

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE DRH80049-LB-95 (02/05)

Short Title: School Capital Fund Formula/Lottery Proceeds.

(Public)

Sponsors: Representative Hilton.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO CHANGE THE SCHOOL CAPITAL CONSTRUCTION FORMULA IN THE
STATE LOTTERY ACT TO PROVIDE FOR DISTRIBUTION OF ALL THE FUNDS
BASED ON AVERAGE DAILY MEMBERSHIP.

The General Assembly of North Carolina enacts:

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

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

(1) ~~A sum equal to sixty five percent (65%) of those monies transferred in
accordance with G.S. 18C 164 shall be allocated on a per average daily
membership basis according to the average daily membership for the budget
year as determined and certified by the State Board of Education.~~

(2) ~~A sum equal to thirty five percent (35%) of those monies transferred in
accordance with G.S. 18C 164 shall be allocated to those local school
administrative units located in whole or part in counties in which the
effective county tax rate as a percentage of the effective State average tax
rate is greater than one hundred percent (100%), with the following
definitions applying to this subdivision:~~

a. ~~"Effective county tax rate" means the actual county tax rate
multiplied by a three year weighted average of the most recent
annual sales assessment ratio studies.~~

b. ~~"State average effective tax rate" means the average effective county
tax rates for all counties.~~

e. ~~"Sales assessment ratio studies" means sales assessment ratio studies
performed by the Department of Revenue under G.S. 105-289(h).~~

(3) No county shall have to provide matching funds required under subsection
(c) of this section.

(4) A county may use monies in this Fund to pay for school construction
projects in local school administrative units and to retire indebtedness
incurred for school construction projects incurred on or after January 1,
2003-2000.

(5) A county may not use monies in this Fund to pay for school technology
needs."

SECTION 2. This act becomes effective July 1, 2009.

