

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1993**

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SENATE BILL 44

Short Title: Exceptional Children's Formula.

(Public)

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Sponsors: Senators Ward and Tally.

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Referred to: Education/Higher Education.

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February 3, 1993

A BILL TO BE ENTITLED

AN ACT DIRECTING THE STATE BOARD OF EDUCATION TO REVISE THE  
FUNDING FORMULA FOR EXCEPTIONAL CHILDREN.

The General Assembly of North Carolina enacts:

Section 1. The State Board of Education shall develop a revised formula for allocating exceptional children's funds based on a statewide cap of twelve and one-half percent (12.5%) for handicapped students and of three and nine-tenths percent (3.9%) for gifted students. Implementation of this formula shall begin with the 1993-94 fiscal year.

Sec. 2. The State Board of Education shall develop a revised system of allocating exceptional children's funds based on a weighted pupil formula that approximates the actual costs of providing services. The formula shall weight components including the severity of exceptionality, wealth of the local educational agency, and any other factor the State Board of Education considers appropriate. The State Board of Education shall ensure that the weights do not encourage local educational agencies as defined in G.S. 115C-110 to categorize children as more severely impaired than they are or to serve children in more restrictive settings than are needed. The State Board of Education shall determine the impact on current funding levels by running simulations of the weighted formula, and shall establish a five-year timeline beginning with the 1994-95 fiscal year for implementation of the weighted formula, which may include the elimination of caps in allocating exceptional children's funds at the end of the five years.

Sec. 3. The State Board of Education shall report its recommendations and findings to the Commission on Children with Special Needs and to the chairs of the

- 1 appropriations committees and the appropriations subcommittees on education of the
- 2 Senate and the House of Representatives by March 15, 1994.
- 3           Sec. 4. This act becomes effective July 1, 1993.