

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

SESSION LAW 2016-14
SENATE BILL 382

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

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

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



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

~~"(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. Beginning July 1, 2020, the County Commissioners of Edgecombe County shall appropriate to the Nash-Rocky Mount School Administrative Unit the Edgecombe proportional share of the local current expense funds appropriated in the annual school budget approved by the Nash County Board of Commissioners. The Edgecombe proportional share shall be the percentage of the appropriated local current expense funds equal to the percentage of students enrolled in the Nash-Rocky Mount School Administrative Unit domiciled in Edgecombe County. Notwithstanding G.S. 115C-430, the County Commissioners of Edgecombe County shall not be required to apportion local current expense funds according to the membership of the Edgecombe County School Administrative Unit and the membership of the Nash-Rocky Mount School Administrative Unit."~~

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

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

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

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

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

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

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

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

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

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

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

- (1) Effective July 1 of the following calendar year, the boundaries of the Nash-Rocky Mount School Administrative Unit shall be identical to the boundaries of Nash County, and shall be renamed as the Nash School Administrative Unit, and the boundaries of the Edgecombe School Administrative Unit shall be identical to the boundaries of Edgecombe County.
- (2) Effective July 1 of the following calendar year, the term of office of any local board of education member not residing within the local school administrative unit of the board on which the member serves shall expire.
- (3) Prior to July 1 of the following calendar year, notwithstanding G.S. 115C-37, Chapter 391 of the 1991 Session Laws, and Chapter 809 of the 1991 Session Laws, the boards of the school administrative units of Nash and Edgecombe shall each revise the electoral districts for the respective boards to reflect the boundaries of each school administrative unit as of July 1, as provided in subdivision (1) of this section. Notwithstanding G.S. 163-278, the boards of the school administrative units of Nash and Edgecombe, respectively, shall have the authority to call a special election to fill any vacancies created by the electoral district revisions.
- (4) Within 120 days of the certification by the Local Government Commission that the required funding has not been provided, the boards of the school administrative units of Nash and Edgecombe in consultation with the boards of county commissioners of Nash and Edgecombe Counties shall jointly submit to the State Board of Education for approval a written plan for transfer of that portion of the Nash-Rocky Mount School Administrative Unit located in Edgecombe County to the Edgecombe School Administrative Unit. The provisions of the plan shall be consistent with the General Statutes and shall contain, but not be limited to, the following:
 - a. The power, authority, and duties of the Nash Board of Education and Edgecombe Board of Education with respect to the employment of personnel, the preparation of budgets, student assignment, and any other related matters relevant to the area to be transferred effective July 1, not inconsistent with the General Statutes.
 - b. The transfer of all funds, contracts, obligations, assets, and liabilities relevant to the area to be transferred effective July 1, from the Nash-Rocky Mount Board of Education to the Edgecombe Board of Education, including, but not limited to, consideration of real property, furnishings and improvements, encumbered and unencumbered property, equipment, buses, band and sports equipment, textbooks, other instructional materials, and library resources, computers, and supplies.
 - c. Any other appropriate subject or function that may be necessary for the orderly transfer of the portion of the Nash-Rocky Mount School Administrative Unit located in Edgecombe County to be transferred to the Edgecombe School Administrative Unit effective July 1.If a written plan of transfer is not submitted as herein provided, or if the State Board of Education does not approve the submitted plan prior to the March 15 immediately preceding the transfer date of July 1, the State Board of Education shall prepare an approved plan of transfer to be effective June 1 for the July 1 transition. No plan of transfer shall become effective until approval is granted by the State Board of Education. Upon approval of the State Board of Education, the plan of transfer shall become final and shall be deemed to have been made by authority of law and shall not be changed or amended except by an act of the General Assembly. The approved written plan shall be placed in the custody of the Nash Board of Education and Edgecombe Board of Education and a copy filed with the Secretary of State.
- (5) Except as otherwise provided for in the transfer agreement approved as provided in subdivision (4) of this section, the title to and ownership of all property of the Nash-Rocky Mount Board of Education located in Edgecombe County, both real and personal of every kind and description,

shall be vested in the Edgecombe Board of Education, and the Boards of Education shall execute all deeds and other instruments of conveyance as may be necessary and appropriate to vest record title to and ownership of any property located in Edgecombe County held by the Nash-Rocky Mount Board of Education in and to the Edgecombe Board of Education on or before the transfer date of July 1.

- (6) Except as otherwise provided for in the transfer agreement approved as provided in subdivision (4) of this section:
- a. All claims and demands of every kind related to the public schools of the Nash-Rocky Mount School Administrative Unit located in Edgecombe County as of the July 1 transfer date, shall pass and be transferred to the Edgecombe Board of Education, and the Edgecombe Board of Education shall have the same powers and authority to enforce said claims and demands as the Nash-Rocky Mount School Administrative Unit would have had in the event of the continued control of those public schools.
 - b. Any obligations and liabilities related to the public schools of the Nash-Rocky Mount School Administrative Unit located in Edgecombe County existing as of the July 1 transfer date shall become the obligations and liabilities of the Edgecombe Board of Education as of that July 1, and such obligations and liabilities may be enforced against the Edgecombe Board of Education thereafter to the same extent that they might have been enforced against the Nash-Rocky Mount Board of Education prior to the transfer.

SECTION 8. If any provision of this act or its application is held invalid, the invalidity does not affect the other provisions or applications of this act that can be given effect without the invalid provisions or applications, and to this end, the provisions of this act are severable.

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

In the General Assembly read three times and ratified this the 16th day of June, 2016.

s/ Daniel J. Forest
President of the Senate

s/ Tim Moore
Speaker of the House of Representatives