

House Transportation Appropriations Subcommittee Budget Options													
FY 2011-13													
4/12/2011 - 2:00PM		Highway Fund					Highway Fund						
		2011-12					2012-13						
		Base	Reductions	R/NR	Increases	R/NR	Positions	Base	Reductions	R/NR	Increases	R/NR	Positions
<b>HIGHWAY FUND</b>													
<b>1</b>	<b>Department-Wide</b>												
<b>2</b>	Transfers funds to the new consolidated call center in FY2012-13 to support the cost of the ferry reservations line. It is anticipated the call center will be staffed by contracted employees, not State employees.		-		-		-		-		556,074	R	-
<b>3</b>													
<b>4</b>	<b>Administration</b>	<b>130,043,241</b>						<b>130,043,241</b>					
<b>5</b>	Decreases funds to the General Administration budget, as recommended in the Governor's budget. This includes the elimination of seven vacant positions funded through General Administration funds.		(4,507,486)	R	-		(7.00)		(4,507,486)	R	-		(7.00)
<b>6</b>	Reduces budget through internal consolidations and eliminations to the General Administration budget, as recommended by the Governor's budget.		(1,071,606)	R	-		(41.00)		(1,071,606)	R	-		(41.00)
<b>7</b>	Eliminates funding for the Aeronautics Council (repeal G.S. 143B-356 and G.S. 143B-357). The Council is funded through General Administration fund code 84210-0041.		(14,435)	R	-		-		(14,435)	R	-		-
<b>8</b>	Eliminates funding for the North Carolina Bicycle Committee (repeal G.S. 136-71.13). The Committee is funded through General Administration fund code 84210-0035.		(2,070)	R	-		-		(2,070)	R	-		-
<b>9</b>	Transfers funding for one position (position number 60029757) in the Public Transportation Division to receipt support. This position is funded through General Administration fund code 84210-0036.		(63,528)	R	-		(1.00)		(63,528)	R	-		(1.00)
<b>10</b>	Eliminates funding for one vacant Administrative Secretary II position in the Ferry Division's Morehead City office. This position is funded through General Administration fund code 84210-7040.		(39,327)	R	-		(1.00)		(39,327)	R	-		(1.00)
<b>11</b>	Decreases funds to the Highway Administration budget through internal consolidations and eliminations, as recommended in the Governor's budget. This includes the elimination of 9 receipt-supported positions. Receipts are reduced \$887,297 in FY 2011-12 and \$942,679 in FY 2012-13.		(135,809)	R	-		-		(135,809)	R	-		-

12	Reduces funds to the Highway Administration budget for additional internal consolidations and eliminations in the pre-construction and administrative areas and through the elimination of management layers. Of the 75 positions identified for elimination, 29 positions are vacant and can be eliminated on July 1, 2011. Of the 46 filled positions, 24 positions will be eliminated December 31, 2011. The remaining 22 positions will be eliminated July 1, 2012.		(3,991,358)	R			(53.00)		(5,777,592)	R	-	(75.00)
13	Transfers funds within the Highway Administration budget to outsource and further privatize existing functions. These functions include the pre-construction work to increase the amount of work privatized in preliminary engineering and project designs. Some general services functions, such as janitorial work, will be outsourced. Of the 194 positions to be eliminated, 57 positions are vacant and will be eliminated on July 1, 2011. Of the remaining 137 filled positions, 110 will be eliminated on December 31, 2011 and the remaining 27 positions will be eliminated on July 1, 2012. No funds are associated with these positions cuts because the funds will be shifted to the costs of outsourcing and privatizing these functions.		-		-	(167.00)		-			-	(194.00)
14	Eliminates funding for the Keep America Beautiful grant (non-profit operating grant) in the Highway Administration budget.		(40,000)	R	-	-		(40,000)	R	-	-	-
15												
16	<b>Construction</b>											
17	<i>Secondary Roads</i>	<b>89,373,921</b>						<b>88,480,182</b>				
