

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1991**

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HOUSE BILL 1158

Short Title: Highway Trust Fund/General Fund.

(Public)

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Sponsors: Representative Justus; Hege, Ligon, and Morgan.

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Referred to: Finance.

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May 3, 1991

A BILL TO BE ENTITLED

1 AN ACT TO RENAME THE HIGHWAY TRUST FUND AS "THE HIGHWAY  
2 FUND #2", TO BORROW SUFFICIENT FUNDS FROM THE HIGHWAY FUND  
3 #2 TO BALANCE THE GENERAL FUND, AND TO BOTH ARRANGE FOR  
4 REPAYMENT TO THE HIGHWAY FUND #2 AND TO FREEZE GENERAL  
5 FUND EXPENDITURES.  
6

7 The General Assembly of North Carolina enacts:

8 Section 1. Chapter 136 and other relevant sections of the General Statutes are  
9 amended by deleting the phrase "Highway Trust Fund" wherever it appears and by  
10 substituting the phrase "Highway Fund #2".

11 Sec. 2. Effective June 30, 1991, the General Fund expenditure level is frozen  
12 at the level it was on June 30, 1991. No additional expenditures shall be authorized.

13 Sec. 3. Effective July 1, 1991, funds necessary to balance the General Fund  
14 are borrowed from the Highway Fund #2. As General Fund funds increase above the  
15 expenditure level at which the level was frozen pursuant to Section 2 of this act, they  
16 shall be transferred to the Highway Fund #2 in repayment of the borrowing mandated  
17 by this section. When all the funds borrowed to balance the General Fund are repaid,  
18 excess General Fund funds shall remain in the General Fund. However, the existence of  
19 excess funds in the General Fund shall not authorize General Fund expenditures above  
20 the level at which General Fund expenditures were frozen pursuant to Section 2 of this  
21 act.

22 Sec. 4. This act becomes effective July 1, 1991, except for Section 2, which  
23 becomes effective June 30, 1991.