

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 703

Short Title: NC Rural Electrification Authority/Funds. (Public)

Sponsors: Senator Meredith.

Referred to: Appropriations/Base Budget.

April 20, 2011

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO THE NORTH CAROLINA RURAL
ELECTRIFICATION AUTHORITY FOR OPERATING EXPENSES.

Whereas, in 2009, the General Assembly found it necessary to transfer from the State Controller to be deposited in Nontax Budget Code 18878 (Intrastate Transfers), or the appropriate budget code as determined by the State Controller, the sum of \$210,240 of unexpended surplus funds in the North Carolina Rural Electrification Authority (NCREA) Fund; and

Whereas, the transferred unexpended surplus funds were used to support General Fund appropriations for the 2009-2011 fiscal biennium; and

Whereas, the loss of the unexpended surplus funds has depleted the financial resources of the NCREA, requiring the organization to operate on cash flow and borrow against future receipts; and

Whereas, the NCREA's operating expenses are increasing as the organization has to pay more for office space rent; requires information technology services, particularly computers; incurs travel expenses to electric and telephone cooperative sites across the State; and bears costs associated with conducting hearings and arbitrations, including court reporting fees; and

Whereas, if the NCREA does not receive funds from the General Assembly, the NCREA will not be able to adequately perform the duties required of it under Chapter 117 of the General Statutes without increasing the regulatory fee it is authorized to impose on electric and telephone membership corporations under G.S. 117-3.1; and

Whereas, the NCREA deems it unadvisable to increase the regulatory fee imposed on electric and telephone membership corporations as they struggle to provide electric and telephone service to rural customers at a reasonable rate; Now, therefore, The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to the North Carolina Rural Electrification Authority the sum of two hundred ten thousand two hundred forty dollars (\$210,240) for the 2011-2012 fiscal year for operating expenses, including rent, information technology support and computers, travel expenses, and legal fees for hearings and arbitrations.

SECTION 2. This act becomes effective July 1, 2011.

