

§ 143C-4-3.1. State Capital and Infrastructure Fund.

(a) Legislative Intent. – The General Assembly recognizes the need to establish and maintain a sufficient funding source to address the ongoing capital and infrastructure needs of the State. The General Assembly further recognizes the need to protect the State's substantial improvements in existing public facilities while providing a stable funding source to pay for new facilities to meet the needs of a growing population.

(b) Creation and Source of Funds. – The State Capital and Infrastructure Fund (the Fund) is established as a special fund in the General Fund to be administered by the Office of State Budget and Management to carry out the provisions of this section. With the exception of debt service obligations, appropriations from the Fund may be administered by other State agencies as deemed necessary by the Office of State Budget and Management. Interest and investment earnings received on monies in the Fund shall be credited to the Fund. The Fund shall consist of the following additional sources:

- (1) The following amounts transferred from the General Fund at the beginning of the applicable fiscal year:
 - a. For the 2021-2022 fiscal year, the sum of one billion three hundred million dollars (\$1,300,000,000).
 - b. For the 2022-2023 fiscal year, the sum of one billion three hundred sixty-five million five hundred thousand dollars (\$1,365,500,000).
 - c. For the 2023-2024 fiscal year, the sum of one billion four hundred twelve million five hundred ninety-two thousand five hundred dollars (\$1,412,592,500).
 - d. For the 2024-2025 fiscal year, the sum of one billion four hundred sixty-one million three hundred thirty-three thousand two hundred thirty-eight dollars (\$1,461,333,238).
 - e. For the 2025-2026 fiscal year, the sum of one billion one hundred twenty million dollars (\$1,120,000,000).
 - f. For each fiscal year after the 2025-2026 fiscal year, the transfer shall be increased three and one-half percent (3.5%) over the amount required under this subdivision for the preceding fiscal year.
- (2) through (4) Repealed by Session Laws 2021-180, s. 5.7(a), effective June 30, 2021.
- (5) Any other funds, as directed by the General Assembly.

(c) Administration. – Each Current Operations Appropriations Act enacted by the General Assembly shall include the amount required under subdivision (1) of subsection (b) of this section. Each fiscal year, the Office of State Controller shall transfer to the Fund the estimated amounts required pursuant to this subsection.

(d) Repealed by Session Laws 2021-180, s. 5.7(a), effective June 30, 2021.

(e) Use of Funds. – Monies in the Fund shall first be used to meet the debt service obligations supported by the General Fund. In addition to meeting the debt service obligations supported by the General Fund, monies in the Fund may be used for the following purposes:

- (1) New State and The University of North Carolina capital projects governed pursuant to Article 8 of Chapter 143C of the General Statutes.
- (2) Repair and renovation of existing capital assets, as provided in G.S. 143C-8-13.
- (3) Broadband infrastructure projects funded through appropriations to the Growing Rural Economies with Access to Technology Fund established in G.S. 143B-1373(b).
- (4) Projects and grants identified in the Current Operations Appropriations Act or that have been authorized and funded by an act of the General Assembly. With

the exception of health facilities licensed under Chapter 131E or Chapter 122C of the General Statutes, grants intended for affordable housing or other residential purposes are not an allowable use of monies in the Fund.

(f) Funds Available Only Upon Appropriation. – Funds reserved to the Fund shall be available for expenditure only upon an act of appropriation by the General Assembly.

(g) Unexpended Funds. – Funds appropriated for a project that are unspent and unencumbered upon completion of the project shall revert to the Fund.

(h) In each fiscal year, the Office of State Budget and Management may reallocate appropriations from the State Capital and Infrastructure Fund between projects to meet cash flow requirements for a project, provided that the following criteria are met:

- (1) If the project for which funds have been appropriated is for one of the constituent institutions of The University of North Carolina, then unencumbered funds may be allocated from another project for a constituent institution of The University of North Carolina for which funds have been appropriated.
- (2) If the project for which funds have been appropriated is for a State agency that is not The University of North Carolina, then unencumbered funds may be allocated from another project for a State agency for which funds have been appropriated.
- (3) The amount disbursed will not exceed amounts appropriated from the State Capital and Infrastructure Fund.
- (4) The amount disbursed on any project cannot exceed the amount authorized for that project.
- (5) The amount reallocated cannot be used to expand the scope of the project.
- (6) A project shall not begin until the fiscal year authorized by the General Assembly. (2017-57, s. 36.12(b); 2018-5, s. 36.8(a); 2020-81, s. 4(f); 2021-180, ss. 5.7(a), 40.12; 2022-74, s. 40.3(a).)