

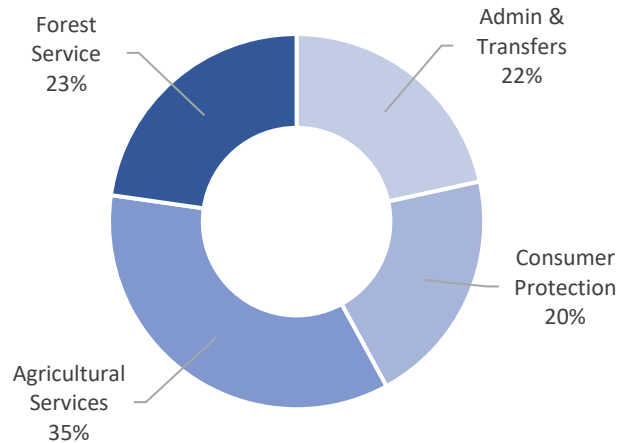
Mission

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 North Carolinians.
3. Protect public health, safety, and welfare; preserve environmental quality by monitoring and managing risks associated with agricultural production and marketing; and prevent fraud, deception, and unfair business practices for activities within regulatory scope.
4. Promote North Carolina agriculture and agribusiness by creating positive entertainment and educational experiences and fostering economic opportunities through the management and operation of available state facilities.
5. Provide services and support that help the Department achieve its mission and vision.

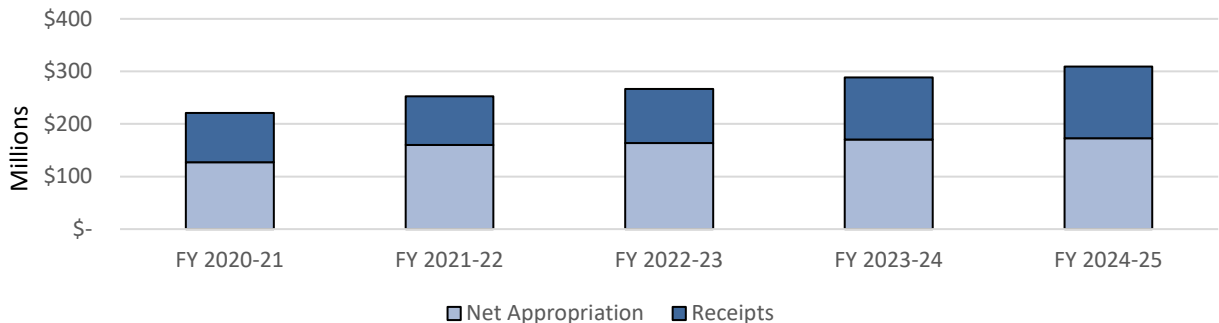
FY 2024-25 Actual Expenditures*



Agency Profile

- Markets and promotes North Carolina agriculture within the state, domestically, and abroad.
- Provides regulatory oversight for animal health, weights and measures, gas and oil inspection, food, drug and cosmetic testing, seed and fertilizer, structural pest control, and pesticides.
- Distributed 2,811,263 cases of food to schools, food banks, and other partners totaling over 75 million pounds in FY 2024-25.
- Responded to and suppressed 5,579 wildfires on 34,032 acres in the state.
- The Agricultural Development and Farmland Preservation Trust Fund has preserved over 40,000 acres of farmland and forestland across the state through conservation easements.

5-Year Historical Expenditures*



*Charts include General Fund budget code only

Agriculture and Consumer Services - General Fund (13700)

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 270,201,487	\$ 2,758,841	\$ 567,612	\$ 3,326,453	\$ 273,527,940	1.2 %
Receipts	\$ 93,169,654	\$ -	\$ -	\$ -	\$ 93,169,654	0.0 %
Net Appropriation	\$ 177,031,833	\$ 2,758,841	\$ 567,612	\$ 3,326,453	\$ 180,358,286	1.9 %
Positions (FTE)	1,826.021	-	-	-	1,826.021	0.0 %

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 268,701,487	\$ 16,252,228	\$ 18,258,424	\$ 34,510,652	\$ 303,212,139	12.8 %
Receipts	\$ 93,169,654	\$ 557,519	\$ 11,860,812	\$ 12,418,331	\$ 105,587,985	13.3 %
Net Appropriation	\$ 175,531,833	\$ 15,694,709	\$ 6,397,612	\$ 22,092,321	\$ 197,624,154	12.6 %
Positions (FTE)	1,826.021	8.700	-	8.700	1,834.721	0.5 %

	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 2.5% in each fiscal year to help address inflationary pressures. State employees have not gotten a raise since July 1, 2024.

Req \$	2,588,000	\$ -	\$ 5,176,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	2,588,000	\$ -	\$ 5,176,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 State Employee Bonus

Provides a \$1,000 bonus for all state employees and local education employees regardless of funding source, and an additional \$500 bonus to employees with an annual salary of less than \$75,000. This bonus is in addition to the recurring salary increase.

Req \$	-	\$ -	\$ -	\$ 3,198,000
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ -	\$ 3,198,000
FTE	0.000	0.000	0.000	0.000

3 State Health Plan Contributions

Provides funding for a 5% increase in employer premiums for enrolled active employees that the General Fund supports in FY 2026-27, for a total employer contribution of \$8,925 per employee. This proposal also provides funding for the State's General Fund contribution to medical rate increases for members of the State's retirement systems.

Req \$	-	\$ -	\$ 865,592	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ 865,592	\$ -
FTE	0.000	0.000	0.000	0.000

4 Retiree Supplement

Provides a 2.5% one-time retiree supplement in each fiscal year for more than 258,000 retired members and survivors of deceased members.

Req \$	-	\$ 567,612	\$ -	\$ 567,612
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 567,612	\$ -	\$ 567,612
FTE	0.000	0.000	0.000	0.000

5 Law Enforcement Officer Salary Increase

Provides funding for a 10% compensation increase in the first year of the biennium and a 5% increase in the second year of the biennium for all state law enforcement officers, for a total increase of 15%. Strengthening compensation will help agencies compete for qualified applicants, reduce turnover, and ensure safe, effective staffing levels across our communities. With no raise since July 1, 2024, state law enforcement salaries now rank among the lowest nationally, highlighting the need to restore competitiveness.

Req \$	170,841	\$ -	\$ 256,262	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	170,841	\$ -	\$ 256,262	\$ -
FTE	0.000	0.000	0.000	0.000

Department-wide

6 Vacant Position Reductions

Eliminates funding for positions that have been vacant for three years or more. The department shall abolish these positions.

Req \$	-	\$ -	\$ (56,704)	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ (56,704)	\$ -
FTE	0.000	0.000	(1.300)	0.000

	R Changes	NR Changes	R Changes	NR Changes
Department-wide				
7 IT and Cybersecurity Solutions				
Addresses the department's cybersecurity and IT funding shortfall. The funds offset rising costs for enterprise IT solutions that have created a recent deficit in the department's IT budget.	Req \$	- \$	- \$	764,025 \$
	Rec \$	- \$	- \$	- \$
	App \$	- \$	- \$	764,025 \$
	FTE	0.000	0.000	0.000
8 Motor Fleet Rate Increase				
Provides funding to support the increase in Motor Fleet Management rates effective July 1, 2025. The department currently operates 171 motor fleet vehicles that are essential for carrying out the statewide responsibilities of the Food and Drug, Forestry, Meat and Poultry, Soil and Water, and Veterinary Divisions. Motor fleet rates had not been updated since January 1, 2018.	Req \$	- \$	- \$	350,000 \$
	Rec \$	- \$	- \$	- \$
	App \$	- \$	- \$	350,000 \$
	FTE	0.000	0.000	0.000
North Carolina Forest Service				
9 Emergency Response Equipment Replacement				
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 more than 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 FY 2024-25, there were more than 5,000 wildfires statewide. These investments will reduce the likelihood of catastrophic wildfires.	Req \$	- \$	- \$	1,000,000 \$
	Rec \$	- \$	- \$	- \$
	App \$	- \$	- \$	1,000,000 \$
	FTE	0.000	0.000	0.000
10 Emergency Response On-Call and Overtime				
Provides funds to pay NCFS staff for overtime and on-call hours required for emergency response efforts. NCFS permanent employees worked more than 165,000 hours of overtime and were on call for close to 423,000 hours related to wildfire suppression in FY 2024-25, at a cost close to \$3,970,000.	Req \$	- \$	- \$	500,000 \$
	Rec \$	- \$	- \$	- \$
	App \$	- \$	- \$	500,000 \$
	FTE	0.000	0.000	0.000
11 Aviation Operating Costs				
Provides operational support for the NCFS aviation fleet to protect the state's forestlands. Funding supports increased expenses for the division's 23 forest management aircraft, including insurance, fuel, repairs, and fire suppression tools. Aerial support for ground firefighters is critical for faster containment of fires and protection of land and homes. In FY 2024-25, 5,579 wildfires damaged more than 34,000 acres of land across the state.	Req \$	- \$	- \$	500,000 \$
	Rec \$	- \$	- \$	- \$
	App \$	- \$	- \$	500,000 \$
	FTE	0.000	0.000	0.000
12 NCFS Law Enforcement Supervisor				
Provides funds to add a Law Enforcement Supervisor to improve oversight and workload distribution of expanded NCFS responsibilities, including wildfire investigations, public land security, and timber theft enforcement. This position will enhance investigative response and support more efficient coordination of public safety operations on state forestlands.	Req \$	- \$	- \$	148,798 \$
	Rec \$	- \$	- \$	- \$
	App \$	- \$	- \$	148,798 \$
	FTE	0.000	0.000	1.000
13 NCFS Safety Officer				
Funds a second Safety Officer to strengthen the NCFS' statewide safety program. NCFS currently has only one Safety Officer responsible for more than 650 employees across 138 offices, limiting the ability to conduct safety reviews, investigations, and training. This position will support compliance with state and federal safety regulations and enhance accident prevention efforts through increased onsite evaluations and employee engagement.	Req \$	- \$	- \$	130,827 \$
	Rec \$	- \$	- \$	- \$
	App \$	- \$	- \$	130,827 \$
	FTE	0.000	0.000	1.000

R Changes NR Changes R Changes NR Changes

Farmland Preservation

14 Farmland Preservation

Invests in the Agricultural Development and Farmland Preservation Trust Fund (ADFPTF) to help preserve farmland statewide. ADFPTF has preserved 42,000 acres of agricultural and working lands since 2006, with current demand for assistance being nearly 20 times available funding. According to the American Farmland Trust, North Carolina ranks second in potential agricultural land lost and is projected to lose 1.2 million acres of farmland 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	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	5,000,000	\$	-
FTE	0.000		0.000		0.000		0.000

15 Federal Partnership Projects

Provides the required match to leverage two agricultural conservation easement agreements with US Department of War and US Department of Agriculture that conserve an additional 5,000 acres of military buffer zones and 2,000 acres of working land. Agricultural conservation in military buffer zones conserves natural resources and strengthens military strategic missions. These funds will leverage more than \$16 million of federal conservation funding already awarded to the state. This budgets receipts from the Federal Infrastructure Match Reserve and transfers funding to Budget Code 63701.

