

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 91\*

Short Title: UNC Budget Flexibility for Energy.

(Public)

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Sponsors: Senators Plexico; Cooper, Ballance, Allran, Hunt, Soles, Martin of Guilford, Forrester, Seymour, Tally, Hartsell, Lee, Gunter, and Daniel.

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Referred to: Education/Higher Education.

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February 9, 1993

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT, UNDER THE TEMPORARY BUDGET FLEXIBILITY EXTENDED TO CERTAIN INSTITUTIONS IN THE UNIVERSITY OF NORTH CAROLINA SYSTEM, A DESIGNATED PORTION OF ANY RETAINED REVERSIONS MAY BE USED FOR ENERGY CONSERVATION IMPROVEMENTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 116-30.3 reads as rewritten:

"§ 116-30.3. (Expires June 30, 1994) Reversions.

(a) Of the General Fund current operations appropriations credit balance remaining in each budget code of a special responsibility constituent institution at the close of a fiscal year, any amount greater than the percentage of the General Fund appropriations historically reverted to the State treasury over the preceding five fiscal years, multiplied by the General Fund appropriations for that budget code, may be carried forward by the institution to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the State. ~~However, the amount carried forward under this section shall not exceed~~

(b) One and only one of the following options is available to a special responsibility constituent institution eligible to carry forward reversions under subsection (a) of this section:

(1) The institution may carry forward an amount not to exceed two and one-half percent (2 1/2%) of the General Fund ~~appropriation-~~ appropriation, of which up to one-fourth of one percent (.25%) of the

1                    General Fund appropriation may be used to fund an energy  
2                    conservation measure; or

3                    (2)    The institution may carry forward three percent (3%) of the General  
4                    Fund appropriation if one-half of one percent (.5%) of the General  
5                    Fund appropriation is used to fund an energy conservation measure.

6                    (c)    An energy conservation measure shall not be undertaken under this section  
7                    unless, according to an engineering study, the recoupment of the cost of the construction  
8                    of the improvements will occur in an aggregate of five years or less.

9                    (d)    The historic reversion percentage shall be determined by the Director of the  
10 Budget, after making adjustments for allotment reductions made to meet revenue  
11 shortfalls and to force credit balances during the preceding five fiscal years under the  
12 authority set forth in G.S. 143-25. Any special responsibility constituent institution that  
13 does not revert a percentage of the General Fund appropriations for the budget code  
14 equal to the five-year historic reversion rate established in this section shall cease to be  
15 a special responsibility constituent institution unless the Board of Governors finds that  
16 the low reversion rate is due to adverse and unforeseen conditions. In this instance, the  
17 Board may allow the institution to remain a special responsibility constituent institution  
18 for one year to come into conformity with this section. The Board may make this  
19 exception only one time for any special responsibility constituent institution, and shall  
20 report these exceptions to the Joint Legislative Commission on Governmental  
21 Operations.

22                    (e)    As used in this section, 'energy conservation measure' means the construction,  
23 rehabilitation, acquisition, or modification of an installation in a facility for the purpose  
24 of reducing energy consumption or energy cost, or allowing the use of an alternative  
25 energy source."

26                    Sec. 2. G.S. 116-30.5 reads as rewritten:

27                    "**§ 116-30.5. (Expires June 30, 1994) Impact on ~~education.~~ education; energy**  
28                    **conservation.**

29                    The Board of Governors shall require each special responsibility constituent  
30 institution to include in its institutional effectiveness plan those assessment measures  
31 that are determined by the Board to be measures that will assure some standard measure  
32 of student learning and development in general undergraduate education or will assure a  
33 substantial reduction in energy use at the special responsibility constituent institutions.  
34 The intent of this requirement is to measure the impact of G.S. 116-30.1 through G.S.  
35 116-30.5, establishing and administering special responsibility constituent institutions,  
36 and their implementation on undergraduate student learning and ~~development.~~  
37 development, and reducing the institutions' dependence on energy."

38                    Sec. 3. This act becomes effective July 1, 1993, and expires June 30, 1994.