

March 7, 2005

H 492. TAXPAYERS' BILL OF RIGHTS FOR NC. TO PROVIDE GOVERNMENTAL ACCOUNTABILITY AND PROTECTION TO THE TAXPAYERS BY LIMITING INCREASES IN THE GENERAL FUND BUDGET, REFORMING THE BUDGET PROCESS, ESTABLISHING AN EMERGENCY RESERVE TRUST FUND AND TO AMEND THE NORTH CAROLINA CONSTITUTION TO ESTABLISH A GENERAL FUND EXPENDITURE LIMIT. Adds new sections to Article 1 of GS Chapter 143 to provide that General Fund expenditure limit for each fiscal year shall be previous year's General Fund expenditure limit increased by percentage rate that equals fiscal growth factor (defined in bill). State Controller must reserve one-fourth of any credit balance remaining in General Fund at end of each fiscal year to Emergency Reserve Trust Fund, which is set out in bill. Provides that General Assembly may, by two-thirds affirmative vote of members of each house, make General Fund appropriations for nonrecurring expenses in excess of General Fund expenditure limit for period not to exceed 12 months beginning on effective date of appropriations. Adds new Sec. 15 to Article V of NC Constitution setting out General Fund expenditure limit as specified in bill beginning with the 2006-07 fiscal year. Constitutional amendment to be submitted at next general election. Legislative changes become effective only if constitutional amendment is approved.

Intro. by Blust, Rhodes.

Ref. to Rules

GS 143, CONST