

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE DRS35306-LB-252B* (3/28)

Short Title: Lottery School Capital Fund Formula. (Public)

Sponsors: Senators Snow, and Nesbitt.

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.~~

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

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

6 (4) A county may use monies in this Fund to pay for school construction
7 projects in local school administrative units and to retire indebtedness
8 incurred for school construction projects incurred on or after January
9 1, ~~2003.~~ 2000.

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

12 **SECTION 2.** This act is effective when it becomes law.