

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H

1

HOUSE BILL 503

Short Title: Local Budgets/Public Enterprise Funds. (Public)

Sponsors: Representative Ford.

*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: State and Local Government II, if favorable, Finance

March 29, 2017

A BILL TO BE ENTITLED

AN ACT PROVIDING THAT LOCAL GOVERNMENTS AND PUBLIC AUTHORITIES  
SHALL NOT APPROPRIATE FUNDS FROM A UTILITY OR ENTERPRISE FUND TO  
ANY OTHER FUND OTHER THAN THE APPROPRIATE DEBT SERVICE FUND.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 159-13 reads as rewritten:

**"§ 159-13. The budget ordinance; form, adoption, limitations, tax levy, filing.**

...

(b) The following directions and limitations shall bind the governing board in adopting  
the budget ordinance:

...

(14) No appropriation may be made from a utility or public service enterprise  
fund to any other fund than the appropriate debt service fund ~~unless the total  
of all other appropriations in the fund equal or exceed the amount that will  
be required during the fiscal year, as shown by the budget ordinance, to meet  
operating expenses, capital outlay, and debt service on outstanding utility or  
enterprise bonds or notes. A county may, upon a finding that a fund balance  
in a utility or public service enterprise fund used for operation of a landfill  
exceeds the requirements for funding the operation of that fund, including  
closure and post-closure expenditures, transfer excess funds accruing due to  
imposition of a surcharge imposed on another local government located  
within the State for use of the disposal facility, as authorized by G.S.  
153A-292(b), to support the other services supported by the county's general  
fund.~~

...."

**SECTION 2.** This act becomes effective July 1, 2017.

