

## Final Budget FY 08-09 – Environmental Provisions at a Glance

*Prepared by NC Conservation Network 7-7-08*

The budget was adopted by the House and Senate on July 8, and presented to the Governor; it will not actually be “final” until signed by the Governor.

The budget is in two parts: the “money report” on continuation and expansion appropriations, and the “special provisions” in the actual bill H2436. Both can currently be downloaded as pdf files from the General Assembly’s homepage: <http://www.ncleg.net/homePage.pl>.

*Note: SP=special provision; COPs=Certificates of Participation; R=Recurring; NR=Non-recurring, S=Senate position, H=House position.*

### Money Report

	<b>Adopted</b>	<b>Governor</b>	<b>House</b>	<b>Senate</b>
<b>DENR</b>				
River Herring Research	See SP 12.11	\$150,000 NR	\$150,000 NR	\$150,000 in SP 12.11
Landslide Hazard Mapping	\$341,305 R		\$397,480 R	
Environmental Stewardship Initiative	\$276,624 R	\$276,624 R	\$276,624 R	
Waste Reduction Partners		\$171,527 NR		
Haz Waste Orphan Site Cleanup		\$400,000 NR	\$400,000 NR	
Swine Farm Compliance (3 positions)	\$108,550 R	\$108,550 R	\$108,550 R	\$108,550 R
Hog Lagoon Conversion grants	\$72,633 R \$14,294 NR (1 position)	\$142,084 R \$82,050 NR	\$72,633 R \$14,294 NR (1 position)	\$72,633 R \$14,294 NR (1 position)
FerryMon and ModMon water quality monitoring	\$384,355 NR		\$384,355 NR	\$384,355 NR
Forest Development Fund replanting cost-share program.	(\$589,500) R \$589,500 NR	\$150,000 NR	(\$589,500) R \$589,500 NR	(\$589,500) R
Commercial Fishing License (to make up for decline in receipts)	\$500,000 R	\$500,000 R	\$500,000 R	\$500,000 R
Agriculture Cost Share water quality technical assistance	\$200,000 NR	\$350,000 NR	\$350,000 NR	
Agriculture Cost Share water quality financial assistance	(\$268,311) R		(\$268,311) R	
Agricultural Drought Response (pasture, farm pond, well drilling)	\$1,500,000 NR		\$3,900,000 NR	
Drought Reserve (interconnections, water audits, education)	\$660,000 NR	\$1,500,000 NR	\$1,500,000 NR	
River Basin Water Supply Planning / Drought Response	\$482,384 R \$26,000 NR	\$858,676 R \$21,200 NR (9 positions)		\$482,384 R \$26,000 NR (5 positions)
Clean Water Revolving Match	\$2,456,249 NR	\$2,456,249 NR	\$2,456,249 NR	\$2,456,249 NR
Drinking Water Revolving Match	\$5,539,000 NR	\$5,539,000 NR	\$5,539,000 NR	\$5,539,000 NR
Beaver Management (shift to Wildlife Resources, and do program evaluation)			(\$349,000) R	

