GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2023

S SENATE BILL 636

Short Title:	School Athletic Transparency. (Public)					
Sponsors:	Senators Sawyer, Johnson, and McInnis (Primary Sponsors).					
Referred to:	Rules and Operations of the Senate					
	April 6, 2023					
	A BILL TO BE ENTITLED REVISE OVERSIGHT OF HIGH SCHOOL INTERSCHOLASTIC ATHLETICS. Assembly of North Carolina enacts:					
	REVISE OVERSIGHT OF HIGH SCHOOL INTERSCHOLASTIC					
ATHLETIC SI	S ECTION 1.(a) Article 29E of Chapter 115C of the General Statutes reads as					
rewritten:	De 1101 (1) Tittlete 252 of chapter 1130 of the General Statutes reads as					
"Article 29E.						
	"High School Interscholastic Athletic Activities.					
"8 115 <i>C</i> -407	" <u>Part 1. Definitions.</u> .50. Definitions.					
The following definitions apply in this Article:						
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(6						
(7	participate in interscholastic athletic activities.					
(7	Participating school. – A high school that elects to offer interscholastic athletic activities.					
	"Part 2. Oversight of Interscholastic Athletic Activities.					
"§ 115C-407	.55. Rules for high school interscholastic athletic activities.					
	Board of Education shall adopt rules governing high school interscholastic athletic					
activities conducted by public school units that include the following:						
(1						
	participate in interscholastic athletic activities and activities. The adoption of these rules shall not be delegated to an administering organization. The rules					
	shall include, at a minimum, the following:					
	<u>a.</u> academic standards, Academic standards.					
	<u>b.</u> <u>enrollment Enrollment</u> and transfer requirements, requirements,					
	including the following:					
	1. A student who is not domiciled in a local school administrative					



unit but enrolls in that unit pursuant to G.S. 115C-366(d) shall

1				not be eligible to participate in interscholastic athletic activities
2				in that unit if the student's enrollment in that unit is solely for
3				athletic participation purposes. A student determined to be
4				ineligible under this sub-sub-subdivision shall be ineligible to
5				participate in postseason play for one year following discovery
6				of the violation.
7			<u>2.</u>	A student who receives priority enrollment as the child of a
8				full-time employee of a charter school pursuant to
9				G.S. 115C-218.45(f)(3) shall not be eligible to participate in
10				interscholastic athletics for that charter school if the Office of
11				Charter Schools determines that the parent's enrollment was a
12				fraudulent basis for the student's priority enrollment. A student
13				determined to be ineligible under this sub-sub-subdivision
14				shall be ineligible to participate in postseason play for one year
15				following discovery of the violation.
16		<u>c.</u>	attenda	ance requirements, Attendance requirements.
17		<u>d.</u> <u>e.</u>	medica	al-Medical eligibility requirements, requirements.
18		<u>e.</u>	<u>Biolog</u>	ical participation requirements. The rule shall require at least
19			the fol	lowing:
20			<u>1.</u>	Interscholastic teams or sports shall be designated as one of the
21				following based on biological sex:
22				<u>I.</u> Males, men, or boys.
23				II. Females, women, or girls.
24				III. Coed or mixed.
25			<u>2.</u>	Interscholastic athletic activities designated for females,
26			· 	women, or girls shall not be open to students of the male sex.
27			<u>3.</u>	Sex shall be recognized based solely on a person's reproductive
28			· <u></u>	biology and genetics at birth.
29		<u>f.</u>	recruit	ing limitations, Recruiting limitations.
30		<u>g.</u>		rdship exceptions. Hardship exceptions.
31	(2)			and safety rules. – These rules shall govern requirements to
32	()			health and safety during participation in interscholastic athletic
33				uding rules related to concussions and emergency action plans
34				y G.S. 115C-12(23). G.S. 115C-407.57 and G.S. 115C-407.58.
35		-		of these rules shall not be delegated to an administering
36			zation.	
37	(3)			– These rules shall establish a system of demerits for infractions
38	(-)		•	articipation rules and gameplay rules which may result in
39			_	robations, suspensions, forfeitures of contests, forfeitures of
40				qualifications. disqualifications but shall not result in monetary
41				by kind. The State Board may by rule delegate the authority to
42		-		r a portion of the penalty rules to an administering organization.
43	(4)			. – These rules shall establish an appeals process that provides
44	(4)			students, parents, and participating schools for enforcement of
45		-		rides for rules. The adoption of these rules may not be delegated
46			-	ering organization. The rules shall require the following:
47				perintendent of Public Instruction shall appoint an independent
48		<u>a.</u>		s board, board.
49		<u>b.</u>		-Notice of the infraction and the appeals process shall be
50		<u>U.</u>		ed to the party that receives the penalty, penalty.
50			provid	<u>ed</u> to the party that receives the penaity, penaity.

