

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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SENATE BILL 1998

Short Title: Modify Distribution of School Capital Funds. (Public)

Sponsors: Senator Dalton.

Referred to: Appropriations/Base Budget.

May 26, 2006

1 A BILL TO BE ENTITLED
2 AN ACT TO MODIFY THE DISTRIBUTION FORMULA FOR PUBLIC SCHOOL
3 CAPITAL FUNDS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 115C-546.2(d)(2) reads as rewritten:

6 "(d) Monies transferred into the Fund in accordance with Chapter 18C of the
7 General Statutes shall be allocated for capital projects for school construction projects
8 as follows:

9 ...

10 (2) A sum equal to thirty-five percent (35%) of those monies transferred in
11 accordance with G.S. 18C-164 shall be allocated to those local school
12 administrative units located in whole or part in counties that (i)
13 maintain an effective county tax rate that is at least one hundred
14 percent (100%) of the effective State average tax rate in the most
15 recent year for which data are available or (ii) maintain a county
16 appropriation per student to the school local current expense fund of at
17 least ninety percent (90%) of the current expense appropriations per
18 student to the school local current expense fund that the county could
19 provide given the county's wealth and an average effort to fund public
20 schools, as determined under the formula for distributing supplemental
21 funds in low-wealth counties set out in Section 7.6 of S.L. 2005-276."

22 **SECTION 2.** This act becomes effective July 1, 2006.