

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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HOUSE PRINCIPAL CLERK

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HOUSE DRH90037-LM-49 (02/15)

Short Title: Public Enterprise Systems/Use of Funds. (Public)

Sponsors: Representative Moffitt.

Referred to:

A BILL TO BE ENTITLED

AN ACT PROVIDING THAT A MUNICIPALITY OR COUNTY OWNING OR OPERATING A PUBLIC ENTERPRISE SHALL USE REVENUE DERIVED FROM RATES, FEES, CHARGES, AND PENALTIES FOR THE USE OF OR THE SERVICES FURNISHED BY THE PUBLIC ENTERPRISE TO PAY THE COSTS OF OPERATING THE PUBLIC ENTERPRISE AND TO MAKE DEBT SERVICE PAYMENTS AND SHALL USE EXCESS REVENUE FOR LOWERING RATES AND MAKING ADDITIONAL DEBT SERVICE PAYMENTS.

The General Assembly of North Carolina enacts:

SECTION 1. Article 16 of Chapter 160A of the General Statutes is amended by adding a new section to read as follows:

"§ 160A-314.2. Permitted uses of revenue from public enterprises.

Notwithstanding any other provision of law, any city owning or operating a public enterprise as authorized in G.S. 160A-311 shall use revenue derived from rates, fees, charges, and penalties for the use of or the services furnished by the public enterprise only for the purpose of paying the costs of operating the public enterprise and making debt service payments. Any revenue remaining shall be used to lower rates on the services provided by the public enterprise and to make additional debt service payments. A city shall not transfer revenue from a public enterprise fund to any other fund of the city for any purpose unless explicitly authorized by law."

SECTION 2. Article 15 of Chapter 153A of the General Statutes is amended by adding a new section to read as follows:

"§ 153A-277.1. Permitted uses of revenue from public enterprises.

Notwithstanding any other provision of law, any county owning or operating a public enterprise as authorized in G.S. 153A-274 shall use revenue derived from rates, fees, charges, and penalties for the use of or the services furnished by the public enterprise only for the purpose of paying the costs of operating the public enterprise and making debt service payments. Any revenue remaining shall be used to lower rates on the services provided by the public enterprise and to make additional debt service payments. A county shall not transfer revenue from a public enterprise fund to any other fund of the county for any purpose unless explicitly authorized by law."

SECTION 3. This act is effective when it becomes law.