18	Reduces funding for secondary road construction in order to have greater flexibility to use funds across the State-maintained road network by shifting funds to the maintenance categories of contract resurfacing, system preservation, and to the general maintenance reserve.		(35,000,000)	R	-	-		(35,000,000)	R	-	-	-
19	<i>Access and Public Service Roads</i>	<b>1,860,000</b>						<b>1,860,000</b>				
20	Reduces funding to the Access and Public Service Roads, as recommended in the Governor's budget		(101,115)	R	-	-		(101,115)	R	-	-	-
21	<i>Contingency Funds</i>	<b>12,000,000</b>						<b>12,000,000</b>				
22	Reduces funding for Contingency funds, transferring funds to the Spot Safety program for safety improvements.		(3,000,000)	NR	-	-		(3,000,000)	NR	-	-	-
23	<i>Spot Safety Improvements</i>	<b>9,100,000</b>						<b>9,100,000</b>				
24	Increases funding per transfer from Contingency funds.		-		3,000,000	NR	-	-		3,000,000	NR	-
25												
26	<b>Maintenance</b>											
27	<i>Primary System</i>	<b>204,459,157</b>						<b>204,459,157</b>				
28	Reduces funding to the primary system in order to have greater flexibility to use funds across the State-maintained road network by shifting funds to contract resurfacing, system preservation, and to the general maintenance reserve.		(20,000,000)	NR	-	-		(20,000,000)	NR	-	-	-

29	<i>Secondary System</i>	<b>297,356,761</b>						<b>297,356,761</b>					
30	Reduces funding to secondary system in order to have greater flexibility to use funds across the State-maintained road network by shifting funds to contract resurfacing, system preservation, and to the general maintenance reserve.		(30,000,000)	NR	-	-		(30,000,000)	NR	-	-		
31	<i>Contract Resurfacing</i>	<b>274,525,663</b>						<b>274,525,663</b>					
32	Shifts 1/3 of balance to contract resurfacing.		-		81,105,557	NR	-	-		91,066,854	NR	-	
33	<i>System Preservation</i>	<b>78,589,071</b>						<b>78,589,071</b>					
34	Shifts 1/3 of balance to system preservation for structurally deficient bridges.		-		81,105,557	NR	-	-		91,066,854	NR	-	
35	<i>Maintenance Reserve</i>	<b>37,800,312</b>						<b>37,800,312</b>					
36	Shifts 1/3 of balance to maintenance reserve.		-		81,105,557	NR	-	-		91,066,854	NR	-	
37													
38	<b>State Aid to Municipalities</b>												
39	Adjusts funding for Aid to Municipalities based on revised projections for motor fuels tax revenue in accordance with G.S. 136-41.1.	<b>89,373,921</b>	-		-	-	-	<b>88,480,182</b>	-	1,707,042	NR	-	
40													
41	<b>Intermodal</b>												
42	Reduces the accumulated unencumbered balance from the five intermodal divisions. This balance resulted primarily from funds encumbered as the state matching component for grant applications for federal funds that were not awarded.		(24,000,000)	NR	-	-		-		-	-	-	
43	<i>Ferry</i>	<b>41,589,218</b>						<b>41,589,218</b>					
44	Raises tolling on existing routes and adds tolls to remaining routes.		(2,500,000)	R	-	-		(5,000,000)	R	-	-	-	
45	Reduces funds through division-wide efficiencies. In order to meet the reduction, the Department is authorized to reduce ferry schedules if reductions cannot be met through efficiencies.		(2,000,000)	R	-	-		(2,000,000)	R	-	-	-	
46	Closes the Morehead City Office on Feb. 1, 2012, eliminating 4 permanent employees and 6 temporary employees that are responsible for the ferry reservations line. Reduction includes rent for the office. The ferry reservation line will be transferred outside of the Ferry Division so that call center functions may be merged across the Department in a manner selected by the Department to better coordinate communications. Funds transferred to the new call center to support ferry operations will come from existing funds within the ferry system budget for FY 2011-12.		(186,189)	R	-	(4.00)		(446,855)	R	-	(4.00)		
47	Transfers funds to the new consolidated call center in FY2012-13 to support the cost of the ferry reservations line. It is anticipated the call center will be staffed by contracted employees, not State employees. Reservation line costs are anticipated to grow once the four non-tolled ferry routes become tolled.		-		-	-		-		109,209	R	-	

