

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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HOUSE BILL 291

Short Title: Start-up Funds for New Charter Schools. (Public)

Sponsors: Representatives Brandon, Lambeth, Hardister, and Hanes (Primary Sponsors).
For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Appropriations Subcommittee on Education.

March 14, 2013

A BILL TO BE ENTITLED

AN ACT TO PROVIDE ADVANCE ALLOTMENTS FUNDS FOR NEW CHARTER
SCHOOLS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 115C-238.29D(c) reads as rewritten:

"(c) The State Board of Education may authorize a school before the applicant has secured its space, equipment, facilities, and personnel if the applicant indicates the authority is necessary for it to raise working capital. ~~The~~ Except as provided in G.S. 115C-238.29H(c), the State Board shall not allocate any funds to the school until the school has obtained space."

SECTION 2. G.S. 115C-238.29H is amended by adding a new subsection to read:

"(c) The State Board of Education shall establish a revolving loan fund to provide start-up funds to any charter school that it has granted an initial charter. The loans to a school shall total no more than twenty-five thousand dollars (\$25,000). Interest shall not be charged on these loans.

The loans shall be repaid in 12 equal monthly installments, beginning with the month in which the initial allocation of State funds is made to the school in accordance with subsection (a) of this section. If the school does not begin operation or operate for the full 12 months, the nonprofit corporation shall repay the remaining loan amounts over the same time period."

SECTION 3. There is appropriated from the General Fund to the State Board of Education the sum of one million five hundred seventy-five thousand dollars (\$1,575,000) for the 2013-2014 fiscal year and the sum of one million five hundred seventy-five thousand dollars (\$1,575,000) for the 2014-2015 fiscal year to the revolving loan funds established pursuant to Section 2 of this act.

SECTION 4. This act becomes effective July 1, 2013.

