

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003

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HOUSE BILL 1770

Short Title: Charter School Grants/Matching Funds. (Public)

Sponsors: Representative Baker.

Referred to: Appropriations.

May 31, 2004

1 A BILL TO BE ENTITLED  
2 AN ACT TO APPROPRIATE FUNDS TO MATCH FEDERAL FUNDS RECEIVED  
3 BY THE STATE UNDER THE STATE CHARTER SCHOOL FACILITIES  
4 INCENTIVE GRANTS PROGRAM.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Part 6A of Article 16 of Chapter 115C of the General Statutes  
7 is amended by adding a new section to read:

8 "**§ 115C-238.29L. Grant funds for charter school facilities.**

9 The Reserve for Charter School Facilities is created as a special nonreverting fund.  
10 The State Board of Education shall use funds in the Reserve to match federal funds  
11 received by the State under the State Charter School Facilities Incentive Grants  
12 Program.

13 The limitations on the use of State funds for charter school facilities set out in  
14 G.S. 115C-238.29H(a1) do not apply to State funds used to match federal funds  
15 received by the State under the State Charter School Facilities Incentive Grants  
16 Program. These funds may be used to obtain any interest in charter school facilities that  
17 is permissible under the terms of the grant.

18 No indebtedness of any kind incurred or created by a charter school shall constitute  
19 an indebtedness of the State or its political subdivisions, and no indebtedness of the  
20 charter school shall involve or be secured by the faith, credit, or taxing power of the  
21 State or its political subdivisions. Every contract, lease, or other agreement into which a  
22 charter school enters for the acquisition of charter school facilities shall include the  
23 previous sentence."

24 **SECTION 2.** There is appropriated from the General Fund to the State  
25 Board of Education the sum of one million dollars (\$1,000,000) for the 2004-2005 fiscal  
26 year for the Reserve for Charter School Facilities.

27 **SECTION 3.** This act becomes effective July 1, 2004.