

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 382
Transportation Committee Substitute Adopted 4/22/15
House Committee Substitute Favorable 6/15/16

Short Title: Revision of SB 612.

(Local)

Sponsors:

Referred to:

March 25, 2015

A BILL TO BE ENTITLED

AN ACT TO REVISE SENATE BILL 612 THAT PROVIDED FOR THE MERGER AND CONSOLIDATION OF THE SCHOOL ADMINISTRATIVE UNITS IN NASH COUNTY AND THE CITY OF ROCKY MOUNT.

The General Assembly of North Carolina enacts:

SECTION 1.(a) Section 20 of Chapter 391 of the 1991 Session Laws reads as rewritten:

"Sec. 20.(a) Beginning ~~July 1, 1992,~~ July 1, 2016, and for each school year thereafter the Nash-Rocky Mount Board of Education shall annually submit a school budget to the Nash County Board of Commissioners for approval in accordance with Article 31 of Chapter 115C of the General Statutes. The Nash-Rocky Mount Board of Education shall also submit the annual budget to the Edgecombe County Board of Commissioners, which shall review the budget and provide recommendations on adoption of the budget to the Nash County Board of Commissioners. The Nash-Rocky Mount Board of Education and the Nash County Board of Commissioners shall make their best efforts to achieve a fair, reasonable, and practical appropriation of capital outlay and debt service funds for those schools in the Nash-Rocky Mount School Administrative Unit located in Edgecombe County. Final approval of the Nash-Rocky Mount School Administrative Unit school budget shall be made by the Nash County Board of Commissioners.

(b) The County Commissioners of Edgecombe County shall appropriate to the Nash-Rocky Mount School Administrative Unit local current expense funds as provided by G.S. 115C-430.

(c) ~~In addition, beginning July 1, 1992, and for each school year thereafter, all capital outlay funds coming into the possession of the County Commissioners of Edgecombe County, whether such funds be derived from taxation, the proceeds of bonds or notes, appropriations from profits of the Alcoholic Beverage Control Stores, loans or grants from the State or federal governments, or any agency or subdivision thereof, or from any other source whatsoever, shall be apportioned between the school administrative unit or units serving that portion of Edgecombe County lying outside of the boundaries of the Nash Rocky Mount School Administrative Unit and the Nash Rocky Mount School Administrative Unit for that portion of Edgecombe County lying within the boundaries of the Nash Rocky Mount School Administrative Unit on a per capita basis according to the of each unit, and appropriated in conformity with the method set out in G.S. 115C-430 in like manner and to the same extent as if such capital outlay funds were current expense funds.~~ Beginning July 1, 2016, the Edgecombe County Board of Commissioners shall provide the Edgecombe proportional share of the capital outlay fund, including costs of new capital expenditures, new acquisitions, construction, reconstruction, enlargements, renovations, or



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1 replacement of buildings and other structures, current and future debt service, annual capital
2 outlay, and other capital expenditures of the Nash-Rocky Mount School Administrative Unit. The
3 Edgecombe proportional share shall be the percentage of the capital outlay budget equal to the
4 percentage of students enrolled in the Nash-Rocky Mount School Administrative Unit domiciled
5 in Edgecombe County.

6 (d) If the finance officers of the Nash-Rocky Mount School Administrative Unit, Nash
7 County, and Edgecombe County, respectively, cannot agree by consensus on the amounts to be
8 paid under this section, then the boards of each entity shall select by consensus a certified public
9 accountant with expertise in school finance, to be paid in equal shares by each entity, to determine
10 the amounts to be paid."

11 **SECTION 1.(b)** This section is effective when it becomes law.

12 **SECTION 2.(a)** Section 20(b) of Chapter 391 of the 1991 Session Laws, as amended
13 by Section 1 of this act, reads as rewritten:

14 "(b) The County Commissioners of Edgecombe County shall appropriate to the
15 Nash Rocky Mount School Administrative Unit local current expense funds as provided by G.S.
16 115C-430. Beginning July 1, 2020, the County Commissioners of Edgecombe County shall
17 appropriate to the Nash-Rocky Mount School Administrative Unit the Edgecombe proportional
18 share of the local current expense funds appropriated in the annual school budget approved by the
19 Nash County Board of Commissioners. The Edgecombe proportional share shall be the percentage
20 of the appropriated local current expense funds equal to the percentage of students enrolled in the
21 Nash-Rocky Mount School Administrative Unit domiciled in Edgecombe County.
22 Notwithstanding G.S. 115C-430, the County Commissioners of Edgecombe County shall not be
23 required to apportion local current expense funds according to the membership of the Edgecombe
24 County School Administrative Unit and the membership of the Nash-Rocky Mount School
25 Administrative Unit."

