

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1989**

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SENATE BILL 1456

Short Title: Bus Replacement Funds.

(Public)

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Sponsors: Senator Conder.

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Referred to: Appropriations.

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June 4, 1990

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS TO PAY INCREASED COST OF HIGHWAY  
USE TAX FOR PUBLIC SCHOOL BUSES.

Whereas, local boards of education have heretofore been able to purchase replacement school buses subject only to the payment of State sales tax with a maximum tax per vehicle of three hundred dollars (\$300.00); and

Whereas, in 1989 the General Assembly enacted the Highway Trust Fund Act; and

Whereas, that Act imposed a use tax of three per cent (3%) of the value of the vehicle with a minimum of forty dollars (\$40.00) and a maximum of one thousand dollars (\$1,000) on each transfer of ownership or possession of motor vehicles in this State; and

Whereas, the fiscal impact of that Act has reduced funds available for purchase of replacement buses by seven hundred thousand dollars (\$700,000), an equivalent cost of approximately 20 new replacement buses; and

Whereas, the General Assembly has in recent sessions demonstrated a commitment to replacing pre-1977 school buses due to hazardous construction of such buses; Now, therefore,

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Department of Public Education the sum of \$700,000 for the 1990-91 fiscal year to provide funds for the cost of the highway use tax for 1,100 replacement school buses scheduled to be purchased during the 1990-91 school year.

Sec. 2. This act shall become effective July 1, 1990.