

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

H.B. 335  
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30165-MT-88

Short Title: Timely Local Payments to Charter Schools. (Public)

Sponsors: Representatives Bradford, Riddell, Hardister, and Saine (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO REVISE REQUIREMENTS REGARDING THE TRANSFER OF FUNDS FROM  
3 A LOCAL SCHOOL ADMINISTRATIVE UNIT TO A CHARTER SCHOOL TO  
4 INCENTIVIZE THE TIMELY TRANSFER OF FUNDS.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 115C-218.105(c) reads as rewritten:

7 "(c) If a student attends a charter school, the local school administrative unit in which the  
8 child resides shall transfer to the charter school an amount equal to the per pupil share of the local  
9 current expense fund of the local school administrative unit for the fiscal year. The per pupil  
10 share of the local current expense fund shall be transferred to the charter school ~~within 30 days~~  
11 of following the receipt of monies into the local current expense fund, fund and within 30 days  
12 of receipt of a written request from the charter school identifying the student or students enrolled  
13 in the charter school who reside in the local school administrative unit. If the local school  
14 administrative unit fails to transfer the per pupil share of the local current expense fund to the  
15 charter school within 30 days of receipt of the written request, the sum to be transferred shall be  
16 increased by eight percent (8%). Beginning on the thirty-first day from the date the local school  
17 administrative unit receives the written request from the charter school, interest shall accrue on  
18 this amount at the legal rate provided in G.S. 24-1 until the total amount, including applicable  
19 increases as provided in this subsection, is transferred to the charter school. If the local school  
20 administrative unit receives additional monies into the local current expense fund following the  
21 initial transfer to the charter school, the local school administrative unit shall transfer the per  
22 pupil share of those additional monies to the charter school within 30 days of receipt. In the event  
23 the local school administrative unit and the charter school disagree on the amount owed to the  
24 charter school, the local school administrative unit shall not delay payment of the undisputed  
25 amount. The local school administrative unit and charter school may use the process for  
26 mediation of differences between the State Board and a charter school provided in  
27 G.S. 115C-218.95(d) to resolve differences on calculation and transference of the per pupil share  
28 of the local current expense fund. The amount transferred under this subsection that consists of  
29 revenue derived from supplemental taxes shall be transferred only to a charter school located in  
30 the tax district for which these taxes are levied and in which the student resides."

31 **SECTION 2.** This act is effective when it becomes law and applies beginning with  
32 the 2021-2022 school year.

