

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019**

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**SENATE BILL 605
PROPOSED COMMITTEE SUBSTITUTE S605-PCS55076-MWa-2**

Short Title: Highway Storm Recovery Act.

(Public)

Sponsors:

Referred to:

April 4, 2019

1 A BILL TO BE ENTITLED
2 AN ACT TO TRANSFER FUNDS TO THE DEPARTMENT OF TRANSPORTATION TO BE
3 USED AS A LOAN FOR CASH FLOW NEEDS AS A RESULT OF DISASTER
4 RECOVERY.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Create Cash Flow Fund. – The Disaster Relief Cash Flow Loan Fund
7 (Fund) is created as a special fund in the Department of Transportation (Department). The Fund
8 is created to be used in accordance with Section 5 of this act.

9 **SECTION 2.** Transfer from the General Fund. – For the 2018-2019 fiscal year, the
10 State Controller shall transfer the sum of ninety million dollars (\$90,000,000) in nonrecurring
11 funds from the unreserved fund balance in the General Fund to the Fund.

12 **SECTION 3.** Transfer from the Office of State Budget and Management. – Of the
13 funds allocated to the Department under Section 4.1 of S.L. 2018-136, the Office of State Budget
14 and Management shall transfer the remaining sum to the Fund.

15 **SECTION 4.(a)** Appropriation from General Fund as Repayment for Time Critical
16 Economic Development Project. – For the 2018-2019 fiscal year, there is appropriated in
17 nonrecurring funds from the unreserved fund balance in the General Fund to the Fund a sum
18 equal to the amount of funds used by the Department of Transportation under the authority set
19 forth in Section 34.3(b) of S.L. 2018-5. The funds appropriated under this subsection shall be
20 used for the purpose set forth in Section 5 of this act.

21 **SECTION 4.(b)** Repeal Repayment Schedule. – Section 34.3(d) of S.L. 2018-5 is
22 repealed.

23 **SECTION 5.** Deposit and Use. – The Department may only use the funds in the
24 Fund to meet the cash flow needs of the Department resulting from expenditures related to
25 disaster relief. The Department shall deposit in the Fund any funds the Department receives as
26 reimbursement from the federal government for expenditures related to disaster relief, and may
27 only use those funds for the purpose set forth in this section. The amount of funds in the Fund
28 authorized for use under this section shall not exceed the total aggregate amount of three hundred
29 million dollars (\$300,000,000).

30 **SECTION 6.** Limitation. – The Department shall ensure that funds described in this
31 act are expended in a manner that does not adversely affect the Department's eligibility for federal
32 funds that are made available or are anticipated to be made available as a result of a disaster.

33 **SECTION 7.** Repayment and Reversion of Loaned Funds. – Upon reaching the
34 amount limitation set forth in Section 5 of this act or June 30, 2021, whichever occurs earlier, the
35 Department shall transfer ninety million dollars (\$90,000,000) to the Office of the State



1 Controller for deposit in the Savings Reserve and shall transfer the remaining balance in the Fund
2 to the Highway Fund and close the Fund.

3 **SECTION 8.** Report. – Beginning October 1, 2019, and quarterly thereafter until
4 July 1, 2021, the Department shall submit a report detailing its use of funds transferred and made
5 available under this act to (i) the Senate Appropriations/Base Budget Committee, (ii) the House
6 of Representatives Committee on Appropriations, (iii) the Senate Appropriations Committee on
7 Department of Transportation, (iv) the House of Representatives Appropriations Committee on
8 Transportation, and (v) the Fiscal Research Division. Additionally, for reimbursed funds
9 deposited under Section 5 of this act, the report required under this section shall specify the
10 source of funds for the expenditures and specify which disaster the funds were expended for.

11 **SECTION 9.** Effective Date. – This act is effective when it becomes law.