AN ACT TO REDUCE TESTING ADMINISTERED TO STUDENTS IN PUBLIC SCHOOLS AND TO MAKE VARIOUS TECHNICAL AND CLARIFYING CHANGES RELATED TO EDUCATION LAWS.

The General Assembly of North Carolina enacts:

PART I. ELIMINATE NC FINAL EXAM

SECTION 1. Beginning with the 2020-2021 school year, the State Board of Education shall eliminate the use of the NC Final Exam as part of the statewide testing program to assess teacher performance and professional growth. The NC Final Exam shall not be administered as part of the statewide testing program for any other purpose. No later than March 15, 2020, the State Board of Education and the Department of Public Instruction shall submit to the Joint Legislative Education Oversight Committee a plan on how to use other means to accomplish the purposes for which data is collected by the NC Final Exam.

PART II. REPORT ON NORTH CAROLINA PERSONALIZED ASSESSMENT PILOT

SECTION 2.(a) It is the intent of the General Assembly that the State move toward a through-grade assessment model, in which all State-mandated assessments are administered in multiple short testing events throughout the school year rather than in a single long testing event at the end of the year.

SECTION 2.(b) The Superintendent of Public Instruction shall report by November 15, 2020, and annually thereafter until November 15, 2024, to the Joint Legislative Education Oversight Committee regarding the progress of the North Carolina Personalized Assessment Tool (NCPAT) pilot. At a minimum, the report shall include the following, when available:

(1) Demographic information for each school participating in the pilot.
(2) NCPAT performance, including proficiency and growth data, at the State, public school unit, and school level for students enrolled in participating schools. Such data shall be aggregated for all students and disaggregated for each subgroup of students identified in G.S. 115C-83.15(d1) without revealing personally identifiable information.
(3) End-of-grade assessment performance, including proficiency and growth data, at the State and public school unit level for students not enrolled in participating schools. Such data shall be aggregated for all students and disaggregated for each subgroup of students identified in G.S. 115C-83.15(d1) without revealing personally identifiable information.
(4) Feedback received from teachers, principals, unit-level staff, students, parents, and other stakeholders regarding the NCPAT pilot and a description of how such feedback was incorporated into the NCPAT pilot.
(5) Progress in scaling up the assessment system to additional public school units or schools measured against the Department of Public Instruction's latest time line submitted to the United States Department of Education.
(6) Description of how the participation of any additional schools or public school units in that year contributed to progress toward achieving high-quality and consistent implementation across demographically diverse public school units.

(7) The most recent Innovative Assessment Demonstration Authority Annual Performance Report submitted to the United States Department of Education.

(8) Any communications received from the United States Department of Education related to the NCPAT pilot.

(9) Progress in developing a plan to replace the science end-of-grade assessments in fifth and eighth grade with through-grade assessments after the completion of the NCPAT pilot.

(10) Progress in developing a plan to replace all end-of-course assessments with through-grade assessments for State-mandated high school assessments after the completion of the NCPAT pilot.

(11) Recommendations on any changes needed in State law to continue implementation of through-grade assessments statewide after the completion of the NCPAT pilot.

SECTION 2.(c) Notwithstanding any other provision of law, the State Board of Education and the Superintendent of Public Instruction may supervise and administer the NCPAT pilot in fulfillment of the State's Innovative Assessment Demonstration Authority granted by the United States Department of Education.

PART III. PLAN TO REDUCE STANDARDIZED TESTING BY LOCAL SCHOOL ADMINISTRATIVE UNITS

SECTION 3.(a) G.S. 115C-174.12 reads as rewritten:


... (d1) In each even-numbered year, each local board of education shall review all local standardized testing administered to students by the local school administrative unit at the direction of the local board of education for the prior two school years, in order to determine the number of tests administered to students and the number of hours required for students to complete the tests. If the average over the prior two-year period of either (i) the number of tests administered or (ii) the number of hours required for students to complete the tests exceeds the State average over the prior two-year period, as published pursuant to subsection (e1) of this section, the local board of education shall submit to the Department of Public Instruction and the State Board of Education, by October 1 of the even-numbered year, a plan to eliminate certain local standardized testing in order to ensure that neither the number of tests nor the number of hours required for students to complete the tests exceeds the State average. The State Board of Education shall waive the requirement that a local board develop and submit a plan if the State Board finds that the local board has made significant progress toward reducing local testing to the State average.

