

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1999**

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HOUSE BILL 742

Short Title: Southern Dairy Compact Cmsn. Funds.

(Public)

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Sponsors: Representatives Mitchell; Baker, Bonner, Brown, Cole, Cox, Culp, Davis, Gardner, Kiser, McCrary, McLawhorn, Preston, Warren, G. Wilson, and Yongue.

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Referred to: Appropriations.

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March 30, 1999

A BILL TO BE ENTITLED

1  
2 AN ACT TO APPROPRIATE FUNDS TO A NONREVERTING RESERVE FOR THE  
3 START-UP COSTS OF THE SOUTHERN DAIRY COMPACT COMMISSION  
4 AND THE INITIAL COSTS OF ADMINISTERING AND ENFORCING THE  
5 SOUTHERN DAIRY COMPACT AND TO PROVIDE FOR THE REPAYMENT  
6 OF THOSE FUNDS, AS RECOMMENDED BY THE ENVIRONMENTAL  
7 REVIEW COMMISSION.

8 The General Assembly of North Carolina enacts:

9       Section 1. There is appropriated from the General Fund to a nonreverting  
10 reserve within the Department of Agriculture and Consumer Services the sum of one  
11 million eight hundred thousand dollars (\$1,800,000) for the 1999-2000 fiscal year for the  
12 start-up costs of the Southern Dairy Compact Commission, to be established pursuant to  
13 Section 4 of the Southern Dairy Compact, as set forth in G.S. 106-810, and the initial  
14 costs of administration and enforcement of the Southern Dairy Compact.

15       Section 2.(a) The Director of the Budget shall make no disbursements from the  
16 reserve established in Section 1 of this act to the Southern Dairy Compact Commission  
17 unless Congress ratifies legislation authorizing the operation of the Southern Dairy  
18 Compact, and the State of North Carolina and the Southern Dairy Compact Commission

1 enter into a contract, approved by the Attorney General and the Commissioner of  
2 Agriculture, that contains all of the following provisions:

- 3 (1) That the administrative headquarters of the Southern Dairy Compact  
4 Commission shall be located within this State.
- 5 (2) That all funds disbursed from the reserve to the Southern Dairy  
6 Compact Commission shall be repaid to the State, plus interest at an  
7 amount to be agreed upon by the parties, from revenue pledged by the  
8 Commission, assessments collected by the Commission, or the reserve  
9 of the Commission, in accordance with a repayment schedule to be  
10 agreed upon by the parties.
- 11 (3) That the Southern Dairy Compact Commission shall issue notes to the  
12 State of North Carolina in the amount of the funds disbursed from the  
13 reserve under this act.
- 14 (4) That, prior to each disbursement, the Southern Dairy Compact  
15 Commission shall itemize the needs of the Commission to be served by  
16 the requested disbursement and an itemized list showing how the most  
17 recent disbursement was spent.

18 Section 2.(b) The contract under this section shall not contain any provision that  
19 prevents another participating state, as defined in Section 2 of the Southern Dairy  
20 Compact as set forth in G.S. 106-810, from providing some or all of the start-up costs of  
21 the Southern Dairy Compact Commission or its initial costs of administration and  
22 enforcement of the Southern Dairy Compact.

23 Section 2.(c) All sums repaid to the State pursuant to the contract under this  
24 section shall be credited to the General Fund.

25 Section 2.(d) Any funds not disbursed from the reserve under this act by the end  
26 of the term of years provided in the contract under this section shall revert at the end of  
27 that fiscal year.

28 Section 2.(e) Upon the failure of Congress to ratify legislation authorizing the  
29 operation of the Southern Dairy Compact by June 30, 2001, all funds in the reserve shall  
30 revert to the General Fund.

31 Section 3. This act becomes effective July 1, 1999.