

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

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SENATE BILL 1503

Short Title: Lottery Emergency School Repairs/Renovations. (Public)

Sponsors: Senator Holloman.

Referred to: Rules and Operations of the Senate.

May 18, 2006

1 A BILL TO BE ENTITLED
2 AN ACT TO SET ASIDE A PORTION OF LOTTERY PROCEEDS FOR
3 EMERGENCY REPAIRS AND RENOVATIONS IN LOW-WEALTH
4 COUNTIES.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 115C-546.2(d) reads as rewritten:

7 "(d) Monies transferred into the Fund in accordance with Chapter 18C of the
8 General Statutes shall be allocated ~~for capital projects for school construction projects~~
9 as follows:

10 (1) ~~A For capital projects for school construction, a sum equal to~~
11 ~~sixty five percent (65%) sixty-two percent (62%)~~ of those monies
12 transferred in accordance with G.S. 18C-164 shall be allocated on a
13 per average daily membership basis according to the average daily
14 membership for the budget year as determined and certified by the
15 State Board of Education.

16 (1a) A sum equal to three percent (3%) of those monies transferred in
17 accordance with G.S. 18C-164 shall be used for emergency repairs and
18 renovations of public schools located in counties in which the county
19 wealth as a percentage of the State average wealth is less than one
20 hundred percent (100%), as those terms are defined in the Current
21 Operations and Capital Improvements Appropriations Act for the year
22 in which the allocations are made. The funds shall be administered by
23 the State Board of Education. Local school administrative units shall
24 apply to the State Board of Education for such funds, with priority
25 criteria to be established by the State Board of Education. No more
26 than twenty percent (20%) of the funds transferred under this
27 subdivision shall be granted to any one local school administrative unit
28 in any fiscal year, and no local school administrative units shall
29 receive funds in two consecutive fiscal years.

- 1 (2) ~~A~~—For capital projects for school construction, a sum equal to
2 thirty-five percent (35%) of those monies transferred in accordance
3 with G.S. 18C-164 shall be allocated to those local school
4 administrative units located in whole or part in counties in which the
5 effective county tax rate as a percentage of the effective State average
6 tax rate is greater than one hundred percent (100%), with the following
7 definitions applying to this subdivision:
8 a. "Effective county tax rate" means the actual county tax rate
9 multiplied by a three-year weighted average of the most recent
10 annual sales assessment ratio studies.
11 b. "State average effective tax rate" means the average effective
12 county tax rates for all counties.
13 c. "Sales assessment ratio studies" means sales assessment ratio
14 studies performed by the Department of Revenue under
15 G.S. 105-289(h).
16 (3) No county shall have to provide matching funds required under
17 subsection (c) of this section.
18 (4) A county may use monies in this Fund to pay for school construction
19 projects in local school administrative units and to retire indebtedness
20 incurred for school construction projects incurred on or after January
21 1, 2003.
22 (5) A county may not use monies in this Fund to pay for school
23 technology needs."

24 **SECTION 2.** This act becomes effective July 1, 2006.