

House and Senate Appropriations Subcommittees on Education

Spending Targets:

FY 2011-12: \$ 10,483,890,234

FY 2012-13: \$ 10,483,890,234

General Guidance for All Subcommittees:

Consider the Following:

- Focus on funding core governmental services.
 - Eliminate obsolete or ineffective programs.
 - Eliminate/reduce funds for non-profits.
 - Eliminate/reduce funds for boards and commissions.
 - Consolidation of programs and agencies.
 - Eliminate vacant and temporary positions.
 - Reduce layers of management.
 - Span of control.
- Determine the necessary growth in mandatory programs/services
 - Reevaluate/improve funding formulas.
 - Reevaluate how rates are determined and established.
 - Funding of enrollment growth and building reserves will have to be managed within the subcommittee spending target.
- Privatization of services.
- Maximize the use of federal funds (determine if the State is overmatched in some areas.)
- Increase fees only to the extent that the cost of providing a service is covered. (Fees have to be reviewed by the Full Appropriations Chairs.)
- No management flexibility reserves.
- Refer salaries and benefits issues to the Full Appropriations Chairs (i.e. early retirement incentives, salary changes and furloughs).
- No expansion.

Education Subcommittee:

Assumptions:

- Fund enrollment increases and building reserves through reductions in budget.
- Education Lottery Allocations (Full Chairs Item with Subcommittee Chairs Consultation).

Items to Consider:

- Consolidate/eliminate Smart Start and More at Four. (In consultation with the HHS Subcommittee)
- Determine alternative salary schedule based on performance. (Full Chairs item with Subcommittee Chair consultation).
- Cap university enrollment.
- Encourage more attendance at community colleges during freshman and sophomore years.
- Reduce or eliminate higher education funding for less essential classes/degrees.
- Fund higher education based on performance (i.e. graduation rates, measures of learning).
- Tuition waivers.
- Financial aid.

House and Senate Appropriations Subcommittees on Health and Human Services

Spending Targets:

FY 2011-12: \$ 4,336,410,890

FY 2012-13: \$ 4,336,750,672

General Guidance for All Subcommittees:

Consider the Following:

- Focus on funding core governmental services.
 - Eliminate obsolete or ineffective programs.
 - Eliminate/reduce funds for non-profits.
 - Eliminate/reduce funds for boards and commissions.
 - Consolidation of programs and agencies.
 - Eliminate vacant and temporary positions.
 - Reduce layers of management.
 - Span of control.
- Determine the necessary growth in mandatory programs/services
 - Reevaluate/improve funding formulas.
 - Reevaluate how rates are determined and established.
 - Funding of enrollment growth and building reserves will have to be managed within the subcommittee spending target.
- Privatization of services.
- Maximize the use of federal funds (determine if the State is overmatched in some areas.)
- Increase fees only to the extent that the cost of providing a service is covered. (Fees have to be reviewed by the Full Appropriations Chairs.)
- No management flexibility reserves.
- Refer salaries and benefits issues to the Full Appropriations Chairs (i.e. early retirement incentives, salary changes and furloughs).
- No expansion.

Health and Human Services Subcommittee:

Assumptions:

- Reductions will have to be made to cover any Medicaid growth.
- Health and Wellness Trust Fund (Full Chairs Item).
- Fees must be reviewed by the Full Chairs.

Items to Consider:

- Consolidate/Eliminate Smart Start and More At Four. (In consultation with the Education Subcommittee)
- Provider Assessments.
- Managed Care.
- Maximize federal funds (block grants).
- Evaluate federal maintenance of effort requirements.
- Consolidation of divisions.
- Medicaid parity with State Health Plan/Health Choice.
- Copayments.
- Consider closing facilities.
- Eliminate structural redundancy (restructure the organization to streamline services).

House and Senate Appropriations Subcommittees on Justice and Public Safety

Spending Targets:

FY 2011-12: \$ 2,067,071,532

FY 2012-13: \$ 2,067,071,532

General Guidance for All Subcommittees:

Consider the Following:

- Focus on funding core governmental services.
 - Eliminate obsolete or ineffective programs.
 - Eliminate/reduce funds for non-profits.
 - Eliminate/reduce funds for boards and commissions.
 - Consolidation of programs and agencies.
 - Eliminate vacant and temporary positions.
 - Reduce layers of management.
 - Span of control.
- Determine the necessary growth in mandatory programs/services
 - Reevaluate/improve funding formulas.
 - Reevaluate how rates are determined and established.
 - Funding of enrollment growth and building reserves will have to be managed within the subcommittee spending target.
- Privatization of services.
- Maximize the use of federal funds (determine if the State is overmatched in some areas.)
- Increase fees only to the extent that the cost of providing a service is covered. (Fees have to be reviewed by the Full Appropriations Chairs prior to voting.)
- No management flexibility reserves.
- Refer salaries and benefits issues to the Full Appropriations Chairs (i.e. early retirement incentives, salary changes and furloughs).
- No expansion.

Justice and Public Safety Subcommittee:

Assumptions:

- Fees must be reviewed by the Full Chairs.
- Statutory salary increases (magistrates and court clerks) are under the purview of the full Chairs.

