



American Council of Engineering Companies – North Carolina

Legislative Report – State Budget Bill
October 14, 2023

North Carolina State Budget Deal: Medicaid Expansion, Tax Cuts, and Policy Provisions

A state budget deal worth \$60 billion over two years was approved by both chambers of the General Assembly, and became effective October 3, 2023. The bill includes Medicaid expansion, tax cuts, and numerous Republican policy priorities. It passed in the House with support from all Republicans and five Democrats while the Senate voted along party lines to advance the bill. Governor Roy Cooper let the budget become law without his signature.

The budget includes raises for state employees and teachers, with a 7% increase over two years for most state workers and an average 7% raise for teachers, varying based on experience. It also expands private school vouchers, lowers the personal income tax rate, and reduces franchise taxes for certain corporations.

In addition to financial provisions, the budget contains various policy changes, including giving legislators more power over the state's community college system and expanding lawmakers' exemptions from public records law. It also includes funding for healthcare, with money allocated for rural healthcare providers, behavioral health support for families, and Medicaid expansion. The budget allocates money for UNC System researchers to create new businesses, water and wastewater projects, highway maintenance programs, and increased savings reserves.

Notably, the budget does not include proposals to legalize more casinos or authorize video lottery terminals across the state, as disagreements between the House and Senate on gambling nearly derailed budget negotiations. Ultimately, an agreement was reached to exclude casinos and retain Medicaid expansion in the budget.

Provisions of interest to ACEC include the following:

NC TEN Commission Fees to Fund Transportation Needs

Increase Electric & Hybrid Vehicle Fees pg 611 ** ACEC Legislative Priority

Owners of plug-in electric vehicles will be required to pay an extra fee of \$180.00 at the time of initial registration or renewal, in addition to the regular registration fees.

Owners of plug-in hybrid vehicles will be required to pay an extra fee of \$90.00 at the time of initial registration or renewal, in addition to the regular registration fees.

Funds generated from these new fees will go to the Division of Motor Vehicles to be used for transportation related expenses. These two new fees are effective January 1, 2024, and apply to vehicles registered on or after that date.

Section 42.19 Enact New Tax on For-Hire Ground Transport Services pg 620 ** ACEC Legislative Priority

Exclusive ride services will be taxed at a rate of 1.5% and shared ride services will be taxed at a rate of 1%. Funds generated from these new taxes will go to the Highway Fund to be used for transportation related expenses. These two new taxes are effective July 1, 2025.

Section 41.14E Authorize DMV to Implement Transaction Fees on Electronic Payments pg 611

DMV is given the authority to impose transaction fees on electronic payments to cover any service charges incurred by the DMV when accepting electronic payments.

NCDOT Funding

Strategic Transportation Investments Prioritization (STIP) J45, item 93

\$473,534,972 recurring FY 2023-24 and \$610,246,000 recurring FY 2024-25 to increase the budget for the STIP program based upon the consensus revenue forecast and transfer from the Highway Fund. The revised program requirements for the STIP is \$2.0 billion FY 2023-24 and \$2.2 billion FY 2024-25.

Section 3.1 Current Operations and Expansion/Highway Fund

The appropriations from the State Highway Fund for various purposes for the fiscal biennium ending June 30, 2025. Here's a breakdown of the allocations for each category in both fiscal years (FY) 2023-24 and FY 2024-25:

Administration:

- FY 2023-24: \$117,336,157
- FY 2024-25: \$117,336,157

Division of Highways:

- Administration:
 - o FY 2023-24: \$58,305,975
 - o FY 2024-25: \$57,986,424
- Construction:
 - o FY 2023-24: \$81,043,078
 - o FY 2024-25: \$77,543,078
- Maintenance:
 - o FY 2023-24: \$1,893,649,560
 - o FY 2024-25: \$2,165,993,362

Governor's Highway Safety Program:

- FY 2023-24: \$324,111
- FY 2024-25: \$324,111

Intermodal Divisions:

- Ferry:
 - o FY 2023-24: \$74,029,849
 - o FY 2024-25: \$64,679,849
- Public Transportation, Bicycle, and Pedestrian:
 - o FY 2023-24: \$79,510,286
 - o FY 2024-25: \$69,510,286
- Aviation:
 - o FY 2023-24: \$184,174,429
 - o FY 2024-25: \$179,374,429
- Rail:
 - o FY 2023-24: \$45,299,938
 - o FY 2024-25: \$45,299,938

Division of Motor Vehicles:

- FY 2023-24: \$172,914,364
- FY 2024-25: \$147,883,896

Other State Agencies, Reserves, Transfers:

OSHA: - FY 2023-24: \$59,459,404
 - FY 2023-24: \$358,030 - FY 2024-25: \$72,817,577
 - FY 2024-25: \$358,030

Aid to Municipalities:
 - FY 2023-24: \$170,375,000
 - FY 2024-25: \$185,875,000

Capital Improvements:
 - FY 2023-24: \$29,819,819
 - FY 2024-25: \$10,571,863

Highway Fund Total:
 - FY 2023-24: \$2,966,600,000
 - FY 2024-25: \$3,195,554,000

Section 3.2 Highway Fund Availability pg 15

Here are the Consensus Revenue Forecast for various taxes and fees collected by NCDOT:

Motor Fuels Tax- \$1,805,200,000 in FY 2023-24 and \$1,827,700,000 in FY 2024-25
 Licenses and Fees- \$895,100,000 in FY 2023-24 and \$1,053,300,000 in FY 2024-25
 Short-Term Lease- \$116,700,000 in FY 2023-24 and \$121,500,000 in FY 2024-25
 Investment Income- \$40,700,000 in FY 2023-24 and \$35,700,000 in FY 2024-25
 Sales Tax Transfer- \$106,300,000 in both FY 2023-24 and FY 2024-25

Here are various adjustments to projected availability of funds in the Highway Fund, including fee increases expected from the inclusion of NCTEN fees enacted in this state budget bill (summarized above):

Aviation Fuels Tax Changes- \$11,100,000 loss in revenue in FY 2024-25
 Sales Tax Changes- \$100,000 loss in FY 2023-24 and \$300,000 loss in FY 2024-25
 Title Fees—Transfer from Highway Trust Fund- \$1,500,000 FY 2023-24 and \$1,954,000 FY 2024-25
 Electric Vehicle Registration Increase- \$500,000 FY 23-24 and \$2,000,000 FY 24-25
 Plug-In Hybrid Registration Fee- \$700,000 FY 2023-24 and \$1,800,000 FY 2024-25
 Total Highway Fund Avail.- \$2,966,600,000 FY 23-24 and \$3,195,554,000 FY 24-25.

