INVESTMENTS for a Determined North Carolina

Governor Roy Cooper’s
FY 2019-21 Budget Recommendations
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Budget Recommendations
Snapshot of North Carolina’s Economy

**Total Labor Force: 4.98 million**
- Total employed: 4.8 million
- Unemployment Rate: 3.6% (lowest level since 2000)

**Total State GDP: $569B (2.8% of U.S.; ranked #10)**
- Manufacturing 18.6% of state GDP, 10.5% of employment

**2017 Annual Wages: $34,750 median (ranked #36 highest) & $46,080 mean**
- Lowest to Highest Median County Annual Wage:
  - $24,985 (Bertie) to $46,615 (Durham)

**Largest Private Employers (2018 Q1)**
1. Walmart
2. Duke University
3. Food Lion
11. Smithfield Foods, Inc. (Largest Manufacturer)

Sources: December 2018, Bureau of Labor Statistics; 2017 Annual Average, Bureau of Economic Analysis; NC LEAD
State Employment Gains Concentrated in Major Metro Areas
Change in Nonfarm Payroll Employment by Metropolitan Area

Data Source: US Department of Commerce (Bureau of Labor Statistics)
Population Trends

- State population expected to exceed 10.6 million in 2020, and reach 10.8 million by 2021
- Growing by 334 people per day
  - Adding population the size of Winston-Salem during the biennium
- Ranked only behind Florida and Texas in net domestic migrants
- By 2030, 1 in 5 North Carolinians will be age 65+
- By 2035, the older population (65+) will exceed childhood population (<18)
- Between 2019-2029,
  - Older adult population (65+) will increase by 584,000
  - Childhood population (<18) will increase by 103,000
Population Trends

- Fewer counties experiencing population declines than earlier in the decade.
- Aside from Robeson, all of the largest counties (population > 100,000 in 2010) experienced population growth from 2010-2017.

Year-to-Year Population Change, 2010 - 2017

Sources and Uses of State Budget in FY 2018-19

52% Personal Income: $12.7B

31% Sales & Use: $7.6B

6% Corporate & Franchise: $1.4B

5% Other Tax: $1.3B

4% Non-Tax & Transfers: $0.9B

3% Availability from Prior Year: $0.6B

General Fund Availability: $24.6B

Education: $13.8B 56%

Medicaid: $3.8B 16%

Justice & Public Safety: $2.8B 11%

DHHS (excl. Medicaid): $1.5B 6%

Other: $1.3B 5%

Debt Service: $0.7B 3%

Unappropriated: $0.6B 3%

Previously Enacted Major Tax Changes Effective 1/1/19

• Individual income tax rate reduced from 5.499% to 5.25%
• Standard deduction will increase from $17,500 to $20,000 (MFJ)
• Corporate income tax rate reduced from 3.0% to 2.5%
• Estimated impact of -$410M in FY 2018-19 and -$1.02B in FY 2019-20

Wayfair Decision

• U.S. Supreme Court decision on collections of sales tax from out-of-state sellers
• Estimated sales tax revenue increase of at least $100M in FY 2018-19 and more in FY 2019-20

Base Budget

• Phased class-size reduction, additional NC Pre-K slots, and Opportunity Scholarships will increase base budget by $80M each year of biennium
Combined Effect of Major Revenue Changes Enacted Since 2013 to Reduce Annual Revenues by More Than $4 Billion by FY 2020-21

Estimates Provisional and Subject to Change -- Amounts in Millions

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<tbody>
<tr>
<td>-$0.8B</td>
<td>-$1.0B</td>
<td>-$1.2B</td>
<td>-$1.9B</td>
<td>-$2.6B</td>
<td>-$3.2B</td>
<td>-$4.0B</td>
<td>-$4.2B</td>
</tr>
</tbody>
</table>

Revenues approximately 14% lower in FY 2020-21 due to revenue changes

Sources: NC Fiscal Research Division & NC OSBM. Impacts resulting from income tax changes based on OSBM estimates. Impacts of sales tax changes and other changes based on original estimates by FRD and extrapolations of those estimates. All impacts are measured relative to a baseline of 2013 state tax law and thus exclude revenue changes resulting from sunset provisions.
Governor’s Vision and Guiding Principles

Continue advancing a vision of a North Carolina that is:

• Better educated
• Healthier
• Keeping more money in people’s pockets
• Conducive to living abundant, purposeful lives

While:

• Not borrowing from special funds
• Making a substantial investment to the Savings Reserve
• Proposing a comprehensive two-year budget
• Halting the continued erosion of General Fund operating availability
Governor’s Budget Priorities

With this in mind, we must work together to:

• Expand access to quality health care and assist rural hospitals in keeping their doors open by becoming the 38th state to expand Medicaid

• Treat and pay our teachers and other educators like the professionals they are
  • Being 37th in teacher pay is not good enough

• Improve school safety and youth mental health by providing local school districts flexible funding to hire more nurses, counselors, psychologists, social workers, and school resource officers

• Revitalize our rural communities by investing in infrastructure, broadband connectivity, and housing programs

• Ensure all North Carolinians have clean water and air
## Budget Recommendations

### Budget Availability

<table>
<thead>
<tr>
<th></th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unappropriated Balance from Prior Fiscal Year</td>
<td>645,592,679</td>
<td>74,925,982</td>
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<tr>
<td>Over Collection of Revenues FY 2018-19</td>
<td>150,800,000</td>
<td>-</td>
</tr>
<tr>
<td>Reversions (estimated)</td>
<td>275,000,000</td>
<td>-</td>
</tr>
<tr>
<td>Transfers to Reserves</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Savings Reserve (above statutory requirement)</td>
<td>(119,607,840)</td>
<td>-</td>
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<tr>
<td>Capital Improvements Projects Reserve</td>
<td>(200,000,000)</td>
<td>-</td>
</tr>
<tr>
<td>Repairs and Renovations Reserve</td>
<td>(50,000,000)</td>
<td>-</td>
</tr>
<tr>
<td>Retiree Healthcare Reserve (OPEB Liability)</td>
<td>(50,000,000)</td>
<td>-</td>
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<tr>
<td>Information Technology Reserve</td>
<td></td>
<td></td>
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<tr>
<td>Community Colleges System Modernization</td>
<td>(15,000,000)</td>
<td>-</td>
</tr>
<tr>
<td>Public Schools Business Systems Modernization</td>
<td>(20,000,000)</td>
<td>-</td>
</tr>
<tr>
<td>Financial Backbone ERP</td>
<td>(10,000,000)</td>
<td>-</td>
</tr>
<tr>
<td>Law Enforcement/VIPER</td>
<td>(15,000,000)</td>
<td>-</td>
</tr>
<tr>
<td>Court System</td>
<td>(15,000,000)</td>
<td>-</td>
</tr>
<tr>
<td>State Emergency Response and Disaster Relief Fund</td>
<td>(10,000,000)</td>
<td>-</td>
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<tr>
<td><strong>Beginning Unreserved Fund Balance</strong></td>
<td><strong>566,784,839</strong></td>
<td><strong>74,925,982</strong></td>
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### Base Revenue Forecast

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<thead>
<tr>
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<tbody>
<tr>
<td><strong>Base Revenue Forecast</strong></td>
<td><strong>24,814,100,000</strong></td>
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### Budget Recommendations

#### Additional Recommendations

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remove Sunset on Historic Preservation Credit</td>
<td>(500,000)</td>
<td>(9,000,000)</td>
</tr>
<tr>
<td>Prepaid Health Plans Insurance Tax Revenues</td>
<td>13,200,000</td>
<td>201,500,000</td>
</tr>
<tr>
<td>Prepaid Health Plans Insurance Tax Revenues from Medicaid Expansion</td>
<td>3,300,000</td>
<td>74,900,000</td>
</tr>
<tr>
<td>Transfer to Savings Reserve (per G.S. 143C-4-2)</td>
<td>(106,000,000)</td>
<td>(185,800,000)</td>
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<tr>
<td>Transfer to Golden LEAF</td>
<td>(5,000,000)</td>
<td>(5,000,000)</td>
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<tr>
<td>Treasurer and Insurance Nontax Transfers</td>
<td>2,127,367</td>
<td>3,014,005</td>
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<tr>
<td><strong>Total Budget Availability</strong></td>
<td><strong>25,288,012,206</strong></td>
<td><strong>25,955,939,987</strong></td>
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#### Recommended Appropriations

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
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<tbody>
<tr>
<td>Base Budget</td>
<td>23,903,360,444</td>
<td>23,984,546,381</td>
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**Must Do’s**