Items to Consider:

- Justice Reinvestment Strategies.
- Eliminate/modify programs or services.
- Reduce inmate medical costs.
- Shift/consolidate medical/treatment to State Health Plan or DHHS.
- Close or consolidate facilities.
- Consolidation of departments proposed by the Governor.
- Policy changes to assure the lowest cost for housing misdemeanants.

House and Senate Appropriations Subcommittees on Natural and Economic Resources

Spending Targets:

FY 2011-12: \$ 322,820,206

FY 2012-13: \$ 322,820,206

General Guidance for All Subcommittees:

Consider the Following:

- Focus on funding core governmental services.
 - Eliminate obsolete or ineffective programs.
 - Eliminate/reduce funds for non-profits.
 - Eliminate/reduce funds for boards and commissions.
 - Consolidation of programs and agencies.
 - Eliminate vacant and temporary positions.
 - Reduce layers of management.
 - Span of control.
- Determine the necessary growth in mandatory programs/services
 - Reevaluate/improve funding formulas.
 - Reevaluate how rates are determined and established.
 - Funding of enrollment growth and building reserves will have to be managed within the subcommittee spending target.
- Privatization of services.
- Maximize the use of federal funds (determine if the State is overmatched in some areas.)
- Increase fees only to the extent that the cost of providing a service is covered. (Fees have to be reviewed by the Full Appropriations Chairs.)
- No management flexibility reserves.
- Refer salaries and benefits issues to the Full Appropriations Chairs (i.e. early retirement incentives, salary changes and furloughs).
- No expansion.

Natural and Economic Resources Subcommittee:

Assumptions:

- No funds are included for the Clean Water Management Trust Funds (Full Chairs Item).
- Golden Leaf (Full Chairs Item).
- Tobacco Trust Fund (Full Chairs Item).
- Fees must be reviewed by the Full Chairs.

Items to Consider:

- Analyze state regulations that exceed federal requirements.
- Analysis of Economic Development Programs (JDIG and One NC).
- Consolidation of Commerce and Employment Security Commission.
- Reductions will have to be made to match the Clean Water and Drinking Water Revolving Loans (if the subcommittee determines the funds are necessary).
- Wildlife Resources Funds.
- Parks and Recreational Trust Fund.
- Restrict land and equipment purchases.
- Funding for local water and sewer projects.

House and Senate Appropriations Subcommittees on General Government

Spending Targets:

FY 2011-12: \$ 349,471,710

FY 2012-13: \$ 349,471,710

General Guidance for All Subcommittees:

Consider the Following:

- Focus on funding core governmental services.
 - Eliminate obsolete or ineffective programs.
 - Eliminate/reduce funds for non-profits.
 - Eliminate/reduce funds for boards and commissions.
 - Consolidation of programs and agencies.
 - Eliminate vacant and temporary positions.
 - Reduce layers of management.
 - Span of control.
- Determine the necessary growth in mandatory programs/services
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 - Funding of enrollment growth and building reserves will have to be managed within the subcommittee spending target.
- Privatization of services.
- Maximize the use of federal funds (determine if the State is overmatched in some areas.)
- Increase fees only to the extent that the cost of providing a service is covered. (Fees have to be reviewed by the Full Appropriations Chairs.)
- No management flexibility reserves.
- Refer salaries and benefits issues to the Full Appropriations Chairs (i.e. early retirement incentives, salary changes and furloughs).
- No expansion.

General Government Subcommittee:

Assumptions:

- The base budgets for the State Treasurer and the Department of Insurance were not included in calculating the targets. Reductions should be made to these agencies but will not be applied to reaching the spending target.

Items to Consider:

- Consolidation of human resource functions (consider Governor's recommendation).
- Consolidation of other functions (police, budget/management, etc.).
- Elimination of optional offices/programs.
- Eliminate grant programs.
- Block grant funds to locals to manage.
- Privatization of services (purchasing).
- Sell state property.
- Sell surplus state property.
- Telecommuting.

House and Senate Appropriations Subcommittees on Transportation

General Guidance for All Subcommittees:

Consider the Following:

- Focus on funding core governmental services.
 - Eliminate obsolete or ineffective programs.
 - Eliminate/reduce funds for non-profits.
 - Eliminate/reduce funds for boards and commissions.
 - Consolidation of programs and agencies.
 - Eliminate vacant and temporary positions.
 - Reduce layers of management.
 - Span of control.
- Determine the necessary growth in mandatory programs/services
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- No expansion.

Transportation Subcommittee:

Assumptions:

- Statutory salary increases (State Highway Patrol) are under the purview of the Full Chairs.

Items to Consider:

- Restrict land and equipment purchases.
- Strengthen the maintenance of transportation infrastructure. For many years, North Carolina has inadequately funded the maintenance of pavement, bridges, and other transportation infrastructure. Please develop a plan to increase the budget for maintenance and contract resurfacing by at least \$100 million through a combination of savings, efficiencies and the reallocation of resources.
- Update and improve the transportation funding and investment strategies the State pursues. The current transportation funding model was established over 20 years ago with the creation of the Highway Trust Fund. We believe this model needs to be evaluated to determine whether funds, given current budgetary constraints, are flowing to the right transportation programs in appropriate amounts, and whether funds within these programs are going to the most meritorious projects.
- Explore the feasibility of privatizing more State transportation engineering and maintenance work. Can the State save money by replacing engineering positions with contract engineering? What might a plan for doing so involve?