GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2001

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HOUSE BILL 69 **Committee Substitute Favorable 3/28/01**

Short Title:	Repeal Highway Use Tax Transfer3 Yrs.	
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Sponsors:

Referred to:

February 7, 2001

1	A BILL TO BE ENTITLED		
2	AN ACT TO REPEAL, WITH A THREE-YEAR PHASEOUT, THE ANNUAL		
3	TRANSFER OF ONE HUNDRED SEVENTY MILLION DOLLARS IN		
4	HIGHWAY USE TAX COLLECTIONS FROM THE HIGHWAY TRUST FUND		
5	TO THE GENERAL FUND AND TO PROVIDE THAT THOSE FUNDS SHALL		
6	BE USED BY THE DEPARTMENT OF TRANSPORTATION FOR HIGHWAY		
7	MAINTENANCE.		
8	The General Assembly of North Carolina enacts:		
9	SECTION 1. G.S. 105-187.9 reads as rewritten:		
10	"§ 105-187.9. Disposition of tax proceeds.		
11	(a) Taxes collected under this Article at the rate of eight percent (8%) shall be		
12	credited to the General Fund. Taxes collected under this Article at the rate of three		
13			
14	year the State Treasurer shall transfer the sum of one hundred seventy million dollars		
15	(\$170,000,000) of the taxes deposited in the Trust Fund to the General Fund. The		
16	transfer of funds authorized by this section may be made by transferring one-fourth of		
17	the amount at the end of each quarter in the fiscal year or by transferring the full amount		
18	annually on July 1 of each fiscal year, subject to the availability of revenue.		
19	(b) Subject to the availability of revenue, the State Treasurer shall transfer the		
20	following sums of the taxes deposited in the Trust Fund, pursuant to subsection (a) of		
21	this section, to the General Fund:		
22	(1) On July 1, 2003 – one hundred twenty-seven million five hundred		
23	thousand dollars (\$127,500,000).		
24	(2) On July 1, $2004 - eighty$ -five million dollars (\$85,000,000).		
25	(3) On July 1, 2005 – forty-two million five hundred thousand dollars		
26	<u>(\$42,500,000).</u>		
27	(4) On July 1, 2006, and on July 1 or each year thereafter, no funds shall		
28	be transferred."		
29	SECTION 2. G.S. 136-176 is amended by adding a new subsection to read:		

(Public)

GENERAL ASSEMBLY OF NORTH CAROLINA

1	" <u>(e)</u> The I	Department of Transportation shall use the following funds deposited in
2	the Trust Fund	pursuant to subdivision (a)(2) of this section (in addition to any other
3	funds appropria	ted for this purpose) for highway maintenance:
4	<u>(1)</u>	For the 2003-2004 fiscal year - forty-two million five hundred
5		thousand dollars (\$42,500,000).
6	<u>(2)</u>	For the 2004-2005 fiscal year – eighty-five million dollars
7		<u>(\$85,000,000).</u>
8	<u>(3)</u>	For the 2005-2006 fiscal year – one hundred twenty-seven million five
9		hundred thousand dollars (\$127,500,000).
10	<u>(4)</u>	For the 2006-2007 and all subsequent fiscal years - one hundred
11		seventy million dollars (\$170,000,000)."
12	SEC	FION 3. This act becomes effective July 1, 2003.