Section 3.3 Highway Trust Fund Appropriations pg 16

The appropriations from the State Highway Trust Fund for various purposes for the fiscal biennium ending June 30, 2025. Here's a breakdown of the appropriations for each category for fiscal years (FY) 2023-24 and FY 2024-25:

Program Administration:
 FY 2023-24: \$42,017,311
 FY 2024-25: \$42,017,311

FHWA State Match (Federal Highway Administration State Match):
 FY 2023-24: \$6,070,440
 FY 2024-25: \$6,176,440

Bond:
 FY 2023-24: \$121,439,825
 FY 2024-25: \$121,436,775

Strategic Prioritization Funding:
 - Plan for Transportation Investments:
 FY 2023-24: \$2,044,867,396
 FY 2024-25: \$2,181,475,474

Turnpike Authority:
FY 2023-24: \$49,000,000
FY 2024-25: \$49,000,000

State Ports Authority:
FY 2023-24: \$45,000,000
FY 2024-25: \$45,000,000

Transfer to Visitor Center:
FY 2023-24: \$640,000
FY 2024-25: \$640,000

Highway Trust Fund Total:
FY 2023-24: \$2,309,034,972
FY 2024-25: \$2,445,746,000

Section 3.4 Highway Trust Fund Availability pg 16

The Highway Trust Fund availability for the fiscal years 2023-24 and 2024-25 is as follows:

Unspent Advance Acquisition Hardship Funds:

- FY 2023-24: \$109,834,972
- FY 2024-25: \$0

Adjustments to Availability:

- Sales Tax Changes:
 - o FY 2023-24: (\$400,000)
 - o FY 2024-25: (\$1,000,000)
- Title Fees – Transfer to Highway Fund:
 - o FY 2023-24: (\$1,500,000)
 - o FY 2024-25: (\$1,954,000)

Consensus Revenue Forecast:

- Highway Use Tax:
 - o FY 2023-24: \$1,112,400,000
 - o FY 2024-25: \$1,160,800,000
- Motor Fuels Tax:
 - o FY 2023-24: \$598,900,000
 - o FY 2024-25: \$602,500,000
- Fees:
 - o FY 2023-24: \$142,100,000
 - o FY 2024-25: \$170,900,000
- Investment Income:
 - o FY 2023-24: \$28,900,000
 - o FY 2024-25: \$25,300,000
- Sales Tax Transfer:
 - o FY 2023-24: \$318,800,000
 - o FY 2024-25: \$489,200,000

Section 41.1 Cash Flow Estimates - Highway Fund and Highway Trust Fund pg 601

Anticipated Revenues for the Highway Fund:

- Fiscal Year 2025-26: \$3,148.6 million
- Fiscal Year 2026-27: \$3,159.5 million
- Fiscal Year 2027-28: \$3,177.7 million
- Fiscal Year 2028-29: \$3,302.6 million
- Fiscal Year 2029-30: \$3,338.0 million

Anticipated Revenues for the Highway Trust Fund:

- Fiscal Year 2025-26: \$2,470.9 million
- Fiscal Year 2026-27: \$2,505.5 million
- Fiscal Year 2027-28: \$2,549.3 million
- Fiscal Year 2028-29: \$2,609.6 million
- Fiscal Year 2029-30: \$2,669.8 million

10-Year Revenue Forecast:

- The Department of Transportation, with collaboration from the Office of State Budget and Management, is tasked with developing a 10-year revenue forecast. The forecast will be used for:
 - o Developing five-year cash flow estimates in biennial budgets.
 - o Developing the Strategic Transportation Improvement Program.
 - o Computing transportation debt capacity by the Department of the State Treasurer.

Highway Maintenance:

General Maintenance Reserve, Transportation Reserve J28, item 13

\$50 million nonrecurring FY 2023-24 and \$100 million nonrecurring FY 2024-25 from the Transportation Reserve for general maintenance of State-maintained roads.

General Maintenance Reserve, Highway Fund J28, item 14

\$42,161,928 recurring FY 2023-24 and \$284,405,630 recurring FY 2024-25 in new money for general maintenance of State-maintained roads. The revised total requirements for this fund code are \$724.0 million FY 2023-24 and \$1.0 billion FY 2024-25.

Contract Resurfacing J28, item 15

\$27,839,760 recurring FY 2023-24 and \$57,839,760 recurring FY 2024-25 in new money for contract resurfacing of State-owned roads. The revised net appropriation is \$600.0 million FY 2023-24 and \$630.0 million FY 2024-25.

Bridge Program J28, item 16

\$55 million recurring in both FY 2023-24 and FY 2024-25 in new money for the Bridge Program. The revised net appropriation for this fund code is \$330.0 million FY 2023-24 and \$330.1 million FY 2024-25.

Bridge Preservation Program J28, item 17

\$13,700,000 recurring in both FY 2023-24 and FY 2024-25 in new money for increased bridge maintenance to extend the lifespan of bridges. The revised net appropriation for the Bridge Preservation Program is \$85.0 million in each year of the biennium.

Highways Construction:

US 1 Pedestrian Bridge J29, item 22

\$2 million nonrecurring FY 2023-24 in funds earned from the State Fiscal Recovery Reserve for the construction of a pedestrian bridge over Hwy 1 at Rockingham Speedway.

US 29 Pedestrian Bridge J29, item 23

\$5 million nonrecurring FY 2023-24 in funds from the State Fiscal Recovery Reserve for the construction of a pedestrian bridge at Highway 29 and Bruton Smith Blvd. in Cabarrus County.

Interchange Project – Economic Development J29, item 24

\$7 million nonrecurring FY 2023-24 in funds from the State Fiscal Recovery Reserve to continue construction of an interchange project in Buncombe County for economic development. The total appropriation for this project since FY 2021-22 is \$37 million.

NCDOT Provisions

Section 41.4 Expedite Interstate Designation pg 602

Directs NCDOT to collaborate with federal elected representatives, the U.S. Department of Transportation, the Federal Highway Administration (FHWA), and relevant federal agencies with the goal of expediting the interstate designation of specific road corridors. These corridors include the US 74 Corridor, which extends from exit 10 in Gaston County through Cleveland

County and Rutherford County to exit 67 in Polk County at I-26, and the US 29 Corridor, spanning from the Guilford/Rockingham County line to the Virginia state line.

Powell Bill – Aid to Municipalities J29, item 25

\$15.5 million recurring FY 2023-24 and \$31 million nonrecurring FY 2024-25 to the Powell Bill Program. The revised net appropriation for the Powell Bill Program is \$170.4 million FY 2023-24 and \$185.9 million FY 2024-25.

For the 2023-2025 fiscal biennium, NCDOT is prohibited from diminishing the funding allocated to the State Aid - Powell Bill Fund, which supports the maintenance and construction of public streets and roads in North Carolina. Notably, municipalities with a population of 400,000 or more are guaranteed the same level of funding as in the 2020-2021 fiscal year, ensuring that larger urban areas maintain their previous funding levels. Meanwhile, the remaining Powell Bill Program funds are designated for municipalities with populations under 400,000, and their allocation will adhere to criteria outlined in G.S. 136-41.1(a).

Section 41.6 Facilities Management Division Positions – DMV pg 602

NCDOT is required to allocate funds to create 14 full-time equivalent (FTE) positions for Maintenance and Construction Tech III within the Facilities Management Division (FMD), with the positions distributed to the 14 local highway division offices, and integrated into the existing FMD organizational structure, which is primarily focused on regional maintenance of Division of Motor Vehicles offices.

41.6B Emergency Funds Exempt from Transp Investment Strategy Formula pg 603

Exempts funds previously allocated to NCDOT that are specifically designated for emergency situations in the context of transportation infrastructure are exempt from the Transportation Investment Strategy Formula; in situations that have been officially declared as emergencies by either the federal government or the state government. These funds are reserved for addressing issues that arise as a result of events like natural disasters or other emergencies that damage the transportation system. The usual rules or calculations for distributing transportation funds may not apply to these emergency funds. The emergency purposes include:

- Restoring Essential Travel - repairing transportation infrastructure to ensure that essential travel routes are usable again.
- Minimizing Damage - minimize the extent of damage caused by the emergency, including preventing further deterioration of transportation facilities.
- Protecting Remaining Facilities - protect any remaining transportation facilities that may be at risk of further damage due to the emergency.

There are additional requirements and conditions on certain types of projects, such as light rail projects and projects with route re-designations.

Infrastructure – Water, Sewer, etc.

