



## **NC Final 2017-19 Biennium Budget Summary**

### **Highlights**

This week, the conference committee appointed to resolve budget differences between the House and Senate released the final version of the budget for the 2017-2019 biennium. The final budget represents a \$23.03 billion compromise between the Senate and House budget plans and includes a series of tax cuts that begin in 2019. The Department of Public Safety's budget includes topline items such as funding to address the needs of opioid overdose victims, operating funds for Phase II of the Samarqand Training Academy, funding for special investigative purposes, equipment for the State Bureau of Investigation and funding to establish a 200-bed female Confinement in Response to Violation (CRV) facility in Buncombe County. The final budget also provides funding for reentry services to help reintegrate former inmates back into the community and for implementation of the Juvenile Justice Reinvestment Act, also known as "Raise the Age." The Department received \$18,400,000 in funding to complete the third and final phase of custody-level pay adjustments for Correctional Officers, Custody Supervisors and Prison Facility Administrators. In addition to the aforementioned highlights, the budget Capital Projects provides \$13,200,000 for the construction of a new Youth Development Center and \$1,000,000 for the construction of a new Helipad Site at the Joint Forces Headquarters in Raleigh. Both of these projects were requested by the Governors' office and the Department of Public Safety.

### **Personnel and Compensation Changes**

The conference report provides funding for ten additional positions over the biennium to launch Phase II of the Samarqand Training Academy. It also funds eight new telecommunicator positions within the State Highway Patrol and three positions within the National Guard to support operations of the Morganton Readiness Center, scheduled to open in the Fall of 2020.

The budget eliminates 196 vacant nursing positions for fiscal year (FY) 2018-19 and authorizes the department to use the funding for these positions to contract for temporary nursing services. However, the budget also instructs the Department to conduct a study to determine how to best recruit and retain permanent nursing positions, giving the department an opportunity to demonstrate that permanent nursing positions better fill the needs of DPS prior to the temporary positions taking effect. The Report shall be submitted by December 1, 2017.

Several positions throughout DPS that have been vacant for 12 months or more, including 69 Adult Corrections positions, are also eliminated under the budget. There are no provisions to fund additional Human Resources positions requested by the Department and by the Governors' budget.

The final budget allows for flat \$1000 salary increase for state employees, and retired state employees would receive a 1 percent, permanent cost-of-living increase in their pension checks. Teachers and school based administrators will receive an increase in accordance with the teacher salary schedule. The provisions in early versions of the budget to fund positions at the actual salary level, thus eliminating salary reserve, was removed with respect to most state agencies. The State Highway Patrol will still have \$200,000 of its salary reserve removed.

## Other DPS Budget Provisions:

1. Prohibits transfer of positions by Office of State Budget Management from the Department of Public Safety (DPS) to other Agencies during the 2017-2019 fiscal biennium excluding funding for an annual transfer to the Office of the Governor for administrative support.
2. Requires DPS to produce a Lapse Salary Report on February 1 and August 1 to Joint Legislative Oversight Committee including the amount of lapsed salary generated by fund code for the previous six months and itemized accounting of lapsed salary funds by August 1.
3. Creates a pilot project within DPS to treat opiate overdose by establishing a Quick Response Team (QRT) to address the needs of opiate and heroin overdose victims in the City of Wilmington. DPS and the City of Wilmington will work together to develop procedures for the QRT and report on the results of the pilot project by February 1, 2019.
4. Requires DPS to report by May 1 each year to Joint Legislative Oversight Committee on any grants or matching funds received. DPS may use up to 1.2 million each year as matching funds to receive grants.
5. Expands Crime Victims' Services by expanding the definition of allowable expenses to include counseling for immediate family members of child rape victims and family counseling and grief counseling for family members of homicide victims.
6. Provides funding to the Governor's Crime Commission for grants to law enforcement agencies for body-worn cameras. The grant, not to exceed \$100K, shall be used for the purchase of service body-worn or dashboard video cameras. Recipient agencies are required to match the grant dollar for dollar as well as have appropriate policies and procedures in place governing body worn or dashboard cameras.
7. Allows the State Capital Police to contract with other state agencies for the creation of receipt-supported positions to provide security services to buildings occupied by state agencies and requires an annual report detailing all the positions in the State Capitol Police.
8. Provides that seized and forfeited property shall be credited to the budget of the Department and prohibits the use of seized assets without prior approval of the General Assembly.
9. Creates the offense of assault on hospital security personnel, including firefighters, emergency medical technicians, medical responders and hospital personnel. Assaulting any of the aforementioned personnel while they are discharging or attempting to discharge official duties shall be a Class I felony.
10. Requires the Lieutenant Governor to have a protection detail to include 3 State Highway Patrol (SHP) officers of his choosing.
11. Directs the Program Evaluation Division to study VIPER and First Net technology in 2017-2018. The Program Evaluation Division is required to submit an evaluation of its finding regarding the current state of VIPER and FirstNet technology, the services provided, necessary upgrades and the most effective way to govern and finance both systems.

