (3) An evaluation of the advisability of transferring the Grade "A" Milk
24 Sanitation Program to the Department of Agriculture and Consumer
25 Services, including the fiscal impact of the transfer and any efficiency gains
26 or losses.

DRAFT
FOR REVIEW ONLY

DRAFT
SPECIAL PROVISION



2009-ENV-H4A(S13.2)

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **FOOD AND LODGING INSPECTION FEES INCREASES**

2 **SECTION 13.2.(a)** G.S. 130A-248(d) reads as rewritten:

3 "(d) The Department shall charge each establishment subject to this section, except
4 nutrition programs for the elderly administered by the Division of Aging of the Department of
5 Health and Human Services, establishments that prepare and sell meat food products or poultry
6 products, and public school cafeterias, an annual fee of ~~fifty dollars (\$50.00)~~ seventy-five
7 dollars (\$75.00). The Commission shall adopt rules to implement this subsection. Fees
8 collected under this subsection shall be used for State and local food, lodging, and institution
9 sanitation programs and activities. No more than thirty-three and one-third percent (33 1/3%) of
10 the fees collected under this subsection may be used to support State health programs and
11 activities."

12 **SECTION 13.2.(b)** G.S. 130A-248(e) reads as rewritten:

13 "(e) In addition to the fees under subsection (d) of this section, the Department may
14 charge a fee of ~~two hundred dollars (\$200.00)~~ two hundred fifty dollars (\$250.00) for plan
15 review of plans for prototype franchised or chain facilities for food establishments subject to
16 this section. All of the fees collected under this subsection may be used to support the State
17 food, lodging, and institution sanitation programs and activities under this Part."

18 **SECTION 13.2.(c)** G.S. 130A-248(f) reads as rewritten:

19 "(f) Any local health department may charge a fee not to exceed ~~two hundred dollars~~
20 ~~(\$200.00)~~ two hundred fifty dollars (\$250.00) for plan review by that local health department of
21 plans for food establishments subject to this section that are not subject to subsection (e) of this
22 section. All of the fees collected under this subsection may be used for local food, lodging, and
23 institution sanitation programs and activities. No food establishment that pays a fee under
24 subsection (e) of this section is liable for a fee under this subsection."

DRAFT
FOR REVIEW ONLY

S

DRAFT
SPECIAL PROVISION



2009-ENV-H5(S13.3)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

RADIATION PROTECTION SECTION SUPPORTED BY FEES

SECTION 13.3.(a) G.S. 104E-19 reads as rewritten:

"§ 104E-19. Fees.

(a) ~~In order to meet the anticipated costs of administering the educational and training programs in G.S. 104E 11(c), of enforcing and carrying out the inspection provisions in G.S. 104E 7(a)(7) and G.S. 104E 11(a), and of administering the licensing program in G.S. 104E 10.3, the Department is authorized to charge and collect such reasonable fees as it may by rule establish. An annual fee in the amount set by the Department is imposed on a person who is required to be registered or licensed under this Chapter. The Department must set the fees at amounts that provide revenue to offset its costs in performing its duties under this Chapter.~~

(b) Repealed by Session Laws 1987, c. 850, s. 13."

SECTION 13.3.(b) G.S. 104E-9(a)(8) is rewritten to read:

"(8) To establish fees in accordance with G.S. 104E-19."

DRAFT
FOR REVIEW ONLY



**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Senator

**STATEWIDE STRATEGIC PLAN FOR WATER AND WASTEWATER
INFRASTRUCTURE FUNDING**

SECTION #(a) The State Water Infrastructure Commission shall develop a statewide strategic plan for water and wastewater infrastructure funding by May 1, 2010, as recommended in the Final Report to the Joint Legislative Program Evaluation Oversight Committee titled "North Carolina's Water and Wastewater Infrastructure Funding Lacks Strategic Focus and Coordination" (Report Number 2008-12-07). A needs assessment of the State's water and wastewater infrastructure shall be conducted as part of the statewide strategic plan. The needs assessment shall include information and analysis regarding all of the following: the condition of existing infrastructure, the demand for improvements, the cost of improvements, the financial needs of local governments, and any other areas that the Commission determines are relevant to compiling a complete assessment of the State's water and wastewater infrastructure needs. The data gathered from the needs assessment shall be used to assist in the development of the statewide strategic plan. The statewide strategic plan shall establish the vision, goals, and objectives for water and wastewater infrastructure funding in North Carolina. The statewide strategic plan shall establish the State's role in financing water and wastewater infrastructure needs within the context of focus areas, including water supply, water quality, public health, and economic development, and collectively across funding entities. The statewide strategic plan shall include components to do all of the following:

- (1) Identify the State's water and wastewater infrastructure needs and establish statewide priorities for meeting those needs. As part of this component, the State Water Infrastructure Commission shall address the need to have a single database that is a complete inventory of the State's water and wastewater infrastructure, that is continuously maintained, and that provides the ability to analyze in a meaningful way the current and future ability of the State to meet its water and wastewater infrastructure needs.
- (2) Establish statewide policy goals for water and wastewater infrastructure funding that are linked to performance measures and that will indicate to the General Assembly that policy goals are being met. The State Water Infrastructure Commission shall also clarify the role of the State and local governments in providing financing for water and wastewater infrastructure owned and operated at the local level.
- (3) Determine funding strategies for water and wastewater infrastructure, including sources of funding, the appropriate mix of grants and loans, and funding allocation based on statewide priorities. As part of this component, the statewide strategic plan shall identify how best to fund the State match with recurring State funds for the revolving loan programs. To assist the General Assembly in determining an appropriate mix of grants and loans, the statewide strategic plan shall, with the assistance of the Local Government Commission, develop criteria that may be used to identify which systems

1 with water and wastewater infrastructure needs appear to have the resources
2 to repay loans and which systems appear to lack those resources and so
3 would require grants.

- 4 (4) Identify any statutory changes required to implement the statewide strategic
5 plan developed pursuant to this act.

6 **SECTION #.(b)** The State Water Infrastructure Commission may contract with an
7 independent entity to develop a statewide strategic plan for water and wastewater infrastructure
8 pursuant to this section.

9 **SECTION #.(c)** The Department of Environment and Natural Resources, the
10 Department of Commerce, and the North Carolina Clean Water Management Trust Fund shall
11 cooperate with the State Water Infrastructure Commission and any entity with whom the
12 Commission contracts to develop a statewide strategic water infrastructure plan pursuant to this
13 section. The North Carolina Rural Economic Development Center, if it receives State funds,
14 shall also, as a condition of receiving those State funds, cooperate with the State Water
15 Infrastructure Commission and any entity with whom the Commission contracts to develop a
16 statewide strategic water infrastructure plan pursuant to this section.

17 **SECTION #.(d)** The sum of two hundred fifty thousand dollars (\$250,000) shall be
18 transferred from the unencumbered cash balance of the Mercury Switch Removal Account
19 established in G.S. 130A-310.54 to the Department of Environment and Natural Resources for
20 the 2009-2010 fiscal year to be used to pay for expenses related to the development of the
21 statewide strategic water infrastructure plan under subsection (c) of this section.

**DRAFT
FOR REVIEW ONLY**

DRAFT
SPECIAL PROVISIONEnvironment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **REMOVE EXEMPTION FROM THE DAM SAFETY ACT FOR DAMS USED IN**
2 **CONNECTION WITH MOST ELECTRIC GENERATING FACILITIES/TRANSFER**
3 **DUTY OF REGULATING COAL ASH PONDS TO DENR**4 **SECTION #.(a)** G.S. 143-215.25A(a) reads as rewritten:

5 "(a) Except as otherwise provided in this Part, this Part does not apply to any dam:

- 6 (1) Constructed by the United States Army Corps of Engineers, the Tennessee
7 Valley Authority, or another agency of the United States government, when
8 the agency designed or approved plans for the dam and supervised its
9 construction.
- 10 (2) Constructed with financial assistance from the United States Soil
11 Conservation Service, when that agency designed or approved plans for the
12 dam and supervised its construction.
- 13 (3) Licensed by the Federal Energy Regulatory Commission, or for which a
14 license application is pending with the Federal Energy Regulatory
15 Commission.
- 16 (4) ~~For use in connection with electric generating facilities under the jurisdiction~~
17 ~~of the North Carolina Utilities Commission, except that a dam operated by a~~
18 ~~small power producer, as defined in G.S. 62-3(27a), shall be subject to the~~
19 ~~provisions of this Part even though the dam is constructed pursuant to a~~
20 ~~certificate of public convenience and necessity issued by the North Carolina~~
21 ~~Utilities Commission.~~
- 22 (5) Under a single private ownership that provides protection only to land or
23 other property under the same ownership and that does not pose a threat to
24 human life or property below the dam.
- 25 (6) That is less than 15 feet in height or that has an impoundment capacity of
26 less than 10 acre-feet, unless the Department determines that failure of the
27 dam could result in loss of human life or significant damage to property
28 below the dam."

29 **SECTION #.(b)** The duty of regulating combustion products surface
30 impoundments shall be transferred from the North Carolina Utilities Commission to the
31 Department of Environment and Natural Resources, Division of Waste Management. The duty
32 of regulating and combustion products surface impoundments dams shall be transferred from
33 the North Carolina Utilities Commission to the Department of Environment and Natural
34 Resources, Division of Land Resources. As used in this subsection, "combustion products" has
35 the same meaning as in G.S. 130A-290.

36 **SECTION #.(c)** Of the funds appropriated in this act to the North Carolina Utilities
37 Commission, the sum of one hundred thousand dollars (\$100,000) for the 2009-2010 fiscal year
38 and the sum of one hundred thousand dollars (\$100,000) for the 2010-2011 fiscal year shall be
39 transferred to the Department of Environment and Natural Resources for the Division of Waste
40 Management for the costs of regulating combustion products surface impoundments as
41 provided in subsection (b) of this section. It is the intent of the General Assembly that funds

1 transferred under this subsection are recurring funds and that these funds are in addition to
2 funds previously appropriated to the Department of Environment and Natural Resources for the
3 2009-2011 biennium.

4 **SECTION #.(d)** Of the funds appropriated in this act to the North Carolina
5 Utilities Commission, the sum of one hundred thousand dollars (\$100,000) for the 2009-2010
6 fiscal year and the sum of one hundred thousand dollars (\$100,000) for the 2010-2011 fiscal
7 year shall be transferred to the Department of Environment and Natural Resources for the
8 Division of Land Resources for the costs of regulating combustion products surface
9 impoundments as provided in subsection (b) of this section. It is the intent of the General
10 Assembly that funds transferred under this subsection are recurring funds and that these funds
11 are in addition to funds previously appropriated to the Department of Environment and Natural
12 Resources for the 2009-2011 biennium.

**DRAFT
FOR REVIEW ONLY**

DRAFT
SPECIAL PROVISION



2009-ENV-H11

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *DENR TO STUDY ADVISABILITY OF ELIMINATING OR CONSOLIDATING ANY*
2 *ENVIRONMENTAL BOARDS, COMMISSIONS, OR COUNCILS*

3 SECTION #. The Department of Environment and Natural Resources shall study
4 the advisability of eliminating or consolidating any boards, commissions, or councils that are
5 located within the Department of Environment and Natural Resources for organizational,
6 budgetary, or administrative purposes and that are involved in environmental policy-making in
7 North Carolina, with powers and duties ranging from advisory to rule-making and
8 quasi-judicial. In conducting this study, the Department of Environment and Natural Resources
9 shall consider whether the number of these environmental boards, commissions, and councils
10 has created any inefficiency or duplication in overall environmental program delivery and
11 whether the members that comprise an environmental board, commission, or council generally
12 have the time and expertise necessary to address the environmental issues coming before them.
13 No later than May 1, 2010, the Department of Environment and Natural Resources shall report
14 its findings and any recommendations resulting from the study under this section, including any
15 legislative or administrative proposals, to the Chairs of the House and Senate Appropriations
16 Subcommittees on Natural and Economic Resources and the Fiscal Research Division.

DRAFT
FOR REVIEW ONLY

DRAFT FOR REVIEW ONLY

DRAFT SPECIAL PROVISION



Environment and Natural Resources Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

ON-SITE WASTEWATER CONTRACTORS AND INSPECTORS

SECTION #.(a) G.S. 90A-71 reads as rewritten:

§ 90A-71. Definitions.

The following definitions apply in this Article:

- (1) "Board" means the North Carolina On-Site Wastewater Contractors and Inspectors Certification Board.
(2) "Contractor" means a person who constructs, installs, or repairs, or offers to construct, install, or repair an on-site wastewater system in the State.
(3) "Conventional wastewater system" has the same meaning as in G.S. 130A-343(a)(3).
(4) "Department" means the Department of Environment and Natural Resources.
(5) "Inspector" means a person who conducts an inspection of an on-site wastewater system at any time after the local health department has issued an operation permit pursuant to G.S. 130A-337 in accordance with rules adopted by the Board.
(5a) "Inspection" means an examination of an on-site wastewater system permitted under the provisions of Article 11 of Chapter 130A of the General Statutes, when requested by a lending institution, realtor, prospective homebuyer, or other impacted party as a condition of sale, refinancing, or transfer of title, which examination shall meet the minimum requirements established by the Board.
(6) "On-site wastewater system" means any wastewater system permitted under the provisions of Article 11 of Chapter 130A of the General Statutes that does not discharge to a treatment facility or the surface waters of the State.
(7) "Person" means all persons, including individuals, firms, partnerships, associations, public or private institutions, municipalities, or political subdivisions, governmental agencies, or private or public corporations organized and existing under the laws of this State or any other state or country.
(8) "Wastewater treatment facility" means a mechanical or chemical treatment facility serving a site with multiple wastewater sources."

SECTION #.(b) G.S. 90A-72 reads as rewritten:

§ 90A-72. Certification required; applicability.

(a) Certification Required. - No person shall construct, install, or repair or offer to construct, install, or repair an on-site wastewater system in the State as permitted under Article 11 of Chapter 130A of the General Statutes without being certified as a contractor at the required level of certification for the specified system. No person shall conduct an inspection or offer to conduct an inspection of an on-site wastewater system as permitted under Article 11 of Chapter 130A of the General Statutes without being certified as an inspector at the required level of certification for the specified system in accordance with the provisions of this Article.

(b) Applicability. - This Article does not apply to the following:

DRAFT
FOR REVIEW ONLY

(4) A person who is employed by, or performs labor and services for, by a certified contractor or inspector in connection with the construction, installation, repair, or inspection of an on-site wastewater system performed under the direct and personal supervision of the certified contractor or ~~inspector~~ inspector in charge.

(2) A person who constructs, installs, or repairs an on-site wastewater system described as a single septic tank with a gravity-fed ~~distribution system~~ gravel trench dispersal media when located on land owned by that person and that is intended solely for use by that person and members of that person's immediate ~~family~~ family when residing in the same dwelling.

(3) A person licensed under Article 1 of Chapter 87 of the General Statutes who constructs or installs an on-site wastewater system ancillary to the building being ~~constructed~~ constructed or who provides corrective services and labor for the on-site wastewater system ancillary to the constructed building.

(4) A person who is certified by the Water Pollution Control System Operators Certification Commission and contracted to provide necessary operation and maintenance on the permitted on-site wastewater system.

(5) A person permitted under Article 21 of Chapter 143 of the General Statutes who is constructing a water pollution control facility necessary to comply with the terms and conditions of a National Pollutant Discharge Elimination System (NPDES) permit.

(6) A person licensed under Article 1 of Chapter 87 of the General Statutes as a licensed public utilities contractor who is installing or expanding a wastewater treatment facility, including a collection system, designed by a registered professional engineer.

(7) A plumbing contractor licensed under Article 2 of Chapter 87 of the General Statutes, so long as the plumber is not performing plumbing work that includes the installation or repair of a septic tank or similar depository, or lines or appurtenances downstream from the point where the house or building sewer lines from the plumbing system meet the septic tank or similar depository."

SECTION #.(c) G.S. 90A-73(a) reads as rewritten:

"(a) Creation and Appointments. – There is created the North Carolina On-Site Wastewater Contractors and Inspectors Certification Board. The Board shall consist of nine members appointed to three-year terms as follows:

(1) One member appointed by the Governor who, at the time of appointment, is engaged in the construction, installation, repair, or inspection of on-site wastewater systems, to a term that expires on 1 July of years that precede by one year those years that are evenly divisible by three.

(2) One member appointed by the Governor who, at the time of appointment, is ~~a certified water treatment facility operator pursuant to Article 2 of Chapter 90A of the General Statutes~~ engaged in the construction, installation, repair, or inspection of on-site wastewater systems, to a term that expires on 1 July of years evenly divisible by three.

(3) One member appointed by the Governor who is an employee of the Division of Environmental Health of the Department to a term that expires on 1 July of years that follow by one year those years that are evenly divisible by three.

(4) One member appointed by the General Assembly upon recommendation of the President Pro Tempore of the Senate who, at the time of appointment, is engaged in the construction, installation, repair, or inspection of on-site

DRAFT
FOR REVIEW ONLY

wastewater systems, to a term that expires on 1 July of years that follow by one year those years that are evenly divisible by three.

(5) One member appointed by the General Assembly upon recommendation of the President Pro Tempore of the Senate who, at the time of appointment, is engaged in the business of inspecting on-site wastewater systems, to a term that expires on 1 July of years that precede by one year those years that are evenly divisible by three.

(6) One member appointed by the General Assembly upon recommendation of the President Pro Tempore of the Senate upon the recommendation of the North Carolina Home Builders Association, to a term that expires on 1 July of years evenly divisible by three.

(7) One member appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives who, at the time of appointment, is engaged in the construction, installation, repair, or inspection of on-site wastewater systems, to a term that expires on 1 July of years evenly divisible by three.

(8) One member appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives who, at the time of appointment, is (i) employed as an environmental health specialist, and (ii) engaged primarily in the inspection and permitting of on-site wastewater systems, to a term that expires on 1 July of years that follow by one year those years that are evenly divisible by three.

(9) One member appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives who, at the time of appointment, is ~~(i) employed by the North Carolina Cooperative Extension Service, and (ii) is knowledgeable in the area of on site wastewater systems,~~ a certified water treatment facility operator pursuant to Article 2 of Chapter 90A of the General Statutes, to a term that expires on 1 July of years that precede by one year those years that are evenly divisible by three."

SECTION #.(d) G.S. 90A-74(4) reads as rewritten:

"The Board shall have the following general powers and duties:

...
(4) To develop and administer examinations for ~~each grade level of certification-specific grade levels as approved by the Board.~~ The Board may approve applications by recognized associations for certification of its members after a review of the requirements of the association to ensure that they are equivalent to the requirements of the Board.

...."

SECTION #.(e) G.S. 90A-76 reads as rewritten:

"§ 90A-76. On-Site Wastewater Certification Fund.

The On-Site Wastewater Certification Fund is created as a nonreverting account ~~within the Department established and controlled by the Board.~~ All fees collected pursuant to this Article shall be credited to the Fund. The Fund shall be used solely for the costs of administering this Article."

SECTION #.(f) G.S. 90A-77(a) reads as rewritten:

"(a) Certification. – The Board shall issue a certificate of the appropriate grade level to an applicant who satisfies all of the following conditions:

- (1) Is at least 18 years of age.
- (2) Submits a properly completed application to the Board.
- (3) ~~If the applicant has prior experience providing on-site wastewater system services, submits affidavits of three persons not related to the applicant for~~

1 ~~whom the applicant provided on-site wastewater services.~~ Completes the
2 basic on-site wastewater education program approved by the Board for the
3 specified grade levels as determined by the Board.

4 (4) ~~If the applicant has no prior experience, completes the basic on-site~~
5 ~~wastewater education program approved by the Board.~~

6 (5) Completes any additional training program designed by the Board specific to
7 the grade level for which the applicant is applying.

8 (6) Pays the applicable fees set by the Board for the particular application and
9 grade level.

10 (7) For grade levels ~~greater than conventional systems,~~ as determined by the
11 Board, passes a written or oral examination that tests the applicant's
12 proficiency in all of the following areas:

13 a. Principles of public and environmental health associated with on-site
14 wastewater systems.

15 b. Principles of construction and safety.

16 c. Technical and practical knowledge of on-site wastewater systems
17 typical to the specified grade level.

18 d. Laws and rules related to the installation, construction, repair, or
19 inspection of the specified on-site wastewater system."

20 **SECTION #.(g)** Fees held by the Department of Environment and Natural
21 Resources pursuant to the On-Site Wastewater Certification Fund under G.S. 90A-76 shall be
22 transferred to the North Carolina On-Site Wastewater Contractors and Inspectors Certification
23 Board in accordance with G.S. 90A-76, as enacted in subsection (e) of this section, on the
24 effective date of this section.

**DRAFT
FOR REVIEW ONLY**



**DRAFT
FOR REVIEW ONLY**
DRAFT
SPECIAL PROVISION

**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

1 **EXPAND PERMISSIBLE USES OF THE SOLID WASTE MANAGEMENT TRUST**
2 **FUND**

3 SECTION #. G.S.130A-309.12(a) is amended by adding a new subdivision to
4 read:

5 "(6) Providing funding for the activities of the Division of Pollution Prevention
6 and Environmental Assistance."



Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 ***IMPROVE COORDINATION OF STATE WATER INFRASTRUCTURE FUNDING***

2 **SECTION #.(a)** The Department of Commerce, the Department of Environment
3 and Natural Resources, the Executive Director of the Clean Water Management Trust Fund,
4 and the Rural Economic Development Center shall work cooperatively with the State Water
5 Infrastructure Commission to accomplish all of the following:

- 6 (1) Develop a common first page for applications for grants and loans for State
7 water infrastructure funds, to be used by all of the State sources of water
8 infrastructure projects funding.
9 (2) Conduct regular joint meetings of the State sources of water infrastructure
10 projects funding.
11 (3) Develop a process for sharing progress reports and other information among
12 the State sources of water infrastructure projects funding and for making
13 joint site visits, for the purpose of improving oversight of the State funded
14 water infrastructure projects.
15 (4) Provide water funding data to the State Water Infrastructure Commission in
16 order that the State Water Infrastructure Commission is able to provide a
17 single annual report to the General Assembly on State investments in water
18 infrastructure projects.

19 **SECTION #.(b)** As used in this section, "State sources of water infrastructure
20 projects funding" means the Department of Commerce, the Department of Environment and
21 Natural Resources, the Clean Water Management Trust Fund, and the Rural Economic
22 Development Center.

DRAFT
FOR REVIEW ONLY

DRAFT
SPECIAL PROVISION

2009-ENV-H8

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 ***EXTEND STANDARDS GOVERNING ENERGY EFFICIENCY AND WATER USE TO***
 2 ***STATE-FUNDED BUILDINGS***

3 SECTION #.(a) G.S. 143-135.35 reads as rewritten:

4 "**§ 143-135.35. Findings; legislative intent.**

5 The General Assembly finds that public buildings can be built and renovated using
 6 sustainable, energy-efficient methods that save money, reduce negative environmental impacts,
 7 improve employee and student performance, and make employees and students more
 8 productive. The main objectives of sustainable, energy-efficient design are to avoid resource
 9 depletion of energy, water, and raw materials; prevent environmental degradation caused by
 10 facilities and infrastructure throughout their life cycle; and create buildings that are livable,
 11 comfortable, safe, and productive. It is the intent of the General Assembly that State-owned
 12 buildings and buildings of The University of North ~~Carolina~~ and Carolina, the North Carolina
 13 Community College ~~System~~ System, and State-funded entities be improved by establishing
 14 specific performance standards for sustainable, energy-efficient public buildings. These
 15 performance standards should be based upon recognized, consensus standards that are
 16 supported by science and have a demonstrated performance record. The General Assembly also
 17 intends, in order to ensure that the economic and environmental objectives of this Article are
 18 achieved, that State agencies, The University of North Carolina, ~~and~~ the North Carolina
 19 Community College ~~System~~ System, and State-funded entities determine whether the
 20 performance standards are met for major facility construction and renovation projects, measure
 21 utility and maintenance costs, and verify whether these standards result in savings. Also, it is
 22 the intent of the General Assembly to establish a priority to use North Carolina-based
 23 resources, building materials, products, industries, manufacturers, and businesses to provide
 24 economic development to North Carolina and to meet the objectives of this Article."

25 SECTION #.(b) G.S. 143-135.36(7) reads as rewritten:

26 "(7) "Public agency" means every State office, officer, board, department, and
 27 commission and institutions of higher ~~education~~ education, and State-funded
 28 entity."

29 SECTION #.(c) G.S. 143-135.36 is amended by adding a new subdivision to read:

30 "(8) "State-funded entity" means an entity that receives one hundred sixty
 31 thousand dollars (\$160,000) or more in State appropriations for a major
 32 facility construction project or a major facility renovation project.
 33 State-funded entity does not include any local school administrative unit or
 34 any charter school."

35 SECTION #.(d) This section is effective when it becomes law. Subsection (a) and
 36 subsection (b) of this section apply to every major facility construction project, as defined in
 37 G.S. 143-135.36, and every major facility renovation project, as defined in G.S. 143-135.36, of
 38 an entity that receives one hundred sixty thousand dollars (\$160,000) or more in State
 39 appropriations for the construction or renovation project when the project has not entered the
 40 schematic design phase prior to the effective date of this section.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-ENV-H9

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *INCREASE CAP FOR VOLUNTARY REMEDIAL ACTIONS AT INACTIVE*
2 *HAZARDOUS DISPOSAL SITES*

3 SECTION #. G.S. 130A-310.9(a) reads as rewritten:

4 "(a) No one owner, operator, or other responsible party who voluntarily participates in
5 the implementation of a remedial action program under G.S. 130A-310.3 or G.S. 130A-310.5
6 may be required to pay in excess of ~~three million dollars (\$3,000,000)~~ five million dollars
7 (\$5,000,000) for the cost of implementing a remedial action program at a single inactive
8 hazardous substance or waste disposal site. The limitation of liability contained in this section
9 applies only to the cost of implementation of the program and does not apply to the cost of the
10 development of the remedial action plan."

DRAFT FOR REVIEW ONLY

1. DENR Special Fund Balances

On June 30 of each year, the unencumbered cash balance of various special funds within DENR shall be transferred to the Inactive Hazardous Waste Fund, the Bernard Allen Emergency Drinking Water Fund, the Parks and Recreation Trust Fund, and the Natural Heritage Trust Fund.

2. DENR Special Funds – Permanently Close

The Department of Environment and Natural Resources shall, in consultation with the Office of State Budget and Management and the Office of the State Controller, move the Fine and Penalties Fund, the Radiation Equipment Fund, and the Geodetic Survey Fund from a Special Fund code to a General Fund code and permanently close the Special Funds.

**House Appropriations Subcommittee on
Natural and Economic Resources**

**DENR Natural Resources and Ag
Special Provisions**

May 27, 2009
8:30 A.M.

S

Follows \$

DRAFT
SPECIAL PROVISION



2009-NATRES-H10(S13.10)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

BEAVER DAMAGE CONTROL PROGRAM FUNDS

SECTION 13.10. G.S. 113-291.10(f) reads as rewritten:

"(f) Each county that volunteers to participate in this program for a given fiscal year shall provide written notification of its wish to participate no later than September 30 of that year and shall commit the sum of four thousand dollars (\$4,000) in local funds no later than September 30 of that year. At least three hundred forty-nine thousand dollars (\$349,000) each fiscal year of the biennium shall be paid from funds available to the Wildlife Resources Commission to provide the State share necessary to support this program, provided the sum of at least twenty-five thousand dollars (\$25,000) in federal funds is available each fiscal year of the biennium to provide the federal share."

DRAFT
FOR REVIEW ONLY

DRAFT
SPECIAL PROVISION



2009-NATRES-H9(S13.9)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **FOREST DEVELOPMENT FUND/FOREST PRODUCTS ASSESSMENT RATES**

2 SECTION 13.9.(a) G.S. 113A-192(c) through G.S. 113A-192(e) are repealed.

3 SECTION 13.9.(b) G.S. 113A-193(b) is amended by adding a new subdivision to

4 read:

5 "(6) Determine the appropriate assessment to be levied on primary forest
6 products in accordance with G.S. 113A-194."

7 SECTION 13.9.(c) G.S. 113A-194(b) reads as rewritten:

8 "(b) The assessment levied on primary forest products shall ~~be at~~not exceed the
9 following rates:

- 10 (1) ~~Fifty cents (50¢)~~One dollar (\$1.00) per thousand board feet for softwood
11 sawtimber, veneer logs and bolts, and all other softwood products normally
12 measured in board ~~feet;~~feet.
- 13 (2) ~~Forty cents (40¢)~~Eighty cents (80¢) per thousand board feet for hardwood
14 and bald cypress sawtimber, veneer, and all other hardwood and bald
15 cypress products normally measured in board ~~feet;~~feet.
- 16 (3) ~~Twenty cents (20¢)~~Forty cents (40¢) per cord for softwood pulpwood and
17 other softwood products normally measured in ~~cords;~~cords.
- 18 (4) ~~Twelve cents (12¢)~~Twenty-four cents (24¢) per cord for hardwood
19 pulpwood and other hardwood and bald cypress products normally measured
20 in ~~cords;~~cords.
- 21 (5) All material harvested within North Carolina for shipment outside the State
22 for primary processing will be assessed at a percentage of the invoice value.
23 This percentage will be established to yield rates equal to those if the
24 material were processed within the State."

DRAFT
FOR REVIEW ONLY

S

**DRAFT
SPECIAL PROVISION**



2009-NATRES-H6(S13.6)i

**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

**1 NEW LEASE PURCHASE/INSTALLMENT CONTRACTS FOR FORESTRY
2 EQUIPMENT**

3 SECTION 13.6. Prior to the Division of Forest Resources of the Department of
4 Environment and Natural Resources entering into either a new lease purchase contract for the
5 purchase of forestry equipment or a new installment contract for the purchase of forestry
6 equipment, the Division of Forest Resources shall submit a detailed list of the forestry
7 equipment to be purchased under the contract to the Joint Legislative Commission on
8 Governmental Operations and the Fiscal Research Division. Prior to the Department of
9 Administration entering into either a new lease purchase contract for the purchase of forestry
10 equipment or a new installment contract for the purchase of forestry equipment on behalf of the
11 Division of Forest Resources, the Department of Administration shall submit a detailed list of
12 the forestry equipment to be purchased under the contract to the Joint Legislative Commission
13 on Governmental Operations and the Fiscal Research Division. If a list is modified after it is
14 submitted under this section, the modified list shall be submitted to the Joint Legislative
15 Commission on Governmental Operations and the Fiscal Research Division prior to entering
16 into the contract.

**DRAFT
FOR REVIEW ONLY**

S

DRAFT
SPECIAL PROVISION



2009-NATRES-H5(S13.5)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **MARINE FISHERIES FUNDS FOR THE FISHERY RESOURCES GRANT PROGRAM**

2 SECTION 13.5. Of the funds appropriated in this act to the Department of
3 Environment and Natural Resources for the Division of Marine Fisheries for the Fishery
4 Resource Grant Program established under G.S. 113-200, the sum of one hundred forty-six
5 thousand three hundred twelve dollars (\$146,312) for the 2009-2010 fiscal year and the sum of
6 one hundred forty-six thousand three hundred twelve dollars (\$146,312) for the 2010-2011
7 fiscal year shall be used for river herring research in the Department. The remaining funds
8 appropriated in this act to the Department for the Fishery Resource Grant Program for the
9 2009-2011 biennium shall be used for research related to the Sea Grant College Program only
10 and shall not be used for any other purpose.

DRAFT
FOR REVIEW ONLY

4

Follows \$

DRAFT
SPECIAL PROVISION



2009-NATRES-H11A

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

**CONTINUATION REVIEW OF FOREST RESOURCES YOUNG OFFENDERS FOREST
CONSERVATION PROGRAM (BRIDGE)**

SECTION #.(a) In furtherance of the Continuation Review Program set forth under Section 6.7 of S.L. 2008-107, the Appropriations Committees of the House of Representatives and the Senate may review the Young Offenders Forest Conservation Program (BRIDGE) administered and supported by the Division of Forest Resources of the Department of Environment and Natural Resources and shall determine whether to continue, reduce, or eliminate funding for this program. The Fiscal Research Division may issue instructions to the Department regarding the expected content and format of the report required by this section. No later than December 1, 2009, the Division of Forest Resources shall report to the Fiscal Research Division. This report shall include the following information:

- (1) A description of the Young Offenders Forest Conservation Program (BRIDGE) mission, goals, and objectives.
- (2) The statutory objectives for the BRIDGE Program and the problem or need addressed.
- (3) The extent to which the BRIDGE Program's objectives have been achieved.
- (4) The BRIDGE Program's functions or programs performed without specific statutory authority.
- (5) The performance measures for the BRIDGE Program and the process by which the performance measures determine efficiency and effectiveness.
- (6) Recommendations for statutory, budgetary, or administrative changes needed to improve efficiency and effectiveness of services delivered to the public.
- (7) The consequences of discontinuing funding.
- (8) Recommendations for improving services or reducing costs or duplication.
- (9) The identification of policy issues that should be brought to the attention of the General Assembly.
- (10) Other information necessary to fully support the General Assembly's Continuation Review Program along with any information included in instructions from the Fiscal Research Division.

SECTION #.(b) The Division of Forest Resources of the Department of Environment and Natural Resources shall submit a final report that complies with subsection (a) of this section to the General Assembly by March 1, 2010.

**DRAFT
FOR REVIEW ONLY**

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



Follows \$
2009-NATRES-H7B(S13.7)

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 GRASSROOTS SCIENCE PROGRAM

2 SECTION 13.7.(a) Of the funds appropriated in this act to the Department of
3 Environment and Natural Resources for the Grassroots Science Program, the sum of three
4 million two hundred two thousand eight hundred thirty-three dollars (\$3,202,833) for the
5 2009-2010 fiscal year is allocated as grants-in-aid for each fiscal year as follows:

6 2009-2010

7		
8	Aurora Fossil Museum	\$54,332
9	Cape Fear Museum	\$148,126
10	Carolina Raptor Center	\$103,200
11	Catawba Science Center	\$134,648
12	Colburn Earth Science Museum, Inc.	\$68,581
13	Core Sound Waterfowl Museum	\$46,000
14	Discovery Place	\$609,836
15	Eastern NC Regional Science Center	\$46,000
16	Fascinate-U	\$74,586
17	Granville County Museum Commission,	
18	Inc.-Harris Gallery	\$51,908
19	Greensboro Children's Museum	\$124,270
20	The Health Adventure Museum of Pack	
21	Place Education, Arts and	
22	Science Center, Inc.	\$143,162
23	Highlands Nature Center	\$72,927
24	Imagination Station	\$79,151
25	The Iredell Museums, Inc.	\$56,402
26	Kidsenses	\$74,779
27	Museum of Coastal Carolina	\$71,778
28	The Natural Science Center	
29	of Greensboro, Inc.	\$171,446
30	North Carolina Museum of Life	
31	and Science	\$349,440
32	Pisgah Astronomical Research Institute	\$46,000
33	Port Discover: Northeastern	
34	North Carolina's Center for	
35	Hands-On Science, Inc.	\$46,000
36	Rocky Mount Children's Museum	\$66,474
37	Schiele Museum of Natural History	
38	and Planetarium, Inc.	\$211,183
39	Sci Works Science Center and	
40	Environmental Park of Forsyth County	\$134,779
41	Sylvan Heights Waterfowl Park	

DRAFT
FOR REVIEW ONLY

1	and Eco-Center		\$46,000
2	Western North Carolina Nature Center		\$103,849
3	Wilmington Children's Museum		\$67,975
4			
5	Total		\$3,202,833

DRAFT
FOR REVIEW ONLY

SECTION 13.7.(b) No later than March 1, 2010, the Department of Environment and Natural Resources shall report to the Fiscal Research Division all of the following information for each museum that receives funds under this section:

- (1) The actual operating budget for the 2008-2009 fiscal year.
- (2) The proposed operating budget for the 2009-2010 fiscal year.
- (3) The total attendance at the museum during the 2009 calendar year.

SECTION 13.7.(c) As a condition for qualifying to receive funding under subsection (a) of this section, all of the following documentation shall, no later than November 1, 2009, be submitted for each museum under this section to the Department of Environment and Natural Resources for the fiscal year ending between July 1, 2007, and only those costs that are properly documented under this subsection are allowed by the Department in calculating the distribution of funds under this section:

- (1) Each museum under this section shall submit its IRS (Internal Revenue Service) Form 990 to show its annual operating expenses, its annual report, and a reconciliation that explains any differences between expenses as shown on the IRS Form 990 and the annual report.
- (2) Each friends association of a museum under this section shall submit its IRS Form 990 to show its reported expenses for the museum, its annual report, and a reconciliation that explains any differences between expenses as shown on the IRS Form 990 and the annual report, unless the association does not have both an IRS Form 990 and an annual report available, in which case, it shall submit either an IRS Form 990 or an annual report.
- (3) The chief financial officer of each county or municipal government that provides funds for the benefit of the museum shall submit a detailed signed statement of documented costs spent for the benefit of the museum that includes documentation of the name, address, title, and telephone number of the person making the assertion that the museum receives funds from the county or municipality for the benefit of the museum.
- (4) The chief financial officer of each county or municipal government or each friends association that provides indirect or allocable costs that are not directly charged to a museum under this section but that benefit the museum shall submit in the form of a detailed statement enumerating each cost by type and amount that is verified by the financial officer responsible for the completion of the documentation and that includes the name, address, title, and telephone number of the person making the assertion that the county, municipality, or association provides indirect or allocable costs to the museum.

SECTION 13.7.(d) As used in subsection (c) of this section, "friends association" means a nonprofit corporation established for the purpose of supporting and assisting a museum that receives funding under this section.

SECTION 13.7.(e) In lieu of allocating funds for the 2010-2011 fiscal year and thereafter to specific museums that are members of the Grassroots collaborative, the Department of Environment and Natural Resources shall develop for museums that are members of the Grassroots collaborative a competitive grant program to be implemented and administered by the Office of Environmental Education within the Department. In developing this competitive grant program, the Department shall establish a process for applying for these

1 grants, criteria for evaluating applications, and a process for allocating grants. No later than
2 December 1, 2009, the Department shall report to the Joint Legislative Commission on
3 Governmental Operations and the Fiscal Research Division on the grant program it has
4 developed for implementation for the 2010-2011 fiscal year for museums that are members of
5 the Grassroots collaborative and the process whereby these museums may compete to receive
6 grants under this grant program for the 2010-2011 fiscal year.

7 **SECTION 13.7.(f)** No later than September 1, 2011, the Office of Environmental
8 Education of the Department of Environment and Natural Resources shall report to the Joint
9 Legislative Commission on Governmental Operations and the Fiscal Research Division on the
10 activities of the competitive grant program under subsection (e) of this section for the 2010-
11 2011 fiscal year, the grant program objectives and accomplishments, and itemized expenditures
12 and fund sources for the competitive grant program for the 2010-2011 fiscal year.

**DRAFT
FOR REVIEW ONLY**

Follows \$

DRAFT
SPECIAL PROVISION



2009-NATRES-H12A

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

DEVELOP PLAN TO CHARGE PARKING FEES AT STATE PARKS

1 **SECTION #.** The Division of Parks and Recreation of the Department of
2 Environment and Natural Resources shall, in consultation with the Fiscal Research Division,
3 develop a plan to charge parking fees for parking at any or all State parks within the State Parks
4 System and commence collecting these parking fees during the 2009-2010 fiscal year. In
5 developing this plan, the Division shall consider each State park separately when determining
6 the advisability of charging parking fees and the amount of any such parking fees. The Division
7 also shall consider charging a separate parking fee for parking on a daily, weekly, monthly, and
8 annual basis. The Division shall evaluate various mechanisms for collecting the parking fees
9 and determine the collection method that is most reliable, efficient, and convenient to the public
10 for each parking fee. No later than November 1, 2009, the Division shall report its plan under
11 this section to the Joint Legislative Commission on Governmental Operations and the Fiscal
12 Research Division. This report shall include the date by which the Division will begin to collect
13 parking fees under this section, the amount of revenue that the Division expects to raise on
14 average in parking fees for any fiscal year, and the expected cost of collecting this revenue.
15

DRAFT
FOR REVIEW ONLY

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

FOLLOWS \$

DRAFT
SPECIAL PROVISION



2009-NATRES-H13

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

- 1 **FUNDS FOR WILDLIFE RESOURCES COMMISSION OPERATING BUDGET**
- 2 SECTION #.(a) G.S. 105-164.44B is repealed.
- 3 SECTION #.(b) The Office and State Budget Management, the State Controller,
- 4 and the Wildlife Resources Commission shall jointly effectuate, beginning with the Wildlife
- 5 Resources Commission's operating budget for the 2009-2010 fiscal year, the transition from the
- 6 Wildlife Resources Commission receiving sales tax proceeds to fund its operating budget to the
- 7 Wildlife Resources Commission receiving an appropriation from the General Fund to fund its
- 8 operating budget.

DRAFT
FOR REVIEW ONLY

WILDLIFE RESOURCES COMMISSION

**DRAFT
FOR REVIEW ONLY**

Revenue Sources

FY 2007-08	
Sales & Use Tax Transfer *	\$24.8 M
Motor Fuels Tax Transfer	\$2 M
Sale of Fishing & Hunting Licenses **	\$18.5 M
Boat Titles & Registrations	\$5.2 M
Federal Funds	\$16 M
Other	\$9 M
Total	\$75.5 M

* Theoretically equivalent to tax on recreational equipment.

** Lifetime license revenue is deposited into the Wildlife Resources Endowment Fund and is not included. The Endowment's principal is ~\$68M.

Use of Sales Tax Transfer FY2008-09

Expense	Sales Tax Used
Personnel	\$17.42 M
Match for Land Acquisition	\$2.9 M
Grants	\$50 K
Capital Improvements	\$0 M
Repair & Renovation	\$0 M
Total	\$20.37M

Sales Tax Transfer & Fund Balance

Year	Sales Tax Transfer	Annual % Change	Fund Balance	Change in Fund Balance
2005-06	\$18.6 M		\$7.9 M	
2006-07	\$21.9 M	18%	\$9.1 M	\$1.2 M
2007-08	\$23.7 M	8%	\$13.4 M	\$4.3 M
2008-09	\$24.8 M	5%	\$18.8 M (on 3/31/09)	\$5.4 M
2009-10 Expected	\$23.1 M	-7%	TBD	TBD

WRC has received additional sales tax transfers to cover legislative salary increases for employees.

Historical Information

FY	Sales & Use Tax Transfer		Hunters & Anglers in North Carolina *			
	Transfer	% Increase	Number	Change in Number	Equipment Expenditures	Change in Expenditures
1985-86	\$2.0M	0%	N/A	N/A	N/A	N/A
1990-91	\$2.8M	40%	1.88M	N/A	N/A	N/A
1995-96	\$6.6M	136%	1.93M	2.6%	\$1,432M	N/A
2000-01	\$12.2M	85%	1.58M	-17.9%	\$1,012M	-29.3%
2005-06	\$18.6M	53%	1.56M	-0.9%	\$772M	-23.7%

* Total hunting and fishing activities in North Carolina by U.S. Residents

Source: 1991, 1996, 2001, & 2006 USFWS National Survey of Fishing, Hunting, & Wildlife-Associated Recreation

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



S
FOLLOWS #
2009-AGRIC-H1(S11.1)i

Department of Agriculture and Consumer Services
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **COMMERCIAL FERTILIZER FEES**

2 SECTION 11.1. G.S. 106-671(a) reads as rewritten:

3 "(a) For the purpose of defraying expenses on the inspection and of otherwise
4 determining the value of commercial fertilizers in this State, there shall be paid to the
5 Department of Agriculture and Consumer Services a charge of ~~twenty-five cents (25¢)~~ fifty
6 cents (50¢) per ton on all commercial fertilizers other than packages of five pounds or less.
7 Inspection fees shall be paid on all tonnage distributed into North Carolina to any person not
8 having a valid reporting permit. On individual packages of five pounds or less there shall be
9 paid in lieu of the tonnage fee an annual registration fee of twenty-five dollars (\$25.00) for
10 each brand offered for sale, sold, or distributed; provided that any per annum (fiscal) tonnage of
11 any brand sold in excess of one hundred tons may be subject to the charge of ~~twenty-five cents~~
12 ~~(25¢)~~ fifty cents (50¢) per ton on any amount in excess of one hundred tons as provided herein.
13 Whenever any manufacturer of commercial fertilizer shall have paid the charges required by
14 this section his goods shall not be liable to further tax, whether by city, town, or county;
15 provided, this shall not exempt the commercial fertilizers from an ad valorem tax."

DRAFT
FOR REVIEW ONLY

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



S
FOLLOWS \$
2009-AGRIC-H2(S11.2)i

Department of Agriculture and Consumer Services
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **INCREASE PESTICIDE REGISTRATION FEE**

2 SECTION 11.2. G.S. 143-442(b) reads as rewritten:

3 "(b) The applicant shall pay an annual registration fee of ~~one hundred dollars (\$100.00)~~
4 one hundred fifty dollars (\$150.00) plus an additional annual assessment for each brand or
5 grade of pesticide registered. The annual assessment shall be fifty dollars (\$50.00) if the
6 applicant's gross sales of the pesticide in this State for the preceding 12 months for the period
7 ending September 30th were more than five thousand dollars (\$5,000.00) and twenty-five
8 dollars (\$25.00) if gross sales were less than five thousand dollars (\$5,000.00). An additional
9 two hundred dollars (\$200.00) delinquent registration penalty shall be assessed against the
10 registrant for each brand or grade of pesticide which is marketed in North Carolina prior to
11 registration as required by this Article. In the case of multi-year registration, the annual fee and
12 additional assessment for each year shall be paid at the time of the initial registration. The
13 Board shall give a pro rata refund of the registration fee and additional assessment to the
14 registrant in the event that registration is canceled by the Board or by the United States
15 Environmental Protection Agency."

DRAFT
FOR REVIEW ONLY

DRAFT
SPECIAL PROVISION



2009-AGRIC-H3(S11.3)i

Department of Agriculture and Consumer Services
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **BOARD OF AGRICULTURE REVIEW OF FEE SCHEDULES**

2 SECTION 11.3. G.S. 106-6.1 reads as rewritten:

3 "§ 106-6.1. Fees.

4 (a) A board or commission within the Department of Agriculture and Consumer
5 Services may establish fees or charges for the services it provides. The Board of Agriculture,
6 subject to the provisions of Chapter 146 of the General Statutes, may establish a rate schedule
7 for the use of facilities operated by the Department of Agriculture and Consumer Services.

8 (b) No later than February 1 of each odd numbered year, the Board of Agriculture shall
9 review the fees it established under this section to determine whether any of these fees should
10 be changed and report to the Fiscal Research Division the amount of each fee reviewed, when
11 the fee was last changed, the number of times the fee was collected during the prior fiscal year,
12 the total receipts from the fee during the prior fiscal year, and any recommendations for
13 increasing or decreasing the amount of any such fees. This report shall also include for each fee
14 an evaluation of any inflationary change since the last change to the amount of the fee and any
15 other information deemed relevant to this evaluation."

DRAFT
FOR REVIEW ONLY



**Department of Agriculture and Consumer Services
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

FARMLAND PRESERVATION TRUST FUND

SECTION #.(a) G.S. 106-744(c) reads as rewritten:

"(c) There is established a "North Carolina Agricultural Development and Farmland Preservation Trust Fund" to be administered by the Commissioner of Agriculture. The Trust Fund shall consist of all monies received for the purpose of purchasing agricultural conservation easements or funding programs that promote the development and sustainability of farming and assist in the transition of existing farms to new farm families, or monies transferred from counties or private sources. The Trust Fund shall be invested as provided in G.S. 147-69.2 and G.S. 147-69.3. The Commissioner shall use Trust Fund monies for any of the following: following purposes:

- (1) ~~The~~ For the purchase of agricultural conservation easements, including transaction costs.
- (2) ~~Public~~ For the costs of public and private enterprise programs that will promote profitable and sustainable family farms through assistance to farmers in developing and implementing plans for the production of food, fiber, and value-added products, agritourism activities, marketing and sales of agricultural products produced on the farm, and other agriculturally related business activities.
- (3) To fund conservation agreements to bring into or maintain farmland in active production of food, fiber, and other agricultural products.
- (4) ~~The~~ For the costs of administering the program under this Article, including the cost of staff and staff support."

SECTION #.(b) G.S. 106-744(c1) reads as rewritten:

"(c1) The Commissioner shall distribute Trust Fund monies for ~~such purchases,~~ only the purposes under subsection (c) of this section, including transaction costs, as follows:

- (1) To a private nonprofit conservation organization that matches thirty percent (30%) of the Trust Fund monies it receives with funds from sources other than the Trust Fund.
- (2) To counties according to the match requirements under subsection (c2) of this section."

SECTION #.(c) G.S. 106-744(g)(11) reads as rewritten:

"(11) ~~The Director of the Southeast Regional Office of the American Farmland Trust or the~~ The Executive Director of the Rural Advancement Foundation International – USA or the Executive Director's designee."

SECTION #.(d) Of the funds appropriated in this act to the Parks and Recreation Trust Fund established in G.S. 113-44.15, the sum of one million five hundred thousand dollars (\$1,500,000) for the 2009-2010 fiscal year shall be transferred to the North Carolina Agricultural Development and Farmland Preservation Trust Fund. Of the funds appropriated in this act to the Natural Heritage Trust Fund established in G.S. 113-77.7, the sum of five hundred thousand dollars (\$500,000) for the 2009-2010 fiscal year shall be transferred to the North Carolina Agricultural Development and Farmland Preservation Trust Fund.

1 **SECTION #.(e)** This section is effective when it becomes law and the change in
2 membership of the Agricultural Development and Farmland Preservation Trust Fund Advisory
3 Committee under G.S. 106-744, as amended by subsection (c) of this section, shall occur prior
4 to the next quarterly meeting of the Advisory Committee that occurs on or after that date.

D R A F T
FOR REVIEW ONLY

House Pages

Name of Committee: NER Approp Date: 5/27/09

1. Name: Delise Barnard

County: Wake

Sponsor: Paul Stam

2. Name: Samara Clark

County: Wake

Sponsor: Paul Stam

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-Ai-Arms

1. Name: James Worth

2. Name: David Shearon

3. Name: _____

VISITOR REGISTRATION SHEET

NER Appropriations
Name of Committee

5/27/09
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Tommy Clark	WRC
Sarah Clapp	NCWRC
GORDON MYERS	NCWRC
Dan Conrad	NCCN
Lund M. Muir	OSBM
John Boudish	AZ.
Andrew Harris	NCIMED
John Am Harris	LATA
Jason Miller	e-NC
Linda Andrews	NCFB
Meredith Cook	NCDOL

VISITOR REGISTRATION SHEET

NER Approp
Name of Committee

5/27/09
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Elizabeth Biser	DENR
Cathy Hardy	DEOR
Donna Barnes	Commerce
Bob Spence	NCPA
Doug Lassiter	NCSTA
N. David Smith	Agriculture
Joy Hicks	NCDA&CS
Donna Barnes	Commerce
Robin Smith	DENTZ
Meredith Henderson	Industrial Commission
Ed Singleton	Brooks Pierce

VISITOR REGISTRATION SHEET

House NEA

5-27-09

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Abdul Hashim	NCCDI 5800 Fanning Lane P1
Chris Fitzsimon	NC Policy Watch
Lisa Pregel	NC NHTF
Donna S. Cox	OSBM
Anta Moku	DENE
Ange Bailey	e-NC Authority
Jenise A. Seawome	Commerce
Patrick Baffle	MWRG
Paul Taylor	Truist

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jennifer Haigwood	NCDOL
Art Britt	NCDOL
Jack Brinson	NCDOL
FRAN NOLAN	GRASSROOTS S. M. C.
Kathy Ball	Nc zw Society
Debbie Trumb	NCAEE
Drew Ball	Sierra Club
Brigette Pasterny	NCAEE
Alicia Davis	MNC
W. Roberts	NCDJ INCPA

MINUTES

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

May 28, 2009
8:30 a.m.

The Appropriations Subcommittee on Natural and Economic Resources met in Room 423 of the Legislative Office Building on Thursday, May 28, 2009. Chairman Garland E. Pierce presided and the meeting was called to order at 8:34 a.m. Chairman Pierce welcomed and introduced the Sergeant-At-Arms and Pages who were assisting the meeting.

The following Chairs were present: Representative Pricey T. Harrison and Representative Edith Warren. Vice Chairs: Representative Carolyn Justice, Representative W.A. Wilkins, and Representative Michael H. Wray. Members: Representative Angela Bryant, Representative James Langdon, Jr., Representative Efton M. Sager, Representative Ruth Samuelson, and Representative Roger West. Counselor staff was also in attendance. A Visitor's Registration list and presentations are attached and filed as a record to the minutes.

Chairman Pierce recognized Ms. Lanier McRee with the Fiscal Research Division of the North Carolina General Assembly to explain the NER Draft Committee Report. Ms. McRee explained the Agriculture and Consumer Services beginning with item #1 through #20.

Chairman Pierce recognized Ms. Kristin Walker with the Fiscal Research Division of the North Carolina General Assembly to continue explaining the NER Draft Committee Report. Ms. Walker explained the Labor section of the report beginning with item #21 through #28 and the Environment & Natural Resources section beginning with item #29 through #56.

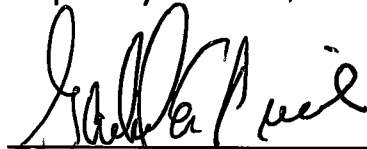
Chairman Pierce recognized Ms. Kristine Leggett with the Fiscal Research Division of the North Carolina General Assembly to continue explaining the NER Draft Committee Report. Ms. Leggett explained Commerce beginning with item #57 through #80, the Commerce – State Aid beginning with item #81 through #88, the N.C. Biotechnology Center item #89, and the Rural Economic Development Center item #90. Ms. McRee, Ms. Walker and Ms. Leggett shared information from the same presentation. This presentation is attached and filed as a record to the minutes.

Committee Discussion

The next scheduled meeting will be next Thursday (June 4).

There being no further business, the Chairman adjourned the meeting at 9:15 a.m.

Respectfully submitted,



Representative Garland E. Pierce
Presiding Co-Chair



Mildred Alston
Committee Assistant

**House Appropriations Subcommittee on
Natural and Economic Resources**

NER Draft Committee Report

May 28, 2009
8:30 A.M.

**DRAFT
FOR REVIEW ONLY**

**DRAFT
FOR REVIEW ONLY**

Agriculture and Consumer Services

GENERAL FUND

	FY 09-10		FY 10-11
Recommended Budget	\$65,402,492		\$65,638,839

Legislative Changes

A. Department-Wide

1 Adjust Continuation Budget	(\$1,144,889)	R	(\$1,594,203)	R
Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget.	-4.00		-4.00	

2 Vacant Positions	(\$860,323)	R	(\$860,323)	R
Eliminates the following vacant positions and corresponding benefits:	-16.00		-16.00	

60011486 Executive Assistant I	\$46,818
60011478 Administrative Officer II	\$38,174
60011494 Administrative Secretary	\$43,576
60011502 Accounting Tech II	\$31,041
60011773 Data Entry Operator	\$33,777
60011891 Chemist	\$68,792
60011909 Processing Asst. Food Lab	\$25,997
60012034 Lab Assistant	\$23,516
60012011 Microbiologist	\$36,821
60089841 Vet Lab Pathologist	\$123,105
60012143 Chemistry Supervisor II	\$50,940
60012189 Medical Lab Technician II	\$43,781
65005771 Meat & Poultry Inspector	\$14,751
65005772 Meat & Poultry Inspector	\$14,751
60012575 Research Technician (Cherry)	\$28,786
60012660 Research Technician (Tidewater)	\$32,379
60012583 Research Technician (Cherry)	\$28,556
Fringe Total	\$174,762

3 Operating Expense Reductions	(\$345,873)	R	(\$345,873)	R
Reduces following line items by 50%:				

Non-employee travel, subsistence, and education	\$3,199
Registrations	\$46,940
Employee Education Assistance Program	\$690
Employee Education	\$31,779
Memberships & Subscriptions	\$42,859
Cell Phones	\$121,817

Eliminates the following line items:	
Office Furniture	\$98,589

4 Temporary Position Funding	(\$27,905)	R	(\$27,905)	R
Reduces funding for temporary positions across the Department.				

DRAFT

FY 09-10
FOR REVIEW ONLY

5 Fund Shift Positions to Receipt Support	(467,047)	R	(467,047)	R
Shifts 10.7 positions to receipt support. These receipts come from various enterprise funds, grants, and other revenue sources.	-10.70		-10.70	
6 Worker's Compensation	(\$75,000)	R	(\$75,000)	R
Reduces funding for worker's compensation due to a recent decrease in premiums for the Department.				
C. General Administration				
7 Agricultural Finance Authority Service Charge	(\$50,000)	R	(\$50,000)	R
Reduces General Fund support for the General Administration Division, replacing these funds with \$50,000 paid by the Agricultural Finance Authority for budgeting, accounting, and human resource services provided by the Division.				
8 FFA Foundation, Inc	(\$3,960)	R	(\$4,950)	R
Reduces funding for FFA Foundation, Inc by 8% in FY 2009-10 and 10% in FY 2010-11.				
D. Agronomic Services				
9 Fertilizer Assessment	(\$375,000)	R	(\$375,000)	R
Replaces the General Fund appropriation with an increase in the fertilizer assessment. The fertilizer assessment will be increased from \$0.25 per ton of fertilizer to \$0.50 per ton, bringing North Carolina's assessment in line with surrounding states. All receipts from the increase will be used to support Agronomic Services.				
E. Markets				
10 Farmers Markets and Ag Centers Fees	(\$125,000)	R	(\$125,000)	R
Replaces General Fund appropriation for the Farmer's Markets and Agricultural Centers with increased fees.				
F. Pesticides				
11 Pesticide Registration Fee	(\$500,000)	R	(\$500,000)	R
Increases the current annual pesticide registration fee from \$100 to \$150 for each brand or grade of pesticide registered and reduces General Fund appropriations to the Pesticide Division.				
G. Plant Industry				
12 Plant Inspection Fees	(\$58,303)	R	(\$58,303)	R
Increases nursery certification and registration fees and reduces the General Fund appropriation to the Plant Industry Division. The certification fee will increase from \$10 to \$100 for the initial acre and from \$2 to \$3 for additional acres. The registration fee for nurseries will increase from \$6 to \$20.				

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

H. Standards

13 Petroleum Device Technician License Fee

(\$10,000) R

(\$10,000) R

Creates a registration fee for petroleum device technician licenses.

14 Calibration Inspection Over-realized Receipts

(\$20,000) R

(\$20,000) R

Budgets over-realized receipts for calibration inspections services.

I. Veterinary Services

15 Animal Diagnostic Fees

(\$250,000) R

(\$250,000) R

Replaces the General Fund appropriation for veterinary services with increased fees for certain animal diagnostic tests.

J. Agricultural Statistics

16 Technology Support Analyst Position

(\$30,276) R

(\$30,276) R

Eliminate funding for one W/A Technology Support Analyst within the Division of Agricultural Statistics.

-1.00

-1.00

K. Public Affairs

17 Ag Review Funding

(\$25,000) R

(\$25,000) R

Reduces funding for the Ag Review by \$25,000. The Division is directed to update the subscription form so that the Ag Review is delivered via email unless a paper copy is requested.

L. Public Affairs

18 Ag in the Classroom Funding

(\$1,980) R

(\$2,475) R

Reduces funding for Ag in the Classroom by 8% in FY 2009-10 and 10% in FY 2010-11.

L. Seed and Fertilizer

19 Seed Law Changes

(\$70,000) R

(\$70,000) R

Adjusts expected receipts to reflect changes in the Seed Laws proposed in HB 1103. These increased receipts replace General Fund appropriation for this Division.

M. Reserves and Transfers

20 Tidewater Research Station Operating Reserve

(\$276,414) R

(\$276,414) R

Eliminates the operating reserve for the Tidewater Research Station. This funding was provided in FY 2008-09 and was not needed to operate the facility.

**DRAFT
FOR REVIEW ONLY**

Total Legislative Changes	(\$4,716,970)	R	(\$5,167,769)	R
Total Position Changes	-31.70		-31.70	
Revised Budget	\$60,685,522		\$60,471,070	

**DRAFT
FOR REVIEW ONLY**

DRAFT FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

Labor

GENERAL FUND

	FY 09-10	FY 10-11
Recommended Budget	\$19,064,773	\$19,092,834

Legislative Changes

Department-Wide

21 Adjust Continuation Budget	(\$405,676)	R		(\$433,681)	R
Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget.					

22 Vacant Positions	(\$657,058)	R		(\$657,058)	R
Eliminates the following vacant positions:					

		-12.50		-12.50	
60013028 Communications & Info. Assistant	\$45,361				
60013031 Admin. Officer III	\$50,653				
60012992 Wage & Hour Investigator I	\$49,706				
60013243 OSHA Ed & Train Specialist	\$61,810				
65005115 OSHA Ed & Train Specialist	\$51,831				
65005233 OSHA Carolina Star Consultant	\$53,753				
65005234 OSHA Carolina Star Consultant	\$53,753				
60013223 Admin. Secretary II (0.5 FTE)	\$23,418				
60013038 Apprenticeship Specialist	\$57,750				
60013023 Administrative Assistant I	\$46,476				
60013016 Apprenticeship Specialist	\$67,751				
60012991 Wage & Hour Investigator I	\$47,398				
60012986 Wage & Hour Investigator II	\$47,398				

23 Operating Expense Reductions	(\$100,580)	R		(\$100,580)	R
--	-------------	---	--	-------------	---

Reduces the following line items by 50%:

Non-employee travel, subsistence, and education	\$1,384
Registrations	\$19,330
Employee Education	\$4,979
Memberships & Subscriptions	\$16,610
Cell Phones	\$54,328

Eliminates the following line items:

Office Furniture	\$3,949
------------------	---------

Administrative Services

24 General Fund Position to Fee Support	(\$77,428)	R		(\$77,428)	R
--	------------	---	--	------------	---

Converts one Administrative Officer III position, associated fringe, and operating to receipt support. Receipts will be generated by the Elevator and Amusement Device Bureau, the Boiler Bureau, and the OSH Division.

Occupational Safety and Health

25 State Funding for Library Periodicals

Eliminates State funding for periodicals in the DOL library.

(\$18,306) R (\$18,306) R

26 Publication Fees

Directs OSH to raise publication fees to adjust for inflation and to take a corresponding General Fund reduction. Fees were last raised February 1, 2001.

(\$21,325) R (\$21,325) R

Standards and Inspections

27 Mine and Quarry Operating

Shifts funding for operating expenses in the Mine & Quarry Bureau to federal receipts.

(\$28,389) R (\$28,389) R

28 Apprenticeship Program

Directs the Apprenticeship Program to create new fees to generate enough revenue so that the program can take a 25% reduction to General Fund support.

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

Total Legislative Changes

(\$1,758,762) R (\$1,786,767) R

Total Position Changes

-12.50 -12.5

Revised Budget

\$17,306,011 \$17,306,067

**DRAFT
FOR REVIEW ONLY**

**DRAFT
FOR REVIEW ONLY**

Environment & Natural Resources

GENERAL FUND

	FY 09-10		FY 10-11	
Recommended Budget	\$212,524,097		\$214,924,435	
Legislative Changes				
(1.0) Department-Wide				
29 Adjust Continuation Budget	(\$9,247,832)	R	(\$11,577,684)	R
Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget.	-14.00		-56.00	
30 Vacant Positions	(\$3,301,005)	R	(\$3,301,005)	R
Eliminates the following vacant positions:				
31 Operating Expense Reductions	(\$895,265)	R	(\$895,265)	R
Reduces the following line items by 50%:				
Non-employee travel, subsistence, and education	\$177,594			
Registrations	\$124,064			
Workshop Travel	\$ 4,381			
Workshop Subsistence	\$ 419			
Employee Education	\$ 66,489			
Memberships & Subscriptions	\$ 73,489			
Cell Phones	\$163,914			
Eliminates the following line items:				
Office Furniture	\$277,415			
Honorariums	\$ 7,500			
32 General Fund Positions to Receipt Support	(\$1,738,053)	R	(\$1,738,053)	R
Fund-shifts 27.33 General Fund appropriated positions to receipt-support.	-27.33		-27.33	
(3.0) Center for Geographic Information Analysis				
33 Center for Geographic Information Analysis Transfer	(\$167,549)	R	(\$167,549)	R
Transfers two General Fund positions for NC OneMap to the Office of the State Chief Information Officer.	-2.00		-2.00	
(3.0) Coastal Management				
34 General Fund Position to Receipt Support	(\$81,492)	R	(\$81,492)	R
Shifts funding of one Environmental Supervisor II to a grant from the National Oceanic and Atmospheric Administration.	-1.00		-1.00	

DRAFT FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

(3.0) Environmental Health

35 Food and Lodging Inspection Fee	(\$250,000) R	(\$250,000) R
<p>Adjusts the food/lodging inspection fees. Fees are currently either \$50 or \$200 and will be increased to \$75 and \$250 respectively. Fees were last increased October 1, 2002. New fee revenue will be distributed in accordance with G.S.130A-248. Fee revenue credited to the Department will be used to support operations of the Division and will allow the Division to take a corresponding General Fund reduction.</p>		
36 Mosquito Pest Management Grants	(\$81,191) R	(\$81,191) R
<p>Reduces the mosquito pest management grant program. This reduction leaves \$250,000 in grant funds for aid to counties and cities.</p>		
37 Radiation Protection Section	(\$406,621) R	(\$813,242) R
<p>Requires that the radiation protection section become entirely receipt supported by 2010-11. Reduces General Fund support by 50% in FY 2009-10 and eliminates all General Fund support in FY 2010-11. Moves 12.5 positions from the General Fund to receipt support in FY 2010-11.</p>		
		-12.50
38 General Fund Support to Receipt Support	(\$61,724) R	(\$61,724) R
<p>Shifts funding for rent for the Division's main office to a federal grant.</p>		
39 General Fund Position to Receipt Support	(\$38,272) R	(\$38,272) R
<p>Shifts funding of one Processing Assistant IV from General Fund support to food and lodging inspection fee receipts.</p>		
	-1.00	-1.00

(3.0) Land Resources

40 Landslide Hazard Aerial Photography	(\$50,000) R	(\$50,000) R
<p>Reduces funding to landslide hazard aerial photography.</p>		
41 County Boundary Program	(\$106,479) R	(\$106,479) R
<p>Eliminates funding for the County Boundary Program.</p>		
	-1.00	-1.00

(3.0) Pollution Prevention & Enviro. Assistance

42 Solid Waste Management Trust Fund Receipts	(\$225,000) R	(\$225,000) R
<p>Directs the Division to shift operating expenses to the Solid Waste Management Trust Fund (SWMTF). SWMTF began receiving new revenue in FY 2008-09 from the solid waste disposal tax, a portion of which was authorized to be used for operating expenses.</p>		

(3.0) Water Quality

43 Neuse River Rapid Response Team	(\$101,439) R	(\$101,439) R
<p>Reduces funding for the Neuse River Rapid Response Team and eliminates two positions.</p>		
	-2.00	-2.00

DRAFT

House Subcommittee on Natural and Economic Resources

FOR REVIEW ONLY

FY 09-10

FY 10-11

(3.0) Water Resources

44 Stream and Well Monitoring Contracts	(\$21,884)	R	(\$21,884)	R
Reduces funding for stream and well monitoring contracts by 10%. The Division is encouraged to negotiate lower rates for these contracts to compensate for the appropriation reduction.				

(4.0) Aquariums

45 Operating Expense Reduction	(\$2,500,000)	R	(\$2,500,000)	R
Replaces General Fund support for operating with gate admissions.				

(4.0) Forest Resources

46 Young Offenders/ BRIDGE Program	(\$1,043,840)	R	(\$1,043,840)	R
Eliminates funding for the Young Offenders/ BRIDGE program. This program is subject to continuation review.				
	\$1,043,840	NR		-10.00

47 Forestry Equipment	(\$500,000)	R	(\$500,000)	R
Reduces the Division of Forest Resources' equipment budget.				

(4.0) Marine Fisheries

48 Oyster Reef Program Reduction	(\$1,000,000)	R	(\$1,000,000)	R
Reduces funding for the Oyster Reef program by 50%, leaving \$1,000,000 to continue the program.				

49 Sea Grant Transfer	(\$253,688)	R	(\$253,688)	R
Reduces the Sea Grant transfer to NCSU to \$600,000.				

(4.0) Parks & Recreation

50 State Park Parking Fees			(\$2,500,000)	R
Reduces General Fund appropriation for State Parks and replaces appropriation with fees for parking. The Division of Parks and Recreation is directed to draft and implement a parking plan for State Parks.				

51 State Park Fees	(\$520,263)	R	(\$520,263)	R
Reduces General Fund appropriation for State Parks and replaces these funds with an increase in fees. Potential fee changes could include increases in cabin and shelter rental rates, camping fees, and other facility use fees.				

(4.0) Soil & Water Conservation

52 Financial Assistance Funding	(\$1,000,000)	R	(\$1,000,000)	R
Reduces funding for financial assistance within the Ag Cost Share program.				

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

(5.0) Reserves & Transfers

53 Partnership for the Sounds

(\$41,380) R (\$51,725) R

Reduces General Fund support for the Partnership for the Sounds by 8% in FY 2009-10 and 10% in FY 2010-11.

54 Grassroots Science Museums

(\$278,508) R (\$348,135) R

Reduces General Fund support for the Grassroots Science Museums by 8% in FY 2009-10 and 10% in FY 2010-11.

55 Beaver Management Assistance Program

(\$349,000) R (\$349,000) R

Reduces the transfer to the Wildlife Resources Commission (WRC) for the Beaver Management Assistance Program. WRC will continue to operate the program using \$349,000 in WRC revenue from the sales tax transfer.

(6.0) Wildlife Resources Commission

56 Wildlife Resources Commission Appropriation

\$21,500,000 R \$21,500,000 R

Appropriates funds to replace the Wildlife Resources Commission's sales tax transfer.

217.50 217.50

Total Legislative Changes

(\$2,760,485) R (\$8,076,930) R

\$1,043,840 NR

Total Position Changes

169.17 104.6

Revised Budget

\$210,807,452 \$206,847,505

**DRAFT
FOR REVIEW ONLY**

DRAFT FOR REVIEW ONLY

Commerce

GENERAL FUND

	FY 09-10		FY 10-11
Recommended Budget	\$46,019,823		\$46,028,986
Legislative Changes			
A. Department-Wide			
57 Adjust Continuation Budget	(\$1,893,394)	R	(\$1,893,394) R
Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget.			
58 Vacant Positions	(\$634,581)	R	(\$634,581) R
Eliminates all positions vacant as of October 1, 2008.			
	-9.00		-9.00
59 Operating Expense Reductions	(\$333,615)	R	(\$333,615) R
Reduces the following line items by 50%:			
Non-employee travel, subsistence, and education	\$ 8,687		
Registrations	\$72,230		
Employee Education Assistance Program	\$ 645		
Employee Education	\$61,453		
Memberships & Subscriptions	\$80,910		
Cell Phones	\$69,364		
Eliminates the following line items:			
Honorariums	\$ 2,900		
Office Furniture	\$37,426		
C. Executive Aircraft			
60 Aircraft Funds	(\$250,000)	R	(\$250,000) R
Eliminates remaining funds for aircraft purchases.			
61 Aircraft Fleet	(\$296,115)	R	(\$296,115) R
Directs the Department of Commerce to sell the King Air plane and reduces all associated operating support. Also eliminates one pilot position. Receipts generated by the sale of the plane will be used to replace any loss in receipts resulting from a decrease in usage.			
	-1.00		-1.00
D. MIS			
62 Transferred Positions	(\$250,000)	R	(\$250,000) R
Eliminates the salaries, benefits, and operating support for three positions that were transferred to ITS in November 2008.			

DRAFT

House Subcommittee on Natural and Economic Resources

FOR REVIEW ONLY

FY 09-10

FY 10-11

G. Business and Industry

63 International Trade Contractors in B&I	(\$720,868)	R	(\$720,868)	R
Eliminates funding for three contract positions in Business and Industry. These positions are located at three of the International Trade offices.				

H. International Trade

64 Korean Trade Office	(\$24,000)	R	(\$24,000)	R
Eliminates the General Fund appropriation for the Korean Trade Office. This office is shared with the NC Ports Authority, and can be fully supported by the Ports.				
65 International Trade Performance Bonuses	(\$25,000)	R	(\$25,000)	R
Eliminates funding for performance bonuses for International Trade contractors.				

I. Tourism, Film, and Sports Development

66 Heritage Tourism	(\$416,836)	R	(\$416,836)	R
Reorganizes Heritage Tourism into three regions, one each in the west, east, and piedmont. Each region will have one Heritage Tourism officer, and a Heritage Tourism Director will be located at the Department of Commerce.				
	-8.00		-8.00	
67 Wine and Grape Growers Council	\$828,000	R	\$810,000	R
Transfers the Wine and Grape Growers Council to General Fund support.				
	3.00		3.00	

K. Wanchese Seafood Industrial Park

68 Receipt Support	(\$449,652)	R	(\$449,652)	R
Eliminates the General Fund appropriation for the Wanchese Seafood Industrial Park. The Park will be wholly receipt supported through rental/lease fees.				

L. Commerce Finance

69 Continuation Budget for JMAC	(\$5,000,000)	R	(\$5,000,000)	R
Corrects the Continuation Budget for the Job Maintenance and Capital Development Fund (JMAC). Funds were appropriated for FY 2008-09 on a nonrecurring basis but were included in the Continuation Budget on a recurring basis. JMAC has a cash balance of \$5 million and does not need an appropriation for FY 2009-10.				

N. Industrial Commission

70 Legal Specialists to Receipt Support	(\$167,987)	R	(\$167,987)	R
Transfers support for three legal specialists in the Commissioners' Office from General Fund to receipts.				
	-3.00		-3.00	
71 Deputy Commissioners to Receipt Support	(\$203,760)	R	(\$203,760)	R
Transfers support for two Deputy Commissioners from General Fund to receipts.				
	-2.00		-2.00	

O. Commerce Boards and Commissions

72 Rural Electrification Authority (REA)	\$179,931	R	\$176,019	R
Transfers REA's operating budget to General Fund support.	2.00		2.00	
73 Credit Union Supervision	\$1,522,865	R	\$1,489,759	R
Transfers the operating budget for Credit Union Supervision to General Fund support.	16.00		16.00	
74 Cemetery Commission	\$232,751	R	\$227,691	R
Transfers the operating budget for the Cemetery Commission to General Fund support.	3.00		3.00	
75 Utilities Commission - Staff	\$6,122,175	R	\$5,989,084	R
Transfers the operating budget for the Utilities Commission - Staff to General Fund support.	58.00		58.00	
76 Utilities Commission - Gas Pipeline Safety	\$529,154	R	\$517,650	R
Transfers the operating budget for the Utilities Commission - Gas Pipeline Safety to General Fund support.	6.00		6.00	
77 Utilities Commission - Public Staff	\$7,752,023	R	\$7,583,501	R
Transfers the operating budget for the Utilities Commission - Public Staff to General Fund support.	89.00		89.00	
78 State Banking Commission	\$12,971,390	R	\$12,689,403	R
Transfers the operating budget for the State Banking Commission to General Fund support.	121.00		121.00	
79 ABC Warehouse	\$5,176,984	R	\$5,064,441	R
Transfers the operating budget for the ABC Warehouse to General Fund support.				
80 ABC Commission	\$4,155,389	R	\$4,062,672	R
Transfers the operating budget for the ABC Commission to General Fund support. Eliminates the compensation for the chair of the ABC Commission.	45.00		45.00	

Total Legislative Changes	\$28,804,854	R	\$27,944,412	R
Total Position Changes	320.00		320.00	
Revised Budget	\$74,824,677		\$73,973,398	

DRAFT
FOR REVIEW ONLY

DRAFT FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

Commerce - State Aid

GENERAL FUND

	FY 09-10		FY 10-11	
Recommended Budget	\$15,642,232		\$15,642,232	
<hr/>				
Legislative Changes				
81 Land Loss Prevention	(\$47,277)	R	(\$63,277)	R
Reduces the recurring pass-through appropriation for Land Loss Prevention.				
82 Institute of Minority Economic Development	(\$219,126)	R	(\$289,126)	R
Reduces the recurring pass-through appropriation for the Institute of Minority Economic Development.				
83 Association of Community Development Corporations (CDCs)	(\$88,266)	R	(\$113,266)	R
Reduces the recurring pass-through appropriation for the Association of CDCs.				
84 Minority Support Center	(\$283,651)	R	(\$353,651)	R
Reduces the recurring pass-through appropriation for the Minority Support Center.				
85 Community Development Initiative	(\$418,834)	R	(\$523,834)	R
Reduces the recurring pass-through appropriation for the Community Development Initiative.				
86 e-NC Authority	(\$40,000)	R	(\$49,000)	R
Reduces the recurring pass-through appropriation for the e-NC Authority.				
87 Councils of Government (COG)	(\$398,828)	R	(\$398,828)	R
Reduces the recurring pass-through appropriation for the COGs.				
88 High Point Furniture Market	(\$71,250)	R	(\$87,250)	R
Reduces the recurring pass-through appropriation for the High Point Furniture Market.				
<hr/>				
Total Legislative Changes	(\$1,567,232)	R	(\$1,878,232)	R
<hr/>				
Total Position Changes				
Revised Budget	\$14,075,000		\$13,764,000	
<hr/>				

N.C. Biotechnology Center

DRAFT
FOR REVIEW ONLY

GENERAL FUND

	FY 09-10		FY 10-11	
Recommended Budget	\$15,427,561		\$15,427,561	
Legislative Changes				
89 Operating Reductions	(\$1,234,561)	R	(\$1,542,561)	R
Reduces the recurring pass-through appropriation for the Biotechnology Center.				
Total Legislative Changes	(\$1,234,561)	R	(\$1,542,561)	R
Total Position Changes				
Revised Budget	\$14,193,000		\$13,885,000	

Rural Economic Development Center

GENERAL FUND

	FY 09-10		FY 10-11	
Recommended Budget	\$24,059,581		\$24,059,581	
Legislative Changes				
90 Operating Efficiencies	(\$380,581)	R	(\$475,581)	R
Reduces the core funding appropriation to the Rural Center by 8% in FY 2009-10 and 10% in FY 2010-11.				
Total Legislative Changes	(\$380,581)	R	(\$475,581)	R
Total Position Changes				
Revised Budget	\$23,679,000		\$23,584,000	

**DRAFT
FOR REVIEW ONLY**

House Appropriations Subcommittee on NER

Agenda

Thursday, May 28, 2009, 8:30 A.M.
Room 423, Legislative Office Building

Rep. Pierce, Presiding

I. Welcome

Rep. Pierce

II. NER Draft Committee Report

Fiscal Staff

III. Committee Discussion

IV. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

May 28, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Kevin Davis	TNC
Jenni Overton	Agriculture
Denise A. Swanson	Commerce
Cady S. Harg	DENR
Amata McQueen	DENR
Joy Hicks	NCDA&CS
N. David Smith	Agriculture
Jan A. Peterson	State Authority
Ed Burlington	Brooks Preence
BILLY GUILLET	NCRC
Robin Smith	DENR

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

May 28, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Doug Lassiter	NCSTA
Meredith Cook	NC DOL
Jenifer Haignwood	NC DOL
Jack Brinson	NC DOL
Art Britt	NC DOL
Amy McConkey	Smith Anderson
Meredith Henderson	Industrial Commission
Kathy Hawkins	Progress Energy
Genevieve	NC Minority Support Center
Susan Perry Cole	NAEDC
Anders Hans	NCIMREI

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

May 28, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Dan Conrad	NCCN
Tom Cors	TNC
Sean Quinn	Sierra Club
Lind M. M. Lind	OSB M
Sarah Clapp	NCWRC
Gordon Myers	NCWRC
Tommy Clark	NCWRC
Linda Andrews	NCFB
Abdul Rasheed	NCED
Bryette Robery	NCACDC
Jay Stem	NCAA

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

May 28, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Elizabeth Biser	DENR
R. Rogers	CWMTR
W. B. H.	NCDR & NCPA
W. B. H.	Diagnosis on APC
W. B. H.	SD
John Herren	CCSH
Drew Ball	Sierra club
Lori Ann Harris	LATA
M. Mancini	EGHS
SM Taylor	NCBID
Kyle M	NC Zoo Society
P. B. P.	NC P

VISITOR REGISTRATION SHEET

APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

May 28, 2009

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

FRAN NOLAN	GSAC
Jeshi Benaqon Con	Contract

House Pages

Name of Committee: NER Approp Date: 5/28

1. Name: Sarah Parsons

County: Montgomery

Sponsor: Rep. Goodwin

2. Name: Lindsay Stuts

County: Wayne

Sponsor: Rep. Bell

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt-At-Arms

1. Name: James Worth

2. Name: David Shearon

3. Name: Carlton Adams

APPROPRIATIONS SUBCOMMITTEE ON
NATURAL AND ECONOMIC RESOURCES

MINUTES
June 4, 2009

Representative Pricey Harrison, Chair, called the meeting of the Appropriations Subcommittee on Natural and Economic Resources to order at 3:00 p.m., on June 4, 2009, in room 423 of the Legislative Office Building. Those in attendance were Representatives Pierce and Warren, Co-Chairs; Vice Chairs Justice, Wilkins and Wray; and members Bryant, Langdon, and Samuelson. Absent was Representative West. Staffers from Fiscal Research were also present.

Staffer Leggett outlined the rules for submitting amendments and technical corrections.

After a recess at 4:20 p.m. the meeting was called back to order at 4:45 p.m.

Exhibit B represents the amendments which were proffered by members to the entire committee. All passed unanimously except for amendment proposed by Representative Harrison (who had relinquished the Chair for this amendment, to Representative Pierce) regarding COG funding. Representative Sager voted "No".

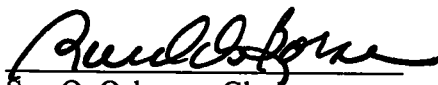
Representative Warren made a motion to accept the proposed Report on Continuation Expansion Budget, FY 209-11, Exhibit C, as amended by the Committee and spending any technical corrections by Staff. Representative Pierce seconded the motion. The Chair indicated that the voice vote was eight "Ayes" and three "Noes". The Report passed.

Exhibit D are the Fee Provisions, For Information Only, which were distributed to Committee members.

The meeting was adjourned at 6:15 p.m.



Rep. Pricey Harrison, Chair



Sue O. Osborne, Clerk

Attachments:

Exhibit A: Attendance:

Sergeants-At-Arms

Visitors

Exhibit B: Proposed Amendments and Technical Changes

Exhibit C: Natural and Economic Resources Proposed Report
On the Continuation and Expansion Budgets

Exhibit D: Natural and Economic Resources Fee Provisions
(For Information Only)

House Pages

APPROPRIATION NAT. & ECON

Name of Committee:

RESOURCES

Date:

4-JUN-09

1. Name: _____

County: _____

Sponsor: _____

2. Name: _____

County: _____

Sponsor: _____

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt.-At-Arms

1. Name: JAMES WORTH

2. Name: JERALD PERRY

3. Name: MIKE MARTIN

Exhibit A

VISITOR REGISTRATION SHEET

NER

6/4/07

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

FRAN. NOLAN	GRASSADITS S. M. C.
Ed Sault	BPA
Michael	NCRPA
David Harris	Reg. Council
Rita Harris	Commerce
Jay Rouse	NAEC
Alina	MWC
CAROLINE HONE	GOV
Tommy	MRS
JOE LANIER	SZO WICKER

VISITOR REGISTRATION SHEET

NER

6/4/07

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

PAUL Stock	NCTBA
George Everett	Duke Energy
Robert Howard	MCIC
Dan Conrad	NCCN
Katrina English	NCCN
Jeremi Overton	NC Dept of Agriculture
Loy Hicks	NCDRACS
N. Daniel Smith	NCDRACS
Susan Perry	NCACDC
Jim May	NCMSC
Jim May	NCMSC

VISITOR REGISTRATION SHEET

NER

6/4/07

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Lauren Whaley	NC Credit Union League
Meredith Cook	NC DOL
Jack Brinson	NC DOL
Art Britt	NC DOL
Jennifer Haignwood	NC DOL
Commissioner Cherie Barry	NC DOL
Gordon Myers	NCWRC
SARAH CLAPP	NCWRC
TOMMY CLARK	NCWRC
Anda McNeal	DENR.
Pam Young	NCIC
MIKE HERRING	NC ABC

VISITOR REGISTRATION SHEET

NER

6-4-07

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Todd McElree	ALAC
Edgar Miller	CTNC
Tom Coors	TNC
Kathy Bull	NC Zoo Society
Elizabeth Biser	DENR
Caitlin McLean	John Locke Foundation
Robert Dixon	ESC
Chris Meyer	Raleigh
Jane Carter	c-nc Advocacy

VISITOR REGISTRATION SHEET

NER

6/4/07

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Kathy Hawkins	Progress Energy
Andrew Meehan	NCAEC
BILLY GUILLOT	NCGA
Shley Jones	Biopub Ctr of NC
PLP	NCFB
Brightie Rasberry	NCACDC
Annem	NC Rural Center
Casey Hogg	DEPR
Robin Smith	DENR
Alexandra Embry	DENR
Low Anwaris	DEPR



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 202

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S202-ALM-11 [v.1]

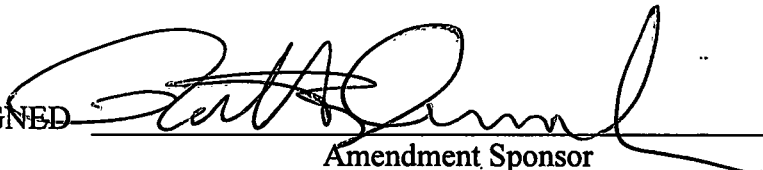
Page 1 of 1

Comm. Sub. [NO]
Amends Title [NO]
NER House Report

Date _____, 2009

Representative Samuelson

- 1 moves to amend the House NER Proposed Report on the Continuation and Expansion Budgets
- 2 2009-11 ((June 4, 2009)on page 59,, lines 32-41, by deleting those lines; and
- 3
- 4 on pages 44-48, by deleting the sentence that begins with the word "This" and ends with the
- 5 word "section."
- 6
- 7

SIGNED 
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____



Exhibit B



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 202

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S202-ALM-6 [v.5]

Page 1 of 2

Comm. Sub. [NO]
Amends Title [NO]
House NER Subcommittee

Date _____, 2009

Representative Samuelson

1 moves to amend the House NER Proposed Report on the Continuation and Expansion Budgets
2 2009-11 ((June 4, 2009) on page 60, by inserting on the line after line 2, the following new
3 special provision:

4 **"IMPROVE COORDINATION OF STATE WATER INFRASTRUCTURE FUNDING**

5 SECTION #.(a) The Department of Commerce, the Department of Environment
6 and Natural Resources, the Executive Director of the Clean Water Management Trust Fund,
7 and the Rural Economic Development Center shall work cooperatively with the State Water
8 Infrastructure Commission to accomplish all of the following:

- 9 (1) Develop a common first page for applications for grants and loans for State
10 water infrastructure funds, to be used by all of the State sources of water
11 infrastructure projects funding.
- 12 (2) Conduct regular joint meetings of the State sources of water infrastructure
13 projects funding.
- 14 (3) Develop a process for sharing progress reports and other information among
15 the State sources of water infrastructure projects funding and for making
16 joint site visits, for the purpose of improving oversight of the State funded
17 water infrastructure projects.
- 18 (4) Provide water funding data to the State Water Infrastructure Commission in
19 order that the State Water Infrastructure Commission is able to provide a
20 single annual report to the General Assembly on State investments in water
21 infrastructure projects.

22 SECTION #.(b) As used in this section, "State sources of water infrastructure
23 projects funding" means the Department of Commerce, the Department of Environment and
24 Natural Resources, the Clean Water Management Trust Fund, and the Rural Economic
25 Development Center.

26 SECTION #.(c) The State Water Infrastructure Commission shall submit an interim
27 report to the 2009 General Assembly, Regular Session 2010, on or before May 1, 2010. This
28 report shall include specifically the Commission's final determination under this study of the
29 steps funding agencies can take to improve the delivery of existing funding programs as
30 determined by the Commission under subsection (d) of this section, including its final findings
31 under this study regarding each option under subdivisions (1) through (4) of subsection (d) of
32 this section.



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 202

AMENDMENT NO. _____

(to be filled in by
Principal Clerk)

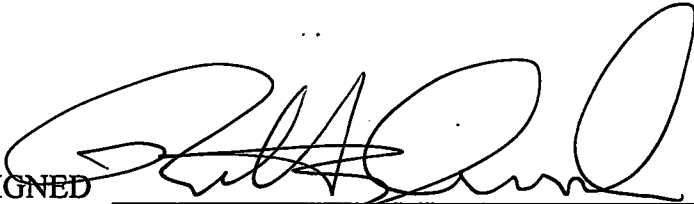
S202-ALM-6 [v.5]

Page 2 of 2

1 **SECTION #.(d)** The sum of fifty thousand dollars (\$50,000) shall be transferred
2 from the unencumbered cash balance of the Mercury Switch Removal Account established in
3 G.S. 130A-310.54 to the Department of Environment and Natural Resources for the 2009-2010
4 fiscal year to be used to pay for expenses related to the development of the statewide strategic
5 water infrastructure plan under subsection (c) of this section."; and

6
7 by adjusting the appropriate totals accordingly.
8
9

SIGNED _____



Amendment Sponsor

SIGNED _____

Committee Chair if Senate Committee Amendment

ADOPTED _____

FAILED _____

TABLED _____



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 202

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S202-ALM-7 [v.6]

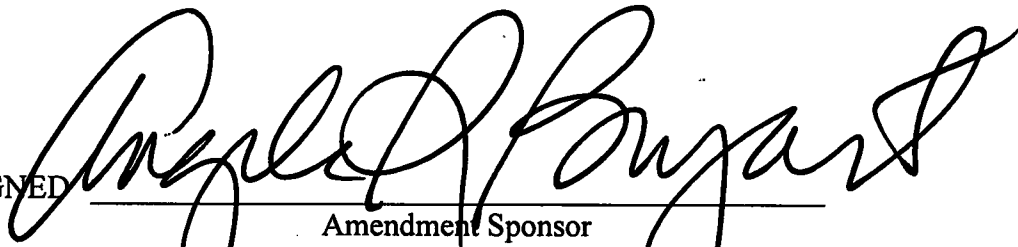
Page 1 of 1

Comm. Sub. [NO]
Amends Title [NO]
House NER Subcommittee

Date _____, 2009

Representative Bryant

1 moves to amend the House NER Proposed Report on the Continuation and Expansion Budgets
2 2009-11 (June 4, 2009) on page 67, lines 4-17, by rewriting those lines to read as follows:
3 "SECTION 13.7.(f) The Department of Environment and Natural Resources shall
4 study the advisability of the Department developing for museums that are members of the
5 Grassroots collaborative a competitive and need-based grant program for operating expense
6 support, to be implemented and administered by the Office of Environmental Education within
7 the Department, and shall study the advisability of using this competitive and need-based grant
8 program for the 2011-2012 fiscal year and thereafter for specific museums that are members of
9 the Grassroots collaborative in lieu of the allocations provided in subsection (a) of this section.
10 In conducting this study, the Department shall, in consultation with the Fiscal Research
11 Division and the Grassroots collaborative, consider establishing a process for applying for these
12 grants, criteria for evaluating applications, and a process for allocating grants. The process and
13 criteria should include giving special consideration to small museums and to the variation in
14 access to development staff. No later than May 1, 2010, the Department shall submit a report to
15 the Joint Legislative Commission on Governmental Operations, the House and Senate
16 Appropriations Subcommittees on Natural and Economic Resources, and the Fiscal Research
17 Division on the results of its study under this section, including its findings, recommendations,
18 and any legislative or administrative proposals."
19
20
21

SIGNED 
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____



* S 2 0 2 - A L M - 7 - V - 6 *



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 202

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S202-ALM-9 [v.1]


Page 1 of 1

Comm. Sub. [NO]
Amends Title [NO]
House NER Subcommittee

Date _____, 2009

Representative Pierce

- 1 moves to amend the House NER Proposed Report on the Continuation and Expansion Budgets
- 2 2009-11 (June 4, 2009) on page 77, line 2, by deleting the word "Performance" and substituting
- 3 the word "Program".
- 4
- 5

SIGNED 
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____





NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 202

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S202-ALM-8 [v.3]

Page 1 of 1

Comm. Sub. [NO]
Amends Title [NO]
House NER Subcommittee

Date _____, 2009

Representative E. Warren

1 moves to amend the House NER Proposed Report on the Continuation and Expansion Budgets
2 2009-11 (June 4, 2009) on page 69, lines 2-16, by rewriting those lines to read as follows:
3 "SECTION #. The Division of Parks and Recreation of the Department of
4 Environment and Natural Resources shall, in consultation with the Fiscal Research Division,
5 study the costs and benefits of charging parking fees for parking at any or all State parks within
6 the State Parks System. In the study, the Division shall consider each State park separately
7 when determining the advisability of charging parking fees and the amount of any such parking
8 fees. The Division also shall consider charging a separate parking fee for parking on a daily,
9 weekly, monthly, and annual basis. The Division shall evaluate various mechanisms for
10 collecting the parking fees and determine the collection method that is most reliable, efficient,
11 and convenient to the public for each parking fee. No later than March 1, 2010, the Division
12 shall report the results of the study to the Joint Legislative Commission on Governmental
13 Operations, the House and Senate Appropriations Subcommittees on Natural and Economic
14 Resources, and the Fiscal Research Division. This report shall include the date by which the
15 Division should begin to collect parking fees under this section, the amount of revenue that the
16 Division expects to raise on average in parking fees for any fiscal year, and the expected cost of
17 collecting this revenue."
18
19
20

SIGNED Edith D. Warren
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____



* S 2 0 2 - A L M - 8 - V - 3 *

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. _____

DATE _____

S. B. No. _____

Amendment No. _____

COMMITTEE SUBSTITUTE _____

(to be filled in by
Principal Clerk)

Rep.) Samuelson
Sen.) _____

1 moves to amend the bill on page H 6, item 28, line 4

2 () WHICH CHANGES THE TITLE

3 by Striking the snappy and changing it to

4 Directs the Apprenticeship Program to take a \$459,000
5 reduction in the following lines:

6	<u>531211 Elimination of 6 positions</u>	<u>\$361,950 R</u>
7	<u>reduce social security</u>	<u>\$27,689 R</u>
8	<u>reduce retirement</u>	<u>\$29,463 R</u>
9	<u>reduce medical</u>	<u>\$24,942 R</u>
10	<u>reduce printer</u>	<u>\$5,956 R</u>

11
12 and H 5 item 22 " - changing total to (\$485,081) R

13 striking positions 60013038

14 60013023

15 60013016 " and

16 and adding the following ^{new} item to read:

17 " Operating Reductions (\$171,977) R

18 Salary Reserve from fund 1110, 1120, 1340 (\$71,048) R

19 Shift position to receipt support (\$45,632) R

specific operating reductions (\$55,297) R "

SIGNED

and by adjusting

ADOPTED _____ FAILED _____ TABLED _____
the appropriate totals accordingly
PRINCIPAL CLERK'S OFFICE (FOR ENGROSSMENT)



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 202

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S202-ALM-11 [v.1]

Page 1 of 1

Comm. Sub. [NO]
Amends Title [NO]
NER House Report

Date _____, 2009

Representative Samuelson

- 1 moves to amend the House NER Proposed Report on the Continuation and Expansion Budgets
- 2 2009-11 ((June 4, 2009)on page 59,, lines 32-41, by deleting those lines; and
- 3
- 4 on pages 44-48, by deleting the sentence that begins with the word "This" and ends with the
- 5 word "section."
- 6
- 7

SIGNED Original signed
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____





NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 202

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S202-ALM-11 [v.1]

Page 1 of 1

Comm. Sub. [NO]
Amends Title [NO]
NER House Report

Date _____, 2009

Representative Samuelson

- 1 moves to amend the House NER Proposed Report on the Continuation and Expansion Budgets
- 2 2009-11 ((June 4, 2009)on page 59,, lines 32-41, by deleting those lines; and
- 3
- 4 on pages 44-48, by deleting the sentence that begins with the word "This" and ends with the
- 5 word "section."
- 6
- 7

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____



* S 2 0 2 - A L M - 1 1 - V - 1 *

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. _____

S. B. No. _____

COMMITTEE SUBSTITUTE _____

DATE June 4, 2009

Amendment No. _____

(to be filled in by
Principal Clerk)

Rep. ~~W. H. Harrison~~ Harrison
Sen.)

1 moves to amend the bill on page _____, line _____

2 () WHICH CHANGES THE TITLE

3 by _____

4 Moves to amend the House Use Report on
5 the Continuation and Expansion Budget 2009-11
6 (June 4, 2009) on page 92 ~~by adding the following~~
7 line 5, by adding the following:

8 "Each regional Council of government or lead
9 regional organization is allocated up to twenty-five
10 thousand dollars (\$25,000) for the 2009-2010 and the
11 2010-2011 fiscal years."

12 And further moves to amend the report on
13 page 92 lines 7 through 12 by deleting
14 those lines.

15 _____

16 _____

17 _____

18 _____

19 _____

SIGNED MM

ADOPTED _____ FAILED _____ TABLED _____

House Appropriations Subcommittee on NER

Agenda

Thursday, June 4, 2009

Room 423, Legislative Office Building

Rep. Harrison, Presiding

I. Welcome

Rep. Harrison

II. NER Committee Report and Special Provisions

~~Fiscal Staff~~

III. Recess

IV. Committee Discussion and Amendments

V. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

EDITION No. _____

H. B. No. _____

S. B. No. _____

COMMITTEE SUBSTITUTE _____

DATE June 4, 2009

Amendment No. _____

(to be filled in by
Principal Clerk)

Rep. ~~W. H. Harrison~~ Harrison
Sen.)

1 moves to amend the bill on page _____, line _____

2 () WHICH CHANGES THE TITLE

3 by _____

4 Moves to amend the House Year Report on
5 the Continuation and Expansion Budget 2009-11
6 (June 4, 2009) on page 92 ~~by adding the following~~
7 line 5, by adding the following:

8 "Each regional council of government or lead
9 regional organization is allocated up to twenty-five
10 thousand dollars (\$25,000) for the 2009-2010 and the
11 2010-2011 fiscal years."

12 And further moves to amend the report on
13 page 92 lines 7 through 12 by deleting
14 those lines.

15 _____

16 _____

17 _____

18 _____

19 _____

SIGNED MM
Rep. Harrison

ADOPTED _____ FAILED _____ TABLED _____

COG Funding

House Budget Provision: Funds COGs at 48% of FY 09-10 Continuation Budget (\$425,000) using the same formula that is used for the Partnerships. This formula takes each county's distress factor, determines the percentage of the total State distress factor, and uses that percentage to calculate the allocations. Each COG would get the following amount:

Region	Percent	Amount
A Southwestern	6.03%	\$25,628
B Land of Sky	2.33%	\$9,910
C Isothermal	4.69%	\$19,947
D High County	7.27%	\$30,909
E Western Piedmont	4.67%	\$19,862
F Centralina	7.04%	\$29,941
G Piedmont Triad	7.71%	\$32,760
I Northwest	4.69%	\$19,947
J Triangle J	3.09%	\$13,150
K Kerr-Tar	5.87%	\$24,954
L Upper Coastal Plain	7.67%	\$32,592
M Mid-Carolina	3.26%	\$13,845
N Lumber River	7.56%	\$32,129
O Cape Fear	2.84%	\$12,056
P Eastern Carolina	9.37%	\$39,830
Q Mid-East	7.06%	\$30,025
R Albemarle	8.83%	\$37,515
Total		\$425,000

HOUSE APPROPRIATIONS SUBCOMMITTEE

ON

NATURAL AND ECONOMIC RESOURCES

**PROPOSED REPORT
ON THE
CONTINUATION AND EXPANSION BUDGETS
2009-11**

**June 4, 2009
2:30 p.m.**

Exhibit

Agriculture and Consumer Services

GENERAL FUND

	FY 09-10	FY 10-11
Recommended Budget	\$65,402,492	\$65,638,839

Legislative Changes

A. Department-Wide

1 Adjust Continuation Budget	(\$1,394,889)	R	(\$1,844,203)	R
Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget.	-5.00		-5.00	
2 Vacant Positions	(\$860,680)	R	(\$860,680)	R
Eliminates the following vacant positions and corresponding benefits:	-16.50		-16.50	
60011486 Executive Assistant I	\$46,818			
60011478 Administrative Officer II	\$38,174			
60011494 Administrative Secretary	\$43,576			
60011502 Accounting Tech II	\$31,041			
60011773 Data Entry Operator	\$25,581			
60012019 Chemist II	\$47,553			
60011871 Office Assistant III	\$25,997			
60012034 Lab Assistant	\$23,516			
60012014 Laboratory Technician	\$27,448			
60089841 Vet Lab Pathologist	\$123,105			
60012143 Chemistry Supervisor II	\$50,940			
60012189 Medical Lab Technician II	\$43,781			
60012093 Livestock Compliance Officer	\$53,390			
65005772 Meat & Poultry Inspector	\$14,751			
60012627 Research Technician (Oxford)	\$27,282			
60012660 Research Technician (Tidewater)	\$32,379			
60012583 Research Technician (Cherry)	\$28,556			
Fringe Total	\$176,606			
3 Operating Expense Reductions	(\$345,873)	R	(\$345,873)	R
Reduces following line items by 50%:				
Non-employee travel, subsistence, and education	\$3,199			
Registrations	\$46,940			
Employee Education Assistance Program	\$690			
Employee Education	\$31,779			
Memberships & Subscriptions	\$42,859			
Cell Phones	\$121,817			
Eliminates the following line items:				
Office Furniture	\$98,589			
4 Temporary Position Funding	(\$27,905)	R	(\$27,905)	R
Reduces funding for temporary positions across the Department.				

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

5 Fund Shift Positions to Receipt Support

(\$467,047) R

(\$467,047) R

Shifts 10.7 positions to receipt support. These receipts come from various enterprise funds, grants, and other revenue sources.

-10.70

-10.70

6 Worker's Compensation

(\$75,000) R

(\$75,000) R

Reduces funding for worker's compensation due to a recent decrease in premiums for the Department.

Administration

7 Agricultural Development & Farmland Preservation Trust Fund

\$2,000,000 NR

Transfers \$2 million from the cash balances remaining in various fund codes within the Department of Commerce that are being transferred to the General Fund.

C. General Administration

8 Agricultural Finance Authority Service Charge

(\$50,000) R

(\$50,000) R

Reduces General Fund support for the General Administration Division, replacing these funds with \$50,000 paid by the Agricultural Finance Authority for budgeting, accounting, and human resource services provided by the Division.

9 FFA Foundation, Inc

(\$3,960) R

(\$4,950) R

Reduces funding for FFA Foundation, Inc by 8% in FY 2009-10 and 10% in FY 2010-11.