Req \$	-	\$	-	\$	-	\$	11,770,750
Rec \$	-	\$	-	\$	-	\$	11,770,750
App \$	-	\$	-	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

Food and Drug Protection

16 Food and Drug Protection Positions

Shifts funding for eight positions in the Food and Drug Protection Division from federal FDA and EPA grants to net appropriations. These positions perform critical activities to ensure food and feed safety in the state, including inspections, compliance activities, laboratory surveillance, and industry education. Federal grant support for these positions was significantly cut in the past year. State appropriated funds will maintain staff capacity, support preventive work, and protect North Carolina's food supply.

Req \$	-	\$	-	\$	670,000	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	670,000	\$	-
FTE	0.000		0.000		0.000		0.000

Food Distribution Division

17 Household Programs Administrator

Provides funds to add a Household Programs Administrator to manage the rapid growth in demand of USDA household feeding programs. The Commodity Supplemental Food Program has expanded from serving 1,100 seniors in one county to 15,000 seniors across 70 counties, while the Emergency Food Assistance Program food volume and product variety have increased significantly and require more ordering, monitoring, and reporting. This position is needed to maintain compliance, meet rising caseload demands, and ensure timely service to partner organizations and communities.

Req \$	-	\$	-	\$	84,288	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	84,288	\$	-
FTE	0.000		0.000		1.000		0.000

Marketing

18 Domestic Marketing and Got To Be NC

Provides funds to sustain the department's domestic marketing initiatives that connect North Carolina producers with buyers across retail, food service, and distribution channels. Inflation and rising operating costs have reduced the department's ability to maintain core marketing programs. This funding supports participation in key trade events, buyer engagement, producer education, and commodity promotion that benefit more than 80 agricultural sectors. Continued investment is essential to preserve market access and support growth in the state's agricultural industry.

Req \$	-	\$	-	\$	200,000	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	200,000	\$	-
FTE	0.000		0.000		0.000		0.000

R Changes NR Changes R Changes NR Changes

Soil and Water Conservation Division

19 Technical Training Staff

Invests in a position at the Division of Soil and Water Conservation 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 fewer than three years of experience. This position will address growing demand for technical training to improve statewide soil and water conservation goals.

Req \$	-	\$	-	\$	105,621	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	105,621	\$	-
FTE	0.000		0.000		1.000		0.000

Standards Division

20 Food Truck Inspection Program

Budgets receipts from the Department of Transportation's Highway Fund to establish a statewide food truck inspection program within the Standards Division. An estimated 3,700 active food trucks operating in North Carolina now require inspection of Liquid Petroleum gas containers under International Fire Code adopted by North Carolina in 2025. The funds will provide inspectors and a vehicle to perform mandated inspections to ensure compliance with safety standards.

Req \$	-	\$	-	\$	557,519	\$	90,062
Rec \$	-	\$	-	\$	557,519	\$	90,062
App \$	-	\$	-	\$	-	\$	-
FTE	0.000		0.000		6.000		0.000

Total Change to Requirements	\$	2,758,841	\$	567,612	\$	16,252,228	\$	18,258,424
Total Change to Receipts	\$	-	\$	-	\$	557,519	\$	11,860,812
Total Change to Net Appropriations	\$	2,758,841	\$	567,612	\$	15,694,709	\$	6,397,612
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		8.700		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			3,326,453	\$			22,092,321
Total Change to Full-Time Equivalent (FTE)				0.000				8.700

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

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

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 5,061,995	\$ 5,000,000	\$ 11,770,750	\$ 16,770,750	\$ 21,832,745	331.3%
Receipts	\$ 5,047,750	\$ 5,000,000	\$ 11,770,750	\$ 16,770,750	\$ 21,818,500	332.2%
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

Budgets the transfer from Budget Code 13700 for Farmland Preservation.

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

2 Transfer - Federal Partnership Projects

Budgets the transfer from Budget Code 13700 for Federal Partnership Projects.

Req \$	-	\$ -	\$ -	\$ 11,770,750
Rec \$	-	\$ -	\$ -	\$ 11,770,750
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$ -	\$ -	\$ 5,000,000	\$ 11,770,750
Total Change to Receipts	\$ -	\$ -	\$ 5,000,000	\$ 11,770,750
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

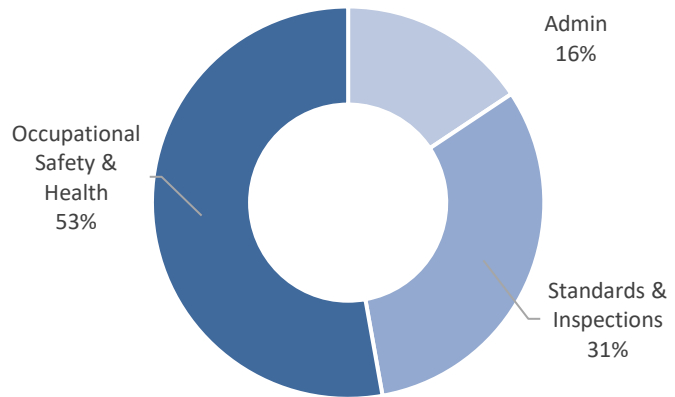
Mission

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.

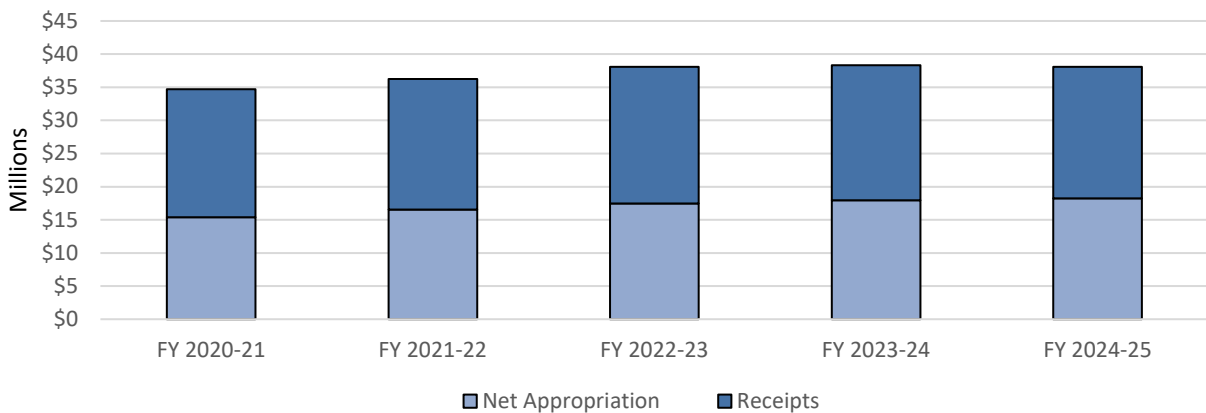
FY 2024-25 Actual Expenditures



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	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 45,742,128	\$ 559,000	\$ 120,684	\$ 679,684	\$ 46,421,812	1.5 %
Receipts	\$ 19,106,870	\$ -	\$ -	\$ -	\$ 19,106,870	0.0 %
Net Appropriation	\$ 26,635,258	\$ 559,000	\$ 120,684	\$ 679,684	\$ 27,314,942	2.6 %
Positions (FTE)	373.670	-	-	-	373.670	0.0 %

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 45,749,469	\$ 1,989,985	\$ 758,402	\$ 2,748,387	\$ 48,497,856	6.0 %
Receipts	\$ 19,106,870	\$ (180,938)	\$ -	\$ (180,938)	\$ 18,925,932	(1.0) %
Net Appropriation	\$ 26,642,599	\$ 2,170,923	\$ 758,402	\$ 2,929,325	\$ 29,571,924	11.0 %
Positions (FTE)	373.670	4.000	-	4.000	377.670	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 2.5% in each fiscal year to help address inflationary pressures. State employees have not gotten a raise since July 1, 2024.

Req \$	559,000	\$ -	\$ 1,118,000	\$ -
Rec \$	-	\$ -	-	\$ -
App \$	559,000	\$ -	\$ 1,118,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 State Employee Bonus

Provides a \$1,000 bonus for all state employees and local education employees regardless of funding source, and an additional \$500 bonus to employees with an annual salary of less than \$75,000. This bonus is in addition to the recurring salary increase.

Req \$	-	\$ -	\$ -	\$ 548,000
Rec \$	-	\$ -	-	\$ -
App \$	-	\$ -	-	\$ 548,000
FTE	0.000	0.000	0.000	0.000

3 State Health Plan Contributions

Provides funding for a 5% increase in employer premiums for enrolled active employees that the General Fund supports in FY 2026-27, for a total employer contribution of \$8,925 per employee. This proposal also provides funding for the State's General Fund contribution to medical rate increases for members of the State's retirement systems.

Req \$	-	\$ -	\$ 158,093	\$ -
Rec \$	-	\$ -	-	\$ -
App \$	-	\$ -	\$ 158,093	\$ -
FTE	0.000	0.000	0.000	0.000

4 Retiree Supplement

Provides a 2.5% one-time retiree supplement in each fiscal year for more than 258,000 retired members and survivors of deceased members.

Req \$	-	\$ 120,684	\$ -	\$ 120,684
Rec \$	-	\$ -	-	\$ -
App \$	-	\$ 120,684	-	\$ 120,684
FTE	0.000	0.000	0.000	0.000

Department-wide

5 Motor Fleet Rate Increase

Provides funds to cover an increase in Motor Fleet Management rates effective July 1, 2025. Rates have not been updated since January 1, 2018. Departmental staff use fleet vehicles to conduct inspections and consultative visits across the state. Federal OSH 23G receipts will support a portion of the increase.

Req \$	-	\$ -	\$ 86,940	\$ -
Rec \$	-	\$ -	\$ 19,062	\$ -
App \$	-	\$ -	\$ 67,878	\$ -
FTE	0.000	0.000	0.000	0.000

Occupational Safety and Health

6 Occupational Safety and Health Consultative Services Positions

Creates four new Health Consultant and Safety Consultant positions in the Occupational Safety and Health (OSH) Division's Consultative Services Bureau. These employees will assist employers in identifying and addressing workplace hazards. Additional staff will help reduce the current 95-day wait time for employers seeking consultations to create safer workplaces.

