

May 7, 2007

H 1957. THE SCHOOL CONSTRUCTION BOND ACT OF 2007. Filed 5/7/07. *TO AUTHORIZE THE STATE TO ISSUE THREE BILLION DOLLARS OF REVENUE BONDS TO BE SECURED BY REVENUES FROM THE NORTH CAROLINA EDUCATION LOTTERY FOR PUBLIC SCHOOL CAPITAL FACILITIES.*

Authorizes the State Treasurer to issue revenue bonds in the amount of \$3 billion, with the sole source of security for the indebtedness being the net revenues of the state lottery. The full faith and credit of the state would not be pledged, merely the net revenues of the lottery. Proceeds from the sale of the bonds would be distributed to the counties on a per average daily membership basis for new or renovated school facilities or to repay debt incurred for those purposed on or after January 1, 2000.

Amends GS 18C-164, which now provides for distribution of the net revenue of the lottery for four purposes (class size reduction, prekindergarten programs, college and university scholarships, and school construction), to reduce the distribution to two purposes: repaying the bonds and paying for school construction.

Amends GS 115C-546.2(d), which now provides that 65% of the lottery proceeds that go to school construction are to be distributed on a per average daily membership basis (with the remainder to be distributed to counties with highest effective tax rate), to provide that all distribution is to be on a per average daily membership basis.

Intro. by Dollar.

GS 18C, 115C