D. Agronomic Services

10 Fertilizer Assessment

(\$375,000) R

(\$375,000) R

Replaces the General Fund appropriation with an increase in the fertilizer assessment. The fertilizer assessment will be increased from \$0.25 per ton of fertilizer to \$0.50 per ton, bringing North Carolina's assessment in line with surrounding states. All receipts from the increase will be used to support Agronomic Services.

E. Markets

11 Farmers Markets and Ag Centers Fees

(\$175,000) R

(\$175,000) R

Replaces General Fund appropriation for the Farmer's Markets and Agricultural Centers with increased fees at the Piedmont, Charlotte, and Western NC farmers markets.

F. Pesticides

12 Pesticide Registration Fee

(\$500,000) R

(\$500,000) R

Increases the current annual pesticide registration fee from \$100 to \$150 for each brand or grade of pesticide registered and reduces General Fund appropriations to the Pesticide Division.

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

G. Plant Industry

13 Plant Inspection Fees

(\$58,303) R (\$58,303) R

Increases nursery certification and registration fees and reduces the General Fund appropriation to the Plant Industry Division. The certification fee will increase from \$10 to \$100 for the initial acre and from \$2 to \$3 for additional acres. The registration fee for nurseries will increase from \$6 to \$20.

H. Standards

14 Petroleum Device Technician License Fee

(\$10,000) R (\$10,000) R

Creates a registration fee for petroleum device technician licenses.

15 Calibration Inspection Over-realized Receipts

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

Budgets over-realized receipts for calibration inspections services.

I. Veterinary Services

16 Animal Diagnostic Fees

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

Replaces the General Fund appropriation for veterinary services with increased fees for certain animal diagnostic tests.

J. Agricultural Statistics

17 Technology Support Analyst Position

(\$30,276) R (\$30,276) R

Eliminate funding for one W/A Technology Support Analyst within the Division of Agricultural Statistics.

-1.00 -1.00

K. Public Affairs

18 Ag Review Funding

(\$25,000) R (\$25,000) R

Reduces funding for the Ag Review by \$25,000. The Division is directed to update the subscription form so that the Ag Review is delivered via email unless a paper copy is requested.

L. Public Affairs

19 Ag in the Classroom Funding

(\$1,980) R (\$2,475) R

Reduces funding for Ag in the Classroom by 8% in FY 2009-10 and 10% in FY 2010-11.

L. Seed and Fertilizer

20 Seed Law Changes

(\$70,000) R (\$70,000) R

Adjusts expected receipts to reflect changes in the Seed Laws proposed in HB 1103. These increased receipts replace General Fund appropriation for this Division.

Total Legislative Changes	(\$4,690,913)	R	(\$5,141,712)	R
	\$2,000,000	NR		
Total Position Changes	-33.20		-33.20	
Revised Budget	\$62,711,579		\$60,497,127	

Labor

GENERAL FUND

	FY 09-10	FY 10-11
Recommended Budget	\$19,064,773	\$19,092,834

Legislative Changes

Department-Wide

21 Adjust Continuation Budget (\$405,676) R (\$433,681) R
 Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget.

22 Vacant Positions (\$657,058) R (\$657,058) R
 Eliminates the following vacant positions:

		-12.50	-12.50
60013028	Communications & Info. Assistant	\$45,361	
60013031	Admin. Officer III	\$50,653	
60012992	Wage & Hour Investigator I	\$49,706	
60013243	OSHA Ed & Train Specialist	\$61,810	
65005115	OSHA Ed & Train Specialist	\$51,831	
65005233	OSHA Carolina Star Consultant	\$53,753	
65005234	OSHA Carolina Star Consultant	\$53,753	
60013223	Admin. Secretary II (0.5 FTE)	\$23,418	
60013038	Apprenticeship Specialist	\$57,750	
60013023	Administrative Assistant I	\$46,476	
60013016	Apprenticeship Specialist	\$67,751	
60012991	Wage & Hour Investigator I	\$47,398	
60012986	Wage & Hour Investigator II	\$47,398	

23 Operating Expense Reductions (\$100,580) R (\$100,580) R
 Reduces the following line items by 50%:

Non-employee travel, subsistence, and education		\$1,384	
Registrations		\$19,330	
Employee Education		\$4,979	
Memberships & Subscriptions		\$16,610	
Cell Phones		\$54,328	

Eliminates the following line items:
 Office Furniture \$3,949

Administrative Services

24 General Fund Position to Fee Support (\$77,428) R (\$77,428) R
 Converts one Administrative Officer III position, associated fringe, and operating to receipt support. Receipts will be generated by the Elevator and Amusement Device Bureau, the Boiler Bureau, and the OSH Division.

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

Occupational Safety and Health

25 State Funding for Library Periodicals

Eliminates State funding for periodicals in the DOL library.

(\$18,306) R (\$18,306) R

26 Publication Fees

Directs OSH to raise publication fees to adjust for inflation and to take a corresponding General Fund reduction. Fees were last raised February 1, 2001.

(\$21,325) R (\$21,325) R

Standards and Inspections

27 Mine and Quarry Operating

Shifts funding for operating expenses in the Mine & Quarry Bureau to federal receipts.

(\$28,389) R (\$28,389) R

28 Apprenticeship Program

Directs the Apprenticeship Program to create new fees to generate enough revenue so that the program can take a 25% reduction to General Fund support.

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

Total Legislative Changes

(\$1,758,762) R (\$1,786,767) R

Total Position Changes

-12.50 -12.50

Revised Budget

\$17,306,011 \$17,306,067

Environment & Natural Resources

GENERAL FUND

	FY. 09-10		FY 10-11
Recommended Budget	\$212,524,097		\$214,924,435

Legislative Changes

(1.0) Department-Wide

29 Adjust Continuation Budget	(\$10,777,322)	R	(\$13,107,174)	R
Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget.	-23.00		-65.00	

30 Vacant Positions

(\$3,301,005) R

(\$3,301,005) R

Eliminates the following vacant positions:

		-66.15	-66.15
60034950	Admissions Manager	\$33,269	
60031549	Field Rep.	\$58,962	
60035973	Program Assistant V	\$48,359	
60034280	Ss Section Chief	\$87,427	
60034362	Env Senior Specialist	\$53,753	
60034540	Environmental Health Regional Spec.	\$57,972	
60032260	Forestry Technician	\$36,420	
60031611	Admin Assistant	\$43,714	
60031611	Admin Asst	\$43,714	
60031621	Water Quality Forester	\$54,090	
60031647	Aircraft Mechanic	\$61,025	
60031663	Regional Ranger for Facil.	\$55,753	
60031726	Forestry Technician	\$49,735	
60031782	Hr Rep	\$51,844	
60031790	Regional Ranger For Facilities	\$41,258	
60031910	FFEO	\$22,990	
60031992	Asst County Ranger	\$21,696	
60032006	FFEO	\$24,653	
60032006	FFEO	\$22,990	
60032169	Project Leader	\$36,428	
60032206	Patrol Pilot	\$62,614	
60032284	Administrative Assistant I	\$41,503	
60032288	Education Ranger	\$41,797	
60032244	Forest Ranger	\$36,160	
60032485	Env Engineer I	\$58,056	
60032394	Engineer Technician	\$51,321	
60032418	Hydro/Geologist	\$65,001	
60032442	Env Specialist	\$54,666	
60032446	Env Spec	\$48,359	
60032452	Engineer	\$59,538	
60032641	M.F. Biologist II	\$50,607	
60032647	M.F. Technician III	\$40,772	
60032689	Law Enf. Officer	\$47,901	
65004402	Marine Fisheries Section Chief	\$80,580	
65004403	Marine Fisheries Biologist II	\$50,607	
65004404	Marine Fisheries Technician II	\$39,838	
65004405	Research Vessel Captain	\$39,838	
65004406	Research Vessel Engineer	\$37,044	
65004407	Research Vessel Engineer	\$37,044	
60033003	Park Ranger	\$45,923	
60033131	Labor Crew Leader	\$32,944	
60033143	Park Ranger	\$46,498	
60033196	Park Ranger	\$41,598	
60033203	Exhibit Coordinator	\$43,601	
60033220	Park Ranger	\$41,598	
65006874	Park Ranger	\$49,245	
65006883	Park Ranger	\$49,245	
65006905	Park Ranger	\$49,245	
65007116	Park Ranger	\$49,245	
65006611	Maintenance Mechanic III	\$39,373	
65006612	Office Assistant IV	\$31,599	
65006614	Maintenance Mechanic II	\$40,651	
65006870	Park Ranger	\$55,835	

65006882	Park Superintendent	\$69,867
65006900	Park Ranger	\$55,835
65006906	Park Ranger	\$55,835
65004926	Env Engineer III	\$68,680
65008056	Env. Engineer II	\$61,933
60032325	Engineer	\$70,531
60034580	Environmental Specialist	\$53,181
60034795	Bus. & Tech Applications Analyst	\$68,950
60035179	Chemistry Technician II	\$41,557
60035287	IT Manager	\$52,652
60035382	Env Program Supervisor III	\$81,267
60035387	Environmental Specialist	\$53,794
60035549	Environmental Senior Specialist	\$14,677
60031510	Environmental Specialist	\$52,205
60033386	General Utility Worker	\$34,144

31 Operating Expense Reductions (\$895,265) R (\$895,265) R

Reduces the following line items by 50%:

Non-employee travel, subsistence, and education	\$177,594
Registrations	\$124,064
Workshop Travel	\$ 4,381
Workshop Subsistence	\$ 419
Employee Education	\$ 66,489
Memberships & Subscriptions	\$ 73,489
Cell Phones	\$163,914

Eliminates the following line items:

Office Furniture	\$277,415
Honorariums	\$ 7,500

32 General Fund Positions to Receipt Support (\$1,738,053) R (\$1,738,053) R

Fund-shifts 27.33 General Fund appropriated positions to receipt-support.

-27.33 -27.33

(3.0) Center for Geographic Information Analysis

33 Center for Geographic Information Analysis Transfer (\$167,549) R (\$167,549) R

Transfers two General Fund positions for NC OneMap to the Office of the State Chief Information Officer.

-2.00 -2.00

(3.0) Environmental Health

34 Food and Lodging Inspection Fee (\$250,000) R (\$250,000) R

Adjusts the food/lodging inspection fees. Fees are currently either \$50 or \$200 and will be increased to \$75 and \$250 respectively. Fees were last increased October 1, 2002. New fee revenue will be distributed in accordance with G.S.130A-248. Fee revenue credited to the Department will be used to support operations of the Division and will allow the Division to take a corresponding General Fund reduction.

-0.50 -0.50

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

35 Tick-borne Disease Funding Transfer

\$139,802 R \$139,802 R

Transfers \$139,802 from the Department of Health and Human Services to continue tick-borne disease work within the Division of Environmental Health.

36 Radiation Protection Section

(\$406,621) R (\$813,242) R

Requires that the radiation protection section become entirely receipt supported by 2010-11. Reduces General Fund support by 50% in FY 2009-10 and eliminates all General Fund support in FY 2010-11. Moves 12.5 positions from the General Fund to receipt support in FY 2010-11.

-12.50

37 General Fund Support to Receipt Support

(\$61,724) R (\$61,724) R

Shifts funding for rent for the Division's main office to a federal grant.

(3.0) Land Resources

38 Landslide Hazard Aerial Photography

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

Reduces funding to landslide hazard aerial photography.

39 County Boundary Program

(\$106,479) R (\$106,479) R

Eliminates funding for the County Boundary Program.

-1.00

-1.00

(3.0) Pollution Prevention & Enviro. Assistance

40 Solid Waste Management Trust Fund Receipts

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

Directs the Division to shift operating expenses to the Solid Waste Management Trust Fund (SWMTF). SWMTF began receiving new revenue in FY 2008-09 from the solid waste disposal tax, a portion of which was authorized to be used for operating expenses.

(3.0) Water Quality

41 Neuse River Rapid Response Team

(\$101,439) R (\$101,439) R

Reduces funding for the Neuse River Rapid Response Team and eliminates two positions.

-2.00

-2.00

(3.0) Water Resources

42 Stream and Well Monitoring Contracts

(\$21,884) R (\$21,884) R

Reduces funding for stream and well monitoring contracts by 10%. The Division is encouraged to negotiate lower rates for these contracts to compensate for the appropriation reduction.

(4.0) Aquariums

43 Operating Expense Reduction

(\$2,500,000) R (\$2,500,000) R

Replaces General Fund support for operating with gate admissions.

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

(4.0) Forest Resources

44 Young Offenders/ BRIDGE Program

(\$1,043,840) R (\$1,043,840) R

Eliminates funding for the Young Offenders/ BRIDGE program.
This program is subject to continuation review.

\$1,043,840 NR -10.00

45 Forestry Equipment

\$0 R (\$112,556) R

Reduces the Division of Forest Resources' equipment budget.

(4.0) Marine Fisheries

46 Oyster Reef Program Reduction

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

Reduces funding for the Oyster Reef program by 50%, leaving \$1,000,000 to continue the program.

(4.0) Parks & Recreation

47 State Park Parking Fees

\$0 R (\$2,500,000) R

Reduces General Fund appropriation for State Parks and replaces appropriation with fees for parking. The Division of Parks and Recreation is directed to draft and implement a parking plan for State Parks.

(4.0) Soil & Water Conservation

48 Financial Assistance Funding

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

Reduces funding for financial assistance within the Ag Cost Share program.

(5.0) Reserves & Transfers

49 Grassroots Science Museums

(\$278,508) R (\$348,135) R

Reduces General Fund support for the Grassroots Science Museums by 8% in FY 2009-10 and 10% in FY 2010-11.

50 Partnership for the Sounds

(\$41,380) R (\$51,725) R

Reduces General Fund support for the Partnership for the Sounds by 8% in FY 2009-10 and 10% in FY 2010-11.

51 Beaver Management Assistance Program

(\$349,000) R (\$349,000) R

Reduces the transfer to the Wildlife Resources Commission (WRC) for the Beaver Management Assistance Program. WRC will continue to operate the program using \$349,000 in WRC revenue from the sales tax transfer.

52 Drinking Water State Revolving Fund

\$5,482,800 NR

Transfers \$5.48 million from the cash balances remaining in various fund codes within the Department of Commerce that are being transferred to the General Fund.

53 Clean Water State Revolving Fund

\$936,600 NR

Transfers \$936,600 from the cash balances remaining in various fund codes within the Department of Commerce that are being transferred to the General Fund.

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

(6.0) Wildlife Resources Commission

54 Wildlife Resources Commission Appropriation

Appropriates funds to replace the Wildlife Resources Commission's sales tax transfer.

\$21,500,000	R	\$21,500,000	R
217.50		217.50	

Total Legislative Changes

(\$2,675,267)	R	(\$8,104,268)	R
\$7,463,240	NR		

Total Position Changes

95.52	31.02
-------	-------

Revised Budget

\$217,312,070	\$206,820,167
---------------	---------------

Commerce

GENERAL FUND

	FY 09-10		FY 10-11	
Recommended Budget	\$46,019,823		\$46,028,986	
Legislative Changes				
A. Department-Wide				
55 Adjust Continuation Budget	(\$1,893,394)	R	(\$1,893,394)	R
Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget.				
56 Vacant Positions	(\$634,581)	R	(\$634,581)	R
Eliminates all positions vacant as of October 1, 2008.				
	-9.00		-9.00	
57 Operating Expense Reductions	(\$333,615)	R	(\$333,615)	R
Reduces the following line items by 50%:				
Non-employee travel, subsistence, and education	\$ 8,687			
Registrations	\$72,230			
Employee Education Assistance Program	\$ 645			
Employee Education	\$61,453			
Memberships & Subscriptions	\$80,910			
Cell Phones	\$69,364			
Eliminates the following line items:				
Honorariums	\$ 2,900			
Office Furniture	\$37,426			
C. Executive Aircraft				
58 Aircraft Funds	(\$250,000)	R	(\$250,000)	R
Eliminates remaining funds for aircraft purchases.				
59 Aircraft Fleet	(\$296,115)	R	(\$296,115)	R
Directs the Department of Commerce to sell the King Air plane and reduces all associated operating support. Also eliminates one pilot position. Receipts generated by the sale of the plane will be used to replace any loss in receipts resulting from a decrease in usage.				
	-1.00		-1.00	
D. MIS				
60 Transferred Positions	(\$250,000)	R	(\$250,000)	R
Eliminates the salaries, benefits, and operating support for three positions that were transferred to ITS in November 2008.				

G. Business and Industry**61 International Trade Contractors in B&I**

(\$720,868) R (\$720,868) R

Eliminates funding for three contract positions in Business and Industry. These positions are located at three of the International Trade offices.

H. International Trade**62 Korean Trade Office**

(\$12,000) R (\$12,000) R

Eliminates the General Fund appropriation for the Korean Trade Office. This office is shared with the NC Ports Authority, and can be fully supported by the Ports.

63 International Trade Performance Bonuses

(\$25,000) R (\$25,000) R

Eliminates funding for performance bonuses for International Trade contractors.

I. Tourism, Film, and Sports Development**64 Heritage Tourism**

(\$416,836) R (\$416,836) R

Reorganizes Heritage Tourism into three regions, one each in the west, east, and piedmont. Each region will have one Heritage Tourism officer, and a Heritage Tourism Director will be located at the Department of Commerce.

-8.00

-8.00

65 Wine and Grape Growers Council

\$828,000 R \$810,000

Transfers the Wine and Grape Growers Council to General Fund support.

3.00

3.00

K. Wanchese Seafood Industrial Park**66 Receipt Support**

(\$449,652) R (\$449,652) R

Eliminates the General Fund appropriation for the Wanchese Seafood Industrial Park. The Park will be wholly receipt supported through rental/lease fees.

L. Commerce Finance**67 Continuation Budget for JMAC**

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

Corrects the Continuation Budget for the Job Maintenance and Capital Development Fund (JMAC). Funds were appropriated for FY 2008-09 on a nonrecurring basis but were included in the Continuation Budget on a recurring basis. JMAC has a cash balance of \$5 million and does not need an appropriation for FY 2009-10.

N. Industrial Commission**68 Legal Specialists to Receipt Support**

(\$167,987) R (\$167,987) R

Transfers support for three legal specialists in the Commissioners' Office from General Fund to receipts.

-3.00

-3.00

69 Deputy Commissioners to Receipt Support

(\$203,760) R (\$203,760) R

Transfers support for two Deputy Commissioners from General Fund to receipts.

-2.00

-2.00

Receipts -

FY 09-10

FY 10-11

O. Commerce Boards and Commissions

70 Rural Electrification Authority (REA)	\$179,931	R	\$176,019	R
Transfers REA's operating budget to General Fund support.				
	2.00		2.00	
71 Credit Union Supervision	\$1,522,865	R	\$1,489,759	R
Transfers the operating budget for Credit Union Supervision to General Fund support.				
	16.00		16.00	
72 Cemetery Commission	\$232,751	R	\$227,691	R
Transfers the operating budget for the Cemetery Commission to General Fund support.				
	3.00		3.00	
73 Utilities Commission - Staff	\$6,122,175	R	\$5,989,084	R
Transfers the operating budget for the Utilities Commission - Staff to General Fund support.				
	58.00		58.00	
74 Utilities Commission - Gas Pipeline Safety	\$529,154	R	\$517,650	R
Transfers the operating budget for the Utilities Commission - Gas Pipeline Safety to General Fund support.				
	6.00		6.00	
75 Utilities Commission - Public Staff	\$7,752,023	R	\$7,583,501	R
Transfers the operating budget for the Utilities Commission - Public Staff to General Fund support.				
	89.00		89.00	
76 State Banking Commission	\$12,971,390	R	\$12,689,403	R
Transfers the operating budget for the State Banking Commission to General Fund support.				
	121.00		121.00	
77 ABC Commission	\$4,155,389	R	\$4,062,672	R
Transfers the operating budget for the ABC Commission to General Fund support. Eliminates the compensation for the chair of the ABC Commission.				
	<u>45.00</u>		<u>45.00</u>	
78 ABC Warehouse	\$5,176,984	R	\$5,064,441	R
Transfers the operating budget for the ABC Warehouse to General Fund support.				
<hr/>				
Total Legislative Changes	\$28,816,854	R	\$27,956,412	R
	<i>8.7.</i>		<i>10.71</i>	
Total Position Changes	320.00		320.00	
Revised Budget	\$74,836,677		\$73,985,398	
<hr/>				

Commerce - State Aid

GENERAL FUND

	FY 09-10		FY 10-11	
Recommended Budget	\$15,642,232		\$15,642,232	
Legislative Changes				
79 Land Loss Prevention	(\$47,277)	R	(\$63,277)	R
Reduces the recurring pass-through appropriation for Land Loss Prevention.				
80 Institute of Minority Economic Development	(\$219,126)	R	(\$289,126)	R
Reduces the recurring pass-through appropriation for the Institute of Minority Economic Development.				
81 Association of Community Development Corporations (CDCs)	(\$88,266)	R	(\$113,266)	R
Reduces the recurring pass-through appropriation for the Association of CDCs.				
82 Minority Support Center	(\$283,651)	R	(\$353,651)	R
Reduces the recurring pass-through appropriation for the Minority Support Center.				
83 Community Development Initiative	(\$418,834)	R	(\$523,834)	
Reduces the recurring pass-through appropriation for the Community Development Initiative.				
84 e-NC Authority	(\$40,000)	R	(\$49,000)	R
Reduces the recurring pass-through appropriation for the e-NC Authority.				
85 Councils of Government (COG)	(\$398,828)	R	(\$398,828)	R
Reduces the recurring pass-through appropriation for the COGs.				
86 High Point Furniture Market	(\$71,250)	R	(\$87,250)	R
Reduces the recurring pass-through appropriation for the High Point Furniture Market.				
87 Regional Economic Development Partnerships	\$5,000,000	NR		
Transfers \$5 million from the cash balances remaining in various fund codes within the Department of Commerce that are being transferred to the General Fund.				

Total Legislative Changes	(\$1,567,232)	R	(\$1,878,232)	R
	\$5,000,000	NR		
Total Position Changes				
Revised Budget	\$19,075,000		\$13,764,000	

N.C. Biotechnology Center

GENERAL FUND

	FY 09-10		FY 10-11	
Recommended Budget	\$15,427,561		\$15,427,561	
Legislative Changes				
88 Operating Reductions	(\$1,234,561)	R	(\$1,542,561)	R
Reduces the recurring pass-through appropriation for the Biotechnology Center.				
Total Legislative Changes	(\$1,234,561)	R	(\$1,542,561)	R
Total Position Changes				
Revised Budget	\$14,193,000		\$13,885,000	

Rural Economic Development Center

GENERAL FUND

	<table border="1"><tr><td>FY 09-10</td></tr></table>	FY 09-10		<table border="1"><tr><td>FY 10-11</td></tr></table>	FY 10-11	
FY 09-10						
FY 10-11						
Recommended Budget	\$24,059,581		\$24,059,581			
<hr/>						
Legislative Changes						
89 Operating Efficiencies	(\$380,581)	R	(\$475,581)	R		
Reduces the core funding appropriation to the Rural Center by 8% in FY 2009-10 and 10% in FY 2010-11.						
<hr/>						
Total Legislative Changes	(\$380,581)	R	(\$475,581)	R		
Total Position Changes						
Revised Budget	\$23,679,000		\$23,584,000			

House Subcommittee on Natural and Economic Resources

FY 2009-10

FY 2010-11

House Subcommittee on Natural and Economic Resources

DACS - Livestock Acquisition

Budget Code: 23700

	FY 2009-10	FY 2010-11
Beginning Unreserved Fund Balance	\$10,988,567	\$10,484,872
Recommended Budget		
Requirements	\$1,095,495	\$1,098,495
Receipts	\$591,800	\$591,800
Positions	0.00	0.00
Legislative Changes		
Requirements:		
ARRA Funds for Aquaculture Grants	\$0 R	\$0 R
Appropriates the American Recovery and Reinvestment Act funds for Aquaculture grants. All funds will be distributed through grants to eligible aquaculture farmers.	\$797,772 NR	\$0 NR
	0.00	0.00
2150 - ARRA Funds for TEFAP	\$0 R	\$0 R
Appropriates the administrative American Recovery and Reinvestment Act Funds for the Emergency Food Assistance Program. The Department will also receive a substantial amount of food through ARRA to be distributed across the state.	\$776,812 NR	\$0 NR
	0.00	0.00
Subtotal Legislative Changes	\$0 R	\$0 R
	\$1,574,584 NR	\$0 NR
	0.00	0.00

Receipts:

ARRA Funds for Aquaculture Grants	\$0 R	\$0 R
Appropriates the American Recovery and Reinvestment Act funds for Aquaculture grants. All funds will be distributed through grants to eligible aquaculture farmers.	\$797,772 NR	\$0 NR

House Subcommittee on Natural and Economic Resources

	FY 2009-10	FY 2010-11
2150 - ARRA Funds for TEFAP	\$0 R	\$0 R
Appropriates the administrative American Recovery and Reinvestment Act Funds for the Emergency Food Assistance Program. The Department will also receive a substantial amount of food through ARRA to be distributed across the state.	\$776,812 NR	\$0 NR
Subtotal Legislative Changes	\$0 R \$1,574,584 NR	\$0 R \$0 NR
Revised Total Requirements	\$2,670,079	\$1,098,495
Revised Total Receipts	\$2,166,384	\$591,800
Change in Fund Balance	(\$503,695)	(\$506,695)
Total Positions	0.00	0.00
Unappropriated Balance Remaining	\$10,484,872	\$8,403,593

Commerce - Special

Budget Code: 24600

	FY 2009-10	FY 2010-11
Beginning Unreserved Fund Balance	\$89,336,533	\$51,646,120
Recommended Budget		
Requirements	\$182,777,229	\$182,777,229
Receipts	\$146,564,544	\$146,564,544
Positions	91.40	91.40

Legislative Changes

Requirements:

Jim

Workforce Investment Act (WIA) ARRA Funds
 Appropriates federal American Recovery and Reinvestment Act (ARRA) funds for workforce development as follows:

\$0	R	\$0	R
\$79,827,136	NR	\$0	NR
0.00		0.00	

Local Workforce Development Boards: \$56.7 m
 State Administration: \$ 1.5 m
 Statewide Projects: \$ 8.1 m
 NCCS 12 and 6 Program: \$13.5 m

NC Grape Growers' Council
 Transfers the operating budget for the Grape Growers' Council to General Fund support.

(\$900,000)	R	(\$900,000)	R
\$0	NR	\$0	NR
-3.00		-3.00	

NC Grape Growers' Council Fund Balance
 Transfers the remaining fund balance to the General Fund.

\$0	R	\$0	R
\$246,811	NR	\$0	NR
0.00		0.00	

Credit Union Supervision
 Transfers the operating budget for Credit Union Supervision to General Fund support.

(\$1,655,288)	R	(\$1,655,288)	R
\$0	NR	\$0	NR
-16.00		-16.00	

Credit Union Supervision Fund Balance
 Transfers the remaining fund balance to the General Fund.

\$0	R	\$0	R
\$858,995	NR	\$0	NR
0.00		0.00	

House Subcommittee on Natural and Economic Resources

	FY 2009-10		FY 2010-11
Cemetery Commission	(\$252,990)	R	(\$252,990) R
Transfers the operating budget for the Cemetery Commission to General Fund support.	\$0	NR	\$0 NR
	-3.00		-3.00
Cemetery Commission Fund Balance	\$0	R	\$0 R
Transfers the remaining fund balance to the General Fund.	\$202,780	NR	\$0 NR
	0.00		0.00
Subtotal Legislative Changes	(\$2,808,278)	R	(\$2,808,278) R
	\$81,135,722	NR	\$0 NR
	-22.00		-22.00

Receipts:

Workforce Investment Act (WIA) ARRA Funds		R	\$0 R
	\$79,827,136	NR	\$0 NR
NC Grape Growers' Council	(\$900,000)	R	(\$900,000) R
Transfers receipts for the Grape Growers' Council to the General Fund.	\$0	NR	\$0 NR
Rural Electrification Authority (REA)	(\$195,577)	R	(\$195,577) R
Transfers REA's receipts to the General Fund.	\$0	NR	\$0 NR
Credit Union Supervision	(\$1,628,853)	R	(\$1,628,853) R
Transfers receipts for Credit Union Supervision to the General Fund.	\$0	NR	\$0 NR
Cemetery Commission	(\$252,990)	R	(\$252,990) R
Transfers receipts for the Cemetery Commission to the General Fund.	\$0	NR	\$0 NR
Subtotal Legislative Changes	(\$2,977,420)	R	(\$2,977,420) R
	\$79,827,136	NR	\$0 NR

House Subcommittee on Natural and Economic Resources

	FY 2009-10	FY 2010-11
Revised Total Requirements	\$261,104,673	\$179,968,951
Revised Total Receipts	\$223,414,260	\$143,587,124
Change in Fund Balance	(\$37,690,413)	(\$36,381,827)
Total Positions	69.40	69.40
Unappropriated Balance Remaining	\$51,646,120	(\$64,562,843)

Enterprise Funds

Budget Code: 54600

	FY 2009-10	FY 2010-11
Beginning Unreserved Fund Balance	\$10,595,015	\$0
Recommended Budget		
Requirements	\$40,018,117	\$40,018,117
Receipts	\$37,751,391	\$37,751,391
Positions	301.00	301.00

Legislative Changes

Requirements:

Utilities Commission - Staff	(\$6,654,538) R	(\$6,654,538) R
Transfers the operating budget for the Utilities Commission - Staff to General Fund support.	\$0 NR - 58.00	\$0 NR - 58.00
Utilities Commission - Gas Pipeline Safety	(\$575,167) R	(\$575,167) R
Transfers the operating budget for the Utilities Commission - Gas Pipeline Safety to General Fund support.	\$0 NR - 6.00	\$0 NR - 6.00
Utilities Commission - Public Staff	(\$8,426,112) R	(\$8,426,112) R
Transfers the operating budget for the Utilities Commission - Public Staff to General Fund support.	\$0 NR - 89.00	\$0 NR - 89.00
State Banking Commission	(\$14,099,337) R	(\$14,099,337) R
Transfers the operating budget for the State Banking Commission to General Fund support.	\$0 NR - 102.00	\$0 NR - 102.00
ABC Commission	(\$4,635,806) R	(\$4,635,806) R
Transfers the operating budget for the ABC Commission to General Fund support.	\$0 NR - 46.00	\$0 NR - 46.00
ABC Warehouse	(\$5,627,157) R	(\$5,627,157) R
Transfers the operating budget for the ABC Warehouse to General Fund support.	\$0 NR 0.00	\$0 NR 0.00

House Subcommittee on Natural and Economic Resources

	FY 2009-10		FY 2010-11	
Commerce Enterprise Fund Balance	\$0	R	\$0	R
Transfers the remaining fund balance to the General Fund	\$10,595,015	NR	\$0	NR
	0.00		0.00	
Subtotal Legislative Changes	(\$40,018,117)	R	(\$40,018,117)	R
	\$10,595,015	NR	\$0	NR
	-301.00		-301.00	

Receipts:

Utilities Commission - Staff	(\$6,653,462)	R	(\$6,653,462)	R
Transfers receipts for the Utilities Commission - Staff to the General Fund	\$0	NR	\$0	NR
Utilities Commission - Gas Pipeline Safety	(\$575,167)	R	(\$575,167)	R
Transfers receipts for the Utilities Commission - Gas Pipeline Safety to the General Fund	\$0	NR	\$0	NR
Utilities Commission - Public Staff	(\$8,423,859)	R	(\$8,423,859)	R
Transfers receipts for the Utilities Commission - Public Staff to the General Fund	\$0	NR	\$0	NR
State Banking Commission	(\$14,109,567)	R	(\$14,109,567)	R
Transfers receipts for the State Banking Commission to the General Fund	\$0	NR	\$0	NR
ABC Commission	(\$4,053,956)	R	(\$4,053,956)	R
Transfers receipts for the ABC Commission to the General Fund	\$0	NR	\$0	NR
ABC Warehouse	(\$3,935,380)	R	(\$3,935,380)	R
Transfers receipts for the ABC Warehouse to the General Fund	\$0	NR	\$0	NR
Subtotal Legislative Changes	(\$37,751,391)	R	(\$37,751,391)	R
	\$0	NR	\$0	NR

House Subcommittee on Natural and Economic Resources

	FY 2009-10	FY 2010-11
Revised Total Requirements	\$10,595,015	\$0
Revised Total Receipts	\$0	\$0
Change in Fund Balance	(\$10,595,015)	\$0
Total Positions	0.00	0.00
Unappropriated Balance Remaining	\$0	\$0

Utilities Commission/Public Staff

Budget Code: 64605

	FY 2009-10	FY 2010-11
Beginning Unreserved Fund Balance	\$13,661,307	\$0
Recommended Budget		
Requirements	\$13,000,000	\$13,000,000
Receipts	\$13,000,000	\$13,000,000
Positions	0.00	0.00
Legislative Changes		
Requirements:		
Utilities Commission and Public Staff Receipts	(\$13,000,000) R	(\$13,000,000) R
Transfers all Utilities Commission and Public Staff receipts to the General Fund	\$0 NR	\$0 NR
	0.00	0.00
Utilities Commission/Public Staff Fund Balance	\$0 R	\$0 R
Transfers the remaining fund balance to the General Fund	\$13,661,307 NR	\$0 NR
	0.00	0.00
Subtotal Legislative Changes	(\$13,000,000) R	(\$13,000,000) R
	\$13,661,307 NR	\$0 NR
	0.00	0.00
Receipts:		
Utilities Commission/Public Staff Receipts	(\$13,000,000) R	(\$13,000,000) R
Transfers all Utilities Commission and Public Staff receipts to the General Fund	\$0 NR	\$0 NR
Subtotal Legislative Changes	(\$13,000,000) R	(\$13,000,000) R
	\$0 NR	\$0 NR

House Subcommittee on Natural and Economic Resources

FY 2009-10

FY 2010-11

Revised Total Requirements	\$13,661,307	\$0
Revised Total Receipts	\$0	\$0
Change in Fund Balance	(\$13,661,307)	\$0
Total Positions	0.00	0.00

Unappropriated Balance Remaining	\$0	\$0
---	------------	------------

Commerce - NC Rural Electrification Authority

Budget Code: 64612

	FY 2009-10	FY 2010-11
Beginning Unreserved Fund Balance	\$235,345	\$195,577
Recommended Budget		
Requirements	\$195,577	\$195,577
Receipts	\$195,577	\$195,577
Positions	0.00	0.00
Legislative Changes		
Requirements:		
NC Rural Electrification Authority (REA)	(\$195,577) R	(\$195,577) R
Transfers the operating budget and receipts for REA to the General Fund	\$0 NR	\$0 NR
	0.00	0.00
Rural Electrification Authority (REA)	(\$195,577) R	(\$195,577) R
Transfers REA's operating budget to General Fund support.	\$0 NR	\$0 NR
	-2.00	-2.00
REA Fund Balance	R	\$0 R
Transfers the fund balance remaining to the General Fund	\$235,345 NR	\$0 NR
	0.00	0.00
Subtotal Legislative Changes	(\$391,154) R	(\$391,154) R
	\$235,345 NR	\$0 NR
	-2.00	-2.00

Receipts:

NC Rural Electrification Authority (REA)	(\$195,577) R	(\$195,577) R
Transfers REA's operating budget and receipts to the General Fund.	\$0 NR	\$0 NR
Subtotal Legislative Changes	(\$195,577) R	(\$195,577) R
	\$0 NR	\$0 NR

House Subcommittee on Natural and Economic Resources

	FY 2009-10	FY 2010-11
Revised Total Requirements	\$39,768	(\$195,577)
Revised Total Receipts	\$0	\$0
Change in Fund Balance	(\$39,768)	\$195,577
Total Positions	-2.00	-2.00
Unappropriated Balance Remaining	\$195,577	\$391,154

DENR - Special

Budget Code: 24300

	FY 2009-10	FY 2010-11
Beginning Unreserved Fund Balance	\$28,784,067	\$14,694,576
Recommended Budget		
Requirements	\$61,821,423	\$61,821,423
Receipts	\$47,180,496	\$47,180,496
Positions	368.48	368.48

Legislative Changes

Requirements:

Division of Air Quality ARRA Funding	\$0	R	\$0	R
Appropriates federal American Recovery and Reinvestment Act funds to the Division of Air Quality for the diesel emissions reduction program	\$800,000	NR	\$930,000	NR
	0.00		0.00	
 Division of Water Quality ARRA Funding	 \$0	 R	 \$0	 R
Appropriates federal American Recovery and Reinvestment Act funds to the Division of Water Quality. 40% of the funds will be granted to the Councils of Government, and 60% will be used by the Division for water quality projects.	\$415,320	NR	\$279,080	NR
	0.00		0.00	
 Subtotal Legislative Changes	 \$0	 R	 \$0	 R
	\$1,215,320	NR	\$1,209,080	NR
	0.00		0.00	

Receipts:

Division of Air Quality ARRA Funding	\$0	R	\$0	R
Appropriates federal American Recovery and Reinvestment Act fund to the Division of Air Quality for the diesel emissions reduction program	\$800,000	NR	\$930,000	NR

House Subcommittee on Natural and Economic Resources

	FY 2009-10	FY 2010-11
2865 - North Carolina Aquarium Fund	\$0 R	\$0 R
Increases the cash balance of this fund by adding the cash balances of the Special Activities and Events funds for the three aquariums into this budget.	\$551,436 NR	\$0 NR
Division of Water Quality ARRA Funding	\$0 R	\$0 R
Appropriates federal American Recovery and Reinvestment Act funds to the Division of Water Quality.	\$415,320 NR	\$279,080 NR
Subtotal Legislative Changes	\$0 R	\$0 R
	\$1,766,756 NR	\$1,209,080 NR
<hr/>		
Revised Total Requirements	\$63,036,743	\$63,030,503
Revised Total Receipts	\$48,947,252	\$48,389,576
Change in Fund Balance	(\$14,089,491)	(\$14,640,927)
Total Positions	368.48	368.48
<hr/>		
Unappropriated Balance Remaining	\$14,694,576	(\$2,922,187)

DENR- Governor's Cup Trust

Budget Code: 24302

	FY 2009-10	FY 2010-11
Beginning Unreserved Fund Balance	\$6,566	\$0
Recommended Budget		
Requirements	\$9,080	\$9,080
Receipts	\$4,414	\$4,414
Positions	0.00	0.00
<hr/>		
Legislative Changes		
Requirements:		
Governor Cup	(\$9,080) R	(\$9,080) R
Closes this budget code and transfers the operating budget and cash balance to the Division of Marine Fisheries in General Fund budget code 14300-1315.	\$6,566 NR	\$0 NR
	0.00	0.00
Subtotal Legislative Changes	(\$9,080) R	(\$9,080) R
	\$6,566 NR	\$0 NR
	0.00	0.00
<hr/>		
Receipts:		
Governor's Cup	(\$4,414) R	(\$4,414) R
Closes this fund and transfers the operating budget to the Division of Marine Fisheries' General Fund budget code 14300-1315.	\$0 NR	\$0 NR
Subtotal Legislative Changes	(\$4,414) R	(\$4,414) R
	\$0 NR	\$0 NR

House Subcommittee on Natural and Economic Resources

FY 2009-10

FY 2010-11

Revised Total Requirements	\$6,566	\$0
Revised Total Receipts	\$0	\$0
Change in Fund Balance	(\$6,566)	\$0
Total Positions	0.00	0.00

Unappropriated Balance Remaining	\$0	\$0
---	------------	------------

DENR - Special

Budget Code: 24308

	FY 2009-10	FY 2010-11
Beginning Unreserved Fund Balance	\$14,436,392	\$11,990,981
Recommended Budget		
Requirements	\$33,996,265	\$33,996,265
Receipts	\$32,019,146	\$32,019,146
Positions	11.50	11.50

Legislative Changes

Requirements:

2815 - VRS Geodetic Survey & DOT	\$0	R	\$0	R
Eliminates this special fund and transfers the cash balance to the General Fund	\$8,048	NR	\$0	NR
	0.00		0.00	
2105 - Environmental Education Certification Fees	\$0	R	\$0	R
Closes this fund and transfers the cash balance to the Office of Environmental Education's General Fund budget, 14300-1120.	\$30,899	NR	\$0	NR
	0.00		0.00	
2850 - Special Activities - Roanoke Island	(\$67,459)	R	(\$67,459)	R
Closes Roanoke Island's Special Activities fund and transfers the operating budget and cash balance to the North Carolina Aquarium Fund in 24300-2865.	\$49,975	NR	\$0	NR
	0.00		0.00	
2851 - Events - Roanoke Island	(\$36,018)	R	(\$36,018)	R
Closes Roanoke Island's Events fund and transfers the operating budget and cash balance to the North Carolina Aquarium Fund in 24300-2865.	\$98,525	NR	\$0	NR
	0.00		0.00	
2855 - Special Activities - Fort Fisher	(\$221,812)	R	(\$221,812)	R
Closes Fort Fisher's Special Activities fund and transfers the operating budget and cash balance to the North Carolina Aquarium Fund in 24300-2865.	\$86,300	NR	\$0	NR
	-1.00		-1.00	
2856 - Events - Fort Fisher	(\$108,164)	R	(\$108,164)	R
Closes Fort Fisher's Events fund and transfers the operating budget to the North Carolina Aquarium Fund in 24300-2865.	\$46,411	NR	\$0	NR
	0.00		0.00	

House Subcommittee on Natural and Economic Resources

	FY 2009-10	FY 2010-11
2860 - Special Activities - Pine Knoll Shores	(\$121,922) R	(\$121,922) R
Closes Pine Knoll Shores' Special Activities fund and transfers the operating budget and cash balance to the North Carolina Aquarium Fund in 24300-2865.	\$107,487 NR	\$0 NR
	0.00	0.00
2861 - Events - Pine Knoll Shores	(\$102,395) R	(\$102,395) R
Closes Pine Knoll Shores' Events fund and transfers the operating budget and the cash balance to the North Carolina Aquarium Fund in 24300-2865.	\$162,739 NR	\$0 NR
	0.00	0.00
Subtotal Legislative Changes	(\$657,770) R	(\$657,770) R
	\$590,385 NR	\$0 NR
	-1.00	-1.00

Receipts:

2850 - Special Activities - Roanoke Island	(\$64,992) R	(\$64,992) R
Closes Roanoke Island's Special Activities fund and transfers the operating budget to the North Carolina Aquarium Fund in 24300-2865.	\$0 NR	\$0 NR
2851 - Events - Roanoke Island	(\$27,114) R	(\$27,114) R
Closes Roanoke Island's Events fund and transfers the operating budget and cash balance to the North Carolina Aquarium Fund in 24300-2865.	\$0 NR	\$0 NR
2855 - Special Activities - Fort Fisher	(\$160,461) R	(\$160,461) R
Closes Fort Fisher's Special Activities fund and transfers the operating budget to the North Carolina Aquarium Fund in 24300-2865.	\$0 NR	\$0 NR
2856 - Events - Fort Fisher	(\$58,793) R	(\$58,793) R
Closes Fort Fisher's Events fund and transfers the operating budget to the North Carolina Aquarium Fund in 24300-2865.	\$0 NR	\$0 NR
2860 - Special Activities - Pine Knoll Shores	(\$121,922) R	(\$121,922) R
Closes Pine Knoll Shores' Special Activities fund and transfers the operating budget to the North Carolina Aquarium Fund in 24300-2865.	\$0 NR	\$0 NR

House Subcommittee on Natural and Economic Resources

	FY 2009-10	FY 2010-11
2861 - Events - Pine Knoll Shores	(\$102,395) R	(\$102,395) R
Closes Pine Knoll Shores' Events fund and transfers the operating budget to the North Carolina Aquarium Fund in 24300-2865.	\$0 NR	\$0 NR
Subtotal Legislative Changes	(\$535,677) R	(\$535,677) R
	\$0 NR	\$0 NR
<hr/>		
Revised Total Requirements	\$33,928,880	\$33,338,495
Revised Total Receipts	\$31,483,469	\$31,483,469
Change in Fund Balance	(\$2,445,411)	(\$1,855,026)
Total Positions	10.50	10.50
<hr/>		
Unappropriated Balance Remaining	\$11,990,981	\$10,135,955

DENR Commercial LUST Cleanup

Budget Code: 64305

	FY 2009-10	FY 2010-11
Beginning Unreserved Fund Balance	\$69,991,212	\$55,754,572
Recommended Budget		
Requirements	\$42,741,876	\$42,741,876
Receipts	\$28,505,236	\$28,505,236
Positions	8.00	8.00

Legislative Changes

Requirements:

Leaking Underground Storage Tanks ARRA Funding	\$0 R	\$0 R
Appropriates federal American Recovery and Reinvestment Act funds to the Division of Waste Management for the Commercial Leaking Underground Storage Tank program	\$3,777,000 NR 0.00	\$3,777,000 NR 0.00
Subtotal Legislative Changes	\$0 R \$3,777,000 NR 0.00	\$0 R \$3,777,000 NR 0.00

Receipts:

Leaking Underground Storage Tanks ARRA Funding	\$0 R	\$0 R
Appropriates federal American Recovery and Reinvestment Act funds to the Division of Waste Management for the Commercial Leaking Underground Storage Tank Program	\$3,777,000 NR	\$3,777,000 NR
Subtotal Legislative Changes	\$0 R \$3,777,000 NR	\$0 R \$3,777,000 NR

House Subcommittee on Natural and Economic Resources

	FY 2009-10	FY 2010-11
Revised Total Requirements	\$46,518,876	\$46,518,876
Revised Total Receipts	\$32,282,236	\$32,282,236
Change in Fund Balance	(\$14,236,640)	(\$14,236,640)
Total Positions	8.00	8.00
Unappropriated Balance Remaining	\$55,754,572	\$33,963,932

DENR Water Pollution Revolving Loan

Budget Code: 64311

	FY 2009-10	FY 2010-11
Beginning Unreserved Fund Balance	\$251,284,798	\$251,284,798
Recommended Budget		
Requirements	\$60,491,575	\$60,491,575
Receipts	\$60,491,575	\$60,491,575
Positions	1.00	1.00

Legislative Changes

Requirements:

Clean Water SRF ARRA Funding	\$0 R	\$0 R
Appropriates federal American Recovery and Reinvestment Act funds to the Division of Water Quality for the Clean Water State Revolving Loan Fund	\$46,864,550 NR 0.00	\$23,864,550 NR 0.00
Subtotal Legislative Changes	\$0 R \$46,864,550 NR 0.00	\$0 R \$23,864,550 NR 0.00

Receipts:

Clean Water SRF ARRA Funding	\$0 R	\$0 R
Appropriates federal American Recovery and Reinvestment Act funds to the Division of Water Quality for the Clean Water State Revolving Loan Fund	\$46,864,550 NR	\$23,864,550 NR
Subtotal Legislative Changes	\$0 R \$46,864,550 NR	\$0 R \$23,864,550 NR

House Subcommittee on Natural and Economic Resources

	FY 2009-10	FY 2010-11
Revised Total Requirements	\$107,356,125	\$84,356,125
Revised Total Receipts	\$107,356,125	\$84,356,125
Change in Fund Balance	\$0	\$0
Total Positions	1.00	1.00
Unappropriated Balance Remaining	\$251,284,798	\$180,555,698

DENR Drinking Water SRF

Budget Code: 64320

	FY 2009-10	FY 2010-11
Beginning Unreserved Fund Balance	\$39,607,712	\$38,490,478
Recommended Budget		
Requirements	\$24,559,165	\$24,559,165
Receipts	\$23,441,931	\$23,441,931
Positions	14.00	14.00

Legislative Changes

Requirements:

Drinking Water SRF ARRA Funding	\$0 R	\$0 R
Appropriates federal American Recovery and Reinvestment Act funds to the Division of Environmental Health for the Drinking Water State Revolving Loan Fund	\$43,750,000 NR 0.00	\$21,875,000 NR 0.00
Subtotal Legislative Changes	\$0 R \$43,750,000 NR 0.00	\$0 R \$21,875,000 NR 0.00

Receipts:

Drinking Water SRF ARRA Funding	\$0 R	\$0 R
Appropriates federal American Recovery and Reinvestment Act funds to the Division of Environmental Health for the Drinking Water State Revolving Loan Fund	\$43,750,000 NR	\$21,875,000 NR
Subtotal Legislative Changes	\$0 R \$43,750,000 NR	\$0 R \$21,875,000 NR

House Subcommittee on Natural and Economic Resources

	FY 2009-10	FY 2010-11
Revised Total Requirements	\$68,309,165	\$46,434,165
Revised Total Receipts	\$67,191,931	\$45,316,931
Change in Fund Balance	(\$1,117,234)	(\$1,117,234)
Total Positions	14.00	14.00
Unappropriated Balance Remaining	\$38,490,478	(\$28,251,756)

House Subcommittee on Natural and Economic Resources

	FY 2009-10	FY 2010-11
Subtotal Legislative Changes	(\$5,463,205) R	(\$5,463,205) R
	\$2,059,915 NR	\$0 NR
	-68.00	-68.00
<hr/>		
Receipts:		
2320 - Elevator Inspection Bureau	(\$3,414,118) R	(\$3,414,118) R
Transfers the Elevator Inspection Bureau from a special fund code to a General Fund code.	\$0 NR	\$0 NR
2310 - Boiler Inspection Bureau	(\$2,049,087) R	(\$2,049,087) R
Transfers the Boiler Inspection Bureau from a special fund code to a General Fund code.	\$0 NR	\$0 NR
Subtotal Legislative Changes	(\$5,463,205) R	(\$5,463,205) R
	\$0 NR	\$0 NR
<hr/>		
Revised Total Requirements	\$2,460,235	\$400,320
Revised Total Receipts	\$400,320	\$400,320
Change in Fund Balance	(\$2,059,915)	\$0
Total Positions	0.00	0.00
<hr/>		
Unappropriated Balance Remaining	\$445,985	\$445,985

Labor - Special Funds

Budget Code: 23800

	FY 2009-10	FY 2010-11
Beginning Unreserved Fund Balance	\$2,505,900	\$445,985
Recommended Budget		
Requirements	\$5,863,525	\$5,863,525
Receipts	\$5,863,525	\$5,863,525
Positions	68.00	68.00

Legislative Changes

Requirements:

2320 - Elevator Inspection Bureau	\$0 R	\$0 R
Transfers the cash balance from the Elevator Inspection Bureau to the General Fund	\$1,379,036 NR	\$0 NR
	0.00	0.00
2310 - Boiler Inspection Bureau Cash Balance	\$0 R	\$0 R
Transfers the cash balance from the Boiler Inspection Bureau to the General Fund	\$578,813 NR	\$0 NR
	0.00	0.00
2422 - Pre-Apprenticeship	\$0 R	\$0 R
Transfers the cash balance from the Pre-Apprenticeship special fund to the General Fund to be used by the Apprenticeship Program (13800 1420) in FY 2009-10. After this transfer, the fund will be permanently closed.	\$102,066 NR	\$0 NR
	0.00	0.00
2320 - Elevator Inspection Bureau	(\$3,414,118) R	(\$3,414,118) R
Transfers the Elevator Inspection Bureau operating budget from a special fund code to a General Fund code.	\$0 NR	\$0 NR
	-44.00	-44.00
2310 - Boiler Inspection Bureau	(\$2,049,087) R	(\$2,049,087) R
Transfers the Boiler Inspection Bureau operating budget from a special fund code to a General Fund code.	\$0 NR	\$0 NR
	-24.00	-24.00

Wildlife Resources - Operating

Budget Code: 24350

	FY 2009-10	FY 2010-11
Beginning Unreserved Fund Balance	\$659,630	\$659,630
Recommended Budget		
Requirements	\$65,680,466	\$65,362,400
Receipts	\$65,680,466	\$65,362,400
Positions	652.50	652.50

Legislative Changes**Requirements:**

Sales Tax Transfer	(\$23,274,400) R	(\$23,274,400) R
Eliminates the sales tax transfer to the Wildlife Resources Commission, replacing these funds with a General Fund appropriation.	\$0 NR	\$0 NR
	- 218.00	- 218.00
Subtotal Legislative Changes	(\$23,274,400) R	(\$23,274,400) R
	\$0 NR	\$0 NR
	- 218.00	- 218.00

Receipts:

Sales Tax Transfer	(\$23,274,400) R	(\$23,274,400) R
Eliminates the sales tax transfer to the Wildlife Resources Commission, replacing these funds with a General Fund appropriation.	\$0 NR	\$0 NR
Subtotal Legislative Changes	(\$23,274,400) R	(\$23,274,400) R
	\$0 NR	\$0 NR

House Subcommittee on Natural and Economic Resources

	FY 2009-10	FY 2010-11
Revised Total Requirements	\$42,406,066	\$42,088,000
Revised Total Receipts	\$42,406,066	\$42,088,000
Change in Fund Balance	\$0	\$0
Total Positions	434.50	434.50
Unappropriated Balance Remaining	\$659,630	\$659,630

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-AGRIC-H3(S11.3)i

Department of Agriculture and Consumer Services
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **BOARD OF AGRICULTURE REVIEW OF FEE SCHEDULES**

2 SECTION 11.3. G.S. 106-6.1 reads as rewritten:

3 "§ 106-6.1. Fees.

4 (a) A board or commission within the Department of Agriculture and Consumer
5 Services may establish fees or charges for the services it provides. The Board of Agriculture,
6 subject to the provisions of Chapter 146 of the General Statutes, may establish a rate schedule
7 for the use of facilities operated by the Department of Agriculture and Consumer Services.

8 (b) No later than February 1 of each odd numbered year, the Board of Agriculture shall
9 review the fees it established under this section to determine whether any of these fees should
10 be changed and report to the Fiscal Research Division the amount of each fee reviewed, when
11 the fee was last changed, the number of times the fee was collected during the prior fiscal year,
12 the total receipts from the fee during the prior fiscal year, and any recommendations for
13 increasing or decreasing the amount of any such fees. This report shall also include for each fee
14 an evaluation of any inflationary change since the last change to the amount of the fee and any
15 other information deemed relevant to this evaluation."

DRAFT
SPECIAL PROVISION



2009-AGRIC-H5B

Department of Agriculture and Consumer Services
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **FARMLAND PRESERVATION TRUST FUND**

2 SECTION #.(a) G.S. 106-744(c) reads as rewritten:

3 "(c) There is established a "North Carolina Agricultural Development and Farmland
4 Preservation Trust Fund" to be administered by the Commissioner of Agriculture. The Trust
5 Fund shall consist of all monies received for the purpose of purchasing agricultural
6 conservation easements or funding programs that promote the development and sustainability
7 of farming and assist in the transition of existing farms to new farm families, or monies
8 transferred from counties or private sources. The Trust Fund shall be invested as provided in
9 G.S. 147-69.2 and G.S. 147-69.3. The Commissioner shall use Trust Fund monies for any of
10 the ~~following~~ following purposes:

- 11 (1) ~~The~~ For the purchase of agricultural conservation easements, including
12 transaction costs.
- 13 (2) ~~Public~~ For the costs of public and private enterprise programs that will
14 promote profitable and sustainable family farms through assistance to
15 farmers in developing and implementing plans for the production of food,
16 fiber, and value-added products, agritourism activities, marketing and sales
17 of agricultural products produced on the farm, and other agriculturally
18 related business activities.
- 19 (3) To fund conservation agreements to bring into or maintain farmland in
20 active production of food, fiber, and other agricultural products.
- 21 (4) ~~The~~ For the costs of administering the program under this Article, including
22 the cost of staff and staff support."

23 SECTION #.(b) G.S. 106-744(c1) reads as rewritten:

24 "(c1) The Commissioner shall distribute Trust Fund monies for ~~such purchases,~~ only the
25 purposes under subsection (c) of this section, including transaction costs, as follows:

- 26 (1) To a private nonprofit conservation organization that matches thirty percent
27 (30%) of the Trust Fund monies it receives with funds from sources other
28 than the Trust Fund.
- 29 (2) To counties according to the match requirements under subsection (c2) of
30 this section."

31 SECTION #.(c) G.S. 106-744(g)(11) reads as rewritten:

32 "(11) ~~The Director of the Southeast Regional Office of the American Farmland~~
33 ~~Trust or the~~ The Executive Director of the Rural Advancement Foundation
34 International – USA or the Executive Director's designee."

35 SECTION #.(d) This section is effective when it becomes law and the change in
36 membership of the Agricultural Development and Farmland Preservation Trust Fund Advisory
37 Committee under G.S. 106-744, as amended by subsection (c) of this section, shall occur prior
38 to the next quarterly meeting of the Advisory Committee that occurs on or after that date.

DRAFT
SPECIAL PROVISION



2009-LAB-H2-P

Department of Labor
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **DEPARTMENT OF LABOR/REVIEW ALL FEES BIENNIALLY**

2 SECTION #. Article 1 of Chapter 95 of the General Statutes is amended by adding
3 a new section to read as follows:

4 "**§ 95-14.1. Department review fees biennially.**

5 No later than February 1 of each odd-numbered year, the Department of Labor shall review
6 all fees charged under its authority to determine whether any of the fees should be changed and
7 shall report its findings to the House of Representatives and Senate Appropriations
8 Subcommittees on Natural and Economic Resources and the Fiscal Research Division. The
9 report required by this section shall include all of the information reported to the Office of State
10 Budget and Management for its Biennial Fee Report and all of the following:

- 11 (1) The names of the programs or divisions supported by the fee.
12 (2) The total expenditures of the programs or divisions.
13 (3) Any recommendations for increasing or decreasing the amount of the fee.
14 (4) An evaluation of inflation since the last change to the amount of the fee.
15 (5) Any other information deemed relevant to the review."

DRAFT
SPECIAL PROVISION



2009-LAB-H5

Department of Labor
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **DEPARTMENT OF LABOR/TRANSFER SPECIAL FUNDS TO GENERAL FUND AND**
2 **TO APPRENTICESHIP PROGRAM**

3 **SECTION #.(a)** The Department of Labor shall, in consultation with the Office of
4 State Budget and Management and the Office of the State Controller, transfer any
5 unencumbered cash balance on June 30, 2009, in the Elevator and Amusement Device Bureau
6 Special Fund (23800-2320) and the Boiler Bureau Special Fund (23800-2310) to a General
7 Fund code and permanently close the Special Funds.

8 **SECTION #.(b)** The Department of Labor shall, in consultation with the Office of
9 State Budget and Management and the Office of the State Controller, transfer any
10 unencumbered cash balance on June 30, 2009, in the Pre-Apprenticeship Special Fund
11 (23800-2422) to the Apprenticeship Program to be used for operating expenses in the
12 2009-2010 fiscal year and permanently close the Special Fund.



Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES REVIEW OF FEE*
2 *SCHEDULES*

3 SECTION #. G.S. 143B-279.2 reads as rewritten:

4 "§ 143B-279.2. Department of Environment and Natural Resources – duties.

5 It shall be the duty of the Department:

- 6 (1) To provide for the protection of the environment;
- 7 (1a) To administer the State Outer Continental Shelf (OCS) Task Force and
8 coordinate State participation activities in the federal outer continental shelf
9 resource recovery programs as provided under the OCS Lands Act
10 Amendments of 1978 (43 USC §§ 1801 et seq.) and the OCS Lands Act
11 Amendments of 1986 (43 USC §§ 1331 et seq.).
- 12 (1b) To provide for the protection of the environment and public health through
13 the regulation of solid waste and hazardous waste management and the
14 administration of environmental health programs.
- 15 (2) Repealed by Session Laws 1997-443, s. 11A.5.
- 16 (2a) To provide and keep a museum or collection of the natural history of the
17 State and to maintain the North Carolina Biological Survey; and
- 18 (3) To provide for the management of the State's natural resources.
- 19 (4) No later than February 1 of each odd-numbered year, to review all fees
20 charged under any program under its authority to determine whether any of
21 these fees should be changed and submit a report to the House and Senate
22 Appropriations Subcommittees on Natural and Economic Resources and the
23 Fiscal Research Division that includes all of the following:
- 24 a. The most recent Biennial Fee Report submitted by the Department to
25 the Office of State Budget and Management.
- 26 b. A list of each fee charged under any program under the Department's
27 authority that, for each fee, identifies the program, if any, and the
28 division of the Department, if any, that is supported by the fee; the
29 total expenditures for each program supported by fees; an evaluation
30 of any inflationary change since the last change to the amount of the
31 fee; and any other information deemed relevant to this review.
- 32 c. The Department's findings resulting from its review under this
33 subdivision and any recommendations to increase or decrease any of
34 these fees."



Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *DENR TO STUDY ADVISABILITY OF ELIMINATING OR CONSOLIDATING ANY*
2 *ENVIRONMENTAL BOARDS, COMMISSIONS, OR COUNCILS*

3 SECTION #. The Department of Environment and Natural Resources shall, in
4 consultation with the Fiscal Research Division, study the advisability of eliminating or
5 consolidating any boards, commissions, or councils that are located within the Department of
6 Environment and Natural Resources for organizational, budgetary, or administrative purposes
7 and that are involved in environmental policy-making in North Carolina, with powers and
8 duties ranging from advisory to rule making and quasi-judicial. In conducting this study, the
9 Department of Environment and Natural Resources shall consider whether the number of these
10 environmental boards, commissions, and councils has created any inefficiency or duplication in
11 overall environmental program delivery and whether the members that comprise an
12 environmental board, commission, or council generally have the time and expertise necessary
13 to address the environmental issues coming before them. No later than May 1, 2010, the
14 Department of Environment and Natural Resources shall report its findings and any
15 recommendations resulting from the study under this section, including any legislative or
16 administrative proposals, to the Chairs of the House and Senate Appropriations Subcommittees
17 on Natural and Economic Resources and the Fiscal Research Division.



Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **JOINT STUDY OF DENR SPECIAL FUNDS**

2 SECTION #. The Department of Environment and Natural Resources, the Office
3 of State Budget and Management, the Office of the State Controller, and the Fiscal Research
4 Division shall jointly study the special funds within the Department of Environment and
5 Natural Resources as of July 1, 2009. When conducting the study under this section, the
6 Department of Environment and Natural Resources, the Office of State Budget and
7 Management, the Office of the State Controller, and the Fiscal Research Division shall jointly
8 evaluate each of these special funds to determine whether the receipts of each of these special
9 fund are over- or under-realized. No later than May 1, 2010, the Department of Environment
10 and Natural Resources, the Office of State Budget and Management, the Office of the State
11 Controller, and the Fiscal Research Division shall report the results of this study, including
12 their findings, recommendations, and any legislative proposals, to the Environmental Review
13 Commission and the House and Senate Appropriations Subcommittees on Natural and
14 Economic Resources. The report under this section shall include all of the following:

- 15 (1) A description of each of the special funds within the Department that were
16 evaluated under this section.
17 (2) The sources of funds of each of these special funds.
18 (3) A list of these special funds that should be permanently closed.
19 (4) A list of these special funds that should be transferred to the General Fund.
20 (5) A list of these special funds that should remain as special funds.
21 (6) Any organizational or legal barriers to the creation or elimination of any of
22 these special funds.
23 (7) Any changes in statutes needed as a result of this study.

DRAFT
SPECIAL PROVISION



2009-ENV-H2-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **JOINT DEPARTMENTAL STUDY OF TRANSFERRING GRADE "A" MILK**
2 **SANITATION PROGRAM**

3 SECTION #. The Department of Environment and Natural Resources and the
4 Department of Agriculture and Consumer Services shall, in consultation with the Fiscal
5 Research Division, jointly study the feasibility and the advisability of transferring the Grade
6 "A" Milk Sanitation Program under Part 9 of Article 8 of Chapter 130A of the General Statutes
7 that is currently located within the Division of Environmental Health of the Department of
8 Environment and Natural Resources to the Department of Agriculture and Consumer Services.
9 When conducting the study under this section, the Department of Environment and Natural
10 Resources and the Department of Agriculture and Consumer Services may consult with entities
11 outside the two departments, including entities regulated by either department. No later than
12 May 1, 2010, the Department of Environment and Natural Resources and the Department of
13 Agriculture and Consumer Services shall submit a report of their findings and any
14 recommendations and legislative or administrative proposals to the Chairs of the House and
15 Senate Appropriations Subcommittees on Natural and Economic Resources and the Fiscal
16 Research Division. This report shall include all of the following:

- 17 (1) A description and assessment of the current budget and staffing levels for the
18 Grade "A" Milk Sanitation Program within the Department of Environment
19 and Natural Resources.
20 (2) A description and assessment of the current budget and staffing levels for the
21 Dairy Section within the Food Program of the Food and Drug Protection
22 Division of the Department of Agriculture and Consumer Services.
23 (3) An evaluation of the advisability of transferring the Grade "A" Milk
24 Sanitation Program to the Department of Agriculture and Consumer
25 Services, including the fiscal impact of the transfer and any efficiency gains
26 or losses.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-ENV-H17-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **LEGISLATIVE STUDY COMMISSION ON WATER AND WASTEWATER**
2 **INFRASTRUCTURE**

3 **SECTION #.(a)** There is created the Legislative Study Commission on Water and
4 Wastewater Infrastructure. The Commission shall consist of 17 members appointed as follows:

- 5 (1) Four members of the House of Representatives appointed by the Speaker of
6 the House of Representatives.
- 7 (2) Four members of the Senate appointed by the President Pro Tempore of the
8 Senate.
- 9 (3) Two members appointed by the Governor.
- 10 (4) The Secretary of the North Carolina Department of Environment and Natural
11 Resources or the Secretary's designee.
- 12 (5) The Secretary of the North Carolina Department of Commerce or the
13 Secretary's designee.
- 14 (6) The President of the North Carolina Rural Economic Development Center or
15 the President's designee.
- 16 (7) The Executive Director of the North Carolina Clean Water Management
17 Trust Fund or the Executive Director's designee.
- 18 (8) The Executive Director of the North Carolina League of Municipalities or
19 the Executive Director's designee.
- 20 (9) The Executive Director of the North Carolina Association of County
21 Commissioners or the Executive Director's designee.
- 22 (10) The Chair of the State Water Infrastructure Commission.

23 **SECTION #.(b)** The Speaker of the House of Representatives and the President
24 Pro Tempore of the Senate shall each designate a cochair. The Commission may meet at
25 anytime upon the joint call of the cochairs. A quorum of the Commission shall be a majority of
26 its members.

27 Vacancies on the Commission shall be filled by the same appointing authority as
28 made the initial appointment.

29 Subject to the approval of the Legislative Services Commission, the Commission
30 may meet in the Legislative Building or the Legislative Office Building.

31 The Legislative Services Commission, through the Legislative Services Officer,
32 shall assign professional staff to assist the Commission in its work. The House of
33 Representatives' and the Senate's Supervisors of Clerks shall assign clerical support staff to the
34 Commission, and the expenses relating to the clerical employees shall be borne by the
35 Commission.

36 In addition, the State agencies and nonprofits serving on the Commission shall
37 cooperate in providing information and additional staff resources as needed to accomplish the
38 work of the Commission.

39 The Commission, while in the discharge of its official duties, may exercise all
40 powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The

1 Commission may contract for professional, clerical, or consultant services as provided by
2 G.S. 120-32.02.

3 Members of the Commission shall receive subsistence and travel expenses at the
4 rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate.

5 **SECTION #.(c)** The Legislative Study Commission on Water and Wastewater
6 Infrastructure shall focus on the development of an ongoing process to identify and regularly
7 report to the North Carolina General Assembly on statewide water and wastewater
8 infrastructure needs and to improve the delivery of State appropriated water and wastewater
9 programs. The Commission shall specifically do all of the following:

- 10 (1) Evaluate the information provided through the drinking water and
11 wastewater needs assessment prepared by the Environmental Protection
12 Agency (EPA) every four years, the drinking water and wastewater needs
13 surveys currently done by the North Carolina Department of Environment
14 and Natural Resources in support of the EPA needs assessment; the data
15 compiled as part of Water 2030 by the North Carolina Rural Economic
16 Development Center, Inc., and any other existing data sets in order to
17 determine what information currently exists and where there may be gaps in
18 the data.
- 19 (2) Conduct at least five meetings of stakeholders in locations across the State as
20 part of determining the ongoing method for regularly determining and
21 reporting on the State's water and wastewater infrastructure needs.
- 22 (3) Select a method for identifying and reporting on infrastructure needs in the
23 future.
- 24 (4) Review infrastructure funding priorities currently set out in State law to
25 determine whether the priorities appropriately reflect the State's most
26 pressing needs in light of future growth projections.
- 27 (5) Recommend changes to infrastructure funding priorities and appropriations
28 processes to ensure that funds are used to meet the State's most pressing
29 needs.
- 30 (6) Ascertain the capacity and role of the State in bridging identified gaps
31 between funding priorities and available funds.

32 **SECTION #.(d)** In addition to the duties of the Legislative Study Commission on
33 Water and Wastewater Infrastructure under subsection (c) of this section, the Commission shall
34 determine what steps funding agencies can take to improve the delivery of existing funding
35 programs, including all of the following options:

- 36 (1) Developing common application requirements.
- 37 (2) Scheduling regular joint meetings between funders and applicants.
- 38 (3) Where projects are jointly funded, exploring options to share and improve
39 oversight responsibilities.
- 40 (4) Coordinating reporting requirements to produce a single integrated funders
41 report on an annual basis.

42 **SECTION #.(e)** The Legislative Study Commission on Water and Wastewater
43 Infrastructure shall submit an interim report to the 2009 General Assembly, Regular Session
44 2010, on or before May 1, 2010. This report shall include specifically the Commission's final
45 determination under this study of the steps funding agencies can take to improve the delivery of
46 existing funding programs as determined by the Commission under subsection (d) of this
47 section, including its final findings under this study regarding each option under subdivisions
48 (1) through (4) of subsection (d) of this section. This interim report also may include any other
49 finding or recommendation of the Commission at that time. In addition, the Commission shall
50 submit a final report on any other findings and recommendations under this study, including
51 any legislative or administrative proposals, no later than the convening of the 2011 Regular

- 1 Session of the General Assembly. The Commission shall terminate upon the earlier of the
- 2 filing of its final report or the convening of the 2011 General Assembly.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-ENV-H13-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **EXPAND PERMISSIBLE USES OF THE SOLID WASTE MANAGEMENT TRUST**
2 **FUND**

3 SECTION #. G.S.130A-309.12(a) is amended by adding a new subdivision to
4 read:

5 "(6) Providing funding for the activities of the Division of Pollution Prevention
6 and Environmental Assistance."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-ENV-H20-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **CHANGE DISTRIBUTION OF SCRAP TIRE NET TAX PROCEEDS**

2 SECTION #. G.S. 105-187.19(b) reads as rewritten:

3 "(b) Each quarter, the Secretary shall credit eight percent (8%) of the net tax proceeds to
4 the Solid Waste Management Trust Fund and shall credit twenty-two percent (22%) of the net
5 tax proceeds to the Scrap Tire Disposal Account Fund, seventeen percent (17%) of the net tax
6 proceeds to the Scrap Tire Disposal Account, two and one-half percent (2.5%) of the net tax
7 proceeds to the Inactive Hazardous Sites Cleanup Fund, and two and one-half percent (2.5%) of
8 the net tax proceeds to the Bernard Allen Memorial Emergency Drinking Water Fund. The
9 Secretary shall distribute the remaining seventy percent (70%) of the net tax proceeds among
10 the counties on a per capita basis according to the most recent annual population estimates
11 certified to the Secretary by the State Budget Officer."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-ENV-H9E-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *INCREASE CAP FOR VOLUNTARY REMEDIAL ACTIONS AT INACTIVE*
2 *HAZARDOUS DISPOSAL SITES/DENR MONITORING FEE*

3 SECTION #. G.S. 130A-310.9(a) reads as rewritten:

4 "(a) No one owner, operator, or other responsible party who voluntarily participates in
5 the implementation of a remedial action program under G.S. 130A-310.3 or G.S. 130A-310.5
6 may be required to pay in excess of ~~three million dollars (\$3,000,000)~~ five million dollars
7 (\$5,000,000) for the cost of implementing a remedial action program at a single inactive
8 hazardous substance or waste disposal site. The owner, operator, or other responsible party who
9 voluntarily participates in the implementation of a remedial action program under
10 G.S. 130A-310.3 or G.S. 130A-310.5 shall be required to pay in addition to the cost of
11 implementing the remedial action program a fee of one thousand dollars (\$1,000) to be used for
12 the Department's cost of monitoring and enforcing the remedial action program. The limitation
13 of liability contained in this ~~section-subsection~~ applies only to the cost of implementation
14 of implementing the program and does not apply to the cost of the development of the remedial
15 action plan. to the fee under this subsection. The limitation of liability contained in this
16 subsection does not apply to the cost of developing the remedial action plan."

DRAFT
SPECIAL PROVISION



2009-NATRES-H6(S13.6)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **NEW LEASE PURCHASE/INSTALLMENT CONTRACTS FOR FORESTRY**
2 **EQUIPMENT**

3 **SECTION 13.6.** Prior to the Division of Forest Resources of the Department of
4 Environment and Natural Resources entering into either a new lease purchase contract for the
5 purchase of forestry equipment or a new installment contract for the purchase of forestry
6 equipment, the Division of Forest Resources shall submit a detailed list of the forestry
7 equipment to be purchased under the contract to the Joint Legislative Commission on
8 Governmental Operations and the Fiscal Research Division. Prior to the Department of
9 Administration entering into either a new lease purchase contract for the purchase of forestry
10 equipment or a new installment contract for the purchase of forestry equipment on behalf of the
11 Division of Forest Resources, the Department of Administration shall submit a detailed list of
12 the forestry equipment to be purchased under the contract to the Joint Legislative Commission
13 on Governmental Operations and the Fiscal Research Division. If a list is modified after it is
14 submitted under this section, the modified list shall be submitted to the Joint Legislative
15 Commission on Governmental Operations and the Fiscal Research Division prior to entering
16 into the contract.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-NATRES-H7D(S13.7)-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

87. - 1000

GRASSROOTS SCIENCE PROGRAM

SECTION 13.7.(a) Of the funds appropriated in this act to the Department of Environment and Natural Resources for the Grassroots Science Program, the sum of three million two hundred two thousand eight hundred thirty-three dollars (\$3,202,833) for the 2009-2010 fiscal year and the sum of three million one hundred thirty-three thousand two hundred six dollars (\$3,133,206) for the 2010-2011 fiscal year is allocated as grants-in-aid for each fiscal year as follows:

	2009-2010	2010-2011
Aurora Fossil Museum	\$54,332	\$53,151
Cape Fear Museum	\$148,126	\$144,906
Carolina Raptor Center	\$103,200	\$100,957
Catawba Science Center	\$134,648	\$131,720
Colburn Earth Science Museum, Inc.	\$68,581	\$67,091
Core Sound Waterfowl Museum	\$46,000	\$45,000
Discovery Place	\$609,836	\$596,579
Eastern NC Regional Science Center	\$46,000	\$45,000
Fascinate-U	\$74,586	\$72,965
Granville County Museum Commission, Inc.-Harris Gallery	\$51,908	\$50,780
Greensboro Children's Museum	\$124,270	\$121,568
The Health Adventure Museum of Pack Place Education, Arts and Science Center, Inc.	\$143,162	\$140,050
Highlands Nature Center	\$72,927	\$71,341
Imagination Station	\$79,151	\$77,431
The Iredell Museums, Inc.	\$56,402	\$55,175
Kidsenses	\$74,779	\$73,154
Museum of Coastal Carolina	\$71,778	\$70,218
The Natural Science Center of Greensboro, Inc.	\$171,446	\$167,719
North Carolina Museum of Life and Science	\$349,440	\$341,843
Pisgah Astronomical Research Institute	\$46,000	\$45,000
Port Discover: Northeastern North Carolina's Center for Hands-On Science, Inc.	\$46,000	\$45,000
Rocky Mount Children's Museum	\$66,474	\$65,029
Schiele Museum of Natural History and Planetarium, Inc.	\$211,183	\$206,592
Sci Works Science Center and		

1	Environmental Park of Forsyth County	\$134,779	\$131,849
2	Sylvan Heights Waterfowl Park		
3	and Eco-Center	\$46,000	\$45,000
4	Western North Carolina Nature Center	\$103,849	\$101,591
5	Wilmington Children's Museum	\$67,975	\$66,497
6			
7	Total	\$3,202,833	\$3,133,206.

8 **SECTION 13.7.(b)** No later than March 1, 2010, the Department of Environment
9 and Natural Resources shall report to the Fiscal Research Division all of the following
10 information for each museum that receives funds under this section:

- 11 (1) The actual operating budget for the 2008-2009 fiscal year.
- 12 (2) The proposed operating budget for the 2009-2010 fiscal year.
- 13 (3) The total attendance at the museum during the 2009 calendar year.

14 **SECTION 13.7.(c)** No later than March 1, 2011, the Department of Environment
15 and Natural Resources shall report to the Fiscal Research Division all of the following
16 information for each museum that receives funds under this section:

- 17 (1) The actual operating budget for the 2009-2010 fiscal year.
- 18 (2) The proposed operating budget for the 2010-2011 fiscal year.
- 19 (3) The total attendance at the museum during the 2010 calendar year.

20 **SECTION 13.7.(d)** As a condition for qualifying to receive funding under this
21 section, all of the following documentation shall, no later than November 1 of each year of the
22 2009-2011 biennium, be submitted for each museum under this section to the Department of
23 Environment and Natural Resources for fiscal years ending between July 1, 2007, and June 30,
24 2008, and only those costs that are properly documented under this subsection are allowed by
25 the Department in calculating the distribution of funds under this section:

- 26 (1) Each museum under this section shall submit its IRS (Internal Revenue
27 Service) Form 990 to show its annual operating expenses, its annual report,
28 and a reconciliation that explains any differences between expenses as
29 shown on the IRS Form 990 and the annual report.
- 30 (2) Each friends association of a museum under this section shall submit its IRS
31 Form 990 to show its reported expenses for the museum, its annual report,
32 and a reconciliation that explains any differences between expenses as
33 shown on the IRS Form 990 and the annual report, unless the association
34 does not have both an IRS Form 990 and an annual report available, in
35 which case, it shall submit either an IRS Form 990 or an annual report.
- 36 (3) The chief financial officer of each county or municipal government that
37 provides funds for the benefit of the museum shall submit a detailed signed
38 statement of documented costs spent for the benefit of the museum that
39 includes documentation of the name, address, title, and telephone number of
40 the person making the assertion that the museum receives funds from the
41 county or municipality for the benefit of the museum.
- 42 (4) The chief financial officer of each county or municipal government or each
43 friends association that provides indirect or allocable costs that are not
44 directly charged to a museum under this section but that benefit the museum
45 shall submit in the form of a detailed statement enumerating each cost by
46 type and amount that is verified by the financial officer responsible for the
47 completion of the documentation and that includes the name, address, title,
48 and telephone number of the person making the assertion that the county,
49 municipality, or association provides indirect or allocable costs to the
50 museum.

1 **SECTION 13.7.(e)** As used in subsection (d) of this section, "friends association"
2 means a nonprofit corporation established for the purpose of supporting and assisting a
3 museum that receives funding under this section.

4 **SECTION 13.7.(f)** The Department of Environment and Natural Resources shall
5 study the advisability of the Department developing for museums that are members of the
6 Grassroots collaborative a competitive grant program, to be implemented and administered by
7 the Office of Environmental Education within the Department, and of using this competitive
8 grant program in lieu of allocating funds for the 2011-2012 fiscal year and thereafter to specific
9 museums that are members of the Grassroots collaborative. In conducting this study, the
10 Department shall, in consultation with the Fiscal Research Division and the Grassroots
11 collaborative, consider establishing a process for applying for these grants, criteria for
12 evaluating applications, and a process for allocating grants. These criteria shall include giving
13 special consideration to small museums. No later than May 1, 2010, the Department shall
14 submit a report to the Joint Legislative Commission on Governmental Operations, the House
15 and Senate Appropriations Subcommittees on Natural and Economic Resources, and the Fiscal
16 Research Division on the results of its study under this section, including its findings,
17 recommendations, and any legislative or administrative proposals.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-NATRES-H10(S13.10)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **BEAVER DAMAGE CONTROL PROGRAM FUNDS**

2 SECTION 13.10. G.S. 113-291.10(f) reads as rewritten:

3 "(f) Each county that volunteers to participate in this program for a given fiscal year
4 shall provide written notification of its wish to participate no later than September 30 of that
5 year and shall commit the sum of four thousand dollars (\$4,000) in local funds no later than
6 September 30 of that year. At least three hundred forty-nine thousand dollars (\$349,000) each
7 fiscal year of the biennium shall be paid from funds available to the Wildlife Resources
8 Commission to provide the State share necessary to support this program, provided the sum of
9 at least twenty-five thousand dollars (\$25,000) in federal funds is available each fiscal year of
10 the biennium to provide the federal share."

DRAFT
SPECIAL PROVISION



2009-NATRES-H12B

**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

1 DEVELOP PLAN TO CHARGE PARKING FEES AT STATE PARKS

2 SECTION #. The Division of Parks and Recreation of the Department of
3 Environment and Natural Resources shall, in consultation with the Fiscal Research Division,
4 develop a plan to charge parking fees for parking at any or all State parks within the State Parks
5 System and commence collecting these parking fees during the 2009-2010 fiscal year. In
6 developing this plan, the Division shall consider each State park separately when determining
7 the advisability of charging parking fees and the amount of any such parking fees. The Division
8 also shall consider charging a separate parking fee for parking on a daily, weekly, monthly, and
9 annual basis. The Division shall evaluate various mechanisms for collecting the parking fees
10 and determine the collection method that is most reliable, efficient, and convenient to the public
11 for each parking fee. No later than February 1, 2010, the Division shall report its plan under
12 this section to the Joint Legislative Commission on Governmental Operations, the House and
13 Senate Appropriations Subcommittees on Natural and Economic Resources, and the Fiscal
14 Research Division. This report shall include the date by which the Division will begin to collect
15 parking fees under this section, the amount of revenue that the Division expects to raise on
16 average in parking fees for any fiscal year, and the expected cost of collecting this revenue.



Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **CONTINUATION REVIEW OF FOREST RESOURCES YOUNG OFFENDERS FOREST**
2 **CONSERVATION PROGRAM (BRIDGE)**

3 SECTION #.(a) In furtherance of the Continuation Review Program set forth
4 under Section 6.7 of S.L. 2008-107, the Appropriations Committees of the House of
5 Representatives and the Senate may review the Young Offenders Forest Conservation Program
6 (BRIDGE) administered and supported by the Division of Forest Resources of the Department
7 of Environment and Natural Resources and shall determine whether to continue, reduce, or
8 eliminate funding for this program. The Fiscal Research Division may issue instructions to the
9 Department regarding the expected content and format of the report required by this section.
10 No later than December 1, 2009, the Division of Forest Resources shall report to the Fiscal
11 Research Division. This report shall include the following information:

- 12 (1) A description of the Young Offenders Forest Conservation Program
13 (BRIDGE) mission, goals, and objectives.
- 14 (2) The statutory objectives for the BRIDGE Program and the problem or need
15 addressed.
- 16 (3) The extent to which the BRIDGE Program's objectives have been achieved.
- 17 (4) The BRIDGE Program's functions or programs performed without specific
18 statutory authority.
- 19 (5) The performance measures for the BRIDGE Program and the process by
20 which the performance measures determine efficiency and effectiveness.
- 21 (6) Recommendations for statutory, budgetary, or administrative changes
22 needed to improve efficiency and effectiveness of services delivered to the
23 public.
- 24 (7) The consequences of discontinuing funding.
- 25 (8) Recommendations for improving services or reducing costs or duplication.
- 26 (9) The identification of policy issues that should be brought to the attention of
27 the General Assembly.
- 28 (10) Other information necessary to fully support the General Assembly's
29 Continuation Review Program along with any information included in
30 instructions from the Fiscal Research Division.

31 SECTION #.(b) The Division of Forest Resources of the Department of
32 Environment and Natural Resources shall submit a final report that complies with subsection
33 (a) of this section to the General Assembly by March 1, 2010.

DRAFT
SPECIAL PROVISION



2009-NATRES-H14A-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

CLOSE/TRANSFER CERTAIN DENR SPECIAL FUNDS

SECTION #.(a) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall close all of the following special funds within the Department and transfer any unencumbered cash balance of each on June 30, 2009, to the North Carolina Aquariums Fund (General Fund budget code 23400-2865):

- (1) Special Activities Roanoke Island (Special Fund code 24308-2850).
- (2) Events Roanoke Island (Special Fund code 24308-2851).
- (3) Special Activities Pine Knoll Shores (Special Fund code 24308-2860).
- (4) Events Pine Knoll Shores (Special Fund code 24308-2861).
- (5) Special Activities Fort Fisher (Special Fund code 24308-2855).
- (6) Events Fort Fisher (Special Fund code 24308-2856).

SECTION #.(b) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall close the Governor's Cup Trust Fund (Special Fund code 24302-2991), a special fund within the Department, and transfer any unencumbered cash balance of that fund on June 30, 2009, to the Division of Marine Fisheries (General Fund budget code 14300-1315).

SECTION #.(c) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall close the Environmental Education Certification special fund (Special Fund code 24308-2105) within the Department and transfer any unencumbered cash balance of that fund on June 30, 2009, to the Office of Environmental Education (General Fund budget code 14300-1120).

SECTION #.(d) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall transfer to the General Fund any unencumbered cash balance on June 30, 2009, in the special fund within the Department, ADM – Fines & Penalties (Special Fund code 24317-2339); move this special fund from a Special Fund code to a General Fund code; and permanently close the special fund.

SECTION #.(e) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall transfer to the General Fund any unencumbered cash balance on June 30, 2009, in each of the following special funds within the Department and permanently close each of these special funds:

- (1) DWQ – Groundwater Protection Permit Fees (Special Fund code 24300-2332).
- (2) DLR – SB7 Landslide Mapping (Special Fund code 24310-2766).
- (3) DLR – VRS Geodetic Survey & DOT (Special Fund code 24308-2815).

SECTION #.(f) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall transfer to the Information Technology Fund (24667) any unencumbered cash balance on

- 1 June 30, 2009, in each of the following special funds within the Department and permanently
- 2 close each of these special funds:
- 3 (1) ADM – CGIA NGPOCS4 – Urban (Special Fund code 24300-2914)
- 4 (2) ADM – CGIA (Special Fund code 24300-2915)
- 5 (3) ADM – CGIA GIS Conference (Special Fund code 24300-2917)

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-NATRES-H13-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

- 1 **FUNDS FOR WILDLIFE RESOURCES COMMISSION OPERATING BUDGET**
- 2 SECTION #.(a) G.S. 105-164.44B is repealed.
- 3 SECTION #.(b) The Office of State Budget and Management, the State Controller,
- 4 and the Wildlife Resources Commission shall jointly effectuate, beginning with the Wildlife
- 5 Resources Commission's operating budget for the 2009-2010 fiscal year, the transition from the
- 6 Wildlife Resources Commission receiving sales tax proceeds to fund its operating budget to the
- 7 Wildlife Resources Commission receiving an appropriation from the General Fund to fund its
- 8 operating budget.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H1(S14.1)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **ONE NORTH CAROLINA FUND**

2 **SECTION 14.1.** Of the funds appropriated in this act to the One North Carolina
3 Fund for the 2009-2010 fiscal year, the Department of Commerce may use up to three hundred
4 thousand dollars (\$300,000) to cover its expenses in administering the One North Carolina
5 Fund and other economic development incentive grant programs during the 2009-2010 fiscal
6 year.

DRAFT
SPECIAL PROVISION



2009-COMM-H26-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 ***ECONOMIC DEVELOPMENT FUNDS/REPORTING REQUIREMENTS***

2 SECTION #.(a) G.S. 143B-437.02(k) reads as rewritten:

3 "(k) Monitoring and Reports. – The Department is responsible for monitoring
4 compliance with the performance criteria under each site development agreement and for
5 administering the repayment in case of default. The Department shall pay for the cost of this
6 monitoring from funds appropriated to it for that purpose or for other economic development
7 purposes.

8 ~~Within two months after the end of each calendar quarter,~~ On September 1 of each year until
9 all funds have been expended, the Department shall report to the Joint Legislative Commission
10 on Governmental Operations regarding the Site Infrastructure Development Program. This
11 report shall include a listing of each agreement negotiated and entered into during the preceding
12 ~~quarter, year,~~ including the name of the business, the cost/benefit analysis conducted by the
13 Committee during the application process, a description of the project, and the amount of the
14 site development incentive expected to be paid under the agreement during the current fiscal
15 year. The report shall also include detailed information about any defaults and repayment
16 during the preceding ~~quarter, year.~~ The Department shall publish this report on its web site and
17 shall make printed copies available upon request."

18 SECTION #.(b) G.S. 143B-437.012(m) reads as rewritten:

19 "(m) Monitoring and Reports. – The Department is responsible for monitoring
20 compliance with the performance criteria under each grant agreement and for administering the
21 repayment in case of default. The Department shall pay for the cost of this monitoring from
22 funds appropriated to it for that purpose or for other economic development purposes.

23 ~~Within two months after the end of each calendar quarter,~~ On September 1 of each year
24 until all funds have been expended, the Department shall report to the Joint Legislative
25 Commission on Governmental Operations regarding the Job Maintenance and Capital
26 Development Fund. This report shall include a listing of each grant awarded and each
27 agreement entered into under this section during the preceding ~~quarter, year,~~ including the name
28 of the business, the cost/benefit analysis conducted by the Committee during the application
29 process, a description of the project, and the amount of the grant expected to be paid under the
30 agreement during the current fiscal year. The report shall also include detailed information
31 about any defaults and repayment during the preceding ~~quarter, year.~~ The Department shall
32 publish this report on its Web site and shall make printed copies available upon request."

33 SECTION #.(c) G.S. 143B-437.83 reads as rewritten:

34 "§ 143B-437.83. Reports.

35 The Department of Commerce shall publish a report on the use of funds in the One North
36 Carolina Small Business Account ~~at the end of each fiscal quarter on September 1 of each year~~
37 until all funds have been expended. The report shall contain information on the disbursement
38 and use of funds allocated under the One North Carolina Small Business Program. The report is
39 ~~due no later than one month after the end of the fiscal quarter and must be submitted to the~~
40 following:

- 41 (1) The Joint Legislative Commission on Governmental Operations.

- 1 (2) The chairs of the House of Representatives and Senate Finance Committees.
2 (3) The chairs of the House of Representatives and Senate Appropriations
3 Committees.
4 (4) The Fiscal Research Division of the General Assembly."

5 SECTION #.(d) G.S. 143B-438.13(d) is repealed.

6 SECTION #.(e) 143B-438.17 reads as rewritten:

7 "§ 143B-438.17. Reporting.

8 (a) ~~Beginning July 1, 2005, the Department of Commerce, in conjunction with the~~
9 ~~Employment Security Commission and the Community Colleges System Office, shall publish a~~
10 ~~monthly written report on the Trade Jobs for Success (TJS) initiative. The monthly report shall~~
11 ~~provide information on the commitment, disbursement, and use of funds and the status of any~~
12 ~~grant proposals or waivers requested on behalf of the Trade Jobs for Success initiative. The~~
13 ~~monthly report shall be submitted to the Governor and to the Fiscal Research Division of the~~
14 ~~General Assembly.~~

15 (b) ~~Beginning October 1, 2005, the Department of Commerce, in conjunction with the~~
16 ~~Employment Security Commission and the Community Colleges System Office, shall publish a~~
17 ~~quarterly written report on the Trade Jobs for Success initiative. The quarterly report shall~~
18 ~~include legislative proposals and recommendations regarding statutory changes needed to~~
19 ~~maximize the effectiveness and flexibility of the TJS initiative. Copies of the quarterly report~~
20 ~~shall be provided to the Joint Legislative Commission on Governmental Operations, to the~~
21 ~~chairs of the Senate and House of Representatives Appropriations Committees, and to the~~
22 ~~Fiscal Research Division of the General Assembly.~~

23 (c) Beginning January 1, 2006, the Department of Commerce, in conjunction with the
24 Employment Security Commission and the Community Colleges System Office, shall publish a
25 comprehensive annual written report on the Trade Jobs for Success initiative. The annual report
26 shall include a detailed explanation of outcomes and future planning for the TJS
27 initiative. initiative and legislative proposals and recommendations regarding statutory changes
28 needed to maximize the effectiveness and flexibility of the TJS initiative. Copies of the annual
29 report shall be provided to the Governor, to the Joint Legislative Commission on Governmental
30 Operations, to the chairs of the Senate and House of Representatives Appropriations
31 Committees, and to the Fiscal Research Division of the General Assembly."

32 SECTION #.(f) Part 15 of Article 10 of Chapter 143B of the General Statutes is
33 repealed.

34 SECTION #.(g) G.S. 143B-472.80(5) is repealed.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H24-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 ***STUDY STATE AIRCRAFT FLEETS***

2 **SECTION #.** The Performance Evaluation Division of the General Assembly
3 (Division) shall study the number, use, and effectiveness of the State's aircraft fleets. The study
4 shall consider ways to achieve efficiency savings and whether it is desirable or feasible to sell
5 any of the aircraft or to transfer any of the aircraft to another State agency. No later than May
6 30, 2010, the Division shall prepare a report of the findings and recommendations of the study
7 and submit it to the House of Representatives and Senate Appropriations Subcommittees on
8 Natural and Economic Resources and the Fiscal Research Division.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H23A-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **EXECUTIVE AIRCRAFT/USE FOR ECONOMIC DEVELOPMENT PRIORITY**

2 SECTION #. G.S. 143B-437.011 reads as rewritten:

3 "§ 143B-437.011. Executive aircraft used for economic development; other uses.

4 The use of executive aircraft by the Department of Commerce for economic development
5 purposes shall take precedence over all other uses. The Department of Commerce shall
6 annually review the rates charged for the use of executive aircraft and shall adjust the rates, as
7 necessary, to account for upgraded aircraft and inflationary increases in operating costs,
8 including jet fuel prices. If an executive aircraft is not being used by the Department of
9 Commerce for economic development purposes, priority of use shall be given first to the
10 Governor, second to the Council of State, and third to other State officials purposes, the aircraft
11 may be used by the Governor or a State official who is employed by an agency that does not
12 have its own aircraft and is traveling on State business. If an executive aircraft is used to attend
13 athletic events or for any other purpose related to collegiate athletics, the rate charged shall be
14 equal to the direct cost of operating the aircraft as established by the aircraft's manufacturer,
15 adjusted for inflation."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H5(S14.5)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **NER BLOCK GRANTS**

2 **SECTION 14.5.(a)** Appropriations from federal block grant funds are made for
3 the fiscal year ending June 30, 2010, according to the following schedule:
4

5 **COMMUNITY DEVELOPMENT BLOCK GRANT**

6			
7	01.	State Administration	\$ 1,000,000
8			
9	02.	Urgent Needs and Contingency	1,000,000
10			
11	03.	Scattered Site Housing	13,200,000
12			
13	04.	Economic Development	8,710,000
14			
15	05.	Small Business/Entrepreneurship	1,000,000
16			
17	06.	Community Revitalization	13,000,000
18			
19	07.	State Technical Assistance	450,000
20			
21	08.	Housing Development	1,500,000
22			
23	09.	Infrastructure	5,140,000
24			
25	TOTAL COMMUNITY DEVELOPMENT		
26	BLOCK GRANT – 2009 Program Year \$ 45,000,000		
27			

28 **SECTION 14.5.(b)** Decreases in Federal Fund Availability. – If federal funds are
29 reduced below the amounts specified above after the effective date of this act, then every
30 program in each of these federal block grants shall be reduced by the same percentage as the
31 reduction in federal funds.

32 **SECTION 14.5.(c)** Increases in Federal Fund Availability for Community
33 Development Block Grant. – Any block grant funds appropriated by the Congress of the United
34 States in addition to the funds specified in this section shall be expended as follows: each
35 program category under the Community Development Block Grant shall be increased by the
36 same percentage as the increase in federal funds.

37 **SECTION 14.5.(d)** Limitations on Community Development Block Grant Funds. –
38 Of the funds appropriated in this section for the Community Development Block Grant, the
39 following shall be allocated in each category for each program year: up to one million dollars
40 (\$1,000,000) may be used for State Administration; not less than one million dollars
41 (\$1,000,000) may be used for Urgent Needs and Contingency; up to thirteen million two

1 hundred thousand dollars (\$13,200,000) may be used for Scattered Site Housing; eight million
2 seven hundred ten thousand dollars (\$8,710,000) may be used for Economic Development; up
3 to one million dollars (\$1,000,000) may be used for Small Business/Entrepreneurship; not less
4 than thirteen million dollars (\$13,000,000) shall be used for Community Revitalization; up to
5 four hundred fifty thousand dollars (\$450,000) may be used for State Technical Assistance; up
6 to one million five hundred thousand dollars (\$1,500,000) may be used for Housing
7 Development; up to five million one hundred forty thousand dollars (\$5,140,000) may be used
8 for Infrastructure. If federal block grant funds are reduced or increased by the Congress of the
9 United States after the effective date of this act, then these reductions or increases shall be
10 allocated in accordance with subsection (b) or (c) of this section, as applicable.

11 **SECTION 14.5.(e)** Increase Capacity for Nonprofit Organizations. – Assistance to
12 nonprofit organizations to increase their capacity to carry out CDBG-eligible activities in
13 partnership with units of local government is an eligible activity under any program category in
14 accordance with federal regulations. Capacity building grants may be made from funds
15 available within program categories, program income, or unobligated funds.

16 **SECTION 14.5.(f)** The Department of Commerce shall consult with the Joint
17 Legislative Commission on Governmental Operations prior to reallocating Community
18 Development Block Grant Funds. Notwithstanding the provisions of this subsection, whenever
19 the Director of the Budget finds that:

- 20 (1) A reallocation is required because of an emergency that poses an imminent
21 threat to public health or public safety, the Director of the Budget may
22 authorize the reallocation without consulting the Commission. The
23 Department of Commerce shall report to the Commission on the reallocation
24 no later than 30 days after it was authorized and shall identify in the report
25 the emergency, the type of action taken, and how it was related to the
26 emergency.
- 27 (2) The State will lose federal block grant funds or receive less federal block
28 grant funds in the next fiscal year unless a reallocation is made. The
29 Department of Commerce shall provide a written report to the Commission
30 on the proposed reallocation and shall identify the reason that failure to take
31 action will result in the loss of federal funds. If the Commission does not
32 hear the issue within 30 days of receipt of the report, the Department may
33 take the action without consulting the Commission.

34 **SECTION 14.5.(g)** By September 1, 2009, the Division of Community Assistance,
35 Department of Commerce, shall report to the Joint Legislative Commission on Governmental
36 Operations and the Fiscal Research Division on the use of Community Development Block
37 Grant Funds appropriated in the prior fiscal year.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H27-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **NER CDBG/AMERICAN RECOVERY AND REINVESTMENT ACT 2009**

2 **SECTION #.(a)** Appropriations from federal block grant funds are made for the
3 2009-2010 fiscal year, according to the following schedule:

4 **COMMUNITY DEVELOPMENT BLOCK GRANT**

5
6 01. Administration:

7 State

\$ 604,030.50

8 Local Governments

604,030.50

9
10 02. Infrastructure

5,872,553

11
12 03. Housing

3,000,000

13
14 04. Special Projects

2,000,000

15
16 **TOTAL COMMUNITY DEVELOPMENT**

17 **BLOCK GRANT – Recovery**

18 2009-2010 Fiscal Year

\$ 12,080,614

19 **SECTION #.(b)** Limitations on Community Development Block Grant Funds. –
20 Of the funds appropriated in this section for the Community Development Block Grant, the
21 following shall be allocated: up to one million two hundred eight thousand and sixty-one
22 dollars (\$1,208,061) may be used for Administration; up to five million eight hundred
23 seventy-two thousand five hundred fifty-three dollars (\$5,872,553) may be used for
24 Infrastructure; up to three million dollars (\$3,000,000) may be used for Housing; and up to two
25 million dollars (\$2,000,000) may be used for Special Projects.

26 **SECTION #.(c)** The Department of Commerce shall consult with the Joint
27 Legislative Commission on Governmental Operations prior to reallocating Community
28 Development Block Grant Recovery Funds appropriated under this section.



Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **EMPLOYMENT SECURITY COMMISSION FUNDS**

2 **SECTION 14.9.(a)** Funds from the Employment Security Commission Reserve
3 Fund shall be available to the Employment Security Commission of North Carolina to use as
4 collateral to secure federal funds and to pay the administrative costs associated with the
5 collection of the Employment Security Commission Reserve Fund surcharge. The total
6 administrative costs paid with funds from the Reserve in the 2009-2010 fiscal year shall not
7 exceed two million five hundred thousand dollars (\$2,500,000).

8 **SECTION 14.9.(b)** There is appropriated from the Employment Security
9 Commission Reserve Fund to the Employment Security Commission of North Carolina the sum
10 of twenty million dollars (\$20,000,000) for the 2009-2010 fiscal year to be used for the
11 following purposes:

- 12 (1) Nineteen million five hundred thousand dollars (\$19,500,000) for the
13 operation and support of local Employment Security Commission offices.
- 14 (2) Two hundred thousand dollars (\$200,000) for the State Occupational
15 Information Coordinating Committee to develop and operate an interagency
16 system to track former participants in State education and training programs.
- 17 (3) Three hundred thousand dollars (\$300,000) to maintain compliance with
18 Chapter 96 of the General Statutes, which directs the Commission to employ
19 the Common Follow-Up Management Information System to evaluate the
20 effectiveness of the State's job training, education, and placement programs.

21 **SECTION 14.9.(c)** There is appropriated from the Employment Security
22 Commission Reserve Fund to the Employment Security Commission of North Carolina an
23 amount not to exceed one million dollars (\$1,000,000) for the 2009-2010 fiscal year to fund
24 State initiatives not currently funded through federal grants.

25 **SECTION 14.9.(d)** There is appropriated from the Employment Security
26 Commission Reserve Fund to the Employment Security Commission of North Carolina an
27 amount not to exceed one million five hundred thousand dollars (\$1,500,000) for the
28 2009-2010 fiscal year to fund a system upgrade to the Common Follow-Up Management
29 Information System.

