

# TABLED



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
Senate Bill 257

AMENDMENT NO. **A45**  
(to be filled in by  
Principal Clerk)

S257-AMHfa-17 [v.2]

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Amends Title [NO]  
Second Edition

Date 16 Apr, 2025

Senator Applewhite

1 moves to amend the bill on page 110, lines 12-13, by inserting the following language between  
2 those lines:

3 **"PUBLIC SCHOOL BOND ACT OF 2025**

4 **SECTION 7.41.(a)** Short Title. – This section may be cited as the "Public School  
5 Bond Act of 2025."

6 **SECTION 7.41.(b)** Purpose. – It is the intent of the General Assembly by this act to  
7 provide, subject to a vote of the qualified voters of the State, for the issuance of four billion  
8 (\$4,00,000,000) providing funds, with any other available funds, to invest in the State's public  
9 school facilities, without limitation, for construction, repair, renovation, and furnishing of new  
10 facilities in order to ensure that the people of North Carolina have access to high quality  
11 educational facilities.

12 **SECTION 7.41.(c)** Findings – The General Assembly also finds:

- 13 (1) There is a documented need of over \$13 billion for the construction and
- 14 renovation of Public School Facilities.
- 15 (2) The State has prudently managed its finances.
- 16 (3) The State has achieved the highest credit rating available by independent
- 17 credit rating agencies.
- 18 (4) The debt proposed by this Act is affordable and preferable to address the needs
- 19 of the people of the State.
- 20 (5) According to the Debt Affordability Advisory Committee, the State's General
- 21 Fund has additional debt capacity of approximately \$9.96 billion in the
- 22 2025-2026 fiscal year.
- 23 (6) With issuance of this bond, debt service would not exceed the 2024-2025
- 24 fiscal year level of \$466,138,169 until the 2030-2031 fiscal year and then and
- 25 decline again beginning in the 2032-2033 fiscal year.

26 **SECTION 7.41.(d)** Definitions. – The following definitions apply in this section  
27 unless the context otherwise requires:

- 28 (1) Bonds. – Bonds issued under this section.
- 29 (2) Cost. – The term includes all of the following:
  - 30 a. The cost of constructing, reconstructing, renovating, repairing,
  - 31 enlarging, acquiring, and improving State capital facilities, including
  - 32 the acquisition of land, rights of way, easements, franchises,



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- 1 equipment, machinery, furnishings, and other interests in real or  
2 personal property acquired or used in connection with a State capital  
3 facility.  
4 b. The cost of engineering, architectural, and other consulting services as  
5 may be required.  
6 c. Administrative expenses and charges.  
7 d. The cost of providing personnel to ensure effective project  
8 management.  
9 e. The cost of bond insurance, investment contracts, credit enhancement  
10 and liquidity facilities, interest rate swap agreements or other  
11 derivative products, financial and legal consultants, and related costs  
12 of bond and note issuance, to the extent and as determined by the State  
13 Treasurer.  
14 f. Finance charges, reserves for debt service, and other types of reserves  
15 required pursuant to the terms of any bond or note or related  
16 documents, interest before and during construction or acquisition of a  
17 State capital facility and, if considered advisable by the State  
18 Treasurer, for a period not exceeding two years after the estimated date  
19 of completion of construction or acquisition.  
20 g. The cost of bond insurance, investment contracts, credit enhancement  
21 facilities and liquidity facilities, interest rate swap agreements or other  
22 derivative products, financial and legal consultants, and related costs  
23 of the incurrence or issuance of any bond or note.  
24 h. The cost of reimbursing the State for any payments made for any cost  
25 described in this subdivision.  
26 i. Any other costs and expenses necessary or incidental to the purposes  
27 of this section.  
28 (3) Credit facility. – An agreement entered into by the State Treasurer on behalf  
29 of the State with a bank, savings and loan association, or other banking  
30 institution, an insurance company, reinsurance company, surety company or  
31 other insurance institution, a corporation, investment banking firm, or other  
32 investment institution, or any financial institution or other similar provider of  
33 a credit facility, which provider may be located within or without the United  
34 States, such agreement providing for prompt payment of all or any part of the  
35 principal or purchase price (whether at maturity, presentment or tender for  
36 purchase, redemption, or acceleration), redemption premium, if any, and  
37 interest on any bonds or notes payable on demand or tender by the owner, in  
38 consideration of the State agreeing to repay the provider of the credit facility  
39 in accordance with the terms and provisions of such agreement.  
40 (4) Notes. – Notes issued under this section.  
41 (5) Par formula. – A provision or formula adopted by the State to provide for the  
42 adjustment, from time to time, of the interest rate or rates borne by any bonds  
43 or notes, including the following:

