

1 **"§ 143-15.3E. Trust Fund for Public Schools.**

2 The Trust Fund for Public Schools is established as an interest-bearing, nonreverting
3 special trust account in the Office of State Budget and Management. Moneys in the
4 Trust Fund shall be held in trust and used solely to meet the public school needs of the
5 State. The Trust Fund shall be used to supplement and not to supplant existing State and
6 local funding for public schools.

7 The State Treasurer shall hold the Trust Fund separate and apart from all other
8 moneys, funds, and accounts. The State Treasurer shall be the custodian of the Trust
9 Fund and shall invest its assets in accordance with G.S. 147-69.2 and G.S. 147-69.3.
10 Investment earnings credited to the assets of the Trust Fund shall become part of the
11 Trust Fund. Any balance remaining in the Trust Fund at the end of any fiscal year shall
12 be carried forward in the Trust Fund for the next succeeding fiscal year. Moneys in the
13 Trust Fund shall be expended only to reduce class size in the public schools in
14 kindergarten through third grade. Moneys in the Trust Fund for Public Schools shall not
15 be expended until appropriated by the General Assembly."

16 **SECTION 3.** This act becomes effective January 1, 2004.