

GENERAL ASSEMBLY OF NORTH CAROLINA
1987 SESSION

CHAPTER 112
HOUSE BILL 4

AN ACT TO PERMIT THE AGRICULTURAL FINANCE AUTHORITY TO
ENGAGE IN CERTAIN INVESTMENTS, AND TO TEMPORARILY EXEMPT
IT FROM THE ADMINISTRATIVE PROCEDURE ACT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 122D-16 reads as rewritten:

"§ 122D-16. **Trust funds.** – Notwithstanding any other provisions of law to the contrary, all moneys received pursuant to the authority of this Chapter shall be deemed to be trust funds to be held and applied solely as provided in this Chapter. The resolution authorizing any obligations or the trust agreement securing the same may provide that any of such moneys may be temporarily invested pending the disbursement thereof and shall provide that any officer with whom, or any bank or trust company with which, such moneys shall be deposited, shall act as trustee of such moneys and shall hold and apply the same for the purposes hereof, subject to such regulations as this Chapter and such resolution or trust agreement may provide. Any such moneys or any other moneys of the Authority may be invested as ~~provided in G.S. 159-28.1.~~ in the following:

- (1) Bonds, notes or treasury bills of the United States;
- (2) Non-convertible debt securities of the following issuers:
 - a. The Federal Home Loan Bank Board;
 - b. The Federal National Mortgage Association;
 - c. The Federal Farm Credit Bank; and
 - d. The Student Loan Marketing Association;
- (3) Any other obligations not listed above which are guaranteed as to principal and interest by the United States or any of its agencies;
- (4) Certificates of deposit and other evidences of deposit at state and federal chartered banks and savings and loan associations; provided that any principal amount of such certificate in excess of the amount insured by the federal government or any agency thereof be fully collateralized;
- (5) Obligations of the United States or its agencies under a repurchase agreement for a shorter time than the maturity date of the security itself if the market value of the security itself is more than the amount of funds invested;
- (6) Money market funds whose portfolios consist of any of the foregoing investments;

- (7) A guaranteed investment or similar contract, which provides for the investment of funds at a guaranteed rate of return, with an insurance company or depository financial institution with a claim paying rating of no less than either of the two highest grades given by a nationally recognized rating agency; and
- (8) Any other investment authorized by law for the investment of funds by a unit of local government."

Sec. 2. G.S. 150B-1(d) reads as rewritten:

"(d) The following are specifically exempted from the provisions of this Chapter: the Administrative Rules Review Commission, the Employment Security Commission, the Industrial Commission, the Occupational Safety and Health Review Board, the North Carolina Agricultural Finance Authority until March 1, 1988, and the Utilities Commission.

The North Carolina National Guard is exempt from the provisions of this Chapter in exercising its court-martial jurisdiction.

The Department of Correction is exempt from the provisions of this Chapter, except for Article 5 of this Chapter and G.S. 150B-13 which shall apply.

Articles 2, 3, and 3A of this Chapter shall not apply to the Department of Transportation in rule making or administrative hearings as provided for by Chapter 20 of the General Statutes or to the Department of Revenue.

Article 4 of this Chapter, governing judicial review of final administrative decisions, shall apply to The University of North Carolina and its constituent or affiliated boards, agencies, and institutions, but The University of North Carolina and its constituent or affiliated boards, agencies, and institutions are specifically exempted from the remaining provisions of this Chapter. Article 4 of this Chapter shall not apply to the State Banking Commission, the Commissioner of Banks, the Savings and Loan Division of the Department of Commerce, and the Credit Union Division of the Department of Commerce.

Article 3 of this Chapter shall not apply to agencies governed by the provisions of Article 3A of this Chapter, as set out in G.S. 150B-38(a)."

Sec. 3. G.S. § 122D-3(1) is hereby amended by adding the words "or refinancing" after the word "financing".

Sec. 4. G.S. § 122D-6(15) is hereby amended by adding the words "with or without credit enhancement devices" after the word "indebtedness".

Sec. 5. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of April, 1987.