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- 1 a. A provision providing for such adjustment so that the purchase price
- 2 of such bonds or notes in the open market would be as close to par as
- 3 possible.
- 4 b. A provision providing for such adjustment based upon a percentage or
- 5 percentages of a prime rate or base rate, which percentage or
- 6 percentages may vary or be applied for different periods of time.
- 7 c. Such other provision as the State Treasurer may determine to be
- 8 consistent with this act and will not materially and adversely affect the
- 9 financial position of the State and the marketing of bonds or notes at a
- 10 reasonable interest cost to the State.

- 11 (6) State. – The State of North Carolina, including any State agency.
- 12 (7) State agency. – Any agency, institution, board, commission, bureau, council,
- 13 department, division, officer, or employee of the State. The term does not
- 14 include counties, municipal corporations, political subdivisions, local boards
- 15 of education, or other local public bodies.

16 **SECTION 7.41.(e)** Authorization of Bonds and Notes. – Subject to a favorable vote  
 17 of a majority of the qualified voters of the State who vote on the question of issuing public  
 18 improvement bonds in the election called and held as provided in this section, the State Treasurer  
 19 is hereby authorized, by and with the consent of the Council of State, to issue and sell, at one  
 20 time or from time to time, general obligation bonds of the State to be designated "State of North  
 21 Carolina Public Improvement Bonds," with any additional designations as may be determined to  
 22 indicate the issuance of bonds from time to time, or notes of the State as provided in this section,  
 23 in an aggregate principal amount not exceeding four billion dollars (\$4,000,000,000) for the  
 24 purpose of providing funds, with any other available funds, for the purposes authorized in this  
 25 section.

26 **SECTION 7.41.(f)** Pursuant to the provisions of part (e) of this section, no more than  
 27 four hundred million dollars (\$400,000,000) of bonds shall be issued in the 2026-2027 fiscal  
 28 year, and no more than eight hundred million dollars (\$800,000,000) shall be issued in the  
 29 2027-2028 fiscal year to ensure that debt service does not increase above the cost incurred in the  
 30 2024-2025 fiscal year.

31 **SECTION 7.41.(g)** Use of Public Improvement Bond and Note Proceeds. – (1)  
 32 Subject to the provisions of subdivision (2) of this subsection, the proceeds of public  
 33 improvement bonds and notes, including premium thereon, if any, shall be used for the projects  
 34 in the following general amounts set forth below:

35

36 **Public Instruction**

37

38 Public Schools		
39 Capital Assistance Program	New Schools, Additions, Renovations	\$4,000,000,000
40 <b>Total for Public Instruction</b>		<b>\$4,000,000,000</b>

- 41
- 42 (1b) Process for Allocating Funds from the Unforeseen Costs Reserve. – The
- 43 Office of State Budget and Management (OSBM) shall set out the process for

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applying for funds from the Unforeseen Costs Reserve, together with the criteria for assessing such applications, in a Budget Memo. OSBM may allocate funds from the Unforeseen Costs Reserve only when it is satisfied that the conditions set out under these criteria have been met. Once agreed, funds may only be drawn down as needed, in line with project cashflow requirements.

(2) Special Allocation Provisions. – In determining the use of the proceeds of public improvement bonds and notes, including premium thereon, if any, set forth in subdivision (1) of this subsection, the following special allocation provisions apply:

a. The proceeds of public improvement bonds and notes, including premium thereon, if any, for public instruction for public schools capital assistance, as provided in subdivision (1) of this subsection, shall be allocated as follows:

