GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 1282*

Short Title: Budget/Const. Amendment. Sponsors: Representatives Gray, Arnold, Cansler, and Holmes.	(Public)

May 22, 1996

1 A BILL TO BE ENTITLED

AN ACT TO MAKE CERTAIN CHANGES IN THE CONSTITUTION FOR IMPLEMENTING BUDGET ADJUSTMENTS AND ALLOCATIONS.

The General Assembly of North Carolina enacts:

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Section 1. Chapter 5 of the Session Laws of 1995 is amended by adding a new section to read:

- "Sec. 1.1. Section 5(3) of Article III of the Constitution of North Carolina reads as rewritten:
- "'(3) Budget. The Governor shall prepare and recommend to the General Assembly a comprehensive budget of the anticipated revenue and proposed expenditures of the State for the ensuing fiscal period. The budget as enacted by the General Assembly shall be administered by the Governor. The General Assembly may by law provide that the Governor may adjust the enacted budget and make allocations from reserves designated by law, subject in certain circumstances to approval by a commission within the legislative branch composed of members of the General Assembly. The power to appoint any commission exercising powers under this subsection may by law be delegated to members of the General Assembly.

The total expenditures of the State for the fiscal period covered by the budget shall not exceed the total of receipts during that fiscal period and the surplus remaining in the State Treasury at the beginning of the period. To insure that the State does not incur a

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deficit for any fiscal period, the Governor shall continually survey the collection of the revenue and shall effect the necessary economies in State expenditures, after first making adequate provision for the prompt payment of the principal of and interest on bonds and notes of the State according to their terms, whenever he determines that receipts during the fiscal period, when added to any surplus remaining in the State Treasury at the beginning of the period, will not be sufficient to meet budgeted expenditures. This section shall not be construed to impair the power of the State to issue its bonds and notes within the limitations imposed in Article V of this Constitution, nor to impair the obligation of bonds and notes of the State now outstanding or issued hereafter."

Sec. 2. Section 3 of Chapter 5 of the 1995 Session Laws reads as rewritten:

"Sec. 3. The amendments set out in Sections 1 and 2 of this act shall be submitted to the qualified voters of the State at the general election in November of 1996, which election shall be conducted under the laws then governing elections in the State. Ballots, voting systems, or both may be used in accordance with Chapter 163 of the General Statutes. The question to be used in the voting systems and ballots shall be:

'[]FOR []AGAINST

Constitutional amendments granting veto power to the Governor.'

The amendment set out in Section 1.1 of this act shall be submitted to the qualified voters of the State at the general election in November of 1996, which election shall be conducted under the laws then governing elections in the State. Ballots, voting systems, or both may be used in accordance with Chapter 163 of the General Statutes. The question to be used in the voting systems and ballots shall be:

'[]FOR []AGAINST

Constitutional amendment allowing the Governor to modify the enacted State budget in accordance with law."

Sec. 3. Section 4 of Chapter 5 of the 1995 Session Laws reads as rewritten:

"Sec. 4. If a majority of votes cast on the question are in favor of the amendments set out in Sections 1 and 2 of this act, the State Board of Elections shall certify the amendments to the Secretary of State. If a majority of votes cast on the question are in favor of the amendment set out in Section 1.1 of this act, the State Board of Elections shall certify the amendment to the Secretary of State. The amendments become effective January 1, 1997. The Secretary of State shall enroll the amendments so certified among the permanent records of that office."

Sec. 4. This act is effective upon ratification.