N.C. House of Representatives Appropriations Subcommittee on Education

Proposed Special Provisions

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August 5, 2021
GENERAL ASSEMBLY OF NORTH CAROLINA

SPECIAL PROVISIONS
HOUSE APPROPRIATIONS, EDUCATION REPORT

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CC JOINT PROGRAM ENROLLMENT OF PUBLIC SCHOOL STUDENTS

SECTION 6.3.(a) G.S. 115D-5(x) reads as rewritten:

"(x) In addition to the evaluation of cooperative innovative high schools by the State Board of Education pursuant to G.S. 115C-238.55, the State Board of Community Colleges, in conjunction with the State Board of Education and the Board of Governors of The University of North Carolina, shall evaluate the success of students participating in the Career and College Promise Program, including the College Transfer pathway and the Career and Technical Education pathway. Success shall be measured by high school retention rates, high school completion rates, high school dropout rates, certification and associate degree completion, admission to four-year institutions, postgraduation employment in career or study-related fields, and employer satisfaction of employees who participated in the programs. The evaluation shall also include an analysis of the cost of students participating in each of the programs within the Career and College Promise Program, including at least the following:

1. Total enrollment funding, the number of budgeted full-time equivalent students, and the number of students enrolled in courses through cooperative innovative high schools, the College Transfer pathway, and the Career and Technical Education pathway.
2. The cost and number of waivers of tuition and registration fees provided for students enrolled in courses through cooperative innovative high schools, the College Transfer pathway, and the Career and Technical Education pathway.
3. Any additional costs of a student attending courses on campus if a student is not attending public school in a local school administrative unit for the majority of the student's instructional time.

The Boards shall jointly report by March 15 of each year to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, and the Fiscal Research Division of the General Assembly. The report shall be combined with the evaluation of cooperative innovative high schools required by G.S. 115C-238.55, and the Community Colleges System Office shall be responsible for submitting the combined report to the Committee.

SECTION 6.3.(b) G.S. 115C-238.55 reads as rewritten:

"§ 115C-238.55. Evaluation of cooperative innovative high schools.

The State Board of Education and the governing Boards shall evaluate the success of students in cooperative innovative high schools approved under this Part. Success shall be measured by high school retention rates, high school completion rates, high school dropout rates, certification and associate degree completion, admission to four-year institutions, postgraduation employment in career or study-related fields, and employer satisfaction of employees who participated in and graduated from the schools. The Boards shall jointly report by March 15 of each year to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, and the Fiscal Research Division of the General Assembly on the evaluation of these schools. The report shall be combined with the evaluation of and analysis of cost of students participating in the
Career and College Promise Program required by G.S. 115D-5(x), and the Community Colleges System Office shall be responsible for submitting the combined report to the Committee report."

SECTION 6.3.(c) This section applies beginning with the 2021-2022 academic year.
SECTION 6.4. Article 3 of Chapter 115D of the General Statutes is amended by adding a new section to read:

"§ 115D-40.5. Annual report on NC Community College Childcare Grant Program. Beginning December 1, 2021, and annually thereafter, the Community Colleges System Office shall report to the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee on the administration of the North Carolina Community College Childcare Grant Program for the prior fiscal year. The report shall include at least the following information by each community college:

1. The number of applications received for grants from the program.
2. The amount of grant funds requested from the program.
3. The number of applications approved.
4. The total amount of grant funds awarded.
5. The range of the dollar amount of grant awards to individuals for child care expenses.
6. The types of child care utilized by students with grant funds, including before-school and after-school services."
CC PROGRAM OUTCOME REPORTING

SECTION #. G.S. 115D-5 is amended by adding a new subsection to read:

"(z) Reports on State-Funded Programs. – Beginning October 1, 2022, and annually thereafter, the Community Colleges System Office shall file a report with the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee for all programs administered through the North Carolina Community College System that were provided an expansion of State appropriations or a new State appropriation in the Current Operations Appropriations Act from the prior fiscal year, including grants to non-State entities as defined in G.S. 143C-1-1. The report shall include information on program activities, objectives, and accomplishments and prior year State fiscal year itemized expenditures and fund sources. The System Office is not required to include information in the report for programs with an existing reporting requirement otherwise required by State law."
MARKETING AND OUTREACH FOR CTE AND WORK-BASED LEARNING PROGRAMS

SECTION #.(a) Of the funds appropriated by this act for the 2021-2022 fiscal year to the Community Colleges System Office, the System Office shall establish a program to expand outreach and advertising efforts to raise awareness for parents and students regarding the career and technical education (CTE) programs and high-quality work-based learning experiences offered in high-demand fields and careers through partnerships with community colleges, businesses, and public schools throughout the State. The System Office shall partner with local school administrative units and public schools, as necessary.

SECTION #.(b) The System Office shall submit an initial report by April 1, 2022, and a final report by April 1, 2023, to the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee on activities related to outreach and marketing and any data related to student outcomes, such as students entering CTE and work-based learning programs as a result of those activities.
Requested by

**EXPANSION OF APPRENTICESHIP PROGRAMS FOR SMALL BUSINESSES/HIGH DEMAND TRADES**

**SECTION #.(a) Program Established.** – Of the funds appropriated by this act from the State Fiscal Recovery Fund to the Community Colleges System Office, the System Office shall establish a program to expand apprenticeship opportunities for high school apprentices and non-high school apprentices between the ages of 16 and 25 by providing incentives for small businesses in high-demand fields and careers, including, but not limited to, surveying, engineering, design, and all construction trades, as well as welding, pipe fitting, and engine mechanics. The program shall provide for small businesses to participate in apprenticeships to meet business needs, assist with financial challenges and employment demands in their local communities, and provide opportunities for apprenticeships that will lead to certifications, licensing, or an associate degree in a career field and full-time employment. Funds for the grant program shall be used to award grants to reimburse employers for the costs associated with new apprentices within a Registered Apprenticeship with ApprenticeshipNC and for tuition, fees, and cost of books for curriculum programs and short-term workforce credentials in accordance with this section. For the purposes of this section, a small business shall mean a business concern or other organization that (i) has no more than 500 employees or, if applicable, the size standard in number of employees established by the Administrator of the Small Business Administration for the industry in which the business concern or organization operates and (ii) is a small business concern as defined in section 3 of the Small Business Act, 15 U.S.C. § 632.

**SECTION #.(b) Use of Funds.** – The System Office shall administer the grant program established under subsection (a) of this section for applicants that are small business employers located in development tier one and development tier two areas as designated in the annual ranking performed by the Department of Commerce pursuant to G.S. 143B-437.08 for the 2020 calendar year. The funds appropriated for the program shall be allocated by the System Office to grant recipients as follows:

1. Forty percent (40%) of the funds shall be allocated for apprenticeship programs for apprentices that are enrolled in curriculum degree programs.
2. Fifteen percent (15%) of the funds shall be allocated for apprenticeship programs for apprentices that are high school students.
3. The remaining funds shall be allocated for apprenticeship programs for apprentices pursuing short-term workforce credentials.

Recipients of grants may be reimbursed for up to two thousand dollars ($2,000) each fiscal year in program expenses, including costs for purchasing program equipment and for costs associated with payroll, mentor stipends, insurance, training, uniforms, and safety equipment. For apprentices enrolled in curriculum degree programs and short-term workforce courses, up to two thousand five hundred dollars ($2,500) in grant funds may be used each fiscal year to cover the cost of tuition, fees, and books for apprentices enrolled at community colleges. Grant funds may also be used to cover the costs of the salary of apprentices upon matching funds being made available by a grant recipient in accordance with subsection (c) of this section. Apprentices
participating in the grant program paid with matching State funds shall be limited to an hourly rate of pay of fifteen dollars ($15.00) for non-high school students and fourteen dollars ($14.00) for high school students.

SECTION #.(c) Matching Funds for Apprentices' Salary. – Funds made available to grant recipients pursuant to this section for the salary costs of apprentices shall be matched on the basis of one dollar ($1.00) in non-State funds for every one dollar ($1.00) in State funds.

SECTION #.(d) Time-Limited Position. – From the funds provided to the System Office pursuant to this section, the System Office may contract for a new, time-limited position through the deadline established for the expenditure of federal funds under federal law and guidance to coordinate and oversee deliverables, daily operations of the grant program, financial management, monitoring and accountability of budget accuracy, and the validity of disbursements.

SECTION #.(e) Report. – The System Office shall submit an initial report by April 1, 2022, and a final report by December 1, 2024, to the Senate Appropriations Committee on Education/Highest Education, the House Appropriations Committee on Education, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee on the grant program and the use of funds for each type of apprentice, matching funds provided by grant recipients, as well as salary data, and the amount of funds used for the time-limited position authorized under this section.
**Funds for Children with Disabilities**

**Section 7.1(a)** The State Board of Education shall allocate additional funds for children with disabilities on the basis of four thousand five hundred forty-nine dollars and eighty-eight cents ($4,549.88) per child for the 2021-2022 fiscal year. Each local school administrative unit shall receive funds for the lesser of (i) all children who are identified as children with disabilities or (ii) twelve and seventy-five hundredths percent (12.75%) of its 2021-2022 allocated average daily membership in the local school administrative unit. The dollar amounts allocated under this subsection for children with disabilities shall also be adjusted in accordance with legislative salary increments, retirement rate adjustments, and health benefit adjustments for personnel who serve children with disabilities.

**Section 7.1(b)** The State Board of Education shall allocate additional funds for children with disabilities on the basis of four thousand five hundred forty-nine dollars and eighty-eight cents ($4,549.88) per child for the 2022-2023 fiscal year. Each local school administrative unit shall receive funds for the lesser of (i) all children who are identified as children with disabilities or (ii) thirteen percent (13%) of its 2022-2023 allocated average daily membership in the local school administrative unit. The dollar amounts allocated under this subsection for children with disabilities shall also be adjusted in accordance with legislative salary increments, retirement rate adjustments, and health benefit adjustments for personnel who serve children with disabilities.
Funds for Academically Gifted Children

SECTION 7.2. The State Board of Education shall allocate additional funds for academically or intellectually gifted children on the basis of one thousand three hundred sixty-four dollars and seventy-eight cents ($1,364.78) per child for fiscal years 2021-2022 and 2022-2023. A local school administrative unit shall receive funds for a maximum of four percent (4%) of its 2021-2022 allocated average daily membership, regardless of the number of children identified as academically or intellectually gifted in the unit. The dollar amounts allocated under this section for academically or intellectually gifted children shall also be adjusted in accordance with legislative salary increments, retirement rate adjustments, and health benefit adjustments for personnel who serve academically or intellectually gifted children.
SUPPLEMENTAL FUNDING IN LOW WEALTH COUNTIES

SECTION 7.3.(a) Use of Funds for Supplemental Funding. – All funds received pursuant to this section shall be used only (i) to provide instructional positions, instructional support positions, teacher assistant positions, clerical positions, school computer technicians, instructional supplies and equipment, staff development, and textbooks and digital resources and (ii) for salary supplements for instructional personnel and instructional support personnel. Local boards of education are encouraged to use at least twenty-five percent (25%) of the funds received pursuant to this section to improve the academic performance of children who are performing at Level I or II on either reading or mathematics end-of-grade tests in grades three through eight.

SECTION 7.3.(b) Definitions. – As used in this section, the following definitions apply:

1. Anticipated county property tax revenue availability. – The county-adjusted property tax base multiplied by the effective State average tax rate.
2. Anticipated State average revenue availability per student. – The sum of all anticipated total county revenue availability divided by the average daily membership for the State.
3. Anticipated total county revenue availability. – The sum of the following:
   a. Anticipated county property tax revenue availability.
   b. Local sales and use taxes received by the county that are levied under Chapter 1096 of the 1967 Session Laws or under Subchapter VIII of Chapter 105 of the General Statutes.
   c. Fines and forfeitures deposited in the county school fund for the most recent year for which data are available.
4. Anticipated total county revenue availability per student. – The anticipated total county revenue availability for the county divided by the average daily membership of the county.
5. Average daily membership. – Average daily membership as defined in the North Carolina Public Schools Allotment Policy Manual adopted by the State Board of Education. If a county contains only part of a local school administrative unit, the average daily membership of that county includes all students who reside within the county and attend that local school administrative unit.
6. County-adjusted property tax base. – Computed as follows:
   a. Subtract the present-use value of agricultural land, horticultural land, and forestland in the county, as defined in G.S. 105-277.2, from the total assessed real property valuation of the county.
   b. Adjust the resulting amount by multiplying by a weighted average of the three most recent annual sales assessment ratio studies.
   c. Add to the resulting amount the following:
1. Present-use value of agricultural land, horticultural land, and forestland, as defined in G.S. 105-277.2.

2. Value of property of public service companies, determined in accordance with Article 23 of Chapter 105 of the General Statutes.

3. Personal property value for the county.

(7) County-adjusted property tax base per square mile. – The county-adjusted property tax base divided by the number of square miles of land area in the county.

(8) County wealth as a percentage of State average wealth. – Computed as follows:
   a. Compute the percentage that the county per capita income is of the State per capita income and weight the resulting percentage by a factor of five-tenths.
   b. Compute the percentage that the anticipated total county revenue availability per student is of the anticipated State average revenue availability per student and weight the resulting percentage by a factor of four-tenths.
   c. Compute the percentage that the county-adjusted property tax base per square mile is of the State-adjusted property tax base per square mile and weight the resulting percentage by a factor of one-tenth.
   d. Add the three weighted percentages to derive the county wealth as a percentage of the State average wealth.

(9) Effective county tax rate. – The actual county tax rate multiplied by a weighted average of the three most recent annual sales assessment ratio studies.

(10) Effective State average tax rate. – The average of effective county tax rates for all counties.

(11) Local current expense funds. – The most recent county current expense appropriations to public schools, as reported by local boards of education in the audit report filed with the Secretary of the Local Government Commission pursuant to G.S. 115C-447.

(12) Per capita income. – The average for the most recent three years for which data are available of the per capita income according to the most recent report of the United States Department of Commerce, Bureau of Economic Analysis, including any reported modifications for prior years as outlined in the most recent report.

(13) Sales assessment ratio studies. – Sales assessment ratio studies performed by the Department of Revenue under G.S. 105-289(h).

(14) State average adjusted property tax base per square mile. – The sum of the county-adjusted property tax bases for all counties divided by the number of square miles of land area in the State.

(15) State average current expense appropriations per student. – The most recent State total of county current expense appropriations to public schools, as reported by local boards of education in the audit report filed with the Secretary of the Local Government Commission pursuant to G.S. 115C-447.

(16) Supplant. – To decrease local per student current expense appropriations from one fiscal year to the next fiscal year.

(17) Weighted average of the three most recent annual sales assessment ratio studies. – The weighted average of the three most recent annual sales assessment ratio studies in the most recent years for which county current expense appropriations and adjusted property tax valuations are available. If
real property in a county has been revalued one year prior to the most recent
sales assessment ratio study, a weighted average of the two most recent sales
assessment ratios shall be used. If property has been revalued the year of the
most recent sales assessment ratio study, the sales assessment ratio for the year
of revaluation shall be used.

SECTION 7.3.(c) Eligibility for Funds. – Except as provided in subsection (g) of
this section, the State Board of Education shall allocate these funds to local school administrative
units located in whole or in part in counties in which the county wealth as a percentage of the
State average wealth is less than one hundred percent (100%).

SECTION 7.3.(d) Allocation of Funds. – Except as provided in subsection (f) of this
section, the amount received per average daily membership for a county shall be the difference
between the State average current expense appropriations per student and the current expense
appropriations per student that the county could provide given the county's wealth and an average
effort to fund public schools. To derive the current expense appropriations per student that the
county could be able to provide given the county's wealth and an average effort to fund public
schools, multiply the county's wealth as a percentage of State average wealth by the State average
current expense appropriations per student. The funds for the local school administrative units
located in whole or in part in the county shall be allocated to each local school administrative
unit located in whole or in part in the county based on the average daily membership of the
county's students in the school units. If the funds appropriated for supplemental funding are not
adequate to fund the formula fully, each local school administrative unit shall receive a pro rata
share of the funds appropriated for supplemental funding.

SECTION 7.3.(e) Formula for Distribution of Supplemental Funding Pursuant to
this Section Only. – The formula in this section is solely a basis for distribution of supplemental
funding for low-wealth counties and is not intended to reflect any measure of the adequacy of
the educational program or funding for public schools. The formula is also not intended to reflect
any commitment by the General Assembly to appropriate any additional supplemental funds for
low-wealth counties.

SECTION 7.3.(f) Minimum Effort Required. – A county shall receive full funding
under this section if the county (i) maintains an effective county tax rate that is at least one
hundred percent (100%) of the effective State average tax rate in the most recent year for which
data are available or (ii) maintains a county appropriation per student to the school local current
expense fund of at least one hundred percent (100%) of the current expense appropriations per
student to the school local current expense fund that the county could provide given the county's
wealth and an average effort to fund public schools. A county that maintains a county
appropriation per student to the school local current expense fund of less than one hundred
percent (100%) of the current expense appropriations per student to the school local current
expense fund that the county could provide given the county's wealth and an average effort to
fund public schools shall receive funding under this section at the same percentage that the
county's appropriation per student to the school local current expense fund is of the current
expense appropriations per student to the school local current expense fund that the county could
provide given the county's wealth and an average effort to fund public schools.

SECTION 7.3.(g) Nonsupplant Requirement. – A county in which a local school
administrative unit receives funds under this section shall use the funds to supplement local
current expense funds and shall not supplant local current expense funds. For the 2021-2023
fiscal biennium, the State Board of Education shall not allocate funds under this section to a
county found to have used these funds to supplant local per student current expense funds. The
State Board of Education shall make a finding that a county has used these funds to supplant
local current expense funds in the prior year, or the year for which the most recent data are
available, if all of the following criteria apply:
(1) The current expense appropriations per student of the county for the current year is less than ninety-five percent (95%) of the average of local current expense appropriations per student for the three prior fiscal years.

(2) The county cannot show (i) that it has remedied the deficiency in funding or (ii) that extraordinary circumstances caused the county to supplant local current expense funds with funds allocated under this section.

The State Board of Education shall adopt rules to implement the requirements of this subsection.

SECTION 7.3.(h) Counties Containing a Base of the Armed Forces. – Notwithstanding any other provision of this section, for the 2021-2023 fiscal biennium, counties containing a base of the Armed Forces of the United States that have an average daily membership of more than 17,000 students shall receive whichever is the higher amount in each fiscal year as follows: either the amount of supplemental funding the county received as a low-wealth county in the 2012-2013 fiscal year or the amount of supplemental funding the county is eligible to receive as a low-wealth county pursuant to the formula for distribution of supplemental funding under the other provisions of this section.

SECTION 7.3.(i) Funds for EVAAS Data. – Notwithstanding the requirements of subsection (a) of this section, local school administrative units may utilize funds allocated under this section to purchase services that allow for extraction of data from the Education Value-Added Assessment System (EVAAS).

SECTION 7.3.(j) Reports. – For the 2021-2023 fiscal biennium, the State Board of Education shall report to the Fiscal Research Division prior to May 15 of each year if it determines that counties have supplanted funds.

SECTION 7.3.(k) Department of Revenue Reports. – The Department of Revenue shall provide to the Department of Public Instruction a preliminary report for the current fiscal year of the assessed value of the property tax base for each county prior to March 1 of each year and a final report prior to May 1 of each year. The reports shall include for each county the annual sales assessment ratio and the taxable values of (i) total real property, (ii) the portion of total real property represented by the present-use value of agricultural land, horticultural land, and forestland, as defined in G.S. 105-277.2, (iii) property of public service companies determined in accordance with Article 23 of Chapter 105 of the General Statutes, and (iv) personal property.
SMALL COUNTY SCHOOL SYSTEM SUPPLEMENTAL FUNDING

SECTION 7.4.(a) Allotment Schedule for the 2021-2023 Fiscal Biennium. – Except as otherwise provided in subsection (d) of this section, each eligible county school administrative unit shall receive a dollar allotment according to the following schedule:

<table>
<thead>
<tr>
<th>Allotted ADM</th>
<th>Small County Allotment</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-1,300</td>
<td>$1,820,000</td>
</tr>
<tr>
<td>1,301-1,700</td>
<td>$1,548,700</td>
</tr>
<tr>
<td>1,701-2,000</td>
<td>$1,600,000</td>
</tr>
<tr>
<td>2,001-2,300</td>
<td>$1,560,000</td>
</tr>
<tr>
<td>2,301-2,600</td>
<td>$1,470,000</td>
</tr>
<tr>
<td>2,601-2,800</td>
<td>$1,498,000</td>
</tr>
<tr>
<td>2,801-3,300</td>
<td>$1,548,000</td>
</tr>
</tbody>
</table>

SECTION 7.4.(b) Phase-Out Provision for the 2021-2022 Fiscal Year. – If a local school administrative unit becomes ineligible for funding under the schedule in subsection (a) of this section in the 2021-2022 fiscal year, funding for that unit shall be phased out over a five-year period. Funding for such local school administrative units shall be reduced in equal increments in each of the five years after the unit becomes ineligible. Funding shall be eliminated in the fifth fiscal year after the school administrative unit becomes ineligible.

Allotments for eligible local school administrative units under this subsection shall not be reduced by more than twenty percent (20%) of the amount received in fiscal year 2020-2021 in any fiscal year. A local school administrative unit shall not become ineligible for funding if either the highest of the first two months' total projected average daily membership for the current year or the higher of the first two months' total prior year average daily membership would otherwise have made the unit eligible for funds under the schedule in subsection (a) of this section.

SECTION 7.4.(c) Phase-Out Provision for the 2022-2023 Fiscal Year. – If a local school administrative unit becomes ineligible for funding under the schedule in subsection (a) of this section in the 2022-2023 fiscal year, funding for that unit shall be phased out over a five-year period. Funding for such local school administrative units shall be reduced in equal increments in each of the five years after the unit becomes ineligible. Funding shall be eliminated in the fifth fiscal year after the local school administrative unit becomes ineligible.

Allotments for eligible local school administrative units under this subsection shall not be reduced by more than twenty percent (20%) of the amount received in fiscal year 2021-2022 in any fiscal year. A local school administrative unit shall not become ineligible for funding if either the highest of the first two months' total projected average daily membership for the current year or the higher of the first two months' total prior year average daily membership would otherwise have made the unit eligible for funds under the schedule in subsection (a) of this section.

SECTION 7.4.(d) Nonsupplant Requirement for the 2021-2023 Fiscal Biennium. – A county in which a local school administrative unit receives funds under this section shall use the funds to supplement local current expense funds and shall not supplant local current expense funds.
funds. For the 2021-2023 fiscal biennium, the State Board of Education shall not allocate funds
under this section to a county found to have used these funds to supplant local per student current
expense funds. The State Board of Education shall make a finding that a county has used these
funds to supplant local current expense funds in the prior year or the year for which the most
recent data are available, if all of the following criteria apply:

(1) The current expense appropriation per student of the county for the current
year is less than ninety-five percent (95%) of the average of local current
expense appropriation per student for the three prior fiscal years.

(2) The county cannot show (i) that it has remedied the deficiency in funding or
(ii) that extraordinary circumstances caused the county to supplant local
current expense funds with funds allocated under this section.

The State Board of Education shall adopt rules to implement the requirements of this
subsection.

SECTION 7.4.(e) Reports. – For the 2021-2023 fiscal biennium, the State Board of
Education shall report to the Fiscal Research Division prior to May 15 of each fiscal year if it
determines that counties have supplantsed funds.

SECTION 7.4.(f) Use of Funds. – Local boards of education are encouraged to use
at least twenty percent (20%) of the funds they receive pursuant to this section to improve the
academic performance of children who are performing at Level I or II on either reading or
mathematics end-of-grade tests in grades three through eight.

Local school administrative units may also utilize funds allocated under this section
to purchase services that allow for extraction of data from the Education Value-Added
Assessment System (EVAAS).
DISADVANTAGED STUDENT SUPPLEMENTAL FUNDING (DSSF)

SECTION 7.5.(a) Funds appropriated in this act for disadvantaged student supplemental funding shall be used, consistent with the policies and procedures adopted by the State Board of Education, only to do the following:

1. Provide instructional positions or instructional support positions.
2. Provide professional development.
3. Provide intensive in-school or after-school remediation, or both.
4. Purchase diagnostic software and progress-monitoring tools.
5. Provide funds for teacher bonuses and supplements. The State Board of Education shall set a maximum percentage of the funds that may be used for this purpose.

The State Board of Education may require local school administrative units receiving funding under the Disadvantaged Student Supplemental Fund to purchase the Education Value-Added Assessment System (EVAAS) in order to provide in-depth analysis of student performance and help identify strategies for improving student achievement. This data shall be used exclusively for instructional and curriculum decisions made in the best interest of children and for professional development for their teachers and administrators.

SECTION 7.5.(b) Disadvantaged student supplemental funding (DSSF) shall be allotted to a local school administrative unit based on (i) the unit's eligible DSSF population and (ii) the difference between a teacher-to-student ratio of 1:21 and the following teacher-to-student ratios:

1. For counties with wealth greater than ninety percent (90%) of the statewide average, a ratio of 1:19.9.
2. For counties with wealth not less than eighty percent (80%) and not greater than ninety percent (90%) of the statewide average, a ratio of 1:19.4.
3. For counties with wealth less than eighty percent (80%) of the statewide average, a ratio of 1:19.1.
4. For local school administrative units that received DSSF funds in fiscal year 2005-2006, a ratio of 1:16. These local school administrative units shall receive no less than the DSSF amount allotted in fiscal year 2006-2007.

For the purpose of this subsection, wealth shall be calculated under the low-wealth supplemental formula as provided for in this act.

SECTION 7.5.(c) If a local school administrative unit's wealth increases to a level that adversely affects the unit's disadvantaged student supplemental funding (DSSF) allotment ratio, the DSSF allotment for that unit shall be maintained at the prior year level for one additional fiscal year.
DEPARTMENT OF PUBLIC INSTRUCTION REORGANIZATION AUTHORITY

SECTION 7.8.(a) Notwithstanding G.S. 143C-6-4, for the 2021-2023 fiscal biennium, the Department of Public Instruction may, after consultation with the Office of State Budget and Management and the Fiscal Research Division, reorganize the Department, realign fund structures, or both, if necessary, to do any of the following:

(1) Accommodate changes in allowable expenditures of indirect costs associated with the administration of federal grants.

(2) Implement other changes necessary to improve the efficiency of the Department.

SECTION 7.8.(b) Consultation shall occur prior to requesting budgetary and personnel changes through the budget revision process provided in this section. The Department of Public Instruction shall provide all of the following as part of the consultation process:

(1) A current organization chart and a list of affected funds.

(2) The proposed organization chart and a list of affected funds clearly identifying the changes for the Department.

The Department shall report to the Joint Legislative Commission on Governmental Operations and the Joint Legislative Education Oversight Committee on any reorganization, including any movement of positions and funds between fund codes on a recurring basis.

SECTION 7.8.(c) In making the changes identified in subsection (a) of this section, the Department of Public Instruction shall not do either of the following:

(1) Reduce funding for any of the following:

a. The State Public School Fund, including for the following residential schools:
   3. The Governor Morehead School.

b. Any budget expansion item funded by an appropriation to the Department of Public Instruction by this act for the 2021-2023 fiscal biennium.

(2) Transfer from or reduce funding or positions for any of the following:

a. Communities in Schools of North Carolina, Inc.

b. Teach for America, Inc.

c. Beginnings for Parents of Children Who are Deaf or Hard of Hearing, Inc.

d. The Excellent Public Schools Act, Read to Achieve Program, initially established under Section 7A.1 of S.L. 2012-142.

e. The North Carolina School Connectivity Program.

f. The North Carolina Center for the Advancement of Teaching.

g. The North Carolina Innovative School District.

h. The Schools That Lead Program.

i. The Center for Safer Schools.
REPORT ON K-12 COMPUTER SCIENCE DATA

SECTION 7.9.(a) G.S. 115C-12 is amended by adding a new subdivision to read:

"(47) Computer Science Reporting. – The State Board of Education shall report annually by November 15 to the Joint Legislative Education Oversight Committee on the following data related to computer science participation. For each item, the report shall include (i) statewide data for the current school year, and the four years prior when data is available, to establish trends in computer science instruction and (ii) data for the current school year for each public school unit, disaggregated by school within that unit:

a. The number of teachers employed to teach computational thinking and computer science.

b. The statewide courses and local elective courses offered in computer science and computational thinking, and the number of students enrolled in each of those courses. For public school units, the report shall indicate when courses are offered on a semester basis.

c. The number of students enrolled in computer science and computational thinking courses by grade level.

d. For sub-divisions b. and c. of this subdivision, the report shall also include information on enrollment numbers by the following subgroups:
   1. Economically disadvantaged students.
   2. Students from major racial and ethnic groups.
   5. English learners."

SECTION 7.9.(b) G.S. 115C-47 is amended by adding a new subdivision to read:

"(66) Computer Science Reporting. – A local board of education shall annually report the information required by G.S. 115C-12(47) to the State Board of Education no later than September 15."

SECTION 7.9.(c) G.S. 115C-75.9 is amended by adding a new subsection to read:

"(p) Computer Science Reporting. – An innovative school shall annually report the information required by G.S. 115C-12(47) to the State Board of Education no later than September 15."

SECTION 7.9.(d) G.S. 115C-218.75 is amended by adding a new subsection to read:

"(j) A charter school shall annually report the information required by G.S. 115C-12(47) to the State Board of Education no later than September 15."

SECTION 7.9.(e) G.S. 115C-238.66 is amended by adding a new subdivision to read:

"(18) Computer science reporting. – A regional school shall annually report the information required by G.S. 115C-12(47) to the State Board of Education no later than September 15."
SECTION 7.9.(f) G.S. 116-239.8(b) is amended by adding a new subdivision to read:

"(19) Computer science reporting. – A laboratory school shall annually report the information required by G.S. 115C-12(47) to the State Board of Education no later than September 15."
SCHOOLS THAT LEAD PROGRAM

SECTION 7.11.(a) Program; Purpose. – Of the funds appropriated to the Department of Public Instruction by this act for the Schools That Lead Program (Program), the Department shall contract with Schools That Lead, Inc., to provide professional development to teachers and principals in up to 75 schools, beginning with the 2021-2022 school year and ending in the 2025-2026 school year. The selected schools shall be charter schools or schools under the authority of a local school administrative unit. Professional development services shall be offered to teachers and principals in kindergarten through grade 12. The Superintendent of Public Instruction, in consultation with Schools That Lead, Inc., shall determine which schools are eligible to participate in the Program. At a minimum, the Program shall offer services to three cohorts of schools, as follows:

(1) High schools working to increase on-time graduation.
(2) Middle schools working to prepare students to succeed in high school by reducing the likelihood of retention in the ninth grade for multiple school years.
(3) Elementary schools working to reduce the number of students with early warning indicators of course failures, absences, and discipline.

SECTION 7.11.(b) Evaluation. – Of the funds appropriated to the Department by this act for the Program, the Department shall use up to one hundred thousand dollars ($100,000) to contract with an independent research organization to measure the impacts of the Program on student outcomes, including, but not limited to, (i) on-time graduation in high school, (ii) ninth grade retention rates, and (iii) course failures, absences, and discipline in elementary school. The independent research organization shall report its interim findings to the Department no later than June 30, starting in 2023, and shall submit a final report no later than June 30, 2027.

SECTION 7.11.(c) Report. – The Department of Public Instruction, in consultation with Schools That Lead, Inc., shall submit a report on the impacts of the Program authorized by subsection (a) of this section, including, but not limited to, an accounting of expenditures, school performance data, principal performance data, teacher performance data, and student outcome data, beginning October 1, 2023, and continuing each year thereafter until October 1, 2027, to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, and the Fiscal Research Division. The October 1, 2027, report shall include a summary and copy of the final report provided by the independent research organization pursuant to subsection (b) of this section.
PERMIT USE OF SPECIAL STATE RESERVE FUND FOR
TRANSPORTATION/ESTABLISH TRANSPORTATION RESERVE FUND FOR
HOMELESS AND FOSTER CHILDREN

SECTION 7.12.(a) Notwithstanding any other provision of law or policy to the contrary, in addition to the purposes for which funds in the Special State Reserve Fund (SSRF) for children with disabilities are used, beginning with the 2021-2022 fiscal year, the SSRF may also be used to cover extraordinary transportation costs for high-needs children with disabilities. The Department of Public Instruction shall provide an application for local school administrative units and charter schools to apply for extraordinary transportation funds and may provide additional eligibility guidelines not inconsistent with this section. SSRF transportation funds shall be awarded to qualifying local school administrative units or charter schools consistent with the following:

(1) In determining extraordinary transportation costs, the Department shall consider total prior-year transportation expenditures for high-needs children with disabilities, including expenditures from local funds and all other funding sources, as a proportion of total expenditures.

(2) Applicants with highest extraordinary transportation costs shall receive highest priority in the award of grant funds.

(3) Funds may be awarded during the initial year of a high-needs student's enrollment in the local school administrative unit or charter school or in subsequent years of the student's enrollment.

SECTION 7.12.(b) There is established the Transportation Reserve Fund for Homeless and Foster Children to provide for a grant program to cover extraordinary school transportation costs for homeless and foster children beginning with the 2021-2022 fiscal year. The Department of Public Instruction shall provide an application process for local school administrative units and charter schools to apply for funds to cover extraordinary transportation costs for qualifying students. The Department shall establish eligibility guidelines and shall award funds consistent with the following requirements:

(1) In determining extraordinary transportation costs, the Department shall consider total prior-year transportation expenditures for homeless and foster children, including expenditures from local funds and all other funding sources, as a proportion of total expenditures.

(2) Priority shall be given to applicants in proportion to the extent that their applications and prior-year expenditures demonstrate use of available federal funds to cover the cost of transporting homeless and foster children.

(3) Awards shall not exceed fifty percent (50%) of extraordinary transportation costs as determined pursuant to this subsection.

For the purposes of this subsection, "homeless" is defined in accordance with the definition in the federal McKinney-Vento Homeless Assistance Act.