Clean Water Mgt Trust Fund (\$100,000,000 appropriated for FY 08-09 last year)	no change	<i>no change</i>	<i>no change</i>	<i>no change</i>
Emergency Fire Suppression		\$150,000 R \$50,000 NR		
Groundwater Database System		\$315,405 NR		
Inactive Hazardous Sites Program (Creates 6 positions with landfill tip fees per S1492 S.L. 2007-550)	6 positions R			6 positions R
Dry Cleaning Solvent Cleanup Program (2 new receipt-supported positions)	2 positions R			2 positions R
Transfer from Aquariums to Marine Fisheries for Oyster Hatcheries	(\$600,000) R			(\$600,000) R
Oyster Sanctuary Program	\$2,000,000 R			\$2,000,000 R
<b>Agriculture</b>				
Farmland Preservation Trust Fund	\$4,000,000 NR	\$5,000,000 NR	\$4,000,000 NR	
Farm to School Program	\$200,000 NR		\$200,000 NR	\$200,000 NR
Green Industries Water Conservation Education	\$500,000 NR		\$600,000 NR	
<b>Commerce</b>				
Green Business Grant Fund	\$1,000,000 NR	\$1,000,000 NR	\$410,500 NR	\$1,000,000 NR
NC Biotechnology Center – building expansion and startup loan program	\$2,500,000 NR \$1,500,000 R	\$2,500,000 NR \$1,500,000 R		
Coalition of Farm and Rural Families	\$158,943 NR		\$297,000 NR	\$158,943 NR
Biofuels Center	\$5,000,000 NR		\$5,000,000 NR	
Rural Center Water, Sewer, and Natural Gas Grants	\$50,000,000 NR		\$50,000,000 NR	\$50,000,000 NR
Rural Center Economic Infrastructure Fund			\$10,000,000 NR	<i>in special provision</i>
Community Development Initiative (grants for green affordable housing)	\$1,000,000 NR			\$1,000,000 NR
<b>Transportation</b>				
Reduce transfer from Highway Trust Fund to General Fund FY 08-09	(\$25,000) R	(\$25,000) R	(\$25,000) R	(\$25,000) R
Turnpike Authority for Triangle Expressway toll road FY 08-09	\$25,000 R	\$25,000 R	\$25,000 R	\$25,000 R
Turnpike Authority in future years for Monroe Bypass, Currituck Bridge and Garden Parkway	See SP 25.5		\$29,000 R	\$74,000 R
Short-Line Railroad Grants	\$1,000,000 NR		\$1,000,000 NR	\$1,000,000 NR
Leaking Underground Storage Tank Fund reduction to support Gas and Oil Inspector in DOACS.	(\$84,749) R (\$99,350) NR		(\$84,749) R (\$99,350) NR	(\$84,749) R (\$99,350) NR
System Preservation (maintenance)	\$24,542,804 NR	\$6,256,119 R \$22,549,593 NR	\$19,342,804 NR	\$24,542,804 NR
Ferry at Mann's Harbor	\$1,000,000 NR		\$1,000,000 NR	\$1,000,000 NR

<b>Capital</b>				
Mattamuskeet Lodge Renovation	See SP 27.3	\$15,022,790 NR	\$6,615,500 NR	
Camp Butner Land Buffers	\$126,000 NR		\$126,200 NR	
Wanchese Capital Improvements	\$605,700 NR	\$605,790 NR	\$605,700 NR	\$605,700 NR
Wanchese Green Initiative		\$230,000 NR		
Motor Fuels/Metrology Lab	\$300,000 NR		\$1,000,000 NR	\$300,000 NR
Water Resource Development Projects	\$20,000 NR	\$25,736,000 NR	\$20,000,000 NR	\$20,000,000 NR
<b>Debt / COPs</b>	See SP 27.8			
DENR Green Square office building	\$107,000,000 in GO Bonds	\$109,479,000 in COPs	\$107,000,000 in COPs	
Land for Tomorrow	\$50,000,000 in COPs		\$50,000,000 NR	
Oyster Hatchery at UNC-W	\$4,300,000 in COPs			\$4,303,944 NR
Port of Wilmington Berth 8 Port of Morehead	\$7,000,000 in COPs for both	\$5,000,000 NR \$2,500,000 NR	\$5,000,000 NR \$2,500,000 NR	\$7,000,000 in COPs for both
Agricultural Center expansions	\$11,800,000 in COPs			\$11,800,000 in COPs
Energy Production Infrastructure Center at UNC-C	\$57,200,000 in COPs			\$57,200,000 in COPs
<b>Reserves, Debt Service, Other</b>				
Pesticide Exposure Prevention	\$221,374 R \$135,681 NR	\$442,748 R \$271,362 NR		\$221,374 R \$135,681 NR
Energy Efficiency Reserve for state buildings	See SP 27.3	\$2,000,000 NR	In SP 27.3	
Geographic Information System (9 positions)		\$4,000,000 R \$2,500,000 NR		
<b>Justice and Public Safety</b>				
Floodplain mapping		\$500,000 NR		
Hazmat Regional Response Teams	\$200,000 NR	\$500,000 NR		
<b>Education</b>				
Kannapolis Research Campus (biotech)	\$6,000,000 R + \$1,000,000 R		\$3,000,000 R + \$1,000,000 R	\$7,000,000 R + \$1,000,000 R
NC Arboretum Natural Biotech Institute	\$200,000 NR		\$200,000 NR	
NCSU Advanced Transportation Energy Center (Duke & Progress match)	\$250,000 NR			\$500,000 NR
Williamsdale Farm Agriculture Extension and Research Facility (for biofuel crops)	\$1,250,000 NR			\$1,250,000 NR
Nanotechnology Graduate School UNCG/A&T	\$1,500,000 NR \$1,500,000 R		\$2,000,000 R 1,500,000 NR	\$1,000,000 R \$1,000,000 NR
Dairy Ag Extension Agents (2 FTE)	\$200,000 R		\$200,000 R	

