

GENERAL ASSEMBLY OF NORTH CAROLINA
1995 SESSION

CHAPTER 515
HOUSE BILL 738

AN ACT TO AUTHORIZE THE ISSUANCE OF TWENTY-THREE MILLION NINE HUNDRED THOUSAND DOLLARS OF COMMUNITY COLLEGE BONDS OR NOTES, AND TO APPROPRIATE THE PROCEEDS OF THESE BONDS AND NOTES FOR SPECIFIC COMMUNITY COLLEGE CAPITAL PROJECTS, AND TO PROVIDE FOR REALLOCATION OF THE PROCEEDS OF COMMUNITY COLLEGE BONDS OR NOTES IF MATCHING REQUIREMENTS ARE NOT MET.

The General Assembly of North Carolina enacts:

Section 1. **Legislative authorization to issue bonds.** – In accordance with the requirements of Section 6(b)II of Chapter 542 of the 1993 Session Laws (the "Bond Act"), the General Assembly hereby authorizes the issuance of twenty-three million nine hundred thousand dollars (\$23,900,000) of Community College Bonds authorized by the Bond Act and approved by the qualified voters of the State who voted thereon on the first Tuesday after the first Monday of November 1993. The proceeds of Community College Bonds and notes, including premium thereon, if any, except the proceeds of bonds the issuance of which has been anticipated by bond anticipation notes or the proceeds of refunding bonds or notes, shall be placed by the State Treasurer in a special fund to be designated "1995 Community College Bonds Fund" and shall be disbursed as provided in this act.

Sec. 2. **Appropriation of bond proceeds.** – In accordance with the requirements of Section 6(b)II of the Bond Act, the General Assembly hereby appropriates the proceeds of the twenty-three million nine hundred thousand dollars (\$23,900,000) of Community College Bonds and notes for specific projects as provided in this act and subject to change as provided in this act. The proceeds of Community College Bonds and notes shall be used for the purpose of making grants to community colleges, as defined in Chapter 115D of the General Statutes, the proceeds of the grants to be allocated and expended for paying the cost of Community College capital improvements, including, without limitation, construction and renovation of classroom buildings, laboratory buildings, research facilities, libraries, physical education facilities, continuing education centers, student cafeteria and activity facilities, including sports facilities, administrative office buildings, and related equipment and land acquisition. The buildings constructed using the proceeds of the bonds may be constructed only after consideration of the energy design guidelines developed by the Energy Division of the Department of Commerce.

Any additional moneys which may be received by means of a grant or grants from the United States of America or any agency or department thereof or from any other source to aid in financing the cost of any Community College grants authorized by this act may be placed by the State Treasurer in the 1995 Community College Bonds Fund or in a separate account or fund and shall be disbursed, to the extent permitted by the terms of the grant or grants, without regard to any limitations imposed by this act.

The proceeds of Community College Bonds and notes may be used with any other moneys made available by the General Assembly for the making of Community College grants, including the proceeds of any other State bond issues, whether heretofore made available or which may be made available at the session of the General Assembly at which this act is ratified or any subsequent sessions. The proceeds of Community College Bonds and notes shall be expended and disbursed under the direction and supervision of the Director of the Budget. The funds provided by this act for Community College improvements shall be disbursed for the purposes provided in this act upon warrants drawn on the State Treasurer by the State Controller, which warrants shall not be drawn until requisition has been approved by the Director of the Budget and which requisition shall be approved only after full compliance with the Executive Budget Act, Article 1 of Chapter 143 of the General Statutes.

The State Board of Community Colleges shall provide quarterly reports to the Joint Legislative Commission on Governmental Operations, the chairs of the Senate and House of Representatives Appropriations Committees, and the Fiscal Research Division on the expenditure of moneys from the 1995 Community College Bonds Fund.

Sec. 3. Allocations of funds for specific projects. – The proceeds of grants made from the proceeds of twenty-three million nine hundred thousand dollars (\$23,900,000) of Community College Bonds and notes shall be allocated and expended for paying the cost of Community College capital improvements, to the extent and as provided in this act and subject to change as provided in this act, as follows:

COLLEGE	CAPITAL IMPROVEMENTS	PROJECTED ALLOCATION
Alamance CC	Phase III - LRC Expansion	\$ 349,870
Anson CC	Advanced Technology Center	316,954
Union Cty.	Advanced Technology Center	264,264
Asheville- Buncombe TCC	Classroom/Lab/Office Building	528,527
Beaufort County CC	Student Services Center	306,546
Bladen CC	Allied Health Care Center	107,341
Blue Ridge CC	Allied Health Building	528,527
Transylvania Cty.	Classroom/Office Bldg.	53,088

