

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019**

**H**

**D**

**HOUSE BILL 1071  
PROPOSED COMMITTEE SUBSTITUTE H1071-PCS10841-MVa-5**

Short Title: Funds to DPI for ADM Growth.

(Public)

Sponsors:

Referred to:

May 14, 2020

A BILL TO BE ENTITLED  
AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF PUBLIC INSTRUCTION  
FOR INCREASED AVERAGE DAILY MEMBERSHIP IN PUBLIC SCHOOLS.

The General Assembly of North Carolina enacts:

**SECTION 1.** The General Assembly finds all of the following:

- (1) The coronavirus disease 2019 (COVID-19) pandemic has devastated the economy in North Carolina, caused unprecedented job loss, and significantly disrupted the delivery of education by public schools.
- (2) COVID-19 has required public schools to develop and provide teaching methods that do not rely on in-person instruction.
- (3) Public schools in low-wealth counties are less likely to have the reserves necessary to provide for the staff development, digital resources, and other tools needed to facilitate new methods of instruction required by COVID-19 circumstances.
- (4) During the COVID-19 pandemic, public schools in low-wealth counties need supplemental funding to assist them in effectively responding to the impacts of COVID-19.
- (5) Supplemental funding for low-wealth counties on the basis of Average Daily Membership is an effective means of providing public schools in low-wealth counties additional resources to better respond to the educational impacts of COVID-19.

**SECTION 2.** By August 15, 2020, the State Controller shall transfer to the Department of Public Instruction for the 2020-2021 fiscal year the sum of seventy-five million dollars (\$75,000,000) in nonrecurring funds from the Civil Penalty and Forfeiture Fund (Budget Code: 23005; Fund Code: 2301) to be used to fund an increase in Average Daily Membership (ADM) for the 2020-2021 fiscal year, as reflected in the revised allotted 2020-2021 fiscal year ADM.

**SECTION 3.** By August 15, 2020, the Department of Public Instruction shall transfer for the 2020-2021 fiscal year the sum of three million nine hundred twenty-three thousand two hundred thirty dollars (\$3,923,230) in nonrecurring funds from the cash balance in the School Bus Replacement Fund (Budget Code: 73510; Fund Code: 7200) to be used to fund an increase in Average Daily Membership (ADM) for the 2020-2021 fiscal year, as reflected in the revised allotted 2020-2021 fiscal year ADM.

**SECTION 4.(a)** The State Controller shall transfer the sum of twenty-two million dollars (\$22,000,000) from the Coronavirus Relief Reserve established in Section 2.1 of S.L. 2020-4 to the Coronavirus Relief Fund established in Section 2.2 of the same act.



\* H 1 0 7 1 - P C S 1 0 8 4 1 - M V A - 5 \*

1           **SECTION 4.(b)** There is appropriated from the Coronavirus Relief Fund to the  
2 Office of State Budget and Management (OSBM) the sum of twenty-two million dollars  
3 (\$22,000,000) in nonrecurring funds for the 2020-2021 fiscal year to be allocated to the  
4 Department of Public Instruction to fund an increase in Average Daily Membership (ADM), as  
5 reflected in the revised allotted 2020-2021 fiscal year ADM, for low-wealth counties due to the  
6 impacts of COVID-19.

7           **SECTION 4.(c)** The requirements and limitations set forth in Part I of S.L. 2020-4  
8 shall apply to the funds appropriated by this section. OSBM shall include the funds transferred  
9 and appropriated under this section in the report required under Section 1.7 of S.L. 2020-4.

10           **SECTION 5.** The provisions of the State Budget Act, Chapter 143C of the General  
11 Statutes, are reenacted and shall remain in full force and effect and are incorporated in this act  
12 by reference.

13           **SECTION 6.** Except where expressly repealed or amended by this act, the provisions  
14 of any other legislation enacted during the 2019 Regular Session of the General Assembly  
15 expressly appropriating funds to an agency, a department, or an institution covered under this  
16 act, shall remain in effect.

17           **SECTION 7.** This act becomes effective July 1, 2020.