(e) By November 1 of each year, the State Board of Education shall submit a report to the Joint Legislative Education Oversight Committee containing information regarding the statewide administration of the testing program, including the number and type of tests and the testing schedule, and a summary of any local testing programs reported by local boards of education to the State Board of Education in accordance with subsection (d) of this section. The report shall also include a summary of any local plans provided to the State Board in accordance with subsection (d1) of this section.

(e1) By September 1 of each year, the Superintendent of Public Instruction shall publish on the Web site of the Department of Public Instruction the following:
A uniform calendar that includes schedules for State-required testing and reporting results of tests for at least the next two school years, including estimates of the average time for administering State-required standardized tests. The uniform calendar shall be provided to local boards of education in an electronic format that allows each local board of education to populate the calendar with, at a minimum, the information required by subsection (d) of this section. The uniform calendar shall be searchable by local school administrative unit and denote whether a test on the calendar is required by the State or required by a local board of education.

For the local standardized testing information populated by local boards of education under subdivision (1) of this subsection, a summary of the nature and extent of the local testing, including the average over the prior two-year period of (i) the number of tests administered and (ii) the number of hours required for students to complete the tests."

SECTION 3.(b) This section applies beginning with reports issued in 2020 based on data from the 2019-2020 school year.

PART IV. REQUIRE LOCAL FUNDING FOR ECONOMICALLY DISADVANTAGED STUDENTS FOR GRADUATION PROJECTS

SECTION 4.(a) G.S. 115C-12(9d) reads as rewritten:
"(9d) Power to Develop Exit Standards and Graduation Requirements. –

b. The following restrictions apply to the Board regarding Algebra I and high school graduation projects:

2. The Board shall not require any student to prepare a high school graduation project as a condition of graduation from high school; local boards of education may, however, require their students to complete a high school graduation project as provided in G.S. 115C-47(54a)."

SECTION 4.(b) G.S. 115C-47 is amended by adding a new subdivision to read:
"(54a) To ensure funding for graduation projects. – A local board of education shall not require a high school graduation project as a condition of graduation from high school unless the board provides from local funds a method of reimbursement of up to seventy-five dollars ($75.00) for expenses related to the high school graduation project for any student identified as an economically disadvantaged student."

SECTION 4.(c) This section is effective when it becomes law and applies beginning with the 2019-2020 school year.

PART V. EXAMINATION OF THIRD GRADE ENGLISH LANGUAGE ARTS ASSESSMENTS TO BETTER MEET GOALS OF READ TO ACHIEVE

SECTION 5. The Department of Public Instruction shall examine the End-of-Grade English Language Arts assessment administered in third grade as compared to the Read to Achieve alternative assessment in order to determine whether the End-of-Grade English Language Arts assessment should be modified to better meet the goals of Read to Achieve, pursuant to Part 1A of Article 8 of Chapter 115C of the General Statutes. Based on its examination, the Department shall develop any modifications needed. No later than March 15, 2020, the Department shall report to the Joint Legislative Education Oversight Committee on the results of its examination and any modifications developed.
PART VI. COMPETENCY-BASED ASSESSMENTS AND TEACHING MODEL

SECTION 6. Pursuant to the intent of the General Assembly expressed in Section 8.12 of Session Law 2015-241, the State Board of Education shall determine and analyze the steps necessary to transition to a competency-based assessment and teaching model for all elementary and secondary students. Based on its analysis, the State Board shall recommend transition steps that accomplish the following competency-based objectives:

1. Students advance upon mastery.
2. Competencies are broken down into explicit and measurable learning objectives.
3. Assessment is meaningful for students, accomplishes the goals of the statewide testing program for measuring student achievement and student growth, and complies with the conditions of federal grant funds.
4. Students receive differentiated support based on their learning needs.
5. Learning outcomes emphasize competencies that include the application and creation of knowledge.

In conducting its analysis, the State Board shall examine (i) competency-based assessments in other states, including potential benefits and obstacles to implementing similar systems in North Carolina, (ii) the relationship between competency-based assessments and innovative teaching methods utilized in North Carolina schools, and (iii) any other considerations the Board deems relevant to transitioning to a competency-based assessment and teaching model. No later than May 15, 2020, the State Board shall submit a report of its analysis and recommended transition steps to the Joint Legislative Education Oversight Committee.

PART VII. CLARIFICATION OF DEFINITION OF HIGH-NEED RETIRED TEACHERS

SECTION 7.(a) G.S. 115C-302.4, as enacted by Section 1 of S.L. 2019-110, reads as rewritten:

"§ 115C-302.4. High-need retired teachers."
(a) Definitions. – The following definitions apply in this section:
(1) High-need retired teacher. – A beneficiary of the Teachers' and State Employees' Retirement System of North Carolina who meets both of the following requirements:
   a. Retired on or before February 1, 2019, after attaining (i) the age of at least 65 with five years of creditable service, (ii) the age of at least 60 with 25 years of creditable service, or (iii) 30 years of creditable service.
   b. Is reemployed by a local board of education to teach or provide classroom instruction as a teacher, as defined in G.S. 135-1(25), employed on an annual contract to provide classroom instruction exclusively at a high-need school or schools.

