

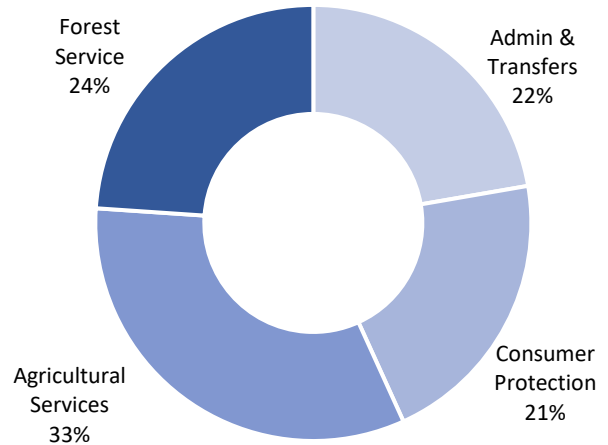
Mission

To provide services that promote and improve agriculture, agribusiness, and forests; protect consumers and businesses; and conserve farmland and natural resources for the prosperity of all North Carolinians.

Goals

1. Promote and enhance the production, marketing, and distribution of safe, healthy agricultural products and ensure sound stewardship of farmland and natural resources for North Carolinians.
2. Protect, manage, and promote forest resources for the citizens of North Carolina.
3. Protect public health, safety, and welfare, and preserve environmental quality by monitoring and managing risk for activities associated with North Carolina agricultural production and marketing and prevent fraud, deception, and unfair business practices for activities within the Department’s regulatory scope.
4. Promote North Carolina agriculture and agribusiness by creating positive entertainment experiences and fostering economic opportunities through operation of available state facilities.
5. Provide services and support that help the Department achieve its mission and vision.

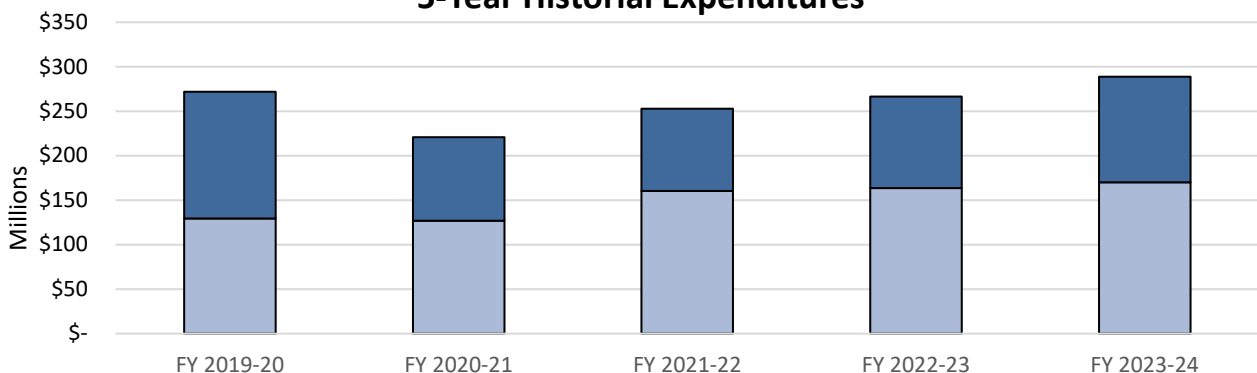
FY 2023-24 Actual Expenditures*



Agency Profile

- Markets and promotes North Carolina agriculture within the state, domestically, and abroad.
- Provides regulatory oversight for areas such as animal health; weights and measures; gas and oil inspection; food, drug and cosmetic testing for purity; seed and fertilizer; structural pest control; and pesticides.
- Distributed 2,993,902 cases of food to schools, food banks, and other partners totaling over 78 million pounds in FY 2023-24.
- Responded to and suppressed 5,766 wildfires on 28,160 acres in the state.
- The Agricultural Development and Farmland Preservation Trust Fund has preserved over 37,000 acres of farmland and forestland across the state through conservation easements.

5-Year Historical Expenditures*



*Charts include General Fund budget code only

■ Net Appropriation ■ Receipts

Agriculture and Consumer Services - General Fund (13700)

Year 1 FY 2025-26	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 265,579,628	\$ 14,404,467	\$ 30,848,927	\$ 45,253,394	\$ 310,833,022	17.0%
Receipts	\$ 93,169,654	\$ -	\$ 5,000,000	\$ 5,000,000	\$ 98,169,654	5.4%
Net Appropriation	\$ 172,409,974	\$ 14,404,467	\$ 25,848,927	\$ 40,253,394	\$ 212,663,368	23.4%
Positions (FTE)	1,816.021	8.000	-	8.000	1,824.021	0.4%

Year 2 FY 2026-27	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 265,579,628	\$ 15,235,991	\$ -	\$ 15,235,991	\$ 280,815,619	5.7%
Receipts	\$ 93,169,654	\$ -	\$ -	\$ -	\$ 93,169,654	0.0%
Net Appropriation	\$ 172,409,974	\$ 15,235,991	\$ -	\$ 15,235,991	\$ 187,645,965	8.8%
Positions (FTE)	1,816.021	8.000	-	8.000	1,824.021	0.4%

	FY 2025-26		FY 2026-27	
	R Changes	NR Changes	R Changes	NR Changes

Reserve for Salaries and Benefits

1 Compensation Increase Reserve

Increases all state-funded employee salaries by 2%.

Req \$	2,097,000	\$ -	\$ 2,097,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	2,097,000	\$ -	\$ 2,097,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 State Employee Bonus

Provides a \$1,000 bonus for all General Fund state employees regardless of funding source. This bonus is in addition to the recurring salary increase.

Req \$	-	\$ 1,816,000	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 1,816,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

3 Labor Market Retention and Adjustment Reserve

Addresses retention and other labor market needs by providing a reserve equal to 2% of General Fund net appropriation-supported payroll. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A 2024 evaluation found that, among state agencies, 90% of previous LMAR recipients are still employed with their LMAR-awarding agency compared to 76% of non-recipients.

Req \$	2,097,000	\$ -	\$ 2,097,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	2,097,000	\$ -	\$ 2,097,000	\$ -
FTE	0.000	0.000	0.000	0.000

4 Retirement and Retiree Health Contributions

Increases funding for the State's General Fund contribution for members of its retirement systems to reflect required rate changes for employee benefit programs, including the retirement systems and retiree medical premiums. The contribution rates for all systems remain higher than the rates system actuaries recommend.

Req \$	264,732	\$ -	\$ 542,702	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	264,732	\$ -	\$ 542,702	\$ -
FTE	0.000	0.000	0.000	0.000

5 Retiree Cost-of-Living Adjustment

Provides a one-time retiree supplement of 2% for the over 250,000 retired members of the state's retirement systems and survivors of deceased members.

Req \$	-	\$ 897,523	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 897,523	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

6 State Health Plan

Provides funding for a 5% increase in employer premiums for enrolled active employees supported by the General Fund in each year of the 2025-27 fiscal biennium.

Req \$	527,193	\$ -	\$ 1,080,747	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	527,193	\$ -	\$ 1,080,747	\$ -
FTE	0.000	0.000	0.000	0.000

R Changes NR Changes R Changes NR Changes

Department-wide

7 Motor Fleet Management Rate Increase

Provides funds to cover the increase in Motor Fleet Management rates effective July 1, 2025. Rates have not been updated since January 1, 2018.

Req \$	370,150	\$	-	\$	370,150	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	370,150	\$	-	\$	370,150	\$	-
FTE	0.000		0.000		0.000		0.000

8 IT and Cybersecurity Solutions

Addresses the department's cybersecurity and IT funding shortfall. These funds will offset the rising cost of IT solutions that have caused a deficit in the department's IT budget in recent years.

Req \$	414,213	\$	-	\$	414,213	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	414,213	\$	-	\$	414,213	\$	-
FTE	0.000		0.000		0.000		0.000

Administration

9 Internal Audit Data Analyst

Funds a Data Analyst for the department's Internal Audit program. This position will provide expert input on audit engagements and create custom analytics for the department. The department estimates that this position will complete at least 29 data analysis projects annually that will improve the quality of audit engagements, enhance fraud detection, and address operational efficiencies.

Req \$	120,253	\$	-	\$	120,253	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	120,253	\$	-	\$	120,253	\$	-
FTE	1.000		0.000		1.000		0.000

10 Accounting Technician

Funds an Accounting Technician to support the Department of Agriculture and Consumer Services' (DACs) accounting work. DACs estimates that they have experienced a 65% increase in accounting workload within the past fiscal year. The department is currently relying on temporary employees and providing supplemental pay to certain division office managers to keep us with departmental accounting needs. This position will improve invoice processing to allow for timely vendor payments.

Req \$	68,342	\$	-	\$	68,342	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	68,342	\$	-	\$	68,342	\$	-
FTE	1.000		0.000		1.000		0.000

Food Distribution Division

11 Emergency Food Assistance Grants

Provides funds for the department to distribute emergency food assistance grants to improve access to food for individuals and families experiencing food insecurity. Eligible recipients include food banks and nonprofits, such as Reinvestment Partners, that provide emergency food assistance. One in seven North Carolinians are food insecure, including over 660,000 children. These funds will expand access to food and strengthen programs that combat hunger.

Req \$	-	\$	20,000,000	\$	-	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	20,000,000	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

12 Food Distribution Equipment

Funds the purchase of tractor trailers to support the increasing volume of food and food assistance deliveries. In the past seven years, the Commodity Supplemental Food Program has had a 93% increase in recipients and the Emergency Feeding Assistance Program has grown from approximately \$20 million to \$40 million in food value annually. The department expects a \$9 million increase in USDA entitlement funds for the National School Lunch Program next year, which will mean more food that Food Distribution Division will receive and deliver.

Req \$	-	\$	500,000	\$	-	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	500,000	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

Meat and Poultry Inspection Division

13 State Meat Inspection Program

Addresses increases in expenses associated with conducting inspections, training, and enforcement at animal processing facilities. The Meat Inspection Program inspects 43 state establishments and 119 Talmadge-Aiken federal establishments. By federal and state law, inspectors must be on-site for some processing establishments and all slaughter establishments to operate each day.

Req \$	237,879	\$	-	\$	237,879	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	237,879	\$	-	\$	237,879	\$	-
FTE	0.000		0.000		0.000		0.000

R Changes NR Changes R Changes NR Changes

North Carolina Forest Service

14 NCFS Emergency Response Equipment Replacement Backlog

Provides funds for new and replacement equipment for the North Carolina Forest Service (NCFS) to enable it to effectively conduct prescribed fires and contain wildfires. NCFS maintains a fleet of over 750 wildland fire engines, bulldozers, and other wildfire suppression equipment. These funds will support the existing backlog and ongoing equipment replacement needs for aging equipment. In 2024, there were 4,588 wildfires causing damage to 15,706 acres of land. These investments will reduce the likelihood of catastrophic wildfires.

Req \$	1,000,000	\$	2,500,000	\$	1,000,000	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	1,000,000	\$	2,500,000	\$	1,000,000	\$	-
FTE	0.000		0.000		0.000		0.000

15 North Carolina Forest Service Overtime/On-Call

Provides funds to pay NCFS staff for overtime and on-call hours required for emergency response efforts. In FY 2023-24, NCFS permanent employees worked 100,637 hours of overtime and were on call for more than 329,662 hours related to wildfire suppression at a cost of \$2,024,007. As of February 2024, NCFS has already paid out \$1,873,165 in overtime and on-call pay this fiscal year.

