

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL 127
Finance Committee Substitute Adopted 3/18/25

Short Title: Lower Taxes for Scotland County.

(Local)

Sponsors:

Referred to:

February 24, 2025

A BILL TO BE ENTITLED
AN ACT TO AUTHORIZE THE SCOTLAND COUNTY BOARD OF COMMISSIONERS TO
ADOPT A SCHOOL BUDGET IN ITS DISCRETION, TO ELIMINATE THE
MANDATORY SCHOOL FUNDING FLOOR, AND TO MAKE CONFORMING
CHANGES.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 707 of the 1963 Session Laws, as amended by S.L. 1973-306, 2002-66, 2004-203, and 2006-171, reads as rewritten:

"Section 1. The purposes of this Act, among others, are to provide an enabling Statute, in addition to other Statutes which may be available for such purposes, for the merger of the Laurinburg City School Administrative Unit and the Scotland County School Administrative Unit.

"Sec. 2. The Laurinburg City Board of Education and the Scotland County Board of Education, by majority vote of the full membership of each of said Boards, may jointly petition the Scotland County Board of Commissioners for a county-wide election on the following subjects:

(a) The merger of the Laurinburg City School Administrative Unit and the Scotland County School Administrative Unit and their respective Boards of Education.

(b) The construction of a new consolidated high school to be established to serve the students assigned to Gibson High School, Laurel Hill High School, Laurinburg High School, and Wagram High School, and the issuance of bonds pursuant to the County Finance Act, as amended, for construction of said consolidated high school and for other school purposes in an amount to be determined by the Scotland County Board of Commissioners upon the recommendation of the existing City and County Boards of Education.

(c) To require the Laurinburg-Scotland County Board of Education to request and the Scotland County Board of Commissioners to appropriate annually from any local sources, including both general and supplemental tax revenues, such funds as will provide, at a minimum, current expense expenditures per student from local funds which shall be no less than the average current expense expenditures per student from local funds throughout the State, as determined by the latest certification of the State Superintendent of Public Instruction.

(d) To authorize the County Commissioners to levy a county-wide supplemental school tax not to exceed fifty cents (50¢) per one hundred dollar valuation.

"Sec. 3. Upon the receipt of such petition, it shall be the duty of the Scotland County Board of Commissioners to call an election upon the foregoing subjects within sixty (60) days thereafter and fix the date for the same. The provisions of this Act, relating to the merger of the Laurinburg City School Administrative Unit and the Scotland County School Administrative Unit, shall be



contingent upon the approval, by a majority of the voters voting in a county-wide election, of all the proposals as set out in subsections (a) through (d) of Section 2 of this Act. The said election shall be conducted in accordance with the applicable provisions of the General Statutes of North Carolina.

"Sec. 4.(a) The Scotland County Board of Education shall be comprised of 8 members. Five of the members shall be residents of the Stewartsville Township and 3 of the members shall be residents of any of the remaining 3 townships in Scotland County at large.

(b) Beginning with a primary election to be held in 1974, 2 members who shall be residents of the Stewartsville Township and 2 members, who shall be residents of the other 3 townships at large shall be elected to membership on the Scotland County Board of Education for initial terms of 4 years to expire in 1978. Beginning with a primary election to be held in 1976, 3 members, who shall be residents of the Stewartsville Township, and 1 member, who shall be a resident of any of the other 3 townships, shall be elected to membership on the said board for initial terms of 4 years to expire in 1980. In 1978 when the initial terms of the first 4 members expire and in the regular county-wide biennial election of that year and in each regular county-wide biennial election thereafter, four members shall be elected for terms of four years each.

(c) The initial election for the 4 year terms of the 2 Stewartsville Township members and the 2 members at large shall be conducted according to the procedure set forth in subsections (d)(1) and (2) which provide for the regular elections for these seats beginning in 1978 and the initial election for the four-year terms of the other 3 Stewartsville Township members and the other 1 member at large shall be conducted in accordance with the procedures set forth in subsection (d)(3) and (4) which provides for regular elections for these seats on the board beginning in 1980.