SECTION 7.12.(c) The Department of Public Instruction shall submit a report by October 15, 2023, to the Joint Legislative Education Oversight Committee, the Fiscal Research
Division, the Senate Appropriations Committee on Education/Higher Education, and the House Appropriations Committee on Education on the use of funds appropriated to the Transportation Reserve Fund for Homeless and Foster Children pursuant to this section using data collected from the 2021-2023 fiscal biennium. The report shall include at least the following:

1. A list of local school administrative units receiving funds from this section.
2. The amount of funds applied for by each local school administrative unit.
3. The amount of funds received by each local school administrative unit.
4. How the funds were spent by each local school administrative unit, including the number of students transported and the locations between which the students were transported.
5. Any other information the Department of Public Instruction deems relevant to this section.
1 ELIMINATE INNOVATION ZONE GRANTS
2 SECTION 7.13.(a) The caption of Article 7A of Chapter 115C of the General
3 Statutes reads as rewritten:
4 "Article 7A.
5 "North Carolina Innovative School District and Innovation Zones District."
6 SECTION 7.13.(b) G.S. 115C-75.13 is repealed.
7 SECTION 7.13.(c) Section 6 of S.L. 2016-110, as amended by Section 7.26E(e) of
8 S.L. 2017-57 and Section 2.13 of S.L. 2018-97, is repealed.
MEDICAID REIMBURSEMENT CONTRACT FOR RESIDENTIAL SCHOOLS

SECTION 7.16.(a) The Department of Public Instruction shall enter into a contract with a third-party entity for any administrative services necessary to receive maximum reimbursement for medically necessary health care services for which payment is available under the North Carolina Medicaid Program provided to eligible students attending the Governor Morehead School for the Blind, the Eastern North Carolina School for the Deaf, and the North Carolina School for the Deaf. The provisions of the contract shall ensure that the residential schools receive reimbursement for these services in a timely manner.

SECTION 7.16.(b) By September 15, 2021, the Department of Public Instruction shall report to the Joint Legislative Education Oversight Committee on the contracting process and the award of the contract required by subsection (a) of this section, including the cost of the contract and the estimated recoupment of expenditures.
CAREER AND COLLEGE READY GRADUATE PROGRAM CHANGES/CODIFICATION

SECTION 7.18. (a) Article 8 of Chapter 115C of the General Statutes is amended by adding a new section to read:

"§ 115C-81.90. Career and College Ready Graduate Program."

(a) Program Established. – The State Board of Education and the State Board of Community Colleges shall establish a program that introduces college developmental mathematics and developmental reading and English content during high school and provides opportunities in all high schools statewide for college remediation for students prior to high school graduation through cooperation with community college partners. Students who are enrolled in the Occupational Course of Study to receive their high school diplomas shall not be required to participate in the program or be required to take mandatory remedial courses as provided for in this section, unless a parent specifically requests through the individualized education program (IEP) process that the student participates. The program shall require at least the following:

(1) Establishment by the State Board of Community Colleges of measures for determining student readiness and preparation for college coursework by using ACT scores, student grade point averages, or other measures used by the State Board of Community Colleges to determine college readiness for entering students. Exemptions based on student achievement and postsecondary plans may be jointly recommended by the Department of Public Instruction and the Community Colleges System Office to the State Board of Community Colleges for their approval.

(2) Changes in curriculum, policy, and rules as needed by the State Board of Community Colleges and State Board of Education to make remedial content mandatory for students who do not meet readiness indicators by the beginning of their senior year or who do not qualify for an exemption prior to high school graduation.

(3) High schools to use content approved by the State Board of Community Colleges, in consultation with the State Board of Education.

(4) To ensure students shall not require remediation upon placement at a North Carolina community college, the State Board of Community Colleges shall establish the following for the program:

a. Appropriate measures of successful completion of the remedial content to ensure students are prepared for coursework at a North Carolina community college without need for further remediation in mathematics or reading and English.

b. The length of time following high school graduation in which a student who successfully completed high school remedial content will not be required to enroll in developmental courses at a North Carolina community college.
Delivery of remedial content by high school faculty consistent with policies adopted by the State Board of Community Colleges and the State Board of Education. The policies shall include, at a minimum, the following requirements:

a. High school faculty teaching the approved remedial content shall successfully complete training requirements as determined by the State Board of Community Colleges, in consultation with the State Board of Education.

b. The North Carolina Community College System shall periodically review the remedial content and professional development requirements to ensure appropriate instructional delivery.

(b) Report. – Beginning December 15, 2021, and annually thereafter, the State Board of Community Colleges and the State Board of Education shall jointly report to the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee on program outcomes, including impact on remediation rates by public school units in both mathematics and reading and English for recent high school graduates entering a North Carolina community college."

SECTION 7.18.(b) G.S. 115C-12(9d)a. reads as rewritten:

"a. The Board may develop exit standards that shall be required for high school graduation. The Board shall require the following for high school graduation:

1. Successful completion of instruction in cardiopulmonary resuscitation as provided in G.S. 115C-81.25(c)(10).


3. Participation in the Career and College Ready Program for students who do not meet readiness indicators by the beginning of their senior year or who do not qualify for an exemption prior to high school graduation pursuant to G.S. 115C-81.90.

SECTION 7.18.(c) G.S. 115D-5 is amended by adding a new subsection to read:

"(aa) The State Board of Community Colleges shall establish the Career and College Ready Program with the State Board of Education for the purpose of introducing college developmental mathematics and developmental reading and English content during high school and providing opportunities in all high schools statewide for college remediation for students prior to high school graduation through cooperation with community college partners in accordance with G.S. 115C-81.90. Beginning December 15, 2021, and annually thereafter, the State Board of Community Colleges and the State Board of Education shall jointly report to the Joint Legislative Education Oversight Committee on program outcomes, including impact on remediation rates by public school units in both mathematics and reading and English for recent high school graduates entering a North Carolina community college."

SECTION 7.18.(d) Section 10.13 of S.L. 2015-241, as amended by Section 10.5 of S.L. 2016-94 and Section 9.4 of S.L. 2018-5, is repealed.

SECTION 7.18.(e) This section applies beginning with the 2021-2022 school year.
SCHOOL SAFETY GRANTS PROGRAM

SECTION 7.19. Article 8C of Chapter 115C of the General Statutes is amended by adding a new section to read:

"§ 115C-105.61. School safety grants.

(a) Definitions. – For purposes of this section, the following definitions shall apply:

(1) Community partner. – A public or private entity, including, but not limited to, a nonprofit corporation or a local management entity/managed care organization (LME/MCO), that partners with a public school unit to provide services or pay for the provision of services for the unit.

(2) School health support personnel. – School psychologists, school counselors, school nurses, and school social workers.

(b) Program; Purpose. – The Superintendent of Public Instruction shall establish the School Safety Grants Program (Program). To the extent funds are made available for the Program, its purpose shall be to improve safety in public school units by providing grants for (i) services for students in crisis, (ii) school safety training, and (iii) safety equipment in schools.

(c) Grant Applications. – A public school unit may submit an application to the Superintendent of Public Instruction in each fiscal year for one or more grants pursuant to this section. The application shall include an assessment, to be performed in conjunction with a local law enforcement agency, of the need for improving school safety within the public school unit that would receive the funding or services. The application shall identify current and ongoing needs and estimated costs associated with those needs.

(d) Criteria and Guidelines. – By November 1 of each fiscal year in which funds are made available for the Program, the Superintendent of Public Instruction shall develop criteria and guidelines for the fiscal year for the administration and use of the grants pursuant to this section, including any documentation required to be submitted by applicants. In assessing grant applications, the Superintendent of Public Instruction shall consider at least all of the following factors:

(1) The level of resources available to the public school unit that would receive the funding.

(2) Whether the public school unit has received other grants for school safety.

(3) The overall impact on student safety in the public school unit if the identified needs are funded.

(e) Grants for Students in Crisis. – From funds made available for school safety grants, the Superintendent of Public Instruction, in consultation with the Department of Health and Human Services, shall award grants to public school units to contract with community partners to provide or pay for the provision of any of the following crisis services:

(1) Crisis respite services for parents or guardians of an individual student to prevent more intensive or costly levels of care.

(2) Training and expanded services for therapeutic foster care families and licensed child placement agencies that provide services to students who (i)
need support to manage their health, welfare, and safety and (ii) have any of the following:
   a. Cognitive or behavioral problems.
   b. Developmental delays.
   c. Aggressive behavior.

(3) Evidence-based therapy services aligned with targeted training for students and their parents or guardians, including any of the following:
   a. Parent-child interaction therapy.
   b. Trauma-focused cognitive behavioral therapy.
   c. Dialectical behavior therapy.

(4) Any other crisis service, including peer-to-peer mentoring, that is likely to increase school safety. Of the funds appropriated to the Department of Public Instruction for the grants provided in this section, the Superintendent shall use no more than three and one-half percent (3.5%) in each fiscal year for the services identified in this subdivision.

(f) Grants for Training to Increase School Safety. – From funds made available for school safety grants, the Superintendent of Public Instruction, in consultation with the Department of Health and Human Services, shall award grants to public school units to contract with community partners to address school safety by providing training to help students develop healthy responses to trauma and stress. The training shall be targeted and evidence-based and shall include any of the following services:

   (1) Counseling on Access to Lethal Means (CALM) training for school health support personnel, local first responders, and teachers on the topics of suicide prevention and reducing access by students to lethal means.

   (2) Training for school health support personnel on comprehensive and evidence-based clinical treatments for students and their parents or guardians, including any of the following:
      a. Parent-child interaction therapy.
      b. Trauma-focused cognitive behavioral therapy.
      c. Behavioral therapy.
      d. Dialectical behavior therapy.
      e. Child-parent psychotherapy.

   (3) Training for students and school employees on community resilience models to improve understanding and responses to trauma and significant stress.

   (4) Training for school health support personnel on Modular Approach to Therapy for Children with Anxiety, Depression, Trauma, or Conduct problems (MATCH-ADTC), including any of the following components:
      a. Trauma-focused cognitive behavioral therapy.
      b. Parent and student coping skills.
      c. Problem solving.
      d. Safety planning.

   (5) Any other training, including the training on the facilitation of peer-to-peer mentoring, that is likely to increase school safety. Of the funds appropriated to the Department of Public Instruction for the grants provided in this section, the Superintendent shall use no more than three and one-half percent (3.5%) in each fiscal year for the services identified in this subdivision.

(g) Grants for Safety Equipment. – From funds made available for school safety grants, the Superintendent of Public Instruction shall award grants to public school units for (i) the purchase of safety equipment for school buildings and (ii) training associated with the use of
safety equipment purchased pursuant to this subsection. Notwithstanding G.S. 115C-218.105(b), charter schools may receive grants for school safety equipment pursuant to this subsection.

(h) Supplement Not Supplant. – Grants provided to public school units pursuant to the Program shall be used to supplement and not to supplant State or non-State funds already provided for these services.

(i) Administrative Costs. – Of the funds appropriated to the Department of Public Instruction for the grants provided in this section, the Superintendent of Public Instruction may retain a total of up to one hundred thousand dollars ($100,000) in each fiscal year for administrative costs associated with the Program.

(j) Report. – No later than April 1 of each year in which funds are made available for the Program, the Superintendent of Public Instruction shall report on the Program to the Joint Legislative Education Oversight Committee, the Joint Legislative Oversight Committee on Health and Human Services, the Joint Legislative Oversight Committee on Justice and Public Safety, the Joint Legislative Commission on Governmental Operations, the Senate Appropriations/Base Budget Committee, the House Committee on Appropriations, and the Fiscal Research Division. The report shall include at least the following information:

1. The identity of each public school unit and community partner that received grant funds through the Program.
2. The amount of funding received by each entity identified pursuant to subdivision (1) of this subsection.
3. The services, training, and equipment purchased with grant funds.
4. Recommendations for the implementation of additional effective school safety measures."
TEACHNC RECRUITMENT INITIATIVE

SECTION 7.20.(a) The Department of Public Instruction shall adopt the TeachNC recruitment initiative as a comprehensive web platform for future teachers to find information and connect with resources on (i) the teaching profession, (ii) opportunities for educators in North Carolina, and (iii) the process of obtaining an educator's license in the State.

SECTION 7.20.(b) The Department shall report to the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee by March 15, 2022, and annually thereafter, on implementation of the platform, including integration of the technology with outside entities, such as educator preparation programs (EPPs) and businesses, and data on user outcomes, including at least the following:

1. The number of user accounts, visitors to the website, and web-initiated chats.
2. The number of users who were seeking teacher licensure who applied to institutions with an EPP after visiting the TeachNC web platform and, of those users, the number of users who successfully enrolled into institutions with an EPP and who completed teacher licensure programs.
3. The number of users who applied for employment in public schools after visiting the TeachNC web platform and the number of teachers who continue to teach in the public schools after finding employment utilizing TeachNC.

The report submitted by March 15, 2022, shall also include any recommendations by the Department on potential cost-sharing arrangements or public-private partnerships with outside entities for ongoing sustainability or continued growth of the recruitment initiative.
EXTEND STUDENT MEAL DEBT REPORT

SECTION 7.21. Section 2.3(a) of S.L. 2020-80 reads as rewritten:

"SECTION 2.3.(a) No later than October 15, 2021, the State Board of Education shall report to the Joint Legislative Education Oversight Committee on unpaid meal charges in local school administrative units. At a minimum, the report shall include the following information:

1. The percentage of students of all grade levels in each local school administrative unit who (i) qualify for and participate in reduced-price meals and (ii) do not carry an unpaid meal charge.

2. The total amount of debt carried by each local school administrative unit related to unpaid meal charges.

3. Summaries of approaches adopted by each local school administrative unit regarding unpaid meal charges.

4. Options for a statewide policy on the uniform administration of unpaid meal charges in local school administrative units. Every option shall ensure that students are not prevented from receiving nutritious meals because of an unpaid meal charge."
COVID-19 ADM AND CHILDREN WITH DISABILITIES RESERVE

SECTION 7.24. Of the funds appropriated by this act to the Department of Public Instruction for the 2021-2022 fiscal year, the Department shall establish the COVID-19 Average Daily Membership and Children with Disabilities Reserve (Reserve). For the 2021-2022 fiscal year, the Department shall allocate funds from the Reserve to public school units whose average daily membership (ADM), children with disabilities population, or both, exceed their initial predictions during the first two months of the 2021-2022 school year. The Department shall allocate additional funds for higher than anticipated ADM as follows: (i) in a manner consistent with the ADM Contingency Reserve and (ii) after the ADM Contingency Reserve has been exhausted. After the second month, the Department shall allocate any remaining funds to public school units on a prorated basis to increase the allocation per child to a level not to exceed the value calculation determined under Section 7.1 of this act, prioritizing public school units whose initial allocation per child is the lowest.
ELEMENTARY AND SECONDARY SCHOOL EMERGENCY RELIEF FUND/USE OF RESERVE FUNDS

SECTION 7.27. Section 3.5 of S.L. 2021-25 reads as rewritten:

"SECTION 3.5. SECTION 3.5.(a) Use of Funds. – The Elementary and Secondary School Emergency Relief Fund funds appropriated in Section 3.2 of this act shall only be used by the Department of Public Instruction to (i) allocate federal grant funds to public school units pursuant to subsection (d) of section 2001 of the American Rescue Plan Act and (ii) reserve twenty-one million five hundred thousand dollars ($21,500,000) three hundred sixty million one hundred seventy-eight thousand thirty-six dollars ($360,178,036) of the funds pursuant to subsection (f) of section 2001 of the American Rescue Plan Act to be used according to the following:

(1) $20,000,000 shall be used by the Department to allocate funds to each public school unit in the State, except for schools operated by the State Board of Education, to ensure that each public school unit receives a total amount from the Elementary and Secondary School Emergency Relief III (ESSER III) Fund of at least four hundred dollars ($400.00) per pupil in federal grant funds according to the following:
    a. If a public school unit did not receive funds pursuant to subsection (d) of section 2001, the public school unit shall receive an amount equal to four hundred dollars ($400.00) per pupil.
    b. If a public school unit received funds pursuant to subsection (d) of section 2001, the per pupil amount allocated under this subdivision shall be reduced so that (i) the total amount in federal grant funds from the ESSER III Fund is equal to four hundred dollars ($400.00) per pupil or (ii) the public school unit receives no additional funding because the total amount from the ESSER III Fund would exceed four hundred dollars ($400.00) per pupil.

(2) $1,500,000 to be allocated in equal amounts to the Governor Morehead School for the Blind, Eastern North Carolina School for the Deaf, and North Carolina School for the Deaf for school facility repairs and improvements to enable operation of the schools to reduce risk of virus transmission and exposure to environmental health hazards and to support student health needs. The funds may be used for inspection, testing, maintenance, repair, replacement, and upgrade projects to improve the indoor air quality in school facilities, including mechanical and nonmechanical heating, ventilation, and air conditioning systems, filtering, purification and other air cleaning, fans, control systems, and window and door repair and replacement.

(3) $36,000,000 to be held in a reserve by the Department to be allocated to public school units as grants to support COVID-19 related needs, including for in-person instruction supplemental programs to address learning loss and provide enrichment activities, such as after-school and before-school programs, during the instructional year. The allocation of grants shall be
prioritized to public school units based on the percentage of disadvantaged and low-income students impacted by COVID-19. The Department may allocate up to fifty percent (50%) of the funds as grants to public school units prior to July 1, 2022.

(4) $36,000,000 to be held in a reserve by the Department to be allocated to public school units as grants to support COVID-19 related needs, including for in-person instruction summer programs to address learning loss and provide enrichment activities. The allocation of grants shall be prioritized to public school units based on the percentage of disadvantaged and low-income students impacted by COVID-19. The Department may allocate up to fifty percent (50%) of the funds as grants to public school units prior to July 1, 2022.

(5) $10,000,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, for the deployment of a competency-based education platform that enables the development of credit by demonstrated mastery for students for grades seven through 12 for credit recovery or acceleration to address various education delivery methods during the COVID-19 pandemic. The platform shall also be used for teacher competency and professional development and principal professional development. The Department shall submit an interim report by April 15, 2022, and a final report by April 15, 2023, to the Joint Legislative Education Oversight Committee on the deployment of the competency-based education platform, including the use of funds for professional development.

(6) $10,000,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, to support a common learning management system to be utilized for in-person and remote instruction for kindergarten through fifth grade for a period of up to three years. Funds may also be used for the kindergarten readiness programs based on the Science of Reading.

(7) $37,500,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, for teacher and principal professional development for implementing the Science of Reading and the requirements of the Excellent Public Schools Act of 2021.

(8) $1,000,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, to contract with external research partners pursuant to subdivision (4) of Section 5A of S.L. 2021-1, as enacted by Section 1.2 of S.L. 2021-3, to assess the impact of COVID-19 on public school units and the responses of the State to the challenges presented by COVID-19.

(9) $2,500,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, for five new time-limited and full-time equivalent positions in the Office of Learning Recovery and Acceleration of the Department and associated operating costs in response to the COVID-19 pandemic.

(10) $500,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, to support expansion of the North Carolina Preschool Pyramid Model (NCPPM) across and within local school administrative unit preschool programs and to support the implementation of NCPPM in kindergarten in a developmentally appropriate and vertically aligned manner. Funds shall be used to provide training, consultation, and ongoing support for local school administrative units to implement the NCPPM framework to prekindergarten and kindergarten classrooms, with priority given to low-performing schools and local school administrative units affected by COVID-19 that receive low-wealth supplemental funding.
(11) $6,650,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, to establish a grant program, in response to the COVID-19 pandemic, to allocate funds to public school units to identify and locate missing students by contracting with any of the following:
   a. One or more third-party entities to provide technology to assist with this purpose.
   b. Outside personnel.

(12) $350,000 to contract with the State Auditor, in response to the COVID-19 pandemic, to perform detailed analyses of the attendance and truancy policies and procedures for the 2021-2022 school year of at least two small, two medium-sized, and two large local school administrative units, selected randomly by the State Auditor. The State Auditor may contract with third-party entities, as needed, for services related to the analyses. No later than June 30, 2022, the State Auditor shall report to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, and the Fiscal Research Division on the results of the analyses and any recommendations to remediate student absenteeism.

(13) $2,000,000, of which up to fifty percent (50%) shall be used prior to July 1, 2022, to contract with a third-party entity for a period of up to two years to develop and implement a system of tracking expenditures of State and federal funds provided for subscription services and technology in response to the COVID-19 pandemic.

(14) $100,000 to be used prior to July 1, 2022, to establish one new time-limited and full-time equivalent position at the Department to manage new software platforms for public school students funded pursuant to this section in response to the COVID-19 pandemic.

(15) $1,000,000, of which up to fifty percent (50%) shall be used prior to July 1, 2022, for the School Planning Section of the Department to contract with a third-party entity in response to the COVID-19 pandemic to make available to all local school administrative units and counties technology for the following purposes related to elementary and secondary education:
   a. A consolidated information database regarding all of the following education-related expenses:
      1. Status and details of expected, proposed, and issued local bonds.
      2. Interactive listing of vendors providing products and services, including ratings and reviews of vendors.
      3. Document-sharing functionality related to purchased products and services, including capital improvement projects.
   b. A software platform to advertise nationwide requests for proposals from local school administrative units and county governments for education-related products and services, including capital improvement projects.

(16) $18,500,000, of which up to fifty percent (50%) shall be used prior to July 1, 2022, to be allocated to public school units on the basis of average daily membership in response to the COVID-19 pandemic to contract with a third-party entity for technology to mitigate cyberbullying, monitor student internet activity, monitor classroom educational devices, and assist with suicide prevention services.
$2,500,000, of which up to fifty percent (50%) shall be used prior to July 1, 2022, to be allocated to public school units on the basis of average daily membership in response to the COVID-19 pandemic to contract with Gaggle.Net, Inc., for technology to mitigate cyberbullying, monitor student internet activity, monitor classroom educational devices, and assist with suicide prevention services.

$2,600,000 to be allocated prior to July 1, 2022, to local school administrative units and charter schools, including virtual charter schools authorized pursuant to Section 8.35(b) of S.L. 2014-100, as amended by Section 7.13 of S.L. 2018-5, to account for additional students enrolled in local school administrative units and charter schools during the 2020-2021 school year as a result of the COVID-19 pandemic. The Department shall allocate six hundred dollars ($600.00) per month for each student enrolled in a local school administrative unit or charter school above the number of students accounted for by the Department in the funded average daily membership for the unit or school from the 2020-2021 school year. For charter schools, funds shall be provided only for additional students legally enrolled at the school in accordance with the school's charter, G.S. 115C-218.7(b), and Section 3.2 of S.L. 2020-97, as amended by Section 2.5 of S.L. 2021-3.

$100,000,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, to be allocated to public school units to provide teachers with up to an eleventh month of salary pursuant to this subdivision. Notwithstanding G.S. 115C-302.1, for the 2021-2024 school years, a veteran teacher or growth teacher may apply to his or her principal to be employed for a term of 11 months. In the discretion of the principal, a teacher who receives a term of 11 months pursuant to this subdivision may either work for an additional month following the school year or work additional hours during the school year amounting to up to one additional month of employment. Work performed during this time shall address learning loss resulting from the COVID-19 pandemic, including the supplementary instruction for students, professional development, and mentoring of other teachers. For purposes of this subdivision, the following definitions shall apply:

a. Growth teacher. – A teacher who received a bonus in January of 2020, based on data from the 2018-2019 school year, pursuant to any of the following programs:
   1. The Third Grade Read to Achieve Teacher Bonus Program provided in Section 8.8C of S.L. 2017-57, as amended by Section 2.10 of S.L. 2017-97 and Section 8.10 of S.L. 2018-5.
   2. The Fourth and Fifth Grade Reading Teacher Bonus Program provided in Section 8.8D of S.L. 2017-57, as amended by Section 8.11 of S.L. 2018-5.
   3. The Fourth to Eighth Grade Math Teacher Bonus Program provided in Section 8.8E of S.L. 2017-57, as amended by Section 8.12 of S.L. 2018-5.

b. Veteran teacher. – A teacher with at least 25 years of experience as a licensed teacher.

$1,000,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, in additional funding for services provided by Beginnings for Parents of Children Who Are Deaf or Hard of Hearing, Inc., for outreach to and support of North Carolina families affected by COVID-19.
(21) $970,000 for the Department to contract with Schools That Lead, Inc., to
develop or purchase a statewide, online platform that allows teachers to share
student performance improvement methods across the State and to also
support the Schools That Lead Program set forth in Section 7.11 of this act.
The Department shall allocate up to three hundred thousand dollars
($300,000) to Schools That Lead, Inc., for the contract prior to July 1, 2022.
The Department shall allocate any remaining funds for the contract on or after
July 1, 2022.

(22) $18,000,000, of which up to fifty percent (50%) may be used prior to July 1,
2022, to provide coaching support and professional development for
principals and school improvement leadership teams in local school
administrative units. Funds shall be used (i) to design and implement a
leadership institute for principals employed in qualifying public schools and
(ii) to provide grants to local school administrative units in which a majority
of the public schools are qualifying public schools for flexible improvement
and intervention options approved by the Department to address negative
impacts of COVID-19. Up to two million dollars ($2,000,000) of these funds
may be used for 20 time-limited or full-time equivalent positions for the
Department to support the activities set forth in this subdivision. For the
purposes of this subdivision, a qualifying public school is a school meeting
the following criteria:

a. For the most recent year for which data are available, has a school
   performance score in the lowest-performing five percent (5%) of all
   schools.

b. Receives funds under Part A of Title I of the Elementary and
   Secondary Education Act of 1965, as amended.

c. Is governed by a local board of education.

d. Is not one of the following types of schools:

1. An alternative school.

2. A cooperative innovative high school.

3. A school that was in its first or second year of operation in the
   previous school year.

4. A newcomers school. For the purposes of this subdivision, a
   newcomers school is a school in which at least ninety percent
   (90%) of its students are enrolled for no more than one year on
   the basis of their status as recently arrived English language
   learners.

(23) $5,000,000 to be transferred to the Board of Governors of The University of
North Carolina to be allocated to the National College Advising Corps, Inc.
(CAC), a nonprofit organization, to support a temporary expansion of the
placement of college advisers in North Carolina public schools through their
program over a two-year period for the purpose of increasing the number of
underrepresented, low-income, or first-generation postsecondary degree or
certificate students entering and completing their postsecondary education at
community colleges and universities. In furthering its mission, CAC operates
an innovative model of partnering with schools, communities, families, and
postsecondary institutions, including providing for a two-year service
opportunity to recent college graduates as near-peer college advisers working
full-time in the public schools, with an emphasis on engaging college advisers
who have similar backgrounds to the students the program seeks to serve.
CAC uses near-peer college advisers to perform various services for students,
including (i) attending postsecondary campus visits, fairs, and workshops with
students, (ii) assisting with registering for college entrance exams, (iii)
assisting with Free Application for Federal Student Aid (FAFSA) registrations
and completions, (iv) identifying available scholarships, (v) assisting with
postsecondary applications, and (vi) engaging with parents. The Board of
Governors may allocate up to two million five hundred thousand dollars
($2,500,000) to CAC prior to July 1, 2022. The Board of Governors may
allocate the remaining funds to CAC through the deadline established by
applicable federal law and guidance for the expenditure of the funds. Funds
made available to CAC pursuant to this subdivision shall be matched by CAC
on the basis of two dollars ($2.00) in private funds for every one dollar ($1.00)
in federal funds. CAC shall use the funds provided to it under this subdivision
to place college advisers in counties designated as tier one and tier two under
G.S. 143B-437.08. CAC shall submit an interim report by October 1, 2022,
and a final report by October 1, 2024, to the Joint Legislative Education
Oversight Committee and the Fiscal Research Division on the progress of
expanding the placement of college advisers, data on the effectiveness of the
program in increasing access for students to postsecondary education, and the
use of the funds. CAC shall also include in its final report recommendations
on (i) training of school counselors in the public schools based on the
experiences of college advisers in the program and (ii) best practices from the
program for school counselors on continued increased access for students to
postsecondary attainment goals.

(24) $2,400,000 to be allocated to Communities in Schools of North Carolina, Inc.,
to provide for the extension of nine-month contracts for its employees for the
purpose of providing assistance and enrichment activities over the summers
for students in kindergarten through twelfth grade experiencing learning loss
and negative impacts from COVID-19. The Department shall allocate up to
fifty percent (50%) of these funds to Communities in Schools of North
Carolina, Inc., prior to July 1, 2022.

(25) $10,500,000 to be used for career and technical education (CTE) programs to
provide options for students outside traditional classroom instruction during
the COVID-19 pandemic as follows:
a. $10,000,000 to provide grants for local school administrative units to
create pilot programs for the expansion of credentials and
 certifications. The Department may allocate up to fifty percent (50%)
of these funds as grants to local school administrative units prior to
July 1, 2022.
b. $500,000 shall be allocated as grants to nationally certified programs
in CTE focused on developing critical skills necessary for students to
succeed in the retail sector. Funds shall be used to support instructor
and student training and testing to increase the State’s skilled
workforce in the retail sectors. The Department may allocate up to fifty
percent (50%) of these funds as grants to eligible programs prior to
July 1, 2022.

(26) $13,200,000 to be allocated to the North Carolina Education Corps (NC ED
Corps), a nonprofit corporation, for the purpose of NC ED Corps partnering
with public school units to recruit, train, and deploy corps members, who
include community college and university students, recent graduates, and
retirees, to work as tutors and mentors with public school students. Corps
members work in the public schools to build relationships and connect with
students and help teachers reach students who need additional academic support. The program shall focus on accelerating COVID-19 learning recovery with students, families, and school personnel, particularly through high-impact literacy tutors grounded in the Science of Reading and reading instruction. The Department shall allocate up to three million two hundred thousand dollars ($3,200,000) of the funds provided under this subdivision to NC ED Corps prior to July 1, 2022. The Department shall allocate the remaining funds to NC ED Corps on or after July 1, 2022.

(27) $2,500,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, for the Department to administer a pilot program (pilot) to promote access to innovative digital and personalized learning solutions for high school students that bridge the gap between chemistry and physical science classes and career and technical education (CTE) career pathways. Local school administrative units participating in the pilot shall incorporate the science, technology, engineering, and mathematics (STEM) focused educational software program developed by Plasma Games, Inc., in select STEM classes and their CTE programs to encourage student interest and workforce development for chemistry-dependent industries located in North Carolina, including careers in the pharmaceutical, agricultural technology, biotechnology, textile, material science, energy, minerals and mining, and chemical manufacturing fields. The pilot shall be conducted beginning with the 2021-2022 school year. A local school administrative unit participating in the pilot shall provide the Department with a plan for the placement of the STEM-focused educational technology developed by Plasma Games, Inc., in its schools and may include a plan from the pilot program established pursuant to Section 4.2D of S.L. 2020-4, as enacted by Section 1.1(e) of S.L. 2020-80, if the unit participated in that pilot. The plan shall include implementation of the educational game as a teaching tool for classroom teachers and a new learning platform for students to increase student engagement and discussion, enrich lessons with real-world applications and purpose in STEM fields, and create moments of connection for students with lasting impact on their career pathways. The plan shall also include provisions for professional development and training for teachers, administrators, and other school personnel to facilitate the implementation and success of the pilot. Funds shall be used for licensing fees for the educational software, Plasma Games’ operating costs, and for implementation of the pilot by the local school administrative units.

Reporting on the pilot shall be provided as follows:

a. The local school administrative units participating in the pilot shall provide an annual report beginning May 1, 2022, to the Department on implementation of the pilot for each school year, including (i) the use of the funds described this subdivision, (ii) the number of students impacted by the pilot and the number of students pursuing STEM-related CTE career pathways as a result of the pilot, measured by the number of students declaring interest in a career with a chemistry-dependent industry located in North Carolina and the number of students pursuing higher education in a chemistry-related major or technical certification at a school in North Carolina, (iii) demand and feedback by teachers on the use of the STEM-focused educational technology, and (iv) any other information requested by the Department.
b. The Department shall provide an annual report beginning June 1, 2022, for each school year to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, and the Fiscal Research Division on the implementation of the pilot and the information reported by participating local school administrative units pursuant to this subdivision. The report shall include any data on student outcomes related to implementation of the pilot, the expenditure of funds described in this subdivision, and recommendations by the Department on modification of the pilot and the need for continued support.

(28) $8,000,000 to be allocated to Mount Airy City Schools to partner with a nonprofit organization to create the North Carolina High-Tech Learning Accelerator, an initiative to provide a network of place-based learning hubs for students with rigorous and experiential pathways for jobs in the technology industry. The initiative shall offer summer immersion and out-of-school options, in addition to other student supports in a core program aimed at enhancing curriculum opportunities for work-based learning. The Department shall allocate up to fifty percent (50%) of these funds to Mount Airy City Schools, prior to July 1, 2022.

(29) $2,500,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, to establish a program entitled "Failure Free Reading" to support middle school students who read below grade level. The program shall use rigorous data assessment of student success to support middle school students who continue to struggle with reading, including students who suffered learning loss due to the COVID-19 pandemic. The Department shall create an application for funds and make the application available to public school units prior to October 1, 2021. Local superintendents of public school units may apply for a portion of the funds at a rate of two hundred fifty dollars ($250.00) per student.

(30) $324,036 to support driver education programs and aid in reducing a backlog of student applicants due to the COVID-19 pandemic.

(31) $4,084,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, to contract with Betabox, Inc., in response to the COVID-19 pandemic, to mitigate learning loss in the areas of science, technology, engineering, and mathematics by providing students in public school units with experiences, curriculum, instructional coaching, hands-on equipment, and other needed resources. The Department, in consultation with Betabox, Inc., shall submit an interim report by October 1, 2022, and a final report by October 1, 2024, to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, and the Fiscal Research Division on the use of the funds allocated pursuant to this subdivision and their impact on student success.

(32) $500,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, to transfer to the North Carolina Museum of Art to establish NCMAKids to mitigate learning loss by providing digital learning experiences and activities related to works of art, in response to the COVID-19 pandemic.

(33) $800,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, to establish a pilot program in response to the COVID-19 pandemic,
notwithstanding G.S. 115C-296.2, to improve teacher quality and mitigate learning loss by providing a forgivable loan to teachers employed in qualifying public schools during the 2021-2023 fiscal biennium to finance the cost of the participation fee for National Board for Professional Teaching Standards (NBPTS) certification, as follows:

a. Definitions. – The following definitions shall apply in this section:

1. Public school. – Any of the following:
   I. A public school unit.
   II. A school providing elementary or secondary instruction operated by The University of North Carolina under Articles 4 and 29 of Chapter 116 of the General Statutes.

