

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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SENATE BILL 479

Short Title: Limit State Debt as Function of Revenue. (Public)

Sponsors: Senator Clark (Primary Sponsor).

Referred to: Finance.

March 28, 2013

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE INTENT OF THE GENERAL ASSEMBLY REGARDING
THE AMOUNT OF DEBT THE STATE MAY ISSUE TO A PERCENTAGE OF
GENERAL FUND REVENUE.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 142 of the General Statutes is amended by adding a new
Article to read:

"Article 1A.

"Net Tax-Supported Debt.

"§ 142-15.15. Net tax-supported debt.

It is the intent of the General Assembly, in considering the recommendations of the Debt
Affordability Advisory Committee established in G.S. 142-101, not to authorize the issuance of
debt if the amount of debt service for the debt when added to the annual amount of debt service
for net tax-supported debt authorized by the State exceeds four percent (4%) of the total
amount of revenue to the General Fund for the previous year.

"§ 142-15.16. Report.

The Department of State Treasurer shall report to the General Assembly, on a semiannual
basis, the amount of debt service for net tax-supported debt, the amount set forth in
G.S. 142-15.15, and whether the General Assembly is in compliance with the goal set forth in
G.S. 142-15.15 of this Article.

"§ 142-15.17. Hold harmless.

If a change in amount of revenue to the General Fund results in amount of debt service for
net tax-supported debt authorized by the State exceeding the amount set forth in
G.S. 142-15.15, it does not impair the obligation of authorized debt service."

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