Req \$	-	\$ -	\$ 626,952	\$ 89,718
Rec \$	-	\$ -	-	\$ -
App \$	-	\$ -	\$ 626,952	\$ 89,718
FTE	0.000	0.000	4.000	0.000

	R Changes		NR Changes		R Changes		NR Changes	
Occupational Safety and Health								
7 Replace Federal Grant Funding with State Appropriation								
Fundshifts positions to reflect a decrease in federal grant funding for state labor consultation programs. These funds support staff in the OSH Consultative Services Bureau who assist employers with creating safer workplaces. Over the last two years, DOL has averaged 1,815 consultative visits and interventions annually.	Req \$	-	\$	-	\$	-	\$	-
	Rec \$	-	\$	-	\$	(200,000)	\$	-
	App \$	-	\$	-	\$	200,000	\$	-
	FTE	0.000		0.000		0.000		0.000
Total Change to Requirements	\$	559,000	\$	120,684	\$	1,989,985	\$	758,402
Total Change to Receipts	\$	-	\$	-	\$	(180,938)	\$	-
Total Change to Net Appropriations	\$	559,000	\$	120,684	\$	2,170,923	\$	758,402
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		4.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			679,684	\$			2,929,325
Total Change to Full-Time Equivalent (FTE)				0.000				4.000

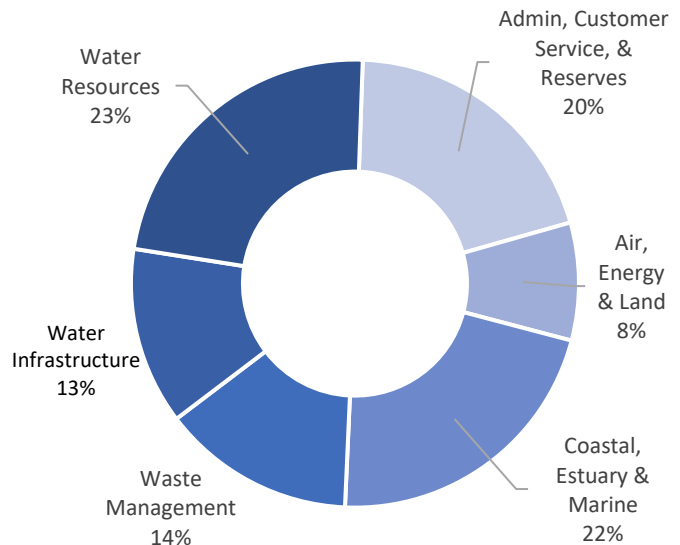
Mission

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

Goals

1. Protect public health by setting and implementing science-based standards and by providing technical, compliance, permitting and financial assistance to residents, communities, businesses, and local governments to meet or exceed requirements, prevent pollution, and improve public health.
2. Engage with policymakers, state agencies, local governments, and community leaders to support and accelerate the long-term recovery of communities devastated by Hurricane Helene and other natural disasters, and lead state efforts to strengthen communities’ resiliency to future disasters.
3. Protect North Carolina’s people and natural resources from exposure to PFAS and other forever chemicals, using transparent, collaborative, and science-based decision-making.
4. Strengthen North Carolina’s infrastructure through thoughtful and strategic investments.
5. Ensure the meaningful involvement and fair treatment of all people with respect to the development, implementation, and enforcement of environmental laws, health safeguards, and policies.
6. Modernize processes and foster innovation to enhance service efficiency, increase transparency, and strengthen partnerships to better serve all stakeholders and the public.
7. Create a work environment where employees feel valued and are empowered to be active participants in developing science-based solutions to better protect public health and the environment.

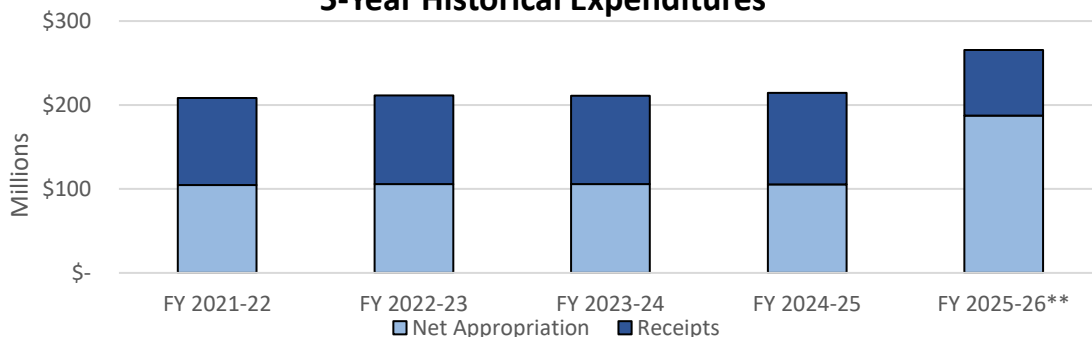
FY 2024-25 Actual Expenditures*



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.

**FY 2025-26 excludes \$800M appropriations for water, wastewater, and stormwater infrastructure grants.

Department of Environmental Quality - General Fund (14300)

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 316,857,943	\$ 1,703,589	\$ 295,633	\$ 1,999,222	\$ 318,857,165	0.6%
Receipts	\$ 208,577,988	\$ -	\$ -	\$ -	\$ 208,577,988	0.0%
Net Appropriation	\$ 108,279,955	\$ 1,703,589	\$ 295,633	\$ 1,999,222	\$ 110,279,177	1.8%
Positions (FTE)	1,169.522	-	-	-	1,169.522	0.0%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 316,172,708	\$ 14,060,134	\$ 115,153,288	\$ 129,213,422	\$ 445,386,130	40.9%
Receipts	\$ 208,581,093	\$ 4,380,000	\$ 54,710,566	\$ 59,090,566	\$ 267,671,659	28.3%
Net Appropriation	\$ 107,591,615	\$ 9,680,134	\$ 60,442,722	\$ 70,122,856	\$ 177,714,471	65.2%
Positions (FTE)	1,169.522	22.000	-	22.000	1,191.522	1.9%

	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 2.5% in each fiscal year to help address inflationary pressures. State employees have not gotten a raise since July 1, 2024.

Req \$	1,259,000	\$ -	\$ 2,518,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	1,259,000	\$ -	\$ 2,518,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 State Employee Bonus

Provides a \$1,000 bonus for all state employees and local education employees regardless of funding source, and an additional \$500 bonus to employees with an annual salary of less than \$75,000. This bonus is in addition to the recurring salary increase.

Req \$	-	\$ -	\$ -	\$ 2,742,000
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ -	\$ 2,742,000
FTE	0.000	0.000	0.000	0.000

3 State Health Plan Contributions

Provides funding for a 5% increase in employer premiums for enrolled active employees that the General Fund supports in FY 2026-27, for a total employer contribution of \$8,925 per employee. This proposal also provides funding for the State's General Fund contribution to medical rate increases for members of the State's retirement systems.

Req \$	-	\$ -	\$ 397,970	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ 397,970	\$ -
FTE	0.000	0.000	0.000	0.000

4 Retiree Supplement

Provides a 2.5% one-time retiree supplement in each fiscal year for more than 258,000 retired members and survivors of deceased members.

Req \$	-	\$ 295,633	\$ -	\$ 295,633
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 295,633	\$ -	\$ 295,633
FTE	0.000	0.000	0.000	0.000

5 Law Enforcement Officer Salary Increase

Provides funding for a 10% compensation increase in the first year of the biennium and a 5% increase in the second year of the biennium for all state law enforcement officers, for a total increase of 15%. Strengthening compensation will help agencies compete for qualified applicants, reduce turnover, and ensure safe, effective staffing levels across our communities. With no raise since July 1, 2024, state law enforcement salaries now rank among the lowest nationally, highlighting the need to restore competitiveness.

Req \$	444,589	\$ -	\$ 666,884	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	444,589	\$ -	\$ 666,884	\$ -
FTE	0.000	0.000	0.000	0.000

6 Critical Positions Reserve

Provides targeted compensation adjustments for hard-to-fill DEQ positions that are under market and for positions supported by receipts or multiple fund sources. For example, Engineer I positions at DEQ average about \$63,100, more than 22% below comparable Engineer I positions across the rest of state government and almost half of the national average. Divisions that rely heavily on fees and categorical federal grants have struggled to apply legislative increases and labor market adjustments equitably across the workforce.

Req \$	-	\$ -	\$ 2,000,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ 2,000,000	\$ -
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 PFAS – Operations and Lab Capacity

Provides funds to maintain and expand laboratory capacity for Per and Polyfluoroalkyl Substances (PFAS) testing. The Division of Waste Management and the Division of Water Resources tests public water systems, well owners, other water sources, and landfills. Funding supports new testing protocols, increased demand from enhanced standards, and required PFAS monitoring of 280 landfills across the state, protecting communities by identifying, reducing, and remediating PFAS pollution. Nonrecurring support upgrades laboratory equipment and data systems to facilitate timely, accurate analysis statewide.

Req \$	-	\$	-	\$	1,659,393	\$	2,613,925
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	1,659,393	\$	2,613,925
FTE	0.000		0.000		4.000		0.000

9 PFAS – Bernard Allen Emergency Drinking Water Fund

Supports the Bernard Allen Emergency Drinking Water Fund to assist households with private wells contaminated with PFAS and other contaminants. The fund helps residents access safe drinking water through bottled water, treatment systems, or waterline connections. Rising PFAS detections and increased program demand have increased the number of households requiring assistance. This funding also supports PFAS source identification and removal at nonpermitted sites, helping prevent ongoing contamination and protecting communities from further groundwater impacts.

Req \$	-	\$	-	\$	200,000	\$	10,000,000
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	200,000	\$	10,000,000
FTE	0.000		0.000		0.000		0.000

Albemarle-Pamlico National Estuary Partnership

10 Albemarle-Pamlico National Estuary Partnership Match

Budgets receipts from the Federal Infrastructure Match Reserve to leverage additional federal funds for the Albemarle-Pamlico National Estuary Partnership. This will strengthen long-term water quality, habitat, and community resilience work throughout the Albemarle Pamlico watershed.

Req \$	-	\$	-	\$	-	\$	850,000
Rec \$	-	\$	-	\$	-	\$	850,000
App \$	-	\$	-	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

Division of Air Quality

11 Clean Air – Revenue Replacement

Budgets receipts associated with adjustments to permitting and vehicle registration fees to replace revenues lost from the elimination of emissions inspections in most counties and flat federal funding. The Division of Air Quality keeps North Carolina's air clean through permitting, monitoring, compliance, and educational activities and is over 97% receipt-supported. Declining receipts and rising costs have required the division to reduce staff and offset costs with lapsed salary. These adjustments sustain existing program operations and staffing levels without additional General Fund support.

Req \$	-	\$	-	\$	3,180,000	\$	-
Rec \$	-	\$	-	\$	3,180,000	\$	-
App \$	-	\$	-	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

R Changes NR Changes R Changes NR Changes

Division of Coastal Management

12 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 planning, engineering, and construction support, to help communities prepare for and respond to flooding, storm surge, and erosion. Nonrecurring funding will allow RCCP to expand assistance beyond the 56 communities served to date and move more shovel-ready resilience projects toward implementation. These funds will be transferred to Budget Code 24310.

Req \$	-	\$	-	\$	125,745	\$	2,000,000
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	125,745	\$	2,000,000
FTE	0.000		0.000		1.000		0.000

Division of Energy, Mineral, and Land Resources

13 Dam Safety Maps and Data

Funds a web-based tool to enable the department 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. Provides position and operating support for an additional Engineer III position to support the program. 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. These funds will be transferred to Budget Code 24310.

Req \$	-	\$	-	\$	133,809	\$	1,509,000
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	133,809	\$	1,509,000
FTE	0.000		0.000		1.000		0.000

14 Stormwater Permitting Positions

Accelerates permit reviews by adding five Engineer II positions to the Division of Energy, Mineral, and Land Resources' Post-Construction Stormwater Program. Additional staff will reduce existing backlogs, prevent statutory approvals without review, and improve technical assistance for applicants in fast-growing coastal regions. Timely reviews support continued economic growth, strengthen environmental protections, and ensure compliance with 2023 legislative requirements for shorter permit timelines.