2. Qualifying public school. – A public school that meets any of the following criteria:
   I. Is identified as a low-performing school pursuant to G.S. 115C-105.37 or G.S. 115C-218.94.
   II. Is identified as an innovative school pursuant to G.S. 115C-75.5.
   III. Enrolled a student body in the school year prior to the teacher's application consisting of at least ten percent (10%) of students identified as at-risk pursuant to State Board of Education policy DROP-001.

b. Loan applications and approval. – During the 2021-2023 fiscal biennium, a teacher employed in a qualifying public school may apply to the Department of Public Instruction to receive a forgivable loan to finance the cost of the participation fee for NBPTS certification. The Department shall develop criteria and guidelines for administering the program. The criteria shall include at least the following requirements:

1. The Department shall prioritize the award of loans to teachers based on the need of the school where the teacher is employed at the time of the application, including at least the following criteria:
   I. A teacher employed in a qualifying public school with more qualifying factors, as identified in sub-sub-subdivisions I. through III. of sub-sub-subdivision 2. of sub-subdivision a. of this subdivision, shall receive priority over a teacher employed in a qualifying public school with fewer qualifying factors.
   II. For teachers employed in qualifying schools pursuant to sub-sub-sub-subdivision III. of sub-sub-subdivision 2. of sub-subdivision a. of this subdivision, teachers employed in schools with a higher percentage of at-risk students shall receive priority over teachers employed in schools with a lower percentage of at-risk schools.

2. A teacher who completes the NBPTS certification process, regardless of whether the teacher actually receives certification, shall have his or her loan forgiven if that teacher remains teaching in a qualifying public school for at least four years from the date the teacher completes the process.
3. A teacher who does not complete the certification process shall not have his or her loan forgiven except as provided in sub-sub-subdivision 4. of this sub-subdivision.

4. A teacher who is unable to remain teaching in a qualifying public school for at least four years from the date the teacher receives certification or who does not complete the certification process may nonetheless have his or her loan forgiven in either of the following circumstances:
   I. The teacher is unable to complete the certification process or continue teaching in a qualifying public school due to the death of the teacher or a newly acquired disability of the teacher.
   II. Upon the application of the teacher, the Department may forgive the loan if the Department finds that the teacher is unable to complete the process or continue teaching in a qualifying public school due to the illness of the teacher, the death or catastrophic illness of a member of the teacher’s immediate family, parental leave to care for a newborn or newly adopted child, or other extraordinary circumstances.

   c. Report. – No later than January 15, 2022, and each subsequent year thereafter in which funds allocated pursuant to this subdivision are awarded, the Department shall report to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, and the Fiscal Research Division on the impact of the program, including at least the following information:
      1. Number of applicants and recipients of forgivable loans.
      2. Demographic information of recipients of forgivable loans.
      3. Employment status of recipients of forgivable loans, including the identity of any public school where the recipient is employed and whether the recipient remains employed with his or her original qualifying public school.
      4. Licensure area of recipients of forgivable loans.
      5. Effect of the program on the performance and growth of students taught by recipients.

   (34) $1,700,000, of which up to fifty percent (50%) may be used prior to July 1, 2022, to establish the School Psychologists Grant Program (Program) in response to the COVID-19 pandemic to improve the safety, mental health, and well-being of students by providing grants to public school units to recruit school psychologists, as follows:
      a. Grant application. – A public school unit may submit an application to the Superintendent of Public Instruction to receive a grant pursuant to this subdivision. The application shall identify current and ongoing needs for school psychologist services, including needs related to recruitment, and estimated costs associated with those needs.
      b. Criteria and guidelines. – By November 1, 2021, the Superintendent of Public Instruction shall develop criteria and guidelines for the administration and use of the grants under the Program, including any documentation required to be submitted by applicants.
c. Award of funds. – The Superintendent of Public Instruction shall award grants to public school units to provide signing bonuses to recruit school psychologists, as follows:

1. The Department shall prioritize the award of funds to public school units that do not employ a full-time school psychologist at the time the application is submitted.

2. No individual bonus shall be greater than five thousand dollars ($5,000).

3. Grants provided to public school units pursuant to the Program shall be used to supplement and not to supplant State or non-State funds already provided for these services.

d. Report. – No later than April 1, 2022, and each subsequent year thereafter in which funds allocated pursuant to this subdivision are awarded, the Superintendent of Public Instruction shall report on the Program to the Joint Legislative Education Oversight Committee, the Senate Appropriations/Base Budget Committee, the House Committee on Appropriations, and the Fiscal Research Division. The report shall include the identity of each public school unit that received a grant through the Program, the amount of funding provided to the public school unit, and the use of funds by the public school unit.

(35) If, on August 15, 2023, there are any funds that are unencumbered from the Elementary and Secondary School Emergency Relief III Fund reserve of funds pursuant to subsection (f) of section 2001 of the American Rescue Plan Act, those funds shall be reallocated to be used for expenditures on or after that date to meet additional needs of the elementary and secondary schools of the State within federal law and guidelines, as determined by the State Board of Education.

"SECTION 3.5.(b) Authority to Adjust the Use of Funds. – The Department of Public Instruction shall provide all complete and detailed information necessary to the United States Department of Education (U.S. Dept. of Education) on North Carolina’s American Rescue Plan Elementary and Secondary School Emergency Relief (ARP ESSER) State Plan for the U.S. Dept. of Education to determine whether the funds reserved pursuant to subsection (f) of section 2001 of the American Rescue Plan Act are for permissible uses consistent with federal law and guidelines for the expenditure of funds from the Elementary and Secondary School Emergency Relief (ESSER) Fund, as described under this authorizing legislation. Notwithstanding any other provision of subsection (a) of this section to the contrary, if the Superintendent of Public Instruction receives a letter of determination from the U.S. Dept. of Education that one or more of the purposes described under subsection (a) of this section requires an adjustment in implementation to be consistent with federal law and guidelines for the expenditure of funds from the ESSER Fund, the Department of Public Instruction is authorized to make that adjustment only to the extent necessary to meet the requirements of federal law and guidance. By April 15, 2022, and annually thereafter until the deadline established for the expenditure of funds under federal law and guidelines, the Department of Public Instruction shall report to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, and the Fiscal Research Division on any adjustments made to the implementation of the use of funds directed by this section, including the reason for the adjustment, the actions taken by the Department in response to the letter from the U.S. Dept. of Education, and recommendations on further actions or changes to be considered by the General Assembly."
TRANSFER OF FUNDS FOR THE SCHOOL BUSINESS SYSTEM MODERNIZATION PLAN

SECTION 7.28. Of the funds appropriated to the Department of Public Instruction by this act for the school business system modernization plan for the 2021-2023 fiscal biennium, the Department shall transfer one million four hundred thousand dollars ($1,400,000) for the 2021-2022 fiscal year and one million four hundred thousand dollars ($1,400,000) for the 2022-2023 fiscal year to the Government Data Analytics Center (GDAC) to leverage existing public-private partnerships to incorporate annual school report card data for the State into the School Finance Division section of the Department of Public Instruction's website. Grade level and subject level Education Value-Added Assessment System (EVAAS) growth data for local school administrative units and public schools may be made available to the public on the website, to the extent required by State and federal law.

By October 1, 2021, GDAC shall execute any contractual agreements and interagency data sharing agreements necessary to accomplish the reporting system established pursuant to Section 7.16 of S.L. 2017-57, as amended by Section 7.6 of S.L. 2018-5. The Department of Public Instruction and GDAC shall continue partnering to continue development, deployment, and ongoing provision of data integration service that consolidates data from financial, human resources, licensure, student information, and EVAAS. Implementation shall also include development and deployment of a modern analytical platform and reporting environment. Additionally, student population data for future assessments, including State assessments, Advanced Placement exams, and college readiness assessments shall be made available to local school administrative units and public schools through the Department's EVAAS section of the website and shall be made available in hard copy to parents and legal guardians upon request.
REQUESTED BY

AFTER-SCHOOL ROBOTICS GRANT PROGRAM/ATHLETICS

SECTION #.(a) The Department of Public Instruction shall establish the Educational and Competitive After-School Robotics Grant Program (Program) for the 2021-2022 school year. The purpose of the Program shall be to (i) promote evidence-based, after-school programs for robotics education and competition and (ii) motivate students to pursue education and career opportunities in science, technology, engineering, and mathematics while building critical life and work-related skills, as follows:

(1) Eligibility. – Any public school unit is eligible to apply to the Department of Public Instruction for a grant to develop an educational and competitive after-school robotics program with a robotics partner. As used in this subsection, the term "robotics partner" shall refer to a third-party entity, such as a nonprofit organization or institution of higher education, approved by the Department of Public Instruction, that is able to provide adequate support for an after-school robotics program. In order to provide adequate support, a robotics partner must meet at least all of the following criteria:

a. Have a national presence in robotics education and competition.

b. Provide adequate instruction and programming for students and adult volunteers in (i) robotics education, (ii) project-based learning, and (iii) competitive robotics.

c. Promote a safe and equitable social environment.

(2) Applications; Criteria and Guidelines. – No later than September 15, 2021, the Department shall develop and publish criteria and guidelines for the application process for the Program in the 2021-2022 school year, including any documentation required to be submitted by the applicants. The Department shall accept applications until October 15, 2021. Applications shall include, at a minimum, the following information:

a. Evidence that the applicant has or will be able to establish a relationship with a robotics partner.

b. A proposed budget for the educational and competitive after-school robotics program.

(3) Award and Use of Funds. – Of the funds appropriated to the Department for the Program by this act, the Department shall award grants to the selected applicants by November 15, 2021. Funds may be used for any of the following purposes:

a. Establishing a relationship with a robotics partner.

b. Purchasing robotics kits.

c. Providing stipends for coaches.

d. Making payments associated with participation in a robotics league or robotics competition.

e. Paying fees incurred as part of the administration of a robotics team.
(4) Reporting. – No later than April 15, 2022, the Department shall report the
following information to the Joint Legislative Education Oversight
Committee, the Senate Appropriations Committee on Education/Higher
Education, the House Appropriations Committee on Education, and the Fiscal
Research Division:
   a. Number and amounts of grants awarded.
   b. Identities of the public school units receiving grants.
   c. Identities of public school units that applied for grants but did not
receive one.
   d. The extent to which students participating in after-school robotics
programs funded by the Program experienced measurable
improvement in academic performance, if any.

SECTION #.(b) G.S. 115C-12(23) reads as rewritten:
"(23) Power to Adopt Eligibility Rules for Interscholastic Athletic Competition. –
The State Board of Education shall adopt rules governing interscholastic
athletic activities conducted by local boards of education, including eligibility
for student participation. Those rules shall include competitive robotics as an
interscholastic athletic activity. With regard to middle schools and high
schools, the rules shall provide for the following:
   a. 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
sub-subdivision d. of this subdivision.
   b. If a student participating in an interscholastic athletic activity exhibits
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.
   c. Each school shall 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
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.

The State Board of Education may authorize a designated organization to
apply and enforce the Board’s rules governing participation in interscholastic
athletic activities at the high school level."

SECTION #.(c)  G.S. 115C-379 reads as rewritten:

"§ 115C-379. Method of enforcement.
(a) It shall be the duty of the State Board of Education to formulate the rules that may be
necessary for the proper enforcement of the provisions of this Part. The Board shall prescribe (i)
what shall constitute unlawful absence, (ii) what causes may constitute legitimate excuses for
temporary nonattendance due to a student's physical or mental inability to attend or a student's
participation in a valid educational opportunity such as service as a legislative page or a
Governor's page, and (iii) under what circumstances teachers, principals, or superintendents may
excuse pupils for nonattendance due to immediate demands of the farm or the home in certain
seasons of the year in the several sections of the State.

(b) In addition to any excused absences authorized pursuant to subsection (a) of this
section, the rules shall require school principals to authorize the following excused absences:

(1) Religious observance. – A minimum of two excused absences each academic
year for religious observances required by the faith of a student or the student's
parent or legal guardian.

(2) Military leave. – A minimum of two excused absences each academic year, if
all of the following conditions are met:

a. The student’s parent or legal guardian is an active duty member of the
uniformed services, as defined by Article 29B of this Chapter, the
Interstate Compact on Educational Opportunity for Military Children.

b. The student’s parent or legal guardian has been called to duty for, is on
leave from, or has immediately returned from deployment to a combat
zone or combat support posting.

c. The student is not identified by the local school administrative unit as
at risk of academic failure because of unexcused absences.

(3) Robotics competitions. – Whenever a student is unable to attend class because
of a school-sponsored robotics competition.

The rules may require that the student's parent or legal guardian give the principal written
notice of the request for an excused absence a reasonable time prior to the religious observance
or military leave event. The student shall be given the opportunity to make up any tests or other
work missed due to an excused absence for a religious observance or military leave approved in
accordance with this subsection.

(c) It shall be the duty of all school officials to carry out such instructions from the State
Board of Education, and any school official failing to carry out such instructions shall be guilty
of a Class 3 misdemeanor: Provided, that the compulsory attendance law herein prescribed shall
not be in force in any local school administrative unit that has a higher compulsory attendance
feature than that provided herein."

**SECTION #.(d)** Subsection (a) of this section is effective July 1, 2021. Subsections
(b) and (c) of this section are effective when this act becomes law and apply beginning with the
2021-2022 school year. Except as otherwise provided, this section is effective when it becomes law.
POWERS AND DUTIES OF THE CENTER FOR SAFER SCHOOLS

SECTION #.(a) G.S. 115C-105.57 reads as rewritten:

§ 115C-105.57. Center for Safer Schools.
(a) Center for Safer Schools Established. – There is established the Center for Safer Schools. The Center for Safer Schools shall be administratively located in the Department of Public Instruction. The Center for Safer Schools shall consist of an Executive Director appointed by the Superintendent of Public Instruction and such other professional, administrative, technical, and clerical personnel as may be necessary to assist the Center for Safer Schools in carrying out its powers and duties.

(b) Executive Director. – The Executive Director shall report to and serve at the pleasure of the Superintendent of Public Instruction at a salary established by the Superintendent within the funds appropriated for this purpose.

(c) Powers and Duties. – The Center for Safer Schools shall have the following duties, and all other powers and duties provided in this Article:

1. Serve as a resource and referral center for the State by conducting research, sponsoring workshops, and providing information regarding current school safety concerns.

2. Provide training, resources, and professional development for students, public school personnel, first responders, social services agencies, members of the community, and other interested parties, as needed, on at least the following topics related to school safety:

   a. Responsibilities and best practices of school resource officers.
   b. Youth mental health, including applicable policies and plans adopted by the State Board of Education and public school units in accordance with G.S. 115C-376.5.
   c. Threat assessment.
   d. Active-shooter drills and scenarios.
   e. Incident de-escalation.
   f. Reunification of schools and school districts after an incident.
   g. Information related to at least the following areas:

      1. Bullying.
      2. Suicide.
      3. Opioid and substance abuse.
      5. Trauma and victimization among students.
      6. The impacts of the incidents identified in sub-sub-subdivisions 1. through 5. of this sub-subdivision on school climate and school safety.

3. Maintain and disseminate information to public schools on effective school safety initiatives in North Carolina and across the nation.
(4) Collect, analyze, and disseminate various North Carolina school safety data.
(5) Provide technical and instructional assistance to facilitate the development of partnerships between the public and private sectors to promote school safety in North Carolina.
(6) Recommend a system of accountability to the General Assembly to document school safety exercises, including practice school lockdowns, required by G.S. 115C-105.49.
(7) Develop policies for threat assessment teams for public school units.
(8) Assist law enforcement officers assigned to schools and their agencies in active shooter response drills and other pertinent school safety-related training.
(9) Collaborate with the North Carolina Justice Academy, the North Carolina Criminal Justice Education and Training Standards Commission, and the North Carolina Sheriffs’ Education and Training Standards Commission to establish and maintain updated training curriculum for school resource officers.
(10) Coordinate grants for school resource officers in elementary and middle schools and ensure that training requirements for school resource officers funded by those grants are met.
(11) Provide technical assistance to public school units in the development and implementation of initiatives promoting school safety.

(d) Agency Cooperation. – All State agencies and departments shall cooperate with the Center for Safer Schools in carrying out its powers and duties, as necessary, in accordance with this Article. The Center of Safer Schools shall coordinate, collaborate, and seek information as necessary to carry out its duties and responsibilities from State and local government agencies, who shall provide information upon request to the Center. These agencies include the following:

(1) Department of Public Safety.
(2) Department of Health and Human Services.
(3) Department of Public Instruction.
(4) North Carolina Justice Academy.
(5) Governor’s Crime Commission.
(6) State Bureau of Investigation Fusion Center, Information Sharing, and Analysis Center.
(7) Governing bodies of public school units.
(8) Local law enforcement agencies.

(e) Annual Census of School Resource Officers. – The Center for Safer Schools shall conduct an annual census of school resource officers located in each public school unit. The Center shall submit a report based on this census to the Joint Legislative Education Oversight Committee and the State Board of Education by March 1 of each year. At a minimum, the report shall include all of the following information: As part of the census, each public school unit shall report to the Center by January 15 of each year with the following information regarding school resource officers in the unit:

(1) The total number of school resource officers in the State and in each public school unit.
(2) Data regarding school resources officers' education levels, years as sworn law enforcement officers, and years as school resource officers.
(3) Training required of school resource officers and training actually completed by school resource officers, including training specific to the position of school resource officer and other advanced or additional training.
(4) The funding source for all school resource officers.
(5) The location of school resource officers, differentiated by grade levels and type of public school unit levels.

(6) The percentage of school resource officers assigned to more than one school.

(7) The law enforcement affiliation of school resource officers.

The Center shall compile the information submitted pursuant to this subsection and submit a report detailing this information at the statewide and local levels to the Joint Legislative Education Oversight Committee and the State Board of Education by March 1 of each year.

(f) Task Force Guidance. - The Center of Safer Schools shall receive guidance and advice from the Task Force for Safer Schools."

SECTION #.(b) The Center for Safer Schools shall enter into a memorandum of understanding (MOU) with the Department of Public Safety to provide in appropriate facilities owned by the Department of Public Safety the training, resources, and professional development required pursuant to G.S. 115C-105.57(c)(2), as enacted by this act. No later than October 1, 2021, and each year thereafter in which the MOU is executed, the Center for Safer Schools, in conjunction with the Department of Public Safety, shall report to the Joint Legislative Education Oversight Committee, the Joint Legislative Oversight Committee on Justice and Public Safety, the Senate Appropriations/Base Budget Committee, the House Committee on Appropriations, and the Fiscal Research Division on the memorandum of understanding.

SECTION #.(c) This section is effective when it becomes law.
REVISE OPERATING BALANCE RESTRICTIONS FOR SCHOOL NUTRITION PROGRAMS

SECTION 1. G.S. 115C-450 reads as rewritten:

§ 115C-450. School food services.
(a) School food nutrition services shall be included in the budget of each local school administrative unit—public school unit that provides school nutrition services, and the State Board of Education shall provide for school food nutrition services in the uniform budget format required by G.S. 115C-426.

(b) No local school administrative unit—public school unit that provides school nutrition services shall assess indirect costs to a child-school nutrition program unless the program has a minimum of one month's operating balance. One month's operating balance shall be derived from net cash resources divided by one month's operating costs. "Net cash resources" means all monies, as determined in accordance with the State agency's established accounting system, that are available to or have accrued to a school food authority's nonprofit child nutrition account at any given time, less cash payables and other liabilities. When calculating the average month's operating balance, the Department of Public Instruction shall use the complete and final figures obtained from the annual financial report from each child nutrition program's operation. An average month's operating balance shall be calculated and published by the Department of Public Instruction for each child nutrition program and shall be equal to the average of the three prior fiscal years' monthly operating balances. The Department of Public Instruction shall calculate the operating balance of a school nutrition program of a public school unit that provides school nutrition services. If complete and final financial reports for a given year are not yet available for a child-school nutrition program, the Department of Public Instruction may use projected figures, but shall update the published average month's operating balance once complete and final financial reports become available. As used in this subsection, the term "indirect costs" is as defined in the United States Office of Budget and Management Circular A-87, as revised, and the term "net cash resources" is as defined in 7 C.F.R. § 210.2-2 C.F.R. § 200.414.

(c) No public school unit that provides school nutrition services shall assess an unrestricted indirect cost rate to a school nutrition program that is more than eight percent (8%).
SCHOOL SAFETY/THREAT ASSESSMENT TEAMS

SECTION #.(a)  
G.S. 115C-105.46, 115C-105.47A, and 115C-105.48 are codified into Part 1 of Article 8C of Chapter 115C of the General Statutes, Local Plans for Alternative Schools/Alternative Learning Programs and Maintaining Safe and Orderly Schools. Part 1 shall be entitled "Local Plans for Alternative Schools/Alternative Learning Programs." The remaining sections of Article 8C of Chapter 115C of the General Statutes shall be codified into Part 2, which shall be entitled "Maintaining Safe and Orderly Schools."

SECTION #.(b)  
G.S. 115C-105.49 reads as rewritten:

§ 115C-105.49. School safety exercises.
(a) At least once annually, each local school administrative public school unit shall require each school under its control to hold a full school-wide tabletop exercise and drill based on the procedures documented in its School Risk Management Plan (SRMP). The drill shall include a practice school lockdown due to an intruder on school grounds. Each school is encouraged to hold a tabletop exercise and drill for multiple hazards included in its SRMP. Schools are strongly encouraged to include local law enforcement agencies and emergency management agencies in their tabletop exercises and drills. The purpose of the tabletop exercises and drills shall be to permit participants to (i) discuss simulated emergency situations in a low-stress environment, (ii) clarify their roles and responsibilities and the overall logistics of dealing with an emergency, and (iii) identify areas in which the SRMP needs to be modified.

...  
(d) The Department of Public Safety, Division of Emergency Management, and the Center for Safer Schools shall provide guidance and recommendations to local school administrative public school units on the types of multiple hazards to plan and respond to, including intruders on school grounds."

SECTION #.(c)  
G.S. 115C-105.49A(b) reads as rewritten:

"(b) In constructing the SRRMS, the Division of Emergency Management and the Center for Safer Schools, in collaboration with the Department of Public Instruction, Division of School Operations, shall leverage the existing enterprise risk management database, the School Risk Management Planning tool managed by the Division of Emergency Management. The Division of Emergency Management shall also leverage the local school administrative public school unit and participating nonpublic school schematic diagrams of school facilities. Where technically feasible, the SRRMS shall integrate any anonymous tip lines established pursuant to G.S. 115C-105.51 and any 911-initiated panic alarm systems authorized as part of a SRMP pursuant to G.S. 115C-47(40). The Division of Emergency Management and the Center for Safer Schools shall collaborate with the Department of Public Instruction, Division of School Operations, the Center for Safer Schools, and the North Carolina 911 Board in the design, implementation, and maintenance of the SRRMS."

SECTION #.(d)  
G.S. 115C-105.52 reads as rewritten:

"§ 115C-105.52. School crisis kits.
(a) The Department of Public Instruction, Division of School Operations, and the Center for Safer Schools, in consultation with the Department of Public Safety and the Department of Public Instruction, Division of School Operations, Safety, may develop and adopt policies on the placement of school crisis kits in schools and on the contents of those kits. The kits should include, at a minimum, basic first-aid supplies, communications devices, and other items recommended by the International Association of Chiefs of Police.

(b) The principal of each school, in coordination with the law enforcement agencies that are part of the local board of education's public school unit's School Risk Management Plan, may place one or more crisis kits at appropriate locations in the school.

SECTION 9. G.S. 115C-105.53 reads as rewritten:

§ 115C-105.53. Schematic diagrams and emergency access to school buildings for local law enforcement agencies.

(a) Each local school administrative public school unit shall provide the following to local law enforcement agencies: (i) schematic diagrams, including digital schematic diagrams, and (ii) either keys to the main entrance of all school buildings or emergency access to key storage devices such as KNOX® boxes for all school buildings. Local school administrative Public school units shall provide updates of the schematic diagrams to local law enforcement agencies when substantial modifications such as new facilities or modifications to doors and windows are made to school buildings. Each local school administrative Public school units shall also be responsible for providing local law enforcement agencies with updated access to school buildings when changes are made to the locks and other access control devices of the main entrances or to key storage devices such as KNOX® boxes.

(b) The Department of Public Instruction, in consultation with the Department of Public Safety, shall develop standards and guidelines for the preparation of their schematic diagrams.

SECTION 9. (f) G.S. 115C-105.54(a) reads as rewritten:

"(a) Each local school administrative public school unit shall provide the following to the Division of Emergency Management (Division) at the Department of Public Safety: (i) schematic diagrams, including digital schematic diagrams, and (ii) emergency response information requested by the Division for the School Risk Management Plan (SRMP). Local school administrative Public school units shall also provide updated schematic diagrams and emergency response information to the Division when such updates are made. The Division shall ensure that the diagrams and emergency response information are securely stored and distributed as provided in the SRMP to first responders, emergency personnel, and school personnel and approved by the Department of Public Instruction."
"(h1) School Safety. – Innovative schools shall comply with the requirements for public
school units in Part 2 of Article 8C of Chapter 115C of the General Statutes."

SECTION #.(n) Article 9C of Chapter 115C of the General Statutes is amended by
adding a new section to read:

"§ 115C-150.16. School safety.

A school governed by this Article shall comply with the requirements for public school units
in Part 2 of Article 8C of this Chapter."

SECTION #.(o) G.S. 115C-551 reads as rewritten:

"§ 115C-551. Voluntary participation in the State programs.

(a) Any such-private church school or school of religious charter may, on a voluntary
basis, participate in any State operated or sponsored program which would otherwise be available
to such school, including but not limited to the high school competency testing and statewide
testing programs.

(b) All private church schools and all schools of religious charter are encouraged to do
the following:

1. School Risk Management Plan. – In coordination with local law enforcement
agencies, adopt a School Risk Management Plan (SRMP) relating to incidents
of school violence. In constructing and maintaining these plans, the school
may utilize the School Risk and Response Management System (SRRMS)
established pursuant to G.S. 115C-105.49A. These plans are not considered a
public record as the term "public record" is defined under G.S. 132-1 and shall
not be subject to inspection and examination under G.S. 132-6.

2. Schematic diagrams and school crisis kits. – Provide schematic diagrams and
keys to the main entrance of school facilities to local law enforcement
agencies, in addition to implementing the provisions in G.S. 115C-105.52.

3. School safety exercises. – At least once a year, hold a full school-wide
lockdown exercise with local law enforcement and emergency management
agencies that are part of the private school's SRMP.

4. Safety information provided to the Department of Public Safety, Division of
Emergency Management. – Provide the following: (i) schematic diagrams,
including digital schematic diagrams, and (ii) emergency response
information requested by the Division for the SRMP. The schematic diagrams
and emergency response information are not considered public records as the
term "public record" is defined under G.S. 132-1 and shall not be subject to
inspection and examination under G.S. 132-6."

SECTION #.(p) G.S. 115C-559 reads as rewritten:

"§ 115C-559. Voluntary participation in the State programs.

(a) Any such-qualified nonpublic school may, on a voluntary basis, participate in any
State operated or sponsored program which would otherwise be available to such school,
including but not limited to the high school competency testing and statewide testing programs.

(b) All qualified nonpublic schools are encouraged to do the following:

1. School Risk Management Plan. – In coordination with local law enforcement
agencies, adopt a School Risk Management Plan (SRMP) relating to incidents
of school violence. In constructing and maintaining these plans, the school
may utilize the School Risk and Response Management System (SRRMS)
established pursuant to G.S. 115C-105.49A. These plans are not considered a
public record as the term "public record" is defined under G.S. 132-1 and shall
not be subject to inspection and examination under G.S. 132-6.

2. Schematic diagrams and school crisis kits. – Provide schematic diagrams and
keys to the main entrance of school facilities to local law enforcement
agencies, in addition to implementing the provisions in G.S. 115C-105.52.
School safety exercises. – At least once a year, hold a full school-wide lockdown exercise with local law enforcement and emergency management agencies that are part of the private school's SRMP.

Safety information provided to the Department of Public Safety, Division of Emergency Management. – Provide the following: (i) schematic diagrams, including digital schematic diagrams, and (ii) emergency response information requested by the Division for the SRMP. The schematic diagrams and emergency response information are not considered public records as the term "public record" is defined under G.S. 132-1 and shall not be subject to inspection and examination under G.S. 132-6."

SECTION #.(q) Article 8C of Chapter 115C of the General Statutes is amended by adding a new section to read:

"§ 115C-105.65. Threat assessment teams.

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

(1) Superintendent. – The superintendent or, if there is no superintendent, the staff member with the highest decision-making authority.

(2) Threat assessment. – A fact-based process of identifying, assessing, and managing individuals who may pose a risk of violence or other harm to self or others.

(3) Threat assessment team. – A multidisciplinary team that includes, but is not limited to, persons with expertise in counseling, instruction, school administration, and law enforcement that conducts threat assessments in a public school unit when threatening behavior has been communicated and when a student has engaged in threatening behavior that warrants further evaluation. When practicable, at least one member of a threat assessment team shall be a school psychologist or, if a school psychologist is not available, a psychologist or psychiatrist. Members of a threat assessment team who are not employees of the public school unit may review student records as provided in 34 C.F.R. § 99.31(a)(1)(i)(B) pursuant to a written agreement with the public school unit of the requirements and responsibilities for use of student records under the federal Family Educational Rights and Privacy Act.

(4) Threatening behavior. – Any communication or action that indicates that an individual may pose a danger to the safety or well-being of school staff or students through acts of violence or other behaviors that would cause harm to self or others. These behaviors may be expressed or communicated orally, visually, in writing, electronically, or through any other means and may be considered threatening regardless of whether a direct verbal threat is expressed.

(b) The Center for Safer Schools shall develop policies for threat assessment teams for public school units in consultation with the Task Force for Safer Schools, Disability Rights North Carolina, the North Carolina School Psychology Association, the State Bureau of Investigation, and relevant State government agencies. These policies shall not reference or reveal any information that has been excluded as a public record under G.S. 115C-47(40), Part 2 of Article 8C of this Chapter, or any other relevant statute. These policies shall include at a minimum procedures for all of the following:

(1) Assessment of and intervention with a student whose behavior poses a risk to the safety of school staff, school students, or self.

(2) Involvement of the student's parent or legal guardian throughout the threat assessment process.

(3) Referral to LME/MCOs, as provided in G.S. 122C-115.4(b)(9), for evaluation or treatment, when appropriate.

(c) The governing body of the public school unit shall adopt at a minimum the policies developed by the Center for Safer Schools, in accordance with subsection (b) of this section, for the establishment of threat assessment teams, including the conduct of threat assessments and intervention with individuals whose behavior may pose a risk to the safety of school staff or students. These policies shall not reference or reveal any information that has been excluded as a public record under G.S. 115C-47(40), Part 2 of Article 8C of this Chapter, or any other relevant statute.

(d) The superintendent or designee may establish a committee charged with coordination and monitoring of the threat assessment teams operating within the unit, which may be an existing committee established by the unit. If a committee is established, the committee shall include individuals with expertise in human resources, education, school administration, mental health, and law enforcement.

(e) Each school in the public school unit shall have a multidisciplinary threat assessment team established by the superintendent. In the discretion of the superintendent, an established threat assessment team may serve more than one school in the unit. Each team shall do the following:

1. Provide guidance to students, faculty, and staff regarding recognition and reporting of threatening behavior that may indicate a risk of harm to the community, school, or self.

2. When threatening behaviors are identified, conduct threat assessments to determine appropriate actions and intervention based on the level of risk determined by the assessment. A threat assessment team shall determine the level of risk posed by an individual or situation as follows:
   a. Low risk. – The individual or situation does not appear to pose a risk of violence or serious harm to self or others and any exhibited issues or concerns can be resolved easily.
   b. Moderate risk. – The individual or situation does not appear to pose a risk of violence or serious harm to self or others, at this time, but exhibits behaviors that indicate a need for intervention, which may include increased academic or behavioral supports, services intended to address the impact of stressors, mental health or drug abuse treatment, and mediation for student conflicts or bullying.
   c. High risk. – The individual or situation appears to pose a risk of violence or serious harm to self or others, exhibiting behaviors that indicate both a continuing intent to harm and efforts to acquire the capacity to carry out the plan, and may also exhibit other concerning behavior that requires intervention.
   d. Imminent risk. – The individual or situation appears to pose a clear and immediate risk of serious violence toward others that requires containment and action to protect identified or identifiable target or targets and may also exhibit other concerning behavior that requires intervention.

3. Identify members of the school community to whom threatening behavior should be reported.

4. Implement policies adopted by the governing body of the public school unit pursuant to subsection (c) of this section.
(5) Utilize anonymous reporting applications for students to share information about school safety concerns requiring investigation.

(f) Upon a determination that an individual poses a high risk or imminent risk of violence or physical harm to self or others, a threat assessment team shall immediately report its determination to the superintendent or the superintendent's designee, who shall respond as follows:

(1) The superintendent or designee shall immediately attempt to notify the student's parent or legal guardian. The superintendent may delegate the responsibility for notification to the principal of the school and may require notice be made to the principal directly.

(2) In the case of threatening behavior that is an imminent risk and determined to be an emergency by the superintendent or designee under the standards established by the Family Educational Rights and Privacy Act in 20 U.S.C. § 1232g(b)(1)(I), the superintendent or designee shall provide notice to individuals who are the subject of threatening behavior and, if a student is the subject of threatening behavior, the superintendent or designee shall provide notice to the student's parent or legal guardian. All notices shall be in accordance with the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g. The superintendent may delegate the responsibility for notification to the principal of the school and may require notice be made to the principal directly.

(3) In the case of threatening behavior that is an imminent risk, the superintendent or designee shall immediately notify the appropriate local law enforcement agency. In the case of threatening behavior that is a high risk, the superintendent or designee shall notify the appropriate local law enforcement agency when recommended by the threat assessment team.