48	Reduces non-essential seasonal temporary employees; reduces fuel costs through engine RPM adjustments and from increasing hull cleanings from every two years to annually; eliminates non-essential overtime; and, reduces consumables used by operations and vessels, as recommended in the Governor's budget.		(2,097,950)	R	-	-		(2,097,950)	R	-	-
49	Eliminates 23 vacant positions that are determined to be non-critical positions. This includes one position associated with the closure of the Morehead City Office.		(1,115,490)	R	-	(23.00)		(1,115,490)	R	-	(23.00)
50	Replaces Dredge Carolina. The current dredge is over 40 years old and in need of replacement. The dredge is used to maintain channels and basins in order for the ferries to operate and keep navigable channels operational.		-		-	-		-		10,000,000	NR
51	<i>Rail</i>	<b>17,101,153</b>						<b>17,101,153</b>			
52	In order to bring transparency to the Rail Division budget, G.S. 136-44.20(d) is repealed and the funds associated are transferred from the Highway Trust Fund to the Highway Fund Budget Code 84210-7829 to pay for the Piedmont and Carolinian passenger rail operations. These funds are used to pay Amtrak for the cost to fully operate these trains, less fare receipts.		-		5,000,000	R	-	-		5,000,000	R
53	<i>Public Transportation</i>	<b>96,544,229</b>						<b>96,544,229</b>			
54	Reduces the State Maintenance Assistance program to support local transit system operations, as recommended in the Governor's budget.		(3,824,300)	R	-	-		(3,824,300)	R	-	-
55	Reduces the Highpoint Furniture Market grant from \$1,200,000 to \$1,000,000.		(200,000)	R	-	-		(200,000)	R	-	-
56	<i>Aviation</i>	<b>21,451,413</b>						<b>25,361,031</b>			
57	Reduces grant funds for commercial air carrier airports by \$1,200,000, miscellaneous aviation programs by \$1,100,000, and general aviation airports by \$750,000.		(3,050,000)	R	-	-		(3,050,000)	R	-	-
58											
59	<b>Governor's Highway Safety Program</b>	<b>305,026</b>						<b>305,026</b>			
60	Accepts the Governor's budget cuts, including eliminating a Public Relations Officer position supported by 50% highway funds/50% federal funds and shifting the employee into a vacant position fully supported by federal funds.		(28,233)	R	-	(0.50)		(28,233)	R	-	(0.50)
61	Eliminates costs to Board in Budget Code 84210-0042.		(3,700)	R	-	-		(3,700)	R	-	-
62	Transfers the program to Governor's Crime Commission, including the remaining 16 positions. Funds are transferred to the General Fund to support these operations. This includes the transfer of remaining Highway Fund monies in Budget Code 84210-0042 and all receipts in Budget Code 84210-7828.		(273,093)	R	-	(12.00)		(273,093)	R	-	(12.00)
63											
64	<b>Division of Motor Vehicles</b>	<b>102,100,132</b>						<b>102,100,132</b>			

65	Accepts Governor's proposal to reduce operating funds per projected driver (license issuance) and vehicle services (contractor commissions) transactions. Reductions account for the expected increase in license production costs upon shifting to the New Generation Driver License System in FY 2011-12.		(4,224,000)	R	-	-		(4,224,000)	R	-	-	
66	Accepts Governor's proposal to increase budgeted emissions inspection (electronic authorization) receipts for License & Theft Bureau positions, splitting funding of law enforcement positions responsible for investigating potential inspections violations. Highway Fund appropriations for these positions are thereby reduced.		(883,019)	R	-	-		(883,019)	R	-	-	
67	Eliminates 39 Emission Specialist positions per a DMV-proposed restructuring of the inspection audits program. Presently, when a specialist detects a violation, a law enforcement agent is notified for investigation. This a redundant workflow, per recent technological improvements and expanding Inspector's duties. The Division of Air Quality has provided preliminary approval and formal approval is pending from the Environmental Protection Agency.		(2,188,668)	R	-	(39.00)		(2,188,668)	R	-	(39.00)	
