



*Reliable roads, bridges, and transit infrastructure are critical to North Carolina's economic success.*

### **Building New Roads for Tomorrow**

Increases funding to the Highway Trust Fund's Strategic Investment Program by \$20.4 million in FY 2019-20 and \$108.5 million in FY 2020-21. The increase allows the NC Department of Transportation to enhance the state's transportation infrastructure, spurring economic growth and job creation across the state. The total investment in new construction will rise to \$1.43 billion in FY 2019-20 and another \$1.51 billion the year after.

### **Improving NC Roads and Infrastructure**

Provides over \$305 million in additional state support during 2019-21 for greater resiliency including highway maintenance, pavement preservation, and contract resurfacing. The increased spending results in \$1.53 billion in FY 2019-20 and \$1.62 billion in FY 2020-21 of Highway Fund availability that will be directed to maintaining and enhancing the state's highway infrastructure.

### **Traveling the State by Sea and Rail**

Invests an extra \$5 million for maintenance programs at the Ferry Division and \$1.7 million in matching funds for operations and rolling stock for the Rail Division.

### **Improving Local Infrastructure**

Provides an increase of \$2.5 million to eligible municipalities to repair and maintain their local road infrastructure through the Powell Bill distribution.

### **Spurring Economic Development**

Invests approximately \$658,000 in Global TransPark for facility repairs to spur economic growth. An investment of \$250,000 will extend logistics and freight expertise to other business units within NCDOT and external partners to assist with incorporating logistics and freight planning into the Strategic Transportation Initiative process.

**Mission**

Connecting people, products, and places safely and efficiently with customer focus, accountability, and environmental sensitivity to enhance the economy and vitality of North Carolina.

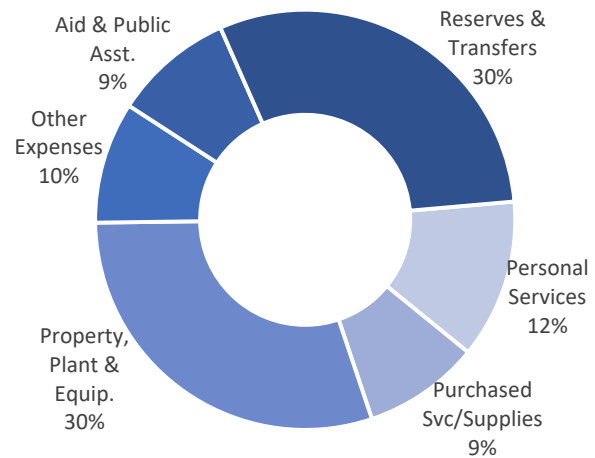
**Goals**

- Make transportation safer.
- Provide GREAT customer service.
- Deliver and maintain infrastructure effectively and efficiently.
- Improve the reliability and connectivity of the transportation system.
- Promote economic growth through better use of infrastructure.
- Make the organization a great place to work.