Req \$	500,000	\$	-	\$	500,000	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	500,000	\$	-	\$	500,000	\$	-
FTE	0.000		0.000		0.000		0.000

16 Aviation Operating Costs

Provides operational support for the NCFS aviation fleet. Funding supports increased expenses for the division's fleet of 22 forest management aircraft, including aircraft insurance, fuel, repairs, and fire suppressant tools. Aerial support for ground firefighters is critical for faster containment of fires and protecting land and homes. In FY 2023-24, there were 4,588 wildfires causing damage to 15,706 acres of land.

Req \$	450,000	\$	-	\$	450,000	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	450,000	\$	-	\$	450,000	\$	-
FTE	0.000		0.000		0.000		0.000

17 Body Cameras

Provides funding for body cameras for all agency law enforcement officers (LEOs). Body cameras create crucial evidence in investigations by more accurately documenting interactions. Footage will enable situation-based training based on officers' previous encounters. Currently 18 LEOs at the agency do not have body cameras. Use of body cameras enhances accountability, transparency, and public trust.

Req \$	22,032	\$	-	\$	22,032	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	22,032	\$	-	\$	22,032	\$	-
FTE	0.000		0.000		0.000		0.000

Soil and Water Conservation Division

18 Technical Training Staff

Invests in positions to provide training to Soil and Water Conservation District (SWCD) staff and partners who support cost share programs within local districts. Approximately 43% of local SWCD staff have less than three years of experience. This position will provide a regional distribution of training staff and support the growing demand for technical training to improve statewide soil and water conservation goals.

Req \$	102,108	\$	-	\$	102,108	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	102,108	\$	-	\$	102,108	\$	-
FTE	1.000		0.000		1.000		0.000

Standards Division

19 Electric Vehicle Charging Station Testing

Funds the purchase of charging station testing equipment to ensure users of public electric vehicle charging stations receive the correct amount of charge purchased. There are currently more than 100,000 registered electric vehicles and over 4,400 public charging stations in North Carolina. This program is modeled after DACS' work testing gas pumps to ensure accuracy.

Req \$	-	\$	135,404	\$	-	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	135,404	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

Veterinary Division

20 Veterinary Laboratory Staffing and Operating Costs

Funds positions and operating support for the Veterinary Division labs to maintain current regulatory and outbreak disease testing and surveillance. Additional lab staff will support the labs' ability to perform an additional 25,492 tests annually and new staff will provide critical oversight to help the state identify and respond to emerging threats, including bird flu. Operating expenses include lab supplies and maintenance agreements that support operations.

Req \$	1,133,565	\$	-	\$	1,133,565	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	1,133,565	\$	-	\$	1,133,565	\$	-
FTE	5.000		0.000		5.000		0.000

R Changes NR Changes R Changes NR Changes

Farmland Preservation

21 Farmland Preservation

Invests in the Agricultural Development and Farmland Preservation Trust Fund (ADFPTF) to help the state preserve farmland. Demand for ADFPTF assistance has increased 49% since the last grant cycle. According to the American Farmland Trust, North Carolina ranks second in potential agricultural land lost by 2040. With these funds, ADFPTF's recurring appropriations will be \$10 million. These funds will be transferred to Budget Code 63701.

Req \$	5,000,000	\$	-	\$	5,000,000	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	5,000,000	\$	-	\$	5,000,000	\$	-
FTE	0.000		0.000		0.000		0.000

22 Military Buffer Conservation Easements

Supports agricultural conservation easement agreements with military partners, providing the opportunity to conserve up to 2,971 more acres of military buffer zones. Agricultural conservation in military buffer zones conserves natural resources in those areas while also strengthening military strategic missions. These funds will leverage \$5 million in federal funds that expire at the end of FY 2025-26. These funds will come from the Federal Infrastructure Match Reserve and be transferred to Budget Code 63701.

Req \$	-	\$	5,000,000	\$	-	\$	-
Rec \$	-	\$	5,000,000	\$	-	\$	-
App \$	-	\$	-	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

Total Change to Requirements	\$	14,404,467	\$	30,848,927	\$	15,235,991	\$	-
Total Change to Receipts	\$	-	\$	5,000,000	\$	-	\$	-
Total Change to Net Appropriations	\$	14,404,467	\$	25,848,927	\$	15,235,991	\$	-
Total Change to Full-Time Equivalent (FTE)		8.000		0.000		8.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			40,253,394	\$			15,235,991
Total Change to Full-Time Equivalent (FTE)				8.000				8.000

Agriculture and Consumer Services - Land Preservation and Trust Investment (63701)

Year 1 FY 2025-26	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 5,061,995	\$ 5,000,000	\$ 5,000,000	\$ 10,000,000	\$ 15,061,995	197.6%
Receipts	\$ 5,047,750	\$ 5,000,000	\$ 5,000,000	\$ 10,000,000	\$ 15,047,750	198.1%
Chg in Fund Balance	\$ (14,245)	\$ -	\$ -	\$ -	\$ (14,245)	0.0%
Positions (FTE)	5.000	-	-	-	5.000	0.0%

Year 2 FY 2026-27	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 5,061,995	\$ 5,000,000	\$ -	\$ 5,000,000	\$ 10,061,995	98.8%
Receipts	\$ 5,047,750	\$ 5,000,000	\$ -	\$ 5,000,000	\$ 10,047,750	99.0%
Chg in Fund Balance	\$ (14,245)	\$ -	\$ -	\$ -	\$ (14,245)	0.0%
Positions (FTE)	5.000	-	-	-	5.000	0.0%

	FY 2025-26		FY 2026-27	
	R Changes	NR Changes	R Changes	NR Changes

Farmland Preservation

1 Transfer - Farmland Preservation Trust Fund

Budgets the transfer from Budget Code 13700 for the Farmland Preservation Trust Fund.

Req \$	5,000,000	\$ -	\$ 5,000,000	\$ -
Rec \$	5,000,000	\$ -	\$ 5,000,000	\$ -
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

2 Transfer - Military Buffer Conservation Easements

Budgets the transfer from Budget Code 13700 for Military Buffer Conservation Easements.

Req \$	-	\$ 5,000,000	\$ -	\$ -
Rec \$	-	\$ 5,000,000	\$ -	\$ -
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ -
Total Change to Receipts	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000		0.000

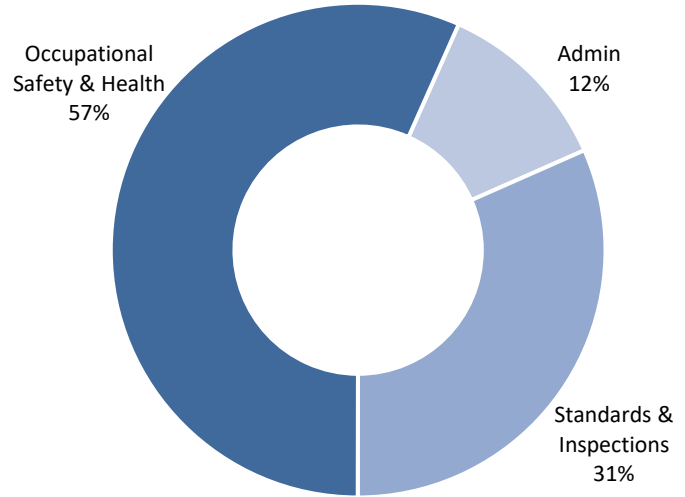
Mission

To foster a safe, healthy, fair and productive North Carolina by providing responsive, effective and efficient services; providing and encouraging quality education and training; administering consistently and fairly all regulatory mandates; and enhancing public confidence in the Department of Labor.

Goals

1. Protect the safety and health of North Carolina’s workforce.
2. Ensure public safety by conducting timely periodic inspections of elevators, boilers, pressure vessels, amusement devices, etc.
3. Protect employees from labor law violations by investigating allegations of wage and hour matters and retaliatory discrimination in response to protected activity.
4. Improve customer service.

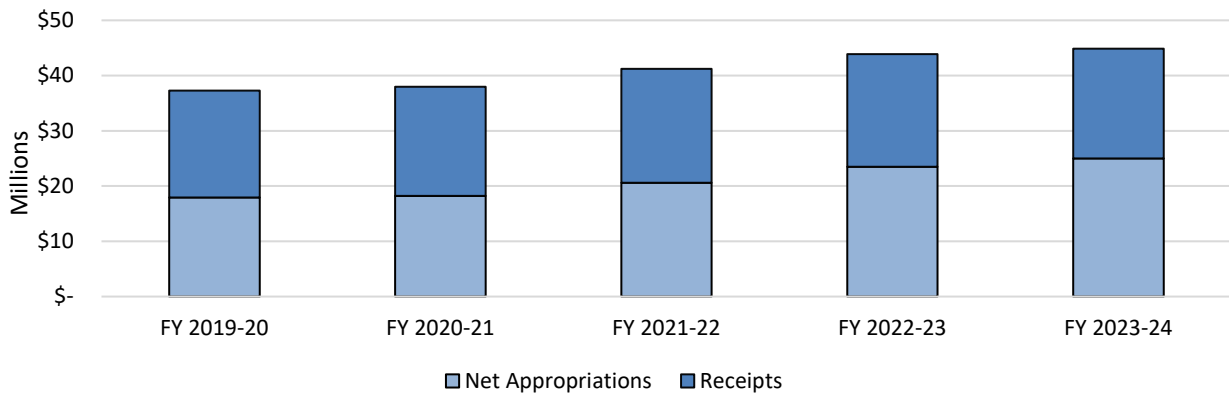
FY 2023-24 Actual Expenditures



Agency Profile

- Works to ensure the safety of employees and employers through administration of the Occupational Safety and Health (OSH) Act as well as providing education, consultation, and training opportunities.
- Sets standards and provides inspections through five bureaus: Boiler Safety; Elevator and Amusement Device; Retaliatory Employment Discrimination; Mine and Quarry; and Wage and Hour.
- Houses the Occupational Safety and Health Review Commission, which hears contested OSH cases and is an independent body within the department.

5-Year Historical Expenditures



Charts include General Fund budget code only.

Labor - General Fund (13800)

Year 1 FY 2025-26	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 44,749,287	\$ 1,663,189	\$ 631,324	\$ 2,294,513	\$ 47,043,800	5.1%
Receipts	\$ 19,106,870	\$ (184,927)	\$ -	\$ (184,927)	\$ 18,921,943	(1.0)%
Net Appropriation	\$ 25,642,417	\$ 1,848,116	\$ 631,324	\$ 2,479,440	\$ 28,121,857	9.7%
Positions (FTE)	370.670	4.000	-	4.000	374.670	1.1%

Year 2 FY 2026-27	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 44,756,628	\$ 1,812,390	\$ -	\$ 1,812,390	\$ 46,569,018	4.0%
Receipts	\$ 19,106,870	\$ (184,927)	\$ -	\$ (184,927)	\$ 18,921,943	(1.0)%
Net Appropriation	\$ 25,649,758	\$ 1,997,317	\$ -	\$ 1,997,317	\$ 27,647,075	7.8%
Positions (FTE)	370.670	4.000	-	4.000	374.670	1.1%

	FY 2025-26		FY 2026-27	
	R Changes	NR Changes	R Changes	NR Changes

Reserve for Salaries and Benefits

1 Compensation Increase Reserve

Increases all state-funded employee salaries by 2%.

