

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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SENATE BILL 129
PROPOSED COMMITTEE SUBSTITUTE S129-PCS35334-RB-7

Short Title: Limit State Facilities Finance Act Debt.

(Public)

Sponsors:

Referred to:

February 26, 2013

1 A BILL TO BE ENTITLED
2 AN ACT TO PROHIBIT ISSUANCE OF DEBT UNDER THE STATE CAPITAL
3 FACILITIES FINANCE ACT.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 142-83 reads as rewritten:

6 "**§ 142-83. Authorization of special indebtedness; General Assembly approval.**

7 (a) General Assembly Approval. – The State may incur or issue special indebtedness
8 subject to the terms and conditions provided in this Article for the purpose of financing the cost
9 of capital facilities that meet one of the following conditions:

10 (1) The General Assembly has enacted legislation describing the capital facility
11 and authorizing its financing by the incurrence or issuance of special
12 indebtedness up to a specific maximum amount.

13 (2) The General Assembly has enacted legislation authorizing the incurrence or
14 issuance of special indebtedness up to a specific maximum amount for a
15 specific category of capital facilities and the capital facility meets all of the
16 conditions set in that legislation.

17 (b) Limitation. – The General Assembly may enact legislation to incur or issue special
18 indebtedness under subsection (a) of this section only if it determines at the time the legislation
19 is enacted that the amount of special indebtedness authorized by the legislation does not exceed
20 the limitation in this subsection. The determination of the General Assembly must be based
21 upon reasonable estimations and once made may be relied upon as conclusive.

22 The sum of the special indebtedness authorized by the legislation and all other special
23 indebtedness authorized by legislation enacted after January 1, 2013, may not exceed
24 twenty-five percent (25%) of the bond indebtedness of the State supported by the General Fund
25 that was authorized pursuant to legislation enacted after January 1, 2013. For purposes of this
26 section, bond indebtedness supported by the General Fund includes both special indebtedness
27 and general obligation bond indebtedness of the State that is supported by the General Fund."

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