(d) The procedure for election of members to the Scotland County Board of Education beginning in 1978 and every 2 years thereafter shall be as follows:

(1) At a primary election to be held in 1978 and every four years thereafter at the same time as the primary for the nomination of county officers 2 persons who shall reside within the Stewartsville Township and 2 persons who shall reside within any one of the other 3 Scotland County Townships at large shall be elected for terms of 4 years each.

(2) (a) The 2 candidates from Stewartsville Township receiving the largest number of votes in the primary election shall be the nominees whose names shall be placed upon the ballot at the general election and the 2 candidates at large from the other 3 Scotland County Townships who shall receive the largest number of votes in the primary election shall be the at large nominees whose names shall be placed upon the ballot at the general election; provided however, that if 2 or fewer candidates should file for nomination from the Stewartsville Township and if 2 or fewer candidates should file for the nomination from the other 3 townships at large the names of such candidates shall be placed on the ballot for the general election and there shall be no primary election for the Stewartsville Township or for the 3 at large townships.

(b) If the number of candidates who file for nomination from the Stewartsville Township is twice or fewer than the number of vacancies from Stewartsville Township the names of such candidates shall be placed on the ballot for the general election and there shall be no primary election; provided further, that if the number of candidates who file for nomination from the Stewartsville Township is more than twice the number of vacancies from the Stewartsville Township there

- shall be placed on the ballot at the general election the four (twice the number of vacancies) candidates receiving the largest number of votes.
- (c) If the number of candidates who file for nomination from the other 3 Scotland County Townships is twice or fewer than the number of vacancies from the other 3 Scotland County Townships the names of such candidates shall be placed on the ballot for the general election and there shall be no primary election; provided further, that if the number of candidates who file for nomination from the other 3 Scotland County Townships is more than twice the number of vacancies from the other 3 Scotland County Townships there shall be placed on the ballot at the general election the 4 (twice the number of vacancies) candidates receiving the largest number of votes.
- (3) At a primary election to be held in 1980 and every 4 years thereafter at the same time as the primary for the nomination of county officers 3 persons who shall reside within the Stewartville Township and 1 person who shall reside within any 1 of the other 3 Scotland County Townships at large shall be elected to membership on the Scotland County Board of Education for terms of 4 years each.
- (4) (a) The 3 candidates from Stewartville Township receiving the largest number of votes in the primary election and the 1 candidate from the other 3 Scotland County Townships receiving the largest number of votes in the primary election shall be the nominees whose names shall be placed upon the ballot at the general election; provided however, that if 3 or fewer candidates should file for nomination from the Stewartville Township or no more than 1 candidate should file for nomination from the other 3 townships at large the names of such candidates shall be placed on the ballot for the general election and there shall be no primary election for the Stewartville Township or for Scotland County at large.
- (b) If the number of candidates who file for nomination from the Stewartville Township is twice or fewer than the number of vacancies from Stewartville Township the names of such candidates shall be placed on the ballot for the general election and there shall be no primary election; provided further, that if the number of candidates who file for nomination from the Stewartville Township is more than twice the number of vacancies from the Stewartville Township there shall be placed on the ballot at the general election the 6 (twice the number of vacancies) candidates receiving the largest number of votes.
- (c) If the number of candidates who file for nomination from the other 3 Scotland County Townships at large shall be twice or fewer than the number of vacancies from the other 3 Scotland County Townships the names of such candidates shall be placed on the ballot for the general election and there shall be no primary election; provided further that if the number of candidates who file for the nomination from the other 3 Scotland County Townships is more than twice the number of vacancies from the other 3 Scotland County Townships there shall be placed on the ballot at the general election the 2 (twice the number of vacancies) candidates receiving the largest number of votes.
- (e) Repealed by Section 6 of Session Law 2006-171.
- (f) The Board of Education shall prepare a ballot for use in the primaries and general elections which shall be separate from other ballots and on which shall be listed separately the

1 candidates from the Stewartsville Township and the candidates from the 3 other Scotland County
2 Townships at large. The names of the candidates shall be placed on a ballot separate from other
3 ballots, bearing no party designation, and no party affiliation need be indicated at the time of
4 filing. Except as herein provided, all primary elections and general elections shall be held,
5 conducted and supervised by the County Board of Elections under the laws and regulations
6 providing for the election of county officers.