SECTION 7.(b) G.S. 135-3(8)g., as enacted by Section 2(a) of S.L. 2019-110, reads as rewritten:

"g. Notwithstanding sub-divisions c. and d. of this subdivision, the computation of postretirement earnings of a beneficiary under this subdivision, who retired on or before February 1, 2019, and who has been retired at least six months, shall not include earnings while the beneficiary is employed to teach as a high-need retired teacher, as defined under G.S. 115C-302.4(a)(1). The beneficiary shall not be restored to service as a teacher or employee. The Department of Public Instruction shall certify to the Retirement
System that a beneficiary is employed to teach by a local board of education as a high-need retired teacher, as defined under G.S. 115C-302.4(a)(1). Beneficiaries employed under this subdivision are A local board of education shall inform the Retirement System, no later than September 15 annually, if it will not employ high-need retired teachers, as defined under G.S. 115C-302.4(a)(1), for that school year. The retirement allowance of a beneficiary who retired on an early or service retirement shall not cease due to reemployment as a high-need retired teacher, as defined under G.S. 115C-302.4(a)(1). A beneficiary reemployed as a high-need retired teacher is not entitled to any benefits otherwise provided under this Chapter as a result of this period of employment."

SECTION 7.(c) Section 5 of S.L. 2019-110 reads as rewritten:

"SECTION 5.(a) The State Treasurer shall seek a private letter ruling from the Internal Revenue Service to determine if the provisions of this section act relating to the computation of postretirement earnings of retired teachers jeopardize the status of the Teachers' and State Employees' Retirement System.

"SECTION 5.(b) If the Internal Revenue Service determines that the provisions of G.S. 135-3(8)g., as enacted by this section act, relating to the computation of postretirement earnings of retired teachers jeopardize the status of the Teachers' and State Employees' Retirement System of North Carolina under the Internal Revenue Code, then this section act is repealed 30 days from on the last day of the month following the month of receipt of that determination by the State Treasurer. Upon receipt of that determination, the State Treasurer shall notify the Revisor of Statutes of the determination and the date of receipt. Within three business days of receipt of the determination, the State Treasurer shall notify all local school administrative units of the repeal of this section act and shall publicly notice the receipt of this information on the Department of State Treasurer's Web site. Within three business days of receipt of the notice from the State Treasurer, a local school administrative unit shall notify all high-need retired teachers employed by its local board of education of the repeal of this section act.

"SECTION 5.(c) Notwithstanding any other provision of law to the contrary, in order to pay costs associated with the administration of the provisions of this section act, the Retirement Systems Division of the Department of State Treasurer may increase receipts from the retirement assets of the Teachers' and State Employees' Retirement System or pay costs associated with the administration directly from the retirement assets. Costs associated with the administration of the provisions of this section act shall not exceed fifty thousand dollars ($50,000) to obtain the private letter ruling from the Internal Revenue Service required under subsection (a) of this section.

...."

SECTION 7.(d) If S.L. 2019-110 is repealed pursuant to the requirements of Section 5 of that act, this section is repealed on the same date as the repeal of S.L. 2019-110.

SECTION 7.(e) If House Bill 966, 2019 Regular Session, becomes law, Section 38.25 of House Bill 966, 2019 Regular Session, is repealed.

SECTION 7.(f) This section becomes effective July 1, 2019, and expires June 30, 2021.

PART VIII. CLARIFYING CHANGES TO TEACHER LICENSURE LAWS

SECTION 8.(a) G.S. 115C-270.15, as amended by Section 1.1 of S.L. 2019-71, reads as rewritten:

"§ 115C-270.15. Examination requirements for initial professional licenses. requirements.
(a) Examination Score Requirements. – The State Board of Education shall require an applicant for an initial professional license (IPL) or a residency license (RL) to demonstrate the applicant's academic and professional preparation by achieving a prescribed minimum score on a standard examination appropriate and adequate for that purpose. Elementary education (K-6) and special education general curriculum teachers shall also achieve a prescribed minimum score on subtests or standard examinations specific to teaching reading and mathematics.

