

# ADOPTED



NORTH CAROLINA GENERAL ASSEMBLY  
AMENDMENT  
House Bill 125

AMENDMENT NO. A2  
(to be filled in by  
Principal Clerk)

H125-ANE-19 [v.2]

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Amends Title [NO]  
Second Edition

Date \_\_\_\_\_, 2025

Senator Hise

1 moves to amend the bill on page 31, lines 11-12, by inserting the following new section between  
2 the lines:

3 **"OSC/CODIFY USE OF RECOVERED AUDIT FUNDS**

4 **SECTION 7.26.** G.S. 147-86.22(c) reads as rewritten:

5 "(c) Collection Techniques. – The State Controller, in conjunction with the Office of the  
6 Attorney General, shall establish policies and procedures to govern techniques for collection of  
7 accounts receivable. These techniques may include use of credit reporting bureaus, judicial  
8 remedies authorized by law, and administrative setoff by a reduction of a tax refund pursuant to  
9 the Setoff Debt Collection Act, Chapter 105A of the General Statutes, or a reduction of another  
10 payment, other than payroll, due from the State to a person to reduce or eliminate an account  
11 receivable that the person owes the State.

12 The State Controller shall negotiate a contract with a third party to perform an audit and  
13 collection process of inadvertent overpayments by State agencies to vendors as a result of pricing  
14 errors, neglected rebates and discounts, miscalculated freight charges, unclaimed refunds,  
15 erroneously paid excise taxes, and related errors. The third party shall be compensated only from  
16 funds recovered as a result of the audit. Savings realized in excess of costs shall be transferred  
17 from the agency to the Office of State Budget and Management and placed in a special reserve  
18 account for future direction by the General Assembly. Any disputed savings shall be settled by  
19 the State Controller. Subject to availability and appropriation by the General Assembly, the State  
20 Controller may use recovered audit funds for computer systems maintenance and improvements,  
21 financial reporting, governmental accounting training, debt collection, and e-commerce costs.  
22 This paragraph does not apply to the purchase of medical services by State agencies or payments  
23 used to reimburse or otherwise pay for health care services.""



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SIGNED \_\_\_\_\_  
Amendment Sponsor

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

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

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and vote information, is available in the  
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