1 and an An opportunity to be heard before the independent appeals c. 2 board. board shall be given to the entity that receives the penalty. 3 A student and that student's parent shall be allowed to appeal a penalty <u>d.</u> 4 resulting from the application of any rule that restricts an individual 5 student from participating in a season, game, or series of games, and shall be provided a written copy of the rule that is the basis for the 6 7 penalty. 8 (5) Administrative rules. – These rules shall govern classifications of schools into 9 divisions and conferences, administration of games, and requirements for coaching, officiating, sportsmanship, and scheduling of seasons. The State 10 11 Board may by rule delegate the authority to establish all or a portion of the administrative rules to an administering organization. At a minimum, 12 13 administrative rules shall require the following: Classification of all participating schools in the State into one of four 14 <u>a.</u> athletic divisions based solely on average daily membership. For 15 charter or nonpublic schools, the rules shall classify those schools into 16 17 the next largest conference than the school would be assigned to based solely on average daily membership. 18 Classification of all participating schools in the State into conferences 19 <u>b.</u> based solely on geography, division classification, and average daily 20 21 membership. Gameplay rules. - These rules shall be adopted in accordance with the 22 (6)23 requirements of the governing organization for each sport, including the 24 requirements of the National Federation of State High School Associations. 25 The State Board may by rule delegate the authority to establish all or a portion 26 of the gameplay rules to an administering organization. Fees. – These rules shall establish the fees and other amounts that may be 27 (7) 28 charged to a participating school for participation in interscholastic athletic 29 activities. The State Board may by rule delegate the authority to establish all 30 or a portion of the fees to an administering organization. The adoption of these rules shall not be delegated to an administering organization. 31 32 Administering organization rules. - These rules shall require that to be (8) 33 designated as an administering organization, a nonprofit must enter into and 34 remain compliant with a memorandum of understanding with the State Board. 35 The adoption of these rules shall not be delegated to an administering 36 organization. The rules shall also require the following: 37 The State Board may, by majority vote, invalidate any rule or a. 38 regulation adopted by the administering organization. 39 The administering organization be audited annually by a reputable b. 40 independent auditing firm, engage in open meetings as set out in the memorandum of understanding, and provide the State Board access to 41 42 records of the administering organization, including financial 43 information, annual audit reports, and any matters related to or impacting participating schools. 44 The administrating organization shall enter into written agreements 45 c. 46 with each participating school. 47 The memorandum of understanding shall incorporate by reference any d. 48 subsequent changes to rules or statutes made after the parties enter into 49 the memorandum. 50 Reporting rules. – These rules shall establish a process for reporting issues or (9)

concerns related to the

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athletic

administration of interscholastic

activities, activities, including intimidation or harassment of the participating school or its employees or students by an administering organization. The adoption of these rules may not be delegated to an administering organization.

"Part 3. Memorandum of Understanding.

"§ 115C-407.60. Administration and enforcement of high school interscholastic athletic activity rules.

- (a) The State Board of Education Superintendent of Public Instruction may enter into a memorandum of understanding for a term of four years with one or more nonprofit organizations to administer and enforce the requirements of this Article and the rules adopted by the State Board for interscholastic athletic activities at the high school level. A memorandum of understanding shall include the requirements of G.S. 115C-407.61 and shall comply with the requirements of this Article. If the State Board by rule delegates the authority to establish certain rules to an administering organization, as provided in G.S. 115C-407.55, the administering organization shall not be required to comply with the requirements of Chapter 150B of the General Statutes in establishing those rules.
- (a1) The State Auditor is authorized to conduct audits of any administering organization in the same manner as for State agencies in accordance with Article 5A of Chapter 147 of the General Statutes, if the State Auditor deems an audit necessary.
- (b) If the <u>State Board Superintendent</u> is unable to enter into a memorandum of understanding, the State Board shall assign the administration of high school interscholastic athletic activities to the <u>Department Superintendent</u> of Public Instruction and establish fees sufficient to support the administration of the program.
- (c) An administering organization is a public body for the purposes of Article 33C of Chapter 143 of the General Statutes.

