

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 1789

Short Title: Reallocate Water Bond Funds.

(Public)

Sponsors: Representatives Yongue and Hunter.

Referred to: Rules, Calendar, and Operations of the House.

May 25, 2000

A BILL TO BE ENTITLED

AN ACT TO REALLOCATE THE PROCEEDS OF THE CLEAN WATER BONDS.

The General Assembly of North Carolina enacts:

Section 1. Pursuant to Section 5.1(i) of S.L. 1998-132, the sum of one hundred forty-eight million five hundred thousand dollars (\$148,500,000) of the Clean Water Bond proceeds allocated for loans for wastewater collection systems and wastewater treatment works under Section 5.1 (h)(1) of S.L. 1998-132 is reallocated to be used by the Department of Environment and Natural Resources to provide grants to local government units for the same purposes and in accordance with the provisions of the Clean Water Revolving Loan and Grant Act for funds in the High-Unit Cost Wastewater Account. Amounts reallocated shall be administered by the Department of Environment and Natural Resources in accordance with Section 5.1(c)(1) of S.L. 1998-132. The funds reallocated under this section shall be divided equally between the amounts reserved in the High Unit Cost Wastewater Account for units of local government whose bond rating is less than 75 or who have no bond rating and those whose bond rating is 75 or greater.

Section 2. Pursuant to Section 5.1(i) of S.L. 1998-132, the sum of one hundred thirty million dollars (\$130,000,000) of the Clean Water Bond proceeds allocated for loans for water supply and distribution systems and water conservation projects under Section 5.1(h)(2) of S.L. 1998-132 is reallocated to be used by the Department of Environment and Natural Resources to provide grants to local government units for the

1 same purposes and in accordance with the provisions of the Clean Water Revolving Loan
2 and Grant Act for funds in the High-Unit Cost Water Supply Account. Amounts
3 reallocated shall be administered by the Department of Environment and Natural
4 Resources in accordance with Section 5.1(c)(2) of S.L. 1998-132. The funds reallocated
5 under this section shall be divided equally between the amounts reserved in the High-
6 Unit Cost Water Supply Account for units of local government whose bond rating is less
7 than 75 or who have no bond rating and those whose bond rating is 75 or greater.

8 Section 3. G.S. 159G-6(a) reads as rewritten:

9 "(a) Revolving loans and grants.

10 (1) All funds appropriated or accruing to the Clean Water Revolving Loan
11 and Grant Fund, other than funds set aside for administrative expenses,
12 shall be used for revolving loans and grants to applicants for
13 construction costs of wastewater treatment works, wastewater collection
14 systems and water supply systems and other assistance as provided in
15 this Chapter.

16 (2) The maximum principal amount of a revolving loan or a grant may be
17 one hundred percent (100%) of the nonfederal share of the construction
18 costs of any eligible project. The maximum principal amount of
19 revolving loans made to any one applicant during any fiscal year shall
20 be eight million dollars (\$8,000,000).

21 (2a) The maximum principal amount of grants made to any applicant ~~during~~
22 ~~any fiscal year over a period of three fiscal years~~ shall be three million
23 dollars (\$3,000,000). The Department of Environment and Natural
24 Resources may limit the maximum principal amount of the grant to two
25 million dollars (\$2,000,000) or two-thirds of the eligible project cost,
26 whichever is less, when the bond rating of the local government unit
27 equals or is greater than 75 during any fiscal year and when one million
28 dollars (\$1,000,000) or one-third of the eligible project cost, whichever
29 is less, is available to the local government unit as a loan from any
30 source.

31 (3) The State Treasurer shall be responsible for investing and distributing
32 all funds appropriated or accruing to the Clean Water Revolving Loan
33 and Grant Fund for revolving loans and grants under this Chapter. In
34 fulfilling his responsibilities under this section, the State Treasurer shall
35 make a written request to the Department of Environment and Natural
36 Resources to arrange for the appropriated funds to be (i) transferred
37 from the appropriate accounts to an applicant to provide funds for one
38 or more revolving loans or grants or (ii) invested as authorized by this
39 Chapter with the interest on and the principal of such investments to be
40 transferred to the applicant to provide funds for one or more revolving
41 loans or grants."

42 Section 4. This act becomes effective July 1, 2000. Section 3 of this act
43 applies only to grants funded on or after that date.