Req \$	432,000	\$ -	\$ 432,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	432,000	\$ -	\$ 432,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 State Employee Bonus

Provides a \$1,000 bonus for all General Fund state employees regardless of funding source. This bonus is in addition to the recurring salary increase.

Req \$	-	\$ 371,000	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 371,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

3 Labor Market Retention and Adjustment Reserve

Addresses retention and other labor market needs by providing a reserve equal to 2% of General Fund net appropriation-supported payroll. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A 2024 evaluation found that, among state agencies, 90% of previous LMAR recipients are still employed with their LMAR-awarding agency compared to 76% of non-recipients.

Req \$	432,000	\$ -	\$ 432,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	432,000	\$ -	\$ 432,000	\$ -
FTE	0.000	0.000	0.000	0.000

4 Retirement and Retiree Health Contributions

Increases funding for the State's General Fund contribution for members of its retirement systems to reflect required rate changes for employee benefit programs, including the retirement systems and retiree medical premiums. The contribution rates for all systems remain higher than the rates system actuaries recommend.

Req \$	54,569	\$ -	\$ 111,867	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	54,569	\$ -	\$ 111,867	\$ -
FTE	0.000	0.000	0.000	0.000

5 Retiree Cost-of-Living Adjustment

Provides a one-time retiree supplement of 2% for the over 250,000 retired members of the state's retirement systems and survivors of deceased members.

Req \$	-	\$ 185,006	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 185,006	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

6 State Health Plan

Provides funding for a 5% increase in employer premiums for enrolled active employees supported by the General Fund in each year of the 2025-27 fiscal biennium.

Req \$	87,526	\$ -	\$ 179,429	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	87,526	\$ -	\$ 179,429	\$ -
FTE	0.000	0.000	0.000	0.000

		R Changes		NR Changes		R Changes		NR Changes
Department-wide								
7 Information Technology Rates								
Funds the expected increase in IT rate charges resulting from the FY 2025-26 approved increase in the Department of Information Technology's subscription and service delivery rates.	Req \$	65,335	\$	-	\$	65,335	\$	-
	Rec \$	-	\$	-	\$	-	\$	-
	App \$	65,335	\$	-	\$	65,335	\$	-
	FTE	0.000		0.000		0.000		0.000
8 Motor Fleet Management Rates								
Provides funds to cover the increase in Motor Fleet Management rates effective July 1, 2025. Rates have not been updated since January 1, 2018.	Req \$	67,203	\$	-	\$	67,203	\$	-
	Rec \$	15,073	\$	-	\$	15,073	\$	-
	App \$	52,130	\$	-	\$	52,130	\$	-
	FTE	0.000		0.000		0.000		0.000
Occupational Safety and Health								
9 Occupational Safety and Health Consultative Services Positions								
Creates new Health Consultant and Safety Consultant positions in the Occupational Safety and Health (OSH) Consultative Services Bureau. These employees will assist employers in identifying and addressing workplace hazards. Additional staff are needed to reduce the current 90 day wait times for employers seeking consultations to create safer workplaces.	Req \$	524,556	\$	75,318	\$	524,556	\$	-
	Rec \$	-	\$	-	\$	-	\$	-
	App \$	524,556	\$	75,318	\$	524,556	\$	-
	FTE	4.000		0.000		4.000		0.000
10 Replace Federal Grant Funding with State Appropriation								
Reduces receipts to reflect a decrease in federal grant funding for state labor consultation programs. These funds support staff in OSH's Consultative Services Bureau who assist employers with creating safer workplaces. In fiscal year 2024, the Bureau completed 1,897 on-site visits.	Req \$	-	\$	-	\$	-	\$	-
	Rec \$	(200,000)	\$	-	\$	(200,000)	\$	-
	App \$	200,000	\$	-	\$	200,000	\$	-
	FTE	0.000		0.000		0.000		0.000
Total Change to Requirements	\$	1,663,189	\$	631,324	\$	1,812,390	\$	-
Total Change to Receipts	\$	(184,927)	\$	-	\$	(184,927)	\$	-
Total Change to Net Appropriations	\$	1,848,116	\$	631,324	\$	1,997,317	\$	-
Total Change to Full-Time Equivalent (FTE)		4.000		0.000		4.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			2,479,440	\$			1,997,317
Total Change to Full-Time Equivalent (FTE)				4.000				4.000

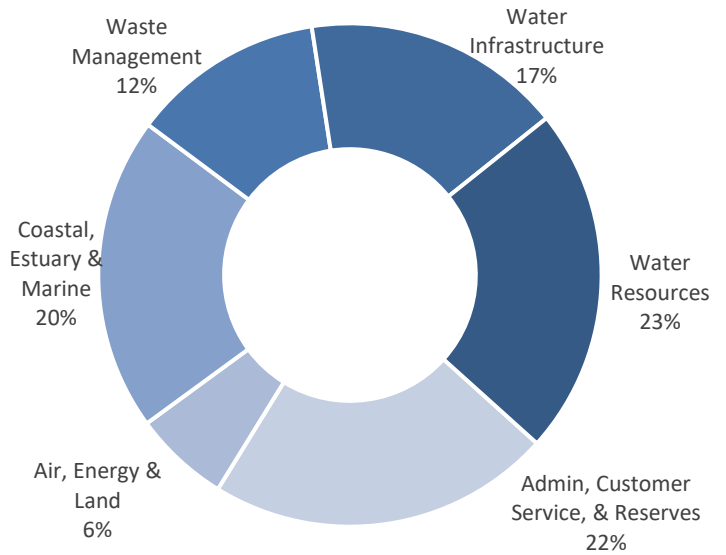
Mission

To provide science-based environmental stewardship for the health and prosperity of North Carolinians.

Goals

1. Promote and ensure environmental stewardship and provide technical, compliance, permit and financial assistance to meet or exceed regulatory requirements and prevent pollution.
2. Create a working environment where employees are empowered to develop science-based solutions to protect public health and the environment.
3. Modernize and streamline internal processes and foster innovation to enhance public service, increase transparency, and strengthen partnerships to serve the people and businesses of North Carolina.
4. Ensure fair treatment and meaningful involvement of all people regardless of race, color, national origin, or income with respect to the development, implementation, and enforcement of laws, regulations, and policies.
5. Address climate change impacts through equitable and just engagement, accounting, mitigation efforts, and resiliency strategies.
6. Protect North Carolinians from exposures to emerging compounds using transparent and science-based decision-making.
7. Strengthen North Carolina’s infrastructure through thoughtful and strategic investments.

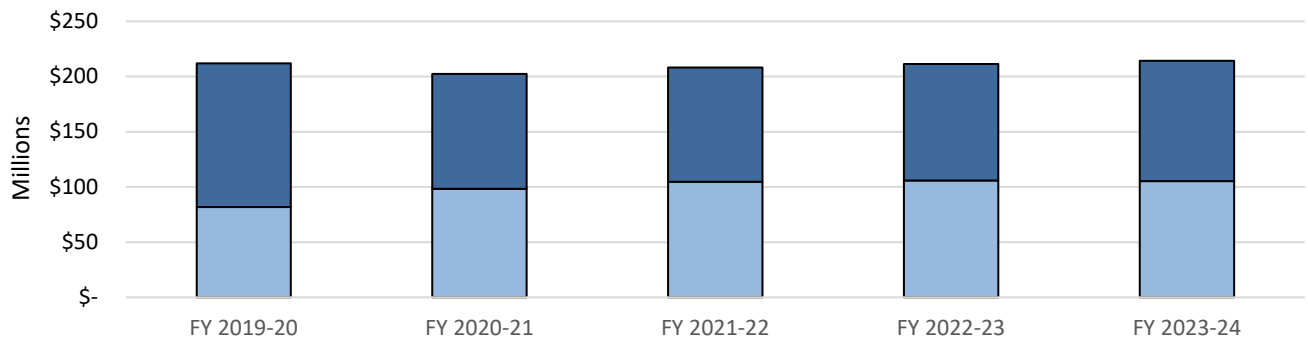
FY2023-24 Actual Expenditures*



Agency Profile

- Protects, conserves, manages, and restores North Carolina's environmental resources through planning, permitting, education, law enforcement, and research.
- Provides grants and technical assistance to local communities to improve air, land, and water quality and support energy efficiency through natural and built infrastructure investments.

5-Year Historical Expenditures*



*Charts include General Fund budget codes only.

Net Appropriation Receipts

Department of Environmental Quality - General Fund (14300)

Year 1 FY 2025-26	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 317,953,982	\$ 5,801,175	\$ 47,158,492	\$ 52,959,667	\$ 370,913,649	16.7 %
Receipts	\$ 208,577,988	\$ (959,330)	\$ 22,614,100	\$ 21,654,770	\$ 230,232,758	10.4 %
Net Appropriation	\$ 109,375,994	\$ 6,760,505	\$ 24,544,392	\$ 31,304,897	\$ 140,680,891	28.6 %
Positions (FTE)	1,164.522	5.000	-	5.000	1,169.522	0.4 %

Year 2 FY 2026-27	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 317,938,352	\$ 6,166,225	\$ 12,000,000	\$ 18,166,225	\$ 336,104,577	5.7 %
Receipts	\$ 208,581,093	\$ (959,330)	\$ -	\$ (959,330)	\$ 207,621,763	(0.5) %
Net Appropriation	\$ 109,357,259	\$ 7,125,555	\$ 12,000,000	\$ 19,125,555	\$ 128,482,814	17.5 %
Positions (FTE)	1,164.522	5.000	-	5.000	1,169.522	0.4 %

	FY 2025-26		FY 2026-27	
	R Changes	NR Changes	R Changes	NR Changes

Reserve for Salaries and Benefits

1 Compensation Increase Reserve

Increases all state-funded employee salaries by 2%.

Req \$	1,029,000	\$ -	\$ 1,029,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	1,029,000	\$ -	\$ 1,029,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 State Employee Bonus

Provides a \$1,000 bonus for all General Fund state employees regardless of funding source. This bonus is in addition to the recurring salary increase.

Req \$	-	\$ 1,104,000	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 1,104,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

3 Labor Market Retention and Adjustment Reserve

Addresses retention and other labor market needs by providing a reserve equal to 2% of General Fund net appropriation-supported payroll. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A 2024 evaluation found that, among state agencies, 90% of previous LMAR recipients are still employed with their LMAR-awarding agency compared to 76% of non-recipients.

Req \$	1,029,000	\$ -	\$ 1,029,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	1,029,000	\$ -	\$ 1,029,000	\$ -
FTE	0.000	0.000	0.000	0.000

4 Retirement and Retiree Health Contributions

Increases funding for the State's General Fund contribution for members of its retirement systems to reflect required rate changes for employee benefit programs, including the retirement systems and retiree medical premiums. The contribution rates for all systems remain higher than the rates system actuaries recommend.

Req \$	129,897	\$ -	\$ 266,290	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	129,897	\$ -	\$ 266,290	\$ -
FTE	0.000	0.000	0.000	0.000

5 Retiree Cost-of-Living Adjustment

Provides a one-time retiree supplement of 2% for the over 250,000 retired members of the state's retirement systems and survivors of deceased members.

Req \$	-	\$ 440,392	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 440,392	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

6 State Health Plan

Provides funding for a 5% increase in employer premiums for enrolled active employees supported by the General Fund in each year of the 2025-27 fiscal biennium.