(b) Establishment of Minimum Scores. – The State Board shall adopt rules that establish the minimum scores for any required standard examinations and other measures necessary to assess the qualifications of professional educators as required under this section. For purposes of this section, the State Board shall not be subject to Article 2A of Chapter 150B of the General Statutes. At least 30 days prior to changing any rule adopted under this section, the State Board shall provide written notice to all recognized educator preparation programs and to all local boards of education. The written notice shall include the proposed revised rule. The State Board of Education shall make any required standard initial professional licensure exam rigorous and raise the prescribed minimum score as necessary to ensure that each applicant has received high-quality academic and professional preparation to teach effectively.

(c) Time Line for Completion of Examinations. – The State Board of Education shall permit an applicant to fulfill any such examination requirement before or during the third year of the IPL, provided the applicant took the examination at least once during the first year of the license.

(d) Monitoring Compliance. – The State Board shall direct the Department of Public Instruction to monitor the teachers' compliance with this section throughout the duration of the IPL. In the event a teacher is not in compliance with any of the requirements of this section, the Department shall notify the teacher.

(e) Conversion to Continuing Professional License. – The State Board shall not convert an IPL or RL to a continuing professional license for a teacher who has not fulfilled the examination requirements of this section.

SECTION 8(b) G.S. 115C-270.20(a)(4a), as enacted by Section 2.1 of S.L. 2019-71, reads as rewritten:

"(4a) Limited license. – A three-year nonrenewable license issued to an individual who meets the requirements of this subdivision. A limited license shall only be requested by the local board of education currently employing or seeking to employ the individual and shall be used for continued employment only in that local school administrative unit. The State Board shall not require individuals to demonstrate preparation through achieving a prescribed minimum score on a standardized examination for a limited license. To receive a limited license, one of the following shall be met:

a. **IPL-In-state** licensee. – Both of the following are met:
   1. The individual was issued an IPL, but did not qualify for a CPL under G.S. 115C-270.15(e) after three years of licensure.
   2. The local board of education submits to the State Board an affidavit stating that the teacher is currently employed by that local board, is an effective teacher, and will be encouraged to continue to pursue a CPL. The affidavit shall be signed by both the principal and superintendent for the school to which the teacher is currently assigned.

b. **Out-of-state** licensee. – Both of the following are met:
   1. The individual holds current teacher licensure in another state that is in good standing.
2. The local board of education submits to the State Board an affidavit stating that the local board seeks to employ the teacher, that the teacher has been employed as a licensed teacher in another state for at least three years, and that the teacher will be encouraged to pursue an IPL or CPL, as appropriate for that teacher. The affidavit shall be signed by the superintendent for the local board of education seeking to employ the teacher."

SECTION 8.(c) An individual with a lateral entry license shall be deemed to meet the requirements of G.S. 115C-270.20(a)(4a) if the following criteria are met:

1. The individual would have been issued a continuing professional license but for the failure to fulfill examination requirements set by the State Board of Education.

2. The local board of education submits to the State Board an affidavit stating that the teacher is currently employed by that local board, is an effective teacher, and will be encouraged to continue to pursue a CPL. The affidavit shall be signed by both the principal and superintendent for the school to which the teacher is currently assigned.

SECTION 8.(d) Section 1.2 of S.L. 2019-71 reads as rewritten:

"SECTION 1.2. Elementary Effective June 30, 2019, elementary education (K-6) or special education general curriculum teachers with an initial professional license, lateral entry license, or residency license that is set to expire June 30, 2019, due to the failure to fulfill the licensure examination requirements pursuant to G.S. 115C-270.15, shall be granted an extension until June 30, 2020."

SECTION 8.(e) Section 1.3 of S.L. 2019-71 reads as rewritten:

"SECTION 1.3. G.S. 115C-270.15(c), as amended by this act, shall apply to individuals holding an initial professional license on or after the effective date of this act. The State Board shall comply with G.S. 115C-270.15(d), as enacted by this act, beginning with applicants for teacher licensure on or after July 1, 2019."

SECTION 8.(f) Section 6 of S.L. 2019-71 reads as rewritten:

"SECTION 6. This act is effective when it becomes law and, except as otherwise provided in this act, applies beginning with applications for teacher licensure submitted on or after the eighteenth day following the effective date of this act."

SECTION 8.(g) This section applies to individuals holding or seeking licensure on or after the effective date of this act.

PART IX. EFFECTIVE DATE
SECTION 9. Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 27th day of August, 2019.

s/  Bill Rabon
    Presiding Officer of the Senate

s/  Tim Moore
    Speaker of the House of Representatives

____________________________________
Roy Cooper
Governor

Approved __________m. this ____________ day of __________________, 2019