

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

**SESSION LAW 2002-66
SENATE BILL 1371**

**AN ACT TO AMEND CHAPTER 707 OF THE 1963 SESSION LAWS RELATED
TO CURRENT EXPENSE EXPENDITURES FROM LOCAL FUNDS FOR THE
SCOTLAND COUNTY SCHOOLS.**

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 707 of the 1963 Session Laws is amended by adding the following new sections:

"Sec. 9.1. For the 2002-2003 fiscal year only, current expense expenditures from local funds for the Scotland County Schools shall be eight million seven hundred thousand dollars (\$8,700,000) and said sum shall be appropriated by the Scotland County Board of Commissioners from local funds, including both general and supplemental tax revenues, and not including fines and forfeitures or restricted use sales taxes authorized by Article 40 or 42 of Chapter 105 of the General Statutes.

Sec. 9.2. Beginning with the 2003-2004 fiscal year, the base amount of funding for current expense expenditures from local funds shall include the previous years' level of current expense expenditures (for example, eight million seven hundred thousand dollars (\$8,700,000) in 2002-2003), multiplied by the average percentage change in current expense school expenditures for the most recent available fiscal year for low-wealth counties in North Carolina (all local expenditures shall include local current expense expenditures incurred by charter schools within the appropriate districts), as determined by the Superintendent of Public Instruction or that person's designee. The resulting product shall then be multiplied by a ratio consisting of the Average Daily Membership used to distribute State funding for the succeeding fiscal year as provided by the Department of Public Instruction, divided by the Average Daily Membership used to distribute funding for the current fiscal year, as determined by the Superintendent of Public Instruction, or that person's designee. The resulting number shall be added to or subtracted from the previous year's amount of current expense expenditures from local funds. This sum shall be the required level of current expense funding to be appropriated by the Board of Commissioners from any local sources, including both general and supplemental tax revenues, and not including fines and forfeitures or restricted use sales taxes authorized by Article 40 or 42 of Chapter 105 of the General Statutes.

Sec. 9.3. Notwithstanding the provisions of Sections 9.1 and 9.2 of this act, the Scotland County Board of Commissioners and the Scotland County Board of Education may, in extraordinary economic circumstances, jointly set a level of current expense expenditures for a fiscal year. This deviation from Sections 9.1 and 9.2 of this act shall be valid only if approved by resolution of both boards."

SECTION 2. The remainder of Chapter 707 of the 1963 Session Laws is not changed by this act except to the extent any previously enacted provisions for the establishment and funding of current expense expenditures are inconsistent with the provisions of this act.

SECTION 3. This act is effective when it becomes law.
In the General Assembly read three times and ratified this the 8th day of August, 2002.

s/ Beverly E. Perdue
President of the Senate

s/ Joe Hackney
Speaker Pro Tempore of the House of Representatives