(4) When the threat assessment team makes a recommendation that the student be referred for mental health services, the superintendent or designee shall notify the student's parent or legal guardian of all of the following information:

a. That the threat assessment team has recommended that the student be referred for mental health services.

b. That if the student is covered by private insurance or a Medicaid prepaid health plan, then the parent or guardian is encouraged to contact the student's primary care provider or insurance company.

c. That if the student is uninsured or is covered by Medicaid and not enrolled in a prepaid health plan, then the parent or guardian is encouraged to contact the local management entity/managed care organization that serves the catchment area where the student resides.

d. That with the parent or legal guardian's consent, if the student is uninsured or is covered by Medicaid and not enrolled in a prepaid health plan, then the superintendent or designee shall make a referral that includes the parent or guardian's contact information to the local management entity/managed care organization that serves the catchment area where the student resides.

(5) The superintendent or designee shall comply with the requirements of Article 27 of this Chapter for any student discipline actions.

Nothing in this subsection shall preclude public school personnel from acting immediately to address threatening behavior that is an imminent risk.

(g) Each threat assessment team established pursuant to this section shall report quantitative data on its activities to the Center for Safer Schools according to guidance developed by the Center. Such data shall include, at a minimum, the following:
(h) Upon a determination by the threat assessment team that an individual exhibited threatening behavior that poses a high risk or an imminent risk, a threat assessment team may obtain the following:

(1) Health records. – Notwithstanding G.S. 8-53 or any other provision of law, a health care provider may disclose protected health information related to threatening behavior that poses a high risk or an imminent risk to the health or safety of school staff or students to a member of a threat assessment team who is a school nurse, school psychologist, or other licensed health or licensed mental health professional. The member of the threat assessment team who receives the health records shall provide an explanation of the health records when sharing those records with the remainder of the threat assessment team.

(2) Criminal records. – A threat assessment team may obtain criminal history as provided in G.S. 143B-931.1. For a threat assessment of a student with juvenile records, the threat assessment team shall have access to written notifications received pursuant to G.S. 7B-3101 and information gained from examination of juvenile records in accordance with G.S. 7B-3100, held pursuant to G.S. 115C-404. Records held pursuant to G.S. 115C-404 shall be returned to the principal following review by the threat assessment team.

Any information shared among members of the threat assessment team pursuant to this subsection shall remain confidential, shall not be a public record subject to Chapter 132 of the General Statutes, and shall only be released in connection with an emergency under the standards established by the Family Educational Rights and Privacy Act in 20 U.S.C. § 1232g(b)(1)(I).

(i) No governing body of a public school unit, nor its members, employees, designees, agents, or volunteers, shall be liable in civil damages to any party for any loss or damage caused by any act or omission relating to the participation in or implementation of any component of the threat assessment team policies required by this section, unless that act or omission amounts to gross negligence, wanton conduct, or intentional wrongdoing. Nothing in this section shall be construed to impose any specific duty of care or standard of care."

SECTION #.(r) Article 13 of Chapter 143B of the General Statutes is amended by adding a new section to read:

"§ 143B-931.1. Criminal records checks for threat assessment teams.

The Department of Public Safety may provide a criminal record check to the members of a threat assessment team established by the governing body of a public school unit, as defined in G.S. 115C-5(7a), pursuant to G.S. 115C-105.65 for the purpose of administering criminal justice in assessing or intervening when a determination has been made that an individual exhibits threatening behavior that poses an imminent risk to school safety. No member of a threat assessment team shall redisclose any criminal history record information obtained pursuant to this section or otherwise use any record of an individual beyond the purpose that such disclosure was made to the threat assessment team."

SECTION #.(s) G.S. 115C-47 is amended by adding a new subdivision to read:

"(65) Peer-to-peer student support programs. – Local boards of education shall require peer-to-peer student support programs be established at all schools.
with grades six and higher and are encouraged to implement peer-to-peer
student support programs as appropriate in other grades."

SECTION #.(t) G.S. 115C-316.1 is amended by adding a new subsection to read:
"(c) School counselors, as part of the direct services provided in subsection (a) of this
section, shall coordinate and provide training for students in peer-to-peer student support
programs that address areas such as conflict resolution, general health and wellness, and
mentoring. The Center for Safer Schools will support school counselors in the administration and
delivery of peer-to-peer student support programs."

SECTION #.(u) G.S. 122C-115.4(b) is amended by adding a new subdivision to
read:
"(9) Each LME/MCO shall receive referrals from school superintendents or
designees in accordance with G.S. 115C-105.65(f)(4)d. related to students
who are uninsured or are covered by Medicaid and not enrolled in a prepaid
health plan residing in the LME/MCO's catchment area. Within 10 calendar
days after receipt of a referral, the LME/MCO shall contact the student's
parent or legal guardian using the information provided on the referral and
shall provide assistance with identifying appropriate existing mental health
resources available to the student. The assistance shall include identifying
sources of funding to assist with the cost of mental health services as well as
providing referrals to appropriate mental health service providers and mental
health services."

SECTION #.(v) This section is effective when it becomes law. All local boards of
education are encouraged to have peer-to-peer student support programs by the 2021-2022 school
year. Policies for threat assessment teams required by G.S. 115C-105.65(b), as enacted by this
section, shall be developed by the Center for Safer Schools no later than March 31, 2022. All
public school units shall establish policies and threat assessment teams as required by
G.S. 115C-105.65(c), as enacted by this section, no later than August 1, 2022. Subsections (s)
and (t) of this section apply beginning with the 2022-2023 school year. The remainder of this act
applies beginning with the 2021-2022 school year.
REVISE FAST-TRACK REPLICATION OF HIGH-QUALITY CHARTER SCHOOLS

SECTION #.(a) G.S. 115C-218.3 reads as rewritten:

"§ 115C-218.3. Fast-track replication of high-quality charter schools.

Upon recommendations by the Office of Charter Schools and the Charter Schools Advisory Board, the State Board of Education shall adopt a process and rules for fast-track replication of high-quality charter schools currently operating in the State. The State Board of Education shall not require a planning year for applicants selected through the fast-track replication process. In addition to the requirements for charter applicants set forth in this Article, the fast-track replication process adopted by the State Board of Education shall, at a minimum, require a board of directors of a charter school to demonstrate one of the following in order to qualify for fast-track replication:

(1) The board of directors operates charter schools and can demonstrate both of the following:
   a. The majority of charter schools in this State governed by the board of directors has student academic outcomes from the three prior school years that are comparable to or greater than the academic outcomes of students in the local school administrative unit in which each charter school is located.
   b. The board of directors can provide three years of financially sound audits for each school it governs.

(2) The board of directors agrees to contract with an education management organization or charter management organization that can demonstrate that it can replicate high-quality both of the following:
   a. The majority of the charter schools in this State that have proven managed by the organization has student academic success and financial soundness outcomes from the three prior school years that are equal to or greater than the student academic outcomes in the local school administrative unit in which each charter school is located.
   b. The organization can provide three years of financially sound audits for each school it governs.

The State Board of Education shall ensure that the rules for a fast-track replication process provide that decisions by the State Board of Education on whether to grant a charter through the replication process are completed in less than 120 days from the application submission date. The State Board shall provide a decision no later than October 15 of the year immediately preceding the year of the proposed school opening."

SECTION #.(b) This section is effective when this act becomes law and applies to applications for fast-track replication of charter schools submitted on or after that date.
STANDARDS OF STUDENT CONDUCT

SECTION #.(a) G.S. 115C-390.1 reads as rewritten:

"§ 115C-390.1. State policy and definitions.

…

(b) The following definitions apply in this Article:

(1) Alternative education services. – Part or full-time programs, wherever situated, providing direct or computer-based instruction that allow a student to progress in one or more core academic courses. Alternative education services include programs established by the local board of education in conformity with G.S. 115C-105.47A and local board of education policies, policies of the governing body of a public school unit.

…

(4) Educational property. – Any school building or bus, school campus, grounds, recreational area, athletic field, or other property under the control of any local board of education or charter school public school unit.

…

(9) Principal. – Includes the principal and the principal’s designee, or if there is no designated principal, the staff member designated by the governing body of the public school unit with the highest decision-making authority at an individual school.

…

(11) School personnel. – Any of the following:

a. An employee of a local board of education governing body of a public school unit.

b. Any person working on school grounds or at a school function under a contract or written agreement with the public school system unit to provide educational or related services to students.

c. Any person working on school grounds or at a school function for another agency providing educational or related services to students.

…

(14) Superintendent. – Includes the superintendent and the superintendent’s designee, or if there is no superintendent, the staff member with the highest decision-making authority and that staff member’s designee.

…"

SECTION #.(b) G.S. 115C-390.2, as amended by Section #(q) of this act, reads as rewritten:

"§ 115C-390.2. Discipline policies.

(a) Local boards of education. Governing bodies of public school units, in consultation with teachers, school-based administrators, parents, and local law enforcement agencies, shall adopt policies to govern the conduct of students and establish procedures to be followed by
school officials in disciplining students. These policies must be consistent with the provisions of this Article and the constitutions, statutes, and regulations of the United States and the State of North Carolina. In adopting these policies, governing bodies of public school units shall consider any existing federal guidance for the discipline of students with disabilities as well as other guidance on school discipline practices issued by the United States Department of Education.

(b) Board Governing body policies shall include or provide for the development of a Code of Student Conduct that notifies students of the standards of behavior expected of them, conduct that may subject them to discipline, and the range of disciplinary measures that may be used by school officials.

(b1) No later than September 1 of each year, each governing body of a public school unit shall provide the Department of Public Instruction with a copy of its most up-to-date student discipline policies and Code of Student Conduct.

(c) Board Governing body policies may authorize suspension for conduct not occurring on educational property, but only if the student’s conduct otherwise violates the Code of Student Conduct and the conduct has or is reasonably expected to have a direct and immediate impact on the orderly and efficient operation of the schools or the safety of individuals in the school environment.

(d) Board Governing body policies shall not allow students to be long-term suspended or expelled from school solely for truancy or tardiness offenses and shall not allow short-term suspension of more than two days for such offenses.

(e) Board Governing body policies shall not impose mandatory long-term suspensions or expulsions for specific violations unless otherwise provided in State or federal law.

(f) Board Governing body policies shall minimize the use of long-term suspension and expulsion by restricting the availability of long-term suspension or expulsion to those violations deemed to be serious violations of the board’s governing body’s Code of Student Conduct that either threaten the safety of students, staff, or school visitors or threaten to substantially disrupt the educational environment. Examples of conduct that would not be deemed to be a serious violation include the use of inappropriate or disrespectful language, noncompliance with a staff directive, dress code violations, and minor physical altercations that do not involve weapons or injury. The principal may, however, in his or her discretion, determine that aggravating circumstances justify treating a minor violation as a serious violation.

(g) Board Governing body policies shall not prohibit the superintendent and principals from considering the student’s intent, disciplinary and academic history, the potential benefits to the student of alternatives to suspension, and other mitigating or aggravating factors when deciding whether to recommend or impose long-term suspension.

(h) Board Governing body policies shall include the procedures to be followed by school officials in suspending, expelling, or administering corporal punishment to any student, which shall be consistent with this Article.

(i) Each local board governing body of a public school unit shall publish all policies, administrative procedures, or school rules mandated by this section and make them available to each student and his or her parent at the beginning of each school year and upon request. This information shall include the full range of responses to violations of disciplinary rules, including responses that do not remove a student from the classroom or school building. Governing bodies may require students and parents or guardians to sign an acknowledgement that they have received a copy of such policies, procedures, or rules.

(j) Local boards of education Governing bodies of public school units are encouraged to include in their safe schools plans, adopted pursuant to G.S. 115C-105.47, research-based behavior management programs that take positive approaches to improving student behaviors.

(k) School officials are encouraged to use a full range of responses to violations of disciplinary rules, such as conferences, counseling, peer mediation, behavior contracts, instruction in conflict resolution and anger management, detention, academic interventions,
community service, and other similar tools that do not remove a student from the classroom or school building.

(l) Board Governing body policies shall state that absences under G.S. 130A-440 shall not be suspensions. A student subject to an absence under G.S. 130A-440 shall be provided the following:

(1) The opportunity to take instructional materials and school-furnished digital devices home for the duration of the absence.

(2) Upon request, the right to receive all missed assignments and, to the extent practicable, the materials distributed to students in connection with the assignment.

(3) The opportunity to take any quarterly, semester, or grading period examinations missed during the absence period.

(m) Nothing in this section or any section of this Chapter shall be construed as regulating the discretion of a governing body of a public school unit to devise, impose, and enforce personal appearance codes."

SECTION #.(c) G.S. 115C-390.3 reads as rewritten:

"§ 115C-390.3. Reasonable force.

…

(c) Notwithstanding any other law, no officer, member, or employee of the State Board of Education, the Superintendent of Public Instruction, or of a local board of education governing body of a public school unit, individually or collectively, shall be civilly liable for using reasonable force in conformity with State law, State or local rules, or State or local policies regarding the control, discipline, suspension, and expulsion of students. Furthermore, the burden of proof is on the claimant to show that the amount of force used was not reasonable.

(d) No school employee shall be reprimanded or dismissed for acting or failing to act to stop or intervene in an altercation between students if the employee's actions are consistent with local board governing body policies. Local boards of education Governing bodies of public school units shall adopt policies, pursuant to their authority under G.S. 115C-47(18), or as otherwise provided by law, which provide guidelines for an employee's response if the employee has personal knowledge or actual notice of an altercation between students."

SECTION #.(d) G.S. 115C-390.4 reads as rewritten:

"§ 115C-390.4. Corporal punishment.

(a) Each local board of education governing body of a public school unit shall determine whether corporal punishment will be permitted in its public school administrative unit. Notwithstanding a local board of education's governing body's prohibition on the use of corporal punishment, school personnel may use physical restraint in accordance with federal law and G.S. 115C-391.1 and reasonable force pursuant to G.S. 115C-390.3.

…

(c) Each local board of education governing body of a public school unit shall report annually to the State Board of Education, in a manner prescribed by the State Board of Education, on the number of times that corporal punishment was administered. The report shall be in compliance with the federal Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g, and shall include the following:

…"

SECTION #.(e) G.S. 115C-390.6 reads as rewritten:

"§ 115C-390.6. Short-term suspension procedures.

…

(e) A student is not entitled to appeal the principal's decision to impose a short-term suspension to the superintendent or local board of education governing body of the public school unit. Further, such a decision is not subject to judicial review. Notwithstanding this subsection, the local board of education governing body, in its discretion, may provide students an
opportunity for a review or appeal of a short-term suspension to the superintendent or local board of education governing body.

SECTION #.(f) G.S. 115C-390.8 reads as rewritten:


(a) When a student is recommended by the principal for long-term suspension, the principal shall give written notice to the student's parent. The notice shall be provided to the student's parent by the end of the workday during which the suspension was recommended when reasonably possible or as soon thereafter as practicable. The written notice shall provide at least the following information:

…

(6) The extent to which the local board governing body policy permits the parent to have an advocate, instead of an attorney, accompany the student to assist in the presentation of his or her appeal.

…

(8) A reference to the local board governing body policy on the expungement of discipline records as required by G.S. 115C-402.

(b) Written notice may be provided by certified mail, fax, e-mail, or any other written method reasonably designed to achieve actual notice of the recommendation for long-term suspension. When school personnel are aware that English is not the primary language of the parent or guardian, the notice shall be written in both English and in the primary language of the parent or guardian when the appropriate foreign language resources are readily available. All notices described in this section shall be written in plain English, and shall include the following information translated into the dominant non-English language used by residents within the local school administrative unit/public school unit:

…

(d) The formal hearing may be conducted by the local board of education governing body of the public school unit, by the superintendent, or by a person or group of persons appointed by the local board governing body or superintendent to serve as a hearing officer or hearing panel. Neither the board governing body nor the superintendent shall appoint any individual to serve as a hearing officer or on a hearing panel who is under the direct supervision of the principal recommending suspension. If the hearing is conducted by an appointed hearing officer or hearing panel, such officer or panel shall determine the relevant facts and credibility of witnesses based on the evidence presented at the hearing. Following the hearing, the superintendent or local board governing body shall make a final decision regarding the suspension. The superintendent or board governing body shall adopt the hearing officer's or panel's factual determinations unless they are not supported by substantial evidence in the record.

(e) Long-term suspension hearings shall be conducted in accordance with policies adopted by the board of education governing body of the public school unit. Such policies shall offer the student procedural due process including, but not limited to, the following:

…

(g) Unless the decision was made by the local board governing body, the student may appeal the decision to the local board of education in accordance with G.S. 115C-45(c) and policies adopted by the board governing body of the public school unit. Notwithstanding the provisions of G.S. 115C-45(c), a student's appeal to the board governing body of a decision upholding a long-term suspension shall be heard and a final written decision issued in not more than 30 calendar days following the request for such appeal.

…

(i) A decision of the local board governing body of the public school unit to uphold the long-term suspension of a student is subject to judicial review in accordance with Article 4 of Chapter 150B of the General Statutes. The action must be brought within 30 days of the local board's governing body's decision. A person seeking judicial review shall file a petition in the
superior court of the county where the local board governing body made its decision. Local rules notwithstanding, petitions for judicial review of a long-term suspension shall be set for hearing in the first succeeding term of superior court in the county following the filing of the certified copy of the official record."

SECTION #.(g) G.S. 115C-390.9 reads as rewritten:

"§ 115C-390.9. Alternative education services.

(a) Students who are long-term suspended shall be offered alternative education services unless the superintendent provides a significant or important reason for declining to offer such services. The following may be significant or important reasons, depending on the circumstances and the nature and setting of the alternative education services:

(5) Educationally appropriate alternative education services are not available in the local school administrative public school unit due to limited resources.

(b) If the superintendent declines to provide alternative education services to the suspended student, the student may seek review of such decision by the local board of education governing body of the public school unit as permitted by G.S. 115C-45(c)(2). If the student seeks such review, the superintendent shall provide to the student and the local board, governing body, in advance of the board's governing body's review, a written explanation for the denial of services together with any documents or other information supporting the decision."

SECTION #.(h) G.S. 115C-390.10 reads as rewritten:

"§ 115C-390.10. 365-day suspension for gun possession.

(a) All local boards of education governing bodies of public school units shall develop and implement written policies and procedures, as required by the federal Gun Free Schools Act, 20 U.SC. § 7151, requiring suspension for 365 calendar days of any student who is determined to have brought or been in possession of a firearm or destructive device on educational property, or to a school-sponsored event off of educational property. A principal shall recommend to the superintendent the 365-day suspension of any student believed to have violated board governing body policies regarding weapons. The superintendent has the authority to suspend for 365 days a student who has been recommended for such suspension by the principal when such recommendation is consistent with board governing body policies. Notwithstanding the foregoing, the superintendent may modify, in writing, the required 365-day suspension for an individual student on a case-by-case basis. The superintendent shall not impose a 365-day suspension if the superintendent determines that the student took or received the firearm or destructive device from another person at school or found the firearm or destructive device at school, provided that the student delivered or reported the firearm or destructive device as soon as practicable to a law enforcement officer or a school employee and had no intent to use such firearm or destructive device in a harmful or threatening way.

(c) Nothing in this provision shall apply to a firearm that was brought onto educational property for activities approved and authorized by the local board of education governing body of the public school unit provided that the local board of education governing body has adopted appropriate safeguards to protect student safety.

(d) At the time the student and parent receive notice that the student is suspended for 365 days under this section, the superintendent shall provide notice to the student and the student's parent of the right to petition the local board of education governing body of the public school unit for readmission pursuant to G.S. 115C-390.12.

...."
(a) Upon recommendation of the superintendent, a local board of education governing body of a public school unit may expel any student 14 years of age or older whose continued presence in school constitutes a clear threat to the safety of other students or school staff. Prior to the expulsion of any student, the local board governing body shall conduct a hearing to determine whether the student's continued presence in school constitutes a clear threat to the safety of other students or school staff. The student shall be given reasonable notice of the recommendation in accordance with G.S. 115C-390.8(a) and (b), as well as reasonable notice of the time and place of the scheduled hearing.

(1) The procedures described in G.S. 115C-390.8(e)(1)-(8) apply to students facing expulsion pursuant to this section, except that the decision to expel a student by the local board of education governing body of the public school unit shall be based on clear and convincing evidence that the student's continued presence in school constitutes a clear threat to the safety of other students and school staff.

(2) A local board of education governing body of a public school unit may expel any student subject to G.S. 14-208.18 in accordance with the procedures of this section. Prior to ordering the expulsion of a student, the local board of education governing body shall consider whether there are alternative education services that may be offered to the student. As provided by G.S. 14-208.18(f), if the local board of education governing body determines that the student shall be provided educational services on school property, the student shall be under the supervision of school personnel at all times.

(b) During the expulsion, the student is not entitled to be present on any property of the local school administrative public school unit and is not considered a student of the local board governing body of the public school unit. Nothing in this section shall prevent a local board of education governing body from offering access to some type of alternative educational services that can be provided to the student in a manner that does not create safety risks to other students and school staff."

SECTION #.(j) G.S. 115C-390.12 reads as rewritten:


(a) All students suspended for 365 days or expelled may, after 180 calendar days from the date of the beginning of the student's suspension or expulsion, request in writing readmission to the local school administrative public school unit. The local board of education governing body of the public school unit shall develop and publish written policies and procedures for the readmission of all students who have been expelled or suspended for 365 days, which shall provide, at a minimum, the following process:

(1) The process for 365-day suspended students.

a. At the local board's governing body's discretion, either the superintendent or the local board governing body itself shall consider and decide on petitions for readmission. If the decision maker is the superintendent, the superintendent shall offer the student an opportunity for an in-person meeting. If the decision maker is the local board of education governing body of the public school unit, the board governing body may offer the student an in-person meeting or may make a determination based on the records submitted by the student and the superintendent.

…

c. A superintendent's decision not to readmit the student may be appealed to the local board of education governing body of the public school
unit pursuant to G.S. 115C-45(c). The superintendent shall notify the
parents of the right to appeal.

(2) The process for expelled students.
   a. The board of education governing body of the public school unit shall
      consider all petitions for readmission of expelled students, together
      with the recommendation of the superintendent on the matter, and shall
      rule on the request for readmission. The board governing body shall
      consider the petition based on the records submitted by the student and
      the response by the administration and shall allow the parties to be
      heard in the same manner as provided by G.S. 115C-45(c).

   c. A decision by a board of education governing body of a public school
      unit to deny readmission of an expelled student is not subject to
      judicial review.

   d. An expelled student may subsequently request readmission not more
      often than every six months. The local board of education governing
      body of the public school unit is not required to consider subsequent
      readmission petitions filed sooner than six months after the previous
      petition was filed.

   b. If a student is readmitted under this section, the board governing body and the
      superintendent have the right to assign the student to any program within the school system public
      school unit and to place reasonable conditions on the readmission.

"§ 115C-391.1. Permissible use of seclusion and restraint.

   (b) The following definitions apply in this section:

   (9) "School personnel" means:
       a. Employees of a local board of education governing body of a public
          school unit.
       b. Any person working on school grounds or at a school function under
          a contract or written agreement with the public school system unit to
          provide educational or related services to students.
       c. Any person working on school grounds or at a school function for
          another agency providing educational or related services to students.

   (j) Notice, Reporting, and Documentation.
       (1) Notice of procedures. – Each local board of education governing body of a
           public school unit shall provide copies of this section and all local board
           governing body policies developed to implement this section to school
           personnel and parents or guardians at the beginning of each school year.

   (5) No local board of education governing body of a public school unit or
        employee of a local board of education governing body shall discharge,
        threaten, or otherwise retaliate against another employee of the board
        governing body regarding that employee's compensation, terms, conditions,
        location, or privileges of employment because the employee makes a report
        alleging a prohibited use of physical restraint, mechanical restraint, aversive
procedure, or seclusion, unless the employee knew or should have known that
the report was false.

(k) Nothing in this section shall be construed to create a private cause of action against
any local board of education, governing body of a public school unit, its agents or employees, or
any institutions of teacher education educator preparation programs or their agents or employees
or to create a criminal offense."

SECTION #.(l) G.S. 14-208.18(f) reads as rewritten:

"(f) A person subject to subsection (a) of this section who is eligible under G.S. 115C-378
to attend public school may be present on school property if permitted by the local board of
education-governing body of the public school unit pursuant to G.S. 115C-390.11(a)(2)."

SECTION #.(m) This section is effective when it becomes law. Subsections (a)
through (k) of this section apply beginning with the 2022-2023 school year. G.S. 115C-390.2(a),
as amended by this act, shall apply to material changes to policies existing on July 1, 2022, or
new policies adopted on or after July 1, 2022.
REQUESTED BY

FLEXIBILITY FOR SCHOOL EMPLOYEES TO RECEIVE ANNUAL SALARY IN 12 MONTHLY INSTALLMENTS

SECTION #.(a) G.S. 115C-302.1(b) reads as rewritten:
"(b) Salary Payments. – State-allotted teachers shall be paid for a term of 10 months. Except for career and technical education agriculture teacher personnel positions as provided for in this subsection, State-allotted months of employment for career and technical education to local boards shall be used for the employment of teachers of career and technical education to a term of employment to be determined by the local boards of education. Beginning with the 2018-2019 school year, career and technical education agriculture teacher personnel positions serving students in grades nine through 12 shall be for a term of employment for 12 calendar months. A local board of education may fund these positions using any combination of State funds, local funds, or any other funds available to the local board.

Any individual teacher who is not employed in a year-round school may be paid in 12 monthly installments if the teacher so requests on or before the first day of the school year. The request shall be filed in the local school administrative unit which employs the teacher. Local school administrative units shall fulfill this requirement through a payroll deduction plan. The payment of the annual salary in 12 installments instead of 10 shall not increase or decrease the teacher's annual salary nor in any other way alter the contract made between the teacher and the local school administrative unit. Teachers employed for a period of less than 10 months shall not receive their salaries in 12 installments.

Notwithstanding this subsection, the term "daily rate of pay" for the purpose of G.S. 115C-12(8) or for any other law or policy governing pay or benefits based on the teacher salary schedule shall not exceed one twenty-second of a teacher's monthly rate of pay."

SECTION #.(b) G.S. 115C-316(a)(2) reads as rewritten:
"(2) School Employees Paid on an Hourly or Other Basis. – Salary payments to employees other than those covered in G.S. 115C-272(b)(1), 115C-285(a)(1) and (2), 115C-302.1(b) and 115C-316(a)(1) shall be made at a time determined by each local board of education. Expenditures for the salary of these employees from State funds shall be within allocations made by the State Board of Education and in accordance with rules and regulations approved by the State Board of Education concerning allocations of State funds. Provided, that school employees employed for a term of 10 calendar months or 11 calendar months in year-round schools shall be paid in 12 equal installments. Provided further, that any installments. Any individual school employee employed for a term of 10 calendar months or 11 calendar months who is not employed in a year-round school may be paid in 12 monthly installments if the employee so requests on or before the first day of the school year. Such request shall be filed in the administrative unit which employs the employee. Local school administrative units shall fulfill this requirement
through a payroll deduction plan. The payment of the annual salary in 12 installments instead of 10 or 11 shall not increase or decrease said annual salary nor in any other way alter the contract between the employee and the said administrative unit. Employees may be prepaid on the set pay date for days not yet worked. An employee who fails to attend scheduled workdays or who has not worked the number of days for which the employee has been paid and who resigns or is dismissed shall repay to the local board any salary payments received for days not yet worked. An employee who has been prepaid and who continues to be employed by a local board but fails to attend scheduled workdays may be subject to dismissal or other appropriate discipline. The daily rate of pay shall equal the number of weekdays in the pay period. Included within the term of employment shall be provided for full-time employees annual vacation leave at the same rate provided for State employees, computed at one-twelfth (1/12) of the annual rate for State employees for each calendar month of employment, to be taken under policies determined by each local board of education. On a day that employees are required to report for a workday but pupils are not required to attend school due to inclement weather, an employee may elect not to report due to hazardous travel conditions and to take one of his annual vacation days or to make up the day at a time agreed upon by the employee and his immediate supervisor or principal. On a day that school is closed to employees and pupils due to inclement weather, the employee shall work on the scheduled makeup day. Included within their term of employment, each local board of education shall designate the same or an equivalent number of legal holidays occurring within the period of employment as those designated by the State Human Resources Commission for State employees."

SECTION #.(c) This section is effective when it becomes law.
BONUSES FOR TEACHERS AND INSTRUCTIONAL SUPPORT PERSONNEL IN SCHOOLS FOR STUDENTS WITH VISUAL AND HEARING IMPAIRMENTS/ESSER II FUND

SECTION #.(a) Section 5A of S.L. 2021-1, as enacted by Section 1.2 of S.L. 2021-3, reads as rewritten:

"SECTION 5A. The Department of Public Instruction shall use the funds reserved pursuant to subsection (c1) of Section 5 of this act as follows:

(15a) Up to $55,000 to administer a one-time lump sum bonus of three hundred fifty dollars ($350.00), in recognition of necessary services performed during the COVID-19 pandemic, to every teacher who, as of April 1, 2021, was employed as a teacher in a school for students with visual and hearing impairments, in accordance with the following criteria:

a. As used in this subdivision, the following definitions shall apply:
   1. Teacher. – Teachers and instructional support personnel.
   2. School for students with visual and hearing impairments. – A public school governed by the State Board of Education under Article 9C of Chapter 115C of the General Statutes.

b. The bonuses awarded pursuant to this subdivision shall be in addition to any regular wage or other bonus the teacher receives or is scheduled to receive.

c. Notwithstanding G.S. 135-1(7a), the bonuses awarded pursuant to this subdivision are not compensation under Article 1 of Chapter 135 of the General Statutes, Retirement System for Teachers and State Employees.

d. The bonuses awarded pursuant to this subdivision do not apply to any teacher no longer employed as a teacher due to resignation, dismissal, reduction in force, death, or retirement or whose last workday is prior to April 1, 2021.

e. Funds provided pursuant to this subdivision shall supplement the compensation of a public school employee and shall not supplant any existing compensation funds.

(16) If, on August 15, 2022, the date the Current Operations Appropriations Act of 2021 becomes law, there are any remaining ESSER II funds from the allocations in subdivisions (1) through (11) and (13) and (14) of this section, those funds shall be reallocated to the reserve described under subsection (c1) of Section 5 of this act to be used for expenditure on or after that date to meet additional emergency needs of the elementary and secondary schools of the State, as determined by the State Board of Education."

SECTION #.(b) This section is effective when it becomes law.
GENERAL ASSEMBLY OF NORTH CAROLINA
Session 2021
Proofed
SPECIAL PROVISION
Department of Public Instruction
House Appropriations, Education

Requested by

OPPORTUNITY GAP TASK FORCE

SECTION #.(a) There is established the Opportunity Gap Task Force (Task Force).

SECTION #.(b) The Task Force shall consist of 14 members as follows:

1. Three persons who are members of the House of Representatives at the time of appointment, at least one of whom represents the minority party, appointed by the Speaker of the House of Representatives.

2. Three persons who are members of the Senate at the time of appointment, at least one of whom represents the minority party, appointed by the President Pro Tempore of the Senate.

3. The chair of the State Board of Education, or his or her designee.

4. The Superintendent of Public Instruction, or his or her designee.

5. The President of The University of North Carolina, or his or her designee.

6. The President of the North Carolina System of Community Colleges, or his or her designee.

7. The President of the North Carolina Independent Colleges and Universities, Inc., or his or her designee.

8. The President and Chief Executive Officer of North Carolina Business Leaders for Education, doing business as BEST NC (Business for Educational Success and Transformation), or his or her designee.

9. The Executive Director of the NC Association for Public Charter Schools, or his or her designee.

10. The Senior Education Advisor to the Governor, or his or her designee.

SECTION #.(c) Appointments to the Task Force shall be made no later than 30 days after the date this act becomes law. In making their appointments, the appointing authorities shall consider the geographic and cultural diversity of the State and the value to the Task Force of experience in business, education, and philanthropic organizations. Any vacancy shall be filled by the appointing authority.

SECTION #.(d) The Task Force shall (i) study the opportunity gap, (ii) consider effective approaches and best practices from across the country to close the opportunity gap in grades kindergarten through 12, and (iii) propose a plan to reduce the opportunity gap for all subgroups by July 1, 2030. For the purposes of this section, the "opportunity gap" refers to the significant disparity in the academic performance and postsecondary readiness of students between any of the following subgroups: races, ethnicities, socioeconomic statuses, genders, English-language proficiencies, and urban, rural, or suburban domiciles.

SECTION #.(e) As part of its study, the Task Force shall consider the following:

1. Best practices in public education.

2. Professional development for teachers.


4. Disparities in disciplinary consequences, including suspensions and expulsions.
Preparation and development of school leadership.
Effective use of data to reduce the opportunity gap.
Access to effective educators.
Access to rigorous coursework, including content and courses.
Access to effective school leadership.
Innovative budgeting practices.
The value of incorporating mastery-based learning into curriculum.
Effective access to and use of technology, including (i) connectivity for students and their families, (ii) devices, and (iii) software.
The final report and recommendations of the Task Force to Develop a Representative and Inclusive Vision for Education (DRIVE).
Any other issue the Task Force deems relevant to its study.

SECTION #.(f) At a minimum, the Task Force shall extend invitations to receive input from all of the following:

(1) Two or more parents of students adversely affected by the opportunity gap.
(2) Two or more teachers employed in a North Carolina public school who have demonstrated significant success in reducing the opportunity gap in the classroom.
(3) Two or more principals employed in a North Carolina public school who have demonstrated significant success in reducing the opportunity gap at a school.
(4) Two or more superintendents employed in a local school administrative unit who have demonstrated significant success in reducing the opportunity gap at a local school administrative unit.
(5) Organizations that have demonstrated success in closing the opportunity gap, including, but not limited to, Communities in Schools of North Carolina, Inc.
(7) The myFutureNC Commission.
(8) The Governor's Commission on Access to Sound Basic Education.
(9) The B-3 Interagency Council.
(10) The North Carolina Early Childhood Foundation, Inc.'s, Pathways to Grade-Level Reading Initiative.
(11) The Executive Director of NC Child, or his or her designee.
(12) The President of Parents for Educational Freedom in North Carolina, or his or her designee.
(13) The Public School Forum of North Carolina.
(14) The North Carolina Principal Fellows and Transforming Principal Preparation Program.

SECTION #.(g) The Task Force shall include the following in its proposed plan to reduce the opportunity gap for all subgroups:

(1) Information identifying opportunity gaps that exist between races, ethnicities, socioeconomic statuses, genders, English-language proficiencies, and urban, rural, or suburban domiciles.
(2) Recommendations for closing or significantly reducing the opportunity gaps identified by the Task Force.
(3) Benchmarks for implementation of the proposed plan.