7 (g) All candidates for membership on the Scotland County Board of Education shall file
8 a notice of such candidacy with the Board of Elections not later than 12:00 p.m. on the Monday
9 preceding the tenth Tuesday before the primary election is to be held and each candidate shall
10 pay a filing fee of ten dollars (\$10.00) and in addition shall certify in writing whether he is filing
11 for the Stewartsville Township seat or the at-large seat, the township within which he resides and
12 that he is a bona fide resident thereof, said notice to be filed with the Scotland County Board of
13 Elections.

14 (h) All persons registered and qualified to vote in the general election shall be qualified
15 to vote in the primary. All qualified voters of Scotland County may vote in any primary or general
16 election held pursuant to this act and may vote for all candidates for the Board of Education
17 regardless of their residence in either the Stewartsville Township or the at-large townships.

18 (i) Any vacancies which may occur on the Scotland County Board of Education after the
19 election of the members of the Board in 1974 shall be filled by appointment by a majority of the
20 remaining members of the board for the unexpired term; provided that, if the seat which shall
21 become vacant is held by a resident of Stewartsville Township his successor shall likewise be a
22 resident of the Stewartsville Township and if the seat which shall become vacant is held by a
23 resident of the at-large townships his successor shall likewise be a resident of one of the at-large
24 townships.

25 (j) In the event no candidate is elected in the general election to fill any term which is
26 about to expire then and in that event the Scotland County Board of Education shall declare a
27 vacancy and such vacancy shall be filled in accordance with subsection (i).

28 "Sec. 5. The following provisions shall apply in the event of merger under the plan provided
29 for in this Act.

30 (a) The Consolidated Board shall be the County Board of Education in and for Scotland
31 County and shall have county-wide jurisdiction over the public school system in Scotland
32 County, including all municipalities located therein. ~~The name of the Consolidated Board shall~~
33 ~~be: Laurinburg Scotland County Board of Education.~~ The public school system of Scotland
34 County shall be known as and shall use the style of "Scotland County School System," and the
35 Board of Education shall be known as and shall use the style of "Scotland County Board of
36 Education."

37 (b) Repealed by Section 2 of Chapter 306 of the 1973 Session Laws.

38 (c) For the fiscal year beginning July 1 immediately following merging of the two Boards
39 of Education, if the Consolidated Board is not created in sufficient time to present its
40 supplemental tax budget and its capital outlay, debt service and current expense budgets within
41 the time prescribed by law for said fiscal year, then the members of the Scotland County Board
42 of Education and the members of the Laurinburg City Board of Education, acting jointly and by
43 a majority vote of all members present, shall determine the amount and contents of the
44 supplemental tax budget requested for the fiscal year beginning July 1 of that year, and shall give
45 the Scotland County Board of Commissioners due notice thereof in time to levy such taxes as
46 may be necessary to provide funds for said budget for that year, and the said two Boards of
47 Education, acting in like manner, shall prepare and submit to the said Board of Commissioners
48 the capital outlay, debt service, and current expense budgets for that fiscal year within the time
49 prescribed by law.