26 **SECTION 2.(b)** This section becomes effective July 1, 2020.

27 **SECTION 3.(a)** Section 21 of Chapter 391 of the 1991 Session Laws reads as
28 rewritten:

29 "Sec. 21. (a) The City shall be authorized to appropriate to the Nash-Rocky Mount School
30 Administrative Unit, from funds derived from sources other than ad valorem taxation, funds for
31 the current expense ~~and capital outlay~~ needs of the Nash-Rocky Mount School Administrative
32 Unit as herein provided.

33 (b) ~~Beginning July 1, 1992, July 2, 2016,~~ and for each school year thereafter, the City shall
34 appropriate local current expense funds to the Nash-Rocky Mount School Administrative Unit,
35 from funds of the City derived from sources other than ad valorem taxation, an amount equal to
36 any current expenditure differential between Nash and Edgecombe Counties as hereinafter
37 defined. The current expenditure differential for each school year shall be the product of the
38 number of students attending school in the Nash-Rocky Mount School Administrative Unit who
39 reside within that portion of the City Administrative Unit located in the County with the lower
40 current per pupil expenditure, multiplied by the amount which the current per pupil appropriation
41 made by the Board of Commissioners of the county with the higher current per pupil expenditure
42 to the Nash-Rocky Mount School Administrative Unit exceeds the current per pupil appropriation
43 made by the county with the lower current per pupil expenditure to the Nash-Rocky Mount School
44 Administrative Unit.

45 (c) ~~The Rocky Mount City Council and the county commissioners shall each appropriate~~
46 ~~\$500,000 per year for 10 consecutive years, beginning July 1, 1992, for school capital~~
47 ~~improvements within the city of Rocky Mount. In addition, the City shall pay for the extension of~~
48 ~~all electrical, water, sewer, and natural gas lines to the property line of the Winstead Avenue~~
49 ~~school site, if such site is used for a new school building."~~

50 **SECTION 3.(b)** This section becomes effective July 1, 2016.

1 **SECTION 4.** Section 21 of Chapter 391 of the 1991 Session Laws is repealed
2 effective June 30, 2020.

3 **SECTION 5.** Notwithstanding Chapter 391 of the 1991 Session Laws, beginning July
4 1, 2020, the "Nash-Rocky Mount School Administrative Unit" shall be named the "Nash School
5 Administrative Unit," and the "Nash-Rocky Mount Board of Education" shall be the "Nash Board
6 of Education."

7 **SECTION 6.(a)** A local board of education shall not file any legal action under
8 G.S. 115C-426, 115C-431, or 115C-432 challenging the sufficiency of the funds appropriated by
9 the board of county commissioners to the local current expense fund, the capital outlay fund, or
10 both. This subsection expires upon the adoption of the 2026-2027 fiscal year budget by the
11 appropriate board of county commissioners. The board of county commissioners shall approve a
12 school budget that provides an amount per pupil annually for local current expense funds that is
13 equal to or greater than the per pupil amount for local current expense funds appropriated by the
14 board of county commissioners for the 2016-2017 fiscal year.

15 **SECTION 6.(b)** This section applies only to the County of Nash.

16 **SECTION 7.** If Edgecombe County or the City of Rocky Mount fail to provide the
17 required annual funding directed by this act, upon review and certification by the Local
18 Government Commission that the required funding has not been provided, and the failure of
19 Edgecombe County or the City of Rocky Mount to make full payment of the required funding
20 within one month of the certification, the following shall occur:

- 21 (1) Effective July 1 of the following calendar year, the boundaries of the
22 Nash-Rocky Mount School Administrative Unit shall be identical to the
23 boundaries of Nash County, and shall be renamed as the Nash School
24 Administrative Unit, and the boundaries of the Edgecombe School
25 Administrative Unit shall be identical to the boundaries of Edgecombe County.
- 26 (2) Effective July 1 of the following calendar year, the term of office of any local
27 board of education member not residing within the local school administrative
28 unit of the board on which the member serves shall expire.
- 29 (3) Prior to July 1 of the following calendar year, notwithstanding G.S. 115C-37,
30 Chapter 391 of the 1991 Session Laws, and Chapter 809 of the 1991 Session
31 Laws, the boards of the school administrative units of Nash and Edgecombe
32 shall each revise the electoral districts for the respective boards to reflect the
33 boundaries of each school administrative unit as of July 1, as provided in
34 subdivision (1) of this section. Notwithstanding G.S. 163-278, the boards of the
35 school administrative units of Nash and Edgecombe, respectively, shall have
36 the authority to call a special election to fill any vacancies created by the
37 electoral district revisions.
- 38 (4) Within 120 days of the certification by the Local Government Commission that
39 the required funding has not been provided, the boards of the school
40 administrative units of Nash and Edgecombe in consultation with the boards of
41 county commissioners of Nash and Edgecombe Counties shall jointly submit to
42 the State Board of Education for approval a written plan for transfer of that
43 portion of the Nash-Rocky Mount School Administrative Unit located in
44 Edgecombe County to the Edgecombe School Administrative Unit. The
45 provisions of the plan shall be consistent with the General Statutes and shall
46 contain, but not be limited to, the following:
 - 47 a. The power, authority, and duties of the Nash Board of Education and
48 Edgecombe Board of Education with respect to the employment of
49 personnel, the preparation of budgets, student assignment, and any other
50 related matters relevant to the area to be transferred effective July 1, not
51 inconsistent with the General Statutes.

- 1 b. The transfer of all funds, contracts, obligations, assets, and liabilities
2 relevant to the area to be transferred effective July 1, from the
3 Nash-Rocky Mount Board of Education to the Edgecombe Board of
4 Education, including, but not limited to, consideration of real property,
5 furnishings and improvements, encumbered and unencumbered
6 property, equipment, buses, band and sports equipment, textbooks, other
7 instructional materials, and library resources, computers, and supplies.
8 c. Any other appropriate subject or function that may be necessary for the
9 orderly transfer of the portion of the Nash-Rocky Mount School
10 Administrative Unit located in Edgecombe County to be transferred to
11 the Edgecombe School Administrative Unit effective July 1.

12 If a written plan of transfer is not submitted as herein provided, or if the State
13 Board of Education does not approve the submitted plan prior to the March 15
14 immediately preceding the transfer date of July 1, the State Board of Education
15 shall prepare an approved plan of transfer to be effective June 1 for the July 1
16 transition. No plan of transfer shall become effective until approval is granted
17 by the State Board of Education. Upon approval of the State Board of
18 Education, the plan of transfer shall become final and shall be deemed to have
19 been made by authority of law and shall not be changed or amended except by
20 an act of the General Assembly. The approved written plan shall be placed in
21 the custody of the Nash Board of Education and Edgecombe Board of
22 Education and a copy filed with the Secretary of State.

- 23 (5) Except as otherwise provided for in the transfer agreement approved as
24 provided in subdivision (4) of this section, the title to and ownership of all
25 property of the Nash-Rocky Mount Board of Education located in Edgecombe
26 County, both real and personal of every kind and description, shall be vested in
27 the Edgecombe Board of Education, and the Boards of Education shall execute
28 all deeds and other instruments of conveyance as may be necessary and
29 appropriate to vest record title to and ownership of any property located in
30 Edgecombe County held by the Nash-Rocky Mount Board of Education in and
31 to the Edgecombe Board of Education on or before the transfer date of July 1.

- 32 (6) Except as otherwise provided for in the transfer agreement approved as
33 provided in subdivision (4) of this section:

34 a. All claims and demands of every kind related to the public schools of
35 the Nash-Rocky Mount School Administrative Unit located in
36 Edgecombe County as of the July 1 transfer date, shall pass and be
37 transferred to the Edgecombe Board of Education, and the Edgecombe
38 Board of Education shall have the same powers and authority to enforce
39 said claims and demands as the Nash-Rocky Mount School
40 Administrative Unit would have had in the event of the continued
41 control of those public schools.

42 b. Any obligations and liabilities related to the public schools of the
43 Nash-Rocky Mount School Administrative Unit located in Edgecombe
44 County existing as of the July 1 transfer date shall become the
45 obligations and liabilities of the Edgecombe Board of Education as of
46 that July 1, and such obligations and liabilities may be enforced against
47 the Edgecombe Board of Education thereafter to the same extent that
48 they might have been enforced against the Nash-Rocky Mount Board of
49 Education prior to the transfer.

50 **SECTION 8.** If any provision of this act or its application is held invalid, the
51 invalidity does not affect the other provisions or applications of this act that can be given effect

1 without the invalid provisions or applications, and to this end, the provisions of this act are
2 severable.

3 **SECTION 9.** Except as otherwise provided, this act is effective when it becomes law.