

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

**SESSION LAW 2005-201
HOUSE BILL 1631**

AN ACT AUTHORIZING THE DIRECTOR OF THE BUDGET TO CONTINUE EXPENDITURES FOR OPERATION OF GOVERNMENT AT THE LEVEL IN EFFECT ON JUNE 30, 2005; APPROPRIATING FUNDS FOR INCREASES IN THE AVERAGE DAILY MEMBERSHIP IN THE PUBLIC SCHOOLS AND IN UNIVERSITY AND COMMUNITY COLLEGE ENROLLMENT; DIRECTING THE STATE CONTROLLER TO TRANSFER OVERREALIZED DISPROPORTIONATE SHARE PAYMENTS TO NONTAX REVENUE; AND EXTENDING THE FINAL MATURITY OF CERTAIN GLOBAL TRANSPARK DEBT FROM JULY 31, 2005, UNTIL AUGUST 31, 2005.

The General Assembly of North Carolina enacts:

SECTION 1. Section 10 of S.L. 2005-144 reads as rewritten:

"**SECTION 10.** Except as otherwise provided, Parts I through VI of this act become effective July 1, 2005, and expire ~~July 20, 2005.~~ August 5, 2005. Except as otherwise provided, the remainder of this act becomes effective June 30, 2005."

SECTION 2. G.S. 147-69.2(b)(11), as amended by Section 7 of S.L. 2005-144, reads as rewritten:

"(b) It shall be the duty of the State Treasurer to invest the cash of the funds enumerated in subsection (a) of this section in excess of the amount required to meet the current needs and demands on such funds, selecting from among the following:

...

- (11) With respect to assets of the Escheat Fund, obligations of the North Carolina Global TransPark Authority authorized by G.S. 63A-4(a)(22), not to exceed twenty-five million dollars (\$25,000,000), that have a final maturity not later than ~~July 31, 2005.~~ August 31, 2005. The obligations shall bear interest at the rate set by the State Treasurer. No commitment to purchase obligations may be made pursuant to this subdivision after September 1, 1993, and no obligations may be purchased after September 1, 1994. In the event of a loss to the Escheat Fund by reason of an investment made pursuant to this subdivision, it is the intention of the General Assembly to hold the Escheat Fund harmless from the loss by appropriating to the Escheat Fund funds equivalent to the loss."

SECTION 3. Effective July 1, 2005, there is appropriated from the General Fund for the 2005-2006 fiscal year the following:

- (1) \$125,000,000 to the Department of Public Instruction to fully fund increases in average daily membership in public schools, subject to adjustment by the General Assembly.
- (2) \$7,802,343 to the Community Colleges System Office to fully fund the community college enrollment increase.
- (3) \$72,753,678 to the Board of Governors of The University of North Carolina for increased enrollment.
- (4) \$1,596,000 to the Board of Governors of The University of North Carolina to increase the State Contractual Scholarship Fund by fifty dollars (\$50.00) per student in private college.
- (5) \$1,395,488 to the Board of Governors of The University of North Carolina to fund an increase in enrollment growth in North Carolina residents attending private colleges and universities in the State.

SECTION 4. Notwithstanding Section 10.21(b) of S.L. 2003-284, the State Controller shall transfer the sum of eleven million one hundred nine thousand eight hundred thirty-four dollars (\$11,109,834) in disproportionate share payments received by State hospitals from the Disproportionate Share Reserve Fund to nontax revenue budget code 19961. This section becomes effective June 30, 2005.

SECTION 5. Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 19th day of July, 2005.

s/ Beverly E. Perdue
President of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 6:51 p.m. this 19th day of July, 2005