

DEBT AFFORDABILITY ADVISORY COMMITTEE

MISSION
To annually advise the Governor and General Assembly of the estimated debt capacity of the General, Highway and Highway Trust Funds for the upcoming ten fiscal years and to recommend other debt management policies that are desirable and consistent with sound management of the State's debt.
VISION
To provide a timely, efficient and easily readable report of the State's outstanding debt and capacity to issue new debt that allows the Governor and the General Assembly to address the capital needs of the State in a timely and effective manner. To provide sound management guidance to the Governor and General Assembly on State debt issuance so that the State follows sound debt management practices and its credit ratings are maintained.
FUNCTIONS THE AGENCY OVERSEES
<ul style="list-style-type: none">• Responsibility for producing the Annual Debt Affordability Report• Presenting the Report to the Governor and General Assembly and the Fiscal Research Division
DUTIES AND RESPONSIBILITIES
<p style="text-align: center;"><u>Statutory Authority</u></p> <p>G.S. 142 -Article 10: Provides for the establishment and composition of the Debt Affordability Committee within the Department of the State Treasurer. Department provides Committee with necessary staff and supplies to enable it to carry out its duties in effective manner. Meets at call of the Chair. Committee reports recommendations to the Governor, President Pro Tempore of Senate, the Speaker of the House and the Fiscal Research Division by February 1 of each year.</p> <p style="text-align: center;"><u>Fiduciary Responsibility</u></p> <ul style="list-style-type: none">• Advise the Governor and General Assembly on the estimated debt capacity of the State for the upcoming 10 fiscal years.• Report shall include recommendations on debt capacities for debt supported by the General Fund, the Highway Fund and the Highway Trust Fund.• Oversee undertaking of an annual debt affordability study and the establishment of guidelines for evaluating the State debt burden including recommended target and ceiling debt ratios.• Recommend other debt management practices that are desirable and consistent with sound debt management.
BOARD COMPOSITION
<ul style="list-style-type: none">• 9 Members• State Treasurer, Chairman• State Auditor• Secretary of Revenue• State Budget Officer• State Controller• 2 general public members appointed by the Speaker of the House of Representatives• 2 general public members appointed by the President Pro Tempore of the Senate
DEBT AFFORDABILITY ADVISORY COMMITTEE FACTS
<ul style="list-style-type: none">• Statutorily created by the General Assembly in 2004.• Annual Debt Affordability Reports filed each year since 2003.• Legislation amended in 2007 to require debt capacity estimates for the State Highway Fund and Highway Trust Fund in addition to General Fund.