

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007**

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**SENATE BILL 975
Education/Public Instruction Committee Substitute Adopted 5/23/07**

Short Title: Alternative Teacher Salary Plans/Pilot Prog.

(Public)

Sponsors:

Referred to:

March 20, 2007

A BILL TO BE ENTITLED

AN ACT DIRECTING THE STATE BOARD OF EDUCATION TO ESTABLISH A PILOT PROGRAM AUTHORIZING THE IMPLEMENTATION OF ALTERNATIVE TEACHER SALARY PLANS.

The General Assembly of North Carolina enacts:

SECTION 1. The State Board of Education shall establish a pilot program authorizing the implementation of alternative teacher salary plans. The purpose of the pilot program is to enable local school administrative units to develop and implement new and innovative teacher salary plans that will improve student performance by financially rewarding teachers through performance pay plans, recruiting teachers to the school unit, and recruiting teachers to hard-to-fill positions in specific subject areas. The State Board of Education may select up to five local school administrative units to participate in the pilot program.

SECTION 2. Local school administrative units applying to participate in the pilot program shall submit to the State Board of Education a business plan adopted by the local board of education. The business plan shall:

- (1) Explain in detail how additional flexibility regarding the use of salary funds will be used to accomplish specific improvements in student academic performance;
- (2) Describe the alternative methods to be used, the changes to existing practices proposed for the pilot, the incentives or alternative salary structure to be deployed, the expectations for teachers and other employees who participate in the pilot, the anticipated results, and the methods by which teachers and other employees will be evaluated;
- (3) Set out the laws, rules, and policies that must be waived to implement the business plan and the expected outcomes of waiving them;
- (4) Explain how the plan will be administered in a nondiscriminatory manner to assure fair and equitable treatment of all employees and employee groups participating in the pilot;

- 1 (5) Include specific implementation, time line, management, performance,
2 and reporting benchmarks; and
3 (6) Include a statement of how all teachers who will be directly
4 participating in the plan conducted a verifiable secret ballot vote, a
5 statement that the results of the vote were presented to the planning
6 team and local board of education prior to the local board's
7 consideration of the final plan, and a statement that the majority of
8 teachers participating in the plan and the school administration team
9 have agreed on the design of the plan.

10 **SECTION 3.** The State Board of Education may grant waivers of laws,
11 rules, and policies to pilot units that are necessary to implement the business plans
12 submitted by the pilot units.

13 **SECTION 4.** The Financial Services Section of the Department of Public
14 Instruction shall monitor the implementation of the business plans by the pilot units and
15 shall report their findings regularly to the State Board of Education and the Joint
16 Legislative Education Oversight Committee.

17 **SECTION 5.** This act becomes effective July 1, 2007.