

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

H

1

HOUSE BILL 2116

Short Title: Reserve for Litigation.

(Public)

Sponsors: Representatives Jack Hunt, Ramsey; G. Miller and James.

Referred to: Appropriations.

June 13, 1994

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH THE LITIGATION RESERVE ACCOUNT AS A
RESTRICTED ACCOUNT IN THE GENERAL FUND TO BE AVAILABLE TO
PAY JUDGMENTS IN MAJOR CIVIL LITIGATION.

The General Assembly of North Carolina enacts:

Section 1. Article 1 of Chapter 143 of the General Statutes is amended by
adding a new section to read:

"§ 143-15.3B. Litigation Reserve Account.

(a) There is established a Litigation Reserve Account as a restricted reserve in
the General Fund. The Litigation Reserve Account shall contain such funds as the
General Assembly shall allocate from the General Fund to it.

(b) The funds in the Litigation Reserve Account shall be used, upon the
certification of the Attorney General, only to pay final judgments in civil litigation
against the State, and court costs and attorneys' fees arising out of those final judgments,
and only where the final judgment in the case exceeds ten million dollars
(\$10,000,000)."

Sec. 2. The sum of one hundred fifty million dollars (\$150,000,000) in the
General Fund is allocated to the Litigation Reserve Account in that fund, as provided by
G.S. 143-15.3B.

Sec. 3. This act becomes effective July 1, 1994.