

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

H.B. 291
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HOUSE PRINCIPAL CLERK

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HOUSE DRH70122-LE-44C (02/26)

Short Title: Start-up Funds for New Charter Schools. (Public)

Sponsors: Representatives Brandon, Lambeth, Hardister, and Hanes (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE ADVANCE ALLOTMENTS FUNDS FOR NEW CHARTER
3 SCHOOLS.
4 The General Assembly of North Carolina enacts:
5 SECTION 1. G.S. 115C-238.29D(c) reads as rewritten:
6 "(c) The State Board of Education may authorize a school before the applicant has
7 secured its space, equipment, facilities, and personnel if the applicant indicates the authority is
8 necessary for it to raise working capital. ~~The~~ Except as provided in G.S. 115C-238.29H(c), the
9 State Board shall not allocate any funds to the school until the school has obtained space."
10 SECTION 2. G.S. 115C-238.29H is amended by adding a new subsection to read:
11 "(c) The State Board of Education shall establish a revolving loan fund to provide
12 start-up funds to any charter school that it has granted an initial charter. The loans to a school
13 shall total no more than twenty-five thousand dollars (\$25,000). Interest shall not be charged on
14 these loans.
15 The loans shall be repaid in 12 equal monthly installments, beginning with the month in
16 which the initial allocation of State funds is made to the school in accordance with subsection
17 (a) of this section. If the school does not begin operation or operate for the full 12 months, the
18 nonprofit corporation shall repay the remaining loan amounts over the same time period."
19 SECTION 3. There is appropriated from the General Fund to the State Board of
20 Education the sum of one million five hundred seventy-five thousand dollars (\$1,575,000) for
21 the 2013-2014 fiscal year and the sum of one million five hundred seventy-five thousand
22 dollars (\$1,575,000) for the 2014-2015 fiscal year to the revolving loan funds established
23 pursuant to Section 2 of this act.
24 SECTION 4. This act becomes effective July 1, 2013.