Brunswick CC	Allied Health/Classroom	422,822
Caldwell CC & TI	Classroom/Lab Building	644,803
Watauga Cty.	Classroom/Lab Bldg.	239,057
Cape Fear CC	Health Sciences Building	775,929
Pender Cty.	Classroom Building	72,959
Carteret CC	Classroom/Student Center	257,700
Catawba Valley CC	Physical Ed./Classroom Bldg.	590,494
Central Carolina CC	Classroom Building	211,411
Chatham Cty.	Classroom Building	211,411
Harnett Cty.	Classroom Building	105,705
Central Piedmont CC	Science Labs Expansion	417,536
Cleveland CC	Advanced Technology Building	233,928
Coastal Carolina CC	Public Service Technology Bldg.	317,116
College of the Albemarle	Classroom/Administration Bldg.	339,941
Dare Cty.	Class/Lab/Student Services Bldg.	158,558
Craven CC	Academic Studies/Basic Skills Bldg.	294,947
Davidson County CC	Advanced Technology Building	409,609
Davie Cty.	Class/Lab/Instructional Support Bldg.	209,297
Durham TCC	Classroom/Office Building	613,092
Edgecombe CC	Class/Lab Addition-Rocky Mount	126,847
Fayetteville TCC	Health & Science Facility	634,233
Forsyth TCC	Class/Lab/Admin. - East Campus	835,073
Gaston College	Work Force Preparedness Center	619,434
Guilford TCC	Applied Technology Building	818,160
Halifax CC	Literacy Ed/Science Building	212,319

Haywood CC	Classroom Building	116,276
Isothermal CC	Cultural Arts Center	575,507
Polk Cty.	Classrooms/Labs Addition	37,915
James Sprunt CC	Multi-Purpose Center	391,999
Johnston CC	Allied Health Building	317,116
Lenoir CC	Classroom/Auditorium Building	351,613
Greene Cty.	New Instructional Facility	158,558
Jones Cty.	New Vocational Annex	10,571
Martin CC	Equine Arena	61,050
Bertie Cty.	Class/Lab/Office Building	26,426
Mayland CC	Shop/Student Lecture Hall	426,793
McDowell TCC	Classroom Building	200,840
Mitchell CC	Renovate Main Building	232,552
Montgomery CC	LRC Building	274,063
Nash CC	LRC/Student Center	466,074
Pamlico CC	Multi-Purpose Class/Office Bldg.	123,143
Piedmont CC	Classroom/Faculty Office Bldg.	48,605
Caswell Cty.	Adult Learning Center	137,417
Pitt CC	Student Services Building	475,674
Randolph CC	Allied Hlth/Science & Tech Center	297,759
Richmond CC	Fine Arts Ctr/Auditorium	237,987
Roanoke-Chowan CC	Classroom/Student Support Center	269,452
Robeson CC	Teaching Theaters/Allied Hlth Classroom	151,183
Rockingham CC	Multi-Purpose Building	285,405

Rowan-Cabarrus CC	Engineering Building	443,963
Cabarrus Cty.	Classroom Building	166,308
Sampson CC	Multi-Purpose Building	264,264
Sandhills CC	Cont. Ed. Center/Classrooms	507,386
Hoke Cty.	Renovate Classrooms	31,710
Southeastern CC	Nursing/Allied Health Building	138,411
Southwestern CC	General Classroom Building	211,411
Macon Cty.	Region Law Enf. Defensive Dr. Course	31,712
Swain Cty.	Class/Lab/Office Bldg.	95,135
Stanly CC	Learning Resource Center	247,479
Surry CC	Health/Day Care/Library Building	428,574
Tri-County CC	Student Services Ctr./Classroom Bldg.	118,708
Graham Cty.	Class/Lab/Study Bldg.	50,739
Vance-Granville CC	Allied Health/Day Care/Classroom Bldg.	224,878
Franklin Cty.	Class/Lab/Office Building	158,558
Granville Cty.	Additional Classrooms	39,904
Warren Cty.	Campus Renovations	22,462
Wake TCC	Student Education Bldg.	1,162,760
Wayne CC	Student & Telecommunications Bldg.	668,970
Western Piedmont CC	Class/Office Bldg. (Bus. Tech.)	361,530
Wilkes CC	LRC-Student Development	496,816
Ashe Cty.	Classroom Building	21,141
Wilson TCC	Multi-Purpose Building	<u>105,705</u>
TOTAL		\$23,900,000.

