

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

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**HOUSE BILL 111
Committee Substitute Favorable 7/10/19
Senate Appropriations/Base Budget Committee Substitute Adopted 10/30/19**

Short Title: 2019-2021 Base Budgets/Certain Agencies. (Public)

Sponsors:

Referred to:

February 20, 2019

1 A BILL TO BE ENTITLED
2 AN ACT TO ENACT A BASE BUDGET FOR CERTAIN STATE AGENCIES,
3 DEPARTMENTS, AND INSTITUTIONS FOR THE 2019-2021 FISCAL BIENNIUM.
4 The General Assembly of North Carolina enacts:

PART I. BASE BUDGET APPROPRIATIONS

GENERAL FUND BASE BUDGET APPROPRIATIONS

9 SECTION 1.1.(a) Appropriations from the General Fund for the budgets of the State
10 agencies, departments, and institutions, and for other purposes as enumerated, are made for each
11 year of the 2019-2021 fiscal biennium, according to the following schedule:

12	Current Operations – General Fund	FY 2019-2020	FY 2020-2021
13			
14	EDUCATION		
15	Community College System		
16	Requirements	1,561,623,007	1,561,623,007
17	Less: Receipts	393,206,608	393,206,608
18	Net Appropriation	1,168,416,399	1,168,416,399
19			
20	Public Instruction		
21	Requirements	11,766,939,802	11,828,299,027
22	Less: Receipts	2,180,566,432	2,180,566,432
23	Net Appropriation	9,586,373,370	9,647,732,595
24			
25	University of North Carolina		
26	NC A&T University		
27	Requirements	179,603,455	179,603,455
28	Less: Receipts	87,002,310	87,002,310
29	Net Appropriation	92,601,145	92,601,145
30			
31	NC School of Science and Mathematics		
32	Requirements	24,434,049	24,434,049
33	Less: Receipts	1,796,561	1,796,561
34	Net Appropriation	22,637,488	22,637,488
35			



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1	NC State University-Academic Affairs		
2	Requirements	842,422,995	842,422,995
3	Less: Receipts	422,169,898	422,169,898
4	Net Appropriation	420,253,097	420,253,097
5			
6	NC State University-Agric. Research		
7	Requirements	72,542,781	72,542,781
8	Less: Receipts	17,721,640	17,721,640
9	Net Appropriation	54,821,141	54,821,141
10			
11	NC State University-Coop. Extension		
12	Requirements	55,529,168	55,529,168
13	Less: Receipts	14,833,163	14,833,163
14	Net Appropriation	40,696,005	40,696,005
15			
16	North Carolina Central University		
17	Requirements	136,655,404	136,655,404
18	Less: Receipts	51,822,380	51,822,380
19	Net Appropriation	84,833,024	84,833,024
20			
21	UNC at Asheville		
22	Requirements	61,661,158	61,661,158
23	Less: Receipts	21,876,242	21,876,242
24	Net Appropriation	39,784,916	39,784,916
25			
26	UNC at Chapel Hill-Academic Affairs		
27	Requirements	648,856,478	648,856,478
28	Less: Receipts	371,403,527	371,403,527
29	Net Appropriation	277,452,951	277,452,951
30			
31	UNC at Chapel Hill-Area Health Education		
32	Requirements	49,864,072	49,864,072
33	Less: Receipts	0	0
34	Net Appropriation	49,864,072	49,864,072
35			
36	UNC at Chapel Hill-Health Affairs		
37	Requirements	322,923,444	322,923,444
38	Less: Receipts	122,612,306	122,612,306
39	Net Appropriation	200,311,138	200,311,138
40			
41	UNC at Charlotte		
42	Requirements	420,146,272	420,146,272
43	Less: Receipts	164,780,562	164,780,562
44	Net Appropriation	255,365,710	255,365,710
45			
46	UNC at Greensboro		
47	Requirements	287,718,420	287,718,420
48	Less: Receipts	109,591,257	109,591,257
49	Net Appropriation	178,127,163	178,127,163
50			
51	UNC at Pembroke		