"§ 115C-407.61. Memorandum of understanding requirements.

- (a) If the Superintendent of Public Instruction enters into a memorandum of understanding with a nonprofit organization as provided in G.S. 115C-407.60, the memorandum shall require that organization to do the following in accordance with the requirements of this Article to maintain the authority to administer and enforce the requirements for high school interscholastic athletic activities:
 - (1) Apply, enforce, and administer all rules adopted by the State Board.
 - (2) If delegated by the State Board, adopt, apply, enforce, and administer administrative rules, gameplay rules, and penalty rules. A rule shall not be adopted by an administering organization until the organization has provided for publication of the proposed rule on the organization's website and provided the opportunity to the public for notice and comment on the rule. All adopted rules shall be provided within 15 days to the Superintendent for review. If the Superintendent determines that the rule adopted by an administering organization is unenforceable, the Superintendent shall notify the State Board and the administering organization shall not enforce the rule. Upon notice from the Superintendent, the State Board may either require the administering organization to revise the rule and resubmit it to the Superintendent or may rescind the delegation of authority and adopt a rule by emergency rule.
 - (3) Make publicly available at no cost on the administering organization's website the following:
 - a. The organization's handbook for participating schools.
 - b. All student participation rules.
 - c. All gameplay rules.
 - <u>d.</u> <u>Information on the appeals process, including specific information on how to make an appeal.</u>

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<u>b.</u>

Provide grants to schools regulated by the administering organization.

<u>c.</u> donor-directed funds.

Provide scholarships to players, except when funded by Designate the use of specific or preferred vendors or require the use of <u>d.</u>

any single-source or vendor specific contracts.

Retain a percentage of gate receipts for games other than State <u>e.</u> tournament games.

<u>f.</u> Regulate or control the intellectual property of schools, including team logos, mascots, and audio or video of any game other than the State tournament games.

1 Restrict the recording of audio or video at a State tournament game by g. 2 any parent of a student participating in the game or any employee of 3 the school participating in the game. 4 Retain any portion of receipts collected from ticket sales, concessions, <u>h.</u> 5 or sale of merchandise by a participating school. 6 Retaliate against participating schools, or the employees or students of <u>i.</u> those schools, for reporting to the administering organization, the State 7 8 Board, or any other government entity on any of the following topics. 9 For the purposes of this sub-subdivision, "retaliate" does not include the application of a penalty rule that is appealable to an independent 10 11 appeals board. Violations of laws or rules. 12 1. <u>2.</u> 13 Fraud. 14 <u>3.</u> Misappropriation of resources. Substantial and specific danger to student or employee health 15 4. and safety. 16 17 Gross mismanagement or abuse of authority. Prohibit or restrict a participating school from scheduling a 18 <u>j.</u> 19 nonconference game during the regular season or take any portion of 20 ticket seasons from those games. 21 Report annually by December 1 to the Superintendent of Public Instruction (13)22 and the State Board of Education on the following: 23 Activities during the prior school year and recommendations and <u>a.</u> 24 findings regarding improvement of high school interscholastic 25 athletics. 26 A copy of both the most recent annual audit conducted by the <u>b.</u> independent auditing firm and any audit conducted by the State 27 28 Auditor. 29 A schedule of current fees charged to participating schools. <u>c.</u> 30 d. The amount of fees and gate receipts collected. The current fund balance for the administering organization. 31 e. 32 The Superintendent may terminate any memorandum of understanding for 33 noncompliance with this Article or the terms of the memorandum of understanding. In the event 34 of termination of a memorandum of understanding, the nonprofit organization shall return to each 35 participating school a pro rata share of the funds paid by that school for the year as provided in 36 the participating school's contract with the organization. 37 "Part 4. Public School Unit Conduct of Interscholastic Athletic Activities. 38 39

"§ 115C-407.65. Conduct of high school interscholastic athletic activities by public school units.

