

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE RESOLUTION 1812

Sponsors: Representatives Davis; Barbee, Brubaker, Capps, Carpenter, M. Crawford, Culp, Ellis, Gillespie, Harrington, Kiser, Setzer, Sexton, Shubert, C. Wilson, and G. Wilson.

Referred to: Rules, Calendar, and Operations of the House.

October 1, 2002

1 A HOUSE RESOLUTION CALLING FOR COMPLIANCE BY THE OFFICE OF
2 STATE BUDGET AND MANAGEMENT WITH 1998 LEGISLATION
3 CONCERNING ACCOUNTING FOR FEDERAL FUNDS, AND CALLING FOR
4 AN END TO THE AUTOMATIC APPROPRIATION OF RECEIPTS AND
5 FEDERAL FUNDS, SO THERE WILL BE PROPER SCRUTINY BY THE
6 GENERAL ASSEMBLY OF THE EXPENDITURE OF THOSE FUNDS.

7 Whereas, the 1998 State budget bill added the following language to G.S.
8 143-16.1(a), "Each budgetary category shall show the total received and anticipated
9 State and federal expenditures, along with a description of the purpose for which the
10 federal funds will be spent at the program level. All expenditures for the prior fiscal
11 year and all expenditures anticipated in the proposed budget shall be reported by objects
12 of expenditure by purpose and shall be identified by each federal grant. For the purpose
13 of this section, federal funds are any financial assistance made to a State agency by the
14 United States government, whether a loan, grant, subsidy, augmentation,
15 reimbursement, or any other form."; and

16 Whereas, this additional language has not been complied with by the Office
17 of State Budget and Management; and

18 Whereas, the State budget continues to appropriate all receipts and federal
19 funds received, avoiding the proper legislative budget scrutiny that is the constitutional
20 duty of the General Assembly to consider before appropriating the funds; Now,
21 therefore,

22 Be it resolved by the House of Representatives:

23 **SECTION 1.** The House of Representatives directs the Office of State
24 Budget and Management to promptly comply with the 1998 amendments to G.S.
25 143-16.1(a), and directs the Appropriations Committee to report legislation to repeal the
26 automatic appropriation of receipts and federal funds, so these expenditures can receive
27 proper legislative scrutiny.

28 **SECTION 2.** This resolution is effective upon adoption.