1	Requirements	90,161,357	90,165,578
2	Less: Receipts	13,264,333	13,264,333
3	Net Appropriation	76,897,024	76,901,245
4			
5	UNC at Wilmington		
6	Requirements	244,118,982	244,118,982
7	Less: Receipts	98,550,341	98,550,341
8	Net Appropriation	145,568,641	145,568,641
9			
10	UNC Board of Governors		
11	Requirements	42,592,385	42,592,385
12	Less: Receipts	46,899	46,899
13	Net Appropriation	42,545,486	42,545,486
14			
15	UNC BOG – Institutional Programs		
16	Requirements	43,905,784	43,905,784
17	Less: Receipts	0	0
18	Net Appropriation	43,905,784	43,905,784
19			
20	UNC BOG – Related Educational Programs		
21	Requirements	164,000,476	164,000,476
22	Less: Receipts	54,031,975	54,031,975
23	Net Appropriation	109,968,501	109,968,501
24			
25	UNC General Administration		
26	Requirements	181,349,756	191,349,756
27	Less: Receipts	0	0
28	Net Appropriation	181,349,756	191,349,756
29			
30	UNC School of the Arts		
31	Requirements	49,623,526	49,623,526
32	Less: Receipts	16,359,089	16,359,089
33	Net Appropriation	33,264,437	33,264,437
34			
35	Western Carolina University		
36	Requirements	159,162,027	159,195,028
37	Less: Receipts	27,714,804	27,714,804
38	Net Appropriation	131,447,223	131,480,224
39			
40	Winston-Salem State University		
41	Requirements	86,145,805	86,145,805
42	Less: Receipts	22,495,553	22,495,553
43	Net Appropriation	63,650,252	63,650,252
44			
45	East Carolina Univ-Academic Affairs		
46	Requirements	414,348,327	414,348,327
47	Less: Receipts	182,150,292	182,150,292
48	Net Appropriation	232,198,035	232,198,035
49			
50	East Carolina Univ-Health Affairs		
51	Requirements	90,335,813	90,335,813

1	Less: Receipts	12,400,019	12,400,019
2	Net Appropriation	77,935,794	77,935,794
3			
4	Elizabeth City State University		
5	Requirements	38,867,498	38,867,498
6	Less: Receipts	3,564,271	3,564,271
7	Net Appropriation	35,303,227	35,303,227
8			
9	Appalachian State University		
10	Requirements	261,386,484	261,386,484
11	Less: Receipts	113,583,731	113,583,731
12	Net Appropriation	147,802,753	147,802,753
13			
14	Fayetteville State University		
15	Requirements	75,646,019	75,646,019
16	Less: Receipts	21,734,797	21,734,797
17	Net Appropriation	53,911,222	53,911,222
18			
19	HEALTH AND HUMAN SERVICES		
20	Aging and Adult Services		
21	Requirements	108,121,012	108,121,012
22	Less: Receipts	63,085,564	63,085,564
23	Net Appropriation	45,035,448	45,035,448
24			
25	Central Management and Support		
26	Requirements	197,603,008	197,603,008
27	Less: Receipts	81,506,582	81,506,582
28	Net Appropriation	116,096,426	116,096,426
29			
30	Child Development and Early Education		
31	Requirements	322,175,882	331,525,882
32	Less: Receipts	84,536,615	84,536,615
33	Net Appropriation	237,639,267	246,989,267
34			
35	Health Benefits (Medicaid and Health Choice)		
36	Requirements	14,875,059,304	14,875,069,384
37	Less: Receipts	10,950,483,105	10,950,486,002
38	Net Appropriation	3,924,576,199	3,924,583,382
39			
40	Health Service Regulation		
41	Requirements	70,770,955	70,770,955
42	Less: Receipts	51,912,899	51,912,899
43	Net Appropriation	18,858,056	18,858,056
44			
45	Mental Hlth/Dev. Disabl./Subs. Abuse Serv.		
46	Requirements	1,459,185,326	1,459,185,326
47	Less: Receipts	717,067,519	717,067,519
48	Net Appropriation	742,117,807	742,117,807
49			
50	Public Health		
51	Requirements	868,242,868	867,943,612