Req \$	-	\$	-	\$	669,041	\$	25,000
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	669,041	\$	25,000
FTE	0.000		0.000		5.000		0.000

Division of Marine Fisheries

15 Blue Crab Survey and Monitoring Program

Establishes a dedicated blue crab monitoring program to improve stock assessments and support North Carolina's commercial fishing industry as declining blue crab stocks continue to impact harvests. Funds one Conservation Biologist II and one Environmental Technician I, along with recurring operating resources for field sampling, analysis, and travel. Nonrecurring funds support essential equipment needed to launch species-specific surveys in priority estuarine areas.

Req \$	-	\$	-	\$	227,914	\$	381,664
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	227,914	\$	381,664
FTE	0.000		0.000		2.000		0.000

16 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 department do not have body cameras. Use of body cameras enhances accountability, transparency, and public trust.

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

R Changes NR Changes R Changes NR Changes

Division of Mitigation Services

17 Statewide Flood Resiliency Blueprint and Project Implementation

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 supporting basin-level planning, flood risk analysis, and community engagement needed to identify and advance high-value resilience actions. Nonrecurring funding supports data system improvements and the development and implementation of flood mitigation projects identified by communities utilizing Blueprint tools. These funds will be transferred to Budget Code 24310.

Req \$	-	\$	-	\$	748,849	\$	10,000,000
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	748,849	\$	10,000,000
FTE	0.000		0.000		6.000		0.000

18 Natural Infrastructure Flood Mitigation Projects

Supports the construction of natural infrastructure projects that reduce flooding in communities across the state. The department will partner with private providers to build wetlands, floodplain reconnections, and other nature-based features that store stormwater and lessen flood impacts during heavy rain events. The program expands on the successful Stoney Creek pilot by directing funds to shovel-ready project implementation that delivers measurable flood reduction benefits and enhances water quality and habitat. These funds will be transferred to Budget Code 24310.

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

Division of Waste Management

19 Superfund Cleanup State Match

Budgets receipts from the Federal Infrastructure Match Reserve to meet the state's required cost share for federally led cleanup activities at Superfund National Priorities List sites. This ensures North Carolina can enter Superfund State Contracts, support EPA-directed remediation, and maintain progress on contaminated site cleanup and long-term maintenance obligations. These funds will be transferred to Budget Code 64305.

Req \$	-	\$	-	\$	-	\$	8,632,166
Rec \$	-	\$	-	\$	-	\$	8,632,166
App \$	-	\$	-	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

Division of Water Infrastructure

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

Supports the Drinking Water and Clean Water State Grant and Loan Infrastructure Investment and Jobs Act programs by using interest earnings from the Clean Water and Drinking Water Reserve to provide the required federal match for the biennium. If interest earned in FY 2026-27 is not sufficient to provide the full match, DEQ may access the Federal Match Infrastructure Reserve for any remainder to provide the full match. The 20% state match will leverage more than \$226 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 64311 and Budget Code 64320.

Req \$	-	\$	-	\$	-	\$	45,228,400
Rec \$	-	\$	-	\$	-	\$	45,228,400
App \$	-	\$	-	\$	-	\$	-
FTE	0.000		0.000		0.000		0.000

21 Local Assistance for Stormwater Infrastructure Grants

Funds Local Assistance for Stormwater Infrastructure (LASII) 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. These funds will be transferred to Budget Code 24327.

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

R Changes NR Changes R Changes NR Changes

Division of Water Infrastructure

22 Viable Utility Reserve

Supports grants for water and wastewater systems designated as distressed by the State Water Infrastructure Authority and the Local Government Commission. Funds previously appropriated to the Viable Utility Reserve have been fully obligated, leaving no remaining resources to assist the 161 local governments designated as "distressed" and required to bring their utilities into long-term viability pursuant to GS 159G45(b). Additional funding will ensure these utilities meet statutory mandates, address infrastructure deficiencies, and maintain essential service reliability. These funds will be transferred to Budget Code 24327.

Req \$	-	\$	-	\$	-	\$	15,000,000
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	-	\$	15,000,000
FTE	0.000		0.000		0.000		0.000

Division of Water Resources

23 Algae Control Program

Budgets an intergovernmental transfer from the Shallow Draft Navigation Channel and Aquatic Weed Fund to establish an Algae Control Program. \$1 million will be used for grants to local governments to treat harmful algae at public access areas, boat launches, and docks. Remaining funds support operational costs and one Environmental Program Consultant to administer grants, coordinate algae treatment projects, and oversee reporting and compliance.

Req \$	-	\$	-	\$	1,200,000	\$	-
Rec \$	-	\$	-	\$	1,200,000	\$	-
App \$	-	\$	-	\$	-	\$	-
FTE	0.000		0.000		1.000		0.000

24 Hydrologic Modeling - Swamp Waters

Establishes a Municipal Modeling Unit to improve water quality modeling and support key hydrologic updates across North Carolina. Funds two positions to oversee contractor-developed hydrologic and water quality models and to support technical review for municipal and federal wastewater permitting requirements. Nonrecurring funding supports updated basin models, enhanced swamp waters data collection, essential startup equipment, and first-year public access to hydrologic models, improving the accuracy and timeliness of water resource decisions across the state.

Req \$	-	\$	-	\$	261,537	\$	875,500
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	261,537	\$	875,500
FTE	0.000		0.000		2.000		0.000

Total Change to Requirements	\$	1,703,589	\$	295,633	\$	14,060,134	\$	115,153,288
Total Change to Receipts	\$	-	\$	-	\$	4,380,000	\$	54,710,566
Total Change to Net Appropriations	\$	1,703,589	\$	295,633	\$	9,680,134	\$	60,442,722
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		22.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			1,999,222	\$			70,122,856
Total Change to Full-Time Equivalent (FTE)				0.000				22.000

Department of Environmental Quality - Special (24300)

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 303,630,299	\$ -	\$ -	\$ -	\$ 303,630,299	0.0%
Receipts	\$ 295,257,288	\$ -	\$ -	\$ -	\$ 295,257,288	0.0%
Chg in Fund Balance	\$ (8,373,011)	\$ -	\$ -	\$ -	\$ (8,373,011)	0.0%
Positions (FTE)	219.131	-	-	-	219.131	0.0%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 303,630,299	\$ -	\$ (5,000,000)	\$ (5,000,000)	\$ 298,630,299	(1.6)%
Receipts	\$ 295,257,288	\$ -	\$ -	\$ -	\$ 295,257,288	0.0%
Chg in Fund Balance	\$ (8,373,011)	\$ -	\$ 5,000,000	\$ 5,000,000	\$ (3,373,011)	(59.7)%
Positions (FTE)	219.131	-	-	-	219.131	0.0%

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

Transfers

1 Transfer - DNCR Dredging Shallowbag Bay

Transfers nonrecurring funds from the Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund to Budget Code 14800 for the Department of Natural and Cultural Resources (DNCR) to dredge Shallowbag Bay to allow the historic ship Elizabeth II to be transported to a dry dock for repairs. The dredging will improve channel access for recreational boaters in the Manteo area. The cost-share requirements as detailed in G.S. 143-215.73F.(c) is waived for this funding to DNCR.

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

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

Department of Environmental Quality - Disaster (24310)

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 419,547	\$ -	\$ -	\$ -	\$ 419,547	0.0%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Chg in Fund Balance	\$ (419,547)	\$ -	\$ -	\$ -	\$ (419,547)	0.0%
Positions (FTE)	4.000	-	-	-	4.000	0.0%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 419,547	\$ 1,008,403	\$ 18,509,000	\$ 19,517,403	\$ 19,936,950	4,652.0%
Receipts	\$ -	\$ 1,008,403	\$ 18,509,000	\$ 19,517,403	\$ 19,517,403	0.0%
Chg in Fund Balance	\$ (419,547)	\$ -	\$ -	\$ -	\$ (419,547)	0.0%
Positions (FTE)	4.000	8.000	-	8.000	12.000	200.0%

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

Division of Coastal Management

1 Transfer - Resilient Coastal Communities Program

Budgets the transfer from Budget Code 14300 for the Resilient Coastal Communities Program.

Req \$	-	\$ -	\$ 125,745	\$ 2,000,000
Rec \$	-	\$ -	\$ 125,745	\$ 2,000,000
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	1.000	0.000

Division of Energy, Mineral, and Land Resources

2 Transfer - Dam Safety Maps and Data

Budgets the transfer from Budget Code 14300 for Dam Safety Maps and Data.

Req \$	-	\$ -	\$ 133,809	\$ 1,509,000
Rec \$	-	\$ -	\$ 133,809	\$ 1,509,000
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	1.000	0.000

Division of Mitigation Services

3 Transfer - Natural Infrastructure Flood Mitigation Projects

Budgets the transfer from Budget Code 14300 for Natural Infrastructure Flood Mitigation Projects.

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

Division of Water Infrastructure

4 Transfer - Statewide Flood Resiliency Blueprint and Project Implementation

Budgets the transfer from Budget Code 14300 for Statewide Flood Resiliency Blueprint and Project Implementation.

Req \$	-	\$ -	\$ 748,849	\$ 10,000,000
Rec \$	-	\$ -	\$ 748,849	\$ 10,000,000
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	6.000	0.000

Total Change to Requirements	\$ -	\$ -	\$ 1,008,403	\$ 18,509,000
Total Change to Receipts	\$ -	\$ -	\$ 1,008,403	\$ 18,509,000
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	8.000	0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000		8.000

Department of Environmental Quality - WIF Local Supplemental Grants (24327)

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 12,370,609	\$ -	\$ -	\$ -	\$ 12,370,609	0.0%
Receipts	\$ 10,832,380	\$ -	\$ -	\$ -	\$ 10,832,380	0.0%
Chg in Fund Balance	\$ (1,538,229)	\$ -	\$ -	\$ -	\$ (1,538,229)	0.0%
Positions (FTE)	-	-	-	-	-	0.0%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 12,370,609	\$ -	\$ 25,000,000	\$ 25,000,000	\$ 37,370,609	202.1%
Receipts	\$ 10,832,380	\$ -	\$ 25,000,000	\$ 25,000,000	\$ 35,832,380	230.8%
Chg in Fund Balance	\$ (1,538,229)	\$ -	\$ -	\$ -	\$ (1,538,229)	0.0%
Positions (FTE)	-	-	-	-	-	0.0%

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

Division of Water Infrastructure

1 Transfer - Viable Utility Reserve

Budgets the transfer from Budget Code 14300 for the Viable Utility Reserve.

Req \$	-	\$ -	\$ -	\$ 15,000,000
Rec \$	-	\$ -	\$ -	\$ 15,000,000
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

2 Transfer - Local Assistance for Stormwater Infrastructure Grants

Budgets the transfer from Budget Code 14300 for Local Assistance for Stormwater Infrastructure Grants.

