

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 179

Short Title: Credit Interest to Reserve Funds.

(Public)

Sponsors: Representatives Lee; Alexander, Beall, W. Brown, Church, Crawford, Culpepper, Gamble, Hightower, Hill, Hunt, R. Hunter, Hurley, Luebke, Mercer, Michaux, Owens, Ramsey, Sutton, and Tolson.

Referred to: Finance.

February 14, 1995

A BILL TO BE ENTITLED

1 AN ACT TO CREDIT THE INTEREST AND OTHER INVESTMENT INCOME
2 EARNED BY THE SAVINGS RESERVE ACCOUNT AND THE REPAIRS AND
3 RENOVATIONS RESERVE ACCOUNT TO THOSE RESPECTIVE ACCOUNTS
4 INSTEAD OF TO THE GENERAL FUND.
5

6 The General Assembly of North Carolina enacts:

7 Section 1. G.S. 143-15.3(a) reads as rewritten:

8 "(a) There is established a Savings Reserve Account as a restricted reserve in the
9 General Fund. Interest and other investment income earned by the Savings Reserve
10 Account accrues to it. The State Controller shall reserve to the Savings Reserve Account
11 one-fourth of any unreserved credit balance remaining in the General Fund at the end of
12 each fiscal year until the account contains funds equal to five percent (5%) of the amount
13 appropriated the preceding year for the General Fund operating budget, including local
14 government tax-sharing funds. If the balance in the Savings Reserve Account falls below
15 this level during a fiscal year, the State Controller shall reserve to the Savings Reserve
16 Account for the following fiscal years up to one-fourth of any unreserved credit balance
17 remaining in the General Fund at the end of each fiscal year until the account again
18 equals five percent (5%) of the amount appropriated the preceding year for the General

1 Fund operating budget, including local government tax-sharing funds. As used in this
2 section, the term "unreserved credit balance" means the credit balance amount, as
3 determined on a cash basis, before funds are reserved by the Controller to the Savings
4 Reserve Account or the Repairs and Renovations Reserve Account pursuant to this
5 section and G.S. 143-15.3A."

6 Sec. 2. G.S. 143-15.3A(a) reads as rewritten:

7 "(a) There is established a Repairs and Renovations Reserve Account as a restricted
8 reserve in the General Fund. Interest and other investment income earned by the Repairs
9 and Renovations Reserve Account accrues to it. The State Controller shall reserve to the
10 Repairs and Renovations Reserve Account one-fourth of any unreserved credit balance
11 remaining in the General Fund at the end of each fiscal year. As used in this section, the
12 term 'unreserved credit balance' means the credit balance amount, as determined on a
13 cash basis, before funds are reserved by the Controller to the Savings Reserve Account or
14 the Repairs and Renovations Reserve Account pursuant to this section and G.S. 143-
15 15.3."

16 Sec. 3. This act becomes effective July 1, 1995.