

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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HOUSE BILL 805*
Committee Substitute Reported Without Prejudice 6/4/03

Short Title: Initiatives to Address Teacher Shortages.

(Public)

Sponsors:

Referred to:

March 31, 2003

A BILL TO BE ENTITLED

AN ACT TO EFFECTIVELY RECRUIT AND RETAIN TEACHERS FOR THE
NORTH CAROLINA PUBLIC SCHOOLS.

The General Assembly of North Carolina enacts:

**STUDY TO DEVELOP A COMPENSATION PROGRAM FOR TEACHERS IN
NORTH CAROLINA**

SECTION 1. It is the goal of the General Assembly to increase teacher salaries over the next four years so as to attract and retain excellent teachers in the public schools; therefore, the Joint Legislative Education Oversight Committee shall develop and recommend to the General Assembly a Compensation Program for Teachers in North Carolina. The purpose of this Program shall be to (i) recruit and retain highly qualified teachers by offering competitive salaries and (ii) provide cost-of-living increases, longevity, and benefits necessary to ensure that teacher compensation in North Carolina remains at or above the national average.

It is the intent of the General Assembly that local school administrative units will not use these State-funded salary increments to supplant local salary supplements.

The Committee shall report the results of this study to the 2004-2005 regular session of the 2003 General Assembly.

SALARY INCREASE FOR BEGINNING TEACHERS

SECTION 2.(a) It is the goal of the General Assembly to appropriate funds for the 2004-2005 fiscal year to increase the salaries of teachers on the first four steps of the teacher salary schedule as indicated in the following tables. All other increases in the teacher salary schedules for the 2004-2005 fiscal year shall be based on the salary schedules as modified in this section.

SECTION 2.(b) The first four steps of the salary schedule for "A" Teachers shall be as follows:

Years of	"A"	NBPTS
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	Experience	Teachers	Certification
1	0	\$2,600	N/A
2	1	\$2,650	N/A
3	2	\$2,700	N/A
4	3	\$2,775	\$3,108

SECTION 2.(c) The first four steps of the salary schedule for "M" Teachers shall be as follows:

	Years of Experience	"M" Teachers	NBPTS Certification
10	0	\$2,860	N/A
11	1	\$2,915	N/A
12	2	\$2,970	N/A
13	3	\$3,053	\$3,419

LOCAL INITIATIVES TO RECRUIT AND RETAIN TEACHERS

SECTION 3.(a) It is the goal of the General Assembly to appropriate funds for the 2004-2005 fiscal year for local initiatives to recruit and retain teachers. The State Board of Education shall allocate forty percent (40%) of any such funds to local school administrative units on the basis of projected average daily membership, thirty-five percent (35%) on the basis of the 2003-2004 low-wealth supplemental funding formula, and twenty-five percent (25%) on the basis of growth in average daily membership over the last four school years. Local school administrative units shall use these funds for one or more of the following initiatives to recruit and retain teachers:

- (1) Recruiting bonuses;
- (2) Interest-free loans to teachers;
- (3) Stipends for teacher training;
- (4) Teacher as leader programs;
- (5) Annual bonuses for teachers certified in the fields of mathematics, science, special education, or other fields in which there is a shortage of qualified teachers;
- (6) Annual bonuses for teachers at schools with high percentages of low-performing students; and
- (7) Other local initiatives to recruit and retain teachers.

Local boards of education shall report to the State Board of Education on local initiatives implemented with these funds and on the effectiveness of those local initiatives in recruiting and retaining teachers.

The State Board of Education shall report to the Joint Legislative Education Oversight Committee on the effectiveness of the different local initiatives by December 15, 2005.

SECTION 3.(b) It is the goal of the General Assembly to fund the items set out in this section with recurring funds, beginning with the 2004-2005 fiscal year.

