

February 13, 2007

H 175. SCHOOL CAPITAL FUND FORMULA/LOTTERY PROCEEDS. Filed 2/13/07. *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.* Amends GS 115C-546.2(d) as title indicates. Allows counties to use the funds for school construction projects and to retire indebtedness for school construction projects incurred after January 1, 2000 (was, January 1, 2003). Effective July 1, 2007. Current law allocates 65% of the Public School Building Capital Fund (Capital Fund) among all local education agencies (LEAs) based on average daily membership as certified annually by the State Board of Education and allocates the remaining 35% to LEAs located in specified counties with an effective tax rate that is greater than 100% of the state average effective tax rate. (Under GS 18C-164, 40% of the net revenues from the State Education Lottery Fund are allocated to the Capital Fund.)
Intro. by Hilton, Setzer, Frye. GS 115C