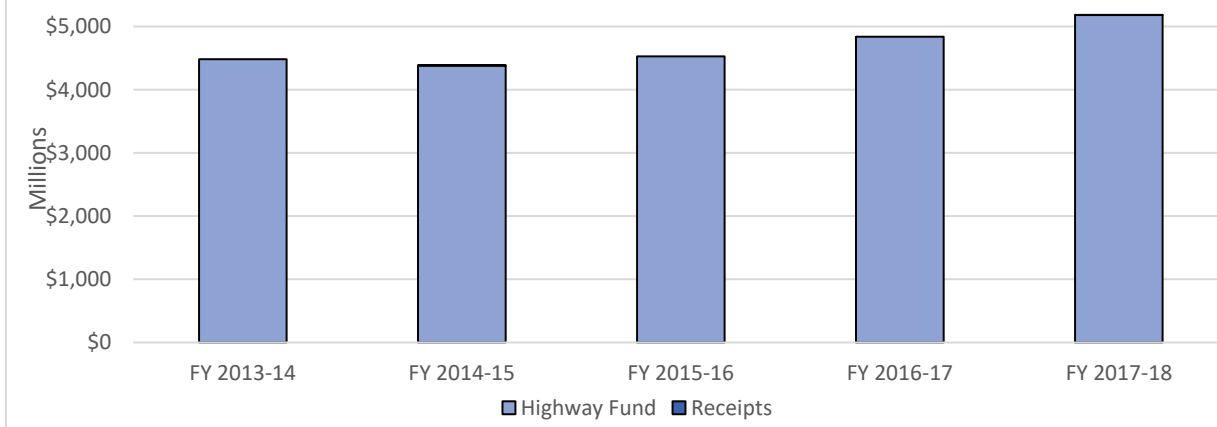
**Agency Profile**

- Responsible for all modes of transportation in North Carolina, including highways, rail, aviation, ferries, public transit and bicycle and pedestrian transportation.
- Maintain one of the largest state-maintained highway systems in the nation with nearly 80,000 miles of road and more than 13,500 bridges.
- Every year, more than 56 million passengers and 1.3 billion pounds of cargo pass through state airports.
- Serve 2 million passengers on the 2<sup>nd</sup> largest state-operated ferry system in the country.
- Provide more than 78 million passenger trips on 99 transit systems serving residents in all 100 counties.

**FY 2018-19 Authorized Expenditures by Account**



**5 Year Historical Expenditures**



**Transportation - Highway Fund (84210)**

Year 1 FY 2019-20	Recommended Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 3,665,883,943	\$ 129,244,926	\$ 26,781,179	\$ 156,026,105	\$ 3,821,910,048	4.3%
Receipts	\$ 1,514,510,048	\$ -	\$ -	\$ -	\$ 1,514,510,048	0.0%
Net Appropriation	\$ 2,151,373,895	\$ 129,244,926	\$ 26,781,179	\$ 156,026,105	\$ 2,307,400,000	7.3%
Positions (FTE)	11389.000	25.000	0.000	25.000	11414.000	0.2%

Year 2 FY 2020-21	Recommended Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$ 3,658,455,609	\$ 240,370,795	\$ 20,939,960	\$ 261,310,755	\$ 3,919,766,364	7.1%
Receipts	\$ 1,507,066,364	\$ -	\$ -	\$ -	\$ 1,507,066,364	0.0%
Net Appropriation	\$ 2,151,389,245	\$ 240,370,795	\$ 20,939,960	\$ 261,310,755	\$ 2,412,700,000	12.1%
Positions (FTE)	11389.000	25.000	0.000	25.000	11414.000	0.2%

	FY 2019-20		FY 2020-21		
	R Changes	NR Changes	R Changes	NR Changes	
<b>Compensation and Benefits Reserve</b>					
<b>1 Cost of Living Adjustment Reserve</b>					
Provides funds for the greater of a \$500 or 1.5% cost of living adjustment for state employees in both years of the biennium. Corresponding special provisions provide additional details on these compensation adjustments. The net Highway Fund appropriation for salaries is expected to be \$348.6 million for FY 2019-20 and \$355.0 million for FY 2020-21.	Req \$	6,256,346	\$ -	\$ 12,616,503	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	6,256,346	\$ -	\$ 12,616,503	\$ -
	FTE	0.000	0.000	0.000	0.000
<b>2 Compensation Reserve - Public Safety Employees</b>					
Provides funds for an additional \$500 recurring salary increase for certified law enforcement officers.	Req \$	124,640	\$ -	\$ 124,640	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	124,640	\$ -	\$ 124,640	\$ -
	FTE	0.000	0.000	0.000	0.000
<b>3 TSERS Retirement Contribution</b>					
Increases the state's contribution for members of the Teachers' and State Employees' Retirement System (TSERS) supported by the Highway Fund for FY 2018-19 to fund the actuarially determined contribution and provide one-time 2.0% cost-of-living adjustment to retirees. Corresponding special provisions provide additional details on these adjustments. The revised net Highway Fund appropriation for TSERS exceeds \$69.9 million in FY 2019-20 and \$73.0 million in FY 2020-21, an increase of over \$6.4 million and \$9.5 million respectively.	Req \$	4,108,406	\$ 2,328,097	\$ 9,517,808	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	4,108,406	\$ 2,328,097	\$ 9,517,808	\$ -
	FTE	0.000	0.000	0.000	0.000
<b>4 State Health Plan Contribution</b>					
Provides additional funding to continue health benefit coverage for enrolled active employees supported by the Highway Fund for the 2019-21 fiscal biennium. The revised net Highway Fund appropriation for enrolled active employees statewide is approximately \$39.7 million for FY 2019-20 and \$41.3 million for FY 2020-21.	Req \$	1,531,250	\$ -	\$ 3,118,750	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,531,250	\$ -	\$ 3,118,750	\$ -
	FTE	0.000	0.000	0.000	0.000
<b>Multimodal</b>					
<b>5 Adjust Base Budget for the Aviation Program</b>					
Adjusts the base budget for the Division of Aviation due to revised revenue estimate of aviation fuel tax collections per GS 105-164.44M.	Req \$	800,000	\$ -	\$ 6,700,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	800,000	\$ -	\$ 6,700,000	\$ -
	FTE	0.000	0.000	0.000	0.000
<b>6 Adjust Base Budget for the Rail Program</b>					
Adjusts the base budget for the Rail Division due to revised NCCR Company Dividends per GS 124-5.1.	Req \$	100,000	\$ -	\$ 200,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	100,000	\$ -	\$ 200,000	\$ -
	FTE	0.000	0.000	0.000	0.000
<b>7 Public Transportation - Statewide Grant Match</b>					
Implements the primary initiative of the Statewide Public Transportation Strategic Plan and the Connected Statewide Network. Activities include consolidated and coordinated services, statewide brand and fare systems, statewide routes, rural employment, and commuter services.	Req \$	-	\$ 5,000,000	\$ -	\$ 5,000,000
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	-	\$ 5,000,000	\$ -	\$ 5,000,000
	FTE	0.000	0.000	0.000	0.000