DRAFT
SPECIAL PROVISION



2009-COMM-H10(S14.10)

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *EMPLOYMENT SECURITY COMMISSION/AMERICAN RECOVERY AND*
2 *REINVESTMENT ACT 2009*

3 **SECTION 14.10.** Of the funds credited to and held in the State of North Carolina's
4 account in the Unemployment Trust Fund by the Secretary of the Treasury of the United States
5 pursuant to and in accordance with section 903 of the Social Security Act, the Employment
6 Security Commission of North Carolina may expend the sum of fourteen million six hundred
7 forty-seven thousand three hundred ninety-seven dollars (\$14,647,397) for the 2009-2011
8 biennium for the following purposes:

- 9 (1) Implementing and administering the provisions of State law that qualify the
10 State for the incentive payments.
11 (2) Improved outreach to individuals who might be eligible by virtue of these
12 provisions.
13 (3) The improvement of unemployment benefits and tax operations, including
14 responding to increased demand for unemployment benefits.
15 (4) Staff-assisted reemployment services for unemployment claimants.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H28

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **COMMERCE/ENTERPRISE FUNDS AND SPECIAL FUNDS**

2 **SECTION #.(a)** The Office of State Budget and Management, in conjunction with
3 the Office of the State Controller and the Department of Commerce, shall close the following
4 special funds and transfer the remaining fund balances to the General Fund:

- 5 (1) 24600-2241 – Rural Electrification Authority Administration
- 6 (2) 24600-2553 – North Carolina Grape Growers Council
- 7 (3) 24600-2821 – Credit Union Supervision
- 8 (4) 24600-2851 – Cemetery Commission
- 9 (5) 54600-5211 – Utilities – Commission Staff
- 10 (6) 54600-5217 – Utilities – Gas Pipeline Safety
- 11 (7) 54600-5221 – Utilities – Public Staff
- 12 (8) 54600-5811 – State Banking Commission
- 13 (9) 54600-5881 – ABC Commission
- 14 (10) 54600-5882 – ABC Warehouse
- 15 (11) 64605 Commerce – Utilities Commission – Public Staff
- 16 (12) 64612 Commerce – North Carolina Rural Electrification Authority
- 17 (13) 64613 Commerce – Utilities Commission – Natural Gas

18 **SECTION #.(b)** The Office of State Budget and Management, in conjunction with
19 the Office of the State Controller and the Department of Commerce, shall transfer the following
20 fund codes from Budget Code 24600 – Commerce Special Funds to Budget Code 24609 –
21 Commerce Special Fund General Fund:

- 22 (1) 2533 – One North Carolina Fund
- 23 (2) 2534 – One North Carolina Small Business Account
- 24 (3) 2581 – JDIG Fees
- 25 (4) 2582 – JDIG Special Revenue Fund
- 26 (5) 2711 – Industrial Development Fund
- 27 (6) 2712 – Industrial Development Utility Account

28 **SECTION #.(c)** G.S. 18B-200(a) reads as rewritten:

29 "(a) Creation of Commission; compensation. – The North Carolina Alcoholic Beverage
30 Control Commission is created to consist of a chairman and two associate members. ~~The~~
31 ~~chairman shall devote his full time to his official duties and receive a salary fixed by the~~
32 ~~General Assembly in the Current Operations Appropriations Act.~~ The chairman and associate
33 members shall be compensated for per diem, subsistence and travel as provided in Chapter 138
34 of the General Statutes."

35 **SECTION #.(d)** G.S. 18B-208 reads as rewritten:

36 **"§ 18B-208. ABC Commission bonds and funds.**

37 (a) Issuance of Bonds. – As a means of raising the funds needed from time to time in
38 the design, acquisition, construction, equipping, maintenance and operation of a warehouse
39 under G.S. 18B-204(a)(3), the Commission may, with the approval of the Governor, at one
40 time or from time to time issue negotiable revenue bonds of the Commission. The issuance of
41 revenue bonds shall not directly or indirectly or contingently obligate the State to levy or to

1 pledge any form of taxation or to make any appropriation for their payment. Revenue bonds
2 issued pursuant to this subsection shall be repaid from the bailment surcharge as provided in
3 subsection (b). These bonds and the income from them are exempt from all taxation within the
4 State.

5 ~~(b) Special Fund. A special fund in the office of the State Treasurer, the ABC~~
6 ~~Commission Fund, is created. On and after November 1, 1982, all~~All moneys derived from the
7 collection of bailment charges and bailment surcharges shall be deposited in the ABC
8 ~~Commission Fund for the purpose of carrying out the provisions of this Chapter. The ABC~~
9 ~~Commission Fund shall be subject to the provisions of the State Budget Act except that no~~
10 ~~unexpended surplus of this fund shall revert to the General Fund~~General Fund. The
11 Commission shall fix the level of the bailment surcharges at an amount calculated to cover
12 operating expenses of the Commission and the retirement of bonds issued for construction of a
13 Commission warehouse and offices. Upon payment of the bonds issued pursuant to this section,
14 the Commission shall reduce the bailment surcharge to an amount no greater than necessary to
15 pay operating expenses of the Commission as authorized by the General Assembly.

16 ~~All moneys credited to the ABC Commission Fund shall be used to carry out the intent and~~
17 ~~purposes of the ABC law in accordance with plans approved by the North Carolina ABC~~
18 ~~Commission and the Director of the Budget, and all these funds are appropriated, reserved, set~~
19 ~~aside, and made available until expended for the administration of the ABC law."~~

20 SECTION #.(e) G.S. 53-122(e) reads as rewritten:

21 "(e) In the first half of each calendar year, the State Banking Commission shall review
22 the estimated cost of maintaining the office of the Commissioner of Banks for the next fiscal
23 year. If the estimated fees and assessments provided for under this section shall exceed the
24 estimated cost of maintaining the office of the Commissioner of Banks for the next fiscal year,
25 then the State Banking Commission may reduce by uniform percentage the fees and
26 assessments provided for in this section. If the estimated fees and assessments provided for
27 under this section shall be less than the estimated cost of maintaining the office of the
28 Commissioner of Banks for the next fiscal year, then the State Banking Commission may
29 increase by uniform percentage the fees and assessments provided for in this section to an
30 amount which will increase the amount of the fees and assessments to be collected to an
31 amount at least equal to the estimated cost of maintaining the office of the Commissioner of
32 Banks for the next fiscal year. ~~In no event shall any surplus at the end of any fiscal year~~
33 ~~resulting from the collection of fees and assessments pursuant to this section revert to the~~
34 ~~general fund. The State Banking Commission shall report to the Joint Legislative Commission~~
35 ~~on Governmental Operations its conclusion that the estimated fees and assessments should be~~
36 ~~reduced or increased. Any reduction or increase of estimated fees and assessments provided for~~
37 ~~under this section shall become effective July 1 of the next fiscal year. All fees and assessments~~
38 ~~collected under this section shall be deposited in the General Fund."~~

39 SECTION #.(f) G.S. 54-109.14 reads as rewritten:

40 "§ 54-109.14. Fees.

41 (a) Each credit union subject to supervision and examination by the Administrator of
42 Credit Unions, including credit unions in process of voluntary liquidation, shall pay into the
43 office of the Administrator of Credit Unions twice each year, in the months of January and
44 July, supervision fees, except those credit unions which liquidate or convert its charter shall pay
45 into the office of the Administrator of Credit Unions, to the date of dissolution, pro rata
46 supervision fees. Examination fees shall be paid promptly upon receipt of the examination
47 report and invoice.

48 The Administrator of Credit Unions, subject to the advice and consent of the Credit Union
49 Commission, shall, on or before December 1 of each year, determine and fix the scale of
50 supervisory and examination fees to be assessed during the next calendar year.

1 No credit union shall be required to pay any supervisory fee until the expiration of 12
2 months from the date of the issuance of a certificate of incorporation to such credit union.

3 (b) Moneys collected under this section shall be deposited ~~with the State Treasurer of~~
4 ~~North Carolina and expended, under the terms of the Executive Budget Act, to defray expenses~~
5 ~~incurred by the office of the Administrator of Credit Unions in carrying out its supervisory and~~
6 ~~auditing functions in the General Fund.~~

7 (e) ~~All revenue derived from fees will be placed into a special account to be~~
8 ~~administered solely for the operation of the Credit Union Division."~~

9 SECTION #.(g) G.S. 54B-57 reads as rewritten:

10 "**§ 54B-57. Supervision and examination fees.**

11 (a) Every State association, including associations in process of voluntary liquidation or
12 savings and loan holding company, shall pay into the office of the Commissioner of Banks each
13 July a supervisory fee. Examination fees shall be paid promptly upon an association's receipt of
14 the examination billing. The Commissioner of Banks, subject to the advice and consent of the
15 Commission, shall, on or before June 1 of each year:

16 (1) Determine and fix the scale of supervisory and examination fees to be
17 assessed and collected during the next fiscal year;

18 (2) Determine and fix the amount of the fee and set the fee collection schedule
19 for the fees to be assessed to and collected from applicants to defray the cost
20 of processing their charter, branch, merger, conversion, location change,
21 savings and loan holding company acquisition, and name change
22 applications.

23 (b) All funds and revenue collected by the Division under the provisions of this section
24 and the provisions of all other sections of this Chapter which authorize the collection of fees
25 and other funds shall be deposited ~~with the State Treasurer of North Carolina and expended~~
26 ~~under the terms of the Executive Budget Act, solely to defray expenses incurred by the office~~
27 ~~of the Commissioner of Banks in carrying out its supervisory and auditing functions in the~~
28 ~~General Fund.~~

29 (c) Notwithstanding any of the provisions of subsections (a) and (b) of this section,
30 whenever the Commissioner of Banks under the provisions of G.S. 54B-56 appoints a suitable
31 and competent person, other than a person employed by the Commissioner of Banks' office, to
32 make an examination and investigation of the business of a State association, all costs and
33 expenses relative to such examination and investigation shall be paid by such association."

34 SECTION #.(h) G.S. 54B-74 reads as rewritten:

35 "**§ 54B-74. Annual license fees.**

36 All State associations shall pay an annual license fee set by the Commissioner of Banks,
37 subject to the advice and consent of the Commission. ~~Such license fee shall be used to defray~~
38 ~~the expenses incurred by the Division in supervising State associations.~~ The Commissioner of
39 Banks may license each State association upon receipt of the license fee and filing of an
40 application in such form as the Commissioner of Banks may prescribe."

41 SECTION #.(i) G.S. 54B-75 reads as rewritten:

42 "**§ 54B-75. Statement; fees.**

43 Every State association shall file in the office of the Commissioner of Banks, on or before
44 the first day of February in each year, in such form as the Commissioner of Banks shall
45 prescribe, a statement of the business standing and financial condition of such association on
46 the preceding 31st day of December. This statement shall be signed and sworn to by the
47 secretary or other officer duly authorized by the board of directors of the association before a
48 notary public. The statement shall be accompanied by a filing fee set by the Commissioner of
49 Banks, subject to the advice and consent of the Commission. ~~The filing fees shall be used to~~
50 ~~defray the expenses incurred by the Division in supervising State associations."~~

51 SECTION #.(j) G.S. 54C-55 reads as rewritten:

1 **"§ 54C-55. Supervision and examination fees authorized; use of funds collected under**
2 **Chapter.**

3 (a) Every State savings bank, including savings banks in process of voluntary
4 liquidation, or a holding company thereof, shall pay into the office of the Commissioner of
5 Banks each July a supervisory fee. Examination fees shall be paid promptly upon an
6 association's receipt of the examination billing. The Commissioner of Banks, subject to the
7 advice and consent of the Commission, shall, on or before June 1 of each year:

8 (1) Determine and fix the scale of supervisory and examination fees to be
9 assessed and collected during the next fiscal year; and

10 (2) Determine and fix the amount of the fee and set the fee collection schedule
11 for the fees to be assessed to and collected from applicants to defray the cost
12 of processing their charter, branch, merger, conversion, holding company
13 acquisition, and name change applications.

14 (b) All funds and revenue collected by the Division under this section and all other
15 sections of this Chapter that authorize the collection of fees and other funds shall be deposited
16 ~~with the State Treasurer and expended under the terms of the Executive Budget Act, solely to~~
17 ~~defray expenses incurred by the office of the Commissioner of Banks in carrying out its~~
18 ~~supervisory and auditing functions in the General Fund.~~

19 (c) Notwithstanding subsections (a) and (b) of this section, whenever the Commissioner
20 of Banks under G.S. 54C-54 appoints a suitable and competent person, other than a person
21 employed by the Commissioner of Banks' office, to make an examination and investigation of
22 the business of a State savings bank, the savings bank shall pay all costs and expenses relative
23 to the examination and investigation."

24 **SECTION #.(k) G.S. 54C-61 reads as rewritten:**

25 **"§ 54C-61. Annual license fees.**

26 A state savings bank shall pay an annual license fee set by the Commissioner of Banks,
27 subject to the advice and consent of the Commission. ~~The license fee shall be used to defray the~~
28 ~~expenses incurred by the Division in supervising State savings banks.~~ The Commissioner of
29 Banks may license each State savings bank upon receipt of the license fee and filing of an
30 application in the form prescribed by the Commissioner of Banks."

31 **SECTION #.(l) G.S. 54C-62 reads as rewritten:**

32 **"§ 54C-62. Statement filed by savings bank; fees.**

33 A State savings bank shall file in the office of the Commissioner of Banks, on or before the
34 first day of February in each year, in the form prescribed by the Commissioner of Banks, a
35 statement of the business standing and financial condition of the savings bank on the preceding
36 31st day of December, signed and sworn to by the secretary or other officer duly authorized by
37 the board of directors of the savings bank before a notary public. The statement shall be
38 accompanied by a filing fee set by the Commissioner of Banks, subject to the advice and
39 consent of the Commission. ~~The filing fees shall be used to defray the expenses incurred by the~~
40 ~~Division in supervising State savings banks."~~

41 **SECTION #.(m) G.S. 62-302 reads as rewritten:**

42 **"§ 62-302. Regulatory fee.**

43 (a) Fee Imposed. – It is the policy of the State of North Carolina to provide fair
44 regulation of public utilities in the interest of the public, as provided in G.S. 62-2. The cost of
45 regulating public utilities is a burden incident to the privilege of operating as a public utility.
46 Therefore, for the purpose of defraying the cost of regulating public utilities, every public
47 utility subject to the jurisdiction of the Commission shall pay a quarterly regulatory fee, in
48 addition to all other fees and taxes, as provided in this section. ~~The fees collected shall be used~~
49 ~~only to pay the expenses of the Commission and the Public Staff in regulating public utilities in~~
50 ~~the interest of the public.~~

1 It is also the policy of the State to provide limited oversight of certain electric membership
2 corporations as provided in G.S. 62-53. Therefore, for the purpose of defraying the cost of
3 providing the oversight authorized by G.S. 62-53 and G.S. 117-18.1, each fiscal year each
4 electric membership corporation whose principal purpose is to furnish or cause to be furnished
5 bulk electric supplies at wholesale as provided in G.S. 117-16 shall pay an annual fee as
6 provided in this section.

7 (b) Public Utility Rate. –

8 (1) Repealed by Session Laws 2000-140, s. 56, effective July 21, 2000.

9 (2) The public utility regulatory fee for each fiscal year shall be the greater of (i)
10 a percentage rate, established by the General Assembly, of each public
11 utility's North Carolina jurisdictional revenues for each quarter or (ii) six
12 dollars and twenty-five cents (\$6.25) each quarter.

13 When the Commission prepares its budget request for the upcoming
14 fiscal year, the Commission shall propose a percentage rate of the public
15 utility regulatory fee. For fiscal years beginning in an odd-numbered year,
16 that proposed rate shall be included in the budget message the Governor
17 submits to the General Assembly pursuant to G.S. 143C-3-5. For fiscal years
18 beginning in an even-numbered year, that proposed rate shall be included in
19 a special budget message the Governor shall submit to the General
20 Assembly. The General Assembly shall set the percentage rate of the public
21 utility regulatory fee by law.

22 The percentage rate may not exceed the amount necessary to generate
23 funds sufficient to defray the estimated cost of the operations of the
24 Commission and the Public Staff for the upcoming fiscal year, including a
25 reasonable margin for a reserve fund. The amount of the reserve may not
26 exceed the estimated cost of operating the Commission and the Public Staff
27 for the upcoming fiscal year. In calculating the amount of the reserve, the
28 General Assembly shall consider all relevant factors that may affect the cost
29 of operating the Commission or the Public Staff or a possible unanticipated
30 increase or decrease in North Carolina jurisdictional revenues.

31 (3) If the Commission, the Public Staff, or both experience a revenue shortfall,
32 the Commission shall implement a temporary public utility regulatory fee
33 surcharge to avert the deficiency that would otherwise occur. In no event
34 may the total percentage rate of the public utility regulatory fee plus any
35 surcharge established by the Commission exceed twenty-five hundredths
36 percent (0.25%).

37 (4) As used in this section, the term "North Carolina jurisdictional revenues"
38 means all revenues derived or realized from intrastate tariffs, rates, and
39 charges approved or allowed by the Commission or collected pursuant to
40 Commission order or rule, but not including tap-on fees or any other form of
41 contributions in aid of construction.

42 (b1) Electric Membership Corporation Rate. – The electric membership corporation
43 regulatory fee for each fiscal year shall be a dollar amount as established by the General
44 Assembly by law.

45 When the Commission prepares its budget request for the upcoming fiscal year, the
46 Commission shall propose the amount of the electric membership corporation regulatory fee.
47 For fiscal years beginning in an odd-numbered year, the proposed amount shall be included in
48 the budget message the Governor submits to the General Assembly pursuant to G.S. 143C-3-5.
49 For fiscal years beginning in an even-numbered year, the proposed amount shall be included in
50 a special budget message the Governor shall submit to the General Assembly.

1 The amount of the electric membership corporation regulatory fee proposed by the
2 Commission may not exceed the amount necessary to defray the estimated cost of the
3 operations of the Commission and the Public Staff for the regulation of the electric membership
4 corporations in the upcoming fiscal year, including a reasonable margin for a reserve fund. The
5 amount of the reserve may not exceed the estimated cost of the Commission and the Public
6 Staff for the regulation of the electric membership corporations for the upcoming fiscal year.

7 (c) When Due. – The electric membership corporation regulatory fee imposed under
8 this section shall be paid in quarterly installments. The fee is due and payable to the
9 Commission on or before the 15th day of the second month following the end of each quarter.

10 The public utility regulatory fee imposed under this section is due and payable to the
11 Commission on or before the 15th day of the second month following the end of each quarter.
12 Every public utility subject to the public utility regulatory fee shall, on or before the date the
13 fee is due for each quarter, prepare and render a report on a form prescribed by the
14 Commission. The report shall state the public utility's total North Carolina jurisdictional
15 revenues for the preceding quarter and shall be accompanied by any supporting documentation
16 that the Commission may by rule require. Receipts shall be reported on an accrual basis.

17 If a public utility's report for the first quarter of any fiscal year shows that application of the
18 percentage rate would yield a quarterly fee of twenty-five dollars (\$25.00) or less, the public
19 utility shall pay an estimated fee for the entire fiscal year in the amount of twenty-five dollars
20 (\$25.00). If, after payment of the estimated fee, the public utility's subsequent returns show that
21 application of the percentage rate would yield quarterly fees that total more than twenty-five
22 dollars (\$25.00) for the entire fiscal year, the public utility shall pay the cumulative amount of
23 the fee resulting from application of the percentage rate, to the extent it exceeds the amount of
24 fees, other than any surcharge, previously paid.

25 (d) Use of Proceeds. – ~~A special fund in the office of State Treasurer, the Utilities
26 Commission and Public Staff Fund, is created.~~ The fees collected pursuant to this section and all
27 other funds received by the Commission or the Public Staff, except for the clear proceeds of
28 civil penalties collected pursuant to G.S. 62-50(d) and the clear proceeds of funds forfeited
29 pursuant to G.S. 62-310(a), shall be deposited in the ~~Utilities Commission and Public Staff
30 Fund. The Fund shall be placed in an interest bearing account and any interest or other income
31 derived from the Fund shall be credited to the Fund. Moneys in the Fund shall only be spent
32 pursuant to appropriation by the General Assembly.~~ General Fund.

33 ~~The Utilities Commission and Public Staff Fund shall be subject to the provisions of the
34 State Budget Act except that no unexpended surplus of the Fund shall revert to the General
35 Fund. All funds credited to the Utilities Commission and Public Staff Fund shall be used only
36 to pay the expenses of the Commission and the Public Staff in regulating public utilities in the
37 interest of the public as provided by this Chapter and in regulating electric membership
38 corporations as provided in G.S. 117-18.1.~~

39 The clear proceeds of civil penalties collected pursuant to G.S. 62-50(d) and the clear
40 proceeds of funds forfeited pursuant to G.S. 62-310(a) shall be remitted to the Civil Penalty and
41 Forfeiture Fund in accordance with G.S. 115C-457.2."

42 **SECTION #.(n)** G.S. 105-113.81A is repealed.

43 **SECTION #.(o)** G.S. 117-3.1 reads as rewritten:

44 **"§ 117-3.1. Regulatory fee.**

45 (a) Fee imposed. – It is the policy of the State of North Carolina to provide fair
46 regulation of electric and telephone membership corporations in the interest of the public. The
47 cost of regulating electric and telephone membership corporations is a burden incident to the
48 privilege of operating as an electric or telephone membership corporation. Therefore, for the
49 purpose of defraying the cost of regulating electric and telephone membership corporations,
50 every electric and telephone membership corporation subject to the jurisdiction of the Authority
51 shall pay a quarterly regulatory fee, in addition to all other fees and taxes, as provided in this

1 section. ~~The fees collected shall be used only to pay the expenses of the Authority in regulating~~
2 ~~electric and telephone membership corporations in the interest of the public.~~

3 (b) Rate. – For each fiscal year, the regulatory fee shall be the greater of the following:

4 (1) The rate established by the General Assembly for that year for each electric
5 membership corporation's North Carolina meter connected for service and
6 each telephone membership corporation's North Carolina access line
7 connected for service for each quarter of the year.

8 (2) Four cents (4¢) for each electric membership corporation's North Carolina
9 meter connected for service and for each telephone membership
10 corporation's North Carolina access line connected for service for each
11 quarter of the year.

12 When the Authority prepares its budget request for the upcoming fiscal year, the Authority
13 shall propose a rate for the regulatory fee. For fiscal years beginning in an odd-numbered year,
14 that proposed rate shall be included in the budget message the Governor submits to the General
15 Assembly pursuant to G.S. 143C-3-5. For fiscal years beginning in an even-numbered year,
16 that proposed rate shall be included in a special budget message the Governor shall submit to
17 the General Assembly. If the General Assembly decides to set the regulatory fee at a rate higher
18 than the rate in subdivision (2) of this subsection, it shall set the regulatory fee by law.

19 The regulatory fee may not exceed the amount necessary to generate funds sufficient to
20 defray the estimated cost of the operations of the Authority for the upcoming fiscal year,
21 including a reasonable margin for a reserve fund. The amount of the reserve may not exceed
22 the estimated cost of operating the Authority for the upcoming fiscal year. In calculating the
23 amount of the reserve, the General Assembly shall consider all relevant factors that may affect
24 the cost of operating the Authority or a possible unanticipated increase or decrease in North
25 Carolina electric meters and North Carolina telephone access lines.

26 (c) When Due. – The regulatory fee imposed under this section is due and payable to
27 the Authority on or before the 15th day of the second month following the end of each quarter.
28 Every electric and telephone membership corporation subject to the regulatory fee shall, on or
29 before the date the fee is due for each quarter, prepare and render a report on a form prescribed
30 by the Authority. The report shall state the electric or telephone membership corporation's total
31 North Carolina electric meters or North Carolina telephone access lines connected for service
32 for the preceding quarter and shall be accompanied by any supporting documentation that the
33 Authority may by rule require.

34 (d) Use of Proceeds. – ~~A special fund in the office of the State Treasurer, the North~~
35 ~~Carolina Rural Electrification Authority Fund (NCREA Fund), is created.~~ The fees collected
36 pursuant to this section and all other funds received by the Authority shall be deposited in the
37 ~~NCREA Fund. The NCREA Fund shall be placed in an interest bearing account and any~~
38 ~~interest or other income derived from the NCREA Fund shall be credited to the NCREA Fund.~~
39 ~~Moneys in the NCREA Fund shall only be spent pursuant to an appropriation by the General~~
40 ~~Assembly General Fund.~~

41 ~~The NCREA Fund shall be subject to the provisions of the State Budget Act except that no~~
42 ~~unexpended surplus of the NCREA Fund shall revert to the General Fund. All funds credited to~~
43 ~~the NCREA Fund shall be used only to pay the expenses of the Authority in regulating electric~~
44 ~~and telephone membership corporations in the interest of the public as provided by this~~
45 ~~Chapter."~~

DRAFT
SPECIAL PROVISION



2009-COMM-H22

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **STATE BANKING COMMISSION/FEES & ASSESSMENT CHANGES EFFECTIVE**
2 **JULY 1**

3 SECTION #. G.S. 53-122(e) reads as rewritten:

4 "(e) In the first half of each calendar year, the State Banking Commission shall review
5 the estimated cost of maintaining the office of the Commissioner of Banks for the next fiscal
6 year. If the estimated fees and assessments provided for under this section shall exceed the
7 estimated cost of maintaining the office of the Commissioner of Banks for the next fiscal year,
8 then the State Banking Commission may reduce by uniform percentage the fees and
9 assessments provided for in this section. If the estimated fees and assessments provided for
10 under this section shall be less than the estimated cost of maintaining the office of the
11 Commissioner of Banks for the next fiscal year, then the State Banking Commission may
12 increase by uniform percentage the fees and assessments provided for in this section to an
13 amount which will increase the amount of the fees and assessments to be collected to an
14 amount at least equal to the estimated cost of maintaining the office of the Commissioner of
15 Banks for the next fiscal year. Any reduction or increase of estimated fees and assessments
16 provided for under this section shall become effective July 1 of the next fiscal year. In no event
17 shall any surplus at the end of any fiscal year resulting from the collection of fees and
18 assessments pursuant to this section revert to the general fund."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

48%

DRAFT
SPECIAL PROVISION



2009-COMM-H11B(S14.11)-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **COUNCIL OF GOVERNMENT FUNDS**

2 **SECTION 14.11.(a)** Of the funds appropriated in this act to the Department of
3 Commerce, the sum of four hundred twenty-five thousand dollars (\$425,000) for the 2009-2010
4 fiscal year and the sum of four hundred twenty-five thousand dollars (\$425,000) for the
5 2010-2011 fiscal year shall only be used as provided by this section.

6 **SECTION 14.11.(b)** The Department of Commerce shall establish each regional
7 council of government's allocation by determining the sum of allocations to each county that is
8 a member of that regional council of government. Each county's allocation shall be determined
9 by dividing the county's development factor by the sum of the development factors for eligible
10 counties and multiplying the resulting percentage by the amount of the appropriation. As used
11 in this subsection, the term "development factor" means a county's development factor as
12 calculated under G.S. 143B-437.08.

13 **SECTION 14.11.(c)** A regional council of government may use funds allocated to
14 it by this section only to assist local governments in grant applications, economic development,
15 community development, support of local industrial development activities, and other activities
16 as deemed appropriate by the member governments.

17 **SECTION 14.11.(d)** Funds allocated by this section shall be paid by electronic
18 transfer in two equal installments. Upon receipt of the report required by subsection (f) of this
19 section, the first installment shall be paid no later than September 15, 2009.

20 **SECTION 14.11.(e)** Funds allocated by this section shall not be used for payment
21 of dues or assessments by the member governments and shall not supplant funds appropriated
22 by the member governments.

23 **SECTION 14.11.(f)** By September 1 of each year, and more frequently as
24 requested, each council of government or lead regional organization shall report to the Joint
25 Legislative Commission on Governmental Operations and the Fiscal Research Division of the
26 General Assembly on prior State fiscal year program activities, objectives, and
27 accomplishments, and prior State fiscal year itemized expenditures and fund sources. Each
28 council of government or lead regional organization shall provide to the Fiscal Research
29 Division of the General Assembly a copy of the organization's annual audited financial
30 statement within 30 days of issuance of the statement.



Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **REGIONAL ECONOMIC DEVELOPMENT COMMISSION ALLOCATIONS**

2 **SECTION 14.13.(a)** Funds appropriated in this act to the Department of
3 Commerce for regional economic development commissions shall be allocated to the following
4 commissions in accordance with subsection (b) of this section: Western North Carolina
5 Regional Economic Development Commission, Research Triangle Regional Partnership,
6 Southeastern North Carolina Regional Economic Development Commission, Piedmont Triad
7 Partnership, Northeastern North Carolina Regional Economic Development Commission,
8 North Carolina's Eastern Region Economic Development Partnership, and Carolinas
9 Partnership, Inc.

10 **SECTION 14.13.(b)** Funds appropriated pursuant to subsection (a) of this section
11 shall be allocated to each regional economic development commission as follows:

12 (1) First, the Department shall establish each commission's allocation by
13 determining the sum of allocations to each county that is a member of that
14 commission. Each county's allocation shall be determined by dividing the
15 county's development factor by the sum of the development factors for
16 eligible counties and multiplying the resulting percentage by the amount of
17 the appropriation. As used in this subdivision, the term "development factor"
18 means a county's development factor as calculated under G.S. 143B-437.08;
19 and

20 (2) Next, the Department shall subtract from funds allocated to the North
21 Carolina's Eastern Region Economic Development Partnership the sum of
22 three hundred eight thousand six hundred sixty-six dollars (\$308,666) in the
23 2009-2010 fiscal year, which sum represents: (i) the total interest earnings in
24 the prior fiscal year on the estimated balance of seven million five hundred
25 thousand dollars (\$7,500,000) appropriated to the Global TransPark
26 Development Zone in Section 6 of Chapter 561 of the 1993 Session Laws;
27 and (ii) the total interest earnings in the prior fiscal year on loans made from
28 the seven million five hundred thousand dollars (\$7,500,000) appropriated to
29 the Global TransPark Development Zone in Section 6 of Chapter 561 of the
30 1993 Session Laws; and

31 (3) Next, the Department shall redistribute the sum of three hundred eight
32 thousand six hundred sixty-six dollars (\$308,666) in the 2009-2010 fiscal
33 year to the seven regional economic development commissions named in
34 subsection (a) of this section. Each commission's share of this redistribution
35 shall be determined according to the development factor formula set out in
36 subdivision (1) of this subsection. This redistribution shall be in addition to
37 each commission's allocation determined under subdivision (1) of this
38 subsection.

39 **SECTION 14.13.(c)** No more than one hundred twenty thousand dollars
40 (\$120,000) in State funds shall be used for the annual salary of any one employee of a regional
41 economic development commission.

1 **SECTION 14.13.(d)** The General Assembly finds that successful economic
2 development requires the collaboration of the State, regions of the State, counties, and
3 municipalities. Therefore, the regional economic development commissions are encouraged to
4 seek supplemental funding from their county and municipal partners to continue and enhance
5 their efforts to attract and retain business in the State.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H12A(S14.12)-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **STATE-AID REPORTING REQUIREMENTS**

2 **SECTION 14.12.(a)** The North Carolina Institute of Minority Economic
3 Development, Inc., Land Loss Prevention Project, North Carolina Minority Support Center,
4 North Carolina Community Development Initiative, Inc., North Carolina Association of
5 Community Development Corporations, Inc., North Carolina Biotechnology Center, North
6 Carolina Center for Automotive Research, Inc., High Point Market Authority, and Partnership
7 for the Sounds, Inc., shall do the following:

8 (1) By September 1 of each year, and more frequently as requested, report to the
9 Joint Legislative Commission on Governmental Operations and the Fiscal
10 Research Division on prior State fiscal year program activities, objectives,
11 and accomplishments, and prior State fiscal year itemized expenditures and
12 fund sources.

13 (2) Provide to the Fiscal Research Division a copy of the organization's annual
14 audited financial statement within 30 days of issuance of the statement.

15 **SECTION 14.12.(b)** Remaining allotments after September 1 shall not be released
16 to any nonprofit organization that does not satisfy the reporting requirements provided in
17 subsection (a) of this section.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H15A(S14.15)-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

RURAL ECONOMIC DEVELOPMENT CENTER

SECTION 14.15.(a) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc. (Rural Center), the sum of four million forty-four thousand dollars (\$4,044,000) for the 2009-2010 fiscal year and the sum of three million nine hundred fifty-seven thousand dollars (\$3,957,000) for the 2010-2011 fiscal year shall be allocated as follows:

	2009-2010	2010-2011
Center Administration, Technical Assistance, & Oversight	\$1,490,000	\$1,459,000
Research and Demonstration Grants	\$337,000	\$330,000
Institute for Rural Entrepreneurship	\$131,000	\$128,000
Community Development Grants	\$908,000	\$889,000
Microenterprise Loan Program	\$177,000	\$174,000
Water/Sewer/Business Development Matching Grants	\$805,000	\$785,000
Statewide Water/Sewer Database	\$ 91,000	\$ 89,000
Agricultural Advancement Consortium	\$105,000	\$103,000

SECTION 14.15.(b) Funds allocated in subsection (a) of this section for community development grants shall support development projects and activities within the State's minority communities. Any new or previously funded community development corporation, as that term is defined in subsection (c) of this section, is eligible to apply for community development grant funds. However, no community development grant funds shall be released to a community development corporation unless the corporation can demonstrate that there are no outstanding or proposed assessments or other collection actions against the corporation for any State or federal taxes, including related penalties, interest, and fees.

SECTION 14.15.(c) 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.

1 **SECTION 14.15.(d)** The Rural Center shall provide a report containing detailed
2 budget, personnel, and salary information to the Office of State Budget and Management in the
3 same manner as State departments and agencies in preparation for biennium budget requests.

4 **SECTION 14.15.(e)** By September 1 of each year, and more frequently as
5 requested, the Rural Center shall report to the Joint Legislative Commission on Governmental
6 Operations and the Fiscal Research Division on prior State fiscal year program activities,
7 objectives, and accomplishments and prior State fiscal year itemized expenditures and fund
8 sources.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H16A(S14.16)-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **RURAL ECONOMIC DEVELOPMENT CENTER/INFRASTRUCTURE PROGRAM**

2 **SECTION 14.16.(a)** Of the funds appropriated in this act to the North Carolina
3 Rural Economic Development Center, Inc. (Rural Center), the sum of nineteen million three
4 hundred five thousand dollars (\$19,305,000) for the 2009-2010 fiscal year and the sum of
5 nineteen million three hundred five thousand dollars (\$19,305,000) for the 2010-2011 fiscal
6 year shall be allocated as follows:

- 7 (1) To continue the North Carolina Infrastructure Program. The purpose of the
8 Program is to provide grants to local governments to construct critical water
9 and wastewater facilities and to provide other infrastructure needs, including
10 technology needs, to sites where these facilities will generate private
11 job-creating investment. At least fifteen million dollars (\$15,000,000) of the
12 funds appropriated in this act for each year of the biennium must be used to
13 provide grants under this Program.
14 (2) To provide matching grants to local governments in distressed areas and
15 equity investments in public-private ventures that will productively reuse
16 vacant buildings and properties, with priority given to towns or communities
17 with populations of less than 5,000.
18 (3) To provide economic development research and demonstration grants.

19 **SECTION 14.16.(b)** The Rural Center may contract with other State agencies,
20 constituent institutions of The University of North Carolina, and colleges within the North
21 Carolina Community College System for certain aspects of the North Carolina Infrastructure
22 Program, including design of Program guidelines and evaluation of Program results.

23 **SECTION 14.16.(c)** During each year of the 2009-2011 biennium, the Rural
24 Center may use up to three hundred eighty-five thousand dollars (\$385,000) of the funds
25 appropriated in this act to cover its expenses in administering the North Carolina Economic
26 Infrastructure Program.

27 **SECTION 14.16.(d)** Of the funds appropriated in subsection (a) of this section to
28 the Rural Center for the 2009-2010 fiscal year, the sum of one million five hundred forty-four
29 thousand four hundred dollars (\$1,544,400) shall be transferred to the Department of
30 Environment and Natural Resources to be used to provide the State match to draw down
31 maximum federal funds for the Clean Water State Revolving Loan Fund.

32 **SECTION 14.16.(e)** By September 1 of each year, and more frequently as
33 requested, the Rural Center shall report to the Joint Legislative Commission on Governmental
34 Operations and the Fiscal Research Division concerning the progress of the North Carolina
35 Economic Infrastructure Program in the prior State fiscal year.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H17B(S14.17)

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **OPPORTUNITIES INDUSTRIALIZATION CENTERS FUNDS**

2 **SECTION 14.17.(a)** Of the funds appropriated in this act to the North Carolina
3 Rural Economic Development Center, Inc. (Rural Center), the sum of three hundred thirty
4 thousand dollars (\$330,000) for the 2009-2010 fiscal year and the sum of three hundred twenty-
5 two thousand dollars (\$322,000) for the 2010-2011 fiscal year shall be equally distributed
6 among the certified Opportunities Industrialization Centers (OI Centers).

7 **SECTION 14.17.(b)** By September 1 of each year, and more frequently as
8 requested, the Rural Center shall report to the Joint Legislative Commission on Governmental
9 Operations and the Fiscal Research Division on OI Centers receiving funds pursuant to
10 subsection (a) of this section. The report shall include data for each OI Center on all itemized
11 expenditures and all fund sources for the prior State fiscal year. The report shall also contain a
12 written narrative on prior fiscal year program activities, objectives, and accomplishments that
13 were funded with funds appropriated in subsection (a) of this section.

14 **SECTION 14.17.(c)** The Rural Center shall ensure that each OI Center files
15 annually with the State Auditor a financial statement in the form and on the schedule prescribed
16 by the State Auditor.

17 **SECTION 14.17.(d)** No funds appropriated under this act shall be released to an
18 OI Center listed in subsection (a) of this section if the OI Center has any overdue tax debts, as
19 that term is defined in G.S. 105-243.1, at the federal or State level.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H18(S14.18)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **RURAL ECONOMIC DEVELOPMENT CENTER/CLEAN WATER PARTNERS**
2 **FUNDING**

3 SECTION 14.18. By September 1 of each year, and more frequently as requested,
4 the North Carolina Rural Economic Development Center, Inc., shall report to the Joint
5 Legislative Commission on Governmental Operations and the Fiscal Research Division
6 concerning the progress of the water/sewer improvement grants (commonly referred to as
7 funding for Clean Water Partners) as appropriated in Section 13.13A of S.L. 2007-323 and
8 Section 13.8 of S.L. 2008-107. Each report shall include a list of grants made since the last
9 report, the total amount contracted, and the amount of funds remaining. This reporting
10 requirement shall replace all previous reporting requirements and shall remain in effect until all
11 funds from this program are expended.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H19(S14.19)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *RURAL ECONOMIC DEVELOPMENT CENTER/AMERICAN RECOVERY AND*
2 *REINVESTMENT ACT FUNDS*

3 SECTION 14.19. If the North Carolina Rural Economic Development Center, Inc.,
4 (Rural Center) finds that North Carolina will not maximize the amount of funding for water and
5 wastewater projects the State could receive under the American Recovery and Reinvestment
6 Act of 2009, the Rural Center shall use funds appropriated to the Rural Center in this act to
7 maximize such funding.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H30-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 ***RURAL CENTER/PROVIDE ASSISTANCE TO RURAL COMMUNITIES TO ACCESS***
2 ***FEDERAL FUNDS***

3 SECTION #. The North Carolina Rural Economic Development Center, Inc.
4 (Rural Center), shall provide assistance to rural communities in applying for funds under the
5 American Recovery and Reinvestment Act of 2009. The assistance shall include, but not be
6 limited to, advice on writing grants, applying for funds, and reviewing grant proposals.

**House Appropriations Subcommittee on
Natural and Economic Resources**

**Fee Provisions
*For Information Only***

June 4, 2009
2:00 P.M.

Exhibit D

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-AGRIC-H1(S11.1)i

Department of Agriculture and Consumer Services
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **COMMERCIAL FERTILIZER FEES**

2 SECTION 11.1. G.S. 106-671(a) reads as rewritten:

3 "(a) For the purpose of defraying expenses on the inspection and of otherwise
4 determining the value of commercial fertilizers in this State, there shall be paid to the
5 Department of Agriculture and Consumer Services a charge of ~~twenty-five cents (25¢)~~fifty
6 cents (50¢) per ton on all commercial fertilizers other than packages of five pounds or less.
7 Inspection fees shall be paid on all tonnage distributed into North Carolina to any person not
8 having a valid reporting permit. On individual packages of five pounds or less there shall be
9 paid in lieu of the tonnage fee an annual registration fee of twenty-five dollars (\$25.00) for
10 each brand offered for sale, sold, or distributed; provided that any per annum (fiscal) tonnage of
11 any brand sold in excess of one hundred tons may be subject to the charge of ~~twenty-five cents~~
12 ~~(25¢)~~fifty cents (50¢) per ton on any amount in excess of one hundred tons as provided herein.
13 Whenever any manufacturer of commercial fertilizer shall have paid the charges required by
14 this section his goods shall not be liable to further tax, whether by city, town, or county;
15 provided, this shall not exempt the commercial fertilizers from an ad valorem tax."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-AGRIC-H2(S11.2)i

Department of Agriculture and Consumer Services
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 ***INCREASE PESTICIDE REGISTRATION FEE***

2 SECTION 11.2. G.S. 143-442(b) reads as rewritten:

3 "(b) The applicant shall pay an annual registration fee of ~~one hundred dollars (\$100.00)~~
4 one hundred fifty dollars (\$150.00) plus an additional annual assessment for each brand or
5 grade of pesticide registered. The annual assessment shall be fifty dollars (\$50.00) if the
6 applicant's gross sales of the pesticide in this State for the preceding 12 months for the period
7 ending September 30th were more than five thousand dollars (\$5,000.00) and twenty-five
8 dollars (\$25.00) if gross sales were less than five thousand dollars (\$5,000.00). An additional
9 two hundred dollars (\$200.00) delinquent registration penalty shall be assessed against the
10 registrant for each brand or grade of pesticide which is marketed in North Carolina prior to
11 registration as required by this Article. In the case of multi-year registration, the annual fee and
12 additional assessment for each year shall be paid at the time of the initial registration. The
13 Board shall give a pro rata refund of the registration fee and additional assessment to the
14 registrant in the event that registration is canceled by the Board or by the United States
15 Environmental Protection Agency."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-LAB-H1A(S12.1)-P

Department of Labor
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **DEPARTMENT OF LABOR/APPRENTICESHIP PROGRAM**

2 SECTION 12.1. Chapter 94 of the General Statutes is amended by adding a new
3 section to read as follows:

4 "**§ 94-12. Fees.**

5 The following fees are imposed on each apprentice who is covered by a written
6 apprenticeship agreement entered into under this Chapter: (i) a new registration fee of fifty
7 dollars (\$50.00); and (ii) an annual fee of fifty dollars (\$50.00). Each fee authorized by this
8 section is payable as thirty dollars (\$30.00) by the sponsor and twenty dollars (\$20.00) by the
9 apprentice. The sponsor shall collect the fees authorized by this section from the apprentice and
10 remit the total fees owed by the sponsor and the apprentice to the Department of Labor. The
11 fees are departmental receipts and must be applied to the costs of administering the
12 apprenticeship program. The Commissioner may adopt rules pursuant to Chapter 150B of the
13 General Statutes to implement this section. The provisions of this section shall not apply to the
14 State, a department or agency of the State, or any political subdivision of the State or an
15 apprentice of the State, a department or agency of the State, or any political subdivision of the
16 State."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-ENV-H5B(S13.3)-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **RADIATION PROTECTION SECTION SUPPORTED BY FEES/INCREASE FEES**

2 SECTION 13.3.(a) G.S. 104E-19 reads as rewritten:

3 "**§ 104E-19. Fees.**

4 (a) ~~In order to meet the anticipated costs of administering the educational and training~~
5 ~~programs in G.S. 104E 11(e), of enforcing and carrying out the inspection provisions in~~
6 ~~G.S. 104E 7(a)(7) and G.S. 104E 11(a), and of administering the licensing program in~~
7 ~~G.S. 104E 10.3, the Department is authorized to charge and collect such reasonable fees as it~~
8 ~~may by rule establish. An annual fee in the amount set by the Department is imposed on a~~
9 ~~person who is required to be registered or licensed under this Chapter. The Department must set~~
10 ~~the fees at amounts that provide revenue to offset its costs in performing its duties under this~~
11 ~~Chapter.~~

12 (b) Repealed by Session Laws 1987, c. 850, s. 13.

13 (c) The annual fees under subsection (a) of this section shall not exceed the maximum
14 amounts as follows:

- 15 (1) For tanning facilities: two hundred dollars (\$200.00) for the first piece of
16 tanning equipment and thirty dollars (\$30.00) for each additional piece of
17 tanning equipment.
- 18 (2) For the following categories of facilities registered to use X-ray tubes or
19 X-ray equipment: clinics, chiropractors, dentists, educational, government,
20 podiatrists, industrial, physicians, veterinarians, and other; two hundred
21 dollars (\$200.00) for the first X-ray tube or piece of X-ray equipment and
22 thirty dollars (\$30.00) for each additional X-ray tube or piece of X-ray
23 equipment.
- 24 (3) For the following categories of facilities registered to use X-ray tubes or
25 X-ray equipment: industrial medical, health departments, and service; three
26 hundred dollars (\$300.00) for the first X-ray tube or piece of X-ray
27 equipment and forty dollars (\$40.00) for each additional X-ray tube or piece
28 of X-ray equipment.
- 29 (4) For the following categories of facilities registered to use X-ray tubes or
30 X-ray equipment: hospitals and industrial radiography; four hundred dollars
31 (\$400.00) for the first X-ray tube or piece of X-ray equipment and fifty
32 dollars (\$50.00) for each additional X-ray tube or piece of X-ray
33 equipment."

34 SECTION 13.3.(b) G.S. 104E-9(a)(8) reads as rewritten:

35 "(8) ~~To establish annual fees for activities under this Chapter based on actual~~
36 ~~administrative costs to be applied to training, enforcement, and inspection~~
37 ~~pursuant to the provisions of this Chapter and to charge and collect fees from~~
38 ~~operators and users of low-level radioactive waste facilities pursuant to the~~
39 ~~provisions of this Chapter. To establish fees in accordance with~~
40 G.S. 104E-19."

1 **SECTION 13.3.(c)** Notwithstanding G.S. 104E-19, as amended by this section, the
2 Department of Environment and Natural Resources shall impose the following annual fees
3 during the 2009-2010 fiscal year on a person who is required to be registered or licensed to use
4 sources of radiation under Chapter 104E of the General Statutes:

- 5 (1) For tanning facilities: one hundred thirty-five dollars (\$135.00) for the first
6 piece of tanning equipment and twenty-two dollars (\$22.00) for each
7 additional piece of tanning equipment.
- 8 (2) For the following categories of facilities registered to use X-ray tubes or
9 X-ray equipment: educational, government, and veterinarians; ninety dollars
10 (\$90.00) for the first X-ray tube or piece of X-ray equipment and sixteen
11 dollars (\$16.00) for each additional X-ray tube or piece of X-ray equipment.
- 12 (3) For the following categories of facilities registered to use X-ray tubes or
13 X-ray equipment: chiropractors, dentists, podiatrists, industrial, physicians,
14 and other; one hundred twenty-five dollars (\$125.00) for the first X-ray tube
15 or piece of X-ray equipment and twenty dollars (\$20.00) for each additional
16 X-ray tube or piece of X-ray equipment.
- 17 (4) For the following categories of facilities registered to use X-ray tubes or
18 X-ray equipment: industrial medical, health departments, and service; one
19 hundred eighty dollars (\$180.00) for the first X-ray tube or piece of X-ray
20 equipment and, for industrial medical and health departments, twenty-five
21 dollars (\$25.00) for each additional X-ray tube or piece of X-ray equipment.
- 22 (5) For the following categories of facilities registered to use X-ray tubes or
23 X-ray equipment: hospitals and industrial radiography; two hundred
24 seventy-five dollars (\$275.00) for the first X-ray tube or piece of X-ray
25 equipment and thirty-five dollars (\$35.00) for each additional X-ray tube or
26 piece of X-ray equipment.

27 **SECTION 13.3.(d)** Notwithstanding G.S. 104E-19, as amended by this section, the
28 Department of Environment and Natural Resources shall impose the following annual fees
29 during the 2010-2011 fiscal year on a person who is required to be registered or licensed to use
30 sources of radiation under Chapter 104E of the General Statutes:

- 31 (1) For tanning facilities: one hundred sixty-five dollars (\$165.00) for the first
32 piece of tanning equipment and twenty-five dollars (\$25.00) for each
33 additional piece of tanning equipment.
- 34 (2) For the following categories of facilities registered to use X-ray tubes or
35 X-ray equipment: educational, government, and veterinarians; one hundred
36 twenty dollars (\$120.00) for the first X-ray tube or piece of X-ray equipment
37 and twenty dollars (\$20.00) for each additional X-ray tube or piece of X-ray
38 equipment.
- 39 (3) For the following categories of facilities registered to use X-ray tubes or
40 X-ray equipment: chiropractors, dentists, podiatrists, industrial, physicians,
41 and other; one hundred sixty-five dollars (\$165.00) for the first X-ray tube or
42 piece of X-ray equipment and twenty-two dollars (\$22.00) for each
43 additional X-ray tube or piece of X-ray equipment.
- 44 (4) For the following categories of facilities registered to use X-ray tubes or
45 X-ray equipment: industrial medical, health departments, and service; two
46 hundred forty dollars (\$240.00) for the first X-ray tube or piece of X-ray
47 equipment and, for industrial medical and health departments, thirty dollars
48 (\$30.00) for each additional X-ray tube or piece of X-ray equipment.
- 49 (5) For the following categories of facilities registered to use X-ray tubes or
50 X-ray equipment: hospitals and industrial radiography; three hundred sixty
51 dollars (\$360.00) for the first X-ray tube or piece of X-ray equipment and

1 forty dollars (\$40.00) for each additional X-ray tube or piece of X-ray
2 equipment.

3 **SECTION 13.3.(e)** The annual fees under subsection (c) and subsection (d) of this
4 section shall provide revenue to offset the Department's costs in performing its duties under
5 Chapter 104E of the General Statutes during the 2009-2011 fiscal biennium. The Department of
6 Environment and Natural Resources shall delay collecting the annual fees under subsection (c)
7 of this section that are due July 1, 2009, until August 1, 2009.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-ENV-H4A(S13.2)-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **FOOD AND LODGING INSPECTION FEES INCREASES**

2 **SECTION 13.2.(a)** G.S. 130A-248(d) reads as rewritten:

3 "(d) The Department shall charge each establishment subject to this section, except
4 nutrition programs for the elderly administered by the Division of Aging of the Department of
5 Health and Human Services, establishments that prepare and sell meat food products or poultry
6 products, and public school cafeterias, an annual fee of ~~forty dollars (\$40.00)~~ seventy-five
7 dollars (\$75.00). The Commission shall adopt rules to implement this subsection. Fees
8 collected under this subsection shall be used for State and local food, lodging, and institution
9 sanitation programs and activities. No more than thirty-three and one-third percent (33 1/3%) of
10 the fees collected under this subsection may be used to support State health programs and
11 activities."

12 **SECTION 13.2.(b)** G.S. 130A-248(e) reads as rewritten:

13 "(e) In addition to the fees under subsection (d) of this section, the Department may
14 charge a fee of ~~two hundred dollars (\$200.00)~~ two hundred fifty dollars (\$250.00) for plan
15 review of plans for prototype franchised or chain facilities for food establishments subject to
16 this section. All of the fees collected under this subsection may be used to support the State
17 food, lodging, and institution sanitation programs and activities under this Part."

18 **SECTION 13.2.(c)** G.S. 130A-248(f) reads as rewritten:

19 "(f) Any local health department may charge a fee not to exceed ~~two hundred dollars~~
20 ~~(\$200.00)~~ two hundred fifty dollars (\$250.00) for plan review by that local health department of
21 plans for food establishments subject to this section that are not subject to subsection (e) of this
22 section. All of the fees collected under this subsection may be used for local food, lodging, and
23 institution sanitation programs and activities. No food establishment that pays a fee under
24 subsection (e) of this section is liable for a fee under this subsection."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-NATRES-H9(S13.9)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **FOREST DEVELOPMENT FUND/FOREST PRODUCTS ASSESSMENT RATES**

2 SECTION 13.9.(a) G.S. 113A-192(c) through G.S. 113A-192(e) are repealed.

3 SECTION 13.9.(b) G.S. 113A-193(b) is amended by adding a new subdivision to

4 read:

5 "(6) Determine the appropriate assessment to be levied on primary forest
6 products in accordance with G.S. 113A-194."

7 SECTION 13.9.(c) G.S. 113A-194(b) reads as rewritten:

8 "(b) The assessment levied on primary forest products shall ~~be~~ not exceed the
9 following rates:

10 (1) ~~Fifty cents (50¢)~~ One dollar (\$1.00) per thousand board feet for softwood
11 sawtimber, veneer logs and bolts, and all other softwood products normally
12 measured in board ~~feet;~~ feet.

13 (2) ~~Forty cents (40¢)~~ Eighty cents (80¢) per thousand board feet for hardwood
14 and bald cypress sawtimber, veneer, and all other hardwood and bald
15 cypress products normally measured in board ~~feet;~~ feet.

16 (3) ~~Twenty cents (20¢)~~ Forty cents (40¢) per cord for softwood pulpwood and
17 other softwood products normally measured in ~~eords;~~ cords.

18 (4) ~~Twelve cents (12¢)~~ Twenty-four cents (24¢) per cord for hardwood
19 pulpwood and other hardwood and bald cypress products normally measured
20 in ~~eords;~~ cords.

21 (5) All material harvested within North Carolina for shipment outside the State
22 for primary processing will be assessed at a percentage of the invoice value.
23 This percentage will be established to yield rates equal to those if the
24 material were processed within the State."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H7(S14.7)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 ***INDUSTRIAL COMMISSION FEES/COMPUTER SYSTEM REPLACEMENT***

2 **SECTION 14.7.** The North Carolina Industrial Commission may retain the
3 additional revenue generated as a result of an increase in the fee charged to parties for the filing
4 of compromised settlements. These funds shall be used for the purpose of replacing existing
5 computer hardware and software used for the operations of the Commission. These funds may
6 also be used to prepare any assessment of hardware and software needs prior to purchase and to
7 develop and administer the needed databases and new Electronic Case Management System,
8 including the establishment of two time-limited positions for application development and
9 support and mainframe migration. The Commission may not retain any fees under this section
10 unless they are in excess of the former two-hundred-dollar (\$200.00) fee charged by the
11 Commission for filing a compromised settlement.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H8(S14.8)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **INDUSTRIAL COMMISSION/SAFETY EDUCATION SECTION**

2 SECTION 14.8. G.S. 97-73 reads as rewritten:

3 "§ 97-73. Fees.

4 (a) Claims. – The Industrial Commission may establish by rule a schedule of fees for
5 examinations conducted, reports made, documents filed, and agreements reviewed under this
6 Article. The fees shall be collected in accordance with rules adopted by the Industrial
7 Commission.

8 (b), (c) Repealed by Session Laws 2003-284, s. 10.33(d), effective July 1, 2003.

9 (d) Safety. – A fee in the amount set by the Industrial Commission is imposed on an
10 employer for whom the Industrial Commission provides an educational training program on
11 how to prevent or reduce accidents or injuries that result in workers' compensation claims or a
12 person for whom the Industrial Commission provides other educational services. The fees are
13 departmental receipts."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2009-COMM-H14(S14.14)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **SET REGULATORY FEE FOR UTILITIES COMMISSION**

2 **SECTION 14.14.(a)** The percentage rate to be used in calculating the public utility
3 regulatory fee under G.S. 62-302(b)(2) is twelve one-hundredths of one percent (0.12%) for
4 each public utility's North Carolina jurisdictional revenues earned during each quarter that
5 begins on or after July 1, 2009.

6 **SECTION 14.14.(b)** The electric membership corporation regulatory fee imposed
7 under G.S. 62-302(b1) for the 2009-2010 fiscal year is two hundred thousand dollars
8 (\$200,000).

9 **SECTION 14.14.(c)** This section becomes effective July 1, 2009.

MINUTES

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL & ECONOMIC RESOURCES

June 10, 2009

1:30 PM

The House Appropriations Subcommittee on Natural & Economic Resources met in Room 423 of the Legislative Office Building on June 10, 2009, at 1:30 p.m. Representative Warren called the meeting to order and welcomed the attendees. She then introduced the Sergeants-at-Arms: David Shearon and James Worth.

The following Committee members were present: Co-Chairs: Representatives Harrison, Pierce, and Warren; Vice Chairs: Representatives Justice, Wilkins, and Wray; Members: Representatives Bryant, Langdon, Sager, Samuelson, and West. Staff Counsel Kristine Leggett, Lanier McRee and Kristin Walker were also in attendance.

The following attachments are included and made part of the minutes: Attendance List, Attachment 1; 2009 Legislative Session: Rules for House Appropriations Subcommittees Use of Contingent Appropriations, Attachment 2; Revised Committee Report: Draft, Attachment 3; Proposed Restoration List, Attachment 4; list of Sergeants-at-Arms, Attachment 5; Visitor Registration Sheets, Attachment 6. There was no printed agenda for the meeting.

In her opening remarks, Representative Warren told the members that the committee has an additional \$5 million for the upcoming fiscal year and an additional \$5.867 million in the second year of the biennium. She recognized Kristin Walker to review rules for the Appropriations subcommittees to use in allocating contingent appropriations. A copy of these rules is attached and made part of the minutes as Attachment 2.

Representative Warren then reviewed the procedures that would be followed in today's meeting. She called attention to the handout of the June 10, 2009, draft of the Revised Committee Report, a copy of which is attached and made part of the minutes as Attachment 3. Representative Warren stated that the agencies would present their priorities for use of the incremental funding and that the staff would keep a tally of recommendations. Members would then vote on the recommended items.

As the next item of business, the Chair recognized Joy Hicks, Policy Development Analyst, from the Department of Agriculture and Consumer Services (DACs). Ms. Hicks discussed several priorities for DACs, including the restoration of operating reserves and funding for "The Ag Review."

Representative Warren then called on Art Britt, Director of Administration and Governmental Affairs, from the Department of Labor (DOL). Mr. Britt pointed out the importance of the apprenticeship program to DOL and also recommended restoring several positions slated for elimination.

Following Mr. Britt's presentation, the Chair recognized Elizabeth Biser, Legislative Liaison for the Department of Environment and Natural Resources (DENR). Ms. Biser requested the restoration of some operating reserves and also stressed the importance of having a Museum Director in place in advance of the opening of the Nature Research Center. She also requested that several additional positions on the list to be eliminated be restored.

The Department of Commerce was the next agency to present its priorities. Representative Warren introduced Dale Carroll, Deputy Secretary of the Department of Commerce, to lead the discussion. Mr. Carroll requested additional funding for the China office and three positions focused on international trade.

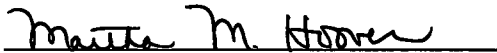
At this point in the meeting, Representative Warren called for a break to give the staff an opportunity to compile a list of the requests for the committee members to consider. After they returned from the break, additional requests were taken from members and added to the list. When the final list of restored amounts was completed, Representative Warren called for a vote. Representative Bryant made the motion that the list be approved as it stood, with any later corrections required to be made by the staff. The motion passed unanimously. The approved list is attached and made part of the minutes as Attachment 4.

There being no further business, the Chair adjourned the meeting at 2:50 p.m.

Respectfully submitted,



Representative Edith D. Warren
Co-Chair



Martha M. Hoover
Assistant to the Committee

ATTACHMENTS:

1. Attendance List
2. 2009 Legislative Session: Rules for House Appropriations Subcommittees Use of Contingent Appropriations
3. Revised Committee Report: Draft
4. Proposed Restoration List
5. List of Pages and Sergeants-at-Arms
6. Visitor Registration Sheets

2009 LEGISLATIVE SESSION

RULES FOR HOUSE APPROPRIATIONS SUBCOMMITTEES USE OF CONTINGENT APPROPRIATIONS

June 10, 2009

1. Subcommittee Contingent Appropriations Targets are spending targets.
2. Subcommittee Contingent Appropriations Targets shall be used to restore reductions as adopted in Senate Bill 202, 4th Edition.
3. Identify all restoration items as recurring or non-recurring.
4. No expansion or restoration of non-recurring items funded in the FY 2008-09 budget or previous budgets.
5. No new reductions or increases in current reduction items.
6. Restorations of "management flexibility" reductions should specify items being adjusted.
7. Identify all positions restored.
8. No new special provisions except as noted in Rule #10.
9. No changes to special provisions as reflected in Senate Bill 202, 4th Edition except as noted in Rule #10.
10. Special provisions that correspond to restoration items are permitted only for the purpose of conforming language and money items.
11. No restorations of salary-related, state employee health plan, retirement, debt service, or other statewide reserve items.
12. No changes in proposed fees as adopted in Senate Bill 202, 4th Edition.

**House Appropriations Subcommittee on
Natural and Economic Resources**

**Revised Committee Report
Draft**

**June 10, 2009
1:30 P.M.**

DRAFT

House Subcommittee on Natural and Economic Resources

Agriculture and Consumer Services

GENERAL FUND

	FY 09-10		FY 10-11	
Recommended Budget	\$65,402,492		\$65,638,839	
Legislative Changes				
A. Department-Wide				
1 Adjust Continuation Budget	(\$1,394,889)	R	(\$1,844,203)	R
Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget.	-5.00		-5.00	
2 Vacant Positions	(\$860,680)	R	(\$860,680)	R
Eliminates the following vacant positions and corresponding benefits:	-16.50		-16.50	
60011486 Executive Assistant I	\$46,818			
60011478 Administrative Officer II	\$38,174			
60011494 Administrative Secretary	\$43,576			
60011502 Accounting Tech II	\$31,041			
60011773 Data Entry Operator	\$25,581			
60012019 Chemist II	\$47,553			
60011871 Office Assistant III	\$25,997			
60012034 Lab Assistant	\$23,516			
60012014 Laboratory Technician	\$27,448			
60089841 Vet Lab Pathologist	\$123,105			
60012143 Chemistry Supervisor II	\$50,940			
60012189 Medical Lab Technician II	\$43,781			
60012093 Livestock Compliance Officer	\$53,390			
65005772 Meat & Poultry Inspector	\$14,751			
60012627 Research Technician (Oxford)	\$27,282			
60012660 Research Technician (Tidewater)	\$32,379			
60012583 Research Technician (Cherry)	\$28,556			
Fringe Total	\$176,606			
3 Operating Expense Reductions	(\$345,873)	R	(\$345,873)	R
Reduces following line items by 50%:				
Non-employee travel, subsistence, and education	\$3,199			
Registrations	\$46,940			
Employee Education Assistance Program	\$690			
Employee Education	\$31,779			
Memberships & Subscriptions	\$42,859			
Cell Phones	\$121,817			
Eliminates the following line items:				
Office Furniture	\$98,589			
4 Temporary Position Funding	(\$27,905)	R	(\$27,905)	R
Reduces funding for temporary positions across the Department.				

DRAFT

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

5 Fund Shift Positions to Receipt Support

Shifts 10.7 positions to receipt support. These receipts come from various enterprise funds, grants, and other revenue sources.

(\$467,047) R

(\$467,047) R

-10.70

-10.70

6 Worker's Compensation

Reduces funding for worker's compensation due to a recent decrease in premiums for the Department.

(\$75,000) R

(\$75,000) R

Administration

7 Agricultural Development & Farmland Preservation Trust Fund

Transfers \$2 million from the cash balances remaining in various fund codes within the Department of Commerce that are being transferred to the General Fund.

\$2,000,000 NR

C. General Administration

8 FFA Foundation, Inc

Reduces funding for FFA Foundation, Inc by 8% in FY 2009-10 and 10% in FY 2010-11.

(\$3,960) R

(\$4,950) R

9 Agricultural Finance Authority Service Charge

Reduces General Fund support for the General Administration Division, replacing these funds with \$50,000 paid by the Agricultural Finance Authority for budgeting, accounting, and human resource services provided by the Division.

(\$50,000) R

(\$50,000) R

D. Agronomic Services

10 Fertilizer Assessment

Replaces the General Fund appropriation with an increase in the fertilizer assessment. The fertilizer assessment will be increased from \$0.25 per ton of fertilizer to \$0.50 per ton, bringing North Carolina's assessment in line with surrounding states. All receipts from the increase will be used to support Agronomic Services.

(\$375,000) R

(\$375,000) R

E. Markets

11 Farmers Markets and Ag Centers Fees

Replaces General Fund appropriation for the Farmer's Markets and Agricultural Centers with increased fees at the Piedmont, Charlotte, and Western NC farmers markets.

(\$175,000) R

(\$175,000) R

F. Pesticides

12 Pesticide Registration Fee

Increases the current annual pesticide registration fee from \$100 to \$150 for each brand or grade of pesticide registered and reduces General Fund appropriations to the Pesticide Division.

(\$500,000) R

(\$500,000) R

DRAFT

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

G. Plant Industry

13 Plant Inspection Fees

(\$58,303) R

(\$58,303) R

Increases nursery certification and registration fees and reduces the General Fund appropriation to the Plant Industry Division. The certification fee will increase from \$10 to \$100 for the initial acre and from \$2 to \$3 for additional acres. The registration fee for nurseries will increase from \$6 to \$20.

H. Standards

14 Calibration Inspection Over-realized Receipts

(\$20,000) R

(\$20,000) R

Budgets over-realized receipts for calibration inspections services.

15 Petroleum Device Technician License Fee

(\$10,000) R

(\$10,000) R

Creates a registration fee for petroleum device technician licenses.

I. Veterinary Services

16 Animal Diagnostic Fees

(\$200,000) R

(\$200,000) R

Replaces the General Fund appropriation for veterinary services with increased fees for certain animal diagnostic tests.

J. Agricultural Statistics

17 Technology Support Analyst Position

(\$30,276) R

(\$30,276) R

Eliminate funding for one W/A Technology Support Analyst within the Division of Agricultural Statistics.

-1.00

-1.00

K. Public Affairs

18 Ag Review Funding

(\$25,000) R

(\$25,000) R

Reduces funding for the Ag Review by \$25,000. The Division is directed to update the subscription form so that the Ag Review is delivered via email unless a paper copy is requested.

L. Public Affairs

19 Ag in the Classroom Funding

(\$1,980) R

(\$2,475) R

Reduces funding for Ag in the Classroom by 8% in FY 2009-10 and 10% in FY 2010-11.

L. Seed and Fertilizer

20 Seed Law Changes

(\$70,000) R

(\$70,000) R

Adjusts expected receipts to reflect changes in the Seed Laws proposed in HB 1103. These increased receipts replace General Fund appropriation for this Division.

DRAFT

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

Total Legislative Changes	(\$4,690,913) R	(\$5,141,712) R
	\$2,000,000 NR	
Total Position Changes	-33.20	-33.20
Revised Budget	\$62,711,579	\$60,497,127

DRAFT

House Subcommittee on Natural and Economic Resources

Labor

GENERAL FUND

Recommended Budget

FY 09-10
\$19,064,773

FY 10-11
\$19,092,834

Legislative Changes

Department-Wide

21 Adjust Continuation Budget

(\$405,676) R (\$433,681) R

Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget.

22 Vacant Positions

(\$485,081) R (\$485,081) R

Eliminates the following vacant positions:

60013028	Communications & Info. Assistant	\$45,361
60013031	Admin. Officer III	\$50,653
60012992	Wage & Hour Investigator I	\$49,706
60013243	OSHA Ed & Train Specialist	\$61,810
65005115	OSHA Ed & Train Specialist	\$51,831
65005233	OSHA Carolina Star Consultant	\$53,753
65005234	OSHA Carolina Star Consultant	\$53,753
60013223	Admin. Secretary II (0.5 FTE)	\$23,418
60012991	Wage & Hour Investigator I	\$47,398
60012986	Wage & Hour Investigator II	\$47,398

-9.50

-9.50

23 Operating Expense Reductions

(\$155,877) R (\$155,877) R

Reduces the following line items by 50%:

Non-employee travel, subsistence, and education	\$1,384
Registrations	\$19,330
Employee Education	\$4,979
Memberships & Subscriptions	\$16,610
Cell Phones	\$54,328

Eliminates the following line items:

Office Furniture	\$3,949
523714 In-State Ground Transportation in Fund 1120	\$3,000
533110 General Office Supplies in Fund 1120	\$2,000
534534 PC Equipment in Fund 1346	\$8,000
535890 Other Administration in Fund 1352 - OSH	\$20,297
534539 Other Equipment in Fund 1352 - OSH	\$22,000

24 Operating Reductions

(\$71,048) R (\$71,048) R

Salary reserve 531211 from Fund 1110	\$40,835
Salary reserve 531211 from Fund 1120	\$17,538
Salary reserve 531211 from Fund 1340	\$2,986
Social Security savings from salary reserve	\$4,694
Retirement savings from salary reserve	\$4,995

Labor

DRAFT

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

Administrative Services

25 General Fund Position to Receipt Support

Converts one Administrative Assistant position, associated fringe, and operating to receipt support. Receipts will be generated by the Elevator and Amusement Device Bureau, the Boiler Safety Bureau, and the OSH Division.

(\$45,632)	R	(\$45,632)	R
-1.00		-1.00	

26 General Fund Position to Fee Support

Converts one Administrative Officer III position, associated fringe, and operating to receipt support. Receipts will be generated by the Elevator and Amusement Device Bureau, the Boiler Bureau, and the OSH Division.

(\$77,428)	R	(\$77,428)	R
-1.00		-1.00	

Occupational Safety and Health

27 State Funding for Library Periodicals

Eliminates State funding for periodicals in the DOL library.

(\$18,306)	R	(\$18,306)	R
------------	---	------------	---

28 Publication Fees

Directs OSH to raise publication fees to adjust for inflation and to take a corresponding General Fund reduction. Fees were last raised February 1, 2001.

(\$21,325)	R	(\$21,325)	R
------------	---	------------	---

Standards and Inspections

29 Mine and Quarry Operating

Shifts funding for operating expenses in the Mine & Quarry Bureau to federal receipts.

(\$28,389)	R	(\$28,389)	R
------------	---	------------	---

30 Apprenticeship Program

Directs the Apprenticeship Program to create new fees to generate enough revenue so that the program can take a 25% reduction to General Fund support.

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

Total Legislative Changes

(\$1,758,762)	R	(\$1,786,767)	R
---------------	---	---------------	---

Total Position Changes

-11.50		-11.50	
--------	--	--------	--

Revised Budget

\$17,306,011		\$17,306,067	
--------------	--	--------------	--

DRAFT

House Subcommittee on Natural and Economic Resources

Environment & Natural Resources

GENERAL FUND

	FY 09-10	FY 10-11
Recommended Budget	\$212,524,097	\$214,924,435

Legislative Changes

(1.0) Department-Wide

31 Adjust Continuation Budget	(\$10,777,322)	R	(\$13,107,174)	R
Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget.				
	-23.00		-65.00	

DRAFT

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

32 Vacant Positions

(\$3,301,005) R

(\$3,301,005) R

Eliminates the following vacant positions:

-66.15

-66.15

60034950	Admissions Manager	\$33,269
60031549	Field Rep.	\$58,962
60035973	Program Assistant V	\$48,359
60034280	Ss Section Chief	\$87,427
60034362	Env Senior Specialist	\$53,753
60034540	Environmental Health Regional Spec.	\$57,972
60032260	Forestry Technician	\$36,420
60031611	Admin Assistant	\$43,714
60031611	Admin Asst	\$43,714
60031621	Water Quality Forester	\$54,090
60031647	Aircraft Mechanic	\$61,025
60031663	Regional Ranger for Facil.	\$55,753
60031726	Forestry Technician	\$49,735
60031782	Hr Rep	\$51,844
60031790	Regional Ranger For Facilities	\$41,258
60031910	FFEO	\$22,990
60031992	Asst County Ranger	\$21,696
60032006	FFEO	\$24,653
60032006	FFEO	\$22,990
60032169	Project Leader	\$36,428
60032206	Patrol Pilot	\$62,614
60032284	Administrative Assistant I	\$41,503
60032288	Education Ranger	\$41,797
60032244	Forest Ranger	\$36,160
60032485	Env Engineer I	\$58,056
60032394	Engineer Technician	\$51,321
60032418	Hydro/Geologist	\$65,001
60032442	Env Specialist	\$54,666
60032446	Env Spec	\$48,359
60032452	Engineer	\$59,538
60032641	M.F. Biologist II	\$50,607
60032647	M.F. Technician III	\$40,772
60032689	Law Enf. Officer	\$47,901
65004402	Marine Fisheries Section Chief	\$80,580
65004403	Marine Fisheries Biologist II	\$50,607
65004404	Marine Fisheries Technician II	\$39,838
65004405	Research Vessel Captain	\$39,838
65004406	Research Vessel Engineer	\$37,044
65004407	Research Vessel Engineer	\$37,044
60033003	Park Ranger	\$45,923
60033131	Labor Crew Leader	\$32,944
60033143	Park Ranger	\$46,498
60033196	Park Ranger	\$41,598
60033203	Exhibit Coordinator	\$43,601
60033220	Park Ranger	\$41,598
65006874	Park Ranger	\$49,245
65006883	Park Ranger	\$49,245
65006905	Park Ranger	\$49,245
65007116	Park Ranger	\$49,245
65006611	Maintenance Mechanic III	\$39,373
65006612	Office Assistant IV	\$31,599
65006614	Maintenance Mechanic II	\$40,651
65006870	Park Ranger	\$55,835

DRAFT

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

65006882	Park Superintendent	\$69,867
65006900	Park Ranger	\$55,835
65006906	Park Ranger	\$55,835
65004926	Env Engineer III	\$68,680
65008056	Env. Engineer II	\$61,933
60032325	Engineer	\$70,531
60034580	Environmental Specialist	\$53,181
60034795	Bus. & Tech Applications Analyst	\$68,950
60035179	Chemistry Technician II	\$41,557
60035287	IT Manager	\$52,652
60035382	Env Program Supervisor III	\$81,267
60035387	Environmental Specialist	\$53,794
60035549	Environmental Senior Specialist	\$14,677
60031510	Environmental Specialist	\$52,205
60033386	General Utility Worker	\$34,144

33 Operating Expense Reductions

(\$895,265) R

(\$895,265) R

Reduces the following line items by 50%:

Non-employee travel, subsistence, and education	\$177,594
Registrations	\$124,064
Workshop Travel	\$ 4,381
Workshop Subsistence	\$ 419
Employee Education	\$ 66,489
Memberships & Subscriptions	\$ 73,489
Cell Phones	~ \$163,914

Eliminates the following line items:

Office Furniture	\$277,415
Honorariums	\$ 7,500

34 General Fund Positions to Receipt Support

(\$1,738,053) R

(\$1,738,053) R

Fund-shifts 27.33 General Fund appropriated positions to receipt-support.

-27.33

-27.33

(3.0) Center for Geographic Information Analysis

35 Center for Geographic Information Analysis Transfer

(\$167,549) R

(\$167,549) R

Transfers two General Fund positions for NC OneMap to the Office of the State Chief Information Officer.

-2.00

-2.00

(3.0) Environmental Health

36 Food and Lodging Inspection Fee

(\$250,000) R

(\$250,000) R

Adjusts the food/lodging inspection fees. Fees are currently either \$50 or \$200 and will be increased to \$75 and \$250 respectively. Fees were last increased October 1, 2002. New fee revenue will be distributed in accordance with G.S.130A-248. Fee revenue credited to the Department will be used to support operations of the Division and will allow the Division to take a corresponding General Fund reduction.

-0.50

-0.50

DRAFT

House Subcommittee on Natural and Economic Resources

	FY 09-10		FY 10-11	
37 Radiation Protection Section	(\$406,621)	R	(\$813,242)	R
Requires that the radiation protection section become entirely receipt supported by 2010-11. Reduces General Fund support by 50% in FY 2009-10 and eliminates all General Fund support in FY 2010-11. Moves 12.5 positions from the General Fund to receipt support in FY 2010-11.			-12.50	
38 Tick-borne Disease Funding Transfer	\$139,802	R	\$139,802	R
Transfers \$139,802 from the Department of Health and Human Services to continue tick-borne disease work within the Division of Environmental Health.				
39 General Fund Support to Receipt Support	(\$61,724)	R	(\$61,724)	R
Shifts funding for rent for the Division's main office to a federal grant.				
(3.0) Land Resources				
40 Landslide Hazard Aerial Photography	(\$50,000)	R	(\$50,000)	R
Reduces funding to landslide hazard aerial photography.				
41 County Boundary Program	(\$106,479)	R	(\$106,479)	R
Eliminates funding for the County Boundary Program.	-1.00		-1.00	
(3.0) Pollution Prevention & Enviro. Assistance				
42 Solid Waste Management Trust Fund Receipts	(\$225,000)	R	(\$225,000)	R
Directs the Division to shift operating expenses to the Solid Waste Management Trust Fund (SWMTF). SWMTF began receiving new revenue in FY 2008-09 from the solid waste disposal tax, a portion of which was authorized to be used for operating expenses.				
(3.0) Water Quality				
43 Neuse River Rapid Response Team	(\$101,439)	R	(\$101,439)	R
Reduces funding for the Neuse River Rapid Response Team and eliminates two positions.	-2.00		-2.00	
(3.0) Water Resources				
44 Stream and Well Monitoring Contracts	(\$21,884)	R	(\$21,884)	R
Reduces funding for stream and well monitoring contracts by 10%. The Division is encouraged to negotiate lower rates for these contracts to compensate for the appropriation reduction.				
(4.0) Aquariums				
45 Operating Expense Reduction	(\$2,500,000)	R	(\$2,500,000)	R
Replaces General Fund support for operating with gate admissions.				

DRAFT

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

(4.0) Forest Resources

46 Young Offenders/ BRIDGE Program	(\$1,043,840)	R		(\$1,043,840)	R
Eliminates funding for the Young Offenders/ BRIDGE program. This program is subject to continuation review.	\$1,043,840	NR			
				-10.00	
47 Forestry Equipment	\$0	R		(\$112,556)	R
Reduces the Division of Forest Resources' equipment budget.					

(4.0) Marine Fisheries

48 Oyster Reef Program Reduction	(\$1,000,000)	R		(\$1,000,000)	R
Reduces funding for the Oyster Reef program by 50%, leaving \$1,000,000 to continue the program.					

(4.0) Parks & Recreation

49 State Park Parking Fees	\$0	R		(\$2,500,000)	R
Reduces General Fund appropriation for State Parks and replaces appropriation with fees for parking. The Division of Parks and Recreation is directed to draft and implement a parking plan for State Parks.					

(4.0) Soil & Water Conservation

50 Financial Assistance Funding	(\$1,000,000)	R		(\$1,000,000)	R
Reduces funding for financial assistance within the Ag Cost Share program.					

(5.0) Reserves & Transfers

51 Grassroots Science Museums	(\$278,508)	R		(\$348,135)	R
Reduces General Fund support for the Grassroots Science Museums by 8% in FY 2009-10 and 10% in FY 2010-11.					
52 Partnership for the Sounds	(\$41,380)	R		(\$51,725)	R
Reduces General Fund support for the Partnership for the Sounds by 8% in FY 2009-10 and 10% in FY 2010-11.					
53 Beaver Management Assistance Program	(\$349,000)	R		(\$349,000)	R
Reduces the transfer to the Wildlife Resources Commission (WRC) for the Beaver Management Assistance Program. WRC will continue to operate the program using \$349,000 in WRC revenue from the sales tax transfer.					
54 Drinking Water State Revolving Fund	\$5,482,800	NR			
Transfers \$5.48 million from the cash balances remaining in various fund codes within the Department of Commerce that are being transferred to the General Fund.					
55 Clean Water State Revolving Fund	\$936,600	NR			
Transfers \$936,600 from the cash balances remaining in various fund codes within the Department of Commerce that are being transferred to the General Fund.					

DRAFT

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

(6.0) Wildlife Resources Commission

56 Wildlife Resources Commission Appropriation	\$21,500,000	R	\$21,500,000	R
Appropriates funds to replace the Wildlife Resources Commission's sales tax transfer.	217.50		217.50	
<hr/>				
Total Legislative Changes	(\$2,675,267)	R	(\$8,104,268)	R
	\$7,463,240	NR		
Total Position Changes	95.52		31.02	
Revised Budget	\$217,312,070		\$206,820,167	
<hr/>				

DRAFT

House Subcommittee on Natural and Economic Resources

DENR-Clean Water Management Trust Fund

GENERAL FUND

	FY 09-10	FY 10-11
Recommended Budget	\$100,000,000	\$100,000,000

Legislative Changes

.57 Statutory Appropriation as per G.S. 113A-253.1
(See Reserves, Debt Service and Adjustments Section L for legislative changes.)

Total Legislative Changes

Total Position Changes

Revised Budget	\$100,000,000	\$100,000,000
-----------------------	----------------------	----------------------

DRAFT

House Subcommittee on Natural and Economic Resources

Commerce

GENERAL FUND

	FY 09-10		FY 10-11	
Recommended Budget	\$46,019,823		\$46,028,986	
Legislative Changes				
A. Department-Wide				
58 Adjust Continuation Budget	(\$1,893,394)	R	(\$1,893,394)	R
Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget.				
59 Vacant Positions	(\$634,581)	R	(\$634,581)	R
Eliminates all positions vacant as of October 1, 2008.				
	-9.00		-9.00	
60 Operating Expense Reductions	(\$333,615)	R	(\$333,615)	R
Reduces the following line items by 50%:				
Non-employee travel, subsistence, and education	\$ 8,687			
Registrations	\$72,230			
Employee Education Assistance Program	\$ 645			
Employee Education	\$61,453			
Memberships & Subscriptions	\$80,910			
Cell Phones	\$69,364			
Eliminates the following line items:				
Honorariums	\$ 2,900			
Office Furniture	\$37,426			
C. Executive Aircraft				
61 Aircraft Funds	(\$250,000)	R	(\$250,000)	R
Eliminates remaining funds for aircraft purchases.				
62 Aircraft Fleet	(\$296,115)	R	(\$296,115)	R
Directs the Department of Commerce to sell the King Air plane and reduces all associated operating support. Also eliminates one pilot position. Receipts generated by the sale of the plane will be used to replace any loss in receipts resulting from a decrease in usage.				
	-1.00		-1.00	
D. MIS				
63 Transferred Positions	(\$250,000)	R	(\$250,000)	R
Eliminates the salaries, benefits, and operating support for three positions that were transferred to ITS in November 2008.				

DRAFT

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

G. Business and Industry

64 International Trade Contractors in B&I

Eliminates funding for three contract positions in Business and Industry. These positions are located at three of the International Trade offices.

(\$720,868) R

(\$720,868) R

H. International Trade

65 Korean Trade Office

Eliminates the General Fund appropriation for the Korean Trade Office. This office is shared with the NC Ports Authority, and can be fully supported by the Ports.

(\$12,000) R

(\$12,000) R

66 International Trade Performance Bonuses

Eliminates funding for performance bonuses for International Trade contractors.

(\$25,000) R

(\$25,000) R

I. Tourism, Film, and Sports Development

67 Heritage Tourism

Reorganizes Heritage Tourism into three regions, one each in the west, east, and piedmont. Each region will have one Heritage Tourism officer, and a Heritage Tourism Director will be located at the Department of Commerce.

(\$416,836) R

(\$416,836) R

-7.00

-7.00

68 Wine and Grape Growers Council

Transfers the Wine and Grape Growers Council to General Fund support.

\$828,000 R

\$810,000 R

3.00

3.00

K. Wanchese Seafood Industrial Park

69 Receipt Support

Eliminates the General Fund appropriation for the Wanchese Seafood Industrial Park. The Park will be wholly receipt supported through rental/lease fees.

(\$449,652) R

(\$449,652) R

L. Commerce Finance

70 Continuation Budget for JMAC

Corrects the Continuation Budget for the Job Maintenance and Capital Development Fund (JMAC). Funds were appropriated for FY 2008-09 on a nonrecurring basis but were included in the Continuation Budget on a recurring basis. JMAC has a cash balance of \$5 million and does not need an appropriation for FY 2009-10.

(\$5,000,000) R

(\$5,000,000) R

N. Industrial Commission

71 Legal Specialists to Receipt Support

Transfers support for three legal specialists in the Commissioners' Office from General Fund to receipts.

(\$167,987) R

(\$167,987) R

-3.00

-3.00

72 Deputy Commissioners to Receipt Support

Transfers support for two Deputy Commissioners from General Fund to receipts.

(\$203,760) R

(\$203,760) R

-2.00

-2.00

Commerce

DRAFT

House Subcommittee on Natural and Economic Resources

FY 09-10

FY 10-11

O. Commerce Boards and Commissions

73 Rural Electrification Authority (REA) Transfers REA's operating budget to General Fund support.	\$179,931	R	\$176,019	R
	2.00		2.00	
74 Credit Union Supervision Transfers the operating budget for Credit Union Supervision to General Fund support.	\$1,522,865	R	\$1,489,759	R
	16.00		16.00	
75 Cemetery Commission Transfers the operating budget for the Cemetery Commission to General Fund support.	\$232,751	R	\$227,691	R
	3.00		3.00	
76 Utilities Commission - Staff Transfers the operating budget for the Utilities Commission - Staff to General Fund support.	\$6,122,175	R	\$5,989,084	R
	58.00		58.00	
77 Utilities Commission - Gas Pipeline Safety Transfers the operating budget for the Utilities Commission - Gas Pipeline Safety to General Fund support.	\$529,154	R	\$517,650	R
	6.00		6.00	
78 Utilities Commission - Public Staff. Transfers the operating budget for the Utilities Commission - Public Staff to General Fund support.	\$7,752,023	R	\$7,583,501	R
	89.00		89.00	
79 State Banking Commission Transfers the operating budget for the State Banking Commission to General Fund support.	\$12,971,390	R	\$12,689,403	
	121.00		121.00	
80 ABC Commission Transfers the operating budget for the ABC Commission to General Fund support. Eliminates the compensation for the chair of the ABC Commission.	\$4,155,389	R	\$4,062,672	R
	45.00		45.00	
81 ABC Warehouse Transfers the operating budget for the ABC Warehouse to General Fund support.	\$5,176,984	R	\$5,064,441	R
<hr/>				
Total Legislative Changes	\$28,816,854	R	\$27,956,412	R
Total Position Changes	321.00		321.00	
Revised Budget	\$74,836,677		\$73,985,398	
<hr/>				

DRAFT

House Subcommittee on Natural and Economic Resources

Commerce - State Aid

GENERAL FUND

	FY 09-10		FY 10-11	
Recommended Budget	\$15,642,232		\$15,642,232	
Legislative Changes				
82 Land Loss Prevention	(\$47,277)	R	(\$63,277)	R
Reduces the recurring pass-through appropriation for Land Loss Prevention:				
83 Institute of Minority Economic Development	(\$219,126)	R	(\$289,126)	R
Reduces the recurring pass-through appropriation for the Institute of Minority Economic Development.				
84 Association of Community Development Corporations (CDCs)	(\$88,266)	R	(\$113,266)	R
Reduces the recurring pass-through appropriation for the Association of CDCs.				
85 Minority Support Center	(\$283,651)	R	(\$353,651)	R
Reduces the recurring pass-through appropriation for the Minority Support Center.				
86 Community Development Initiative	(\$418,834)	R	(\$523,834)	R
Reduces the recurring pass-through appropriation for the Community Development Initiative.				
87 e-NC Authority	(\$40,000)	R	(\$49,000)	R
Reduces the recurring pass-through appropriation for the e-NC Authority.				
88 Councils of Government (COG)	(\$398,828)	R	(\$398,828)	R
Reduces the recurring pass-through appropriation for the COGs.				
89 High Point Furniture Market	(\$71,250)	R	(\$87,250)	R
Reduces the recurring pass-through appropriation for the High Point Furniture Market.				
90 Regional Economic Development Partnerships	\$5,000,000	NR		
Transfers \$5 million from the cash balances remaining in various fund codes within the Department of Commerce that are being transferred to the General Fund.				

DRAFT

House Subcommittee on Natural and Economic Resources

FY. 09-10

FY. 10-11

Total Legislative Changes	(\$1,567,232) R	(\$1,878,232) R
	\$5,000,000 NR	
Total Position Changes		
Revised Budget	\$19,075,000	\$13,764,000

DRAFT

House Subcommittee on Natural and Economic Resources

N.C. Biotechnology Center

GENERAL FUND

	FY 09-10		FY 10-11	
Recommended Budget	\$15,427,561		\$15,427,561	
Legislative Changes				
91 Operating Reductions	(\$1,234,561)	R	(\$1,542,561)	R
Reduces the recurring pass-through appropriation for the Biotechnology Center.				
Total Legislative Changes	(\$1,234,561)	R	(\$1,542,561)	R
Total Position Changes				
Revised Budget	\$14,193,000		\$13,885,000	

DRAFT

House Subcommittee on Natural and Economic Resources

Rural Economic Development Center

GENERAL FUND

	FY 09-10		FY 10-11	
Recommended Budget	\$24,059,581		\$24,059,581	
Legislative Changes				
92 Operating Efficiencies	(\$380,581)	R	(\$475,581)	R
Reduces the core funding appropriation to the Rural Center by 8% in FY 2009-10 and 10% in FY 2010-11.				
Total Legislative Changes	(\$380,581)	R	(\$475,581)	R
Total Position Changes				
Revised Budget	\$23,679,000		\$23,584,000	

Proposed Restoration List
NER House Appropriation Subcommittee

	FY 2009-10	FY 2010-11
Target	\$ 5,000,000	\$ 5,867,000

#	Dept.	Division	Page	Item	New Reduction		Restored Amount	
					FY 09-10	FY 10-11	FY 09-10	FY 10-11
1	Ag	Oper. Res. - Barn	H1	1			\$ 152,799	\$ 156,925
2	Ag	OR - Lab	H1	1			\$ 43,500	\$ 79,000
3	Ag	OR - Vet Services - Rendering	H1	1			\$ 75,000	\$ 75,000
4	Ag	Marketing - Ag Review	H3	18			\$ 25,000	\$ 25,000
5	Ag	Ag in Classroom 6% & 8%					\$ 495	\$ 495
6	Ag	FFA to 6% & 8%					\$ 990	\$ 990
7	Ag	Operating Reserves - Cell Phones					\$ 60,909	\$ 60,909
17	Comm	Heritage Tourism					\$ 56,125	\$ 56,125
18	Comm	BI - Contractors	H16	64			\$ 720,868	\$ 720,868
19	Comm	OR - China Trade Office	H14	58			\$ 175,000	\$ 175,000
29	Comm	Operating - Cell Phones					\$ 34,682	\$ 34,682
8	C-Aid	Non-Profits to 6% & 8%					\$ 800,000	\$ 800,000
9	C-Aid	Institute of Minority Econ. Dev. by 6% & 8%					\$ 50,000	\$ 63,600
10	C-Aid	NC Assoc. of CDCs by 6% & 8%					\$ 22,400	\$ 25,400
11	C-Aid	NC Minority Support Cntr by 6% & 8%					\$ 73,500	\$ 73,401
12	C-Aid	NC Comm. Dev. Initiative by 6% & 8%					\$ 104,300	\$ 104,301
13	C-Aid	e-NC Authority by 6% & 8%					\$ 10,300	\$ 9,400
14	C-Aid	High Point Furniture Market by 6% & 8%					\$ 19,300	\$ 17,900
15	C-RC	Rural to Center 6% & 8%					\$ 95,000	\$ 95,000
28	C-RC	Restore CDCs to 08-09 Level	H20	92			\$ 59,246	\$ 59,246
16	C-Bio	Biotech 6% & 8%					\$ 309,000	\$ 308,000
20	DENR	Operating Reserves - Nature Research Cntr	H7	31			\$ 242,159	\$ 855,620
21	DENR	Operating Reserves - Parks	H7	32			\$ 1,537,849	\$ 1,342,669
22	DENR	Grassroots by 6% & 8%					\$ 69,627	\$ 69,627
23	DENR	Partnerships by 6% & 8%					\$ 10,345	\$ 10,345
24	DENR	State Parks					\$ -	\$ 283,335
25	DENR	Forestry					\$ -	\$ 112,556
26	DENR	Operating - Comm Travel/ Subsistence		33			\$ 129,646	\$ 129,646
27	Labor	Wage & Hour	H5	22			\$ 94,796	\$ 94,796
28	Labor	Operating - Cell Phones					\$ 27,164	\$ 27,164
Total Restoration							\$ -	\$ -
							\$ 5,000,000	\$ 5,867,000

House Pages

Name of Committee: NER Approp Date: 4/10/09

1. Name: _____

County: _____

Sponsor: _____

2. Name: _____

County: _____

Sponsor: _____

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

Sgt.-At-Arms

1. Name: James worth

2. Name: David Shearon

VISITOR REGISTRATION SHEET

NER Appropriations
Name of Committee

6/10/09
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Kathy Hawkins	Progress Energy
Preston Howard	MCIC
Patrick Buff	NMAJ
John Goodman	NC Chamber
Zeb Alley	NARS
Lauren Whaley	NC Credit Union League
Paul Sobiech	NCBA
Lori Ann Harris	CAFA
Amy McCoukey	Smith Anderson
Gary Brown	Northampton County
Joy Hicks	NCDA&CS

VISITOR REGISTRATION SHEET

NER App
Name of Committee

6/10
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Elizabeth Bise	DENR
Cony S. H. J.	DENR.
Henry M Lancaster ³	NCIEDI
Doug Lassiter	NCSTA
Jessie Hayes	NCHBA
Cady Thomas	WEAR
Doug Herron	Williamis - Muller
Steven Waters	Living Streets
Meredith Cox	NCIDOL
Jack Brinson	NCIDOL
Tennifer Haignood	NCIDOL

VISITOR REGISTRATION SHEET

NER Approp
Name of Committee

6/10/09
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Curt Bitt	NCDOL
L. Andrews	NCFB
Bob Stocum	NCEA
Tommy Fulling	Amston: WMS
FRAN NOCAN	GRASSROOTS S.M.C.
David Bray	MWC
Sarah Clapp	NCWRC
Gordon Myers	NCWRC
Andrew Meekhan	NC Elec Co-ops
Donna S. Cox	OSBM
N. David Smith	Agriculture

VISITOR REGISTRATION SHEET

NER Approp
Name of Committee

6/10/09
Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

NAME	FIRM OR AGENCY AND ADDRESS
JOE LANIER	520 WILKINSON
Robin Smith	DENT
Paula A. Wolf	Paulatics, LLC
Patricia Yancey	LLP
Beth Huskins	Ridgeway Assoc.

JOINT APPROPRIATIONS SUBCOMMITTEE
ON
NATURAL AND ECONOMIC RESOURCES
2009 – 2010

SENATOR FLOYD MCKISSICK
SENATOR JOE SAM MCKISSICK
CO-CHAIRS

REPRESENTATIVE EDITH WARREN
REPRESENTATIVE PRICEY HARRISON
REPRESENTATIVE GARLAND E. PIERCE
REPRESENTATIVE ANGELA BRYANT
CO-CHAIRS

MILDRED ALSTON
MARTHA HOOVER
SUE OSBORNE
COMMITTEE ASSISTANTS

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

MEMBERSHIP LIST

(Revised – 4-8-10)

SENATE APPOINTMENTS

Senator Floyd McKissick, Jr., Chair
North Carolina Senate
300 N. Salisbury Street
Legislative Office Building, Room 621
Raleigh, NC 27603-5925
Phone: 919-733-4599
E-mail: Floyd.McKissick@ncleg.net
Rosita Littlejohn, Committee Assistant
E-mail: Mckissickla@ncleg.net

Senator Joe Sam Queen, Chair
North Carolina Senate
16 W. Jones Street
Legislative Building, Room 1117
Raleigh, NC 27601-2808
Phone: 919-733-3460
E-mail: JoeSam.Queen@ncleg.net
Lisa Nelson, Committee Assistant
E-mail: Queenla@ncleg.net

Senator Jim Jacumin
North Carolina Senate
16 W. Jones Street
Legislative Building, Room 1113
Raleigh, NC 27601-2808
Phone: 919-715-7823
E-mail: Jim.Jacumin@ncleg.net
Alice Falcone, Legislative Assistant
E-mail: Jacuminla@ncleg.net

Senator David Rouzer
North Carolina Senate
300 N. Salisbury Street
Legislative Office Building, Room 520
Raleigh, NC 27603-5925
Phone: 919-733-5748
E-mail: David.Rouzer@ncleg.net
Judy Edwards, Legislative Assistant
E-mail: Rouzerla@ncleg.net

HOUSE APPOINTMENTS

Representative Edith D. Warren, Chair
North Carolina House of Representatives
300 N. Salisbury Street
Legislative Office Building, Room 416A
Raleigh, NC 27603-5925
Phone: 919-715-3023
E-mail: Edith.Warren@ncleg.net
Martha Hoover, Committee Assistant
E-mail: Warrenla@ncleg.net

Representative Pricey T. Harrison, Chair
North Carolina House of Representatives
16 W. Jones Street
Legislative Building, Room 2119
Raleigh, NC 27601-1096
Phone: 919-733-5771
E-mail: Pricey.Harrison@ncleg.net
Sue Osborne, Committee Assistant
E-mail: Harrisonla@ncleg.net

Representative Garland E. Pierce, Chair
North Carolina House of Representatives
300 N. Salisbury Street
Legislative Office Building, Room 301C
Raleigh, NC 27603-5925
Phone: 919-733-5803
E-mail: Garland.Pierce@ncleg.net
Mildred Alston, Committee Assistant
E-mail: Piercela@ncleg.net

Representative Carolyn H. Justice, Vice Chair
North Carolina House of Representatives
300 N. Salisbury Street
Legislative Office Building, Room 306A3
Raleigh, NC 27603-5925
Phone: 919-715-9664
E-mail: Carolyn.Justice@ncleg.net
Vivian Sherrell, Committee Assistant
E-mail: Justicela@ncleg.net

SENATE APPOINTMENTS (Cont'd)

Senator Michael P. Walters
North Carolina Senate
16 W. Jones Street
Legislative Building, Room 2115
Raleigh, NC 27601-2808
Phone: 919-733-5651
E-mail: Michael.Walters@ncleg.net
Vickie Spears, Legislative Assistant
E-mail: Michael.Walters@ncleg.net

RESEARCH COMMITTEE STAFF

Lanier McRee, Fiscal Research Division
300 N. Salisbury Street
Legislative Office Building, Room 619
Raleigh, NC 27603-5925
Phone: 919-733-4910
E-mail: Lanierm@ncleg.net

Kristin Walker, Fiscal Research Division
300 N. Salisbury Street.
Legislative Office Building, Room 619
Raleigh, NC 27603-5925
Phone: 919-733-4910
E-mail: Kristinw@ncleg.net

SENATE COMMITTEE STAFF

Rosita Littlejohn, Committee Assistant
North Carolina Senate
300 N. Salisbury Street
Legislative Office Building, Room 621
Raleigh, NC 27603-5925
Phone: 919-733-4599
E-mail: Mckissickla@ncleg.net

Lisa Nelson, Committee Assistant
North Carolina Senate
16 W. Jones Street
Legislative Building, Room 1117
Raleigh, NC 27601-2808
Phone: 919-733-3460
E-mail: Queenla@ncleg.net

HOUSE APPOINTMENTS (Cont'd)

Representative W.A. "Winkie" Wilkins
Vice Chair
North Carolina House of Representatives
16 W. Jones Street
Legislative Building, Room 1301
Raleigh, NC 27601-2808
Phone: 919-715-0850
E-mail: Winkie.Wilkins@ncleg.net
Nancy Brantley, Legislative Assistant
E-mail: Wilkinsla@ncleg.net

Representative Michael H. Wray, Vice Chair
North Carolina House of Representatives
300 N. Salisbury Street
Legislative Office Building, Room 405
Raleigh, NC 27603-5925
Phone: 919-733-5662
E-mail: Michael.Wray@ncleg.net
Mary Capps, Legislative Assistant
E-mail: Wrayla@ncleg.net

Representative Angela R. Bryant
North Carolina House of Representatives
16 W. Jones Street
Legislative Office Building, Room 542
Raleigh, NC 27603-5925
Phone: 919-733-5878
E-mail: Angela.Bryant@ncleg.net
Karon Hardy, Legislative Assistant
E-mail: Bryantla@ncleg.net

Representative James H. Langdon, Jr.
North Carolina House of Representatives
300 N. Salisbury Street
Legislative Office Building, Room 610
Raleigh, NC 27603-5925
Phone: 919-733-5849
E-mail: James.Langdon@ncleg.net
Jackson Stancil, Legislative Assistant
E-mail: Langdonla@ncleg.net

Representative Efton M. Sager
North Carolina House of Representatives
300 N. Salisbury Street
Legislative Office Building, Room 508
Raleigh, NC 27603-5925
Phone: 919-733-5755
E-mail: Efton.Sager@ncleg.net
Shirley Winstead, Legislative Assistant
E-mail: Sagerla@ncleg.net

HOUSE COMMITTEE STAFF

Mildred Alston, Committee Assistant
North Carolina House of Representatives
300 N. Salisbury Street
Legislative Office Building, Room 301C
Raleigh, NC 27603-5925
Phone: 919-733-5803
E-mail: Piercela@ncleg.net

Martha Hoover, Committee Assistant
North Carolina House of Representatives
300 N. Salisbury Street
Legislative Office Building, Room 416A
Raleigh, NC 27603-5925
Phone: 919-715-3023
E-mail: Warrenla@ncleg.net

Sue Osborne, Committee Assistant
North Carolina House of Representatives
16 W. Jones Street
Legislative Building, Room 2119
Raleigh, NC 27601-1096
Phone: 919-733-5771
E-mail: Harrisonla@ncleg.net

HOUSE APPOINTMENTS (Cont'd)

Representative Ruth Samuelson
North Carolina House of Representatives
300 N. Salisbury Street
Legislative Office Building, Room 418B
Raleigh, NC 27603-5925
Phone: 919-715-3009
E-mail: Ruth.Samuelson@ncleg.net
Susan Phillips, Legislative Assistant
E-mail: Samuelsonla@ncleg.net

Representative Roger West
North Carolina House of Representatives
16 W. Jones Street
Legislative Building, Room 1004
Raleigh, NC 27601-1096
Phone: 919-733-5859
E-mail: Roger.West@ncleg.net
Linda C. Johnson, Legislative Assistant
E-mail: Westla@ncleg.net

Joint Appropriations Subcommittee on NER Agenda

Wednesday, April 7, 2010, 1:00 P.M.
Room 423, Legislative Office Building

Rep. Pierce, Presiding

I. Welcome and Introductions

Rep. Pierce

II. Overview of NER

Kristin Walker, *Fiscal Research Division*

III. FY 2009-10 Budget Reductions and Reversions

Elizabeth Biser, Legislative Liaison, *Department of Environment and Natural Resources*

Joy Hicks, Policy Analyst, *Department of Agriculture & Consumer Services*

John Baldwin, Chief of Staff, *Department of Labor*

Dale Carroll, Deputy Secretary, *Department of Commerce*

IV. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)

Rep. Pierce (Chair)

Rep. Warren (Chair)

Rep. Justice (Vice Chair)

Rep. Wilkins (Vice Chair)

Rep. Wray (Vice Chair)

Rep. Bryant, Rep. Langdon, Rep. Sager, Rep. Samuelson, Rep. West

Senate Appropriations Subcommittee on NER

Sen. McKissick (Chair)

Sen. Queen (Chair)

Sen. Jacumin, Sen. Rouzer, Sen. Walters

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

Wednesday, April 7, 2010.
1:00 p.m.

The Legislative Study Commission on Joint Appropriations Subcommittee on Natural and Economic Resources met in Room 423 of the Legislative Office Building on Wednesday, April 7, 2010. Chairman Garland E. Pierce presided and called the meeting to order at 1:04 p.m. The Chairman welcomed the members, staff, sergeant-at-arms, and visitors. A Visitor's Registration list and presentations are attached and filed as a record to the minutes.