1
2 **LICENSURE OF TEACHERS LICENSED IN OTHER STATES**

3 **SECTION 4.** Chapter 115C of the General Statutes is amended by adding a
4 new section to read:

5 **"§ 115C-296.3. Certification of highly qualified teachers from other states.**

6 Notwithstanding any other provision of law, a teacher from another state shall be
7 granted North Carolina certification under the following conditions:

8 (1) New hires to the profession from other states. – A teacher from another
9 state who (i) has less than three years of experience as a full-time
10 classroom teacher, (ii) is fully certified and highly qualified, as
11 provided in the No Child Left Behind Act of 2001, in that other state;
12 and (iii) is employed as a teacher by a local school administrative unit
13 in North Carolina, is deemed to have satisfied the academic and
14 professional preparation required to receive initial certification in
15 North Carolina. The initial certification shall be granted for one year or
16 for the period of time necessary for the teacher to acquire three years
17 of full-time teaching experience in North Carolina and the other state
18 combined, whichever is longer.

19 Once the teacher has three years of experience as a full-time
20 teacher with at least one full year in a local school administrative unit
21 in North Carolina, the teacher shall receive continuing certification
22 unless the employing local school administrative unit recommends that
23 the teacher not be granted continuing certification. The teacher shall be
24 subject to the same requirements for continuing certification and
25 certificate renewal as other teachers in North Carolina.

26 The teacher shall not be required to take and pass a standard
27 examination to demonstrate adequate academic and professional
28 preparation for certification, except as otherwise provided by the No
29 Child Left Behind Act of 2001.

30 (2) New hires with at least three years of experience from other states. – A
31 teacher from another state who (i) has three or more years of
32 experience as a full-time teacher, (ii) is fully certified and highly
33 qualified as provided in the No Child Left Behind Act of 2001 in that
34 other state, and (iii) is employed as a teacher by a local school
35 administrative unit in North Carolina is deemed to have satisfied the
36 academic and professional preparation required to receive continuing
37 certification for one year in North Carolina.

38 If at the end of one year of employment, the employing local board
39 of education recommends to the State Board of Education that the
40 teacher's certification be renewed, the teacher shall be eligible to
41 receive continuing certification. The teacher shall be subject to the
42 same requirements for continuing certification and certificate renewal
43 as other teachers in North Carolina.

1 The teacher shall not be required to take and pass a standard
2 examination to demonstrate that preparation, except as otherwise
3 provided by the No Child Left Behind Act of 2001."
4

5 **INITIATIVES TO INCREASE THE NUMBER OF STUDENTS IN TEACHER**
6 **TRAINING PROGRAMS**

7 **SECTION 5.** G.S. 115C-296(b) reads as rewritten:

8 "(b) It is the policy of the State of North Carolina to maintain the highest quality
9 teacher education programs and school administrator programs in order to enhance the
10 competence of professional personnel certified in North Carolina. To the end that
11 teacher preparation programs are upgraded to reflect a more rigorous course of study,
12 the State Board of Education, as lead agency in coordination and cooperation with the
13 University Board of Governors, the Board of Community Colleges and such other
14 public and private agencies as are necessary, shall continue to refine the several
15 certification requirements, standards for approval of institutions of teacher education,
16 standards for institution-based innovative and experimental programs, standards for
17 implementing consortium-based teacher education, and standards for improved
18 efficiencies in the administration of the approved programs. The certification program
19 shall provide for initial certification after completion of preservice training, continuing
20 certification after three years of teaching experience, and certificate renewal every five
21 years thereafter, until the retirement of the teacher. The last certificate renewal received
22 prior to retirement shall remain in effect for five years after retirement.

23 The State Board of Education shall modify the standards for approval of institutions
24 of teacher education to encourage the institutions to (i) increase the number of students
25 in teacher education programs each year, (ii) ensure that all students in the program take
26 the standard examination required for certification prior to graduation, and (iii) increase
27 the number of students passing the standard examination requirement prior to
28 graduation.

29 The State Board of Education, as lead agency in coordination with the Board of
30 Governors of The University of North Carolina and any other public and private
31 agencies as necessary, shall continue to raise standards for entry into teacher education
32 programs.