- All public school units with participating schools shall conduct high school interscholastic athletic activities in accordance with the rules adopted by the State Board of Education and as administered and enforced by either an administering organization that is in compliance with the memorandum of understanding or the Department Superintendent of Public Instruction. Public school units shall not be regulated by any other entities for regular and postseason high school interscholastic athletics.
- Participating schools shall purchase catastrophic insurance for high school interscholastic athletic activities as provided in Part 2 of Article 31A of Chapter 58 of the General Statutes.

"§ 115C-407.70. Middle school interscholastic athletic activities.

The State Board of Education shall adopt rules governing middle school interscholastic athletic activities conducted by public school units consistent with the

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- **General Assembly Of North Carolina** Session 2023 1 requirements of G.S.115C-407.55 for student participation rules, student health and safety rules, 2 penalty rules, appeals rules, administrative rules, gameplay rules, fee rules, and reporting rules. 3 The rules adopted by the State Board of Education for interscholastic athletic 4 activities at the middle school level shall be administered by the Superintendent of Public 5 Instruction. 6 All public school units with schools that participate in middle school interscholastic (c) athletics shall conduct middle school interscholastic athletic activities in accordance with the 7 8 rules adopted by the State Board of Education and as administered and enforced by the
 - "Part 5. Public School Unit Reports.

"§ 115C-407.75. Public school units annual interscholastic athletic reports.

- (a) Each public school unit with one or more participating schools shall annually report by June 15 the following information to the Superintendent of Public Instruction and the State Board of Education:
 - (1) The total dollar amount spent on interscholastic athletic activities, by the following categories:
 - a. Administering association fees.
 - <u>b.</u> <u>Salaries or stipends for coaches and faculties for duties associated solely with interscholastic athletics.</u>
 - <u>c.</u> <u>Capital costs, including new construction, repair and renovation, and maintenance costs for existing athletic facilities.</u>
 - <u>d.</u> <u>Uniform and equipment costs.</u>
 - <u>e.</u> <u>Travel and transportation costs.</u>
 - <u>f.</u> <u>Officiating costs.</u>

Superintendent of Public Instruction.

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- g. Other identified costs.
- (2) The total dollar amount received from interscholastic athletic activities, including funds held in special funds of individual schools, by the following categories:
 - a. Gate receipts.
 - <u>b.</u> <u>Concession sales.</u>
 - c. Merchandise sales or sales of items directly related to interscholastic athletics, including apparel and audiovisual materials.
 - d. Student fees.
 - <u>e.</u> <u>Monetary and in-kind contributions from third-party organizations.</u>
 - f. State or local funding expended on capital costs for athletic facilities.
 - g. Other identified sources of funds.
- (b) The Superintendent of Public Instruction shall provide a summary of the reports by public school units and a copy of each public school unit report to the Joint Legislative Education Oversight Committee no later than October 15 annually."

SECTION 1.(b) G.S. 143-318.10(b) reads as rewritten:

- "(b) As used in this Article, "public body" means any elected or appointed authority, board, commission, committee, council, or other body of the State, or of one or more counties, cities, school administrative units, constituent institutions of The University of North Carolina, or other political subdivisions or public corporations in the State that (i) is composed of two or more members and (ii) exercises or is authorized to exercise a legislative, policy-making, quasi-judicial, administrative, or advisory function. In addition, "public body" means the means the following:
 - (1) The governing board of a "public hospital" as defined in G.S. 159-39 and the G.S. 159-39.
 - (2) The governing board of any nonprofit corporation to which a hospital facility has been sold or conveyed pursuant to G.S. 131E-8, any subsidiary of such

nonprofit corporation, and any nonprofit corporation owning the corporation to which the hospital facility has been sold or conveyed.

An administering organization as defined in G.S. 115C-407.50(1)." (3)

SECTION 1.(c) In accordance with the requirement that the memorandum of understanding incorporate by reference subsequent changes to statutes made after the parties enter into the memorandum of understanding, the Superintendent of Public Instruction shall be substituted for the State Board of Education in any memorandum of understanding existing as of the date this act becomes law.