Chairs present: Senator Floyd B. McKissick, Representative Edith Warren and Representative Pricey T. Harrison. Vice Chairs present: Representative W. A. "Winkie" and Representative Michael H. Wray. Members presents: Senator Jim Jacumin, Representative Angela R. Bryant, Representative Efton M. Sager, and Representative Roger West.

Chairman Pierce recognized Committee Staff from the Fiscal Research Division to give the Overview of NER, Highlights from the FY 2009-11 Biennial Budget, and Major Budget Issues. Ms. Walker spoke from the Natural Economic Resources (NER) Overview handout, which included NER Agencies and Entities, NER Budget, 2009 Session Budget Highlights, and Budget Process and Tentative Schedule. Ms. Walker stated that the Governor's budget will be release April 20th and the joint committees will begin meeting. The Senate will begin their work on May 5th. They propose to pass the budget by May 20th. The House will immediately begin their work and pass the budget by June 10th. They plan to start the conference process the next day and pass the conference budget by June 29th. For additional information about these presentations are filed with the minutes as **Attachment 1**.

Chairman Pierce introduced and welcomed the newest chair Senator Joe Queen and newest member Senator Michael Walters joining the Committee.

Chairman Pierce recognized Elizabeth Biser, Legislative Liaison from the Department of Environment and Natural Resources to present the FY 2009-10 Budget Reductions and Reversions. Ms. Biser explained the impacts and reductions from last year's budget of DNER as well as their 5% reversion. The figures for Personnel, Purchased Services, Supplies, Property, Plant and Equipment, Other Expenses and Adjustments, Aid and Public Assistance, and Intragovernmental Transactions can be found as **Attachment 2** along with the reversion amount of funds. Any updates requested by committee members will be provided.

Joy Hicks, Policy Analyst from the Department of Agriculture and Consumer Services was recognized by Chairman Pierce to present her section of the FY 2009-10 Budget Reductions and Reversions. Ms. Hicks said the certified funds for FY 2008-09 was \$69,390,874 and for the actual funds for FY 2008-09 was \$60,440,960 in the budget. The continuation for FY 2009-10 was \$65,402,492 and the certified was \$63,034,434 in the budget. Their current authorized budget is

\$59,882,712. These figures represent a 14% reduction. The FY 2009-10 Legislative Adjustments were \$4,668,058. A diagram of the 5% reversion by category (pie chart) and percents can be found at the bottom of the diagram of **Attachment 3**.

Chairman Pierce received questions from the committee members. Representative Harrison wanted to know if pesticide was related to the containers. Ms. Hicks said yes because of the new laboring requirements. Representative Warren wanted to know how many pounds are done. Ms. Hicks stated in 1.5 years, they had from 25,260 to 9,000. Senator Queen wanted to know about the usage of pesticide on farms, half used containers, and receiving refund checks. Ms. Hicks said there are many restrictions on pesticide cans, so she wasn't sure if the state could adopt regulations to pay a surcharge for disposal. She stated that they still have the Pesticide Disposal Assistance program for smaller containers for recycling. Representative Wilkins wanted to know if containers would be stored. Ms. Hicks responded yes. Senator McKissick wanted to know investment positions. Ms. Hicks stated that there are three listed on her handout are on target. Ms. Hicks was willing to provide any information to clarify all questions.

John Baldwin, Chief of Staff from the Department of Labor was recognized by Chairman Pierce for his report on FY 2009-10 Budget Reductions and Reversions. Mr. Baldwin stated they adjusted their budget according to his handout. Information regarding this presentation is filed with the minutes as **Attachment 4**.

Chairman Pierce received questions from Committee members. Senator McKissick wanted to know about the Apprenticeship Program and how it worked. Mr. Baldwin said a \$50 fee was assigned for new registrations and a \$50 for an annual fee. The employer would pay \$30 and the apprentice would pay \$20 or the employer could pay the entire fee. Since they did not receive what they wanted, they made some adjustments. Representative Harrison wanted to know about their projections. Mr. Baldwin stated their projections had not risen to what they wanted to receive and had to make adjustments as well. They collected 33% of what they had hoped to collect and some dropped out due to the fee.

Chairman Pierce recognized Dale Carroll, Deputy Secretary, Department of Commerce to present his report on FY 2009-10 Budget Reductions and Reversions. Mr. Carroll indicated that all divisions receiving state appropriation were given the amount of their 5% reduction and were asked to identify line items within their budget to decrease for the reduction. The Administrative Services Division and the Industrial Commission will use receipts to support the reductions. If revenues do not meet the targeted amount, the cut will be taken from appropriation remaining at year end. The funds appropriated for the Industrial Finance Center included \$1,020,107 for the Industrial Development Fund and the One North Carolina fund. These grant programs were not subject to the 5% reduction and had been deducted from the amount used to calculate the reduction.

Chairman Pierce received questions from the Committee members. Representative Wilkins wanted to know the name of the Welcome Center's contractor. Mr. Carroll did not know the answer, but was willing to get the information. Senator Queen was interested in the international trade and opportunities on the federal level. Mr. Carroll did not have any information to share, so he will get back with an answer. He also stated that Jean Davis runs the International Trade Division and she has a very good rapport with the US Commerce and the Export Council and other entities. Senator McKissick wanted to know about Tourism, Film and Sports. Mr. Carroll said they eliminated the matching grant program, which provided matching funds from the Arts Division and

Department of Commerce to local tourism entities and regional tourism entities to do co-op marketing campaign. He said they reduced travel in and out of domestic and international trade shows and they reduced their funds for printing and mailings. Senator McKissick requested a copy of his report. A copy of the report will be provided. Mr. Carroll's handout is filed with the minutes as **Attachment 5**.

Committee Discussion

The next joint meeting with JPS will be Tuesday, April 13, at 10 a.m. in Room 421. They will hear the Bridge Continuation Review. The NER members will hear reports on interim studies on Wednesday, April 21, at 8:30 a.m. in Room 423.

There being no further business, the Chairman adjourned the meeting at 2:06 p.m.

Respectfully submitted,



Representative Garland E. Pierce
Presiding Co-Chair



Mildred Alston
Committee Assistant

HOUSE PAGES

JT. Appro. NER Subcommittee
NAME OF COMMITTEE _____

DATE 4-7-10

1. Name: _____

County: _____

Sponsor: _____

2. Name: _____

County: _____

Sponsor: _____

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

SGT-AT-ARM

1. Name: KEN BURROUGHS

2. Name: FRANK TREVINO

3. Name: CHARLES HARPER

4. Name: _____

HOUSE {

SENATE

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

April 7, 2010

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
FRAN NOLAN	GRASSROOTS S. M. C.
DAVID WATSON	OSBM
Jennifer Hoffmann	OSBM
Anda Meneaf	DENR
Robin Smith	"
Carl Hardy	DEOR
Elizabeth Biser	DENR
R ROGERS	CWMTA
Ashley Jones	Biofuels Co of NC
TOM CURS	TNC
Dan Conrad	NCCN
Lynn Hooper	EGHS /

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

April 7, 2010

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Dale Carroll	NC Dept of Commerce
Meredith Henderson	NC Industrial Commission
PBP	NC FB
DAVID HUSKINS	COBS
BILLY GUILLET	NCRC
Brigette Rasberry	NCAACDC
Jay Stem	NCAA
Jane Patterson	e-NC Authority
GORDON MYERS	NCWRC
Tommy Clark	NCWRC
Sarah Clapp	NCWRC

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

April 7, 2010

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Pete A. Yancey	LLPP
Lori Ann Harris	LHTA
Chas D. Ila	Pico Tea
Ed Tindale	Brooks Pierce
Jim Smith	we work co.
Doug Lassiter	NC STA
Jenni Overton	NCDA ECS
Joy Hick	NCDA ECS
N. David Smith	NCDA ECS
Jennifer Haiswood	NC DOL
John Baldwin	NC DOL
Jack Branson	NC DOL

Joint Appropriations Subcommittee on
Natural and Economic Resources

NER Overview

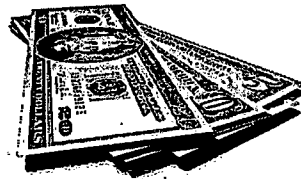
April 7, 2010



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

Presentation Outline

- NER Agencies and Entities
- NER Budget
- 2009 Session Budget Highlights
- Budget Process and Tentative Schedule



NER Agencies & Entities

Department of Agriculture &
Consumer Services (DACCS)

Department of Commerce

Department of Environment &
Natural Resources (DENR)

Department of Labor (DOL)

NER Agencies & Entities (cont.)

Boards & Commissions

- Employment Security Commission
- Industrial Commission
- ABC Commission
- State Banking Commission
- Credit Union Commission
- Utilities Commission
- Rural Electrification Authority
- Cemetery Commission
- NC Ports Authority
- Wildlife Resources Commission

Conservation Trust Funds

- Clean Water Management Trust Fund
- Ag. Dev. & Farmland Preservation Trust Fund
- Natural Heritage Trust Fund
- Parks & Recreation Trust Fund

MSA Entities

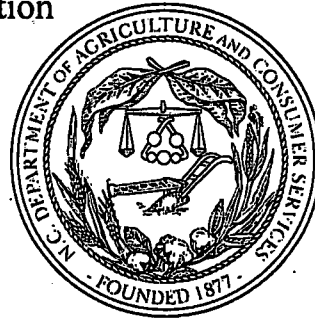
- Tobacco Trust Fund Commission
- Golden LEAF

Non-Profits

- NC Biotechnology Center
- Rural Economic Development Center
- Minority Support Center
- Inst. of Minority Econ. Development
- Community Development Initiative
- Land Loss Prevention Project
- Association of CDCs
- e-NC Authority
- COGs
- High Point Furniture Market
- Regional Econ. Dev. Commissions
- Biofuels Center
- Grassroots Science Museums
- Partnership for the Sounds

DACS Basics

- \$90.4 M in Expenditures
- \$27.4 M in Receipts
- \$63.0 M General Fund appropriation
- 1,172.8 employees
- Three Enterprise Funds...
 - Western NC Ag Center
 - State Fairgrounds
 - Raleigh Farmers Market



Commerce Basics

- 444 FTE
- \$97.6 million in expenditures
- \$53.1 million in receipts
- \$44.5 million in General Fund appropriation
- Divisions include
 - Business & Industry Development
 - International Trade
 - Tourism, Film, & Sports Development
 - Community Assistance
 - Employment, Training, and Workforce Development



DENR Basics

- Nearly 4,000 employees
- \$201 million appropriation
- Central Raleigh office + 7 regional offices
- Wide range of issues
 - Special attractions: Zoo, Aquariums, Museums, Parks
 - Air and water quality
 - Landfills
 - Coastal management
 - Marine fisheries
 - Sediment & erosion control
 - Radiation protection
 - Recycling programs
 - Mapping programs

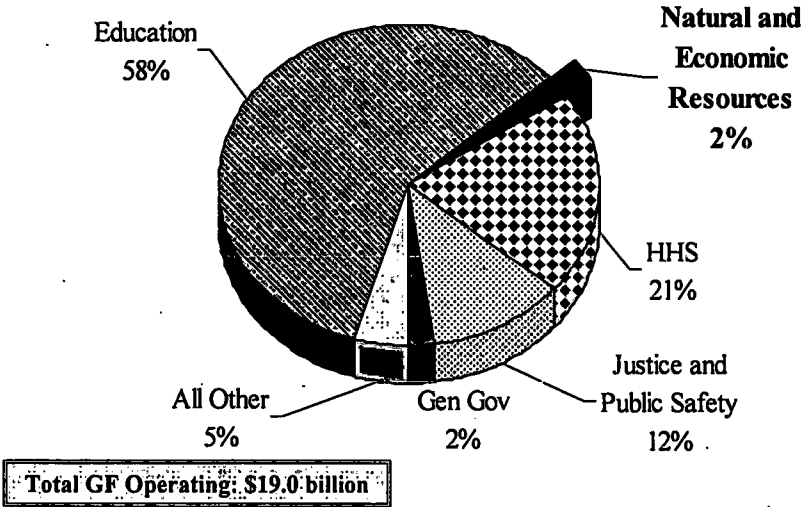


DOL Basics

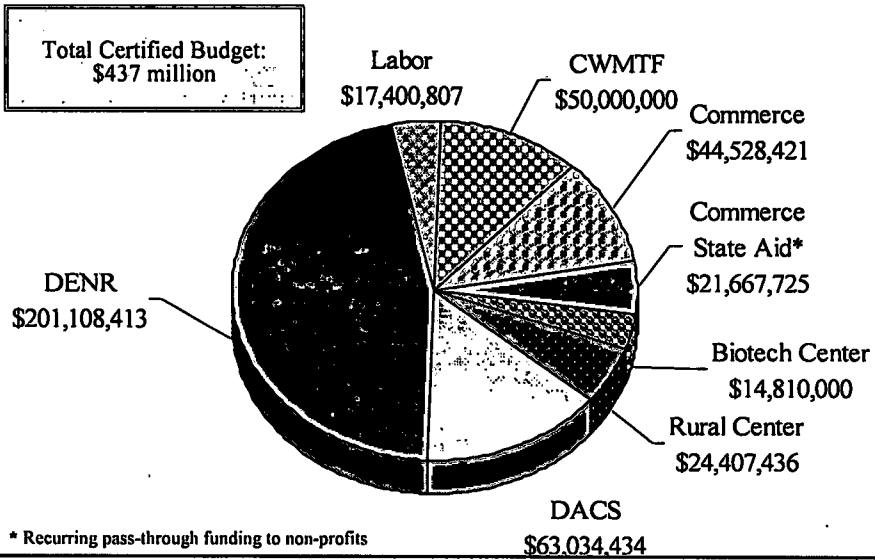
- 420.75 FTE
- \$31.7 million annual budget
- Range of Issues
 - Mining safety
 - Elevator and amusement ride inspections
 - Employment discrimination investigations
 - Wage and hour investigations
 - Migrant housing regulation and inspection
 - Occupational safety & health inspections
 - Apprenticeship program



Total General Fund Operating Budget FY 2009-10



NER Certified General Fund Budgets FY 2009-10



* Recurring pass-through funding to non-profits

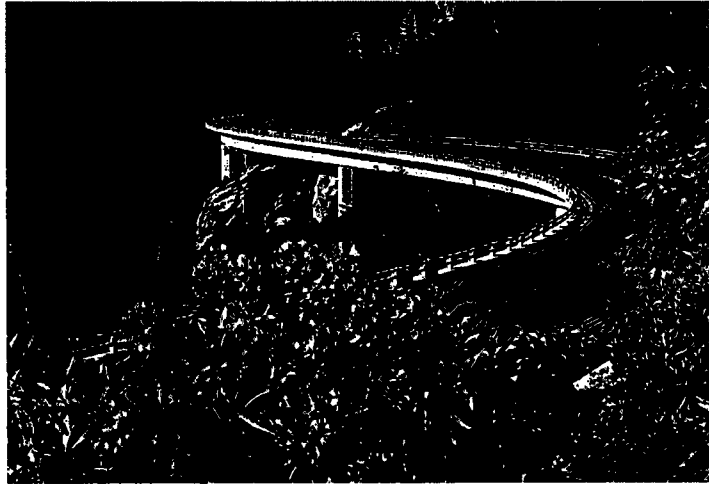
NER Budget Highlights - 2009

- 2009-10 NER Budget 16% below prior year actuals
- For four main NER agencies:
 - \$28 million in operating cuts
 - 120.8 vacant & 10 filled positions eliminated
- Several large items funded with nonrecurring funds:
 - Farmland Preservation
 - Regional Economic Development Commissions
 - State Revolving Funds
- ARRA Funding
- Swept cash balances of receipt-supported commissions
- WRC sales tax transfer capped at \$21.5 million

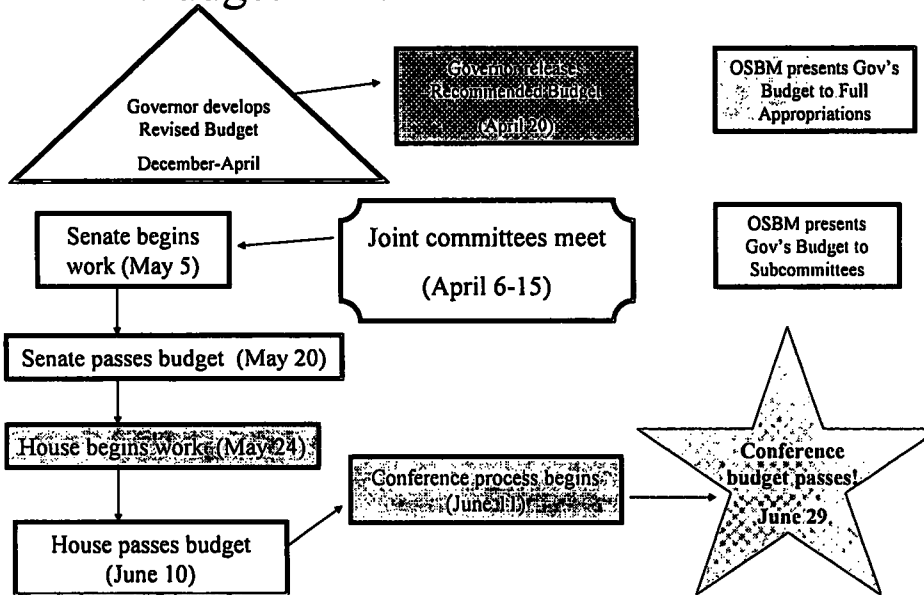
NER Budget Highlights – 2009 (cont.)

- Continuation Review – BRIDGE program in DENR
- Several Studies Required of DENR:
 - Transfer of Grade A Milk program to DACS
 - Consolidation/Elimination of Boards & Commissions
 - Special Funds
 - Grassroots Science Museums Need-based Grants Program
 - State Park Parking Fees
- Other Studies
 - State Aircraft Fleet (Program Evaluation Division)
 - Law Enforcement Consolidation (OSBM)

Budget Process



Budget Timeline – Short Session



Tentative Schedule

Tuesday, April 13, 10:00

- Joint Meeting with JPS to hear BRIDGE continuation review

Wednesday, April 21, 8:30

- NER meeting to hear reports on interim studies

Environment & Natural Resources

GENERAL FUND

Adjusted Continuation Budget	FY 09-10 \$212,524,097	FY 10-11 \$214,924,435
------------------------------	---------------------------	---------------------------

Legislative Changes

(1.0) Department-Wide

33 Adjust Continuation Budget	(\$8,997,314)	R	(\$10,908,885)	R
--------------------------------------	---------------	---	----------------	---

Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget. Retains operating funds for the Nature Research Center, Chimney Rock State Park, Carvers Creek State Park, the Fort Macon State Park Coastal Education Center, the Raven Rock State Park Visitors Center, and Yellow Mountain State Park.

	-10.00		-23.00	
--	--------	--	--------	--

34 Vacant Positions	(\$3,422,028)	R	(\$3,422,028)	R
----------------------------	---------------	---	---------------	---

Eliminates vacant positions within the Department.

	-69.82		-69.82	
--	--------	--	--------	--

35 Operating Expense Reductions	(\$724,866)	R	(\$724,866)	R
--	-------------	---	-------------	---

Reduces the following line items:

- Non-employee travel, subsistence, and education \$ 7,195
- Registrations \$124,064
- Workshop Travel \$ 4,381
- Workshop Subsistence \$ 419
- Employee Education \$ 66,489
- Memberships & Subscriptions \$ 73,489
- Cell Phones \$163,914

Eliminates the following line items:

- Office Furniture \$277,415
- Honorariums \$ 7,500

36 General Fund Positions to Receipt Support	(\$1,617,030)	R	(\$1,617,030)	R
---	---------------	---	---------------	---

Shifts positions currently supported by the General Fund to receipt support.

	-25.40		-25.40	
--	--------	--	--------	--

(2.0) Administration

37 Fines and Penalties Administrative Expenses

Transfers the operating budget for administrative expenses related to Fines and Penalties from a special fund code to a General Fund code. The activities will remain receipt supported.

Conference Report on the Continuation, Capital, and Expansion Budget

	FY 09-10		FY 10-11	
(3.0) Center for Geographic Information Analysis				
38 Center for Geographic Information Analysis Transfer	(\$167,549)	R	(\$167,549)	R
Transfers two General Fund positions for NC OneMap to the Office of the State Chief Information Officer.	-2.00		-2.00	
(3.0) Environmental Health				
39 Food and Lodging Inspection Fee	(\$250,000)	R	(\$250,000)	R
Adjusts the food/lodging inspection fees. Fees are currently either \$50 or \$200 and will be increased to \$75 and \$250 respectively. Fees were last increased October 1, 2002. New fee revenue will be distributed in accordance with G.S.130A-248. Fee revenue credited to the Department will be used to support operations of the Division and will allow the Division to take a corresponding General Fund reduction.	-0.50		-0.50	
40 Tick-borne Disease Funding Transfer	\$139,802	R	\$139,802	R
Transfers \$139,802 from the Department of Health and Human Services to continue tick-borne disease work within the Division of Environmental Health.				
41 Radiation Protection Section	(\$406,621)	R	(\$813,242)	R
Requires that the Radiation Protection section become entirely receipt supported by 2010-11. Reduces General Fund support by 50% in FY 2009-10 and eliminates all General Fund support in FY 2010-11. Moves 11.0 positions from the General Fund to receipt support in FY 2010-11.			-11.00	
42 General Fund Support to Receipt Support	(\$61,724)	R	(\$61,724)	R
Shifts funding for rent for the Division's main office to a federal grant.				
(3.0) Land Resources				
43 Landslide Hazard Aerial Photography	(\$60,000)	R	(\$100,000)	R
Reduces funding to landslide hazard aerial photography.				
44 County Boundary Program	(\$106,479)	R	(\$106,479)	R
Eliminates funding for the County Boundary Program.	-1.00		-1.00	
(3.0) Pollution Prevention & Enviro. Assistance				
45 Solid Waste Management Trust Fund Receipts	(\$225,000)	R	(\$225,000)	R
Directs the Division to shift operating expenses to the Solid Waste Management Trust Fund (SWMTF). SWMTF began receiving new revenue in FY 2008-09 from the solid waste disposal tax, a portion of which was authorized to be used for operating expenses.				

Conference Report on the Continuation, Capital, and Expansion Budget

FY 09-10

FY 10-11

(3.0) Waste Management

46 Inactive Hazardous Sites Cleanup Fund Receipts

Directs the Division to shift operating expenses to the Inactive Hazardous Sites Cleanup Fund. The Inactive Hazardous Sites Cleanup Fund began receiving new revenue in FY 2008-09 from the solid waste disposal tax, a portion of which was authorized to be used for operating expenses.

\$0 R (\$300,000) R
0.00 -3.20

(3.0) Water Quality

47 Neuse River Rapid Response Team

Reduces funding for the Neuse River Rapid Response Team and eliminates two positions.

(\$101,439) R (\$101,439) R
-2.00 -2.00

48 Water Quality Monitoring on Ferry Vessels

Provides funds for the FerryMon Program which evaluates water quality in the Pamlico Sound and its tributary rivers using equipment attached to ferry vessels.

\$250,000 NR

(3.0) Water Resources

49 Stream and Well Monitoring Contracts

Reduces funding for stream and well monitoring contracts by 10%. The Division is encouraged to negotiate lower rates for these contracts to compensate for the appropriation reduction.

(\$21,884) R (\$21,884) R

(4.0) Forest Resources

50 Young Offenders/ BRIDGE Program

Eliminates funding for the Young Offenders/ BRIDGE program. This program is subject to continuation review.

(\$1,043,840) R (\$1,043,840) R
\$1,043,840 NR -10.00

51 Forestry Equipment

Reduces the Division of Forest Resources' equipment budget.

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

52 ARRA Funds for Wildfire Management

Recognizes the \$6,408,000 that the Division of Forest Resources will receive from the federal American Recovery and Reinvestment Act for wildfire management.

(4.0) Marine Fisheries

53 Oyster Reef Program Reduction

Reduces funding for the Oyster Reef program.

(\$250,000) R (\$250,000) R

54 Governor's Cup Special Fund Transfer

Transfers the operating budget for the Governor's Cup from a special fund code to Marine Fisheries' General Fund code. The activities will remain receipt supported.

Conference Report on the Continuation, Capital, and Expansion Budget

	FY 09-10		FY 10-11	
55 Fisheries Resource Grant Program	(\$250,000)	R	(\$250,000)	R
<p>Reduces funds available for the Fisheries Resource Grant program by \$250,000. Of the \$750,000 remaining for the program, \$600,000 shall be used for the Sea Grant program within NCSU and \$150,000 shall be used for River Herring research.</p>				
(4.0) Office of Environmental Education				
56 Administrative Assistant	(\$43,980)	R	(\$43,980)	R
<p>Eliminates the Administrative Assistant position that supports the Office of Environmental Education.</p>				
	-1.00		-1.00	
57 DENR Library	(\$90,000)	R	(\$90,000)	R
<p>Eliminates funding for the DENR library housed within the Office of Environmental Education. The library collection will be transferred to the State Library.</p>				
	-1.00		-1.00	
58 Teacher Certification Fee Special Fund Transfer				
<p>Transfers the special fund budget for the Office of Environmental Education's Teacher Certification fees to the Office's General Fund code. The Office will continue to collect the certification fee but budget these receipts and associated expenditures in the General Fund budget code.</p>				
(4.0) Parks & Recreation				
59 State Park Fees	\$0	R	(\$500,000)	R
<p>Reduces General Fund appropriation for State Parks and replaces these funds with an increase in fees. Potential fee changes could include increases in cabin and shelter rental rates, camping fees, and other facility use fees.</p>				
60 State Park Parking Fees	\$0	R	(\$2,237,963)	R
<p>Reduces General Fund appropriation for State Parks and replaces appropriation with fees for parking. The Division of Parks and Recreation is directed to draft and implement a parking plan for State Parks.</p>				
(4.0) Soil & Water Conservation				
61 Financial Assistance Funding	(\$500,000)	R	(\$500,000)	R
<p>Reduces funding for financial assistance within the Ag Cost Share program.</p>				
(5.0) Reserves & Transfers				
62 Beaver Management Assistance Program	(\$349,000)	R	(\$349,000)	R
<p>Eliminates the transfer to the Wildlife Resources Commission (WRC) for the Beaver Management Assistance Program. WRC will continue to operate the program using \$349,000 in WRC revenue from funds available.</p>				

Conference Report on the Continuation, Capital, and Expansion Budget

	FY 09-10		FY 10-11	
63 Grassroots Science Museums	(\$69,627)	R	(\$69,627)	R
Reduces General Fund support for the Grassroots Science Museums.				
64 Partnership for the Sounds	(\$10,345)	R	(\$10,345)	R
Reduces General Fund support for the Partnership for the Sounds.				
65 Drinking Water State Revolving Fund	\$5,482,800	NR		
Provides funds to meet the 20% State match required to draw down maximum federal funds for the Drinking Water State Revolving Fund.				
66 Clean Water State Revolving Fund Match	\$936,600	NR		
Provides funds to meet the 20% State match required to draw down maximum federal funds for the Clean Water State Revolving Fund. Additional funding of \$1,544,400 will come from a transfer from the Rural Center Infrastructure Program.				
Total Legislative Changes	(\$19,128,924)	R	(\$24,525,079)	R
	\$7,713,240	NR		
Total Position Changes	-112.72		-149.92	
Revised Budget	\$201,108,413		\$190,399,356	

**Department of Environment and Natural Resources
FY2009-10 5% Reversion Analysis**

<u>Account</u>	<u>Category</u>	<u>Reversion Amount</u>
531XXX	PERSONNEL- Salaries, Fringe Benefits, Temporary Wages, Longevity	2,471,043
532XXX	PURCHASED SERVICES- Contracts, Travel, Phone Service, Rent	1,651,517
533XXX	SUPPLIES- Office Supplies, Data Processing Supplies, Scientific Supplies, Clothing and Uniforms	512,929
534XXX	PROPERTY, PLANT & EQUIPMENT- Computer Equipment, Office Equipment, Autos, Trucks and Buses	1,297,150
535XXX	OTHER EXPENSES & ADJUSTMENTS-Third Party Finance Principal and Interest, Membership Dues and Subscriptions	2,968,987
536XXX	AID & PUBLIC ASSISTANCE-Aid to Cities, Counties and Towns, Pass-Thru Funds	402,091
537XXX-538XXX	INTRAGOVERNMENTAL TRANSACTIONS- Transfers and Reserves	751,703
TOTAL		10,055,420

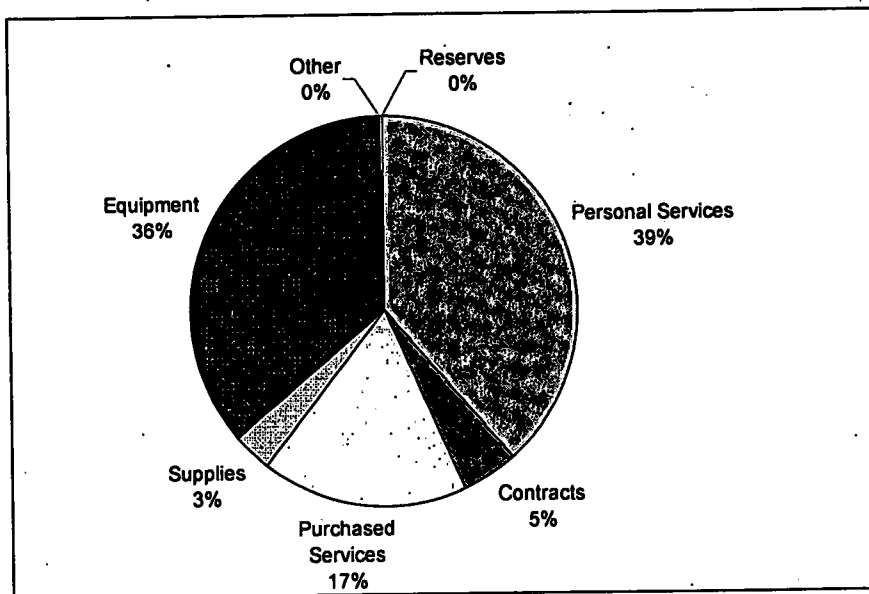
NC Department of Agriculture and Consumer Services FY 2009-10 Budget and 5% Reversion

		% change
FY 2008-09 Certified	<u>\$69,390,874</u>	
FY 2008-09 Actual	\$60,440,960	
FY 2009-10 Continuation	\$65,402,492	
(Net Legislative Reductions)	(\$2,368,058)	
FY 2009-10 Certified	\$63,034,434	
(5% Reversion)	(\$3,151,722)	
<hr/>		
Current Authorized Budget	<u>\$59,882,712</u>	(14%)

FY 2009-10 Legislative Adjustments (\$4,668,058)

- Eliminated 21.5 vacant positions; shifted 10.7 to receipts
- Operating Reduction (\$373,778)
- Fertilizer Assessment (\$375,000)
- Farmers Markets Fees (\$175,000)
- Pesticide Registration Fees (\$500,000)
- Animal Diagnostic Lab Fees (\$200,000)

5% Reversion by Category (\$3,151,722)



Areas of Concern

- Equipment
- Fertilizer Receipts

Conference Report on the Continuation, Capital, and Expansion Budget

Labor

GENERAL FUND

	FY 09-10		FY 10-11	
Adjusted Continuation Budget	\$19,064,773		\$19,092,834	
Legislative Changes				
Department-Wide				
22 Adjust Continuation Budget	(\$405,676)	R	(\$433,681)	R
Adjusts continuation budget to a level at or below FY 2008-09 Authorized Budget.				
23 Vacant Positions	(\$390,285)	R	(\$390,285)	R
Eliminates the following vacant positions:				
		-7.50		-7.50
60013028 Communications & Info. Assistant	\$45,361			
60013031 Admin. Officer III	\$50,653			
60012992 Wage & Hour Investigator I	\$49,706			
60013243 OSHA Ed & Train Specialist	\$61,810			
65005115 OSHA Ed & Train Specialist	\$51,831			
65005233 OSHA Carolina Star Consultant	\$53,753			
65005234 OSHA Carolina Star Consultant	\$53,753			
60013223 Admin. Secretary II (0.5 FTE)	\$23,418			
24 Operating Expense Reductions	(\$155,877)	R	(\$155,877)	R
Reduces the following line items:				
Non-employee travel, subsistence, and education	\$1,384			
Registrations	\$19,330			
Employee Education	\$4,979			
Memberships & Subscriptions	\$16,610			
Cell Phones	\$54,328			
In-State Ground Transportation	\$3,000			
General Admin Supplies	\$2,000			
PC Equipment	\$8,000			
Other Administrative Expenses	\$20,297			
Other Equipment	\$22,000			
Eliminates the following line items:				
Office Furniture	\$3,949			
25 Salary Reserve Reduction	(\$71,048)	R	(\$71,048)	R
Reduces salary reserve and associated social security and retirement expenses in funds 1110, 1120, and 1340.				
Administrative Services				
26 General Fund Position to Receipt Support	(\$45,632)	R	(\$45,632)	R
Converts one Administrative Assistant position, associated fringe, and operating to receipt support. Receipts will be generated by the Elevator and Amusement Device Bureau, the Boiler Safety Bureau, and the OSH Division.				
		-1.00		-1.00

Conference Report on the Continuation, Capital, and Expansion Budget

	FY 09-10		FY 10-11	
27 Administrative Officer III Position to Receipt Support	(\$77,428)	R	(\$77,428)	R
Converts one Administrative Officer III position, associated fringe, and operating to receipt support. Receipts will be generated by the Elevator and Amusement Device Bureau, the Boiler Bureau, and the OSH Division.	-1.00		-1.00	
Occupational Safety and Health				
28 State Funding for Library Periodicals	(\$18,306)	R	(\$18,306)	R
Eliminates State funding for periodicals in the DOL library.				
29 Publication Fees	(\$21,325)	R	(\$21,325)	R
Directs OSH to raise publication fees to adjust for inflation and to take a corresponding General Fund reduction. Fees were last raised February 1, 2001.				
Standards and Inspections				
30 Mine and Quarry Operating	(\$28,389)	R	(\$28,389)	R
Shifts funding for operating expenses in the Mine & Quarry Bureau to federal receipts.				
31 Apprenticeship Program	(\$450,000)	R	(\$450,000)	R
Directs the Apprenticeship Program to create new fees to generate enough revenue so that the program can take a 25% reduction to General Fund support.				
32 Elevator and Boiler Bureaus				
Transfers the operating budgets and cash balances for the Elevator and Amusement Device Bureau and the Boiler Bureau from a special fund code to a General Fund code. The Bureaus will remain receipt supported.				
Total Legislative Changes	(\$1,663,966)	R	(\$1,691,971)	R
Total Position Changes	-9.50		-9.50	
Revised Budget	\$17,400,807		\$17,400,863	

**North Carolina Department of Commerce report to Appropriations Subcommittee on NER
April 6, 2010**

General Fund Code 14600
Fiscal Year 2009-10

Division	Fund	2009-10		
		2009-10 Appropriation	2009-10 5% Reduction	2009-10 Appropriation Remaining for Operations
Administrative Services*	1111	2,269,295	113,465	2,155,830
Executive Aircraft	1112	1,075,372	53,769	1,021,603
Science & Technology	1113	361,946	18,098	343,848
MIS	1120	912,391	45,620	866,771
Policy & Research	1130	1,195,303	59,766	1,135,537
State Energy Plan	1466	3,955,819	197,791	3,758,028
Marketing	1520	1,380,702	76,908	1,303,794
Busines & Industry Dev	1531	5,412,189	270,610	5,141,579
International Trade	1541	2,572,831	128,642	2,444,189
Tourism, Film & Sports Dev	1551	10,146,699	507,335	9,639,364
Welcome Centers	1552	1,897,362	86,997	1,810,365
Wine & Grape Council	1553	828,000	41,400	786,600
Wanchese Seafood Industrial Park	1561	433,639	21,682	411,957
Industrial Finance Center**	1581	546,063	27,304	518,759
Local Planning & Management	1620	2,893,510	147,176	2,746,334
Industrial Commission*	1831	5,627,193	281,360	5,345,833
Totals		41,508,314	2,077,921	39,430,393

All divisions receiving state appropriation were given the amount of their 5% reduction and were asked to identify line items within their budget to decrease for the reduction. * The

Administrative Services Division and the Industrial Commission will use receipts to support the reductions. If revenues do not meet the targeted amount, the cut will be taken from appropriation remaining at year end.

**Funds appropriated for the Industrial Finance Center included \$1,020,107 for the Industrial Development Fund and the One North Carolina fund. These grant programs were not subject to the 5% reduction and have been deducted from the amount used to calculate the reduction.

**North Carolina Department of Commerce Report to Appropriations Subcommittee on NER
April 7, 2010**

General Fund Code 14601
State Aid
Fiscal Year 2009-10

Entity	Fund	2009-10	2009-10 5% Reduction	2009-10 Remaining Appropriation for Operations
		Appropriation		
Biotechnology Center	1121	14,810,000	740,500	14,069,500
Rural Economic Development Center	1141	24,407,436	1,220,372	23,187,064
Economic Development Commissions	1912	5,000,000	250,000	4,750,000
Non state Entities	1913	16,667,725	833,386	15,834,339
Totals		60,885,161	3,044,258	57,840,903

All state aid appropriations for 2009-10 were reduced by 5%.

House Appropriations Subcommittee on NER

Agenda

Wednesday, May 26th, 2010, 1:30 P.M.

Room 423, Legislative Office Building

Rep. Pierce, Presiding

I. Welcome

Representative Pierce

II. Draft House Money Report & Special Provisions

Fiscal Research Division

III. Committee Discussion

IV. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)
Rep. Warren (Chair)
Rep. Wilkins (Vice Chair)
Rep. Bryant
Rep. Sager
Rep. West

Rep. Pierce (Chair)
Rep. Justice (Vice Chair)
Rep. Wray (Vice Chair)
Rep. Langdon
Rep. Samuelson

MINUTES

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

Wednesday, April 7, 2010
1:00 p.m.

The Legislative Study Commission on Joint Appropriations Subcommittee on Natural and Economic Resources met in Room 423 of the Legislative Office Building on Wednesday, April 7, 2010. Chairman Garland E. Pierce presided and called the meeting to order at 1:04 p.m. The Chairman welcomed the members, staff, sergeant-at-arms, and visitors. A Visitor's Registration list and presentations are attached and filed as a record to the minutes.

Chairs present: Senator Floyd B. McKissick, Representative Edith Warren and Representative Pricey T. Harrison. Vice Chairs present: Representative W. A. "Winkie" and Representative Michael H. Wray. Members presents: Senator Jim Jacumin, Representative Angela R. Bryant, Representative Efton M. Sager, and Representative Roger West.

Chairman Pierce recognized Committee Staff from the Fiscal Research Division to give the Overview of NER, Highlights from the FY 2009-11 Biennial Budget, and Major Budget Issues. Ms. Walker spoke from the Natural Economic Resources (NER) Overview handout, which included NER Agencies and Entities, NER Budget, 2009 Session Budget Highlights, and Budget Process and Tentative Schedule. Ms. Walker stated that the Governor's budget will be release April 20th and the joint committees will begin meeting. The Senate will begin their work on May 5th. They propose to pass the budget by May 20th. The House will immediately begin their work and pass the budget by June 10th. They plan to start the conference process the next day and pass the conference budget by June 29th. For additional information about these presentations are filed with the minutes as **Attachment 1**.

Chairman Pierce introduced and welcomed the newest chair Senator Joe Queen and newest member Senator Michael Walters joining the Committee.

Chairman Pierce recognized Elizabeth Biser, Legislative Liaison from the Department of Environment and Natural Resources to present the FY 2009-10 Budget Reductions and Reversions. Ms. Biser explained the impacts and reductions from last year's budget of DNER as well as their 5% reversion. The figures for Personnel, Purchased Services, Supplies, Property, Plant and Equipment, Other Expenses and Adjustments, Aid and Public Assistance, and Intragovernmental Transactions can be found as **Attachment 2** along with the reversion amount of funds. Any updates requested by committee members will be provided.

Joy Hicks, Policy Analyst from the Department of Agriculture and Consumer Services was recognized by Chairman Pierce to present her section of the FY 2009-10 Budget Reductions and Reversions. Ms. Hicks said the certified funds for FY 2008-09 was \$69,390,874 and for the actual funds for FY 2008-09 was \$60,440,960 in the budget. The continuation for FY 2009-10 was \$65,402,492 and the certified was \$63,034,434 in the budget. Their current authorized budget is

\$59,882,712. These figures represent a 14% reduction. The FY 2009-10 Legislative Adjustments were \$4,668,058. A diagram of the 5% reversion by category (pie chart) and percents can be found at the bottom of the diagram of **Attachment 3**.

Chairman Pierce received questions from the committee members. Representative Harrison wanted to know if pesticide was related to the containers. Ms. Hicks said yes because of the new laboring requirements. Representative Warren wanted to know how many pounds are done. Ms. Hicks stated in 1.5 years, they had from 25, 260 to 9,000. Senator Queen wanted to know about the usage of pesticide on farms, half used containers, and receiving refund checks. Ms. Hicks said there are many restrictions on pesticide cans, so she wasn't sure if the state could adopt regulations to pay a surcharge for disposal. She stated that they still have the Pesticide Disposal Assistance program for smaller containers for recycling. Representative Wilkins wanted to know if containers would be stored. Ms. Hicks responded yes. Senator McKissick wanted to know investment positions. Ms. Hicks stated that there are three listed on her handout are on target. Ms. Hicks was willing to provide any information to clarify all questions.

John Baldwin, Chief of Staff from the Department of Labor was recognized by Chairman Pierce for his report on FY 2009-10 Budget Reductions and Reversions. Mr. Baldwin stated they adjusted their budget according to his handout. Information regarding this presentation is filed with the minutes as **Attachment 4**.

Chairman Pierce received questions from Committee members. Senator McKissick wanted to know about the Apprenticeship Program and how it worked. Mr. Baldwin said a \$50 fee was assigned for new registrations and a \$50 for an annual fee. The employer would pay \$30 and the apprentice would pay \$20 or the employer could pay the entire fee. Since they did not receive what they wanted, they made some adjustments. Representative Harrison wanted to know about their projections. Mr. Baldwin stated their projections had not risen to what they wanted to receive and had to make adjustments as well. They collected 33% of what they had hoped to collect and some dropped out due to the fee.

Chairman Pierce recognized Dale Carroll, Deputy Secretary, Department of Commerce to present his report on FY 2009-10 Budget Reductions and Reversions. Mr. Carroll indicated that all divisions receiving state appropriation were given the amount of their 5% reduction and were asked to identify line items within their budget to decrease for the reduction. The Administrative Services Division and the Industrial Commission will use receipts to support the reductions. If revenues do not meet the targeted amount, the cut will be taken from appropriation remaining at year end. The funds appropriated for the Industrial Finance Center included \$1,020,107 for the Industrial Development Fund and the One North Carolina fund. These grant programs were not subject to the 5% reduction and had been deducted from the amount used to calculate the reduction.

Chairman Pierce received questions from the Committee members. Representative Wilkins wanted to know the name of the Welcome Center's contractor. Mr. Carroll did not know the answer, but was willing to get the information. Senator Queen was interested in the international trade and opportunities on the federal level. Mr. Carroll did not have any information to share, so he will get back with an answer. He also stated that Jean Davis runs the International Trade Division and she has a very good rapport with the US Commerce and the Export Council and other entities. Senator McKissick wanted to know about Tourism, Film and Sports. Mr. Carroll said they eliminated the matching grant program, which provided matching funds from the Arts Division and

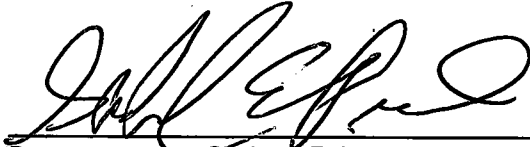
Department of Commerce to local tourism entities and regional tourism entities to do co-op marketing campaign. He said they reduced travel in and out of domestic and international trade shows and they reduced their funds for printing and mailings. Senator McKissick requested a copy of his report. A copy of the report will be provided. Mr. Carroll's handout is filed with the minutes as **Attachment 5**.

Committee Discussion

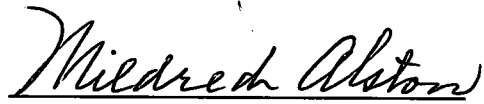
The next joint meeting with JPS will be Tuesday, April 13, at 10 a.m. in Room 421. They will hear the Bridge Continuation Review. The NER members will hear reports on interim studies on Wednesday, April 21, at 8:30 a.m. in Room 423.

There being no further business, the Chairman adjourned the meeting at 2:06 p.m.

Respectfully submitted,



Representative Garland E. Pierce
Presiding Co-Chair



Mildred Alston
Committee Assistant

HOUSE PAGES

NAME OF COMMITTEE NER DATE 5-26-10

1. Name: Kenya Smith

County: Johnston County

Sponsor: Joe Hackney

2. Name: Anthony Atkins

County: Guilford

Sponsor: Alma Adams

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

SGT-AT-ARM

1. Name: DAVID Shearon

2. Name: JAMES Worth

3. Name: _____

4. Name: _____

VISITOR REGISTRATION SHEET

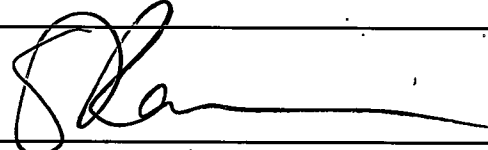
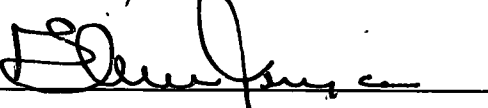
JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC
RESOURCES

May 26, 2010

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
	DHS
Nancy D. Fish	NC DMF
Travis E. Smith	ABC of THE CAROLINAS
Lisa Martin	NC Home Builders
Josh Gray	NCRLA
Brian Long	High Point Market
Elizabeth Hammond	Office of the Commissioner of Banks
Helen McEwen	NC Rural Center
Terry L. Pierce	Div Env. HHA, DENR
	NCV DPA
Doug Lassiter	NCSTA

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

May 26, 2010

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

N. David Smith	NC Dept. of Agriculture
Joy Hicks	NCEM & CS
Jenni Overton	NCEM & CS
Art Bitt	NCDOL
Jennifer Hagwood	NCDOL
Sara Cook	NCDOL
Jack Brinson	NCDOL
Asley Jones	Biofuels Ctr of NC
Stacy Burke	Biofuels Center of NC
Patrick G. Yancy	LLPP
Matthew Easley	Smith Anderson

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

May 26, 2010

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Tom Coes	TNC
R. Rogers	CWMTA
Donna S. Cox	OSBM
David Watson	OSBM
Mac Ellis	Utilities Commission
Terry Brown Jr.	Rep Bryant Intern
Bob Spurr	NCTA
Stephen Beach	ESCA
Kimberlee Rankin	Sierra Club
Carl Munkersen	Sierra Club
Ken Sykes	NCDNR

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

May 26, 2010

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Josie Bevacqua Conn	Capital
Shannan Hobby	Commerce
Tommy Clark	NCWRC
Gordon Myers	NCWRC
Sarah Clapp	NCWRC
Peter Gehred	C.C.W.C
Sammy Rherson	TWC
Meredith Henderson	Industrial Commission
Wib Owen	DENR - Forest Resources
ANTHONY AUBON	NCWRC
Dan Conrad	NCCOW

✓

VISITOR REGISTRATION SHEET

JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL AND ECONOMIC RESOURCES

May 26, 2010

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

KUCY T. ALLEN	UTILITIES COMMISSION
E. L. Finley	Nunc
Robert Zunker	Public Staff NCEC
Janie Hauser	DENR
Diana Lees	DENR
Mary Weller	DENR
Elizabeth Biser	DENR
Cox Floyd	DENR
Quinta McNeal	DENR

2009-11 House NER Budget Summary

Agency	2010-11 Continuation Budget	2010-11 Governor's Recommended	2010-11 Senate	2010-11 House
Ag	\$60,559,608	\$56,320,430	\$58,620,859	\$60,730,951
Labor	\$17,400,863	\$16,181,475	\$15,989,542	\$16,498,308
DENR	\$190,399,356	\$190,426,737	\$191,626,927	\$186,962,598
CWMTF	\$50,000,000	\$50,000,000	\$50,000,000	\$49,000,000
Commerce	\$40,915,209	\$63,472,422	\$74,867,796	\$45,809,953
State Aid	\$15,388,725	\$20,588,725	\$20,369,289	\$17,969,289
Biotech	\$14,501,900	\$17,501,900	\$13,776,805	\$13,776,805
Rural Center	\$23,832,436	\$28,832,436	\$26,765,814	\$24,640,814
Total Budget	\$412,998,097	\$443,324,125	\$452,017,032	\$415,388,718

Original House Target \$398,188,718

General Fund Transfers \$3,000,000 R Wildlife Resources Commission
 (\$500,000) R Transfer to DOT for Aircraft
 \$2,500,000 NR Scrap Tire Diversion
 \$1,200,000 NR White Goods Diversion
 \$2,250,000 NR Mercury Switch Cash Balance
 \$600,000 NR Express Permitting Cash Balance
 \$500,000 NR Bladen Lakes Cash Balance
 \$2,000,000 NR Aquariums Cash Balance
 \$5,650,000 NR Jobs Package Money

Revised Target \$415,388,718

DRAFT

Natural and Economic Resources

**House
Money Report**

Tuesday
May 26, 2010
1:30 p.m.

DRAFT

House Subcommittee on Natural and Economic Resources
 Agriculture and Consumer Services

**DRAFT
 FOR REVIEW ONLY**

GENERAL FUND

Total Budget Approved 2009 Session

**FY 10-11
 \$60,559,608**

Budget Changes

Department-wide

1 Vacant Positions (\$440,218) R

Eliminates 9.0 vacant positions across the Department.
 Eliminated positions include:

-9.00

- #60012677 Research Technician
- #60011868 Technology Support Analyst
- #60011886 Processing Assistant III
- #60011902 Processing Assistant III
- #60011965 Food Inspector
- #65006175 Quality Assurance Manager
- #60012160 Vet Lab Assistant I
- #60012115 Livestock Compliance Officer
- #60095971 Processing Assistant III

Gm, S
 G = (\$575,123) R
 - 10

2 IT Budget Reductions (\$84,036) R

Reduces the Department's non-salary IT budget by 3%. This reduction is based on the average difference between budgeted and actual expenditures for the past four fiscal years.

3 Travel Budget Reductions (\$70,995) R

Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

4 Equipment Budget Reductions (\$447,039) R

Reduces the equipment budget in the Department by \$447,039. This represents approximately a 9.0% reduction to the Department's equipment budget.

S
 S = (\$223,520) R

DRAFT FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

FY 10-11

Ag Statistics

5 Operating Expense Reduction

(\$55,000) R

Sm Reduces the operating budget within the Ag Statistics Division by approximately 16%.

S = (\$32,500)R

Emergency Programs

6 Contracts Funds

(\$15,000) R

S Reduces funds for contracts within the Emergency Programs Division by \$15,000, approximately 12% of total funds for miscellaneous contractual services.

Food and Drug Protection

7 NC Egg Law Program

(\$151,481) R

G.S Reduces the Egg Law Program by eliminating 3.0 positions and associated operating. One position will remain and will focus on investigations and consumer complaints. Other inspectors within the Food and Drug Protection Division will assume Egg Law inspection duties where possible. The eliminated positions include:

-3.00

- #60011637 Egg Law Inspector
- #60011638 Egg Law Inspector
- #60011639 Egg Law Inspector

8 Spay/ Neuter Funds

(\$250,000) R

Sm Requires the Animal Feed & Pet Food Branch within the Food & Drug Protection Division to budget over realized receipts contingent upon the enactment of any bill or provision that transfers the Spay/ Neuter program from the Department of Health and Human Services to the Department of Agriculture and Consumer Services. The Branch has over realized receipts by at least \$250,000 each year since FY 2006-07.

S = no contingent, no use for spay/neuter

9 Spay/ Neuter Funds

\$250,000 R

Directs the Division to use the over-realized receipts required to be budgeted in the Animal Feed and Pet Food Branch for the Spay/ Neuter program contingent upon the enactment of any bill or provision that transfers the Spay/ Neuter program from the Department of Health and Human Services to the Department of Agriculture and Consumer Services.

DRAFT FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

Food Distribution

10 Fuel Budget to Federal Receipts

(\$50,000) R

S Fund shifts a portion of the diesel fuel budget within the Food Distribution division to Federal receipts. Federal receipts fund approximately 45% of the Division's operations.

General Administration

11 Agricultural Development and Farmland Preservation Trust Fund

Provides \$2 million nonrecurring for the Agricultural Development and Farmland Preservation Trust Fund.

\$2,000,000 NR

12 FFA Foundation, Inc

S Reduces the recurring pass-through appropriation for the FFA Foundation, Inc by 5%, leaving \$45,144 recurring.

(\$2,376) R

Markets

13 Farmers Markets

Reduces operating funds for the Farmers Markets operated by the Department.

(\$90,000) R

14 Got to Be NC

Provides \$300,000 nonrecurring for Got to Be NC marketing. This program promotes North Carolina's farmers by helping to develop markets for North Carolina produce and products in grocery stores, restaurants, farmers markets, and other establishments.

\$300,000 NR

15 International Trade

Provides funds to support international trade initiatives.

\$100,000 NR

DRAFT FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

FN 6-11

Plant Industry

16 Phytosanitary Fees (\$20,000) R

G, S

Increases phytosanitary fees within the Plant Industry Division. Subchapter 48A of North Carolina Administrative Code, Export Certification Inspection Fee, directly ties the Division's fee structure for phytosanitary inspections to the federal phytosanitary fee structure. This fee increase brings the Department's fee structure in line with USDA.

Public Affairs

17 Operating Budget (\$25,000) R

Sm

Reduces General Fund support for the Public Affairs Division by approximately 6%.

language change from Senate

18 Ag in the Classroom (\$1,188) R

S

Reduces the recurring pass-through appropriation for Ag in the Classroom by 5%, leaving \$22,572 recurring.

Structural Pest and Pesticides

19 Pesticide Section (\$626,324) R

Sm, Gm

Reduces General Fund support for the Pesticide Section by requiring the Section to budget over realized receipts and increase fees. This change requires that 13.0 positions be transferred to receipt support.

G = fee only
S = (\$ 726,325) R
(-15)

-13.00

20 Structural Pest Section Fees (\$100,000) R

S, G

Increases fees for certified applicator and license exams, structural licenses, structural certified applicator cards, and registered technician cards.

Veterinary Services

21 Online Reporting of Lab Results (\$50,000) R

Sm

Directs the Veterinary Services Division to increase the use of online reporting of vet lab results. The Division shall default to online reporting of vet results but will provide printed results upon request. This \$50,000 reduction reduces the postage and printing budget for the Veterinary Services Division by approximately 50%.

S = (\$ 25,000) R

Budget Changes	(\$2,228,657)	R
	\$2,400,000	NR
Total Position Changes	-25.00	
Revised Total Budget	\$60,730,951	

**DRAFT
FOR REVIEW ONLY**

DRAFT FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

Labor

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11
\$17,400,863

Budget Changes

Department-wide

22 Salary Reserve

(\$280,280) R

Reduces salary reserve across the Department by \$280,280. Salary Reserve is the difference between the budgeted amount for a position and the actual salary paid.

G-(\$288,517) R

23 Travel Budget Reductions

(\$32,778) R

Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

24 Operating Expense Reduction

(\$38,295)

Reduces the operating budget across the Department by \$38,295.

G-(\$58,679)

25 Vacant Positions

(\$157,234) R

Eliminates 3.5 vacant positions in the Department. Positions include:

-3.50

- #60012895 Accounting Clerk IV
- #60013222 Processing Assistant IV
- #60013055 Admin Services Assistant
- #60012877 Physical Facilities Manager

Commissioner's Office

26 Administrative Position to Fee Support

(\$52,784) R

Fund shifts an administrative position within the Commissioner's Office to fees generated by the Elevator and Amusement Device and Boiler Inspection Bureaus.

G = (+26,392) -1.00
(-0.5)

Labor

Occupational Safety & Health

27 Operating Expenses to Federal Receipts

(\$341,184) R

Replaces General Fund appropriations for the Occupational Safety & Health Division with federal receipts. In FY 2008-09, federal receipts accounted for approximately 35.5% of the budget for Occupational Safety & Health.

G = (-\$320,800) R

Gm,
S

Budget Changes

(\$902,555) R

Total Position Changes

-4.50

Revised Total Budget

\$16,498,308

**DRAFT
FOR REVIEW ONLY**

DRAFT
FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

FY 10-11

House Subcommittee on Natural and Economic Resources

Environment & Natural Resources

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11
\$190,399,356

Budget Changes

(1.0) Department-wide

28 IT Budget Reductions

(\$523,047) R

Sm

Reduces the Department's non-salary IT budget based on the average difference between budgeted and actual expenditures for the past four fiscal years.

S - (\$1,046,094) R

29 Travel Budget Reductions

(\$120,432) R

S

Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

30 Division of Environmental Assistance and Outreach

(\$230,000) R

Gm,
Sm

Consolidates the Division of Pollution Prevention and Environmental Assistance, the Customer Service Center, and the Small Business Ombudsman into one Division, the Division of Environmental Assistance and Outreach. This consolidation eliminates 4.0 positions:

-4.00

G - (\$255,848) R

S - (\$600,000) R
(-8)

- #60035073 Environmental Program Supervisor II
- #60035069 Administrative Secretary II
- #60035079 Info & Comm Spec II
- #60035068 Accounting Tech

31 Special Fund Closures

Directs the Department to transfer the operating budgets, positions, and remaining cash balances from the Bladen Lakes special fund (24300-2221) to the Division of Forest Resources (14300-1210) and the Lab Certification Fees fund (24300-2335) into the Division of Water Quality (14300-1695).

DRAFT FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

FF 10-11

(3.0) Coastal Management

32 Position to Receipt Support

(\$48,788) R

Fund shifts 0.5 of a district manager position to express permit receipts.

-0.50

(3.0) Environmental Assistance and Outreach

33 Sustainable Communities Task Force

Contingent on the enactment of HB 1701, the Department shall transfer the vacant District Planner position (#60031547) in the Division of Coastal Management to the Sustainable Communities Task Force. This position shall be filled in a timely manner in order to provide support for the operations and activities of the Task Force.

34 Positions to Receipts

(\$250,000) R

Fund shifts 3.37 positions to the Solid Waste Management Trust Fund.

-3.37

S had operating shift not position shift.

(3.0) Environmental Health

35 Bedding Program

(\$17,008) R

Fund shifts a portion of rent for the Division to receipts collected from bedding inspections.

G+S transferred to DPH

36 Childhood Lead Poisoning Prevention Program

(\$141,730) R

This reduction eliminates 1.0 vacant position (\$71,562, #60034294) and funding for reimbursements to counties (\$70,168).

G+S transferred to DPH

37 Food and Lodging Program

(\$200,000) R

Reduces aid to counties for food and lodging programs by 33%. Each county's share will be reduced from \$6,000 to \$4,000.

G+S transferred to DPH

38 Shellfish Sanitation

(\$124,635) R

Eliminates 1.0 vacant shellfish sanitation position (#60034496) for a savings of \$77,713; this position has been vacant since February 10, 2010. In addition, fund shifts 1/2 of 2.0 shellfish sanitation positions (#60034517 and #60034516) to receipt support for a savings of \$43,990. Reduces operating budget for scientific supplies by \$2,932.

*G transferred to DPH
S transferred to Marine Fisheries*

DRAFT FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

10-11

39 Water Supply Section

(\$55,540) R

Eliminates 1.0 vacant Business Officer position (#60034259) in the Water Supply Section. This position has been vacant since July 10, 2009.

-1.00

G+S transferred to Water Resources

(3.0) Land Resources

40 Position to Receipt-Support

(\$44,431) R

Fund shifts 1.083 Environmental Technician positions to receipts.

-1.08

41 Sediment and Erosion Control

(\$101,357) R

Eliminates aid to local governments for the establishment of sediment and erosion control programs.

42 Workshops and Educational Materials

(\$66,700) R

Reduces funding for workshops and educational outreach materials related to erosion and sedimentation control. After this reduction, \$100,000 will remain for these purposes.

GT = (\$64,600)R

43 State Boundary Program Contractors

(\$24,708) R

Eliminates funds used to hire contractors to perform state boundary surveys in support of the State Boundary Commission.

44 Natural Gas and Petroleum Potential

\$138,165 R

Provides funding for 1.0 new position and associated operating expenses to work on the characterization of natural gas and petroleum potential in the Mesozoic Deep River basin in North Carolina.

1.00

45 Dam Safety Fee

Provides for a one-time assessment on utilities to pay for 1.0 two-year time-limited Environmental Engineer position to manage and conduct dam safety inspections. This position will be wholly receipt supported by this assessment. The \$1,100 per dam equivalent fee is expected to generate approximately \$170,120.

DRAFT FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

FY 10-11

(3.0) Waste Management

46 Hazardous Waste Fees (\$80,000) R
G, S Increases the hazardous waste generator fee from \$125 to \$170 per year for those who generate between 100 kilograms and 1,000 kilograms of waste per month.

47 Positions & Operating to Receipts (\$165,405) R
Sm Fund shifts 1.1 positions and associated operating costs to EPA grant funding and 1.0 position and associated operating costs to hazardous waste receipts. -2.10
S used different receipts

(3.0) Water Quality

48 Positions to Federal Support (\$442,875) R
G, S Shifts 8.0 General Fund Water Quality positions to federal grant support. -8.00

49 Water Quality Monitoring on Ferry Vessels \$250,000 NR
 Provides funds for the FerryMon Program, which evaluates water quality in the Pamlico Sound and its tributary rivers using equipment attached to ferry vessels.

50 Neuse River Rapid Response Team (\$113,498) R
 Eliminates funding for one filled and one vacant position associated with the Neuse River Rapid Response Team. The eliminated positions are 2.00
 #60035508 Environmental Senior Technician
 #60035507 Environmental Supervisor

(3.0) Water Resources

51 River Basin Commissions (\$35,000) R
G, S Reduces funding for the river basin commissions. \$5,000 will remain to support the work of these commissions.

52 Vacant Position and Operating Budget (\$252,134) R
G, S Eliminates 1.0 vacant Environmental Supervisor III position (\$104,750) and reduces the Division's operating budget for streamflow gages (\$73,692) and well drilling and repair (\$73,692). -1.00

DRAFT FOR REVIEW ONLY

FY 10-11

House Subcommittee on Natural and Economic Resources

(4.0) Aquariums

53 Operating Budget (\$2,500,000) R
 Reduces General Fund appropriation by \$2.5 million. This reduction returns the Aquariums to approximately the same appropriation received in FY 2006-07.

(4.0) Forest Resources

Sm **54 Aircraft Operations** (\$219,000) R
 Reduces personnel and operating expenses for aircraft operations. This reduction eliminates 2.0 pilot positions and 1.0 mechanic position. The sale of 10 eliminated aircraft is expected to result in over \$1 million in one time revenue. (\$1,000,000) NR
-3.00

*S = 18 aircraft
 12 positions
 (\$875,000) R
 (\$2,250,000) NR*

Sm **55 Aircraft Hangars** (\$13,060) R
 Directs the Division to consolidate the location of aircraft and terminate the leases of two unnecessary hangars.

*S = 5 hangars
 (\$26,060)*

S **56 Liability Insurance** (\$14,900)
 Reduces funding for liability insurance in the Division of Forest Resources by 4.6%, leaving over \$280,000 for this purpose.

Sm **57 Principal Payments for Equipment** (\$1,000,000) R
 Reduces funding for principal payments for new equipment. On average over the last four fiscal years, over one million dollars in funds have not been expended from this line item. S = (\$1,260,686) R

Gm **58 Rendezvous Educational State Forests** (\$156,568) R
 Closes the Rendezvous Educational State Forest in Wilkes County and eliminates two associated ranger positions. G = (+112,128) -2.00

Gm, Sm **59 Young Offenders Forest Conservation Program (BRIDGE)** \$991,648 R
 Restores 95% of the funding for the BRIDGE program, which was subject to Continuation Review in FY 2009-10. G = \$912,524
 S = \$1,043,840 10.00

DRAFT FOR REVIEW ONLY

FY 2011

(4.0) Marine Fisheries

60 Helicopter Operations

(\$25,218) R

Eliminates the Division's 3 helicopters and associated operating expenses in accordance with the recommendations from the Program Evaluation Division's Study of State Aircraft. The aircraft will be sold, generating one time revenue of \$35,000.

(\$35,000) NR

S = (\$190,000) NR

61 Communication Equipment

(\$32,322) R

Reduces funding for communication equipment in the Division of Marine Fisheries by approximately 29.5%, or \$32,322.

62 Positions to Receipt Support

(\$132,836) R

Fund shifts 3.0 positions to receipt support (#60032528 - Public Information Asst IV, #60032665 - Info & Communication Spec I, and #60032536 - Info & Communication Spec).

-3.00

63 Fisheries Resource Grant Program

(\$300,000) R

Adjusts funding for the Fisheries Resource Grant Program run through Sea Grant. \$300,000 of the \$600,000 recurring appropriation for this program will be used to establish the At-Sea Observer program to monitor gill net fisheries and record sea turtle and other endangered and threatened species interactions. The remaining \$300,000 that is annually appropriated to this program is eliminated for one year.

(\$300,000) NR

S = (\$300,000) R through special provision

64 At-Sea Observer Program

\$300,000 R

Uses the \$300,000 from the Fisheries Resource grant program to establish the At-Sea Observer program. This program is necessary to meet federal requirements to monitor gill net fisheries and record sea turtle and other endangered and threatened species interactions.

S = through special provision 3.00

65 Oyster Sanctuary Program

Reduces funding for the Oyster Sanctuary program by \$700,000 for one year.

(\$700,000) NR

DRAFT
FOR REVIEW ONLY FY 10-11

House Subcommittee on Natural and Economic Resources

(4.0) Museum of Natural Sciences

66 Academic Services

(\$67,851) R

Sm

Reduces funding for Academic Services within the Public Programs and Exhibits Sections of the Museum of Natural Sciences. The academic services line item is used to purchase services from independent contractors and/or external organizations for contracted professional and consultative personal services.

S = only public programs

67 Operating Budget

(\$280,688) R

Sm

Reduces various operating expenses within the Museum of Natural Sciences by approximately 14%.

S = (+138,688) R

68 Temporary Wages

(\$45,000) R

G.S

Reduces funds for temporary wages within the Museum of Natural Sciences by approximately 10%, leaving approximately \$450,000 for this purpose.

(4.0) Natural Resource Planning and Conservation

69 Conservation Information and Incentives Program

(\$312,213)

G.S

Replaces General Fund support for the Conservation Information and Incentives program with receipts from the Natural Heritage Trust Fund. This change shifts 5.48 positions to receipts.

-5.48

(4.0) Soil and Water Conservation

70 Agriculture Cost Share Financial Assistance Program

(\$212,153) R

Gm.S

Reduces funding for the financial assistance portion of the Agriculture Cost Share Program by 5%, leaving approximately \$4 million in matching funds for implementing agricultural best management practices.

G = (+535,711) R

71 Conservation Reserve Enhancement Program

(\$289,640) R

G.S

Reduces funding for the Conservation Reserve Enhancement Program (CREP) by 50%, leaving \$289,640 for this program.

72 Community Conservation Assistance Program

(\$6,903) R

S

Reduces funding for the Community Conservation Assistance Program (CCAP) by approximately 5%, leaving \$131,155 for this program.

DRAFT FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

(4.0) Zoological Park

- S 73 Vehicle Replacement Funds**
Reduces funding for the replacement of vehicles and trams for one year. (\$500,000) NR

- S 74 Tort Claims**
Reduces funds available for tort claims by 80%, leaving \$10,000 for this purpose. (\$40,000) R

(5.0) Reserves and Transfers

- Gm, S 75 Grassroots Science Museums**
Reduces the recurring pass-through appropriation for the Grassroots Science Museums by 5%, leaving \$3,241,127 in funding. (\$170,586) R
G = 7% (\$238,820)R

- Gm, S 76 Partnership for the Sounds**
Reduces the recurring pass-through appropriation for the Partnership for the Sounds by 5%, leaving \$481,560 in funding. (\$25,345) R
G = 7% (\$35,483)R

- Gm, Sm 77 Clean Water State Revolving Fund**
Provides funding to meet the State Match requirement for the Clean Water (Wastewater Treatment Plant) State Revolving Fund. In addition to the General Fund amount appropriated here, \$935,271 in interest earned on the Fund will be used to help meet the match requirement. \$3,199,064 NR
G + S = \$6,398,128NR

- Gm, Sm 78 Drinking Water State Revolving Fund Match**
Provides funding to match federal money for the Drinking Water State Revolving Fund. \$3,100,936 NR
G + S = \$6,201,872NR

Budget Changes	(\$7,451,758) R
	\$4,015,000 NR
Total Position Changes	-18.53
Revised Total Budget	\$186,962,598

**DRAFT
FOR REVIEW ONLY**

DENR-Clean Water Management Trust Fund

GENERAL FUND

Total Budget Approved 2009 Session	FY 10-11
	\$50,000,000

Budget Changes

Clean Water Management Trust Fund

78 Reduction

Reduce appropriation by \$1 million.

(\$1,000,000) NR

Budget Changes	(\$1,000,000) NR
-----------------------	-------------------------

Total Position Changes

Revised Total Budget	\$49,000,000
-----------------------------	---------------------

DRAFT FOR REVIEW ONLY

House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

House Appropriations Subcommittee on Natural and Economic Resources

DENR - Special

Budget Code: 24300

FY 2010-11

Beginning Unreserved Fund Balance

\$20,914,606

Recommended Budget

Requirements

\$63,100,266

Receipts

\$48,337,247

Positions

368.99

Legislative Changes

Requirements:

2119 - Mercury Pollution Prevention Fund

Transfers \$2.25 million from the cash balance of the Mercury Pollution Prevention Fund to the General Fund for general availability.

\$0 R
\$2,250,000 NR
0.00

2221 - Bladen Lakes Receipts

Closes the Bladen Lakes special fund and directs the Department to budget these requirements and the 10 positions in this fund in the Division of Forest Resources General Fund budget (14300-1210).

(\$851,966) R
\$0 NR

2221 - Bladen Lakes Cash Balance

Transfers \$500,000 of the June 30th, 2010 cash balance in the Bladen Lakes fund to the General Fund for general availability. This fund will be closed and budgeted in the Division of Forest Resources General Fund budget code(14300-1210). Any remaining cash balance will be diverted to the Division of Forest Resources.

R
\$500,000 NR
0.00

2335 - Lab Certification Fees

Transfers the Lab Certification fee operating budget from a special fund code to General Fund code 1695.

(\$847,515) R
\$0 NR
0.00

2335 - Lab Certification Fees

Transfers the cash balance from the Lab Certification Fees fund to the appropriate General Fund code for the Division of Water Quality.

\$0 R
\$459,830 NR
0.00

DRAFT
FOR REVIEW ONLY

2356 - Express Permitting

Transfers \$600,000 from the cash balance of the Express Permitting Fund to the General Fund for general availability. This Fund received \$500,000 in General Fund appropriation in FY 2003-04 and \$100,000 in FY 2004-05.

\$0 R
\$600,000 NR
0.00

2865 - Aquariums Fund Cash Balance

Transfers \$2 million of the June 30th, 2010 cash balance in the Aquariums fund to the General Fund for general availability.

R
\$2,000,000 NR
0.00

Subtotal Legislative Changes

(\$1,699,481) R
\$5,809,830 NR
0.00

Receipts:

2221 - Bladen Lakes Receipts

Closes the Bladen Lakes special fund and directs the Department to budget these receipts in the Division of Forest Resources General Fund budget (14300-1210).

(\$744,483) R
\$0 NR

2335 - Lab Certification Fees

Transfers the Lab Certification fee operating budget from a special fund code to General Fund code 1695.

(\$773,983) R
\$0 NR

Subtotal Legislative Changes

(\$1,518,466) R
\$0 NR

Revised Total Requirements

\$67,210,615

Revised Total Receipts

\$46,818,781

Change in Fund Balance

(\$20,391,834)

Total Positions

368.99

Unappropriated Balance Remaining

\$522,772

DRAFT FOR REVIEW ONLY

House Appropriations Subcommittee on Natural and Economic Resources

Solid Waste Management Trust Fund

Budget Code: 64303

	FY 2010-11
Beginning Unreserved Fund Balance	\$6,798,949
Recommended Budget	
Requirements	\$7,383,604
Receipts	\$7,361,604
Positions	9.31

Legislative Changes

Requirements:

6770 - Scrap Tire Disposal Account	\$0 R
	\$0 NR
	0.00
6780 - White Goods	\$0 R
	\$0 NR
	0.00
Subtotal Legislative Changes	\$0 R
	\$0 NR
	0.00

Receipts:

6770 - Scrap Tire Disposal	\$0 R
Diverts \$2.5 million from the Scrap Tire Disposal Account to the General Fund for FY 2010-11.	(\$2,500,000) NR
6780 - White Goods	\$0 R
Diverts \$1,200,000 from the White Goods Fund to the General Fund for FY 2010-11.	(\$1,200,000) NR
Subtotal Legislative Changes	\$0 R
	(\$3,700,000) NR

DRAFT FOR REVIEW ONLY

House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

Revised Total Requirements	\$7,383,604
Revised Total Receipts	\$3,661,604
Change in Fund Balance	(\$3,722,000)
Total Positions	9.31

Unappropriated Balance Remaining	\$3,076,949
---	--------------------

Environment and Natural Resources

H-20

DRAFT FOR REVIEW ONLY

House Appropriations Subcommittee on Natural and Economic Resources

Wildlife Resources - Special

Budget Code: 24350

	FY 2010-11
Beginning Unreserved Fund Balance	\$923,486
Recommended Budget	
Requirements	\$62,615,438
Receipts	\$62,615,438
Positions	652.50

Legislative Changes

Requirements:

General Fund Support	(3,000,000) R
Eliminates the direct sales tax transfer to the Wildlife Resources Commission and replaces it with an \$18.5 million direct General Fund appropriation. Approximately 200 positions will transfer from receipt support to General Fund support; the Commission will determine which positions will transfer.	\$0 NR
	0.00

Subtotal Legislative Changes	(3,000,000) R
	\$0 NR
	0.00

Receipts:

General Fund Support	(3,000,000) R
Eliminates the direct sales tax transfer to the Wildlife Resources Commission and replaces it with an \$18.5 million direct General Fund appropriation.	\$0 NR

Subtotal Legislative Changes	(3,000,000) R
	\$0 NR

DRAFT
FOR REVIEW ONLY

House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

Revised Total Requirements	\$59,615,438
Revised Total Receipts	\$59,615,438
Change in Fund Balance	\$0
Total Positions	652.50

Unappropriated Balance Remaining	\$923,486
---	------------------

DRAFT FOR REVIEW ONLY

House Appropriations Subcommittee on Natural and Economic Resources

Wildlife Resources - Special Interest Bearing

Budget Code: 24351

	FY 2010-11
Beginning Unreserved Fund Balance	\$20,674,789
Recommended Budget	
Requirements	\$31,804,144
Receipts	\$31,804,144
Positions	31.50

Legislative Changes

Requirements:

General Fund Support	(\$325,641) R
Eliminates the direct sales tax funding that is transferred to this fund and directs the Wildlife Resources Commission to operate this fund with over realized receipts.	\$0 NR
	0.00
Subtotal Legislative Changes	(\$325,641) R
	\$0 NR
	0.00

Receipts:

General Fund Support	(\$325,641) R
Eliminates the direct sales tax funding that is transferred to this fund and directs the Wildlife Resources Commission to operate this fund with over realized receipts.	\$0 NR
Subtotal Legislative Changes	(\$325,641) R
	\$0 NR

DRAFT
FOR REVIEW ONLY
PY 2010-11

Revised Total Requirements	\$31,478,503
Revised Total Receipts	\$31,478,503
Change in Fund Balance	\$0
Total Positions	31.50

Unappropriated Balance Remaining	\$20,674,789
---	---------------------

DRAFT
FOR REVIEW ONLY

House Appropriations Subcommittee on Natural and Economic Resources

WRC - Special Non-Interest Bearing

Budget Code: 24353

FY 2010-11

Beginning Unreserved Fund Balance	\$0
Recommended Budget	
Requirements	\$21,500,000
Receipts	\$21,500,000
Positions	0.00

Legislative Changes

Requirements:

General Fund Support

Eliminates the \$21.5 million direct sales tax transfer. This budget code is a receiving account for the direct sales tax transfer and funds are transferred to 24350 and 24351 for operating. This fund will be closed and the General Fund appropriation budgeted in 24350.

(\$21,500,000) R
\$0 NR
0.00

Subtotal Legislative Changes

(\$21,500,000) R
\$0 NR
0.00

Receipts:

General Fund Support

Eliminates the \$21.5 million direct sales tax transfer. This budget code is a receiving account for the direct sales tax transfer and funds are transferred to 24350 and 24351 for operating. This fund will be closed and the General Fund appropriation budgeted in 24350.

(\$21,500,000) R
\$0 NR

Subtotal Legislative Changes

(\$21,500,000) R
\$0 NR

DRAFT FOR REVIEW ONLY

House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

Revised Total Requirements	\$0
Revised Total Receipts	\$0
Change in Fund Balance	\$0
Total Positions	0.00

Unappropriated Balance Remaining	\$0
---	------------

DRAFT FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

Commerce

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11
\$40,915,209

Budget Changes

Department-wide

79 Vacant Positions

(\$220,649) R

Sm Eliminates 4.0 vacant positions in the Department: 1.0 position in Policy, Research, and Planning; 2.0 positions in Business and Industry; and 1.0 position in the Secretary's Office. The positions are:

-4.00

- #60077154 Administrative Assistant
- #60080971 Administrative Assistant
- #60080963 Program Assistant IV
- #60081030 Economist

*S = (479,221)
-8*

80 IT Budget Reduction

(\$755,242) R

J Reduces the Department of Commerce's non-salary IT budget by 7.9%. This reduction is based on the average difference between budgeted and actual expenditures for the past four fiscal years.

81 Travel Budget Reductions

(\$36,284) R

S Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

Administration

82 Operating Budget Reduction

(\$20,000) R

Reduces the operating budget for administration by \$20,000

Business and Industry Development

83 Operating Budget Reduction

(\$30,000) R

Reduces the operating budget for the Division of Business and Industry Development by \$30,000.

House Subcommittee on Natural and Economic Resources

Commerce Finance

84 One NC Fund

Provides additional funding for the One NC Fund to enhance the competitive position of North Carolina when recruiting national and international business and industry projects. Three percent of these funds shall be used for small business expansion.

\$1,500,000 NR

Gm, Sm

G + S = \$15 M NR

85 Jobs Maintenance and Capital Development Fund (JMAC)

Appropriates funding for JMAC.

\$1,973,761 NR

Gm, Sm

G = \$4 M NR
S = \$5.5 M NR

86 One NC Small Business Fund

Funds the One NC Small Business Fund program, which provides matching grants to businesses that qualify for federal SBIR/STTR Incentives funds.

\$1,500,000 NR

G, S

87 In-Source NC Network

Provides funding to develop university-based buyer-supplier networks within emerging and established industry clusters inside the State. These buyer-supplier networks would be modeled on an existing network developed and operated through the NCSU College of Textiles.

\$150,000 NR

G, S

Community Assistance

88 Main Street Solutions

Provides funding for the Main Street Solutions Program and the creation of one two-year time limited position to administer the program. This program provides grants to active Main Street Communities and designated micropolitans with populations between 10,000 and 50,000 people. Grants are to be used to support downtown economic development, historic preservation initiatives, and other public and private improvement projects that will support small businesses and job creation.

\$2,000,000 NR
1.00

G

DRAFT FOR REVIEW ONLY

House Subcommittee on Natural and Economic Resources

Executive Aircraft

89 Aircraft to DOT

(\$800,000) R

S
Eliminates the Executive Aircraft Division within the Department of Commerce, including 1.0 pilot position, 1.0 mechanic position, and \$300,000 in associated position and operating expenses. 3.0 pilots, 1.0 mechanic, \$500,000, and Commerce's two aircraft and their associated receipts will be transferred to the Aviation Division within the Department of Transportation (DOT). Commerce will retain \$127,315 for expenses related to using DOT's aircraft. This reduction reflects recommendations from the Program Evaluation Division's Study of State Aircraft.

-6.00

Industrial Commission

90 Over Realized Receipts

(\$429,863) R

G.S
Requires the Industrial Commission to budget over realized receipts.

Marketing

91 Marketing Travel

(\$17,350) R

Reduces funding for marketing-related travel by \$17,350.

Policy, Research, and Strategic Planning

92 Operating Budget Reduction

(\$20,000) R

Reduces the operating budget for the Policy, Research, and Strategic Planning Division by \$20,000

Science and Technology

93 Operating Budget Reduction

(\$25,000) R

Reduces the operating budget for the Board of Science and Technology by approximately 7%.

House Subcommittee on Natural and Economic Resources

State Energy Office

94 Utility Training Sessions (\$127,657) R
G Reduces funding for training sessions offered by the Utility Savings Initiative Program in the State Energy Office. These sessions are offered to representatives of State agencies on various energy efficiency topics. Approximately 35 fewer sessions will be held as a result of this reduction.

Tourism, Film, and Sports Development

95 Tourism Marketing Funds \$1,000,000 NR
G.S Provides funding for marketing North Carolina as a tourist destination.

96 Tourism Matching Grants (\$129,976) R
Eliminates 100% of funds for small matching grants for local tourism projects.

97 Postage and Printing (\$75,000) -
Reduces funding for postage and printing in the Division.

Wanchese Seafood Industrial Park

98 Oregon Inlet Project (\$248,327) R
G.S Eliminates 100% of funding for the Oregon Inlet Project. Funding is no longer being used for this purpose.

99 Operating Budget to Receipt Support (\$185,312) R
Eliminates 100% of the General Fund appropriation to the Wanchese Seafood Industrial Park and transfers 1.0 position to receipt support. -1.00

Wine & Grape Growers Council

100 Operating Budget Reduction (\$108,357) R
S3 Reduces the Wine & Grape Growers Council operating budget by approximately 13%. S = (+40,500) R

Budget Changes	(\$3,229,017)	R
	\$8,123,761	NR
Total Position Changes	-10.00	
Revised Total Budget	\$45,809,953	

**DRAFT
FOR REVIEW ONLY**

Commerce - State Aid

GENERAL FUND

Total Budget Approved 2009 Session

**FY 10-11
\$15,388,725**

Budget Changes

- S 101 **Land Loss Prevention** (\$37,235) R
Reduces the recurring pass-through appropriation for Land Loss Prevention by 5%, leaving \$707,465 recurring.

- S 102 **Institute of Minority Economic Development** (\$132,495) R
Reduces the recurring pass-through appropriation for the Institute of Minority Economic Development by 5%, leaving \$2,517,405 recurring.

- S 103 **Association of Community Development Corporations (CDCs)** (\$51,615) R
Reduces the recurring pass-through appropriation for the Association of CDCs by 5%, leaving \$980,685 recurring.

- S 104 **Minority Support Center** (\$164,670) R
Reduces the recurring pass-through appropriation for the Minority Support Center by 5%, leaving \$3,128,730 recurring.

- S 105 **Community Development Initiative** (\$246,460) R
Reduces the recurring pass-through appropriation for the Community Development Initiative by 5%, leaving \$4,682,740 recurring.

- S 106 **e-NC Authority** (\$23,265) R
Reduces the recurring pass-through appropriation for the e-NC Authority by 5%, leaving \$442,035 recurring.

- S 107 **Councils of Government (COGs)** (\$21,250) R
Reduces the recurring pass-through appropriation for the COGs by 5%, leaving \$403,750 recurring.

**DRAFT
FOR REVIEW ONLY**

House Subcommittee on Natural and Economic Resources

- S** 108 High Point Furniture Market (\$42,446) R
 Reduces the recurring pass-through appropriation for the High Point Furniture Market by 5%, leaving \$806,479 recurring.
- Sm** 109 Defense and Security Technology Accelerator (\$1,000,000) NR
 Eliminates the non-recurring pass-through appropriation for the Defense and Security Technology Accelerator. **S = (\$50,000) NR**
- G, Sm** 110 Regional Economic Development Commissions \$2,600,000 NR
 Provides funding to support the seven Regional Economic Development Commissions. **S = (\$5 million) NR**
- Gm** 111 Biofuels Center \$1,000,000 NR
 Provides \$1 million nonrecurring for the Biofuels Center. **G = (\$2 million) NR**
- G** 112 Research Triangle Institute \$500,000 NR
 Provides \$500,000 in nonrecurring matching funds for a US Department of Energy grant for energy research and green jobs. **S = (\$1.5 million) NR through Commerce**
- G** 113 Indian Economic Development Initiative \$100,000 NR
 Provides nonrecurring funding for the Indian Economic Development Initiative.
- Sm** 114 Minority Support Center \$100,000 NR
 Provides \$100,000 for funds for small business loans for those that have limited access to credit. **S = \$750,000 NR**

Budget Changes	(\$719,436) R
Total Position Changes	\$3,300,000 NR
Revised Total Budget	\$17,969,289

N.C. Biotechnology Center

DRAFT
FOR REVIEW ONLY

GENERAL FUND

Total Budget Approved 2009 Session	FY 10-11
	\$14,501,900

Budget Changes

S

115 Operating Reductions	(\$725,095)	R
Reduces the recurring pass-through appropriation for the N.C. Biotechnology Center by 5%, leaving \$13,776,805 recurring.		

Budget Changes	(\$725,095)	R
-----------------------	--------------------	----------

Total Position Changes

Revised Total Budget	\$13,776,805
-----------------------------	---------------------

Rural Economic Development Center

**DRAFT
FOR REVIEW ONLY**

GENERAL FUND

Total Budget Approved 2009 Session

**FY 10-11
\$23,832,436**

Budget Changes

- S
116 Operating Reductions (\$1,191,622) R
 Reduces the recurring pass-through appropriation for the Rural Center by 5%, leaving \$22,640,814 recurring.

- G.S
117 Small Business Assistance Fund \$1,000,000 NR
 Provides funding to the Rural Center to continue the Small Business Assistance Fund.

- G
118 Family Farm Opportunity and Innovation Fund \$1,000,000 NR
 Provides funding for the Rural Center to provide assistance to farmers via grants up to \$20,000 in three areas:
 1. Improving energy efficiency on the farm
 2. Developing new markets
 3. Developing new products

Budget Changes	(\$1,191,622)	R
	\$2,000,000	NR
Total Position Changes		
Revised Total Budget	\$24,640,814	

Item	NER High	Priority List	Amount	R/NR
1 DENR - Drinking Water SRF (additional funding to full \$6.2 million)			\$3,100,936	NR
2 DENR - Clean Water SRF (additional funding to full \$6.4 million)			\$3,199,064	NR
3 Regional Economic Development Partnerships (additional funding to full \$5 million)			\$2,400,000	NR
4 Biotech Center - Agricultural Biotechnology Initiative			\$3,000,000	NR
5 Commerce - Energy Research & Green Jobs for leverage 9 to 1 federal match			\$1,000,000	NR
6 Commerce - One NC (additional funding to full \$15 million)			\$13,500,000	NR
7 Commerce - JMAC (additional funding to full \$5.5 million)			\$3,526,239	NR
8 Commerce - Business Recruitment			\$1,000,000	NR
9 Biofuels Center (additional funding to full \$2 million)			\$1,000,000	NR
10 Rural Center - Home Grown Jobs			\$3,000,000	NR
11 Minority Support Center - additional funding for small business loans (additional funding to full \$650,000)			\$650,000	NR
12 Ag - International Trade funding (additional funding to full \$200,000)			\$100,000	NR
13 Commerce - International Trade funding			\$200,000	R
			\$35,676,239	

Natural and Economic Resources

House
DRAFT
Special Provisions

Wednesday
May 26, 2010
1:30 p.m.

DRAFT

GENERAL ASSEMBLY OF NORTH CAROLINA

DRAFT

Session 2009

FOR REVIEW ONLY

Follows \$
G, S

DRAFT
SPECIAL PROVISION



2010-AGRIC-H3(S11.1)i

Department of Agriculture and Consumer Services
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **FEE INCREASES FOR PESTICIDE DEALERS, PESTICIDE APPLICATORS, AND**
2 **PEST CONTROL CONSULTANTS**

3 SECTION 11.1.(a) G.S. 143-440 reads as rewritten:

4 **"§ 143-440. Restricted use pesticides regulated.**

5 (a) The Board may, by regulation after a public hearing, adopt and from time to time
6 revise a list of restricted use pesticides for the State or for designated areas within the State.
7 The Board may designate any pesticide or device as a "restricted use pesticide" upon the
8 grounds that, in the judgment of the Board (either because of its persistence, its toxicity, or
9 otherwise) it is so hazardous or injurious to persons, pollinating insects, animals, crops,
10 wildlife, lands, or the environment, other than the pests it is intended to prevent, destroy,
11 control, or mitigate that additional restriction on its sale, purpose, use or possession are
12 required.

13 (b) The Board may include in any such restricted use regulation the time and conditions
14 of sale, distribution, or use of such restricted use pesticides, may prohibit the use of any
15 restricted use pesticide for designated purposes or at designated times; may require the
16 purchaser or user to certify that restricted use pesticides will be used only as labeled or as
17 further restricted by regulation; may require the certification and recertification of private
18 applicators and, charge a fee of up to ten dollars (\$10.00), with the fee set at a level to make the
19 certification/recertification program self-supporting, and, after opportunity for a hearing, may
20 suspend, revoke or modify the certification for violation of any provision of this Article, or any
21 rule or regulation adopted thereunder; and may, if it deems it necessary to carry out the
22 provisions of this Part, require that any or all restricted use pesticides shall be purchased,
23 possessed, or used only under permit of the Board and under its direct supervision in certain
24 areas and/or under certain conditions or in certain quantities or concentrations except that any
25 person licensed to sell such pesticides may purchase and possess such pesticides without a
26 permit. The Board may require all persons issued such permits to maintain records as to the use
27 of the restricted use pesticides. The Board may authorize the use of restricted use pesticides by
28 persons licensed under the North Carolina Structural Pest Control Act without a permit. A
29 nonrefundable fee of ten dollars (\$10.00) shall be charged for each examination required by
30 this section. This examination fee is in addition to the certification or recertification fee, and
31 any other fee authorized pursuant to any other provision of Article 4C of Chapter 106 of the
32 General Statutes.

33 (c) A fee of fifty dollars (\$50.00) shall be charged for examination of individuals
34 seeking to be designated as Worker Protection Designated Trainers, in accordance with
35 provisions of the Federal Worker Protection Standard set forth in 40 C.F.R. Part 170, and
36 subsequent amendments to those regulations."

37 SECTION 11.1.(b) G.S. 143-448(b) reads as rewritten:

38 **"§ 143-448. Licensing of pesticide dealers; fees.**

39 ...

40 (b) Applications for a pesticide dealer license shall be in the form and shall contain the
41 information prescribed by the Board. Each application shall be accompanied by a

DRAFT

DRAFT

FOR REVIEW ONLY

1 non-refundable fee of ~~fifty dollars (\$50.00)~~ seventy-five dollars (\$75.00). All licenses issued
2 under this Part shall expire on December 31 of the year for which they are issued.

3
4"

5 **SECTION 11.1.(c) G.S. 143-449(b) reads as rewritten:**

6 **"§ 143-449. Qualifications for pesticide dealer license; examinations.**

7 (b) Each applicant shall satisfy the Board as to his responsibility in carrying on the
8 business of a pesticide dealer. Each applicant for an original license must demonstrate upon
9 written, or written and oral, examination to be prescribed by the Board his knowledge of
10 pesticides, their usefulness and their hazards; his competence as a pesticide dealer; and his
11 knowledge of the laws and regulations governing the use and sale of pesticides. A
12 nonrefundable fee of fifty dollars (\$50.00) shall be charged for each examination required by
13 this section. This examination fee is in addition to any fee authorized pursuant to any other
14 provision of Article 4C of Chapter 106 of the General Statutes.

15
16"

17 **SECTION 11.1.(d) G.S. 143-452(b) reads as rewritten:**

18 **"§ 143-452. Licensing of pesticide applicators; fees.**

19 (b) Applications for pesticide applicator license shall be in the form and shall contain
20 the information prescribed by the Board. Each application shall be accompanied by a
21 non-refundable fee of ~~fifty dollars (\$50.00)~~ seventy-five dollars (\$75.00) for each pesticide
22 applicator's license. In addition, an annual inspection fee of twenty-five dollars (\$25.00) shall
23 be submitted for each aircraft to be licensed. Should any aircraft fail to pass inspection, making
24 it necessary for a second inspection to be made, the Board shall require an additional
25 twenty-five-dollar (\$25.00) inspection fee. In addition to the required inspection, unannounced
26 inspections may be made without charge to determine if equipment is properly calibrated and
27 maintained in conformance with the laws and regulations. All aircraft licensed to apply
28 pesticides shall be identified by a license plate or decal furnished by the Board at no cost to the
29 licensee, which plate or decal shall be affixed on the aircraft in a location and manner
30 prescribed by the Board. No applicator inspection or license fee, original or renewal, shall be
31 charged to State agencies or local governments or their employees. Inspections of ground
32 pesticide application equipment may be made. Any such equipment determined to be faulty or
33 unsafe shall not be used for the purpose of applying a pesticide(s) until such time as proper
34 repairs and/or alterations are made."

35 **SECTION 11.1.(e) G.S. 143-453 reads as rewritten:**

36 **"§ 143-453. Qualifications for pesticide applicator's license; examinations.**

37 (a) An applicant for a license must present satisfactory evidence to the Board
38 concerning his qualifications for a pesticide applicator license. The contractor and each pilot
39 involved in aerial application of pesticides shall be licensed.

40 Those qualifications, in the case of a pilot, shall include at least 125 hours and one year's
41 flying experience as a pilot in the field of aerial pesticide application. A pilot lacking 125 hours
42 and one year's experience as a pilot in the field of aerial pesticide application shall be licensed
43 as an apprentice aerial pesticide applicator pilot. All aerial applications of pesticides by a
44 licensed apprentice shall be conducted under the direct supervision of a licensed pesticide
45 applicator pilot. The supervising pilot, while directly supervising an apprentice, shall operate
46 out of the same airstrip as the apprentice and shall be available periodically throughout each
47 day to provide advice and assistance to the apprentice. A nonrefundable fee of fifty dollars
48 (\$50.00) shall be charged for the examination required by this subsection. Such examination
49 fee shall be charged in addition to the fees authorized pursuant to subsection (b) of this section
50 or any other provision of Article 4C of Chapter 106 of the General Statutes.

DRAFT

DRAFT

FOR REVIEW ONLY

1 (b) Each applicant shall satisfy the Board as to his knowledge of the laws and
2 regulations governing the use and application of pesticides in the classifications he has applied
3 for (manually or with various equipment that he may have applied for a license to operate), and
4 as to his responsibility in carrying on the business of a pesticide applicator. Each applicant for
5 an original license must demonstrate upon written, or written and oral, examination to be
6 prescribed by the Board his knowledge of pesticides, their usefulness and their hazards; his
7 competence as a pesticide applicator; and his knowledge of the laws and regulations governing
8 the use and application of pesticides in the classification for which he has applied. A
9 nonrefundable fee of fifty dollars (\$50.00) shall be charged for the core examination, and an
10 additional twenty dollars (\$20.00) shall be charged for each additional specific classification
11 licensure. Such examination fees shall be charged in addition to the fees authorized pursuant to
12 subsection (a) of this section or any other provision of Article 4C of Chapter 106 of the General
13 Statutes.

14"

15 SECTION 11.1.(f) G.S. 143-455 reads as rewritten:

16 "§ 143-455. Pest control consultant license.

17 (a) No person shall perform services as a pest control consultant without first procuring
18 from the Board a license. Applications for a consultant license shall be in the form and shall
19 contain the information prescribed by the Board. The application for a license shall be
20 accompanied by a non-refundable annual fee of ~~fifty dollars (\$50.00)~~ seventy-five dollars
21 (\$75.00).

22 (b) An applicant for a consultant license must present satisfactory evidence to the Board
23 concerning his qualifications for such license. The Board may classify consultant licenses into
24 one or more classifications or subclassifications based upon types of consulting services
25 performed or to be performed. Such classifications and subclassifications may reflect the crops
26 involved in the consulting service, the discipline or training of consultant, the discretion or lack
27 of discretion involved in the consulting service, and the site or location of the service. Each
28 classification and subclassification may be subject to separate testing procedures and
29 requirements, and may be subject to its own minimum standards of training in specialized
30 subject matter from a recognized college or university, or equivalent specialized consulting
31 experience or training. A nonrefundable fee of fifty dollars (\$50.00) shall be charged for the
32 consultant examination, and an additional twenty dollars (\$20.00) shall be charged for each
33 additional specific classification licensure permitted by this subsection. Such examination fee
34 shall be charged in addition to the fees authorized pursuant to subsection (a) of this section or
35 any other provision of Article 4C of Chapter 106 of the General Statutes. Qualifications for
36 licensing may be less stringent if the licensee is restricted to making recommendations
37 contained in publications recognized by the Board as appropriate for a specific consulting
38 classification or subclassification.

39"

DRAFT

DRAFT FOR REVIEW ONLY

Follows \$ G.S.

DRAFT SPECIAL PROVISION

2010-AGRIC-H4(S11.2)i

Department of Agriculture and Consumer Services Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

STRUCTURAL PEST CONTROL ACT FEE INCREASES

SECTION 11.2.(a) G.S. 106-65.27 reads as rewritten:

"§ 106-65.27. Examinations of applicants; fee; license not transferable.

(a) Certified Applicator. - All applicants for a certified applicator's identification card shall demonstrate practical knowledge of the principles and practices of pest control and safe use of pesticides. Competency shall be determined on the basis of written examinations to be provided and administered by the Committee and, as appropriate, performance testing. Testing shall be based upon examples of problems and situations appropriate to the particular phase or subphase of structural pest control for which application is made and shall include, where relevant, the following areas of competency:

- (1) Label and labeling comprehension.
(2) Safety factors associated with pesticides - toxicity, precautions, first aid, proper handling, etc.
(3) Influence of and on the environment.
(4) Pests - identification, biology, and habits.
(5) Pesticides - types, formulations, compatibility, hazards, etc.
(6) Equipment - types and uses.
(7) Application techniques.
(8) Laws and regulations.

An applicant for a certified applicator's identification card shall submit an examination fee of ~~ten dollars (\$10.00)~~ twenty-five dollars (\$25.00) for each phase or subphase of structural pest control in which the applicant chooses to be examined. An examination for more than one phase or subphase may be taken at the same time at any regularly scheduled examination. Frequency of such examinations shall be at the discretion of the Committee, provided that a minimum of two examinations be given annually. The examination will cover each phase or subphase of structural pest control for which application is being made.

(b) License. - Each applicant for an original license must demonstrate upon written examination, to be provided and administered by the Committee, his competency as a structural pest control operator for the phase or subphase in which he is applying for a license. Frequency of such examinations shall be at the discretion of the Committee, provided that a minimum of two examinations shall be given annually. The examination will cover each phase or subphase of structural pest control for which application is being made. All applicants for a license shall register with the Division on a prescribed form. A license examination fee of ~~twenty-five dollars (\$25.00)~~ fifty dollars (\$50.00) shall be charged for each phase or subphase of structural pest control in which the applicant chooses to be examined. An examination for more than one phase or subphase of structural pest control may be taken at the same time.

...."

SECTION 11.2.(b) G.S. 106-65.31 reads as rewritten:

"§ 106-65.31. Annual certified applicator card and license fee; registration of servicemen, salesmen, solicitors, and estimators; identification cards.

DRAFT

DRAFT
FOR REVIEW ONLY

1 (a) Certified Applicator's Identification Card. The fee for issuance or renewal of a
2 certified applicator's identification card shall be ~~thirty dollars (\$30.00)~~ fifty dollars (\$50.00).
3 Within 75 days after the employment of a certified applicator, the licensee shall apply to the
4 Division for the issuance of a certified applicator's identification card. A certified applicator's
5 identification card shall expire on June 30 of each year and shall be renewed annually. All
6 certified applicators who fail or neglect to renew their card on or before June 30 but make
7 application before January 1 of the following year may have their card renewed without having
8 to be reexamined unless the applicant is scheduled for periodic reexamination under regulations
9 adopted pursuant to G.S. 106-65.27(d)(3). All applicants submitting applications for the
10 renewal of their cards after June 30 shall not use or supervise the use of restricted use pesticides
11 until a new card has been issued.

12 Any certified applicator whose employment is terminated with a licensee or agent prior to
13 the end of any license year may at any time prior to the end of the license year be reissued a
14 certified applicator's identification card for the remainder of the license year as an employee of
15 another licensee or agency or as an individual for a fee of five dollars (\$5.00). The licensee
16 shall notify the Division of the termination or change in status of any certified applicator.

17 Any certified applicator whose identification card is lost or destroyed or changed in any
18 way may be reissued a new card for the remainder of the license year for a fee of five dollars
19 (\$5.00).

20 (b) License. – The fee for the issuance or renewal of a license for any one phase of
21 structural pest control shall be ~~one hundred fifty dollars (\$150.00)~~ two hundred dollars
22 (\$200.00). Each additional phase shall be ~~sixty five dollars (\$65.00)~~ seventy-five dollars
23 (\$75.00). The fee for each subphase shall be fifteen dollars (\$15.00). Licenses shall expire on
24 June 30 of each year and shall be renewed annually. All licensees who fail or neglect to renew
25 their license on or before June 30, but who make application before January 1 of the following
26 year, may have their license renewed without having to be reexamined, unless the applicant is
27 scheduled for periodic reexamination under regulations adopted pursuant to
28 G.S. 106-65.27(d)(3). No structural pest control work may be performed until the license has
29 been renewed or until a new license has been issued.

30 Any licensee whose employment is terminated by his employer or any licensee who is
31 transferred to another company or location other than the company or location shown on his
32 license certificate, may at any time, have his license reissued for the remainder of the license
33 year for a fee of ten dollars (\$10.00).

34 Any licensee whose license is lost or destroyed may secure a duplicate license for a fee of
35 ten dollars (\$10.00).

36 (b1) Registration. – Within 75 days after the hiring of an employee who is either an
37 estimator, salesman, serviceman, or solicitor, the licensee shall apply to the Division for the
38 issuance of an identification card for such employee. The application must be accompanied by
39 a fee of ~~twenty five dollars (\$25.00)~~ forty dollars (\$40.00) for each card. The card shall be
40 issued in the name of the employee and shall bear the name of the employing licensee, the
41 employer's license number and phases, the name and address of the employer's business, and
42 such other information as the Committee may specify. The identification card shall be carried
43 by the employee on his person at all times while performing any phase of structural pest control
44 work. The card must be displayed upon demand by the Commissioner, the Committee, the
45 Division, or any representative thereof, or the person for whom any phase of structural pest
46 control work is being performed. A registered technician's identification card must be renewed
47 annually on or before June 30 by payment of a renewal fee of twenty-five dollars (\$25.00). If a
48 card is lost or destroyed the licensee may secure a duplicate for a fee of five dollars (\$5.00). The
49 licensee shall notify the Division of the termination or change in status of any registered
50 technician. All identification cards expire when a license expires.