Projected allocations set forth above may be adjusted to reflect the availability of other funds. The Board of Trustees of an individual community college may change the projects or allocations for that college, including a project or an allocation for a satellite campus, within the total amount of funds allocated for that college.

The Director of the Budget is empowered, when the Director of the Budget determines it is in the best interest of the State and the North Carolina Community College System to do so, and if the cost of a particular project is less than the projected allocation, to use the excess funds to increase the size of that project or increase the size of any other project itemized in this section, or to increase the amount allocated to a particular community college within the aggregate amount of funds available under this section. The Director of the Budget may consult with the Advisory Budget Commission and the Joint Legislative Commission on Governmental Operations before making these changes. In addition, the particular capital improvements and the amount of the projected allocation therefor set forth above may be changed from time to time as the General Assembly may decide.

Nothing in this act restricts the right of the General Assembly, in addition to the right to specify the projects and the allocations therefor, in 1995 or at a subsequent session to:

- (1) Establish a procedure whereby projected allocations set forth in subsequent legislation may be increased or decreased to reflect the availability of other funds, including, without limitation, contingency funds, income earned on the investment of bond and notes proceeds, and the proceeds of grants.
- (2) Establish a contingency account and provide for an allocation of bond proceeds thereto. The funds in the contingency account may be used to pay the cost of projects, the costs of issuance of bonds and notes, and increased project costs resulting from construction costs exceeding projections, inflationary factors, and changes in projects and allocations. The funds allocated to the contingency account shall be placed by the State Treasurer in a separate account in the Community College Bonds Fund and shall be disbursed in accordance with the procedures established for disbursements from the Community College Bonds Fund.
- (3) Empower the Director of the Budget, when the Director determines it is in the best interest of the State and the North Carolina Community College System to do so, and if the cost of a particular project is less than the projected allocation, to use the excess funds to increase the size of that project or increase the size of any other project authorized by the General Assembly.

Allocations to the costs of a capital improvement or undertaking in each case may include allocations to pay the costs set forth in Section 3(4)c., d., e., f., and g. of the Bond Act in connection with the issuance of bonds for that capital improvement or undertaking. The matching requirements of G.S. 115D-31(a)(1) apply to the proceeds of Community College Bonds and notes used to make grants to community colleges.

Sec. 4. **Reallocation of Section 6(b)I and II proceeds.** Section 6(b) of Chapter 542 of the 1993 Session Laws, the Education, Clean Water, and and Parks Bond Act of 1993, is amended by adding the following at the end of that subsection:

"IV. If the State Board of Community Colleges determines that a community college has not met the matching requirements of G.S. 115D-31(a)(1) by July 1, 1998, with respect to a capital improvement project for which bond proceeds are allocated in subdivision I or pursuant to subdivision II of this subsection, the Board shall certify that fact to the State Treasurer by October 1, 1998. All of these bond proceeds with respect to which the Board certifies that the matching requirement has not been met by July 1, 1998, shall be placed by the State Treasurer in a special account within the Community Colleges Bond Fund and shall be used for making grants to community colleges. Bond proceeds in the special account shall be allocated among the community colleges in accordance with the following conditions:

- (1) The State Board of Community Colleges shall generate, by October 1, 1998, a priority ranking of legitimate community college capital improvement needs using a formula based on objective meaningful factors relevant to capital needs, including space to population ratio, population served ratio, capacity enrollment ratio, local to State and vocational education ratios, type of project, and readiness to implement.
- (2) The State Board of Community Colleges shall provide the State Treasurer a projected allocation of the proceeds in the special account in accordance with this priority ranking, except that:
 - a. No projected allocation shall be made for a community college that the Board certified in accordance with this subdivision IV had failed to meet a matching requirement.
 - b. No more than four million dollars (\$4,000,000) shall be allocated to a single community college.
 - c. Funds shall not be allocated for more than one project per community college.
- (3) The proceeds of grants made from bond proceeds in the special account shall be allocated and expended for paying the cost of community college capital improvements in accordance with this allocation by the State Board of Community Colleges, to the extent and as provided in this act. The Director of the Budget is empowered, when the Director of the Budget determines it is in the best interest of the State and the North Carolina Community College System to do so, and if the cost of a particular project is less than the projected allocation, to use the excess funds to increase the size of that project or increase the size of any other project itemized in this section, or to increase the amount allocated to a particular community college within the aggregate amount of funds available under this section. The Director of the Budget shall consult with the Advisory Budget Commission and the Joint Legislative Commission on Governmental Operations before making these changes."

Sec. 5. **Effective date.** – This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of July, 1995.

Dennis A. Wicker
President of the Senate

Harold J. Brubaker
Speaker of the House of Representatives