

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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SENATE DRS55565-MD-117 (01/11)

Short Title: Abolish Higher Education Bond Oversight Comm. (Public)

Sponsors: Senator Garrou.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ABOLISH THE HIGHER EDUCATION BOND OVERSIGHT COMMITTEE
3 AND TO TRANSFER ITS DUTIES AND FUNCTIONS TO THE OFFICE OF GENERAL
4 ADMINISTRATION OF THE UNIVERSITY OF NORTH CAROLINA AND THE
5 OFFICE OF STATE BUDGET AND MANAGEMENT.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 116D-5 is repealed, and the Higher Education Bond Oversight
8 Committee is abolished.

9 **SECTION 2.(a)** The Office of General Administration of The University of North
10 Carolina shall call for reports and presentations from the following parties and convene for the
11 purpose of hearing from the following parties:

- 12 (1) The University Facilities Office of each institution of The University of
13 North Carolina.
- 14 (2) The Facilities Office of the General Administration of The University of
15 North Carolina.

16 **SECTION 2.(b)** The Office of State Budget and Management shall call for reports
17 and presentations from the following parties and convene for the purpose of hearing from the
18 following parties:

- 19 (1) The State Construction Office of the Department of Administration.
- 20 (2) The president of each community college, or the president's designee.
- 21 (3) The Administrative and Facilities Services Section of the North Carolina
22 Community College System Office.
- 23 (4) The State Treasurer.

24 **SECTION 3.** The Office of General Administration of The University of North
25 Carolina and the Office of State Budget and Management shall analyze and prepare
26 recommendations, based on the information received under subsections 2(a) and 2(b) of this
27 act, respectively, concerning the following issues:

- 28 (1) Whether expenditures of the proceeds from the bonds issued under the
29 Michael K. Hooker Higher Education Facilities Financing Act, S.L. 2000-3,
30 are in compliance with the provisions of the Michael K. Hooker Higher
31 Education Facilities Financing Act, S.L. 2000-3.
- 32 (2) Whether the awarded contracts are consistent with the budget and scope of
33 the approved projects.
- 34 (3) Whether changes in construction methods could enhance cost savings and
35 promotion of on-time completion of projects.



1 (4) Whether the bond issuances are adequately timed to reflect cash-flow
2 requirements of the projects.

3 **SECTION 4.** The Office of General Administration of The University of North
4 Carolina and the Office of State Budget and Management shall report annually to the Joint
5 Legislative Commission on Governmental Operations.

6 **SECTION 5.** Section 1 of this act is effective when it becomes law. The remainder
7 of this act is effective when it becomes law and expires upon completion of all projects funded
8 by bond proceeds issued under the Michael K. Hooker Higher Education Facilities Financing
9 Act, S.L. 2000-3.