

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 65

Short Title: Rainy Day Funds.

(Public)

Sponsors: Senators Smith; and Cochrane.

Referred to: Appropriations.

January 26, 1989

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH A GENERAL RESERVE FUND.

The General Assembly of North Carolina enacts:

Section 1. Article 1 of Chapter 143 of the General Statutes is amended by adding a new section to the end to read:

**"§ 143-34.8. General Reserve Fund.**

(a) There is established a General Reserve Fund to be used as a contingency reserve for cash needs at the end of a fiscal year. It is the intent of the General Assembly to appropriate to the General Reserve Funds the sum of \_\_\_\_\_ for each fiscal year in the Current Operations Appropriations Act. These funds shall be deposited with the State Treasurer and invested as provided in G.S. 147-69.2 and G.S. 147-69.3.

(b) If the Director of the Budget determines pursuant to the provisions of G.S. 143-25 that the aggregate revenues collected and available during a fiscal year are not sufficient to pay all of the appropriations for that fiscal year in full, he may, in his discretion, transfer funds from the General Reserve Fund to pay the appropriations for the fiscal year in full. If the Director of the Budget decides not to transfer the funds from the General Reserve Fund as provided in this section, he shall proceed as provided in G.S. 143-25 to administer the budget so as to prevent any overdraft or deficit.

(c) Whenever a transfer has been made pursuant to subsection (b), it is the intent of the General Assembly to appropriate the amount of the transfer to the General Reserve Fund in the Current Operations Appropriations Act for the next fiscal biennium."

Sec. 2. This act shall become effective July 1, 1989.