



2023-2024 General Assembly

# HOUSE BILL 219: Charter School Omnibus, Sec. 6: Authorize Counties to Provide Capital Funds to Charter Schools

**Committee:**  
**Introduced by:**  
**Analysis of:** Sec. 6 of S.L. 2023-107

**Date:** December 7, 2023  
**Prepared by:** Brian Gwyn  
Staff Attorney

**OVERVIEW:** Section 6 of S.L. 2023-107 allows counties to use property taxes to provide direct appropriations for capital funds to charter schools that can be used for real property, building construction and renovation, and furnishings and equipment. Counties receive a security interest if charters used the funds to acquire or improve property, which the county can subordinate to other liens, and release if the charter paid back the capital funds provided. Counties can also lease real property to charters. If a charter is dissolved, any assets purchased with county capital funds is deemed the property of the contributing county or counties.

*This bill was vetoed by the Governor on July 21, 2023, and that veto was overridden by the General Assembly on August 16, 2023. This section of the act became effective August 16, 2023, and applies beginning with the 2023-2024 school year.*

**CURRENT LAW:** Charter schools receive a per pupil share of local current expense funds from local school administrative units, but do not receive a share of local capital funding provided by county commissioners.

**BILL ANALYSIS:** This section allows counties to use property taxes to provide direct appropriations for capital funds to charter schools that can be used for real property, building construction and renovation, and furnishings and equipment. Counties receive a security interest if charters used the funds to acquire or improve property, which the county can subordinate to other liens, and release if the charter paid back the capital funds provided. Counties can also lease real property to charters. If a charter dissolved, any assets purchased with county capital funds are deemed the property of the contributing county or counties.

**EFFECTIVE DATE:** This bill was vetoed by the Governor on July 21, 2023, and that veto was overridden by the General Assembly on August 16, 2023. This section of the act became effective August 16, 2023, and applies beginning with the 2023-2024 school year.

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Director



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