1	Less: Receipts	714,141,856	713,798,147
2	Net Appropriation	154,101,012	154,145,465
3			
4	Services for the Blind/Deaf/Hard of Hearing		
5	Requirements	42,677,017	42,694,285
6	Less: Receipts	34,123,474	34,140,186
7	Net Appropriation	8,553,543	8,554,099
8			
9	Social Services		
10	Requirements	1,557,782,580	1,557,783,872
11	Less: Receipts	1,363,651,976	1,363,652,866
12	Net Appropriation	194,130,604	194,131,006
13			
14	Vocational Rehabilitation Services		
15	Requirements	150,494,601	150,528,124
16	Less: Receipts	111,221,410	111,246,271
17	Net Appropriation	39,273,191	39,281,853
18			
19	AGRICULTURE, NATURAL, AND ECONOMIC RESOURCES		
20	Agriculture and Consumer Services		
21	Requirements	185,965,999	185,971,419
22	Less: Receipts	59,329,628	59,329,628
23	Net Appropriation	126,636,371	126,641,791
24			
25	Commerce		
26	Requirements	267,812,887	267,812,887
27	Less: Receipts	90,449,190	90,449,190
28	Net Appropriation	177,363,697	177,363,697
29			
30	Environmental Quality		
31	Requirements	193,918,082	193,892,959
32	Less: Receipts	114,576,705	114,576,705
33	Net Appropriation	79,341,377	79,316,254
34			
35	Labor		
36	Requirements	37,106,127	37,126,948
37	Less: Receipts	18,968,296	18,968,296
38	Net Appropriation	18,137,831	18,158,652
39			
40	Natural and Cultural Resources		
41	Requirements	220,996,431	221,000,740
42	Less: Receipts	42,487,651	42,487,651
43	Net Appropriation	178,508,780	178,513,089
44			
45	Wildlife Resources Commission		
46	Requirements	75,630,859	75,630,859
47	Less: Receipts	64,486,379	64,486,379
48	Net Appropriation	11,144,480	11,144,480
49			
50	JUSTICE AND PUBLIC SAFETY		
51	Administrative Office of the Courts		

1	Requirements	557,476,262	557,694,915
2	Less: Receipts	1,136,462	1,136,462
3	Net Appropriation	556,339,800	556,558,453
4			
5	Indigent Defense Services		
6	Requirements	133,735,671	133,739,847
7	Less: Receipts	10,182,323	10,182,323
8	Net Appropriation	123,553,348	123,557,524
9			
10	Justice		
11	Requirements	88,131,669	88,136,232
12	Less: Receipts	40,484,546	40,487,512
13	Net Appropriation	47,647,123	47,648,720
14			
15	Public Safety		
16	Requirements	2,332,787,149	2,332,876,685
17	Less: Receipts	258,254,879	258,254,879
18	Net Appropriation	2,074,532,270	2,074,621,806
19			
20	GENERAL GOVERNMENT		
21	Administration		
22	Requirements	73,387,880	73,387,880
23	Less: Receipts	9,887,542	9,887,542
24	Net Appropriation	63,500,338	63,500,338
25			
26	Administrative Hearings		
27	Requirements	7,853,519	7,860,093
28	Less: Receipts	1,684,910	1,684,910
29	Net Appropriation	6,168,609	6,175,183
30			
31	Auditor		
32	Requirements	20,143,575	20,143,575
33	Less: Receipts	6,199,884	6,199,884
34	Net Appropriation	13,943,691	13,943,691
35			
36	Budget and Management		
37	Requirements	8,290,273	8,290,273
38	Less: Receipts	0	0
39	Net Appropriation	8,290,273	8,290,273
40			
41	Budget and Management – Special Approp.		
42	Requirements	2,000,000	2,000,000
43	Less: Receipts	0	0
44	Net Appropriation	2,000,000	2,000,000
45			
46	Controller		
47	Requirements	25,174,460	25,188,476
48	Less: Receipts	846,028	846,028
49	Net Appropriation	24,328,432	24,342,448
50			
51	Elections		