SECTION #.(h) The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall each select a cochair for the Task Force from among its members. The Task Force shall meet upon the call of its cochairs. A quorum of the Task Force is a majority of its members. No action may be taken except by a majority vote at a meeting at which a quorum is present. The Task Force, while in the discharge of its official duties, may exercise all powers provided for under G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4. The Task Force may
contract for professional, clerical, or consultant services, as provided by G.S. 120-32.02. If the
Task Force hires a consultant, the consultant shall not be a State employee or a person currently
under contract with the State to provide services.
Members of the Task Force shall serve without compensation but may receive travel
and subsistence as follows:
(1) Members who are officials or employees of a State agency or unit of local
government, in accordance with G.S. 138-6.
(2) Members who serve in the General Assembly, in accordance with
G.S. 120-3.1.
(3) All other members at the rate established in G.S. 138-5.
All State departments and agencies and local governments and their subdivisions shall
furnish the Task Force with any requested information in their possession or available to them.
SECTION #.(i) The Legislative Services Officer shall assign professional and
clerical staff to assist the Task Force in its work. The Director of Legislative Assistants of the
House of Representatives and the Director of Legislative Assistants of the Senate shall assign
clerical support to the Task Force.
SECTION #.(j) Meetings of the Task Force shall begin no later than 60 days after
the date this act becomes law. The Task Force shall submit a final report on the results of its
study, including its proposed plan and any proposed legislation, to the Joint Legislative Education
Oversight Committee on or before December 1, 2022, by filing a copy of the report with the
Office of the President Pro Tempore of the Senate, the Office of the Speaker of the House of
Representatives, the Joint Legislative Education Oversight Committee, and the Legislative
Library. The Task Force shall terminate on December 1, 2022, or upon the filing of its final
report, whichever comes first.
REQUESTED BY

ADVANCED TEACHING ROLES CHANGES

SECTION #.(a) G.S. 115C-311 reads as rewritten:

"§ 115C-311. Teacher compensation models and advanced teaching roles.

..."

(g) Term; Use of Grant Funds. — Any funds awarded to a local school administrative unit pursuant to this section shall be subject to availability and awarded for a term of up to three years, in the discretion of the State Board. A local school administrative unit shall not be eligible to receive funding for more than one term. Funds awarded to local school administrative units shall be used for any of the following, subject to requirements established by the State Board:

1. Development of advanced teaching role plans.
2. Development of professional development courses for teachers in advanced teaching roles that lead to improved student outcomes.
3. Transition costs associated with designing and implementing advanced teaching role models. Transition costs may include employing staff members or contractors to assist with design and implementation of the plan.
4. Development of the design and implementation of compensation plans that focus on teacher professional growth and student outcomes and the transition costs associated with designing and implementing new compensation plans, including employing staff members or contractors to assist with design and implementation of the plan.

..."

(i) Class Size Flexibility. — Notwithstanding G.S. 115C-301, with the approval of the State Board of Education, Advanced Teaching Roles schools selected to participate in the program may exceed the maximum class size requirements for kindergarten through third grade during the term of up to three years in which State funds are awarded to the local school administrative unit where the school is located. At the conclusion of the term, if a school is no longer designated as an Advanced Teaching Roles school, any class size flexibility approved for the school pursuant to this subsection shall expire.

..."

SECTION #.(b) This section is effective when it becomes law.
Requested by

PRINCIPAL RECRUITMENT SUPPLEMENT

SECTION#. Notwithstanding G.S. 115C-285.1, for purposes of administering the principal recruitment supplement in the 2021-2022 fiscal year, a school identified as an eligible school in the 2019-2020 and 2020-2021 school years pursuant to G.S. 115C-285.1(a)(2) and Section 2.13(a) of S.L. 2020-3, respectively, shall continue to be an eligible school in the 2021-2022 school year.
SECTION #. Notwithstanding G.S. 115C-333.2, for the 2021-2022 school year, to the extent the Education Value-Added Assessment System (EVAAS) data regarding a teacher's performance includes data from more than one school year, when a principal notifies a teacher that the teacher's EVAAS data has been updated, the principal shall provide the teacher with additional context regarding the years on which the data is based and the extent to which the students on which the data is based were taught by another teacher.
Requested by

1 TEACHER EFFECTIVENESS REPORTING REQUIREMENTS
2 SECTION #. Notwithstanding G.S. 115C-299.5, for the 2021-2022 school year, to
3 the extent teacher effectiveness data reported pursuant to G.S. 115C-299.5 is based on more than
4 one school year, local school administrative units and the State Board of Education shall
5 contextualize that data by specifying the years on which it is based and the extent to which it is
6 not reflective of teacher performance because the students on which the data is based were taught
7 by more than one teacher.
Request by

TEMPORARILY WAIVE CERTAIN REQUIREMENTS THAT RELATE TO DRIVING ELIGIBILITY CERTIFICATES

SECTION #.(a) Notwithstanding G.S. 20-11(n), 115C-12(28), 115C-218.70, 115C-288(k), 115C-566, and 115D-5(a3), a person required to sign a driving eligibility certificate shall issue the driving eligibility certificate without requiring the person to whom it is issued to be making progress toward obtaining a high school diploma or its equivalent, and no school authority shall notify the Division of Motor Vehicles that a person no longer meets the requirements for a driving eligibility certificate because the person is not making progress toward obtaining a high school diploma or its equivalent.

SECTION #.(b) This section is effective when this act becomes law and expires June 30, 2022.
GENERAL ASSEMBLY OF NORTH CAROLINA
Session 2021

Proofed
SPECIAL PROVISION 2021-DPI-H69-P

Department of Public Instruction
House Appropriations, Education

Requested by

1 RESTORE CERTAIN PERMITS AND PROVISIONAL LICENSES REVOKED DUE TO CERTIFICATE INELIGIBILITY
2
3 SECTION #.(a) Past Performance Revocation Restoration. – The Division of Motor Vehicles shall restore the permit or license of any person whose permit or license was revoked by the Division under G.S. 20-13.2(c1) due to ineligibility for a driving eligibility certificate under G.S. 20-11(n)(1). For restorations granted under this section, the Division shall not charge a restoration fee and the Division must expunge any record of revocation from the person's driving record.
4
5 SECTION #.(b) This section is effective when it becomes law and applies to revocations resulting from notifications of ineligibility received by the Division dated on or after March 1, 2020, through the effective date of this section.
REQUESTED FOR STUDENTS WITH DISABILITIES FUNDING

SECTION #. Of the funds appropriated by this act to the Department of Public Instruction for the 2021-2022 fiscal year to contract with Augenblick, Palaich and Associates Consulting (APA), APA shall make recommendations on how to categorize the allocation of funding for students with disabilities and how to set funding levels for each category recommended. APA shall expand on the findings and recommendations made in its 2010 report, "Recommendations to Strengthen North Carolina's School Funding System." In addition, APA shall consider any findings and recommendations published since 2010 by the Department of Public Instruction and by the Friday Institute for Educational Innovation at North Carolina State University regarding funding needs for students with disabilities. In developing recommendations, APA shall examine the following:

(1) For each school system, the percentage of students with disabilities and the funding provided per student with disabilities.

(2) The potential benefit of allocating funding for students with disabilities based on severity of disability type as compared to allocating funding based on service level required.

(3) How other states provide funding for students with disabilities with particular emphasis on states that differentiate funding by student need.

(4) How to determine appropriate funding levels for each funding category recommended.

(5) Recommendations for how schools can utilize available Medicaid reimbursements.

APA shall submit its recommendations and supporting findings to the State Board of Education and the Department of Public Instruction on or before February 15, 2022. The Department of Public Instruction shall submit a final report on the recommendations and findings, including any proposed legislation necessary for implementation, to the Joint Legislative Education Oversight Committee, the General Assembly, the Senate Appropriations Committee on Education/Higher Education, and the House Appropriations Committee on Education on or before March 15, 2022.
TEMPORARILY EXTEND CPR GRADUATION REQUIREMENT CHANGES

SECTION #.(a) Notwithstanding G.S. 115C-12(9d)a., for the 2020-2021 school year, any student in grade 12 who has not satisfied the requirement for completion of instruction in cardiopulmonary resuscitation shall be eligible to graduate if both of the following apply:

1. Instruction in cardiopulmonary resuscitation cannot be completed due to the COVID-19 emergency.
2. The student is eligible to graduate in all respects other than the statutory requirement described in this section, as determined by the principal of the school to which the student is assigned.

SECTION #.(b) This section is effective when it becomes law.
ACADEMIC TRANSPARENCY

SECTION #.(a) Article 8 of Chapter 115C of the General Statutes is amended by adding a new section to read:

"§ 115C-102.1. Inform the public about course materials.

(a) The following definitions apply in this section:

(1) Course materials. – Any material used for instruction in a course, including, but not limited to, all instructional materials, supplemental materials, textbooks, other reading materials, videos, digital materials, websites, and other online applications.

(2) Instructional materials. – As defined in G.S. 115C-102.20.

(3) Lesson plan. – An outline of all of the following:

a. The instruction provided by a teacher for a course that includes a list of (i) all course materials assigned, distributed, or otherwise presented in the course and (ii) when students must select course materials from a defined list, all course materials on that list.

b. Each grade- or school-wide presentation, assembly, lecture, or other activity or event facilitated by the school during instructional hours outside of an individual teacher's classroom, excluding student presentations. The outline shall include a list of (i) each presenter by name and organization and (ii) any course material used or presented.

(4) Supplemental materials. – As defined in G.S. 115C-102.20.

(b) The governing body of a public school unit shall ensure that the following information for each school it governs is prominently displayed on the school website, organized, at a minimum, by subject area and grade level:

(1) For local school administrative units, the lesson plans that were used at the school during the prior school year. Lesson plans shall include the following, at a minimum:

a. The names of all instructional and supplemental materials used by the school from the list of materials included in the instructional materials repository, with an electronic link to the instructional materials website.

b. Any other course materials used in a course, by the title and the author, organization, or website associated with each material and activity. These course materials shall include materials created by the teacher, with the teacher identified as the author. The lesson plan shall include a brief descriptor of the course materials, and a link to the course material, if publicly available on the internet, or information on how to request review of a copy of the course material in person. Nothing in this section shall be construed to require the digital reproduction or posting of copies of the course materials themselves.
(2) For all public school units that are not local school administrative units, the
lesson plans that were used at the school during the prior school year. Lesson
plans shall include the following, at a minimum:

a. All course materials by the title and the author, organization, or
website associated with each material and activity. If individual
components of course materials used throughout the lesson plan are
produced as a single volume, that volume may be listed only once in
the lesson plan. If the course material was created by the teacher, the
lesson plan shall identify the teacher as the author.

b. A brief descriptor of the course material.

c. A link to the course material, if publicly available on the internet, or
information on how to request review of a copy of the course material
in person. Nothing in this section shall be construed to require the
digital reproduction or posting of copies of the course materials
themselves.

(3) For all public school units, any procedures for the documentation, review, or
approval of the lesson plans, including course materials identified in those
plans, by the principal, curriculum administrators, or other teachers.

(4) For all public school units, the procedure established by the governing board
for requesting an in-person review of a course material not publicly available
on the internet. For local school administrative units, information shall be
provided on how to access the instructional materials repository, as provided
in G.S. 115C-102.50.

(c) The governing body shall provide access from the website of the public school unit
to the information required by subsection (b) of this section by June 30 of each year either through
a website maintained by the public school unit or by a link to another website where the
information is publicly accessible. Public access to the information for the school year ending
June 30 shall be maintained by the public school unit until June 30 of the following year. The
Department of Public Instruction shall make available to public school units one or more
templates for providing information as required by this section. A public school unit may exercise
flexibility in determining the most effective means of compliance with the requirements of this
section, including, but not limited to, utilizing any of the following in its discretion:

(1) Providing a template created by the Department of Public Instruction to
teachers to facilitate reporting of lesson plans.

(2) Creating one or more templates to provide to teachers to facilitate reporting of
lesson plans. The public school unit may customize templates for grades or
courses and may autopopulate any course materials required by the public
school unit as part of the curriculum for a particular grade or course.

(3) Allowing utilization of online collaborative software, documents, or
spreadsheets to allow multiple authorized users to update content.

(4) Authorizing updating lesson plans throughout the school year, if all updates
are completed by June 30.

(d) A governing body that is responsible for the operation of schools with fewer than 400
students cumulatively is not required to comply with the requirements of this section.

SECTION #.(b) G.S. 115C-12 is amended by adding a new subdivision to read:
"(9e) Duty to Inform the Public About Course Materials. – The Board shall ensure
that information about course materials for any school operated under Article
7A and Article 9C of this Chapter is prominently displayed on the website of
the school, as required by G.S. 115C-102.1."

SECTION #.(e) G.S. 115C-47 is amended by adding a new subdivision to read:
To Inform the Public About Course Materials. – Local boards of education shall ensure that information about course materials for each school in the local school administrative unit is prominently displayed on the website of the school, as required by G.S. 115C-102.1."

SECTION #.(d) G.S. 115C-238.66 is amended by adding a new subdivision to read: "(1a) Course materials. – The board of directors shall ensure that information about course materials is prominently displayed on the website of the regional school, in accordance with G.S. 115C-102.1."

SECTION #.(e) G.S. 115C-218.85 is amended by adding a new subsection to read: "(c) Course Materials. – A charter school shall ensure that information about course materials is prominently displayed on the website of the charter school, in accordance with G.S. 115C-102.1."

SECTION #.(f) Article 4 of Chapter 116 of the General Statutes is amended by adding a new section to read:

"§ 116-69.2. Inform the public about course materials. The Board of Trustees shall ensure that information about course materials is prominently displayed on the website of the North Carolina School of the Arts for all elementary, middle, and high school programs, in accordance with G.S. 115C-102.1."

SECTION #.(g) G.S. 116-235 is amended by adding a new subsection to read: "(j) Course Materials. – The Board of Trustees shall ensure that information about course materials is prominently displayed on the website of the School, in accordance with G.S. 115C-102.1."

SECTION #.(h) G.S. 116-239.8(b) reads as rewritten:

"(b) The chancellor shall be the administrative head of a laboratory school approved by the Subcommittee and shall provide general direction for the establishment and operation of a laboratory school. The chancellor, with advice and input from the advisory board established in subdivision (1) of this subsection, shall adopt policies, operating procedures, and the courses of study to govern the operation of the laboratory school. The chancellor may designate the duties required by this Article to other personnel as necessary. The chancellor shall also have the following powers and duties:

…

(2a) Course materials. – The chancellor shall ensure that information about course materials is prominently displayed on the website of the laboratory school, in accordance with G.S. 115C-102.1.

…"

SECTION #.(i) Section 6(d) of S.L. 2018-32 is amended by adding a new subdivision to read:

"(5a) G.S. 115C-102.1, Inform the public about course materials."

SECTION #.(j) Except as otherwise provided, this section is effective when it becomes law and applies beginning with the display of course materials used during the 2021-2022 school year no later than June 30, 2022.
MODERNIZE SELECTION OF INSTRUCTIONAL MATERIALS

SECTION #.(a) Part 3 of Article 8 of Chapter 115C of the General Statutes is repealed.

SECTION #.(b) Article 8 of Chapter 115C of the General Statutes is amended by adding a new Part to read:

"Part 3C. Selection of Instructional Material.

§ 115C-102.20. Definition of instructional materials.

(1) Curricula. – All current objectives, curricula materials, texts, and all other audiovisual or printed materials that are displayed or distributed to students.

(2) Health and safety programs. – Any instruction, curricula, or materials intended to impart information or promote discussion or understanding regarding any of the following, including instruction, curricula, or materials implemented to comply with any federal law, regulation, or guidance:

   a. Reproductive health and safety, as provided in G.S. 115C-81.30(a).
   b. Mental and emotional health, as provided in G.S. 115C-81.25(c)(1).
   c. Growth and development, as provided in G.S. 115C-81.25(c)(9).
   d. Anti-bullying or anti-harassment.

(3) Instructional materials. – Systematically organized material comprehensive enough to cover the primary objectives outlined in the standard course of study for a grade or course. Formats for instructional materials may be print or nonprint, including hardbound books, softbound books, activity-oriented programs, classroom kits, or digital resources that require the use of electronic equipment in order to be used in the learning process.

(4) Local committee. – A local community media advisory committee.

(5) Parent. – A student’s parent or legal guardian.

(6) State Committee. – The State Community Media Advisory Committee.

(7) Supplemental materials. – Educational materials that supplement specific instruction for the standard course of study selected and procured by a local board of education for a grade or course or general education needs of the school. Supplemental materials may include textbooks, library books, periodicals, audiovisual materials, and other supplemental instructional materials needed for instructional purposes in the local school administrative unit. Supplemental materials may be print or nonprint, including hardbound books, softbound books, activity-oriented programs, classroom kits, or digital resources that require the use of electronic equipment in order to be used in the learning process.

(8) Unfit materials. – Instructional or supplemental materials determined to be inappropriate for use in an elementary or secondary school because the material is either (i) obscene, (ii) inappropriate to the age, maturity, or grade level of the students, or (iii) not aligned with the standard course of study.
§ 115C-102.25. Selection of instructional materials.

(a) Local Board Adoption. – Local boards of education shall select and adopt instructional materials for each standard course of study at each instructional level in the elementary school and the secondary school adopted by the State Board of Education, as provided in Part 1 of Article 8 of this Chapter.

(b) Evaluation of Instructional Materials Prior to Adoption. – For each standard course of study, the local board of education may require experts employed by the local board of education and certified in the discipline in which the instructional material would be used to offer evaluation reports to the local board on materials being considered for adoption. Such evaluation reports should give special consideration to the suitability of the instructional materials to the instructional level for which it is offered, the content or subject matter, whether the instructional materials are aligned with the standard course of study, and other criteria prescribed by the local board.

§ 115C-102.30. Selection of supplemental materials.

(a) Local boards of education shall adopt written policies concerning the procedures to be followed in their local school administrative units for the selection and procurement of supplemental materials for a grade or course or for general education needs at a school or throughout the entire local school administrative unit. Local boards of education shall have sole authority to select and procure supplemental materials, whether or not the materials contain commercial advertising, to determine if the materials are related to and within the limits of the prescribed curriculum, and to determine when the materials may be presented to students during the school day.

(b) Supplemental materials shall neither displace nor be used to the exclusion of instructional materials.

§ 115C-102.35. Selection of health and safety instructional and supplemental materials.

(a) When adopting, modifying, or amending a health and safety program and the instructional and supplemental materials for that program, a local board of education shall conduct a public hearing after adequately notifying the public at least 10 days prior to the hearing.

(b) The local board of education shall also provide both electronic and written notice to all parents of students in the local school administrative unit of the public hearing and the opportunity to review those materials in the program repository, as provided in G.S. 115C-102.50, at least 60 days before the public hearing occurs.

(c) The notice to parents provided for in subsection (b) of this section shall include the following in both written and electronic form:

1. A detailed description of the program’s objectives and any proposed changes, including any topics that the local board of education determines that a reasonable parent in that community may wish to examine as to the appropriateness of the topics.

2. All written and audio materials that will be used.

3. A link to, or information on how to access, the program repository on the local school administrative unit’s website, as provided in G.S. 115C-102.50.

§ 115C-102.40. Acquisition of instructional and supplemental materials.

(a) Funds allocated by the State Board of Education or appropriated in the current expense or capital outlay budgets of the local school administrative units shall be used by the local board of education for purchase, lease, or rental of instructional or supplemental materials and for hardware, software, or other equipment necessary for the use of the instructional or supplemental materials. The title of purchased materials and equipment shall be vested in the local board of education.

(b) Local boards of education are encouraged to partner with other local boards of education and other public schools to jointly purchase instructional and supplemental materials.
(c) All instructional materials purchased with State funds shall include a clause granting to the local board of education the license to produce braille, large print, and audio recording copies of the instructional materials for use in the local school administrative unit.

(d) The local board of education shall publish on the website of the local school administrative unit the title, author, and publisher of all instructional and supplemental materials purchased by the local board of education.

"§ 115C-102.45. Provision and maintenance of instructional and supplemental materials.

(a) The students of the public elementary and secondary schools of the State shall be provided with free instructional materials within the appropriation of the General Assembly for that purpose. The local board shall provide for the free use by students, with proper care and return, of elementary and secondary instructional materials. No local board of education may charge any student a rental fee for the use of instructional materials or for hardware, software, or other equipment necessary for the use of the instructional or supplemental materials.

(b) Local boards of education shall provide adequate and safe storage facilities for the proper care of instructional and supplemental materials and emphasize to all students the necessity for proper care of instructional and supplemental materials and equipment necessary for the use of the instructional materials.

(c) A student’s parents or legal guardians may be charged damage fees for abuse or loss of instructional or supplemental materials or equipment necessary for the use of those materials under rules adopted by the local board of education. Damage fees collected under this subsection shall be used by the local board of education for purchase, lease, or rental of instructional and supplemental materials as provided in G.S. 115C-102.40.

"§ 115C-102.50. Instructional materials repository.

(a) A local board of education shall maintain a continuous repository of current instructional and supplemental materials that have been selected and acquired by the local board of education pursuant to this Article. The repository shall not be required to include classroom materials developed by teachers. The materials shall be maintained at a central location for in-person review by parents and the public upon request, and the names of all those materials shall be posted to the local school administrative unit’s website for review by parents and the public.

(b) In addition to the requirements of subsection (a) of this section, a local board of education shall also maintain a continuous repository of current objectives, entire curricula, texts, and all other materials used in any health and safety program as follows:

1. The current objectives, entire curricula, texts, and all other materials used in any health and safety program shall be maintained at a central location for in-person review by parents and the public upon request.

2. Electronic copies of the current objectives and names of curricula, texts, or any other materials used in any health and safety program shall be posted to the local school administrative unit’s website for review by parents and the public. The website shall also include the curricula, texts, and any other materials used in the health and safety program, including links to any materials available on the publisher’s website.

3. The local board of education shall add to the central location and electronic repository any objectives, curricula, texts, and other materials that may be proposed for adoption, amendment, or modification to the health and safety program and shall clearly indicate that status while the materials are under consideration.

(c) Each school year, at least 14 days before students participate in a health and safety program, a local board of education shall give both written and electronic notice to parents of students participating in that program of the right of parents to review the objectives, complete materials, and entire curriculum of that program in the program repository maintained by the
local board of education, as provided in subsection (b) of this section. The notice shall include the same information provided under G.S. 115C-102.35(c). The notice shall be in conjunction with and combination with the notice and requirements to inform parents of the local board's policy for participation in certain health and safety programs, as established in G.S. 115C-81.32.

"§ 115C-102.55. Right to purchase; disposal of textbooks and materials.

(a) Any parent, guardian, or person in loco parentis may purchase any instructional material needed for any student in the public schools of the State from the board of education of the local school administrative unit in which the child is enrolled, if the board of education holds title to the instructional material as described in G.S. 115C-102.40(a).

(b) Notwithstanding Article 3A of Chapter 143 of the General Statutes, G.S. 143-49(4), or any other provision of law, a local board of education may dispose of discontinued instructional or supplemental materials.

"§ 115C-102.60. Local community media advisory committee.

(a) A local board of education shall establish a local community media advisory committee to investigate and evaluate challenges from parents, teachers, and members of the public to instructional materials and supplemental materials on the grounds that they are unfit materials. This section does not apply to optional supplemental materials available through the school library.

(b) The local committee shall, at a minimum, include the following:

(1) A principal from a high school, middle school, and elementary school, respectively.

(2) A teacher from a high school, middle school, and elementary school, respectively.

(3) A parent of a student in high school or middle school and a parent of a student in elementary school.

(4) A school library media coordinator from a high school, middle school, and elementary school, respectively.

(c) Individuals challenging unfit materials shall make challenges in writing to the local board of education and shall specify whether the materials are being challenged on the grounds of being (i) obscene, (ii) inappropriate to the age, maturity, or grade level of the students, or (iii) not aligned with the standard course of study.

(d) Within two weeks of the filing of the challenge, the local committee shall hold a hearing and provide the challengers an opportunity to present their concerns to the local committee. The local committee may, in the local committee's discretion, request additional information at the hearing from experts on the subject matter employed by the local school administrative unit. Within two weeks of the hearing, the local committee shall make a recommendation to the local board of education on whether the challenge has merit and whether the challenged material should be retained or removed as unfit material. The local committee's determination shall be limited to considerations of whether the material is unfit on the specific grounds of the material being (i) obscene, (ii) inappropriate to the age, maturity, or grade level of the students, or (iii) not aligned with the standard course of study.

(e) At the next meeting of the local board of education after the local committee's recommendation is received, the local board shall determine whether the challenge has merit and whether the challenged material should be retained or removed as unfit material.

(f) If the local board of education determines that the challenged material shall be retained, a challenger may appeal the local board's decision to the State Community Media Advisory Committee. The challenger must make the appeal in the form and manner designated by the State Board of Education within two weeks of the local board's decision.

"§ 115C-102.65. State Community Media Advisory Committee.
(a) The State Board of Education shall establish a State Community Media Advisory Committee to review challenges to instructional and supplemental materials appealed under G.S. 115C-102.55.

(b) The State Committee shall, at a minimum, include the following:

1. The State Superintendent of Public Instruction or designee.
2. One superintendent of a local school administrative unit.
3. A principal from a high school, middle school, and elementary school, respectively.
4. A teacher from a high school, middle school, and elementary school, respectively.
5. A parent of a student in high school or middle school and a parent of a student in elementary school.
6. A school library media coordinator from a high school, middle school, and elementary school, respectively.

(c) A member of the State Committee may be recused from any challenge to materials used in the local school administrative unit in which the member is employed or in which the member's child is enrolled.

(d) The State Board of Education shall designate the form and manner for appeals to be made to the State Committee. Upon receipt of an appeal, notice and a copy of the appeal shall be provided to the local board of education.

(e) Within four weeks of the filing of the appeal, the State Committee shall hold a hearing and provide the appellants an opportunity to present concerns to the State Committee as well as the local board of education an opportunity to rebut those concerns. The State Committee may, in the State Committee's discretion, request additional information at the hearing from experts on the subject matter employed by the State Board of Education. Within two weeks of the hearing, the State Committee shall make a recommendation to the State Board of Education on whether the appealed challenge has merit and whether the challenged material should be retained or removed as unfit material. The State Committee's determination shall be limited to considerations of whether the material is unfit on the specific grounds of the material being (i) obscene, (ii) inappropriate to the age, maturity, or grade level of the students, or (iii) not aligned with the standard course of study.

(f) At the next meeting of the State Board of Education after the State Committee's recommendation is received, the State Board shall determine whether the appealed challenge has merit and whether the challenged material should be retained or removed as unfit material. If the State Board of Education determines that challenged material shall be removed, the local board of education shall remove the material. The decision of the State Board of Education is final and is not subject to appeal by the local board of education or challenger."

SECTION #.(c) G.S. 115C-11(d) reads as rewritten:

"(d) Voting. – No voting by proxy shall be permitted. Except in voting on textbook adoptions, a majority of those present and voting shall be necessary to carry a motion and a roll call vote shall be had on each motion. A record of all such votes shall be kept in the minute book."

SECTION #.(d) G.S. 115C-11(e) is repealed.

SECTION #.(e) G.S. 115C-12(9)b. is repealed.

SECTION #.(f) G.S. 115C-12(18)d. reads as rewritten:

"d. The State Board of Education shall modify the Uniform Education Reporting System to provide clear, accurate, and standard information on the use of funds at the unit and school level. The plan shall provide information that will enable the General Assembly to determine State, local, and federal expenditures for personnel at the unit and school level. The plan also shall allow the tracking of expenditures for
textbooks, instructional materials, educational supplies and equipment, capital outlay, at-risk students, and other purposes."

SECTION #.(g) G.S. 115C-47(6) reads as rewritten:
"(6) To Regulate Fees, Charges and Solicitations. – Local boards of education shall adopt rules and regulations governing solicitations of, sales to, and fund-raising activities conducted by, the students and faculty members in schools under their jurisdiction, and no fees, charges, or costs shall be collected from students and school personnel without approval of the board of education as recorded in the minutes of said board; provided, this subdivision shall not apply to such textbooks fees as are determined and established by the State Board of Education. All schedules of fees, charges and solicitations approved by local boards of education shall be reported to the Superintendent of Public Instruction."

SECTION #.(h) G.S. 115C-47(33) reads as rewritten:
"(33) To Approve and Use Supplemental Materials. – Local boards of education shall have sole authority to select and procure supplementary instructional supplemental materials, whether or not the materials contain commercial advertising, pursuant to the provisions of G.S. 115C-98(b). Part 3C of Article 8 of this Chapter."

SECTION #.(i) G.S. 115C-47(33a) reads as rewritten:
"(33a) To Approve and Use Textbooks Not Adopted by State Board of Education. Instructional Materials. – Local boards of education shall have the sole authority to select, procure, and use textbooks not adopted by the State Board of Education instructional materials as provided in G.S. 115C-98(b1). Part 3C of Article 8 of this Chapter."

SECTION #.(j) G.S. 115C-75.10(c) reads as rewritten:
"(c) Funding Memorandum of Understanding. – The IS operator, in consultation with the ISD Superintendent, may enter into a funding memorandum of understanding with the local board of education of the local school administrative unit where the innovative school is located for all student support and operational services and instructional services to be provided by the local board of education in the same manner and degree as in the prior school year or funding in an amount equivalent to the amount the local board of education would have expended on those services if provided. For the purposes of this subsection, student support and operational services include cafeteria services, custodial services, broadband and utilities, and student information services, and instructional services include alternative education, special education services, test administration services, textbooks, instructional materials, technology, media resources, instructional equipment, and other resources. The IS operator and local board of education shall finalize the funding memorandum of understanding within 30 days of the initial request for the memorandum by the IS operator. If the parties have not completed the funding memorandum of understanding within 30 days, the State Board of Education shall resolve any issues in dispute."

SECTION #.(k) G.S. 115C-81.5(b)(3) is repealed.
SECTION #.(l) G.S. 115C-81.25(b)(3) is repealed.

SECTION #.(m) G.S. 115C-81.25(d) reads as rewritten:
"(d) Parental Review. – The State Board of Education shall make available to all local school administrative units for review by the parents and legal guardians of students enrolled at those units any State-developed objectives for instruction any approved textbooks, the list of reviewed materials, and any other State-developed or approved materials that pertain to or are intended to impart information or promote discussion or understanding in regard to the prevention of sexually transmitted diseases, including HIV/AIDS, to the avoidance of out-of-wedlock pregnancy, or to the reproductive health and safety education curriculum. The review period shall extend for at least 60 days before use."
SECTION #.(n) G.S. 115C-242(3) reads as rewritten:

"(3) The board of education of any local school administrative unit may operate the school buses of such unit one day prior to the opening of the regular school term for the transportation of pupils and employees to and from the school to which such pupils are assigned or in which they are enrolled and such employees are employed, for the purposes of the registration of students, the organization of classes, the distribution of textbooks, instructional materials, and such other purposes as will, in the opinion of the superintendent of the schools of such unit, promote the efficient organization and operation of such public schools."

SECTION #.(o) G.S. 115C-271(d)(2) reads as rewritten:

"(2) Local funds appropriated for teachers, textbooks, instructional materials, or classroom materials, supplies, and equipment are not transferred or used for this purpose."

SECTION #.(p) G.S. 115C-384(c) reads as rewritten:

"(c) Rental Fees for Textbooks—Instructional Materials Prohibited; Damage Fees Authorized. – No rental fees are permitted for the use of textbooks, instructional materials, but damage fees may be collected pursuant to the provisions of G.S. 115C-100, G.S. 115C-102.45."

SECTION #.(q) G.S. 115C-390.2(l)(1) reads as rewritten:

"(1) The opportunity to take textbooks, instructional materials and school-furnished digital devices home for the duration of the absence."

SECTION #.(r) G.S. 115C-390.5(c)(1) reads as rewritten:

"(1) The opportunity to take textbooks, instructional materials home for the duration of the suspension."

SECTION #.(s) G.S. 115C-398 reads as rewritten:

"§ 115C-398. Damage to school buildings, furnishings, textbooks.
Students and their parents or legal guardians may be liable for damage to school buildings, furnishings and textbooks instructional materials pursuant to the provisions of G.S. 115C-523, 115C-100 and 14-132."

SECTION #.(t) G.S. 143A-48 is repealed.

SECTION #.(u) G.S. 143C-9-7(b) reads as rewritten:

"(b) Upon appropriation by the General Assembly, funds received in the Indian Gaming Education Revenue Fund shall be allocated quarterly by the State Board of Education to local school administrative units, charter schools, and regional schools on the basis of allotted average daily membership. The funds allotted by the State Board of Education pursuant to this section shall be nonreverting. Funds received pursuant to this section by local school administrative units shall be expended for classroom teachers, teacher assistants, classroom materials or supplies, or textbooks, instructional materials."

SECTION #.(v) Effective July 1, 2021, the existing Textbooks and Digital Resources funding allotment in the State Public School Fund shall be designated as the Instructional Materials funding allotment in the State Public School Fund. The State Board of Education shall establish the purposes for which the funds within the new Instructional Materials funding allotment may be used as follows: (i) to acquire instructional or supplemental materials as defined in G.S. 115C-102.20, as enacted by this section, and (ii) to acquire software necessary for the use of the instructional or supplemental materials.

SECTION #.(w) G.S. 115C-105.25(b)(12) reads as rewritten:

"(12) Funds allotted for textbooks and digital resources instructional materials may only be used for the purchase of textbooks and digital resources to acquire instructional and supplemental materials, as defined in G.S. 115C-102.20, and to acquire software necessary for the use of the instructional or supplemental
materials. These funds shall not be transferred out of the allotment for any
other purpose."

SECTION #.(x) G.S. 115C-81.30(b) and (c) are repealed.

SECTION #.(y) Article 8 of Chapter 115C of the General Statutes is amended by

adding a new section to read:

§ 115C-81.32. Parents’ right to opt in or out of health and safety programs.