Req \$	217,767	\$ -	\$ 446,424	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	217,767	\$ -	\$ 446,424	\$ -
FTE	0.000	0.000	0.000	0.000

R Changes NR Changes R Changes NR Changes

Department-wide

7 Permit Transformation Program Completion

Provides funding from the IT Reserve to complete the Permit Transformation Program (PTP). This is a statewide effort by the Department of Environmental Quality (DEQ) to facilitate and modernize its permitting. The PTP helps applicants apply for, track, and pay for permits, licenses, and certificates online. This enhances transparency, improves public access to permit information, and ensures consistency across DEQ's regulatory divisions. When fully implemented, PTP is expected to handle over 6,000 permit applications annually. These additional funds are needed to incorporate the last permit processes and necessary federal reporting requirements into PTP.

Req \$	-	\$	-	\$	-	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

8 Emerging Compounds Lab and Operations

Provides funds to the Division of Waste Management to maintain lab operations and add capacity to collect and test samples for Per- and Polyfluoroalkyl Substances (PFAS). The lab offers testing services for public water systems, well owners, other water sources, and landfills. This funding will help the lab handle new testing protocols and an expected increase in testing demand as new standards are implemented over the next two years. It will also enable the division to perform required PFAS monitoring of 280 landfills across the state, protecting communities by identifying, reducing, and remediating PFAS pollution.

Req \$	1,557,110	\$	-	\$	1,557,110	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	1,557,110	\$	-	\$	1,557,110	\$	-
FTE	3.000		0.000		3.000		0.000

9 Information Technology Rates

Funds the expected increase in IT rate charges resulting from the FY 2025-26 approved increase in the Department of Information Technology's subscription and service delivery rates.

Req \$	315,188	\$	-	\$	315,188	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	315,188	\$	-	\$	315,188	\$	-
FTE	0.000		0.000		0.000		0.000

10 Motor Fleet Management Rate Increase

Provides funds to cover the increase in Motor Fleet Management rates effective July 1, 2025. Rates have not been updated since January 1, 2018.

Req \$	585,000	\$	-	\$	585,000	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	585,000	\$	-	\$	585,000	\$	-
FTE	0.000		0.000		0.000		0.000

Division of Air Quality

11 Air Quality Support

Fundshifts 6.5 Division of Air Quality FTEs and operations to net appropriation. The department keeps North Carolina's air clean through permitting, monitoring, compliance, and educational activities. The division is over 97% receipt supported and is projecting a 12% decrease in receipts by end of FY 2025-26. Additionally, federal categorical grant funding to help states comply with federal environmental laws, such as the Clean Air Act, has not increased in 15 years.

Req \$	-	\$	-	\$	-	\$	-
Rec \$	(959,330)	\$	-	\$	(959,330)	\$	-
App \$	959,330	\$	-	\$	959,330	\$	-
FTE	0.000		0.000		0.000		0.000

Division of Coastal Management

12 NC Resilient Coastal Communities Program

Converts one time-limited position in the Resilient Coastal Communities Program (RCCP) to permanent to continue services for local governments in the state's 20 coastal counties. RCCP provides financial and technical assistance, including engineering and construction support, on preparing for and responding to flooding, storm surge, and erosion. The additional nonrecurring funding will enable RCCP to increase the number of local governments receiving assistance to 89 by 2027.

Req \$	101,108	\$	2,000,000	\$	101,108	\$	2,000,000
Rec \$	-	\$	-	\$	-	\$	-
App \$	101,108	\$	2,000,000	\$	101,108	\$	2,000,000
FTE	1.000		0.000		1.000		0.000

R Changes NR Changes R Changes NR Changes

Division of Energy, Mineral, and Land Resources

13 Dam Safety Maps and Data

Funds a web-based tool to enable DEQ to share Dam Safety Program maps and data with dam owners and the public and to aid in creating Emergency Action Plans (EAP) and risk planning. The division estimates that 750 of the 1,500 high hazard dams lack an EAP required by the NC Dam Safety Law. These funds will also allow DEQ to develop the required inundation maps for EAPs showing the area that would be impacted should a dam fail. The cost to prepare EAPs ranges from \$10,000 to \$30,000 depending on the complexity of the site. The new online tool and DEQ support will significantly reduce this cost.

Req \$	122,537	\$	1,000,000	\$	122,537	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	122,537	\$	1,000,000	\$	122,537	\$	-
FTE	1.000		0.000		1.000		0.000

Division of Marine Fisheries

14 Body Cameras

Provides funding for body cameras for all agency law enforcement officers (LEOs). Body cameras create crucial evidence in investigations by more accurately documenting interactions. Footage will enable situation-based training based on officers' previous encounters. Currently 58 LEOs at the agency do not have body cameras. Use of body cameras enhances accountability, transparency, and public trust.

Req \$	70,992	\$	-	\$	70,992	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	70,992	\$	-	\$	70,992	\$	-
FTE	0.000		0.000		0.000		0.000

Division of Mitigation Services

15 Blueprint Flood Resiliency Core Capacity

Stabilizes the Flood Resiliency Blueprint's (Blueprint) core capacity by enabling the program to convert six time-limited positions to permanent. These positions will ultimately increase communities' safety and prevent future property damage by assisting in the completion of river basin action strategies to address flooding and help local communities plan, fund, and implement these action strategies.

Req \$	643,576	\$	-	\$	643,576	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	643,576	\$	-	\$	643,576	\$	-
FTE	0.000		0.000		0.000		0.000

Division of Water Infrastructure

16 Drinking Water State Revolving Loan and Clean Water State Revolving Loan Match

Provides the needed 20% matching funds for the Drinking Water State Revolving Loan and Clean Water State Revolving Loan programs from the Federal Infrastructure Match Reserve for the biennium. The state match will bring over \$113 million in federal funds for drinking water and wastewater projects for local governments and utilities across the state. These funds will be transferred to Budget Code 64320.

Req \$	-	\$	22,614,100	\$	-	\$	-
Rec \$	-	\$	22,614,100	\$	-	\$	-
App \$	-	\$	-	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

17 Local Assistance for Stormwater Infrastructure Grants

Funds grants to local governments for projects to manage and improve stormwater infrastructure, which is vital to minimizing the risk of flooding during storm events. All current LASII funds have been allocated to local governments, and demand for the program continues to exceed available funding. In FY 2024-25, the department was only able to fund 5 of 28 eligible applications.

Req \$	-	\$	10,000,000	\$	-	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	10,000,000	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

18 Viable Utility Reserve Grant Funding

Provides grants for water and wastewater systems designated as distressed by the State Water Infrastructure Authority and Local Government Commission. All the funds currently appropriated to the Viable Utility Reserve will be obligated by February 2025, leaving no funding to assist the 150 local governments designated as "distressed" and required to bring their utilities into viability pursuant to G.S. 159G-45(b).

Req \$	-	\$	10,000,000	\$	-	\$	10,000,000
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	10,000,000	\$	-	\$	10,000,000
FTE	0.000		0.000		0.000		0.000

Total Change to Requirements	\$	5,801,175	\$	47,158,492	\$	6,166,225	\$	12,000,000
Total Change to Receipts	\$	(959,330)	\$	22,614,100	\$	(959,330)	\$	-
Total Change to Net Appropriations	\$	6,760,505	\$	24,544,392	\$	7,125,555	\$	12,000,000
Total Change to Full-Time Equivalent (FTE)		5.000		0.000		5.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$		\$	31,304,897	\$		\$	19,125,555
Total Change to Full-Time Equivalent (FTE)				5.000				5.000

Department of Environmental Quality - Drinking Water SRF (64320)

Year 1 FY 2025-26	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 121,796,977	\$ -	\$ 22,614,100	\$ 22,614,100	\$ 144,411,077	18.6%
Receipts	\$ 107,503,556	\$ -	\$ 22,614,100	\$ 22,614,100	\$ 130,117,656	21.0%
Chg in Fund Balance	\$ (14,293,421)	\$ -	\$ -	\$ -	\$ (14,293,421)	0.0%
Positions (FTE)	77.980	-	-	-	77.980	0.0%

Year 2 FY 2026-27	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 121,796,977	\$ -	\$ -	\$ -	\$ 121,796,977	0.0%
Receipts	\$ 107,503,556	\$ -	\$ -	\$ -	\$ 107,503,556	0.0%
Chg in Fund Balance	\$ (14,293,421)	\$ -	\$ -	\$ -	\$ (14,293,421)	0.0%
Positions (FTE)	77.980	-	-	-	77.980	0.0%

	FY 2025-26		FY 2026-27	
	R Changes	NR Changes	R Changes	NR Changes

Division of Water Infrastructure

1 Transfer-Drinking Water State and Clean Water State Revolving Loan Match

Budgets the transfer from Budget Code 14300 for the Drinking Water State Revolving Loan and Clean Water State Revolving Loan.	Req \$	-	\$ 22,614,100	\$ -	\$ -
	Rec \$	-	\$ 22,614,100	\$ -	\$ -
	CFB \$	-	\$ -	\$ -	\$ -
	FTE	0.000	0.000	0.000	0.000
Total Change to Requirements	\$	-	\$ 22,614,100	\$ -	\$ -
Total Change to Receipts	\$	-	\$ 22,614,100	\$ -	\$ -
Total Change to Fund Balance	\$	-	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$		\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)			0.000		0.000

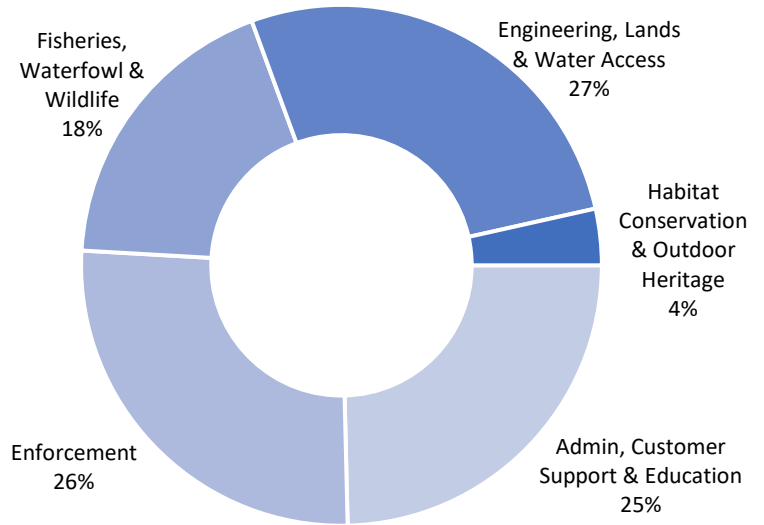
Mission

To conserve North Carolina’s wildlife resources and their habitats and provide programs and opportunities that allow hunters, anglers, boaters, and outdoor enthusiasts to enjoy wildlife-associated recreation.

Goals

1. Ensure all North Carolina citizens have the opportunity for safe and readily available participation in hunting, fishing, boating and other wildlife-related activities.
2. Expand the constituency base by providing and promoting opportunities for everyone to experience the state’s wildlife resources.
3. Conserve and enhance the abundance and diversity of North Carolina’s fish and wildlife.
4. Be recognized as a leader in sustaining working lands, conserving wildlife habitats and diversity, and maintaining the hunting and fishing heritage of North Carolina.
5. Communicate, educate, and market wildlife conservation and management.