1	Requirements	6,935,297	6,935,297
2	Less: Receipts	102,000	102,000
3	Net Appropriation	6,833,297	6,833,297
4			
5	General Assembly		
6	Requirements	70,475,420	70,475,420
7	Less: Receipts	861,000	861,000
8	Net Appropriation	69,614,420	69,614,420
9			
10	Governor		
11	Requirements	6,037,114	6,037,114
12	Less: Receipts	898,760	898,760
13	Net Appropriation	5,138,354	5,138,354
14			
15	Housing Finance Agency		
16	Requirements	10,660,000	10,660,000
17	Less: Receipts	0	0
18	Net Appropriation	10,660,000	10,660,000
19			
20	Insurance		
21	Requirements	49,109,619	49,112,642
22	Less: Receipts	8,137,431	8,137,431
23	Net Appropriation	40,972,188	40,975,211
24			
25	Insurance – Industrial Commission		
26	Requirements	22,363,107	22,363,707
27	Less: Receipts	13,053,262	13,053,262
28	Net Appropriation	9,309,845	9,310,445
29			
30	Lieutenant Governor		
31	Requirements	873,753	873,753
32	Less: Receipts	0	0
33	Net Appropriation	873,753	873,753
34			
35	Military and Veterans Affairs		
36	Requirements	62,353,064	62,353,064
37	Less: Receipts	53,160,945	53,160,945
38	Net Appropriation	9,192,119	9,192,119
39			
40	Revenue		
41	Requirements	146,213,204	146,280,481
42	Less: Receipts	59,236,207	59,268,852
43	Net Appropriation	86,976,997	87,011,629
44			
45	Secretary of State		
46	Requirements	14,044,797	14,044,797
47	Less: Receipts	291,456	291,456
48	Net Appropriation	13,753,341	13,753,341
49			
50	Treasurer		
51	Requirements	62,424,683	62,458,796

1	Less: Receipts	57,559,579	57,593,692
2	Net Appropriation	4,865,104	4,865,104
3			
4	Treasurer – Additional Retirement Systems		
5	Requirements	29,360,641	29,360,641
6	Less: Receipts	0	0
7	Net Appropriation	29,360,641	29,360,641
8			
9	INFORMATION TECHNOLOGY		
10	Department of Information Technology		
11	Requirements	53,914,125	53,914,125
12	Less: Receipts	395,579	395,579
13	Net Appropriation	53,518,546	53,518,546
14			
15	RESERVES, DEBT, AND OTHER BUDGETS		
16	General Debt Service		
17	Requirements	734,545,038	734,545,038
18	Less: Receipts	18,653,595	18,653,595
19	Net Appropriation	715,891,443	715,891,443
20			
21	Federal Debt Service		
22	Requirements	1,616,380	1,616,380
23	Less: Receipts	0	0
24	Net Appropriation	1,616,380	1,616,380
25			
26	Statewide Enterprise Resource Planning		
27	Requirements	0	0
28	Less: Receipts	0	0
29	Net Appropriation	0	0
30			
31	Statewide Reserves		
32	Requirements	0	0
33	Less: Receipts	0	0
34	Net Appropriation	0	0
35			
36	OSHR Minimum of Market Adjustment		
37	Requirements	2,624,316	2,624,316
38	Less: Receipts	0	0
39	Net Appropriation	2,624,316	2,624,316
40			
41	Total Requirements	43,528,638,698	43,609,596,010
42	Less: Total Receipts	19,628,334,227	19,628,105,602
43	Total Net Appropriation	23,900,304,471	23,981,490,408

44 **SECTION 1.1.(b)** Consistent with the definition for the term "base budget" set forth
45 in G.S. 143C-1-1, total requirements for the Department of Justice, Legal Services (Budget Code
46 13600, Fund Code 1200), are reduced by the recurring sum of three million fifty-five thousand
47 nine hundred seventy-three dollars (\$3,055,973) in each fiscal year of the 2019-2021 fiscal
48 biennium.

49
50 **CONFORMING CHANGES**

51 **SECTION 1.2.(a)** Subdivision (11) of Section 5 of S.L. 2019-229 is repealed.

