



# HOUSE BILL 284: Repeal Right of Action/Capital Outlay Fund.

2021-2022 General Assembly

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<b>Committee:</b>	House State Government. If favorable, re-refer to Judiciary 1. If favorable, re-refer to Education - K-12. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	April 28, 2021
<b>Introduced by:</b>	Reps. Potts, Hanig, Moss, Pless	<b>Prepared by:</b>	Howard Marsilio
<b>Analysis of:</b>	First Edition		Committee Counsel

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**OVERVIEW:** *House Bill 284 would repeal law authorizing a county board of education to file a civil action against a county board of commissioners challenging the sufficiency of funds appropriated to the capital outlay fund, by the county board of commissioners, and would mandate that absent mutual agreement, the county board of commissioners' funding decision is final.*

**CURRENT LAW:** The procedure for resolving a dispute between a board of education and a board of county commissioners, that relates to the sufficiency of money appropriated to the capital outlay fund by the board of county commissioners, begins with a joint meeting, facilitated by a mediator, in an effort to negotiate an agreement. If no agreement is reached at the joint meeting of the two boards, the mediator shall, at the request of either board, commence a mediation.

Current law allows that within five days after an announcement of no agreement on the amount of money to be appropriated to the capital outlay fund by the mediator, the local board of education may file an action in the superior court division of the General Court of Justice. A judgment entered in that action is appealable, and any final judgement at the conclusion of the appellate process is binding on the parties.

**BILL ANALYSIS:** House Bill 284 would:

- Repeal the statutory provisions which outline the procedures and requirements for a local board of education to file an action if there is no agreement on the amount of money to be appropriated to the capital outlay fund during the required mediation process.
- Specify the decision of the county commissioners is final and prohibits the local board of education from filing any legal action with regard to sufficiency of the funds appropriated to the capital outlay fund.
- Make a conforming change to G.S. 115C-432, the board of education's budget resolution statute.

**EFFECTIVE DATE:** This act would become effective when it becomes law and applies to budget ordinances adopted on or after that date.

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