	FY 2019-20		FY 2020-21		
	R Changes	NR Changes	R Changes	NR Changes	
<b>8 Rail - Matching Funds for Operations and Rolling Stock</b>					
Provides matching funds for additional cab control unit delays' fuel expense, the overhaul of additional existing DOT-owned units, and potential capital replacement funds if Amtrak prepares a business case for new Carolinian locomotives. This expansion would provide matching funds for federal CMAQ funds.	Req \$	- \$	- \$	- \$	1,725,000
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	- \$	- \$	1,725,000
	FTE	0.000	0.000	0.000	0.000
<b>9 Equipment Budget for Unmanned Aircraft Systems (UAS) Program</b>					
Provides a non-recurring equipment budget for UAS Programs. The 2015 Appropriations Act required the Division of Aviation to allocate \$2.5 million of its recurring funds for the development and administration of UAS programs. This request purchases program-specific equipment, such as unmanned aircraft systems, mobile command centers, and associated technology, to support UAS operations.	Req \$	- \$	2,000,000 \$	- \$	2,000,000
	Rec \$	- \$	- \$	- \$	-
	App \$	- \$	2,000,000 \$	- \$	2,000,000
	FTE	0.000	0.000	0.000	0.000
<b>10 Ferry Division Operating Budget</b>					
Provides funds to cover inflationary gaps in increased fuel costs, labor due to legislative increases, and maintenance costs.	Req \$	5,000,000 \$	- \$	5,000,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	5,000,000 \$	- \$	5,000,000 \$	-
	FTE	0.000	0.000	0.000	0.000
<b>Division of Motor Vehicles</b>					
<b>11 DMV - New Headquarters and Relocation</b>					
Session Law 2018-5, Senate Bill 99 requires the current DMV location to be vacated by October 1, 2020. Non-recurring funds cover division moving expenses and converting a new location to the needs of the division. Recurring funds cover the lease of the new facility.	Req \$	1,200,000 \$	4,713,435 \$	2,500,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	1,200,000 \$	4,713,435 \$	2,500,000 \$	-
	FTE	0.000	0.000	0.000	0.000
<b>12 DMV - License Plate Agency Compensation</b>					
Replaces non-recurring funds and changes funding to recurring funds to fix a structural budget gap. In FY2017-19, non-recurring funding of \$4.2 million was appropriated for LPA compensation.	Req \$	5,100,000 \$	- \$	5,100,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	5,100,000 \$	- \$	5,100,000 \$	-
	FTE	0.000	0.000	0.000	0.000
<b>13 DMV - Customer Compliance Services</b>					
Provides an additional 24 FTE to Customer Compliance Services. The additional personnel will administer changes to record maintenance and integrity, assist with unit backlog, improve efficiencies, increase customer satisfaction, improve service quality, and ensure modifications by statute are implemented and enforced.	Req \$	1,597,390 \$	115,616 \$	1,597,390 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	1,597,390 \$	115,616 \$	1,597,390 \$	-
	FTE	24.000	0.000	24.000	0.000
<b>Maintenance and Construction</b>					
<b>14 Adjust Base Budget for the Bridge Program</b>					
Adjusts the base budget for the bridge program due to revised revenue estimates per GS 119-18.	Req \$	200,000 \$	- \$	300,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	200,000 \$	- \$	300,000 \$	-
	FTE	0.000	0.000	0.000	0.000
<b>15 Powell Bill Distribution</b>					
Provides an increase of funding to local municipalities to maintain the local road network.	Req \$	2,500,000 \$	- \$	2,500,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	2,500,000 \$	- \$	2,500,000 \$	-
	FTE	0.000	0.000	0.000	0.000
<b>16 General Maintenance Reserve</b>					
Increases funding for general maintenance activities to address critical maintenance needs.	Req \$	92,369,417 \$	- \$	182,738,227 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	92,369,417 \$	- \$	182,738,227 \$	-
	FTE	0.000	0.000	0.000	0.000
<b>17 Contract Resurfacing</b>					
Provides funding for contract resurfacing.	Req \$	15,000,000 \$	- \$	15,000,000 \$	-
	Rec \$	- \$	- \$	- \$	-
	App \$	15,000,000 \$	- \$	15,000,000 \$	-
	FTE	0.000	0.000	0.000	0.000