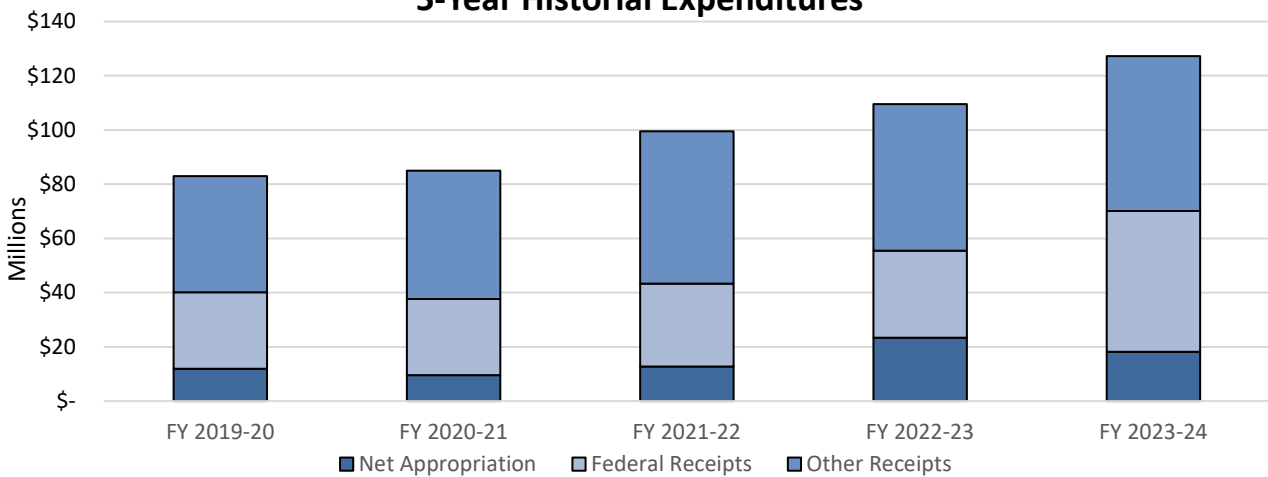
FY 2023-24 Actual Expenditures



Agency Profile

- Conserves and sustains the state’s fish and wildlife resources through research, scientific management, wise use, and public input.
- Administers and enforces North Carolina fishing, hunting, trapping, and boating laws.
- Owns and operates 72 game lands of over 540,000 acres and manages an additional 1.6 million acres through cooperative agreements for wildlife management and conservation.
- Manages over 250 boating access areas, 260 public fishing areas, nine shooting ranges and six fish hatcheries to provide opportunity and access to the public.

5-Year Historical Expenditures



*Charts include General Fund budget code only.

Wildlife Resources Commission - General Fund (14350)

Year 1 FY 2025-26	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 102,060,301	\$ 889,042	\$ 831,627	\$ 1,720,669	\$ 103,780,970	1.7%
Receipts	\$ 85,200,340	\$ 216,920	\$ 12,249	\$ 229,169	\$ 85,429,509	0.3%
Net Appropriation	\$ 16,859,961	\$ 672,122	\$ 819,378	\$ 1,491,500	\$ 18,351,461	8.8%
Positions (FTE)	699.000	-	-	-	699.000	0.0%

Year 2 FY 2026-27	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 102,060,301	\$ 989,970	\$ -	\$ 989,970	\$ 103,050,271	1.0%
Receipts	\$ 85,200,340	\$ 216,920	\$ -	\$ 216,920	\$ 85,417,260	0.2%
Net Appropriation	\$ 16,859,961	\$ 773,050	\$ -	\$ 773,050	\$ 17,633,011	4.6%
Positions (FTE)	699.000	-	-	-	699.000	0.0%

	FY 2025-26		FY 2026-27	
	R Changes	NR Changes	R Changes	NR Changes

Reserve for Salaries and Benefits

1 Compensation Increase Reserve

Increases all state-funded employee salaries by 2%.

Req \$	288,000	\$ -	\$ 288,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	288,000	\$ -	\$ 288,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 State Employee Bonus

Provides a \$1,000 bonus for all General Fund state employees regardless of funding source. This bonus is in addition to the recurring salary increase.

Req \$	-	\$ 696,000	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 696,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

3 Labor Market Retention and Adjustment Reserve

Addresses retention and other labor market needs by providing a reserve equal to 2% of General Fund net appropriation-supported payroll. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A 2024 evaluation found that, among state agencies, 90% of previous LMAR recipients are still employed with their LMAR-awarding agency compared to 76% of non-recipients.

Req \$	288,000	\$ -	\$ 288,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	288,000	\$ -	\$ 288,000	\$ -
FTE	0.000	0.000	0.000	0.000

4 Retirement and Retiree Health Contributions

Increases funding for the State's General Fund contribution for members of its retirement systems to reflect required rate changes for employee benefit programs, including the retirement systems and retiree medical premiums. The contribution rates for all systems remain higher than the rates system actuaries recommend.

Req \$	36,392	\$ -	\$ 74,603	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	36,392	\$ -	\$ 74,603	\$ -
FTE	0.000	0.000	0.000	0.000

5 Retiree Cost-of-Living Adjustment

Provides a one-time retiree supplement of 2% for the over 250,000 retired members of the state's retirement systems and survivors of deceased members.

Req \$	-	\$ 123,378	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 123,378	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

6 State Health Plan

Provides funding for a 5% increase in employer premiums for enrolled active employees supported by the General Fund in each year of the 2025-27 fiscal biennium.

Req \$	59,730	\$ -	\$ 122,447	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	59,730	\$ -	\$ 122,447	\$ -
FTE	0.000	0.000	0.000	0.000

R Changes NR Changes R Changes NR Changes

Department-wide

7 BLET Training at Samarcand

Budgets receipts to partially fund the Basic Law Enforcement Training (BLET) program at Samarcand Training Academy in the Department of Public Safety. The Wildlife Resources Commission (WRC) invested in a dormitory on Samarcand's campus, and a part of this funding covers WRC's relative portion of housekeepers and utility costs for the building as well as the new program coordinator and instructor positions that Samarcand needs to manage BLET and to provide training to future wildlife law enforcement officers.

Req \$	216,920	\$	12,249	\$	216,920	\$	-
Rec \$	216,920	\$	12,249	\$	216,920	\$	-
App \$	-	\$	-	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

Total Change to Requirements	\$	889,042	\$	831,627	\$	989,970	\$	-
Total Change to Receipts	\$	216,920	\$	12,249	\$	216,920	\$	-
Total Change to Net Appropriations	\$	672,122	\$	819,378	\$	773,050	\$	-
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		0.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			1,491,500	\$			773,050
Total Change to Full-Time Equivalent (FTE)				0.000				0.000

Mission

To improve the economic well-being and quality of life for all North Carolinians. To do that, the North Carolina Department of Commerce works closely with local, regional, national, and international organizations to advance economic, community and workforce development for the state.

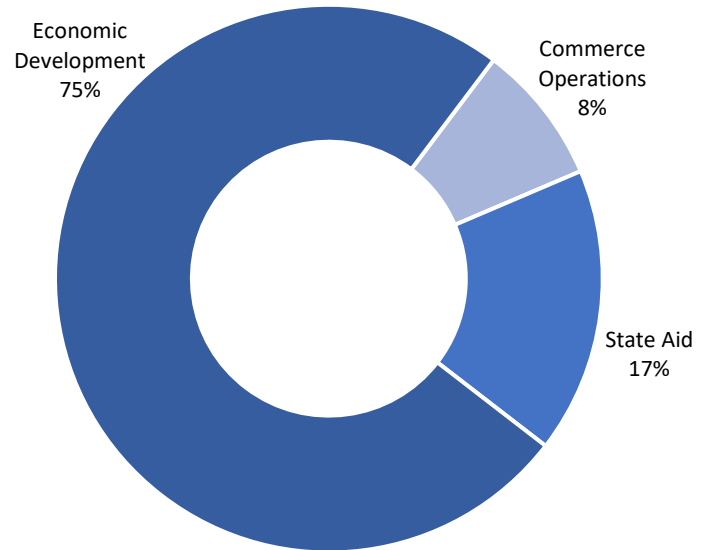
Goals

1. To support the growth of North Carolina’s economy.
2. To increase the efficiency of the Department of Commerce’s programs and service delivery.
3. Provide high quality services to businesses, individuals, and communities.

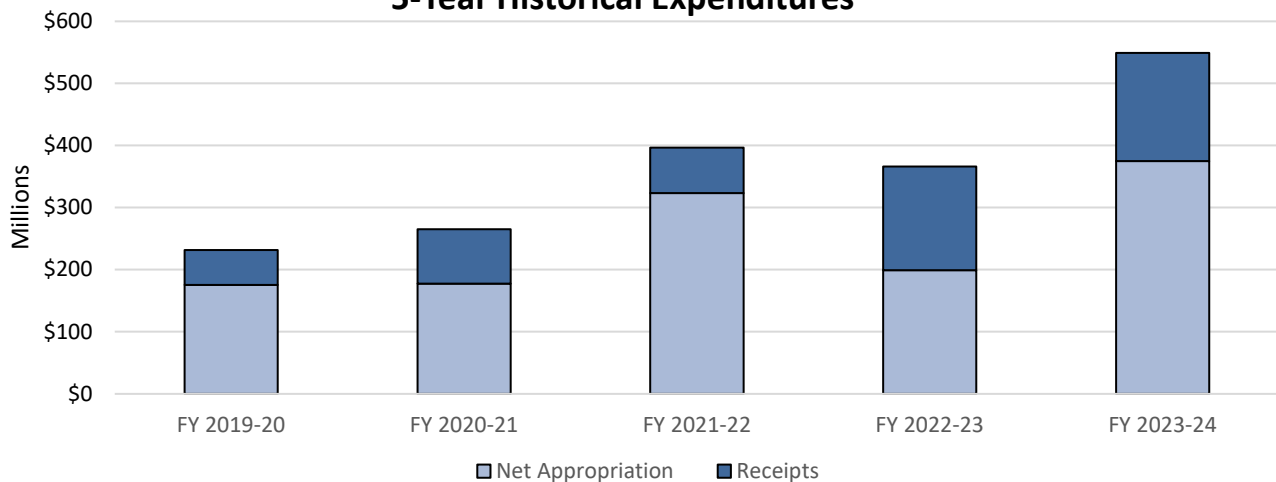
Agency Profile

- Comprises seven divisions: Community Revitalization, Employment Security; Labor and Economic Analysis; Finance Center; Rural Economic Development; Science, Technology and Innovation; and Workforce Solutions.
- Connects businesses with the site locations, workforce, and infrastructure needed to set themselves up for success; connects local communities with the grants and funding to attract new business and ensure future prosperity.
- Administers the state’s economic incentives program and publishes data, statistics, information, and reports for those interested in North Carolina’s economy.
- Contracts services from the Economic Development Partnership of North Carolina to market North Carolina as a business and visitor destination.

FY 2023-24 Actual Expenditures*



5-Year Historical Expenditures**



*Charts include General Fund budget codes only and State Fiscal Recovery Funds across three areas.

