

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

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**HOUSE BILL 1631**  
**Committee Substitute Favorable 7/14/05**

Short Title: Extend Continuing Budget Authority.

(Public)

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Sponsors:

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Referred to:

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May 11, 2005

A BILL TO BE ENTITLED

1 AN ACT AUTHORIZING THE DIRECTOR OF THE BUDGET TO CONTINUE  
2 EXPENDITURES FOR OPERATION OF GOVERNMENT AT THE LEVEL IN  
3 EFFECT ON JUNE 30, 2005; APPROPRIATING FUNDS FOR INCREASES IN  
4 THE AVERAGE DAILY MEMBERSHIP IN THE PUBLIC SCHOOLS AND IN  
5 UNIVERSITY AND COMMUNITY COLLEGE ENROLLMENT; DIRECTING  
6 THE STATE CONTROLLER TO TRANSFER OVERREALIZED  
7 DISPROPORTIONATE SHARE PAYMENTS TO NONTAX REVENUE; AND  
8 EXTENDING THE FINAL MATURITY OF CERTAIN GLOBAL TRANSPARK  
9 DEBT FROM JULY 31, 2005, UNTIL AUGUST 31, 2005.

10 The General Assembly of North Carolina enacts:

11 **SECTION 1.** Section 10 of S.L. 2005-144 reads as rewritten:

12 **"SECTION 10.** Except as otherwise provided, Parts I through VI of this act become  
13 effective July 1, 2005, and expire ~~July 20, 2005.~~ August 5, 2005. Except as otherwise  
14 provided, the remainder of this act becomes effective June 30, 2005."

15 **SECTION 2.** G.S. 147-69.2(b)(11), as amended by Section 7 of S.L.  
16 2005-144, reads as rewritten:

17 "(b) It shall be the duty of the State Treasurer to invest the cash of the funds  
18 enumerated in subsection (a) of this section in excess of the amount required to meet the  
19 current needs and demands on such funds, selecting from among the following:

20 ...

21 (11) With respect to assets of the Escheat Fund, obligations of the North  
22 Carolina Global TransPark Authority authorized by G.S. 63A-4(a)(22),  
23 not to exceed twenty-five million dollars (\$25,000,000), that have a  
24 final maturity not later than ~~July 31, 2005.~~ August 31, 2005. The  
25 obligations shall bear interest at the rate set by the State Treasurer. No  
26 commitment to purchase obligations may be made pursuant to this  
27 subdivision after September 1, 1993, and no obligations may be  
28 purchased after September 1, 1994. In the event of a loss to the  
29

1 Escheat Fund by reason of an investment made pursuant to this  
2 subdivision, it is the intention of the General Assembly to hold the  
3 Escheat Fund harmless from the loss by appropriating to the Escheat  
4 Fund funds equivalent to the loss."

5 **SECTION 3.** There is appropriated from the General Fund for the  
6 2005-2006 fiscal year the following:

7 (1) \$125,000,000 to the Department of Public Instruction to fully fund  
8 increases in average daily membership in public schools, subject to  
9 adjustment by the General Assembly.

10 (2) \$7,802,343 to the Community Colleges System Office to fully fund the  
11 community college enrollment increase.

12 (3) \$72,753,678 to the Board of Governors of The University of North  
13 Carolina for increased enrollment.

14 (4) \$1,596,000 to the Board of Governors of The University of North  
15 Carolina to increase the State Contractual Scholarship Fund by fifty  
16 dollars (\$50.00) per student in private college.

17 **SECTION 4.** Notwithstanding Section 10.21(b) of S.L. 2003-284, the State  
18 Controller shall transfer the sum of eleven million one hundred nine thousand eight  
19 hundred thirty-four dollars (\$11,109,834) in disproportionate share payments received  
20 by State hospitals from the Disproportionate Share Reserve Fund to nontax revenue  
21 budget code 19961. This section becomes effective June 30, 2005.

22 **SECTION 5.** This act is effective when it becomes law.