68	Establishes a \$.03 per record fee for bulk data (partial license/traffic/accident records) downloaded by third parties for resale. Current programming costs would still apply. The proposed fee rate is consistent with per record fees used in other states (VA also charges \$.03/record).		(5,049,796)	R	-	-		(5,049,796)	R	-	-	
69	Eliminates 24 vacant DMV positions, which have a) not been posted or b) are continuously posted but not in the process of being filled. Driver license field positions are exempt. Of those eliminated, half (12) have been vacant longer than 100 days.		(1,304,051)	R	-	(24.00)		(1,304,051)	R	-	(24.00)	
70	Provides funding to offset transactional costs for merchant card (credit/debit) point-of-sale processing at DMV driver license offices. Expansion to License & Theft transactions is contingent upon migration from the Verizon inspections database contract to a State-owned system (~ FY14). Expansion to vehicle services transactions (license plate agencies) is contingent upon implementation of HB1779 and development of an interface for STARS (~ FY14). Pilot implementation at driver license offices should begin in late 2011, with full roll-out thereafter. POS terminals will be funded with existing funds (IT account).		-		648,879	R	-	-		1,297,757	R	-
71												
72	<b>Transfers to Other Agencies:</b>											
73												
74	<b>Agriculture (Standards Division)</b>		<b>5,118,694</b>					<b>5,118,694</b>				

75	Eliminates 3 vacant positions for a total position cost of \$146,561 and 2 filled positions for a total position cost of \$97,890; reduces the travel budget by \$7,250; reduces equipment and supplies by \$7,187; and reduces purchased services by \$3,000.		(261,888)	R	-	(5.00)		(261,888)	R	-	(5.00)	
76												
77	<b>Revenue (Motor Fuels Division)</b>	<b>6,381,663</b>						<b>6,381,663</b>				
78	Eliminates 15 vacant positions for a total position cost of \$785,704; reduces the "other information technology services" budget by \$207,346; and reduces the travel budget by \$31,494.		(1,024,544)	R	-	(15.00)		(1,024,544)	R	-	(15.00)	
79												
80	<b>DENR (LUST)</b>	<b>2,171,898</b>						<b>2,261,898</b>				
81	Unused funds from the Department of Agriculture's Standards Division and from the Department of Revenue's Motor Fuels Division will be deposited in the Leaking Petroleum Underground Storage Tank Cleanup Fund.		-		1,286,432	R	-	-		1,286,432	R	-
82												
83	<b>Department of Public Instruction (Driver Education Program)</b>	<b>32,021,964</b>						<b>32,021,964</b>				
83	Authorizes local education agencies (LEAs) to assess fees of up to \$75 for those enrolled. Collections estimates are based on projected ADM and reported enrollment percentages for fiscal years 2008-10. Anticipated collections are \$8.7M. Reduces Highway Fund appropriations accordingly.		(8,686,671)	R	-	-		(8,775,989)	R	-	-	
84												
85	<b>Crime Control &amp; Public Safety (Highway Patrol)</b>	<b>204,328,251</b>						<b>205,653,217</b>				
86	Continues the biennial freeze on 5% step increases for sworn members.		(1,265,024)	NR	-	-		(2,589,990)	NR	-	-	
87	Eliminates 53 vacant positions. 51 positions are Trooper or higher rank positions (35 are assigned to Troops/Districts). Other vacant positions (mostly non-sworn) are currently posted or otherwise in the process of being filled. There were 85 vacant, appropriated positions as of April 4, 2011.		(3,521,217)	R	-	(53.00)		(3,521,217)	R	-	(53.00)	
88	Eliminates additional positions per attrition. The Highway Patrol's reported annual attrition rate is 78 members. This is a stable rate per retirements and other member exits. 57 additional positions are eliminated in FY 2011-12 and 50 additional positions are eliminated in FY 2012-13.  FY 2011-12 reductions are based on at least a half-year of savings; FY 2012-13 reductions annualize FY 2011-12 cuts.  * Of reported vacancies from January 2010 through December 2010, roughly 53% occurred January 2010 through June 2010 and 47% occurred during July 2010 through December 2010.		(2,068,375)	R	-	(57.00)		(5,201,675)	R	-	(107.00)	

