

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 799

Short Title: Local Infrastructure Trust Fund.

(Public)

Sponsors: Senators Kerr, Albertson, Carrington, Cooper, Edwards, Gulley, Hobbs, Hoyle, Kincaid, Martin of Pitt, Parnell, Perdue, Speed, Warren, and Hartsell.

Referred to: Appropriations

April 24, 1995

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE LOCAL INFRASTRUCTURE TRUST FUND.

The General Assembly of North Carolina enacts:

Section 1. The General Statutes are amended by adding a new Chapter to read:

"CHAPTER 159H.

"LOCAL INFRASTRUCTURE TRUST FUND.

"§ 159H-1. Creation of Fund.

The Local Infrastructure Trust Fund is established as a special revenue fund within the State treasury. The Trust Fund consists of the following revenue:

(1) General Fund investment earnings credited to the Trust Fund under G.S. 147-69.1(d).

(2) The portion of the unreserved credit balance of the General Fund that is credited to the Trust Fund under G.S. 143-15.2.

(3) Interest and other investment income earned by the Trust Fund.

"§ 159H-2. Use of revenue in the Trust Fund.

(a) To Certain Funds. – Revenue in the Trust Fund shall be credited to the funds listed in the following table in the percentages set in the table:

<u>Fund</u>	<u>Percentage</u>
<u>Clean Water Revolving Loan and Grant Fund,</u>	

1	<u>established by G.S. 159G-5</u>	<u>40%</u>
2	<u>Critical School Facility Needs Fund,</u>	
3	<u>established by G.S. 115C-489.1</u>	<u>36%</u>
4	<u>Public School Building Capital Fund,</u>	
5	<u>established by G.S. 115C-546.1</u>	<u>24%</u>

6 (b) Water Allocations. – The revenue credited in a fiscal year to the Clean Water
7 Revolving Loan and Grant Fund shall be applied first to match any federal funds
8 available for wastewater or water supply assistance. The remaining revenue credited to
9 the Clean Water Revolving Loan and Grant Fund in a fiscal year shall be allocated
10 among the wastewater accounts, the water supply accounts, and the Water Pollution
11 Control Revolving Fund in the manner that will best serve the needs of the State, as
12 determined by the Department of Environment, Health, and Natural Resources. In
13 making loans or grants from the Clean Water Revolving Loan and Grant Fund, the
14 Department shall award priority points to applicants whose proposed projects are part of
15 a regional approach."

16 Sec. 2. G.S. 143-15.2 reads as rewritten:

17 "**§ 143-15.2. Use of General Fund credit balance.**

18 The State Controller shall reserve up to one-fourth of any unreserved credit balance,
19 as determined on a cash basis, remaining in the General Fund at the end of each fiscal
20 year to the Savings Reserve Account as provided in G.S. 143-15.3, unless that would
21 result in the Savings Reserve Account having funds in excess of five percent (5%) of the
22 amount appropriated the preceding year for the General Fund operating budget, including
23 local government tax-sharing funds; in that case, only funds sufficient to reach the five
24 percent (5%) level shall be reserved. ~~credited to the Savings Reserve Account and the~~
25 ~~difference between the amount needed to reach the five percent (5%) level and the~~
26 ~~amount equal to one-fourth of the unreserved credit balance shall be credited to the Local~~
27 ~~Infrastructure Trust Fund, established under G.S. 159H-1. The State Controller shall also~~
28 reserve the lesser of (i) one-fourth of any unreserved credit balance, as determined on a
29 cash basis, remaining in the General Fund and (ii) one and one-half percent (1.5%) of the
30 replacement value of all State buildings supported from the General Fund, at the end of
31 each fiscal year to the Repairs and Renovations Reserve Account as provided in G.S.
32 143-15.3A. The General Assembly may appropriate that part of the anticipated General
33 Fund credit balance not expected to be reserved to the Savings Reserve ~~Account~~ Account,
34 the Local Infrastructure Trust Fund, or the Repairs and Renovations Reserve Account
35 only for capital improvements or other one-time expenditures. As used in this section, the
36 term 'unreserved credit balance' means the credit balance amount, as determined on a
37 cash basis, before funds are reserved by the Controller ~~to the Savings Reserve Account or~~
38 ~~the Repairs and Renovations Reserve Account pursuant to G.S. 143-15.3 and G.S. 143-15.3A. in~~
39 accordance with this section."

40 Sec. 3. G.S. 147-69.1(d) reads as rewritten:

41 "(d) Unless otherwise provided by law, the interest or income received and accruing
42 from all deposits or investments of such cash balances shall be paid into the State's
43 General Fund, except that all interest or income received and accruing on the monthly

1 balance of the Highway Fund shall be paid into the State Highway Fund. The cash
2 balances of the several funds may be combined for deposit or investment purposes; and
3 when such combined deposits or investments are made, the interest or income received
4 and accruing from all deposits or investments shall be prorated among the funds in
5 conformity with applicable law and the rules and regulations adopted by the Governor
6 and Council of State. Within 30 days after the end of each fiscal year, the State Treasurer
7 shall credit one-half of the interest or income that accrued to the General Fund during that
8 fiscal year to the Local Infrastructure Trust Fund, established under G.S. 159H-1."

9 Sec. 4. This act becomes effective July 1, 1995.