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public School Enrollment</td>
<td>22,000,000</td>
<td>44,000,000</td>
</tr>
<tr>
<td>UNC Enrollment, NC Promise, Independent Colleges</td>
<td>37,000,000</td>
<td>77,600,000</td>
</tr>
<tr>
<td>Medicaid Rebase Adjustment</td>
<td>81,819,538</td>
<td>283,838,752</td>
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<tr>
<td>State Health Plan - Retirees</td>
<td>30,538,531</td>
<td>61,077,063</td>
</tr>
<tr>
<td>State Health Plan - Active Employees</td>
<td>60,768,363</td>
<td>123,769,031</td>
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<tr>
<td>Retirement Systems Actuarial Requirements</td>
<td>102,652,925</td>
<td>248,221,474</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td><strong>334,779,357</strong></td>
<td><strong>838,506,320</strong></td>
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# Budget Recommendations

## Supporting NC’s Human Capital

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Teacher, Principal, &amp; Assistant Principal Pay Increases</td>
<td>209,749,351</td>
<td>390,024,270</td>
</tr>
<tr>
<td>Restore Master’s Teacher Pay</td>
<td>6,800,000</td>
<td>6,800,000</td>
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<tr>
<td>Eliminate Requirement that Teachers Pay for Substitutes</td>
<td>6,500,000</td>
<td>6,500,000</td>
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<tr>
<td>State Employee Pay Increases (Greater of $500 or 1.5% each year)</td>
<td>135,714,904</td>
<td>273,800,577</td>
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<tr>
<td>Additional $500 Recurring Public School Noncertified Personnel</td>
<td>28,065,163</td>
<td>28,065,163</td>
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<tr>
<td>Additional $500 Recurring LEOs and Institution-based Employees</td>
<td>17,837,586</td>
<td>17,837,586</td>
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<tr>
<td>Salary Adjustment Fund</td>
<td>20,000,000</td>
<td>20,000,000</td>
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<tr>
<td>Retirees One-Time 2% Cost of Living Adjustment</td>
<td>74,725,058</td>
<td>-</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td>499,392,062</td>
<td>743,027,596</td>
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## Helping People Live Healthy, Productive Lives

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Savings from Medicaid Expansion</td>
<td>(30,700,000)</td>
<td>(69,300,000)</td>
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</tbody>
</table>

## Making NC a Top Ten Educated State by 2025

<table>
<thead>
<tr>
<th>Description</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Schools</td>
<td>116,339,207</td>
<td>71,796,414</td>
</tr>
<tr>
<td>Community Colleges</td>
<td>14,930,977</td>
<td>15,049,184</td>
</tr>
<tr>
<td>University System</td>
<td>27,265,207</td>
<td>40,328,414</td>
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<tr>
<td>Opportunity Scholarships - No New Scholarships</td>
<td>(61,675,000)</td>
<td>(44,093,750)</td>
</tr>
<tr>
<td>Invest NC Bond ($3.9B General Obligation Bond - November 2020)</td>
<td>-</td>
<td>-</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td>96,860,391</td>
<td>83,080,262</td>
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### Budget Recommendations