**Special Provisions in H2346 as adopted**

*Note: See last page for Special Provisions proposed by House or Senate but not included in the adopted budget.*

6.7	Forest Dvpt. Prog. Continuation Review	Subjects this DENR program to review to determine if it should continue to be funded.	H
6.13	State GIS Consolidation	Directs development of implementation plan for recommendations of GIS Study, including transfer of DENR resources	H / S
7.18	School Environmental Operations	DPI can use up to \$1 million to assist schools with greening their operations.	H / S
9.12	Study Coastal Wind Energy in Sounds	Directs UNC to study feasibility of wind energy in Pamlico and Albemarle Sounds and report to legislature by July 1, 2009.	S
9.13	Agricultural Research Stations	Directs parties to develop strategic plan for management of the research stations and farms and report to legislature by May 1, 2009.	S
9.17	Study of Plastics Use	Directs DENR and UNC to study plastic bag and bottle use and make recommendations on encouraging recycling to legislature by May 1, 2009.	S
11.1	Study Dept. of Ag Fees	Directs DOACS to study feasibility of increasing fees for Rollins Lab and soil testing fees and report to legislature by March 1, 2009.	H / S
12.1	Bernard Allen Drinking Water Fund	Clarifies uses of the Fund, and allows use of some funds for implementation.	H / S
12.1A	Inactive Hazardous Waste Sites Report	Requires DENR to provide legislators an annual report of inactive sites in their district.	H / S
12.4	Agricultural Drought Response Cost Share	Specifies how the appropriation for farmer drought assistance is to be used	H
12.5	Hazardous Waste Sites Cleanup Funds	Transfers \$400,000 from the Dry Cleaning Solvent Cleanup Funds to DENR for cleanup and alternative drinking water supplies.	S
12.6	Commercial Leaking UST Fund – 11 positions	Directs \$791,614 from the Commercial Petroleum Underground Storage Tank Cleanup Fund to DENR to establish 11 positions in the UST program.	S
12.7	Funds for Civil Litigation	Directs \$750,000 from reserve funds for litigation in the Cooper v. TVA air quality legal challenge and the SC v. NC interbasin transfer lawsuit.	S
12.9	Conservation Easement Endowment Fund	Establishes a new fund in the Office of Treasurer, funded in part from Clean Water Mgt Trust Fund.	S
12.11	Fishery Grants and River Herring Research	Division of Marine Fisheries may use up to \$1 million for \$854,00 for Fishery Resource Grants and \$146,312 for River Herring Research	S (mod)
12.12	Study Adding Rutherford Trace to State Parks	Directs DENR to study the desirability of acquiring land and establishing a State park on property surrounding Rutherford Trace in McDowell County.	S
13.2	NC Green Business Fund	Allows Dept. of Commerce to use up to \$50,000 for administering the Green Business Fund.	H / S
13.2	Envirothon and WNC	Directs \$75,000 from Dept. of Tourism for	

