

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007

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SENATE BILL 1548

Short Title: Turnpike Authority Bonds/Secured-State Funds. (Public)

Sponsors: Senator Hoyle.

Referred to: Finance.

March 28, 2007

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE NORTH CAROLINA TURNPIKE AUTHORITY TO  
ISSUE BONDS SECURED IN WHOLE OR IN PART BY APPROPRIATIONS TO  
THE AUTHORITY FROM THE STATE OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

**SECTION 1.** Chapter 136 of the General Statutes is amended by adding a  
new section to read:

**"§ 136-89.188A. State funds used for debt service on bonds issued by the authority.**

Of funds appropriated to the Authority pursuant to the Executive Budget Act, the  
Authority may use the funds to:

- (1) Pay capital costs of Turnpike Projects undertaken by the Authority.
- (2) Pay operating and maintenance expenses with respect to such Turnpike  
Projects including operating and maintenance expenses associated with  
the operation of the Turnpike Projects as toll facilities.
- (3) Pay debt service on revenue bonds issued by the Authority to finance  
the costs of one or more Turnpike Projects.

The General Assembly hereby acknowledges that the undertaking by the Authority  
of the construction of Turnpike Projects will result in the construction and use of those  
transportation facilities many years in advance of when such construction and use would  
otherwise occur, and that the financing of the Turnpike Projects in whole or in part from  
bonds to be paid from user tolls will greatly reduce the amount of traditional highway  
funding sources necessary to construct the Turnpike Projects.

Any appropriations to the Authority shall constitute an agreement by the State to pay  
the funds to the Authority within the meaning of G.S. 159-81(4). Notwithstanding the  
foregoing, it is the intention of the General Assembly that the enactment of this  
provision and the issuance of bonds or notes by the Authority in reliance thereon shall  
not in any manner constitute a pledge of the faith and credit and taxing power of the  
State, and nothing contained herein shall prohibit the General Assembly from amending

1 its appropriations at any time to decrease or eliminate the amount annually appropriated  
2 to the Authority."

3           **SECTION 2.** This act is effective when it becomes law.