50 (d) ~~Each year following the merging of the two Boards of Education, at the same time~~
51 ~~the other school budgets are filed, the Laurinburg Scotland County Board of Education shall file~~

1 a supplemental tax budget which, when added to the regular budget, shall provide, at a minimum,
2 current expense expenditures per student from local funds which are no less than the average
3 current expense expenditures per student from local funds throughout the State as determined by
4 the latest certification of the State Superintendent of Public Instruction. The said Board of
5 Commissioners shall approve the regular and supplemental tax budgets in the minimum amount
6 provided for above and may approve the regular and supplemental tax budgets in larger amounts,
7 and shall then provide the funds therefor from local funds. For fiscal year 2025-2026, the Scotland
8 County Board of Education shall submit to the Scotland County Board of Commissioners, at the
9 same time the other school budgets are filed, a budget request for operational and capital funding
10 in amounts that would provide an appropriate education to all students in Scotland County during
11 that fiscal year. In evaluating the request, the board of commissioners shall consider the
12 educational goals and policies of the State and the local board of education, the budgetary request
13 of the board of education, the financial resources of the county and the board of education, and
14 the fiscal policies of the board of county commissioners and the board of education. Based on
15 this evaluation, the board of commissioners shall determine, in its discretion, the amount of
16 county revenues, including any voted supplemental tax revenues, to be appropriated to the board
17 of education's local current expense fund and capital outlay fund for fiscal year 2025-2026.
18 Neither the board of education nor the board of commissioners may initiate a dispute resolution
19 process or file any legal action challenging the determination of funds to be appropriated by the
20 board of commissioners to the local current expense fund and capital outlay fund for fiscal year
21 2025-2026. Beginning with fiscal year 2026-2027 and each year thereafter, the preparation,
22 submission, and approval of a budget for the board of education shall be in accordance with
23 Article 31 of Chapter 115C of the General Statutes.

24 (e) The ~~Laurinburg-Scotland~~ Scotland County Board of Education, as reorganized, shall
25 appoint a treasurer of all the school funds of the ~~Laurinburg-Scotland~~ Scotland County School
26 Administrative Unit. The treasurer so appointed shall continue to fill such position at the
27 discretion of the Board of Education. No person authorized to make the expenditures or draw
28 vouchers therefor, or to approve the same, shall act as treasurer of said funds. The treasurer shall
29 give bond for the faithful performance of his duties in such amount as the Board of Education
30 may prescribe, but, in no event, for less than twenty-five thousand dollars (\$25,000.00). Except
31 as herein otherwise expressly provided, the treasurer shall perform duties prescribed by
32 applicable provisions of Chapter 115 of the General Statutes of North Carolina and shall be
33 subject to all of such provisions of said Act. All sums appropriated by said Board of
34 Commissioners for capital outlay, current expense and to supplement the current expense fund
35 from State and county allotments shall be paid over to the Treasurer of the ~~Laurinburg-Scotland~~
36 Scotland County Board of Education at reasonable periods after the receipt of said funds by the
37 Treasurer of Scotland County; provided, however, that the said Board of Commissioners shall
38 hold and administer the proceeds of school bond sales in accordance with the procedure now
39 being followed in holding and administering the proceeds of such sales.

40 (f) In addition to the election of a chairman in accordance with the provisions of Chapter
41 115 of the General Statutes, the ~~Laurinburg-Scotland~~ Scotland County Board of Education may
42 also select one of its members as vice-chairman who shall preside at all meetings of the Board in
43 the absence of the chairman, and whenever the Board shall have duly authorized the execution
44 of any contract, conveyance, or other instrument, the vice-chairman shall have the same authority
45 as the chairman to execute the same on behalf of the Board. In the event of absence or inability
46 of both the chairman and vice-chairman, the Board by resolution duly adopted and spread upon
47 the minutes of any meeting, may authorize any other member to execute any contract,
48 conveyance or instrument for and on behalf of the Board.

49 (g) The superintendent of schools shall be ex officio secretary of the Board as provided
50 by G. S. 115-36. The Board may elect an assistant secretary to serve at the pleasure of the Board.
51 The assistant secretary may be, but shall not be required to be, a member of the Board. Such

1 assistant secretary may perform the duties of the secretary of the Board when the secretary is
2 absent from any meeting or for any other reason is unable to perform his duties as secretary. The
3 assistant secretary shall have authority to attest all contracts, conveyances, and other instruments
4 which are required by law to be attested by the secretary. The secretary, or in his absence, the
5 assistant secretary, shall keep the minutes of all meetings of the Board and it shall be the duty of
6 such secretary or assistant secretary to furnish each member of the Board with a copy of the
7 minutes as soon after any meeting as may be reasonably practicable.