1 **SECTION 1.2.(b)** Section 5 of S.L. 2019-229, as amended by subsection (a) of this
 2 section, reads as rewritten:

3 "**SECTION 5.** To support implementation of the Raise the Age legislation, the sum of ~~thirty~~
 4 ~~million nine hundred fifteen thousand four hundred thirty one dollars (\$30,915,431)~~
 5 twenty-seven million twenty-three thousand thirty-seven dollars (\$27,023,037) for the
 6 2019-2020 fiscal year and the sum of ~~forty three million five hundred thirty eight thousand seven~~
 7 ~~hundred four dollars (\$43,538,704)~~ thirty-nine million six hundred forty-six thousand three
 8 hundred ten dollars (\$39,646,310) for the 2020-2021 fiscal year are appropriated from the
 9 General Fund to the Department of Public Safety as follows:

10 "

11 **SECTION 1.2.(c)** If Senate Bill 61, 2019 Regular Session, becomes law, Section 1.2
 12 of that act reads as rewritten:

13 "**SECTION 1.2.** In addition to the appropriations set forth in S.L. 2019-209 for the
 14 Community College System, System, and any other legislation enacted during the 2019 Regular
 15 Session expressly appropriating funds to the Community College System, appropriations from
 16 the General Fund for the budget of the Community College System are made for the fiscal
 17 biennium ending June 30, 2021, as follows:

Current Operations – General Fund	FY 2019-2020	FY 2020-2021
Community College System		
Requirements	\$1,577,080,779	<u>\$15,457,772</u>
\$1,574,065,397	\$12,442,390	
Less: Receipts	380,447,392	<u>(12,759,216)</u>
380,212,392	(12,994,216)	
Net Appropriation	1,196,633,387	<u>28,216,988</u>
1,193,853,005	25,436,606."	

28 **SECTION 1.2.(d)** Subsection (ff) of Section 1.1 of S.L. 2019-192 is repealed.

29 **SECTION 1.2.(e)** If House Bill 398, 2019 Regular Session, becomes law, then
 30 Section 1.2 of that act reads as rewritten:

31 "**SECTION 1.2.** In addition to the appropriations set forth in S.L. 2019-230 for the
 32 Department of Information Technology and any other legislation enacted during the 2019
 33 Regular Session expressly appropriating funds to the DIT, appropriations from the General Fund
 34 for the budget of the Department of Information Technology are made for the fiscal biennium
 35 ending June 30, 2021, as follows:

Current Operations – General Fund	FY 2019-2020	FY 2020-2021
Department of Information Technology		
Requirements	\$67,818,037	<u>\$13,759,233</u>
\$69,342,683	\$15,283,879	
Less: Receipts	395,5790	<u>395,5790</u>
Net Appropriation	67,422,458	<u>13,759,233</u>
68,947,104	15,283,879."	

46 **SECTION 1.2.(f)** If Senate Bill 683, 2019 Regular Session, becomes law, then
 47 Section 5.2 of that act reads as rewritten:

48 "**SECTION 5.2.** ~~Appropriations~~ In addition to the appropriations set forth in S.L. 2019-209
 49 for the State Board of Elections, appropriations from the General Fund for the budget of the State
 50 Board of Elections are made for the fiscal biennium ending June 30, 2021, as follows:

	FY 2019-2020	FY 2020-2021
1 Current Operations – General Fund		
2 Elections		
3 Requirements	\$8,091,301	\$1,156,004
4	\$6,980,220	\$44,923
5 Less: Receipts	\$102,000	\$0
6 Net Appropriation	\$7,989,301	\$1,156,004
7	\$6,878,220	\$44,923.
8		
9 PART II. AVAILABILITY STATEMENT		
10		
11 GENERAL FUND AVAILABILITY		
12 SECTION 2.1. The General Fund availability derived from State tax revenue, nontax		
13 revenue, and other adjustments used in developing the base budget for each year of the 2019-2021		
14 fiscal biennium is as follows:		
15	FY 2019-2020	FY 2020-2021
16 Unappropriated Balance	645,592,678	2,484,667,747
17 Actual and Anticipated Reversions	287,029,354	200,000,000
18 Over Collections	896,662,617	-
19 Highway Fund Recovery Act (S.L. 2019-15)	(120,000,000)	-
20 Total, Prior Year-End Fund Balance	1,709,284,649	2,684,667,747
21		
22 Tax Revenues		
23 Personal Income	13,110,400,000	13,700,300,000
24 Sales and Use	8,141,200,000	8,486,500,000
25 Corporate Income	732,600,000	787,600,000
26 Franchise	749,700,000	769,900,000
27 Insurance	565,300,000	579,800,000
28 Alcoholic Beverage	411,500,000	425,700,000
29 Tobacco Products	256,200,000	254,900,000
30 Other Tax Revenues	132,700,000	136,400,000
31 Subtotal, Tax Revenues	24,099,600,000	25,141,100,000
32		
33 Nontax Revenues		
34 Judicial Fees	228,800,000	225,300,000
35 Investment Income	167,200,000	168,300,000
36 Disproportionate Share	165,300,000	130,000,000
37 Master Settlement Agreement	136,200,000	131,800,000
38 Insurance	87,800,000	90,100,000
39 Other Nontax Revenues	202,800,000	204,300,000
40 Subtotal, Nontax Revenues	988,100,000	949,800,000
41		
42 Total, Net Revenues	25,087,700,000	26,090,900,000
43		
44 Adjustment to Tax Revenue: 2019 Session		
45 Extend Tax Credits/Other Finance Changes		
46 (HB 399, Ratified)	(3,900,000)	(16,500,000)
47 Subtotal, Adjustments to Tax Revenue	(3,900,000)	(16,500,000)
48		
49 Reservations of Tax Revenue		
50 Savings Reserve	(38,850,000)	(154,335,000)
51 Subtotal, Statutory Reservations of Revenue	(38,850,000)	(154,335,000)

1			
2	Other Adjustments to Availability		
3	Adjustment to Transfer from Department of Insurance		
4	(S.L. 2019-209)	1,249,541	2,700,421
5	Adjustment to Transfer from State Treasurer		
6	(S.L. 2019-209)	41,913	91,132
7	NC G.R.E.A.T. Program Funding (S.L. 2019-230)	(15,000,000)	(15,000,000)
8	Subtotal, Other Adjustments to Availability	(13,708,546)	(12,208,447)
9			
10	Revised Total Net General Fund Availability	26,779,376,103	28,746,859,300
11			
12	General Fund Appropriations		
13	Base Budget (HB 111)	(23,900,304,471)	(23,981,490,408)
14	Ensuring Authorization of Federal Funds		
15	(S.L. 2019-192, as amended)	5,326,726	15,223,842
16	Salary Increases/Adult Correctional Employees		
17	(S.L. 2019-208)	(35,914,734)	(56,829,468)
18	Pay Increases/State Employees (S.L. 2019-209)	(239,220,554)	(572,705,157)
19	Pay Increases/State Highway Patrol (S.L. 2019-210)	(3,600,000)	(7,200,000)
20	Pay Increases/SBI & ALE (S.L. 2019-211)	(2,680,000)	(3,360,000)
21	Standing Up for Rape Victims Act of 2019		
22	(S.L. 2019-221)	(3,000,000)	(3,000,000)
23	School Safety Funds, Programs, and Reports		
24	(S.L. 2019-222)	(38,833,333)	(29,800,000)
25	Prison Safety/TANF State Plan/Clarifications		
26	(S.L. 2019-223)	(4,471,149)	-
27	Raise the Age Funding (S.L. 2019-229, as amended)	(28,878,616)	(43,402,450)
28	Community Colleges Budget/2019-2021 Biennium		
29	(SB 61, Ratified, as amended)	(28,216,988)	(25,436,606)
30	Info. Tech Budget/2019-2021 Fiscal Biennium		
31	(HB 398, as amended)	(13,759,233)	(15,283,879)
32	Combat Absentee Ballot Fraud (SB 683, as amended)	(1,156,004)	(44,923)
33	Total General Fund Net Appropriations	(24,294,708,356)	(24,723,329,049)
34			
35	Unappropriated Balance Remaining	2,484,667,747	4,023,530,251

36 **SECTION 2.2.** The State Controller shall transfer funds to the Savings Reserve in
37 accordance with G.S. 143C-4-2. Funds reserved in the Savings Reserve do not constitute an
38 "appropriation made by law," as that phrase is used in Section 7(1) of Article V of the North
39 Carolina Constitution.