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

Total Change to Requirements	\$ -	\$ -	\$ -	\$ 25,000,000
Total Change to Receipts	\$ -	\$ -	\$ -	\$ 25,000,000
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	0.000	0.000

Department of Environmental Quality - Waste Management Cleanup (64305)

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 49,353,135	\$ -	\$ -	\$ -	\$ 49,353,135	0.0%
Receipts	\$ 45,298,470	\$ -	\$ -	\$ -	\$ 45,298,470	0.0%
Chg in Fund Balance	\$ (4,054,665)	\$ -	\$ -	\$ -	\$ (4,054,665)	0.0%
Positions (FTE)	30.900	-	-	-	30.900	0.0%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 49,353,135	\$ -	\$ 8,632,166	\$ 8,632,166	\$ 57,985,301	17.5%
Receipts	\$ 45,298,470	\$ -	\$ 8,632,166	\$ 8,632,166	\$ 53,930,636	19.1%
Chg in Fund Balance	\$ (4,054,665)	\$ -	\$ -	\$ -	\$ (4,054,665)	0.0%
Positions (FTE)	30.900	-	-	-	30.900	0.0%

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

Division of Waste Management

1 Transfer - Superfund Cleanup State Match

Budgets the transfer from Budget Code 14300 for the Superfund Cleanup State Match.	Req \$	-	\$ -	\$ -	\$ -	\$ 8,632,166
	Rec \$	-	\$ -	\$ -	\$ -	\$ 8,632,166
	CFB \$	-	\$ -	\$ -	\$ -	\$ -
	FTE	0.000		0.000		0.000
Total Change to Requirements	\$	-	\$ -	\$ -	\$ -	\$ 8,632,166
Total Change to Receipts	\$	-	\$ -	\$ -	\$ -	\$ 8,632,166
Total Change to Fund Balance	\$	-	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		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 Environmental Quality - Water Pollution Revolving Loan (64311)

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 130,251,783	\$ -	\$ -	\$ -	\$ 130,251,783	0.0%
Receipts	\$ 153,144,993	\$ -	\$ -	\$ -	\$ 153,144,993	0.0%
Chg in Fund Balance	\$ 22,893,210	\$ -	\$ -	\$ -	\$ 22,893,210	0.0%
Positions (FTE)	29.675	-	-	-	29.675	0.0%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 130,251,783	\$ -	\$ 17,784,000	\$ 17,784,000	\$ 148,035,783	13.6%
Receipts	\$ 153,144,993	\$ -	\$ 17,784,000	\$ 17,784,000	\$ 170,928,993	11.6%
Chg in Fund Balance	\$ 22,893,210	\$ -	\$ -	\$ -	\$ 22,893,210	0.0%
Positions (FTE)	29.675	-	-	-	29.675	0.0%

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

Division of Water Infrastructure

1 Transfer - Clean Water State Revolving Loan Match

Budgets the transfer from Budget Code 14300 for the Clean Water State Revolving Loan Match.

Req \$	-	\$ -	\$ -	\$ 17,784,000
Rec \$	-	\$ -	\$ -	\$ 17,784,000
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000		0.000	0.000

Total Change to Requirements	\$ -	\$ -	\$ -	\$ 17,784,000
Total Change to Receipts	\$ -	\$ -	\$ -	\$ 17,784,000
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)	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 Environmental Quality - Drinking Water SRF (64320)

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified 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%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 121,796,977	\$ -	\$ 27,444,400	\$ 27,444,400	\$ 149,241,377	22.5%
Receipts	\$ 107,503,556	\$ -	\$ 27,444,400	\$ 27,444,400	\$ 134,947,956	25.5%
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 Revolving Loan Match

Budgets the transfer from Budget Code 14300 for the Drinking Water State Revolving Loan Match.

Req \$	-	\$ -	-	\$ -	-	\$ 27,444,400
Rec \$	-	\$ -	-	\$ -	-	\$ 27,444,400
CFB \$	-	\$ -	-	\$ -	-	\$ -
FTE	0.000		0.000		0.000	0.000

Total Change to Requirements	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,444,400
Total Change to Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 27,444,400
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		0.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -		\$ -		\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)			0.000			0.000

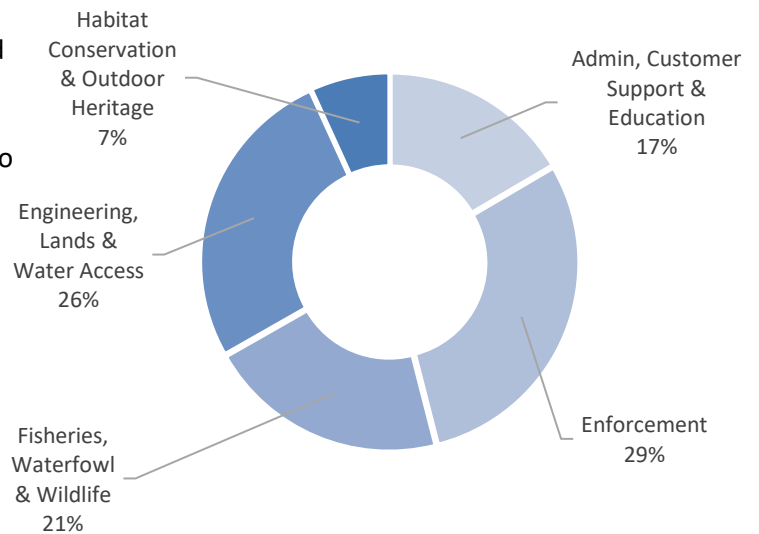
Mission

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.

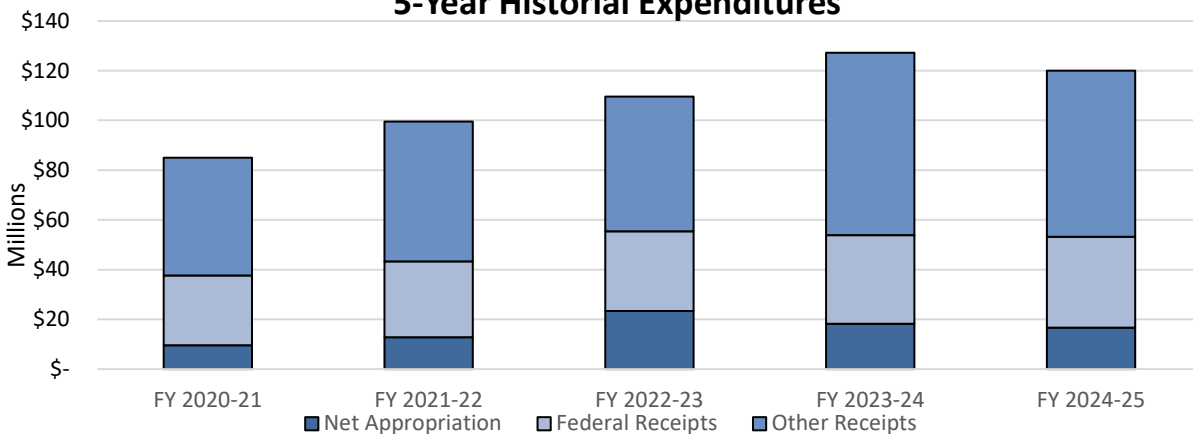
FY 2024-25 Actual Expenditures



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 73 game lands of over 549,000 acres and manages an additional 1.6 million acres through cooperative agreements for wildlife management and conservation.
- Manages over 265 boating access areas, 261 public fishing areas, nine shooting ranges and ten 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	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 102,187,960	\$ 1,364,835	\$ 77,889	\$ 1,442,724	\$ 103,630,684	1.4%
Receipts	\$ 85,200,340	\$ -	\$ -	\$ -	\$ 85,200,340	0.0%
Net Appropriation	\$ 16,987,620	\$ 1,364,835	\$ 77,889	\$ 1,442,724	\$ 18,430,344	8.5%
Positions (FTE)	699.000	-	-	-	699.000	0.0%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 102,187,960	\$ 2,165,265	\$ 1,138,889	\$ 3,304,154	\$ 105,492,114	3.2%
Receipts	\$ 85,200,340	\$ -	\$ -	\$ -	\$ 85,200,340	0.0%
Net Appropriation	\$ 16,987,620	\$ 2,165,265	\$ 1,138,889	\$ 3,304,154	\$ 20,291,774	19.4%
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 2.5% in each fiscal year to help address inflationary pressures. State employees have not gotten a raise since July 1, 2024.

Req \$	26,000	\$ -	\$ 52,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	26,000	\$ -	\$ 52,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 State Employee Bonus

Provides a \$1,000 bonus for all state employees and local education employees regardless of funding source, and an additional \$500 bonus to employees with an annual salary of less than \$75,000. This bonus is in addition to the recurring salary increase.

Req \$	-	\$ -	\$ -	\$ 1,061,000
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ -	\$ 1,061,000
FTE	0.000	0.000	0.000	0.000

3 State Health Plan Contributions

Provides funding for a 5% increase in employer premiums for enrolled active employees that the General Fund supports in FY 2026-27, for a total employer contribution of \$8,925 per employee. This proposal also provides funding for the State's General Fund contribution to medical rate increases for members of the State's retirement systems.

Req \$	-	\$ -	\$ 105,012	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ 105,012	\$ -
FTE	0.000	0.000	0.000	0.000

4 Retiree Supplement

Provides a 2.5% one-time retiree supplement in each fiscal year for more than 258,000 retired members and survivors of deceased members.

Req \$	-	\$ 77,889	\$ -	\$ 77,889
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 77,889	\$ -	\$ 77,889
FTE	0.000	0.000	0.000	0.000

5 Law Enforcement Officer Salary Increase

Provides funding for a 10% compensation increase in the first year of the biennium and a 5% increase in the second year of the biennium for all state law enforcement officers, for a total increase of 15%. Strengthening compensation will help agencies compete for qualified applicants, reduce turnover, and ensure safe, effective staffing levels across our communities. With no raise since July 1, 2024, state law enforcement salaries now rank among the lowest nationally, highlighting the need to restore competitiveness.

