

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1139

Short Title: Clean Water Revolving Loan Funds.

(Public)

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Sponsors: Representatives R. Hunter; Baddour, Insko, Mosley, and Nichols.

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Referred to: Appropriations.

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April 21, 1997

A BILL TO BE ENTITLED

1 AN ACT TO RESERVE TEN PERCENT OF THE UNRESERVED CREDIT  
2 BALANCE IN THE GENERAL FUND AT THE END OF EACH FISCAL YEAR  
3 TO THE CLEAN WATER REVOLVING LOAN AND GRANT FUND.  
4

5 The General Assembly of North Carolina enacts:

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

8 "**§ 143-15.3C. Funds reserved to the Clean Water Revolving Loan and Grant Fund.**

9 (a) The Clean Water Revolving Loan and Grant Fund is established in Chapter  
10 159G of the General Statutes. The State Controller shall reserve to the Clean Water  
11 Revolving Loan and Grant Fund ten percent (10%) of any unreserved credit balance  
12 remaining in the General Fund at the end of each fiscal year. As used in this section, the  
13 term 'unreserved credit balance' means the credit balance amount, as determined on a  
14 cash basis, before funds are reserved by the State Controller to the Savings Reserve  
15 Account, the Repairs and Renovations Reserve Account, the Clean Water Management  
16 Trust Fund, or the Clean Water Revolving Loan and Grant Fund pursuant to this section,  
17 G.S. 143-15.3, 143-15.3A, and 143-15.3B.

18 (b) The funds in the Clean Water Revolving Loan and Grant Fund shall be used  
19 only in accordance with Chapter 159G of the General Statutes."

20 Section 2. G.S. 159G-4 reads as rewritten:

1 **"§ 159G-4. Appropriations.**

2 (a) Of the funds appropriated and reserved to the Clean Water Revolving Loan and  
3 Grant Fund, the amount required in each fiscal year to provide the State match of any  
4 federal funds deposited into the Water Pollution Control Revolving Fund shall be  
5 allocated to that fund.

6 (b) Of the appropriations made or reserved from the General Fund to the Clean  
7 Water Revolving Loan and Grant Fund for use of the Department of Environment,  
8 Health, and Natural Resources as provided in this Chapter, allocations are made as  
9 follows after first subtracting the amounts allocated under subsection (a) of this section,  
10 to the extent that there are any excess funds available:

11 Wastewater Accounts

12 General Wastewater Revolving

13 Loan Account 39.00%

14 Emergency Wastewater Revolving

15 Loan Account 10.00%

16 High-Unit Cost Wastewater

17 Account 20.00%

18 Water Supply Accounts

19 General Water Supply

20 Revolving Loan Account 21.00%

21 High-Unit Cost Water Supply

22 Account 5.00%

23 Emergency Water Supply Revolving

24 Loan Account 5.00%

25 (c) All payments of interest and repayments of principal resulting from revolving  
26 loans shall be credited to the respective accounts from which the revolving loan funds  
27 were disbursed. Terms and conditions for repayment of revolving loans shall be  
28 established by the Department of Environment, Health, and Natural Resources, with the  
29 assistance of the Local Government Commission, consistent with the requirements of the  
30 Federal Water Pollution Control Act and this Chapter. Provided, the interest rate for all  
31 revolving loans authorized by this Chapter shall be fixed at the same percent per annum  
32 as the interest rate fixed under the Federal Water Pollution Control Act for loans from the  
33 Water Pollution Control Revolving Fund established by G.S. 159G-5(c), not to exceed  
34 the lesser of four percent (4%) or one half (1/2) the prevailing national market rate for tax  
35 exempt general obligation debt of similar maturities derived from a published indicator.  
36 Provided further, the interest rate may be fixed at a lower rate per annum if authorized by  
37 the Federal Water Pollution Control Act Regulations. It is the intent of the General  
38 Assembly to provide uniform interest payments for all loans made to units of local  
39 government irrespective of the account from which loans are made for either wastewater  
40 or water supply projects."

41 Section 3. This act becomes effective July 1, 1997.