	Communities	Envirothon in Asheville, and \$75,00 for WNC Communities.	
13.4	Wanchese / Oregon Inlet	Makes previously appropriated funds non-reverting.	H
13.8	Rural Center Water/Sewer/Gas Grants	Details uses of \$50 million for local grants for infrastructure projects and drought-related grants	H / S
25.4	Transportation Budget Review	Study and evaluate the DOT's budgeting process and report on performance measures	H / S
25.5	Transfer Funds to Turnpike Authority for Toll Roads	Transfer \$25 million in 2008-09, \$64 million in 2009-10, and \$99 million in 2010-11 (recurring) for debt service on toll roads.	S
25.8	Interstate Corridor Grants	Directs DOT and Turnpike Authority to apply for federal grants for Interstate corridors	H / S
25.12	Plant seedlings on highways	Directs DOT to use \$1 million of its funds per year for 5 years to plant native trees and shrubs.	S
25.14	Short Line Railroads	Directs DOT to use up to \$5 million to improve the Piedmont & Northern rail corridor.	S
25.15	Global TransPark Freight	Allows DOT to use \$29 million in unspent HTF dollars for freight improvements	S
25.16	Keep America Beautiful	Directs DOT to use \$40,000 (recurring) to support a staff position for NC Keep America Beautiful	S
25.18	Stormwater Runoff From Bridges Pilot	Directs DOT to use its funds to conduct a pilot study of various stormwater controls on 50 newly constructed bridges in various ecosystems, and to report to legislature in July 2009 and July 2010.	S (mod)
27.2	Water Resources Dvpt Project Funds	Specifies allocation of \$20 million appropriation to projects (see list below). Took Senate position.	S
27.3c	Energy Efficiency Reserve Fund for State Buildings	Directs \$2.7 million from the Repairs and Renovations Reserve and \$2.3 million from UNC to the Energy Efficiency Reserve Fund to be administered by the State Energy Office to make state buildings more energy efficient.	H (mod)
27.3d	Mattamuskeet Lodge	Directs \$6,615,500 of Repairs and Renovations to renovations of Matamuskeet Lodge	H (mod)
27.4	Non-General Fund Capital Improvements	See list below	S
27.4b	Plant Conservation Program Preserves	Directs use of \$30,000 from Dept. of Agriculture capital account to acquire and manage plant conservation preserves.	S
27.6	Green Square Dry Cleaning Solvent Cleanup	Allows DENR to tap into the Dry Cleaning Solvent Cleanup Fund for cleanup at their new Green Square office building site.	H
27.7c	Prairie Ridge Transfer to DENR	Reallocates The Prairie Ridge Ecostation land from the Department of Administration to DENR	S
27.8a	Special Indebtedness (Certificates of Participation)	Land for Tomorrow \$50 million Oyster Hatchery at UNC-W \$4.3 million Ports \$7 million Agricultural Centers \$11.8 million Energy Infrastructure Center UNC-C \$57.2 million	H (mod) S S S S
27.9	Green Square Bonds	Provides for General Obligation Bonds of \$107 million for construction of DENR's Green Square	H (mod)

28.4	Mill Rehabilitation Tax Credit	Extends the sunset on historic mill rehabilitation tax credit to January 2011	H
28.5	State Ports Tax Credit	Extends the sunset for the State Ports tax credit to 2014.	H
28.12	Energy Star Sales Tax Holiday	Provides a sales tax holiday on Energy Star efficient appliances the first weekend in November. Applies to: clothes washers, dishwashers, freezers, refrigerators, air conditioners (central or room), heat pumps (air and geothermal), ceiling fans, dehumidifiers, programmable thermostats (but not CFLs)	H (mod)
28.25a	Renewable Energy Equipment Tax Credit	Allows someone donating funds to a tax-exempt government agency for renewable energy equipment to take the tax credit themselves (was H2530)	
29.7	Floodplain Map Fee	Institutes a \$10 fee for each commercial flood hazard determination, with funds going to DENR to produce and maintain the maps	H

*Note: See below for Special Provisions proposed by House or Senate but not included in the adopted budget.*

Capital - detail

**27.1 Capital Improvements – General Fund**

*Department of Agriculture and Consumer Services*

Governor James B. Hunt Horse Complex – Horse Barn 900,000

Motor Fuels/Metrology Laboratory Planning 300,000

Veterinary Lab System Study 620,000

*Department of Commerce*

Wanchese Seafood Industrial Park – Capital Improvements 605,700

*Department of Crime Control and Public Safety*

Butner Training Site Land Buffer – Phase II 126,200

Butner Training Site Sewer Extension and Latrine Replacement 245,430

Master Facilities Planning Statewide – Phase II 300,300

Siler City Armory Rehabilitation Addition and Alteration 929,600

*Department of Environment and Natural Resources*

Water Resources Development Projects 20,000,000

Zoo Africa Pavilion Planning 600,000

*For other Departments see budget.*

**27.2 Water Resources Development Project Funds**, Specifies \$20 million appropriations for water resources development projects, and allows DENR to adjust the allocations among projects as needed where actual costs differ than estimated costs. Also allows DENR to use funds not encumbered in FY 08-09 for Army Corps project feasibility studies or projects or state-local water resources development projects. *The final appropriation was the Senate version: more funds for AIWW dredging and the Dredging contingency fund, but no funds for Cow Channel dredging at Hammocks Beach State Park.*