DRAFT

1 When a license is reissued, the licensee shall be responsible for registering and securing
2 identification cards for all existing employees who engage in structural pest control within 10
3 days of the reissuance of the license.

4 A certified applicator who is not an employee of a licensed individual shall register the
5 names of all employees under his supervision who are engaged in the performance of structural
6 pest control with the Division and shall purchase a registered technician's identification card for
7 each such employee.

8"

DRAFT

DRAFT FOR REVIEW ONLY

Follows \$

DRAFT SPECIAL PROVISION



2010-ENV-H6

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *SCRAP TIRE DISPOSAL TAX AND WHITE GOODS DISPOSAL TAX DIVERTED FOR*
2 *2010-2011 FISCAL YEAR*

3 SECTION #.(a) Notwithstanding the provisions of G.S. 105-187.19(b), effective
4 for taxes levied during the 2010-2011 fiscal year, the Secretary of Revenue shall credit to the
5 General Fund the net tax proceeds that G.S. 105-187.19(b) directs the Secretary to credit to the
6 Scrap Tire Disposal Account.

7 SECTION #.(b) Notwithstanding the provisions of G.S. 105-187.24, effective for
8 taxes levied during the 2010-2011 fiscal year, the Secretary of Revenue shall credit to the
9 General Fund the net tax proceeds that G.S. 105-187.24 directs the Secretary to credit to the
10 White Goods Management Account.

DRAFT
FOR REVIEW ONLY
DRAFT



Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **CONSOLIDATE TWO DENR OFFICES INTO NEW OFFICE OF ENVIRONMENTAL**
2 **EDUCATION AND PUBLIC AFFAIRS**

3 **SECTION #.(a)** The Office of Environmental Education and Public Affairs is
4 established as a new office within the administrative area of the Department of Environment
5 and Natural Resources. All functions, powers, duties, and obligations previously vested in the
6 following offices of the Department of Environment and Natural Resources are transferred to,
7 vested in, and consolidated within the Office of Environmental Education and Public Affairs by
8 a Type I transfer, as defined in G.S. 143A-6:

- 9 (1) North Carolina Office of Environmental Education.
10 (2) Office of Public Affairs.

11 **SECTION #.(b)** The title of Part 4B of Article 7 of Chapter 143B of the General
12 Statutes reads as rewritten:

13 "Part 4B. Office of Environmental Education and Public Affairs."

14 **SECTION #.(c)** G.S. 143B-285.22 reads as rewritten:

15 "**§ 143B-285.22. Creation.**

16 There is hereby created ~~a North Carolina~~ the Office of Environmental Education and Public
17 Affairs (hereinafter referred to as "Office") within the Department of Environment and Natural
18 Resources."

19 **SECTION #.(d)** G.S. 143B-285.23 reads as rewritten:

20 "**§ 143B-285.23. Powers and duties of the Secretary of Environment and Natural**
21 **Resources.**

22 The Secretary of Environment and Natural Resources shall:

- 23 (1) Establish an Office of Environmental Education and Public Affairs to:
24 a. Serve as a clearinghouse of environmental information for the State.

25 ...

26"

27 **SECTION #.(e)** The catchline of G.S. 143B-285.25 reads as rewritten:

28 "**§ 143B-285.25. Liaison between the Office of Environmental Education and Public**
29 **Affairs and the Department of Public Instruction.**"

30 **SECTION #.(f)** The Revisor of Statutes shall make any other conforming statutory
31 changes that are necessary to reflect the transfers under subsection (a) of this section.

**DRAFT
FOR REVIEW ONLY**



**DRAFT
SPECIAL PROVISION**

2010-ENV-H17

**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: **Representative**

1 ***CONSOLIDATE TWO SUBUNITS IN DENR IN THE OFFICE OF THE SECRETARY***
2 ***OF ENVIRONMENT AND NATURAL RESOURCES***

3 **SECTION #.** All functions, powers, duties, and obligations previously vested in
4 the following subunits of the Department of Environment and Natural Resources are transferred
5 to, vested in, and consolidated within the Office of the Secretary of Environment and Natural
6 Resources by a Type I transfer, as defined in G.S. 143A-6:

- 7 (1) Office of Conservation and Community Affairs.
8 (2) Natural Resources Planning and Conservation.

**DRAFT
FOR REVIEW ONLY**
DRAFT
SPECIAL PROVISION



Follows \$
Gm, Sm
2010-ENV-H4(S13.1)

**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

**1 CONSOLIDATE THREE DENR SUBUNITS WITHIN THE NEW DIVISION OF
2 ENVIRONMENTAL ASSISTANCE AND OUTREACH**

3 **SECTION 13.1.(a)** The Division of Environmental Assistance and Outreach is
4 established as a new division within the environmental area of the Department of Environment
5 and Natural Resources. All functions, powers, duties, and obligations previously vested in the
6 following subunits of the Department of Environment and Natural Resources are transferred to,
7 vested in, and consolidated within the Division of Environmental Assistance and Outreach by a
8 Type I transfer, as defined in G.S. 143A-6:

- 9 (1) The Customer Service Center.
- 10 (2) The Division of Pollution Prevention and Environmental Assistance.
- 11 (3) The Small Business Ombudsman.

12 **SECTION 13.1.(b)** G.S. 18B-902(h) reads as rewritten:

13 "(h) Recycling Plan Required. – Each applicant for an on-premises malt beverage
14 permit, on-premises unfortified wine permit, on-premises fortified wine permit, or a mixed
15 beverages permit shall prepare and submit with the application a plan for the collection and
16 recycling of all recyclable beverage containers of all beverages to be sold at retail on the
17 premises. A permittee who is not able to find a recycler for its beverage containers may apply
18 to the Alcoholic Beverage Control Commission for a one-year stay of the requirement to
19 implement a recycling program in compliance with G.S. 18B-1006.1. The application shall be
20 made in a form specified by the Commission, shall detail the efforts made by the permittee to
21 provide for the collection and recycling of beverage containers, and shall specify the
22 impediments to implementation of a recycling plan. The Commission shall submit all such
23 applications to the Division of ~~Pollution Prevention and Environmental Assistance and~~
24 Outreach of the Department of Environment and Natural Resources for review and
25 certification. The Division of ~~Pollution Prevention and Environmental Assistance and Outreach~~
26 shall investigate each application and prepare a summary of its investigation and shall submit
27 the summary to the Commission along with a notation indicating certification or denial of the
28 application. A permittee whose application for a stay is certified by the Division of ~~Pollution~~
29 ~~Prevention and Environmental Assistance and Outreach~~ shall not be required to comply with
30 the recycling requirement of the alcoholic beverage laws and regulations during the one-year
31 stay period so certified."

32 **SECTION 13.1.(c)** G.S. 130A-309.12(a)(6) reads as rewritten:

- 33 "(6) Providing funding for the activities of the Division of ~~Pollution Prevention~~
34 ~~and Environmental Assistance.~~ Assistance and Outreach."

35 **SECTION 13.1.(d)** G.S. 130A-309.63(b)(2) reads as rewritten:

- 36 "(2) The Department may use up to forty percent (40%) of the revenue in the
37 Account to make grants to encourage the use of processed scrap tire
38 materials. These grants may be made to encourage the use of tire-derived
39 fuel, crumb rubber, carbon black, or other components of tires for use in
40 products such as fuel, tires, mats, auto parts, gaskets, flooring material, or
41 other applications of processed tire materials. These grants shall be made in

DRAFT
DRAFT
FOR REVIEW ONLY

1 consultation with the Department of Commerce, the Division of ~~Pollution~~
2 ~~Prevention and Environmental Assistance and Outreach~~ of the Department,
3 and, where appropriate, the Department of Transportation. Grants to
4 encourage the use of processed scrap tire materials shall not be used to
5 process tires."

SECTION 13.1.(e) G.S. 136-28.8(g) reads as rewritten:

8 "(g) On or before October 1 of each year, the Department shall report to the Division of
9 ~~Pollution Prevention and Environmental Assistance and Outreach~~ of the Department of
10 Environment and Natural Resources as to the amounts and types of recycled materials that were
11 specified or used in contracts that were entered into during the previous fiscal year. On or
12 before December 1 of each year, the Division of ~~Pollution Prevention and Environmental~~
13 Assistance and Outreach shall prepare a summary of this report and submit the summary to the
14 Joint Legislative Commission on Governmental Operations and the Joint Legislative
15 Transportation Oversight Committee. The summary of this report shall also be included in the
16 report required by G.S. 130A-309.06(c)."

SECTION 13.1.(f) G. S. 143-58.2(d) reads as rewritten:

17 "(d) The Department of Administration, in cooperation with the Division of ~~Pollution~~
18 ~~Prevention and Environmental Assistance and Outreach~~ of the Department of Environment and
19 Natural Resources, shall identify materials and supplies with recycled content that meet
20 appropriate standards for use by State departments, institutions, agencies, community colleges,
21 and local school administrative units."

SECTION 13.1.(g) The Revisor of Statutes shall make any other conforming

22 statutory changes necessary to reflect the transfer under subsection (a) of this section that are
23 not included in this section.
24

**DRAFT
FOR REVIEW ONLY**



**DRAFT
SPECIAL PROVISION**

2010-ENV-H16(S13.6)

**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

1 ***DAM SAFETY FEE***

2 **SECTION 13.6.** A Dam Evaluation Fee of one thousand one hundred dollars
3 (\$1,100) per equivalent dam unit shall be paid to the Department of Environment and Natural
4 Resources by electric utility companies. The fee shall be paid in two, equal, annual payments
5 due by October 1 of each year over the next two fiscal years and shall be based on the number
6 of equivalent dam units owned by each company that fall under the jurisdiction of the Part 3 of
7 Article 21 of Chapter 143 of the General Statutes. As used in this section, an equivalent dam
8 unit is equal to 750 feet of length of a dam crest. Fees collected pursuant to this section shall
9 be used to support a time-limited engineering position and operating funds necessary to
10 perform the evaluation and integration of regulated power plant dams into the Department's
11 dam safety inventory program. These fees shall remain available to the Department and shall
12 not revert until the evaluation and integration of regulated power plants is complete.

DRAFT
DRAFT
FOR REVIEW ONLY



DRAFT
SPECIAL PROVISION

2010-ENV-H14(S13.8)i

Follows \$
S,G

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **INCREASE HAZARDOUS WASTE FEES**

2 **SECTION 13.8.** G.S. 130A-294.1(f) reads as rewritten:

3 "(f) A person who generates 100 kilograms or more of hazardous waste in any calendar
4 month during the year beginning 1 July and ending 30 June but less than 1000 kilograms of
5 hazardous waste in each calendar month during that year shall pay an annual fee of one
6 hundred ~~twenty five dollars (\$125.00)~~ seventy dollars (\$170.00)."

**DRAFT
FOR REVIEW ONLY**

Sm

DRAFT
SPECIAL PROVISION



2010-ENV-H15B(S13.9)

**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

**1 INCREASE ADMINISTRATIVE CAP FOR INACTIVE HAZARDOUS WASTE SITES
2 PROGRAM; ADD RECIPIENTS TO ANNUAL REPORT REQUIREMENT**

3 SECTION 13.9.(a) G.S. 130A-295.9(1) reads as rewritten:

4 "(1) Funds credited pursuant to G.S. 105-187.63(1) to the Inactive Hazardous
5 Sites Cleanup Fund shall be used by the Department of Environment and
6 Natural Resources to fund the assessment and remediation of pre-1983
7 landfills, except up to ~~seven percent (7%)~~ thirteen percent (13%) of the funds
8 credited under this subdivision may be used to fund administrative expenses
9 related to the assessment and remediation of pre-1983 landfills and other
10 inactive hazardous waste sites."

11 SECTION 13.9.(b) G.S. 130A-310.10(a) reads as rewritten:

12 "(a) The Secretary shall report on inactive hazardous sites to the Joint Legislative
13 Commission on Governmental Operations, the Environmental Review Commission
14 Commission, and the Fiscal Research Division on or before 1 October of each year. The report
15 shall include at least:

16 (1) The Inactive Hazardous Waste Sites Priority List;
17"

**DRAFT
FOR REVIEW ONLY**



**DRAFT
SPECIAL PROVISION**

2010-ENV-H9

**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

1 ***FUNDS FOR CLEANUP AND MONITORING OF TEXFI SITE CONTAMINATION***

2 **SECTION #.** There is appropriated from the Solid Waste Management Trust Fund
3 to the Department of Environment and Natural Resources, Division of Waste Management, the
4 sum of fifty thousand dollars (\$50,000) for the 2010-2011 fiscal year to provide required
5 cost-share funds in order to obtain federal funds, for the cleanup and monitoring of the
6 groundwater and other contamination located at the Texfi site in Fayetteville and for any
7 emergency cleanup activities needed at that site.

**DRAFT
FOR REVIEW ONLY**



**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: **Representative Harrison**

1 **FUNDS FOR RECYCLING PROGRAMS FOR PRODUCTS THAT CONTAIN MERCURY**
2 SECTION #.(a) Effective July 1, 2010 until December 31, 2017, G.S. 130A-
3 310.54 reads as rewritten:

4 "**§ 130A-310.54. Mercury Switch Removal Account Pollution Prevention Fund.**

5 (a) The Mercury ~~Switch Removal Account~~ Pollution Prevention Fund is established in
6 the Department. Revenue is credited to the ~~Account-Fund~~ from the certificate of title fee under
7 G.S. 20-85.

8 (b) Revenue in the Mercury ~~Switch Removal Account~~ Pollution Prevention Fund shall
9 be used to ~~for the following purposes:~~

10 (1) To reimburse the Department and others for costs incurred in implementing
11 the mercury switch removal program.

12 (2) To establish and implement recycling programs for products containing
13 mercury, including at least recycling programs for light bulbs and
14 thermostats.

15 (b1) The reimbursable costs under subdivision (1) of subsection (b) of this section are:

16 (1) Five dollars (\$5.00) for each mercury switch removed by a vehicle crusher,
17 vehicle dismantler, vehicle recycler, or scrap vehicle processing facility
18 pursuant to this Article and sent to destination facilities in accordance with
19 the NVMSRP for recycling or disposal.

20 (2) Costs incurred by the Department in administering the program.

21 (c) The Department shall reimburse vehicle crushers, vehicle dismantlers, vehicle
22 recyclers, and scrap vehicle processing facilities based on a reimbursement request that attests
23 to the number of switches sent to destination facilities for recycling or disposal in accordance
24 with the NVMSRP. Each reimbursement request shall be verified against information posted on
25 the Internet site provided by the vehicle manufacturers in accordance with the NVMSRP, or
26 against other information that verifies the reimbursement requested to the satisfaction of the
27 Department. The vehicle crusher, vehicle dismantler, vehicle recycler, or scrap vehicle
28 processing facility shall provide the Department with any information requested by the
29 Department to verify the accuracy of a reimbursement request. Each vehicle crusher, vehicle
30 dismantler, vehicle recycler, or scrap vehicle processing facility shall maintain accurate records
31 that support each reimbursement request for a minimum of three years from the date the
32 reimbursement request is approved."

33 SECTION #.(b) Effective December 31, 2017, G.S. 130A-310.54, as amended by
34 Sections 4 and 9 of S.L. 2007-142, reads as rewritten:

35 "**§ 130A-310.54. Funds to implement plan.**

36 (a) The Mercury ~~Pollution Prevention Account-Fund~~ is established in the Department.
37 Revenue is credited to the ~~Account-Fund~~ from the certificate of title fee under G.S. 20-85.

38 (b) Revenue in the Mercury ~~Pollution Prevention Account-Fund~~ shall be used to ~~for the~~
39 following purposes:

40 (1) To reimburse the Department and others for costs incurred in implementing
41 the mercury minimization plan.

**DRAFT
FOR REVIEW ONLY**

(2) To establish and implement recycling programs for products containing mercury, including at least recycling programs for light bulbs and thermostats.

The reimbursable costs under subdivision (1) of subsection (b) of this section are:

(1) Five dollars (\$5.00) for each mercury switch removed by a vehicle recycler or scrap metal recycling facility pursuant to this Article.

(2) Costs incurred by the Department in administering the plan.

(c) The Department shall reimburse vehicle recyclers and scrap metal recycling facilities based on the quarterly reports submitted under G.S. 130A-310.53. The Department may request any information needed to determine the accuracy of the reports."

**DRAFT
FOR REVIEW ONLY**
DRAFT
SPECIAL PROVISION



S

**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

PARKS AND RECREATION TRUST FUND/AUTHORITY TO CONSIDER OPERATING EXPENSES

SECTION 13.11. G.S. 113-44.15 reads as rewritten:

"§ 113-44.15. Parks and Recreation Trust Fund.

(a) Fund Created. – There is established a Parks and Recreation Trust Fund in the State Treasurer's Office. The Trust Fund shall be a nonreverting special revenue fund consisting of gifts and grants to the Trust Fund, monies credited to the Trust Fund pursuant to G.S. 105-228.30(b), and other monies appropriated to the Trust Fund by the General Assembly. Investment earnings credited to the assets of the Fund shall become part of the Fund.

(b) Use. – Funds in the Trust Fund are annually appropriated to the North Carolina Parks and Recreation Authority and, unless otherwise specified by the General Assembly or the terms or conditions of a gift or grant, shall be allocated and used as follows:

(1) Sixty-five percent (65%) for the State Parks System for capital projects, repairs and renovations of park facilities, and land acquisition, and to retire debt incurred for these purposes under Article 9 of Chapter 142 of the General Statutes.

(2) Thirty percent (30%) to provide matching funds to local governmental units or public authorities as defined in G.S. 159-7 on a dollar-for-dollar basis for local park and recreation purposes. The appraised value of land that is donated to a local government unit or public authority may be applied to the matching requirement of this subdivision. These funds shall be allocated by the North Carolina Parks and Recreation Authority based on criteria patterned after the Open Project Selection Process established for the Land and Water Conservation Fund administered by the National Park Service of the United States Department of the Interior.

(3) Five percent (5%) for the Coastal and Estuarine Water Beach Access Program.

(b1) Geographic Distribution. – In allocating funds in the Trust Fund under this section, the North Carolina Parks and Recreation Authority shall make geographic distribution across the State to the extent practicable.

(b2) Administrative Expenses. – Of the funds appropriated to the North Carolina Parks and Recreation Authority from the Trust Fund each year, no more than three percent (3%) may be used by the Department for operating expenses associated with managing capital improvements projects, acquiring land, and administration of local grants programs.

(b3) Operating Expenses for State Parks System Allocations. – In allocating funds in the Trust Fund under subdivision (1) of subsection (b) of this section, the North Carolina Parks and Recreation Authority shall consider the operating expenses associated with each capital project, repair and renovation project, and each land acquisition. In considering the operating expenses, the North Carolina Parks and Recreation Authority shall determine both:

(1) The minimal anticipated operating expenses, which are determined by the minimum staff and other operating expenses needed to maintain the project.

DRAFT
FOR REVIEW ONLY

1 The optimal anticipated operating budget, which is determined by the level
2 of staff and other operating expenses required to achieve a more satisfactory
3 level of operation under the project.

4 (c) Reports. – The North Carolina Parks and Recreation Authority shall report no later
5 than October 1 of each year to the Joint Legislative Commission on Governmental Operations,
6 the House and Senate Appropriations Subcommittees on Natural and Economic Resources, the
7 Fiscal Research Division, and the Environmental Review Commission on allocations from the
8 Trust Fund from the prior fiscal year. For funds allocated from the Trust Fund under
9 subdivision (b1) of this section, this report shall include the operating expenses determined
10 under subdivisions (1) and (2) of subsection (b3) of this section.
11 ..."

**DRAFT
FOR REVIEW ONLY**

S

DRAFT
SPECIAL PROVISION



2010-NATRES-H5(S13.12)i

**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative .

1 ***RECLASSIFY SEVEN VACANT POSITIONS IN THE DIVISION OF PARKS AND***
2 ***RECREATION***

3 **SECTION 13.12.** The Division of Parks and Recreation of the Department of
4 Environment and Natural Resources shall reclassify seven vacant positions within the Division
5 and shall fill these reclassified positions in a timely manner in order to provide support for new
6 or expanding parks within the State Parks System, as defined in G.S. 113-44.9.

DRAFT

S

DRAFT
SPECIAL PROVISION



2010-NATRES-H6(S13.13)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *STATE PARKS SYSTEM PLAN*

2 SECTION 13.13. G.S. 113-44.11 is amended by adding a new subsection to read:

3 "(d) No later than October 1 of each year, the Department shall submit electronically the
4 State Parks System Plan to the Environmental Review Commission, the Senate and the House
5 of Representatives Appropriations Subcommittees on Natural and Economic Resources, and
6 the Fiscal Research Division. Concurrently, the Department shall submit a summary of each
7 change to the Plan that was made during the previous fiscal year."

DRAFT
FOR REVIEW ONLY

S

DRAFT

DRAFT
SPECIAL PROVISION



2010-NATRES-H7(S13.14)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 ***NO NEW FEES FOR PARKING IN STATE PARKS***

2 **SECTION 13.14.** Notwithstanding any provision to the contrary, the funds
3 appropriated to the Department of Environment and Natural Resources for State Parks for the
4 2010-2011 fiscal year shall not be reduced or replaced with fees for parking at State Parks,
5 unless these fees were charged prior to the 2010-2011 fiscal year. No fees shall be charged and
6 no fees shall be collected for parking in a State Park during the 2010-2011 fiscal year, unless
7 these fees were charged prior to the 2010-2011 fiscal year.

DRAFT
FOR REVIEW ONLY

S

DRAFT

DRAFT
SPECIAL PROVISION



2010-NATRES-H8(S13.15)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **AUTHORITY FOR THE DEPARTMENT OF REVENUE TO SHARE INFORMATION**
2 **WITH DENR**

3 SECTION 13.15. G.S. 105-259(b) is amended by adding a new subdivision to
4 read:

5 "(b) Disclosure Prohibited. – An officer, an employee, or an agent of the State who has
6 access to tax information in the course of service to or employment by the State may not
7 disclose the information to any other person except as provided in this subsection. Standards
8 used or to be used for the selection of returns for examination and data used or to be used for
9 determining the standards may not be disclosed for any purpose. All other tax information may
10 be disclosed only if the disclosure is made for one of the following purposes:

- 11 ...
12 (40) To furnish the Division of Forest Resources of the Department of
13 Environment and Natural Resources pertinent contact and financial
14 information concerning companies that are involved in the primary
15 processing of timber products so that the Secretary of Environment and
16 Natural Resources is able to comply with G.S. 113A-193 under the Primary
17 Forest Product Assessment Act."

DRAFT
FOR REVIEW ONLY

S

DRAFT

DRAFT
SPECIAL PROVISION



2010-NATRES-H9(S13.16)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *DIVISION OF MARINE FISHERIES AND DIVISION OF FOREST RESOURCES*
2 *AIRCRAFT MAINTENANCE*

3 SECTION 13.16.(a) The Division of Marine Fisheries of the Department of
4 Environment and Natural Resources shall use mechanics employed by the Division of Forest
5 Resources of the Department of Environment and Natural Resources for the purpose of
6 performing aircraft maintenance for all aircraft of the Division of Marine Fisheries except for a
7 particular instance when this would be impracticable.

8 SECTION 13.16.(b) The Division of Forest Resources of the Department of
9 Environment and Natural Resources shall perform aircraft maintenance using its mechanics for
10 all aircraft of the Division of Marine Fisheries, except for a particular instance when this would
11 be impracticable. The Division of Forest Resources shall develop a process to establish
12 priorities for the aviation maintenance needs of all the aircraft in both the Division of Forest
13 Resources and the Division of Marine Fisheries.

DRAFT
FOR REVIEW ONLY

S

DRAFT

DRAFT
SPECIAL PROVISION



2010-NATRES-H10(S13.17)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *PURCHASE OF COMPUTER SOFTWARE BY DENR FOR DENR AIRCRAFT FLIGHTS*
2 *AND MAINTENANCE RECORDKEEPING*

3 SECTION 13.17. The Department of Environment and Natural Resources shall
4 purchase computer software to be used to establish and maintain a record of the flights and the
5 maintenance of aircraft of the Department of Environment and Natural Resources. For the
6 purchase under this section, the Department of Environment and Natural Resources shall use
7 funds realized from the sale of aircraft by the divisions within the department that operate
8 aircraft. The Department of Environment and Natural Resources shall work with the Division
9 of Marine Fisheries, the Division of Forest Resources, and the Aviation Division of the
10 Department of Transportation to develop the specifications for this software system and to
11 evaluate the best product available to accomplish the purpose set forth in this section. The
12 Department should evaluate all available options, including the purchase of a commercially
13 available system and the purchase of a license to use a software system that is currently used by
14 another State agency. The purchase under this section is subject to all State laws and rules
15 regarding the procurement of distributed information technology assets, as defined in
16 G.S. 147-33.81.

DRAFT
FOR REVIEW ONLY

S

**DRAFT
SPECIAL PROVISION**



2010-NATRES-H11(S13.18)i

**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

1 **REPORT ON DENR AVIATION ACTIVITIES**

2 **SECTION 13.18.(a)** No later than October 1, 2010, the Department of
3 Environment and Natural Resources shall submit a report to the Joint Legislative Commission
4 on Governmental Operations, the House of Representatives and Senate Appropriations
5 Subcommittees on Natural and Economic Resources, and the Fiscal Research Division. The
6 report shall:

- 7 (1) Describe the uses of the State aircraft fleet within the control of either the
8 Division of Forest Resources of the Department of Environment and Natural
9 Resources or the Division of Marine Fisheries of the Department of
10 Environment and Natural Resources; and
- 11 (2) Describe the progress of the Department of Environment and Natural
12 Resources in implementing the eight management practices that were
13 recommended by the Program Evaluation Division of the General Assembly
14 in its report entitled "Selling 25 Underutilized Aircraft May Yield Up to \$8.1
15 Million and Save \$1.5 Million Annually" (Report 2010-04), based upon its
16 study of the State's aircraft fleets, as authorized by Section 14.6 of S.L.
17 2009-451.

18 **SECTION 13.18.(b)** The Department of Environment and Natural Resources shall
19 include in its report under subsection (a) of this section a summary of the Conklin & de Decker
20 report that is due to be submitted to the Division of Forest Resources in August 2010, including
21 any recommendations included in the Conklin & de Decker report and a description of the
22 Department's plan to implement the Conklin & de Decker report recommendations.

**DRAFT
FOR REVIEW ONLY**

Follows \$
S

**DRAFT
FOR REVIEW ONLY**



2010-NATRES-H13(S13.20)i

**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

GRASSROOTS SCIENCE PROGRAM

SECTION 13.20. Section 13.7.(a) of S.L. 2009-451 reads as rewritten:

"SECTION 13.7.(a) Of the funds appropriated in this act to the Department of Environment and Natural Resources for the Grassroots Science Program, the sum of three million four hundred eleven thousand seven hundred thirteen dollars (\$3,411,713) for the 2009-2010 fiscal year and the sum of ~~three million four hundred eleven thousand seven hundred thirteen dollars (\$3,411,713)~~ three million two hundred forty-one thousand one hundred twenty-seven dollars (\$3,241,127) for the 2010-2011 fiscal year is allocated as grants-in-aid for each fiscal year as follows:

	2009-2010	2010-2011
Aurora Fossil Museum	\$57,875	\$57,875 <u>54,981</u>
Cape Fear Museum	\$157,787	\$157,787 <u>149,898</u>
Carolina Raptor Center	\$109,931	\$109,931 <u>104,434</u>
Catawba Science Center	\$143,429	\$143,429 <u>136,258</u>
Colburn Earth Science Museum, Inc.	\$73,054	\$73,054 <u>69,401</u>
Core Sound Waterfowl Museum	\$49,000	\$49,000 <u>46,550</u>
Discovery Place	\$649,608	\$649,608 <u>617,128</u>
Eastern NC Regional Science Center	\$49,000	\$49,000 <u>46,550</u>
Fascinate-U	\$79,451	\$79,451 <u>75,478</u>
Granville County Museum Commission, Inc.—Harris Gallery	\$55,294	\$55,294 <u>52,529</u>
Greensboro Children's Museum	\$132,374	\$132,374 <u>125,755</u>
The Health Adventure Museum of Pack Place Education, Arts and Science Center, Inc.	\$152,499	\$152,499 <u>144,874</u>
Highlands Nature Center	\$77,683	\$77,683 <u>73,799</u>
Imagination Station	\$84,313	\$84,313 <u>80,097</u>
The Iredell Museums, Inc.	\$60,080	\$60,080 <u>57,076</u>
Kidsenses	\$79,656	\$79,656 <u>75,673</u>
Museum of Coastal Carolina	\$76,460	\$76,460 <u>72,637</u>
The Natural Science Center of Greensboro, Inc.	\$182,627	\$182,627 <u>173,496</u>
North Carolina Museum of Life and Science	\$372,229	\$372,229 <u>353,618</u>
Pisgah Astronomical Research Institute	\$49,000	\$49,000 <u>46,550</u>
Port Discover: Northeastern North Carolina's Center for Hands-On Science, Inc.	\$49,000	\$49,000 <u>46,550</u>
Rocky Mount Children's Museum	\$70,809	\$70,809 <u>67,269</u>
Schiele Museum of Natural History		

1	and Planetarium, Inc.	\$224,956	\$224,956 <u>213,708</u>
2	Sci Works Science Center and		
3	Environmental Park of Forsyth County	\$143,569	\$143,569 <u>136,390</u>
4	Sylvan Heights Waterfowl Park		
5	and Eco-Center	\$49,000	\$49,000 <u>46,550</u>
6	Western North Carolina Nature Center	\$110,621	\$110,621 <u>105,090</u>
7	Wilmington Children's Museum	\$72,408	\$72,408 <u>68,788</u>
8			
9	Total	\$3,411,713	\$3,411,713 <u>3,241,127"</u>

**DRAFT
FOR REVIEW ONLY**

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT

DRAFT
SPECIAL PROVISION



2010-NATRES-H1

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

- 1 ***ELIMINATE BLADEN LAKES STATE FOREST FUND***
- 2 SECTION #.(a) G.S. 113-36(d) is repealed.
- 3 SECTION #.(b) Any balance remaining in the Bladen Lakes State Forest Fund as
- 4 of June 30, 2010 shall revert to the General Fund.

DRAFT
FOR REVIEW ONLY

**DRAFT
FOR REVIEW ONLY**



**Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

CLOSE/TRANSFER CERTAIN DENR SPECIAL FUNDS

SECTION #.(a) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall close all of the following special funds within the Department and transfer any unencumbered cash balance of each as of June 30, 2010, to the Division of Soil and Water Conservation (Special Fund code 14300-1310):

- (1) SWC – CREP (Special Fund code 24308-2313).
- (2) SWC – EEP Agreement (Special Fund code 24308-2317).

SECTION #.(b) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall close the special fund Bladen Lakes (Special Fund code 24300-2221) within the Department and transfer any unencumbered cash balance as of June 30, 2010, to the Division of Forest Resources (Special Fund code 14300-1210).

SECTION #.(c) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall close all of the following special funds within the Department and transfer any unencumbered cash balance of each as of June 30, 2010, to the Division of Water Quality (Special Fund code 14300-1695):

- (1) DWQ – Lab Certification Fees (Special Fund code 24300-2335).

SECTION #.(d) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall transfer to the General Fund any unencumbered cash balance as of June 30, 2009, in each of the following special funds within the Department and permanently close each of these special funds:

- (1) DWM – Kernersville Site (Special Fund code 24308-2116).
- (2) DWM – Meadowview Site (Special Fund code 24308-2118).
- (3) DWR – Streamwatch Project (Special Fund code 24308-2180).
- (4) DAQ – Terrorism Defense (Special Fund code 24308-2343).
- (5) MNS – E A Publications (Special Fund code 24308-2461).
- (6) MNS – Mus Nat Sci/School Science Fairs (Special Fund code 24308-2462).
- (7) MNS – Mus Nat Sci/Scientific Pub. (Special Fund code 24308-2465).
- (8) DFR – Hurricane Frances (Special Fund code 24310-2786).
- (9) DFR – Hurricane Ivan (Special Fund code 24310-2797).
- (10) DFR – Dare Bomb Range Isabel Interest (Special Fund code 24310-2249).

SECTION #.(e) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall close all of the following special funds within the Department and transfer any unencumbered cash balance of each as of June 30, 2010 to the budget code 24317:

- (1) SWC – Agricultural Cost Share Programs (Special Fund code 24308-2510).
- (2) SWC – Animal Waste Cost Share (Special Fund code 24308-2520).

DRAFT

(3) NC07 – Network Data IT Project (Special Fund code 24308-2931).

SECTION #.(f) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall close the special fund DWM – Non-commercial Leaking Petroleum Storage (Special Fund code 24308-6371) within the Department and transfer any unencumbered cash balance as of June 30, 2010 to the budget code 64305.

SECTION #.(g) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall close all other special funds within the Department in budget code 24308 that are not otherwise closed or transferred under this section and transfer any unencumbered cash balance of each as of June 30, 2010 to the budget code 24300.

DRAFT
FOR REVIEW ONLY

DRAFT

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-NATRES-H3

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **NEW FUNDING SOURCE FOR WILDLIFE RESOURCES COMMISSION OPERATING**
2 **BUDGET**

3 SECTION #.(a) G.S. 105-164.44B is repealed.

4 SECTION #.(b) The Office of State Budget and Management, the State Controller,
5 and the Wildlife Resources Commission shall jointly effectuate, beginning with the Wildlife
6 Resources Commission's operating budget for the 2010-2011 fiscal year, the transition from the
7 Wildlife Resources Commission receiving sales tax proceeds to fund its operating budget to the
8 Wildlife Resources Commission receiving an appropriation of eighteen million five hundred
9 thousand dollars (\$18,500,000) from the General Fund to fund its operating budget.

10 SECTION #.(c) Section 13.11 of S.L. 2009-451 reads as rewritten:

11 "SECTION 13.11. Notwithstanding G.S. 105-164.44B, during the 2009-2010
12 fiscal year ~~and the 2010-2011 fiscal year,~~ the Secretary of Revenue shall transfer at the end
13 of each quarter from the State sales and use tax net collections received by the Department of
14 Revenue under Article 5 of Chapter 105 of the General Statutes to the State Treasurer for the
15 Wildlife Resources Fund one-fourth of the amount transferred the preceding fiscal year plus or
16 minus the percentage of that amount by which the total collection of State sales and use taxes
17 increased or decreased during the preceding fiscal year, not to exceed twenty-one million five
18 hundred thousand dollars (\$21,500,000)."

DRAFT
FOR REVIEW ONLY

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

BP
S

DRAFT

DRAFT
SPECIAL PROVISION



2010-COMM-H1(S14.1)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **ONE NORTH CAROLINA FUND**

2 **SECTION 14.1.** Section 14.1 of S.L. 2009-451 reads as rewritten:

3 "SECTION 14.1. Of the funds appropriated in this act to the One North Carolina Fund for
4 the ~~2009-2010~~2010-2011 fiscal year, the Department of Commerce may use up to three
5 hundred thousand dollars (\$300,000) to cover its expenses in administering the One North
6 Carolina Fund and other economic development incentive grant programs during the
7 ~~2009-2010~~2010-2011 fiscal year."

DRAFT
FOR REVIEW ONLY

**DRAFT
FOR REVIEW ONLY**

S

DRAFT
SPECIAL PROVISION



2010-COMM-H2(S14.2)i

**Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

1 **NER BLOCK GRANTS**

2 **SECTION 14.2.(a)** Appropriations from federal block grant funds are made for the
3 fiscal year ending June 30, 2011, according to the following schedule:
4

5 **COMMUNITY DEVELOPMENT BLOCK GRANT**

6			
7	01. State Administration	\$	1,000,000
8			
9	02. Scattered Site Housing		16,500,000
10			
11	03. Economic Development		7,210,000
12			
13	04. Small Business/Entrepreneurship		3,000,000
14			
15	05. NC Catalyst		8,240,000
16			
17	06. State Technical Assistance		450,000
18			
19	07. Infrastructure		8,000,000
20			
21	08. Capacity Building		600,000
22			

23
24 **TOTAL COMMUNITY DEVELOPMENT**
25 **BLOCK GRANT – 2010 Program Year** \$ 45,000,000
26

27 **SECTION 14.2.(b)** Decreases in Federal Fund Availability. – If federal funds are
28 reduced below the amounts specified above after the effective date of this act, then every
29 program in each of these federal block grants shall be reduced by the same percentage as the
30 reduction in federal funds.

31 **SECTION 14.2.(c)** Increases in Federal Fund Availability for Community
32 Development Block Grant. – Any block grant funds appropriated by the Congress of the United
33 States in addition to the funds specified in this section shall be expended as follows: each
34 program category under the Community Development Block Grant shall be increased by the
35 same percentage as the increase in federal funds.

36 **SECTION 14.2.(d)** Limitations on Community Development Block Grant Funds. –
37 Of the funds appropriated in this section for the Community Development Block Grant, the
38 following shall be allocated in each category for each program year: up to one million dollars
39 (\$1,000,000) may be used for State Administration; up to sixteen million five hundred thousand
40 dollars (\$16,500,000) may be used for Scattered Site Housing; up to seven million two hundred
41 ten thousand dollars (\$7,210,000) may be used for Economic Development; up to three million

1 dollars (\$3,000,000) may be used for Small Business/Entrepreneurship; not less than eight
2 million two hundred forty thousand dollars (\$8,240,000) shall be used for NC Catalyst; up to
3 four hundred fifty thousand dollars (\$450,000) may be used for State Technical Assistance; up
4 to eight million dollars (\$8,000,000) may be used for Infrastructure; six hundred thousand
5 dollars (\$600,000) may be used for Capacity Building. If federal block grant funds are reduced
6 or increased by the Congress of the United States after the effective date of this act, then these
7 reductions or increases shall be allocated in accordance with subsection (b) or (c) of this
8 section, as applicable.

9 **SECTION 14.2.(e)** Increase Capacity for Nonprofit Organizations. – Assistance to
10 nonprofit organizations to increase their capacity to carry out CDBG-eligible activities in
11 partnership with units of local government is an eligible activity under any program category in
12 accordance with federal regulations. Capacity building grants may be made from funds
13 available within program categories, program income, or unobligated funds.

14 **SECTION 14.2.(f)** The Department of Commerce shall consult with the Joint
15 Legislative Commission on Governmental Operations prior to reallocating Community
16 Development Block Grant Funds. Notwithstanding the provisions of this subsection, whenever
17 the Director of the Budget finds that:

18 (1) A reallocation is required because of an emergency that poses an imminent
19 threat to public health or public safety, the Director of the Budget may
20 authorize the reallocation without consulting the Commission. The
21 Department of Commerce shall report to the Commission on the reallocation
22 no later than 30 days after it was authorized and shall identify in the report
23 the emergency, the type of action taken, and how it was related to the
24 emergency.

25 (2) The State will lose federal block grant funds or receive less federal block
26 grant funds in the next fiscal year unless a reallocation is made. The
27 Department of Commerce shall provide a written report to the Commission
28 on the proposed reallocation and shall identify the reason that failure to take
29 action will result in the loss of federal funds. If the Commission does not
30 hear the issue within 30 days of receipt of the report, the Department may
31 take the action without consulting the Commission.

32 **SECTION 14.2.(g)** By September 1, 2010, the Division of Community Assistance,
33 Department of Commerce, shall report to the Joint Legislative Commission on Governmental
34 Operations and the Fiscal Research Division on the use of Community Development Block
35 Grant Funds appropriated in the prior fiscal year.

DRAFT
FOR REVIEW ONLY

**DRAFT
FOR REVIEW ONLY**

S

DRAFT
SPECIAL PROVISION



2010-COMM-H3(S14.3)

**Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

1 **STATE AGENCIES AND INSTITUTIONS/GREATER ENERGY EFFICIENCY**
2 **REPORTING AND COMPLIANCE**

3 SECTION 14.3. G.S. 143-64.12 reads as rewritten:

4 "§ 143-64.12. Authority and duties of the Department; State agencies and State
5 institutions of higher learning.

6 (a) The Department of Commerce through the State Energy Office shall develop a
7 comprehensive program to manage energy, water, and other utility use for State agencies and
8 State institutions of higher learning and shall update this program annually. Each State agency
9 and State institution of higher learning shall develop and implement a management plan that is
10 consistent with the State's comprehensive program under this subsection to manage energy,
11 water, and other utility use, and that addresses any findings or recommendations resulting
12 from the energy audit required by subsection (b1) of this section. The energy consumption per
13 gross square foot for all State buildings in total shall be reduced by twenty percent (20%) by
14 2010 and thirty percent (30%) by 2015 based on energy consumption for the 2002-2003 fiscal
15 year. Each State agency and State institution of higher learning shall update its management
16 plan annually and include strategies for supporting the energy consumption reduction
17 requirements under this subsection. Each community college shall submit to the State Energy
18 Office an annual written report of utility consumption and costs.

19 ...

20 (b1) The Department of Administration, as part of the Facilities Condition and
21 Assessment Program, shall identify and recommend energy conservation maintenance and
22 operating procedures that are designed to reduce energy consumption within the facility of a
23 State agency or a State institution of higher learning and that require no significant expenditure
24 of funds. Every State agency or State institution of higher learning shall implement these
25 recommendations. Where energy management equipment is proposed for any facility of a State
26 agency or of a State institution of higher learning, the maximum interchangeability and
27 compatibility of equipment components shall be required. As part of the Facilities Condition
28 and Assessment Program under this section, the Department of ~~Administration-Administration,~~
29 in consultation with the State Energy Office, shall develop an energy audit and a procedure for
30 conducting energy audits. Every five years the Department shall conduct an energy audit for
31 each State agency or State institution of higher learning, and the energy audits
32 conducted shall serve as a preliminary energy survey. The State Energy Office shall be
33 responsible for system-level detailed surveys.

34 (b2) The Department of Administration shall submit a report of the energy audit required
35 by subsection (b1) of this section to the affected State agency or State institution of higher
36 learning and to the State Energy Office. The State Energy Office shall review each audit and, in
37 consultation with the affected State agency or State institution of higher learning, incorporate
38 the audit findings and recommendations into the management plan required by subsection (a)
39 of this section.

40 ...

DRAFT

1 (h) When conducting an ~~energy audit~~ facilities condition and assessment under this
2 section, the Department of Administration shall identify and recommend to the State Energy
3 Office any facility of a State agency or State institution of higher learning as suitable for
4 building commissioning to reduce energy consumption within the facility or as suitable for
5 installing an energy savings measure pursuant to a guaranteed energy savings contract under
6 Part 2 of this Article.

7 ...
8 (i) The State Energy Office shall submit a report by September 1 of each year to the
9 Joint Legislative Commission on Governmental Operations describing the comprehensive
10 program to manage energy, water, and other utility use for State agencies and State institutions
11 of higher learning required by subsection (a) of this section. The report shall also contain the
12 following:

- 13 (1) A comprehensive overview of how State agencies and State institutions of
14 higher learning are managing energy, water, and other utility use and
15 achieving efficiency gains.
- 16 (2) Any new measures that could be taken by State agencies and State
17 institutions of higher learning to achieve greater efficiency gains, including
18 any changes in general law that might be needed.
- 19 (3) A summary of the State agency and State institutions of higher learning
20 management plans required by subsection (a) of this section and the energy
21 audits required by subsection (b1) of this section.
- 22 (4) A list of the State agencies and institutions of higher learning that did and
23 did not submit management plans required by subsection (a) of this section
24 and a list of the State agencies and State institutions of higher learning that
25 received an energy audit.
- 26 (5) Any recommendations on how management plans can be better managed
27 and implemented."

DRAFT
FOR REVIEW ONLY

SM

DRAFT

DRAFT
SPECIAL PROVISION



2010-COMM-H4(S14.4)

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 LOCAL WORKFORCE DEVELOPMENT BOARDS/CONSUMER CHOICE
2 REQUIREMENTS

3 SECTION 14.4. G.S. 143B-438.11(a) is amended by adding the following new
4 subdivision to read as follows:

5 "(a) Duties. – Local Workforce Development Boards shall have the following powers
6 and duties:

- 7 ...
- 8 (8) To provide the appropriate guidance and information to Workforce
- 9 Investment Act consumers to ensure that they are prepared and positioned to
- 10 make informed choices in selecting a training provider. Each local
- 11 workforce development board shall ensure that consumer choice is properly
- 12 maintained in the one-stop centers and that consumers are provided the full
- 13 array of public and private training provider information."
- 14

DRAFT
FOR REVIEW ONLY

SM

DRAFT
SPECIAL PROVISION



2010-COMM-H6(S14.6)

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **CONSOLIDATE PASSENGER AIRCRAFT**

2 SECTION 14.6.(a) The Executive Aircraft Division of the Department of
3 Commerce is transferred to the Division of Aviation of the Department of Transportation. This
4 transfer shall have all the elements of a Type I transfer, as defined by G.S. 143A-6.

5 SECTION 14.6.(b) G.S. 143B-437.011 is repealed.

6 SECTION 14.6.(c) Article 7 of Chapter 136 of the General Statutes is amended by
7 adding a new section to read:

8 **"§ 136-102.20. Use of aircraft managed by the Department of Transportation.**

9 The use of aircraft for emergency or disaster response and economic development purposes
10 shall take precedence over all other uses of the aircraft managed by the Department of
11 Transportation. The Department of Transportation shall annually review the rates charged for
12 the use of aircraft and shall adjust the rates, as necessary, to account for upgraded aircraft and
13 inflationary increases in operating costs, including jet fuel prices. If an aircraft is used to attend
14 athletic events or for any other purpose related to collegiate athletics, the rate charged shall be
15 equal to the direct cost of operating the aircraft as established by the aircraft's manufacturer,
16 adjusted for inflation."

DRAFT
FOR REVIEW ONLY

**DRAFT
FOR REVIEW ONLY**

Follows \$

**DRAFT
SPECIAL PROVISION**



2010-COMM-H25

**Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

1 MAIN STREET SOLUTIONS FUND

2 SECTION #. G.S. 143B-472.35 reads as rewritten:

3 **"§ 143B-472.35. Establishment of fund; use of funds; application for grants; disbursal;**
4 **repayment; inspections; rules; reports.**

5 (a) A fund to be known as the Main Street Solutions Fund is established in the
6 Department of Commerce. This Fund shall be administered by the Department of Commerce.
7 The Department of Commerce shall be responsible for receipt and disbursement of all funds as
8 provided in this section. Interest earnings shall be credited to the Main Street Solutions Fund.

9 (a1) The Main Street Solutions Fund is a reimbursable, matching grant program. The
10 Department of Commerce and the North Carolina Main Street Center are authorized to award
11 grants from the Main Street Solutions Fund totaling not more than two hundred thousand
12 dollars (\$200,000.00) to each eligible local government. Funds from eligible local
13 governments, main street organizations, downtown organizations, downtown economic
14 development organizations, and sources other than the State or federal government must be
15 committed to match the amount of any grant from the Main Street Solutions Fund on the basis
16 of a minimum of two non-State dollars (\$2.00) for every one dollar (\$1.00) provided by the
17 State from the Main Street Solutions Fund.

18 (a2) Definitions. For purposes of this section, the following definitions shall apply:

- 19 (1) Active North Carolina Main Street Community. – A community in a Tier 1,
20 2, or 3 county that has been selected by the Department of Commerce to
21 participate in the Main Street Program or the Small Town Main Street
22 program and that meets the reporting and eligibility requirements of the
23 respective Program.
- 24 (2) Designated micropolitan – A geographic entity containing an urban core and
25 having a population of between 10,000 and 50,000 people, according to the
26 most recent federal decennial census.
- 27 (3) Designated downtown area – A designated area within a community that is
28 considered the primary, traditional downtown business district of the
29 community.
- 30 (4) Downtown economic development organization. – An agency that is part of
31 a public-private partnership intended to develop and recruit business
32 opportunities or to undertake economic development projects that will create
33 jobs.
- 34 (5) Downtown organization. – An agency that is part of a public-private
35 partnership on the local level and whose core mission is to revitalize a
36 traditional downtown business district.
- 37 (6) Eligible local government. – A municipal government that is located in a
38 designated micropolitan or an active North Carolina main street community.
- 39 (7) Historic Properties. – Properties that have been designated as historically
40 significant through the National Register of Historic Places or a local
41 historic properties commission.

DRAFT
FOR REVIEW ONLY

- 1 (8) Interlocal small business economic development project. – A project or
2 group of projects in a cluster of communities or counties or in a region that
3 share a common economic development strategy for small business growth
4 and job creation.
- 5 (9) Main Street Organization. – An agency working in a public-private
6 partnership on the local level, guided by a professional downtown manager
7 or a board of directors or revitalization committee, and charged with
8 administering the local Main Street Program initiative and facilitating
9 revitalization initiatives in the traditional downtown business district through
10 appropriate design, promotion, and economic restructuring activities.
- 11 (10) Main Street Program – The program developed by the National Trust for
12 Historic Preservation to promote downtown revitalization through economic
13 development within the context of historic preservation.
- 14 (11) Mixed-use centers. – Areas zoned and developed for a mix of uses, including
15 retail, service, professional, governmental, institutional, and residential.
- 16 (12) Main Street Center – The agency within the North Carolina Department of
17 Commerce, Office of Urban Development which receives applications and
18 make decisions with respect to Main Street Solutions Fund grant
19 applications from eligible local governments.
- 20 (13) Private investment. -- A project or group of projects in a designated
21 downtown area that will spur private investment and improve property. A
22 project must be owned and maintained by a private entity and must provide a
23 direct benefit to small businesses.
- 24 (14) Public improvements and public infrastructure. – The improvement of
25 property or infrastructure that is owned and maintained by a city or county.
- 26 (15) Revolving loan programs for private investment. – A property
27 redevelopment or small business assistance fund that is administered on the
28 local level and that may be used to stabilize or appropriately redevelop
29 properties located in the downtown area in connection with private
30 investment or that may be used to provide necessary operating capital for
31 small business creation or expansion in connection with private investment
32 in a designated downtown area.
- 33 (16) Small business - An independently owned and operated business with less
34 than one hundred (100) employees and with annual revenues of less than six
35 million dollars (\$6,000,000).
- 36 (17) Small Town Main Street Program. – A program based upon the Main Street
37 Program developed by the National Trust for Historic Preservation to
38 promote downtown revitalization through economic development within the
39 context of historic preservation. The purpose of the Small Town Main Street
40 Program is to provide guidance to local communities that have a population
41 of less than 7,500 and do not have a downtown manager.
- 42 (18) Tier 1,2, or 3 counties. – North Carolina counties annually ranked by the
43 Department of Commerce based upon the counties' economic well-being and
44 assigned a Tier designation. The 40 most distressed counties are designated
45 as Tier 1, the next 40 as Tier 2, and the 20 least distressed as Tier 3.

46 (a3) The purpose of the Main Street Program is to provide economic development
47 planning assistance and coordinated grant support to designated micropolitans located in Tier 2
48 and Tier 3 counties and to active North Carolina main street communities. To achieve the
49 purposes of the Main Street Program, the Main Street Center shall develop criteria for
50 community participation and shall provide technical assistance and strategic planning support
51 to eligible local governments. Local governments, in collaboration with a main street

**DRAFT
FOR REVIEW ONLY**

1 organization, downtown organization, or downtown economic development organization, and
2 the small businesses that will directly benefit from these funds may apply for grants from the
3 Main Street Solutions Fund as provided in this section.

4 (a4) The Secretary of Commerce, through the Main Street Center, shall award grants
5 from the Main Street Solutions Fund to eligible designated micropolitans and active North
6 Carolina main street communities. Grant funds awarded from the Main Street Solutions Fund
7 shall be used as provided by the provisions of this section and any rules or regulations adopted
8 by the Secretary of Commerce.

9 (b) Funds in the Main Street Solutions Fund shall be available only to micropolitan
10 cities in development tier two and three counties designated micropolitans in Tier 2 and 3
11 counties and to active North Carolina main street communities in the State. For purposes of this
12 section, a "micropolitan city" is a city located within the State with a population, according to
13 the most recent U.S. census, of between 10,000 and 50,000 people. Funds in the Main Street
14 Solutions Fund shall be used for any of the following eligible activities:

15 (1) ~~The acquisition or rehabilitation of properties in connection with private
16 investment in a designated downtown area.~~

17 (1a) Downtown economic development initiatives that do any of the following:

18 a. Encourage the development or redevelopment of traditional
19 downtown areas by increasing the capacity for mixed-use centers of
20 activity within downtown core areas. Funds may be used to support
21 the rehabilitation of properties, utility infrastructure improvements,
22 new construction, and the development or redevelopment of parking
23 lots or facilities. Projects under this sub-subdivision must foster
24 private investment and provide direct benefit to small business
25 retention, expansion, or recruitment.

26 b. Attract and leverage private-sector investments and entrepreneurial
27 growth in downtown areas through strategic planning efforts, market
28 studies, and downtown master plans in association with direct benefit
29 to small business retention, expansion, or recruitment.

30 c. Attract and stimulate the growth of business professionals and
31 entrepreneurs within downtown core areas.

32 d. Establish revolving loan programs for private investment and small
33 business assistance in downtown historic properties.

34 e. Encourage public improvement projects that are necessary to create
35 or stimulate private investment in the designated downtown area and
36 provide a direct benefit to small businesses.

37 (2) ~~The establishment of revolving loan programs for private investment in a
38 designated downtown area.~~

39 (2a) Historic preservation initiatives outside of downtown core areas that
40 enhance: (i) community economic development and small business
41 retention, expansion, or recruitment; and (ii) regional or community job
42 creation.

43 (3) ~~The subsidization of interest rates for these revolving loan programs.~~

44 (3a) Public improvements and public infrastructure outside of downtown core
45 areas that are consistent with sound municipal planning and that support
46 community economic development, small business retention, expansion, or
47 recruitment, and regional or community job creation.

48 (4) ~~The establishment of facade incentive grants in connection with private
49 investment in a designated downtown area.~~

50 (4a) Interlocal small business economic development projects designed to
51 enhance regional economic growth and job creation.

**DRAFT
FOR REVIEW ONLY**

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43
44
45
46
47
48
49

~~(5) Market studies, design studies, design assistance, or strategic planning efforts, provided the activity can be shown to lead directly to private investment in a designated downtown area.~~

~~(5a) Worker re-training initiatives designed to support small business economic development.~~

~~(6) Any approved project that provides construction or rehabilitation in a designated downtown area and can be shown to lead directly to private investment in the designated downtown area.~~

~~(7) Public improvements and public infrastructure within a designated downtown area, provided these improvements are necessary to create or stimulate private investment in the designated downtown area.~~

~~(c) Any micropolitan city located within a development tier two or three county may apply for assistance from the Main Street Solutions Fund by submitting an application to the Main Street Center in the Division of Community Assistance, Department of Commerce. Any city affiliated with the North Carolina Main Street Center Program may apply for a grant for a proposed project.~~

~~(c1) The application shall include each of the following:~~

~~(1) A copy of the consensus local economic development plan developed by the micropolitan city in conjunction with the Department's Main Street Program and the city's regional economic development commission or its local council of government or both.~~

~~(1a) The proposed activities for which the funds are to be used and the projected cost of the project.~~

~~(2) The amount of grant funds requested for these activities.~~

~~(3) Projections of the dollar amount of public and private investment that is are expected to occur in the designated micropolitan or designated downtown area as a direct result of the city's proposed activities.~~

~~(4) Whether local public dollars are required to match any grant funds according to the provisions of subdivision (g)(2) of this section, and if so, the amount of local public funds required.~~

~~(5) An explanation of the nature of the private investment in the designated micropolitan or designated downtown area that will result from the city's proposed activities.~~

~~(6) Projections of the time needed to complete the city's proposed activities.~~

~~(7) Projections of the time needed to realize the private investment that is expected to result from the city's proposed activities.~~

~~(8) Identification of the proposed source of funds to be used for repayment of any loan obligations.~~

~~(9) Any additional or supplemental information requested by the Division.~~

~~(d) A committee, comprised of representatives of: the Division of Community Assistance of the Department of Commerce, the North Carolina Main Street Program, the Local Government Commission, and the League of Municipalities shall do each of the following:~~

~~(1) Review a city's application.~~

~~(2) Determine whether the activities listed in the application are activities that are eligible for a grant.~~

~~(3) Determine which applicants are selected to receive funds from the Main Street Solutions Fund.~~

~~A city local government whose application is denied may file a new or amended application.~~

**DRAFT
FOR REVIEW ONLY**

1 ~~A Main Street City that is selected may not receive a grant pursuant to this section~~
2 ~~totaling less than twenty thousand dollars (\$20,000) or more than three hundred thousand~~
3 ~~dollars (\$300,000).~~

4 ~~(g) Repealed by Session Laws 2009-451, s. 14.10, effective July 1, 2009.~~

5 (1) A city-local government that has been selected to receive a grant shall use
6 the full amount of the grant for the activities that were approved pursuant to
7 ~~subsection (d)~~ the provisions of this section. Funds are deemed used if the
8 city-local government is legally committed to spend the funds on the
9 approved activities.

10 ~~(2) If a city has received approval to use the grant for public improvements or~~
11 ~~public infrastructure, that city shall be required to raise, before funds for~~
12 ~~these public improvements may be drawn from the city's account, local~~
13 ~~public funds to match the amount of the grant from the Main Street~~
14 ~~Solutions Fund on the basis of at least one local public dollar (\$1.00) for~~
15 ~~every one dollar (\$1.00) from the Main Street Solutions Fund. This match~~
16 ~~requirement applies only to those funds received for public improvements or~~
17 ~~public infrastructure and is in addition to the requirement set forth in~~
18 ~~subdivision (1) of this subsection.~~

19 (3) A city-local government that fails to satisfy the condition set forth in
20 subdivision (1) of this subsection shall lose any funds that have not been
21 used within three years of being selected. These unused funds shall be
22 credited to the Main Street Solutions Fund. A city-local government that
23 fails to satisfy the conditions set forth in ~~subdivisions (1) and (2)~~ subdivision
24 (1) of this subsection may file a new application.

25 (4) Any funds repaid or credited to the Main Street Solutions Fund pursuant to
26 subdivision (3) of this subsection shall be available to other applicants as
27 long as the Main Street Solutions Fund is in effect.

28 (h) Repealed by Session Laws 2009-451, s. 14.10, effective July 1, 2009.

29 (i) After a project financed ~~in whole or in part~~ pursuant to this section has been
30 completed, the city-local government shall report the actual cost of the project to the
31 Department of Commerce. ~~If the actual cost of the project exceeds the projected cost upon~~
32 ~~which the grant was based, the city may submit an application to the Department of Commerce~~
33 ~~for a grant for the difference. If the actual cost of the project is less than the projected cost, the~~
34 ~~city shall arrange to pay the difference to the Main Street Solutions Fund according to terms set~~
35 ~~by the Department.~~

36 (j) Inspection of a project for which a grant has been awarded may be performed by
37 personnel of the Department of Commerce. No person may be approved to perform inspections
38 who is an officer or employee of the unit of local government to which the grant was made or
39 who is an owner, officer, employee, or agent of a contractor or subcontractor engaged in the
40 construction of any project for which the grant was made.

41 (k) The Department of Commerce may adopt, modify, and repeal rules establishing the
42 procedures to be followed in the administration of this section and regulations interpreting and
43 applying the provisions of this section, as provided in the Administrative Procedure Act.

44 (l) The Department of Commerce and cities-local governments that have been selected
45 to receive a grant from the Main Street Solutions Fund shall prepare and file on or before
46 September 1 of each year with the Joint Legislative Commission on Governmental Operations
47 and the Fiscal Research Division a consolidated report for the preceding fiscal year concerning
48 the allocation of grants authorized by this section.

49 The portion of the annual report prepared by the Department of Commerce shall set forth
50 for the preceding fiscal year itemized and total allocations from the Main Street Solutions Fund
51 for grants. The Department of Commerce shall also prepare a summary report of all allocations

DRAFT

1 made from the fund for each fiscal year; the total funds received and allocations made and the
2 total unallocated funds in the Fund.

3 The portion of the report prepared by the city-local government shall include each of the
4 following:

5 (1) The total amount of public and private funds that was committed and the
6 amount that was invested in the designated micropolitan or designated
7 downtown area during the preceding fiscal year.

8 ~~(2) The total amount of local public matching funds that was raised, if required~~
9 ~~by subdivision (g)(2) of this section.~~

10 (3) The total amount of grants received from the Main Street Solutions Fund
11 during the preceding fiscal year.

12 (4) Repealed by Session Laws 2009-451, s. 14.10, effective July 1, 2009.

13 (5) A description of how the grant funds and funds from public and private
14 investors were used during the preceding fiscal year.

15 (6) Details regarding the types of private investment created or stimulated, the
16 dates of this activity, the amount of public money involved, and any other
17 pertinent information, including any jobs created, businesses started, and
18 number of jobs retained due to the approved activities.

19 (m) The Department of Commerce may annually use up to ~~fifty thousand dollars~~
20 ~~(\$50,000)~~seventy-five thousand dollars (\$75,000) of the funds in the Main Street Solutions
21 Fund for expenses related to the administration of the Fund."
22
23

DRAFT
FOR REVIEW ONLY

DRAFT

S

DRAFT
SPECIAL PROVISION



2010-COMM-H8(S14.8)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **AMEND JDIG REPORTING REQUIREMENTS**

2 SECTION 14.8. G.S. 143B-437.55 reads as rewritten:

3 "§ 143B-437.55. Applications; fees; reports; study.

4 ...
5 (c) Annual Reports. – The Committee shall publish a report on the Job Development
6 Investment Grant Program on or before April 30 of each year. The Committee shall submit the
7 report electronically to the House of Representatives Finance Committee, the Senate Finance
8 Committee, the House of Representatives Appropriations Subcommittee on Natural and
9 Economic Resources, the Senate Appropriations Committee on Natural and Economic
10 Resources, and the Fiscal Research Division. The report shall include the following:

11 ...
12 (d) Quarterly Reports. – The Committee shall publish a report on the Job Development
13 Investment Grant Program within two months of the end of each quarter. This report shall
14 include a listing of each grant awarded during the preceding quarter, including the name of the
15 business, the cost/benefit analysis conducted by the Committee during the application process,
16 a description of the project, and the amount of the grant expected to be made under the
17 agreement during the current fiscal year. The Committee shall submit the report to the Joint
18 Legislative Commission on Governmental Operations and the Fiscal Research Division.

19 (e) Study. – The Committee shall conduct a study to determine the minimum funding
20 level required to implement the Job Development Investment Grant Program successfully. The
21 Committee shall report the results of this study to the House of Representatives Finance
22 Committee, the Senate Finance Committee, the House of Representatives Appropriations
23 Subcommittee on Natural and Economic Resources, the Senate Appropriations Committee on
24 Natural and Economic Resources, and the Fiscal Research Division no later than ~~March 1~~April
25 1 of each year."

DRAFT
FOR REVIEW ONLY

S

DRAFT

DRAFT
SPECIAL PROVISION



2010-COMM-H9(S14.9)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

INDUSTRIAL DEVELOPMENT FUND/REPORTING REQUIREMENTS

SECTION 14.9. G.S. 143B-437.01 reads as rewritten:

"§ 143B-437.01. Industrial Development Fund.

...

(c) Reports. – The Department of Commerce shall report ~~annually to the General Assembly~~ to the Joint Legislative Commission on Governmental Operations on September 1 of each year concerning the applications made to the fund and the payments made from the fund 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 fund, including information regarding to whom payments were made, in what amounts, and for what purposes.

(c1) In addition to the reporting requirements of subsection (c) of this section, the Department of Commerce shall report ~~annually to the General Assembly~~ to the Joint Legislative Commission on Governmental Operations on September 1 of each year 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.

...."

DRAFT
FOR REVIEW ONLY

S

DRAFT
SPECIAL PROVISION



2010-COMM-H10(S14.10)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **WINE AND GRAPE GROWERS COUNCIL/REPORTING REQUIREMENT**

2 SECTION 14.10. G.S. 143B-437.90 is amended by adding a new subdivision to
3 read:

4 "**§ 143B-437.90. North Carolina Wine and Grape Growers Council – Creation; powers
5 and duties.**

6 There is created the North Carolina Wine and Grape Growers Council of the Department of
7 Commerce. The North Carolina Wine and Grape Growers Council shall have the following
8 powers and duties:

- 9
- 10 (14) By September 1 of each year, to report to the House of Representatives
- 11 Appropriations Subcommittee on Natural and Economic Resources, the
- 12 Senate Appropriations Committee on Natural and Economic Resources, the
- 13 Joint Legislative Commission on Governmental Operations, and the Fiscal
- 14 Research Division on the activities of the Council, the status of the wine and
- 15 grape industry in North Carolina and the United States, progress on the
- 16 development and implementation of the State Viticulture Plan, and any
- 17 contracts or agreements entered into by the Council for research, education,
- 18 or marketing."

DRAFT
FOR REVIEW ONLY

**DRAFT
FOR REVIEW ONLY**

S

DRAFT
SPECIAL PROVISION



2010-COMM-H13(S14.13)

**Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

1 **EMPLOYMENT SECURITY COMMISSION FUNDS**

2 SECTION 14.13. Section 14.17 of S.L. 2009-451 reads as rewritten:

3 "SECTION 14.17.(a) Funds from the Employment Security Commission Reserve Fund
4 shall be available to the Employment Security Commission of North Carolina to use as
5 collateral to secure federal funds and to pay the administrative costs associated with the
6 collection of the Employment Security Commission Reserve Fund surcharge. The total
7 administrative costs paid with funds from the Reserve in the ~~2009-2010~~2010-2011 fiscal year
8 shall not exceed two million five hundred thousand dollars (\$2,500,000).

9 "SECTION 14.17.(b) There is appropriated from the Employment Security Commission
10 Reserve Fund to the Employment Security Commission of North Carolina the sum of twenty
11 million dollars (\$20,000,000) for the ~~2009-2010~~2010-2011 fiscal year to be used for the
12 following purposes:

13 (1) Nineteen million five hundred thousand dollars (\$19,500,000) for the
14 operation and support of local Employment Security Commission offices.

15 (2) Two hundred thousand dollars (\$200,000) ~~for the State Occupational~~
16 ~~Information Coordinating Committee to develop and operate an~~
17 ~~interagency to operate the system to track that tracks~~ former participants in
18 State education and training programs.

19 (3) Three hundred thousand dollars (\$300,000) to maintain compliance with
20 Chapter 96 of the General Statutes, which directs the Commission to employ
21 the Common Follow-Up Management Information System to evaluate the
22 effectiveness of the State's job training, education, and placement programs.

23 "SECTION 14.17.(c) There is appropriated from the Employment Security Commission
24 Reserve Fund to the Employment Security Commission of North Carolina an amount not to
25 exceed one million dollars (\$1,000,000) for the ~~2009-2010~~2010-2011 fiscal year to fund State
26 initiatives not currently funded through federal grants.

27 "SECTION 14.17.(d) There is appropriated from the Employment Security Commission
28 Reserve Fund to the Employment Security Commission of North Carolina an amount not to
29 exceed ~~one million five hundred thousand dollars (\$1,500,000)~~one million two hundred
30 thousand dollars (\$1,200,000) for the ~~2009-2010~~2010-2011 fiscal year to fund a system
31 upgrade to the Common Follow-Up Management Information System.

32 ~~"SECTION 14.17.(e) The Employment Security Commission of North Carolina may use~~
33 ~~funds in the Employment Security Commission Reserve Fund to contract with nonprofit~~
34 ~~organizations to provide dislocated workers with assistance in obtaining health care benefits,~~
35 ~~receiving vocational training, and securing employment.~~

36 "SECTION 14.17.(f) There is appropriated from the Worker Training Trust Fund to the
37 Employment Security Commission of North Carolina the sum of one million dollars
38 (\$1,000,000) for the 2010-2011 fiscal year to fund the 'Tar Heel Works Program' which
39 provides work based training opportunities to recipients of unemployment insurance benefits.

40 "SECTION 14.17.(g) Of the funds credited to and held in the State of North Carolina's
41 account in the Unemployment Trust Fund by the Secretary of the Treasury of the United States

1 pursuant to and in accordance with section 903 of the Social Security Act and pursuant to Title
2 II of P.L. 111-5, the Assistance for Unemployed Workers and Struggling Families Act, the
3 Employment Security Commission of North Carolina may expend the sum of two hundred five
4 million sixty-three thousand five hundred fifty-two dollars (\$205,063,552) as follows: (i) one
5 hundred fifty million dollars (\$150,000,000) shall be used to design and build the integrated
6 unemployment insurance benefit and tax accounting system; and (ii) the remaining funds shall
7 be used for the operation of the unemployment insurance program."

DRAFT
FOR REVIEW ONLY

Sm

DRAFT

DRAFT
SPECIAL PROVISION



2010-COMM-H14(S14.14)

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **SET REGULATORY FEE FOR UTILITIES COMMISSION**

2 SECTION 14.14. Section 14.26 of S.L. 2009-451 reads as rewritten:

3 "SECTION 14.26.(a) The percentage rate to be used in calculating the public utility
4 regulatory fee under G.S. 62-302(b)(2) is ~~twelve one-hundredths of one percent (0.12%)~~ fifteen
5 one-hundredths of one percent (0.15%) for each public utility's North Carolina jurisdictional
6 revenues earned during each quarter that begins on or after ~~July 1, 2009~~ July 1, 2010.

7 SECTION 14.26.(b) The electric membership corporation regulatory fee imposed under
8 G.S. 62-302(b1) for the ~~2009-2010~~ 2010-2011 fiscal year is two hundred thousand dollars
9 (\$200,000).

10 SECTION 14.26.(c) This section becomes effective ~~July 1, 2009~~ July 1, 2010."

DRAFT
FOR REVIEW ONLY

**DRAFT
FOR REVIEW ONLY**



Follows #
S

**Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

1 REGIONAL ECONOMIC DEVELOPMENT COMMISSIONS ALLOCATIONS

2 SECTION 14.15.(a) Funds appropriated in this act to the Department of
3 Commerce for regional economic development commissions shall be allocated to the following
4 commissions in accordance with subsection (b) of this section: Western North Carolina
5 Regional Economic Development Commission, Research Triangle Regional Partnership,
6 Southeastern North Carolina Regional Economic Development Commission, Piedmont Triad
7 Partnership, Northeastern North Carolina Regional Economic Development Commission,
8 North Carolina's Eastern Region Economic Development Partnership, and Carolinas
9 Partnership, Inc.

10 SECTION 14.15.(b) Funds appropriated pursuant to subsection (a) of this section
11 shall be allocated to each regional economic development commission as follows:

- 12 (1) First, the Department shall establish each commission's allocation by
13 determining the sum of allocations to each county that is a member of that
14 commission. Each county's allocation shall be determined by dividing the
15 county's development factor by the sum of the development factors for
16 eligible counties and multiplying the resulting percentage by the amount of
17 the appropriation. As used in this subdivision, the term "development factor"
18 means a county's development factor as calculated under G.S. 143B-437.08;
19 and
- 20 (2) Next, the Department shall subtract from funds allocated to the North
21 Carolina's Eastern Region Economic Development Partnership the sum of
22 two hundred thirty thousand three hundred twenty-five dollars and
23 thirty-three cents (\$230,325.33) in the 2010-2011 fiscal year, which sum
24 represents: (i) the total interest earnings in the prior fiscal year on the
25 estimated balance of the seven million five hundred thousand dollars
26 (\$7,500,000) appropriated to the Global TransPark Development Zone in
27 Section 6 of Chapter 561 of the 1993 Session Laws; and (ii) the total interest
28 earnings in the prior fiscal year on loans made from the seven million five
29 hundred thousand dollars (\$7,500,000) appropriated to the Global TransPark
30 Development Zone in Section 6 of Chapter 561 of the 1993 Session Laws;
31 and
- 32 (3) Next, the Department shall redistribute the sum of two hundred thirty
33 thousand three hundred twenty-five dollars and thirty-three cents
34 (\$230,325.33) in the 2010-2011 fiscal year to the seven regional economic
35 development commissions named in subsection (a) of this section. Each
36 commission's share of this redistribution shall be determined according to
37 the development factor formula set out in subdivision (1) of this subsection.
38 This redistribution shall be in addition to each commission's allocation
39 determined under subdivision (1) of this subsection.

1 **SECTION 14.15.(c)** No more than one hundred twenty thousand dollars
2 (\$120,000) in State funds shall be used for the annual salary of any one employee of a regional
3 economic development commission.

4 **SECTION 14.15.(d)** The General Assembly finds that successful economic
5 development requires the collaboration of the State, regions of the State, counties, and
6 municipalities. Therefore, the regional economic development commissions are encouraged to
7 seek supplemental funding from their county and municipal partners to continue and enhance
8 their efforts to attract and retain business in the State.

**DRAFT
FOR REVIEW ONLY**

S

DRAFT

DRAFT
SPECIAL PROVISION



2010-COMM-H16(S14.16)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

E-NC AUTHORITY/REPORTING REQUIREMENT

SECTION 14.16. G.S. 143B-437.47 reads as rewritten:

"§ 143B-437.47. (This part has a delayed repeal date. See notes.) Powers, duties, and goals of the Authority.

...
(e) Reports. - ~~The~~ By September 1 of each year, the Authority shall submit quarterly reports a report to the Governor, the Joint Legislative Oversight Committee on Information Technology, and the Joint Legislative Commission on Governmental Operations. The ~~reports~~ report shall summarize the Authority's activities during the ~~quarter-prior State fiscal year~~ and contain any information about the Authority's activities that is requested by the Governor, the Committee, or the Commission."

DRAFT
FOR REVIEW ONLY

SM

**DRAFT
SPECIAL PROVISION**



2010-COMM-H17(S14.17)

**Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

1 **DEFENSE AND SECURITY TECHNOLOGY ACCELERATOR/REPORTING**
2 **REQUIREMENT**

3 **SECTION 14.17.** By September 1, 2010, the Defense and Security Technology
4 Accelerator shall report to the Joint Legislative Commission on Governmental Operations and
5 the Fiscal Research Division on prior State fiscal year program activities, objectives, and
6 accomplishments and prior State fiscal year itemized expenditures and fund sources.

**DRAFT
FOR REVIEW ONLY**

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

Follows \$
S

DRAFT
SPECIAL PROVISION



2010-COMM-H18(S14.18)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 COUNCIL OF GOVERNMENT FUNDS

2 SECTION 14.18. Section 14.21.(a) of S.L. 2009-451 reads as rewritten:

3 "SECTION 14.21.(a) Of the funds appropriated in this act to the Department of
4 Commerce, the sum of four hundred twenty-five thousand dollars (\$425,000) for the 2009-2010
5 fiscal year and the sum of ~~four hundred twenty-five thousand dollars (\$425,000)~~ four hundred
6 three thousand seven hundred fifty dollars (\$403,750) for the 2010-2011 fiscal year shall only
7 be used as provided by this section. Each regional council of government or lead regional
8 organization is allocated up to twenty-five thousand dollars (\$25,000) for the 2009-2010 and
9 the 2010-2011 fiscal years."

DRAFT
FOR REVIEW ONLY

DRAFT

Follows # S

DRAFT
SPECIAL PROVISION



2010-COMM-H19(S14.19)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **RURAL ECONOMIC DEVELOPMENT CENTER**

2 SECTION 14.19. Section 14.27.(a) of S.L. 2009-451 reads as rewritten:

3 "SECTION 14.27.(a) Of the funds appropriated in this act to the North Carolina Rural
4 Economic Development Center, Inc. (Rural Center), the sum of four million six hundred two
5 thousand four hundred thirty-six dollars (\$4,602,436) for the 2009-2010 fiscal year and the sum
6 of ~~four million five hundred twenty seven thousand four hundred thirty six dollars~~
7 ~~(\$4,527,436)~~ three million nine hundred eighty-one thousand eight hundred sixty-four dollars
8 (\$3,981,864) for the 2010-2011 fiscal year shall be allocated as follows:

	2009-2010	2010-2011	
10 Center Administration, Technical Assistance, 11 & Oversight	\$1,555,000	\$1,523,000	<u>\$1,446,850</u>
12 Research and Demonstration Grants	\$351,000	\$344,000	<u>\$326,800</u>
13 Institute for Rural Entrepreneurship	\$136,000	\$134,000	<u>\$127,300</u>
14 Community Development Grants	\$987,436	\$987,436	<u>\$938,064</u>
15 Microenterprise Loan Program	\$185,000	\$182,000	<u>\$172,900</u>
16 Water/Sewer/Business Development 17 Matching Grants	\$840,000	\$821,000	<u>\$779,950</u>
18 Statewide Water/Sewer Database	\$ 95,000	\$93,000	<u>\$88,350</u>
19 Agricultural Advancement Consortium	\$110,000	\$107,000	<u>\$101,650</u>

DRAFT
FOR REVIEW ONLY

Follows \$
S

**DRAFT
FOR REVIEW ONLY**
DRAFT
SPECIAL PROVISION



**Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources**

Requested by: Representative

RURAL ECONOMIC DEVELOPMENT CENTER/INFRASTRUCTURE PROGRAM

SECTION 14.20. Section 14.28 of S.L. 2009-451 reads as rewritten:

"SECTION 14.28.(a) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc. (Rural Center), the sum of nineteen million three hundred five thousand dollars (\$19,305,000) for the 2009-2010 fiscal year and the sum of ~~nineteen million three hundred five thousand dollars (\$19,305,000)~~ eighteen million three hundred thirty-nine thousand seven hundred fifty dollars (\$18,339,750) for the 2010-2011 fiscal year shall be allocated as follows:

(1) To continue the North Carolina Infrastructure Program. The purpose of the Program is to provide grants to local governments to construct critical water and wastewater facilities and to provide other infrastructure needs, including technology needs, to sites where these facilities will generate private job-creating investment. At least ~~fifteen million dollars (\$15,000,000)~~ fourteen million two hundred fifty thousand dollars (\$14,250,000) of the funds appropriated in this act for ~~each year of the biennium~~ the 2010-2011 fiscal year must be used to provide grants under this Program.

(2) To provide matching grants to local governments in distressed areas and equity investments in public-private ventures that will productively reuse vacant buildings and properties, with priority given to towns or communities with populations of less than 5,000.

(3) To provide economic development research and demonstration grants.

"SECTION 14.28.(b) The Rural Center may contract with other State agencies, constituent institutions of The University of North Carolina, and colleges within the North Carolina Community College System for certain aspects of the North Carolina Infrastructure Program, including design of Program guidelines and evaluation of Program results.

"SECTION 14.28.(c) ~~During each year of the 2009-2011 biennium,~~ For the 2010-2011 fiscal year, the Rural Center may use up to ~~three hundred eighty-five thousand dollars (\$385,000)~~ three hundred sixty-five thousand seven hundred fifty dollars (\$365,750) of the funds appropriated in this act to cover its expenses in administering the North Carolina Economic Infrastructure Program.

"SECTION 14.28.(d) Of the funds appropriated in subsection (a) of this section to the Rural Center for the 2009-2010 fiscal year, the sum of one million five hundred forty-four thousand four hundred dollars (\$1,544,400) shall be transferred to the Department of Environment and Natural Resources to be used to provide the State match to draw down maximum federal funds for the Clean Water State Revolving Loan Fund.

"SECTION 14.28.(e) By September 1 of each year, and more frequently as requested, the Rural Center shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division concerning the progress of the North Carolina Economic Infrastructure Program in the prior State fiscal year."

Follows \$
S

DRAFT
SPECIAL PROVISION



2010-COMM-H21(S14.21)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **OPPORTUNITIES INDUSTRIALIZATION CENTERS FUNDS**

2 SECTION 14.21. Section 14.30.(a) of S.L. 2009-451 reads as rewritten:

3 "SECTION 14.30.(a) Of the funds appropriated in this act to the North Carolina Rural
4 Economic Development Center, Inc. (Rural Center), the sum of three hundred forty-three
5 thousand dollars (\$343,000) for the 2009-2010 fiscal year and the sum of ~~three hundred~~
6 ~~thirty six thousand dollars (\$336,000)~~ three hundred nineteen thousand two hundred dollars
7 (\$319,200) for the 2010-2011 fiscal year shall be equally distributed among the certified
8 Opportunities Industrialization Centers (OI Centers)."

DRAFT
FOR REVIEW ONLY

DRAFT

DRAFT
SPECIAL PROVISION



2010-COMM-H26

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

RURAL CENTER/REALLOCATION OF CLEAN WATER BOND FUNDS

SECTION #. Notwithstanding the provisions of S.L. 1998-132, S.L. 2000-156, and S.L. 2001-416, if the North Carolina Rural Economic Development Center, Inc. (Rural Center) determines that there has been a change in any fiscal year in the relative needs for funds between the supplemental, capacity, and unsewered communities categories of Clean Water Bond funding, the Rural Center may reallocate funds between these categories. The Board of Directors of the Rural Center must approve in advance any reallocation under this section. At least 30 days before making a reallocation under this section, the Rural Center must consult with the Joint Legislative Commission on Governmental Operations.

10
11
12
13
14
15

DRAFT
FOR REVIEW ONLY

Mildred Alston (Rep. Pierce)

From: Sue Osborne (Rep. Harrison)

: Wednesday, May 26, 2010 12:31 PM

Subject: <NCGA> House Appropriations Subcommittee on Natural and Economic Resources Committee Meeting Notice for Thursday, May 27, 2010

**NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2009-2010 SESSION**

You are hereby notified that the Committee on **Appropriations Subcommittee on Natural and Economic Resources** meet as follows:

DAY & DATE: Thursday, May 27, 2010

TIME: 11:00 a.m.

LOCATION: 423 LOB

COMMENTS: Amendments will be taken and voted out.

Respectfully,
Representative Harrison, Chair
Representative Pierce, Chair
Representative E. Warren, Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 12 o'clock on **May 26, 2009**.

Principal Clerk
Reading Clerk – House Chamber

Sue Osborne (Committee Assistant)

MINUTES

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL & ECONOMIC RESOURCES

May 27, 2010
11:00 AM

The House Appropriations Subcommittee on Natural & Economic Resources met in Room 423 of the Legislative Office Building on May 27, 2010, at 11:00 a.m. Representative Warren called the meeting to order and introduced the Sergeants-at-Arms, Mike Martin, David Shearon, and James Worth. She also recognized the pages, Park Inglefield and Victoria Pait.

The following Committee members were present: Co-Chairs: Representatives Harrison, Pierce, and Warren; Vice Chairs: Representatives Justice, Wilkins, and Wray; Members: Representatives Bryant, Langdon, Sager, Samuelson and West. Staff Counsel Kristin Walker and Lanier McRee were also in attendance.

The following attachments are included and made part of the minutes: Meeting Announcement, *Attachment 1*; Agenda, *Attachment 2*; Rules for Subcommittee Procedure, *Attachment 3*; Proposed Subcommittee Report for S897: Appropriations Act of 2010, *Attachment 4*; Proposed Special Provisions for S897: Appropriations Act of 2010, *Attachment 5*; Visitor Registration list, *Attachment 6*. Also attached are copies of amendments submitted to the committee, *Amendments 1-7*.

After opening remarks, Representative Warren recognized Co-Chairs Harrison and Pierce, who also made brief comments. Representative Warren discussed the purpose of the meeting and informed the members that the committee had been give some additional money last night. She asked them to consider any amendments carefully.

The Chair then called on Lanier McRee, Staff Counsel, to review the Rules for Subcommittee Procedure. A copy of the handout she used is included and made part of the minutes as *Attachment 3*.

As the next item of business, the Chair recognized Kristin Walker, Staff Counsel, to being the review of the Money Report. A copy is included and made part of the minutes as *Attachment 4*. Ms. Walker and Ms. McRee then pointed out specific line items that had been changed or added since the last published version of the report. Ms. Walker said that all fee increases had been removed.

Staff Counsel then reviewed the Proposed Special Provisions, a copy of which is included and made part of the minutes as *Attachment 5*.

At the conclusion of these presentations, Representative Warren stated that the committee would then take a break to prepare amendments. She polled the group to see how much time would be required, and the members agreed that a ten-minute break would be sufficient.

After the break, the Chair called the meeting back to order. Members submitted seven amendments for consideration. Copies are included and made part of the minutes as *Amendments 1-7*. The following amendments were heard and voted on:

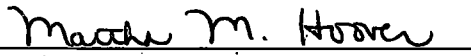
1. Representative Warren moved to bring an amendment (S897-ALM-32 [v.1], *Amendment 1*) before the committee to amend the Money Report. After some discussion, the amendment passed.
2. Representative Warren moved to bring an amendment (S897-ALD-45 [v.2], *Amendment 2*) before the committee to amend the Money Report. After some discussion, the amendment passed.
3. Representative Bryant withdrew the amendment to the Special Provisions that she had submitted (S897-ALM-33 [v.1], *Amendment 3*).
4. Representative Samuelson moved to bring an amendment (S897-ALD-48 [v.1], *Amendment 4*) before the committee to amend the Money Report. After some discussion, the amendment failed.
5. Representative Wray moved to bring an amendment (S897-ALD-46 [v.2], *Amendment 5*) before the committee to amend the Special Provisions. After some discussion, the amendment was temporarily tabled. Later in the meeting, Representatives Phil Haire and Doug Yongue, Chairs of the full House Appropriations Committee, joined the meeting to answer questions about the impact of the proposed amendment. After further discussion, the amendment passed.
6. Representative Harrison moved to bring an amendment (S897-ALD-49 [v.1], *Amendment 6*) before the committee to amend the Money Report. After some discussion, the amendment passed.
7. Representative Harrison moved to bring an amendment (S897-ALM-31 [v.5], *Amendment 7*) before the committee to amend the Special Provisions. After some discussion, the amendment passed.

At this point in the meeting, Representative Warren thanked the members for their work and called for a vote to approve the Money Report and the Special Provisions. Representative Harrison made a motion to approve and to allow staff to make any technical corrections that need to be made. The motion was seconded by Representative Wray. The vote was in favor of the motion.

There being no further business, the Chair adjourned the meeting at 12:15 p.m.

Respectfully submitted,


Representative Edith D. Warren
Co-Chair


Martha M. Hoover
Assistant to the Committee

ATTACHMENTS:

1. Meeting Announcement
2. Agenda
3. Rules for Subcommittee Procedure
4. Proposed Subcommittee Report for S897: Appropriations Act of 2010
5. Proposed Special Provisions for S897: Appropriations Act of 2010
6. Visitor Registration Sheets

AMENDMENTS:

1. S897-ALM-32 [v.1].
2. S897-ALD-45 [v.2].
3. S897-ALM-33 [v.1].
4. S897-ALD-48 [v.1].
5. S897-ALD-46 [v.2].
6. S897-ALD-49 [v.1].
7. S897-ALM-31 [v.5].

Martha Hoover (Rep. E. Warren)

From: Sue Osborne (Rep. Harrison)

Sent: Wednesday, May 26, 2010 12:31 PM

Subject: <NCGA> House Appropriations Subcommittee on Natural and Economic Resources Committee Meeting Notice for Thursday, May 27, 2010

**NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2009-2010 SESSION**

You are hereby notified that the Committee on **Appropriations Subcommittee on Natural and Economic Resources** will meet as follows:

DAY & DATE: Thursday, May 27, 2010

TIME: 11:00 a.m.

LOCATION: 423 LOB

COMMENTS: Amendments will be taken and voted out.

Respectfully,
Representative Harrison, Chair
Representative Pierce, Chair
Representative E. Warren, Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 12 o'clock on **May 26, 2009**.

Principal Clerk
Reading Clerk – House Chamber

Sue Osborne (Committee Assistant)

House Appropriations Subcommittee on NER
Agenda

Thursday, May 27th, 2010, 10:00 P.M.
Room 423, Legislative Office Building

Warren

Rep. Harrison, Presiding

I. Welcome

Representative ~~Harrison~~ Warren

II. House Committee Report & Special Provisions

Fiscal Research Division

III. Amendments

IV. Vote

V. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)
Rep. Warren (Chair)
Rep. Wilkins (Vice Chair)
Rep. Bryant
Rep. Sager
Rep. West

Rep. Pierce (Chair)
Rep. Justice (Vice Chair)
Rep. Wray (Vice Chair)
Rep. Langdon
Rep. Samuelson

**North Carolina House of Representatives
Appropriations Committee**

RULES FOR SUBCOMMITTEE PROCEDURE

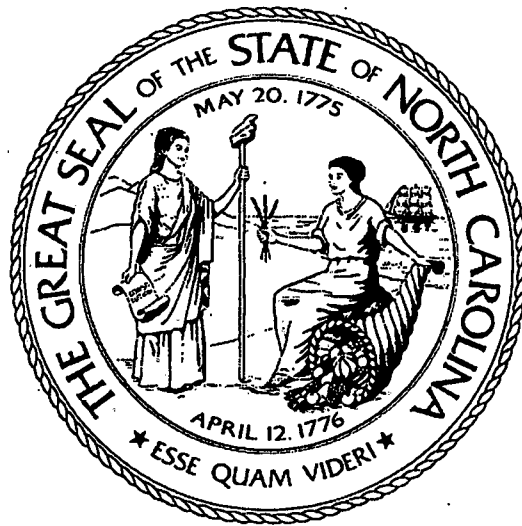
May 27, 2010

The following rules govern the eligibility of amendments to subcommittee reports:

1. Amendments must be offered by formal amendments.
2. Amendments cannot increase total spending within the draft subcommittee report presented by the subcommittee chairs.
3. Amendments can only affect appropriations within the departments, agencies, or programs within the jurisdiction of the subcommittee.
4. Amendments cannot spend reversions.
5. Nonrecurring reductions cannot be used to fund recurring items.
6. Amendments cannot change or establish substantive policy or law.

House Appropriations Subcommittee on Natural and Economic Resources

Proposed Subcommittee Report for S897: Appropriations Act of 2010



May 27, 2010

Agriculture and Consumer Services

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11
\$60,559,608

Budget Changes

Department-wide

1 Vacant Positions

(\$440,218) R

Eliminates 9.0 vacant positions across the Department.
Eliminated positions include:

-9.00

- #60012677 Research Technician
- #60011868 Technology Support Analyst
- #60011886 Processing Assistant III
- #60011902 Processing Assistant III
- #60011965 Food Inspector
- #65006175 Quality Assurance Manager
- #60012160 Vet Lab Assistant I
- #60012115 Livestock Compliance Officer
- #60095971 Processing Assistant III

2 IT Budget Reductions

(\$84,036) R

Reduces the Department's non-salary IT budget by 3%. This reduction is based on the average difference between budgeted and actual expenditures for the past four fiscal years.

3 Travel Budget Reductions

(\$70,995) R

Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

4 Equipment Budget Reductions

(\$447,039) R

Reduces the equipment budget in the Department by \$447,039. This represents approximately a 9.0% reduction to the Department's equipment budget.

Ag Statistics

5 Operating Expense Reduction (\$55,000) R
 Reduces the operating budget within the Ag Statistics Division by approximately 16%.

Emergency Programs

6 Contracts Funds (\$15,000) R
 Reduces funds for contracts within the Emergency Programs Division by \$15,000, approximately 12% of total funds for miscellaneous contractual services.

Food and Drug Protection

7 NC Egg Law Program (\$151,481) R
 Reduces the Egg Law Program by eliminating 3.0 positions and associated operating. One position will remain and will focus on investigations and consumer complaints. Other inspectors within the Food and Drug Protection Division will assume Egg Law inspection duties where possible. The eliminated positions include:

- #60011637 Egg Law Inspector
- #60011638 Egg Law Inspector
- #60011639 Egg Law Inspector

-3.00

8 Spay/ Neuter Funds (\$250,000) R
 Requires the Animal Feed & Pet Food Branch within the Food & Drug Protection Division to budget over realized receipts contingent upon the enactment of any bill or provision that transfers the Spay/ Neuter program from the Department of Health and Human Services to the Department of Agriculture and Consumer Services. The Branch has over realized receipts by at least \$250,000 each year since FY 2006-07.

9 Spay/ Neuter Funds \$250,000 R
 Directs the Division to use the over-realized receipts required to be budgeted in the Animal Feed and Pet Food Branch for the Spay/ Neuter program contingent upon the enactment of any bill or provision that transfers the Spay/ Neuter program from the Department of Health and Human Services to the Department of Agriculture and Consumer Services.

Food Distribution**10 Fuel Budget to Federal Receipts**

(\$50,000) R

Fund shifts a portion of the diesel fuel budget within the Food Distribution division to Federal receipts. Federal receipts fund approximately 45% of the Division's operations.

General Administration**11 Agricultural Development and Farmland Preservation Trust Fund**

\$2,000,000 NR

Provides \$2 million nonrecurring for the Agricultural Development and Farmland Preservation Trust Fund.

12 FFA Foundation, Inc

(\$2,376) R

Reduces the recurring pass-through appropriation for the FFA Foundation, Inc by 5%, leaving \$45,144 recurring.

Markets**13 International Trade**

\$200,000 NR

Provides funds to support international trade initiatives.

14 Farmers Markets

(\$90,000) R

Reduces operating funds for the Farmers Markets operated by the Department.

15 Got to Be NC

\$300,000 NR

Provides \$300,000 nonrecurring for Got to Be NC marketing. This program promotes North Carolina's farmers by helping to develop markets for North Carolina produce and products in grocery stores, restaurants, farmers markets, and other establishments.

Public Affairs**16 Operating Budget**

(\$25,000) R

Reduces General Fund support for the Public Affairs Division by approximately 6%.

House Subcommittee on Natural and Economic Resources

FY 10-11

17 Ag in the Classroom

(\$1,188) R

Reduces the recurring pass-through appropriation for Ag in the Classroom by 5%, leaving \$22,572 recurring.

Structural Pest and Pesticides

18 Pesticide Section

(\$226,324) R

Reduces General Fund support for the Pesticide Section by requiring the Section to budget over realized receipts. This change requires that positions be transferred to receipt support.

-5.00

Veterinary Services

19 Online Reporting of Lab Results

(\$50,000) R

Directs the Veterinary Services Division to increase the use of online reporting of vet lab results. The Division shall default to online reporting of vet results but will provide printed results upon request. This \$50,000 reduction reduces the postage and printing budget for the Veterinary Services Division by approximately 50%.

Budget Changes	(\$1,708,657)	R
	\$2,500,000	NR
Total Position Changes	-17.00	
Revised Total Budget	\$61,350,951	

Labor

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11
\$17,400,863

Budget Changes

Department-wide

20 Salary Reserve

Reduces salary reserve across the Department by \$280,280. Salary Reserve is the difference between the budgeted amount for a position and the actual salary paid.

(\$280,280) R

21 Travel Budget Reductions

Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

(\$32,778) R

22 Operating Expense Reduction

Reduces the operating budget across the Department by \$38,295.

(\$38,295) R

23 Vacant Positions

Eliminates 3.5 vacant positions in the Department. Positions include:

(\$157,234) R

-3.50

- #60012895 Accounting Clerk IV
- #60013222 Processing Assistant IV
- #60013055 Admin Services Assistant
- #60012877 Physical Facilities Manager

Commissioner's Office

24 Administrative Position to Fee Support

Fund shifts an administrative position within the Commissioner's Office to fees generated by the Elevator and Amusement Device and Boiler Inspection Bureaus.

(\$52,784) R

-1.00

Occupational Safety & Health

25 Operating Expenses to Federal Receipts

(\$341,184) R

Replaces General Fund appropriations for the Occupational Safety & Health Division with federal receipts. In FY 2008-09, federal receipts accounted for approximately 35.5% of the budget for Occupational Safety & Health.

Budget Changes

(\$902,555) R

Total Position Changes

-4.50

Revised Total Budget

\$16,498,308

Environment & Natural Resources

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11
\$190,399,356

Budget Changes

(1.0) Department-wide

26 IT Budget Reductions

(\$523,047) R

Reduces the Department's non-salary IT budget based on the average difference between budgeted and actual expenditures for the past four fiscal years.

27 Travel Budget Reductions

(\$120,432) R

Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

28 Division of Environmental Assistance and Outreach

(\$230,000) R

Consolidates the Division of Pollution Prevention and Environmental Assistance, the Customer Service Center, and the Small Business Ombudsman into one Division, the Division of Environmental Assistance and Outreach. This consolidation eliminates 4.0 positions:

-4.00

- #60035073 Environmental Program Supervisor II
- #60035069 Administrative Secretary II
- #60035079 Info & Comm Spec II
- #60035068 Accounting Tech

29 Special Fund Closures

Directs the Department to transfer the operating budgets, positions, and remaining cash balances from the Bladen Lakes special fund (24300-2221) to the Division of Forest Resources (14300-1210) and the Lab Certification Fees fund (24300-2335) into the Division of Water Quality (14300-1695).

(3.0) Coastal Management

30 Position to Receipt Support (\$48,788) R
 Fund shifts 0.5 of a district manager position to express permit receipts. -0.50

(3.0) Environmental Assistance and Outreach

31 Sustainable Communities Task Force
 Contingent on the enactment of HB 1701, the Department shall transfer the vacant District Planner position (#60031547) in the Division of Coastal Management to the Sustainable Communities Task Force. This position shall be filled in a timely manner in order to provide support for the operations and activities of the Task Force.

32 Positions to Receipts (\$250,000) R
 Fund shifts 3.37 positions to the Solid Waste Management Trust Fund. -3.37

(3.0) Environmental Health

33 Bedding Program (\$17,008) R
 Fund shifts a portion of rent for the Division to receipts collected from bedding inspections.

34 Childhood Lead Poisoning Prevention Program (\$141,730) R
 This reduction eliminates 1.0 vacant position (\$71,562, #60034294) and funding for reimbursements to counties (\$70,168). -1.00

35 Food and Lodging Program (\$200,000) R
 Reduces aid to counties for food and lodging programs by 33%. Each county's share will be reduced from \$6,000 to \$4,000.

36 Shellfish Sanitation (\$124,635) R
 Eliminates 1.0 vacant shellfish sanitation position (#60034496) for a savings of \$77,713; this position has been vacant since February 10, 2010. In addition, fund shifts 1/2 of 2.0 shellfish sanitation positions (#60034517 and #60034516) to receipt support for a savings of \$43,990. Reduces operating budget for scientific supplies by \$2,932. -2.00

House Subcommittee on Natural and Economic Resources

FY 10-11

37 Water Supply Section	(\$55,540)	R
Eliminates 1.0 vacant Business Officer position (#60034259) in the Water Supply Section. This position has been vacant since July 10, 2009.		
	-1.00	
(3.0) Land Resources		
38 Position to Receipt-Support	(\$44,431)	R
Fund shifts 1.083 Environmental Technician positions to receipts.		
	-1.08	
39 Sediment and Erosion Control	(\$101,357)	R
Eliminates aid to local governments for the establishment of sediment and erosion control programs.		
40 Workshops and Educational Materials	(\$66,700)	R
Reduces funding for workshops and educational outreach materials related to erosion and sedimentation control. After this reduction, \$100,000 will remain for these purposes.		
41 State Boundary Program Contractors	(\$24,708)	R
Eliminates funds used to hire contractors to perform state boundary surveys in support of the State Boundary Commission.		
42 Natural Gas and Petroleum Potential	\$138,165	R
Provides funding for 1.0 new position and associated operating expenses to work on the characterization of natural gas and petroleum potential in the Mesozoic Deep River basin in North Carolina.		
	1.00	
43 Dam Safety Inspections	\$200,000	R
Provides funding for an Environmental Engineer position to manage and conduct dam safety inspections, including those at coal ash ponds.		
	1.00	

(3.0) Waste Management

44 Positions & Operating to Receipts

Fund shifts 1.1 positions and associated operating costs to EPA grant funding and 1.0 position and associated operating costs to hazardous waste receipts.

(\$165,405) R
-2.10

(3.0) Water Quality

45 Positions to Federal Support

Shifts 8.0 General Fund Water Quality positions to federal grant support.

(\$442,875) R
-8.00

46 Neuse River Rapid Response Team

Eliminates funding for one filled and one vacant position associated with the Neuse River Rapid Response Team. The eliminated positions are

- #60035508 Environmental Senior Technician
- #60035507 Environmental Supervisor

(\$113,498) R
-2.00

47 Water Quality Monitoring on Ferry Vessels

Provides funds for the FerryMon Program, which evaluates water quality in the Pamlico Sound and its tributary rivers using equipment attached to ferry vessels.

\$250,000 NR

(3.0) Water Resources

48 River Basin Commissions

Reduces funding for the river basin commissions. \$5,000 will remain to support the work of these commissions.

(\$35,000) R

49 Vacant Position and Operating Budget

Eliminates 1.0 vacant Environmental Supervisor III position (\$104,750) and reduces the Division's operating budget for streamflow gages (\$73,692) and well drilling and repair (\$73,692).

(\$252,134) R
-1.00

(4.0) Aquariums**50 Operating Budget**

(\$2,500,000) R

Reduces General Fund appropriation by \$2.5 million. This reduction returns the Aquariums to approximately the same appropriation received in FY 2006-07.

(4.0) Forest Resources**51 Aircraft Operations**

(\$219,000) R
 (\$1,000,000) NR
 -3.00

Reduces personnel and operating expenses for aircraft operations. This reduction eliminates 2.0 pilot positions and 1.0 mechanic position. The sale of 10 eliminated aircraft is expected to result in over \$1 million in one time revenue.

52 Aircraft Hangars

(\$13,060) R

Directs the Division to consolidate the location of aircraft and terminate the leases of two unnecessary hangars.

53 Liability Insurance

(\$14,900) R

Reduces funding for liability insurance in the Division of Forest Resources by 4.6%, leaving over \$280,000 for this purpose.

54 Principal Payments for Equipment

(\$1,000,000) R

Reduces funding for principal payments for new equipment. On average over the last four fiscal years, over one million dollars in funds have not been expended from this line item.

55 Rendezvous Educational State Forests

(\$156,568) R

Closes the Rendezvous Educational State Forest in Wilkes County and eliminates two associated ranger positions.

-2.00

56 Young Offenders Forest Conservation Program (BRIDGE)

\$991,648 R

Restores 95% of the funding for the BRIDGE program, which was subject to Continuation Review in FY 2009-10.

10.00

(4.0) Marine Fisheries

57 Helicopter Operations

Eliminates the Division's 3 helicopters and associated operating expenses in accordance with the recommendations from the Program Evaluation Division's Study of State Aircraft. The aircraft will be sold, generating one time revenue of \$35,000.

(\$25,218) R
(\$35,000) NR

58 Communication Equipment

Reduces funding for communication equipment in the Division of Marine Fisheries by approximately 29.5%, or \$32,322.

(\$32,322) R

59 Positions to Receipt Support

Fund shifts 3.0 positions to receipt support (#60032528 - Public Information Asst IV, #60032665 - Info & Communication Spec.I, and #60032536 - Info & Communication Spec).