8 (h) In addition to the election of a superintendent of schools in the manner provided by
9 the general law, the Board may employ, upon recommendation of the superintendent, such
10 associate superintendents and assistant superintendents and such other administrative officers as
11 it may deem necessary and proper, fix their salaries' and prescribe their duties and powers. They
12 may be elected to serve at the pleasure of the Board or for such terms as may be fixed by the
13 Board, but the terms of any associate superintendents or assistant superintendents shall not
14 exceed the term for which the superintendent is employed. All principals, supervisory personnel,
15 and teachers shall be employed by the Board, upon recommendation of the superintendent. The
16 Board may delegate to the superintendent of schools or to one or more associate superintendents
17 or assistant superintendents or to other administrative officers, the authority to employ and
18 prescribe the duties of all other employees or classes of employees, including janitors and maids,
19 and to fix the compensation and the terms or periods for which they shall be employed, subject
20 to the approval of the Board of Education.

21 (i) A majority of the full membership of the ~~Laurinburg-Scotland~~ Scotland County Board
22 of Education shall constitute a quorum.

23 (j) The ~~Laurinburg-Scotland~~ Scotland County Board of Education may appoint an
24 advisory council for any school or for all the schools within the system. The purpose and function
25 of an advisory council shall be to serve in an advisory capacity to the Board on matters affecting
26 the school or schools for which it is appointed. The organization, terms, composition and
27 regulations for the operation of such advisory council shall be determined by the Board. Article
28 7 of Chapter 115 of the General Statutes (School Committees) shall not apply to Scotland County.
29 The ~~Laurinburg-Scotland~~ Scotland County School Administrative Unit shall constitute one
30 school unit.

31 (k) Title to all property of the Laurinburg City Board of Education and the Scotland
32 County Board of Education, both real and personal, of every kind and description, shall be vested
33 in the ~~Laurinburg-Scotland~~ Scotland County Board of Education as of the effective date of
34 consolidation. The Laurinburg City Board of Education and the Scotland County Board of
35 Education shall have full and ample authority to execute without consideration therefor or public
36 sale of the property involved, all such deeds and other instruments as may be deemed necessary
37 or proper to vest record title to any such property in the ~~Laurinburg-Scotland~~ Scotland County
38 Board of Education.

39 (l) All claims and demands of every kind which the Laurinburg City Board of Education
40 or the Scotland County Board of Education may have as of the effective date of consolidation
41 shall pass and be transferred to the ~~Laurinburg-Scotland~~ Scotland County Board of Education
42 and the ~~Laurinburg-Scotland~~ Scotland County Board of Education shall have the same power
43 and authority to enforce said claims and demands as the Laurinburg City Board of Education or
44 the Scotland County Board of Education would have had in the event of its continued existence.
45 Any obligations or liabilities of the Laurinburg City Board of Education or the Scotland County
46 Board of Education existing as of the effective date of consolidation, shall be and become the
47 obligations and liabilities of the ~~Laurinburg-Scotland~~ Scotland County Board of Education and
48 such obligations and liabilities may be enforced against said ~~Laurinburg-Scotland~~ Scotland
49 County Board of Education to the same extent that they might have been enforced against the
50 Laurinburg City Board of Education or the Scotland County Board of Education had the said
51 Boards continued in existence.

(m) As of the effective date of consolidation, all provisions of the Charter of the City of Laurinburg relating to public schools shall be deemed and are hereby repealed.

"Sec. 6. The provisions of this Act shall prevail over any inconsistent provisions of ~~Chapter 115-Chapter 115C~~ of the General Statutes of North Carolina and other general or special Acts.