1. One billion one hundred and fifty million (\$1,150,000,000) of such proceeds shall be allocated equally to each local education agency (LEA). Each LEA shall receive a base payment of five million dollars (\$10,000,000).
2. Two billion eight hundred fifty million (\$2,850,000,000) of such proceeds shall be allocated among local school administrative units on the basis of average daily membership for the 2024-2025 fiscal year where the numerator is average daily membership for the local administrative unit and the denominator is the total average daily membership for the state for the 2024-2025 fiscal year.
3. Any county receiving bond proceeds allocated shall provide local matching funds from county funds, other non-State funds, or a combination of these sources for such proceeds, unless they are a county designated as a development tier one area. The amount of matching funds shall be (i) one dollar (\$1.00) of local matching funds for every two dollars (\$2.00) of such proceeds for a local school administrative unit located in a county that is a development tier two area, as defined in G.S. 143B-437.08, and (iii) one dollar (\$1.00) of local matching funds for every one dollar (\$1.00) of such proceeds for a local school administrative unit located in a county that is a development tier three area, as defined in G.S. 143B-437.08. The match requirement may be satisfied by non-State expenditures for public school facilities made on or after January 1, 2021. If a debt has been incurred since January 1, 2021, for the general purpose of public school facilities, then the face amount of the debt shall be considered as a non-State expenditure for public school facilities for the purpose of the

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match. No other expenditures made or debts incurred before January 1, 2022, may be used to satisfy the match requirement. As counties satisfy the match requirements of this subsection, they shall document the extent to which they have done so in periodic reports to the State Board of Education. These reports shall include any information and documentation required by the State Board of Education. The State Board of Education shall certify to the State Treasurer from time to time the extent to which the match requirements of this subsection have been met with respect to each county. Bond proceeds shall be distributed for expenditure only as, and to the extent, the matching requirement of this section are satisfied, as certified by the State Board of Education. The State Board of Education shall also require counties to report annually on the impact of funds provided under this act on the property tax rate for that year. These reports shall be public documents and shall be furnished to any citizen upon request. If the State Board of Education determines that a county has not met the matching requirement set forth in this subdivision by January 1, 2031, the State Board of Education shall certify that fact to the State Treasurer by March 1, 2031. The State Board of Education shall reallocate unmatched funds in the following manner:

- (i) Proceeds allocated under subdivision (1) shall be reallocated to local administrative units receiving funds under subdivision (1) for which the State Board of Education has certified matching funds.
- (ii) Proceeds allocated under subdivision (2) shall be reallocated to local administrative units receiving funds under subdivision (2) for which the State Board of Education has certified matching funds.

4. A local school administrative unit that receives proceeds under this section shall ensure that such proceeds are used:

- (i) For acquisition of real property and construction, acquisition, reconstruction, enlargement, renovation, or replacement of buildings and other structures, and
- (ii) To supplement local funds for public school capital outlay projects and shall not decrease local funds for those projects from one fiscal year to the next fiscal year, as measured by the most recent five-year annual average capital outlay expenditure.

**SECTION 7.41.(h) Allocation and Tracking of Proceeds. –**

- (1) Public improvement bonds. – The proceeds of public improvement bonds and notes, including premium thereon, if any, except the proceeds of bonds the

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1 issuance of which has been anticipated by bond anticipation notes or the  
2 proceeds of refunding bonds or notes, shall be placed by the State Treasurer  
3 in a special fund to be designated "Public Improvement Bonds Fund," which  
4 may include such appropriate special accounts therein as may be determined  
5 by the State Treasurer and shall be disbursed as provided in this section.  
6 Monies in the Public Improvement Bonds Fund shall be allocated and  
7 expended as provided in this section.

8 Any additional monies that may be received by means of a grant or grants  
9 from the United States of America or any agency or department thereof or  
10 from any other source for deposit to the Public Improvement Bonds Fund may  
11 be placed in the Public Improvement Bonds Fund or in a separate account or  
12 fund and shall be disbursed, to the extent permitted by the terms of the grant  
13 or grants, without regard to any limitations imposed by this section.

14 Monies in the Public Improvement Bonds Fund or any separate account  
15 established under this section may be invested from time to time by the State  
16 Treasurer in the same manner permitted for investment of monies belonging  
17 to the State or held in the State treasury, except with respect to grant money  
18 to the extent otherwise directed by the terms of the grant. Investment earnings,  
19 except investment earnings with respect to grant monies to the extent  
20 otherwise directed or restricted by the terms of the grant, may be (i) credited  
21 to the Public Improvement Bonds Fund, (ii) used to pay debt service on the  
22 bonds authorized by this section, (iii) used to satisfy compliance with  
23 applicable requirements of the federal tax law, or (iv) transferred to the  
24 General Fund of the State.

