

GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2011

Legislative Fiscal Note

BILL NUMBER: House Bill 315 (First Edition)

SHORT TITLE: Taxpayer Information Act.

SPONSOR(S): Representatives Folwell, Collins, Pridgen, and Stone

FISCAL IMPACT					
	Yes ()	No (X)	No Estimate Available ()		
	<u>FY 2011-12</u>	<u>FY 2012-13</u>	<u>FY 2013-14</u>	<u>FY 2014-15</u>	<u>FY 2015-16</u>
REVENUES					
EXPENDITURES					
POSITIONS (cumulative):					
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:	Department of the State Treasurer, Local Governments				
EFFECTIVE DATE:	Applies to bonds proposed on and after the date on which the act becomes law.				

BILL SUMMARY:

H315 enacts GS 142-15.4 and requires the State Treasurer to use current interest rates to estimate the total amount of interest resulting from any proposed general obligation bond issued by the General Assembly. The ballot presented to the qualified voters is to include the following information in the form of a question: (1) the amount of principal and the estimated total amount of interest and cost of debt resulting from the proposed bond and (2) a statement that approval of the general obligation bond does not require issuance of the general obligation bond.

H315 further amends G.S 159-52(b) (concerning proposed bond application approval) to direct the Local Government Commission to use current interest rates to estimate the total amount of interest resulting from the proposed bond and include that estimation in the order approving the bond application. A conforming change to GS 159-61(d) (form of question on the ballot) to include the new language on the ballot is also made.

Applies to bonds proposed on and after the date on which the act becomes law.

ASSUMPTIONS AND METHODOLOGY:

There is no fiscal impact as the General Assembly currently has authorized no general obligation debt that would be required to meet the new requirement.

Local governments may have general obligation debt that would be subject to the new requirements. However, it is not believed that providing an estimation of interest would increase any costs related to the debt.

SOURCES OF DATA:

TECHNICAL CONSIDERATIONS: None

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