Wilmington Harbor Deepening \$ 1,000,000

Wilmington Harbor Maintenance \$500,000

Morehead City Harbor Maintenance \$0

B. Everett Jordan Water Supply Storage \$200,000

Dredging Contingency Fund \$3,619,000  
Deep Creek Structure 5-D (Yadkin County) \$5,444,000  
North Carolina Beach and Inlet Management Plan \$250,000  
Neuse River Basin Study \$33,000  
Manteo (Shallowbag Bay) Channel Maintenance \$100,000  
Currituck Sound Water Management Study \$50,000  
Planning Assistance to Communities \$100,000  
Bogue Banks Beach Protection \$120,000  
West Onslow Beach (Topsail Beach, Pender County) \$0  
Belhaven Harbor Feasibility Study \$15,000  
Princeville Flood Control \$0  
Surf City – N. Topsail Beach Protection (Pender County) \$0  
North Carolina International Terminal \$500,000  
AIWW Dredging \$3,119,000  
State-Local Projects \$2,000,000  
Swan Quarter Dike Project (Hyde County) \$250,000  
Aquatic Plant Control, Statewide and Lake Gaston \$200,000  
Aquatic Weed Program Storage Facility \$100,000  
Dillsboro Dam Removal \$400,000  
Topsail Beach Emergency Nourishment \$2,000,000

#### **27.4 Non-General Fund Capital Improvement Authorizations.**

##### *Department of Environment and Natural Resources*

Bladen Lakes State Forest – Shop Building 943,800  
Forest Resources- Region 2 Training Building 460,500

##### *Wildlife Resources Commission*

Armstrong Hatchery- Lower Raceway Renovation 1,725,000  
Boating Access Area Improvements 2,800,000  
Centennial Campus Center for Wildlife Education- Exhibit Completion 200,000  
Centennial Campus Center for Wildlife Education- Heat and Humidity Controls 6,000  
Chowan Bridge Fishing Pier and Boating Access 2,000,000  
Hampstead- Waterfront Access Marine Industry Fund 10,000,000  
Land Acquisitions- State Game Lands 62,660,000  
Manns Harbor- Waterfront Access Marine Industry Fund 5,750,000  
Marion Depot0 Drainage Repairs 200,000  
McKinney Lake Hatchery- Kettle Replacement 1,955,000  
New Coldwater Fish Hatchery 7,900,000  
New Construction Depot 500,000  
Outer Banks Center for Wildlife Education- Repairs and Improvements 223,000  
Outer Banks Center for Wildlife Education- Teaching Facilities 700,000  
Pisgah Center for Wildlife Education- Gift Shop Extension 200,000  
Pisgah Center for Wildlife Education- Outdoor Exhibit 450,000  
Pisgah Center for Wildlife Education- Repairs and Improvements 148,000  
Pisgah Center for Wildlife Education- Storage Building 150,000  
Pisgah Center for Wildlife Education- Teaching Facility 564,905  
Pisgah Center for Wildlife Education- Teaching Facility Upfit and Pavilion 280,000  
Rhodes Pond Dam Repairs 500,00  
Sneads Ferry- Waterfront Access Marine Industry Fund 6,500,000  
Sunset Harbor- Waterfront Access Marine Industry fund 950,000  
Swan Lake- Waterfront Access Marine Industry Fund 1,700,000  
Table Rock Hatchery- New Building 575,000

Table Rock Hatchery – Office Building and Workshop 345,000  
 Watha Fish Hatchery- Residence Replacement 707,250  
*For other Departments, see budget.*

**Special Provisions not included in Adopted Budget**

12.3	Beaver Damage Control	Transfers to Wildlife Resources Commission	H
12.8	Stormwater Pilot Program	Exempts coastal developments from stormwater permitting under certain circumstances, and enacts civil penalty.	S
12.9	Yadkin Power Authority Study Commission	Creates Commission to study desirability of establishing a Yadkin Power Authority, and postpones DENR action on Alcoa’s 401 certification	S
13.14	One NC and Green Business Fund	Transfers \$3.4 million to One NC Small Business Fund and \$1 million to the NC Green Business Fund	S
13.9	Rural Center Economic Infrastructure Grants	Details use of \$19 million to expand the NC Rural Economic Infrastructure Fund	H
25.11	Ethanol Blending	Allows fuel marketers to blend ethanol and claim the federal blending tax credit. (see S1339)	S