Req \$	1,338,835	\$ -	\$ 2,008,253	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	1,338,835	\$ -	\$ 2,008,253	\$ -
FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$ 1,364,835	\$ 77,889	\$ 2,165,265	\$ 1,138,889
Total Change to Receipts	\$ -	\$ -	\$ -	\$ -
Total Change to Net Appropriations	\$ 1,364,835	\$ 77,889	\$ 2,165,265	\$ 1,138,889
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$ -	1,442,724	\$ -	3,304,154
Total Change to Full-Time Equivalent (FTE)		0.000		0.000

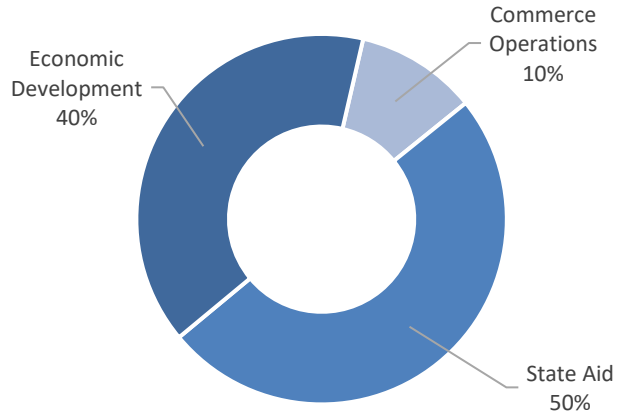
Mission

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

Goals

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

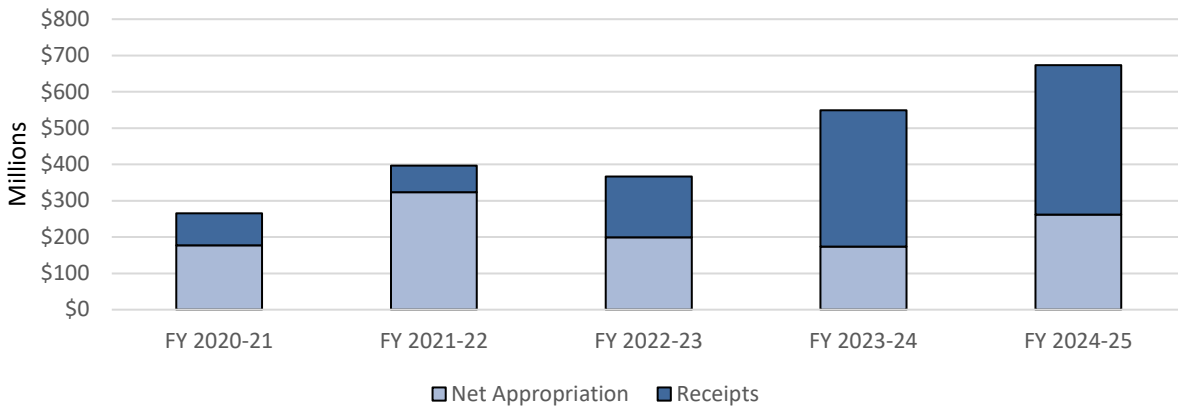
FY 2024-25 Actual Expenditures*



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.

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	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 78,637,491	\$ 288,000	\$ 62,312	\$ 350,312	\$ 78,987,803	0.4%
Receipts	\$ 63,272,887	\$ -	\$ -	\$ -	\$ 63,272,887	0.0%
Net Appropriation	\$ 15,364,604	\$ 288,000	\$ 62,312	\$ 350,312	\$ 15,714,916	2.3%
Positions (FTE)	179.234	-	-	-	179.234	0.0%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 78,637,491	\$ 15,921,421	\$ 13,557,312	\$ 29,478,733	\$ 108,116,224	37.5%
Receipts	\$ 63,272,887	\$ 15,144,845	\$ -	\$ 15,144,845	\$ 78,417,732	23.9%
Net Appropriation	\$ 15,364,604	\$ 776,576	\$ 13,557,312	\$ 14,333,888	\$ 29,698,492	93.3%
Positions (FTE)	179.234	110.000	-	110.000	289.234	61.4%

	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 2.5% in each fiscal year to help address inflationary pressures. State employees have not gotten a raise since July 1, 2024.

Req \$	288,000	\$ -	\$ 576,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	288,000	\$ -	\$ 576,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 State Employee Bonus

Provides a \$1,000 bonus for all state employees and local education employees regardless of funding source, and an additional \$500 bonus to employees with an annual salary of less than \$75,000. This bonus is in addition to the recurring salary increase.

Req \$	-	\$ -	\$ -	\$ 2,495,000
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ -	\$ 2,495,000
FTE	0.000	0.000	0.000	0.000

3 State Health Plan Contributions

Provides funding for a 5% increase in employer premiums for enrolled active employees that the General Fund supports in FY 2026-27, for a total employer contribution of \$8,925 per employee. This proposal also provides funding for the State's General Fund contribution to medical rate increases for members of the State's retirement systems.

Req \$	-	\$ -	\$ 82,154	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ 82,154	\$ -
FTE	0.000	0.000	0.000	0.000

4 Retiree Supplement

Provides a 2.5% one-time retiree supplement in each fiscal year for more than 258,000 retired members and survivors of deceased members.

Req \$	-	\$ 62,312	\$ -	\$ 62,312
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 62,312	\$ -	\$ 62,312
FTE	0.000	0.000	0.000	0.000

Department-wide

5 Vacant Position Reductions

Eliminates funding for positions that have been vacant for three years or more. The department shall abolish these positions.

Req \$	-	\$ -	\$ (106,578)	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ (106,578)	\$ -
FTE	0.000	0.000	(2.000)	0.000

		R Changes	NR Changes	R Changes	NR Changes	
Administration						
6 NC Certified Sites Due Diligence Funding						
Provides grant funds to local governments for 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, which is a major barrier for local governments seeking site certification. Site certification provides businesses with greater confidence in a site's readiness for development, minimizing potential risks during construction, and reduces the site selection and development timeframe for companies. Since 2021, 14 companies relocated onto NC Certified Sites, leading to the creation of nearly 13,000 jobs and a total investment of \$11 billion in the state.	Req \$	-	\$	-	\$	2,000,000
	Rec \$	-	\$	-	\$	-
	App \$	-	\$	-	\$	2,000,000
	FTE	0.000		0.000		0.000
Rural Economic Development						
7 Southeast Crescent Regional Commission Assessment Fee						
Supports North Carolina's required annual assessment to the Southeast Crescent Regional Commission, maintaining the state's eligibility to compete for at least \$4.5 million in federal State Economic and Infrastructure Development grants. These funds support infrastructure, workforce development, and economic development projects across 69 eligible counties, including 25 of the most economically distressed counties, strengthening community development and job creation efforts in rural North Carolina. These funds will be transferred to Budget Code 24600.	Req \$	-	\$	-	\$	225,000
	Rec \$	-	\$	-	\$	-
	App \$	-	\$	-	\$	225,000
	FTE	0.000		0.000		0.000
Workforce Development						
8 NC Career Centers Support						
Budgets receipts from the Strategic WorkForce Training fund to sustain employer services delivered through 68 NCWorks Career Centers that support business recruitment, hiring, and workforce development across North Carolina. These services currently support approximately 140 state staff, connect more than 20,000 employers, and serve more than 80,000 jobseekers annually, helping businesses fill critical workforce needs and strengthen the state's labor market. Recent WIOA funding reductions have resulted in the loss of 82 positions and consolidation of centers from roughly 80 to 68, placing the greatest strain on rural and higher-unemployment regions, where NCWorks centers serve as a primary access point for employment and training services. These funds will be transferred to Budget Code 24651.	Req \$	-	\$	-	\$	15,000,000
	Rec \$	-	\$	-	\$	15,000,000
	App \$	-	\$	-	\$	-
	FTE	0.000		0.000		111.000
9 NC Career Launch						
Provides funding to the Department of Commerce to expand and scale youth apprenticeship opportunities for jobseekers that lead to Registered Pre-Apprenticeship Programs. These programs create a direct pathway to post-secondary education and careers with family-sustaining wages. This incentive will also directly support the growth of state government youth apprenticeships, creating a stronger, homegrown pipeline into publicsector careers.	Req \$	-	\$	-	\$	4,000,000
	Rec \$	-	\$	-	\$	-
	App \$	-	\$	-	\$	4,000,000
	FTE	0.000		0.000		0.000
10 Expansion of Work-Based Learning Grants						
Increases funding to the Department of Commerce's Division of Workforce Solutions to expand work-based learning grants to small businesses. These grants connect small businesses to job seekers with paid opportunities to gain work experience and develop skills, and this funding expands eligibility by increasing the employee cap from 25 to 50. Since launch, 453 businesses and over 1,120 individuals have participated, with 74% completing training and a 2025 NC Department of Commerce analysis confirming participants were more likely to find employment and earned higher wages for at least two years post-program. Approximately 5,000 students participate annually. These funds will be transferred to Budget Code 24651.	Req \$	-	\$	-	\$	2,500,000
	Rec \$	-	\$	-	\$	-
	App \$	-	\$	-	\$	2,500,000
	FTE	0.000		0.000		0.000

R Changes NR Changes R Changes NR Changes

Workforce Development

11 Workforce Development Public Awareness Campaign

Invests funds to the Department of Commerce for a marketing initiative to increase workforce development engagement among employers and jobseekers across North Carolina.

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

12 Advanced Manufacturing Apprenticeship Wage Reimbursement Pilot

Provides up to \$5,000 to employers or group sponsors for new apprentices, with 50% of funds received at the time of registration and 50% received at time of completion. Employers and group sponsors are eligible to receive up to \$7,500 for enrolling apprentices who are currently incarcerated or were incarcerated within the past 12 months or individuals who have been unemployed for more than 90 days. These funds will be administered by the Department of Commerce with 15% of funds available for administrative support and program evaluation.

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

13 Modernized NC Career Information System

Allocates funding from the IT Reserve to modernize NCcareers.org, a nationally recognized career exploration platform serving more than 1 million users annually. The system supports students, jobseekers, and workforce partners with tools to explore occupations, identify required credentials, conduct job searches, and prepare resumes and interviews. In the past year, the platform recorded 1 million unique users, 280,000 registered accounts, 46,000 active career development plans, and more than 11 million pageviews, reflecting rapidly growing statewide demand for career planning resources. These funds will be transferred to Budget Code 24600.

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

14 Workforce Pell Program Director

Budgets receipts from the Strategic WorkForce Training fund to Establish a Workforce Pell Program Director position to implement Workforce Pell, a new federal initiative created under HR 1, 119th Congress (2025). Workforce Pell allows Pell Grants, need-based federal financial aid received by low-income students, to be used for short-term, high quality workforce training programs. The position will support program approval processes, develop required policies and reporting systems, and coordinate with education and workforce partners to expand access to approved programs. These funds will be transferred to Budget Code 24651.

Req \$	-	\$	-	\$	144,845	\$	-
Rec \$	-	\$	-	\$	144,845	\$	-
App \$	-	\$	-	\$	-	\$	-
FTE	0.000		0.000		1.000		0.000

Total Change to Requirements	\$	288,000	\$	62,312	\$	15,921,421	\$	13,557,312
Total Change to Receipts	\$	-	\$	-	\$	15,144,845	\$	-
Total Change to Net Appropriations	\$	288,000	\$	62,312	\$	776,576	\$	13,557,312
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		110.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			350,312	\$			14,333,888
Total Change to Full-Time Equivalent (FTE)				0.000				110.000

Commerce - General State Aid (14601)

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 19,655,810	\$ -	\$ -	\$ -	\$ 19,655,810	0.0%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Net Appropriation	\$ 19,655,810	\$ -	\$ -	\$ -	\$ 19,655,810	0.0%
Positions (FTE)	-	-	-	-	-	0.0%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 19,655,810	\$ -	\$ 2,500,000	\$ 2,500,000	\$ 22,155,810	12.7%
Receipts	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Net Appropriation	\$ 19,655,810	\$ -	\$ 2,500,000	\$ 2,500,000	\$ 22,155,810	12.7%
Positions (FTE)	-	-	-	-	-	0.0%

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

Economic Development

1 Carolina Small Business Development Fund

Supports the Carolina Small Business Development Fund (CSBDF) to expand access to capital, technical assistance, and business counseling for small businesses across North Carolina, particularly in rural and underserved communities. CSBDF helps entrepreneurs start, sustain, and grow businesses by providing financing and advisory services that support job creation, local investment, and long-term economic development.