**FY 2021-22 recorded substantial investment in Economic Development projects.

Commerce - General (14600)

Year 1 FY 2025-26	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 83,537,340	\$ 3,573,972	\$ 19,270,724	\$ 22,844,696	\$ 106,382,036	27.4 %
Receipts	\$ 63,272,887	\$ -	\$ 10,500,000	\$ 10,500,000	\$ 73,772,887	16.6 %
Net Appropriation	\$ 20,264,453	\$ 3,573,972	\$ 8,770,724	\$ 12,344,696	\$ 32,609,149	60.9 %
Positions (FTE)	180.234	9.000	-	9.000	189.234	5.0 %

Year 2 FY 2026-27	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 83,537,340	\$ 3,651,552	\$ 8,500,000	\$ 12,151,552	\$ 95,688,892	14.6 %
Receipts	\$ 63,272,887	\$ -	\$ -	\$ -	\$ 63,272,887	0.0 %
Net Appropriation	\$ 20,264,453	\$ 3,651,552	\$ 8,500,000	\$ 12,151,552	\$ 32,416,005	60.0 %
Positions (FTE)	180.234	9.000	-	9.000	189.234	5.0 %

	FY 2025-26		FY 2026-27	
	R Changes	NR Changes	R Changes	NR Changes

Reserve for Salaries and Benefits

1 Compensation Increase Reserve

Increases all state-funded employee salaries by 2%.

Req \$	223,000	\$ -	\$ 223,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	223,000	\$ -	\$ 223,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 State Employee Bonus

Provides a \$1,000 bonus for all General Fund state employees regardless of funding source. This bonus is in addition to the recurring salary increase.

Req \$	-	\$ 175,000	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 175,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

3 Labor Market Retention and Adjustment Reserve

Addresses retention and other labor market needs by providing a reserve equal to 2% of General Fund net appropriation-supported payroll. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A 2024 evaluation found that, among state agencies, 90% of previous LMAR recipients are still employed with their LMAR-awarding agency compared to 76% of non-recipients.

Req \$	223,000	\$ -	\$ 223,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	223,000	\$ -	\$ 223,000	\$ -
FTE	0.000	0.000	0.000	0.000

4 Retirement and Retiree Health Contributions

Increases funding for the State's General Fund contribution for members of its retirement systems to reflect required rate changes for employee benefit programs, including the retirement systems and retiree medical premiums. The contribution rates for all systems remain higher than the rates system actuaries recommend.

Req \$	28,235	\$ -	\$ 57,881	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	28,235	\$ -	\$ 57,881	\$ -
FTE	0.000	0.000	0.000	0.000

5 Retiree Cost-of-Living Adjustment

Provides a one-time retiree supplement of 2% for the over 250,000 retired members of the state's retirement systems and survivors of deceased members.

Req \$	-	\$ 95,724	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 95,724	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

6 State Health Plan

Provides funding for a 5% increase in employer premiums for enrolled active employees supported by the General Fund in each year of the 2025-27 fiscal biennium.

Req \$	45,652	\$ -	\$ 93,586	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	45,652	\$ -	\$ 93,586	\$ -
FTE	0.000	0.000	0.000	0.000

R Changes NR Changes R Changes NR Changes

Administration

7 NC Certified Sites Due Diligence

Provides grant funds to local governments for the due diligence assessment expenses needed to certify smaller industrial sites as part of the NC Certified Sites Program in areas without Megasite or Selectsite properties. The current average cost to have a 100-acre site certified is \$100,000. Sites in this program undergo a rigorous pre-qualification process, providing businesses with greater confidence in a site's readiness for development, minimizing potential risks during construction, and saving companies at least half a year in the site selection and development process. Since 2021, 14 companies located on NC Certified Sites, leading to a total investment of \$10.7 billion and the creation of nearly 12,500 jobs.

Req \$	-	\$	2,000,000	\$	-	\$	2,000,000
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	2,000,000	\$	-	\$	2,000,000
FTE	0.000		0.000		0.000		0.000

8 Information Technology Rates

Funds the expected increase in IT rate charges resulting from the FY 2025-26 approved increase in the Department of Information Technology's subscription and service delivery rates.

Req \$	421,381	\$	-	\$	421,381	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	421,381	\$	-	\$	421,381	\$	-
FTE	0.000		0.000		0.000		0.000

Community Revitalization

9 Homelessness Prevention Program

Provides funds to the Division of Community Revitalization for homelessness prevention, including supportive services, rapid rehousing, and permanent supportive housing. The US Department of Housing and Urban Development (HUD) January 2024 point-in-time count found 11,626 unhoused individuals in NC. Net appropriation support ensures a stable source of matching funds to draw down \$3.2 million of HUD Continuum-of-Care grants to address household needs that are ineligible expenses for the federal funding.

Req \$	1,765,093	\$	-	\$	1,765,093	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	1,765,093	\$	-	\$	1,765,093	\$	-
FTE	4.000		0.000		4.000		0.000

Office of Science and Technology

10 NC Coalition Strategic Support Fund

Provides funds from the Federal Infrastructure Match Reserve to help the Office of Science, Technology, and Innovation (OSTI) leverage federal funding and grow the semiconductor and chip industries in the state. OSTI will build coalitions of nonprofits, foundations, industry, and government that can jointly apply for federal funding. Coalitions form the foundational elements for an industry cluster, which increases the economic viability of a region. This funding will provide needed matching funds and support strategic planning and performance tracking that further the competitiveness of these coalitions. These funds will be transferred to Budget Code 24609.

Req \$	-	\$	10,500,000	\$	-	\$	-
Rec \$	-	\$	10,500,000	\$	-	\$	-
App \$	-	\$	-	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

11 Defense Innovation Support

Funds a position in OSTI to facilitate collaboration that will catalyze economic growth and leverage federal funding for North Carolina's Defense Science, Technology, and Innovation sectors. Lack of resources and personnel impedes OSTI's ability to educate, inform, and execute strategic initiatives that promote defense innovation funding and activity. North Carolina ranks 25th in receiving defense research and development contracts, despite being fourth in terms of defense-related personnel.

Req \$	184,611	\$	-	\$	184,611	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	184,611	\$	-	\$	184,611	\$	-
FTE	1.000		0.000		1.000		0.000

Rural Economic Development

12 Southeastern Crescent Regional Commission Matching Funds

Provides matching funds needed to cover the state's share for the Southeast Crescent Regional Commission (SCRC), which serves 69 North Carolina counties. The Commission is one of seven federal regional commissions and authorities created to address instances of major economic distress and provide grants for economic, workforce, and infrastructure development with the goal of creating jobs and improving the lives of residents. If funding is not provided, the state will lose about \$3.6 million per year in federal funding.

Req \$	250,000	\$	-	\$	250,000	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	250,000	\$	-	\$	250,000	\$	-
FTE	0.000		0.000		0.000		0.000

R Changes NR Changes R Changes NR Changes

Workforce Development

13 Work-Based Learning Grants for Small Businesses

Increases funding to the Department of Commerce's Division of Workforce Solutions (DWS) to expand work-based learning grants to small businesses. These grants connect small businesses to students, providing them with the opportunity to gain work experience and skills to help with their transition from high school to post-secondary education and careers. With this funding, the program will expand beyond working only with employers with fewer than 25 employees to serve businesses with fewer than 50 employees. Approximately 5,000 students participate in this program annually.

Req \$	-	\$ 2,500,000	\$ -	\$ 2,500,000
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 2,500,000	\$ -	\$ 2,500,000
FTE	0.000	0.000	0.000	0.000

14 Whole System Apprenticeships Model

Invests in the development of a 'whole system' model of apprenticeships from high school through higher education, leveraging funds provided by the Workforce Innovation and Opportunity Act (WIOA), as well as other sources. This investment will strengthen the State's talent pipeline by funding one position at the department to work with ApprenticeshipNC and the Department of Public Instruction to better prepare and connect North Carolinians to high-demand workforce opportunities.

Req \$	133,000	\$ -	\$ 133,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	133,000	\$ -	\$ 133,000	\$ -
FTE	1.000	0.000	1.000	0.000

15 NC Career Launch

Provides funding to the North Carolina Business Committee for Education to develop and scale youth apprenticeship programs for high school students that lead to Registered Apprenticeship Programs in critical, high-demand fields. These programs will provide a seamless pathway to post-secondary education and a career with family-sustaining wages. After two years, local communities will be expected to take responsibility for the continued funding of these programs. A portion of these funds shall be used for continuing evaluation of the program's impact on youth job outcomes.

Req \$	-	\$ 4,000,000	\$ -	\$ 4,000,000
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 4,000,000	\$ -	\$ 4,000,000
FTE	0.000	0.000	0.000	0.000

16 Nccareers.org Information System

Allocates funding from the IT Reserve to the department to modernize Nccareers.org and keep up with rising demand. Nccareers.org is a resource for people exploring careers and for those reentering the workforce. The site provides tools to identify skills, explore different occupations and their credentialing requirements, perform job searches, prepare resumes and cover letters, and practice interviewing. Usage of the platform for the August 2024 to January 2025 period increased by 23.7% relative to the same period the prior fiscal year.

Req \$	-	\$ -	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

17 Workforce Monitoring and Evaluation Capacity

Creates positions within DWS to enhance oversight and evaluation of the state's 20 workforce boards. These positions will track activities as required under the federal Workforce Innovation and Opportunity Act (WIOA) to ensure accurate implementation. The division will review Workforce WIOA Training Programs to ensure trainers possess the proper credentials, as mandated by federal law, and are in compliance with federally required quality standards.

Req \$	300,000	\$ -	\$ 300,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	300,000	\$ -	\$ 300,000	\$ -
FTE	3.000	0.000	3.000	0.000

Total Change to Requirements	\$ 3,573,972	\$ 19,270,724	\$ 3,651,552	\$ 8,500,000
Total Change to Receipts	\$ -	\$ 10,500,000	\$ -	\$ -
Total Change to Net Appropriations	\$ 3,573,972	\$ 8,770,724	\$ 3,651,552	\$ 8,500,000
Total Change to Full-Time Equivalent (FTE)	9.000	0.000	9.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$ -	\$ 12,344,696	\$ -	\$ 12,151,552
Total Change to Full-Time Equivalent (FTE)		9.000		9.000

Commerce - Economic Development (14602)

Year 1 FY 2025-26	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 158,468,245	\$ 2,900,000	\$ 5,000,000	\$ 7,900,000	\$ 166,368,245	5.0%
Receipts	\$ 120,000	\$ -	\$ -	\$ -	\$ 120,000	0.0%
Net Appropriation	\$ 158,348,245	\$ 2,900,000	\$ 5,000,000	\$ 7,900,000	\$ 166,248,245	5.0%
Positions (FTE)	-	-	-	-	-	0.0%

Year 2 FY 2026-27	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 158,468,245	\$ 2,900,000	\$ -	\$ 2,900,000	\$ 161,368,245	1.8%
Receipts	\$ 120,000	\$ -	\$ -	\$ -	\$ 120,000	0.0%
Net Appropriation	\$ 158,348,245	\$ 2,900,000	\$ -	\$ 2,900,000	\$ 161,248,245	1.8%
Positions (FTE)	-	-	-	-	-	0.0%

	FY 2025-26		FY 2026-27	
	R Changes	NR Changes	R Changes	NR Changes

Office of Science and Technology

1 One NC Small Business Program

Provides more grant funding for the One North Carolina Small Business Program. These grants support small businesses applying for the Small Business Innovation Research (SBIR) and Small Business Technology Transfer (STTR) programs, which provide critical funding to bridge the gap between innovation and market readiness. This funding will ultimately drive job creation, economic diversification, and technological advancement within the state. The grant program trains applicants, reimburses applications costs, and provides matching funds to SBIR or STTR recipients.