Local boards of education shall adopt policies to provide opportunities either for parents to
consent or for parents to withhold their consent to the students' participation in any or all of the
health and safety programs included in subdivision (2) of G.S. 115C-102.20 provided by the local
school administrative unit. Local boards of education shall provide notice to parents of this
opportunity at least 14 days before students participate in the health and safety programs, in
conjunction with and combination with the notice required by G.S. 115C-102.50. The notice shall
inform parents of the local board's policy for participation in the health and safety programs and
provide a form that allows parents to exercise parental rights under that policy."

SECTION #.(z) G.S. 115C-81.30(c) reads as rewritten:

"(c) Parental Review and Consent. Each school year, before students may participate in
any portion of (i) a program that pertains to or is intended to impart information or promote
discussion or understanding in regard to the prevention of sexually transmitted diseases,
including HIV/AIDS, or to the avoidance of out-of-wedlock pregnancy or (ii) a reproductive
health and safety education program, whether developed by the State or by the local board of
education, the parents and legal guardians of those students shall be given an opportunity to
review the objectives and materials as provided in G.S. 115C-81.25(d). Local boards of education
shall adopt policies to provide opportunities either for parents and legal guardians to consent or
for parents and legal guardians to withhold their consent to the students’ participation in any or
all of these programs."

SECTION #.(aa) No local board of education shall be required to hold a public
hearing for any program, as defined in this section, in use prior to the 2021-2022 school year,
until that program is amended, modified, or replaced. All local boards of education shall establish
a program repository of current programs, as defined in this section, for access to parents prior
to the start of the 2021-2022 school year and shall not implement any program until that program
is included in the repository.

SECTION #.(bb) This section is effective when it becomes law and applies
beginning with the 2021-2022 school year.
LOW-PERFORMING SCHOOLS

SECTION #.(a)  Low-Performing Schools. – Notwithstanding G.S. 115C-105.37 and G.S. 115C-218.94(a), for the 2021-2022 school year, the following apply:

1. The State Board shall not identify additional low-performing schools based on data from the 2020-2021 school year.
2. Schools previously identified as low-performing based on data from the 2018-2019 school year shall continue to be identified as low-performing.
3. Previously identified low-performing schools shall continue to carry out the final plan approved by the local board of education pursuant to G.S. 115C-105.37(a1).
4. The State Board and the local board of education shall continue to provide online access to each low-performing school's plan in accordance with G.S. 115C-105.37(a1)(5).
5. The written parental notice required by G.S. 115C-105.37(b) is not required to be provided again, but local boards of education of low-performing schools shall include with their online final plans a brief explanation that low-performing identification continues pending assessment data from the 2021-2022 school year.

SECTION #.(b)  Continually Low-Performing Schools. – Notwithstanding G.S. 115C-105.37A and G.S. 115C-218.94(b), for the 2021-2022 school year, the following apply:

1. The State Board shall not identify additional continually low-performing schools based on data from the 2020-2021 school year.
2. Schools previously identified as continually low-performing based on data from the 2018-2019 school year shall continue to be identified as continually low-performing.
3. Previously identified continually low-performing schools shall continue to carry out the plan approved by the State Board pursuant to G.S. 115C-105.37A(a).
4. Assistance and intervention levels provided for the 2019-2020 school year based on designation as low-performing for two years under G.S. 115C-105.37A(b) or low-performing for three years under G.S. 115C-105.37A(c) shall continue.
5. Local boards of education may request to reform a continually low-performing school in accordance with G.S. 115C-105.37B.

SECTION #.(c)  Low-Performing Local School Administrative Units. – Notwithstanding G.S. 115C-105.39A, for the 2021-2022 school year, the following apply:

1. The State Board shall not identify additional low-performing local school administrative units based on data from the 2020-2021 school year.
Local school administrative units previously identified as low-performing based on data from the 2018-2019 school year shall continue to be identified as low-performing.

Previously identified low-performing local school administrative units shall continue to carry out the final plan approved by the local board of education pursuant to G.S. 115C-105.39A(b).

The State Board and the local board of education shall continue to provide online access to each low-performing local school administrative unit's plan in accordance with G.S. 115C-105.39A(b)(5).

The written parental notice required by G.S. 115C-105.39A(c) is not required to be provided again, but the local board of education shall include with its online final plan a brief explanation that low-performing identification continues pending assessment data from the 2021-2022 school year.

The provisions of G.S. 115C-105.39(c) through (e) shall not apply.
PUBLIC SCHOOL UNIT CALENDARS FOR THE 2021-2022 SCHOOL YEAR

SECTION #.(a) Part 2 of Article 8 of Chapter 115C of the General Statutes is amended by adding a new section to read:

"§ 115C-84.3. Remote instruction.
(a) Remote instruction means instruction delivered to students in a remote location outside of the school facility, whether synchronously or asynchronously. Instructional days or hours provided through any of the following shall not be considered remote instruction:
   (1) North Carolina Virtual Public School courses.
   (2) E-learning courses that meet the requirements of G.S. 115C-238.85.
   (3) Institution of higher education courses, as provided in Article 16 of this Chapter or G.S. 115D-20(4).
   (4) Homebound instruction required for a student by an individualized education program, as defined in G.S. 115C-106.3(8), or a section 504 (29 U.S.C. § 794) plan.
   (5) Instruction provided to a student during a short- or long-term suspension.
(b) A public school unit in a county that has received a good cause waiver, as provided in G.S. 115C-84.2(d), for the school year may use up to 15 remote instruction days or 90 remote instruction hours when schools are unable to open due to severe weather conditions, energy shortages, power failures, or other emergency situations, and may use that time towards the required instructional days or hours for the school calendar. All other public school units may use up to five remote instruction days or 30 remote instruction hours when schools are unable to open due to severe weather conditions, energy shortages, power failures, or other emergency situations and may use that time towards the required instructional days or hours for the school calendar.
(c) Except as provided in subsection (b) of this section, a public school unit shall not use remote instruction to satisfy the minimum required number of instructional days or hours for the school calendar.
(d) A governing board that chooses to use remote instruction as provided in subsection (b) of this section shall submit to the State Board, by July 1 annually, a remote instruction plan that provides a detailed framework for delivering quality remote instruction to students for the upcoming school year and information on the number of remote instruction days or hours used in the prior school year to satisfy instructional requirements, when applicable. At a minimum, the plans submitted by governing boards shall include the following:
   (1) Identification of the resources that will be used to facilitate remote instruction.
   (2) Communication with and training opportunities for teachers, administrators, instructional support staff, parents, and students on how to access and effectively use remote instruction resources, including regular opportunities for students to use those resources during nonremote instructional days to ensure student success during remote instruction.
(3) Establishment of methods for tracking and reporting attendance during remote instruction, including protocols for determining attendance, the reporting system to be used, and how attendance procedures will be communicated to parents before remote instruction begins.

(4) Establishment of staff roles and expectations for remote instruction days, including teacher workdays, teacher accessibility, and noncertified staff workdays and responsibilities.

(5) Communication of learning targets to students on each remote instruction day and development of measures to ensure that remote instruction time, practice, and application components support learning growth that continues towards mastery of the standard course of study.

(6) Development of remote instruction options appropriate for teachers and students with limited connectivity capability, including the opportunity for students to download remote instruction materials in advance when practicable.

(7) Provision of remote instruction for students with disabilities in a manner consistent with each student's individualized education program (IEP), as defined in G.S. 115C-106.3, or section 504 (29 U.S.C. § 794) plan. Remote instruction supports shall be considered and included, as appropriate for the student, when an IEP or 504 plan is initially developed or at any subsequent review or revision of an IEP or 504 plan.

(e) The State Board of Education shall report by September 15 annually to the Joint Legislative Education Oversight Committee on the following information related to remote instruction:

(1) A copy of each governing board's remote instruction plan.

(2) A summary document of the following:
   a. The number of remote instruction days or hours used by each public school unit in the prior school year.
   b. Strengths, challenges, and trends noted by the State Board in its review of how governing boards implement remote instruction.
   c. Any other data deemed by the State Board to be useful to the Joint Legislative Education Oversight Committee in evaluating the use and delivery of remote instruction in emergency circumstances.

SECTION #.(b) G.S. 115C-84.2(a) reads as rewritten:

"(a) School Calendar. – Each local board of education shall adopt a school calendar consisting of 215 days all of which shall fall within the fiscal year. A school calendar shall include the following:

(1) A minimum of 185 days or 1,025 hours of instruction covering at least nine calendar months. The local board shall designate when the instructional days shall occur. The number of instructional hours in an instructional day may vary according to local board policy and does not have to be uniform among the schools in the administrative unit. Local boards may approve school improvement plans that include days with varying amounts of instructional time. If school is closed early due to inclement weather, the day and the scheduled amount of instructional hours may count towards the required minimum to the extent allowed by State Board policy. The school calendar shall include a plan for making up days and instructional hours missed when schools are not opened due to inclement weather and may include the use of remote instruction in accordance with G.S. 115C-84.3.

...."

SECTION #.(c) G.S. 115C-218.85(a)(1) reads as rewritten:
"(1) The school shall provide instruction each year for at least 185 days or 1,025 hours over nine calendar months and may include the use of remote instruction in accordance with G.S. 115C-84.3."

SECTION #.(d) G.S. 115C-238.53(d) reads as rewritten:

"(d) A cooperative innovative high school approved under this Part shall provide do the following:

(1) Provide instruction each school year for at least 185 days or 1,025 instructional hours during nine calendar months, shall comply and may include the use of remote instruction in accordance with G.S. 115C-84.3. The requirements of G.S. 115C-84.2 shall not apply to the school calendar of a program approved under this Part.

(2) Comply with laws and policies relating to the education of students with disabilities, and shall comply with Article 27 of this Chapter. The requirements of G.S. 115C-84.2 shall not apply to the school calendar of a program approved under this Part."

SECTION #.(e) G.S. 115C-238.66(1)d. reads as rewritten:

"d. The board of directors shall adopt a school calendar consisting of a minimum of 185 days or 1,025 hours of instruction covering at least nine calendar months and may include the use of remote instruction in accordance with G.S. 115C-84.3."

SECTION #.(f) G.S. 116-239.8(b)(2)c. reads as rewritten:

"c. The chancellor shall adopt a school calendar consisting of a minimum of 185 days or 1,025 hours of instruction covering at least nine calendar months and may include the use of remote instruction in accordance with G.S. 115C-84.3."

SECTION #.(g) Subdivision 6(e)(1) of S.L. 2018-32 reads as rewritten:

"(1) Provide instruction each year for at least 185 days or 1,025 hours over nine calendar months and may include the use of remote instruction in accordance with G.S. 115C-84.3."

SECTION #.(h) Section 6(d) of S.L. 2018-32 is amended by adding a new subdivision to read:

"(5b) G.S. 115C-84.3, Remote instruction."

SECTION #.(i) This section is effective when it becomes law and applies to the 2021-2022 school year. This section is repealed June 30, 2022.
REMOTE INSTRUCTION FOR COVID-19 EMERGENCIES

SECTION #. Notwithstanding G.S. 115C-84.3, as enacted by this act, a public school unit shall have the authority to make day-to-day decisions for the 2021-2022 school year concerning whether shifting individual schools or individual classrooms that are providing in-person instruction to temporary remote instruction is necessary due to COVID-19 exposures that result in insufficient school personnel or required student quarantines. A public school unit shall report any shift by a school or classroom from in-person to temporary remote instruction as provided in this section to the Department of Public Instruction within 72 hours of the shift and shall return to in-person instruction as soon as personnel are available or the required quarantines are complete.
SPECIAL PROVISION

Department of Public Instruction
House Appropriations, Education

Requested by

PLANNED VIRTUAL INSTRUCTION

SECTION #.(a) Notwithstanding G.S. 115C-84.3, as enacted by this act, public school units shall be authorized to provide virtual instruction during the 2021-2022 school year to a student with the consent of that student's parent or legal guardian in accordance with a virtual instruction plan providing the information required by this subsection, if submitted by the governing board to the Department of Public Instruction by August 1, 2021. Public school units shall limit the total number of students participating in virtual instruction to no more than fifteen percent (15%) of the total student enrollment of that unit. The Department of Public Instruction shall make available a copy of each governing board's virtual instruction plan to the Joint Legislative Education Oversight Committee and the Working Group on Virtual Academies, as enacted by Section 3C of this act, by August 15, 2021.

SECTION #.(b) The virtual instruction plan required by subsection (a) of this section shall include the following:

1. The range of grades for which virtual instruction will be offered. The plan should note throughout the differences in delivery of virtual instruction for elementary, middle, and high school students.
2. The types of virtual instruction that will be made available, including whether virtual instruction will be full-time or blended instruction.
3. Whether the virtual instruction will be offered through a (i) school whose primary means of instruction is virtual instruction, (ii) school within a school, or (iii) customized offering unique to specific students.
4. The estimated numbers of students to be served with virtual instruction.
5. A means for identifying students participating in virtual instruction that will allow assessment of that subgroup's performance and EVAAS scores for students receiving virtual instruction in a school that does not exclusively provide virtual instruction.
6. Participation requirements, including student eligibility and agreements for participation from students and parents.
7. The methods by which enrollment, daily attendance, course credit accrual, progress toward graduation, and course completion will be monitored for students receiving virtual instruction.
8. Identification of the resources that will be used to facilitate virtual instruction.
9. The methods for communication with and training opportunities for teachers, administrators, instructional support staff, parents, and students engaged in virtual instruction.
10. Establishment of staff roles and expectations when providing virtual instruction, including teacher accessibility.
11. The measures used to ensure that both synchronous and asynchronous virtual instruction time, practice, and application components support learning growth that continues towards mastery of the standard course of study.
(12) Any unique infrastructure necessary to support virtual instruction.

(13) The methods for ensuring that virtual instruction for students with disabilities is delivered in a manner consistent with each student's individualized education program (IEP), as defined in G.S. 115C-106.3, or section 504 (29 U.S.C. § 794) plan. Remote instruction supports shall be considered and included, as appropriate for the student, when an IEP or 504 plan is initially developed or at any subsequent review or revision of an IEP or 504 plan.

(14) Procedures to be used when making retention decisions for considering the appropriateness and effectiveness of continuing virtual instruction for students at risk of academic failure, including procedures for involving parents in these discussions.

SECTION #.(c) No public school unit shall use virtual instruction to satisfy the minimum required number of instructional days or hours after June 30, 2022, without express authorization from the General Assembly, except for local school administrative units that were assigned a school code to operate a school with virtual instruction as the primary means of instruction as of May 1, 2021.
Request by

VIRTUAL ACADEMIES STUDY

SECTION #. The Superintendent of Public Instruction shall establish a Working Group on Virtual Academies that includes interested stakeholders from, at a minimum, public school units, parents, and the State Board of Education to make recommendations related to virtual academies. The Working Group shall be chaired by the Superintendent or Superintendent's designee and shall review in its deliberations data and information gained from the 2020-2021 school year and from the virtual instruction plans submitted by public school units for the 2021-2022 school year. The Working Group shall report on the following to the Joint Legislative Education Oversight Committee no later than January 15, 2022:

1. Definitions of virtual instruction and virtual academies, including any differences in the definitions for charter schools and other public school units.
2. Requirements for authorization of virtual academies, including any differences in the requirements for charter schools and other public school units.
3. Additional requirements for virtual academies, including, but not limited to:
   a. Infrastructure requirements, if any, such as access to internet connectivity, equipment, hardware, software, and technical support.
   b. Instructional requirements, including student monitoring, attendance and testing requirements, measures for completion of instructional days and hours requirements, synchronous instruction minimums, and measures of course credit accrual, progress toward graduation, and course completion.
   c. Personnel requirements, including professional development.
   d. Participation requirements, including student eligibility and agreements for participation from students and parents.
   e. Special education requirements.
   f. Term of years for approval for a virtual academy and criteria for initial approval and renewal.
   g. Distinctions in requirements for different types of public school units.
   h. A means for identifying students participating in virtual instruction that will allow assessment of that subgroup's performance and EVAAS scores for students receiving virtual instruction in a school that does not exclusively provide virtual instruction.
Requested by

1 FLEXIBILITY FOR DPI POSITIONS TO SUPPORT THE EPSA
2 SECTION #.(a) Section 7A.12 of S.L. 2012-142, as enacted by Section 2.1 of S.L.
3 2012-145, is repealed.
4 SECTION #.(b) Beginning with the 2021-2022 fiscal year, the Department of Public
5 Instruction may use the funds appropriated for the Excellent Public Schools Act, Read to Achieve
6 Program, initially established under Section 7A.1 of S.L. 2012-142, to establish positions as
7 necessary to support the program, including implementation of the requirements of the Excellent
8 Public Schools Act of 2021, S.L. 2021-8.
Combining of the Education and Workforce Innovation Commission Grant Programs

Section #. Article 6C of Chapter 115C of the General Statutes reads as rewritten:

"Education and Workforce Innovation and CTE Grade Expansion Program.

§ 115C-64.15. North Carolina Education and Workforce Innovation Commission.

(a) There is created the North Carolina Education and Workforce Innovation Commission (Commission). The Commission shall be located administratively in the Department of Public Instruction but shall exercise all its prescribed powers independently of the Department of Public Instruction. Of the funds appropriated for the Education and Workforce Innovation and CTE Grade Expansion Program established under G.S. 115C-64.16, up to ten percent (10%) of those funds each fiscal year may be used by the Department of Public Instruction to provide technical assistance and administrative assistance, including staff, to the Commission and for reimbursements and expenses for the Commission for the Education and Workforce Innovation Program and the Career and Technical Education Grade Expansion and CTE Grade Expansion Program.

(b) The Commission shall consist of the following 14 members:

(1) The Secretary of Commerce or his or her designee.

(2) The State Superintendent of Public Instruction or his or her designee.

(3) The Chair of the State Board of Education or his or her designee.

(4) The President of the University of North Carolina or his or her designee.

(5) The President of the North Carolina Community College System or his or her designee.

(6) Three members appointed by the Governor who have experience in education.

(7) Three members appointed by the General Assembly upon recommendation of the Speaker of the House of Representatives, as provided in G.S. 120-121, who have experience in businesses operating in North Carolina.

(8) Three members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate, as provided in G.S. 120-121, who have experience in businesses operating in North Carolina.

(b1) Members appointed by the Governor or the General Assembly shall serve for three-year terms commencing July 1 of the year of appointment and may serve successive terms.

(c) The Commission members shall elect a chair from the membership of the Commission. The Commission shall meet at least three times annually on the call of the Chair or as additionally provided by the Commission. A quorum is six members of the Commission. Members may not send designees to Commission meetings nor may they vote by proxy.

(d) The Commission shall develop and administer the Education and Workforce Innovation and CTE Grade Expansion Program, as established under G.S. 115C-64.16, in collaboration with the North Carolina Career and Technical Education Foundation, Inc., and make awards of grants under the Program.
(d1) The Commission shall develop and administer, in coordination with the State Board of Education and the Superintendent of Public Instruction, and in collaboration with the North Carolina Career and Technical Education Foundation, Inc., the Career and Technical Education Grade Expansion Program, as established under G.S. 115C-64.17, and shall make awards of grants under the Program.

(d2) The North Carolina Career and Technical Education Foundation, Inc., shall serve as a grant administrator by providing assistance and support to grantees for initiating, expanding, improving, and promoting career and technical education initiatives.

(e) The Commission, in consultation with the North Carolina Career and Technical Education Foundation, Inc., Commission shall publish a report on the Education and Workforce Innovation and CTE Grade Expansion Program and the Career and Technical Education Grade Expansion Program on or before April 30 of each year. The report shall be submitted to the Senate Appropriations Committee on Education/HIGHER Education, the House Appropriations Committee on Education, the Fiscal Research Division, the Joint Legislative Education Oversight Committee, the State Board of Education, the State Board of Community Colleges, and the Board of Governors of the University of North Carolina. The report shall include at least all of the following information:

(1) An accounting of how funds and personnel resources were utilized for each program and their impact on student achievement, retention, and employability.
(2) Recommendations statutory and policy changes.
(3) Recommendations for improvement of each program.
(4) For the Career and Technical Education Grade Expansion Program, Grants, recommendations on increasing availability of grants after the first two years of the program to include additional local school administrative units, charter schools, or providing additional grants to prior recipients.

§ 115C-64.16. The Education and Workforce Innovation Program and CTE Grade Expansion Program: innovation grants.

(a) Program Establishment. — There is established the Education and Workforce Innovation and CTE Grade Expansion Program (Program) to foster innovation in education that will lead to more students graduating career and college ready and to prioritize the inclusion of students in sixth and seventh grades through grant awards provided to selected local school administrative units and charter schools.

(a1) Types of Grant Awards. — Funds appropriated to the Program shall be used to award competitive grants depending on the needs of the State, as determined by the Commission, by dividing the grants between each type as innovation grants pursuant to the provisions of this section or as grants for grade expansion for career and technical education pursuant to the provisions of G.S. 115C-64.17.

(a2) Innovation Grants. — Competitive grants shall be awarded to an individual school, school in a local school administrative unit, a local school administrative unit, or a regional partnership of more than one local school administrative unit to advance comprehensive, high-quality education that equips teachers and other hired personnel with the knowledge and skill required to succeed with all students. Before receiving an innovation grant, applicants must meet all of the following conditions:

(1) Form a partnership, for the purposes of the grant, with either a public or private university or a community college.
(2) Form a partnership, for the purposes of the grant, with regional businesses and business leaders.
(3) Demonstrate the ability to sustain innovation once grant funding ends.

(b) Applicant Categories and Specific Requirements. — Requirements for Innovation Grants. —
(1) Individual schools. – Individual public schools, Charter schools and individual public schools in local school administrative units must demonstrate all of the following in their applications:

a. Partnerships with business and industry to determine the skills and competencies needed for students' transition into growth sectors of the regional economy.

b. Aligned pathways to employment, including students' acquisition of college credit or industry recognized credentials.

c. Development of systems, infrastructure, capacity, and culture to enable teachers and school leaders to continuously focus on improving individual student achievement.

(2) Local school administrative units. – Local school administrative units must demonstrate all of the following in their applications:

a. Implementation of comprehensive reform and innovation.

b. Appointment of a senior leader to manage and sustain the change process with a specific focus on providing parents with a portfolio of meaningful options among schools.

(3) Regional partnerships of two or more local school administrative units. – Partnerships of two or more local school administrative units must demonstrate all of the following in their applications:

a. Implementation of resources of partnered local school administrative units in creating a tailored workforce development system for the regional economy and fostering innovation in each of the partnered local school administrative units.

b. Promotion of the development of knowledge and skills in career clusters of critical importance to the region.

c. Benefits of the shared strengths of local businesses and higher education.

d. Usage of technology to deliver instruction over large geographic regions and build networks with industry.

e. Implementation of comprehensive reform and innovation that can be replicated in other local school administrative units.

(c) Consideration of Factors in Awarding of Innovation Grants. – All applications must include information on at least the following in order to be considered for an innovation grant:

(1) Describe the aligned pathways from school to high-growth careers in regional economies.

(2) Leverage technology to efficiently and effectively drive teacher and principal development, connect students and teachers to online courses and resources, and foster virtual learning communities among faculty, higher education partners, and business partners.

(3) Establish a comprehensive approach to enhancing the knowledge and skills of teachers and administrators to successfully implement the proposed innovative program and to graduate all students ready for work and college.

(4) Link to a proven provider of professional development services for teachers and administrators capable of providing evidence-based training and tools aligned with the goals of the proposed innovative program.

(5) Form explicit partnerships with businesses and industry, which may include business advisory councils, internship programs, and other customized projects aligned with relevant workforce skills.
(6) Partner with community colleges or public or private universities to enable communities to challenge every student to graduate with workplace credentials or college credit.

(7) Align K-12 and postsecondary instruction and performance expectations to reduce the need for college remediation courses.

(8) Secure input from parents to foster broad ownership for school choice options and to foster greater understanding of the need for continued education beyond high school.

(9) Provide a description of the funds that will be used and a proposed budget for five years each of the grant years.

(10) Describe the source of matching funds required in subsection (d) of this section.

(11) Establish a strategy to achieve meaningful analysis of program outcomes due to the receipt of grant funds under this section.

(d) Matching Private and Local Funds. Funds for Innovation Grants. – All innovation grant applicants must match fifty percent (50%) of all State dollars. Matching funds shall not include other State funds. Matching funds may include in-kind contributions.

(e) Awards for Innovation Grants. – Any innovation grants awarded by the Commission may be spent over a five-year period from the initial award. Grants may be awarded for new or existing projects. Grant funds shall not revert but shall be available until expended.

(f) Innovation Grant Recipient Reporting Requirements. – No later than September 1 of each year, an innovation grant recipient shall submit to the Commission an annual report for the preceding grant year that describes the academic progress made by the students and the implementation of program initiatives.

§ 115C-64.17. The Career and Technical Education Grade Expansion Program, Grants.

(a) Program Establishment. CTE Grade Expansion Grants. – There is established the Career and Technical Education Grade Expansion Program (Program) to expand Career and Technical Education Grade Expansion grants shall be awarded under the Program for the purpose of expanding career and technical education (CTE) programs by prioritizing the inclusion of students in sixth and seventh grade through grant awards provided to selected local school administrative units and charter schools for up to seven years. Funds appropriated for the Program grant funds shall be allocated to selected local school administrative units and charter schools as competitive grants of (i) up to seven hundred thousand dollars ($700,000) for the 2017-2018 fiscal year and (ii) grants, to the extent funds are available, of up to one million dollars ($1,000,000) for the 2018-2019 fiscal year and subsequent fiscal years. Grant funds shall be used only for employing additional licensed personnel in career and technical education areas, career development coordination areas, and support service areas necessary for expanding the CTE program to sixth and seventh grade students. The funds may be used for CTE programs at one or more schools in the local school administrative unit. For a local school administrative unit, the funds may be used for CTE programs at one or more schools in the unit. Grant funds allocated to the local school administrative unit or charter school each fiscal year under the Program shall not revert but shall be available for the purpose of the grant program until expended.

(b) Consideration of Factors in Awarding of CTE Grade Expansion Grants. – Local school administrative units and charter schools applying for the Program CTE grade expansion grants shall submit an application that includes at least the following information:

(1) A plan for expansion of the CTE program to sixth and seventh grade students, including the specific programs that will be expanded, the significance of CTE in the local school administrative unit, unit or charter school, and how a grade expansion would enhance the education program and the community.
A request for the amount of funds, a description of how the funds will be used, and any other sources of funds available to accomplish the purposes of this program.

(3) A proposed budget for seven years that provides detail on the use of the amount of funds to add personnel, increase career development efforts, and provide support services.

(4) A strategy to achieve meaningful analysis of program outcomes due to the receipt of grant funds under this section.

(c) Selection of CTE Grade Expansion Grant Recipients. – For the 2017-2018 fiscal year, the Commission shall accept applications for a grant until November 30, 2017. For subsequent fiscal years that funds are made available for the Program, CTE grade expansion grants, the Commission shall accept applications for a grant until August 1 of each year. The Commission shall consult with the North Carolina Career and Technical Education Foundation, Inc., to select recipients in a manner that considers diversity among the pool of applicants, including geographic location, location of industries in the area in which a local school administrative unit or charter school is located, and the size of the student population served by the unit, or charter school, in order to award funds to the extent possible to grant recipients that represent different regions and characteristics of the State. The Commission shall recommend recipients of the grants to the State Board of Education. The State Board, upon consultation with the Superintendent of Public Instruction, shall approve the recipients of grant awards.

(d) Allocation of Funds. – Of the funds available for the Program in each fiscal year, the Commission shall first allocate funds to applicants who received CTE grade expansion grant funds for the prior fiscal year for up to seven years. After funds are allocated to prior fiscal year grant recipients, any remaining funds may be used by the Commission to select new grant recipients, as provided in G.S. 115C-64.16(a1). The Commission, in consultation with the Superintendent of Public Instruction, shall establish rules regarding any requirements for grant recipients to continue eligibility to receive funds each fiscal year, including timely and accurate reporting as required under subsection (e) of this section.

(e) Reporting Requirements. – No later than August 1 of each year, for up to seven years after the initial grant award, a grant recipient shall submit to the Department of Public Instruction, Local Planning Systems Regional Services staff within the Division of Career and Technical Education, an annual report for the preceding year in which CTE grade expansion grant funds were expended that provides at least the following information on the program for sixth and seventh grade students:

(1) The use of grant funds, including the CTE programs and courses that have been expanded in the local school administrative unit or charter school to include sixth and seventh grade students.

(2) The number of students enrolled in CTE courses as part of the expansion.

(3) The number of students who subsequently enrolled in CTE courses in high school.

(4) The number of students who subsequently participated in internships, cooperative education, or apprenticeship programs.

(5) The number of students who subsequently earned (i) college credit and (ii) approved industry certification and credentials.

(6) Any other information the Division of Career and Technical Education deems necessary.

The Superintendent of Public Instruction shall provide a report to the Commission by October 15 of each year based on the information reported to the Local Planning Systems Regional Services staff under this subsection, including how the grant recipients compare to CTE programs statewide and whether the programs are aligned with the Master Plan for Career and Technical Education adopted by the State Board.”
STATE BOARD OF EDUCATION PROGRAM OUTCOME REPORTING

SECTION #. G.S. 115C-12 is amended by adding a new subdivision to read:
(25c) Reports on State-Funded Programs. — Beginning October 1, 2022, and annually thereafter, the State Board of Education shall file a report with the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee for all programs administered through the State Board of Education and Department of Public Instruction that were provided an expansion of State appropriations or a new State appropriation in the Current Operations Appropriations Act from the prior fiscal year, including grants to non-State entities as defined in G.S. 143C-1-1. The report shall include information on program activities, objectives, and accomplishments and prior year State fiscal year itemized expenditures and fund sources. The State Board is not required to include information in the report for programs with an existing reporting requirement otherwise required by State law."
GENERAL ASSEMBLY OF NORTH CAROLINA
Session 2021

Department of Public Instruction
House Appropriations, Education

Requested by

ADOPTION OF THE STANDARD COURSE OF STUDY/ADVISORY COMMISSION/SBE
RULEMAKING

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

"§ 115C-12. Powers and duties of the Board generally.

The general supervision and administration of the free public school system shall be vested in the State Board of Education. The State Board of Education shall establish all needed rules and regulations for the system of free public schools, subject to laws enacted by the General Assembly. Except as otherwise provided by law, the State Board of Education shall adopt any rules, regulations, policies, standards, or statements of general applicability in accordance with Chapter 150B of the General Statutes. Any such rules, regulations, policies, standards, or statements of general applicability are not valid unless they are adopted in substantial compliance with Chapter 150B of the General Statutes. In accordance with Sections 7 and 8 of Article III of the North Carolina Constitution, the Superintendent of Public Instruction, as an elected officer and Council of State member, shall administer all needed rules and regulations adopted by the State Board of Education through the Department of Public Instruction. The powers and duties of the State Board of Education are defined as follows:

…

(9c) Power to Develop Content Standards. – The Board shall adopt rules establishing the standard course of study, as provided in Part 1 of Article 8 of this Chapter, in accordance with Article 2A of Chapter 150B of the General Statutes.

a. The Board shall develop a comprehensive plan to revise content standards and the standard course of study in the core academic areas of reading, writing, mathematics, science, history, geography, and civics. The Board shall involve and survey a representative sample of parents, teachers, and the public to help determine academic content standard priorities and usefulness of the content standards. A full review of available and relevant academic content standards that are rigorous, specific, sequenced, clear, focused, and measurable, whenever possible, shall be a part of the process of the development of content standards. The revised content standards developed in the core academic areas shall (i) reflect high expectations for students and an in-depth mastery of the content; (ii) be clearly grounded in the content of each academic area; (iii) be defined grade by grade and course by course; (iv) be understandable to parents and teachers; (v) be developed in full recognition of the time available to teach the core academic areas at each grade level; and (vi) be measurable, whenever possible, in a reliable, valid, and efficient manner for accountability purposes.
b. High school course content standards shall include the knowledge and skills necessary to pursue further postsecondary education or to attain employment in the 21st century economy. The high school course content standards also shall be aligned with the minimum undergraduate course requirements for admission to the constituent institutions of The University of North Carolina.

e. The Board also shall develop and implement an ongoing process to align State programs and support materials with the revised academic content standards for each core academic area on a regular basis. Alignment shall include revising textbook criteria, support materials, State tests, teacher and school administrator preparation, and ongoing professional development programs to be compatible with content standards. The Board shall develop and make available to teachers and parents support materials, including teacher and parent guides, for academic content standards. The State Board of Education shall work in collaboration with the Board of Governors of The University of North Carolina to ensure that teacher and school administrator degree programs, ongoing professional development, and other university activity in the State's public schools align with the State Board's priorities.

SECTION #.(b) G.S. 115C-81.5 reads as rewritten:

"§ 115C-81.5. Standard course of study.
(a) All children can learn. It is the intent of the General Assembly that the mission of the public school community is to challenge with high expectations each child to learn, to achieve, and to fulfill his or her potential. With that mission as its guide, the State Board of Education shall adopt a plan of education and rules establishing a standard course of study as provided in G.S. 115C-12(9c) this Part for the public schools of the State. It is the intent of the General Assembly that the focus of State educational funding shall be to ensure that each student receives a sound basic education. It is further a goal of the General Assembly to provide supplemental funds to low-wealth counties to allow those counties to enhance the instructional program and student achievement. Instruction shall be offered in the areas of arts, communication skills, physical education and personal health and safety, mathematics, media and computer skills, science, second languages, social studies, and career and technical education. In addition, instruction shall be offered in all of the areas provided in this Part.
  (b) The standard course of study shall provide all of the following:
    (1) A core curriculum of academic content standards for all students that takes into account the special needs of children.

SECTION #.(c) Article 8 of Chapter 115C of the General Statutes is amended by adding a new section to read:

(a) There is established the Standard Course of Study Advisory Commission, hereinafter referred to as the Commission. The purpose of the Commission is to involve stakeholders in establishing the rules for the academic content standards of the standard course of study. The Commission shall make recommendations regarding all aspects of the academic content standards of the standard course of study.
  (b) The Commission shall be located administratively in the Department of Public Instruction but shall exercise all its powers and duties independently of the Department of Public Instruction.
  (c) The Commission shall consist of the following members:
The General Assembly, upon the recommendation of the President Pro Tempore of the Senate, shall appoint the following eight members:

a. One superintendent of a public school unit with a student population greater than 20,000 at the time of appointment.
b. One principal of an elementary school.
c. One high school teacher.
d. One elementary school teacher.
e. One parent of a student in middle or high school enrolled in a public school unit at the time of appointment.
f. One curriculum specialist from a public school unit with a student population of 20,000 or less at the time of appointment.
g. One member of the business community.
h. One at-large member.