Section 12.16 Regional Water/Wastewater Planning pg 391

\$1,000,000 nonrecurring FY 2023-2034 from the North Carolina Megasite Fund to DEQ to develop a "Regional Water and Wastewater Infrastructure Master Plan." This plan is intended for a specific geographic area, specifically the region surrounding United States Route 421, spanning

from Interstate Route 85 in Greensboro to Interstate Route 95 in Dunn. This corridor has been designated as a high-priority area according to the Infrastructure Investment and Jobs Act of 2021. DEQ has the authority to contract with a third party to assist in developing this Master Plan. The Master Plan should prioritize several key aspects:

- Regionalization of Water and Wastewater Systems: It should explore options for combining or coordinating water and wastewater systems on a regional level.
- Long-Term Economic Growth and Environmental Protection: The plan should provide recommendations to support the long-term economic growth of the region while ensuring environmental protection.
- Governance Options: It should consider different governance models for managing one or more regional systems.
- Nutrient Loading Capacity: The study should also assess the capacity of these systems to handle nutrient loading from wastewater discharges.

DEQ is required to submit the completed Regional Master Plan to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division no later than May 1, 2024.

Section 12.2 Water and Sewer Infrastructure Funds pg 362

\$16,169,851 nonrecurring FY 2023-2024 to the Local Assistance for Stormwater Infrastructure Investments Fund to provide grants to eligible entities for projects aimed at controlling stormwater quantity and quality.

\$1,973,830,149 nonrecurring FY 2023-2024 to the Drinking Water Reserve and the Wastewater Reserve to be used for project construction grants for public water systems and wastewater systems. DEQ has the flexibility to exchange projects funded from the State Fiscal Recovery Fund with projects that have been awarded grant funding from other sources to meet specific federal law and guidance requirements.

Specific Projects: The following local governments and public entities are allocated funds for various local water and wastewater infrastructure projects:

\$200,000 to the Village of Alamance.	\$1,200,000 to the Town of Halifax.	\$5,000,000 to the Town of Ranlo.
\$17,300,000 to the City of Albemarle.	\$5,000,000 to the City of Hamlet.	\$1,600,000 to the City of Reidsville for the Piedmont and Annie Penn wastewater outfalls.
\$5,122,586 to Alexander County to be distributed as follows: a. \$2,622,586 for the Bethlehem water tank. b. \$2,500,000 for water line extensions.	\$7,250,000 to the Handy Sanitary District. \$25,793,200 to Harnett County to be distributed as follows: a. \$10,793,200 for sewer system upgrades to the Buies Creek-Coats Connector.	\$16,000,000 to Richmond County to be distributed as follows: a. \$12,000,000 for water and wastewater projects related to economic development. b. \$4,000,000 for water and wastewater projects.
\$787,000 to the Town of Andrews.		

\$9,000,000 to the Town of Angier.	b. \$15,000,000 for a wastewater treatment plant expansion.	\$9,393,000 to the Town of River Bend.
\$6,000,000 to Anson County for a regional water or wastewater project.	\$3,500,000 to the City of Havelock.	\$1,395,000 to the Town of Robbinsville.
\$7,000,000 to the City of Archdale.	\$200,000 to the City of Henderson.	\$8,545,000 to Robeson County.
\$4,170,500 to the City of Asheboro.	\$14,750,000 to the City of Hendersonville.	\$13,000,000 to the City of Rockingham.
\$2,900,000 to the Town of Autryville - \$900,000 to be used for stormwater improvements.	\$4,300,000 to the Town of Hertford to be distributed as follows:	\$54,550,000 to Rockingham County to be distributed as follows:
\$3,000,000 to the Town of Ayden.	a. \$1,300,000 to increase water capacity.	a. \$10,000,000 for water and wastewater projects along U.S. 220.
\$965,000 to the Village of Bald Head Island.	b. \$3,000,000 for water and wastewater projects related to the Marine Industrial Park.	b. \$23,550,000 for water and wastewater projects.
\$14,000,000 to the Town of Beech Mountain.	\$15,000,000 to the City of Hickory for the Highway 321 water and wastewater project.	c. \$21,000,000 for the extension of water services from Reidsville toward the unincorporated community of Ruffin.
\$10,000,000 to the City of Belmont.	\$5,000,000 to the Town of Highlands.	\$1,894,410 to the Town of Ronda.
\$16,000,000 to the Town of Benson.	\$1,200,000 to Hoke County.	\$10,000,000 to the Town of Rosman.
\$2,250,000 to the Town of Bermuda Run.	\$2,000,000 to the Town of Holden Beach.	\$26,000,000 to the City of Roxboro.
\$15,000,000 to Bladen County - \$5,000,000 to be used for water or wastewater projects related to the Live, Work, Play Project.	\$15,400,000 to the Town of Holly Springs for the conveyance line project.	\$3,630,000 to the Town of Rutherfordton.
\$14,000,000 to the Town of Bladenboro.	\$250,000 to the Town of Hookerton.	\$2,500,000 to the Town of Salemburg.
\$125,000 to the Town of Boardman.	\$1,000,000 to the Town of Jackson.	\$2,304,878 to the City of Saluda.
\$3,700,000 to the Town of Boone.	\$20,000,000 to Johnston County.	\$10,119,320 to Sampson County to be distributed as follows:
		a. \$4,119,320 for water lines near the landfill.

\$3,000,000 to the Town of Boonville.	\$10,700,000 to Jones County to be distributed as follows: a. \$9,500,000 for water treatment plant expansion. b. \$1,200,000 for regional water system valve additions.	b. \$6,000,000 for two wells and treatment in the southern part of the county.
\$1,350,000 to the Town of Bostic - \$150,000 to be used for stormwater infrastructure.		\$7,500,000 to the City of Sanford to be distributed as follows: a. \$2,500,000 for the development, operation, and management of the Siler City Wastewater project. b. \$5,000,000 for the Grace School and Fire Department sewer line.
\$13,000,000 to the City of Brevard.	\$8,000,000 to the Town of Kenansville.	
\$1,169,500 to the Town of Bridgeton.	\$860,275 to the Town of Kenly.	
\$35,000,000 to Brunswick County.	\$39,385,000 to the City of Kings Mountain.	\$2,687,439 to the Town of Sedalia to extend the sewer lines.
\$10,600,000 to the Town of Burgaw.	\$4,000,000 to the Town of Lake Waccamaw.	\$12,800,000 to the Town of Selma.
\$500,000 to Burke County for a water and wastewater study, planning, and mapping in eastern Burke County.	\$2,500,000 to the Town of Landis.	\$12,461,500 to the City of Shelby.
\$6,000,000 to the City of Burlington - \$500,000 to be used to treat PFAS contamination.	\$3,500,000 to the Town of Lansing.	\$75,250,000 to the Town of Siler City - \$2,500,000 for construction of an elevated water tank associated with an economic development project. Up to 15% of the funds may be used immediately for permitting, project design and engineering, and other preconstruction activities. The remainder of the funds shall not be disbursed by DEQ until the Town of Siler City and City of Sanford enter an agreement regarding the operation of the Town of Siler City wastewater improvements funded by this bill.
\$69,600,000 to the Cabarrus County Water and Sewer Authority - \$6,000,000 to be used for the design and construction of the Muddy Creek Wastewater Treatment Plant Expansion project, and \$5,000,000 to be used for the extension of wastewater lines to and in the Town of Midland.	\$20,000,000 to the City of Laurinburg to be distributed as follows: a. \$2,500,000 for the McColl Road water line replacement. b. \$7,500,000 for raw water system expansion. c. \$10,000,000 for wastewater treatment plant renovations.	
\$10,000,000 to Camden County.	\$17,000,000 to the City of Lenoir for the Valdese-Lenoir water interconnection.	
\$1,000,000 to the Town of Cameron.	\$2,000,000 to the City of Lexington.	\$6,250,000 to the Town of Smithfield.
\$1,800,000 to the Town of Candor.	\$11,062,500 to the Town of Lillington.	\$4,222,500 to the Town of Snow Hill.
\$38,000,000 to the Town of Canton.		\$5,000,000 to the South Granville Water and Sewer Authority.