12. Establishes September 11 as a state holiday called "First Responders Day."
13. Provides that the SHP is an eligible PSAP for purposes of applying to the 911 Board for a grant from the PSAP Grant and Statewide 911 Project Accounts.
14. Permits the North Carolina State Troopers Association to use all trademarks held by DPS that identify the SHP. Use is limited to purposes that support the SHP, its employees and family members.
15. Provides SHP security detail for the Speaker and President Pro Tempore for state business. Requests for a detail must be made at least 48 hours in advance.
16. Expands State Bureau of Investigation (SBI) Jurisdiction to include investigations of human trafficking, and weapons of mass destruction. Also establishes the State Capitol Police as a separate division under DPS.
17. Specifies that Alcohol Law Enforcement (ALE) is a separate and discrete component of the SBI and mandates that ALE's funds under budget codes 14550 fund code 1401 not be transferred.
18. Requires DPS to consult with local governments where a DPS closed facility is located, local and state elected officials, and state and federal agencies about conversion possibilities. DPS may consult with private or not-for-profit firms about conversion as well. DPS also may consider converting the facility to another security level.
19. Authorizes DPS to use available funds to reimburse counties for the cost of housing inmates, parolees, and post-release supervisees awaiting transfer to State prison system.
20. Allows DPS to continue to contract with The Center for Community Transitions, Inc. for prison beds for female inmates.
21. Provides that the State Construction Office may utilize inmates in custody of DPS through Inmate Construction Program for repair and renovation projects on State-owned facilities, with priority given to DPS construction projects. Agencies shall reimburse DPS for cost of transportation, custody, and wages for the crews.
22. Directs the Statewide Misdemeanant Confinement Program to report statistics related to number and cost of housing misdemeanants. The report is by the Sheriff's Association. Allocates \$225k to Adult Corrections for administrative and operating costs for the Program.
23. Requires DPS to recover equipment and state resources from the Western Youth Facility. In addition, DPS shall generate a report about the salvaged assets.
24. Eliminates an obsolete pilot program regarding sexual assault in prison.
25. Provides for the Department of Transportation (DOT) to have first offer contracts on highway Litter Crews. DOT shall first offer contracts upon the same terms and conditions as the most favorable bid received by DOT.
26. Directs the Secretary of DPS to establish the State Reentry Council Collaborative (SRCC).

27. Allows fees collected for the Interstate Compact Fund during the 2017-2019 biennium to be used by Adult Corrections to provide training and make equipment purchases.
28. Mandates DPS in collaboration with DHHS to study the feasibility of the State acquiring and implementing an inmate health information exchange program.
29. Requires DPS to submit a report detailing: 1) the total number of permanent nursing positions allocated to the Department, the number filled, the number vacant over 6 months, location of filled and vacant positions, 2) extent to which temporary contract services are being used to staff vacant nursing positions, method for funding contract services, cost differences, 3) other information the Secretary deems relevant. The purpose of the report is to ascertain how to better recruit and retain nurses in DPS.
30. Requires DPS Division of Adult Correction to report on: 1) the number of Division employees charged with the commission of criminal offense committed in a State prison during the employees work hours, 2) the number of employees disciplined, 3) the hiring and screening process, 4) the average number of days between assignment of a correctional officer to a prison and completion of Correctional Officer Basic Training, and 5) methods used to prevent the delivery of contraband.
31. Extends Reentry Council Contracts by allowing DPS to use existing Treatment for Effective Community Supervision funds to continue support for Local Reentry Councils in the following five areas: 1) Hoke/Scotland/Robeson, 2) Nash/Edgecombe/Wilson, 3) Pitt, 4) Buncombe and 5) Mecklenburg.
32. Mandates DPS to study the feasibility of closing the Lincoln Correctional Center and report findings to the Joint Legislative Oversight Committee on Justice and Public Safety by March 1, 2018.
33. Limits use of Community Program Funds to programs that provide level 2 intermediate dispositional alternatives for juveniles.
34. Authorizes DPS to use funds appropriated as matching funds for the Juvenile Accountability Incentive Block Grants.
35. Requires DPS to submit a list of the recipients of grants awarded or preapproved for award to the Department for local Juvenile Crime Prevention Council grants.
36. Increases to 18 years the age at which an offender will be prosecuted as an adult for crimes at the Class H or I felony, misdemeanor or infraction level, to exclude violations of motor vehicle laws.
37. Requires a juvenile court counselor to notify the complainant and the victim immediately in writing of a decision not to file a petition, and provide specific reasons for determination made.
38. Allows a juvenile court counselor to share with a law enforcement officer (LEO) information from the juvenile court counselor's record related to a juvenile's delinquency record or prior consultations with law enforcement.
39. Prescribes policies and procedures for chief district court judges to establish school-justice partnerships with local law enforcement agencies, local boards of education and local school administrative units with the goal of reducing in-school arrests, out-of-school suspensions, and expulsions.

40. Provides for increased training for LEOs in dealing with juvenile justice issues.
41. Provides that a juvenile involved in gang activity shall receive a disposition one level higher than would otherwise be provided for the class of offense and delinquency history level.
42. Establishes a 21-member advisory board to develop a specific plan for the implementation of any changes in the juvenile justice system that would be required in order to extend jurisdiction in delinquency matters and proceedings to include 16- and 17-year-old persons in the juvenile justice system. The board would produce a report by March 1, 2018 with findings.
43. Amends Article 6 of Chapter 166A to reflect the the name change of Search and Rescue teams by eliminating all references to the word “urban” and replacing that term with “North Carolina.” Requires Secretary to adopt rules establishing a program of search and rescue that relies on memorandums of understanding and memorandums of agreement with contract response teams.
44. Establishes pay plan reserve funds for allocation, on an as-needed basis only, to fund statutory and scheduled pay expenses, including the State Highway Patrol step increase as authorized by G.S. 20-187.3

### **Next Steps**

Having passed both chambers, the budget was ratified and sent to Governor Roy Cooper for approval on Thursday June 22. The Governor has ten days to sign or veto the budget. If the Governor takes no action on the budget within that timeframe, it becomes law.

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