



NORTH CAROLINA GENERAL ASSEMBLY
 AMENDMENT
 Senate Bill 744

AMENDMENT NO. 1
 (to be filled in by
 Principal Clerk)

S744-ALH-63 [v.2]

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Comm. Sub. [YES]
 Amends Title [NO]
 PCS

Date May 29, 2014

Senator Ford

1 moves to amend the bill on page 18, lines 45-46
 2 by inserting between those lines the following:

3 **"FISCAL RESPONSIBILITY IN BUDGETING**

4 **SECTION 6.11.(a)** G.S. 143C-5-3 reads as rewritten:

5 **'§ 143C-5-3. Availability statement—Statements of revenue, expenses, and statutory**
 6 **compliance required.**

7 (a) In Act. — The Current Operations Appropriations Act enacted by the General
 8 Assembly shall state the General Fund, Highway Fund, and Highway Trust Fund availability
 9 used as basis for appropriations from those funds set out all of the following information:

- 10 (1) The availability used as a basis for appropriations from the General Fund,
 11 the Highway Fund, and the Highway Trust Fund.
- 12 (2) The amount of nonrecurring revenue the act appropriates from the General
 13 Fund, the Highway Fund, and the Highway Trust Fund for recurring
 14 expenses and the recurring source of revenue that is expected to support the
 15 recurring expenses in the next five fiscal years.
- 16 (3) The amount required by G.S. 143C-4-2 to be reserved to the Savings
 17 Reserve Account, the difference in the amount the statute requires and the
 18 act reserves, and the target amount set by statute for the Account.
- 19 (4) The amount required by G.S. 143C-4-3 to be reserved to the Repairs and
 20 Renovations Reserve, the difference in the amount the statute requires and
 21 the act reserves, the amount needed to meet the repair and renovations
 22 requirements for that year as identified in the most recent six-year capital
 23 improvement plan submitted by the Director under G.S. 143C-8-5, and the
 24 amount equal to one percent (1%) of the valuation of State buildings
 25 supported by the Reserve.

26 (b) In Committee Report. — The committee report that accompanies the Current
 27 Operations Appropriations Act enacted by the General Assembly shall include a budget outlook
 28 that forecasts the anticipated revenue and expenses of the General Fund, the Highway Fund,
 29 and the Highway Trust Fund for the upcoming five-year period. The forecast shall state the
 30 assumptions on which it is based and shall separately identify the expenses of any new program
 31 or program that is expanded by more than ten percent (10%). Anticipated expenses include all
 32 of the following:

8:58
 2



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- 1 (1) Those required to be included in a continuation budget.
2 (2) Those considered necessary by the Controller to provide a realistic forecast.
3 (3) A step increase in pay for each year for teachers and State employees paid
4 on a stepped salary schedule that are eligible for an experience-based step
5 and a pay increase of at least one percent (1%) for all State employees not
6 paid on a stepped salary schedule.'

7 **SECTION 6.11.(b)** G.S. 143C-3-5 reads as rewritten:

8 '**§ 143C-3-5. Budget recommendations and budget message.**

9 ...

10 (e) ~~Availability—Estimates.—Revenue Information.~~ — The recommended Current
11 Operations Appropriations Act shall contain a statement showing the estimates of General Fund
12 availability, Highway Fund availability, and Highway Trust Fund availability upon which the
13 ~~Recommended State Budget is based.~~ the information on revenue and expenses required by
14 G.S. 143C-5-3(a).

15 (f) Budget Message. — The Governor's budget recommendations shall be accompanied
16 by a written budget message that does all of the following:

- 17 (1) Explains the goals embodied in the recommended budget.
18 (2) Explains important features of the activities anticipated in the budget.
19 (3) Explains the assumptions underlying the statement of revenue availability.
20 (4) Sets forth the reasons for changes from the previous biennium or fiscal year,
21 as appropriate, in terms of programs, program goals, appropriation levels,
22 and revenue yields.
23 (5) Identifies anticipated sources of funding for major spending initiatives.
24 (6) ~~Prepares a fiscal analysis that addresses the~~ Provides a forecast of the State's
25 budget outlook for the upcoming five-year period. ~~period that includes the~~
26 information required in G.S. 143C-5-3. ~~This fiscal analysis shall include~~
27 detailed estimates for five years for any proposals to create new or
28 significantly expand programs and for proposals to create new or change
29 existing law.

30 '

31 **SECTION 6.11.(c)** G.S. 120-36.7(a) reads as rewritten:

32 '(a) Budget Outlook; Proposed Legislation. — Every fiscal analysis or forecast of the
33 State budget outlook shall encompass the upcoming five-year period. Every fiscal analysis of
34 the impact of proposed legislation on the State budget shall estimate the impact for the first five
35 fiscal years the legislation would be in effect.'"

36

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SIGNED [Signature]
Amendment Sponsor

SIGNED [Signature]
Committee Chair if Senate Committee Amendment

ADOPTED FAILED TABLED

Comm. Amend. 1
Adopted
Pursuant to Rule 45.1
MAY 29 2014
Sarah Lang