

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

S

D

SENATE DRS75404-MA-150 (5/2)

Short Title: Repayment of Highway Trust Fund Monies. (Public)

Sponsors: Senator Stevens.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ENSURE THE INTEGRITY OF THE HIGHWAY TRUST FUND BY
REQUIRING REPAYMENT OF EXCESS TRANSFERS FROM THE HIGHWAY
TRUST FUND TO THE GENERAL FUND.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-187.9 is amended by adding a new subsection to
read:

"(c) The funds in the Highway Trust Fund are held in trust for the people of North Carolina for transportation needs and not as a supplement to, or replacement of, general funds. To ensure the integrity of the Highway Trust Fund and to keep the public faith, beginning in fiscal year 2007-2008, there shall be no funds in excess of those authorized by G.S. 105-187.9(b) transferred from the Highway Trust Fund to the General Fund. Notwithstanding any other law to the contrary, any funds transferred prior to the 2007-2008 fiscal year from the Highway Trust Fund to the General Fund in excess of the transfer authorized by G.S. 105-187.9(b) shall be fully repaid to the Highway Trust Fund in five years beginning in the 2007-2008 fiscal year, using the sum of the digits formula, according to the following repayment schedule: FY 2007-2008 – seven percent (7%), FY 2008-2009 – thirteen percent (13%), FY 2009-2010 – twenty percent (20%), FY 2011-2012 – twenty-seven percent (27%), and FY 2012-2013 – thirty-three percent (33%). The repayment each year shall include interest at the net rate of return generated by the State Treasurer's Short Term Investment Fund."

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