

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003**

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**SENATE BILL 954\***

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

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Sponsors: Senators Lucas; Dannelly, Dorsett, Holloman, and Queen.

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Referred to: Appropriations/Base Budget.

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April 3, 2003

A BILL TO BE ENTITLED

1 AN ACT TO CREATE A NEW, SINGLE FUNDING STREAM TARGETED TO  
2 AT-RISK STUDENTS AND TO APPROPRIATE FUNDS FOR THAT PURPOSE.  
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4 The General Assembly of North Carolina enacts:

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

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

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

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

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

25 **SECTION 3.** There is appropriated from the General Fund to State Aid to  
26 Local School Administrative Units the sum of ten million dollars (\$10,000,000) for the  
27 2003-2004 fiscal year and the sum of twenty million dollars (\$20,000,000) for the  
28 2004-2005 fiscal year to provide expansion funding to the new allotment category  
29 created in accordance with Section 1 of this act.

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