



# SENATE BILL 74: Town of Chapel Hill Charter/Investments.

2021-2022 General Assembly

---

<b>Committee:</b>	Senate Finance. If favorable, re-refer to Rules and Operations of the Senate	<b>Date:</b>	May 11, 2021
<b>Introduced by:</b>	Sens. Foushee, Murdock	<b>Prepared by:</b>	Nicholas Giddings
<b>Analysis of:</b>	First Edition		Staff Attorney

---

**OVERVIEW:** *Senate Bill 74 would allow Chapel Hill's employee benefit funds held in trust, risk reserve funds, and capital reserves to be invested and reinvested into certain other investments authorized by State law for the State Treasurer.*

**CURRENT LAW:** Local governments are authorized to invest idle funds in any manner prescribed in G.S. 159-30. Moneys may be invested only in certain classes of securities, which are outlined in G.S. 159-30(c). A local government investment program must be managed so that investments and deposits can be converted into cash when needed.

**BILL ANALYSIS:** Senate Bill 74 would authorize the Town of Chapel Hill, or any governing body, agency, person, or other corporation that contracts with the Town, to invest and reinvest any of the Town's employee benefit funds held in trust, risk reserve funds, and capital reserves, in one or more types of securities or investments authorized for the State Treasurer in G.S. 147-69.2(b)(1) through (6) and (8).

**EFFECTIVE DATE:** This act would be effective when it becomes law.

**BACKGROUND:** The Fayetteville Public Works Commission as well as several cities and counties have been granted similar authority to invest and reinvest local government funds in certain securities or investments authorized by State law for the State Treasurer.

Jeffrey Hudson  
Director



Legislative Analysis  
Division  
919-733-2578