RECODIFICATION REORGANIZATION **PART** II. AND OF CURRENT INTERSCHOLASTIC ATHLETICS STATUTES

SECTION 2.(a) G.S. 115C-12(23) reads as rewritten:

- "(23) Power to Adopt Rules for Interscholastic Athletic Activities. The State Board of Education shall adopt rules governing interscholastic athletic activities conducted by local boards of education, public school units, including eligibility for student participation, in accordance with this subdivision and Article 29E of this Chapter. With regard to middle schools and high schools, the rules shall provide for the following:
 - All coaches, school nurses, athletic directors, first responders, a. volunteers, students who participate in interscholastic athletic activities, and the parents of those students shall receive, on an annual basis, a concussion and head injury information sheet. School employees, first responders, volunteers, and students must sign the sheet and return it to the coach before they can participate in interscholastic athletic activities, including tryouts, practices, or competition. Parents must sign the sheet and return it to the coach before their children can participate in any such interscholastic athletic activities. The signed sheets shall be maintained in accordance with sub-subdivision d. of this subdivision.

For the purpose of this subdivision, a concussion is a traumatic brain injury caused by a direct or indirect impact to the head that results in disruption of normal brain function, which may or may not result in loss of consciousness.

- If a student participating in an interscholastic athletic activity exhibits b. signs or symptoms consistent with concussion, the student shall be removed from the activity at that time and shall not be allowed to return to play or practice that day. The student shall not return to play or practice on a subsequent day until the student is evaluated by and receives written clearance for such participation from (i) a physician licensed under Article 1 of Chapter 90 of the General Statutes with training in concussion management, (ii) a neuropsychologist licensed under Article 18A of Chapter 90 of the General Statutes with training in concussion management and working in consultation with a physician licensed under Article 1 of Chapter 90 of the General Statutes, (iii) an athletic trainer licensed under Article 34 of Chapter 90 of the General Statutes, (iv) a physician assistant, consistent with the limitations of G.S. 90-18.1, or (v) a nurse practitioner, consistent with the limitations of G.S. 90-18.2.
- Each school shall develop a venue specific emergency action plan to e. deal with serious injuries and acute medical conditions in which the condition of the patient may deteriorate rapidly. The plan shall include

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a delineation of roles, methods of communication, available emergency equipment, and access to and plan for emergency transport. This plan must be (i) in writing, (ii) reviewed by an athletic trainer licensed in North Carolina, (iii) approved by the principal of the school, (iv) distributed to all appropriate personnel, (v) posted conspicuously at all venues, and (vi) reviewed and rehearsed annually by all licensed athletic trainers, first responders, coaches, school nurses, athletic directors, and volunteers for interscholastic athletic activities.

d. Each school shall maintain complete and accurate records of its compliance with the requirements of this subdivision pertaining to head injuries."

SECTION 2.(b) Part 2 of Article 29E of Chapter 115C of the General Statutes, as enacted by this act, is amended by adding a new section to read:

"§ 115C-407.57. Rules on concussions and head injuries.

- (a) For the purpose of this section, a concussion is a traumatic brain injury caused by a direct or indirect impact to the head that results in disruption of normal brain function which may or may not result in loss of consciousness.
- (b) With regard to middle schools and high schools, the State Board of Education shall adopt rules that provide for the following:
 - (1) All coaches, school nurses, athletic directors, first responders, volunteers, students who participate in interscholastic athletic activities, and the parents of those students shall receive, on an annual basis, a concussion and head injury information sheet. School employees, first responders, volunteers, and students must sign the sheet and return it to the coach before they can participate in interscholastic athletic activities, including tryouts, practices, or competition. Parents must sign the sheet and return it to the coach before their children can participate in any such interscholastic athletic activities. The signed sheets shall be maintained in accordance with subsection (c) of this section.
 - (2) If a student participating in an interscholastic athletic activity exhibits signs or symptoms consistent with a concussion, the student shall be removed from the activity at that time and shall not be allowed to return to play or practice that day. The student shall not return to play or practice on a subsequent day until the student is evaluated by and receives written clearance for such participation from one of the following:
 - <u>a.</u> A physician licensed under Article 1 of Chapter 90 of the General Statutes with training in concussion management.
 - b. A neuropsychologist licensed under Article 18A of Chapter 90 of the General Statutes with training in concussion management and working in consultation with a physician licensed under Article 1 of Chapter 90 of the General Statutes.
 - <u>c.</u> <u>An athletic trainer licensed under Article 34 of Chapter 90 of the General Statutes.</u>
 - d. A physician assistant, consistent with the limitations of G.S. 90-18.1.
 - e. A nurse practitioner, consistent with the limitations of G.S. 90-18.2.
- (c) Each middle and high school shall maintain complete and accurate records of its compliance with the requirements of this section."