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
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<tbody>
<tr>
<td><strong>Strengthening our Economy</strong></td>
<td></td>
<td></td>
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<tr>
<td>Rural Rise Grant Program</td>
<td>5,000,000</td>
<td>10,000,000</td>
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<tr>
<td>Rural Infrastructure Investments</td>
<td>82,836,450</td>
<td>-</td>
</tr>
<tr>
<td>Housing Trust Fund/Workforce Housing Loan Program</td>
<td>22,340,000</td>
<td>2,340,000</td>
</tr>
<tr>
<td>Broadband &amp; Homework Gap</td>
<td>35,000,000</td>
<td>-</td>
</tr>
<tr>
<td>NC Job Ready Fund</td>
<td>(30,000,000)</td>
<td>(65,000,000)</td>
</tr>
<tr>
<td>NC GROW, Finish Line Grants, Work-based Learning</td>
<td>30,000,000</td>
<td>65,000,000</td>
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<tr>
<td><strong>Subtotal</strong></td>
<td>145,176,450</td>
<td>12,340,000</td>
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<tr>
<td><strong>Keeping Communities Safe</strong></td>
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</tr>
<tr>
<td></td>
<td>61,958,640</td>
<td>62,112,694</td>
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<tr>
<td><strong>Preserving &amp; Growing Environmental, Agricultural, and Cultural Resources</strong></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>60,468,600</td>
<td>36,847,528</td>
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<tr>
<td><strong>Modernizing Core Government Services (includes debt service)</strong></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>34,229,357</td>
<td>45,392,177</td>
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<tr>
<td><strong>Total Expansion Recommendations</strong></td>
<td>1,309,725,780</td>
<td>1,971,393,606</td>
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<tr>
<td><strong>Total Recommended Budget</strong></td>
<td>25,213,086,224</td>
<td>25,955,939,987</td>
</tr>
<tr>
<td><strong>Balance</strong></td>
<td>74,925,982</td>
<td>-</td>
</tr>
<tr>
<td><strong>Percent Growth from Prior Year</strong></td>
<td>5.4%</td>
<td>2.9%</td>
</tr>
<tr>
<td><strong>Percent Growth in Recurring Budget from Prior Year</strong></td>
<td>4.3%</td>
<td>2.8%</td>
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Supporting NC’s Human Capital
Supporting NC’s Human Capital

**Teacher Pay Best in the Southeast in 4 Years** ($199M in FY19-20, $370M in FY20-21)
- Restore Master’s Teacher Pay ($6.8M)
- Eliminate requirement that teachers pay for substitutes ($6.5M)

**Valuing our Dedicated State Employees**
- Greater of $500 or 1.5% cost of living adjustment each year ($136M in FY19-20, $274M in FY20-21)
- Additional $500 recurring for non-certified public school personnel ($28M)
- Additional $500 recurring for LEOs and institution-based employees ($18M)

**Fully funds the State’s retirement systems actuarial requirements & State Health Plan Premiums** ($195M in FY19-20, $434M in FY20-21)
Includes a 2% one-time retiree cost of living adjustment ($75M)
Helping People Live Healthy, Productive Lives
Expand and Transform Medicaid

• Close the health coverage gap by expanding Medicaid to cover 626,000 additional individuals (estimated 500,000 in first year)
  • Inject $5B in direct spending into the state
  • Create 30,000-40,000 new jobs, bolster rural hospitals, and improve access to quality healthcare
  • No state funds will be needed to cover non-federal share

• Transform Medicaid and Health Choice from fee-for-service to managed care by leveraging $268M of the Medicaid Transformation Reserve
Quality Early Childhood Pre-Kindergarten Services

• Funds 3,200 additional Pre-K slots and assists providers in building capacity to maximize utilization of existing slots

• Includes $15M for the Smart Start Program (10% increase) to expand services that prepare children for success

• Increases reimbursement rate to enhance access

Supporting Abused and Neglected Children

• Adds $1.1M to improve child welfare training

• Recommends $3M to expand evidence-based family preservation services
Fighting the Opioid Epidemic through Expanded Treatment and Recovery Services

• Directs $15M of Medicaid funding to expand treatment and services for individuals with Opioid Use Disorders

Helping People with Disabilities Live, Work, and Learn in Their Home Communities

• Invests $1M in state-of-the-art adaptive equipment and assistive technologies to help those with disabilities live, work, and learn in their home communities

Healthier Families

• Grants for local Food Banks ($1M)
Making NC a Top 10 Educated State by 2025
Raising Teacher Pay to Best in Southeast

Invests nearly $199M in FY19-20 and $370M in FY20-21 to raise teacher salaries

• Total average increase of 9.1% over the biennium

• Eliminates salary plateau for experienced teachers

Provides funding for recruiting and retaining teachers ($10M)
Principal and Assistant Principal Pay

• Provides more than $10.6M in FY 2019-20 and more than $20.4M in FY 2020-21 to assistant principal and principal salaries

• Creates a new principal schedule based on principal experience and school size
  • Adds a supplement for schools with more than 1,800 students
Invests $87M in School Safety, Youth Mental Health, and Classroom Instruction

• Adds flexible funding for school districts to hire more nurses, counselors, psychologists, social workers, and school resource officers ($40M)

• Provides funds for building improvements, equipment, communication systems, and training to improve security ($15M)

• Invests additional funds for textbooks, instructional supplies, and digital resources ($29M)

