

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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SENATE DRS55165-LE-108A* (3/5)

Short Title: Appropriate Funds for At-Risk Students. (Public)

Sponsors: Senator Lucas.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO CREATE A NEW, SINGLE FUNDING STREAM TARGETED TO
AT-RISK STUDENTS AND TO APPROPRIATE FUNDS FOR THAT PURPOSE.

The General Assembly of North Carolina enacts:

SECTION 1.(a) The State Board of Education shall combine funds allocated in the Alternative Schools/At-Risk Student allotment and funds allocated in the Improving Student Accountability allotment into a single allotment category to meet the educational needs of at-risk students.

The State Board of Education shall allocate these funds to local school administrative units as follows:

- (1) Two-thirds of the funds shall be allocated on the basis of the number of students in poverty in the unit;
- (2) One-third of the funds shall be allocated on the basis of the number of students in the unit who are performing below grade level.

SECTION 1.(b) If a local school administrative unit makes academic gains, resulting in a decrease in the number of students who perform below grade level, the State Board of Education shall hold the unit harmless for the next two years for any decrease in funding due to the decrease in the number of students who perform below grade level.

SECTION 2. Notwithstanding the provisions of Section 1 of this act, the State Board of Education shall, within funds appropriated to the single allotment category, hold local school administrative units harmless for the 2003-2004 fiscal year and the 2004-2005 fiscal year for decreases in funding due to modifications in the allocation process.

SECTION 3. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of ten million dollars (\$10,000,000) for the 2003-2004 fiscal year and the sum of twenty million dollars (\$20,000,000) for the

1 2004-2005 fiscal year to provide expansion funding to the new allotment category
2 created in accordance with Section 1 of this act.

3 **SECTION 4.** This act becomes effective July 1, 2003.