(\$132,836) R
-3.00

60 Fisheries Resource Grant Program

Adjusts funding for the Fisheries Resource Grant Program run through Sea Grant. \$300,000 of the \$600,000 recurring appropriation for this program will be used to establish the At-Sea Observer program to monitor gill net fisheries and record sea turtle and other endangered and threatened species interactions. The remaining \$300,000 that is annually appropriated to this program is eliminated for one year.

(\$300,000) R
(\$300,000) NR

61 At-Sea Observer Program

Uses the \$300,000 from the Fisheries Resource grant program to establish the At-Sea Observer program. This program is necessary to meet federal requirements to monitor gill net fisheries and record sea turtle and other endangered and threatened species interactions.

\$300,000 R
3.00

62 Oyster Sanctuary Program

Reduces funding for the Oyster Sanctuary program by \$700,000 for one year.

(\$700,000) NR

(4.0) Museum of Natural Sciences**63 Academic Services**

(\$67,851) R

Reduces funding for Academic Services within the Public Programs and Exhibits Sections of the Museum of Natural Sciences. The academic services line item is used to purchase services from independent contractors and/or external organizations for contracted professional and consultative personal services.

64 Operating Budget

(\$280,688) R

Reduces various operating expenses within the Museum of Natural Sciences by approximately 14%.

65 Temporary Wages

(\$45,000) R

Reduces funds for temporary wages within the Museum of Natural Sciences by approximately 10%, leaving approximately \$450,000 for this purpose.

(4.0) Natural Resource Planning and Conservation**66 Conservation Information and Incentives Program**

(\$312,213) R

Replaces General Fund support for the Conservation Information and Incentives program with receipts from the Natural Heritage Trust Fund. This change shifts 5.48 positions to receipts.

-5.48

(4.0) Soil and Water Conservation**67 Conservation Reserve Enhancement Program**

(\$289,640) R

Reduces funding for the Conservation Reserve Enhancement Program (CREP) by 50%, leaving \$289,640 for this program.

68 Community Conservation Assistance Program

(\$6,903) R

Reduces funding for the Community Conservation Assistance Program (CCAP) by approximately 5%, leaving \$131,155 for this program.

(4.0) Zoological Park**69 Vehicle Replacement Funds**

(\$500,000) NR

Reduces funding for the replacement of vehicles and trams for one year.

House Subcommittee on Natural and Economic Resources

FY 10-11

70 Tort Claims (\$40,000) R
 Reduces funds available for tort claims by 80%, leaving \$10,000 for this purpose.

(5.0) Reserves and Transfers

71 Partnership for the Sounds (\$25,345) R
 Reduces the recurring pass-through appropriation for the Partnership for the Sounds by 5%, leaving \$481,560 in funding.

72 Clean Water State Revolving Fund \$6,398,128 NR
 Provides funding to meet the 20% State match requirement for drawing down the maximum available federal funds for the Clean Water (Wastewater Treatment Plant) State Revolving Fund. In addition to the amount appropriated, \$935,271 in interest earned on the Clean Water State Revolving Fund will be used to reach the full match amount of \$7,333,399.

73 Drinking Water State Revolving Fund \$6,201,872 NR
 Provides fund to meet the 20% State match requirement for drawing down the maximum available federal funds for the Drinking Water State Revolving Fund.

Budget Changes	(\$6,789,019)	R
	\$10,315,000	NR
Total Position Changes	-24.53	
Revised Total Budget	\$193,925,337	

DENR-Clean Water Management Trust Fund

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11
\$50,000,000

Budget Changes

Clean Water Management Trust Fund

74 No Change

Receives appropriation per S.L. 2009-451.

Budget Changes

Total Position Changes

Revised Total Budget

\$50,000,000

DENR - Special

Budget Code: 24300

	FY 2010-11
Beginning Unreserved Fund Balance	\$20,914,606
Recommended Budget	
Requirements	\$63,100,266
Receipts	\$48,337,247
Positions	368.99

Legislative Changes

Requirements:

2119 - Mercury Pollution Prevention Fund	\$0	R
Transfers \$2.25 million from the cash balance of the Mercury Pollution Prevention Fund to the General Fund for general availability.	\$2,250,000	NR
	0.00	
2221 - Bladen Lakes Receipts	(\$851,966)	R
Closes the Bladen Lakes special fund and directs the Department to budget these requirements and the 10 positions in this fund in the Division of Forest Resources General Fund budget (14300-1210).	\$0	NR
	0.00	
2221 - Bladen Lakes Cash Balance	\$0	R
Transfers \$500,000 of the June 30th, 2010 cash balance in the Bladen Lakes fund to the General Fund for general availability. This fund will be closed and budgeted in the Division of Forest Resources General Fund budget code(14300-1210). Any remaining cash balance will be diverted to the Division of Forest Resources.	\$500,000	NR
	0.00	
2335 - Lab Certification Fees	(\$847,515)	R
Transfers the Lab Certification fee operating budget from a special fund code to General Fund code 1695.	\$0	NR
	0.00	
2335 - Lab Certification Fees	\$0	R
Transfers the cash balance from the Lab Certification Fees fund to the appropriate General Fund code for the Division of Water Quality.	\$459,830	NR
	0.00	

House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

2356 - Express Permitting

Transfers \$600,000 from the cash balance of the Express Permitting Fund to the General Fund for general availability. This Fund received \$500,000 in General Fund appropriation in FY 2003-04 and \$100,000 in FY 2004-05.

\$0 R
\$600,000 NR
0.00

2865 - Aquariums Fund Cash Balance

Transfers \$2 million of the June 30th, 2010 cash balance in the Aquariums fund to the General Fund for general availability.

\$0 R
\$2,000,000 NR
0.00

Subtotal Legislative Changes

(\$1,699,481) R
\$5,809,830 NR
0.00

Receipts:

2221 - Bladen Lakes Receipts

Closes the Bladen Lakes special fund and directs the Department to budget these receipts in the Division of Forest Resources General Fund budget (14300-1210).

(\$744,483) R
\$0 NR

2335 - Lab Certification Fees

Transfers the Lab Certification fee operating budget from a special fund code to General Fund code 1695.

(\$773,983) R
\$0 NR

Subtotal Legislative Changes

(\$1,518,466) R
\$0 NR

Revised Total Requirements

\$67,210,615

Revised Total Receipts

\$46,818,781

Change in Fund Balance

(\$20,391,834)

Total Positions

368.99

Unappropriated Balance Remaining

\$522,772

Solid Waste Management Trust Fund

Budget Code: 64303

	FY 2010-11
Beginning Unreserved Fund Balance	\$6,798,949
Recommended Budget	
Requirements	\$7,383,604
Receipts	\$7,361,604
Positions	9.31

Legislative Changes

Requirements:

6770 - Scrap Tire Disposal Account	\$0 R
	\$0 NR
	0.00
 6780 - White Goods	 \$0 R
	\$0 NR
	0.00
 Subtotal Legislative Changes	 \$0 R
	\$0 NR
	0.00

Receipts:

6770 - Scrap Tire Disposal	\$0 R
Diverts \$2.5 million from the Scrap Tire Disposal Account to the General Fund for FY 2010-11.	(\$2,500,000) NR
 6780 - White Goods	 \$0 R
Diverts \$1,200,000 from the White Goods Fund to the General Fund for FY 2010-11.	(\$1,200,000) NR
 Subtotal Legislative Changes	 \$0 R
	(\$3,700,000) NR

House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

Revised Total Requirements	\$7,383,604
Revised Total Receipts	\$3,661,604
Change in Fund Balance	(\$3,722,000)
Total Positions	9.31

Unappropriated Balance Remaining	\$3,076,949
---	--------------------

Wildlife Resources - Special

Budget Code: 24350

	FY 2010-11
Beginning Unreserved Fund Balance	\$923,486
Recommended Budget	
Requirements	\$62,615,438
Receipts	\$62,615,438
Positions	652.50

Legislative Changes

Requirements:

General Fund Support	(\$3,000,000) R
Eliminates the direct sales tax transfer to the Wildlife Resources Commission and replaces it with an \$18.5 million direct General Fund appropriation. Approximately 200 positions will transfer from receipt support to General Fund support; the Commission will determine which positions will transfer.	\$0 NR 0.00

Subtotal Legislative Changes	(\$3,000,000) R \$0 NR 0.00
-------------------------------------	--

Receipts:

General Fund Support	(\$3,000,000) R
Eliminates the direct sales tax transfer to the Wildlife Resources Commission and replaces it with an \$18.5 million direct General Fund appropriation.	\$0 NR

Subtotal Legislative Changes	(\$3,000,000) R \$0 NR
-------------------------------------	----------------------------------

House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

Revised Total Requirements	\$59,615,438
Revised Total Receipts	\$59,615,438
Change in Fund Balance	\$0
Total Positions	652.50

Unappropriated Balance Remaining	\$923,486
---	------------------

Wildlife Resources - Special Interest Bearing

Budget Code: 24351

FY 2010-11

Beginning Unreserved Fund Balance	\$20,674,789
Recommended Budget	
Requirements	\$31,804,144
Receipts	\$31,804,144
Positions	31.50

Legislative Changes

Requirements:

General Fund Support	(\$325,641) R
Eliminates the direct sales tax funding that is transferred to this fund and directs the Wildlife Resources Commission to operate this fund with over realized receipts.	\$0 NR
	0.00
Subtotal Legislative Changes	(\$325,641) R
	\$0 NR
	0.00

Receipts:

General Fund Support	(\$325,641) R
Eliminates the direct sales tax funding that is transferred to this fund and directs the Wildlife Resources Commission to operate this fund with over realized receipts.	\$0 NR
Subtotal Legislative Changes	(\$325,641) R
	\$0 NR

House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

Revised Total Requirements	\$31,478,503
Revised Total Receipts	\$31,478,503
Change in Fund Balance	\$0
Total Positions	31.50

Unappropriated Balance Remaining	\$20,674,789
---	---------------------

WRC - Special Non-Interest Bearing

Budget Code: 24353

	FY 2010-11
Beginning Unreserved Fund Balance	\$0
Recommended Budget	
Requirements	\$21,500,000
Receipts	\$21,500,000
Positions	0.00

Legislative Changes

Requirements:

General Fund Support	(\$21,500,000) R
Eliminates the \$21.5 million direct sales tax transfer. This budget code is a receiving account for the direct sales tax transfer and funds are transferred to 24350 and 24351 for operating. This fund will be closed and the General Fund appropriation budgeted in 24350.	\$0 NR
	0.00
Subtotal Legislative Changes	(\$21,500,000) R
	\$0 NR
	0.00

Receipts:

General Fund Support	(\$21,500,000) R
Eliminates the \$21.5 million direct sales tax transfer. This budget code is a receiving account for the direct sales tax transfer and funds are transferred to 24350 and 24351 for operating. This fund will be closed and the General Fund appropriation budgeted in 24350.	\$0 NR
Subtotal Legislative Changes	(\$21,500,000) R
	\$0 NR

House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

Revised Total Requirements	\$0
Revised Total Receipts	\$0
Change in Fund Balance	\$0
Total Positions	0.00

Unappropriated Balance Remaining	\$0
---	------------

Commerce

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11
\$40,915,209

Budget Changes

Department-wide

75 Vacant Positions

(\$220,649) R

Eliminates 4.0 vacant positions in the Department: 1.0 position in Policy, Research, and Planning; 2.0 positions in Business and Industry; and 1.0 position in the Secretary's Office. The positions are:

-4.00

- #60077154 Administrative Assistant
- #60080971 Administrative Assistant
- #60080963 Program Assistant IV
- #60081030 Economist

76 IT Budget Reduction

(\$755,242) R

Reduces the Department of Commerce's non-salary IT budget by 7.9%. This reduction is based on the average difference between budgeted and actual expenditures for the past four fiscal years.

77 Travel Budget Reductions

(\$36,284) R

Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

(4.0) Soil and Water Conservation

78 IGNORE

IGNORE

Administration

79 Operating Budget Reduction

(\$20,000) R

Reduces the operating budget for administration by \$20,000

Business and Industry

80 Business Recruitment and Product Marketing

Provides funding to attract businesses to locate operations in North Carolina and to increase the sale of North Carolina exports, including agricultural commodities.

\$1,000,000 NR

Business and Industry Development

81 Operating Budget Reduction

Reduces the operating budget for the Division of Business and Industry Development by \$30,000.

(\$30,000) R

Commerce Finance

82 One NC Fund

Provides additional funding for the One NC Fund to enhance the competitive position of North Carolina when recruiting national and international business and industry projects. Three percent of these funds shall be used for small business expansion.

\$10,000,000 NR

83 Jobs Maintenance and Capital Development Fund (JMAC)

Appropriates funding for JMAC.

\$5,500,000 NR

84 One NC Small Business Fund

Funds the One NC Small Business Fund program, which provides matching grants to businesses that qualify for federal SBIR/STTR Incentives funds.

\$1,500,000 NR

85 In-Source NC Network

Provides funding to develop university-based buyer-supplier networks within emerging and established industry clusters inside the State. These buyer-supplier networks would be modeled on an existing network developed and operated through the NCSU College of Textiles.

\$150,000 NR

Community Assistance

86 Main Street Solutions

Provides funding for the Main Street Solutions Program and the creation of one two-year time limited position to administer the program. This program provides grants to active Main Street Communities and designated micropolitans with populations between 10,000 and 50,000 people. Grants are to be used to support downtown economic development, historic preservation initiatives, and other public and private improvement projects that will support small businesses and job creation.

\$2,000,000 NR
1.00

Executive Aircraft

87 Aircraft to DOT

Eliminates the Executive Aircraft Division within the Department of Commerce, including 1.0 pilot position, 1.0 mechanic position, and \$300,000 in associated position and operating expenses. 3.0 pilots, 1.0 mechanic, \$500,000, and Commerce's two aircraft and their associated receipts will be transferred to the Aviation Division within the Department of Transportation (DOT). Commerce will retain \$127,315 for expenses related to using DOT's aircraft. This reduction reflects recommendations from the Program Evaluation Division's Study of State Aircraft.

(\$800,000) R
-6.00

Industrial Commission

88 Over Realized Receipts

Requires the Industrial Commission to budget over realized receipts.

(\$429,863) R

International Trade

89 International Trade

Provides funds to help create additional export opportunities for NC companies in Asian and South American markets and to increase North Carolina investment interest from Asian and South American companies.

\$200,000 NR

Marketing

90 Marketing Travel

Reduces funding for marketing-related travel by \$17,350.

(\$17,350) R

Policy, Research, and Strategic Planning

91 Operating Budget Reduction (\$20,000) R
Reduces the operating budget for the Policy, Research, and Strategic Planning Division by \$20,000

Science and Technology

92 Energy Research Grants \$1,000,000 NR
Appropriates \$1 million to Commerce for matching funds for US Department of Energy grants to support energy research and green jobs.

93 Operating Budget Reduction (\$25,000) R
Reduces the operating budget for the Board of Science and Technology by approximately 7%.

State Energy Office

94 Utility Training Sessions (\$127,657) R
Reduces funding for training sessions offered by the Utility Savings Initiative Program in the State Energy Office. These sessions are offered to representatives of State agencies on various energy efficiency topics. Approximately 35 fewer sessions will be held as a result of this reduction.

Tourism, Film, and Sports Development

95 Tourism Marketing Funds \$1,000,000 NR
Provides funding for marketing North Carolina as a tourist destination.

96 Postage and Printing (\$75,000) R
Reduces funding for postage and printing in the Division.

House Subcommittee on Natural and Economic Resources

FY 10-11

Wanchese Seafood Industrial Park

97 Oregon Inlet Project	(\$248,327)	R
Eliminates 100% of funding for the Oregon Inlet Project. Funding is no longer being used for this purpose.		
98 Operating Budget to Receipt Support.	(\$185,312)	R
Eliminates 100% of the General Fund appropriation to the Wanchese Seafood Industrial Park and transfers 1.0 position to receipt support.		
	-1.00	

Wine & Grape Growers Council

99 Operating Budget Reduction	(\$108,357)	R
Reduces the Wine & Grape Growers Council operating budget by approximately 13%.		

Budget Changes	(\$3,099,041)	R
	\$22,350,000	NI
Total Position Changes		-10.00
Revised Total Budget	\$60,166,168	

Commerce - State Aid

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11
\$15,388,725

Budget Changes

100 Land Loss Prevention	(\$37,235)	R
Reduces the recurring pass-through appropriation for Land Loss Prevention by 5%, leaving \$707,465 recurring.		
101 Institute of Minority Economic Development	(\$132,495)	R
Reduces the recurring pass-through appropriation for the Institute of Minority Economic Development by 5%, leaving \$2,517,405 recurring.		
102 Association of Community Development Corporations (CDCs)	(\$51,615)	R
Reduces the recurring pass-through appropriation for the Association of CDCs by 5%, leaving \$980,685 recurring.		
103 Minority Support Center	(\$164,670)	R
Reduces the recurring pass-through appropriation for the Minority Support Center by 5%, leaving \$3,128,730 recurring.		
104 Community Development Initiative	(\$246,460)	R
Reduces the recurring pass-through appropriation for the Community Development Initiative by 5%, leaving \$4,682,740 recurring.		
105 e-NC Authority	(\$23,265)	R
Reduces the recurring pass-through appropriation for the e-NC Authority by 5%, leaving \$442,035 recurring.		
106 Councils of Government (COGs)	(\$21,250)	R
Reduces the recurring pass-through appropriation for the COGs by 5%, leaving \$403,750 recurring.		

House Subcommittee on Natural and Economic Resources

FY 10-11

107 High Point Furniture Market	Reduces the recurring pass-through appropriation for the High Point Furniture Market by 5%, leaving \$806,479 recurring.	(\$42,446)	R
108 Defense and Security Technology Accelerator	Eliminates the non-recurring pass-through appropriation for the Defense and Security Technology Accelerator.	(\$1,000,000)	NR
109 Regional Economic Development Commissions	Provides funding to support the seven Regional Economic Development Commissions.	\$5,000,000	R
110 Biofuels Center	Provides \$5 million recurring for the Biofuels Center.	\$5,000,000	R
111 Research Triangle Institute	Provides \$500,000 in nonrecurring matching funds for a US Department of Energy grant for energy research and green jobs.	\$500,000	NP
112 Indian Economic Development Initiative	Provides nonrecurring funding for the Indian Economic Development Initiative.	\$100,000	NR
113 Minority Support Center	Provides \$750,000 for funds for small business loans for those that have limited access to credit.	\$750,000	NR
<hr/>			
Budget Changes		\$9,280,564	R
		\$350,000	NR
Total Position Changes			
Revised Total Budget		\$25,019,289	
<hr/>			

N.C. Biotechnology Center

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11
\$14,501,900

Budget Changes

114 Operating Funds

Provides additional funding for the Biotechnology Center.

\$4,274,905 R

Budget Changes

\$4,274,905 R

Total Position Changes

Revised Total Budget

\$18,776,805

Rural Economic Development Center

GENERAL FUND

Total Budget Approved 2009 Session

FY 10-11
\$23,832,436

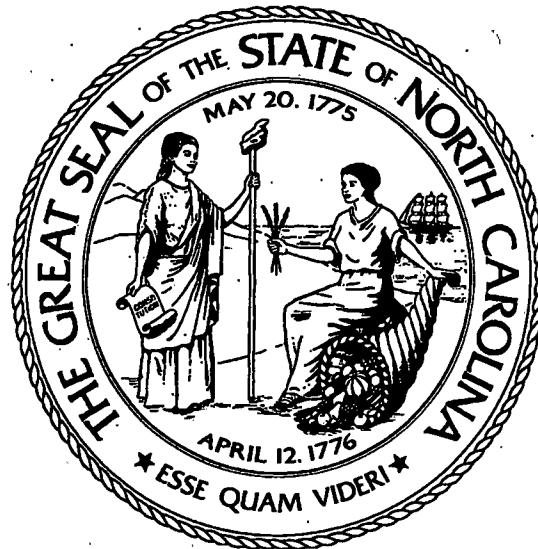
Budget Changes

115 Operating Reductions	Reduces the recurring pass-through appropriation for the Rural Center by 5%, leaving \$22,640,814 recurring.	(\$1,191,622)	R
116 Home Grown Jobs	Provides additional funding for the Rural Center's Building Reuse and Restoration Program to strengthen the capacity of rural communities to compete for and attract new and expanding businesses. Funding for small-scale regional community development projects is also included.	\$3,125,000	NR
117 Small Business Assistance Fund	Provides funding to the Rural Center to continue the Small Business Assistance Fund.	\$1,000,000	NR
118 Family Farm Opportunity and Innovation Fund	Provides funding for the Rural Center to provide assistance to farmers via grants up to \$20,000 in three areas:	\$1,000,000	NR
	<ol style="list-style-type: none"> 1. Improving energy efficiency on the farm 2. Developing new markets 3. Developing new products 		

Budget Changes		(\$1,191,622)	R
		\$5,125,000	NR
Total Position Changes			
Revised Total Budget		\$27,765,814	

House Appropriations Subcommittee on Natural and Economic Resources

Proposed Special Provisions for S897: Appropriations Act of 2010



May 27, 2010

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-NATRES-H14A-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

CLOSE/TRANSFER CERTAIN DENR SPECIAL FUNDS

SECTION #.(a) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall transfer to the Division of Soil and Water Conservation (General Fund code 14300-1310) any unencumbered cash balance as of June 30, 2010, of each of the following special funds within the Department and then close each of these special funds:

- (1) SWC – CREP (Special Fund code 24308-2313).
- (2) SWC – EEP Agreement (Special Fund code 24308-2317).

SECTION #.(b) G.S. 113-36(d) is repealed.

SECTION #.(c) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall:

- (1) Transfer to the General Fund the sum of five hundred thousand dollars (\$500,000) from the unencumbered cash balance as of June 30, 2010, in the special fund Bladen Lakes (Special Fund code 24300-2221) within the Department; and
- (2) Transfer to the Division of Forest Resources (General Fund code 14300-1210) the operating budget, positions, and any unencumbered cash balance as of June 30, 2010, that remains in the special fund Bladen Lakes after conducting the transfer under subdivision (1) of this subsection and then close the special fund Bladen Lakes.

SECTION #.(d) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall transfer to the Division of Water Quality (General Fund code 14300-1695) the operating budget, positions, and any unencumbered cash balance as of June 30, 2010, in the special fund DWQ – Lab Certification Fees (Special Fund code 24300-2335) within the Department and then close this special fund.

SECTION #.(e) The Office of State Budget and Management, in conjunction with the Office of the State Controller and the Department of Environment and Natural Resources, shall transfer to the General Fund any unencumbered cash balance as of June 30, 2009, in each of the following special funds within the Department and then close each of these special funds:

- (1) DWM – Kernersville Site (Special Fund code 24308-2116).
- (2) DWM – Meadowview Site (Special Fund code 24308-2118).
- (3) DWR – Streamwatch Project (Special Fund code 24308-2180).
- (4) DAQ – Terrorism Defense (Special Fund code 24308-2343).
- (5) MNS – E A Publications (Special Fund code 24308-2461).
- (6) MNS – Mus Nat Sci/School Science Fairs (Special Fund code 24308-2462).
- (7) MNS – Mus Nat Sci/Scientific Pub. (Special Fund code 24308-2465).
- (8) DFR – Hurricane Frances (Special Fund code 24310-2786).
- (9) DFR – Hurricane Ivan (Special Fund code 24310-2797).

1 (10) DFR –Dare Bomb Range Isabel Interest (Special Fund code 24310-2249).

2 **SECTION #.(f)** The Office of State Budget and Management, in conjunction with
3 the Office of the State Controller and the Department of Environment and Natural Resources,
4 shall transfer to Special Fund code 24317 any unencumbered cash balance as of June 30, 2010,
5 of each of the following special funds within the Department and then close each of these
6 special funds:

7 (1) SWC – Agricultural Cost Share Programs (Special Fund code 24308-2510).

8 (2) SWC – Animal Waste Cost Share (Special Fund code 24308-2520).

9 (3) NC07 – Network Date IT Project (Special Fund code 24308-2931).

10 **SECTION #.(g)** The Office of State Budget and Management, in conjunction with
11 the Office of the State Controller and the Department of Environment and Natural Resources,
12 shall transfer to Special Fund code 64305 any unencumbered cash balance as of June 30, 2010,
13 of the special fund DWM – Noncommercial Leaking Petroleum Storage (Special Fund code
14 64308-6371) within the Department and then close this special fund.

15 **SECTION #.(h)** The Office of State Budget and Management, in conjunction with
16 the Office of the State Controller and the Department of Environment and Natural Resources,
17 shall transfer to Special Fund code 24300 the operating budget, positions, and any
18 unencumbered cash balance as of June 30, 2010, of each special fund within the Department
19 with Special Fund code 24308 that is not subject to closure under the provisions of other
20 subsections of this section.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-ENV-H6-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *SCRAP TIRE DISPOSAL TAX AND WHITE GOODS DISPOSAL TAX DIVERTED FOR*
2 *2010-2011 FISCAL YEAR*

3 SECTION #.(a) Notwithstanding the provisions of G.S. 105-187.19(b), effective
4 for taxes levied during the 2010-2011 fiscal year, the Secretary of Revenue shall credit to the
5 General Fund the net tax proceeds that G.S. 105-187.19(b) directs the Secretary to credit to the
6 Scrap Tire Disposal Account.

7 SECTION #.(b) Notwithstanding the provisions of G.S. 105-187.24, effective for
8 taxes levied during the 2010-2011 fiscal year, the Secretary of Revenue shall credit to the
9 General Fund the net tax proceeds that G.S. 105-187.24 directs the Secretary to credit to the
10 White Goods Management Account.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-ENV-H10-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **CONSOLIDATE TWO DENR OFFICES INTO NEW OFFICE OF ENVIRONMENTAL**
2 **EDUCATION AND PUBLIC AFFAIRS**

3 **SECTION #.(a)** The Office of Environmental Education and Public Affairs is
4 established as a new office within the administrative area of the Department of Environment
5 and Natural Resources. All functions, powers, duties, and obligations previously vested in the
6 following offices of the Department of Environment and Natural Resources are transferred to,
7 vested in, and consolidated within the Office of Environmental Education and Public Affairs by
8 a Type I transfer, as defined in G.S. 143A-6:

9 (1) North Carolina Office of Environmental Education.

10 (2) Office of Public Affairs.

11 **SECTION #.(b)** The title of Part 4B of Article 7 of Chapter 143B of the General
12 Statutes reads as rewritten:

13 "Part 4B. Office of Environmental ~~Education~~ Education and Public Affairs."

14 **SECTION #.(c)** G.S. 143B-285.22 reads as rewritten:

15 "**§ 143B-285.22. Creation.**

16 There is hereby created a ~~North Carolina~~ the Office of Environmental Education and Public
17 Affairs (hereinafter referred to as "Office") within the Department of Environment and Natural
18 Resources."

19 **SECTION #.(d)** G.S. 143B-285.23 reads as rewritten:

20 "**§ 143B-285.23. Powers and duties of the Secretary of Environment and Natural**
21 **Resources.**

22 The Secretary of Environment and Natural Resources shall:

23 (1) Establish an Office of Environmental Education and Public Affairs to:

24 a. Serve as a clearinghouse of environmental information for the State.

25 ...

26"

27 **SECTION #.(e)** The catch line of G.S. 143B-285.25 reads as rewritten:

28 "**§ 143B-285.25. Liaison between the Office of Environmental Education and Public**
29 **Affairs and the Department of Public Instruction.**"

30 **SECTION #.(f)** The Revisor of Statutes shall make any other conforming statutory
31 changes that are necessary to reflect the transfers under subsection (a) of this section.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-ENV-H17-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **CONSOLIDATE TWO SUBUNITS IN DENR IN THE OFFICE OF THE SECRETARY**
2 **OF ENVIRONMENT AND NATURAL RESOURCES**

3 **SECTION #.** All functions, powers, duties, and obligations previously vested in
4 the following subunits of the Department of Environment and Natural Resources are transferred
5 to, vested in, and consolidated within the Office of the Secretary of Environment and Natural
6 Resources by a Type I transfer, as defined in G.S. 143A-6:

- 7 (1) Office of Conservation and Community Affairs.
8 (2) Natural Resources Planning and Conservation.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-ENV-H4(S13.1)-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **CONSOLIDATE THREE DENR SUBUNITS WITHIN THE NEW DIVISION OF**
2 **ENVIRONMENTAL ASSISTANCE AND OUTREACH**

3 **SECTION 13.1.(a)** The Division of Environmental Assistance and Outreach is
4 established as a new division within the environmental area of the Department of Environment
5 and Natural Resources. All functions, powers, duties, and obligations previously vested in the
6 following subunits of the Department of Environment and Natural Resources are transferred to,
7 vested in, and consolidated within the Division of Environmental Assistance and Outreach by a
8 Type I transfer, as defined in G.S. 143A-6:

- 9 (1) The Customer Service Center.
10 (2) The Division of Pollution Prevention and Environmental Assistance.
11 (3) The Small Business Ombudsman.

12 **SECTION 13.1.(b)** G.S. 18B-902(h) reads as rewritten:

13 "(h) Recycling Plan Required. – Each applicant for an on-premises malt beverage
14 permit, on-premises unfortified wine permit, on-premises fortified wine permit, or a mixed
15 beverages permit shall prepare and submit with the application a plan for the collection and
16 recycling of all recyclable beverage containers of all beverages to be sold at retail on the
17 premises. A permittee who is not able to find a recycler for its beverage containers may apply
18 to the Alcoholic Beverage Control Commission for a one-year stay of the requirement to
19 implement a recycling program in compliance with G.S. 18B-1006.1. The application shall be
20 made in a form specified by the Commission, shall detail the efforts made by the permittee to
21 provide for the collection and recycling of beverage containers, and shall specify the
22 impediments to implementation of a recycling plan. The Commission shall submit all such
23 applications to the Division of ~~Pollution Prevention and~~ Environmental Assistance and
24 Outreach of the Department of Environment and Natural Resources for review and
25 certification. The Division of ~~Pollution Prevention and~~ Environmental Assistance and Outreach
26 shall investigate each application and prepare a summary of its investigation and shall submit
27 the summary to the Commission along with a notation indicating certification or denial of the
28 application. A permittee whose application for a stay is certified by the Division of ~~Pollution~~
29 ~~Prevention and~~ Environmental Assistance and Outreach shall not be required to comply with
30 the recycling requirement of the alcoholic beverage laws and regulations during the one-year
31 stay period so certified."

32 **SECTION 13.1.(c)** G.S. 130A-309.12(a)(6) reads as rewritten:

33 "(6) Providing funding for the activities of the Division of ~~Pollution Prevention~~
34 ~~and Environmental Assistance~~ Assistance and Outreach."

35 **SECTION 13.1.(d)** G.S. 130A-309.63(b)(2) reads as rewritten:

36 "(2) The Department may use up to forty percent (40%) of the revenue in the
37 Account to make grants to encourage the use of processed scrap tire
38 materials. These grants may be made to encourage the use of tire-derived
39 fuel, crumb rubber, carbon black, or other components of tires for use in
40 products such as fuel, tires, mats, auto parts, gaskets, flooring material, or
41 other applications of processed tire materials. These grants shall be made in

1 consultation with the Department of Commerce, the Division of ~~Pollution~~
2 ~~Prevention and~~ Environmental Assistance and Outreach of the Department,
3 and, where appropriate, the Department of Transportation. Grants to
4 encourage the use of processed scrap tire materials shall not be used to
5 process tires."

6 **SECTION 13.1.(e)** G.S. 136-28.8(g) reads as rewritten:

7 "(g) On or before October 1 of each year, the Department shall report to the Division of
8 ~~Pollution Prevention and~~ Environmental Assistance and Outreach of the Department of
9 Environment and Natural Resources as to the amounts and types of recycled materials that were
10 specified or used in contracts that were entered into during the previous fiscal year. On or
11 before December 1 of each year, the Division of ~~Pollution Prevention and~~ Environmental
12 Assistance and Outreach shall prepare a summary of this report and submit the summary to the
13 Joint Legislative Commission on Governmental Operations and the Joint Legislative
14 Transportation Oversight Committee. The summary of this report shall also be included in the
15 report required by G.S. 130A-309.06(c)."

16 **SECTION 13.1.(f)** G. S. 143-58.2(d) reads as rewritten:

17 "(d) The Department of Administration, in cooperation with the Division of ~~Pollution~~
18 ~~Prevention and~~ Environmental Assistance and Outreach of the Department of Environment and
19 Natural Resources, shall identify materials and supplies with recycled content that meet
20 appropriate standards for use by State departments, institutions, agencies, community colleges,
21 and local school administrative units."

22 **SECTION 13.1.(g)** The Revisor of Statutes shall make any other conforming
23 statutory changes necessary to reflect the transfer under subsection (a) of this section that are
24 not included in this section.

DRAFT
SPECIAL PROVISION



2010-ENV-H15B(S13.9)-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **INCREASE ADMINISTRATIVE CAP FOR INACTIVE HAZARDOUS WASTE SITES**
2 **PROGRAM; ADD RECIPIENTS TO ANNUAL REPORT REQUIREMENT**

3 SECTION 13.9.(a) G.S. 130A-295.9(1) reads as rewritten:

4 "(1) Funds credited pursuant to G.S. 105-187.63(1) to the Inactive Hazardous
5 Sites Cleanup Fund shall be used by the Department of Environment and
6 Natural Resources to fund the assessment and remediation of pre-1983
7 landfills, except up to ~~seven percent (7%)~~ thirteen percent (13%) of the funds
8 credited under this subdivision may be used to fund administrative expenses
9 related to the assessment and remediation of pre-1983 landfills and other
10 inactive hazardous waste sites."

11 SECTION 13.9.(b) G.S. 130A-310.10(a) reads as rewritten:

12 "(a) The Secretary shall report on inactive hazardous sites to the Joint Legislative
13 Commission on Governmental Operations, the Environmental Review Commission
14 Commission, and the Fiscal Research Division on or before 1 October of each year. The report
15 shall include at least:

16 (1) The Inactive Hazardous Waste Sites Priority List;

17"

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-ENV-H9-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 ***FUNDS FOR CLEANUP AND MONITORING OF TEXFI SITE CONTAMINATION.***
2 **SECTION #.** There is appropriated from the Solid Waste Management Trust Fund
3 to the Department of Environment and Natural Resources, Division of Waste Management, the
4 sum of fifty thousand dollars (\$50,000) for the 2010-2011 fiscal year to be used for the cleanup
5 and monitoring of the groundwater and other contamination located at the Texfi site in
6 Fayetteville and for any emergency cleanup activities needed at that site.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-ENV-H2A-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative Harrison

1 **FUNDS FOR RECYCLING PROGRAMS FOR PRODUCTS THAT CONTAIN MERCURY**

2 SECTION #.(a) Effective July 1, 2010, until December 31, 2017,
3 G.S. 130A-310.54 reads as rewritten:

4 "**§ 130A-310.54. Mercury ~~Switch Removal Account~~ Pollution Prevention Fund.**

5 (a) The Mercury ~~Switch Removal Account~~ Pollution Prevention Fund is established in
6 the Department. Revenue is credited to the ~~Account~~ Fund from the certificate of title fee under
7 G.S. 20-85.

8 (b) Revenue in the Mercury ~~Switch Removal Account~~ Pollution Prevention Fund shall
9 be used ~~to~~ for the following purposes:

10 (1) To reimburse the Department and others for costs incurred in implementing
11 the mercury switch removal program.

12 (2) To establish and implement recycling programs for products containing
13 mercury, including at least recycling programs for light bulbs and
14 thermostats.

15 (b1). The reimbursable costs under subdivision (1) of subsection (b) of this section are:

16 (1) Five dollars (\$5.00) for each mercury switch removed by a vehicle crusher,
17 vehicle dismantler, vehicle recycler, or scrap vehicle processing facility
18 pursuant to this Article and sent to destination facilities in accordance with
19 the NVMSRP for recycling or disposal.

20 (2) Costs incurred by the Department in administering the program.

21 (c) The Department shall reimburse vehicle crushers, vehicle dismantlers, vehicle
22 recyclers, and scrap vehicle processing facilities based on a reimbursement request that attests
23 to the number of switches sent to destination facilities for recycling or disposal in accordance
24 with the NVMSRP. Each reimbursement request shall be verified against information posted on
25 the Internet site provided by the vehicle manufacturers in accordance with the NVMSRP, or
26 against other information that verifies the reimbursement requested to the satisfaction of the
27 Department. The vehicle crusher, vehicle dismantler, vehicle recycler, or scrap vehicle
28 processing facility shall provide the Department with any information requested by the
29 Department to verify the accuracy of a reimbursement request. Each vehicle crusher, vehicle
30 dismantler, vehicle recycler, or scrap vehicle processing facility shall maintain accurate records
31 that support each reimbursement request for a minimum of three years from the date the
32 reimbursement request is approved."

33 SECTION #.(b) Effective December 31, 2017, G.S. 130A-310.54, as amended by
34 Sections 4 and 9 of S.L. 2007-142, reads as rewritten:

35 "**§ 130A-310.54. Funds to implement plan.**

36 (a) The Mercury Pollution Prevention ~~Account~~ Fund is established in the Department.
37 Revenue is credited to the ~~Account~~ Fund from the certificate of title fee under G.S. 20-85.

38 (b) Revenue in the Mercury Pollution Prevention ~~Account~~ Fund shall be used ~~to~~ for the
39 following purposes:

40 (1) To reimburse the Department and others for costs incurred in implementing
41 the mercury minimization plan.

- 1 (2) To establish and implement recycling programs for products containing
2 mercury, including at least recycling programs for light bulbs and
3 thermostats.
- 4 (b1) The reimbursable costs under subdivision (1) of subsection (b) of this section are:
- 5 (1) Five dollars (\$5.00) for each mercury switch removed by a vehicle recycler
6 or scrap metal recycling facility pursuant to this Article.
- 7 (2) Costs incurred by the Department in administering the plan.
- 8 (c) The Department shall reimburse vehicle recyclers and scrap metal recycling
9 facilities based on the quarterly reports submitted under G.S. 130A-310.53. The Department
10 may request any information needed to determine the accuracy of the reports."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-NATRES-H4(S13.11)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **PARKS AND RECREATION TRUST FUND/AUTHORITY TO CONSIDER OPERATING**
2 **EXPENSES**

3 SECTION 13.11. G.S. 113-44.15 reads as rewritten:

4 "**§ 113-44.15. Parks and Recreation Trust Fund.**

5 (a) Fund Created. – There is established a Parks and Recreation Trust Fund in the State
6 Treasurer's Office. The Trust Fund shall be a nonreverting special revenue fund consisting of
7 gifts and grants to the Trust Fund, monies credited to the Trust Fund pursuant to
8 G.S. 105-228.30(b), and other monies appropriated to the Trust Fund by the General Assembly.
9 Investment earnings credited to the assets of the Fund shall become part of the Fund.

10 (b) Use. – Funds in the Trust Fund are annually appropriated to the North Carolina
11 Parks and Recreation Authority and, unless otherwise specified by the General Assembly or the
12 terms or conditions of a gift or grant, shall be allocated and used as follows:

13 (1) Sixty-five percent (65%) for the State Parks System for capital projects,
14 repairs and renovations of park facilities, and land acquisition, and to retire
15 debt incurred for these purposes under Article 9 of Chapter 142 of the
16 General Statutes.

17 (2) Thirty percent (30%) to provide matching funds to local governmental units
18 or public authorities as defined in G.S. 159-7 on a dollar-for-dollar basis for
19 local park and recreation purposes. The appraised value of land that is
20 donated to a local government unit or public authority may be applied to the
21 matching requirement of this subdivision. These funds shall be allocated by
22 the North Carolina Parks and Recreation Authority based on criteria
23 patterned after the Open Project Selection Process established for the Land
24 and Water Conservation Fund administered by the National Park Service of
25 the United States Department of the Interior.

26 (3) Five percent (5%) for the Coastal and Estuarine Water Beach Access
27 Program.

28 (b1) Geographic Distribution. – In allocating funds in the Trust Fund under this section,
29 the North Carolina Parks and Recreation Authority shall make geographic distribution across
30 the State to the extent practicable.

31 (b2) Administrative Expenses. – Of the funds appropriated to the North Carolina Parks
32 and Recreation Authority from the Trust Fund each year, no more than three percent (3%) may
33 be used by the Department for operating expenses associated with managing capital
34 improvements projects, acquiring land, and administration of local grants programs.

35 (b3) Operating Expenses for State Parks System Allocations. – In allocating funds in the
36 Trust Fund under subdivision (1) of subsection (b) of this section, the North Carolina Parks and
37 Recreation Authority shall consider the operating expenses associated with each capital project,
38 repair and renovation project, and each land acquisition. In considering the operating expenses,
39 the North Carolina Parks and Recreation Authority shall determine both:

40 (1) The minimal anticipated operating expenses, which are determined by the
41 minimum staff and other operating expenses needed to maintain the project.

1 (2) The optimal anticipated operating budget, which is determined by the level
2 of staff and other operating expenses required to achieve a more satisfactory
3 level of operation under the project.

4 (c) Reports. – The North Carolina Parks and Recreation Authority shall report no later
5 than October 1 of each year to the Joint Legislative Commission on Governmental Operations,
6 the House and Senate Appropriations Subcommittees on Natural and Economic Resources, the
7 Fiscal Research Division, and the Environmental Review Commission on allocations from the
8 Trust Fund from the prior fiscal year. For funds allocated from the Trust Fund under
9 subdivision (b1) of this section, this report shall include the operating expenses determined
10 under subdivisions (1) and (2) of subsection (b3) of this section.
11 ..."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-NATRES-H5(S13.12)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *RECLASSIFY SEVEN VACANT POSITIONS IN THE DIVISION OF PARKS AND*
2 *RECREATION*

3 SECTION 13.12. The Division of Parks and Recreation of the Department of
4 Environment and Natural Resources shall reclassify seven vacant positions within the Division
5 and shall fill these reclassified positions in a timely manner in order to provide support for new
6 or expanding parks within the State Parks System, as defined in G.S. 113-44.9.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-NATRES-H6(S13.13)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *STATE PARKS SYSTEM PLAN*

2 SECTION 13.13. G.S. 113-44.11 is amended by adding a new subsection to read:

3 "(d) No later than October 1 of each year, the Department shall submit electronically the
4 State Parks System Plan to the Environmental Review Commission, the Senate and the House
5 of Representatives Appropriations Subcommittees on Natural and Economic Resources, and
6 the Fiscal Research Division. Concurrently, the Department shall submit a summary of each
7 change to the Plan that was made during the previous fiscal year."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-NATRES-H7(S13.14)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 ***NO NEW FEES FOR PARKING IN STATE PARKS***

2 **SECTION 13.14.** Notwithstanding any provision to the contrary, the funds
3 appropriated to the Department of Environment and Natural Resources for State Parks for the
4 2010-2011 fiscal year shall not be reduced or replaced with fees for parking at State Parks,
5 unless these fees were charged prior to the 2010-2011 fiscal year. No fees shall be charged and
6 no fees shall be collected for parking in a State Park during the 2010-2011 fiscal year, unless
7 these fees were charged prior to the 2010-2011 fiscal year.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-NATRES-H8(S13.15)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *AUTHORITY FOR THE DEPARTMENT OF REVENUE TO SHARE INFORMATION*
2 *WITH DENR*

3 SECTION 13.15. G.S. 105-259(b) is amended by adding a new subdivision to
4 read:

5 "(b) Disclosure Prohibited. – An officer, an employee, or an agent of the State who has
6 access to tax information in the course of service to or employment by the State may not
7 disclose the information to any other person except as provided in this subsection. Standards
8 used or to be used for the selection of returns for examination and data used or to be used for
9 determining the standards may not be disclosed for any purpose. All other tax information may
10 be disclosed only if the disclosure is made for one of the following purposes:

11 ...
12 (40) To furnish the Division of Forest Resources of the Department of
13 Environment and Natural Resources pertinent contact and financial
14 information concerning companies that are involved in the primary
15 processing of timber products so that the Secretary of Environment and
16 Natural Resources is able to comply with G.S. 113A-193 under the Primary
17 Forest Product Assessment Act."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-NATRES-H9(S13.16)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *DIVISION OF MARINE FISHERIES AND DIVISION OF FOREST RESOURCES*
2 *AIRCRAFT MAINTENANCE*

3 **SECTION 13.16.(a)** The Division of Marine Fisheries of the Department of
4 Environment and Natural Resources shall use mechanics employed by the Division of Forest
5 Resources of the Department of Environment and Natural Resources for the purpose of
6 performing aircraft maintenance for all aircraft of the Division of Marine Fisheries except for a
7 particular instance when this would be impracticable.

8 **SECTION 13.16.(b)** The Division of Forest Resources of the Department of
9 Environment and Natural Resources shall perform aircraft maintenance using its mechanics for
10 all aircraft of the Division of Marine Fisheries, except for a particular instance when this would
11 be impracticable. The Division of Forest Resources shall develop a process to establish
12 priorities for the aviation maintenance needs of all the aircraft in both the Division of Forest
13 Resources and the Division of Marine Fisheries.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-NATRES-H10(S13.17)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *PURCHASE OF COMPUTER SOFTWARE BY DENR FOR DENR AIRCRAFT FLIGHTS*
2 *AND MAINTENANCE RECORDKEEPING*

3 SECTION 13.17. The Department of Environment and Natural Resources shall
4 purchase computer software to be used to establish and maintain a record of the flights and the
5 maintenance of aircraft of the Department of Environment and Natural Resources. For the
6 purchase under this section, the Department of Environment and Natural Resources shall use
7 funds realized from the sale of aircraft by the divisions within the department that operate
8 aircraft. The Department of Environment and Natural Resources shall work with the Division
9 of Marine Fisheries, the Division of Forest Resources, and the Aviation Division of the
10 Department of Transportation to develop the specifications for this software system and to
11 evaluate the best product available to accomplish the purpose set forth in this section. The
12 Department should evaluate all available options, including the purchase of a commercially
13 available system and the purchase of a license to use a software system that is currently used by
14 another State agency. The purchase under this section is subject to all State laws and rules
15 regarding the procurement of distributed information technology assets, as defined in
16 G.S. 147-33.81.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-NATRES-H11(S13.18)i

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **REPORT ON DENR AVIATION ACTIVITIES**

2 **SECTION 13.18.(a)** No later than October 1, 2010, the Department of
3 Environment and Natural Resources shall submit a report to the Joint Legislative Commission
4 on Governmental Operations, the House of Representatives and Senate Appropriations
5 Subcommittees on Natural and Economic Resources, and the Fiscal Research Division. The
6 report shall:

- 7 (1) Describe the uses of the State aircraft fleet within the control of either the
8 Division of Forest Resources of the Department of Environment and Natural
9 Resources or the Division of Marine Fisheries of the Department of
10 Environment and Natural Resources; and
11 (2) Describe the progress of the Department of Environment and Natural
12 Resources in implementing the eight management practices that were
13 recommended by the Program Evaluation Division of the General Assembly
14 in its report entitled "Selling 25 Underutilized Aircraft May Yield Up to \$8.1
15 Million and Save \$1.5 Million Annually" (Report 2010-04), based upon its
16 study of the State's aircraft fleets, as authorized by Section 14.6 of S.L.
17 2009-451.

18 **SECTION 13.18.(b)** The Department of Environment and Natural Resources shall
19 include in its report under subsection (a) of this section a summary of the Conklin & de Decker
20 report that is due to be submitted to the Division of Forest Resources in August 2010, including
21 any recommendations included in the Conklin & de Decker report and a description of the
22 Department's plan to implement the Conklin & de Decker report recommendations.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-NATRES-H3-P

Environment and Natural Resources
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **NEW FUNDING SOURCE FOR WILDLIFE RESOURCES COMMISSION OPERATING**
2 **BUDGET**

3 **SECTION #.(a)** G.S. 105-164.44B is repealed.

4 **SECTION #.(b)** The Office of State Budget and Management, the State Controller,
5 and the Wildlife Resources Commission shall jointly effectuate, beginning with the Wildlife
6 Resources Commission's operating budget for the 2010-2011 fiscal year, the transition from the
7 Wildlife Resources Commission receiving sales tax proceeds to fund its operating budget to the
8 Wildlife Resources Commission receiving an appropriation of eighteen million five hundred
9 thousand dollars (\$18,500,000) from the General Fund to fund its operating budget.

10 **SECTION #.(c)** Section 13.11 of S.L. 2009-451 reads as rewritten:

11 "**SECTION 13.11.** Notwithstanding G.S. 105-164.44B, during the 2009-2010 fiscal year
12 ~~and the 2010-2011 fiscal year, year,~~ the Secretary of Revenue shall transfer at the end of each
13 quarter from the State sales and use tax net collections received by the Department of Revenue
14 under Article 5 of Chapter 105 of the General Statutes to the State Treasurer for the Wildlife
15 Resources Fund one-fourth of the amount transferred the preceding fiscal year plus or minus
16 the percentage of that amount by which the total collection of State sales and use taxes
17 increased or decreased during the preceding fiscal year, not to exceed twenty-one million five
18 hundred thousand dollars (\$21,500,000)."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H1(S14.1)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **ONE NORTH CAROLINA FUND**

2 **SECTION 14.1.** Section 14.1 of S.L. 2009-451 reads as rewritten:

3 "SECTION 14.1. Of the funds appropriated in this act to the One North Carolina Fund for
4 the ~~2009-2010~~2010-2011 fiscal year, the Department of Commerce may use up to three
5 hundred thousand dollars (\$300,000) to cover its expenses in administering the One North
6 Carolina Fund and other economic development incentive grant programs during the
7 ~~2009-2010~~2010-2011 fiscal year."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H2(S14.2)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **NER BLOCK GRANTS**

2 **SECTION 14.2.(a)** Appropriations from federal block grant funds are made for the
3 fiscal year ending June 30, 2011, according to the following schedule:
4

5 **COMMUNITY DEVELOPMENT BLOCK GRANT**

6			
7	01. State Administration	\$	1,000,000
8			
9	02. Scattered Site Housing		16,500,000
10			
11	03. Economic Development		7,210,000
12			
13	04. Small Business/Entrepreneurship		3,000,000
14			
15	05. NC Catalyst		8,240,000
16			
17	06. State Technical Assistance		450,000
18			
19	07. Infrastructure		8,000,000
20			
21	08. Capacity Building		600,000
22			
23			

24 **TOTAL COMMUNITY DEVELOPMENT**
25 **BLOCK GRANT – 2010 Program Year** \$ 45,000,000
26

27 **SECTION 14.2.(b)** Decreases in Federal Fund Availability. – If federal funds are
28 reduced below the amounts specified above after the effective date of this act, then every
29 program in each of these federal block grants shall be reduced by the same percentage as the
30 reduction in federal funds.

31 **SECTION 14.2.(c)** Increases in Federal Fund Availability for Community
32 Development Block Grant. – Any block grant funds appropriated by the Congress of the United
33 States in addition to the funds specified in this section shall be expended as follows: each
34 program category under the Community Development Block Grant shall be increased by the
35 same percentage as the increase in federal funds.

36 **SECTION 14.2.(d)** Limitations on Community Development Block Grant Funds. –
37 Of the funds appropriated in this section for the Community Development Block Grant, the
38 following shall be allocated in each category for each program year: up to one million dollars
39 (\$1,000,000) may be used for State Administration; up to sixteen million five hundred thousand
40 dollars (\$16,500,000) may be used for Scattered Site Housing; up to seven million two hundred
41 ten thousand dollars (\$7,210,000) may be used for Economic Development; up to three million

1 dollars (\$3,000,000) may be used for Small Business/Entrepreneurship; not less than eight
2 million two hundred forty thousand dollars (\$8,240,000) shall be used for NC Catalyst; up to
3 four hundred fifty thousand dollars (\$450,000) may be used for State Technical Assistance; up
4 to eight million dollars (\$8,000,000) may be used for Infrastructure; six hundred thousand
5 dollars (\$600,000) may be used for Capacity Building. If federal block grant funds are reduced
6 or increased by the Congress of the United States after the effective date of this act, then these
7 reductions or increases shall be allocated in accordance with subsection (b) or (c) of this
8 section, as applicable.

9 **SECTION 14.2.(e)** Increase Capacity for Nonprofit Organizations. – Assistance to
10 nonprofit organizations to increase their capacity to carry out CDBG-eligible activities in
11 partnership with units of local government is an eligible activity under any program category in
12 accordance with federal regulations. Capacity building grants may be made from funds
13 available within program categories, program income, or unobligated funds.

14 **SECTION 14.2.(f)** The Department of Commerce shall consult with the Joint
15 Legislative Commission on Governmental Operations prior to reallocating Community
16 Development Block Grant Funds. Notwithstanding the provisions of this subsection, whenever
17 the Director of the Budget finds that:

18 (1) A reallocation is required because of an emergency that poses an imminent
19 threat to public health or public safety, the Director of the Budget may
20 authorize the reallocation without consulting the Commission. The
21 Department of Commerce shall report to the Commission on the reallocation
22 no later than 30 days after it was authorized and shall identify in the report
23 the emergency, the type of action taken, and how it was related to the
24 emergency.

25 (2) The State will lose federal block grant funds or receive less federal block
26 grant funds in the next fiscal year unless a reallocation is made. The
27 Department of Commerce shall provide a written report to the Commission
28 on the proposed reallocation and shall identify the reason that failure to take
29 action will result in the loss of federal funds. If the Commission does not
30 hear the issue within 30 days of receipt of the report, the Department may
31 take the action without consulting the Commission.

32 **SECTION 14.2.(g)** By September 1, 2010, the Division of Community Assistance,
33 Department of Commerce, shall report to the Joint Legislative Commission on Governmental
34 Operations and the Fiscal Research Division on the use of Community Development Block
35 Grant Funds appropriated in the prior fiscal year.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H3(S14.3)-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *STATE AGENCIES AND INSTITUTIONS/GREATER ENERGY EFFICIENCY*
2 *REPORTING AND COMPLIANCE*

3 SECTION 14.3. G.S. 143-64.12 reads as rewritten:

4 "§ 143-64.12. Authority and duties of the Department; State agencies and State
5 institutions of higher learning.

6 (a) The Department of Commerce through the State Energy Office shall develop a
7 comprehensive program to manage energy, water, and other utility use for State agencies and
8 State institutions of higher learning and shall update this program annually. Each State agency
9 and State institution of higher learning shall develop and implement a management plan that is
10 consistent with the State's comprehensive program under this subsection to manage energy,
11 water, and other utility use, and that addresses any findings or recommendations resulting from
12 the energy audit required by subsection (b1) of this section. The energy consumption per gross
13 square foot for all State buildings in total shall be reduced by twenty percent (20%) by 2010
14 and thirty percent (30%) by 2015 based on energy consumption for the 2002-2003 fiscal year.
15 Each State agency and State institution of higher learning shall update its management plan
16 annually and include strategies for supporting the energy consumption reduction requirements
17 under this subsection. Each community college shall submit to the State Energy Office an
18 annual written report of utility consumption and costs.

19 ...
20 (b1) The Department of Administration, as part of the Facilities Condition and
21 Assessment Program, shall identify and recommend energy conservation maintenance and
22 operating procedures that are designed to reduce energy consumption within the facility of a
23 State agency or a State institution of higher learning and that require no significant expenditure
24 of funds. Every State agency or State institution of higher learning shall implement these
25 recommendations. Where energy management equipment is proposed for any facility of a State
26 agency or of a State institution of higher learning, the maximum interchangeability and
27 compatibility of equipment components shall be required. As part of the Facilities Condition
28 and Assessment Program under this section, the Department of Administration, in consultation
29 with the State Energy Office, shall develop an energy audit and a procedure for conducting
30 energy audits. Every five years the Department shall conduct an energy audit for each State
31 agency or State institution of higher learning, and the energy audits conducted shall serve as a
32 preliminary energy survey. The State Energy Office shall be responsible for system-level
33 detailed surveys.

34 (b2) The Department of Administration shall submit a report of the energy audit required
35 by subsection (b1) of this section to the affected State agency or State institution of higher
36 learning and to the State Energy Office. The State Energy Office shall review each audit and, in
37 consultation with the affected State agency or State institution of higher learning, incorporate
38 the audit findings and recommendations into the management plan required by subsection (a)
39 of this section.

1 (h) When conducting a facilities condition and assessment under this section, the
2 Department of Administration shall identify and recommend to the State Energy Office any
3 facility of a State agency or State institution of higher learning as suitable for building
4 commissioning to reduce energy consumption within the facility or as suitable for installing an
5 energy savings measure pursuant to a guaranteed energy savings contract under Part 2 of this
6 Article.

7 ...
8 (j) The State Energy Office shall submit a report by December 1 of each year to the
9 Joint Legislative Commission on Governmental Operations describing the comprehensive
10 program to manage energy, water, and other utility use for State agencies and State institutions
11 of higher learning required by subsection (a) of this section. The report shall also contain the
12 following:

- 13 (1) A comprehensive overview of how State agencies and State institutions of
14 higher learning are managing energy, water, and other utility use and
15 achieving efficiency gains.
- 16 (2) Any new measures that could be taken by State agencies and State
17 institutions of higher learning to achieve greater efficiency gains, including
18 any changes in general law that might be needed.
- 19 (3) A summary of the State agency and State institutions of higher learning
20 management plans required by subsection (a) of this section and the energy
21 audits required by subsection (b1) of this section.
- 22 (4) A list of the State agencies and State institutions of higher learning that did
23 and did not submit management plans required by subsection (a) of this
24 section and a list of the State agencies and State institutions of higher
25 learning that received an energy audit.
- 26 (5) Any recommendations on how management plans can be better managed
27 and implemented."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H4(S14.4)-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **LOCAL WORKFORCE DEVELOPMENT BOARDS/CONSUMER CHOICE**
2 **REQUIREMENTS**

3 SECTION 14.4. G.S. 143B-438.11(a) is amended by adding the following new
4 subdivision to read as follows:

5 "(a) Duties. – Local Workforce Development Boards shall have the following powers
6 and duties:

7 ...
8 (8) To provide the appropriate guidance and information to Workforce
9 Investment Act consumers to ensure that they are prepared and positioned to
10 make informed choices in selecting a training provider. Each local
11 workforce development board shall ensure that consumer choice is properly
12 maintained in the one-stop centers and that consumers are provided the full
13 array of public and private training provider information."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H6(S14.6)-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **CONSOLIDATE PASSENGER AIRCRAFT**

2 SECTION 14.6.(a) The Executive Aircraft Division of the Department of
3 Commerce is transferred to the Division of Aviation of the Department of Transportation. This
4 transfer shall have all the elements of a Type I transfer, as defined by G.S. 143A-6.

5 SECTION 14.6.(b) G.S. 143B-437.011 is repealed.

6 SECTION 14.6.(c) Article 7 of Chapter 136 of the General Statutes is amended by
7 adding a new section to read:

8 "**§ 136-102.20. Use of aircraft managed by the Department of Transportation.**

9 The use of aircraft for emergency or disaster response shall take precedence over all other
10 uses of the aircraft managed by the Department of Transportation. The use of aircraft for
11 economic development purposes shall have second priority followed by the use of aircraft for
12 all other legitimate purposes. The Department of Transportation shall annually review the rates
13 charged for the use of aircraft and shall adjust the rates, as necessary, to account for upgraded
14 aircraft and inflationary increases in operating costs, including jet fuel prices. If an aircraft is
15 used to attend athletic events or for any other purpose related to collegiate athletics, the rate
16 charged shall be equal to the direct cost of operating the aircraft as established by the aircraft's
17 manufacturer, adjusted for inflation."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H25-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **MAIN STREET SOLUTIONS FUND**

2 SECTION #. G.S. 143B-472.35 reads as rewritten:

3 **"§ 143B-472.35. Establishment of fund; use of funds; application for grants; disbursal;**
4 **repayment; inspections; rules; reports.**

5 (a) A fund to be known as the Main Street Solutions Fund is established in the
6 Department of Commerce. This Fund shall be administered by the Department of Commerce.
7 The Department of Commerce shall be responsible for receipt and disbursement of all funds as
8 provided in this section. Interest earnings shall be credited to the Main Street Solutions Fund.

9 (a1) The Main Street Solutions Fund is a reimbursable, matching grant program. The
10 Department of Commerce and the North Carolina Main Street Center are authorized to award
11 grants from the Main Street Solutions Fund totaling not more than two hundred thousand
12 dollars (\$200,000) to each eligible local government. Funds from eligible local governments,
13 main street organizations, downtown organizations, downtown economic development
14 organizations, and sources other than the State or federal government must be committed to
15 match the amount of any grant from the Main Street Solutions Fund on the basis of a minimum
16 of two non-State dollars (\$2.00) for every one dollar (\$1.00) provided by the State from the
17 Main Street Solutions Fund.

18 (a2) Definitions. – For purposes of this section, the following definitions shall apply:

- 19 (1) Active North Carolina main street community. – A community in a Tier 1, 2,
20 or 3 county that has been selected by the Department of Commerce to
21 participate in the Main Street Program or the Small Town Main Street
22 Program and that meets the reporting and eligibility requirements of the
23 respective Program.
- 24 (2) Designated micropolitan. – A geographic entity containing an urban core
25 and having a population of between 10,000 and 50,000 people, according to
26 the most recent federal decennial census.
- 27 (3) Designated downtown area. – A designated area within a community that is
28 considered the primary, traditional downtown business district of the
29 community.
- 30 (4) Downtown economic development organization. – An agency that is part of
31 a public-private partnership intended to develop and recruit business
32 opportunities or to undertake economic development projects that will create
33 jobs.
- 34 (5) Downtown organization. – An agency that is part of a public-private
35 partnership on the local level and whose core mission is to revitalize a
36 traditional downtown business district.
- 37 (6) Eligible local government. – A municipal government that is located in a
38 designated micropolitan or an active North Carolina main street community.
- 39 (7) Historic properties. – Properties that have been designated as historically
40 significant by the National Register of Historic Places or a local historic
41 properties commission.

- 1 (8) Interlocal small business economic development project. – A project or
2 group of projects in a cluster of communities or counties or in a region that
3 share a common economic development strategy for small business growth
4 and job creation.
- 5 (9) Main Street Organization. – An agency working in a public-private
6 partnership on the local level, guided by a professional downtown manager,
7 board of directors, or revitalization committee, and charged with
8 administering the local Main Street Program initiative and facilitating
9 revitalization initiatives in the traditional downtown business district through
10 appropriate design, promotion, and economic restructuring activities.
- 11 (10) Main Street Program. – The program developed by the National Trust for
12 Historic Preservation to promote downtown revitalization through economic
13 development within the context of historic preservation.
- 14 (11) Mixed-use centers. – Areas zoned and developed for a mix of uses, including
15 retail, service, professional, governmental, institutional, and residential.
- 16 (12) Main Street Center. – The agency within the North Carolina Department of
17 Commerce, Office of Urban Development, which receives applications and
18 makes decisions with respect to Main Street Solutions Fund grant
19 applications from eligible local governments.
- 20 (13) Private investment. – A project or group of projects in a designated
21 downtown area that will spur private investment and improve property. A
22 project must be owned and maintained by a private entity and must provide a
23 direct benefit to small businesses.
- 24 (14) Public improvements and public infrastructure. – The improvement of
25 property or infrastructure that is owned and maintained by a city or county.
- 26 (15) Revolving loan programs for private investment. – A property
27 redevelopment or small business assistance fund that is administered on the
28 local level and that may be used to stabilize or appropriately redevelop
29 properties located in the downtown area in connection with private
30 investment or that may be used to provide necessary operating capital for
31 small business creation or expansion in connection with private investment
32 in a designated downtown area.
- 33 (16) Small business. – An independently owned and operated business with less
34 than 100 employees and with annual revenues of less than six million dollars
35 (\$6,000,000).
- 36 (17) Small Town Main Street Program. – A program based upon the Main Street
37 Program developed by the National Trust for Historic Preservation to
38 promote downtown revitalization through economic development within the
39 context of historic preservation. The purpose of the Small Town Main Street
40 Program is to provide guidance to local communities that have a population
41 of less than 7,500 and do not have a downtown manager.
- 42 (18) Tier 1, 2, or 3 counties. – North Carolina counties annually ranked by the
43 Department of Commerce based upon the counties' economic well-being and
44 assigned a Tier designation. The 40 most distressed counties are designated
45 as Tier 1, the next 40 as Tier 2; and the 20 least distressed as Tier 3.

46 (a3) The purpose of the Main Street Program is to provide economic development
47 planning assistance and coordinated grant support to designated micropolitans located in Tier 2
48 and 3 counties and to active North Carolina main street communities. To achieve the purposes
49 of the Main Street Program, the Main Street Center shall develop criteria for community
50 participation and shall provide technical assistance and strategic planning support to eligible
51 local governments. Local governments, in collaboration with a main street organization,

1 downtown organization, or downtown economic development organization, and the small
2 businesses that will directly benefit from these funds may apply for grants from the Main Street
3 Solutions Fund as provided in this section.

4 (a4) The Secretary of Commerce, through the Main Street Center, shall award grants
5 from the Main Street Solutions Fund to eligible designated micropolitans and active North
6 Carolina main street communities. Grant funds awarded from the Main Street Solutions Fund
7 shall be used as provided by the provisions of this section and any rules or regulations adopted
8 by the Secretary of Commerce.

9 (b) Funds in the Main Street Solutions Fund shall be available only to designated
10 micropolitans in Tier 2 and 3 counties and to active North Carolina main street communities in
11 the State. Funds in the Main Street Solutions Fund shall be used for any of the following
12 eligible activities:

13
14 (1a) Downtown economic development initiatives that do any of the following:

- 15 a. Encourage the development or redevelopment of traditional
16 downtown areas by increasing the capacity for mixed-use centers of
17 activity within downtown core areas. Funds may be used to support
18 the rehabilitation of properties, utility infrastructure improvements,
19 new construction, and the development or redevelopment of parking
20 lots or facilities. Projects under this sub-subdivision must foster
21 private investment and provide direct benefit to small business
22 retention, expansion, or recruitment.
- 23 b. Attract and leverage private-sector investments and entrepreneurial
24 growth in downtown areas through strategic planning efforts, market
25 studies, and downtown master plans in association with direct benefit
26 to small business retention, expansion, or recruitment.
- 27 c. Attract and stimulate the growth of business professionals and
28 entrepreneurs within downtown core areas.
- 29 d. Establish revolving loan programs for private investment and small
30 business assistance in downtown historic properties.
- 31 e. Encourage public improvement projects that are necessary to create
32 or stimulate private investment in the designated downtown area and
33 provide a direct benefit to small businesses.

34
35 (2a) Historic preservation initiatives outside of downtown core areas that
36 enhance: (i) community economic development and small business
37 retention, expansion, or recruitment; and (ii) regional or community job
38 creation.

39
40 (3a) Public improvements and public infrastructure outside of downtown core
41 areas that are consistent with sound municipal planning and that support
42 community economic development, small business retention, expansion, or
43 recruitment, and regional or community job creation.

44
45 (4a) Interlocal small business economic development projects designed to
46 enhance regional economic growth and job creation.

47
48
49
50 (c1) The application shall include each of the following:
51

- 1 (1a) The proposed activities for which the funds are to be used and the projected
2 cost of the project.
3 (2) The amount of grant funds requested for these activities.
4 (3) Projections of the dollar amount of public and private investment that are
5 expected to occur in the designated micropolitan or designated downtown
6 area as a direct result of the proposed activities.
7
8 (5) An explanation of the nature of the private investment in the designated
9 micropolitan or designated downtown area that will result from the
10 proposed activities.
11 (6) Projections of the time needed to complete the proposed activities.
12 (7) Projections of the time needed to realize the private investment that is
13 expected to result from the proposed activities.
14
15 (9) Any additional or supplemental information requested by the Division.
16 (d)

17 A local government whose application is denied may file a new or amended application.
18

19 (f) Repealed by Session Laws 2009-451, s. 14.10, effective July 1, 2009.

20 (g) (1) A local government that has been selected to receive a grant shall use the full
21 amount of the grant for the activities that were approved pursuant to the
22 provisions of this section. Funds are deemed used if the local government is
23 legally committed to spend the funds on the approved activities.
24

25 (3) A local government that fails to satisfy the condition set forth in subdivision
26 (1) of this subsection shall lose any funds that have not been used within
27 three years of being selected. These unused funds shall be credited to the
28 Main Street Solutions Fund. A local government that fails to satisfy the
29 conditions set forth in subdivision (1) of this subsection may file a new
30 application.

31 (4) Any funds repaid or credited to the Main Street Solutions Fund pursuant to
32 subdivision (3) of this subsection shall be available to other applicants as
33 long as the Main Street Solutions Fund is in effect.

34 (h) Repealed by Session Laws 2009-451, s. 14.10, effective July 1, 2009.

35 (i) After a project financed pursuant to this section has been completed, the local
36 government shall report the actual cost of the project to the Department of Commerce.

37 (j) Inspection of a project for which a grant has been awarded may be performed by
38 personnel of the Department of Commerce. No person may be approved to perform inspections
39 who is an officer or employee of the unit of local government to which the grant was made or
40 who is an owner, officer, employee, or agent of a contractor or subcontractor engaged in the
41 construction of any project for which the grant was made.

42 (k) The Department of Commerce may adopt, modify, and repeal rules establishing the
43 procedures to be followed in the administration of this section and regulations interpreting and
44 applying the provisions of this section, as provided in the Administrative Procedure Act.

45 (l) The Department of Commerce and local governments that have been selected to
46 receive a grant from the Main Street Solutions Fund shall prepare and file on or before
47 September 1 of each year with the Joint Legislative Commission on Governmental Operations
48 and the Fiscal Research Division a consolidated report for the preceding fiscal year concerning
49 the allocation of grants authorized by this section.

50 The portion of the annual report prepared by the Department of Commerce shall set forth
51 for the preceding fiscal year itemized and total allocations from the Main Street Solutions Fund

1 for grants. The Department of Commerce shall also prepare a summary report of all allocations
2 made from the fund for each fiscal year; the total funds received and allocations made and the
3 total unallocated funds in the Fund.

4 The portion of the report prepared by the local government shall include each of the
5 following:

6 (1) The total amount of public and private funds that was committed and the
7 amount that was invested in the designated micropolitan or designated
8 downtown area during the preceding fiscal year.

9
10 (3) The total amount of grants received from the Main Street Solutions Fund
11 during the preceding fiscal year.

12 (4) Repealed by Session Laws 2009-451, s. 14.10, effective July 1, 2009.

13 (5) A description of how the grant funds and funds from public and private
14 investors were used during the preceding fiscal year.

15 (6) Details regarding the types of private investment created or stimulated, the
16 dates of this activity, the amount of public money involved, and any other
17 pertinent information, including any jobs created, businesses started, and
18 number of jobs retained due to the approved activities.

19 (m) The Department of Commerce may annually use up to seventy-five thousand dollars
20 (\$75,000) of the funds in the Main Street Solutions Fund for expenses related to the
21 administration of the Fund."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H8(S14.8)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **AMEND JDIG REPORTING REQUIREMENTS**

2 SECTION 14.8. G.S. 143B-437.55 reads as rewritten:

3 "§ 143B-437.55. Applications; fees; reports; study.

4 ...
5 (c) Annual Reports. – The Committee shall publish a report on the Job Development
6 Investment Grant Program on or before April 30 of each year. The Committee shall submit the
7 report electronically to the House of Representatives Finance Committee, the Senate Finance
8 Committee, the House of Representatives Appropriations Subcommittee on Natural and
9 Economic Resources, the Senate Appropriations Committee on Natural and Economic
10 Resources, and the Fiscal Research Division. The report shall include the following:

11 ...
12 (d) Quarterly Reports. – The Committee shall publish a report on the Job Development
13 Investment Grant Program within two months of the end of each quarter. This report shall
14 include a listing of each grant awarded during the preceding quarter, including the name of the
15 business, the cost/benefit analysis conducted by the Committee during the application process,
16 a description of the project, and the amount of the grant expected to be made under the
17 agreement during the current fiscal year. The Committee shall submit the report to the Joint
18 Legislative Commission on Governmental Operations and the Fiscal Research Division.

19 (e) Study. – The Committee shall conduct a study to determine the minimum funding
20 level required to implement the Job Development Investment Grant Program successfully. The
21 Committee shall report the results of this study to the House of Representatives Finance
22 Committee, the Senate Finance Committee, the House of Representatives Appropriations
23 Subcommittee on Natural and Economic Resources, the Senate Appropriations Committee on
24 Natural and Economic Resources, and the Fiscal Research Division no later than ~~March~~ April
25 1 of each year."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H9(S14.9)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1. ***INDUSTRIAL DEVELOPMENT FUND/REPORTING REQUIREMENTS***

2. SECTION 14.9. G.S. 143B-437.01 reads as rewritten:

3. "§ 143B-437.01. Industrial Development Fund.

4. ...
5. (c) Reports. – The Department of Commerce shall report ~~annually to the General~~
6. ~~Assembly to the Joint Legislative Commission on Governmental Operations on September 1 of~~
7. each year concerning the applications made to the fund and the payments made from the fund
8. and the impact of the payments on job creation in the State. The Department of Commerce
9. shall also report quarterly to the Joint Legislative Commission on Governmental Operations
10. and the Fiscal Research Division on the use of the moneys in the fund, including information
11. regarding to whom payments were made, in what amounts, and for what purposes.

12. (c1) In addition to the reporting requirements of subsection (c) of this section, the
13. Department of Commerce shall report ~~annually to the General Assembly to the Joint Legislative~~
14. Commission on Governmental Operations on September 1 of each year concerning the
15. payments made from the Utility Account and the impact of the payments on job creation in the
16. State. The Department of Commerce shall also report quarterly to the Joint Legislative
17. Commission on Governmental Operations and the Fiscal Research Division on the use of the
18. moneys in the Utility Account including information regarding to whom payments were made,
19. in what amounts, and for what purposes.

20."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H10(S14.10)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **WINE AND GRAPE GROWERS COUNCIL/REPORTING REQUIREMENT**

2 SECTION 14.10. G.S. 143B-437.90 is amended by adding a new subdivision to
3 read:

4 "§ 143B-437.90. North Carolina Wine and Grape Growers Council – Creation; powers
5 and duties.

6 There is created the North Carolina Wine and Grape Growers Council of the Department of
7 Commerce. The North Carolina Wine and Grape Growers Council shall have the following
8 powers and duties:

9
10 (14) By September 1 of each year, to report to the House of Representatives
11 Appropriations Subcommittee on Natural and Economic Resources, the
12 Senate Appropriations Committee on Natural and Economic Resources, the
13 Joint Legislative Commission on Governmental Operations, and the Fiscal
14 Research Division on the activities of the Council, the status of the wine and
15 grape industry in North Carolina and the United States, progress on the
16 development and implementation of the State Viticulture Plan, and any
17 contracts or agreements entered into by the Council for research, education,
18 or marketing."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H13(S14.13)-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **EMPLOYMENT SECURITY COMMISSION FUNDS**

2 **SECTION 14.13.** Section 14.17 of S.L. 2009-451 reads as rewritten:

3 "SECTION 14.17.(a) Funds from the Employment Security Commission Reserve Fund
4 shall be available to the Employment Security Commission of North Carolina to use as
5 collateral to secure federal funds and to pay the administrative costs associated with the
6 collection of the Employment Security Commission Reserve Fund surcharge. The total
7 administrative costs paid with funds from the Reserve in the ~~2009-2010~~2010-2011 fiscal year
8 shall not exceed two million five hundred thousand dollars (\$2,500,000).

9 "SECTION 14.17.(b) There is appropriated from the Employment Security Commission
10 Reserve Fund to the Employment Security Commission of North Carolina the sum of twenty
11 million dollars (\$20,000,000) for the ~~2009-2010~~2010-2011 fiscal year to be used for the
12 following purposes:

- 13 (1) Nineteen million five hundred thousand dollars (\$19,500,000) for the
14 operation and support of local Employment Security Commission offices.
15 (2) Two hundred thousand dollars (\$200,000) ~~for the State Occupational~~
16 ~~Information Coordinating Committee to develop and operate an~~
17 ~~interagency to operate the system to track that tracks~~ former participants in
18 State education and training programs.
19 (3) Three hundred thousand dollars (\$300,000) to maintain compliance with
20 Chapter 96 of the General Statutes, which directs the Commission to employ
21 the Common Follow-Up Management Information System to evaluate the
22 effectiveness of the State's job training, education, and placement programs.

23 "SECTION 14.17.(c) There is appropriated from the Employment Security Commission
24 Reserve Fund to the Employment Security Commission of North Carolina an amount not to
25 exceed one million dollars (\$1,000,000) for the ~~2009-2010~~2010-2011 fiscal year to fund State
26 initiatives not currently funded through federal grants.

27 "SECTION 14.17.(d) There is appropriated from the Employment Security Commission
28 Reserve Fund to the Employment Security Commission of North Carolina an amount not to
29 exceed ~~one million five hundred thousand dollars (\$1,500,000)~~ one million two hundred
30 thousand dollars (\$1,200,000) for the ~~2009-2010~~2010-2011 fiscal year to fund a system
31 upgrade to the Common Follow-Up Management Information System.

32 "SECTION 14.17.(e) ~~The Employment Security Commission of North Carolina may use~~
33 ~~funds in the Employment Security Commission Reserve Fund to contract with nonprofit~~
34 ~~organizations to provide dislocated workers with assistance in obtaining health care benefits,~~
35 ~~receiving vocational training, and securing employment.~~

36 "SECTION 14.17.(f) There is appropriated from the Worker Training Trust Fund to the
37 Employment Security Commission of North Carolina the sum of one million dollars
38 (\$1,000,000) for the 2010-2011 fiscal year to fund the 'Tar Heel Works Program' which
39 provides work-based training opportunities to recipients of unemployment insurance benefits.

40 "SECTION 14.17.(g) Of the funds credited to and held in the State of North Carolina's
41 account in the Unemployment Trust Fund by the Secretary of the Treasury of the United States

1 pursuant to and in accordance with section 903 of the Social Security Act and pursuant to Title
2 II of P.L. 111-5, the Assistance for Unemployed Workers and Struggling Families Act, the
3 Employment Security Commission of North Carolina may expend the sum of two hundred five
4 million sixty-three thousand five hundred fifty-two dollars (\$205,063,552) as follows: (i) one
5 hundred fifty million dollars (\$150,000,000) shall be used to design and build the integrated
6 unemployment insurance benefit and tax accounting system; and (ii) the remaining funds shall
7 be used for the operation of the unemployment insurance program."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H28(S14.14)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **SET REGULATORY FEE FOR UTILITIES COMMISSION**

2 **SECTION 14.14.** Section 14.26 of S.L. 2009-451 reads as rewritten:

3 "SECTION 14.26.(a) The percentage rate to be used in calculating the public utility
4 regulatory fee under G.S. 62-302(b)(2) is twelve one-hundredths of one percent (0.12%) for
5 each public utility's North Carolina jurisdictional revenues earned during each quarter that
6 begins on or after ~~July 1, 2009~~ July 1, 2010.

7 **SECTION 14.26.(b)** The electric membership corporation regulatory fee imposed under
8 G.S. 62-302(b1) for the ~~2009-2010~~ 2010-2011 fiscal year is two hundred thousand dollars
9 (\$200,000).

10 **SECTION 14.26.(c)** This section becomes effective ~~July 1, 2009~~ July 1, 2010."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H15(S14.15)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **REGIONAL ECONOMIC DEVELOPMENT COMMISSIONS ALLOCATIONS**

2 **SECTION 14.15.(a)** Funds appropriated in this act to the Department of
3 Commerce for regional economic development commissions shall be allocated to the following
4 commissions in accordance with subsection (b) of this section: Western North Carolina
5 Regional Economic Development Commission, Research Triangle Regional Partnership,
6 Southeastern North Carolina Regional Economic Development Commission, Piedmont Triad
7 Partnership, Northeastern North Carolina Regional Economic Development Commission,
8 North Carolina's Eastern Region Economic Development Partnership, and Carolinas
9 Partnership, Inc.

10 **SECTION 14.15.(b)** Funds appropriated pursuant to subsection (a) of this section
11 shall be allocated to each regional economic development commission as follows:

- 12 (1) First, the Department shall establish each commission's allocation by
13 determining the sum of allocations to each county that is a member of that
14 commission. Each county's allocation shall be determined by dividing the
15 county's development factor by the sum of the development factors for
16 eligible counties and multiplying the resulting percentage by the amount of
17 the appropriation. As used in this subdivision, the term "development factor"
18 means a county's development factor as calculated under G.S. 143B-437.08;
19 and
- 20 (2) Next, the Department shall subtract from funds allocated to the North
21 Carolina's Eastern Region Economic Development Partnership the sum of
22 two hundred thirty thousand three hundred twenty-five dollars and
23 thirty-three cents (\$230,325.33) in the 2010-2011 fiscal year, which sum
24 represents: (i) the total interest earnings in the prior fiscal year on the
25 estimated balance of the seven million five hundred thousand dollars
26 (\$7,500,000) appropriated to the Global TransPark Development Zone in
27 Section 6 of Chapter 561 of the 1993 Session Laws; and (ii) the total interest
28 earnings in the prior fiscal year on loans made from the seven million five
29 hundred thousand dollars (\$7,500,000) appropriated to the Global TransPark
30 Development Zone in Section 6 of Chapter 561 of the 1993 Session Laws;
31 and
- 32 (3) Next, the Department shall redistribute the sum of two hundred thirty
33 thousand three hundred twenty-five dollars and thirty-three cents
34 (\$230,325.33) in the 2010-2011 fiscal year to the seven regional economic
35 development commissions named in subsection (a) of this section. Each
36 commission's share of this redistribution shall be determined according to
37 the development factor formula set out in subdivision (1) of this subsection.
38 This redistribution shall be in addition to each commission's allocation
39 determined under subdivision (1) of this subsection.

1 **SECTION 14.15.(c)** No more than one hundred twenty thousand dollars
2 (\$120,000) in State funds shall be used for the annual salary of any one employee of a regional
3 economic development commission.

4 **SECTION 14.15.(d)** The General Assembly finds that successful economic
5 development requires the collaboration of the State, regions of the State, counties, and
6 municipalities. Therefore, the regional economic development commissions are encouraged to
7 seek supplemental funding from their county and municipal partners to continue and enhance
8 their efforts to attract and retain business in the State.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H16(S14.16)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *E-NC AUTHORITY/REPORTING REQUIREMENT*

2 SECTION 14.16. G.S. 143B-437.47 reads as rewritten:

3 "§ 143B-437.47. (This part has a delayed repeal date. See notes.) Powers, duties, and goals
4 of the Authority.

5 ...
6 (e) Reports. – ~~The~~ By September 1 of each year, the Authority shall submit ~~quarterly~~
7 ~~reports~~ a report to the Governor, the Joint Legislative Oversight Committee on Information
8 Technology, and the Joint Legislative Commission on Governmental Operations. The ~~reports~~
9 report shall summarize the Authority's activities during the ~~quarter~~ prior State fiscal year and
10 contain any information about the Authority's activities that is requested by the Governor, the
11 Committee, or the Commission."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H17(S14.17)-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **DEFENSE AND SECURITY TECHNOLOGY ACCELERATOR/REPORTING**
2 **REQUIREMENT**

3 **SECTION 14.17.** By September 1, 2010, the Defense and Security Technology
4 Accelerator shall report to the Joint Legislative Commission on Governmental Operations and
5 the Fiscal Research Division on prior State fiscal year program activities, objectives, and
6 accomplishments and prior State fiscal year itemized expenditures and fund sources.

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H18(S14.18)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 *COUNCIL OF GOVERNMENT FUNDS*

2 SECTION 14.18. Section 14.21.(a) of S.L. 2009-451 reads as rewritten:

3 "SECTION 14.21.(a) Of the funds appropriated in this act to the Department of
4 Commerce, the sum of four hundred twenty-five thousand dollars (\$425,000) for the 2009-2010
5 fiscal year and the sum of ~~four hundred twenty-five thousand dollars (\$425,000)~~ four hundred
6 three thousand seven hundred fifty dollars (\$403,750) for the 2010-2011 fiscal year shall only
7 be used as provided by this section. Each regional council of government or lead regional
8 organization is allocated up to twenty-five thousand dollars (\$25,000) for the 2009-2010 and
9 the 2010-2011 fiscal years."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H19(S14.19)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

RURAL ECONOMIC DEVELOPMENT CENTER

SECTION 14.19. Section 14.27.(a) of S.L. 2009-451 reads as rewritten:

"SECTION 14.27.(a) Of the funds appropriated in this act to the North Carolina Rural Economic Development Center, Inc. (Rural Center), the sum of four million six hundred two thousand four hundred thirty-six dollars (\$4,602,436) for the 2009-2010 fiscal year and the sum of ~~four million five hundred twenty seven thousand four hundred thirty six dollars (\$4,527,436)~~ three million nine hundred eighty-one thousand eight hundred sixty-four dollars (\$3,981,864) for the 2010-2011 fiscal year shall be allocated as follows:

	2009-2010	2010-2011	
Center Administration, Technical Assistance, & Oversight	\$1,555,000	\$1,523,000	<u>\$1,446,850</u>
Research and Demonstration Grants	\$351,000	\$344,000	<u>\$326,800</u>
Institute for Rural Entrepreneurship	\$136,000	\$134,000	<u>\$127,300</u>
Community Development Grants	\$987,436	\$987,436	<u>\$938,064</u>
Microenterprise Loan Program	\$185,000	\$182,000	<u>\$172,900</u>
Water/Sewer/Business Development Matching Grants	\$840,000	\$821,000	<u>\$779,950</u>
Statewide Water/Sewer Database	\$ 95,000	\$93,000	<u>\$88,350</u>
Agricultural Advancement Consortium	\$110,000	\$107,000	<u>\$101,650</u>

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H20(S14.20)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **RURAL ECONOMIC DEVELOPMENT CENTER/INFRASTRUCTURE PROGRAM**

2 SECTION 14.20. Section 14.28 of S.L. 2009-451 reads as rewritten:

3 "SECTION 14.28.(a) Of the funds appropriated in this act to the North Carolina Rural
4 Economic Development Center, Inc. (Rural Center), the sum of nineteen million three hundred
5 five thousand dollars (\$19,305,000) for the 2009-2010 fiscal year and the sum of ~~nineteen~~
6 ~~million three hundred five thousand dollars (\$19,305,000)~~ eighteen million three hundred
7 thirty-nine thousand seven hundred fifty dollars (\$18,339,750) for the 2010-2011 fiscal year
8 shall be allocated as follows:

9 (1) To continue the North Carolina Infrastructure Program. The purpose of the
10 Program is to provide grants to local governments to construct critical water
11 and wastewater facilities and to provide other infrastructure needs, including
12 technology needs, to sites where these facilities will generate private
13 job-creating investment. At least ~~fifteen million dollars~~
14 ~~(\$15,000,000)~~ fourteen million two hundred fifty thousand dollars
15 (\$14,250,000) of the funds appropriated in this act for ~~each year of the~~
16 ~~biennium~~ the 2010-2011 fiscal year must be used to provide grants under
17 this Program.

18 (2) To provide matching grants to local governments in distressed areas and
19 equity investments in public-private ventures that will productively reuse
20 vacant buildings and properties, with priority given to towns or communities
21 with populations of less than 5,000.

22 (3) To provide economic development research and demonstration grants.

23 "SECTION 14.28.(b) The Rural Center may contract with other State agencies,
24 constituent institutions of The University of North Carolina, and colleges within the North
25 Carolina Community College System for certain aspects of the North Carolina Infrastructure
26 Program, including design of Program guidelines and evaluation of Program results.

27 "SECTION 14.28.(c) ~~During each year of the 2009-2011 biennium,~~ For the 2010-2011
28 fiscal year, the Rural Center may use up to ~~three hundred eighty five thousand dollars~~
29 ~~(\$385,000)~~ three hundred sixty-five thousand seven hundred fifty dollars (\$365,750) of the
30 funds appropriated in this act to cover its expenses in administering the North Carolina
31 Economic Infrastructure Program.

32 "SECTION 14.28.(d) Of the funds appropriated in subsection (a) of this section to the
33 Rural Center for the 2009-2010 fiscal year, the sum of one million five hundred forty-four
34 thousand four hundred dollars (\$1,544,400) shall be transferred to the Department of
35 Environment and Natural Resources to be used to provide the State match to draw down
36 maximum federal funds for the Clean Water State Revolving Loan Fund.

37 "SECTION 14.28.(e) By September 1 of each year, and more frequently as requested, the
38 Rural Center shall report to the Joint Legislative Commission on Governmental Operations and
39 the Fiscal Research Division concerning the progress of the North Carolina Economic
40 Infrastructure Program in the prior State fiscal year."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H21(S14.21)i

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 **OPPORTUNITIES INDUSTRIALIZATION CENTERS FUNDS**

2 **SECTION 14.21.** Section 14.30.(a) of S.L. 2009-451 reads as rewritten:

3 "SECTION 14.30.(a) Of the funds appropriated in this act to the North Carolina Rural
4 Economic Development Center, Inc. (Rural Center), the sum of three hundred forty-three
5 thousand dollars (\$343,000) for the 2009-2010 fiscal year and the sum of ~~three hundred~~
6 ~~thirty six thousand dollars (\$336,000)~~ three hundred nineteen thousand two hundred dollars
7 (\$319,200) for the 2010-2011 fiscal year shall be equally distributed among the certified
8 Opportunities Industrialization Centers (OI Centers)."

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2009

DRAFT
SPECIAL PROVISION



2010-COMM-H26-P

Department of Commerce/Economic Development
Appropriations Subcommittee on Natural and Economic Resources

Requested by: Representative

1 ***RURAL CENTER/REALLOCATION OF CLEAN WATER BOND FUNDS***

2 **SECTION #.** Notwithstanding the provisions of S.L. 1998-132, S.L. 2000-156, and
3 S.L. 2001-416, if the North Carolina Rural Economic Development Center, Inc. (Rural Center)
4 determines that there has been a change in any fiscal year in the relative needs for funds
5 between the supplemental, capacity, and unsewered communities categories of Clean Water
6 Bond funding, the Rural Center may reallocate funds between these categories. The Board of
7 Directors of the Rural Center must approve in advance any reallocation under this section. At
8 least 30 days before making a reallocation under this section, the Rural Center must consult
9 with the Joint Legislative Commission on Governmental Operations.

VISITOR REGISTRATION SHEET

NEA

5/27/10

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Jim	NEBA
Doug Lassiter	NCSTA
Julie Stainback	NCDR + CS
Joy Hides	NCDR + CS
J. H. Smith	J. H. Smith Assoc
Cathy Hardy	DEOR
Fran Miller	GSME
Rob Hamme	PIA

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Matthew Eiskey	Smith Anderson
Dennis Jernigan	NC/DPA
Carl Mackensen	Sierra Club
Bob Spurr	NCEA
George Everett	Duke Energy
Starr Burke	Biofuels Center of NC
Olly Lewis	Biotech Cn of NC
Angie Bailey	e-NC Authority
Stephanie Groat	ESC/NC
Helen McEmmi	NC Rural Center
Lenny M Lancaster	NCIEDI

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Lisa Martini	NC Home Builders
David Huskins	REG Councils
David Kryst	DENR
R. Rogers	CW in TP
Elizabeth Bice	DENR
Dianne Downey	NCUC - Public Staff
Anna-Marshall Grass	Capstrat
Meredith Henderson	Industrial Commission
James Andrews	NC State AFL-CIO
Mike Waters	NCRPA
Rep. MARK COLETT	CA
PO P. + AA	NCB

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Kimberle Rankin	Serra Club
Peter Gehred	CCNC
Elizabeth Robinson	NCEMCA
John Bowditch	AZ
David Brown	OSBM
Donna Cox	OSBM
David Watson	OSBM
Coleen H. Sullins	DEAR
Terry L. Pierce	DENR, DEH
Shanna Healy	Commerce
Elizabeth Hammond	Office of the Commissioner of Banks
Mac Ellis	Utilities Commission

VISITOR REGISTRATION SHEET

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

GORDON MYERS	NCWRC
SARAH CLAPP	NCWRC
TOMMY CLARK	NCWRC
Dan Conrad	NCCN
TOM COES	TNC
Art Britt	NC DOL
Jennifer Haigwood	↓
Sara Cook	
Jack Brinson	
Jay Stem	NCAA
Betsy Bailey	PENC



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 897

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S897-ALM-32 [v.1]

Page 1 of 1

Comm. Sub. [YES]
Amends Title [NO]
NER Subcommittee Report

Date _____, 2010

Representative E. Warren

- 1 moves to amend the House NER Proposed Subcommittee Report for S897 (Money Report)
- 2 (May 27, 2010) on page H-26 by deleting Item 78.
- 3
- 4

SIGNED Edith D. Warren
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED FAILED _____ TABLED _____





NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 897

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S897-ALD-45 [v.2]

Page 1 of 1

Comm. Sub. [YES]
Amends Title [NO]
Third Edition

Date _____, 2010

Representative Warren
Senator

- 1 moves to amend the House Appropriations Subcommittee on Natural and Economic Resources
- 2 Proposed Subcommittee Report for S897: Appropriations Act for 2010 (May 27, 2010), on
- 3 page H-9, Item 43, by reducing the \$200,000 in recurring funds appropriated for Dam Safety
- 4 Inspections for the 2010-2011 fiscal year by the sum of thirty-five thousand dollars (\$35,000);
- 5 and
- 6
- 7 on page H-4, Item 19, by reducing the reduction of \$50,000 in recurring funds for Online
- 8 Reporting of Lab Results for the 2010-2011 fiscal year by the sum of thirty-five thousand
- 9 dollars (\$35,000); and
- 10
- 11 on page H-4, Item 19, by deleting the last sentence and substituting the following to read: "This
- 12 \$15,000 reduction reduces the postage and printing budget for the Veterinary Services
- 13 Division."; and
- 14
- 15 by adjusting the appropriate totals accordingly.

SIGNED *Edith D. Warren*
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____



* S 8 9 7 - A L D - 4 5 - V - 2 *



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 897

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S897-ALM-33 [v.1]

Page 1 of 1

Comm. Sub. [YES]
Amends Title [NO]
NER Subcommittee Report

Date _____, 2010

Representative Bryant

1 moves to amend the House NER Proposed Special Provisions for S897 (May 27, 2010) after
2 page 48, by adding the following new special provision:

3 **"FAMILY FARM OPPORTUNITY AND INNOVATION FUND**

4 **SECTION #.** In the administration of the Family Farm Opportunity and Innovation
5 Fund, the North Carolina Rural Economic Development Center, Inc. shall contract with the
6 Land Loss Prevention Project to provide legal assistance and expertise relative to the
7 development of new markets and new products for family farms."
8
9

SIGNED


Amendment Sponsor

SIGNED _____

Committee Chair if Senate Committee Amendment

ADOPTED _____

FAILED _____

TABLED _____

Withdrawn



* S 8 9 7 - A L M - 3 3 - V - 1 *



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 897

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S897-ALD-48 [v.1]

Page 1 of 1

Comm. Sub. [YES]
Amends Title [NO]
Third Edition

Date _____, 2010

Representative Samuelson

- 1 moves to amend the House Appropriations Subcommittee on Natural and Economic Resources
- 2 Proposed Subcommittee Report for S897: Appropriations Act for 2010 (May 27, 2010), on
- 3 page H-8, Item 31, by deleting that Item; and
- 4
- 5 by adjusting the appropriate totals accordingly.

SIGNED

Amendment Sponsor

SIGNED _____

Committee Chair if Senate Committee Amendment

ADOPTED _____

FAILED _____



TABLED _____



* S 8 9 7 - A L D - 4 8 - V - 1 *



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 897

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S897-ALD-46 [v.2]

Page 1 of 2

Comm. Sub. [NO]
Amends Title [NO]
Third Edition

Date _____, 2010

Representative Wray

1 moves to amend the special provisions that accompany the House Appropriations
2 Subcommittee on Natural and Economic Resources Proposed Subcommittee Report for S897:
3 Appropriations Act for 2010 (May 27, 2010), by amending special provision 2010-NATRES-
4 H3-P, entitled "New Funding Sources for Wildlife Resources Commission Operating Budget"
5 by deleting subsection (a) and (b) of that special provision; and

6
7 by deleting the title for that special provision and substituting the title "WILDLIFE
8 RESOURCES COMMISSION FUNDING"; and

9
10 by deleting subsection (c) of that special provision and substituting the following to read:

11 " SECTION #.(c) Section 13.11 of S.L. 2009-451 reads as rewritten:

12 "SECTION 13.11. Notwithstanding G.S. 105-164.44B, during the 2009-2010 fiscal year
13 and the 2010-2011 fiscal year, the Secretary of Revenue shall transfer at the end of each quarter
14 from the State sales and use tax net collections received by the Department of Revenue under
15 Article 5 of Chapter 105 of the General Statutes to the State Treasurer for the Wildlife
16 Resources Fund one-fourth of the amount transferred the preceding fiscal year plus or minus
17 the percentage of that amount by which the total collection of State sales and use taxes
18 increased or decreased during the preceding fiscal year, not to exceed twenty-one million five
19 hundred thousand dollars (~~\$21,500,000~~)-(\$21,500,000) for the 2009-2010 fiscal year and not to
20 exceed eighteen million five hundred thousand dollars (\$18,500,000) for 2010-2011 fiscal
21 year."; and

22
23 By adjusting the appropriate totals accordingly.
24
25
26

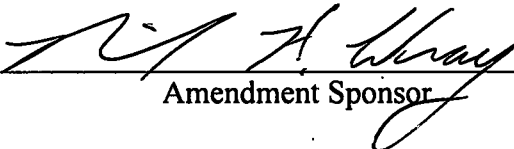


NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 897

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S897-ALD-46 [v.2]

Page 2 of 2

SIGNED 
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 897

AMENDMENT NO. _____
(to be filled in by
Principal Clerk)

S897-ALD-49 [v.1]

Page 1 of 1

Comm. Sub. [YES]
Amends Title [NO]
Third Edition

Date _____, 2010

Representative Harrison

- 1 moves to amend the House Appropriations Subcommittee on Natural and Economic Resources
- 2 Proposed Subcommittee Report for S897: Appropriations Act for 2010 (May 27, 2010), on
- 3 page H-3, Item 11, by deleting "NR" after the appropriation of \$2,000,000 for the Agricultural
- 4 Development and Farmland Preservation Trust Fund for the 2010-2011 fiscal year and
- 5 substituting "R"; and
- 6
- 7 by adjusting the appropriate totals accordingly.

SIGNED _____

Amendment Sponsor

SIGNED _____

Committee Chair if Senate Committee Amendment

ADOPTED _____

✓

FAILED _____

TABLED' _____



* S 8 9 7 - A L D - 4 9 - V - 1 *



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 897

AMENDMENT NO. _____
(to be filled in by _____
Principal Clerk)

S897-ALM-31 [v.5]

Page 1 of 1

Comm. Sub. [YES]
Amends Title [NO]
NER Subcommittee Report

Date _____, 2010

Representative Harrison

1
2
3
4
5
6
7
8
9
10
11
12
13

moves to amend the House NER Subcommittee Report (Proposed Special Provisions) on page 37, line 39, by adding the following at the end of subsection (f) after the word "benefits":
"In developing work based training opportunities, the Employment Security Commission shall consider all of the following:

- (1) The training is for the benefit of the trainees.
- (2) The trainees work under the close supervision of regular employees instead of displacing those employees.
- (3) The trainees are not entitled to a job at the conclusion of the training period.
- (4) The employer and trainees both understand that the trainees are not entitled to wages for the time spent in training."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED ✓ FAILED _____ TABLED _____



MINUTES

HOUSE APPROPRIATIONS SUBCOMMITTEE ON NATURAL & ECONOMIC RESOURCES

May 20, 2010
2:00 PM

The House Appropriations Subcommittee on Natural & Economic Resources met in Room 423 of the Legislative Office Building on May 20, 2010, at 2:00 p.m. Representative Warren called the meeting to order and introduced the Sergeants-at-Arms, James Worth and Frank Prevo.

The following Committee members were present: Co-Chairs: Representatives Harrison, Pierce, and Warren; Vice Chairs: Representatives Wilkins and Wray; Members: Representatives Bryant, Langdon, Sager, Samuelson and West. Staff Counsel Kristin Walker and Lanier McRee were also in attendance.

The following attachments are included and made part of the minutes: Meeting Announcement, *Attachment 1*; Agenda, *Attachment 2*; NER House Target & Comparisons, *Attachment 3*; list of Pages and Sergeants-at-Arms, *Attachment 4*; Visitor Registration list, *Attachment 5*.

After brief opening remarks, Representative Warren called on Kristin Walker, Staff Counsel, to review the House budget target, rules, and calendar. A copy of the handout used during this meeting, NER House Target & Comparisons, is attached and made part of the minutes as *Attachment 3*. Ms. Walker stated that the target for the House is \$398,188,718. She pointed out that this amount is \$14.8 million less than the certified budget, \$45 million less than the Governor's recommended budget, and \$53.8 million less than the Senate version.

Ms. Walker then noted several highlights of the Senate budget. There are reductions in the operating budgets as follows: 4.4% for Agriculture, 8.1% for Labor, 6.8% for DENR, 8.4% for Commerce, and 5% for all non-profits. The Senate eliminates over 20 programs and moves 128 positions off the General Fund. They provide \$60.4 million for job creation and small business assistance.

In the next part of her presentation, Ms. Walker reviewed the rules for the House to use in developing its version of the budget. These include no expansion except for economic development. The rules also address continuation reviews and items funded with non-recurring funds, cash balances that can be transferred to the General Fund, vacant positions, and use of federal receipts. There are to be no fee increases or adjustments. A complete list of the rules can be found in *Attachment 3*.

In closing this portion of the meeting, Ms. Walker reviewed key dates on the calendar for May and June. The schedule calls for adoption of the conference report by the end of the fiscal year on June 30, 2010.

The next item on the agenda was a review of the Senate budget. The first organization considered was the Department of Agriculture and Consumer Services. Lanier McRee, Staff Counsel, briefly discussed each item in the Money Report. Representative Harrison then asked to hear from the Department. The Chair recognized Commissioner Steve Troxler, who stated that

the Senate budget was better for Agriculture than the Governor's budget, but that he would like to see increased funding for several important programs, such as Farmland Preservation and international trade.

The budget for the Department of Labor was the next to be discussed. Kristin Walker began by reviewing the items contained in the Money Report. Representative Warren then called on Art Britt, Administration and Governmental Affairs Director for the Labor Department. Mr. Britt stated that the Department could work with a 5% reduction, but that the 8.1% Senate reduction would be very difficult to manage. One of his biggest concerns is the apprenticeship program, especially the fees.

The Committee then considered the budget for the Department of Environment and Natural Resources. After Kristin Walker and Lanier McRee reviewed the Money Report, the Chair recognized Elizabeth Biser, DENR Legislative Liaison, for feedback from the Department. Ms. Biser stated that their top three concerns are (1) funding for information technology, (2) the proposed consolidation of several divisions, and (3) funding for aviation. There were several questions from members and a brief period of discussion regarding these priorities.