Req \$	-	\$ 5,000,000	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 5,000,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

Rural Economic Development

2 Rural Transformation Grants

Increases the recurring appropriation for the Rural Transformation Grants program to \$15 million. This program supports local governments through grants and expert guidance on how to improve economic vitality and overcome unique challenges many rural communities face. In FY 2023-24, demand for the program exceeded current funding with only 136 of 356 eligible applications receiving awards.

Req \$	2,900,000	\$ -	\$ 2,900,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	2,900,000	\$ -	\$ 2,900,000	\$ -
FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$ 2,900,000	\$ 5,000,000	\$ 2,900,000	\$ -
Total Change to Receipts	\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriations	\$ 2,900,000	\$ 5,000,000	\$ 2,900,000	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$ -	7,900,000	\$ -	2,900,000
Total Change to Full-Time Equivalent (FTE)	-	0.000	-	0.000

Commerce - Special - General Fund (24609)

Year 1 FY 2025-26	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 176,159,938	\$ -	\$ 10,500,000	\$ 10,500,000	\$ 186,659,938	6.0%
Receipts	\$ 174,450,454	\$ -	\$ 10,500,000	\$ 10,500,000	\$ 184,950,454	6.0%
Chg in Fund Balance	\$ (1,709,484)	\$ -	\$ -	\$ -	\$ (1,709,484)	0.0%
Positions (FTE)	9.693	-	-	-	9.693	0.0%

Year 2 FY 2026-27	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 176,159,938	\$ -	\$ -	\$ -	\$ 176,159,938	0.0%
Receipts	\$ 174,450,454	\$ -	\$ -	\$ -	\$ 174,450,454	0.0%
Chg in Fund Balance	\$ (1,709,484)	\$ -	\$ -	\$ -	\$ (1,709,484)	0.0%
Positions (FTE)	9.693	-	-	-	9.693	0.0%

	FY 2025-26		FY 2026-27	
	R Changes	NR Changes	R Changes	NR Changes

Office of Science and Technology

1 Transfer-NC Coalition Strategic Support Fund

Budget the transfer from Budget Code 14600 for the NC Coalition Strategic Support Fund.

Req \$	-	\$ 10,500,000	\$ -	\$ -
Rec \$	-	\$ 10,500,000	\$ -	\$ -
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$ -	\$ 10,500,000	\$ -	\$ -
Total Change to Receipts	\$ -	\$ 10,500,000	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000		0.000

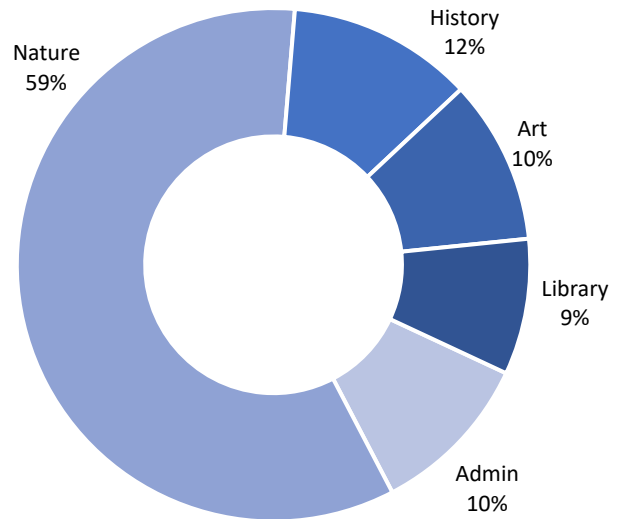
Mission

To improve quality of life in North Carolina by creating opportunities to experience excellence in the arts, history, libraries, and nature by stimulating learning, inspiring creativity, preserving the state’s history, conserving the state’s natural heritage, encouraging recreation and cultural heritage tourism, and promoting economic development.

Goals

1. Expand educational opportunities for children and families by increasing access to the state’s innovative, interactive, and inspirational natural and cultural sites, programs, and services.
2. Boost economic growth through initiatives to support rural communities, and other efforts.
3. Preserve, enhance, and expand North Carolina’s natural and cultural resources in an effective, efficient, collaborative, and customer-friendly manner.
4. Promote accessibility and inclusion in departmental programs, recruitment, administration, and community engagement.
5. Evaluate the impact of climate change and integrate climate change mitigation, adaption, education, and resiliency practices into DNCR programs and operations.

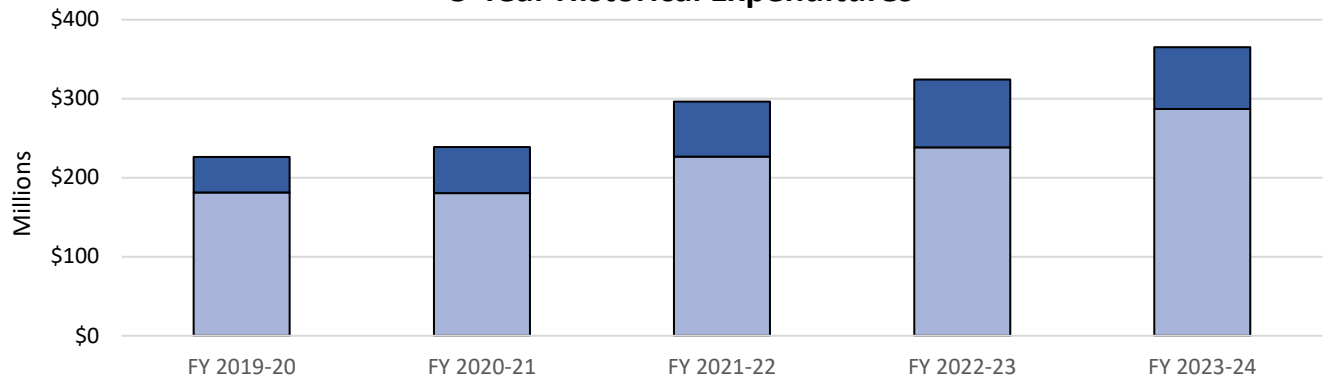
FY 2023-24 Actual Expenditures*



Agency Profile

- Operates North Carolina’s state parks, aquariums, science museums, and zoo and works to preserve the state’s natural resources to provide all North Carolinians the opportunity to discover them.
- Builds the capacity of all libraries in the state, runs the Library of North Carolina, and develops and supports access to traditional and online collections.
- Celebrates the history of North Carolina from pre-colonial times to the present and preserves the state’s historical treasures and artifacts.
- Supports North Carolina’s state art museums, symphony, and arts councils to give all people access to world-class art experiences and support the state’s creative economy.

5-Year Historical Expenditures*



*Charts include General Fund budget code only.

Department of Natural and Cultural Resources - General Fund (14800)

Year 1 FY 2025-26	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 334,739,213	\$ 18,771,213	\$ 10,182,700	\$ 28,953,913	\$ 363,693,126	8.6%
Receipts	\$ 56,396,562	\$ -	\$ -	\$ -	\$ 56,396,562	0.0%
Net Appropriation	\$ 278,342,651	\$ 18,771,213	\$ 10,182,700	\$ 28,953,913	\$ 307,296,564	10.4%
Positions (FTE)	2,112.949	104.000	-	104.000	2,216.949	4.9%

Year 2 FY 2026-27	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 334,804,632	\$ 19,918,599	\$ 2,250,000	\$ 22,168,599	\$ 356,973,231	6.6%
Receipts	\$ 56,396,562	\$ -	\$ -	\$ -	\$ 56,396,562	0.0%
Net Appropriation	\$ 278,408,070	\$ 19,918,599	\$ 2,250,000	\$ 22,168,599	\$ 300,576,669	8.0%
Positions (FTE)	2,112.949	104.000	-	104.000	2,216.949	4.9%

	FY 2025-26		FY 2026-27	
	R Changes	NR Changes	R Changes	NR Changes

Reserve for Salaries and Benefits

1 Compensation Increase Reserve

Increases all state-funded employee salaries by 2%.

Req \$	2,770,000	\$ -	\$ 2,770,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	2,770,000	\$ -	\$ 2,770,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 State Employee Bonus

Provides a \$1,000 bonus for all General Fund state employees regardless of funding source. This bonus is in addition to the recurring salary increase.

Req \$	-	\$ 2,107,000	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 2,107,000	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

3 Labor Market Retention and Adjustment Reserve

Addresses retention and other labor market needs by providing a reserve equal to 2% of General Fund net appropriation-supported payroll. Agencies may use these funds to address turnover, equity, and compression and to adjust salaries to better compete for and retain talent. A 2024 evaluation found that, among state agencies, 90% of previous LMAR recipients are still employed with their LMAR-awarding agency compared to 76% of non-recipients.

Req \$	2,770,000	\$ -	\$ 2,770,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	2,770,000	\$ -	\$ 2,770,000	\$ -
FTE	0.000	0.000	0.000	0.000

4 Retirement and Retiree Health Contributions

Increases funding for the State's General Fund contribution for members of its retirement systems to reflect required rate changes for employee benefit programs, including the retirement systems and retiree medical premiums. The contribution rates for all systems remain higher than the rates system actuaries recommend.

Req \$	349,688	\$ -	\$ 716,863	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	349,688	\$ -	\$ 716,863	\$ -
FTE	0.000	0.000	0.000	0.000

5 Retiree Cost-of-Living Adjustment

Provides a one-time retiree supplement of 2% for the over 250,000 retired members of the state's retirement systems and survivors of deceased members.

Req \$	-	\$ 1,185,550	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 1,185,550	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

6 State Health Plan

Provides funding for a 5% increase in employer premiums for enrolled active employees supported by the General Fund in each year of the 2025-27 fiscal biennium.