\$35,000,000 to the Cape Fear Public Utility Authority as follows: a. \$18,000,000 for drinking water extensions to unserved communities in New Hanover County impacted by PFAS. b. \$17,000,000 for municipal consolidation etc. of water and sewer systems in New Hanover County impacted by PFAS.	\$11,450,000 to Lincoln County - \$1,450,000 for the Lincoln County water line extension.	\$3,000,000 to the Town of Spring Hope.
\$10,000,000 to the Town of Carthage.	\$331,402 to the Town of Linden.	\$300,000 to the Town of Spring Lake.
\$20,000,000 to Catawba County for service extensions to Sherrills Ford.	\$15,000,000 to the Town of Littleton.	\$2,500,000 to the Town of Spruce Pine.
\$1,650,000 to the City of Cherryville.	\$10,000,000 to the City of Locust.	\$2,500,000 to the Town of St. Pauls.
\$8,000,000 to the Chimney Rock Village.	\$1,500,000 to the Town of Love Valley.	\$1,000,000 to the Town of Stanley.
\$30,000,000 to Chowan County.	\$8,250,000 to the City of Lowell.	\$2,000,000 to Stanly County for water and wastewater projects for Juneberry Ridge.
\$18,270,000 to the City of Claremont for the Lyle Creek Sewer Project.	\$30,000,000 to the Lower Cape Fear Water and Sewer Authority.	\$2,600,000 to the Town of Stantonsburg for a well water project and water line replacement.
\$20,250,000 to the Town of Clayton - \$6,000,000 to improve, upgrade, or reroute the Arbors, Starmount, Liberty-West Main Street, Little Creek, and Clayton-Raleigh pump stations.	\$4,500,000 to the Town of Madison.	\$10,000,000 to the Town of Star.
\$4,290,000 to Cleveland County Water for water treatment sedimentation basins.	\$18,000,000 to Madison County.	\$3,000,000 to the City of Statesville for water and wastewater projects pertaining to economic development.
\$5,000,000 to the City of Clinton.	\$6,000,000 to the City of Marion.	\$15,000,000 to the Stokes County Water and Sewer Authority.
\$800,000 to the Town of Columbus.	\$4,000,000 to the Town of Marshville for a regional water or wastewater project.	\$4,700,000 to the Town of Stoneville to be distributed as follows: a. \$2,000,000 for water and wastewater lines along U.S. 220 West. b. \$2,700,000 for water system improvements.
\$15,620,000 to Columbus County.	\$4,000,000 to the Town of Mayodan for the wastewater treatment plant.	
	\$4,000,000 to McDowell County.	
	\$3,000,000 to the City of Mebane.	\$20,000,000 to the Town of Surf City.

\$2,548,500 to the Town of Connelly Springs.	\$1,100,000 to the Town of Mocksville.	\$4,000,000 to the City of Thomasville.
\$12,500,000 to the Contentnea Metropolitan Sewage District.	\$8,000,000 to Montgomery County.	\$10,000,000 to Transylvania County.
\$16,000,000 to Currituck County to be distributed as follows: a. \$6,000,000 for the Mainland Water Treatment Plant project. b. \$10,000,000 for the Moyock water or wastewater system.	\$15,000,000 to Moore County. \$3,600,000 to the Town of Mooresville.	\$4,500,000 to the City of Trinity. \$14,000,000 to the Town of Troutman - \$4,000,000 for the connection of the Duck Creek sewer outfall line to the City of Statesville's Third Creek Wastewater Treatment Plant.
\$2,000,000 to the Town of Dallas.	\$2,000,000 to the City of Mount Airy.	\$2,233,500 to the Town of Tryon.
\$25,000,000 to Davidson County.	\$10,000,000 to the City of Mount Holly for the Riverbend Preserve water extension.	\$27,500,000 to Union County to be distributed as follows: a. \$26,000,000 for sewer expansion. b. \$1,500,000 for the Waxhaw graywater system project.
\$2,000,000 to the Town of Denton.	\$1,000,000 to the Town of Mount Pleasant for South Skyland Drive, Senateeca Drive, and Allman Road service line extensions.	\$7,000,000 to the Town of Valdese for the Valdese-Lenoir water interconnection.
\$2,550,000 to the Town of Dobbins Heights.		\$4,000,000 to Vance County.
\$1,550,000 to the Town of Dobson.	\$4,300,000 to the Town of Murfreesboro.	\$165,052 to the Town of Wade.
\$7,100,000 to the City of Dunn.	\$400,000 to the Town of Murphy.	\$5,000,000 to Warren County.
\$7,000,000 to the City of Eden.	\$17,022,501 to Nash County.	\$15,000,000 to the Town of Weaverville.
\$14,200,000 to Edgecombe County.	\$45,000,000 to New Hanover County -. \$15,000,000 for water and wastewater projects related to Blue Clay Business Park.	\$800,000 to the Town of Weldon.
\$9,000,000 to the City of Elizabeth City.		\$726,150 to the Town of West Jefferson.
\$6,500,000 to the Town of Elkin.	\$115,975 to the Town of Newport.	\$6,930,000 to Wilkes County for the extension of water and wastewater services to the airport.
\$1,000,000 to the Town of Ellenboro.	\$12,000,000 to the City of Newton.	
\$2,000,000 to the Town of Elon.		
\$500,000 to the Town of Erwin for a stormwater development plan.		
\$20,000,000 to the Town of Eureka.		

\$12,000,000 to the Fayetteville Public Works Commission.	\$1,500,000 to the Town of Newton Grove.	\$23,550,000 to the City of Wilson - \$1,050,000 for repair of the Lake Wilson dam.
\$4,578,000 to the Town of Forest City.	\$18,600,000 to Northampton County.	\$2,000,000 to Wilson County.
\$20,000,000 to Forsyth County to expand water and wastewater services to the southeastern part of the County.	\$4,500,000 to the Town of Oak Ridge for the municipal water system.	\$12,000,000 to the Town of Wingate.
\$4,600,000 to the Town of Four Oaks.	\$1,050,000 to the Town of Old Fort.	\$3,830,000 to the Town of Woodland.
\$28,600,000 to the Town of Fuquay-Varina for a conveyance line project.	\$5,000,000 to the Onslow Water and Sewer Authority.	\$8,000,000 to the Town of Wrightsville Beach.
\$28,326,360 to the City of Gastonia - \$4,326-360 for the Apple Creek Corporate Park sewer upgrade.	\$5,500,000 to the Town of Oriental.	\$289,200 to the Town of Yadkinville.
\$10,145,000 to Gates County - \$9,145,000 for a water or wastewater project for the Town of Gatesville.	\$10,000,000 to the City of Oxford for the Kerr Lake Regional Water project.	\$3,000,000 to Barton College
\$2,000,000 to the Town of Gibsonville to be distributed as follows: a. \$1,000,000 for an elevated water tank. b. \$1,000,000 for the NC Highway 61 water line connector.	\$5,000,000 to Pamlico County.	\$12,360,590 to the Burke County Partnership for Economic Development Inc. to install water and wastewater at the Western NC Megasite
\$5,000,000 to the City of Goldsboro.	\$9,310,000 to Pasquotank County.	\$500,000 to Catawba-Wataree Water Management Group
\$460,000 to the Town of Goldston.	\$14,000,000 to the Town of Pembroke.	\$1,000,000 to Cleveland County for improvements necessary to accommodate construction of Stagecoach Greenway Recreational Trail
\$2,000,000 to the Goldston/Gulf Sanitary District.	\$1,500,000 to the Town of Pilot Mountain.	\$2,000,000 to the Easter Band of the Cherokee Indians
	\$1,750,000 to the Town of Pine Level.	\$500,000 to Aeronautics Authority of City of Henderson for water line extension
	\$5,200,000 to the Town of Pinebluff.	\$470,000 to McDowell County to address drainage issues
	\$600,000 to Pitt County for water and wastewater projects for Pitt County Schools.	
	\$2,520,000 to the Town of Princeton.	

