

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 1582

Short Title: Infrastructure Bond Bill.

(Public)

Sponsors: Senators Carpenter, Staton, and Cochrane.

Referred to: Finance.

June 6, 1990

A BILL TO BE ENTITLED

**AN ACT TO AUTHORIZE THE ISSUE OF GENERAL OBLIGATION BONDS OF
THE STATE OF NORTH CAROLINA TO MEET INFRASTRUCTURE NEEDS.**

Whereas, proper capital investment in infrastructure needs of the State can enable the State to continue economic expansion; and

Whereas, paying for capital projects over the life of the project can spread the costs of the project to the users of the project over its lifetime; and

Whereas, a bond issue can provide jobs as the capital projects are constructed; and

Whereas, funding infrastructure needs can remove pressure from the General Fund, which has been largely funding long-term capital needs from yearly current revenues; and

Whereas, there are heavy needs for water and sewer projects, solid waste projects, prison and jail construction, school construction, parks, ports, waterways, airports, community college construction and equipment, university facilities, and repairs and renovations on State buildings; and

Whereas, neglect of these needs can cause larger costs in the long run; and

Whereas, funding all capital needs out of current taxation raises costs for today's taxpayers while providing those facilities free to future generations; and

Whereas, the interest paid on a properly structured bond issue equals the interest that the taxpayers would lose on the funds if taxes had to be raised to construct those projects out of current operations; and

Whereas, any such bond issue will require the approval of the voters, allowing them to weigh the merits and demerits of the projects; Now, therefore,

- 1 The General Assembly of North Carolina enacts:
- 2 Section 1. This act will authorize general obligation bonds.
- 3 Sec. 2. This act is effective upon ratification.