Req \$	743,056	\$ -	\$ 1,523,267	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	743,056	\$ -	\$ 1,523,267	\$ -
FTE	0.000	0.000	0.000	0.000

		R Changes	NR Changes	R Changes	NR Changes
Department-wide					
7 Information Technology Rates					
Funds the expected increase in IT rate charges resulting from the FY 2025-26 approved increase in the Department of Information Technology's subscription and service delivery rates.	Req \$	1,203,427	\$ -	\$ 1,203,427	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	1,203,427	\$ -	\$ 1,203,427	\$ -
	FTE	0.000	0.000	0.000	0.000
8 Motor Fleet Management Rate Increase					
Provides funds to cover the increase in Motor Fleet Management rates effective July 1, 2025. Rates have not been updated since January 1, 2018.	Req \$	444,000	\$ -	\$ 444,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	444,000	\$ -	\$ 444,000	\$ -
	FTE	0.000	0.000	0.000	0.000
Administration					
9 Budget and Finance Positions					
Addresses the department's increasing financial responsibilities resulting from a 78% increase in its combined operating and capital budgets since FY 2018-19. These additional budget and accounting staff will enhance the Budget and Finance Office's ability to oversee divisions and vendors, meet deadlines, and respond to oversight agencies.	Req \$	249,256	\$ -	\$ 249,256	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	249,256	\$ -	\$ 249,256	\$ -
	FTE	2.000	0.000	2.000	0.000
10 HR Positions					
Provides additional staff to support the increased HR workload associated with the 19% increase in the department's staff since FY 2018-19. This growth has increased the HR workload causing inefficiencies that negatively impact service delivery. Additional staff will help to improve the recruitment process and reduce time to hire for the department.	Req \$	169,182	\$ -	\$ 169,182	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	169,182	\$ -	\$ 169,182	\$ -
	FTE	2.000	0.000	2.000	0.000
History					
11 Archives and Records Management Positions					
Provides funding for five positions currently supported by the department's portion of the real estate transaction fee. Archives and Records Management (ARM) collects 25% from each real estate transaction fee, \$1.55 of the \$6.20 fee, in its special fund. The decreasing number of real estate transactions across the state has resulted in a decline in annual collections of 28% since FY 2020-21. Thus, ARM collections can no longer support the positions and division operating expenses. This funding will help the division continue to provide essential services. These funds will be transferred to Budget Code 24811.	Req \$	404,708	\$ -	\$ 404,708	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	404,708	\$ -	\$ 404,708	\$ -
	FTE	0.000	0.000	0.000	0.000
12 Fort Fisher State Historic Site Operating Reserve					
Provides additional staff and operating funds for the new visitor center at Fort Fisher State Historic Site. In October 2024, the new 23,000 square foot visitor center replaced the 6,400 square foot facility. Additional staff and operating funds are required to operate the site and to provide its over 1 million annual visitors a high-quality experience.	Req \$	225,000	\$ -	\$ 225,000	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	225,000	\$ -	\$ 225,000	\$ -
	FTE	2.000	0.000	2.000	0.000
13 North Carolina Transportation Museum Operating Reserve					
Increases staffing and operating support for the North Carolina Transportation Museum (NCTM). NCTM has two structures undergoing renovation that will become operational in July 2025, adding over 39,000 square feet of visitor accessible space. The renovated Powerhouse and Car Repair Shed will be used for exhibits, events, and rail car storage and repairs. NCTM visitation has increased 30% in the past two years, and the additions will spur further growth with new exhibits, flexible meeting space, and expanded capacity for events.	Req \$	162,611	\$ -	\$ 162,611	\$ -
	Rec \$	-	\$ -	\$ -	\$ -
	App \$	162,611	\$ -	\$ 162,611	\$ -
	FTE	2.000	0.000	2.000	0.000

	R Changes		NR Changes		R Changes		NR Changes	
Nature								
14 Zoo Asia Operating Reserve								
Creates positions to support the new Asia complex at the North Carolina Zoo, which is expected to open in June 2026. The Asia complex is a 12.5-acre facility featuring new exhibits and animals, including a 300-seat restaurant and an educational exploration center. New staff will support essential operations associated with the opening, including marketing, special events, and maintenance. The Zoo estimates that the new Asia complex will increase annual visits by 42% and grow the economic impact of the Zoo to almost \$300 million annually.	Req \$	5,792,398	\$	-	\$	5,792,398	\$	-
	Rec \$	-	\$	-	\$	-	\$	-
	App \$	5,792,398	\$	-	\$	5,792,398	\$	-
	FTE	69.000		0.000		69.000		0.000
15 Parks Operating Reserve								
Establishes new positions and provides on-going and start-up operational funds for state parks, recreational areas, natural areas, and trails added or improved through Connect NC Bonds and Parks and Recreational Trust Fund (PARTF) awards. Since 2019, state park system has grown by almost 18,000 acres and had over 430 miles of state trails designated.	Req \$	1,290,803	\$	640,150	\$	1,290,803	\$	-
	Rec \$	-	\$	-	\$	-	\$	-
	App \$	1,290,803	\$	640,150	\$	1,290,803	\$	-
	FTE	12.000		0.000		12.000		0.000
16 Fort Fisher Aquarium Operating Reserve								
Funds positions and operations to support the North Carolina Aquarium at Fort Fisher (NCAFF) expansion. NCAFF is anticipating a 30-month construction closure from fall 2025 to spring 2028. The facility is currently 92,000 square feet and the expansion will add over 50,000 square feet, more than doubling the volume of water and animals housed within the aquarium. Nonrecurring funds will help offset loss of revenues from NCAFF.	Req \$	1,146,585	\$	2,250,000	\$	1,146,585	\$	2,250,000
	Rec \$	-	\$	-	\$	-	\$	-
	App \$	1,146,585	\$	2,250,000	\$	1,146,585	\$	2,250,000
	FTE	13.000		0.000		13.000		0.000
17 Park Ranger Body Cameras								
Provides funding for body cameras for all agency law enforcement officers (LEOs) and for FTE to manage the department body cameras, including supporting video footage review, records requests, and training and equipment management. Body cameras create crucial evidence in investigations by more accurately documenting interactions. Footage will enable situation-based training drawing from officers' previous encounters. Currently, 264 LEOs at the agency do not have body cameras. Use of body cameras enhances accountability, transparency, and public trust.	Req \$	1,050,499	\$	-	\$	1,050,499	\$	-
	Rec \$	-	\$	-	\$	-	\$	-
	App \$	1,050,499	\$	-	\$	1,050,499	\$	-
	FTE	2.000		0.000		2.000		0.000
18 North Carolina Parks and Recreation Trust Fund								
Provides additional funds to the Parks and Recreation Trust Fund (PARTF) for grants to support projects in state parks, develop and renovate local parks, and maintain beach access. In FY 2023-24, demand for local parks grants exceeded available funding by 58%. This funding increases the support for PARTF to \$30 million in FY 2025-26. These funds will be transferred to Budget Code 24820.	Req \$	-	\$	2,000,000	\$	-	\$	-
	Rec \$	-	\$	-	\$	-	\$	-
	App \$	-	\$	2,000,000	\$	-	\$	-
	FTE	0.000		0.000		0.000		0.000
19 North Carolina Land and Water Fund								
Provides additional funds to the North Carolina Land and Water Fund (NCLWF) for grants to support projects that protect and restore the state's land and water resources, preserve military buffers, restore degraded streams, and develop and improve stormwater treatment. In FY 2023-24, demand for NCLWF grants exceeded available funding by 40%. This funding increases the support for NCLWF to \$30 million in FY 2025-26. These funds will be transferred to Budget Code 24818.	Req \$	-	\$	2,000,000	\$	-	\$	-
	Rec \$	-	\$	-	\$	-	\$	-
	App \$	-	\$	2,000,000	\$	-	\$	-
	FTE	0.000		0.000		0.000		0.000
Total Change to Requirements	\$	18,771,213	\$	10,182,700	\$	19,918,599	\$	2,250,000
Total Change to Receipts	\$	-	\$	-	\$	-	\$	-
Total Change to Net Appropriations	\$	18,771,213	\$	10,182,700	\$	19,918,599	\$	2,250,000
Total Change to Full-Time Equivalent (FTE)		104.000		0.000		104.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$	28,953,913	\$	22,168,599				
Total Change to Full-Time Equivalent (FTE)		104.000		104.000				

Department of Natural and Cultural Resources - Interest Earning - Special Revenue (24811)

Year 1 FY 2025-26	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 2,184,570	\$ -	\$ -	\$ -	\$ 2,184,570	0.0%
Receipts	\$ 2,184,570	\$ -	\$ -	\$ -	\$ 2,184,570	0.0%
Chg in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	24.237	-	-	-	24.237	0.0%

Year 2 FY 2026-27	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 2,184,570	\$ -	\$ -	\$ -	\$ 2,184,570	0.0%
Receipts	\$ 2,184,570	\$ -	\$ -	\$ -	\$ 2,184,570	0.0%
Chg in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	24.237	-	-	-	24.237	0.0%

	FY 2025-26		FY 2026-27	
	R Changes	NR Changes	R Changes	NR Changes

Archives and Records Management Fund

1 Transfer - ARM Fund Receipts

Budgets the transfer from Budget Code 14800 to compensate for the reduction of real estate collections in the ARM Fund.

Req \$	-	\$ -	\$ -	\$ -
Rec \$	404,708	\$ -	\$ 404,708	\$ -
CFB \$	404,708	\$ -	\$ 404,708	\$ -
FTE	0.000	0.000	0.000	0.000

2 ARM Fund Receipt Reduction

Budgets a reduction in receipts from the real estate transaction fee collections in the ARM Fund.

Req \$	-	\$ -	\$ -	\$ -
Rec \$	(404,708)	\$ -	\$ (404,708)	\$ -
CFB \$	(404,708)	\$ -	\$ (404,708)	\$ -
FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$ -	\$ -	\$ -	\$ -
Total Change to Receipts	\$ -	\$ -	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000		0.000

Department of Natural and Cultural Resources - Clean Water Management Trust Fund (24818)

Year 1 FY 2025-26	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 33,460,882	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 35,460,882	6.0%
Receipts	\$ 33,446,949	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 35,446,949	6.0%
Chg in Fund Balance	\$ (13,933)	\$ -	\$ -	\$ -	\$ (13,933)	0.0%
Positions (FTE)	2.700	-	-	-	2.700	0.0%

Year 2 FY 2026-27	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 33,460,882	\$ -	\$ -	\$ -	\$ 33,460,882	0.0%
Receipts	\$ 33,446,949	\$ -	\$ -	\$ -	\$ 33,446,949	0.0%
Chg in Fund Balance	\$ (13,933)	\$ -	\$ -	\$ -	\$ (13,933)	0.0%
Positions (FTE)	2.700	-	-	-	2.700	0.0%

	FY 2025-26		FY 2026-27	
	R Changes	NR Changes	R Changes	NR Changes

North Carolina Land and Water Fund

1 Transfer - North Carolina Land and Water Fund

Budgets the transfer from Budget Code 14800 for the Land and Water Fund.

Req \$	-	\$ 2,000,000	\$ -	\$ -
Rec \$	-	\$ 2,000,000	\$ -	\$ -
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$ -	\$ 2,000,000	\$ -	\$ -
Total Change to Receipts	\$ -	\$ 2,000,000	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000		0.000

Department of Natural and Cultural Resources - DPR-PARTF (PARKS & RECREATION TRUST FUND) (24820)

Year 1 FY 2025-26	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 30,568,474	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 32,568,474	6.5 %
Receipts	\$ 30,788,325	\$ -	\$ 2,000,000	\$ 2,000,000	\$ 32,788,325	6.5 %
Chg in Fund Balance	\$ 219,851	\$ -	\$ -	\$ -	\$ 219,851	0.0 %
Positions (FTE)	3.000	-	-	-	3.000	0.0 %

Year 2 FY 2026-27	Base Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Base Budget
Requirements	\$ 30,568,474	\$ -	\$ -	\$ -	\$ 30,568,474	0.0 %
Receipts	\$ 30,788,325	\$ -	\$ -	\$ -	\$ 30,788,325	0.0 %
Chg in Fund Balance	\$ 219,851	\$ -	\$ -	\$ -	\$ 219,851	0.0 %
Positions (FTE)	3.000	-	-	-	3.000	0.0 %

	FY 2025-26		FY 2026-27	
	R Changes	NR Changes	R Changes	NR Changes

Parks and Recreation Trust Fund

1 Transfer - Parks and Recreation Trust Fund

Budgets the transfer from Budget Code 14800 for the Parks and Recreation Trust Fund.

Req \$	-	\$ 2,000,000	\$ -	\$ -
Rec \$	-	\$ 2,000,000	\$ -	\$ -
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$ -	\$ 2,000,000	\$ -	\$ -
Total Change to Receipts	\$ -	\$ 2,000,000	\$ -	\$ -
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000		0.000