"Sec. 7. The provisions in the preceding Sections of this Act shall be contingent upon the following:

(a) Approval of the following by a majority of the voters voting in said election:

(1) Merger under the plan as set forth in this Act;

(2) Construction of a new consolidated high school to be established to serve the students assigned to Gibson High School, Laurel Hill High School, Laurinburg High School, and Wagram High School, and the issuance of bonds pursuant to the County Finance Act, as amended, for construction of said consolidated high school and for other school purposes in an amount as determined by the Scotland County Board of Commissioners upon the recommendation of the existing City and County Boards of Education.

(3) Requiring the Laurinburg-Scotland County Board of Education to request and the Scotland County Board of Commissioners to appropriate annually from any local sources, including both general and supplemental tax revenues, such funds as will provide, at a minimum, current expense expenditures per student from local funds which are no less than the average current expense expenditures per student from local funds throughout the State, as determined by the latest certification of the State Superintendent of Public Instruction.

(4) Authorizing the Scotland County Board of Commissioners to levy a county-wide supplemental school tax not to exceed fifty cents (50¢) per one hundred dollar valuation.

(b) Petition by the Laurinburg City Board of Education to the Scotland County Board of Education and the State Board of Education for merger of the Laurinburg City Administrative School Unit and the Scotland County Administrative School Unit under this Act and Section 115-74 of the General Statutes of North Carolina within ninety (90) days after the announcement of a favorable vote in such election. Said petition shall specify the effective date of merger.

(c) Approval of said merger by the Scotland County Board of Education.

(d) Approval of said merger by the State Board of Education.

"Sec. 8. If an election under this Act fails to carry on the subjects in Section 7 (a) (1) through (4), or if no petition for consolidation is made under Section 7 (b), or if such petition is made but not approved as required under Section 7 (c) and (d) of this Act, another election may be called, for a vote on the subjects as outlined in Section 7 (a) (1) through (4) at any time after expiration of six (6) months following the date of the next preceding election called and held under this Act.

"Sec. 9. Nothing in this Act shall operate to repeal any special school tax now provided for by law for the Laurinburg City School Administrative Unit or the Scotland County School Administrative Unit unless a majority of the votes cast in said election authorizes the subjects in Section 7 (a) (1) through (4) of this Act and until the merger of the units is effected.

~~"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 year's level of current expense expenditures (for example, eight million seven hundred thousand dollars (\$8,700,000) in 2002-2003), multiplied by one plus the average percentage change in local current expense~~

1 school expenditures for the two most recent available fiscal years for low wealth counties in
2 North Carolina (all local expenditures shall include local current expense expenditures incurred
3 by charter schools within the appropriate districts), as determined by the Superintendent of Public
4 Instruction or that person's designee. The average percentage change shall be calculated by (i)
5 adding together for each of the two previous fiscal years the total current local expense
6 expenditures for all low wealth counties, (ii) dividing each of those totals, respectively, by the
7 number of low wealth counties receiving low wealth funding in each year to obtain an average
8 low wealth county local current expense expenditure for each year, and (iii) comparing the two
9 averages. The average percentage change shall equal the percent difference between the averages
10 for the two years. The resulting product shall then be multiplied by a ratio consisting of the
11 Average Daily Membership used to distribute State funding for the succeeding fiscal year as
12 provided by the Department of Public Instruction, divided by the Average Daily Membership
13 used to distribute funding for the current fiscal year, as determined by the Superintendent of
14 Public Instruction, or that person's designee. The resulting product shall be the required level of
15 current expense funding to be appropriated by the Board of Commissioners from any local
16 sources, including both general and supplemental tax revenues, and not including fines and
17 forfeitures or restricted use sales taxes authorized by Article 40 or 42 of Chapter 105 of the
18 General Statutes.

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

24 "Sec. 10. The public school system of Scotland County shall be known as and shall use the
25 style of 'Scotland County School System' and the board of education shall be known as and shall
26 use the style of 'Scotland County Board of Education'.

27 "Sec. 11. This Act shall be in full force and effect from and after its ratification."

28 **SECTION 2.** This act is effective when it becomes law.