The General Assembly, upon the recommendation of the Speaker of the House of Representatives, shall appoint the following eight members:

a. One superintendent of a public school unit with a student population of 20,000 or less at the time of appointment.
b. One principal of a high school.
c. One principal of a middle school.
d. One middle school teacher.
e. One parent of a student in elementary school enrolled in a public school unit at the time of appointment.
f. One curriculum specialist from a public school unit with a student population of more than 20,000 at the time of appointment.
g. One member of the business community.
h. One at-large member.

The Superintendent of Public Instruction or his or her designee.

The President of the North Carolina Community College System, or the President's designee, as a nonvoting member.

The President of The University of North Carolina, or the President's designee, as a nonvoting member.

The President of the North Carolina Chamber, or the President's designee, as a nonvoting member.

In making appointments to the Commission, the General Assembly is encouraged to select qualified citizens who are committed to improving the standard course of study and student achievement and who represent the racial, geographic, and gender diversity of the State. Vacancies in the membership shall be filled by the General Assembly, as provided in G.S. 120-122, using the same criteria as provided in subsection (c) of this section.

Members of the Commission shall serve four-year terms of office beginning on July 1. No appointed member shall serve more than eight consecutive years. Vacancy appointments shall be made for the remainder of the term of office by the General Assembly, as provided in G.S. 120-122, using the same criteria as provided in subsection (c) of this section.

The Commission shall elect a chair, a vice-chair, and a secretary from among its membership. In the absence of the chair, the vice-chair shall preside over the Commission's meetings. All members are voting members, and a majority of the Commission constitutes a quorum. The Commission shall adopt rules to govern its proceedings.

Meetings of the Commission shall be held upon the call of the chair or the vice-chair in the absence of the chair. The Superintendent shall call the initial meeting of the Commission.

Members of the Commission shall receive compensation for their services and reimbursement for expenses incurred in the performance of their duties required by this Article at the rate prescribed in G.S. 138-5 and G.S. 138-6.
(i) The Superintendent of Public Instruction shall assign staff to assist the Commission's work. The Commission may contract with content area experts to assist in its deliberations from funds available.

(ii) The Commission shall:

1. Develop and recommend to the State Board of Education the rules for the academic content standards of the standard course of study in accordance with G.S. 115C-81.7.

2. Develop optional support materials, including teacher and parent guides, for academic content standards that can be made available to teachers and parents upon approval by the State Board.

3. Provide recommendations as requested to the State Board of Education related to alignment of State programs and support materials with the revised academic content standards for each core academic area, including revising instructional materials criteria, optional support materials, State tests, teacher and school administrator preparation, and ongoing professional development programs to be compatible with content standards.

(k) The Commission shall submit its recommendations under subsection (i) of this section to the State Board, including the recommended rules for the academic content standards of the standard course of study under subdivision (1) of subsection (i) of this section. The State Board shall submit the proposed text of the recommended rules for publication as notice of text in the North Carolina Register. The State Board shall adopt or reject the rules recommended under subdivision (1) of subsection (i) of this section following acceptance of comments and any required public hearing and shall adopt or reject all other recommendations under subdivisions (2) and (3) of subsection (i) of this section. The State Board shall not make any substantive changes to any recommendations of the Commission that it adopts. If the State Board rejects the recommendations, it shall state with specificity its reasons for rejection; the Commission may then amend the recommendation and resubmit it to the State Board. The Board shall adopt or reject the amended recommendation. If the State Board fails to adopt the Commission's original and amended recommendations, the State Board may develop and adopt its own rules for the academic content standards of the standard course of study.

(i) The Commission shall submit a report by December 1, 2022, and annually thereafter, to the Joint Legislative Education Oversight Committee and the State Board of Education of its activities during the preceding year, together with any recommendations and findings regarding the process for revisions to the standard course of study."

SECTION #. (d) Article 8 of Chapter 115C of the General Statutes is amended by adding a new section to read:

"§ 115C-81.7. Development of academic content standards for the standard course of study.

(a) The State Board shall develop a comprehensive plan to revise, on a regular basis, academic content standards for the standard course of study in the core academic areas of reading, writing, mathematics, science, history, geography, and civics that clearly designates by year the subjects for review by the Commission. The State Board shall provide this plan to the Commission. The Commission shall review the designated subjects and standard course of study in accordance with the plan developed by the State Board.

(b) The Commission shall involve and survey a representative sample of parents, teachers, and the public to help determine academic content standard priorities and usefulness of the academic content standards. A full review of available and relevant academic content standards that are rigorous, specific, sequenced, clear, focused, and measurable, whenever possible, shall be a part of the process of the development of academic content standards. The revised academic content standards developed in the core academic areas shall do all of the following:
Reflect high expectations for students and an in-depth mastery of the academic content.

Be clearly grounded in the content of each academic content area.

Be defined grade-by-grade and course-by-course.

Be understandable to parents and teachers.

Be developed in full recognition of the time available to teach the core academic areas at each grade level.

Be measurable, whenever possible, in a reliable, valid, and efficient manner for accountability purposes.

High school course academic content standards shall include the knowledge and skills necessary to pursue further postsecondary education or to attain employment in the twenty-first century economy. The high school course academic content standards also shall be aligned with the minimum undergraduate course requirements for admission to the constituent institutions of The University of North Carolina.

The Board, in consultation with the Commission, also shall develop and implement an ongoing process to align State programs and support materials with the revised academic content standards for each core academic area on a regular basis. Alignment shall include revising instructional materials criteria, support materials, State tests, teacher and school administrator preparation, and ongoing professional development programs to be compatible with academic content standards.

The State Board shall work in collaboration with the Board of Governors of The University of North Carolina to ensure that teacher and school administrator degree programs, ongoing professional development, and other university activity in the State's public schools align with the State Board's priorities."

SECTION #.(e) Initial appointments to the Standard Course of Study Advisory Commission shall be made by the General Assembly for terms beginning September 1, 2021, and shall be appointed as follows:

(1) Notwithstanding G.S. 115C-81.6, as enacted by this act, members appointed pursuant to G.S. 115C-81.6(c)(1)a., c., e., and g. and G.S. 115C-81.6(c)(2)b., d., f., and h. shall be appointed for two-year terms.

(2) Members appointed pursuant to G.S. 115C-81.6(c)(1)b., d., f., and h. and G.S. 115C-81.6(c)(2)a., c., e., and g. shall be appointed for four-year terms.

SECTION #.(f) Notwithstanding G.S. 150B-21.2, the current standards that make up the standard course of study adopted pursuant to G.S. 115C-12(9c) and Part 1 of Article 8 of Chapter 115C of the General Statutes, which are subject to rulemaking as provided in Chapter 150B of the General Statutes, shall be deemed permanent rules so long as they meet the following criteria:

(1) The standards were adopted by the State Board of Education prior to January 1, 2021.

(2) The State Board of Education submits the standards to the Codifier of Rules in accordance with the requirements in 26 NCAC 02C no later than 60 days after this section becomes effective.

Permanent rules submitted in accordance with this subsection shall be effective on the date they are submitted to the Codifier of Rules.

SECTION #.(g) When the Codifier of Rules enters the permanent rules submitted pursuant to subsection (f) of this section into the North Carolina Administrative Code, the Codifier shall publish notice of the permanent rules on the internet.

SECTION #.(h) Any standards that make up the standard course of study that do not meet the criteria of subsection (f) of this section shall not be deemed permanent rules and shall be subject to the requirements of subsections (a) through (d) of this section and the provisions of Chapter 150B of the General Statutes. Except as provided in subsection (i) of this section, the
standard course of study shall continue to be revised on the time line provided in the
comprehensive plan developed by the State Board of Education under G.S. 115C-81.7, as enacted
by this act, and in accordance with the rulemaking process under Chapter 150B of the General
Statutes.

SECTION #.(i) Notwithstanding G.S. 115C-81.7(a), the Standard Course of Study
Advisory Commission shall review the social studies standard course of study during the
2021-2022 school year and provide recommendations to the State Board of Education no later
than July 1, 2022.

SECTION #.(j) Notwithstanding S.L. 2019-82, to provide additional time for the
development of content and to ensure sufficient professional development opportunities delayed
due to COVID-19, the following social studies standard course of study changes shall apply:

(1) The course requirements of G.S. 115C-81.45(d), Founding Principles of the
United States of America and North Carolina: Civic Literacy, shall apply to
all students entering the ninth grade in the 2023-2024 school year.

(2) The course requirements of G.S. 115C-81.65, Economics and Personal
Finance, shall apply to all students entering the ninth grade in the 2023-2024
school year.

(3) All other revisions to the social studies standard course of study shall not be
implemented prior to the 2023-2024 school year.

SECTION #.(k) This section is effective the date this act becomes law and applies
to all standard courses of study implemented on or after that date.
Section #.(a) Lifetime Licensure for Professional Educators. – G.S. 115C-270.20 reads as rewritten:

"§ 115C-270.20. Licensure requirements.
(a) Teacher Licenses. – The State Board shall adopt rules for the issuance of the following classes of teacher licenses, including required levels of preparation for each classification:

…

(4) Lifetime license. – A license issued to a teacher after 30 or more years of teaching as a licensed teacher that requires no renewal. For the purposes of this subdivision, a teacher shall be determined to have completed 30 or more years of teaching as a licensed teacher when the teacher holds a current North Carolina teaching license and has completed 30 or more years of creditable service with the Teachers' and State Employees' Retirement System.

…

(d) Lifetime License for Professional Educators. – The State Board of Education shall issue a lifetime license, which shall require no renewal, to an individual currently licensed as a professional educator who has met at least one of the following criteria:

(1) Completed 30 or more years of creditable service with the Teachers' and State Employees' Retirement System.

(2) Completed a combined total of 30 or more years of employment as a licensed teacher, administrator, or student services personnel in one or more public school units in North Carolina."

Section #.(b) Clarify Residency License Requirements. – G.S. 115C-270.20(a)(5) reads as rewritten:

"(5) Residency License or RL. – A one-year license, renewable twice, that meets both of the following requirements:

a. Is requested by the local board of education and accompanied by a certification of supervision from the recognized educator preparation program in which the individual is enrolled.

b. The individual for whom the license is requested meets all of the following requirements:

1. Holds a bachelor's degree at least one of the following:
   I. A bachelor's degree.
   II. An advanced degree.

2. Has either completed coursework relevant to the requested licensure area or passed the content area examination relevant to the requested licensure area that has been approved by the State Board.

3. Is enrolled in a recognized educator preparation program.
4. Meets all other requirements established by the State Board, including completing preservice requirements prior to teaching."

SECTION #.(c) Extension for Exam and Coursework Requirements. – Notwithstanding G.S. 115C-270.15 and G.S. 115C-270.20, applicants for a continuing professional license holding a current initial professional license, residency license, lateral entry license, or limited license expiring June 30, 2021, who have not met the examination or coursework requirements established by the State Board as of June 30, 2021, shall be provided an extension until December 31, 2021.

SECTION #.(d) This section is effective the date this act becomes law.
GENERAL ASSEMBLY OF NORTH CAROLINA
Session 2021

Proofed
SPECIAL PROVISION

Department of Public Instruction
House Appropriations, Education

Requested by

DELAY THE IMPLEMENTATION OF CLASS SIZE REQUIREMENTS FOR KINDERGARTEN CLASSES

SECTION #. Notwithstanding G.S. 115C-301, Section 2(d) of S.L. 2018-2, and any other provision of law, for the 2021-2022 school year only, if the total kindergarten average daily membership for the first month of the 2021-2022 school year for a local school administrative unit is five percent (5%) or more than the total kindergarten average daily membership for the first month of the 2019-2020 school year for that unit, the following shall apply:

(1) The average class size for kindergarten in that unit shall not exceed one teacher per 20 students.

(2) At the end of the second school month and for the remainder of the school year, the size of an individual class in kindergarten in that unit shall not exceed one teacher per 23 students.
GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2021

Department of Public Instruction
House Appropriations, Education

Requested by

1 CLARIFY THE DEFINITION OF YEAR-ROUND SCHOOL

SECTION #.(a) G.S. 115C-84.2(f)(5) reads as rewritten:

"(5) Year-round school. – A school with a single- or multi-track instructional calendar to provide instructional days throughout the entire school calendar year, beginning July 1 and ending June 30, by utilizing at least one of the following plans:

a. A plan dividing students into four groups and requiring each group to be in school for assigned and staggered quarters each school calendar year.

b. A plan providing students be scheduled to attend four quarters of between 43 and 47 instructional days followed by 15 days of vacation, repeated throughout the each school calendar year, with vacation periods for students of between 14 and 18 days separating each quarter.

c. A plan dividing the school calendar year into five nine-week sessions of classes and requiring each student to attend four assigned and staggered sessions out of the five nine-week sessions to complete the student's instructional year.

d. In a local school administrative unit with both single- and multi-track instructional calendars, a plan for a single-track instructional calendar that is identical to at least one track of a multi-track instructional calendar adopted by the local board that meets the requirements of either sub-subdivision a. or sub-subdivision c. of this subdivision."

SECTION #.(b) This section is effective the date this act becomes law and applies beginning with the 2021-2022 school year.
SCHOOL PERFORMANCE GRADES/ANNUAL REPORT CARDS

SECTION #.(a) Display of School Performance Grades. – Notwithstanding G.S. 115C-12(9)c1. and G.S. 115C-83.15, the State Board of Education shall not calculate achievement, growth, and performance scores nor display performance scores, growth designations, and letter grades for schools for the 2021-2022 school year, based on data from the 2020-2021 school year, but shall display a brief explanation that achievement, growth, and performance scores and letter grades were not calculated and assigned for the 2021-2022 school year because assessment data was heavily impacted by COVID-19 during the 2020-2021 school year.

SECTION #.(b) Annual Report Cards. – Notwithstanding G.S. 115C-12(9)c1. and Part 1B of Article 8 of Chapter 115C of the General Statutes, the State Board of Education shall issue an annual report card for public school units for the 2021-2022 school year, based on data from the 2020-2021 school year, that only meets the minimum accountability, school identification, and related reporting requirements of the Elementary and Secondary Education Act of 1965 (ESEA), as amended, required under the federal waiver granted by the United States Department of Education to the State of North Carolina for the 2020-2021 school year, dated March 26, 2021.

SECTION #.(c) Notwithstanding G.S. 115C-47(58), 115C-75.8(d)(7), 115C-218.65, 115C-238.66(11), 116-239.8(b)(14), and subdivision 6(d)(2) of S.L. 2018-32, for the 2021-2022 school year, based on data from the 2020-2021 school year, public school units shall only be required to display the annual report card information issued by the State Board of Education pursuant to this Part.
(a) The State Board of Education shall establish and maintain an electronic dashboard to publicly display information related to digital learning. The State Board shall include in the dashboard, at a minimum, the following categories of information to be reported:

1. In-school digital device access, including the following information disaggregated by public school unit, school, and grade level:
   a. Number and percentage of students with access to digital devices within the school.
   b. Source of digital devices, such as the public school unit or the student's home.
   c. Type of device.

2. Out-of-school digital device access, including the following information disaggregated by public school unit, school, and grade level:
   a. Number and percentage of students with access to digital devices outside of the school.
   b. Source of digital devices, such as the public school unit, the student's home, or both.
   c. Type of device.
   d. For homes with no devices, reason for lack of devices.

3. Out-of-school internet connectivity, including the following information disaggregated by public school unit, school, and grade level:
   a. Number and percentage of students with internet connectivity outside of the school available by the following categories:
      1. Students with connectivity at home.
      2. Students without connectivity at home but who have regular and reliable access to other sources of connectivity.
   b. For students without home connectivity, primary source for internet connectivity outside of the school.
   c. Type of connectivity, such as broadband, satellite, or dial-up.
   d. For homes with no connectivity, reason for lack of connectivity.

(b) Each public school unit shall annually submit all categories of information included in the digital learning dashboard no later than November 15. For subdivisions (2) and (3) of subsection (a) of this section, residential schools shall report on access and connectivity separately for the dormitories and the student's home.

(c) The State Board of Education shall annually report to the Joint Legislative Education Oversight Committee by February 15 on statewide trends reflected in the digital learning dashboard, successes and continued challenges in ensuring all students have digital learning
access both in and out of school, and recommendations on ways to continue to close the digital learning accessibility gap."

SECTION #.(b) G.S. 115C-75.9 is amended by adding a new subsection to read:
"(o) Digital Learning Dashboard. – An innovative school shall annually update information to the digital learning dashboard, as required by G.S. 115C-102.9.""

SECTION #.(c) G.S. 115C-218.75 is amended by adding a new subsection to read:
"(i) A charter school shall annually update information to the digital learning dashboard, as required by G.S. 115C-102.9.""

SECTION #.(d) G.S. 115C-238.66 is amended by adding a new subdivision to read:
"(19) Digital learning dashboard updates. – A regional school shall annually update information to the digital learning dashboard, as required by G.S. 115C-102.9.""

SECTION #.(e) G.S. 116-239.8(b) is amended by adding a new subdivision to read:
"(19) Digital learning dashboard updates. – A laboratory school shall annually update information to the digital learning dashboard, as required by G.S. 115C-102.9.""

SECTION #.(f) Section 6(d) of S.L. 2018-32 is amended by adding a new subdivision to read:
"(5c) G.S. 115C-102.9, Digital learning dashboard.""

SECTION #.(g) The Department of Public Instruction and the Department of Information Technology, in collaboration with the Friday Institute for Educational Innovation at North Carolina State University (Friday Institute), (collectively referred to herein as the Departments) shall conduct a statewide assessment of data related to out-of-school internet and device access for North Carolina elementary and secondary students obtained during the physical school closure and at-home learning that occurred due to COVID-19 during the 2019-2020 and 2020-2021 school years. Public school units shall provide any relevant data from this period to the Departments upon request at the most granular level available. The assessment conducted by the Departments shall review the available data to identify the scope of students who lack out-of-school internet access or devices at home; the reasons students lack such access, including accessibility to adequate broadband in the homes, cost of broadband services, and lack of devices; and the methods students and schools used to address the lack of access during the 2019-2020 and 2020-2021 school years. Based on the assessed data, the Departments shall identify and make recommendations for effective programs and policies to close the student digital access gap and shall recommend effective approaches to maintain current granular data on the student digital access gap.

SECTION #.(h) The Superintendent of Public Instruction shall coordinate (i) access to available data from each public school unit for the Departments and (ii) the reporting of the recommendations of the Departments as provided in this section. The Superintendent of Public Instruction shall report to the Joint Legislative Education Oversight Committee on the assessment of the student digital access gap no later than October 15, 2021.

SECTION #.(i) This section is effective the date this act becomes law. Subsections (a) through (f) of this section apply beginning with the report due November 15, 2021, required under G.S. 115C-102.9(b), as enacted by this section, based on data for the 2021-2022 school year.
SCHOOLS FOR THE DEAF/ADMINISTRATION

SECTION #.(a) Article 9C of Chapter 115C of the General Statutes reads as rewritten:

"Article 9C.

"Schools for Students with Visual and Hearing Impairments.


"§ 115C-150.11. State Board of Education as governing agency over the Governor Morehead School.

The State Board of Education shall be the sole governing agency for the Governor Morehead School for the Blind, the Eastern North Carolina School for the Deaf, and the North Carolina School for the Deaf and Blind. The Superintendent of Public Instruction through the Department of Public Instruction shall be responsible for the administration, including appointment of staff, and oversight of a school governed by this Article, the Governor Morehead School for the Blind.


Except as otherwise provided, the requirements of this Chapter shall apply to the schools governed by this Article, Governor Morehead School for the Blind.


(a) The State Board of Education shall adopt rules necessary for the Department of Public Instruction to implement this Article, Article for the Governor Morehead School for the Blind, including, at a minimum, rules to address eligibility for admission criteria. In determining rules for admission criteria, the State Board of Education shall take into account the following factors:

1. State and federal laws.
2. Optimal academic and communicative outcomes for the child.
3. Parental input and choice.
4. Recommendations in a child's Individualized Education Program (IEP).

(b) Rules for the Governor Morehead School for the Blind shall be adopted in accordance with Chapter 150B of the General Statutes.

"§ 115C-150.14. Tuition and room and board.

(a) Only children who are residents of North Carolina are entitled to free tuition and room and board at a school governed by this Article, the Governor Morehead School for the Blind.

(b) A school governed by this Article, the Governor Morehead School for the Blind may enroll a foreign exchange student and shall charge the student the full, unsubsidized per capita cost of providing education at the school for the period of the student’s attendance. A school that seeks to enroll foreign exchange students under this section shall submit a plan prior to enrolling any of those students to the State Board of Education for approval, including the proposed costs to be charged to the students for attendance and information on compliance with federal law requirements. For the purposes of this section, a foreign exchange student is a student who is domiciled in a foreign country and has come to the United States on a valid, eligible student visa.
(c) Notwithstanding subsection (b) of this section, foreign exchange students who have obtained the status of nonimmigrants pursuant to the Immigration and Nationality Act, 8 U.S.C. § 1101(a)(15)(F) may only be enrolled in a school governed by this Article the School in grades nine through 12 for a maximum of 12 months at the school.

"§ 115C-150.15. Reporting to residential schools on deaf and the Governor Morehead School for the Blind on blind children.

(a) Request for Consent. – Local superintendents shall require that the following request for written consent be presented to parents, guardians, or custodians of any hearing impaired or visually impaired children no later than October 1 of each school year: "North Carolina provides three public residential schools—an school serving visually and hearing impaired students: the Governor Morehead School for the Blind, the Eastern North Carolina School for the Deaf, and the North Carolina School for the Deaf. Do you consent to the release of your contact information and information regarding your child and his or her visual impairment to these schools—this school so that you can receive more information on services offered by these campuses? that campus?"

(b) Annual Report to Residence Schools, the Governor Morehead School for the Blind.
– Local superintendents shall report by November 30 each year the names and addresses of parents, guardians, or custodians of any hearing impaired or visually impaired children who have given written consent to the directors of the Governor Morehead School for the Blind, the Eastern North Carolina School for the Deaf, and the North Carolina School for the Deaf. The report shall include the type of disability of each child, including whether the hearing and visual impairments range from partial to total disability, and if the child has multiple disabilities with the visual or hearing impairment not identified as the primary disability of the student. The report shall also be made to the Department of Public Instruction.

(c) Confidentiality of Records. – The directors of the Governor Morehead School for the Blind, the Eastern North Carolina School for the Deaf, and the North Carolina School for the Deaf shall treat any information reported to the schools—School by a local superintendent under subsection (b) of this section as confidential, except that a director or the director's designee may contact the parents, guardians, or custodians of any hearing impaired or visually impaired children whose information was included in the report. The information shall not be considered a public record under G.S. 132-1.

"Part 2. Schools for Deaf and Hard of Hearing Students.

"§ 115C-150.30. Definitions.

The following definitions apply in this Part:

(1) Educational program. – The placement, services, and individualized instruction provided to a student to address the student's educational strengths, weaknesses, and objectives as part of the day program of a school for the deaf.

(2) ENCSD. – The Eastern North Carolina School for the Deaf.

(3) IEP. – An individualized education program, as defined in G.S. 115C-106.3.

(4) NCSD. – North Carolina School for the Deaf.

(5) Parent. – A student's parent or legal guardian.

(6) School for the deaf. – A school for students who are deaf or hard of hearing located at either the Eastern North Carolina School for the Deaf or the North Carolina School for the Deaf.

"§ 115C-150.31. General supervision over schools for the deaf.

(a) State Board of Education Supervision. – The State Board of Education shall have general supervision over schools for the deaf in accordance with G.S. 115C-12 and shall establish approximately equivalent service areas for each school that cover the entire State. In establishing the service area for each school, the State Board shall consider both the geographic proximity to the school for the deaf and the population of the service area. The State Board shall evaluate the effectiveness of the schools for the deaf and shall, through the application of the accountability.
system developed under G.S. 115C-83.15 and G.S. 115C-105.35, measure the educational performance and growth of students placed in schools for the deaf. If appropriate, the Board may modify this system to adapt to the specific characteristics of these schools. The board of trustees for a school for the deaf shall be subject to rules adopted by the State Board of Education in accordance with Chapter 150B of the General Statutes.

(b) Independent Operation. – Except as otherwise provided for in this Part, the schools for the deaf shall be housed administratively within the Department of Public Instruction, but each school for the deaf shall operate independently with a board of trustees as the governing body. The Department of Public Instruction shall include schools for the deaf employees in coverage for professional liability policies purchased by the Department for its employees and shall facilitate the purchase of other insurance policies for schools for the deaf.

§ 115C-150.32. Board of trustees for each school for the deaf.

(a) Appointment. – Each school for the deaf shall be governed by a separate board of trustees. There shall be five voting members for each board of trustees to be appointed as follows:

(1) Two members appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives.

(2) Two members appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate.

(3) One member appointed by the Governor.

(b) Ex Officio, Nonvoting Members. – The President of the Eastern North Carolina School for the Deaf Alumni Association or the President's designee shall be a nonvoting, ex officio member of the ENCSD Board of Trustees. The President of the North Carolina School for the Deaf Alumni Association or the President's designee shall be a nonvoting, ex officio member of the NCSD Board of Trustees.

(c) Terms of Members. – Members shall be appointed for six-year terms. Terms shall commence July 1. Members shall serve until their successors are appointed and qualified. All vacancies shall be filled by the appointing authority for the vacating member for the remainder of the unexpired term. Vacancies of members appointed by the General Assembly shall be filled as provided in G.S. 120-122.

(d) Declarations of Vacancies. – Whenever an appointed member of a board of trustees shall fail, for any reason other than ill health or service in the interest of the State or nation, to be present at three successive regular meetings of the board, his or her place as a member of the board shall be deemed vacant.

(e) Chair; Vice-Chair. – A board of trustees shall elect one of its members as chair and one of its members as vice-chair, each for a two-year term, at the first meeting occurring after July 1 in even-numbered years.

(f) Meetings. – A board of trustees shall meet at least four times a year and also at such other times as it may deem necessary. A majority of the Board shall constitute a quorum for the transaction of business. All meetings shall be subject to Article 33C of Chapter 143 of the General Statutes. The members shall receive per diem compensation and necessary travel and subsistence expenses while engaged in the discharge of their official duties in accordance with the provisions of G.S. 138-5.

(g) Procedures. – A board of trustees shall determine its own rules of procedure and may delegate to committees that it creates any powers it deems appropriate.

(h) Code of Ethics. – A board of trustees shall adopt a resolution or policy containing a code of ethics, as required by G.S. 160A-86.

§ 115C-150.33. Employees of schools for the deaf.

(a) Director. – Each board of trustees of the ENCSD and NCSD, respectively, shall appoint a director for the school who shall act as secretary to the board of trustees in accordance with G.S. 115C-150.32 and shall manage day-to-day operations of the school and other duties as prescribed by the board of trustees. For purposes of application to other statutes in this Chapter,
the director shall be the equivalent of a superintendent of schools and shall fulfill the duties of a
superintendent as provided in Article 18 of this Chapter.
(b) Director Duties. – The director shall recommend school personnel to the board of
teachers. The director shall supervise the administrative staff of the school, including the
principal, director of human resources, and director of business and finance.
(c) Personnel Criteria. – The board of trustees shall employ and provide salary and
benefits for a principal, teachers, and other employees in accordance with Article 19, Article 20,
Article 21, Article 21A, Article 22, and Article 23 of this Chapter. An employee hired by the
board of trustees shall be responsible for fulfilling the duties of that employee's position as
required by those Articles. All employees of a school for the deaf are employees of the State.
(d) Personnel Pay. – School for the deaf personnel, including teachers, instructional
support personnel, and other employees, shall be paid, at a minimum, in accordance with the
appropriate State salary schedule for local school administrative unit personnel. School for the
deaf personnel shall be eligible for all bonuses paid to local school administrative unit personnel
to the extent that the school for the deaf personnel meet all qualifications other than the employer.

§ 115C-150.34. Powers and duties.
A board of trustees shall adopt rules necessary for the administration of the school for the
deaf to implement the requirements of this Part. Each board of trustees shall have the following
powers and duties:

(1) Sound basic education. – It shall be the duty of the board of trustees to provide
admitted students with the opportunity to receive a sound basic education in
grades kindergarten through 12 and to make all policy decisions with that
objective in mind, including employment decisions, budget development, and
other administrative actions, as directed by law. The board of trustees shall
comply with the requirements of Part 1 of Article 8 and Article 10A of this
Chapter.

(2) Exercise judicial functions. – The board of trustees may employ or contract
with private counsel to provide advice and representation for the schools for
the deaf. The board may institute all actions, suits, or proceedings against
officers, persons, or corporations, or their sureties, for the recovery,
preservation, and application of all money or property which may be due to or
should be applied to the support and maintenance of the school for the deaf.
In all actions brought in any court against a board of trustees, the order or
action of the board shall be presumed to be correct and the burden of proof
shall be on the complaining party to show the contrary. G.S. 114-2.3 and
G.S. 147-17 shall not apply to the schools for the deaf. The Attorney General
shall provide representation to the board of trustees of a school for the deaf
upon the request of that board.

(3) Academic program. – The board of trustees shall adopt rules governing class
size, the instructional calendar, the length of the instructional day, and the
number of instructional days in each term. The board of trustees shall adopt a
school calendar consisting of a minimum of 185 days or 1,025 hours of
instruction covering at least nine calendar months.

(4) School report cards. – A school for the deaf shall ensure that the report card
issued for it by the State Board of Education is provided to the public.
Beginning with the 2026-2027 school year, a school for the deaf shall ensure
that the measures for educational performance and growth for the current and
previous four school years are prominently displayed on the school website.

(5) Standards of performance and conduct. – The board of directors shall establish
policies and standards for academic performance, attendance, and conduct for
students of the school for the deaf. The policies of the board of trustees shall comply with Article 27 of this Chapter.

(6) School attendance. – Every parent, guardian, or other person in this State having charge or control of a child who is enrolled in the school for the deaf and who is less than 16 years of age shall cause such child to attend school continuously for a period equal to the time that the school for the deaf shall be in session. No person shall encourage, entice, or counsel any child to be unlawfully absent from the school for the deaf. Any person who aids or abets a student's unlawful absence from the school for the deaf shall, upon conviction, be guilty of a Class 1 misdemeanor. The principal shall be responsible for implementing such additional policies concerning compulsory attendance as shall be adopted by the board of trustees, including regulations concerning lawful and unlawful absences, permissible excuses for temporary absences, maintenance of attendance records, and attendance counseling.

(7) Uniform Education Reporting System. – The board of trustees shall comply with the reporting requirements established by the State Board of Education in the Uniform Education Reporting System.

(8) Education of children with disabilities. – The board of trustees shall require compliance with federal and State laws and policies relating to the education of children with disabilities for all students admitted to the schools for the deaf. An IEP shall be developed by the school for the deaf for all newly admitted students granted an educational program assignment.

(9) Extracurricular activities. – The board of trustees shall make all rules necessary for the conducting of extracurricular activities, including a program of athletics, where desired, without assuming liability therefor; provided, that all interscholastic athletic activities shall be conducted in accordance with rules and regulations prescribed by the State Board of Education.

(10) Fees, charges, and solicitations. – The board of trustees shall adopt rules governing solicitations of, sales to, and fundraising activities conducted by the students and faculty members in the school, and no fees, charges, or costs shall be collected from students and school personnel without approval of the board of trustees as recorded in the minutes of said board; provided, this subdivision shall not apply to such textbooks fees as are determined and established by the State Board of Education. The board of trustees shall publish a schedule of approved fees, charges, and solicitations on the school's website by October 15 of each school year and, if the schedule is subsequently revised, within 30 days following the revision.

(11) Federal or private funds. – The board of trustees shall have power and authority to accept, receive, and administer any funds or financial assistance given, granted, or provided under the provisions of the Elementary and Secondary Education Act of 1965 (Public Law 89-10, 89th Congress, HR 2362) and under the provisions of the Economic Opportunity Act of 1964 (Public Law 88-452, 88th Congress, S. 2642), or other federal acts or funds from foundations or private sources, and to comply with all conditions and requirements necessary for the receipt, acceptance, and use of said funds. In the administration of such funds, the board of trustees shall have authority to enter into contracts with and to cooperate with and to carry out projects with nonpublic elementary and secondary schools, community groups, and nonprofit corporations and to enter into joint agreements for these purposes with other governing boards of public school units. The board of trustees shall furnish such information as shall be requested by the State Board of
Education, from time to time, relating to any programs related or conducted pursuant to this subdivision.

(12) Educational research. – The board of trustees is authorized to sponsor or conduct educational research and special projects approved by the Department of Public Instruction and the State Board of Education that may improve the school for the deaf. Such research or projects may be conducted during the summer months and the board may use any available funds for such purposes.

(13) Anti-nepotism policies. – The board of trustees shall adopt rules requiring that before any immediate family, as defined in G.S. 115C-12.2, of any board of trustees’ member or administrator, including directors, supervisors, specialists, staff officers, or principals, shall be employed or engaged as an employee, independent contractor, or otherwise by the board of trustees in any capacity, such proposed employment or engagement shall be (i) disclosed to the board of trustees and (ii) approved by the board of trustees in a duly called open-session meeting. The burden of disclosure of such a conflict of interest shall be on the applicable board member or administrator.

(14) Conduct and duties of personnel. – The board of trustees, upon the recommendation of the director, shall have full power to make rules governing the conduct of teachers, principals, and supervisors, the kind of reports they shall make, and their duties in the care of school property. Prior to the beginning of each school year, the board of trustees shall identify all reports that are required for the school year and shall, to the maximum extent possible, eliminate any duplicate or obsolete reporting requirements and consolidate remaining reporting requirements. Prior to the beginning of each school year, the board of trustees shall also identify software protocols that could be used to minimize repetitious data entry and shall make them available to teachers and other employees.

