

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

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SENATE DRS35062-MC-58 (02/12)

Short Title: Limit State Facilities Finance Act Debt.

(Public)

Sponsors: Senator Tucker (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROHIBIT ISSUANCE OF DEBT UNDER THE STATE CAPITAL  
3 FACILITIES FINANCE ACT.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 142-84(c) reads as rewritten:

6 "(c) Final Approval. – Before any special indebtedness may be incurred or issued  
7 pursuant to this Article, the Council of State must authorize the indebtedness by resolution,  
8 either as part of or separate from the resolution required by subsection (b) of this section. The  
9 resolution must do all of the following:

10 (1) Authorize the providing of a particular capital facility or, in general terms,  
11 the types or classifications of capital facilities to be provided.

12 (1a) Make a determination that the sum of the special indebtedness proposed to  
13 be issued and all other outstanding special indebtedness of the State  
14 authorized after July 1, 2013, does not exceed twenty-five percent (25%) of  
15 the total amount of outstanding debt of the State that is supported by the  
16 General Fund. The determination required to be made by this subdivision is  
17 not required in connection with the issuance of bonds and notes for  
18 refunding purposes pursuant to G.S. 142-89(f).

19 (2) Set the aggregate principal amount or maximum principal amount of the  
20 special indebtedness authorized.

21 (3) Set the maturity or maximum maturity of the special indebtedness  
22 authorized.

23 (4) Set the rate, rates, or maximum rate of interest, which may be fixed or vary  
24 over a period of time, of the special indebtedness authorized.

25 (5) Include any other conditions or matters not inconsistent with the provisions  
26 of this Article in the discretion of the Council of State, which may include  
27 the adoption or approvals as may be authorized in G.S. 142-88 and  
28 G.S. 142-89."

29 SECTION 2. This act becomes effective July 1, 2013, and applies to special  
30 indebtedness to finance the cost of capital facilities incurred on or after that date.