<p>\$7,000,000 to the City of Greensboro to be distributed as follows:</p> <p>a. \$5,500,000 for water and wastewater improvements serving the town of Pleasant Garden.</p> <p>b. \$1,500,000 for the extension of water and wastewater service to Peacehaven Community Farm.</p>	<p>\$9,500,000 to the City of Raeford.</p> <p>\$5,150,000 to the City of Randleman.</p> <p>\$85,034,311 to Randolph County.</p>	<p>\$15,000,000 to City of Mount Holly to decommission a wastewater treatment plant</p>
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Economic Development/Capital Projects

Section 11.7 Golden Leaf Shell Building Pilot Program pg 335

\$10 million nonrecurring FY 2023-2024 to the Department of Commerce for the Golden LEAF (Long-Term Economic Advancement Foundation), Inc. for a new pilot program to provide grants to increase the availability of publicly owned industrial buildings suitable for new or expanding businesses. It is specified that these grants are not intended for retail, entertainment, or sports projects. Governmental entities and charitable nonprofit entities located in certain counties (Ashe, Bladen, Columbus, Franklin, Halifax, Robeson, and Scotland Counties) are eligible to apply for funding under this program. Funds from the program can only be used for specific purposes, such as identifying potential industrial sites, site preparation activities, and planning and design for shell buildings. Grants awarded under this program require a matching contribution of \$1.00 of non-State funds for every \$3.00 from the State. Grants are not allowed to exceed \$2,500,000.

Section 11.11 Megasites Readiness Program pg 344

\$107,800,000 nonrecurring FY 2023-2024 is allocated from the Economic Development Project Reserve to the Department of Commerce, to be allocated to Economic Development Partnership of North Carolina (EDPNC) for the following uses:

- \$10 million nonrecurring FY 2023-2024 to support local governments or partnerships of local governments in conducting due diligence for megasite projects.
- \$97,800,000 nonrecurring FY 2024-2025 for purposes consistent with the Megasites Readiness Program.
- The first \$1 million of the fund will be allocated for engaging a national site selection firm to evaluate potential sites and identify the seven best-positioned megasites for advanced manufacturing site selection searches.
- This provision allows for the withholding of public records related to the program, specifically those pertaining to the location, evaluation, and acquisition of qualifying sites (megasites or select sites). These records can be withheld if disclosure would frustrate the purpose for which they were created but must be disclosed once conditions are met.

Section 11.12 Selectsite Readiness Program (smaller sites) pg 346

\$10 million nonrecurring FY 2023-2024 of unspent funds from the Department of Commerce are transferred to the North Carolina Selectsite Fund to support local governments in conducting due diligence for select economic development sites that do not qualify as megasites. The objective is

to support the development of select sites for industries like aerospace, automotive, clean energy, and more, by identifying and evaluating up to 15 select sites under 1,000 acres, assist local governments in acquiring select sites, improve public infrastructure for select site development, fund on-site preparation for select sites, assist in conducting due diligence, facilitate coordination with state departments.

Section 41.3 Capital, Repairs, and Renovations

\$29,819,819 nonrecurring for FY 2023-24 and \$10,571,863 nonrecurring for FY 2024-25 is allocated from the Highway Fund for the following capital, repair, and renovation projects:

- Avery Maintenance Engineer Office: \$2,628,000
- Cherry Branch Shore Power: \$2,104,000
- Columbus DMV Office/Troop B District V Headquarters: \$3,500,000
- Hyde Maintenance Office and Equipment Shop: \$2,485,045
- Iredell Maintenance Engineer and Bridge Maintenance Office: \$1,628,865
- New Hanover DMV Office/Troop B District VI Headquarters: \$4,100,000
- Replace Rooftop HVAC Units – Century Center: \$449,500 (FY 2023-24), \$200,000 (FY 2024-25)
- Rowan District Engineer Office: \$627,426
- Statewide Americans with Disabilities Act Compliance: \$1,000,000 (FY 2023-24), \$1,000,000 (FY 2024-25)
- Statewide Asbestos Abatement: \$462,000 (FY 2023-24), \$504,000 (FY 2024-25)
- Statewide Roof Repair: \$7,027,638 (FY 2023-24), \$7,623,363 (FY 2024-25)
- Statewide Office Repairs and Renovations: \$1,244,500 FY 23-24 & FY 24-25
- Surry District Engineer Office: \$1,231,450
- Watauga District Engineer Office: \$1,070,041

City of Mount Airy – Conference Center F52, item 199

\$13 million nonrecurring FY 2023-2024 to the City of Mount Airy for a new conference center.

Coastal Carolina Community College F55, item 229

\$20 million nonrecurring FY 2023-2024 to complete construction of a math & science building.

Davie County F58, item 264

\$5,700,000 nonrecurring FY 2023-2024 to Davie County for various capital improvement needs including law enforcement, courts, and parks.

Global TransPark Hangar H5, item 49

\$50 million nonrecurring FY 2023-2024 and \$125 million FY 2024-2025 to plan and construct an aircraft Maintenance Repair and Overhaul facility at the NC Global TransPark (GTP). This funding is contingent upon the GTP entering into an Intergovernmental Services Agreement with a United States Government Agency. The total amount authorized for the project is \$350 million.

Multi-State Highway Planning Funds J27, item 12

\$4 million nonrecurring FY 2023-2024 to continue planning the southern region’s economic development transportation projects. The total amount of funds appropriated for this purpose to date is \$7,650,000.

Multi-Family Affordable Housing. pg. F-162

\$35 million nonrecurring 23-24 to Housing Finance Agency for multi-family affordable housing.