The budget for the Commerce Department was then discussed. Kristin Walker began by reviewing the items in the Money Report. There were several questions related to aircraft being transferred to the Department of Transportation. Representative Warren recognized Rita Harris, Legislative Affairs Director for the Commerce Department, who noted that the aircraft are very important to recruitment of new businesses for the state. She further added that three concerns at Commerce are (1) Main Street Solutions, (2) funding to promote international trade, and (3) funding for outdoor drama that should be moved from the University budget.

As the next item of business, the committee considered the Special Provisions for each department. There was a brief discussion regarding the rates charged by the Utilities Commission. Representative Warren called on Dianna Downey of the Utilities Commission public staff. Ms. Downey commented that the Commission is now operating in the red and is asking that the rate be raised.

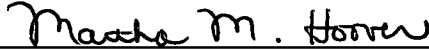
At this point in the meeting, Chair Warren stated that the overview was complete and asked the members to begin sending their written input to the three Chairs and staff.

There being no further business, the Chair adjourned the meeting at 3:50 p.m.

Respectfully submitted,



Representative Edith D. Warren
Co-Chair



Martha M. Hoover
Assistant to the Committee

ATTACHMENTS:

1. Meeting Announcement
2. Agenda
3. NER House Target & Comparisons
4. List of Pages and Sergeants-at-Arms
5. Visitor Registration Sheets

Martha Hoover (Rep. E. Warren)

From: Sue Osborne (Rep. Harrison)

Sent: Thursday, May 20, 2010 7:35 AM

To: Rep. Pricey Harrison

Subject: <NCGA> House Appropriations Subcommittee on Natural and Economic Resources Committee Meeting Notice for Thursday, May 20, 2010

**NORTH CAROLINA HOUSE OF REPRESENTATIVES
COMMITTEE MEETING NOTICE
AND
BILL SPONSOR NOTIFICATION
2009-2010 SESSION**

You are hereby notified that the Committee on **Appropriations Subcommittee on Natural and Economic Resources** will meet as follows:

DAY & DATE: Thursday, May 20, 2010

TIME 2:00 P.M.

LOCATION: 423 LOB

COMMENTS: PLEASE BRING COPIES OF SENATE BUDGET

Respectfully,
Representative Harrison, Chair
Representative Pierce, Chair
Representative E. Warren, Chair

I hereby certify this notice was filed by the committee assistant at the following offices at 7 o'clock on **May 20, 2009**.

X Principal Clerk
Reading Clerk – House Chamber

Sue Osborne (Committee Assistant)

House Appropriations Subcommittee on NER

Agenda

Thursday May 20th, 2010, 2:00 P.M.
Room 423, Legislative Office Building

Rep. Warren, Presiding

I. Welcome

Representative Warren

II. House Target, Rules, and Calendar

Fiscal Research Division

III. Review of the Senate Budget

Fiscal Research Division

IV. Committee Discussion

V. Adjourn

House Appropriations Subcommittee on NER

Rep. Harrison (Chair)
Rep. Warren (Chair)
Rep. Wilkins (Vice Chair)
Rep. Bryant
Rep. Sager
Rep. West

Rep. Pierce (Chair)
Rep. Justice (Vice Chair)
Rep. Wray (Vice Chair)
Rep. Langdon
Rep. Samuelson

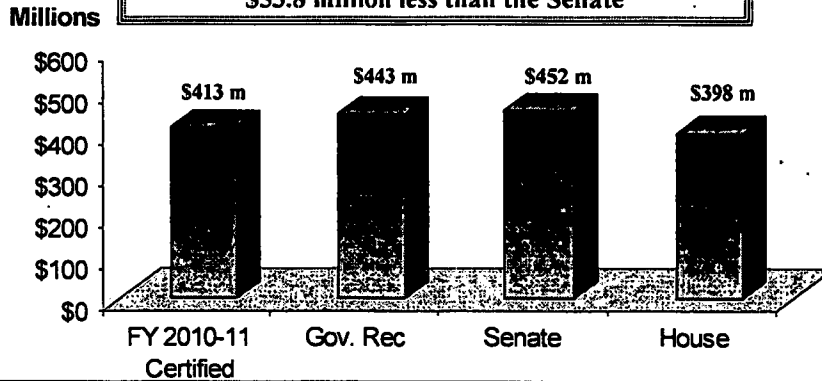
NER House Target & Comparisons

Target is \$398,188,718

\$14.8 million less than Certified budget

\$45 million less than Governor's Recommended

\$53.8 million less than the Senate



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

May 20, 2010

Senate Highlights

Target - \$392,348,192 (no expansion)

- Operating Budgets Reduced:

- Ag: 4.4%
- Labor: 8.1%
- DENR: 6.8%
- Commerce: 8.4%
- All Non-Profits: 5%

Final budget
\$452,017,032

- Eliminated over 20 programs
- 128 positions moved off of the General Fund
 - 22 vacant and 46 filled eliminated
 - 60 fundshifted
- \$60.4 million for job creation and small business assistance

FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

May 20, 2010

N.C. HOUSE APPROPRIATIONS SUBCOMMITTEES APPROACH TO DEVELOPING THE 2010-11 BUDGET

As you conduct subcommittee activities and deliberations, please develop subcommittee spending proposals as follows:

- 1. No Expansion Except for Economic Development**
- 2. Continuation Reviews and Items Funded Non-recurring in FY 2009-10**
Funding may be provided to continue programs under Continuation Review, if justified, or for other items funded with non-recurring funds in the FY 2009-10, only on a non-recurring basis within subcommittee spending targets.
- 3. Build on Governor and Senate Budget Reduction Proposals**
Focus on:
 - Individual programs, including non-essential, ineffective, obsolete, redundant or new programs and services.
 - Specific line items within programs. (See list at bottom of page.)
- 4. Use Governmental and Proprietary Fund Cash Balances**
Cash balances can be transferred to the General Fund; expenditures can be transferred to the other funds.
- 5. Consider FY 2009-10 Agency Spending Level**
Review current agency spending level to see if the Governor's holdbacks for State agencies can be made permanent.
- 6. Review Vacant Positions for Potential Reduction**
- 7. No Fee Increases or Adjustments**
The Full Chairs of House Appropriations may consider exceptions on a case-by-case basis.
- 8. Use Federal Receipts**
Budget any federal receipts such as American Recovery and Reinvestment Act (ARRA) and Temporary Assistance for Needy Families (TANF). To the extent possible and allowed by federal regulations, use the funds for supplanting and for non-recurring needs.
- 9. Finally, Consider Applicable Recommendations Found In Any of the Following:**
 - Reports issued by the General Assembly's Program Evaluation Division
 - Prior and current studies and Continuation Reviews, particularly those mandated in S.L. 2009-451.

Specific Line Items within Agencies To Consider

1. Direct appropriations and grants to nonprofit organizations
2. Salary Reserves
3. Contracted services, personal and miscellaneous
4. Rental/lease of equipment, including cellular phones
5. Travel and other employee expense
6. Furniture and equipment replacement schedules
7. Loan programs

Revised House Appropriations Schedule as of May 18 – 2010 Session

May

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
						1
2	3	4 <i>Primary Elections</i>	5	6 Review 5% Options in Subcommittee	7 Review 5% Options in Subcommittee	8
Senate Subcommittees Meet						
9	10	11	12 <i>Session Convenes</i>	13	14 Draft Reports in Subcommittee & Senate Full Chairs Meet to Finalize Decisions	15 Staff Prepares Bill
Senate Subcommittees Continue to Meet and Begin Reporting						
16 Staff Prepares Bill	17 AM: Senate Full Chairs Review Bill PM: Senate Subcommittees Review Bill/Vote	18 Senate Full Appropriations & 1 st Reading	19 House Issues Targets	20 Senate 3 rd Reading House Reviews Senate Budget	21 House Subcommittees Meetings	22
23	24 Subcommittee Meetings; Chairs begin Reviews w/Subcommittees 7:00 Public Hearing	25 Chairs begin Reviews w/ Subcommittees	26 Chairs complete Subcommittee Reviews	27 Subcommittees Vote	28 AM: House Full Chairs Meet to Finalize Decisions	29 Staff Prepares Bill
30	31 - Memorial Day					

2010

Revised House Appropriations Schedule as of May 18 – 2010 Session

June

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
		1 House Full Appropriations	2	3	4 House 3 rd Reading Conferees Appointed	5
6	7	8	9	10	11	12
Conferees Meet to Resolve Differences						
13	14	15	16	17	18	19
Conferees Meet to Resolve Differences						
20	21	22	23	24	25	26
Conferees Finalize Decisions						
27	28	29 <i>Adopt Conference Report</i>	30 End of Fiscal Year			

2010

Rm 423

HOUSE PAGES

NAME OF COMMITTEE NER DATE 5-20-10

1. Name: _____

County: _____

Sponsor: _____

2. Name: _____

County: _____

Sponsor: _____

3. Name: _____

County: _____

Sponsor: _____

4. Name: _____

County: _____

Sponsor: _____

5. Name: _____

County: _____

Sponsor: _____

SGT-AT-ARM

1. Name: JAMES WORTH

2. Name: FRANK PREVO

3. Name: _____

4. Name: _____

VISITOR REGISTRATION SHEET

NER

5/20/10

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

NAME	FIRM OR AGENCY AND ADDRESS
Diana Beasley	DENR - Forestry
Brigette Rosberry	NCACDC
Beatrice Campbell	Intern - NCACDC
Drew Ball	Sierra Club
Jenni Overton	Dept. of Agriculture
David Smith	Dept. of Agriculture
Commissioner Traxler	Dept. of Agriculture
Joy Hicks	NCDA's CS
Chley	Biology Dept of NC
S B P	nc B
Sara Cook	Dept. of Labor

VISITOR REGISTRATION SHEET

NER

Name of Committee

5-20-10

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Terry L. Pierce	Div Env. HHH, DENR
Wib L. Owen	DENR Forest Resources
Carl Mackerman	The Sierrita Club, NK
DAVID WATSON	OSBN
Elizabeth Hammond	office of the Commissioner of Banks
Shannon Hebbly	Commerce
ANTHONY ALLEN	NCAEC
GORDON MYERS	NCWRC
SARAH CLAPP	NCNRC
Peter Gehred	CCNC
Dan Conrad	CCNC
Dan Conrad	NCCN

VISITOR REGISTRATION SHEET

NER

5-20-10

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Art Britt	Dept. of Labor
Jennifer Haigwood	Dept. of Labor
Jack Brinson	Dept. of Labor
Mac Ellis	Utilities Commission
Dianna Downey	Public Staff - NEUC
Kathy Hawkins	Progress Energy of
Matthew Easley	Smith Anderson
Robin Smith	DENR
Diana Kees	DENR
Tom Cors	TNC
Rabhanwe	PLA
Jim Harbuck	ITW ant-ace

VISITOR REGISTRATION SHEET

NER

5-20-10

Name of Committee

Date

VISITORS: PLEASE SIGN IN BELOW AND RETURN TO COMMITTEE CLERK

NAME

FIRM OR AGENCY AND ADDRESS

Kellie Slappay	John Locke Foundation
Meredith Henderson	NC Industrial Commission
Heleen McLean	NC Rural Center
Hope Taylor	Clean Water for NC
Janie Hauser	DENR
Elizabeth Biser	DENR
Cathy Hany	DENR
Anna McManis	DENR
Barb Currell	DENR
Kay Sigmon	DENR
Imberlee Rankin	Surra Club

**MINUTES OF JOINT CONFEREES FROM THE
APPROPRIATIONS SUBCOMMITTEE ON
NATURAL AND ECONOMIC RESOURCES**

June 14, 2010

Representative Edith Warren called the meeting of appointed Joint Conferees of the Appropriations Subcommittee on Natural and Economic Resources to order at 4 p.m., June 14, 2010 in room 423 of the Legislative Office Building. The purpose of the meeting was to review differences between House and Senate Budgets in cutting an additional \$40 million from the respective documents. Conferees in attendance were Representatives Bryant, Harrison, Langdon, Warren, Wilkins, and Wray; Senators Queen, McKissick and Walters.

Kristen Walker and Lanier Cansler, staff for the Committee, reviewed the Rules and Targets. Each staffer presented to the Conferees line items where differences existed and the money amounts each Chamber had allotted and/or cut.

Chair Representative Warren reviewed some of the highlights of the presentation and opened the floor for questions and comments from Conferees.

Representative Wilkins questioned staff regarding several items which differed greatly between the two budgets.


Senator Queen asked questions regarding economic development and jobs for small businesses.

Representative Bryant questioned some of the fees cited in the document and expressed concerns for citizens in the counties she represents.

Chair Representative Warren adjourned the meeting at 4:50.

Respectfully submitted:


Representative Edith Warren, Chair


Sue O. Osborne, Clerk

Attachments:

Exhibit A – Joint Conference Committee Report – SB 897

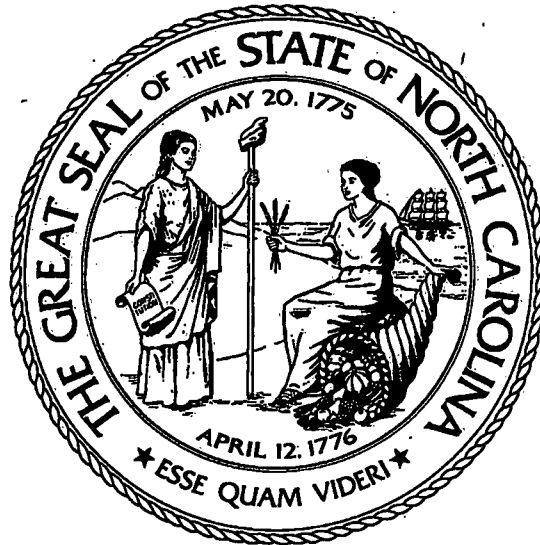
Exhibit B – NER Targets & Comparisons

Exhibit C – NER House-Senate Comparison

Exhibit D – Rules For Senate Bill 897 Subcommittee Conferees

**NORTH CAROLINA
GENERAL ASSEMBLY**

SB 897 JOINT CONFERENCE COMMITTEE



**COMPARISON REPORT ON THE
CONTINUATION, EXPANSION, AND CAPITAL BUDGETS
FOR NATURAL AND ECONOMIC RESOURCES**

JUNE 10, 2010

House/Senate Comparison Report

Agriculture and Consumer Services

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

Department-wide

1 Vacant Positions	(\$440,218)	(\$440,218)
	-9.00	-9.00

Eliminates 9.0 vacant positions across the Department. Eliminated positions include:

#60012677 Research Technician
#60011868 Technology Support Analyst
#60011886 Processing Assistant III
#60011902 Processing Assistant III
#60011965 Food Inspector
#65006175 Quality Assurance Manager
#60012160 Vet Lab Assistant I
#60012115 Livestock Compliance Officer
#60095971 Processing Assistant III

2 IT Budget Reductions	(\$84,036)	(\$84,036)
-------------------------------	-------------------	-------------------

Reduces the Department's non-salary IT budget by 3%. This reduction is based on the average difference between budgeted and actual expenditures for the past four fiscal years.

3 Travel Budget Reductions	(\$70,995)	(\$70,995)
-----------------------------------	-------------------	-------------------

Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

4 Equipment Budget Reductions		(\$223,520)
--------------------------------------	--	--------------------

Reduces the equipment budget in the Department by \$223,520. This represents approximately a 4.5% reduction to the Department's equipment budget.

5 Equipment Budget Reductions	(\$447,039)	
--------------------------------------	--------------------	--

Reduces the equipment budget in the Department by \$447,039. This represents approximately a 9.0% reduction to the Department's equipment budget.

Ag Statistics

6 Operating Expense Reduction	(\$55,000)	
--------------------------------------	-------------------	--

Reduces the operating budget within the Ag Statistics Division by approximately 16%.

Agriculture and Consumer Services

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

7	Operating Expense Reduction		(\$32,500)
---	------------------------------------	--	------------

Reduces the budget for supplies and equipment within the Ag Statistics Division.

Emergency Programs

8	Contracts Funds	(\$15,000)	(\$15,000)
---	------------------------	------------	------------

Reduces funds for contracts within the Emergency Programs Division by \$15,000, approximately 12% of total funds for miscellaneous contractual services.

Food and Drug Protection

9	NC Egg Law Program	(\$151,481) -3.00	(\$151,481) -3.00
---	---------------------------	----------------------	----------------------

Reduces the Egg Law Program by eliminating 3.0 positions and associated operating. One position will remain and will focus on investigations and consumer complaints. Other inspectors within the Food and Drug Protection Division will assume Egg Law inspection duties where possible. The eliminated positions include:

#60011637 Egg Law Inspector
#60011638 Egg Law Inspector
#60011639 Egg Law Inspector

10	Grade "A" Milk Program		\$710,687 7.00
----	-------------------------------	--	-------------------

Consolidates the Grade "A" Milk Program in the Division of Environmental Health in the Department of Environment and Natural Resources with the Dairy Program. The transfer includes 7.0 positions and \$710,687 in General Fund appropriations.

11	Over Realized Receipts		(\$250,000)
----	-------------------------------	--	-------------

Requires the Animal Feed & Pet Food Branch within the Food & Drug Protection Division to budget over realized receipts. The Branch has over realized receipts by at least \$250,000 each year since FY 2006-07.

Agriculture and Consumer Services

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

12	Spay/ Neuter Funds	(\$250,000)	
----	---------------------------	-------------	--

Requires the Animal Feed & Pet Food Branch within the Food & Drug Protection Division to budget over realized receipts contingent upon the enactment of any bill or provision that transfers the Spay/ Neuter program from the Department of Health and Human Services to the Department of Agriculture and Consumer Services. The Branch has over realized receipts by at least \$250,000 each year since FY 2006-07.

13	Spay/ Neuter Funds	\$250,000	
----	---------------------------	-----------	--

Directs the Division to use the over-realized receipts required to be budgeted in the Animal Feed and Pet Food Branch for the Spay/ Neuter program contingent upon the enactment of any bill or provision that transfers the Spay/ Neuter program from the Department of Health and Human Services to the Department of Agriculture and Consumer Services.

Food Distribution

14	Fuel Budget to Federal Receipts	(\$50,000)	(\$50,000)
----	--	------------	------------

Fund shifts a portion of the diesel fuel budget within the Food Distribution division to Federal receipts. Federal receipts fund approximately 45% of the Division's operations.

General Administration

15	Agricultural Development and Farmland Preservation Trust Fund	\$2,000,000	
----	--	-------------	--

Provides \$2 million for the Agricultural Development and Farmland Preservation Trust Fund.

16	FFA Foundation, Inc	(\$2,376)	(\$2,376)
----	----------------------------	-----------	-----------

Reduces the recurring pass-through appropriation for the FFA Foundation, Inc by 5%, leaving \$45,144 recurring.

Markets

17	Farmers Markets	(\$90,000)	
----	------------------------	------------	--

Reduces operating funds for the Farmers Markets operated by the Department.

Agriculture and Consumer Services

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

18 **International Trade** \$200,000 NR

Provides funds to support international trade initiatives.

19 **Got to Be NC** \$300,000 NR

Provides \$300,000 nonrecurring for Got to Be NC marketing. This program promotes North Carolina's farmers by helping to develop markets for North Carolina produce and products in grocery stores, restaurants, farmers markets, and other establishments.

Plant Industry

20 **Phytosanitary Fees** (\$20,000)

Increases phytosanitary fees within the Plant Industry Division. Subchapter 48A of North Carolina Administrative Code, Export Certification Inspection Fee, directly ties the Division's fee structure for phytosanitary inspections to the federal phytosanitary fee structure. This fee increase brings the Department's fee structure in line with USDA.

Public Affairs

21 **Operating Budget** (\$25,000)

Reduces General Fund support for the Public Affairs Division by approximately 6%.

22 **Ag Review Publication** (\$25,000)

Reduces funding for publication of the Ag Review by \$25,000 and directs the Department to publish the Ag Review fewer times annually. The Ag Review is currently published 11 times a year. This represents a 15% reduction to the portion of the Public Affairs budget that is spent to produce the Ag Review.

23 **Ag in the Classroom** (\$1,188) (\$1,188)

Reduces the recurring pass-through appropriation for Ag in the Classroom by 5%, leaving \$22,572 recurring.

Agriculture and Consumer Services

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

Structural Pest and Pesticides

24	Pesticide Section	(\$226,324) -5.00
	Reduces General Fund support for the Pesticide Section by requiring the Section to budget over realized receipts. This change requires that positions be transferred to receipt support.	
25	Pesticide Section to Receipt Support	(\$726,324) -15.00
	Eliminates General Fund support for the Pesticide Section by requiring the Section to budget over realized receipts and increasing fees. This change requires that 15.0 positions be transferred to receipt support.	
26	Structural Pest Section Fees	(\$100,000)
	Increases fees for certified applicator and license exams, structural licenses, structural certified applicator cards, and registered technician cards.	

Veterinary Services

27	Online Reporting of Lab Results	(\$15,000)
	Directs the Veterinary Services Division to increase the use of online reporting of vet lab results. The Division shall default to online reporting of vet results but will provide printed results upon request.	
28	Rose Hill Vet Lab	(\$431,798) -7.00
	Eliminates the Rose Hill Vet Lab. The Rose Hill Lab is the least active and oldest of the Division's five veterinary labs. Elimination of this lab will streamline laboratory processes and eliminate an underperforming facility. This will eliminate 7.0 positions, including: #60012203 Veterinarian #60012204 Veterinarian #60012205 Processing Assistant III #60012206 Processing Assistant III #60012208 Vet Lab Assistant I #60012209 Medical Lab Technologist I #60012214 Medical Lab Assistant II	

Agriculture and Consumer Services

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

29

Online Reporting of Lab Results

(\$25,000)

Directs the Veterinary Services Division to increase the use of online reporting of vet lab results. The Division shall default to online reporting of vet results but will provide printed results upon request. This \$25,000 reduction reduces the postage and printing budget for the Veterinary Services Division by approximately 25%.

Department Totals

\$326,343	(\$1,938,749)
-17.00	-27.00
\$500,000 NR	

Labor

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

Department-wide

30	Salary Reserve	(\$280,280)	(\$280,280)
----	-----------------------	-------------	-------------

Reduces salary reserve across the Department by \$280,280. Salary Reserve is the difference between the budgeted amount for a position and the actual salary paid.

31	Travel Budget Reductions	(\$32,778)	(\$32,778)
----	---------------------------------	------------	------------

Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

32	Operating Expense Reduction	(\$38,295)	(\$38,295)
----	------------------------------------	------------	------------

Reduces the operating budget across the Department by \$38,295.

33	Vacant Positions	(\$157,234)	-3.50
----	-------------------------	-------------	-------

Eliminates 3.5 vacant positions in the Department. Positions include:

- #60012895 Accounting Clerk IV
- #60013222 Processing Assistant IV
- #60013055 Admin Services Assistant
- #60012877 Physical Facilities Manager

Commissioner's Office

34	Administrative Position to Fee Support	(\$52,784)	(\$52,784)
		-1.00	-1.00

Fund shifts an administrative position within the Commissioner's Office to fees generated by the Elevator and Amusement Device and Boiler Inspection Bureaus.

Occupational Safety & Health

35	Operating Expenses to Federal Receipts	(\$341,184)	(\$341,184)
----	---	-------------	-------------

Replaces General Fund appropriations for the Occupational Safety & Health Division with federal receipts. In FY 2008-09, federal receipts accounted for approximately 35.5% of the budget for Occupational Safety & Health.

Labor

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

Standards and Inspections

30	Apprenticeship Program		(\$666,000)
			-7.00

Reduces General Fund appropriation for the Apprenticeship program by 50% and fund shifts 7.0 positions to receipts. If sufficient receipts are not received to support the positions, these positions shall be eliminated.

Department Totals

(\$902,555)	(\$1,411,321)
-4.50	-8.00

Environment & Natural Resources

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

(1.0) Department-wide

37	IT Budget Reductions	(\$523,047)	
	Reduces the Department's non-salary IT budget based on the average difference between budgeted and actual expenditures for the past four fiscal years.		
38	IT Budget Reductions		(\$1,046,094)
	Reduces the Department's non-salary IT budget by 7.3%. This reduction is based on the average difference between budgeted and actual expenditures for the past four fiscal years.		
39	Travel Budget Reductions	(\$120,432)	(\$120,432)
	Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.		
40	Division of Environmental Assistance and Outreach	(\$230,000)	-4.00
	Consolidates the Division of Pollution Prevention and Environmental Assistance, the Customer Service Center, and the Small Business Ombudsman into one Division, the Division of Environmental Assistance and Outreach. This consolidation eliminates 4.0 positions: #60035073 Environmental Program Supervisor II #60035069 Administrative Secretary II #60035079 Info & Comm Spec II #60035068 Accounting Tech		

Environment & Natural Resources

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

41 **Division of Environmental Assistance and Outreach** (\$600,000)
-8.00

Consolidates four divisions - the Office of Environmental Education, the Division of Pollution Prevention and Environmental Assistance, the Customer Service Center, and the Small Business Ombudsman - into one division, the Division of Environmental Assistance and Outreach. This consolidation eliminates 8.0 positions, operating expenses associated with these positions, and operating funds for the adult and elementary education programs formerly within the Office of Environmental Education. Eliminated positions include:

- #60035069 - Administrative Secretary II
- #60035079 - Information and Communication Specialist II
- #60035068 - Accounting Technician
- #60035979 - Artist Illustrator II
- #60035073 - Environmental Program Supervisor II
- #60035066 - Environmental Program Manager I
- #60036088 - Educational Development Consultant
- #60036091 - Educational Development Consultant

42 **Special Fund Closures**

Directs the Department to transfer the operating budgets, positions, and remaining cash balances from the Bladen Lakes special fund (24300-2221) to the Division of Forest Resources (14300-1210) and the Lab Certification Fees fund (24300-2335) into the Division of Water Quality (14300-1695).

House only

(2.0) Administration

43 **Office of Conservation and Community Affairs** (\$157,411)
-2.00

Eliminates the Office of Conservation and Community Affairs by eliminating 1.0 Program Development Coordinators (position #60036193) and 1.0 Educational Development Consultant (position #60036213). The remaining positions, 2.0 Program Development Coordinator (positions #60036191 and #60036192), and operating funds shall be transferred to the Natural Resources Planning and Conservation Division.

(3.0) Coastal Management

44 **Position to Receipt Support** (\$48,788) (\$48,788)
-0.50 -0.50

Fund shifts 0.5 of a district manager position to express permit receipts.

Environment & Natural Resources

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

(3.0) Environmental Assistance and Outreach

45 **Sustainable Communities Task Force**

Contingent on the enactment of HB 1701, the Department shall transfer the vacant District Planner position (#60031547) in the Division of Coastal Management to the Sustainable Communities Task Force. This position shall be filled in a timely manner in order to provide support for the operations and activities of the Task Force.

House only

46 **Positions to Receipts**

(\$250,000)
-3.37

Fund shifts 3.37 positions to the Solid Waste Management Trust Fund.

47 **Sustainable Communities Task Force**

Provides funding for the Sustainable Communities Task Force to make North Carolina competitive to leverage federal Sustainable Communities Program funds. Housing and Urban Development has \$150,000,000 available in grant funding for this program this fiscal year. These funds will be used to provide grants to regional sustainable development partnerships.

\$500,000 NR

48 **Operating Expenses**

(\$250,000)

Fund shifts operating expenses to the Solid Waste Management Trust Fund.

(3.0) Environmental Health

49 **Administrative Positions**

(\$173,395)
-2.00

Eliminates the Deputy Director position (#60034382) for a savings of \$116,616 and an Information and Communication Specialist III position (#60034417) for a savings of \$56,779. These positions are no longer needed as a result of the transfer to the Division of Public Health.

Environment & Natural Resources

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

50	Shellfish Sanitation		(\$124,635) -2.00
	Eliminates 1.0 vacant shellfish sanitation position (#60034496) for a savings of \$77,713; this position has been vacant since February 10, 2010. In addition, fund shifts 1/2 of 2.0 shellfish sanitation positions (#60034517 and #60034516) to receipt support for a savings of \$43,990. Reduces operating budget for scientific supplies by \$2,932. In order to streamline shellfish oversight, this program will be transferred to the Division of Marine Fisheries.		
51	Bedding Program	(\$17,008)	
	Fund shifts a portion of rent for the Division to receipts collected from bedding inspections.		
52	Childhood Lead Poisoning Prevention Program		(\$141,730) -1.00
	Consolidates the Childhood Lead Poisoning Prevention program with the Adult Blood Lead Surveillance section in the Division of Public Health in DHHS. This reduction eliminates 1.0 vacant position (\$71,562, #60034294) and funding for reimbursements to counties (\$70,168).		
	Childhood Lead Poisoning Prevention Program	(\$141,730) -1.00	
	This reduction eliminates 1.0 vacant position (\$71,562, #60034294) and funding for reimbursements to counties (\$70,168).		
54	Food and Lodging Program		(\$200,000)
	Reduces aid to counties for food and lodging programs by 33%. Each county's share will be reduced from \$6,000 to \$4,000. This Program will be transferred to the Division of Public Health within the Department of Health and Human Services.		
55	Food and Lodging Program	(\$200,000)	
	Reduces aid to counties for food and lodging programs by 33%. Each county's share will be reduced from \$6,000 to \$4,000.		
56	Public Health Pest Management		(\$158,096)
	Reduces grants-in-aid for mosquito pest management by 50% (\$143,096) and tick programs by 33% (\$15,000). Public Health Pest Management will be consolidated with the Epidemiology Communicable Disease Section in the Division of Public Health in DHHS.		

Environment & Natural Resources

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

57	WaDE Program		(\$131,088) -2.00
	Eliminates the appropriation for the WaDE program and its 2.0 associated positions (#60034370 and #60034306). The program was established to identify and eliminate discharges from straight pipes and failing septic systems in 23 western counties. In recent years, much of the responsibility for this program has shifted to local health departments.		
58	Shellfish Sanitation	(\$124,635) -2.00	
	Eliminates 1.0 vacant shellfish sanitation position (#60034496) for a savings of \$77,713; this position has been vacant since February 10, 2010. In addition, fund shifts 1/2 of 2.0 shellfish sanitation positions (#60034517 and #60034516) to receipt support for a savings of \$43,990. Reduces operating budget for scientific supplies by \$2,932.		
59	Water Supply Section	(\$55,540) -1.00	
	Eliminates 1.0 vacant Business Officer position (#60034259) in the Water Supply Section. This position has been vacant since July 10, 2009.		
60	Bedding Program		(\$17,008)
	Fund shifts a portion of rent for the Division to receipts collected from bedding inspections. This program will be transferred to the Division of Public Health within the Department of Health and Human Services.		
61	Grade "A" Milk Program		(\$710,687) -7.00
	Consolidates the Grade "A" Milk Program in the Division of Environmental Health with the Dairy Program in the Department of Agriculture and Consumer Services. This transfer includes 7.0 positions and \$710,687 in General Fund appropriations.		
62	Water Supply Section		(\$55,540) -1.00
	Eliminates 1.0 vacant Business Officer position (#60034259) in the Water Supply Section. This position has been vacant since July 10, 2009. The Water Supply section will be transferred to the Division of Water Resources.		

Environment & Natural Resources

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

(20) Land Resources

63	Position to Receipt Support	(\$44,431) -1.08	
	Fund shifts 1.083 Environmental Technician positions to receipts.		
64	Sediment and Erosion Control	(\$101,357)	(\$101,357)
	Eliminates aid to local governments for the establishment of sediment and erosion control programs.		
65	Workshops and Educational Materials	(\$66,700)	
	Reduces funding for workshops and educational outreach materials related to erosion and sedimentation control. After this reduction, \$100,000 will remain for these purposes.		
66	State Boundary Program Contractors	(\$24,708)	
	Eliminates funds used to hire contractors to perform state boundary surveys in support of the State Boundary Commission.		
67	Natural Gas and Petroleum Potential	\$138,165 1.00	
	Provides funding for 1.0 new position and associated operating expenses to work on the characterization of natural gas and petroleum potential in the Mesozoic Deep River basin in North Carolina.		
68	Dam Safety Fee		
	Provides for a one-time assessment on utilities to pay for 1.0 two-year time-limited Environmental Engineer position to manage and conduct dam safety inspections. This position will be wholly receipt supported by this assessment. The \$1,100 per dam equivalent fee is expected to generate approximately \$170,120.		
69	Dam Safety Inspections	\$165,000 1.00	
	Provides funding for an Environmental Engineer position to manage and conduct dam safety inspections, including those at coal ash ponds.		

Senate
only

Environment & Natural Resources

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

(3.0) Waste Management

70 **Hazardous Waste Fees** (\$80,000)

Increases the hazardous waste generator fee from \$125 to \$170 per year for those who generate between 100 kilograms and 1,000 kilograms of waste per month.

71 **Operating Budget & Positions to Receipts** (\$165,405)
-2.10

Fund shifts operating expenses and 2.1 positions to Mercury Pollution Prevention Fund receipts.

72 **Positions & Operating to Receipts** (\$165,405)
-2.10

Fund shifts 1.1 positions and associated operating costs to EPA grant funding and 1.0 position and associated operating costs to hazardous waste receipts.

(3.0) Water Quality

73 **Positions to Federal Support** (\$442,875) (\$442,875)
-8.00 -8.00

Shifts 8.0 General Fund Water Quality positions to federal grant support.

74 **Well Drillers Program** (\$379,181)
-7.00

Eliminates the Well Drillers program. Ending this program eliminates 7.0 filled positions:

60035208 Hydrogeological Drilling Supervisor
60035209 Hydrogeological Drilling Technician II
60035210 Hydrogeological Drilling Technician II
60035211 Hydrogeological Drilling Technician II
60035212 Hydrogeological Drilling Technician I
60035213 Hydrogeological Drilling Technician I
60035214 Hydrogeological Drilling Technician I

75 **Neuse River Rapid Response Team** (\$113,498)
-2.00

Eliminates funding for one filled and one vacant position associated with the Neuse River Rapid Response Team. The eliminated positions are

#60035508 Environmental Senior Technician
#60035507 Environmental Supervisor

Environment & Natural Resources

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

76 **Water Quality Monitoring on Ferry Vessels**

\$250,000 NR

Provides funds for the FerryMon Program, which evaluates water quality in the Pamlico Sound and its tributary rivers using equipment attached to ferry vessels.

(3.0) Water Resources

77 **River Basin Commissions**

(\$35,000)

(\$35,000)

Reduces funding for the river basin commissions. \$5,000 will remain to support the work of these commissions.

78 **Vacant Position and Operating Budget**

(\$252,134)

(\$252,134)

-1.00

-1.00

Eliminates 1.0 vacant Environmental Supervisor III position (\$104,750) and reduces the Division's operating budget for streamflow gages (\$73,692) and well drilling and repair (\$73,692).

(4.0) Aquariums

Operating Budget

(\$2,500,000)

Reduces General Fund appropriation by \$2.5 million. This reduction returns the Aquariums to approximately the same appropriation received in FY 2006-07.

80 **Staffing for Aquarium Special Activities and Events**

(\$714,297)

-3.00

Eliminates the General Fund appropriation that supports special activities and events (\$410,000). Funds for special events and activities will be replaced by increased rental fees at the three Aquariums. 3.0 positions will be fund shifted to these increased receipts. General Fund appropriations used for daily operations is reduced by \$304,297, or approximately 3%.

(4.0) Forest Resources

81 **Aircraft Operations**

(\$875,000)

-12.00

(\$2,250,000) NR

Reduces personnel and operating expenses for aircraft operations by \$875,000. This reduction is consistent with the recommendations in the Program Evaluation Division's Study of State Aircraft. This reduction eliminates 8.0 pilot positions and 4.0 mechanic positions. The sale of the 18 eliminated aircraft is expect to result in \$2.25 million in one-time funds.

Environment & Natural Resources

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

82	Aircraft Operations	(\$219,000) -3.00 (\$1,000,000) NR	
	Reduces personnel and operating expenses for aircraft operations. This reduction eliminates 2.0 pilot positions and 1.0 mechanic position. The sale of 10 eliminated aircraft is expected to result in over \$1 million in one time revenue.		
83	Aircraft Hangars	(\$13,060)	
	Directs the Division to consolidate the location of aircraft and terminate the leases of two unnecessary hangars.		
84	Aircraft Hangars		(\$26,060)
	Directs the Division to consolidate the location of aircraft and terminate the leases of five unnecessary hangars. This reduction is consistent with the recommendations of the Program Evaluation Division's Study of State Aircraft.		
85	Liability Insurance	(\$14,900)	(\$14,900)
	Reduces funding for liability insurance in the Division of Forest Resources by 4.6%, leaving over \$280,000 for this purpose.		
86	Principal Payments for Equipment	(\$1,000,000)	
	Reduces funding for principal payments for new equipment. On average over the last four fiscal years, over one million dollars in funds have not been expended from this line item.		
87	Principal Payments for Equipment		(\$1,260,686)
	Reduces funding for principal payments for new equipment. On average over the last four fiscal years, over a million dollars in funds have not been expended from this line item.		
88	Turnbull Creek Educational State Forests		(\$110,073) -2.00
	Closes the Turnbull Creek Educational State Forest in Bladen County and eliminates two associated ranger positions.		
89	Rendezvous Educational State Forests	(\$156,568) -2.00	
	Closes the Rendezvous Educational State Forest in Wilkes County and eliminates two associated ranger positions.		

Environment & Natural Resources

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

90	Young Offenders Forest Conservation Program (BRIDGE)		\$1,043,840 10.00
Restores funding for the BRIDGE program, which was subject to Continuation Review in FY 2009-10.			

91	Young Offenders Forest Conservation Program (BRIDGE)	\$991,648 10.00	
Restores 95% of the funding for the BRIDGE program, which was subject to Continuation Review in FY 2009-10.			

(4.0) Marine Fisheries

92	Helicopter Operations		(\$25,218) (\$190,000) NR
Eliminates the Division's 3 helicopters and associated operating expenses in accordance with recommendations from the Program Evaluation Division's Study of State aircraft. The aircraft will be sold, generating one time revenue of \$190,000.			

93	Helicopter Operations	(\$25,218) (\$35,000) NR	
Eliminates the Division's 3 helicopters and associated operating expenses in accordance with the recommendations from the Program Evaluation Division's Study of State Aircraft. The aircraft will be sold, generating one time revenue of \$35,000.			

94	Communication Equipment	(\$32,322)	(\$32,322)
Reduces funding for communication equipment in the Division of Marine Fisheries by approximately 29.5%, or \$32,322.			

95	Positions to Receipt Support	(\$132,836) -3.00	(\$132,836) -3.00
Fund shifts 3.0 positions to receipt support (#60032528 - Public Information Asst IV, #60032665 - Info & Communication Spec I, and #60032536 - Info & Communication Spec).			

96	Fisheries Resource Grant Program	(\$300,000) (\$300,000) NR	
Adjusts funding for the Fisheries Resource Grant Program run through Sea Grant. \$300,000 of the \$600,000 recurring appropriation for this program will be used to establish the At-Sea Observer program to monitor gill net fisheries and record sea turtle and other endangered and threatened species interactions. The remaining \$300,000 that is annually appropriated to this program is eliminated for one year.			

Environment & Natural Resources

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

97	At-Sea Observer Program	\$300,000 3.00	
<p>Uses the \$300,000 from the Fisheries Resource grant program to establish the At-Sea Observer program. This program is necessary to meet federal requirements to monitor gill net fisheries and record sea turtle and other endangered and threatened species interactions.</p>			
98	Oyster Sanctuary Program	(\$700,000) NR	
<p>Reduces funding for the Oyster Sanctuary program by \$700,000 for one year.</p>			

(4.0) Museum of Natural Sciences

99	Academic Services	(\$67,851)	
<p>Reduces funding for Academic Services within the Public Programs and Exhibits Sections of the Museum of Natural Sciences. The academic services line item is used to purchase services from independent contractors and/or external organizations for contracted professional and consultative personal services.</p>			
100	Public Programs		(\$34,807)
<p>Reduces funding for Academic Services within the Public Programs budget of the Museum of Natural Sciences.</p>			
101	Operating Budget	(\$280,688)	
<p>Reduces various operating expenses within the Museum of Natural Sciences by approximately 14%.</p>			
102	Operating Expenses		(\$138,688)
<p>Reduces various operating expenses within the Museum of Natural Science by approximately 7%.</p>			
103	Temporary Wages	(\$45,000)	(\$45,000)
<p>Reduces funds for temporary wages within the Museum of Natural Sciences by approximately 10%, leaving approximately \$450,000 for this purpose.</p>			

Environment & Natural Resources

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

(4.0) Natural Resource Planning and Conservation

104	Conservation Information and Incentives Program	(\$312,213)	-5.48
-----	--	-------------	-------

Replaces General Fund support for the Conservation Information and Incentives program with receipts from the Natural Heritage Trust Fund. This change shifts 5.48 positions to receipts.

(4.0) Natural Resources Planning and Conservation

105	Conservation Information and Incentives Program	(\$312,213)	-5.50
-----	--	-------------	-------

Replaces General Fund support for the Conservation Information and Incentives program with receipts from the Natural Heritage Trust Fund. This change shifts 5.5 positions to receipts.

106	Position to Receipts	(\$10,686)	-0.15
-----	-----------------------------	------------	-------

Fund shifts a portion of an appropriated position (0.15) to receipts from the Natural Heritage Trust Fund.

() Parks and Recreation

107	Adopt-a-Trail Program	(\$108,000)	
-----	------------------------------	-------------	--

Eliminates State funding for the Adopt-a-Trail program. This leaves federal funds to support the program.

(4.0) Soil and Water Conservation

108	Agriculture Cost Share Financial Assistance Program	(\$212,153)	
-----	--	-------------	--

Reduces funding for the financial assistance portion of the Agriculture Cost Share Program by 5%, leaving approximately \$4 million in matching funds for implementing agricultural best management practices.

109	Conservation Reserve Enhancement Program	(\$289,640)	(\$289,640)
-----	---	-------------	-------------

Reduces funding for the Conservation Reserve Enhancement Program (CREP) by 50%, leaving \$289,640 for this program.

Environment & Natural Resources

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

110 Community Conservation Assistance Program (\$6,903) (\$6,903)

Reduces funding for the Community Conservation Assistance Program (CCAP) by approximately 5%, leaving \$131,155 for this program.

(4.0) Zoological Park

111 Vehicle Replacement Funds

Reduces funding for the replacement of vehicles and trams for one year.

(\$500,000) NR (\$500,000) NR

112 Tort Claims (\$40,000) (\$40,000)

Reduces funds available for tort claims by 80%, leaving \$10,000 for this purpose.

(5.0) Reserves and Transfers

113 Grassroots Science Museums (\$170,586)

Reduces the recurring pass-through appropriation for the Grassroots Science Museums by 5%, leaving \$3,241,127 in funding.

114 Partnership for the Sounds (\$25,345) (\$25,345)

Reduces the recurring pass-through appropriation for the Partnership for the Sounds by 5%, leaving \$481,560 in funding.

115 Clean Water State Revolving Fund \$6,398,128 NR \$6,398,128 NR

Provides funding to meet the 20% State match requirement for drawing down the maximum available federal funds for the Clean Water (Wastewater Treatment Plant) State Revolving Fund. In addition to the amount appropriated, \$935,271 in interest earned on the Clean Water State Revolving Fund will be used to reach the full match amount of \$7,333,399.

116 Drinking Water State Revolving Fund \$6,201,872 NR \$6,201,872 NR

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

Department Totals

(\$6,824,019) (\$8,932,429)
-24.53 -59.25
\$10,315,000 NR \$10,160,000 NR

DENR-Clean Water Management Trust Fund

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

n Water Management Trust Fund

117 No Change

Receives appropriation per S.L. 2009-451:

Department Totals

--

Department-wide

118	Vacant Positions		(\$479,221)
			-8.00

Eliminates 8.0 vacant positions in the Department, including 3.0 positions from the State Energy Office, 1.0 position from the Wine and Grape Grower's Council, 1.0 administrative position in the Secretary's Office, 1.0 vacant position in Policy, Research, and Planning, and 2.0 vacant administrative positions in Business & Industry.

The positions are:

- 60014891 Energy Conservation Representative II
- 60014888 Energy Conservation Representative Supervisor
- 60014882 Energy Conservation Representative II
- 60077154 Administrative Assistant
- 60080971 Administrative Assistant
- 60080963 Program Assistant IV
- 65005907 Marketing Specialist
- 60081030 Economist

119	Vacant Positions		(\$220,649)
			-4.00

Eliminates 4.0 vacant positions in the Department: 1.0 position in Policy, Research, and Planning; 2.0 positions in Business and Industry; and 1.0 position in the Secretary's Office. The positions are:

- #60077154 Administrative Assistant
- #60080971 Administrative Assistant
- #60080963 Program Assistant IV
- #60081030 Economist

120	IT Budget Reduction		(\$755,242)		(\$755,242)
------------	----------------------------	--	-------------	--	-------------

Reduces the Department of Commerce's non-salary IT budget by 7.9%. This reduction is based on the average difference between budgeted and actual expenditures for the past four fiscal years.

121	Travel Budget Reductions		(\$36,284)		(\$36,284)
------------	---------------------------------	--	------------	--	------------

Reduces the budget for payments to the Motor Fleet Management (MFM) Division by 7.5%. This decrease reflects the recent rate reduction implemented by MFM.

Commerce

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

Administration

122	Operating Budget Reduction	(\$20,000)
	Reduces the operating budget for administration by \$20,000	

Business and Industry

123	Business Recruitment and Product Marketing	\$1,000,000	NR	\$875,000	NR
	Provides funding to attract businesses to locate operations in North Carolina and to increase the sale of North Carolina exports, including agricultural commodities.				

124	Operating Budget Reduction	(\$30,000)
	Reduces the operating budget for the Division of Business and Industry Development by \$30,000.	

Commerce Finance

125	One NC Fund	\$9,000,000	NR	\$15,000,000	NR
	Provides additional funding for the One NC Fund to enhance the competitive position of North Carolina when recruiting national and international business and industry projects. Three percent of these funds shall be used for small business expansion.				

126	Jobs Maintenance and Capital Development Fund (JMAC)	\$5,500,000	NR
	Appropriates funding for JMAC.		

127	One NC Small Business Fund	\$1,500,000	NR	\$1,500,000	NR
	Funds the One NC Small Business Fund program, which provides matching grants to businesses that qualify for federal SBIR/STTR incentives funds.				

128	Job Maintenance and Capital Development (JMAC) Fund	\$5,500,000	NR
	Appropriates \$5.5 million for JMAC.		

Items 126 :128 are the same amount of \$5.5M NR but have minor wording differences.

Commerce

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

129 **Energy Research Grants**

\$1,500,000 NR

Appropriates \$1.5 million to Commerce for matching funds for US Department of Energy grants to support energy research and green jobs. \$500,000 of these funds shall be provided to the Research Triangle Institute to provide matching funds to leverage a \$15 million federal grant for energy and green jobs.

130 **In-Source NC Network**

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

Provides funding to develop university-based buyer-supplier networks within emerging and established industry clusters inside the State. These buyer-supplier networks would be modeled on an existing network developed and operated through the NCSU College of Textiles.

131 **Lab-to-Market Funds/Commercialization**

\$12,000,000 NR

Provides funding for lab-to-market initiatives aimed at improving commercialization of products. \$300,000 of this funding shall be used to support the NC ACTION Opportunity Council, which helps smaller universities move forward promising technologies and ideas and get those ideas out into commercial use, creating more jobs sooner.

Community Assistance

132 **Main Street Solutions**

1.00
\$2,000,000 NR

Provides funding for the Main Street Solutions Program and the creation of one two-year time limited position to administer the program. This program provides grants to active Main Street Communities and designated micropolitans with populations between 10,000 and 50,000 people. Grants are to be used to support downtown economic development, historic preservation initiatives, and other public and private improvement projects that will support small businesses and job creation.

Commerce

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

Executive Aircraft

133	Aircraft to DOT	(\$800,000) -6.00	(\$800,000) -6.00
-----	-----------------	----------------------	----------------------

Eliminates the Executive Aircraft Division within the Department of Commerce, including 1:0 pilot position, 1.0 mechanic position, and \$300,000 in associated position and operating expenses. 3.0 pilots, 1.0 mechanic, \$500,000, and Commerce's two aircraft and their associated receipts will be transferred to the Aviation Division within the Department of Transportation (DOT). Commerce will retain \$127,315 for expenses related to using DOT's aircraft. This reduction reflects recommendations from the Program Evaluation Division's Study of State Aircraft.

Industrial Commission

134	Over Realized Receipts	(\$429,863)	(\$429,863)
-----	------------------------	-------------	-------------

Requires the Industrial Commission to budget over realized receipts.

International Trade

International Trade

\$200,000 NR

Provides funds to help create additional export opportunities for NC companies in Asian and South American markets and to increase North Carolina investment interest from Asian and South American companies.

Marketing

136	Marketing Travel	(\$17,350)	
-----	------------------	------------	--

Reduces funding for marketing-related travel by \$17,350.

Policy, Research, and Strategic Planning

137	Operating Budget Reduction	(\$20,000)	
-----	----------------------------	------------	--

Reduces the operating budget for the Policy, Research, and Strategic Planning Division by \$20,000

Commerce

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

Science and Technology

138	Energy Research Grants	\$1,000,000	NR	
	Appropriates \$1 million to Commerce for matching funds for US Department of Energy grants to support energy research and green jobs.			
139	Operating Budget Reduction			(\$18,000)
	Reduces the Board of Science and Technology's budget by approximately 5%.			
140	Operating Budget Reduction	(\$25,000)		
	Reduces the operating budget for the Board of Science and Technology by approximately 7%.			

State Energy Office

141	Utility Training Sessions	(\$127,657)		
	Reduces funding for training sessions offered by the Utility Savings Initiative Program in the State Energy Office. These sessions are offered to representatives of State agencies on various energy efficiency topics. Approximately 35 fewer sessions will be held as a result of this reduction.			

Tourism, Film, and Sports Development

142	Brochure Fees			(\$500,000) -10.00
	Directs the Division to implement fees for brochure space in Welcome Centers across the State and take a corresponding General Fund reduction. This reduction fund shifts 10.0 positions to receipt support from the new fees.			
143	Tourism Marketing Funds	\$1,000,000	NR	\$875,000 NR
	Provides funding for marketing North Carolina as a tourist destination.			
144	Tourism Matching Grants			(\$129,976)
	Eliminates 100% of funds for small matching grants for local tourism projects.			

Commerce

House
FY 10-11

Senate
FY 10-11

(Items in Controversy are Shaded)

145	Postage and Printing	(\$75,000)	
	Reduces funding for postage and printing in the Division.		

Wanchese Seafood Industrial Park

146	Operating Budget Reduction		(\$10,000)
	Reduces the Wanchese Seafood Industrial Park's operating budget by approximately 5%.		

147	Oregon Inlet Project	(\$248,327)	(\$248,327)
	Eliminates 100% of funding for the Oregon Inlet Project. Funding is no longer being used for this purpose.		

148	Operating Budget to Receipt Support	(\$185,312)	-1.00
	Eliminates 100% of the General Fund appropriation to the Wanchese Seafood Industrial Park and transfers 1.0 position to receipt support.		

& Grape Growers Council

149	Operating Budget Reduction	(\$108,357)	
	Reduces the Wine & Grape Growers Council operating budget by approximately 13%.		

Wine and Grape Growers Council

150	Operating Budget Reduction		(\$40,500)
	Reduces the Wine and Grape Growers Council's operating budget by 5%.		

Department Totals

(\$3,099,041)	(\$3,447,413)
-10.00	-24.00
\$21,350,000 NR	\$37,400,000 NR

Commerce - State Aid**(Items in Controversy are Shaded)****House**
FY 10-11**Senate**
FY 10-11

151 Land Loss Prevention	(\$37,235)	(\$37,235)
Reduces the recurring pass-through appropriation for Land Loss Prevention by 5%, leaving \$707,465 recurring.		
152 Institute of Minority Economic Development	(\$132,495)	(\$132,495)
Reduces the recurring pass-through appropriation for the Institute of Minority Economic Development by 5%, leaving \$2,517,405 recurring.		
153 Association of Community Development Corporations (CDCs)	(\$51,615)	(\$51,615)
Reduces the recurring pass-through appropriation for the Association of CDCs by 5%, leaving \$980,685 recurring.		
154 Minority Support Center	(\$164,670)	(\$164,670)
Reduces the recurring pass-through appropriation for the Minority Support Center by 5%, leaving \$3,128,730 recurring.		
155 Community Development Initiative	(\$246,460)	(\$246,460)
Reduces the recurring pass-through appropriation for the Community Development Initiative by 5%, leaving \$4,682,740 recurring.		
156 e-NC Authority	(\$23,265)	(\$23,265)
Reduces the recurring pass-through appropriation for the e-NC Authority by 5%, leaving \$442,035 recurring.		
157 Councils of Government (COGs)	(\$21,250)	(\$21,250)
Reduces the recurring pass-through appropriation for the COGs by 5%, leaving \$403,750 recurring.		
158 High Point Furniture Market	(\$42,446)	(\$42,446)
Reduces the recurring pass-through appropriation for the High Point Furniture Market by 5%, leaving \$806,479 recurring.		

Commerce - State Aid

House
FY 10-11

Senate
FY 10-11

(Items in Controversy are Shaded)

159	Defense and Security Technology Accelerator			
	Reduces the non-recurring pass-through appropriation for the Defense and Security Technology Accelerator by 5%, leaving \$950,000 non-recurring.		(\$50,000)	NR
160	Minority Support Center			
	Provides \$750,000 for funds for small business loans for those that have limited access to credit.		\$750,000	NR
161	Regional Economic Development Commissions	\$5,000,000		
	Provides funding to support the seven Regional Economic Development Commissions.		\$5,000,000	NR
162	Biofuels Center	\$5,000,000		
	Provides \$5 million recurring for the Biofuels Center.			
163	Research Triangle Institute			
	Provides \$500,000 in nonrecurring matching funds for a US Department of Energy grant for energy research and green jobs.	\$500,000		NR
164	Indian Economic Development Initiative			
	Provides nonrecurring funding for the Indian Economic Development Initiative.	\$100,000		NR
165	Minority Support Center			
	Provides \$750,000 for funds for small business loans for those that have limited access to credit.		\$750,000	NR
Department Totals		\$9,280,564		
		\$1,350,000	NR	\$5,700,000 NR

Items #160 and #165 are identical but appear in different orders in the House and Senate budgets and thus appear to be in controversy here.

N.C. Biotechnology Center
(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

166	Operating Funds	\$4,274,905	
	Provides additional funding for the Biotechnology Center.		
167	Operating Reductions		(\$725,095)
	Reduces the recurring pass-through appropriation for the N.C. Biotechnology Center by 5%, leaving \$13,776,805 recurring.		
	<u>Department Totals</u>	\$4,274,905	(\$725,095)

Rural Economic Development Center

(Items in Controversy are Shaded)

House
FY 10-11

Senate
FY 10-11

168 Operating Reductions

(\$1,191,622)

(\$1,191,622)

Reduces the recurring pass-through appropriation for the Rural Center by 5%, leaving \$22,640,814 recurring.

169 Home Grown Jobs

\$3,125,000 NR

\$3,125,000 NR

Provides additional funding for the Rural Center's Building Reuse and Restoration Program to strengthen the capacity of rural communities to compete for and attract new and expanding businesses. Funding for small-scale regional community development projects is also included.

170 Small Business Assistance Fund

\$1,000,000 NR

\$1,000,000 NR

Provides funding to the Rural Center to continue the Small Business Assistance Fund.

171 Family Farm Opportunity and Innovation Fund

\$1,000,000 NR

Provides funding for the Rural Center to provide assistance to farmers via grants up to \$20,000 in three areas:

1. Improving energy efficiency on the farm
2. Developing new markets
3. Developing new products

Department Totals

(\$1,191,622)

(\$1,191,622)

\$5,125,000 NR

\$4,125,000 NR

Special Funds appear only in the House budget.

House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

House Appropriations Subcommittee on Natural and Economic Resources

DENR - Special

Budget Code: 24300

	FY 2010-11
Beginning Unreserved Fund Balance	\$20,914,606
Total Budget Approved 2009 Session	
Requirements	\$63,100,266
Receipts	\$48,337,247
Positions	368.99

Legislative Changes

Requirements:

2119 - Mercury Pollution Prevention Fund	\$0	R
Transfers \$2.25 million from the cash balance of the Mercury Pollution Prevention Fund to the General Fund for general availability.	\$2,250,000	NR
	0.00	
2221 - Bladen Lakes Receipts	(\$851,966)	R
Closes the Bladen Lakes special fund and directs the Department to budget these requirements and the 10 positions in this fund in the Division of Forest Resources General Fund budget (14300-1210).	\$0	NR
	0.00	
2221 - Bladen Lakes Cash Balance	\$0	R
Transfers \$500,000 of the June 30th, 2010 cash balance in the Bladen Lakes fund to the General Fund for general availability. This fund will be closed and budgeted in the Division of Forest Resources General Fund budget code(14300-1210). Any remaining cash balance will be diverted to the Division of Forest Resources.	\$500,000	NR
	0.00	
2335 - Lab Certification Fees	(\$847,515)	R
Transfers the Lab Certification fee operating budget from a special fund code to General Fund code 1695.	\$0	NR
	0.00	
2335 - Lab Certification Fees	\$0	R
Transfers the cash balance from the Lab Certification Fees fund to the appropriate General Fund code for the Division of Water Quality.	\$459,830	NR
	0.00	

Environment and Natural Resources

33H

House only

House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

2356 - Express Permitting	\$0	R
Transfers \$600,000 from the cash balance of the Express Permitting Fund to the General Fund for general availability.	\$600,000	NR
This Fund received \$500,000 in General Fund appropriation in FY 2003-04 and \$100,000 in FY 2004-05.	0.00	
2865 - Aquariums Fund Cash Balance	\$0	R
Transfers \$2 million of the June 30th, 2010 cash balance in the Aquariums fund to the General Fund for general availability.	\$2,000,000	NR
	0.00	
Subtotal Legislative Changes	(\$1,699,481)	R
	\$5,809,830	NR
	0.00	

Receipts:

2221 - Bladen Lakes Receipts	(\$744,483)	R
Closes the Bladen Lakes special fund and directs the Department to budget these receipts in the Division of Forest Resources General Fund budget (14300-1210).	\$0	NR
2335 - Lab Certification Fees	(\$773,983)	R
Transfers the Lab Certification fee operating budget from a special fund code to General Fund code 1695.	\$0	NR
Subtotal Legislative Changes	(\$1,518,466)	R
	\$0	NR

Revised Total Requirements	\$67,210,615
Revised Total Receipts	\$46,818,781
Change in Fund Balance	(\$20,391,834)
Total Positions	368.99

Unappropriated Balance Remaining **\$522,772**

House only

House Appropriations Subcommittee on Natural and Economic Resources

Solid Waste Management Trust Fund

Budget Code: 64303

	FY 2010-11
Beginning Unreserved Fund Balance	\$6,798,949
Total Budget Approved 2009 Session	
Requirements	\$7,383,604
Receipts	\$7,361,604
Positions	9.31

Legislative Changes

Requirements:

6770 - Scrap Tire Disposal Account	\$0 R
	\$0 NR
	0.00
6780 - White Goods	\$0 R
	\$0 NR
	0.00
Subtotal Legislative Changes	\$0 R
	\$0 NR
	0.00

Receipts:

6770 - Scrap Tire Disposal	\$0 R
Diverts \$2.5 million from the Scrap Tire Disposal Account to the General Fund for FY 2010-11.	(\$2,500,000) NR
6780 - White Goods	\$0 R
Diverts \$1,200,000 from the White Goods Fund to the General Fund for FY 2010-11.	(\$1,200,000) NR
Subtotal Legislative Changes	\$0 R
	(\$3,700,000) NR

House only

House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

Revised Total Requirements	\$7,383,604
Revised Total Receipts	\$3,661,604
Change in Fund Balance	(\$3,722,000)
Total Positions	9.31

Unappropriated Balance Remaining	\$3,076,949
---	--------------------

House only

House Appropriations Subcommittee on Natural and Economic Resources

WRC - Special Non-Interest Bearing

Budget Code: 24353

	FY 2010-11
Beginning Unreserved Fund Balance	\$0
Total Budget Approved 2009 Session	
Requirements	\$21,500,000
Receipts	\$21,500,000
Positions	0.00

Legislative Changes

Requirements:

Sales Tax Transfer	\$0 R
Reduces the sales tax transfer from \$21.5 million to \$18.5 million.	(\$3,000,000) NR
	0.00
Subtotal Legislative Changes	\$0 R
	(\$3,000,000) NR
	0.00

Receipts:

Sales Tax Transfer	\$0 R
Reduces the sales tax transfer from \$21.5 million to \$18.5 million.	(\$3,000,000) NR
Subtotal Legislative Changes	\$0 R
	(\$3,000,000) NR

House only

House Appropriations Subcommittee on Natural and Economic Resources

FY 2010-11

Revised Total Requirements	\$18,500,000
Revised Total Receipts	\$18,500,000
Change in Fund Balance	\$0
Total Positions	0.00

Unappropriated Balance Remaining	\$0
---	------------

1 **Senate Only**

2 **FEE INCREASES FOR PESTICIDE DEALERS, PESTICIDE APPLICATORS, AND PEST**
3 **CONTROL CONSULTANTS**

4 **SECTION 11.1.(a)** G.S. 143-440 reads as rewritten:

5 **"§ 143-440. Restricted use pesticides regulated.**

6 (a) The Board may, by regulation after a public hearing, adopt and from time to time revise
7 a list of restricted use pesticides for the State or for designated areas within the State. The Board
8 may designate any pesticide or device as a "restricted use pesticide" upon the grounds that, in the
9 judgment of the Board (either because of its persistence, its toxicity, or otherwise) it is so hazardous
10 or injurious to persons, pollinating insects, animals, crops, wildlife, lands, or the environment, other
11 than the pests it is intended to prevent, destroy, control, or mitigate that additional restriction on its
12 sale, purpose, use or possession are required.

13 (b) The Board may include in any such restricted use regulation the time and conditions of
14 sale, distribution, or use of such restricted use pesticides, may prohibit the use of any restricted use
15 pesticide for designated purposes or at designated times; may require the purchaser or user to certify
16 that restricted use pesticides will be used only as labeled or as further restricted by regulation; may
17 require the certification and recertification of private applicators and, charge a fee of up to ten
18 dollars (\$10.00), with the fee set at a level to make the certification/recertification program
19 self-supporting, and, after opportunity for a hearing, may suspend, revoke or modify the
20 certification for violation of any provision of this Article, or any rule or regulation adopted
21 thereunder; and may, if it deems it necessary to carry out the provisions of this Part, require that any
22 or all restricted use pesticides shall be purchased, possessed, or used only under permit of the Board
23 and under its direct supervision in certain areas and/or under certain conditions or in certain
24 quantities or concentrations except that any person licensed to sell such pesticides may purchase
25 and possess such pesticides without a permit. The Board may require all persons issued such
26 permits to maintain records as to the use of the restricted use pesticides. The Board may authorize
27 the use of restricted use pesticides by persons licensed under the North Carolina Structural Pest
28 Control Act without a permit. A nonrefundable fee of ten dollars (\$10.00) shall be charged for each
29 examination required by this section. This examination fee is in addition to the certification or
30 recertification fee, and any other fee authorized pursuant to any other provision of Article 4C of
31 Chapter 106 of the General Statutes.

32 (c) A fee of fifty dollars (\$50.00) shall be charged for examination of individuals seeking to
33 be designated as Worker Protection Designated Trainers, in accordance with provisions of the
34 Federal Worker Protection Standard set forth in 40 C.F.R. Part 170, and subsequent amendments to
35 those regulations."

36 **SECTION 11.1.(b)** G.S. 143-448(b) reads as rewritten:

37 **"§ 143-448. Licensing of pesticide dealers; fees.**

38 ...
39 (b) Applications for a pesticide dealer license shall be in the form and shall contain the
40 information prescribed by the Board. Each application shall be accompanied by a non-refundable
41 fee of ~~fifty dollars (\$50.00)~~ seventy-five dollars (\$75.00). All licenses issued under this Part shall
42 expire on December 31 of the year for which they are issued.

43"

44 **SECTION 11.1.(c)** G.S. 143-449(b) reads as rewritten:

45 **"§ 143-449. Qualifications for pesticide dealer license; examinations.**

46 ...
47 (b) Each applicant shall satisfy the Board as to his responsibility in carrying on the business
48 of a pesticide dealer. Each applicant for an original license must demonstrate upon written, or
49 written and oral, examination to be prescribed by the Board his knowledge of pesticides, their
50 usefulness and their hazards; his competence as a pesticide dealer; and his knowledge of the laws

1 and regulations governing the use and sale of pesticides. A nonrefundable fee of fifty dollars
2 (\$50.00) shall be charged for each examination required by this section. This examination fee is in
3 addition to any fee authorized pursuant to any other provision of Article 4C of Chapter 106 of the
4 General Statutes.

5"

6 **SECTION 11.1.(d) G.S. 143-452(b) reads as rewritten:**
7 **"§ 143-452. Licensing of pesticide applicators; fees.**

8 ...
9 (b) Applications for pesticide applicator license shall be in the form and shall contain the
10 information prescribed by the Board. Each application shall be accompanied by a non-refundable
11 fee of ~~fifty dollars (\$50.00)~~ seventy-five dollars (\$75.00) for each pesticide applicator's license. In
12 addition, an annual inspection fee of twenty-five dollars (\$25.00) shall be submitted for each
13 aircraft to be licensed. Should any aircraft fail to pass inspection, making it necessary for a second
14 inspection to be made, the Board shall require an additional twenty-five-dollar (\$25.00) inspection
15 fee. In addition to the required inspection, unannounced inspections may be made without charge to
16 determine if equipment is properly calibrated and maintained in conformance with the laws and
17 regulations. All aircraft licensed to apply pesticides shall be identified by a license plate or decal
18 furnished by the Board at no cost to the licensee, which plate or decal shall be affixed on the aircraft
19 in a location and manner prescribed by the Board. No applicator inspection or license fee, original
20 or renewal, shall be charged to State agencies or local governments or their employees. Inspections
21 of ground pesticide application equipment may be made. Any such equipment determined to be
22 faulty or unsafe shall not be used for the purpose of applying a pesticide(s) until such time as proper
23 repairs and/or alterations are made."

24 **SECTION 11.1.(e) G.S. 143-453 reads as rewritten:**
25 **"§ 143-453. Qualifications for pesticide applicator's license; examinations.**

26 (a) An applicant for a license must present satisfactory evidence to the Board concerning his
27 qualifications for a pesticide applicator license. The contractor and each pilot involved in aerial
28 application of pesticides shall be licensed.

29 Those qualifications, in the case of a pilot, shall include at least 125 hours and one year's flying
30 experience as a pilot in the field of aerial pesticide application. A pilot lacking 125 hours and one
31 year's experience as a pilot in the field of aerial pesticide application shall be licensed as an
32 apprentice aerial pesticide applicator pilot. All aerial applications of pesticides by a licensed
33 apprentice shall be conducted under the direct supervision of a licensed pesticide applicator pilot.
34 The supervising pilot, while directly supervising an apprentice, shall operate out of the same airstrip
35 as the apprentice and shall be available periodically throughout each day to provide advice and
36 assistance to the apprentice. A nonrefundable fee of fifty dollars (\$50.00) shall be charged for the
37 examination required by this subsection. Such examination fee shall be charged in addition to the
38 fees authorized pursuant to subsection (b) of this section or any other provision of Article 4C of
39 Chapter 106 of the General Statutes.

40 (b) Each applicant shall satisfy the Board as to his knowledge of the laws and regulations
41 governing the use and application of pesticides in the classifications he has applied for (manually or
42 with various equipment that he may have applied for a license to operate), and as to his
43 responsibility in carrying on the business of a pesticide applicator. Each applicant for an original
44 license must demonstrate upon written, or written and oral, examination to be prescribed by the
45 Board his knowledge of pesticides, their usefulness and their hazards; his competence as a pesticide
46 applicator; and his knowledge of the laws and regulations governing the use and application of
47 pesticides in the classification for which he has applied. A nonrefundable fee of fifty dollars
48 (\$50.00) shall be charged for the core examination, and an additional twenty dollars (\$20.00) shall
49 be charged for each additional specific classification licensure. Such examination fees shall be
50 charged in addition to the fees authorized pursuant to subsection (a) of this section or any other
51 provision of Article 4C of Chapter 106 of the General Statutes.

1"

2 **SECTION 11.1.(f)** G.S. 143-455 reads as rewritten:

3 **"§ 143-455. Pest control consultant license.**

4 (a) No person shall perform services as a pest control consultant without first procuring
5 from the Board a license. Applications for a consultant license shall be in the form and shall contain
6 the information prescribed by the Board. The application for a license shall be accompanied by a
7 non-refundable annual fee of ~~fifty dollars (\$50.00)~~ seventy-five dollars (\$75.00).

8 (b) An applicant for a consultant license must present satisfactory evidence to the Board
9 concerning his qualifications for such license. The Board may classify consultant licenses into one
10 or more classifications or subclassifications based upon types of consulting services performed or to
11 be performed. Such classifications and subclassifications may reflect the crops involved in the
12 consulting service, the discipline or training of consultant, the discretion or lack of discretion
13 involved in the consulting service, and the site or location of the service. Each classification and
14 subclassification may be subject to separate testing procedures and requirements, and may be
15 subject to its own minimum standards of training in specialized subject matter from a recognized
16 college or university, or equivalent specialized consulting experience or training. A nonrefundable
17 fee of fifty dollars (\$50.00) shall be charged for the consultant examination, and an additional
18 twenty dollars (\$20.00) shall be charged for each additional specific classification licensure
19 permitted by this subsection. Such examination fee shall be charged in addition to the fees
20 authorized pursuant to subsection (a) of this section or any other provision of Article 4C of Chapter
21 106 of the General Statutes. Qualifications for licensing may be less stringent if the licensee is
22 restricted to making recommendations contained in publications recognized by the Board as
23 appropriate for a specific consulting classification or subclassification.

24"

1 **Senate Only**

2 **STRUCTURAL PEST CONTROL ACT FEE INCREASES**

3 **SECTION 11.2.(a)** G.S. 106-65.27 reads as rewritten:

4 **"§ 106-65.27. Examinations of applicants; fee; license not transferable.**

5 (a) Certified Applicator. – All applicants for a certified applicator's identification card shall
6 demonstrate practical knowledge of the principles and practices of pest control and safe use of
7 pesticides. Competency shall be determined on the basis of written examinations to be provided and
8 administered by the Committee and, as appropriate, performance testing. Testing shall be based
9 upon examples of problems and situations appropriate to the particular phase or subphase of
10 structural pest control for which application is made and shall include, where relevant, the following
11 areas of competency:

- 12 (1) Label and labeling comprehension.
- 13 (2) Safety factors associated with pesticides – toxicity, precautions, first aid, proper
14 handling, etc.
- 15 (3) Influence of and on the environment.
- 16 (4) Pests – identification, biology, and habits.
- 17 (5) Pesticides – types, formulations, compatibility, hazards, etc.
- 18 (6) Equipment – types and uses.
- 19 (7) Application techniques.
- 20 (8) Laws and regulations.

21 An applicant for a certified applicator's identification card shall submit an examination fee of
22 ~~ten dollars (\$10.00)~~ twenty-five dollars (\$25.00) for each phase or subphase of structural pest control
23 in which the applicant chooses to be examined. An examination for more than one phase or
24 subphase may be taken at the same time at any regularly scheduled examination. Frequency of such
25 examinations shall be at the discretion of the Committee, provided that a minimum of two
26 examinations be given annually. The examination will cover each phase or subphase of structural
27 pest control for which application is being made.

28 (b) License. – Each applicant for an original license must demonstrate upon written
29 examination, to be provided and administered by the Committee, his competency as a structural pest
30 control operator for the phase or subphase in which he is applying for a license. Frequency of such
31 examinations shall be at the discretion of the Committee, provided that a minimum of two
32 examinations shall be given annually. The examination will cover each phase or subphase of
33 structural pest control for which application is being made. All applicants for a license shall register
34 with the Division on a prescribed form. A license examination fee of ~~twenty-five dollars~~
35 ~~(\$25.00)~~ fifty dollars (\$50.00) shall be charged for each phase or subphase of structural pest control
36 in which the applicant chooses to be examined. An examination for more than one phase or
37 subphase of structural pest control may be taken at the same time.

38"

39 **SECTION 11.2.(b)** G.S. 106-65.31 reads as rewritten:

40 **"§ 106-65.31. Annual certified applicator card and license fee; registration of servicemen,
41 salesmen, solicitors, and estimators; identification cards.**

42 (a) Certified Applicator's Identification Card. – The fee for issuance or renewal of a certified
43 applicator's identification card shall be ~~thirty dollars (\$30.00)~~ fifty dollars (\$50.00). Within 75 days
44 after the employment of a certified applicator, the licensee shall apply to the Division for the
45 issuance of a certified applicator's identification card. A certified applicator's identification card
46 shall expire on June 30 of each year and shall be renewed annually. All certified applicators who
47 fail or neglect to renew their card on or before June 30 but make application before January 1 of the
3 following year may have their card renewed without having to be reexamined unless the applicant is
4 scheduled for periodic reexamination under regulations adopted pursuant to G.S. 106-65.27(d)(3).

1 All applicants submitting applications for the renewal of their cards after June 30 shall not use or
2 supervise the use of restricted use pesticides until a new card has been issued.

3 Any certified applicator whose employment is terminated with a licensee or agent prior to the
4 end of any license year may at any time prior to the end of the license year be reissued a certified
5 applicator's identification card for the remainder of the license year as an employee of another
6 licensee or agency or as an individual for a fee of five dollars (\$5.00). The licensee shall notify the
7 Division of the termination or change in status of any certified applicator.

8 Any certified applicator whose identification card is lost or destroyed or changed in any way
9 may be reissued a new card for the remainder of the license year for a fee of five dollars (\$5.00).

10 (b) License. – The fee for the issuance or renewal of a license for any one phase of structural
11 pest control shall be ~~one hundred fifty dollars (\$150.00)~~ two hundred dollars (\$200.00). Each
12 additional phase shall be ~~sixty-five dollars (\$65.00)~~ seventy-five dollars (\$75.00). The fee for each
13 subphase shall be fifteen dollars (\$15.00). Licenses shall expire on June 30 of each year and shall be
14 renewed annually. All licensees who fail or neglect to renew their license on or before June 30, but
15 who make application before January 1 of the following year, may have their license renewed
16 without having to be reexamined, unless the applicant is scheduled for periodic reexamination under
17 regulations adopted pursuant to G.S. 106-65.27(d)(3). No structural pest control work may be
18 performed until the license has been renewed or until a new license has been issued.

19 Any licensee whose employment is terminated by his employer or any licensee who is
20 transferred to another company or location other than the company or location shown on his license
21 certificate, may at any time, have his license reissued for the remainder of the license year for a fee
22 of ten dollars (\$10.00).

23 Any licensee whose license is lost or destroyed may secure a duplicate license for a fee of ten
24 dollars (\$10.00).

25 (b1) Registration. – Within 75 days after the hiring of an employee who is either an estimator,
26 salesman, serviceman, or solicitor, the licensee shall apply to the Division for the issuance of an
27 identification card for such employee. The application must be accompanied by a fee of ~~twenty-five~~
28 ~~dollars (\$25.00)~~ forty dollars (\$40.00) for each card. The card shall be issued in the name of the
29 employee and shall bear the name of the employing licensee, the employer's license number and
30 phases, the name and address of the employer's business, and such other information as the
31 Committee may specify. The identification card shall be carried by the employee on his person at all
32 times while performing any phase of structural pest control work. The card must be displayed upon
33 demand by the Commissioner, the Committee, the Division, or any representative thereof, or the
34 person for whom any phase of structural pest control work is being performed. A registered
35 technician's identification card must be renewed annually on or before June 30 by payment of a
36 renewal fee of twenty-five dollars (\$25.00). If a card is lost or destroyed the licensee may secure a
37 duplicate for a fee of five dollars (\$5.00). The licensee shall notify the Division of the termination or
38 change in status of any registered technician. All identification cards expire when a license expires.

39 When a license is reissued, the licensee shall be responsible for registering and securing
40 identification cards for all existing employees who engage in structural pest control within 10 days
41 of the reissuance of the license.

42 A certified applicator who is not an employee of a licensed individual shall register the names of
43 all employees under his supervision who are engaged in the performance of structural pest control
44 with the Division and shall purchase a registered technician's identification card for each such
45 employee.

46"

1 **Senate Only**

2 **CONSOLIDATE GRADE "A" MILK PROGRAM INTO DAIRY PROGRAM AND STUDY**
3 **FEE STRUCTURE**

4 **SECTION 11.3.(a)** All functions, powers, duties, and obligations previously vested in
5 the Grade "A" Milk Sanitation Program within the Division of Environmental Health of the
6 Department of Environment and Natural Resources are transferred to and vested in the Food and
7 Drug Protection Division of the Department of Agriculture and Consumer Services by a Type I
8 transfer, as defined in G.S. 143A-6.

9 **SECTION 11.3.(b)** The Department of Agriculture and Consumer Services shall study
10 the development of a schedule of fees for the Grade "A" Milk Sanitation Program consistent with
11 the existing fee schedule for the Dairy Program. In its study under this subsection, the Department
12 of Agriculture and Consumer Services shall consider the costs associated with operating the Grade
13 "A" Milk Program.

14 **SECTION 11.3.(c)** The Department of Agriculture and Consumer Services shall report
15 not later than January 15, 2011, to the House and Senate Appropriation Subcommittees on Natural
16 and Economic Resources and the Fiscal Research Division on the results of its study under
17 subsection (b) of this section. The Department of Agriculture and Consumer Services shall include
18 in this report what fee schedule the Department recommends as well as any findings, other
19 recommendations, or legislative proposals.

20 **SECTION 11.3.(d)** Part 9 of Article 8 of Chapter 130A of the General Statutes is
21 recodified as Article 28C of Chapter 106 of the General Statutes, to be entitled "Grade 'A' Milk
22 Sanitation"; G.S. 130A-274 is recodified as G.S. 106-266.30; G.S. 130A-275 is recodified as
23 G.S. 106-266.31; G.S. 130A-276 is recodified as G.S. 106-266.32; G.S. 130A-277 is recodified as
24 G.S. 106-266.33; G.S. 130A-278 is recodified as G.S. 106-266.34; and G.S. 130A-279 is recodified
25 as G.S. 106-266.35.

26 **SECTION 11.3.(e)** G.S. 106-266.30, as recodified under subsection (d) of this section,
27 reads as rewritten:

28 **"§ 106-266.30. Definitions.**

29 The following definitions shall apply throughout this ~~Part~~Article:

- 30 (1) "Grade 'A' milk" means fluid milk and milk products which have been produced,
31 transported, handled, processed and distributed in accordance with the provisions
32 of the rules adopted by the ~~Commission~~Board of Agriculture.
33 (2) "Milk" means the lacteal secretion practically free from colostrum obtained by
34 the milking of one or more cows, goats, or other lactating animals."

35 **SECTION 11.3.(f)** G.S. 106-266.31, as recodified under subsection (d) of this section,
36 reads as rewritten:

37 **"§ 106-266.31. ~~Commission Board~~ to adopt rules.**

38 ~~Notwithstanding the provisions of G.S. 106-267 et seq., the Commission is authorized and~~
39 ~~directed to~~The Board of Agriculture shall adopt rules relating to the sanitary production,
40 transportation, processing and distribution of Grade "A" milk. The rules, in order to protect and
41 promote the public health, shall provide definitions and requirements for: (i) the sanitary production
42 and handling of milk on Grade "A" dairy farms; (ii) the sanitary transportation of Grade "A" raw
43 milk for processing; (iii) the sanitary processing of Grade "A" milk; (iv) the sanitary handling and
44 distribution of Grade "A" milk; (v) the requirements for the issuance, suspension and revocation of
45 permits; and (vi) the establishment of quality standards for Grade "A" milk. The rules shall be no
46 less stringent than the 1978 Pasteurized Milk Ordinance recommended by the U.S. Public Health
47 Service/Food and Drug Administration as amended effective January 1, 1982. ~~The Commission~~
3 Board of Agriculture may adopt by reference the U.S. Public Health Service/Food and Drug
4 Administration 1978 Pasteurized Milk Ordinance, and any amendment thereto Ordinance, as
50 amended."

1 **SECTION 11.3.(g)** G.S. 106-266.32, as recodified under subsection (d) of this section,
2 reads as rewritten:

3 **"§ 106-266.32. Permits required.**

4 No person shall produce, transport, process, or distribute Grade "A" milk without first having
5 obtained a valid permit from the ~~Department~~Department of Agriculture and Consumer Services."

6 **SECTION 11.3.(h)** G.S. 106-266.33, as recodified under subsection (d) of this section,
7 reads as rewritten:

8 **"§ 106-266.33. Duties of the Department.**

9 The Department of Agriculture and Consumer Services shall enforce the rules of the
10 ~~Commission-Board of Agriculture~~ governing Grade "A" milk by making sanitary inspections of
11 Grade "A" dairy farms, Grade "A" processing plants, Grade "A" milk haulers and Grade "A"
12 distributors; by determining the quality of Grade "A" milk; and by evaluating methods of handling
13 Grade "A" milk to insure compliance with the provisions of the rules of the ~~Commission-Board of~~
14 Agriculture. The Department of Agriculture and Consumer Services shall issue permits for the
15 operation of Grade "A" dairy farms, processing plants and haulers in accordance with the provisions
16 of the rules of the ~~Commission-Board of Agriculture~~ and shall suspend or revoke permits for
17 violations in accordance with the rules."

18 **SECTION 11.3.(i)** G.S. 106-266.34, as recodified under subsection (d) of this section,
19 reads as rewritten:

20 **"§ 106-266.34. Certain other authorities of Department of Agriculture and Consumer
21 Services not replaced.**

22 This ~~Part Article~~ shall not repeal or limit the Department of Agriculture and Consumer Services'
23 authority to carry out labeling requirements, required butterfat testing, aflatoxin testing, pesticide
24 testing, other testing performed by the Department of Agriculture and Consumer ~~Services-Services~~,
25 and any other function of the Department of Agriculture and Consumer Services concerning Grade
26 "A" milk which under any other Article under this Chapter that is not inconsistent with this Article."

27 **SECTION 11.3.(j)** G.S. 106-266.35 as recodified under subsection (d) of this section,
28 reads as rewritten:

29 **"§ 106-266.35. Sale or dispensing of milk.**

30 Only milk that is Grade "A" pasteurized milk may be sold or dispensed directly to consumers
31 for human consumption. Raw milk and raw milk products shall be sold or dispensed only to a
32 permitted milk hauler or to a processing facility at which the processing of milk is permitted,
33 graded, or regulated by a local, State, or federal agency. The ~~Commission-Board of Agriculture~~ may
34 adopt rules to provide exceptions for dispensing raw milk and raw milk products for nonhuman
35 consumption. Any raw milk or raw milk product dispensed as animal feed shall include on its label
36 the statement "NOT FOR HUMAN CONSUMPTION" in letters at least one-half inch in height.
37 Any raw milk or raw milk product dispensed as animal feed shall also include on its label the
38 statement "IT IS NOT LEGAL TO SELL RAW MILK FOR HUMAN CONSUMPTION IN
39 NORTH CAROLINA." "Sale" or "sold" shall mean any transaction that involves the transfer or
40 dispensing of milk and milk products or the right to acquire milk and milk products through barter
41 or contractual arrangement or in exchange for any other form of compensation including, but not
42 limited to, the sale of shares or interest in a cow, goat, or other lactating animal or herd."

43 **SECTION 11.3.(k)** G.S. 130A-21(b) is repealed.

44 **SECTION 11.3.(l)** G.S. 106-143 reads as rewritten:

45 **"§ 106-143. Article construed supplementary.**

46 Nothing in this Article shall be construed as in any way amending, abridging, or otherwise
47 affecting the validity of any law or ordinance relating to the Commission for Public Health or the
48 Department of Environment and Natural Resources or any local health department in their sanitary
49 work in connection with public and private water supplies, sewerage, meat, ~~milk~~, milk products,
50 shellfish, finfish, or other foods, or food products, or the production, handling, or processing of
51 these items."

2 **CONSOLIDATE SPAY/NEUTER PROGRAM INTO ANIMAL WELFARE PROGRAM**
3 **AND PROVIDE ADDITIONAL FUNDING**

4 **SECTION 11.4.(a)** All functions, powers, duties, and obligations previously vested in
5 the Spay/Neuter Program within the Department of Health and Human Services are transferred to
6 and vested in the Animal Welfare Section of the Animal Health Division of the Department of
7 Agriculture and Consumer Services by a Type I transfer, as defined in G.S. 143A-6.

8 **SECTION 11.4.(b)** Of the funds appropriated in this act to the Department of
9 Agriculture and Consumer Services for the 2010-2011 fiscal year, including those in special funds,
10 the sum of one hundred thousand dollars (\$100,000) shall be used to fund the Spay/Neuter Program
11 under Article 5 of Chapter 19A of the General Statutes.

12 **SECTION 11.4.(c)** G.S. 90A-61 reads as rewritten:

13 **"§ 19A-61. Spay/Neuter Program established.**

14 There is established in the Department of ~~Health and Human Services~~ Agriculture and Consumer
15 Services a statewide program to foster the spaying and neutering of dogs and cats for the purpose of
16 reducing the population of unwanted animals in the State. The program shall consist of the
17 following components:

- 18 (1) Education Program. – The Department shall establish a statewide program to
19 educate the public about the benefits of having cats and dogs spayed and
20 neutered. The Department may work cooperatively on the program with the
21 North Carolina School of Veterinary Medicine, other State agencies and
22 departments, county and city health departments and animal control agencies,
23 and statewide and local humane organizations. The Department may employ
24 outside consultants to assist with the education program.
- 25 (2) Local Spay/Neuter Assistance Program. – The Department shall administer the
26 Spay/Neuter Account established in G.S. 19A-62. Monies deposited in the
27 account shall be available to reimburse eligible counties and cities for the direct
28 costs of spay/neuter surgeries for cats and dogs made available to low-income
29 persons."

30 **SECTION 11.4.(d)** G.S. 19A-62 reads as rewritten:

31 **"§ 19A-62. Spay/Neuter Account established.**

32 (a) Creation. – The Spay/Neuter Account is established as a nonreverting special revenue
33 account in the Department of ~~Health and Human Services~~ Agriculture and Consumer Services. The
34 Account consists of the following:

- 35 (1) The portion of the fee imposed under G.S. 130A-190(b)(4) for obtaining a rabies
36 vaccination tag from the Department of ~~Health and Human Services~~ Agriculture
37 and Consumer Services.
- 38 (2) Ten dollars (\$10.00) of the additional fee imposed by G.S. 20-79.7 for an Animal
39 Lovers special license plate.
- 40 (3) Any other funds available from appropriations by the General Assembly or from
41 contributions and grants from public or private sources.

42 (b) Use. – The revenue in the Account shall be used by the Department of ~~Health and~~
43 Human Services Agriculture and Consumer Services as follows:

- 44 (1) If the revenue generated by the portion of the fee imposed under
45 G.S. 130A-190(b)(3) is less than forty-seven thousand five hundred dollars
46 (\$47,500) for the fiscal year, then funds up to the difference between forty-seven
47 thousand five hundred dollars (\$47,500) and the amount of revenue generated
} may be used from this Account to fund rabies education and prevention
} programs.

- 1 (2) Twenty percent (20%) shall be used to develop and implement the statewide
2 education program component of the Spay/Neuter Program established in
3 ~~G.S. 19A-61(a)~~. G.S. 19A-61.
- 4 (3) Up to twenty percent (20%) of the money in the Account may be used to defray
5 the costs of administering the Spay/Neuter Program established in this Article.
- 6 (4) Funds remaining after deductions for the education program and administrative
7 expenses shall be distributed quarterly to eligible counties and cities seeking
8 reimbursement for reduced-cost spay/neuter surgeries performed during the
9 previous year. A county or city is ineligible to receive funds under this
10 subdivision unless it requires the owner to show proof of rabies vaccination at the
11 time of the procedure or, if none, require vaccination at the time of the procedure.

12 (c) Report. – ~~In February of each year~~ By October 1 of each year, the Department must
13 report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research
14 Division. The report must contain information regarding all revenues and expenditures of the
15 Spay/Neuter Account."

16 **SECTION 11.4.(e)** G.S. 19A-64(b) reads as rewritten:

17 "(b) Application. – A county or city eligible for reimbursement of spaying and neutering
18 costs from the Spay/Neuter Account shall apply to the Department of ~~Health and Human~~
19 ~~Services~~ Agriculture and Consumer Services by the last day of January, April, July, and October of
20 each year to receive a distribution from the Account for that quarter. The application shall be
21 submitted in the form required by the Department and shall include an itemized listing of the costs
22 for which reimbursement is sought."

23 **SECTION 11.4.(f)** G.S. 19A-65 reads as rewritten:

24 "**§ 19A-65. Annual Report Required From Every Animal Shelter in Receipt of State or Local**
25 **Funding.**

26 Every county or city animal shelter, or animal shelter operated under contract with a county or
27 city or otherwise in receipt of State or local funding shall prepare an annual report setting forth the
28 numbers, by species, of animals received into the shelter, the number adopted out, the number
29 returned to owner, and the number destroyed. The report shall also contain the total operating
30 expenses of the shelter and the cost per animal handled. The report shall be filed with the
31 Department of ~~Health and Human Services~~ Agriculture and Consumer Services by August 1 of each
32 year."

1 **Senate Only**

2 **DEPARTMENT OF LABOR/APPRENTICESHIP PROGRAM**

3 **SECTION 12.1. G.S. 94-12 reads as rewritten:**

4 **"§ 94-12. Fees.**

5 The following fees are imposed on each apprentice who is covered by a written apprenticeship
6 agreement entered into under this Chapter: (i) a new registration fee of ~~fifty dollars (\$50.00); one~~
7 hundred dollars (\$100.00) and (ii) an annual fee of ~~fifty dollars (\$50.00); one hundred dollars~~
8 (\$100.00). ~~Each fee authorized by this section is payable as thirty dollars (\$30.00) by the sponsor~~
9 ~~and twenty dollars (\$20.00) by the apprentice. The sponsor shall collect the fees authorized by this~~
10 ~~section from the apprentice and remit the total fees owed by the sponsor and the apprentice to the~~
11 ~~Department of Labor.~~ The fees are departmental receipts and must be applied to the costs of
12 administering the apprenticeship program. The Commissioner may adopt rules pursuant to Chapter
13 150B of the General Statutes to implement this section. ~~The provisions of this section shall not~~
14 ~~apply to the State, a department or agency of the State, or any political subdivision of the State or an~~
15 ~~apprentice of the State, a department or agency of the State, or any political subdivision of the~~
16 ~~State."~~

1 **Senate and House Differ**

2
3 **Senate Version**

4
5 **CONSOLIDATE FOUR DENR SUBUNITS WITHIN THE NEW DIVISION OF**
6 **ENVIRONMENTAL ASSISTANCE AND OUTREACH**

7 **SECTION 13.1.(a)** The Division of Environmental Assistance and Outreach is
8 established as a new division within the environmental area of the Department of Environment and
9 Natural Resources. All functions, powers, duties, and obligations previously vested in the following
10 subunits of the Department of Environment and Natural Resources are transferred to, vested in, and
11 consolidated within the Division of Environmental Assistance and Outreach by a Type I transfer, as
12 defined in G.S. 143A-6:

13 ~~(1) The Office of Environmental Education.~~

14 (2) The Customer Service Center.

15 (3) The Division of Pollution Prevention and Environmental Assistance.

16 (4) The Small Business Ombudsman.

17 **SECTION 13.1.(b)** G.S. 18B-902(h) reads as rewritten:

18 "(h) Recycling Plan Required. – Each applicant for an on-premises malt beverage permit,
19 on-premises unfortified wine permit, on-premises fortified wine permit, or a mixed beverages
20 permit shall prepare and submit with the application a plan for the collection and recycling of all
21 recyclable beverage containers of all beverages to be sold at retail on the premises. A permittee who
22 is not able to find a recycler for its beverage containers may apply to the Alcoholic Beverage
23 Control Commission for a one-year stay of the requirement to implement a recycling program in
24 compliance with G.S. 18B-1006.1. The application shall be made in a form specified by the
25 Commission, shall detail the efforts made by the permittee to provide for the collection and
26 recycling of beverage containers, and shall specify the impediments to implementation of a
27 recycling plan. The Commission shall submit all such applications to the Division of ~~Pollution~~
28 ~~Prevention and Environmental Assistance and Outreach~~ of the Department of Environment and
29 Natural Resources for review and certification. The Division of ~~Pollution Prevention and~~
30 ~~Environmental Assistance and Outreach~~ shall investigate each application and prepare a summary
31 of its investigation and shall submit the summary to the Commission along with a notation
32 indicating certification or denial of the application. A permittee whose application for a stay is
33 certified by the Division of ~~Pollution Prevention and~~ Environmental Assistance and Outreach shall
34 not be required to comply with the recycling requirement of the alcoholic beverage laws and
35 regulations during the one-year stay period so certified."

36 **SECTION 13.1.(c)** G.S. 130A-309.12(a)(6) reads as rewritten:

37 "(6) Providing funding for the activities of the Division of ~~Pollution Prevention and~~
38 ~~Environmental Assistance.~~ Assistance and Outreach."

39 **SECTION 13.1.(d)** G.S. 130A-309.63(b)(2) reads as rewritten:

40 "(2) The Department may use up to forty percent (40%) of the revenue in the Account
41 to make grants to encourage the use of processed scrap tire materials. These
42 grants may be made to encourage the use of tire-derived fuel, crumb rubber,
43 carbon black, or other components of tires for use in products such as fuel, tires,
44 mats, auto parts, gaskets, flooring material, or other applications of processed tire
45 materials. These grants shall be made in consultation with the Department of
46 Commerce, the Division of ~~Pollution Prevention and~~ Environmental Assistance
47 and Outreach of the Department, and, where appropriate, the Department of
48 Transportation. Grants to encourage the use of processed scrap tire materials
49 shall not be used to process tires."

50 **SECTION 13.1.(e)** G.S. 136-28.8(g) reads as rewritten:

1 "(g) On or before October 1 of each year, the Department shall report to the Division of
2 ~~Pollution Prevention and Environmental Assistance and Outreach~~ of the Department of
3 Environment and Natural Resources as to the amounts and types of recycled materials that were
4 specified or used in contracts that were entered into during the previous fiscal year. On or before
5 December 1 of each year, the Division of ~~Pollution Prevention and Environmental Assistance and~~
6 ~~Outreach~~ shall prepare a summary of this report and submit the summary to the Joint Legislative
7 Commission on Governmental Operations and the Joint Legislative Transportation Oversight
8 Committee. The summary of this report shall also be included in the report required by
9 G.S. 130A-309.06(c)."

10 **SECTION 13.1.(f)** G. S. 143-58.2(d) reads as rewritten:

11 "(d) The Department of Administration, in cooperation with the Division of ~~Pollution~~
12 ~~Prevention and Environmental Assistance and Outreach~~ of the Department of Environment and
13 Natural Resources, shall identify materials and supplies with recycled content that meet appropriate
14 standards for use by State departments, institutions, agencies, community colleges, and local school
15 administrative units."

16 **SECTION 13.1.(g)** The Revisor of Statutes shall make any other conforming statutory
17 changes necessary to reflect the transfer under subsection (a) of this section that are not included in
18 this section.
19

1 **House Version**

2 **CONSOLIDATE ~~THREE~~ DENR SUBUNITS WITHIN THE NEW DIVISION OF**
3 **ENVIRONMENTAL ASSISTANCE AND OUTREACH**

4 **SECTION 13.1.(a)** The Division of Environmental Assistance and Outreach is
5 established as a new division within the environmental area of the Department of Environment and
6 Natural Resources. All functions, powers, duties, and obligations previously vested in the following
7 subunits of the Department of Environment and Natural Resources are transferred to, vested in, and
8 consolidated within the Division of Environmental Assistance and Outreach by a Type I transfer, as
9 defined in G.S. 143A-6:

- 10 (1) The Customer Service Center.
11 (2) The Division of Pollution Prevention and Environmental Assistance.
12 (3) The Small Business Ombudsman.

13 **SECTION 13.1.(b)** G.S. 18B-902(h) reads as rewritten:

14 "(h) Recycling Plan Required. – Each applicant for an on-premises malt beverage permit,
15 on-premises unfortified wine permit, on-premises fortified wine permit, or a mixed beverages
16 permit shall prepare and submit with the application a plan for the collection and recycling of all
17 recyclable beverage containers of all beverages to be sold at retail on the premises. A permittee who
18 is not able to find a recycler for its beverage containers may apply to the Alcoholic Beverage
19 Control Commission for a one-year stay of the requirement to implement a recycling program in
20 compliance with G.S. 18B-1006.1. The application shall be made in a form specified by the
21 Commission, shall detail the efforts made by the permittee to provide for the collection and
22 recycling of beverage containers, and shall specify the impediments to implementation of a
23 recycling plan. The Commission shall submit all such applications to the Division of ~~Pollution~~
24 ~~Prevention and Environmental Assistance and Outreach~~ of the Department of Environment and
25 Natural Resources for review and certification. The Division of ~~Pollution Prevention and~~
26 ~~Environmental Assistance and Outreach~~ shall investigate each application and prepare a summary
27 of its investigation and shall submit the summary to the Commission along with a notation
28 indicating certification or denial of the application. A permittee whose application for a stay is
29 certified by the Division of ~~Pollution Prevention and Environmental Assistance and Outreach~~ shall
30 not be required to comply with the recycling requirement of the alcoholic beverage laws and
31 regulations during the one-year stay period so certified."

32 **SECTION 13.1.(c)** G.S. 130A-309.12(a)(6) reads as rewritten:

- 33 "(6) Providing funding for the activities of the Division of ~~Pollution Prevention and~~
34 ~~Environmental Assistance and Outreach~~."

35 **SECTION 13.1.(d)** G.S. 130A-309.63(b)(2) reads as rewritten:

- 36 "(2) The Department may use up to forty percent (40%) of the revenue in the Account
37 to make grants to encourage the use of processed scrap tire materials. These
38 grants may be made to encourage the use of tire-derived fuel, crumb rubber,
39 carbon black, or other components of tires for use in products such as fuel, tires,
40 mats, auto parts, gaskets, flooring material, or other applications of processed tire
41 materials. These grants shall be made in consultation with the Department of
42 Commerce, the Division of ~~Pollution Prevention and Environmental Assistance~~
43 ~~and Outreach~~ of the Department, and, where appropriate, the Department of
44 Transportation. Grants to encourage the use of processed scrap tire materials
45 shall not be used to process tires."

46 **SECTION 13.1.(e)** G.S. 136-28.8(g) reads as rewritten:

47 "(g) On or before October 1 of each year, the Department shall report to the Division of
48 ~~Pollution Prevention and Environmental Assistance and Outreach~~ of the Department of
49 Environment and Natural Resources as to the amounts and types of recycled materials that were
50 specified or used in contracts that were entered into during the previous fiscal year. On or before

1 December 1 of each year, the Division of ~~Pollution Prevention and~~ Environmental Assistance and
2 Outreach shall prepare a summary of this report and submit the summary to the Joint Legislative
3 Commission on Governmental Operations and the Joint Legislative Transportation Oversight
4 Committee. The summary of this report shall also be included in the report required by
5 G.S. 130A-309.06(c)."

6 **SECTION 13.1.(f)** G. S. 143-58.2(d) reads as rewritten:

7 "(d) The Department of Administration, in cooperation with the Division of ~~Pollution~~
8 ~~Prevention and~~ Environmental Assistance and Outreach of the Department of Environment and
9 Natural Resources, shall identify materials and supplies with recycled content that meet appropriate
10 standards for use by State departments, institutions, agencies, community colleges, and local school
11 administrative units."

12 **SECTION 13.1.(g)** The Revisor of Statutes shall make any other conforming statutory
13 changes necessary to reflect the transfer under subsection (a) of this section that are not included in
14 this section.
15

1 **House Only**

2 **CONSOLIDATE TWO DENR OFFICES INTO NEW OFFICE OF ENVIRONMENTAL**
3 **EDUCATION AND PUBLIC AFFAIRS**

4 **SECTION 13.1A.(a)** The Office of Environmental Education and Public Affairs is
5 established as a new office within the administrative area of the Department of Environment and
6 Natural Resources. All functions, powers, duties, and obligations previously vested in the following
7 offices of the Department of Environment and Natural Resources are transferred to, vested in, and
8 consolidated within the Office of Environmental Education and Public Affairs by a Type I transfer,
9 as defined in G.S. 143A-6:

10 (1) North Carolina Office of Environmental Education.

11 (2) Office of Public Affairs.

12 **SECTION 13.1A.(b)** The title of Part 4B of Article 7 of Chapter 143B of the General
13 Statutes reads as rewritten:

14 "Part 4B. Office of Environmental ~~Education~~ Education and Public Affairs."

15 **SECTION 13.1A.(c)** G.S. 143B-285.22 reads as rewritten:

16 "**§ 143B-285.22. Creation.**

17 There is hereby created a ~~North Carolina~~ the Office of Environmental Education and Public
18 Affairs (hereinafter referred to as "Office") within the Department of Environment and Natural
19 Resources."

20 **SECTION 13.1A.(d)** G.S. 143B-285.23 reads as rewritten:

21 "**§ 143B-285.23. Powers and duties of the Secretary of Environment and Natural Resources.**

22 The Secretary of Environment and Natural Resources shall:

23 (1) Establish an Office of Environmental Education and Public Affairs to:

24 a. Serve as a clearinghouse of environmental information for the State.

25 ...

26"

27 **SECTION 13.1A.(e)** The catch line of G.S. 143B-285.25 reads as rewritten:

28 "**§ 143B-285.25. Liaison between the Office of Environmental Education and Public Affairs**
29 **and the Department of Public Instruction.**"

30 **SECTION 13.1A.(f)** The Revisor of Statutes shall make any other conforming statutory
31 changes that are necessary to reflect the transfers under subsection (a) of this section.

1 **House Only**

2 **CONSOLIDATE TWO SUBUNITS IN DENR IN THE OFFICE OF THE SECRETARY OF**
3 **ENVIRONMENT AND NATURAL RESOURCES**

4 **SECTION 13.1B.** All functions, powers, duties, and obligations previously vested in
5 the following subunits of the Department of Environment and Natural Resources are transferred to,
6 vested in, and consolidated within the Office of the Secretary of Environment and Natural
7 Resources by a Type I transfer, as defined in G.S. 143A-6:

- 8 (1) Office of Conservation and Community Affairs.
9 (2) Natural Resources Planning and Conservation.

1 **Senate Only**

2 **CONSOLIDATE CERTAIN ENVIRONMENTAL HEALTH PROGRAMS FROM DENR**
3 **TO DHHS; AMEND ON-SITE WASTEWATER CERTIFICATION**

4 **SECTION 13.2.(a)** The following sections of the Division of Environmental Health
5 that support programs implemented through local health departments and programs primarily
6 focused on food safety and other public health concerns are transferred from the Department of
7 Environment and Natural Resources to the Division of Public Health of the Department of Health
8 and Human Services with all the elements of a Type I transfer as defined by G.S. 143A-6.