40 **SECTION 2.3.(a)** Receivables described in subsection (b) of this section reserved at
41 the end of the 2019-2020 and 2020-2021 fiscal years shall, when received, be accounted for as
42 nontax revenue for each of those fiscal years.

43 **SECTION 2.3.(b)** For the 2019-2020 fiscal year, the Department of Health and
44 Human Services shall deposit from its revenues one hundred sixty-five million three hundred
45 thousand dollars (\$165,300,000) with the Department of State Treasurer to be accounted for as
46 nontax revenue. For the 2020-2021 fiscal year, the Department of Health and Human Services
47 shall deposit from its revenues one hundred thirty million dollars (\$130,000,000) with the
48 Department of State Treasurer to be accounted for as nontax revenue. These deposits shall
49 represent the return of General Fund appropriations, nonfederal revenue, fund balances, or other
50 resources from State-owned and State-operated hospitals that are used to provide indigent and
51 nonindigent care services. The return from State-owned and State-operated hospitals to the

1 Department of Health and Human Services will be made from nonfederal resources in an amount
2 equal to the amount of the payments from the Division of Health Benefits for uncompensated
3 care. The treatment of any revenue derived from federal programs shall be in accordance with
4 the requirements specified in the Title 2, Code of Federal Regulations, Part 225.

5 6 **PART III. GENERAL PROVISIONS**

7 8 **INTRODUCTION**

9 **SECTION 3.1.** The appropriations made in this act, and any other legislation enacted
10 during the 2019 Regular Session expressly appropriating funds to an agency, a department, or an
11 institution covered under this act, are for maximum amounts necessary to provide the services
12 and accomplish the purposes for the applicable agency, department, or institution in accordance
13 with the State Budget Act. Savings shall be effected where the total amounts appropriated are not
14 required to perform these services and accomplish these purposes, and the savings shall revert to
15 the appropriate fund at the end of each fiscal year, except as otherwise provided by law.

16 17 **TOTAL FUNDS APPROPRIATED**

18 **SECTION 3.2.** The requirements set forth in this act, and any other legislation
19 enacted during the 2019 Regular Session expressly appropriating funds to an agency, a
20 department, or an institution covered under this act, represent the total amount of funds, including
21 agency receipts, appropriated to an agency, a department, or an institution.

22 23 **OTHER APPROPRIATIONS**

24 **SECTION 3.3.(a)** Except for the budget codes for the Community College System,
25 the Department of Transportation, and the Department of Information Technology, all budget
26 codes listed in the Governor's Recommended Budget Support Document for the 2019-2021 fiscal
27 biennium, submitted pursuant to G.S. 143C-3-5, are appropriated up to the amounts specified, as
28 adjusted by the General Assembly in this act. If Senate Bill 61, 2019 Regular Session, does not
29 become law, all budget codes for the Community College System listed in the Governor's
30 Recommended Budget Support Document for the 2019-2021 fiscal biennium, submitted pursuant
31 to G.S. 143C-3-5, are appropriated up to the amounts specified, as adjusted by the General
32 Assembly in this act. If House Bill 398, 2019 Regular Session, does not become law, all budget
33 codes for the Department of Information Technology listed in the Governor's Recommended
34 Budget Support Document for the 2019-2021 fiscal biennium, submitted pursuant to
35 G.S. 143C-3-5, are appropriated up to the amounts specified, as adjusted by the General
36 Assembly in this act.

37 **SECTION 3.3.(b)** Receipts collected in a fiscal year in excess of the amounts
38 appropriated by this section shall remain unexpended and unencumbered until appropriated by
39 the General Assembly, unless the expenditure of overrealized receipts in the fiscal year in which
40 the receipts were collected is authorized by G.S. 143C-6-4. Overrealized receipts are
41 appropriated in the amounts necessary to implement this subsection.

42 **SECTION 3.3.(c)** Funds may be expended only for the specified programs,
43 purposes, objects, and line items or as otherwise authorized by the General Assembly.