Division of Aviation Grants for Airports and Aviation-related Projects J31, items 37-75

(unless otherwise stated, the funds are nonrecurring and allocated in FY 2023-2024)

\$2.5 million to Bladen County for improvements to the Bladen County Airport.	\$15,600,000 to Harnett County for capital improvements at Harnett Regional Jetport.
\$13.5 million to Bladen County for improvements to Cape Fear Regional Jetport.	\$1.5 million to the Hyde County Airport for capital improvements at the Hyde County Airport.
\$14 million to the Burlington-Alamance Airport for capital improvements.	\$19 million to the Johnston County Airport for development of the Midfield expansion project
\$1 million to the Carteret County - Beaufort Airport Authority for capital improvements at Michael J. Smith Field.	\$5 million to the Moore County Airport Authority for terminal modernization and related capital improvements at Moore County Airport.
\$5 million to Concord for hangar-related capital improvements at Concord-Padgett Regional Airport.	\$1.5 million to the Mount Airy-Surry County Airport Authority for capital improvements at Mount Airy/Surry County Airport.
\$500,000 to the Fayetteville for the Fayetteville Regional Airport/Grannis Field.	\$21.94 million to the New Hanover County Airport Authority for a parking facility and capital improvements at Wilmington International Airport.
\$2.3 million to Gastonia for a runway expansion at Gastonia Municipal Airport.	\$500,000 to the Pitt County Greenville Airport Authority for capital improvements at Pitt-Greenville Airport.
\$20 million to Hickory for capital improvements at Hickory Regional Airport.	\$3 million to the Raleigh-Durham Airport Authority to expand international nonstop service to Frankfurt, Germany at Raleigh-Durham International Airport.
\$750,000 to Lincolnton for capital improvements at the Lincolnton-Lincoln County Regional Airport.	\$500,000 to Richmond County for capital improvements at Richmond County Airport.
\$10 million to Lumberton for runway extension and capital at the Lumberton Regional Airport.	\$5.16 million to the Rockingham County Airport Authority for Shiloh Airport.
\$6 million to Monroe for capital improvements at the Charlotte-Monroe Executive Airport.	\$8.4 million to Rowan County for taxiway or other capital improvements at the Mid-Carolina Regional Airport.
\$15.5 million to Statesville for completion of the airport terminal building and other capital improvements at the Statesville Regional Airport.	

\$11,750,000 to Columbus County for improvements to the Columbus County Airport.

\$5 million to Craven County for airport capital improvements at Coastal Carolina Regional Airport.

\$4 million to Currituck County for improvements at Currituck County Regional Airport.

\$2 million to Dare County for capital improvements at the Dare County Regional Airport.

\$15 million to the Davidson County Airport Authority for airport capital improvements.

\$5 million to Duplin County for capital improvements, equipment, or improving access to the NC Forestry Service Training Center at the Duplin County Airport.

\$1 million to the Elizabeth City-Pasquotank County Airport for capital improvements at Elizabeth City Regional Airport.

\$6 million to the Foothills Regional Airport Authority for hangar and other airport improvements.

\$28 million to the Sanford-Lee County Regional Airport Authority for capital improvements, including land acquisition, at Raleigh Exec Jetport at Sanford-Lee County.

\$7 million to the Southeast Regional Airport Authority for capital improvements, including runway extension and facility upgrades, at Laurinburg-Maxton Airport.

\$6.6 million to Stanly County for capital improvements at the Stanly County Airport.

\$4.5 million to Edenton for capital improvements at the Northeastern Regional Airport.

\$7.5 million to Mount Olive for capital improvements at Mount Olive Municipal Airport.

\$10 million to Wallace for capital improvements at Henderson Field Airport.

\$13.5 million to the Washington-Warren Airport Authority for capital improvements at the Washington-Warren Airport.

Disaster Relief/Storm Resiliency

Flood Resiliency Blueprint D63, item 154

\$493,953 nonrecurring FY 2023-24 and \$987,906 nonrecurring FY 2024-2025. The Flood Resiliency Blueprint project will utilize budget receipts from the SERDRF to fund six time-limited positions starting from January 1, 2024, and additional funds have been earmarked for covering operational expenses and contractor support, which are essential for model and data maintenance necessary to finalize the Flood Resiliency Blueprint.

Water Resource Development Grants from the SCIF D65

-Cape Fear River Basin Flood Mitigation - \$1,500,000 nonrecurring FY 2023-2024

-Carolina Beach Coastal Storm Damage Mitigation (CSDM) - \$911,667 NR in FY 2023-2024; federal match is \$3,645,000 FY 2023-25 biennium

-Dan River Regional Water Supply - \$107,667 nonrecurring FY 2023-2024; federal match is \$141,667 in the FY 2023-25 biennium

-Holden Beach Coastal Storm Damage Recovery (CSDR) - \$750,000 nonrecurring FY 2023-24; federal match: \$750,000 in the FY 2023-25 biennium.

-NRCS - EQIP (National Resource Conservation Service - Environmental Quality Incentives Program) - provides cost-share grants to local governments to match water resource development project funds through the NRCS EQIP program - \$2 million nonrecurring in each year of the 2023-2025 biennium; federal match: \$2 million nonrecurring in each year of the 23-25 biennium.
 -Ocean Isle CSDM (Coastal Storm Damage Mitigation) - \$27,784 nonrecurring FY 2023-2024; federal match \$1,534,615 nonrecurring in the FY 2023-2025 biennium.

Storm mitigation & resiliency / Disaster mitigation E42-E46

(unless otherwise stated, the funds are nonrecurring and allocated in FY 2023-2024)

\$30,070,250 to create the Local Disaster Shelter Capacity Grant Program (Project 93) to provide grants for disaster relief, general mitigation, and transportation mitigation projects. The program is intended to improve local disaster shelter infrastructure by making repairs, improving access, and adding generators.

\$5 million for flood studies, risk assessment, and building mitigation strategies for unstudied streams and mapping non-encroachment areas.

\$3,327,500 for detailed mapping and risk studies for 250 river gauges as part of the Flood Inundation Mapping and Alert Network (FIMAN).

\$19 million for a directed grant to Grandfather Village for a dam replacement project.

\$15 million to Alleghany County for electronic systems replacement and related improvements for the Town of Sparta water and sewer systems.

\$14 million to Henderson County for stream restoration and flood resiliency.

\$7 million to Pilot View Resource Conservation and Development, Inc. for stormwater and stream rehabilitation projects.

\$6.395 million to Kinston for the Adkin Branch Mitigation Project.

\$5.5 million to Bertie County for emergency response and evacuation.

\$2.2 million to Valdese for Hoyle Creek restoration.

\$2 million to Goldsboro for Big Ditch restoration and stabilization.

\$2 million to Surry County for stormwater and stream rehabilitation projects.

\$1.5 million to Duplin County for drainage and stream restoration projects.

\$1.5 million to High Point for the High Point City Lake Park dam replacement.

\$1.5 million to the Southwestern North Carolina Resource Conservation and Development Council, Inc. for dam removal and stream restoration.

\$1.257 million to Princeton for drainage improvements.

\$1.135 million to the Smithfield Housing Authority for drainage repair projects.

\$1 million 24 to Avery County for soil and water district resiliency.

\$1 million to the Montreat Conference Center Development Foundation, Inc. for Lake Susan dredging and flood control.

\$1 million to Methodist University for resilience.

\$850,000 to Madison for a storm water remediation project.

\$5 million to Highlands for the dredging and restoration of Mirror Lake.

\$5 million 24 to Fair Bluff for flood resiliency projects.

\$5 million to Lumberton for resiliency projects.

\$5 million to Greenville for the Town Common Bulkhead and Esplanade Project.

\$4,622,750 to Morehead City for shoreline restoration.

\$4 million to Canton for economic development and relief mitigating the impact of the Canton Mill closure.

\$4 million to Haywood County for economic development and relief mitigating the impact of the Canton Mill closure.

\$4 million to Mount Airy for stream and stormwater rehabilitation.

\$3 million to the Blue Ridge Resource Conservation and Development Council for stormwater and stream rehabilitation projects.

\$3 million to Haywood Community College for job training programs that support the community following the closure of the Canton Mill.

\$3 million to Newton for dam repairs.

\$2.831 million to Buncombe County for flood mitigation in Barnardsville.

\$700,000 to Four Oaks for stormwater improvements.

\$500,000 to Bermuda Run for stormwater and flood management.

\$500,000 to Johnston Community College for a drainage project and related capital or equipment.

\$500,000 to Pollocksville for infrastructure repairs.

\$400,000 to Madison County for Hominey Creek.