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

Total Change to Requirements	\$ -	\$ -	\$ -	\$ 2,500,000
Total Change to Receipts	\$ -	\$ -	\$ -	-
Total Change to Net Appropriations	\$ -	\$ -	\$ -	\$ 2,500,000
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ 2,500,000
Total Change to Full-Time Equivalent (FTE)	0.000	0.000	0.000	0.000

Commerce - Economic Development (14602)

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 158,468,245	\$ -	\$ -	\$ -	\$ 158,468,245	0.0%
Receipts	\$ 120,000	\$ -	\$ -	\$ -	\$ 120,000	0.0%
Net Appropriation	\$ 158,348,245	\$ -	\$ -	\$ -	\$ 158,348,245	0.0%
Positions (FTE)	-	-	-	-	-	0.0%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 158,468,245	\$ (5,000,000)	\$ 23,000,000	\$ 18,000,000	\$ 176,468,245	11.4%
Receipts	\$ 120,000	\$ -	\$ 10,000,000	\$ 10,000,000	\$ 10,120,000	8,333.3%
Net Appropriation	\$ 158,348,245	\$ (5,000,000)	\$ 13,000,000	\$ 8,000,000	\$ 166,348,245	5.0%
Positions (FTE)	-	-	-	-	-	0.0%

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

Economic Development

1 E-Sports Industry Grant Fund

Eliminates the recurring appropriation for the E-Sports Industry Grant Fund. The Fund was established in SL 2021-180 to provide grants to encourage multiplayer video game competitions to be held in North Carolina. The cash balance in the Fund as of March 31, 2026 is \$22.2 million.

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

Office of Science and Technology

2 One North Carolina Small Business Program

Increases 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. Grants support applicant training, reimburse application costs, and provide matching funds to SBIR or STTR recipients. These investments will help drive job creation, economic diversification, and technological advancement within the state.

Req \$	-	\$ -	\$ -	\$ 8,000,000
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ -	\$ 8,000,000
FTE	0.000	0.000	0.000	0.000

Rural Economic Development

3 Rural Transformation Grants

Invests in rural communities through additional grant funding for projects, such as downtown and neighborhood revitalization efforts, that will strengthen local economic capacity and help transform the state's most distressed communities. Addresses significant unmet demand for rural economic development support, with 141 projects requesting over \$92 million unfunded from the FY 2023-24 grant cycle.

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

Tourism, Film, and Sports Development

4 NC Film Grants

Provides nonrecurring funding to fulfill existing contractual obligations for film production grants awarded by the state. Supported projects are expected to generate more than \$187 million in direct in-state spending and more than 5,700 job opportunities, strengthening North Carolina's film industry and supporting local economies while maintaining the state's credibility in recruiting future productions. These funds will be funded through the Economic Development Reserve.

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

	R Changes		NR Changes		R Changes		NR Changes	
Total Change to Requirements	\$	-	\$	-	\$	(5,000,000)	\$	23,000,000
Total Change to Receipts	\$	-	\$	-	\$	-	\$	10,000,000
Total Change to Net Appropriations	\$	-	\$	-	\$	(5,000,000)	\$	13,000,000
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		0.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			-	\$			8,000,000
Total Change to Full-Time Equivalent (FTE)				0.000				0.000

Commerce - Special (24600)

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 3,927,787	\$ -	\$ -	\$ -	\$ 3,927,787	0.0%
Receipts	\$ 2,288,666	\$ -	\$ -	\$ -	\$ 2,288,666	0.0%
Chg in Fund Balance	\$ (1,639,121)	\$ -	\$ -	\$ -	\$ (1,639,121)	0.0%
Positions (FTE)	8.594	-	-	-	8.594	0.0%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 3,927,787	\$ 225,000	\$ -	\$ 225,000	\$ 4,152,787	5.7%
Receipts	\$ 2,288,666	\$ 225,000	\$ -	\$ 225,000	\$ 2,513,666	9.8%
Chg in Fund Balance	\$ (1,639,121)	\$ -	\$ -	\$ -	\$ (1,639,121)	0.0%
Positions (FTE)	8.594	-	-	-	8.594	0.0%

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

Rural Economic Development

1 Transfer - Southeast Crescent Regional Commission Assessment Fee

Budgets the transfer from 14600 for the Southeast Crescent Regional Commission Assessment Fee.

Req \$	-	\$ -	\$ 225,000	\$ -
Rec \$	-	\$ -	\$ 225,000	\$ -
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

Workforce Development

2 Transfer - Modernized NC Career Information System

Budgets the transfer from 14600 for the Modernized NC Career Information System.

Req \$	-	\$ -	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ -
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	0.000	0.000

Total Change to Requirements	\$ -	\$ -	\$ 225,000	\$ -
Total Change to Receipts	\$ -	\$ -	\$ 225,000	\$ -
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

Commerce - Special - General Fund (24609)

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 360,259,938	\$ -	\$ -	\$ -	\$ 360,259,938	0.0%
Receipts	\$ 358,550,454	\$ -	\$ -	\$ -	\$ 358,550,454	0.0%
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	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 176,159,938	\$ (5,000,000)	\$ -	\$ (5,000,000)	\$ 171,159,938	(2.8)%
Receipts	\$ 174,450,454	\$ (5,000,000)	\$ -	\$ (5,000,000)	\$ 169,450,454	(2.9)%
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

Economic Development Grants

1 E-Sports Industry Grant Fund Reduction

Budgets the reduction in recurring appropriations for the E-Sport Industry Grant Fund from Budget Code 14602.

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)	\$ -
Total Change to Receipts	\$ -	\$ -	\$ (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

Commerce - Special - Workforce Solutions (24651)

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 132,703,781	\$ -	\$ -	\$ -	\$ 132,703,781	0.0%
Receipts	\$ 132,703,781	\$ -	\$ -	\$ -	\$ 132,703,781	0.0%
Chg in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	791.000	-	-	-	791.000	0.0%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 132,703,781	\$ 15,144,845	\$ 2,500,000	\$ 17,644,845	\$ 150,348,626	13.3%
Receipts	\$ 132,703,781	\$ 15,144,845	\$ 2,500,000	\$ 17,644,845	\$ 150,348,626	13.3%
Chg in Fund Balance	\$ -	\$ -	\$ -	\$ -	\$ -	0.0%
Positions (FTE)	791.000	112.000	-	112.000	903.000	14.2%

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

Workforce Development

1 Transfer - NC Career Centers Support

Budgets the transfer from Budget Code 14600 for NC Career Centers Support.

Req \$	-	\$ -	\$ 15,000,000	\$ -
Rec \$	-	\$ -	\$ 15,000,000	\$ -
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	111.000	0.000

2 Transfer - Expansion of Work-Based Learning Grants

Budgets the transfer from Budget Code 14600 for the Expansion of Work-Bases Learning Grants.

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

3 Transfer - Workforce Pell Program Director

Budgets transfer from Budget Code 14600 for Workforce Pell Program Director.

Req \$	-	\$ -	\$ 144,845	\$ -
Rec \$	-	\$ -	\$ 144,845	\$ -
CFB \$	-	\$ -	\$ -	\$ -
FTE	0.000	0.000	1.000	0.000

Total Change to Requirements	\$ -	\$ -	\$ 15,144,845	\$ 2,500,000
Total Change to Receipts	\$ -	\$ -	\$ 15,144,845	\$ 2,500,000
Total Change to Fund Balance	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)		0.000	0.000	112.000
Recommended Fund Balance Changes (Recurring + Nonrecurring)	\$ -	\$ -	\$ -	\$ -
Total Change to Full-Time Equivalent (FTE)			0.000	112.000

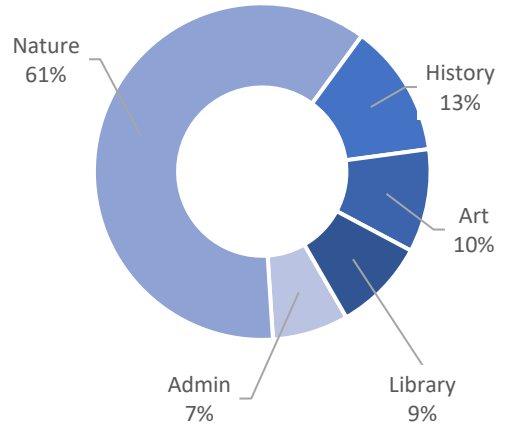
Mission

To enrich people’s lives through education and stewardship of North Carolina’s natural and cultural resources.

Goals

1. Expand and advance educational excellence and innovation throughout DNCR’s sites and programs and support workforce pathways for our fields of work.
2. Strengthen local economies by uplifting DNCR’s sites and services as community anchors.
3. Preserve, enhance, and expand access to North Carolina’s natural and cultural resources to reflect and serve all.
4. Improve operational efficiencies, collaboration, and customer service across DNCR.
5. Support western North Carolina’s recovery from Hurricane Helene and integrate climate resilience and adaptation throughout DNCR programs and operations.

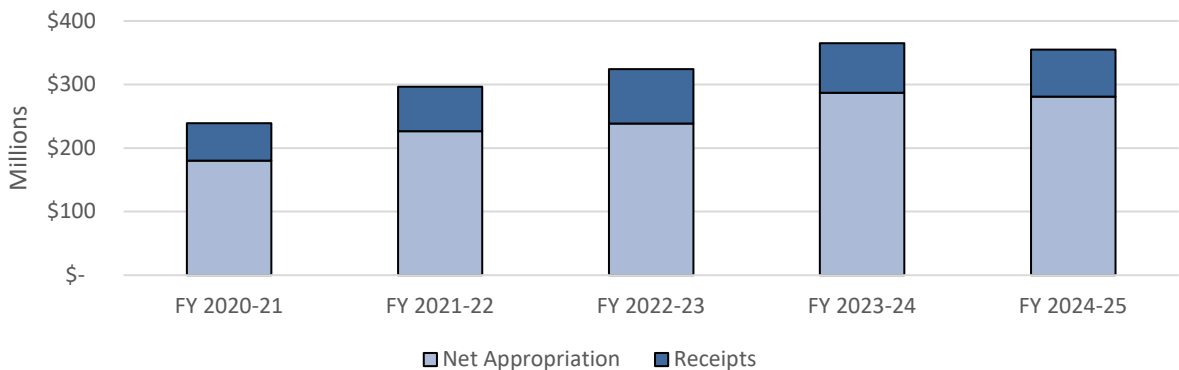
FY 2024-25 Actual Expenditures



Agency Profile

- Operates North Carolina’s state parks, aquariums, science museums, and zoo and works to preserve the state’s natural resources to provide 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 codes only.

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

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 336,271,110	\$ 5,232,193	\$ 753,252	\$ 5,985,445	\$ 342,256,555	1.8%
Receipts	\$ 56,396,562	\$ -	\$ -	\$ -	\$ 56,396,562	0.0%
Net Appropriation	\$ 279,874,548	\$ 5,232,193	\$ 753,252	\$ 5,985,445	\$ 285,859,993	2.1%
Positions (FTE)	2,112.949	-	-	-	2,112.949	0.0%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 336,336,529	\$ 40,924,469	\$ 20,618,452	\$ 61,542,921	\$ 397,879,450	18.3%
Receipts	\$ 56,396,562	\$ -	\$ 5,000,000	\$ 5,000,000	\$ 61,396,562	8.9%
Net Appropriation	\$ 279,939,967	\$ 40,924,469	\$ 15,618,452	\$ 56,542,921	\$ 336,482,888	20.2%
Positions (FTE)	2,112.949	101.000	-	101.000	2,213.949	4.8%

	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 2.5% in each fiscal year to help address inflationary pressures. State employees have not gotten a raise since July 1, 2024.