89	Eliminates several administrative units and merges/consolidates the Administrative Services Section: * CC&PS Deputy Director: 1 FTE - 108,676 * General Counsel: 2 FTE - 176,752 * Public Information/Recruiting: 3 FTE - 267,796 * Administrative Services Section Management: 1 FTE - 119,372 * Assessment: 3 FTE - 205,123 * Benefits/Personnel & Performance/Promotion: 6 FTE - 502,651		(1,380,370)	R	-	(16.00)		(1,380,370)	R	-	(16.00)
90	Reduces budgeted operating funds (i.e. purchased services, supplies, and equipment) by 15%. Expense categories include contractual legal & information technology services, travel, lodging, meals, clothing, automobiles, equipment, gasoline, and other supplies. The reduction also encompasses operating funds associated with the proposed position eliminations.  * The FY 2011-13 Continuation Budget reinstates \$1.45M in operating funds reduced on a non-recurring basis in FY 2010-11. Available fund balance within Budget Code 24960 was \$3,597,514 as of April 7, 2011.		(5,122,179)	R	-	-		(5,122,179)	R	-	-
91	Transfers remaining Highway Fund appropriations and other receipts in Budget Codes 84210-0866, -1010, and -7834 to the General Fund. Requires that the Office of State Budget and Management certify the Highway Patrol's budget under a fund code within the General Fund budget code for Crime Control and Public Safety.		(190,971,086)	R	-	-		(187,837,786)	R	-	-
92											
93	<b>HHS (Chemical Test Unit)</b>	<b>577,341</b>	-		-		577,341	-		-	
94	Shifts a portion of funds for position number 60039654 from Highway Fund receipts to other receipts within the Department of Health and Human Services budget, and reduces funding for purchased services by \$6,280.		(28,867)	R	-	-		(28,867)	R	-	-
95											
96	<b>Reserves and Capital</b>										
97											
98	<b>Reserve for Visitor Centers (Highway Fund)</b>	<b>400,000</b>					<b>400,000</b>				
99	Reduces Highway Fund appropriations for operating grants to nine visitor centers. Funds are budgeted in a Reserve for Visitor Centers, Budget Code 84210-0882. This reduction (\$400k) is offset by fees redirected from the transfer to the Mercury Switch Removal Account in DENR (also see item #146).		(400,000)	NR	400,000	NR	-	(400,000)	NR	400,000	NR
100											
101	<b>Retirement System Contribution (Full Chair Decision)</b>	-	-		TBD		-	-		TBD	-
102	<b>State Health Plan Contribution (Full Chair Decision)</b>	-	-		376,217	R	-	-		4,749,858	R
103	<b>Funds for Facility Improvements and Repairs</b>	-	-								

104	Provides funds for the Department to address critical life safety repairs, renovations, and replacement of its field facilities. Projects to be funded are critical to the success of the Department to effectively deliver its statutorily mandated programs and services. \$250,000 non-recurring in receipts are used in FY 2011-12.				15,250,000	NR	-	-	-		15,000,000	NR	-
105													
106		<b>Highway Trust Fund</b>						<b>Highway Trust Fund</b>					
107		<b>2011-12</b>						<b>2012-13</b>					
108													
109		Base	Reductions	R/NR	Increases	R/NR	Positions	Base	Reductions	R/NR	Increases	R/NR	Positions
110	<b>HIGHWAY TRUST FUND</b>												
111													
112	<b>Administration</b>	<b>44,774,400</b>						<b>47,107,200</b>					
113	Reduces funds to the Highway Trust Fund Administration budget for additional internal consolidations and eliminations in the pre-construction areas, by reducing management layers, and administrative support staff. Of the 6 positions identified for elimination, all 6 positions are currently filled and will be eliminated December 31, 2011.		(451,852)	R	-		(6.00)		(451,852)	R	-		(6.00)
