

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: House Bill 49 CS

SHORT TITLE: K-12 Clarification

SPONSOR(S): Barnes, Black, Fussell, Gray, McAllister

FISCAL IMPACT: **Expenditures:** Increase () Decrease ()
 Revenues: Increase () Decrease ()
 No Impact (X)
 No Estimate Available (X)

FUND AFFECTED: General Fund () Highway Fund () Local Govt. ()
Other Funds ()

BILL SUMMARY: "TO CLARIFY WHO SHALL BE ENTITLED TO THE PRIVILEGES AND ADVANTAGES OF THE PUBLIC SCHOOLS, WHO SHALL PAY TUITION, AND TO CREATE AN EDUCATION POWER OF ATTORNEY." Amends GS Ch. 115C to require local boards of education to assign to public school (1) those under 21 domiciled in district and (2) children of homeless and homeless children, without tuition charge. Defines "homeless" and sets out appeals process from refusal to enroll. Lists those entitled to attend school on same basis as domiciliaries: (1) residents of foster and group homes and similar institutions; (2) those whose parent, guardian, etc. is associated with an institution of higher education located in the district or the National Humanities Center; (3) children affiliated with federal employees or military personnel; (4) those residing on Indian lands or with migrant agricultural worker with parent, etc.; (5) children being cared for by domiciliaries who provide substantial support; (latter must annually show either education power of attorney or notarized affidavit that it cannot be obtained; and (6) on payment of out-of-county fees, children affiliated with people serving in General Assembly. Allows local board (1) to accept student from another district, with or without charge, on agreement of board of district where student domiciled and (2) to operate school in adjacent district with written permission of that district's board. Prohibits students transferring to participate in athletics in violation of eligibility requirements. Adds Art. 4, Education Powers of Attorney, to GS Ch. 32, allowing parent or legal guardian to delegate power to make educational decisions for child. Attorney in fact must be 18 or older, provide home, care, control, supervision and substantial support for child, and accept agency. Describes scope of delegation and methods of

revocation. Delegation lasts a year if not revoked sooner; automatically revoked by appointment of guardian for principal or for child. Education power of attorney supersedes education powers under general power of attorney. Protects good faith exercise of and reliance on power. Sets out optional form for conveying power of attorney. Rewrites G.S. 115C-366.1 to provide local board may enroll students from out-of-state, not entitled to attend school in the district, and charge tuition equal to the amount of local and state per pupil funding. Such students may not be counted for purposes of drawing down state funds for the district. A board may admit students (1) from a border state who live in households deriving at least 51% of gross income from business in NC; if admitted, tuition charge may not exceed the amount the household would owe under the district's local supplementary tax for schools; (2) domiciled in the state but not the district, for a charge not exceeding amount of per pupil local funding. People liable for tuition shall be notified of current local amount and preceding year's state amount as soon as possible but no later than student's enrollment. People liable for state tuition shall be notified of amount as soon as possible after tenth day of current school year. State Board of Education to issue rules by October 1, 1993. DPI to report to Legislative Education Oversight Committee on January 15 each year, beginning 1994, on implementation of law on tuition charges and number of students in each category enrolled in schools.

EFFECTIVE DATE: July 30, 1993.

PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED: Department of Public Education
Public School Fund

FISCAL IMPACT

FY FY FY FY FY

REVENUES:

- GENERAL FUND
- HIGHWAY FUND
- HIGHWAY TRUST FUND
- LOCAL

EXPENDITURES

POSITIONS:

ASSUMPTIONS AND METHODOLOGY:

- o 1992 survey of local school systems by the Department of Public Instruction identified the following groups of out-of-state students:

1. 246 students that live and spend the night at a residence outside of North Carolina;
2. 438 out-of-state students that live within North Carolina with someone other than their parent or legal guardian; and,
3. 688 students that live in North Carolina where parent or guardian are employed by the military but are not North Carolina residents.

TOTAL STUDENTS: 1,352

- o The proposed statute adds no out-of-state students beyond those already served under current law.
- o The proposed statute should not add additional administrative costs in the Department of Public Instruction.
- o The number of students who would be exempt from out-of-state tuition cannot be determined because the proportion of students whose family derive 51% of their gross household income from a business, trade, profession, or occupation carried on in North Carolina cannot be determined.

SOURCES OF DATA: Department of Public Instruction

TECHNICAL CONSIDERATIONS:

FISCAL RESEARCH DIVISION

733-4910

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DATE: February 12, 1993

[FRD#001]



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