Req \$	2,911,000	\$ -	\$ 5,822,000	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	2,911,000	\$ -	\$ 5,822,000	\$ -
FTE	0.000	0.000	0.000	0.000

2 State Employee Bonus

Provides a \$1,000 bonus for all state employees and local education employees regardless of funding source, and an additional \$500 bonus to employees with an annual salary of less than \$75,000. This bonus is in addition to the recurring salary increase.

Req \$	-	\$ -	\$ -	\$ 3,498,000
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ -	\$ 3,498,000
FTE	0.000	0.000	0.000	0.000

3 State Health Plan Contributions

Provides funding for a 5% increase in employer premiums for enrolled active employees that the General Fund supports in FY 2026-27, for a total employer contribution of \$8,925 per employee. This proposal also provides funding for the State's General Fund contribution to medical rate increases for members of the State's retirement systems.

Req \$	-	\$ -	\$ 1,196,303	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ 1,196,303	\$ -
FTE	0.000	0.000	0.000	0.000

4 Retiree Supplement

Provides a 2.5% one-time retiree supplement in each fiscal year for more than 258,000 retired members and survivors of deceased members.

Req \$	-	\$ 753,252	\$ -	\$ 753,252
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ 753,252	\$ -	\$ 753,252
FTE	0.000	0.000	0.000	0.000

5 Law Enforcement Officer Salary Increase

Provides funding for a 10% compensation increase in the first year of the biennium and a 5% increase in the second year of the biennium for all state law enforcement officers, for a total increase of 15%. Strengthening compensation will help agencies compete for qualified applicants, reduce turnover, and ensure safe, effective staffing levels across our communities. With no raise since July 1, 2024, state law enforcement salaries now rank among the lowest nationally, highlighting the need to restore competitiveness.

Req \$	2,321,193	\$ -	\$ 3,481,790	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	2,321,193	\$ -	\$ 3,481,790	\$ -
FTE	0.000	0.000	0.000	0.000

Department-wide

6 Vacant Position Reductions

Eliminates funding for positions that have been vacant for three years or more. The department shall abolish these positions.

Req \$	-	\$ -	\$ (68,056)	\$ -
Rec \$	-	\$ -	\$ -	\$ -
App \$	-	\$ -	\$ (68,056)	\$ -
FTE	0.000	0.000	(1.000)	0.000

		R Changes	NR Changes	R Changes	NR Changes
Department-wide					
7 Seasonal and Temporary Employee Shortfall					
Supports peak-season staffing at sites to maintain visitor services and safety during high-demand periods. The base budget for these critical temporary staff is insufficient, and the department has long relied on lapsed salary to cover this essential seasonal workforce. Additional recurring funding is needed as vacancy rates have declined and lapsed salary has diminished.	Req \$	-	-	2,000,000	-
	Rec \$	-	-	-	-
	App \$	-	-	2,000,000	-
	FTE	0.000	0.000	0.000	0.000
8 Property Insurance					
Provides additional funds for property insurance for department-owned buildings. The department's insurance premiums have more than doubled in the past four years.	Req \$	-	-	1,301,343	-
	Rec \$	-	-	-	-
	App \$	-	-	1,301,343	-
	FTE	0.000	0.000	0.000	0.000
9 Software Subscription Shortfall					
Covers rising software costs for essential department services, including reliable internet at sites, records digitization, GIS mapping, and public access to resources. Many of these costs have been supported with lapsed salary. The department has decreased its vacancy rate from 15% to 9%, significantly reducing the amount of lapsed salary available to fund these critical needs.	Req \$	-	-	1,000,000	-
	Rec \$	-	-	-	-
	App \$	-	-	1,000,000	-
	FTE	0.000	0.000	0.000	0.000
10 Motor Fleet Rate Increases					
Provides funds to cover the increase in Motor Fleet Management rates as of July 1, 2025. Rates had not been updated since January 1, 2018. The department uses these vehicles for parks law enforcement, maintenance, and other operations.	Req \$	-	-	164,054	-
	Rec \$	-	-	-	-
	App \$	-	-	164,054	-
	FTE	0.000	0.000	0.000	0.000
11 Web Administrator					
Provides permanent funding for a Web Administrator to manage and maintain the department's public website and digital publishing tools. Currently a temporary position funded by lapsed salary, this role is the sole staff maintaining the department's public website. Making this position permanent will ensure continuity and reliable service for the 220 million annual users.	Req \$	-	-	106,903	-
	Rec \$	-	-	-	-
	App \$	-	-	106,903	-
	FTE	0.000	0.000	1.000	0.000
Administration					
12 Internal Auditor					
Funds an Internal Auditor to approach the minimum staffing level recommended by the Council of Internal Auditing. Additional audit staff will improve efficiency, effectiveness, compliance with state laws, and reduce reliance on outside contractors.	Req \$	-	-	133,764	-
	Rec \$	-	-	-	-
	App \$	-	-	133,764	-
	FTE	0.000	0.000	1.000	0.000
History					
13 Dredging Shallowbag Bay					
Funds the dredging of Shallowbag Bay to allow the historic ship Elizabeth II to be transported to a dry dock for repairs. The dredging will improve channel access for recreational boaters in the Manteo area. These funds will be transferred from the Department of Environmental Quality's Shallow Draft Dredging Fund, Budget Code 24300. The cost-share requirements as detailed in G.S. 143-215.73F.(c) is waived for this funding to DNCR.	Req \$	-	-	-	5,000,000
	Rec \$	-	-	-	5,000,000
	App \$	-	-	-	-
	FTE	0.000	0.000	0.000	0.000
14 NC 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 2026, adding more than 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 30.5% in the past four years, and the additions will spur further growth with new exhibits, flexible meeting space, and expanded capacity for events.	Req \$	-	-	395,458	-
	Rec \$	-	-	-	-
	App \$	-	-	395,458	-
	FTE	0.000	0.000	3.000	0.000

R Changes NR Changes R Changes NR Changes

History

15 Archives and Records Management

Provides funding for three 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 from each of the \$6.20 in fee, in its special fund. Real estate transactions have declined statewide, reducing annual ARM collections by 25% since FY 2020-21. Funding will allow the division to continue providing essential record preservation services. These funds will be transferred to Budget Code 24811.

Req \$	-	\$	-	\$	296,338	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	296,338	\$	-
FTE	0.000		0.000		0.000		0.000

16 Fort Fisher 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 will ensure the site can operate effectively and provide a high-quality experience for more than 1 million annual visitors.

Req \$	-	\$	-	\$	172,601	\$	94,000
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	172,601	\$	94,000
FTE	0.000		0.000		1.000		0.000

Nature

17 State Parks Operating Shortfall

Addresses a funding shortfall in the State Parks Division to sustain operations and maintenance of the state's 42 state parks and natural areas and 3,529 miles of state trails. The division has previously relied on lapsed salary to pay for essential costs, including maintenance, motor fleet, IT, and seasonal temporary employees. The department has decreased its vacancy rate from 15% to 9%, significantly reducing the amount of lapsed salary available to fund these critical needs.

Req \$	-	\$	-	\$	12,802,419	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	12,802,419	\$	-
FTE	0.000		0.000		0.000		0.000

18 Zoo Asia Operating Reserve

Creates positions to support the new Asia complex at the North Carolina Zoo. The new 12.5-acre complex will feature new exhibits and animals, a 300-seat restaurant, and an educational exploration center. New staff will support marketing, special events, and maintenance. The Zoo estimates the complex will increase annual visits 42% and grow its economic impact to nearly \$300 million annually.

Req \$	-	\$	-	\$	7,124,438	\$	1,274,400
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	7,124,438	\$	1,274,400
FTE	0.000		0.000		69.000		0.000

19 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. These funds will be transferred to Budget Code 24820.

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

20 State 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 PARTF awards. Without additional funds and sufficient staffing these sites will not be able to open. Since 2019, the state parks system has grown by nearly 18,000 acres and has had more than 430 miles of state trails designated.

Req \$	-	\$	-	\$	2,793,915	\$	1,198,800
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	2,793,915	\$	1,198,800
FTE	0.000		0.000		16.000		0.000

21 Park Ranger Body Cameras

Funds body cameras for department law enforcement officers and one position to manage the cameras and provide technical support, including video review, records request, training, and equipment management. Body cameras support investigations by improving evidence collection, support situation-based training, and enhance accountability, transparency, and public trust.

Req \$	-	\$	-	\$	1,111,964	\$	-
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	1,111,964	\$	-
FTE	0.000		0.000		1.000		0.000

R Changes NR Changes R Changes NR Changes

Nature

22 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 2026 to spring 2029. The facility is currently 92,000 square feet and the expansion will add more than 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, which also supports the state's three other aquariums and central office.

Req \$	-	\$	-	\$	1,089,235	\$	3,800,000
Rec \$	-	\$	-	\$	-	\$	-
App \$	-	\$	-	\$	1,089,235	\$	3,800,000
FTE	0.000		0.000		10.000		0.000

Total Change to Requirements	\$	5,232,193	\$	753,252	\$	40,924,469	\$	20,618,452
Total Change to Receipts	\$	-	\$	-	\$	-	\$	5,000,000
Total Change to Net Appropriations	\$	5,232,193	\$	753,252	\$	40,924,469	\$	15,618,452
Total Change to Full-Time Equivalent (FTE)		0.000		0.000		101.000		0.000
Recommended Net Appropriation Changes (Recurring + Nonrecurring)	\$			5,985,445	\$			56,542,921
Total Change to Full-Time Equivalent (FTE)				0.000				101.000

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

Year 1 FY 2025-26	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified 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	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified 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 \$	-	\$ -	-	\$ -	296,338	\$ -
CFB \$	-	\$ -	-	\$ -	296,338	\$ -
FTE	0.000		0.000		0.000	0.000

2 ARM Fund Receipts Reduction

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

Req \$	-	\$ -	-	\$ -	-	\$ -
Rec \$	-	\$ -	-	\$ -	(296,338)	\$ -
CFB \$	-	\$ -	-	\$ -	(296,338)	\$ -
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
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	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified 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%

Year 2 FY 2026-27	Certified Budget	Net Recurring	Net Nonrecurring	Recommended Change	Recommended Budget	% Chg from Certified Budget
Requirements	\$ 30,568,474	\$ -	\$ -	\$ -	\$ 30,568,474	0.0%
Receipts	\$ 30,788,325	\$ -	\$ 5,000,000	\$ 5,000,000	\$ 35,788,325	16.2%
Chg in Fund Balance	\$ 219,851	\$ -	\$ 5,000,000	\$ 5,000,000	\$ 5,219,851	2,274.3%
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 \$	-	\$ -	\$ -	\$ -
Rec \$	-	\$ -	\$ -	\$ 5,000,000
CFB \$	-	\$ -	\$ -	\$ 5,000,000
FTE	0.000		0.000	0.000

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