	FY 2019-20		FY 2020-21		
	R Changes	NR Changes	R Changes	NR Changes	
<b>Department Wide</b>					
<b>18 Logistics and Freight Program</b>					
Provides freight and logistics expertise to business units within DOT and related external parties including MPOs, RPOs, AASHTO, SASHTO, companies, etc. The program will address: (1) Logistics Coordination to expand the Freight Advisory Committee as a part of the Statewide Freight Mobility Plan and provide better data for the STI amendment process; (2) Economic Development - studies and reports for planners and economic developers throughout NC; (3) Data Management and Modeling - comprehensive multi-modal freight data for use by modelers and planners; and (4) Education and Training - logistics training for DOT business units and external partners that will result in the submission of more projects for STI review and reflect freight transport needs.	Req	\$ -	\$ 250,000	\$ -	\$ 250,000
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 250,000	\$ -	\$ 250,000
	FTE	0.000	0.000	0.000	0.000
<b>19 Office of Civil Rights - Equal Employment Opportunity (EEO)</b>					
Targeted recruitment, continuing education to maintain an up-to-date EEO program and investigative technical expertise, and travel expenses. One FTE to assist the unit in achieving increased recruitment of minorities to the DOT workforce.	Req	\$ 187,477	\$ -	\$ 187,477	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ 187,477	\$ -	\$ 187,477	\$ -
	FTE	1.000	0.000	1.000	0.000
<b>20 Capital, Repairs, and Renovations</b>					
Funds capital improvements, repairs, and renovation projects at the DOT. The individual projects are listed in the Capital Section of the budget document.	Req	\$ -	\$ 11,716,031	\$ -	\$ 11,964,960
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 11,716,031	\$ -	\$ 11,964,960
	FTE	0.000	0.000	0.000	0.000
<b>Transfers and Reserves</b>					
<b>21 Global TransPark Repairs</b>					
Provides funds for facility repairs to spur economic development in Eastern North Carolina. Facility repairs include the terminal parking lot, airfield parking, north cargo building, T hangers, and loading docks.	Req	\$ -	\$ 658,000	\$ -	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ -	\$ 658,000	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
<b>22 Workers' Compensation Adjustment Reserve</b>					
Eliminates an appropriation reserve for workers' compensation. The department already has a workers' compensation reserve calculated through its payroll additive.	Req	\$ (6,830,000)	\$ -	\$ (6,830,000)	\$ -
	Rec	\$ -	\$ -	\$ -	\$ -
	App	\$ (6,830,000)	\$ -	\$ (6,830,000)	\$ -
	FTE	0.000	0.000	0.000	0.000
<b>Total Change to Requirements</b>		\$ 129,244,926	\$ 26,781,179	\$ 240,370,795	\$ 20,939,960
<b>Total Change to Receipts</b>		\$ -	\$ -	\$ -	\$ -
<b>Total Change to Net Appropriation</b>		\$ 129,244,926	\$ 26,781,179	\$ 240,370,795	\$ 20,939,960
<b>Total Change to Full-Time Equivalent (FTE)</b>		25.000	0.000	25.000	0.000
<b>Recommended Net Appropriation Changes (Recurring + Nonrecurring)</b>		\$ 156,026,105	\$ 261,310,755		
<b>Recommended Total FTE Changes</b>		25.000	25.000		