114	Transfers funds within the Highway Trust Fund Administration budget to outsource and further privatize existing functions. These functions include the pre-construction work to increase the amount of work privatized in preliminary engineering and project designs. Some general services functions, such as janitorial work, will be outsourced. Of the 16 positions to be eliminated, 3 positions are vacant and will be eliminated on July 1, 2011. The remaining 13 filled positions will be eliminated on July 1, 2012. No funds are associated with these positions cuts because the funds will be shifted to the costs of outsourcing and privatizing these functions.		-		-		(3.00)		-		-		(16.00)
115	Reduce accumulated cash balance.		(25,000,000)	NR	-		-		-		-		-
116													
117	<b>Construction</b>												
118	<i>Secondary Roads</i>	<b>61,155,667</b>						<b>66,820,944</b>					
119	Notwithstanding G.S. 136-176(b)(4) and reduces funding to Secondary Roads and shifts funds to Mobility Fund.		(10,000,000)	NR	-		-		(10,000,000)	NR	-		-
120	<i>Intrastate System</i>	<b>400,159,706</b>						<b>426,779,768</b>					
121	Increases funds for the Intrastate System for FY 2011-12 and FY 2012-13, consistent with new revenue estimates and G.S. 136-176(b)(1).				35,783,118	NR			-		27,932,798	NR	
122	<i>Urban Loops</i>	<b>132,130,237</b>						<b>141,057,947</b>					
123	Transfers funding for Urban Loops to the Mobility Fund.		(132,130,237)	R	-		-		(141,057,947)	R	-		-
124													
125	<b>State Aid to Municipalities</b>	<b>44,850,986</b>						<b>47,672,145</b>					



126	Increases funds for State Aid to Municipalities for FY 2011-12 and FY 2012-13, consistent with new revenue estimates and G.S. 136-176(b)(3).		-		3,754,484	NR	-		-		2,930,802	NR	-
127													
132	<b>NC Turnpike Authority</b>	<b>99,000,000</b>									<b>99,000,000</b>		
133	Transfers FY 2010-11 unexpended and unencumbered gap funds.		(35,000,000)	NR	-		-		-		-		-
134													
135	<b>Mobility Fund</b>	<b>31,000,000</b>									<b>45,000,000</b>		
136	Transfers in FY 2010-11 Mid-Currituck gap funds.		-		15,000,000	NR	-		-		-		-
137	Transfers in FY 2010-11 Garden Parkway gap funds for Urban Loop projects.		-		20,000,000	NR	-		-		-		-
138	Transfers in the Continuation Budget for Urban Loop construction.		-		132,130,237	R	-		-		141,057,947	R	-
139	Increases funding for Urban Loop construction.		-		45,455,047	NR	-		-		16,667,984	NR	-
140	Increases funding for Urban Loop construction for fiscal years 2011-12 and 2012-13, consistent with new revenue estimates and G.S. 136-176(b)(2).		-		14,469,203	R	-		-		11,294,860	R	-
141													
142	<b>Transfer to General Fund</b>	<b>41,497,276</b>									<b>27,480,453</b>		
143	Adjusts transfer to General Fund in accordance with statute.		-		-		-		-		115,408	R	-
144													
145	<b>Mercury Switch Removal Account (Transfer)</b>												
146	Reduces the transfer rate to the Mercury Switch Removal Account in DENR, thereby increasing Highway Trust Fund availability. The Mercury Switch Removal Account (24300 -2119) is funded with \$1.00 of the fee (\$40.00) for each application for a certificate of title. Annual collections exceed program expenditures. This reduces the rate to \$.50 per certificate of title. <u>Availability is expected to increase by \$950,000 in each year; however, \$400k is transferred to the Highway Fund Reserve for Visitor Centers for operating grants.</u>		(550,000)	R	-		-		(550,000)	R	-		-
147													
148		<b>North Carolina Turnpike Authority</b>						<b>North Carolina Turnpike Authority</b>					
149		<b>2011-12</b>						<b>2012-13</b>					
150													
151		Base	Reductions	R/NR	Increases	R/NR	Positions	Base	Reductions	R/NR	Increases	R/NR	Positions
152													
153	<b>NCTA Administration</b>	<b>4,442,571</b>									<b>4,442,571</b>		
154	Accepts Governor's proposal to reduce operating funds for Turnpike Authority administration and aligns personnel/benefits requirements.		(800,000)	R	20,814	R			(800,000)	R	20,814	R	