Debate on N.C. House Bill 539 has been scheduled for Monday, September 28 at 7:00 p.m. This bill, which was introduced at the end of the legislative session with little or no public notice, will change funding for public schools by redefining and expanding the funds which school systems will have to make available to charter schools.

The bill would require school districts to begin sharing the following categories of funding with charter schools, [**even if the charters do not offer services**](http://www.ncpolicywatch.com/2015/09/23/bill-sets-up-charter-schools-to-receive-funds-for-services-they-dont-provide/) for which those funds have been received:

* **Monies received for indirect costs –** These are reimbursements for costs associated with the administration of federal programs, the largest of which is the child nutrition program. These dollars are important because they are reimbursing not only for financial accounting but also for the utility costs associated with the program (cooking the food, keeping the refrigerator running, etc.)
* **Reimbursements, except for Medicare and Medicaid reimbursements, for a particular student –** Reimbursements are for payments already made by the school district, and could include reimbursements for programs charter schools do not offer. These funds make LEAs whole for costs already paid and should not be shared with charter schools. Example: federal e-rate reimbursements for technology services for LEA students.
* **Fees for actual costs –** As an example, school districts often offer before- and after-school programs at schools.
* **Gifts and grants that are not federal grants that are restricted as to use and required by the donor to be held in a specific fund –** This new stipulation puts an unfair burden on a donor to be aware of the intricacies of local school district accounting in order to specify a donation be held in “Fund 8” in order not to be shared with charter schools if that is their wish.
* **Federal appropriations made directly to LEAs –** This language covers impact aid because of federal lands and is also likely to cover military impact aid, Indian program funds, and other potential funds like the Hurricane Katrina relief funds that some LEAs received a few years ago to support relocated students.
* **Sales tax revenues regardless of how they are distributed –** Section 2.(a) of the legislation removes the requirement that revenue derived from supplemental taxes only be transferred to a charter school that is located within the tax district for which those supplemental taxes are levied. This change would force these funds to be shared with any charter school where a local student enrolls, no matter the location. This would violate the intended purpose for the special tax districts that voters previously approved for supporting specific schools within the taxing jurisdiction. *(information from N.C. Association of School Administrators – September 24, 2015, Adam Pridemore)*

We have been told that the GA has received very little feedback regarding this issue, but the bill was certainly unexpected. This is a critical issue for public schools. Please contact Dr. David Curtis and urge him to vote NO for this bill.