25 The proceeds of public improvement bonds and notes, including premium  
26 thereon, if any, may be used with any other monies made available by the  
27 General Assembly for funding the projects authorized by this section,  
28 including the proceeds of any other State bond issues, whether heretofore  
29 made available or that may be made available at the session of the General  
30 Assembly at which this section is ratified or any subsequent sessions. The  
31 proceeds of public improvement bonds and notes, including premium thereon,  
32 if any, shall be expended and disbursed under the direction and supervision of  
33 the Director of the Budget. The funds provided by this section shall be  
34 disbursed for the purposes provided in this section upon warrants drawn on  
35 the State Treasurer by the State Controller, which warrants shall not be drawn  
36 until requisition has been approved by the Director of the Budget and which  
37 requisition shall be approved only after full compliance with the State Budget  
38 Act, Chapter 143C of the General Statutes.

- 39 (2) Tracking of bond proceeds. – The State Treasurer or the State Treasurer's  
40 designee is hereby authorized and directed to set up a comprehensive system  
41 of tracking the proceeds of the public improvement bonds and notes, including  
42 premium thereon, if any, to the extent necessary to enable the State Treasurer  
43 or the State Treasurer's designee to properly account for the use of such

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proceeds for compliance with applicable requirements of the federal tax law or otherwise. All recipients of such proceeds shall comply with any tracking system implemented by the State Treasurer or the State Treasurer's designee for this purpose. The State Treasurer may withhold such proceeds from any State agency or department not complying with this subdivision.

- (3) Costs. – Allocations to the costs of a capital improvement or undertaking in each case may include allocations to pay the costs set forth in subdivisions c. through g. of subdivision (2) of subsection (d) of this section in connection with the issuance of bonds for that capital improvement or undertaking.

**SECTION 7.41.(i)** Election. – The question of the issuance of the bonds authorized by this section shall be submitted to the qualified voters of the State at a Statewide election to be held in November of 2025. Any other primary, election, or referendum validly called or scheduled by law at the time the election on the bond question provided for in this subsection is held may be held as called or scheduled. Notice of the election shall be given in the manner and at the times required by G.S. 163-33(8). The election and the registration of voters therefore shall be held under and in accordance with the general laws of the State.

Ballots, voting systems authorized by Article 14A of Chapter 163 of the General Statutes, or both may be used in accordance with rules prescribed by the State Board of Elections. The bond question to be used in the ballots or voting systems shall be in substantially the following form:

"[ ] FOR [ ] AGAINST

Authorize the issuance of four billion dollars (\$4,000,000,000) in public school bonds, plus interest, to pay the cost of constructing and renovating public school buildings, secured by a pledge of the faith and credit and taxing power of the State." If a majority of those voting on the bond question in the election vote in favor of the issuance of the bonds described in the question, those bonds may be issued as provided in this section. If a majority of those voting on a bond question in the election do not vote in favor of the issuance of the bonds described in the question, those bonds shall not be issued. The results of the election shall be canvassed and declared as provided by law for elections for State officers; the results of the election shall be certified by the State Board of Elections to the Secretary of State in the manner and at the time provided by the general election laws of the State."

**SECTION 7.41.(j)** Issuance of Bonds and Notes. –

- (1) Terms and conditions. – Bonds or notes may bear a date or dates, may be serial or term bonds or notes, or any combination thereof, may mature in such amounts and at such time or times, not exceeding 40 years from their date or dates, may be payable at such place or places, either within or without the United States of America, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts, may bear interest at such rate or rates, which may vary from time to time, and may be made redeemable before maturity, at the option of the State or otherwise as may be provided by the State, at such price or prices, including a price less than or greater than the face amount of the bonds or