SECTION 2.(c) Part 2 of Article 29E of Chapter 115C of the General Statutes, as enacted by this act, is amended by adding a new section to read:

"§ 115C-407.58. Emergency action plans.

- (a) With regard to middle schools and high schools, the State Board of Education shall adopt a rule that requires each school to develop a venue-specific emergency action plan to deal with serious injuries and acute medical conditions in which the condition of the patient may deteriorate rapidly. The plan shall include a delineation of roles, methods of communication, available emergency equipment, and access to and plan for emergency transport.
- (b) The rule required by subsection (a) of this section shall require the plan to be at least the following:
 - (1) <u>In writing.</u>
 - (2) Reviewed by an athletic trainer licensed in North Carolina.
 - (3) Approved by the principal of the school.
 - (4) Distributed to all appropriate personnel.
 - (5) Posted conspicuously at all venues.
 - (6) Reviewed and rehearsed annually by all licensed athletic trainers, first responders, coaches, school nurses, athletic directors, and volunteers for interscholastic athletic activities."

PART III. IMPLEMENTATION

SECTION 3.(a) The State Board of Education shall review and adopt new or revised emergency rules on interscholastic athletics for use in the 2023-2024 school year in accordance with the requirements of Article 29E of Chapter 115C of the General Statutes, as enacted by this act, no later than August 1, 2023. Notwithstanding G.S. 150B-21.1A, no findings of need shall be required for an emergency rule adopted for the 2023-2024 school year, an emergency rule adopted as provided in this subsection shall be effective until June 30, 2024, and the State Board of Education shall not be required to adopt temporary rules to replace an emergency rule for use in the 2023-2024 school year. The State Board shall submit all emergency rules in accordance with the requirements in 26 NCAC 02C.

SECTION 3.(b) The State Board of Education shall adopt new or revised permanent rules for use beginning with the 2024-2025 school year and thereafter.

SECTION 3.(c) The Superintendent of Public Instruction, in consultation with any administering organization, shall study and make findings and recommendations on the following issues and report on its findings and recommendations to the Joint Legislative Education Oversight Committee by April 1, 2024:

- (1) Whether an administering organization should be responsible for overseeing the conduct of middle school interscholastic athletics for public school units. The Superintendent shall include in the deliberations an examination of the potential costs to public school units for oversight of middle school interscholastic athletics by an administering organization. The Superintendent shall establish workgroups of athletic directors, principals, and coaches employed by schools serving students in grades six through eight and parents of students in grades six through eight to provide input on this recommendation.
- (2) Factors that should be considered in (i) home school students' participation in interscholastic athletics, including how to address insurance and liability issues for those students while participating in interscholastic athletics, (ii) cooperative innovative high school students' participation in interscholastic athletics, and (iii) nonpublic schools. The Superintendent shall establish workgroups of athletic directors, principals, and parents of students in home schools, cooperative innovative high schools, and nonpublic schools to provide input on this recommendation.

SECTION 3.(d) Notwithstanding the requirements of G.S. 115C-407.75, as enacted by this act, all public school units shall submit the first annual interscholastic athletic report to

- the Superintendent of Public Instruction and the State Board of Education no later than July 15, 2024, and shall include data from the 2019-2020, 2020-2021, 2021-2022, 2022-2023, and 2023-2024 school years.
- 4 **SECTION 3.(e)** This act is effective when it becomes law. Sections 1 and 2 of this act apply beginning with the 2023-2024 school year and thereafter.