33 The State Board of Education, in consultation with the Board of Governors of The
34 University of North Carolina, shall evaluate and develop enhanced requirements for
35 continuing certification. The new requirements shall reflect more rigorous standards for
36 continuing certification and to the extent possible shall be aligned with quality
37 professional development programs that reflect State priorities for improving student
38 achievement.

39 The State Board of Education, in consultation with local boards of education and the
40 Board of Governors of The University of North Carolina, shall reevaluate and enhance
41 the requirements for renewal of teacher certificates. The State Board shall consider
42 modifications in the certificate renewal achievement and to make it a mechanism for
43 teachers to renew continually their knowledge and professional skills. The State Board
44 shall adopt new standards for the renewal of teacher certificates by May 15, 1998.

1 The standards for approval of institutions of teacher education shall require that
2 teacher education programs for students who do not major in special education include
3 demonstrated competencies in the identification and education of children with learning
4 disabilities. The State Board of Education shall incorporate the criteria developed in
5 accordance with G.S. 116-74.21 for assessing proposals under the School Administrator
6 Training Program into its school administrator program approval standards.

7 All North Carolina institutions of higher education that offer teacher education
8 programs, masters degree programs in education, or masters degree programs in school
9 administration shall provide performance reports to the State Board of Education. The
10 performance reports shall follow a common format, shall be submitted according to a
11 plan developed by the State Board, and shall include the information required under the
12 plan developed by the State Board."

13 14 TAX CREDIT FOR TEACHERS

15 SECTION 6.(a) Part 2 of Article 4 of Chapter 105 of the General Statutes is
16 amended by adding a new section to read:

17 "§ 105-151.29. Credit for public school teachers.

18 (a) Credit. – An individual who is employed as a public school teacher for at
19 least 16 weeks during the taxable year is allowed as a credit against the tax imposed by
20 this Part an amount equal to the following:

21 (1) Five hundred dollars (\$500.00) for an individual who has, as of the last
22 day of the taxable year, completed at least one but less than five years
23 of service as a public school teacher.

24 (2) One thousand dollars (\$1,000) for an individual who has, as of the last
25 day of the taxable year, completed at least five but less than 10 years
26 of service as a public school teacher.

27 (b) Credit Limitation. – This credit may not exceed the amount of tax imposed by
28 this Part for the taxable year reduced by the sum of all credits allowable, except tax
29 payment made by or on behalf of the taxpayer. Any unused portion of the credit may be
30 carried forward for the succeeding five years.

31 (c) Definitions. – The following definitions apply in this section:

32 (1) Public school. – Any elementary or secondary school located within
33 the borders of this State that is operated by a local school
34 administrative unit, any charter school approved by the State Board of
35 Education and operated in the State, the State, a branch of the federal
36 government, or a federally recognized Indian tribe.

37 (2) Public school teacher. – A full-time permanent employee of a public
38 school who spends at least fifty percent (50%) of the school day
39 providing classroom instruction."

40 SECTION 6.(b) G.S. 105-160.3(b) is amended by adding a new subdivision
41 to read:

42 "(8) G.S. 105-151.29. Credit for public school teachers."

43 SECTION 6.(c) This section becomes available only if the General
44 Assembly states in the General Fund Availability Statement set out in the Current

1 Operations and Capital Improvements Appropriations Act of 2004 that funds are
2 available to implement this section.

3 **SECTION 6.(d)** This section is effective for taxable years beginning on or
4 after January 1, 2004. This section is repealed effective for taxable years beginning on
5 or after January 1, 2014.

6 **SECTION 6.(e)** This section does not affect the rights or liabilities of the
7 State, a taxpayer, or another person arising under a statute amended or repealed by this
8 section before the effective date of its amendment or repeal; nor does it affect the right
9 to any refund or credit of a tax that accrued under the amended or repealed statute
10 before the effective date of its amendment or repeal.