\$300,000 to Edgecombe County for tornado recovery.

\$264,000 to The University of North Carolina, School of Science and Math for storm damage repairs at the Durham Campus.

\$250,000 24 to Johnston County for the Moccasin Swamp Drainage District.

\$200,000 to Kenly for stormwater improvements.

\$120,000 to Haywood County for a river gauge system and related improvements.

\$100,000 to Jones County to conduct a flood study.

\$50,000 to The University of North Carolina, North Carolina Central University for storm damage repairs.

Engineering School Funding / STEM Education Initiatives

Engineering North Carolina's Future NCSU B52, item 166

\$10 million recurring for both FY 2023-2024 and FY 2024-2025 to North Carolina State University (NCSU) for the "Engineering North Carolina's Future NCSU" initiative, in order to bolster the College of Engineering by supporting faculty, staff, equipment acquisition, facility enhancements, and additional resources required for its expansion.

Engineering North Carolina’s Future UNCC pg B56, item 177

\$5 million recurring for both FY 2023-2024 and FY 2024-2025 to University of North Carolina at Charlotte (UNCC) for the "Engineering North Carolina's Future UNCC" initiative, in order to bolster the College of Engineering by supporting faculty, staff, equipment acquisition, facility enhancements, and additional resources required for its expansion.

Engineering North Carolina’s Future NC A&T pg B61, item 189

\$5 million recurring for both FY 2023-2024 and FY 2024-2025 to North Carolina Agricultural and Technical State University (NC A&T) for the "Engineering North Carolina's Future NC A&T" initiative, in order to bolster the College of Engineering by supporting various essential components, including faculty and staff, state-of-the-art equipment, facility enhancements, and additional resources.

WCU Engineering Expansion pg B63, item 193

\$3.5 million recurring for both FY 2023-2024 and FY 2024-2025 to the WCU Engineering Expansion project with the specific aim of expanding its College of Engineering and Technology. This financial support is designated to bolster key concentrations within the college, including robotics, energy, controls, and automation.

Section 7.22 Increasing Engagement in STEM pg 90

\$1 million nonrecurring FY 2023-2024 to the Superintendent of Public Instruction to establish the Increasing Engagement in STEM Program. The primary goal of the Increasing Engagement in STEM Program is to provide grant funds to public schools to support and facilitate experiential education programs in the fields of science, technology, engineering, and math (STEM).

Section 7.23 After-School Robotics Grant Program pg 92

Funding after-school robotics programs in public schools, partnering with approved entities for STEM education and skill development. Up to \$1 million over the next two fiscal years awarded at the discretion of the Department of Public Instructions (DPI).

Section 7.62 SparkNC Pilot for High-Tech Learning Accelerator Credit pg 122

Creates an alternative pathway for students to earn elective course credit in a "High-Tech Learning Accelerator", which will focus on high-tech or STEM subjects, including science, technology, engineering, and mathematics. The modular learning experiences provided by SparkNC will include opportunities for "work-based learning."

Betabox pg B27, item 86

\$1 million nonrecurring FY 2023-2024 and \$2 million nonrecurring FY 2024-to enhancing STEM education in public schools through a partnership with Betabox, Inc. Funds are allocated to the Department of Public Instruction (DPI) for the purpose of contracting with Betabox, Inc. to provide public school units with STEM curriculum development, instructional coaching, hands-on learning experiences, and other relevant resources. Additionally, it's noted that this funding is supplementary to \$1 million received from federal receipts in FY 2023-2024 under the ESSERF program.

Section 7.69 Plasma Games pg B27, item 87, pg 128

\$3 million nonrecurring FY 2023-2024 and \$1.8 million recurring FY 2024-2025 to enable the Department of Public Instruction to enter into a contract with Plasma Games, Inc. to provide STEM-focused educational software to public school units, specifically for use in STEM and Career and Technical Education (CTE) classes.

Digital Engineering Grants B47, item 159

\$2 million in recurring funding for both FY 2023-24 and FY 2024-25 to the Collaboratory within the UNC System for the Digital Engineering Grants program, with the aim of facilitating digital engineering initiatives within the University of North Carolina (UNC) constituent institutions.

North Carolina's Eastern Alliance Corporation (ACEC) F78, item 499

\$15 million nonrecurring FY 2023-2024 for the purpose of facilitating capital improvements and acquiring equipment to enhance science, technology, engineering, and math (STEM) educator training initiatives.

Environmental / Local Government Permitting

Section 12.10 Right to Apply for and Obtain a Permit pg 376

Enacts new § 143B-279.18, pertaining to the right of individuals or organizations to apply for and obtain permits, authorizations, or certifications from the Department of Environmental Quality (DEQ). DEQ cannot refuse to accept an application or deny a permit solely based on the applicant's failure to obtain another permit, authorization, or certification required for the same project, except for permits required for stormwater discharges from construction sites under specific regulations. However, the approval can be conditioned on the applicant's compliance with federal and state water quality laws and regulations, including the acquisition of any necessary permits, authorizations, or certifications. However, this provision does not prevent DEQ from denying a permit based on the established standards for approval provided by law. This section also sets timeframes for plan review and states that failure to approve, approve with modifications, or disapprove a plan within specified time periods results in automatic approval.

Section 12.12 Stormwater Permitting Revisions pg 380

Makes various revisions to stormwater permitting regulations, primarily in G.S. 143-214.7, including timeliness of review and decisions on permit applications.

Section 12.13 Express Permitting Revisions pg 381

The Department of Environmental Quality (DEQ) is tasked with developing an "express review program" aimed at expediting the review and issuance of permits and certifications related to environmental regulations. Participation in this express review program is voluntary for individuals or organizations seeking permits or certifications. Those who choose to participate will be subject to fees to cover the program's expenses. DEQ is responsible for setting the fees associated with the express application review. There are different fee caps based on the combination of permits or certifications required. The maximum fee ranges from \$4,000 to \$5,500, depending on the specific permits involved. The express review program can apply to various types of permits, approvals, or certifications, including stormwater permits, stream

origination certifications, water quality certifications, erosion and sedimentation control permits, and permits under the Coastal Area Management Act (CAMA).

Funding for State and Local Trails

Section 14.6 Great Trails State Program pg 400 ** ACEC Legislative Priority

\$12.5 million nonrecurring FY 2023-2024 and \$12.5 million nonrecurring FY 2024-2025 from the interest earned in the State Fiscal Recovery Reserve is allocated to the newly created Great Trails Fund for new trail development and the extension of existing trails. The new Great Trails Program is a competitive grant program for new trail development and extension of existing trails, including paved trails, greenways, and natural surface trails for biking, hiking, walking, equestrian use, and paddling. The fund will be administered by the NC Department of Natural and Cultural Resources. Eligible applicants will include municipalities or counties, regional councils of government, other public authorities, and nonprofit organizations. Eligible uses for funds will include planning, design, and related environmental assessment or permitting, land and easement acquisition, trail construction, trail structures (such as bridges), trail amenities (such as trailhead parking, signage, etc.), and maintenance, and can be used as matching funds for federal or other non-state grants. The fund will require a minimum of a 25% flexible match, including cash, in-kind services, or donation of assets. Grants awarded will be limited to \$500,000 per project. The Department to use up to 1% of the allocated funds for operating and administrative expenses associated with running the Great Trails State Program.