**Transportation - Highway Trust Fund (84290)**

Year 1 FY 2019-20	Recommended Base Budget		Net Recurring		Net Nonrecurring		Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$	1,550,237,563	\$	49,462,437	\$	-	\$ 49,462,437	\$ 1,599,700,000	3.2%
Receipts	\$	-	\$	-	\$	-	\$ -	\$ -	0.0%
Net Appropriation	\$	1,550,237,563	\$	49,462,437	\$	-	\$ 49,462,437	\$ 1,599,700,000	3.2%
Positions (FTE)		0.000		0.000		0.000	0.000	0.000	0.0%

Year 2 FY 2020-21	Recommended Base Budget		Net Recurring		Net Nonrecurring		Recommended Change	Recommended Budget	% Δ from Base Budget
Requirements	\$	1,490,463,548	\$	166,336,452	\$	-	\$ 166,336,452	\$ 1,656,800,000	11.2%
Receipts	\$	-	\$	-	\$	-	\$ -	\$ -	0.0%
Net Appropriation	\$	1,490,463,548	\$	166,336,452	\$	-	\$ 166,336,452	\$ 1,656,800,000	11.2%
Positions (FTE)		0.000		0.000		0.000	0.000	0.000	0.0%

	FY 2019-20		FY 2020-21	
	R Changes	NR Changes	R Changes	NR Changes
<b>1 Program Admin Cost of Living Adjustment and Benefit Contributions</b>				
Provides funds for the greater of a \$500 or 1.5% cost of living adjustment, TSERS retirement contribution, and state health plan contribution increases for state employees in both years of the biennium. Corresponding special provisions provide additional details on these compensation adjustments.	Req \$ 500,000	\$ -	\$ 1,000,000	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 500,000	\$ -	\$ 1,000,000	\$ -
	FTE 0.000	0.000	0.000	0.000
<b>2 Adjust For Debt Service Payments</b>				
Adjusts the amount budgeted for debt service payments to reflect the principal and interest due based on the current repayment schedule.	Req \$ 28,560,000	\$ -	\$ 56,824,500	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 28,560,000	\$ -	\$ 56,824,500	\$ -
	FTE 0.000	0.000	0.000	0.000
<b>3 Strategic Transportation Investments</b>				
Modifies funding to the Strategic Transportation Investments Program.	Req \$ 20,402,437	\$ -	\$ 108,511,952	\$ -
	Rec \$ -	\$ -	\$ -	\$ -
	App \$ 20,402,437	\$ -	\$ 108,511,952	\$ -
	FTE 0.000	0.000	0.000	0.000
<b>Total Change to Requirements</b>	\$ 49,462,437	\$ -	\$ 166,336,452	\$ -
<b>Total Change to Receipts</b>	\$ -	\$ -	\$ -	\$ -
<b>Total Change to Net Appropriation</b>	\$ 49,462,437	\$ -	\$ 166,336,452	\$ -
<b>Total Change to Full-Time Equivalent (FTE)</b>	0.000	0.000	0.000	0.000
<b>Recommended Net Appropriation Changes (Recurring + Nonrecurring)</b>	\$	49,462,437	\$	166,336,452
<b>Recommended Total FTE Changes</b>		0.000		0.000