

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 283 (Second Edition)

SHORT TITLE: State Treasurer's Investment Authority

SPONSOR(S): Representative Gordon Allen

FISCAL IMPACT

Yes () No (X) No Estimate Available ()

FY 1999-00 FY 2000-01 FY 2001-02 FY 2002-03 FY 2003-04

REVENUES

**PRINCIPAL DEPARTMENT(S) &
PROGRAM(S) AFFECTED:** Department of State Treasurer

EFFECTIVE DATE: The act is effective when it becomes law.

BILL SUMMARY: The bill amends the statutes to clarify the State Treasurer's investment authority in the Highway Fund, Highway Trust Fund, the Retiree Health Premium Reserve Account, and the NC National Guard Pension Fund.

ASSUMPTIONS AND METHODOLOGY:

This bill conforms the statutory investment authority of the State Treasurer to the fiduciary role of the State Treasurer. The State Treasurer has invested the Retiree Health Premium Reserve Account in a long term fixed income portfolio and has managed the assets of the North Carolina National Guard Pension Fund the same as other pension funds. The State Auditor cited both actions in 1998 as being out of compliance with the North Carolina General Statutes. This bill will authorize the State Treasurer to continue to do what he has been doing. As for the Highway Trust Fund, this bill also conforms the statutes to the investment practice of the State Treasurer.

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