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- 1 notes, and under such terms and conditions, all as may be determined by the  
2 State Treasurer, by and with the consent of the Council of State.
- 3 (2) Signatures; form and denomination; registration. – Bonds or notes may be  
4 issued in certificated or uncertificated form. If issued in certificated form,  
5 bonds or notes shall be signed on behalf of the State by the Governor or shall  
6 bear the Governor's facsimile signature, shall be signed by the State Treasurer  
7 or shall bear the State Treasurer's facsimile signature, and shall bear the Great  
8 Seal of the State, or a facsimile of the Seal shall be impressed or imprinted  
9 thereon. If bonds or notes bear the facsimile signatures of the Governor and  
10 the State Treasurer, the bonds or notes shall also bear a manual signature  
11 which may be that of a bond registrar, trustee, paying agent, or designated  
12 assistant of the State Treasurer. Should any officer whose signature or  
13 facsimile signature appears on bonds or notes cease to be such officer before  
14 the delivery of the bonds or notes, the signature or facsimile signature shall  
15 nevertheless have the same validity for all purposes as if the officer had  
16 remained in office until delivery. Bonds or notes may bear the facsimile  
17 signatures of persons, who at the actual time of the execution of the bonds or  
18 notes shall be the proper officers to sign any bond or note, although at the date  
19 of the bond or note such persons may not have been such officers. The form  
20 and denomination of bonds or notes, including the provisions with respect to  
21 registration of the bonds or notes and any system for their registration, shall  
22 be as the State Treasurer may determine in conformity with this section.
- 23 (3) Manner of sale; expenses. – Subject to the approval by the Council of State as  
24 to the manner in which bonds or notes shall be offered for sale, whether at  
25 public or private sale, whether within or without the United States, and  
26 whether by publishing notices in certain newspapers and financial journals,  
27 mailing notices, inviting bids by correspondence, negotiating contracts of  
28 purchase, or otherwise, the State Treasurer is authorized to sell bonds or notes  
29 at one time or from time to time at any rates of interest, which may vary from  
30 time to time, and at any prices, including a price less than or greater than the  
31 face amount of the bonds or notes, as the State Treasurer may determine. All  
32 expenses incurred in the preparation, sale, and issuance of bonds or notes shall  
33 be paid by the State Treasurer from the proceeds of bonds or notes or other  
34 available moneys.
- 35 (4) Notes; repayment. –
- 36 a. By and with the consent of the Council of State, the State Treasurer is  
37 hereby authorized to borrow money and to execute and issue notes of  
38 the State for the same, but only in the following circumstances and  
39 under the following conditions:
- 40 1. For anticipating the sale of bonds, the issuance of which the  
41 Council of State has approved, if the State Treasurer considers  
42 it advisable to postpone the issuance of the bonds;

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2. For the payment of interest on or any installment of principal of any bonds then outstanding, if there are not sufficient funds in the State treasury with which to pay the interest or installment of principal as they respectively become due;
  3. For the renewal of any loan evidenced by notes authorized in this section;
  4. For the purposes authorized in this section; and
  5. For refunding bonds or notes as authorized in this section.
- b. Funds derived from the sale of bonds or notes may be used in the payment of any bond anticipation notes issued under this section. Funds provided by the General Assembly for the payment of interest on or principal of bonds shall be used in paying the interest on or principal of any notes and any renewals thereof, the proceeds of which shall have been used in paying interest on or principal of the bonds.
- (5) Refunding bonds and notes. – By and with the consent of the Council of State, the State Treasurer is authorized to issue and sell refunding bonds and notes pursuant to the provisions of the State Refunding Bond Act for the purpose of refunding bonds or notes issued pursuant to this section. The refunding bonds and notes may be combined with any other issues of State bonds and notes similarly secured. Refunding bonds or notes may be issued at any time prior to the final maturity of the debt obligation to be refunded. The proceeds from the sale of any refunding bonds or notes shall be applied to the immediate payment and retirement of the bonds or notes being refunded or, if not required for the immediate payment of the bonds or notes being refunded, the proceeds shall be deposited in trust to provide for the payment and retirement of the bonds or notes being refunded and to pay any expenses incurred in connection with the refunding. Money in a trust fund may be invested in (i) direct obligations of the United States government, (ii) obligations the principal of and interest on which are guaranteed by the United States government, (iii) obligations of any agency or instrumentality of the United States government if the timely payment of principal and interest on the obligations is unconditionally guaranteed by the United States government, or (iv) certificates of deposit issued by a bank or trust company located in the State if the certificates are secured by a pledge of any of the obligations described in (i), (ii), or (iii) above having an aggregate market value, exclusive of accrued interest, equal at least to the principal amount of the certificates so secured. This section does not limit the duration of any deposit in trust for the retirement of bonds or notes being refunded but that have not matured and are not presently redeemable, or if presently redeemable, have not been called for redemption.
- (6) Tax exemption. – Bonds and notes shall at all times be free from taxation by the State or any political subdivision or any of their agencies, excepting estate, inheritance, or gift taxes, income taxes on the gain from the transfer of bonds

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or notes, and franchise taxes. The interest on bonds or notes is not subject to taxation as income.