44 45 **STATE BUDGET ACT APPLIES**

46 **SECTION 3.4.** The provisions of the State Budget Act, Chapter 143C of the General
47 Statutes, are reenacted and shall remain in full force and effect and are incorporated in this act
48 by reference.

49 50 **CONSTRUCTION**

1 **SECTION 3.5.(a)** This act is for the maintenance of the various departments,
2 institutions, and other spending agencies of the State for the 2019-2021 biennial budget as
3 provided in G.S. 143C-3-5. This act includes the appropriations of State funds as defined in
4 G.S. 143C-1-1(d)(25). In the event that there is a conflict between the line-item budget certified
5 by the Director of the Budget and this act, this act shall prevail.

6 **SECTION 3.5.(b)** The Director of the Budget submitted a recommended base budget
7 to the General Assembly in the Governor's Recommended Budget for the 2019-2021 fiscal
8 biennium, dated March 2019, and in the Budget Support Document for the various departments,
9 institutions, and other spending agencies of the State. The adjustments to the recommended base
10 budget made by the General Assembly are set out in this act and any other legislation enacted
11 during the 2019 Regular Session expressly appropriating funds to an agency, a department, or an
12 institution covered under this act.

13 **ADDITIONAL LIMITATIONS AND DIRECTIONS**

14 **SECTION 3.6.(a)** Except where expressly repealed or amended by this act, the
15 provisions of S.L. 2019-9, 2019-15, 2019-192, 2019-208, 2019-209, 2019-210, 2019-211,
16 2019-221, 2019-222, 2019-223, 2019-224, and any other legislation enacted during the 2019
17 Regular Session expressly appropriating funds to an agency, a department, or an institution
18 covered under this act, shall remain in effect.

19 **SECTION 3.6.(b)** All of the following limitations and directions apply:

- 20 (1) Except as otherwise provided in this act and any other legislation enacted
21 during the 2019 Regular Session expressly appropriating funds to an agency,
22 a department, or an institution covered under this act, the limitations and
23 directions on the expenditure of funds for the prior fiscal biennium shall
24 remain in effect.
- 25 (2) Vacant positions subject to proposed budget reductions in the ratified version
26 of House Bill 966, 2019 Regular Session, shall not be filled.
- 27 (3) Public school employees paid on the teacher salary schedule, the school-based
28 administrator salary schedule, or any other salary schedule established by
29 State law shall not move up on salary schedules or receive automatic step
30 increases until authorized by the General Assembly. If House Bill 377, 2019
31 Regular Session, becomes law, this subdivision is repealed.
- 32 (4) Funds shall not be reserved to the Repairs and Renovations Reserve or the
33 State Capital and Infrastructure Fund, and the State Controller shall not
34 transfer funds from the unreserved fund balance to those reserves on June 30
35 of the prior fiscal year.

36 **MOST TEXT APPLIES ONLY TO THE 2019-2021 FISCAL BIENNIUM**

37 **SECTION 3.7.** The textual provisions of this act apply only to funds appropriated
38 for, and activities occurring during, the 2019-2021 fiscal biennium.

39 **EFFECT OF HEADINGS**

40 **SECTION 3.8.** The headings to the Parts and sections of this act are a convenience
41 to the reader and are for reference only. The headings do not expand, limit, or define the text of
42 this act.

43 **APPLICABILITY OF STATUTORY CONTINUING RESOLUTION AND HOUSE BILL 44 966, 2019 REGULAR SESSION**

45 **SECTION 3.9.** This act, and any other legislation enacted during the 2019 Regular
46 Session expressly appropriating funds to an agency, a department, or an institution covered under
47 this act, collectively supersedes and replaces the provisions of G.S. 143C-5-4(b). The
48

1 appropriations and the authorizations to allocate and spend funds which are set out in this act
2 shall remain in effect until House Bill 966, 2019 Regular Session, becomes law, at which time
3 that act shall become effective and shall govern appropriations and expenditures. When the
4 provisions of House Bill 966, 2019 Regular Session, covering that fiscal year becomes law, the
5 Director of the Budget shall adjust allotments to give effect to that act from July 1 of the fiscal
6 year.

7

8 **PART IV. EFFECTIVE DATE**

9 **SECTION 4.** This act becomes effective July 1, 2019.