• Allocates funds to expand opportunities for academically gifted students from under-represented populations ($3M)
Statewide Regional Support Model
• Provides funds to build out a Regional Support Model across the state to support LEAs ($4.7M)

Child Nutrition Reduced Price Meals
• Eliminates student co-pay for Child Nutrition reduced-price meals, providing free meals for up to an additional 115,000 students ($5M)
Helping Students Complete Their Degrees on Time

- Invests $25 million in the UNC system to improve graduation rates and reduce time-to-degree by providing state funding support for summer enrollments and an additional $5 million to fund summer scholarships.
- Establishes a scholarship program to encourage students to complete an associate degree at a community college before transferring to a UNC institution ($2.6M).
- Provides funds for short-term workforce training programs ($11M).

Expands access to Teaching Fellows Program ($4M)
Strengthening our Rural Communities and Developing our Workforce
Specifically designed to target the state’s 80 most economically distressed counties

• Rural Investments Strengthening Economics (RISE)- Offers competitive grants for rural communities to recruit new businesses or offset costs of relocating businesses ($5M in FY2019-20 and $10M in FY2020-21)

• Grants for rural development projects in the 8 prosperity zones ($8M, $1M/zone)

• Support onsite infrastructure preparation for publicly-owned rural industrial sites ($5M)

• Bolster local government capacity ($2M)
Rural Revitalization Initiative

• Invests in local transformational projects ($28M)
  • Marine Industrial Park in Perquimans County
  • The Rock Speedway and Entertainment Complex
  • Lenoir County & City of Kinston

• Locally identified rural economic development projects ($26M)
  • Historic building rehabilitation
  • Streetscape and other beautification projects
  • Public infrastructure improvements
  • Will require $1 non-state match for every $4 of state funds
Strengthening our Economy

Broadband Connectivity

• Increases access and improves service to underserved households, businesses, and community anchor institutions through last mile projects ($30M)

• Provides mobile hotspots or other devices to students or teachers without home internet access to help close the State’s homework gap ($5M)

Affordable Housing

• Assists with developing more safe and affordable housing units for low and moderate-income citizens ($22M)

• Supports the Rural Neighborhood Revitalization Program which provides money to promote neighborhood sustainability, resiliency, revitalization, and equitable access to housing ($6.5M)
Business Recruitment and Development

• Marketing for tourism, business, and agriculture ($4M)
• Funds the One NC Small Business grant program to match federal awards for technology development grants ($2M)
• Assists transitioning to a knowledge and innovation-based economy through the Community Innovation Fund, a competitive grant program for rural, small and medium-sized communities ($1M)
Strengthening our Economy

- Creates the NC Grow Scholarship ($45M over biennium)
  - Provides tuition and fees for curriculum students enrolled in high-demand fields with competitive wages
  - Provides funding for students who enroll in non-credit, short-term workforce training programs that lead to an industry credential
- Provides $1,000 Finish Line Grants to assist students close to graduating but encountering financial emergencies through no fault of their own ($15M)
- Assists employers in providing work-based learning opportunities to enhance their talent pipeline ($10M)
Modernizing North Carolina through Investments in Information Technology and Infrastructure
Upgrading Technology and Enhancing Cybersecurity

$75M to a new IT Reserve Fund to upgrade several core business, reporting, and communications systems

• $20M for Department of Public Instruction’s Business Systems ERP Modernization
• $15M for Community Colleges ERP System Enhancements
• $15M for Voice Interoperability Plan for Emergency Responders (VIPER)
• $15M for Judicial Branch’s Integrated Case Management System (eCourts)
• $10M for Office of State Controller’s Financial Backbone ERP

$1.5M to protect North Carolina against cyberattacks
Currently, statewide capital and infrastructure needs are conservatively estimated to exceed $30 billion statewide, including:

• $8B for public school facilities (40% of school buildings statewide are greater than 50 years old)

• $17B in water and sewer needs based on 2015 EPA study

• $6B in repairs and renovations for UNC system and state government buildings
Investing in our Infrastructure

Invest NC Bond

Places a $3.9 billion General Obligation Bond on the November 2020 ballot to ask voters to address key infrastructure needs across the State. Investments would include:

- $2 billion for public schools
- $800 million for water and sewer
- $500 million for the UNC System
- $500 million for the Community Colleges System
- $100 million for the Museum of History and Zoo
Strategic State Agency Investments