(7) Investment eligibility. – Bonds and notes are securities in which all of the following may invest, including capital in their control or belonging to them: public officers, agencies, and public bodies of the State and its political subdivisions, all insurance companies, trust companies, investment companies, banks, savings banks, savings and loan associations, credit unions, pension or retirement funds, other financial institutions engaged in business in the State, executors, administrators, trustees, and other fiduciaries. Bonds and notes are hereby made securities which may properly and legally be deposited with and received by any officer or agency of the State or political subdivision of the State for any purpose for which the deposit of bonds, notes, or obligations of the State or any political subdivision is now or may hereafter be authorized by law.

(8) Faith and credit. – The faith and credit and taxing power of the State are hereby pledged for the payment of the principal of and the interest on bonds and notes. The State expressly reserves the right to amend any provision of this section to the extent it does not impair any contractual right of a bond owner.

(9) Other agreements. – The State Treasurer may authorize, execute, obtain, or otherwise provide for bond insurance, investment contracts, credit and liquidity facilities, interstate swap agreements and other derivative products, and any other related instruments and matters the State Treasurer determines are desirable in connection with issuance, incurrence, carrying, or securing of bonds or notes. The State Treasurer is authorized to employ and designate any financial consultants, underwriters, and bond attorneys to be associated with any bond or note issue under this section as the State Treasurer considers necessary.

**SECTION 7.41.(k) Variable Rate Demand Bonds and Notes.** – In fixing the details of bonds and notes, the State Treasurer may provide that any of the bonds or notes may:

(1) Be made payable from time to time on demand or tender for purchase by the owner, if a credit facility supports the bonds or notes, unless the State Treasurer specifically determines that a credit facility is not required upon a finding and determination by the State Treasurer that the absence of a credit facility will not materially and adversely affect the financial position of the State and the marketing of the bonds or notes at a reasonable interest cost to the State;

(2) Be additionally supported by a credit facility;

(3) Be made subject to redemption or a mandatory tender for purchase prior to maturity;

(4) Bear interest at a rate or rates that may vary for any period of time, as may be provided in the proceedings providing for the issuance of the bonds or notes, including, without limitation, such variations as may be permitted pursuant to a par formula; and

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1 (5) Be made the subject of a remarketing agreement whereby an attempt is made  
2 to remarket bonds or notes to new purchasers prior to their presentment for  
3 payment to the provider of the credit facility or to the State.

4 If the aggregate principal amount payable by the State under a credit facility is in  
5 excess of the aggregate principal amount of bonds or notes secured by the credit facility, whether  
6 as a result of the inclusion in the credit facility of a provision for the payment of interest for a  
7 limited period of time or the payment of a redemption premium or for any other reason, then the  
8 amount of authorized but unissued bonds or notes during the term of such credit facility shall not  
9 be less than the amount of such excess, unless the payment of such excess is otherwise provided  
10 for by agreement of the State executed by the State Treasurer.

11 **SECTION 7.41.(l)** Interpretation of Section. –

12 (1) Additional method. – The foregoing subsections of this section shall be  
13 deemed to provide an additional and alternative method for the doing of the  
14 things authorized under it and shall be regarded as supplemental and  
15 additional to powers conferred by other laws and shall not be regarded as in  
16 derogation of any powers now existing.

17 (2) Statutory references. – References in this section to specific sections or  
18 Chapters of the General Statutes or to specific acts are intended to be  
19 references to such sections, Chapters, or acts as they may be amended from  
20 time to time by the General Assembly.

21 (3) Broad construction. – This section, being necessary for the health and welfare  
22 of the people of the State, shall be broadly construed to effect the purposes  
23 thereof.

24 (4) Inconsistent provisions. – Insofar as the provisions of this section are  
25 inconsistent with the provisions of any general, special, or local laws, or parts  
26 thereof, the provisions of this section shall be controlling.

27 (5) Severability. – If any provision of this section or the application thereof to any  
28 person or circumstance is held invalid, such invalidity shall not affect other  
29 provisions or applications of the section which can be given effect without the  
30 invalid provision or application, and to this end the provisions of this section  
31 are declared to be severable.

32 **SECTION 7.41.(m)** This section is effective when it becomes law."  
33

SIGNED *Val Applegate*  
Amendment Sponsor

SIGNED \_\_\_\_\_  
Committee Chair if Senate Committee Amendment

ADOPTED \_\_\_\_\_ FAILED \_\_\_\_\_ TABLED \_\_\_\_\_