- 9 (1) Environmental Health Services Section.
10 (2) Public Health Pest Management Section.
11 (3) On-Site Water Protection Section.
12 (4) Radiation Protection Section.
13 (5) Office of Education and Training.

14 **SECTION 13.2.(b)** G.S. 90A-51 reads as rewritten:
15 **"§ 90A-51. Definitions.**

16 The words and phrases defined below shall when used in this Article have the following
17 meaning unless the context clearly indicates otherwise:

- 18 ...
19 (2a) "Environmental health practice" means the provision of environmental health
20 services, including administration, organization, management, education,
21 enforcement, and consultation regarding environmental health services provided
22 to or for the public. These services are offered to prevent environmental hazards
23 and promote and protect the health of the public in the following areas: food,
24 lodging, and institutional sanitation; on-site wastewater treatment and disposal;
25 milk and dairy sanitation; shellfish sanitation; recreational water quality; public
26 swimming pool sanitation; childhood lead poisoning prevention; well permitting
27 and inspection; tattoo parlor sanitation; and all other areas of environmental
28 health requiring the delegation of authority by the Division of ~~Environmental~~
29 Public Health of the Department of Health and Human Services to State and local
30 environmental health professionals to enforce rules adopted by the Commission
31 for Public ~~Health or the Environmental Management Commission.~~Health. The
32 definition also includes local environmental health professionals enforcing rules
33 of local boards of health for on-site wastewater systems and wells."

34 **SECTION 13.2.(c)** G.S. 90A-55(a) reads as rewritten:

35 "(a) Board Membership. – The Board shall consist of 12 members who shall serve staggered
36 terms: the Secretary of ~~Environment and Natural Resources,~~Health and Human Services, or the
37 Secretary's duly authorized representative, one public-spirited citizen, one environmental sanitation
38 educator from an accredited college or university, one local health director, a representative of the
39 Division of ~~Environmental Health~~Public Health of the Department of ~~Environment and Natural~~
40 ~~Resources,~~Health and Human Services, and seven practicing environmental health specialists who
41 qualify by education and experience for registration under this Article, six of whom shall represent
42 the Western, Piedmont, and Eastern Regions of the State as described more specifically in the rules
43 adopted by the Board."

44 **SECTION 13.2.(d)** G.S. 90A-55(c) reads as rewritten:

45 "(c) The Environmental Health Section of the North Carolina Public Health Association,
46 Inc., shall submit a recommended list of Board member candidates to the Governor for the
47 Governor's consideration in appointments, except for the two representatives of the Department of
48 ~~Environment and Natural Resources~~Health and Human Services recommended by the Secretary of
49 ~~Environment and Natural Resources~~Health and Human Services and the local health director
50 recommended by the North Carolina Local Health Directors Association."

1 **SECTION 13.2.(e)** G.S. 90A-71 reads as rewritten:

2 "**§ 90A-71. Definitions.**

3 The following definitions apply in this Article:

- 4 (1) "Board" means the North Carolina On-Site Wastewater Contractors and
5 Inspectors Certification Board.
- 6 (2) "Contractor" means a person who constructs, installs, or repairs, or offers to
7 construct, install, or repair an on-site wastewater system in the State.
- 8 (3) "Conventional wastewater system" has the same meaning as in
9 G.S. 130A-343(a)(3).
- 10 (4) "Department" means the Department of ~~Environment and Natural~~
11 ~~Resources~~ Health and Human Services.
- 12 (5) "Inspector" means a person who conducts an inspection of an on-site wastewater
13 system at any time after the local health department has issued an operation
14 permit pursuant to G.S. 130A-337 in accordance with rules adopted by the
15 Board.
- 16 (5a) "Inspection" means an examination of an on-site wastewater system permitted
17 under the provisions of Article 11 of Chapter 130A of the General Statutes that
18 satisfies all of the following criteria:
- 19 a. Is requested by a lending institution, realtor, prospective homebuyer, or
20 other impacted party as a condition of sale, refinancing, or transfer of
21 title.
- 22 b. Meets the minimum requirements established by the Board.
- 23 (6) "On-site wastewater system" means any wastewater system permitted under the
24 provisions of Article 11 of Chapter 130A of the General Statutes that does not
25 discharge to a treatment facility or the surface waters of the State.
- 26 (7) "Person" means all persons, including individuals, firms, partnerships,
27 associations, public or private institutions, municipalities, or political
28 subdivisions, governmental agencies, or private or public corporations organized
29 and existing under the laws of this State or any other state or country.
- 30 (8) "Wastewater treatment facility" means a mechanical or chemical treatment
31 facility serving a site with multiple wastewater sources."

32 **SECTION 13.2.(f)** G.S. 90A-72 reads as rewritten:

33 "**§ 90A-72. Certification required; applicability.**

34 (a) Certification Required. – No person shall construct, install, or repair or offer to
35 construct, install, or repair an on-site wastewater system in the State permitted under Article 11 of
36 Chapter 130A of the General Statutes without being certified as a contractor at the required level of
37 certification for the specified system. No person shall conduct an inspection or offer to conduct an
38 inspection of an on-site wastewater system as permitted under Article 11 of Chapter 130A of the
39 General Statutes without being certified ~~as an inspector at the required level of certification for the~~
40 ~~specified system in accordance with the provisions of this Article.~~

41 (b) Applicability. – This Article does not apply to the following:

- 42 (1) A person who is employed ~~by, or performs labor and services for,~~ by a certified
43 contractor or inspector in connection with the construction, installation, repair, or
44 inspection of an on-site wastewater system performed under the direct and
45 personal supervision of the certified contractor or ~~inspector~~ inspector in charge.
- 46 (2) A person who constructs, installs, or repairs an on-site wastewater system
47 described as a single septic tank with a gravity-fed ~~distribution system~~ gravel
48 trench dispersal media when located on land owned by that person and that is
49 intended solely for use by that person and members of that person's immediate
50 ~~family~~ family who reside in the same dwelling.

- 1 (3) A person licensed under Article 1 of Chapter 87 of the General Statutes who
2 constructs or installs an on-site wastewater system ancillary to the building being
3 ~~constructed~~ constructed or who provides corrective services and labor for an
4 on-site wastewater system ancillary to the building being constructed.
5 (4) A person who is certified by the Water Pollution Control System Operators
6 Certification Commission and contracted to provide necessary operation and
7 maintenance on the permitted on-site wastewater system.
8 (5) A person permitted under Article 21 of Chapter 143 of the General Statutes who
9 is constructing a water pollution control facility necessary to comply with the
10 terms and conditions of a National Pollutant Discharge Elimination System
11 (NPDES) permit.
12 (6) A person licensed under Article 1 of Chapter 87 of the General Statutes as a
13 licensed public utilities contractor who is installing or expanding a wastewater
14 treatment facility, including a collection system, designed by a registered
15 professional engineer.
16 (7) A plumbing contractor licensed under Article 2 of Chapter 87 of the General
17 Statutes, so long as the plumber is not performing plumbing work that includes
18 the installation or repair of a septic tank or similar depository, or lines or
19 appurtenances downstream from the point where the house or building sewer
20 lines from the plumbing system meet the septic tank or similar depository.
21 (8) A person employed by the Department of Health and Human Services, a local
22 health department, or a local health district, when conducting a regulatory
23 inspection of an on-site wastewater system for purposes of determining
24 compliance."

25 SECTION 13.2.(g) G.S. 90A-73(a)(2) reads as rewritten:

- 26 "(2) One member appointed by the Governor who, at the time of appointment, is a
27 certified ~~water treatment facility operator pursuant to Article 2 of Chapter 90A of~~
28 ~~the General Statutes,~~ water pollution control system operator pursuant to Article 3
29 of this Chapter, to a term that expires on 1 July of years evenly divisible by
30 three."

31 SECTION 13.2.(h) G.S. 90A-73(c), 90A-73(d), and 90A-73(i) are repealed.

32 SECTION 13.2.(i) G.S. 90A-74 reads as rewritten:

33 "**§ 90A-74. Powers and duties of the Board.**

34 The Board shall have the following general powers and duties:

- 35 ...
36 (4) To develop and administer examinations for ~~each grade level of~~
37 ~~certification-specific grade levels of certification as approved by the Board.~~ The
38 Board may approve applications by recognized associations for certification of
39 its members after a review of the requirements of the association to ensure that
40 they are equivalent to the requirements of the Board.
41 ...
42 (10a) To employ staff necessary to carry out the provisions of this Article and to
43 determine the compensation, duties, and other terms and conditions of
44 employment of its staff.
45 (10b) To employ professional, clerical, investigative, or special personnel necessary to
46 carry out the provisions of this Article.
47 (11) To conduct other services necessary to carry out the purposes of this Article."

48 SECTION 13.2.(j) G.S. 90A-75 is amended by adding a new subsection to read:

49 "(c1) Use of Fees. – All fees collected pursuant to this Article shall be held by the Board and
50 used by the Board for the sole purpose of administering this Article."

51 SECTION 13.2.(k) G.S. 90A-76 is repealed.

1 **SECTION 13.2.(l)** G.S. 90A-77(a) reads as rewritten:

2 "(a) Certification. – The Board shall issue a certificate of the appropriate grade level to an
3 applicant who satisfies all of the following conditions:

- 4 (1) Is at least 18 years of age.
5 (2) Submits a properly completed application to the Board.
6 (3) ~~If the applicant has prior experience providing on-site wastewater system~~
7 ~~services, submits affidavits of three persons not related to the applicant for whom~~
8 ~~the applicant provided on-site wastewater services.~~Completes the basic on-site
9 wastewater education program approved by the Board for the specific grade
10 level.
11 (4) ~~If the applicant has no prior experience, completes the basic on-site wastewater~~
12 ~~education program approved by the Board.~~
13 (5) Completes any additional training program designed by the Board specific to the
14 grade level for which the applicant is applying.
15 (6) Pays the applicable fees set by the Board for the particular application and grade
16 level.
17 (7) For the specific grade levels greater than conventional systems, level, as
18 determined by the Board, passes a written or oral examination that tests the
19 applicant's proficiency in all of the following areas:
20 a. Principles of public and environmental health associated with on-site
21 wastewater systems.
22 b. Principles of construction and safety.
23 c. Technical and practical knowledge of on-site wastewater systems typical
24 to the specified grade level.
25 d. Laws and rules related to the installation, construction, repair, or
26 inspection of the specified on-site wastewater system."

1 **SECTION 13.2.(m)** G.S. 90A-81(b) reads as rewritten:

27 "(b) Arbitration. – The Board may establish a voluntary arbitration procedure to resolve
28 complaints concerning a certified contractor or inspector or any work performed by a certified
29 contractor or inspector, or conflicts involving any certified contractor or inspector and the Division
30 of ~~Environmental~~ Public Health of the Department or a local health department."

31 **SECTION 13.2.(n)** G.S. 90A-81(c) reads as rewritten:

32 "(c) Injunction. – The Board may ~~ask the Attorney General to~~ in its own name seek an
33 injunction to restrain any person, firm, partnership, or corporation from violating the provisions of
34 this Article or rules adopted by the Board. ~~The Attorney General~~ Board may bring an action for an
35 injunction ~~in the name of the State~~ in the superior court of any county in which the violator resides
36 or the violator's principal place of business is located. In any proceedings for an injunction, it shall
37 not be necessary to allege or prove either that an adequate remedy at law does not exist, or that
38 substantial or irreparable damage would result from the continued violation. Members of the Board
39 shall not be personally or professionally liable for any act or omission pursuant to this subsection.
40 The Board shall not be required to post a bond in connection with any action to obtain an
41 injunction."
42

43 **SECTION 13.2.(o)** G.S. 104E-5 reads as rewritten:

44 "**§ 104E-5. Definitions.**

45 Unless a different meaning is required by the context, the following terms as used in this
46 Chapter shall have the meanings hereinafter respectively ascribed to them:

- 47 ...
48 (6) "Department" means the ~~State Department of Environment and Natural~~
49 ~~Resources.~~ Department of Health and Human Services.
50 "

51 **SECTION 13.2.(p)** G.S. 104E-8(c)(6) reads as rewritten:

1 (c) The 10 ex officio members shall be appointed by the Governor, shall be members or
2 employees of the following State agencies or their successors, and shall serve at the Governor's
3 pleasure:

4 ...
5 (6) The Division of ~~Environmental~~ Public Health of the Department."

6 **SECTION 13.2.(q)** G.S. 104E-9 reads as rewritten:

7 "**§ 104E-9. Powers and functions of Department of ~~Environment and Natural Resources~~**
8 **Health and Human Services.**

9 (a) The Department of ~~Environment and Natural Resources~~ Health and Human Services is
10 authorized:

11 ...
12 (b) The Division of ~~Environmental~~ Public Health of the Department shall develop a training
13 program for tanning equipment operators that meets the training rules adopted by the Commission.
14 If the training program is provided by the Department, the Department may charge each person
15 trained a reasonable fee to recover the actual cost of the training program."

16 **SECTION 13.2.(r)** G.S. 106-307.2(b) reads as rewritten:

17 "(b) The State Veterinarian shall notify the State Health Director and the Director of the
18 Division of ~~Environmental~~ Public Health in the Department of ~~Environment and Natural~~
19 ~~Resources~~ Health and Human Services when the State Veterinarian receives a report indicating an
20 occurrence or potential outbreak of anthrax, arboviral infections, brucellosis, epidemic typhus,
21 hantavirus infections, murine typhus, plague, psittacosis, Q fever, hemorrhagic fever, virus
22 infections, and any other disease or condition transmissible to humans that the State Veterinarian
23 determines may have been caused by a terrorist act."

24 **SECTION 13.2.(s)** G.S. 120-70.33(3) reads as rewritten:

25 "**§ 120-70.33. Powers and duties.**

26 The Joint Select Committee shall have the following powers and duties:

27 ...
28 (3) To evaluate actions of the Radiation Protection Commission, the radiation
29 protection programs administered by the Division of ~~Environmental~~ Public
30 Health of the Department of ~~Environment and Natural Resources~~, Health and
31 Human Services, and of any other board, commission, department, or agency of
32 the State or local government as such actions relate to low-level radioactive
33 waste management;"

34 **SECTION 13.2.(t)** The Revisor of Statutes shall make any other conforming statutory
35 changes that are necessary to reflect the transfers under subsection (a) of this section.

36 **SECTION 13.2.(u)** Any funds remaining as of June 30, 2010, in the On-Site
37 Wastewater Certification Fund created in G.S. 90A-76 as a nonreverting account within the
38 Department of Environment and Natural Resources shall be credited to the North Carolina On-Site
39 Wastewater Contractors and Inspectors Certification Board and shall be used in accordance with
40 G.S. 90A-75, as amended by this section.

41 **SECTION 13.2.(v)** This transfer is effective July 1, 2010, and funds transferred shall be
42 net of any changes enacted by this section.

1 **Senate Only**

2 **CONSOLIDATE SHELLFISH SANITATION AND RECREATIONAL WATER QUALITY**
3 **SECTION WITHIN THE DIVISION OF MARINE FISHERIES**

4 **SECTION 13.3.(a)** The Shellfish Sanitation and Recreational Water Quality Section of
5 the Division of Environmental Health of the Department of Environment and Natural Resources is
6 transferred to, vested in, and consolidated within the Division of Marine Fisheries of the
7 Department of Environment and Natural Resources by a Type I transfer, as defined in G.S. 143A-6.

8 **SECTION 13.3.(b)** G.S. 130A-231 is repealed.

9 **SECTION 13.3.(c)** The Revisor of the Statutes shall make any other conforming
10 statutory changes necessary to reflect this transfer that are not included in this section.

1 **Senate Only**

2 **CONSOLIDATE PUBLIC WATER SUPPLY SECTION WITHIN DIVISION OF WATER**
3 **RESOURCES**

4 **SECTION 13.4.(a)** The Public Water Supply Section of the Division of Environmental
5 Health of the Department of Environment and Natural Resources is transferred to, vested in, and
6 consolidated within the Division of Water Resources of the Department of Environment and Natural
7 Resources by a Type I transfer, as defined in G.S. 143A-6.

8 **SECTION 13.4.(b)** The Revisor of Statutes shall make any other conforming statutory
9 changes necessary to reflect this transfer that are not included in this section.

1 **Senate Only**

2 **SUSTAINABLE COMMUNITIES TASK FORCE**

3 **SECTION 13.5.(a)** Article 7 of Chapter 143B of the General Statutes is amended by
4 adding a new Part to read:

5 "Part 31. North Carolina Sustainable Communities Task Force.

6 **"§ 143B-344.34. North Carolina Sustainable Communities Task Force – findings.**

7 (a) The General Assembly finds that the rapid growth of the urban and suburban areas of
8 North Carolina and the economic challenges facing many of the State's urban cores, rural areas, and
9 smaller communities create a significant need for the strategic use of resources to plan and
10 accommodate healthy and equitable development without compromising natural systems and the
11 needs of future generations of North Carolinians.

12 (b) The General Assembly finds that the following principles describe sustainable
13 development for North Carolina's communities:

- 14 (1) Better transportation choices. – Offering safe, reliable, and economical motorized
15 and nonmotorized transportation options to decrease household transportation
16 costs, reduce dependence on foreign oil, improve air quality, reduce greenhouse
17 gas emissions, and promote public health.
- 18 (2) Equitable, affordable housing. – Encouraging the provision to North Carolina
19 citizens of all ages, incomes, races, and ethnicities expanded location-, water-,
20 and energy-efficient housing choices that increase mobility, decrease the impact
21 on existing water and energy infrastructure, and lower the combined cost of
22 housing and transportation.
- 23 (3) Enhanced economic competitiveness. – Expanding business access to markets
24 and improving North Carolina's economic competitiveness through reliable and
25 timely access to employment centers, educational opportunities, services, and
26 other basic needs by workers.
- 27 (4) Support of existing communities. – Targeting public funds toward existing
28 communities that are using strategies such as transit-oriented, mixed-use
29 development, and land recycling to increase community revitalization, enhance
30 the efficiency and cost-effectiveness of public works investments, and protect
31 rural landscapes.
- 32 (5) Coordination and leverage of State policies and investment. – Aligning State and
33 local government policies and funding to remove barriers to collaboration,
34 leverage funding, and increase the accountability and effectiveness of
35 government in planning for future growth.
- 36 (6) Recognize and support communities and neighborhoods. – Preserving and
37 enhancing the unique characteristics of rural, urban, and suburban communities
38 by investing in healthy, safe, and walkable neighborhoods.

39 **"§ 143B-344.35. North Carolina Sustainable Communities Task Force – creation; purpose;**
40 **duties.**

41 There is created within the Department of Environment and Natural Resources the North
42 Carolina Sustainable Communities Task Force to lead and support the State's sustainable
43 communities initiatives. The duties of the Task Force shall be as follows:

- 44 (1) To apply for and receive, on behalf of the State, funding from federal, public, or
45 private initiatives, grant programs, or donors that will foster sustainable
46 development in North Carolina.
- 47 (2) To promote regional partnerships and to assist local governments and regional or
48 interlocal organizations in North Carolina in seeking and managing funding from
49 federal, public, or private initiatives, grant programs, or donors related to the

1 planning, development, or redevelopment of the State's communities in a
2 sustainable manner.

3 (3) To identify federal funding opportunities related to sustainable development.

4 (4) To provide technical assistance to eligible State agencies, local governments,
5 nonprofits or regional collaborations, and partnerships in applying for federal and
6 other funding opportunities. This technical assistance shall include the
7 development of scenario planning tools, progress measurement metrics, and
8 public participation strategies for use by all applicants.

9 (5) To recommend policies for the support, promotion, and encouragement of
10 sustainable communities to the Secretaries of the Departments of Commerce,
11 Environment and Natural Resources, and Transportation, the General Assembly,
12 and the Governor.

13 (6) To recommend annually to the Governor appropriations for sustainable
14 development programs.

15 (7) To develop a common local government sustainable practices scoring system
16 incorporating the principles set forth in G.S. 143B-344.34(b).

17 (8) To pursue opportunities to combine the efforts of State agencies related to
18 development and infrastructure; to study how existing regional and interlocal
19 organizations could improve their organization and reduce unnecessary overlap
20 and duplication of services; and to better integrate State efforts and investments
21 with regional and local efforts. The Task Force shall include in its
22 recommendations under subdivisions (5) and (6) of this section any
23 recommendations for legislation necessary to implement any potential
24 improvements identified under this subdivision.

25 **§ 143B-344.36. North Carolina Sustainable Communities Task Force – membership;**
26 **staffing; sunset.**

27 (a) Membership and Advice. – The Task Force shall consist of 11 members who reflect the
28 diversity of the State. The Secretaries of Commerce, Environment and Natural Resources, and
29 Transportation and the Director of the North Carolina Housing Finance Agency shall each designate
30 a representative to the Task Force from their agencies. The Secretary of Administration shall
31 designate a representative from that Department who is familiar with the management and
32 development of State-owned lands and buildings. The Secretary of Health and Human Services
33 shall designate a representative from the Division of Public Health of the Department of Health and
34 Human Services who is familiar with the impact of the built environment on human health. The
35 Governor shall appoint the remaining five members under a specified subdivision of this subsection
36 as follows:

37 (1) One member who is a representative of a nonprofit organization involved in the
38 planning, advocacy, or creation of sustainable development.

39 (2) One member who is a representative of a county government.

40 (3) One member who is a representative of city government.

41 (4) One member who is a representative of a council of government or other regional
42 collaborative organization.

43 (5) One member with professional training in planning who is a representative of the
44 North Carolina Chapter of the American Planning Association.

45 The Secretaries of Administration, Commerce, Environment and Natural Resources, Health and
46 Human Services, and Transportation, or their designees, shall advise the Task Force on sustainable
47 development activities within the responsibility of their respective departments and shall cooperate
48 with the Task Force in jointly seeking funds from federal, public, or private initiatives, grant
49 programs, or donors.

50 (b) Terms, Vacancies. – The members of the Task Force appointed by the Governor shall
51 have a term of office of four years and shall serve until their successors are appointed and qualified.

1 An appointment to fill a vacancy shall be for the unexpired balance of the term. The remaining
2 members of the Task Force shall serve at the pleasure of the appointing authority.

3 (c) Staff. – The Departments of Administration, Commerce, Environment and Natural
4 Resources, Health and Human Services, and Transportation shall provide clerical and professional
5 staff support to the Task Force.

6 (d) Compensation. – The public members of the Task Force shall receive per diem and
7 necessary travel and subsistence expenses payable to members of State boards and agencies as set
8 forth by G.S. 138-5 and G.S. 138-6, respectively.

9 (e) Sunset. – This Part expires June 30, 2021.

10 **"§ 143B-344.37. North Carolina Sustainable Communities Task Force – reports.**

11 (a) Beginning in 2011, the Task Force shall report to the Governor, the House and Senate
12 Commerce Committees, and the Joint Legislative Commission on Governmental Operations no
13 later than October 1 each year. The report shall include the following elements:

14 (1) Policy recommendations and suggested legislation.

15 (2) Funding applied for and received in the prior fiscal year.

16 (3) Population, employment, building permit, and related socioeconomic data for
17 each metro region of the State, including 25-year projections of population and
18 employment and any other demographic trends the Task Force finds relevant,
19 with commentary on any changing trends in the data that might affect planning
20 for sustainable development and infrastructure. Where possible, the Task Force
21 shall use data already collected by the State Demographer, the United States
22 Census Bureau, and any other state or federal agency.

23 (4) An inventory of State policies and programs that influence positively or
24 negatively the ability to develop sustainable communities.

25 (5) An overview of all State funding initiatives (including State-allocated federal
26 funding initiatives) used to support housing, infrastructure, water quality, and
27 land preservation, including, at a minimum, the following:

28 a. The Clean Water Management Trust Fund.

29 b. The Parks and Recreation Trust Fund.

30 c. The Agriculture Development and Farmland Preservation Trust Fund.

31 d. The Natural Heritage Trust Fund.

32 e. The Highway Fund and the Highway Trust Fund.

33 f. The Congestion Relief and Intermodal Transportation 21st Century Fund.

34 g. The North Carolina Main Street Program and the Main Street Solutions
35 Fund.

36 h. The Housing Trust Fund and the low-income housing tax credit funds
37 administered by the Housing Finance Agency.

38 i. Funds from the Public School Building Capital Fund used by counties
39 for the purchase of land for public school buildings.

40 j. The tax credits for renewable energy property, historic rehabilitation, and
41 mill rehabilitation set forth in Chapter 105 of the General Statutes.

42 The overview should include the current funding level, changes in funding over
43 the previous fiscal year, and how the funding initiative has contributed to
44 sustainable development, or, in the case of a tax credit, the number and
45 geographical distribution of taxpayers taking the credit, the amount of credits
46 claimed, and how the credit has contributed to sustainable development.

47 (b) For purposes of this section, "metro region of the State" includes the following Statistical
48 Areas defined by the United States Census Bureau:

49 (1) The Research Triangle region (made up of the Durham-Chapel Hill and the
50 Raleigh-Cary Metropolitan Statistical Areas).

- 1 (2) The North Carolina portion of the Charlotte-Gastonia-Concord Metropolitan
2 Statistical Area.
- 3 (3) The Greensboro-Winston-Salem-High Point Combined Statistical Area.
- 4 (4) The Asheville Metropolitan Statistical Area.
- 5 (5) The Hickory-Lenoir-Morganton Metropolitan Statistical Area.
- 6 (6) The Fayetteville Metropolitan Statistical Area.
- 7 (7) The Wilmington Metropolitan Statistical Area.
- 8 (8) The Greenville Metropolitan Statistical Area.
- 9 (9) The Jacksonville Metropolitan Statistical Area.
- 10 (10) The Rocky Mount Metropolitan Statistical Area.
- 11 (11) The Goldsboro Metropolitan Statistical Area.
- 12 (12) Any other Metropolitan Statistical Area that includes counties of the State and
13 that has a population of 100,000 or more within the State."

14 **SECTION 13.5.(b)** G.S. 120-123 is amended by adding a new subdivision to read:

15 "(79) The North Carolina Sustainable Communities Task Force, as established in
16 Article 7 of Chapter 143B of the General Statutes."

17 **SECTION 13.5.(c)** Grant Funding for Regional Sustainable Development Partnerships.

18 – The Task Force shall, from funds available, provide a grants program for regional bodies, cities,
19 or counties within regions that comply with the following requirements:

- 20 (1) The regional body, city, or county is a part of a regional sustainable development
21 partnership covering any of the metro regions identified in G.S. 143B-344.37(b),
22 as enacted by subsection (a) of this section. This partnership may include any
23 Metropolitan Planning Organizations, Regional Planning Organizations, and
24 regional transit agencies in existence in the region, along with representatives of
25 the Departments of Commerce, Transportation, and Environment and Natural
26 Resources.
- 27 (2) The partnership has submitted a workplan to the North Carolina Sustainable
28 Communities Task Force showing the activities to be funded and the public
29 information process through which activities are selected and prioritized.
- 30 (3) All members of the partnership have adopted a jointly developed memorandum
31 of agreement describing how coordinated planning activities will be undertaken.

32 In awarding any grant funding, the Task Force shall utilize the common local government
33 sustainable practices scoring system set forth in G.S. 143B-344.35, as enacted by subsection (a) of
34 this section. In its consideration of grant applications, the Task Force may also consider any offers
35 by a partnership to provide matching funds.

36 **SECTION 13.5.(d)** Reports. – The Departments of Commerce, Transportation, and
37 Environment and Natural Resources shall report by October 1 each year, beginning in 2010, to the
38 House and Senate Commerce Committees and the Joint Legislative Commission on Governmental
39 Operations. The report shall provide information regarding each Department's progress in
40 implementing the sustainable development principles set forth in G.S. 143B-344.34 as enacted by
41 subsection (a) of this section.

42 **SECTION 13.5.(e)** Staffing. – The Department of Environment and Natural Resources
43 shall transfer the vacant District Planner position in the Division of Coastal Management to the
44 Task Force and shall fill the position in a timely manner in order to provide support for the
45 operations and activities of the Task Force. For administrative purposes, the Task Force shall be
46 located in the Department's Division of Environmental Assistance and Outreach, and the Division
47 will also provide appropriate administrative and clerical support for the activities of the Task Force.

1 **Senate Only**

2 **DAM SAFETY FEE**

3 **SECTION 13.6.(a)** A one-time Dam Evaluation Fee of one thousand one hundred
4 dollars (\$1,100) per equivalent dam unit shall be paid to the Department of Environment and
5 Natural Resources by electric utility companies in a lump sum payment based on the number of
6 dams owned by each company that fall under the jurisdiction of the Part 3 of Article 21 of Chapter
7 143 of the General Statutes. Fees collected pursuant to this section shall be used to support one
8 time-limited engineering position and operating funds necessary to perform the evaluation and
9 integration of regulated power plant dams into the Department's dam safety inventory program.
10 These fees shall remain available to the Department and shall not revert until the evaluation and
11 integration of regulated power plants is complete.

12 **SECTION 13.6.(b)** This section becomes effective October 1, 2010.

1 **Senate Only**

2 **LITTER REDUCTION FROM DRIVE-THROUGH RESTAURANTS**

3 **SECTION 13.7.(a)** G.S. 130A-309.06(a) is amended by adding a new subdivision to
4 read:

5 **"§ 130A-309.06. Additional powers and duties of the Department.**

6 (a) In addition to other powers and duties set forth in this Part, the Department shall:

7 ...
8 (15) Require that all restaurants selling food or beverages from a drive-through
9 window provide receptacles for disposal of recyclable materials or solid waste
10 that might otherwise end up as litter on and adjacent to roads and highways of the
11 State. The receptacles shall be accessible to customers in vehicles who purchase
12 food or beverages from the drive-through window. Nothing in this subdivision
13 shall require any restaurant providing receptacles for solid waste and recyclable
14 materials to accept quantities of those materials that are greater than the capacity
15 of a reasonably provided and maintained receptacle.

16"

17 **SECTION 13.7.(b)** G.S. 130A-22(a) reads as rewritten:

18 **"§ 130A-22. Administrative penalties.**

19 (a) The Secretary of Environment and Natural Resources may impose an administrative
20 penalty on a person who violates Article 9 of this Chapter, rules adopted by the Commission
21 pursuant to Article 9, or any term or condition of a permit or order issued under Article 9. Each day
22 of a continuing violation shall constitute a separate violation. The penalty shall not exceed fifteen
23 thousand dollars (\$15,000) per day in the case of a violation involving nonhazardous waste. The
24 penalty shall not exceed thirty-two thousand five hundred dollars (\$32,500) per day in the case of a
25 first violation involving hazardous waste as defined in G.S. 130A-290 or involving the disposal of
26 medical waste as defined in G.S. 130A-290 in or upon water in a manner that results in medical
27 waste entering waters or lands of the State; and shall not exceed fifty thousand dollars (\$50,000) per
28 day for a second or further violation involving the disposal of medical waste as defined in
29 G.S. 130A-290 in or upon water in a manner that results in medical waste entering waters or lands
30 of the State. The penalty shall not exceed thirty-two thousand five hundred dollars (\$32,500) per
31 day for a violation involving a voluntary remedial action implemented pursuant to
32 G.S. 130A-310.9(c) or a violation of the rules adopted pursuant to G.S. 130A-310.12(b). The
33 penalty shall not exceed one hundred dollars (\$100.00) for a first violation; two hundred dollars
34 (\$200.00) for a second violation within any 12-month period; and five hundred dollars (\$500.00) for
35 each additional violation within any 12-month period for any violation of Part 2G of Article 9 of
36 this Chapter or of any rule adopted pursuant to G.S. 130A-309.06(a)(15). If a person fails to pay a
37 civil penalty within 60 days after the final agency decision or court order has been served on the
38 violator, the Secretary of Environment and Natural Resources shall request the Attorney General to
39 institute a civil action in the superior court of any county in which the violator resides or has his or
40 its principal place of business to recover the amount of the assessment. Such civil actions must be
41 filed within three years of the date the final agency decision or court order was served on the
42 violator.

43"

1 **Senate Only**

2 **INCREASE HAZARDOUS WASTE FEES**

3 **SECTION 13.8.** G.S. 130A-294.1(f) reads as rewritten:

4 "(f) A person who generates 100 kilograms or more of hazardous waste in any calendar
5 month during the year beginning 1 July and ending 30 June but less than 1000 kilograms of
6 hazardous waste in each calendar month during that year shall pay an annual fee of one hundred
7 ~~twenty five dollars (\$125.00)~~ seventy dollars (\$170.00)."

1 **Senate and House Differ**

2
3 **Senate Version**

4
5 **INCREASE ADMINISTRATIVE CAP FOR INACTIVE HAZARDOUS WASTE SITES**
6 **PROGRAM**

7 **SECTION 13.9.** G.S. 130A-295.9(1) reads as rewritten:

8 **§ 130A-295.9. Solid waste disposal tax; use of proceeds.**

9 It is the intent that the proceeds of the solid waste disposal tax imposed by Article 5G of
10 Chapter 105 of the General Statutes shall be used only for the following purposes:

- 11 (1) Funds credited pursuant to G.S. 105-187.63(1) to the Inactive Hazardous Sites
12 Cleanup Fund shall be used by the Department of Environment and Natural
13 Resources to fund the assessment and remediation of pre-1983 landfills, except
14 up to ~~seven percent (7%)~~ thirteen percent (13%) of the funds credited under this
15 subdivision may be used to fund administrative expenses related to the
16 assessment and remediation of pre-1983 landfills and other inactive hazardous
17 waste sites."
18

19 **House Version**

20 **INCREASE ADMINISTRATIVE CAP FOR INACTIVE HAZARDOUS WASTE SITES**
21 **PROGRAM; ADD RECIPIENTS TO ANNUAL REPORT REQUIREMENT**

22 **SECTION 13.9.(a)** G.S. 130A-295.9(1) reads as rewritten:

- 23 "(1) Funds credited pursuant to G.S. 105-187.63(1) to the Inactive Hazardous Sites
24 Cleanup Fund shall be used by the Department of Environment and Natural
25 Resources to fund the assessment and remediation of pre-1983 landfills, except
26 up to ~~seven percent (7%)~~ thirteen percent (13%) of the funds credited under this
27 subdivision may be used to fund administrative expenses related to the
28 assessment and remediation of pre-1983 landfills and other inactive hazardous
29 waste sites."

30 **SECTION 13.9.(b)** G.S. 130A-310.10(a) reads as rewritten:

31 (a) The Secretary shall report on inactive hazardous sites to the Joint Legislative
32 Commission on Governmental Operations, the Environmental Review Commission
33 and the Fiscal Research Division on or before 1 October of each year. The report shall include at
34 least:

- 35 (1) The Inactive Hazardous Waste Sites Priority List
36
37

1 **House Only**

2 **FUNDS FOR CLEANUP AND MONITORING OF TEXFI SITE CONTAMINATION**

3 **SECTION 13.9A.** There is appropriated from the Solid Waste Management Trust Fund
4 to the Department of Environment and Natural Resources, Division of Waste Management, the sum
5 of fifty thousand dollars (\$50,000) for the 2010-2011 fiscal year to be used for the cleanup and
6 monitoring of the groundwater and other contamination located at the Texfi site in Fayetteville and
7 for any emergency cleanup activities needed at that site.

1 **House Only**

2 **FUNDS FOR RECYCLING PROGRAMS FOR PRODUCTS THAT CONTAIN MERCURY**

3 **SECTION 13.9B.(a)** Effective July 1, 2010, until December 31, 2017,
4 G.S. 130A-310.54 reads as rewritten:

5 **"§ 130A-310.54. Mercury ~~Switch Removal Account~~ Pollution Prevention Fund.**

6 (a) The Mercury ~~Switch Removal Account~~ Pollution Prevention Fund is established in the
7 Department. Revenue is credited to the ~~Account~~ Fund from the certificate of title fee under
8 G.S. 20-85.

9 (b) Revenue in the Mercury ~~Switch Removal Account~~ Pollution Prevention Fund shall be
10 used ~~to~~ for the following purposes:

11 (1) To reimburse the Department and others for costs incurred in implementing the
12 mercury switch removal program.

13 (2) To establish and implement recycling programs for products containing mercury,
14 including at least recycling programs for light bulbs and thermostats.

15 (b1) The reimbursable costs under subdivision (1) of subsection (b) of this section are:

16 (1) Five dollars (\$5.00) for each mercury switch removed by a vehicle crusher,
17 vehicle dismantler, vehicle recycler, or scrap vehicle processing facility pursuant
18 to this Article and sent to destination facilities in accordance with the NVMSRP
19 for recycling or disposal.

20 (2) Costs incurred by the Department in administering the program.

21 (c) The Department shall reimburse vehicle crushers, vehicle dismantlers, vehicle recyclers,
22 and scrap vehicle processing facilities based on a reimbursement request that attests to the number
23 of switches sent to destination facilities for recycling or disposal in accordance with the NVMSRP.
24 Each reimbursement request shall be verified against information posted on the Internet site
25 provided by the vehicle manufacturers in accordance with the NVMSRP, or against other
26 information that verifies the reimbursement requested to the satisfaction of the Department. The
27 vehicle crusher, vehicle dismantler, vehicle recycler, or scrap vehicle processing facility shall
28 provide the Department with any information requested by the Department to verify the accuracy of
29 a reimbursement request. Each vehicle crusher, vehicle dismantler, vehicle recycler, or scrap
30 vehicle processing facility shall maintain accurate records that support each reimbursement request
31 for a minimum of three years from the date the reimbursement request is approved."

32 **SECTION 13.9B.(b)** Effective December 31, 2017, G.S. 130A-310.54, as amended by
33 Sections 4 and 9 of S.L. 2007-142, reads as rewritten:

34 **"§ 130A-310.54. Funds to implement plan.**

35 (a) The Mercury Pollution Prevention ~~Account~~ Fund is established in the Department.
36 Revenue is credited to the ~~Account~~ Fund from the certificate of title fee under G.S. 20-85.

37 (b) Revenue in the Mercury Pollution Prevention ~~Account~~ Fund shall be used ~~to~~ for the
38 following purposes:

39 (1) To reimburse the Department and others for costs incurred in implementing the
40 mercury minimization plan.

41 (2) To establish and implement recycling programs for products containing mercury,
42 including at least recycling programs for light bulbs and thermostats.

43 (b1) The reimbursable costs under subdivision (1) of subsection (b) of this section are:

44 (1) Five dollars (\$5.00) for each mercury switch removed by a vehicle recycler or
45 scrap metal recycling facility pursuant to this Article.

46 (2) Costs incurred by the Department in administering the plan.

47 (c) The Department shall reimburse vehicle recyclers and scrap metal recycling facilities
48 based on the quarterly reports submitted under G.S. 130A-310.53. The Department may request any
49 information needed to determine the accuracy of the reports."

1 **Senate Only**

2 **STRENGTHEN PLASTIC BAG RECYCLING**

3 **SECTION 13.10.(a)** G.S. 130A-309.121 reads as rewritten:

4 **"§ 130A-309.121. Definitions.**

5 As used in this Part, the following definitions apply:

- 6 (1) Plastic bag. – A carryout bag composed primarily of thermoplastic synthetic
7 polymeric material, which is provided by a store to a customer at the point of sale
8 and incidental to the purchase of other goods.
- 9 (2) Prepared foods retailer. – A retailer primarily engaged in the business of selling
10 prepared foods, as that term is defined in G.S. 105-164.3, to consumers.
- 11 (2a) Recycled content. – Content that is either postconsumer, postindustrial, or a mix
12 of postconsumer and postindustrial.
- 13 (3) Recycled paper bag. – A paper bag that meets all of the following requirements:
14 a. The bag is manufactured from one hundred percent (100%) recycled
15 content, content, including postconsumer content, postindustrial content,
16 or a mix of postconsumer and postindustrial content.
17 b. The bag displays the words "made from recycled material" and
18 "recyclable."
- 19 (4) ~~Retail Chain. – Five or more stores located within the State that are engaged in~~
20 ~~the same general field of business and (i) conduct business under the same~~
21 ~~business name or (ii) operate under common ownership or management or~~
22 ~~pursuant to a franchise agreement with the same franchisor.~~
- 23 (5) Retailer. – A person who offers goods for sale in this State to consumers and who
24 provides a single-use plastic bag to the consumer to carry or transport the goods
25 for free or for a nominal charge, goods and (i) has more than 5,000 square feet of
26 retail or wholesale space or (ii) is one of a retail chain.
- 27 (6) Reusable bag. – ~~A durable plastic bag with handles that is~~ A bag with handles
28 that is specifically designed and manufactured for multiple reuse and is made of
29 one of the following materials: at least 2.25 mils thick
30 a. Nonwoven polypropylene or other plastic material with a minimum
31 weight of 80 grams per square meter, and is specifically designed and
32 manufactured for multiple reuse or a bag made of
33 b. cloth or other machine washable fabric with handles.

34 **SECTION 13.10.(b)** From funds available to the Department of Environment and
35 Natural Resources, the Division of Waste Management and the Division of Environmental
36 Assistance and Outreach shall monitor plastic bag use reduction resulting from the implementation
37 of Part 2G of Article 9 of Chapter 130A of the General Statutes and shall report to the
38 Environmental Review Commission on or before January 15, 2012, on the impacts the ban enacted
39 by that Part has had on plastic bag litter in coastal waterways adjacent to areas where that Part
40 applies.

41 **SECTION 13.10.(c)** Subsection (a) of this section becomes effective January 1, 2011.

1 **Senate Only**

2 **FISHERY RESOURCE GRANT FUNDS TO BE USED FOR AT-SEA OBSERVER**
3 **PROGRAM**

4 **SECTION 13.19.(a)** Of the funds appropriated to the Department of Environment and
5 Natural Resources for the Fishery Resource Grant Program for the 2010-2011 fiscal year, the sum
6 of three hundred thousand dollars (\$300,000) shall be used by the Division of Marine Fisheries to
7 develop and establish the At-Sea Observer Program. Establishing and funding the At-Sea Observer
8 Program is necessary to meet federal requirements to monitor gill net fisheries statewide and record
9 sea turtle and other endangered and threatened species interactions.

10 **SECTION 13.19.(b)** The funds allocated under subsection (a) of this section shall be
11 used to establish and support three Marine Fisheries Technician II positions to provide
12 at-sea-observer coverage. In establishing the positions under this section, it is the intent of the
13 General Assembly to enable gill net fishing to continue in North Carolina and to enhance the ability
14 of the Division of Marine Fisheries to collect and analyze data necessary to determine the health of
15 fish stock, such as measures of spawning stock biomass, mortality, recruitment, and sustainable
16 harvest levels. Actions recommended in Fishery Management Plans, which are developed in
17 accordance with G.S. 113-182.1 to ensure the long-term viability of the State's commercially and
18 recreationally significant species or fisheries, rely upon these data.

1 **Senate Only**

2 **GRASSROOTS SCIENCE PROGRAM**

3 **SECTION 13.20.** Section 13.7.(a) of S.L. 2009-451 reads as rewritten:

4 "SECTION 13.7.(a) Of the funds appropriated in this act to the Department of Environment
5 and Natural Resources for the Grassroots Science Program, the sum of three million four hundred
6 eleven thousand seven hundred thirteen dollars (\$3,411,713) for the 2009-2010 fiscal year and the
7 sum of ~~three million four hundred eleven thousand seven hundred thirteen dollars (\$3,411,713)~~three
8 million two hundred forty-one thousand one hundred twenty-seven dollars (\$3,241,127) for the
9 2010-2011 fiscal year is allocated as grants-in-aid for each fiscal year as follows:

	2009-2010	2010-2011	
12 Aurora Fossil Museum	\$57,875	\$57,875 <u>54,981</u>	
13 Cape Fear Museum	\$157,787	\$157,787 <u>149,898</u>	
14 Carolina Raptor Center	\$109,931	\$109,931 <u>104,434</u>	
15 Catawba Science Center	\$143,429	\$143,429 <u>136,258</u>	
16 Colburn Earth Science Museum, Inc.	\$73,054	\$73,054 <u>69,401</u>	
17 Core Sound Waterfowl Museum	\$49,000	\$49,000 <u>46,550</u>	
18 Discovery Place	\$649,608	\$649,608 <u>617,128</u>	
19 Eastern NC Regional Science Center	\$49,000	\$49,000 <u>46,550</u>	
20 Fascinate-U	\$79,451	\$79,451 <u>75,478</u>	
21 Granville County Museum Commission, 22 Inc.—Harris Gallery	\$55,294	\$55,294 <u>52,529</u>	
23 Greensboro Children's Museum	\$132,374	\$132,374 <u>125,755</u>	
24 The Health Adventure Museum of Pack 25 Place Education, Arts and 5 Science Center, Inc.	\$152,499	\$152,499 <u>144,874</u>	
7 Highlands Nature Center	\$77,683	\$77,683 <u>73,799</u>	
28 Imagination Station	\$84,313	\$84,313 <u>80,097</u>	
29 The Iredell Museums, Inc.	\$60,080	\$60,080 <u>57,076</u>	
30 Kidsenses	\$79,656	\$79,656 <u>75,673</u>	
31 Museum of Coastal Carolina	\$76,460	\$76,460 <u>72,637</u>	
32 The Natural Science Center 33 of Greensboro, Inc.	\$182,627	\$182,627 <u>173,496</u>	
34 North Carolina Museum of Life 35 and Science	\$372,229	\$372,229 <u>353,618</u>	
36 Pisgah Astronomical Research Institute	\$49,000	\$49,000 <u>46,550</u>	
37 Port Discover: Northeastern 38 North Carolina's Center for 39 Hands-On Science, Inc.	\$49,000	\$49,000 <u>46,550</u>	
40 Rocky Mount Children's Museum	\$70,809	\$70,809 <u>67,269</u>	
41 Schiele Museum of Natural History 42 and Planetarium, Inc.	\$224,956	\$224,956 <u>213,708</u>	
43 Sci Works Science Center and 44 Environmental Park of Forsyth County	\$143,569	\$143,569 <u>136,390</u>	
45 Sylvan Heights Waterfowl Park 46 and Eco-Center	\$49,000	\$49,000 <u>46,550</u>	
47 Western North Carolina Nature Center	\$110,621	\$110,621 <u>105,090</u>	
3) 4) 50	Wilmington Children's Museum	\$72,408	\$72,408 <u>68,788</u>
	Total	\$3,411,713	\$3,411,713 <u>3,241,127"</u>

1 **House Only**

2 **CLOSE/TRANSFER CERTAIN DENR SPECIAL FUNDS**

3 **SECTION 13.21.(a)** The Office of State Budget and Management, in conjunction with
4 the Office of the State Controller and the Department of Environment and Natural Resources, shall
5 transfer to the Division of Soil and Water Conservation (General Fund code 14300-1310) any
6 unencumbered cash balance as of June 30, 2010, of each of the following special funds within the
7 Department and then close each of these special funds:

- 8 (1) SWC – CREP (Special Fund code 24308-2313).
9 (2) SWC – EEP Agreement (Special Fund code 24308-2317).

10 **SECTION 13.21.(b)** G.S. 113-36(d) is repealed.

11 **SECTION 13.21.(c)** The Office of State Budget and Management, in conjunction with
12 the Office of the State Controller and the Department of Environment and Natural Resources, shall
13 transfer to the Division of Forest Resources (General Fund code 14300-1210) the operating budget,
14 positions, and any unencumbered cash balance as of June 30, 2010, that remains in the special fund
15 Bladen Lakes (Special Fund code 24300-2221) after conducting the transfer under Section 2.2 of
16 this act and then close the special fund Bladen Lakes.

17 **SECTION 13.21.(d)** The Office of State Budget and Management, in conjunction with
18 the Office of the State Controller and the Department of Environment and Natural Resources, shall
19 transfer to the Division of Water Quality (General Fund code 14300-1695) the operating budget,
20 positions, and any unencumbered cash balance as of June 30, 2010, in the special fund DWQ – Lab
21 Certification Fees (Special Fund code 24300-2335) within the Department and then close this
22 special fund.

23 **SECTION 13.21.(e)** The Office of State Budget and Management, in conjunction with
24 the Office of the State Controller and the Department of Environment and Natural Resources, shall
25 transfer to the General Fund any unencumbered cash balance as of June 30, 2010, in each of the
26 following special funds within the Department and then close each of these special funds:

- 27 (1) DWM – Kernersville Site (Special Fund code 24308-2116).
28 (2) DWM – Meadowview Site (Special Fund code 24308-2118).
29 (3) DWR – Streamwatch Project (Special Fund code 24308-2180).
30 (4) DAQ – Terrorism Defense (Special Fund code 24308-2343).
31 (5) MNS – E A Publications (Special Fund code 24308-2461).
32 (6) MNS – Mus Nat Sci/School Science Fairs (Special Fund code 24308-2462).
33 (7) MNS – Mus Nat Sci/Scientific Pub. (Special Fund code 24308-2465).
34 (8) DFR – Hurricane Frances (Special Fund code 24310-2786).
35 (9) DFR – Hurricane Ivan (Special Fund code 24310-2797).
36 (10) DFR – Dare Bomb Range Isabel Interest (Special Fund code 24310-2249).

37 **SECTION 13.21.(f)** The Office of State Budget and Management, in conjunction with
38 the Office of the State Controller and the Department of Environment and Natural Resources, shall
39 transfer to Special Fund code 24317 any unencumbered cash balance as of June 30, 2010, of each of
40 the following special funds within the Department and then close each of these special funds:

- 41 (1) SWC – Agricultural Cost Share Programs (Special Fund code 24308-2510).
42 (2) SWC – Animal Waste Cost Share (Special Fund code 24308-2520).
43 (3) NC07 – Network Date IT Project (Special Fund code 24308-2931).

44 **SECTION 13.21.(g)** The Office of State Budget and Management, in conjunction with
45 the Office of the State Controller and the Department of Environment and Natural Resources, shall
46 transfer to Special Fund code 64305 any unencumbered cash balance as of June 30, 2010, of the
47 special fund DWM – Noncommercial Leaking Petroleum Storage (Special Fund code 64308-6371)
48 within the Department and then close this special fund.

49 **SECTION 13.21.(h)** The Office of State Budget and Management, in conjunction with
50 the Office of the State Controller and the Department of Environment and Natural Resources, shall

- 1 transfer to Special Fund code 24300 the operating budget, positions, and any unencumbered cash
- 2 balance as of June 30, 2010, of each special fund within the Department with Special Fund code
- 3 24308 that is not subject to closure under the provisions of other subsections of this section.

1 **House Only**

2 **WILDLIFE RESOURCES COMMISSION FUNDING**

3 **SECTION 13.22.** Section 13.11 of S.L. 2009-451 reads as rewritten:

4 "SECTION 13.11. Notwithstanding G.S. 105-164.44B, during the 2009-2010 fiscal year and
5 the 2010-2011 fiscal year, the Secretary of Revenue shall transfer at the end of each quarter from
6 the State sales and use tax net collections received by the Department of Revenue under Article 5 of
7 Chapter 105 of the General Statutes to the State Treasurer for the Wildlife Resources Fund
8 one-fourth of the amount transferred the preceding fiscal year plus or minus the percentage of that
9 amount by which the total collection of State sales and use taxes increased or decreased during the
10 preceding fiscal year, not to exceed twenty-one million five hundred thousand dollars
11 (\$21,500,000)-(\$21,500,000) for the 2009-2010 fiscal year and not to exceed eighteen million five
12 hundred thousand dollars (\$18,500,000) for the 2010-2011 fiscal year."

1 **Senate and House Differ**

2
3 **Senate Version**

4
5 **STATE AGENCIES AND INSTITUTIONS/GREATER ENERGY EFFICIENCY**
6 **REPORTING AND COMPLIANCE**

7 **SECTION 14.3.** G.S. 143-64.12 reads as rewritten:

8 **"§ 143-64.12. Authority and duties of the Department; State agencies and State institutions of**
9 **higher learning.**

10 (a) The Department of Commerce through the State Energy Office shall develop a
11 comprehensive program to manage energy, water, and other utility use for State agencies and State
12 institutions of higher learning and shall update this program annually. Each State agency and State
13 institution of higher learning shall develop and implement a management plan that is consistent
14 with the State's comprehensive program under this subsection to manage energy, water, and other
15 utility use, and that addresses any findings or recommendations resulting from the energy audit
16 required by subsection (b1) of this section. The energy consumption per gross square foot for all
17 State buildings in total shall be reduced by twenty percent (20%) by 2010 and thirty percent (30%)
18 by 2015 based on energy consumption for the 2002-2003 fiscal year. Each State agency and State
19 institution of higher learning shall update its management plan annually and include strategies for
20 supporting the energy consumption reduction requirements under this subsection. Each community
21 college shall submit to the State Energy Office an annual written report of utility consumption and
22 costs.

23 ...
24 (b2) The Department of Administration shall submit a report of the energy audit required by
25 subsection (b1) of this section to the affected State agency or State institution of higher learning and
26 to the State Energy Office. The State Energy Office shall review each audit and, in consultation
27 with the affected State agency or State institution of higher learning, incorporate the audit findings
28 and recommendations into the management plan required by subsection (a) of this section.

29 ...
30 (j) The State Energy Office shall submit a report by September 11 of each year to the Joint
31 Legislative Commission on Governmental Operations describing the comprehensive program to
32 manage energy, water, and other utility use for State agencies and State institutions of higher
33 learning required by subsection (a) of this section. The report shall also contain the following:

- 34 (1) A comprehensive overview of how State agencies and State institutions of higher
35 learning are managing energy, water, and other utility use and achieving
36 efficiency gains.
37 (2) Any new measures that could be taken by State agencies and State institutions of
38 higher learning to achieve greater efficiency gains, including any changes in
39 general law that might be needed.
40 (3) A summary of the State agency and State institutions of higher learning
41 management plans required by subsection (a) of this section and the energy
42 audits required by subsection (b1) of this section.
43 (4) A list of the State agencies and institutions of higher learning that did and did not
44 submit management plans required by subsection (a) of this section and a list of
45 the State agencies and State institutions of higher learning that received an
46 energy audit.
47 (5) Any recommendations on how management plans can be better managed and
48 implemented."

1 **House Version**

2 **STATE AGENCIES AND INSTITUTIONS/GREATER ENERGY EFFICIENCY**
3 **REPORTING AND COMPLIANCE**

4 **SECTION 14.3. G.S. 143-64.12 reads as rewritten:**

5 **"§ 143-64.12. Authority and duties of the Department; State agencies and State institutions of**
6 **higher learning.**

7 (a) The Department of Commerce through the State Energy Office shall develop a
8 comprehensive program to manage energy, water, and other utility use for State agencies and State
9 institutions of higher learning and shall update this program annually. Each State agency and State
10 institution of higher learning shall develop and implement a management plan that is consistent
11 with the State's comprehensive program under this subsection to manage energy, water, and other
12 utility use, and that addresses any findings or recommendations resulting from the energy audit
13 required by subsection (b1) of this section. The energy consumption per gross square foot for all
14 State buildings in total shall be reduced by twenty percent (20%) by 2010 and thirty percent (30%)
15 by 2015 based on energy consumption for the 2002-2003 fiscal year. Each State agency and State
16 institution of higher learning shall update its management plan annually and include strategies for
17 supporting the energy consumption reduction requirements under this subsection. Each community
18 college shall submit to the State Energy Office an annual written report of utility consumption and
19 costs.

20 ...
21 (b1) The Department of Administration, as part of the Facilities Condition and Assessment
22 Program, shall identify and recommend energy conservation maintenance and operating procedures
23 that are designed to reduce energy consumption within the facility of a State agency or a State
24 institution of higher learning and that require no significant expenditure of funds. Every State
25 agency or State institution of higher learning shall implement these recommendations. Where
26 energy management equipment is proposed for any facility of a State agency or of a State institution
27 of higher learning, the maximum interchangeability and compatibility of equipment components
28 shall be required. As part of the Facilities Condition and Assessment Program under this section, the
29 Department of Administration, in consultation with the State Energy Office, shall
30 develop an energy audit and a procedure for conducting energy audits. Every five years the
31 Department shall conduct an energy audit for each State agency or State institution of higher
32 learning, and the energy audits conducted shall serve as a preliminary energy survey. The
33 State Energy Office shall be responsible for system-level detailed surveys.

34 (b2) The Department of Administration shall submit a report of the energy audit required by
35 subsection (b1) of this section to the affected State agency or State institution of higher learning and
36 to the State Energy Office. The State Energy Office shall review each audit and, in consultation
37 with the affected State agency or State institution of higher learning, incorporate the audit findings
38 and recommendations into the management plan required by subsection (a) of this section.

39 ...
40 (h) When conducting an energy audit a facilities condition and assessment under this section,
41 the Department of Administration shall identify and recommend to the State Energy Office any
42 facility of a State agency or State institution of higher learning as suitable for building
43 commissioning to reduce energy consumption within the facility or as suitable for installing an
44 energy savings measure pursuant to a guaranteed energy savings contract under Part 2 of this
45 Article.

46 ...
47 (i) The State Energy Office shall submit a report by December 1 of each year to the Joint
48 Legislative Commission on Governmental Operations describing the comprehensive program to
49 manage energy, water, and other utility use for State agencies and State institutions of higher
50 learning required by subsection (a) of this section. The report shall also contain the following:

- 1 (1) A comprehensive overview of how State agencies and State institutions of higher
2 learning are managing energy, water, and other utility use and achieving
3 efficiency gains.
- 4 (2) Any new measures that could be taken by State agencies and State institutions of
5 higher learning to achieve greater efficiency gains, including any changes in
6 general law that might be needed.
- 7 (3) A summary of the State agency and State institutions of higher learning
8 management plans required by subsection (a) of this section and the energy
9 audits required by subsection (b1) of this section.
- 10 (4) A list of the State agencies and State institutions of higher learning that did and
11 did not submit management plans required by subsection (a) of this section and a
12 list of the State agencies and State institutions of higher learning that received an
13 energy audit.
- 14 (5) Any recommendations on how management plans can be better managed and
15 implemented."
- 16

1 **Senate and House Differ**

2
3 **Senate Version**

4
5 **LOCAL WORKFORCE DEVELOPMENT BOARDS/CONSUMER CHOICE**
6 **REQUIREMENTS**

7 **SECTION 14.4.** G.S. 143B-438.11(a) is amended by adding the following new
8 subdivision to read:

9 **"§ 143B-438.11. Local Workforce Development Boards.**

10 (a) Duties. – Local Workforce Development Boards shall have the following powers and
11 duties:

12 ...
13 (8) To provide training services in a manner that maximizes consumer choice in the
14 selection of an eligible provider of training services. Each local workforce
15 development board shall ensure that consumer choice is properly maintained in
16 the one-stop centers and shall not discriminate against any eligible provider.
17 Each local workforce development board, through the one-stop centers, shall
18 make available: (i) the State list of eligible providers of training services with a
19 description of the programs through which the providers may offer the training
20 services and the information identifying eligible providers of on-the-job training
21 and customized training; and (ii) the performance information and performance
22 cost information relating to eligible providers of training services and eligible
23 providers of on-the-job training and customized training."
24

25 **House Version**

26 **LOCAL WORKFORCE DEVELOPMENT BOARDS/CONSUMER CHOICE**
27 **REQUIREMENTS**

28 **SECTION 14.4.** G.S. 143B-438.11(a) is amended by adding the following new
29 subdivision to read as follows:

30 "(a) Duties. – Local Workforce Development Boards shall have the following powers and
31 duties:

32 ...
33 (8) To provide the appropriate guidance and information to Workforce Investment
34 Act consumers to ensure that they are prepared and positioned to make informed
35 choices in selecting a training provider. Each local workforce development board
36 shall ensure that consumer choice is properly maintained in the one-stop centers
37 and that consumers are provided the full array of public and private training
38 provider information."
39

1 **Senate Only**

2 **WANCHESE SEAFOOD INDUSTRIAL PARK/OREGON INLET FUNDS**

3 **SECTION 14.5.** Section 14.4 of S.L. 2009-451 reads as rewritten:

4 "SECTION 14.4.(a) Funds appropriated to the Department of Commerce for the
5 ~~2009-2010~~2010-2011 fiscal year for the Wanchese Seafood Industrial Park that are unexpended and
6 unencumbered as of ~~June 30, 2009~~,June 30, 2011, shall not revert to the General Fund on ~~June 30,~~
7 ~~2009~~,June 30, 2011, but shall remain available to the Department to be expended by the Wanchese
8 Seafood Industrial Park for operations, maintenance, repair, and capital improvements in
9 accordance with Article 23C of Chapter 113 of the General Statutes. These funds shall be in
10 addition to funds available to the North Carolina Seafood Industrial Park Authority for operations,
11 maintenance, repair, and capital improvements under Article 23C of Chapter 113 of the General
12 Statutes.

13 ~~"SECTION 14.4.(b) Funds appropriated to the Department of Commerce for the 2009-2010~~
14 ~~fiscal year for the Oregon Inlet Project that are unexpended and unencumbered as of June 30, 2009,~~
15 ~~shall not revert to the General Fund on June 30, 2009, but shall remain available to the Department~~
16 ~~to be expended by the Wanchese Seafood Industrial Park for securing adequate channel~~
17 ~~maintenance of the Oregon Inlet and for operations, maintenance, repair, and capital improvements~~
18 ~~in accordance with Article 23C of Chapter 113 of the General Statutes. These funds shall be in~~
19 ~~addition to funds available to the North Carolina Seafood Industrial Park Authority for operations,~~
20 ~~maintenance, repair, and capital improvements under Article 23C of Chapter 113 of the General~~
21 ~~Statutes.~~

22 "SECTION 14.4.(c) This section becomes effective ~~June 30, 2009~~,June 30, 2010."

1 **Senate and House Differ**

2
3 **Senate Version**

4
5 **CONSOLIDATE PASSENGER AIRCRAFT**

6 **SECTION 14.6.(a)** The Executive Aircraft Division of the Department of Commerce is
7 transferred to the Division of Aviation of the Department of Transportation. This transfer shall have
8 all the elements of a Type I transfer, as defined by G.S. 143A-6.

9 **SECTION 14.6.(b)** G.S. 143B-437.011 is repealed.

10 **SECTION 14.6.(c)** Article 7 of Chapter 136 of the General Statutes is amended by
11 adding a new section to read:

12 **"§ 136-102.20. Use of aircraft managed by the Department of Transportation.**

13 The use of aircraft for economic development purposes shall take precedence over all other uses
14 of the aircraft managed by the Department of Transportation. The Department of Transportation
15 shall annually review the rates charged for the use of aircraft and shall adjust the rates, as necessary,
16 to account for upgraded aircraft and inflationary increases in operating costs, including jet fuel
17 prices. If an aircraft is not being used for economic development purposes, the aircraft may be used
18 by the Governor or a State official who is employed by an agency that does not have its own aircraft
19 and is traveling on State business. If an aircraft is used to attend athletic events or for any other
20 purpose related to collegiate athletics, the rate charged shall be equal to the direct cost of operating
21 the aircraft as established by the aircraft's manufacturer, adjusted for inflation."

22
23 **House Version**

24 **CONSOLIDATE PASSENGER AIRCRAFT**

25 **SECTION 14.6.(a)** The Executive Aircraft Division of the Department of Commerce is
26 transferred to the Division of Aviation of the Department of Transportation. This transfer shall have
27 all the elements of a Type I transfer, as defined by G.S. 143A-6.

28 **SECTION 14.6.(b)** G.S. 143B-437.011 is repealed.

29 **SECTION 14.6.(c)** Article 7 of Chapter 136 of the General Statutes is amended by
30 adding a new section to read:

31 **"§ 136-102.20. Use of aircraft managed by the Department of Transportation.**

32 The use of aircraft for emergency or disaster response shall take precedence over all other uses
33 of the aircraft managed by the Department of Transportation. The use of aircraft for economic
34 development purposes shall have second priority followed by the use of aircraft for all other
35 legitimate purposes. The Department of Transportation shall annually review the rates charged for
36 the use of aircraft and shall adjust the rates, as necessary, to account for upgraded aircraft and
37 inflationary increases in operating costs, including jet fuel prices. If an aircraft is used to attend
38 athletic events or for any other purpose related to collegiate athletics, the rate charged shall be equal
39 to the direct cost of operating the aircraft as established by the aircraft's manufacturer, adjusted for
40 inflation."

1 **House Only**

2 **MAIN STREET SOLUTIONS FUND**

3 **SECTION 14.6A. G.S. 143B-472.35 reads as rewritten:**

4 **"§ 143B-472.35. Establishment of fund; use of funds; application for grants; disbursal;**
5 **repayment; inspections; rules; reports.**

6 (a) A fund to be known as the Main Street Solutions Fund is established in the Department
7 of Commerce. This Fund shall be administered by the Department of Commerce. The Department
8 of Commerce shall be responsible for receipt and disbursement of all funds as provided in this
9 section. Interest earnings shall be credited to the Main Street Solutions Fund.

10 (a1) The Main Street Solutions Fund is a reimbursable, matching grant program. The
11 Department of Commerce and the North Carolina Main Street Center are authorized to award grants
12 from the Main Street Solutions Fund totaling not more than two hundred thousand dollars
13 (\$200,000) to each eligible local government. Funds from eligible local governments, main street
14 organizations, downtown organizations, downtown economic development organizations, and
15 sources other than the State or federal government must be committed to match the amount of any
16 grant from the Main Street Solutions Fund on the basis of a minimum of two non-State dollars
17 (\$2.00) for every one dollar (\$1.00) provided by the State from the Main Street Solutions Fund.

18 (a2) Definitions. – For purposes of this section, the following definitions shall apply:

- 19 (1) Active North Carolina main street community. – A community in a Tier 1, 2, or 3
20 county that has been selected by the Department of Commerce to participate in
21 the Main Street Program or the Small Town Main Street Program and that meets
22 the reporting and eligibility requirements of the respective Program.
- 23 (2) Designated micropolitan. – A geographic entity containing an urban core and
24 having a population of between 10,000 and 50,000 people, according to the most
25 recent federal decennial census.
- 26 (3) Designated downtown area. – A designated area within a community that is
27 considered the primary, traditional downtown business district of the community.
- 28 (4) Downtown economic development organization. – An agency that is part of a
29 public-private partnership intended to develop and recruit business opportunities
30 or to undertake economic development projects that will create jobs.
- 31 (5) Downtown organization. – An agency that is part of a public-private partnership
32 on the local level and whose core mission is to revitalize a traditional downtown
33 business district.
- 34 (6) Eligible local government. – A municipal government that is located in a
35 designated micropolitan or an active North Carolina main street community.
- 36 (7) Historic properties. – Properties that have been designated as historically
37 significant by the National Register of Historic Places or a local historic
38 properties commission.
- 39 (8) Interlocal small business economic development project. – A project or group of
40 projects in a cluster of communities or counties or in a region that share a
41 common economic development strategy for small business growth and job
42 creation.
- 43 (9) Main Street Organization. – An agency working in a public-private partnership
44 on the local level, guided by a professional downtown manager, board of
45 directors, or revitalization committee, and charged with administering the local
46 Main Street Program initiative and facilitating revitalization initiatives in the
47 traditional downtown business district through appropriate design, promotion,
48 and economic restructuring activities.

- 1 (10) Main Street Program. – The program developed by the National Trust for
2 Historic Preservation to promote downtown revitalization through economic
3 development within the context of historic preservation.
4 (11) Mixed-use centers. – Areas zoned and developed for a mix of uses, including
5 retail, service, professional, governmental, institutional, and residential.
6 (12) Main Street Center. – The agency within the North Carolina Department of
7 Commerce, Office of Urban Development, which receives applications and
8 makes decisions with respect to Main Street Solutions Fund grant applications
9 from eligible local governments.
10 (13) Private investment. – A project or group of projects in a designated downtown
11 area that will spur private investment and improve property. A project must be
12 owned and maintained by a private entity and must provide a direct benefit to
13 small businesses.
14 (14) Public improvements and public infrastructure. – The improvement of property
15 or infrastructure that is owned and maintained by a city or county.
16 (15) Revolving loan programs for private investment. – A property redevelopment or
17 small business assistance fund that is administered on the local level and that
18 may be used to stabilize or appropriately redevelop properties located in the
19 downtown area in connection with private investment or that may be used to
20 provide necessary operating capital for small business creation or expansion in
21 connection with private investment in a designated downtown area.
22 (16) Small business. – An independently owned and operated business with less than
23 100 employees and with annual revenues of less than six million dollars
24 (\$6,000,000).
25 (17) Small Town Main Street Program. – A program based upon the Main Street
26 Program developed by the National Trust for Historic Preservation to promote
27 downtown revitalization through economic development within the context of
28 historic preservation. The purpose of the Small Town Main Street Program is to
29 provide guidance to local communities that have a population of less than 7,500
30 and do not have a downtown manager.
31 (18) Tier 1, 2, or 3 counties. – North Carolina counties annually ranked by the
32 Department of Commerce based upon the counties' economic well-being and
33 assigned a Tier designation. The 40 most distressed counties are designated as
34 Tier 1, the next 40 as Tier 2, and the 20 least distressed as Tier 3.

35 (a3) The purpose of the Main Street Program is to provide economic development planning
36 assistance and coordinated grant support to designated micropolitan located in Tier 2 and 3
37 counties and to active North Carolina main street communities. To achieve the purposes of the Main
38 Street Program, the Main Street Center shall develop criteria for community participation and shall
39 provide technical assistance and strategic planning support to eligible local governments. Local
40 governments, in collaboration with a main street organization, downtown organization, or
41 downtown economic development organization, and the small businesses that will directly benefit
42 from these funds may apply for grants from the Main Street Solutions Fund as provided in this
43 section.

44 (a4) The Secretary of Commerce, through the Main Street Center, shall award grants from the
45 Main Street Solutions Fund to eligible designated micropolitans and active North Carolina main
46 street communities. Grant funds awarded from the Main Street Solutions Fund shall be used as
47 provided by the provisions of this section and any rules or regulations adopted by the Secretary of
48 Commerce.

49 (b) Funds in the Main Street Solutions Fund shall be available only to micropolitan cities in
50 development tier two and three counties designated micropolitans in Tier 2 and 3 counties and to
51 active North Carolina main street communities in the State. For purposes of this section, a

1 "micropolitan city" is a city located within the State with a population, according to the most recent
2 U.S. census, of between 10,000 and 50,000 people. Funds in the Main Street Solutions Fund shall
3 be used for any of the following eligible activities:

4 ~~(1) The acquisition or rehabilitation of properties in connection with private
5 investment in a designated downtown area.~~

6 ~~(1a) Downtown economic development initiatives that do any of the following:~~

7 ~~a. Encourage the development or redevelopment of traditional downtown
8 areas by increasing the capacity for mixed-use centers of activity within
9 downtown core areas. Funds may be used to support the rehabilitation of
10 properties, utility infrastructure improvements, new construction, and the
11 development or redevelopment of parking lots or facilities. Projects under
12 this sub-subdivision must foster private investment and provide direct
13 benefit to small business retention, expansion, or recruitment.~~

14 ~~b. Attract and leverage private-sector investments and entrepreneurial
15 growth in downtown areas through strategic planning efforts, market
16 studies, and downtown master plans in association with direct benefit to
17 small business retention, expansion, or recruitment.~~

18 ~~c. Attract and stimulate the growth of business professionals and
19 entrepreneurs within downtown core areas.~~

20 ~~d. Establish revolving loan programs for private investment and small
21 business assistance in downtown historic properties.~~

22 ~~e. Encourage public improvement projects that are necessary to create or
23 stimulate private investment in the designated downtown area and
24 provide a direct benefit to small businesses.~~

25 ~~(2) The establishment of revolving loan programs for private investment in a
26 designated downtown area.~~

27 ~~(2a) Historic preservation initiatives outside of downtown core areas that enhance: (i)
28 community economic development and small business retention, expansion, or
29 recruitment; and (ii) regional or community job creation.~~

30 ~~(3) The subsidization of interest rates for these revolving loan programs.~~

31 ~~(3a) Public improvements and public infrastructure outside of downtown core areas
32 that are consistent with sound municipal planning and that support community
33 economic development, small business retention, expansion, or recruitment, and
34 regional or community job creation.~~

35 ~~(4) The establishment of facade incentive grants in connection with private
36 investment in a designated downtown area.~~

37 ~~(4a) Interlocal small business economic development projects designed to enhance
38 regional economic growth and job creation.~~

39 ~~(5) Market studies, design studies, design assistance, or strategic planning efforts,
40 provided the activity can be shown to lead directly to private investment in a
41 designated downtown area.~~

42 ~~(6) Any approved project that provides construction or rehabilitation in a designated
43 downtown area and can be shown to lead directly to private investment in the
44 designated downtown area.~~

45 ~~(7) Public improvements and public infrastructure within a designated downtown
46 area, provided these improvements are necessary to create or stimulate private
47 investment in the designated downtown area.~~

48 ~~(c) Any micropolitan city located within a development tier two or three county may apply
49 for assistance from the Main Street Solutions Fund by submitting an application to the Main Street
50 Center in the Division of Community Assistance, Department of Commerce. Any city affiliated
51 with the North Carolina Main Street Center Program may apply for a grant for a proposed project.~~

1 (c1) The application shall include each of the following:

2 ~~(1) A copy of the consensus local economic development plan developed by the~~
3 ~~micropolitan city in conjunction with the Department's Main Street Program and~~
4 ~~the city's regional economic development commission or its local council of~~
5 ~~government or both.~~

6 (1a) The proposed activities for which the funds are to be used and the projected cost
7 of the project.

8 (2) The amount of grant funds requested for these activities.

9 (3) Projections of the dollar amount of public and private investment that ~~is~~ are
10 expected to occur in the designated micropolitan or designated downtown area as
11 a direct result of the city's proposed activities.

12 ~~(4) Whether local public dollars are required to match any grant funds according to~~
13 ~~the provisions of subdivision (g)(2) of this section, and if so, the amount of local~~
14 ~~public funds required.~~

15 (5) An explanation of the nature of the private investment in the designated
16 micropolitan or designated downtown area that will result from the city's
17 proposed activities.

18 (6) Projections of the time needed to complete the city's proposed activities.

19 (7) Projections of the time needed to realize the private investment that is expected
20 to result from the city's proposed activities.

21 ~~(8) Identification of the proposed source of funds to be used for repayment of any~~
22 ~~loan obligations.~~

23 (9) Any additional or supplemental information requested by the Division.

24 (d) ~~A committee, comprised of representatives of: the Division of Community Assistance of~~
25 ~~the Department of Commerce, the North Carolina Main Street Program, the Local Government~~
26 ~~Commission, and the League of Municipalities shall do each of the following:~~

27 ~~(1) Review a city's application.~~

28 ~~(2) Determine whether the activities listed in the application are activities that are~~
29 ~~eligible for a grant.~~

30 ~~(3) Determine which applicants are selected to receive funds from the Main Street~~
31 ~~Solutions Fund.~~

32 A city local government whose application is denied may file a new or amended application.

33 (e) ~~A Main Street City that is selected may not receive a grant pursuant to this section~~
34 ~~totaling less than twenty thousand dollars (\$20,000) or more than three hundred thousand dollars~~
35 ~~(\$300,000).~~

36 (f) Repealed by Session Laws 2009-451, s. 14.10, effective July 1, 2009.

37 (g) (1) A city local government that has been selected to receive a grant shall use the full
38 amount of the grant for the activities that were approved pursuant to subsection
39 ~~(d)~~ the provisions of this section. Funds are deemed used if the city local
40 government is legally committed to spend the funds on the approved activities.

41 (2) ~~If a city has received approval to use the grant for public improvements or public~~
42 ~~infrastructure, that city shall be required to raise, before funds for these public~~
43 ~~improvements may be drawn from the city's account, local public funds to match~~
44 ~~the amount of the grant from the Main Street Solutions Fund on the basis of at~~
45 ~~least one local public dollar (\$1.00) for every one dollar (\$1.00) from the Main~~
46 ~~Street Solutions Fund. This match requirement applies only to those funds~~
47 ~~received for public improvements or public infrastructure and is in addition to the~~
48 ~~requirement set forth in subdivision (1) of this subsection.~~

49 (3) A city local government that fails to satisfy the condition set forth in subdivision
50 (1) of this subsection shall lose any funds that have not been used within three
51 years of being selected. These unused funds shall be credited to the Main Street

1 Solutions Fund. A city-local government that fails to satisfy the conditions set
2 forth in ~~subdivisions (1) and (2)~~ subdivision (1) of this subsection may file a new
3 application.

4 (4) Any funds repaid or credited to the Main Street Solutions Fund pursuant to
5 subdivision (3) of this subsection shall be available to other applicants as long as
6 the Main Street Solutions Fund is in effect.

7 (h) Repealed by Session Laws 2009-451, s. 14.10, effective July 1, 2009.

8 (i) After a project financed ~~in whole or in part~~ pursuant to this section has been completed,
9 the city-local government shall report the actual cost of the project to the Department of Commerce.
10 ~~If the actual cost of the project exceeds the projected cost upon which the grant was based, the city~~
11 ~~may submit an application to the Department of Commerce for a grant for the difference. If the~~
12 ~~actual cost of the project is less than the projected cost, the city shall arrange to pay the difference to~~
13 ~~the Main Street Solutions Fund according to terms set by the Department.~~

14 (j) Inspection of a project for which a grant has been awarded may be performed by
15 personnel of the Department of Commerce. No person may be approved to perform inspections who
16 is an officer or employee of the unit of local government to which the grant was made or who is an
17 owner, officer, employee, or agent of a contractor or subcontractor engaged in the construction of
18 any project for which the grant was made.

19 (k) The Department of Commerce may adopt, modify, and repeal rules establishing the
20 procedures to be followed in the administration of this section and regulations interpreting and
21 applying the provisions of this section, as provided in the Administrative Procedure Act.

22 (l) The Department of Commerce and cities-local governments that have been selected to
23 receive a grant from the Main Street Solutions Fund shall prepare and file on or before September 1
24 of each year with the Joint Legislative Commission on Governmental Operations and the Fiscal
25 Research Division a consolidated report for the preceding fiscal year concerning the allocation of
26 grants authorized by this section.

27 The portion of the annual report prepared by the Department of Commerce shall set forth for the
28 preceding fiscal year itemized and total allocations from the Main Street Solutions Fund for grants.
29 The Department of Commerce shall also prepare a summary report of all allocations made from the
30 fund for each fiscal year; the total funds received and allocations made and the total unallocated
31 funds in the Fund.

32 The portion of the report prepared by the city-local government shall include each of the
33 following:

34 (1) The total amount of public and private funds that was committed and the amount
35 that was invested in the designated micropolitan or designated downtown area
36 during the preceding fiscal year.

37 (2) ~~The total amount of local public matching funds that was raised, if required by~~
38 ~~subdivision (g)(2) of this section.~~

39 (3) The total amount of grants received from the Main Street Solutions Fund during
40 the preceding fiscal year.

41 (4) Repealed by Session Laws 2009-451, s. 14.10, effective July 1, 2009.

42 (5) A description of how the grant funds and funds from public and private investors
43 were used during the preceding fiscal year.

44 (6) Details regarding the types of private investment created or stimulated, the dates
45 of this activity, the amount of public money involved, and any other pertinent
46 information, including any jobs created, businesses started, and number of jobs
47 retained due to the approved activities.

48 (m) The Department of Commerce may annually use up to ~~fifty thousand dollars~~
49 ~~(\$50,000)~~ seventy-five thousand dollars (\$75,000) of the funds in the Main Street Solutions Fund for
50 expenses related to the administration of the Fund."

1 **Senate Only**

2 **FEE TO ADVERTISE IN WELCOME CENTERS**

3 **SECTION 14.7.(a)** G.S. 143B-421.3 reads as rewritten:

4 **"§ 143B-421.3. Consultation required for welcome and visitor ~~centers~~centers; advertising**
5 **fees.**

6 (a) Consultation. – The Department of Commerce and the Department of Transportation
7 shall consult with the Joint Legislative Commission on Governmental Operations and the House
8 and Senate Appropriations Subcommittees on Natural and Economic Resources before beginning
9 the design or construction of any new welcome center or visitor center buildings.

10 (b) Advertising. – An annual fee is imposed on a person who places or displays advertising
11 materials in a welcome center building. The fee imposed by this subsection does not apply to
12 governmental or public sector entities or to advertising materials for an event or amusement that
13 will be held 30 or fewer calendar days from the date the advertising material is placed or displayed
14 in the welcome center building. The annual fee shall be as follows:

15 (1) For advertising materials where the width is not more than four inches and the length is not
16 more than nine inches: one hundred dollars (\$100.00) per year per welcome center building.

17 (2) For advertising materials where the width is more than four inches or the length
18 is more than nine inches: two hundred dollars (\$200.00) per year per welcome
19 center building."

20 **SECTION 14.7.(b)** This section becomes effective the later of July 1, 2010, or the date
21 upon which this act becomes law, and applies to advertising materials placed or displayed in
22 welcome center buildings on or after that date.

1 **Senate Only**

2 **LAB-TO-MARKET FUNDS/COMMERCIALIZATION**

3 **SECTION 14.11.** Of the funds appropriated to the Department of Commerce
4 Lab-to-Market/Commercialization, the sum of ten million dollars (\$10,000,000) shall be used to
5 support the Armed Forces Institute for Regenerative Medicine.

1 **Senate Only**

2 **PROMOTE NORTH CAROLINA DISTILLED SPIRITS**

3 **SECTION 14.12.(a)** G.S. 18B-800 is amended by adding a new subsection to read:

4 "(e) Each ABC store shall display spirits which are distilled in North Carolina in an area
5 dedicated solely to North Carolina products."

6 **SECTION 14.12.(b)** Article 11 of Chapter 18B of the General Statutes is amended by
7 adding a new section to read:

8 **"§ 18B-1105.2. Spirituous liquor tasting at distilleries.**

9 The holder of any distillery permit authorized by G.S. 18B-1105 may conduct a consumer
10 tasting event at the distillery subject to the following conditions:

- 11 (1) Any person pouring wine at a wine tasting shall be an employee of the distillery
12 and at least 21 years of age.
- 13 (2) The person pouring the spirituous liquor shall be responsible for checking the
14 identification of patrons being served at the tasting.
- 15 (3) Each consumer is limited to tasting samples which total no more than 1.5 ounces
16 of spirituous liquor in any calendar day.
- 17 (4) The consumer shall not be charged for any spirituous liquor tasting sample.
- 18 (5) The spirituous liquor used in the consumer tasting event shall be distilled at the
19 distillery where the event is being held by the permit holder conducting the
20 event.
- 21 (6) A consumer tasting event shall not be allowed when the sale of spirituous liquor
22 is otherwise prohibited.
- 23 (7) Tasting samples are not to be offered to, or allowed to be consumed by, any
24 person under the legal age for consuming spirituous liquor.
- 25 (8) A consumer tasting event may not be advertised by the permit holder in any type
26 of media, including, but not limited to, print, radio, television, Internet, and
27 signage.

28 The distillery permit holder shall be solely liable for any violations of this Chapter occurring in
29 connection with the tasting. The Commission shall adopt rules to assure that the tastings are limited
30 to samplings and not a subterfuge for the unlawful sale or distribution of spirituous liquor and that
31 the tastings are not used by industry members for unlawful inducements to retail permit holders."

32 **SECTION 14.12.(c)** This section becomes effective October 1, 2010.

1 **Senate and House Differ**

2
3 **Senate Version**

4
5 **EMPLOYMENT SECURITY COMMISSION FUNDS**

6 **SECTION 14.13.** Section 14.17 of S.L. 2009-451 reads as rewritten:

7 **"SECTION 14.17.(a)** Funds from the Employment Security Commission Reserve Fund shall
8 be available to the Employment Security Commission of North Carolina to use as collateral to
9 secure federal funds and to pay the administrative costs associated with the collection of the
10 Employment Security Commission Reserve Fund surcharge. The total administrative costs paid
11 with funds from the Reserve in the ~~2009-2010~~2010-2011 fiscal year shall not exceed two million
12 five hundred thousand dollars (\$2,500,000).

13 **"SECTION 14.17.(b)** There is appropriated from the Employment Security Commission
14 Reserve Fund to the Employment Security Commission of North Carolina the sum of twenty
15 million dollars (\$20,000,000) for the ~~2009-2010~~2010-2011 fiscal year to be used for the following
16 purposes:

- 17 (1) Nineteen million five hundred thousand dollars (\$19,500,000) for the operation
18 and support of local Employment Security Commission offices.
- 19 (2) Two hundred thousand dollars (\$200,000) ~~for the State Occupational Information~~
20 ~~Coordinating Committee to develop and operate an interagency to operate the~~
21 ~~system to track that tracks~~ former participants in State education and training
22 programs.
- 23 (3) Three hundred thousand dollars (\$300,000) to maintain compliance with Chapter
24 96 of the General Statutes, which directs the Commission to employ the
25 Common Follow-Up Management Information System to evaluate the
26 effectiveness of the State's job training, education, and placement programs.

27 **"SECTION 14.17.(c)** There is appropriated from the Employment Security Commission
28 Reserve Fund to the Employment Security Commission of North Carolina an amount not to exceed
29 ~~one million dollars (\$1,000,000)~~five hundred thousand dollars (\$500,000) for the
30 ~~2009-2010~~2010-2011 fiscal year to fund State initiatives not currently funded through federal
31 grants.

32 **"SECTION 14.17.(d)** There is appropriated from the Employment Security Commission
33 Reserve Fund to the Employment Security Commission of North Carolina an amount not to exceed
34 ~~one million five hundred thousand dollars (\$1,500,000)~~one million two hundred thousand dollars
35 (\$1,200,000) for the ~~2009-2010~~2010-2011 fiscal year to fund a system upgrade to the Common
36 Follow-Up Management Information System.

37 ~~**"SECTION 14.17.(e)** The Employment Security Commission of North Carolina may use~~
38 ~~funds in the Employment Security Commission Reserve Fund to contract with nonprofit~~
39 ~~organizations to provide dislocated workers with assistance in obtaining health care benefits,~~
40 ~~receiving vocational training, and securing employment.~~

41 **"SECTION 14.17.(f)** There is appropriated from the Worker Training Trust Fund to the
42 Employment Security Commission of North Carolina the sum of one million dollars (\$1,000,000)
43 for the 2010-2011 fiscal year to fund the 'Tar Heel Works Program' which provides enhanced skills
44 training opportunities to recipients of unemployment insurance benefits.

45 **"SECTION 14.17.(g)** Of the funds credited to and held in the State of North Carolina's account
46 in the Unemployment Trust Fund by the Secretary of the Treasury of the United States pursuant to
47 and in accordance with section 903 of the Social Security Act and pursuant to Title II of P.L. 111-5,
48 the Assistance for Unemployed Workers and Struggling Families Act, the Employment Security
49 Commission of North Carolina may expend the sum of two hundred five million sixty-three
50 thousand five hundred fifty-two dollars (\$205,063,552) as follows: (i) one hundred fifty million

1 dollars: (\$150,000,000) shall be used to design and build the integrated unemployment insurance
2 benefit and tax accounting system; and (ii) the remaining funds shall be used for the operation of the
3 unemployment insurance program."
4

1 **House Version**

2 **EMPLOYMENT SECURITY COMMISSION FUNDS**

3 **SECTION 14.13.** Section 14.17 of S.L. 2009-451 reads as rewritten:

4 **"SECTION 14.17.(a)** Funds from the Employment Security Commission Reserve Fund shall
5 be available to the Employment Security Commission of North Carolina to use as collateral to
6 secure federal funds and to pay the administrative costs associated with the collection of the
7 Employment Security Commission Reserve Fund surcharge. The total administrative costs paid
8 with funds from the Reserve in the ~~2009-2010~~2010-2011 fiscal year shall not exceed two million
9 five hundred thousand dollars (\$2,500,000).

10 **"SECTION 14.17.(b)** There is appropriated from the Employment Security Commission
11 Reserve Fund to the Employment Security Commission of North Carolina the sum of twenty
12 million dollars (\$20,000,000) for the ~~2009-2010~~2010-2011 fiscal year to be used for the following
13 purposes:

- 14 (1) Nineteen million five hundred thousand dollars (\$19,500,000) for the operation
15 and support of local Employment Security Commission offices.
- 16 (2) Two hundred thousand dollars (\$200,000) ~~for the State Occupational Information~~
17 ~~Coordinating Committee to develop and operate an interagency to operate the~~
18 ~~system to track that tracks~~ former participants in State education and training
19 programs.
- 20 (3) Three hundred thousand dollars (\$300,000) to maintain compliance with Chapter
21 96 of the General Statutes, which directs the Commission to employ the
22 Common Follow-Up Management Information System to evaluate the
23 effectiveness of the State's job training, education, and placement programs.

24 **"SECTION 14.17.(c)** There is appropriated from the Employment Security Commission
25 Reserve Fund to the Employment Security Commission of North Carolina an amount not to exceed
26 ~~one million dollars (\$1,000,000)~~ for the ~~2009-2010~~2010-2011 fiscal year to fund State initiatives
27 not currently funded through federal grants.

28 **"SECTION 14.17.(d)** There is appropriated from the Employment Security Commission
29 Reserve Fund to the Employment Security Commission of North Carolina an amount not to exceed
30 ~~one million five hundred thousand dollars (\$1,500,000)~~one million two hundred thousand dollars
31 (\$1,200,000) for the ~~2009-2010~~2010-2011 fiscal year to fund a system upgrade to the Common
32 Follow-Up Management Information System.

33 ~~**"SECTION 14.17.(e)** The Employment Security Commission of North Carolina may use
34 funds in the Employment Security Commission Reserve Fund to contract with nonprofit
35 organizations to provide dislocated workers with assistance in obtaining health care benefits,
36 receiving vocational training, and securing employment.~~

37 **"SECTION 14.17.(f)** There is appropriated from the Worker Training Trust Fund to the
38 Employment Security Commission of North Carolina the sum of one million dollars (\$1,000,000)
39 for the 2010-2011 fiscal year to fund the 'Tar Heel Works Program' which provides work based
40 training opportunities to recipients of unemployment insurance benefits. ~~The Tar Heels Works~~
41 Program must meet all of the following factors:

- 42 (1) The training, even though it includes actual operation of the facilities of the
43 employer, is similar to what would be given in a vocational school or academic
44 educational instruction.
- 45 (2) The training is for the benefit of the trainee.
- 46 (3) The trainees do not displace regular employees, but work under their close
47 observation.
- 48 (4) The employer who provides the training derives no immediate advantage from
49 the activities of the trainees and, on occasion, the employer's operations may
50 actually be impeded.

1 (5) The trainees are not necessarily entitled to a job at the conclusion of the training
2 period.

3 (6) The employer and the trainees understand that the trainees are not entitled to
4 wages for the time spent in training.

5 "**SECTION 14.17.(g)** Of the funds credited to and held in the State of North Carolina's account
6 in the Unemployment Trust Fund by the Secretary of the Treasury of the United States pursuant to
7 and in accordance with section 903 of the Social Security Act and pursuant to Title II of P.L. 111-5,
8 the Assistance for Unemployed Workers and Struggling Families Act, the Employment Security
9 Commission of North Carolina may expend the sum of two hundred five million sixty-three
10 thousand five hundred fifty-two dollars (\$205,063,552) as follows: (i) one hundred million dollars
11 (\$100,000,000) shall be used to design and build the integrated unemployment insurance benefit
12 and tax accounting system; and (ii) the remaining funds shall be used for the operation of the
13 unemployment insurance program."
14

1 **Senate and House Differ**

2
3 **Senate Version**

4
5 **SET REGULATORY FEE FOR UTILITIES COMMISSION**

6 **SECTION 14.14.** Section 14.26 of S.L. 2009-451 reads as rewritten:

7 "SECTION 14.26.(a) The percentage rate to be used in calculating the public utility regulatory
8 fee under G.S. 62-302(b)(2) is twelve one-hundredths of one percent (0.12%) for each public
9 utility's North Carolina jurisdictional revenues earned during each quarter that begins on or after
10 July 1, 2009-July 1, 2010.

11 **SECTION 14.26.(b)** The electric membership corporation regulatory fee imposed under
12 G.S. 62-302(b1) for the ~~2009-2010~~2010-2011 fiscal year is two hundred thousand dollars
13 (\$200,000).

14 **SECTION 14.26.(c)** This section becomes effective July 1, 2009-July 1, 2010."
15

16 **House Version**

17 **SET REGULATORY FEE FOR UTILITIES COMMISSION**

18 **SECTION 14.14.** Section 14.26 of S.L. 2009-451 reads as rewritten:

19 "SECTION 14.26.(a) The ~~percentage rate~~ to be used in calculating the public utility regulatory
20 fee imposed on public utilities under G.S. 62-302(b)(2) is twelve one-hundredths of one percent
21 (0.12%) for each public utility's North Carolina jurisdictional ~~revenues~~ revenues, as defined in G.S.
22 62-302(b)(4), earned during each quarter that begins on or after July 1, 2009-July 1, 2010.

23 **SECTION 14.26.(b)** The electric membership corporation regulatory fee imposed under
24 G.S. 62-302(b1) for the ~~2009-2010~~2010-2011 fiscal year is two hundred thousand dollars
25 (\$200,000).

26 **SECTION 14.26.(c)** This section becomes effective July 1, 2009-July 1, 2010."
27

1 **Senate and House Differ**

2

3 **Senate Version**

4

5 **DEFENSE AND SECURITY TECHNOLOGY ACCELERATOR/REPORTING**

6 **REQUIREMENT**

7 **SECTION 14.17.** By September 1, 2010, and September 1, 2011, the Defense and
8 Security Technology Accelerator shall report to the Joint Legislative Commission on Governmental
9 Operations and the Fiscal Research Division on prior State fiscal year program activities, objectives,
10 and accomplishments and prior State fiscal year itemized expenditures and fund sources.

11

12 **House Version**

13 **DEFENSE AND SECURITY TECHNOLOGY ACCELERATOR/REPORTING**

14 **REQUIREMENT**

15 **SECTION 14.17.** By September 1, 2010, the Defense and Security Technology
16 Accelerator shall report to the Joint Legislative Commission on Governmental Operations and the
17 Fiscal Research Division on prior State fiscal year program activities, objectives, and
18 accomplishments and prior State fiscal year itemized expenditures and fund sources.

19

1 **House Only**

2 **RURAL CENTER/REALLOCATION OF CLEAN WATER BOND FUNDS**

3 **SECTION 14.22.** Notwithstanding the provisions of S.L. 1998-132, S.L. 2000-156, and
4 S.L. 2001-416, if the North Carolina Rural Economic Development Center, Inc. (Rural Center)
5 determines that there has been a change in any fiscal year in the relative needs for funds between
6 the supplemental, capacity, and unsewered communities categories of Clean Water Bond funding,
7 the Rural Center may reallocate funds between these categories. The Board of Directors of the
8 Rural Center must approve in advance any reallocation under this section. At least 30 days before
9 making a reallocation under this section, the Rural Center must consult with the Joint Legislative
10 Commission on Governmental Operations.

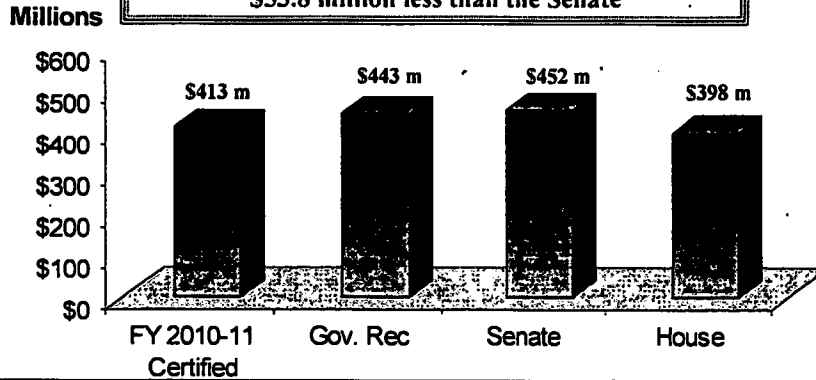
NER House Target & Comparisons

Target is \$398,188,718

\$14.8 million less than Certified budget

\$45 million less than Governor's Recommended

\$53.8 million less than the Senate



FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

May 20, 2010

Senate Highlights

Target - \$392,348,192 (no expansion)

- Operating Budgets Reduced:

- Ag: 4.4%
- Labor: 8.1%
- DENR: 6.8%
- Commerce: 8.4%
- All Non-Profits: 5%

**Final budget
\$452,017,032**

- Eliminated over 20 programs
- 128 positions moved off of the General Fund
 - 22 vacant and 46 filled eliminated
 - 60 fundshifted
- \$60.4 million for job creation and small business assistance

FISCAL RESEARCH DIVISION
A Staff Agency of the North Carolina General Assembly

May 20, 2010

N.C. HOUSE APPROPRIATIONS SUBCOMMITTEES APPROACH TO DEVELOPING THE 2010-11 BUDGET

As you conduct subcommittee activities and deliberations, please develop subcommittee spending proposals as follows:

- 1. No Expansion Except for Economic Development**
- 2. Continuation Reviews and Items Funded Non-recurring in FY 2009-10**
Funding may be provided to continue programs under Continuation Review, if justified, or for other items funded with non-recurring funds in the FY 2009-10, only on a non-recurring basis within subcommittee spending targets.
- 3. Build on Governor and Senate Budget Reduction Proposals**
Focus on:
 - Individual programs, including non-essential, ineffective, obsolete, redundant or new programs and services.
 - Specific line items within programs. (See list at bottom of page.)
- 4. Use Governmental and Proprietary Fund Cash Balances**
Cash balances can be transferred to the General Fund; expenditures can be transferred to the other funds.
- 5. Consider FY 2009-10 Agency Spending Level**
Review current agency spending level to see if the Governor's holdbacks for State agencies can be made permanent.
- 6. Review Vacant Positions for Potential Reduction**
- 7. No Fee Increases or Adjustments**
The Full Chairs of House Appropriations may consider exceptions on a case-by-case basis.
- 8. Use Federal Receipts**
Budget any federal receipts such as American Recovery and Reinvestment Act (ARRA) and Temporary Assistance for Needy Families (TANF). To the extent possible and allowed by federal regulations, use the funds for supplanting and for non-recurring needs.
- 9. Finally, Consider Applicable Recommendations Found In Any of the Following:**
 - Reports issued by the General Assembly's Program Evaluation Division
 - Prior and current studies and Continuation Reviews, particularly those mandated in S.L. 2009-451.

Specific Line Items within Agencies To Consider

1. Direct appropriations and grants to nonprofit organizations
2. Salary Reserves
3. Contracted services, personal and miscellaneous
4. Rental/lease of equipment, including cellular phones
5. Travel and other employee expense
6. Furniture and equipment replacement schedules
7. Loan programs

Revised House Appropriations Schedule as of May 18 – 2010 Session

May

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
						1
2	3	4 <i>Primary Elections</i>	5	6 Review 5% Options in Subcommittee	7 Review 5% Options in Subcommittee	8
Senate Subcommittees Meet						
9	10	11	12 <i>Session Convenes</i>	13	14 Draft Reports in Subcommittee & Senate Full Chairs Meet to Finalize Decisions	15 Staff Prepares Bill
Senate Subcommittees Continue to Meet and Begin Reporting						
16 Staff Prepares Bill	17 AM: Senate Full. Chairs Review Bill PM: Senate Subcommittees Review Bill/Vote	18 Senate Full Appropriations & 1 st Reading	19 House Issues Targets	20 Senate 3 rd Reading House Reviews Senate Budget	21 House Subcommittees Meetings	22
23	24 Subcommittee Meetings; Chairs begin Reviews w/Subcommittees 7:00 Public Hearing	25 Chairs begin Reviews w/ Subcommittees	26 Chairs complete Subcommittee Reviews	27 Subcommittees Vote	28 AM: House Full Chairs Meet to Finalize Decisions	29 Staff Prepares Bill
30	31 -Memorial Day					

2010

Revised House Appropriations Schedule as of May 18 – 2010 Session

June

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
		1 House Full Appropriations	2	3	4 House 3 rd Reading Conferees Appointed	5
6	7	8	9	10	11	12
Conferees Meet to Resolve Differences						
13	14	15	16	17	18	19
Conferees Meet to Resolve Differences						
20	21	22	23	24	25	26
Conferees Finalize Decisions						
27	28	29 <i>Adopt Conference Report</i>	30 End of Fiscal Year			

2010

NER House-Senate Comparison

Final House NER Target	\$453,502,672
Final Senate NER Target	\$452,017,032

House NER Transfer to the General Fund

WRC Cap to \$18.5m	\$3,000,000	NR
Scrap Tire Diversion	\$2,500,000	NR
White Goods Diversion	\$1,200,000	NR
Mercury Switch Cash Balance	\$2,250,000	NR
Express Permitting Cash Balance	\$600,000	NR
Bladen Lakes Cash Balance	\$500,000	NR
Aquariums Cash Balance	<u>\$2,000,000</u>	NR
	\$12,050,000	NR

North Carolina General Assembly

**Joint Appropriations Conference Committee
2010 Session**

Rules for Senate Bill 897 Subcommittee Conferees

June 10, 2010

1. **Subcommittee targets are spending targets.**
2. **Regarding expansion, subcommittees:**
 - a. **Shall not fund any new expansions not funded in either the House or Senate budgets**
 - b. **Shall not increase any expansion above the higher amount in either the House or Senate budget.**
 - c. **May reduce or eliminate items that are not in controversy if both sides agree to re-visit the item.**
 - d. **Shall not restore or expand non-recurring items funded in the FY 2009-10 budget or previous budgets (unless items are included in the House or Senate budgets).**
3. **Regarding reductions, subcommittees:**
 - a. **May include reductions that are not in either the House or Senate budget.**
 - b. **May increase the amount of any reduction in the House and/or Senate budgets (i.e., take a larger reduction).**
 - c. **May reduce or eliminate items that are not in controversy if both sides agree to re-visit the item.**
 - d. **Shall not use nonrecurring reductions to restore recurring reductions.**
4. **No new special provisions, unless a provision is necessary to conform language and money items.**
5. **Any unresolved questions or items shall be forwarded to the Joint Conference Committee Chairs for resolution.**

SB 897 Conference Committee Spending Targets

	Target
Subcommittee	
Education	10,768,361,626
Health and Human Services	3,932,873,626
Justice and Public Safety	2,096,794,912
Natural and Economic Resources	412,998,097
General Government	435,988,817

June

<i>Sun</i>	<i>Mon</i>	<i>Tue</i>	<i>Wed</i>	<i>Thu</i>	<i>Fri</i>	<i>Sat</i>
		1 House Full Appropriations	2	3	4 House Passes Budget	5
6	7	8	9	10 ISSUE TARGETS Subconferees Meet	11 Subconferees Meet	12
13	14 Subconferees Meet & Begin Reporting	15 Subconferees Report	16 Subconferees Report	17 Subconferees Report	18	19
20	21	22	23	24	25	26
Conferees Finalize Decisions						
27	28	29 Adopt Conference Report	30 End of Fiscal Year			