

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

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**SENATE BILL 1220**

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

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Sponsors: Senators Stevens; Apodaca, Berger of Rockingham, Bingham, Blake, Brock, Brown, East, Garwood, Goodall, Hunt, Jacumin, Miller, Pittenger, Presnell, Smith, Tillman, and Webster.

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Referred to: Appropriations/Base Budget.

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May 10, 2006

A BILL TO BE ENTITLED

1 AN ACT TO ENSURE THE INTEGRITY OF THE HIGHWAY TRUST FUND BY  
2 REQUIRING REPAYMENT OF EXCESS TRANSFERS FROM THE HIGHWAY  
3 TRUST FUND TO THE GENERAL FUND.  
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5 The General Assembly of North Carolina enacts:

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

8 "(c) The funds in the Highway Trust Fund are held in trust for the people of North  
9 Carolina for transportation needs and not as a supplement to, or replacement of, general  
10 funds. To ensure the integrity of the Highway Trust Fund and to keep the public faith,  
11 beginning in fiscal year 2007-2008, there shall be no funds in excess of those authorized  
12 by G.S. 105-187.9(b) transferred from the Highway Trust Fund to the General Fund.  
13 Notwithstanding any other law to the contrary, any funds transferred prior to the  
14 2007-2008 fiscal year from the Highway Trust Fund to the General Fund in excess of  
15 the transfer authorized by G.S. 105-187.9(b) shall be fully repaid to the Highway Trust  
16 Fund in five years beginning in the 2007-2008 fiscal year, using the sum of the digits  
17 formula, according to the following repayment schedule: FY 2007-2008 – seven  
18 percent (7%), FY 2008-2009 – thirteen percent (13%), FY 2009-2010 – twenty percent  
19 (20%), FY 2011-2012 – twenty-seven percent (27%), and FY 2012-2013 – thirty-three  
20 percent (33%). The repayment each year shall include interest at the net rate of return  
21 generated by the State Treasurer's Short Term Investment Fund."

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