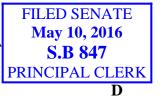
GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2015



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SENATE BILL DRS15333-MDa-112 (11/02)

	Short Title:	Budget Stability and Continuity Act of 2016. (F	Public)
	Sponsors:	Senators Brown, Harrington, and B. Jackson (Primary Sponsors).	
	Referred to:		
1		A BILL TO BE ENTITLED	
1 2	AN ACT T	O FACILITATE BUDGET STABILITY AND CONTINUITY IN THE	EVENT
2		A FISCAL YEAR BEGINS FOR WHICH NO CURRENT OPER.	
3 4		PRIATIONS ACT HAS BECOME LAW.	ATIONS
4 5	_	Assembly of North Carolina enacts:	
5 6		ECTION 1. G.S. 143C-5-4 reads as rewritten:	
7		Enactment deadline.deadline; procedures to be followed when the	Curront
8		perations Appropriations Act does not become law prior to the end of	
9		scal years.	
0		<u>nactment Deadline. – The General Assembly shall enact the Current O</u>	nerations
1		ns Act by June 15 of odd-numbered years and by June 30 of even-numbered	
2		rent Operations Appropriations Act is enacted.	i years m
3		Appropriations Act Does Not Become Law Prior to End of Certain Fiscal Y	ears – If
4		begins for which no current operations appropriations act providing for	
5	•	f State government during that fiscal year has become law, then the f	
6	-	hall be followed and the following limitations shall apply:	<u></u>
7	(1		dget mav
8	<u> </u>	continue to allocate funds from all funds for expenditure by State depa	-
9		institutions, and agencies at a level not to exceed the level of	
0		expenditures from those funds for the prior fiscal year. If the Direct	
1		Budget finds that projected revenues for the fiscal year will not	
2		expenditures at the level of recurring expenditures for the prior fiscal	
3		Director of the Budget shall allot funds at a lower level. In maki	ng these
4		allocations, the Director of the Budget shall ensure the prompt payme	nt of the
5		principal and interest on bonds and notes of the State according to the	eir terms.
5		Except as otherwise provided by this section, the limitations and direct	ctions on
7		the expenditure of funds for the prior fiscal biennium shall remain in ef	fect.
3	<u>(2</u>	2) <u>Appropriation of Funds Necessary to Implement. – There is appropria</u>	ited from
9		the appropriate State funds, cash balances, federal receipts, and depa	artmental
0		receipts sums sufficient to implement the authority described in this su	ubsection
1		for the applicable fiscal year.	
2	<u>(3</u>		
3		the authorizations to allocate and spend funds which are set out	
4		subsection shall remain in effect until the Current Operations Appro	-
5		Act for the applicable biennium becomes law, at which time that	
6		become effective and shall govern appropriations and expenditures. V	When the



Gener	ral Assem	bly Of North Carolina	Session 2015
1		Current Operations Appropriations Act for that bie	ennium becomes law, the
2		Director of the Budget shall adjust allotments to give e	
3		1 of the fiscal year.	•
4	(4)	Vacant Positions If both houses of the General As	ssembly have passed their
5		respective versions of the Current Operations Appropriate	
6		reading and ordered them sent to the other chamb	er, then vacant positions
7		subject to proposed budget reductions in either or both	h versions of the bill shall
8		not be filled.	
9	<u>(5)</u>	State Employee Salaries The salary schedule	es and specific salaries
10		established for the prior fiscal year and in effect on J	June 30 of the prior fiscal
11		year for offices and positions shall remain in effect un	til the Current Operations
12		and Capital Improvements Appropriations Act for	the current fiscal year
13		becomes law. State employees subject to G.S. 7	7A-102(c), 7A-171.1, or
14		20-187.3 shall not move up on salary schedules or rec	ceive automatic increases,
15		including automatic step increases, until authorized b	by the General Assembly.
16		State employees, including those exempt from	the classification and
17		compensation rules established by the State Human	n Resources Commission,
18		shall not receive any automatic step increases, and	nual, performance, merit,
19		bonuses, or other increments until authorized by the G	eneral Assembly.
20	<u>(6)</u>	School Employee Salaries Public school employ	yees paid on the teacher
21		salary schedule or the school-based administrator s	salary schedule shall not
22		move up on salary schedules or receive automa	atic step increases until
23		authorized by the General Assembly.	
24	<u>(7)</u>	State's Employer Contribution Rate The State's en	nployer contribution rates
25		budgeted for retirement and related benefits for the	e current fiscal year shall
26		remain the same as they are on June 30 of the prior fi	iscal year. These rates are
27		effective until the Current Operations Appropriations	Act for the current fiscal
28		year becomes law and are subject to revision in that	t act. If that act modifies
29		those rates, the Director of the Budget shall further m	nodify the rates set in that
30		act for the remainder of the fiscal year so as to con	npensate for the different
31		amount contributed between July 1 and the date	
32		Appropriations Act becomes law so that the effective	
33		reflect the rates set in the Current Operations Appropri-	
34	<u>(8)</u>	Statutory Transfers to Reserves Notwithstand	
35		G.S. 143C-4-3, funds shall not be reserved to the Sav	-
36		the Repairs and Renovations Reserve Account and the	
37		transfer funds from the unreserved credit balance to the	he those accounts on June
38		<u>30 of the prior fiscal year.</u>	
39	<u>(9)</u>	Federal Block Grant Funds and Other Grant Fu	
40		G.S. 143C-6-4, State agencies may, with approval	
41		Budget, spend funds received from grants awarded	during the current fiscal
42		year, including federal block grants, that are for le	ess than two million five
43		hundred thousand dollars (\$2,500,000), do not requi	ire State matching funds,
44		and will not be used for a capital project. State agenci-	-
45		Legislative Commission on Governmental Operations	
46		of such funds. State agencies may spend all other fu	-
17		during the current fiscal year, including federal block	• • • • •
		of the Director of the Budget and after consultation	with the Joint Logiclative
48			
48 49		Commission on Governmental Operations. The Off	fice of State Budget and
47 48 49 50 51			fice of State Budget and agencies to budget grant

	General Assembly Of North Carolina	Session 2015
1	respective granting entities. Depending on the nature of the	e award, additional
2	State personnel may be employed on a time-limited basis. F	unds received from
3	such grants are hereby appropriated and shall be inco	orporated into the
4	authorized budget of the recipient State agency. Notwithstan	ding the provisions
5	of this subdivision, no State agency may accept a grant if	f acceptance of the
6	grant would obligate the State to make future expenditu	res relating to the
7	program receiving the grant or would otherwise result in a	financial obligation
8	as a consequence of accepting the grant funds."	
9	SECTION 2. This act is effective when it becomes law.	