

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2019**

**SENATE BILL 605**  
**RATIFIED BILL**

AN ACT TO TRANSFER FUNDS TO THE DEPARTMENT OF TRANSPORTATION TO BE USED AS A LOAN FOR CASH FLOW NEEDS AS A RESULT OF DISASTER RECOVERY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Create Cash Flow Fund. – The Disaster Relief Cash Flow Loan Fund (Fund) is created as a special fund in the Department of Transportation (Department). The Fund is created to be used in accordance with Section 5 of this act.

**SECTION 2.** Transfer from the General Fund. – For the 2018-2019 fiscal year, the State Controller shall transfer the sum of ninety million dollars (\$90,000,000) in nonrecurring funds from the unreserved fund balance in the General Fund to the Fund.

**SECTION 3.** Transfer from the Office of State Budget and Management. – Of the funds allocated to the Department under Section 4.1 of S.L. 2018-136, the Office of State Budget and Management shall transfer the remaining sum to the Fund.

**SECTION 4.(a)** Appropriation from General Fund as Repayment for Time Critical Economic Development Project. – For the 2018-2019 fiscal year, there is appropriated in nonrecurring funds from the unreserved fund balance in the General Fund to the Fund a sum equal to the amount of funds used by the Department of Transportation under the authority set forth in Section 34.3(b) of S.L. 2018-5. The funds appropriated under this subsection shall be used for the purpose set forth in Section 5 of this act.

**SECTION 4.(b)** Repeal Repayment Schedule. – Section 34.3(d) of S.L. 2018-5 is repealed.

**SECTION 5.** Deposit and Use. – The Department may only use the funds in the Fund to meet the cash flow needs of the Department resulting from expenditures related to disaster relief. The Department shall deposit in the Fund any funds the Department receives as reimbursement from the federal government for expenditures related to disaster relief, and may only use those funds for the purpose set forth in this section. The amount of funds in the Fund authorized for use under this section shall not exceed the total aggregate amount of three hundred million dollars (\$300,000,000).

**SECTION 6.** Limitation. – The Department shall ensure that funds described in this act are expended in a manner that does not adversely affect the Department's eligibility for federal funds that are made available or are anticipated to be made available as a result of a disaster.

**SECTION 7.** Repayment and Reversion of Loaned Funds. – Upon reaching the amount limitation set forth in Section 5 of this act or June 30, 2021, whichever occurs earlier, the Department shall transfer ninety million dollars (\$90,000,000) to the Office of the State Controller for deposit in the Savings Reserve and shall transfer the remaining balance in the Fund to the Highway Fund and close the Fund.

**SECTION 8.** Report. – Beginning October 1, 2019, and quarterly thereafter until July 1, 2021, the Department shall submit a report detailing its use of funds transferred and made available under this act to (i) the Senate Appropriations/Base Budget Committee, (ii) the House of Representatives Committee on Appropriations, (iii) the Senate Appropriations Committee on



Department of Transportation, (iv) the House of Representatives Appropriations Committee on Transportation, and (v) the Fiscal Research Division. Additionally, for reimbursed funds deposited under Section 5 of this act, the report required under this section shall specify the source of funds for the expenditures and specify which disaster the funds were expended for.

**SECTION 9. Effective Date.** – This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 15<sup>th</sup> day of May, 2019.

s/ Philip E. Berger  
President Pro Tempore of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

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Roy Cooper  
Governor

Approved \_\_\_\_\_m. this \_\_\_\_\_ day of \_\_\_\_\_, 2019