

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 467

Short Title: UNC/Uniform Reversion Rate.

(Public)

Sponsors: Senators Winner, Hartsell, Smith, Warren, and Perdue.

Referred to: Education/Higher Education

March 23, 1995

A BILL TO BE ENTITLED

1 AN ACT TO IMPLEMENT THE RECOMMENDATION OF THE JOINT
2 LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE TO ESTABLISH A
3 UNIFORM REVERSION RATE UNDER THE UNC MANAGEMENT
4 FLEXIBILITY AND ACCOUNTABILITY ACT.
5

6 The General Assembly of North Carolina enacts:

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

8 **"§ 116-30.3. Reversions.**

9 Of the General Fund current operations appropriations credit balance remaining in
10 each budget ~~code~~ code, except for that of the Area Health Education Centers of the
11 University of North Carolina at Chapel Hill, of a special responsibility constituent
12 institution at the close of a fiscal year, any amount greater than ~~the percentage of the~~
13 ~~General Fund appropriations historically reverted to the State treasury over the preceding five~~
14 ~~fiscal years, multiplied by the General Fund appropriations for that budget code, two percent~~
15 (2%) of the General Fund appropriation for that fiscal year may be carried forward by the
16 institution to the next fiscal year and may be used for one-time expenditures that will not
17 impose additional financial obligations on the State. Of the General Fund current
18 operations appropriations credit balance remaining in the budget code of the Area Health
19 Education Centers of the University of North Carolina at Chapel Hill, any amount greater
20 than one percent (1%) of the General Fund appropriation for that fiscal year may be

1 carried forward in that budget code to the next fiscal year and may be used for one-time
2 expenditures that will not impose additional financial obligations on the State. ~~The~~
3 ~~historic reversion percentage shall be determined by the~~ However, the amount carried forward
4 under this section shall not exceed two and one-half percent (2 1/2%) of the General
5 Fund appropriation. ~~The~~ Director of the Budget, after making adjustments for allotment
6 reductions made to meet revenue shortfalls and to force credit balances during the
7 preceding five fiscal years under the authority set forth in ~~G.S. 143-25.~~ G.S. 143-25, shall
8 establish the General Fund current operations credit balance remaining in each budget
9 code of each institution. ~~Any special responsibility constituent institution that does not~~
10 ~~revert a percentage of the General Fund appropriations for the budget code equal to the five-year~~
11 ~~historic reversion rate established in this section~~ at least two percent (2%) of its General Fund
12 current operations credit balance remaining in each budget code of that institution shall
13 cease to be a special responsibility constituent institution unless the Board of Governors
14 finds that the low reversion rate is due to adverse and unforeseen conditions. In this
15 instance, the Board may allow the institution to remain a special responsibility
16 constituent institution for one year to come into conformity with this section. The Board
17 may make this exception only one time for any special responsibility constituent
18 institution, and shall report these exceptions to the Joint Legislative Commission on
19 Governmental Operations."

20 Sec. 2. This act becomes effective July 1, 1995.