Authorizes $288 million in Limited Obligation Bonds to address immediate needs, including:

• $258 million to relocate the Department of Health and Human Services from Dorothea Dix Park
• $30 million to renovate and expand the Reedy Creek Lab, to better detect and identify pollutants and to protect water, soil, and air
Impact on Debt Affordability

- Assumes $3.9 billion in General Obligation Bonds on the November 2020 ballot and a beginning issuance date starting July 2021.
- All debt issued based on cash flow needs of projects
- Interest rate for all bonds is assumed to be 5.75% (Current AAA General Obligation Bond Yield at 2.88%)
- Bonds will be repaid over 20 years
Keeping Communities Safe
Building Capacity to Implement Raise the Age

• Invests to increase staff, court services, facilities, and transportation, and establishes focused programming for the 16- and 17-year-olds who will enter the system ($26M in FY19-20 and $35.7M in FY20-21)

• Enables the Judicial Branch to handle the increased juvenile caseload ($1.2M in FY19-20 and $1.6M in FY20-21)

Providing Effective Legal Services

• Ensures the Department of Justice can deliver effective legal representation on complex criminal appellate cases and provide legal advice and technical assistance to local law enforcement and district attorneys ($750K)
Creating a Safe Environment for Correctional Staff

• Improves workplace safety through facility fortification and security for corrections staff by providing additional training, enhanced surveillance and detection tools, and updated technologies ($12M)

Ensuring Law Enforcement Sustainability

• Provides the State Highway Patrol funds to address the increased enrollment in the Basic Schools cadet training program ($2M)
• Provides $800,000 to the State Bureau of Investigation
• Implements the Criminal Justice Fellows Program ($660,000)
Increasing Capacity for Evidence Testing

• Provides funding to analyze 15,000 untested sexual assault evidence collection kits ($6M over the biennium)

Improving Disaster Response and Recovery

• Maintains national standards for deployment readiness in the event of a disaster by supplementing statewide Search and Rescue teams for training and equipment maintenance ($1.5M)

• Includes $250,000 for the North Carolina 2-1-1 network to provide information and assistance in the event of a disaster or emergency
Preserving & Growing Environmental, Agricultural, and Cultural Resources
Protecting Our Water Supply

• Funding to support the identification and regulation of emerging compounds ($6.4M)

• Provides state matching funds to leverage an additional $14M in federal funds for water infrastructure projects ($3.5M)

Safeguarding Our Natural Resources

• Provides $11.8 million for Clean Water Management Trust Fund and $8.8 million for Parks and Recreation Trust Fund

• Provides funds for the creation of the Wildlife Enhancement and Stewardship Fund to address invasive species removal and native plant restoration ($2.5M)
Helping Clean Energy and Green Businesses Grow ($1.5M)

- Study North Carolina’s potential to host offshore wind operations and associated jobs
- Supports university energy centers providing technical assistance on the use of clean energy and enabling technologies
- Expands the Environmental Stewardship Initiative

- Provides funds to help communities and schools grow and improve through arts and recreation ($3M)
Making Government More Effective, Efficient, and Responsive

- Provides funds for grants to state agencies for rigorous, independent evaluations of program effectiveness and results ($1M)

- Includes funds to build capacity across state government for evidence-based, data-driven decisions ($4M)

Making Every North Carolinian Count in the 2020 Census ($1.5M)
Supporting Veterans and Military Families

- Provides additional funding for scholarships for veterans and their children ($2.4M)
- Earmarks funding in the Department of Information Technology (DIT)'s budget to automate DMVA's review of applications, upgrade DMVA's case management system, and expand DIT's Veteran Cyber Apprenticeship Program
With this in mind, we must work together to:

• Expand access to quality health care and assist rural hospitals in keeping their doors open by becoming the 38\textsuperscript{th} state to expand Medicaid

• Treat and pay our teachers and other educators like the professionals they are
  • Being 37\textsuperscript{th} in teacher pay is not good enough

• Improve school safety and youth mental health by providing local school districts flexible funding to hire more nurses, counselors, psychologists, social workers, and school resource officers

• Revitalize our rural communities by investing in infrastructure, broadband connectivity, and housing programs

• Ensure all North Carolinians have clean water and air
Governor Roy Cooper’s
FY 2019-21 Budget Recommendations