GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2017

H.B. 1010 May 24, 2018 HOUSE PRINCIPAL CLERK

(Public)

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Build NC Bond Act.

Short Title:

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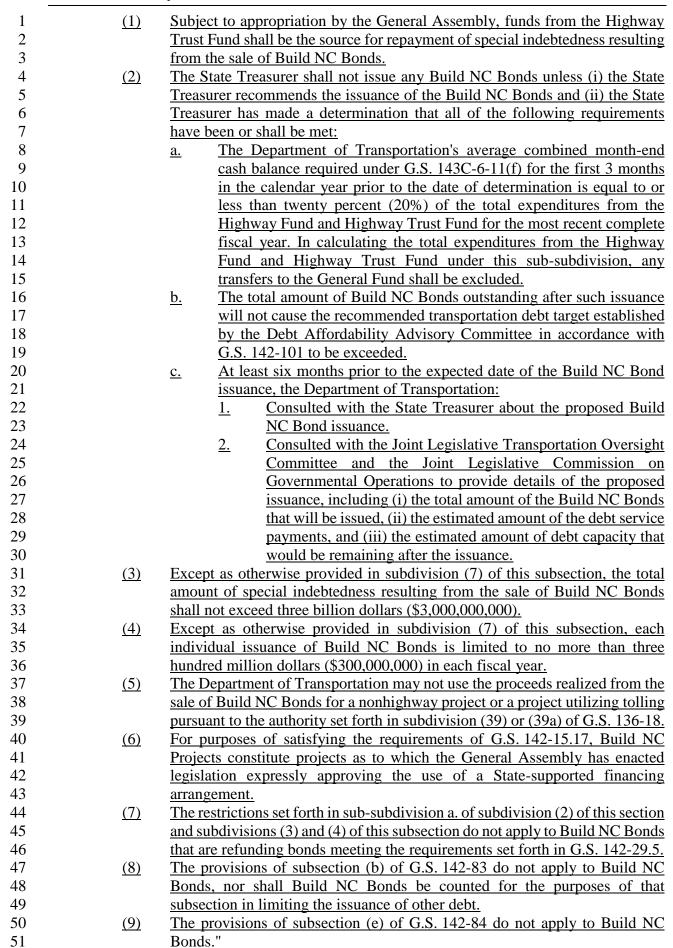
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HOUSE BILL DRH10429-MLfz-205A

Representatives Torbett, Iler, Presnell, and Shepard (Primary Sponsors). Sponsors: Referred to: A BILL TO BE ENTITLED AN ACT TO ENACT THE BUILD NC BOND ACT OF 2018, AS RECOMMENDED BY THE HOUSE SELECT COMMITTEE ON STRATEGIC TRANSPORTATION PLANNING AND LONG TERM FUNDING SOLUTIONS. The General Assembly of North Carolina enacts: **SECTION 1.** Short Title. – This act shall be known as the "Build NC Bond Act of 2018." **SECTION 2.** G.S. 142-82 reads as rewritten: "§ 142-82. Definitions. The following definitions apply in this Article: Build NC Bonds. – Special indebtedness issued to finance Build NC Projects, (2a) with the Build NC Net Proceeds of such special indebtedness used in accordance with both of the following requirements, measured in the aggregate for all issues in successive periods of 10 fiscal years each, with the first such period beginning with the 2019-2020 fiscal year: Within two percent (2%) of fifty percent (50%) of the Build NC Net Proceeds during such period used for Division Need Projects in accordance with the requirements of Article 14B of Chapter 136 of the General Statutes. The remainder of the Build NC Net Proceeds during such period used <u>b.</u> for Regional Impact Projects in accordance with the requirements of Article 14B of Chapter 136 of the General Statutes. Build NC Net Proceeds. - The proceeds of an issue of Build NC Bonds net of (2b) deposits for the costs described in sub-subdivisions d., e., and f. of subdivision (6) of this section. Build NC Project. – A capital facility identified and selected for financing (2c) with Build NC Bonds under this Article by the process set forth in Article 14B of Chapter 136 of the General Statutes. **SECTION 3.** Article 9 of Chapter 142 of the General Statutes is amended by adding a new section to read: "§ 142-97. Additional provisions with respect to Build NC Bonds. The following requirements and limitations apply to the issuance and sale of Build NC Bonds:



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SECTION 4. G.S. 142-89(a) reads as rewritten:

"(a) Terms and Conditions. – Bonds or notes may bear any dates; may be serial or term bonds or notes, or any combination of these; may mature in any amounts and at any times, not exceeding 15 years from their dates for Build NC Bonds and 40 years from their dates; dates for all other bonds and notes; may be payable at any places, either within or without the United States, in any coin or currency of the United States that at the time of payment is legal tender for payment of public and private debts; may bear interest at any rates, which may vary from time to time; and may be made redeemable before maturity, at the option of the State or otherwise as may be provided by the State, at any prices, including a price greater than the face amount of the bonds or notes, and under any terms and conditions, all as may be determined by the State Treasurer, by and with the consent of the Council of State."

SECTION 5. The State Treasurer, in consultation with the Department of Transportation, shall develop and implement a debt management policy to guide the Department's practices in regards to issuing Build NC Bonds, as defined in G.S. 142-82(2a), as enacted in Section 2 of this act. By July 1, 2019, the State Treasurer shall submit a report to the Joint Legislative Transportation Oversight Committee detailing the debt management plan developed in accordance with this subsection.

SECTION 6. This act is effective when it becomes law.