Section 14.7 Complete the Trail Fund pg 401

\$5 million nonrecurring FY 2023-2024 for the Complete the Trails Fund, including \$750,000 specifically designated for capacity-building grants for State Trail nonprofit partners – there are now 15 total authorized State Trails

Complete the Trails Fund Direct Allocations (\$2,725,000):

- \$200,000 to Roanoke River Partners for the Roanoke River State Trail.
- \$175,000 to the Friends of the Mountain-to-Sea Trail for projects in Bladen Lakes State Forest and extending the Mountains-to-Sea Trail.
- \$200,000 (split evenly) to Brevard and Henderson County for the Ecusta Trail.
- \$200,000 to East Coast Greenway Alliance for trail projects in specific counties.
- \$200,000 to the Friends of Fonta Flora State Trail for eligible trail projects.
- \$200,000 to Conserving Carolina for the Hickory Nut Gorge State Trail.
- \$200,000 to the Foothills Conservancy of N.C. for the Wilderness Gateway Trail.
- \$400,000 to OVNCST-Friends for the Overmountain Victory State Trail.
- \$200,000 to Blue Ridge Conservancy for the Northern Peaks State Trail.
- \$100,000 each to partner organizations for the Dan River, French Broad River, Yadkin River, and Deep River components of the State Trails System.
- \$350,000 to partner organizations for the Equine State Trail.

Complete the Trails Fund Land & Easement Acquisition - \$1.5 million nonrecurring FY 2023-2024 for grants, with a maximum grant of \$200,000; requires 1:1 match; and \$200,000 designated for the Equine State Trail

\$25,000 nonrecurring 2023-2024 for a Saluda Grade Feasibility Study:

- The Saluda Grade Conservation and Development Council is established to advise and collaborate with the Department in conducting a study of a specific rail corridor.
- Membership includes representatives from local government boards and organizations.
- The Council's purpose is to assist with the rail corridor study.
- The Council will cease to exist once the study funds have been disbursed and all required documentation has been submitted in accordance with the State Budget Act.

Specific Trail and Greenway Project Appropriations

\$24.9 million nonrecurring FY 2023-2024 for specific trail and greenway projects:

- \$12,000,000 for Conserving Carolina to fund continued development of the Saluda Grade Corridor Trail
- \$4,000,000 to the Columbus Jobs Foundation, Inc. for a walkway and trail project and related capital improvements
- \$2,500,000 to Camp Grier for trail construction and related improvements at Pisgah Forest
- \$2,000,000 to the City of Shelby for Rails to Trails projects
- \$2,000,000 to the Town of Blowing Rock for the Middle Fork Greenway
- \$1,000,000 to Cleveland County Water for the Stagecoach Greenway Recreation Trail
- \$535,000 for the Burke River Trail Association
- \$315,000 to the Town of Princeton for capital improvements including trail construction
- \$250,000 to the Town of West Jefferson for a public hiking trail on Paddy Mountain
- \$200,000 to the Friends of the Overmountain Victory Trail
- \$125,000 to the Town of McAdenville for the Carolina Thread Trail
- \$40,000 to the Dan River Basin Association for capital improvements or equipment at the Chinqua-Penn Walking Trail

Section 14.5 Saluda Grade Rail Corridor pg 399

\$7 million nonrecurring FY 2023-2024 and \$5 million FY 2024-2025 from a State Fiscal Recovery Reserve to the Department of Natural and Cultural Resources (Department) to provide a grant to the Saluda Grade Trails Conservancy, a nonprofit corporation, for the purchase of the Saluda Grade rail corridor in Henderson and Polk Counties. Up to \$2 million of the funding is designated as an earnest money deposit to secure the purchase. The remainder of the funds will be provided to the Conservancy by a specified date or upon the completion of a required study. The purpose of this section is to take advantage of an opportunity in 2023, designated as the "Year of the Trail," to acquire and convert this rail corridor into the Saluda Grade Trail. The Department will provide an interim report by March 1, 2024, and a final report by October 1, 2026, to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division, detailing the progress and status of the Saluda Grade rail corridor acquisition funded by this legislative act.

Accessible Parks Grants D102, item 245

\$12.5 million nonrecurring FY 2023-2024 to the Accessible Parks Grants program for grants to local governments, aiming to facilitate the development and enhancement of parks that are accessible and inclusive for individuals with disabilities.

Miscellaneous

Section 8.21 Green Industry Economic Impact Study/NCSU pg 175

\$350,000 nonrecurring for FY 2023-2024 to NCSU CALS to study the economic impact of North Carolina's green industry, including at the statewide, regional, and county levels. NCSU will collaborate with the Department of Agriculture and the North Carolina Green Industry Council on the study, which will cover plant production, design, maintenance, job creation, and more; and such industries as nursery production and landscaping. A report will be provided to the Legislative Oversight Committee by January 15, 2025.

Section 20.4 Public Contracts/Expand Definition of the Terms “Minority Business” and “Historically Underutilized Business” pg 509

Revises the definition of "minority business" in G.S. 143-128.2 as follows: a business that meets two criteria:

- a. At least 51% of the business is owned by one or more minority persons or socially and economically disadvantaged individuals, or in the case of a corporation, at least 51% of the stock is owned by these individuals.
- b. The management and daily business operations are controlled by one or more of the minority persons or socially and economically disadvantaged individuals who own it.
- It also includes an additional provision for Employee Stock Ownership Plan (ESOP) companies where at least 51% of the stock is owned by one or more minority persons or socially and economically disadvantaged individuals.

Revises the definition of "historically underutilized business" in G.S. 143-128.4 as follows: a business that meets the following criteria:

- a. At least 51% of the business is owned by one or more persons who are members of certain specified groups (likely minority or disadvantaged groups), or in the case of a corporation, at least 51% of the stock is owned by these individuals.
- b. The management and daily business operations are controlled by one or more owners of the business who are members of the specified groups.
- Similar to the previous section, it also includes a provision for ESOP companies where at least 51% of the stock is owned by individuals who are members of the specified groups.

NC Future City Competition pg 519

\$200,000 recurring funds for each year of FY 2023-2024 and 2024-2025 to the Professional Engineers of North Carolina Educational Foundation, to support of the NC Future City program, to allow the Program to hire a new position that will provide assistance and support to the program.

Section 24.2 Parking Facility Equipped with Electric Vehicle Charging Stations pg 519

\$29,350,000 nonrecurring FY 2023-2024 to nonprofit North Carolina SAVES Green Community Program, Inc. (NC Saves) to promote sustainability initiatives in the state by the development of a new parking facility equipped with fully automated charging stations for electric vehicles and possibly electric autonomous vehicles. The parking facility must be completed no later than December 31, 2026. The parking facility must be located in a specific area that meets several criteria, including being in a designated qualified opportunity zone, in a city with a population of more than 200,000 as of January 1, 2023, and zoned for multistory parking decks.

Legislative Commission Oversight Expands to Include Local Governments

Extends the oversight authority of the Joint Legislative Commission on Governmental Operations (GovOps) to local governments, a move that pushes beyond its traditional role of examining state operations. The budget provision allows GovOps to review and evaluate the implementation of public policy, and the efficiency and effectiveness of local government. It also allows GovOps to compel access to local government building, facilities, documents, and systems of records—the failure of which constitutes a Class 2 Misdemeanor.

New Requirements for Bond Referendums

Requires ballots to contain specific language for bond referendums, which could negatively impact local borrowing. Specifically, the question on the ballot must note the potential for an increase in property taxes as necessary to pay the principal and interest of the bond, if approved. The ballot language must include an estimate of the cumulative cost of the bond and the amount of property tax liability increase for every \$100,000 of property tax value to service the bond.

For more information about legislation described in this report, feel free to contact me at dferrell@maynardnexsen.com or (919) 573-7421. Information is also available on the General Assembly's website: www.ncleg.gov.

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