11
12 **TUITION SCHOLARSHIP LOANS FOR NONRESIDENT STUDENTS WHO**
13 **AGREE TO TEACH IN NORTH CAROLINA**

14 **SECTION 7.** The Board of Governors of The University of North Carolina
15 may allow the constituent institutions that receive funds for focused enrollment growth
16 to allocate up to one hundred seventy-eight thousand three hundred eighty dollars
17 (\$178,380) each of those funds to provide for a maximum of 20 Prospective Teacher
18 Scholars at each such institution. These funds may be used to recruit new nonresident
19 students to enter into agreements to: (i) pursue a full-time course of study that will lead
20 to teacher certification in North Carolina and (ii) teach in a North Carolina public school
21 or a school operated by the United States government in North Carolina for one year for
22 each year that they receive this benefit. For each new Prospective Teacher Scholarship
23 an institution provides to a nonresident student with these funds, the institution shall
24 ensure that there is space for an additional North Carolina resident to enter the teacher
25 preparation program. The Board of Governors shall establish guidelines and regulations
26 for this program, including methodology for determining its success in increasing the
27 supply of qualified teachers for North Carolina public schools. The Board shall report
28 its guidelines and regulations to guide these pilot programs to the Joint Legislative
29 Education Oversight Committee by November 15, 2003. The Board shall report
30 annually to the Committee on the progress of the pilot programs and their costs.

31
32 **LONG-RANGE PLAN FOR TEACHER RECRUITMENT AND RETENTION**

33 **SECTION 8.** The Education Cabinet shall develop a long-range plan for the
34 recruitment and retention of teachers. The Education Cabinet shall consult with public
35 and private agencies, as necessary, in the development of this plan. The Education
36 Cabinet shall report to the Joint Legislative Education Oversight Committee prior to
37 December 1, 2004, on the plan it develops.

38
39 **ALIGNMENT OF THE LATERAL ENTRY PROGRAM WITH THE**
40 **REQUIREMENTS OF THE NO CHILD LEFT BEHIND ACT OF 2001**

41 **SECTION 9.(a)** G.S. 115C-296(c) reads as rewritten:

42 "(c) It is the policy of the State of North Carolina to encourage lateral entry into
43 the profession of teaching by ~~skilled individuals from the private sector~~ qualified
44 individuals who hold a postsecondary degree that is at least a bachelors degree. To this

1 end, before the ~~1985-86~~2004-2005 school year begins, the State Board of Education
2 shall ~~develop criteria and procedures to accomplish the employment of such individuals~~
3 ~~as classroom teachers.~~review and revise the curriculum requirements for lateral entry
4 candidates to receive certification. Regardless of credentials or competence, no one
5 ~~shall begin teaching above the middle level of differentiation. Skilled individuals who~~
6 ~~choose to enter the profession of teaching laterally~~

7 Qualified first-year lateral entry candidates who are required by federal law to obtain
8 certification before contracting to teach for a fourth year may be granted a provisional
9 teaching certificate for no more than three years. Other qualified lateral entry candidates
10 may be granted a provisional teaching certificate for no more than five years and shall
11 be required to obtain certification before contracting for a sixth year of service with any
12 local administrative unit in this State. The State Board of Education shall ensure that the
13 teacher preparation programs in the State are providing training to lateral entry
14 candidates, provide that training in a uniform and consistent manner that enables lateral
15 entry candidates to obtain certification in accordance with the requirements of the No
16 Child Left Behind Act of 2001 while working as full-time teachers.

17 ~~It is further the policy of the State of North Carolina to ensure that local boards of~~
18 ~~education can provide the strongest possible leadership for schools based upon the~~
19 ~~identified and changing needs of individual schools. To this end, before the 1994-95~~
20 ~~school year begins, the State Board of Education shall carefully consider a lateral entry~~
21 ~~program for school administrators to ensure that local boards of education will have~~
22 ~~sufficient flexibility to attract able candidates."~~

23 **SECTION 9.(b)** The State Board of Education shall report to the Joint
24 Legislative Education Oversight Committee prior to July 1, 2004, on revisions the
25 Board made to the curriculum requirements for lateral entry candidates pursuant to G.S.
26 115C-296(c), as rewritten by subsection (a) of this section.

27
28 **EFFECTIVE DATE**

29 **SECTION 10.** This act is effective when it becomes law.