



1 2008-2009 fiscal year because the General Fund will not have a credit balance, and vital  
2 services may need to be reduced because of the budget deficit; and

3       Whereas, under the 2007 "Medicaid swap," counties are projected to have \$250.9  
4 million more in revenue in the 2009-2010 fiscal year and \$191.8 million more in the 2010-2011  
5 fiscal year than they would have had in the absence of the swap; and

6       Whereas, based on the latest State Treasurer's reports on management of cash and  
7 taxes and fund balances available for counties, the average county fund balance is 21.25%; and

8       Whereas, the wisdom of increasing the unallotted balances in a building fund that  
9 assists counties in meeting their responsibilities to construct schools while providing no  
10 funding for the State's Repairs and Renovations Reserve Account and reducing vital State  
11 services is questionable; Now, therefore,

12 The General Assembly of North Carolina enacts:

13       **SECTION 1.** Notwithstanding G.S. 115C-546.1(b), during the 2009-2010 fiscal  
14 year and the 2010-2011 fiscal year, the Secretary of the Department of Revenue shall not remit  
15 any amounts to the State Treasurer from net collections under G.S. 105-130.3 to be credited to  
16 the Public School Building Capital Fund. The amounts that would have been credited during  
17 the 2009-2011 biennium under that subsection to the Public School Building Capital Fund shall  
18 be credited to the General Fund.

19       **SECTION 2.** This act is effective when it becomes law.