

NORTH CAROLINA GENERAL ASSEMBLY  
1973 SESSION

CHAPTER 1471  
HOUSE BILL 1907

AN ACT TO APPROPRIATE EIGHT MILLION DOLLARS (\$8,000,000) TO THE NORTH CAROLINA HOUSING FINANCE AGENCY FOR THE PURPOSE OF ESTABLISHING A DEBT SERVICE RESERVE FUND OR FUNDS, TO TRANSFER TO SAID AGENCY THE SUM NOW HELD IN TRUST BY THE STATE TREASURER TO DEFRAY THE OPERATING EXPENSES OF SAID AGENCY AND TO AUTHORIZE THE TRANSFER OF CERTAIN EARNINGS FROM ANY SUCH DEBT SERVICE RESERVE FUND TO SAID AGENCY TO PAY ITS OPERATING EXPENSES SUBJECT TO THE APPROVAL OF THE ADVISORY BUDGET COMMISSION.

The General Assembly of North Carolina enacts:

**Section 1.** For the purpose of establishing one or more debt service reserve funds there is hereby appropriated out of the General Fund of the State to the North Carolina Housing Finance Agency the sum of four million dollars (\$4,000,000) for the fiscal year commencing July 1, 1974.

**Sec. 2.** The State Treasurer is hereby directed to transfer to the North Carolina Housing Finance Agency the unencumbered balance now remaining to the credit of the North Carolina Housing Corporation and now being held in trust by the State Treasurer pursuant to Chapter 727 of the 1973 Session Laws, said funds to be used by said Agency for the payment of its operating expenses.

**Sec. 3.** If and to the extent that the Agency requires funds for operating expenses in excess of the amount provided for in Section 2. of this act, said Agency may, subject to the approval of the Advisory Budget Commission, use an amount not in excess of fifty percent (50%) of the annual income or interest earned by, or increment to, any debt service reserve fund due to the investment thereof. Any balance remaining in said fund or funds after making the withdrawal hereinabove authorized shall be used solely for the purposes permitted by the resolution or trust indenture authorizing bonds of the Agency secured by such fund or funds; provided, however, that no such withdrawal shall be made if the effect thereof is to reduce the amount of such debt service reserve fund or funds below the maximum debt service reserve fund requirement fixed by such resolution or trust indenture.

**Sec. 4.** Sections 1 through 4 of Chapter 727 of the 1973 Session Laws are hereby repealed in their entirety.

**Sec. 5.** The provisions of this act are severable, and if any of its provisions shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.

**Sec. 6.** This act shall be in full force and effect July 1, 1974.

In the General Assembly read three times and ratified, this the 13th day of April, 1974.