(15) Health and safety. – The board of trustees shall require that the school for the deaf meet the same health and safety standards required of a local school administrative unit. The board shall comply with the requirements of Article 25A of this Chapter, including the following:

a. The board shall ensure that the school for the deaf provides parents and guardians with information about cervical cancer, cervical dysplasia, human papillomavirus, and the vaccines available to prevent these diseases. This information shall be provided at the beginning of the school year to parents of children entering grades five through 12. This information shall include the causes and symptoms of these diseases, how they are transmitted, how they may be prevented by vaccination, including the benefits and possible side effects of vaccination, and places parents and guardians may obtain additional information and vaccinations for their children.

b. The board shall adopt policies to ensure that students in grades nine through 12 receive information annually on the manner in which a parent may lawfully abandon a newborn baby with a responsible person, in accordance with G.S. 7B-500.

(16) School-based mental health. – The board of trustees shall adopt a school-based mental health plan, including a mental health training program and suicide risk referral protocol, in accordance with G.S. 115C-376.5.

(17) School safety. – The board of trustees shall comply with the requirements of Article 8C of this Chapter, including the following:
a. School Risk Management Plan. – The board of trustees, in coordination with local law enforcement agencies, shall adopt a School Risk Management Plan (SRMP) relating to incidents of school violence. In constructing and maintaining these plans, the board of trustees shall utilize the School Risk and Response Management System established pursuant to G.S. 115C-105.49A. These plans are not considered a public record as the term "public record" is defined under G.S. 132-1 and shall not be subject to inspection and examination under G.S. 132-6.

b. Schematic diagrams and school crisis kits. – The board of trustees shall provide schematic diagrams and keys to the main entrance of school facilities to local law enforcement agencies, in addition to implementing the provisions in G.S. 115C-105.52.

c. School safety exercises. – At least once a year, a school for the deaf shall hold a full school-wide lockdown exercise with local law enforcement and emergency management agencies that are part of the school's SRMP.

d. Safety information provided to the Department of Public Safety, Division of Emergency Management. – The board of trustees shall provide the following: (i) schematic diagrams, including digital schematic diagrams, and (ii) emergency response information requested by the Division for the SRMP. The schematic diagrams and emergency response information are not considered public records as the term "public record" is defined under G.S. 132-1 and shall not be subject to inspection and examination under G.S. 132-6.

e. Anonymous tip line. – A school for the deaf shall develop and operate an anonymous tip line in accordance with G.S. 115C-105.51.

(18) Reporting school violence. – A board of trustees shall report all acts of school violence to the State Board of Education in accordance with G.S. 115C-12(21).

(19) Driving eligibility certificates and drivers' education. – The board of trustees shall apply the rules and policies established by the State Board of Education for issuance of driving eligibility certificates. The board of trustees shall provide drivers' education in accordance with Article 14 of this Chapter.

(20) Instructional materials. – The board of trustees shall have the authority to select, procure, and use textbooks not adopted by the State Board of Education, as provided in G.S. 115C-98(b1). The board shall have sole authority to select and procure supplementary instructional materials, whether or not the materials contain commercial advertising, pursuant to the provisions of G.S. 115C-98(b).

(21) Policy against bullying. – A school for the deaf shall adopt a policy against bullying or harassing behavior, including cyber-bullying, in accordance with Article 29C of this Chapter, and shall at the beginning of each school year provide the policy to staff, students, and parents, as defined in G.S. 115C-390.1(b)(8).

(22) Religious activity and moment of silence. – The board of trustees shall comply with the requirements of Article 29D of this Chapter. To afford students and teachers a moment of quiet reflection at the beginning of each day in the public schools, to create a boundary between school time and nonschool time, and to set a tone of decorum in the classroom that will be conducive to discipline and learning, the board of trustees may adopt a policy to authorize the observance
of a moment of silence at the commencement of the first class of each day in all grades in the public schools. Such a policy shall provide that the teacher in charge of the room in which each class is held may announce that a period of silence not to exceed one minute in duration shall be observed and that during that period silence shall be maintained and no one may engage in any other activities. Such period of silence shall be totally and completely unstructured and free of guidance or influence of any kind from any sources.

(23) Display of the United States and North Carolina flags and recitation of the Pledge of Allegiance. – The board of trustees shall adopt policies to (i) require the display of the United States and North Carolina flags in each classroom, when available, (ii) require that recitation of the Pledge of Allegiance be scheduled on a daily basis, and (iii) provide age-appropriate instruction on the meaning and historical origins of the flag and the Pledge of Allegiance. These policies shall not compel any person to stand, salute the flag, or recite the Pledge of Allegiance. If flags are donated or are otherwise available, flags shall be displayed in each classroom.

(24) Child sexual abuse and sex trafficking training program. – The board of trustees shall adopt and implement a child sexual abuse and sex trafficking training program in accordance with G.S. 115C-375.20.

(25) Science safety requirements. –
   
a. A board of trustees shall certify annually to the State Board of Education that the school’s science laboratories for high school and middle school students are equipped with appropriate personal protective equipment for students and teachers.

b. A board of trustees shall ensure that the school for the deaf complies with all State Board of Education policies related to science laboratory safety.

(26) Graduation projects. – A board of trustees shall not require a high school graduation project as a condition of graduation unless the board provides 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.

(27) Group accident and health insurance for students. – A board of trustees may purchase group accident, group health, or group accident and health insurance for students in accordance with G.S. 58-51-81.

(28) Access for youth groups. – Schools for the deaf are encouraged to facilitate access for students to participate in activities provided by any youth group listed in Title 36 of the United States Code as a patriotic society, such as the Boy Scouts of America, and its affiliated North Carolina groups and councils, and the Girl Scouts of the United States of America, and its affiliated North Carolina groups and councils. Student participation in any activities offered by these organizations shall not interfere with instructional time during the school day for the purposes of encouraging civic education.

(29) Parental notification of certain acts reported to law enforcement. – A board of trustees shall adopt a rule on the notification to parents or legal guardians of any students alleged to be victims of any act that is required to be reported to law enforcement and the superintendent under G.S. 115C-288(g).

(30) Seclusion and restraint report. – A board of trustees shall maintain a record of incidents reported under G.S. 115C-391.1(j)(4) and shall provide this information annually to the State Board of Education.
(31) Use of pesticides. – A board of trustees shall adopt rules that address the use of pesticides in schools. These policies shall:
a. Require the principal or the principal’s designee to annually notify the students’ parents, guardians, or custodians as well as school staff of the schedule of pesticide use on school property and their right to request notification. Such notification shall be made, to the extent possible, at least 72 hours in advance of nonscheduled pesticide use on school property. The notification requirements under this subdivision do not apply to the application of the following types of pesticide products: antimicrobial cleansers, disinfectants, self-contained baits and crack-and-crevice treatments, and any pesticide products classified by the United States Environmental Protection Agency as belonging to the U.S.E.P.A. Toxicity Class IV, "relatively nontoxic" (no signal word required on the product’s label).
b. Require the use of Integrated Pest Management. As used in this sub-subdivision, "Integrated Pest Management" or "IPM" means the comprehensive approach to pest management that combines biological, physical, chemical, and cultural tactics as well as effective, economic, environmentally sound, and socially acceptable methods to prevent and solve pest problems that emphasizes pest prevention and provides a decision-making process for determining if, when, and where pest suppression is needed and what control tactics and methods are appropriate.

(32) Arsenic-treated wood. – A board of trustees shall prohibit the purchase or acceptance of chromated copper arsenate-treated wood for future use on school grounds. A board of trustees shall seal existing arsenic-treated wood in playground equipment or establish a time line for removing existing arsenic-treated wood on playgrounds, according to the guidelines established under G.S. 115C-12(33).

(33) Exposure to diesel exhaust fumes. – A board of trustees shall adopt rules to reduce students’ exposure to diesel emissions.

(34) Nonprofit corporations. – A board of trustees may establish, control, and operate a nonprofit corporation that is created under Chapter 55A of the General Statutes and is a tax-exempt organization under the Internal Revenue Code to further their authorized purposes. A nonprofit corporation established as provided in this subdivision shall not have regulatory or enforcement powers and shall not engage in partisan political activity or policy advocacy. A board of trustees that establishes a nonprofit corporation shall make a report annually to the Joint Legislative Education Oversight Committee.

(35) Preschool programs. – The board of trustees may establish preschool programs within funds available for children who are deaf or hard of hearing and are at least 3 years old.

(36) Rulemaking. – The board of trustees shall be exempt from Article 2A of Chapter 150B of the General Statutes.

"§ 115C-150.35. Admissions.

(a) Rules. – Schools for the deaf shall admit students in accordance with eligibility criteria, standards, and procedures established through rules by the board of trustees in accordance with the requirements of this Part.

(b) Eligibility Criteria. – Eligibility criteria shall include consideration of the following:

(1) Evidence of hearing loss.

(2) State and federal laws.
(3) Optimal academic and communicative outcomes for the student.
(4) Parental input and choice.
(5) Student's possession of minimum daily living skills and level of functioning necessary to participate in the educational program.
(6) Student's ability to participate in the education program without exhibiting behavior that is disruptive to other students or criminal activity.

(e) Procedures. – Admission procedures shall include the following:
(1) An application process that may be directly made by a parent or legal guardian to the school or upon recommendation of a local education agency. If a student has not been evaluated by a local school administrative unit and determined to be a child with a disability, a process for the school and local school administrative unit to enter into an agreement to determine if the student is a child with a disability.
(2) An admissions committee to make recommendations on an admissions status that includes, but is not limited to, the following members:
   a. A chair designated by the director of the school for the deaf.
   b. The applicant's parent or legal guardian.
   c. Any professionals necessary to interpret the evaluation results.
   d. If the applicant is currently enrolled in a public school unit, a written invitation shall be extended to a representative from that public school unit to attend and participate in the evaluation.
(3) An admissions evaluation that uses multiple sources of information in determining eligibility, including assessments, teacher recommendations, evidence of the applicant's physical and emotional health, indications of the applicant's level of functioning, including adaptive behavior skills, and the student's current or proposed individualized education plan.
(4) A final admissions determination made by the director of the school or designee.

(d) Admission Status. – A student may be admitted in one of the following statuses:
(1) Temporary assignment. – An applicant admitted for no more than 90 school days for the school staff to complete evaluations and gather additional information for the admissions committee to make an eligibility determination. A student admitted to a temporary assignment status is not guaranteed admission to the educational program as a student who meets the school's eligibility criteria.
(2) Educational program assignment. – An applicant determined to meet the eligibility criteria and granted admission to the educational program.

(e) Disenrollment. – A student's continued enrollment in an educational program assignment status shall be subject to reevaluation by the admissions committee when determined necessary by the school to assess if the student continues to meet eligibility criteria. The disenrollment assessment shall follow the same procedures as the admissions process, and a final determination shall be made by the director or director's designee.

(f) Free Appropriate Public Education. – The student's local school administrative unit shall have the initial responsibility of identifying and evaluating the special education needs of the student and providing a special educational program and related services in accordance with Article 9 of this Chapter. If a parent submits an application to the school for the deaf for enrollment of the parent's child in the school’s educational program, and if the child is determined to meet the eligibility criteria for admission to the school's educational program, the school for the deaf is responsible for the provision of a free appropriate public education. However, a subsequent determination by the school for the deaf that the student no longer meets eligibility criteria immediately transfers the responsibility for the provision of a special educational
program and related services to ensure a free appropriate public education back to the student's local school administrative unit.

(g) Mediation. – Prior to seeking a due process hearing as provided in Article 9 of this Chapter, parents are encouraged to seek mediation under Article 9 of this Chapter in resolving any dispute with regards to a student's eligibility determination or IEP.

(h) Due Process Hearing. – A parent may seek an impartial due process hearing following a final determination on a student's eligibility by the director. If the parent pursues a due process hearing to challenge the school for the deaf's ineligibility determination, the student's "stay put" placement shall not be the school for the deaf but shall be the student's local school administrative unit.

"§ 115C-150.36. Tuition, room and board for resident students.

(a) A student who is a resident of North Carolina is entitled to free tuition for the educational program provided by the school for the deaf.

(b) A student who is a resident of North Carolina whose parent elects for the student to board at the school in order to access the educational program is entitled to free room and board.

"§ 115C-150.37. Nonresident students.

(a) For the purposes of this section, the following definitions shall apply:

1. Foreign exchange student. – A student who is domiciled in a foreign country and has come to the United States on a valid, eligible student visa.

2. Nonresident student. – An out-of-state student or foreign exchange student.

3. Out-of-state student. – A student who is domiciled in a state other than North Carolina.

(b) A school for the deaf may enroll nonresident students in the educational program who otherwise meet admissions criteria established for all students. A school for the deaf shall charge the full, unsubsidized per capita cost of providing education at the school for the period of the nonresident student's attendance, including the cost of tuition and the cost of room and board for any student whose parent elects for the student to board at the school in order to access the educational program.

(c) A school for the deaf that seeks to enroll nonresident students under this section shall submit a plan prior to enrolling any of those students to the board of trustees for approval, including the proposed costs to be charged to the nonresident students for tuition and room and board and information on compliance with federal law requirements.

"§ 115C-150.38. Reporting to schools for the deaf on deaf or hard of hearing children.

(a) Request for Consent. – Local superintendents shall require that the following request for written consent, along with any informational materials provided by the school for the deaf in the service area in which the local school administrative unit is located, be presented to parents, guardians, or custodians of any children who are deaf or hard of hearing no later than October 1 of each school year: "North Carolina provides two public schools for the deaf serving students who are deaf or hard of hearing: the Eastern North Carolina School for the Deaf and the North Carolina School for the Deaf. Do you consent to the release of your contact information and information regarding your child and his or her hearing status to these schools so that you can receive more information on services offered by those campuses?"

(b) Annual Report to Schools for the Deaf. – Local superintendents shall report by November 30 each year the names and addresses of parents, guardians, or custodians of any hearing impaired children who have given written consent to the directors of the ENCSD and the NCSD. The report shall include whether the hearing impairments range from partial to total disability and if the child has multiple disabilities with the hearing impairment not identified as the primary disability of the student. The report shall also be made to the Department of Public Instruction.

(c) Confidentiality of Records. – The directors of the ENCSD and the NCSD shall treat any information reported to the schools by a local superintendent under subsection (b) of this
section as confidential, except that a director or the director's designee may contact the parents, guardians, or custodians of any deaf or hard of hearing children whose information was included in the report. The information shall not be considered a public record under G.S. 132-1.

(d) Transfer of Information. – The local superintendent, or if there is no superintendent, the staff member with the highest decision-making authority, shall share a copy of all current evaluation data and a copy of the current or proposed individualized education plan with the ENCSD and the NCSD for any child enrolled in a public school unit who has been identified as a child with a disability who is deaf or hard of hearing that has applied for admission to a school for the deaf, upon the written request of a parent, guardian, or custodian of the student.

§ 115C-150.39. Applicability of Chapter.

Except as otherwise provided in this Part, the requirements of this Chapter shall not apply to schools for the deaf. A school for the deaf shall be considered a State agency and shall comply with all requirements for State agencies unless otherwise specified in this Part. A school for the deaf shall not be considered a local school administrative unit.

SECTION #. (b) G.S. 115C-5 reads as rewritten:

§ 115C-5. Definitions.

As used in this Chapter unless the context requires otherwise:

…

(3a) The governing body of a public school unit is the following:

a. For a local school administrative unit, the local board of education.

b. For a charter school, the nonprofit corporation board of directors.

c. For a regional school, the regional school board of directors.

d. For a school operated under Article 7A and Part 1 of Article 9C of this Chapter, the State Board of Education.

e. For a school operated under Article 29A of Chapter 116 of the General Statutes, the chancellor of the constituent institution.

f. For a school for the deaf operated under Part 2 of Article 9C of this Chapter, the board of trustees.

…

(7a) Public school unit. – Any of the following:

a. A local school administrative unit.

b. A charter school.

c. A regional school.

d. A school providing elementary or secondary instruction operated by one of the following:

1. The State Board of Education, including schools operated under Article 7A and Part 1 of Article 9C of this Chapter.

2. The University of North Carolina under Article 29A of Chapter 116 of the General Statutes.

e. A school for the deaf operated under Part 2 of Article 9C of this Chapter.

…"

SECTION #.(c) G.S. 115C-105.51(g) reads as rewritten:

"(g) For the purposes of this section, a "public secondary school" is any of the following types of public school serving grades six or higher:

(1) A school under the control of a local school administrative unit.

(2) A school under the control of the State Board of Education, including schools operated under Article 7A and Part 1 of Article 9C of this Chapter.

(3) A school under the control of The University of North Carolina.

(4) A charter school.

(5) A regional school.
(6) A school for the deaf operated under Part 2 of Article 9C of this Chapter."

SECTION #.(d) G.S. 126-5(c1) reads as rewritten:
"(c1) Except as to the provisions of Articles 6 and 7 of this Chapter, the provisions of this Chapter shall not apply to:

... (8a) Employees of a regional school established pursuant to Part 10 of Article 16 of Chapter 115C of the General Statutes.

(8b) Employees of a school for the deaf governed by Part 2 of Article 9C of Chapter 115C of the General Statutes.

..."

SECTION #.(e) G.S. 138-5(a) reads as rewritten:
"(a) Except as provided in subsections (c) and (f) of this section, members of State boards, commissions, committees and councils which operate from funds deposited with the State Treasurer shall be compensated for their services at the following rates:

(1) Except as otherwise provided by this subdivision, compensation at the rate of fifteen dollars ($15.00) per diem for each day of service. Members of the North Carolina Vocational Rehabilitation Council, the Statewide Independent Living Council, and the Commission for the Blind who are unemployed or who shall forfeit wages from other employment to attend Council or Commission meetings or to perform related duties, may receive compensation not to exceed fifty dollars ($50.00) per diem for attending these meetings or performing related duties, as authorized by sections 105 and 705 of the Rehabilitation Act of 1973, P.L. 102-569, 42 U.S.C. § 701, et seq., as amended. Members of the Board of Trustees of the Eastern North Carolina School for the Deaf and the Board of Trustees of the North Carolina School for the Deaf may receive compensation not to exceed fifty dollars ($50.00) per diem for attending Trustee meetings or performing related duties.

(2) Reimbursement of subsistence expenses at the rates allowed to State officers and employees by subdivision (3) of G.S. 138-6(a).

(3) Reimbursement of travel expenses at the rates allowed to State officers and employees by subdivisions (1) and (2) of G.S. 138-6(a).

(4) For convention registration fees, the actual amount expended, as shown by receipt."

SECTION #.(f) G.S. 150B-1(d) is amended by adding a new subdivision to read:

SECTION #.(g) Section 10 of S.L. 2013-247 is repealed.

"SECTION 8.15.(b) Notwithstanding G.S. 146-30 or any other provision of law, the Department of Public Instruction shall only retain all proceeds generated from the rental of building space on the residential school campuses of the Governor Morehead School for the Blind. The Department of Public Instruction shall use all receipts generated from these leases to staff and operate the North Carolina School for the Deaf, the Eastern North Carolina School for the Deaf, and the Governor Morehead School. These receipts shall not be used to support administrative functions within the Department."

SECTION #.(i) Notwithstanding G.S. 146-30 or any other provision of law, beginning with the 2022-2023 fiscal year, the Department of Public Instruction shall retain all proceeds generated from the rental of building space on the school campuses of the Eastern North Carolina School for the Deaf and the North Carolina School for the Deaf to be used in accordance with this subsection. The Department of Public Instruction shall allocate all receipts generated from these leases to each board of trustees in the amount generated from the individual school to
supplement funds to staff and operate that school. These receipts shall not be used to support administrative functions within the Department of Public Instruction.

SECTION #.(j) Notwithstanding Article 9C of Chapter 115C of the General Statutes, as amended by this act, the Department of Public Instruction may continue its administrative duties and responsibilities for the North Carolina School for the Deaf and the Eastern North Carolina School for the Deaf subject to Article 9C of Chapter 115C of the General Statutes as of June 30, 2022, until the board of trustees for each school has successfully transitioned into the administrative role required by this act, but in no event later than October 1, 2022.

SECTION #.(k) By May 1, 2022, the General Assembly and the Governor shall appoint the initial members of the boards of trustees for the North Carolina School for the Deaf and the Eastern North Carolina School for the Deaf to take office effective July 1, 2022. Notwithstanding G.S. 115C-150.32, as enacted by this act, of the members appointed by the General Assembly in 2022, the General Assembly shall appoint one of the members recommended by the Speaker of the House of Representatives and one of the members recommended by the President Pro Tempore of the Senate to a two-year term of office and one of the members recommended by the Speaker of the House of Representatives and one of the members recommended by the President Pro Tempore of the Senate to a four-year term of office. The member appointed by the Governor in 2022 shall be appointed to a six-year term of office. Upon the expiration of the initial terms appointed in 2022, all subsequent appointments by all appointing entities shall be for a six-year term of office, as provided in G.S. 115C-150.32, as enacted by this act.

SECTION #.(l) Notwithstanding G.S. 115C-150.32(f), as enacted by this act, following the appointment of a majority of members of the boards of trustees of each school for the deaf, as provided in subsection (a) of this section, the director of each school for the deaf shall call an initial meeting of each board.

SECTION #.(m) The Department of Public Instruction shall, in collaboration with the personnel from the North Carolina School for the Deaf and the Eastern North Carolina School for the Deaf, develop a transition plan for the change in administration of the schools for the deaf for students who are deaf or hard of hearing in accordance with the requirements of this act to be effective July 1, 2022. By December 15, 2021, the Department of Public Instruction shall report to the Joint Legislative Education Oversight Committee on the plan for transition in administration of the schools for the deaf, including any legislative recommendations necessary to effectuate the transition.

SECTION #.(n) Subsections (a) through (i) of this section become effective July 1, 2022. The remainder of this section is effective the date this act becomes law.
AUTHORIZATION OF VIRTUAL CHARTER SCHOOLS/END PILOT

SECTION #.(a) Section 8.35 of S.L. 2014-100, as amended by Section 8.13 of S.L. 2016-94 and Section 7.13 of S.L. 2018-5, is repealed.

SECTION #.(b) The pilot program established under Section 8.35 of S.L. 2014-100, as amended, shall end with the 2020-2021 school year and the two virtual charter schools participating in the pilot program pursuant to that section shall be deemed to be approved as charter schools by the State Board of Education pursuant to G.S. 115C-218.5 and shall operate as charter schools under Article 14A of Chapter 115C of the General Statutes. The virtual charter schools' contracts and the related documents of those schools shall be modified to reflect that the charter schools operate pursuant to Article 14A of Chapter 115C of the General Statutes. The virtual charter schools shall be permitted to enroll students in accordance with the enrollment increase authorized by Section 3.2 of S.L. 2020-97, as amended by Section 2.5 of S.L. 2021-3, for the 2021-2022 school year. Beginning with the 2022-2023 school year, the virtual charter schools shall be subject to G.S. 115C-218.7 and may increase enrollment up to twenty percent (20%) based on their enrollment from the 2021-2022 school year and for subsequent school years without the increase in enrollment being considered a material revision of a virtual charter school's charter. The length of the virtual charter schools' contracts shall be for five additional years, ending after the 2024-2025 school year, at which time the charter school contracts may be renewed for a subsequent 10 years pursuant to G.S. 115C-218.6.

SECTION #.(c) G.S. 115C-218.1(a) reads as rewritten:

"(a) Any nonprofit corporation seeking to establish a classroom-based, online, or blended learning charter school may apply to establish a charter school. If the applicant seeks to convert a public school to a charter school, the application shall include a statement signed by a majority of the teachers and instructional support personnel currently employed at the school indicating that they favor the conversion and evidence that a significant number of parents of children enrolled in the school favor conversion."

SECTION #.(d) G.S. 115C-218.6 reads as rewritten:

"§ 115C-218.6. Review and renewal of charters.

(a) The State Board of Education shall review the operations of each charter school at least once prior to the expiration of its charter to ensure that the school is meeting the expected academic, financial, and governance standards.

(b) The State Board of Education shall renew a charter upon the request of the chartering entity for subsequent periods of 10 years, unless one of the following applies:

1. The charter school has not provided financially sound audits for the immediately preceding three years.

2. The charter school's student academic outcomes for the immediately preceding three years have not been comparable to the academic outcomes of students in the local school administrative unit in which the charter school is located. In the case of a virtual charter school, the State Board shall compare the virtual charter school's student academic outcomes for the immediately preceding three years to the academic outcomes of students in the local school administrative unit in which the charter school is located.

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preceding three years to the average of three comparable local school
administrative units with similar student populations as measured by
school-level metrics collected by the State.

(3) The charter school is not, at the time of the request for renewal of the charter,
substantially in compliance with State law, federal law, the school's own
bylaws, or the provisions set forth in its charter granted by the State Board of
Education.

If one of the conditions set forth in subdivisions (1) through (3) of this subsection applies,
then the State Board may renew the charter for a period of less than 10 years or not renew the
charter."

SECTION #.(e) Article 14A of Chapter 115C of the General Statutes is amended by
adding a new section to read:

"§ 115C-218.16. Virtual charter schools.

(a) Student Orientation. – Each virtual charter school shall offer student orientation,
notify the parent or legal guardian and each student who enrolls in that school of the requirement
to participate in the student orientation, and require all students enrolled to complete the student
orientation prior to completing any other instructional activity.

(b) Engagement Policy. – For virtual charter schools, the school shall develop and adopt
a policy regarding consequences for a student's failure to attend school and complete instructional
activities. The policy shall state, at a minimum, that a virtual charter school shall submit a
notification to the parent or legal guardian of a student who is not consistently engaged in
instructional activities, as defined by the policy, that if a student fails to consistently complete
instructional activities after the school sends a notification and reasonable intervention strategies
have been implemented, the student shall be subject to certain consequences that may include
disenrollment from the school. The parent or student must be provided a reasonable opportunity
to participate in courses prior to disenrollment to demonstrate that failure to participate in courses
is due to a lawful absence recognized under Part 1 of Article 26 of this Chapter and any applicable
rules of the State Board of Education. If a virtual charter school disenrolls a student pursuant to
this subsection, the school shall immediately notify the local school administrative unit in which
the student resides in writing of the student's disenrollment. The student's local school
administrative unit shall then promptly provide the parent or legal guardian a written list of
educational options.

(c) Academic Mobility. – To facilitate the tracking of academic mobility, virtual charter
schools shall request the following information from the parent or guardian of a student enrolled
in the school: (i) for a newly enrolled student, the reasons for choosing enrollment and (ii) for a
student terminating enrollment, the reasons for terminating enrollment.

(d) Student Progress Toward Graduation. – The virtual charter school shall conduct an
annual measurement of each enrolled student accounting for credits earned as compared to
expected credits earned within the course of the school year. Measurement of such progress shall
account for specific characteristics of each enrolled student, including age and course credit
accrued prior to enrollment in the virtual charter schools, and shall be consistent with
evidence-based practices. The virtual charter school shall annually report this data to the State
Board, which shall account for the data in determining student academic progress and outcomes.

(e) Graduation Rates. – In determining the high school graduation rate of a virtual charter
school, the State Board shall include data about students who graduate from high school with a
diploma within four years and shall provide additional weighting for graduation within five or
six school years. The weighting shall reflect credit status of any student at the time of acceptance
into the new high school if a student transfers schools in grades nine to 12. When a student in
grades nine to 12 transfers to another school, to the extent allowable under federal law, the student
shall be placed in the graduation cohort reflecting the current credit status of the student.
However, only full academic year students or greater shall be included in the calculations of a
virtual charter school’s graduation rate. Students who are enrolled less than a full instructional year count for a factor of zero. Students who are enrolled for between one and two full instructional years count for a factor of one. Students who are enrolled for three full instructional years count for a factor of two. Students who are enrolled for more than three full instructional years count for a factor of three.

(f) Achievement and Growth. – In determining the academic achievement and growth of virtual charter school students, the State Board shall include data related to how long each student has been enrolled in the same virtual charter school and provide additional weighting for students who have been enrolled in the same virtual charter school as follows: students who are enrolled for up to one instructional year count for a factor of one, students who are enrolled for up to two instructional years count for a factor of two, students who are enrolled for up to three instructional years count for a factor of three, and students who are enrolled for up to four instructional years count for a factor of four. Only full academic year students shall be included in accountability calculations for growth and achievement.

(g) Code of Ethics. – Virtual charter schools shall adopt a code of ethics, including provisions on conflicts of interest.”

SECTION #.(f) Subsections (c) through (e) of this section apply beginning with the 2021-2022 school year.
WATER AND SEWER SERVICES TO CHARTER SCHOOLS

SECTION #.(a) Part 1 of Article 16 of Chapter 160A of the General Statutes is amended by adding a new section to read:

"§ 160A-330. Provision of water and sewer services to charter schools.

(a) For the purposes of this section, the term "charter property" means real property that is owned by or leased to an entity for use as a charter school facility for a charter school that has received State Board of Education approval under G.S. 115C-218.5.

(b) A municipality shall provide water, sewer, or water and sewer services to a charter property to which those services are not otherwise provided if the following requirements are met:

(1) The property owner of the charter property requests in writing water, sewer, or water and sewer services to the charter property.

(2) The municipality has available capacity in the requested service or services.

(3) The property owner of the charter property agrees in writing to the requirements contained in a utility extension agreement established by the municipal governing board.

(4) The property owner of the charter property agrees to payment of all costs for extending the requested services.

(c) A developer of a charter property, with the written consent of the property owner, may make the request for services under subsection (b) of this section, agree to the requirements of a utility extension agreement with the municipal governing board, and pay for the costs of extension of the requested services.

(d) If the charter property is not located within the municipal limits and the owner of the charter property petitions for annexation under Part 1 or Part 4 of Article 4A of this Chapter, the municipality shall grant the petition if the charter property is otherwise eligible for annexation under those Parts."

SECTION #.(b) This section is effective the date this act becomes law.
1 CLARIFY PRIVATE SCHOOL TESTING REQUIREMENTS
2 SECTION #.(a) G.S. 115C-549 reads as rewritten:
3 "§ 115C-549. Standardized testing requirements.
4 (a) Each private church school or school of religious charter shall administer, at least
5 once in each school year, a nationally standardized test or other nationally standardized
6 equivalent measurement selected by the chief administrative officer of such school, to all students
7 enrolled or regularly attending grades three, six and nine, as follows:
8 (1) For grades three and six, the nationally standardized test or other
9 equivalent measurement selected must measure achievement in the areas of
10 English grammar, reading, spelling and mathematics.
11 (2) For grade nine, the nationally standardized test or other equivalent
12 measurement selected must measure either of the following:
13 a. Achievement in the areas of English grammar, reading, spelling, and
14     mathematics.
15 b. Competencies in the verbal and quantitative areas.
16 (b) Each school shall make and maintain records of the results achieved by its students.
17 For one year after the testing, all records shall be made available, subject to G.S. 115C-174.13,
18 at the principal office of such school, at all reasonable times, for annual inspection by a duly
19 authorized representative of the State of North Carolina."

5 SECTION #.(b) G.S. 115C-557 reads as rewritten:
6 "§ 115C-557. Standardized testing requirements.
7 (a) Each qualified nonpublic school shall administer, at least once in each school year, a
8 nationally standardized test or other nationally standardized equivalent measurement selected by
9 the chief administrative officer of such school, to all students enrolled or regularly attending
10 grades three, six and nine, as follows:
11 (1) For grades three and six, the nationally standardized test or other
12 equivalent measurement selected must measure achievement in the areas of
13 English grammar, reading, spelling and mathematics.
14 (2) For grade nine, the nationally standardized test or other equivalent
15 measurement selected must measure either of the following:
16 a. Achievement in the areas of English grammar, reading, spelling, and
17     mathematics.
18 b. Competencies in the verbal and quantitative areas.
19 (b) Each school shall make and maintain records of the results achieved by its students.
20 For one year after the testing, all records shall be made available, subject to G.S. 115C-174.13,
21 at the principal office of such school, at all reasonable times, for annual inspection by a duly
22 authorized representative of the State of North Carolina."

5 SECTION #.(c) G.S. 115C-562.5(a)(4) reads as rewritten:
6 "(4) Administer, at least once in each school year, a nationally standardized test or
7 other nationally standardized equivalent measurement selected by the chief

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administrative officer of the nonpublic school to all eligible students whose tuition and fees are paid in whole or in part with a scholarship grant enrolled in grades three and higher. For grades three through eight, the nationally standardized test or other equivalent measurement selected must measure achievement in the areas of English grammar, reading, spelling, and mathematics. For grades nine through 12, the nationally standardized test or other equivalent measurement selected must measure either (i) achievement in the areas of English grammar, reading, spelling, and mathematics or (ii) competencies in the verbal and quantitative areas. Test performance data shall be submitted to the Authority by July 15 of each year. Test performance data reported to the Authority under this subdivision is not a public record under Chapter 132 of the General Statutes."

**SECTION #.(d)** This section applies to the administration of tests beginning with the 2021-2022 school year.
MANDATORY TRAINING CONTRIBUTING TO CONTINUING EDUCATION CREDITS

SECTION #.(a)  G.S. 115C-270.30 reads as rewritten:

"§ 115C-270.30. Licensure renewal.

…

(b) Teacher Licensure Renewal. – Rules for continuing licensure for teachers shall include the following:

(1) For all teachers, at least eight continuing education credits with at least three credits required in a teacher's academic subject area.

(2) For elementary school teachers, at least three continuing education credits related to literacy. Literacy renewal credits shall include evidence-based assessment, diagnosis, and intervention strategies for students not demonstrating reading proficiency. Oral language, phonemic and phonological awareness, phonics, vocabulary, fluency, and comprehension shall be addressed in literacy-related activities leading to license renewal for elementary school teachers.

(2a) For all teachers, hours spent attending mandatory training programs shall contribute toward the calculation for continuing education credits if all of the following apply:

a. The mandatory training program is required by State law or by a local board of education as a condition of employment.

b. The teacher has otherwise met any applicable requirements for literacy renewal credits, credits required in a teacher's academic subject area, digital teaching or learning, or other licensure renewal requirements adopted by the State Board pursuant to this section.

…

(c) License Renewal Rules Review. – The rules for licensure renewal shall be reviewed at least once every five years by the State Board to do the following:

…

(3) Integrate digital teaching and learning into the requirements for licensure renewal. The State Board of Education shall not require the completion of continuing education credits solely related to digital teaching and learning but may require completion of up to two continuing education credits that include pedagogy on digital teaching and learning as a component of a general or content-specific continuing education credit."

SECTION #.(b) This section is effective when it becomes law and applies to licenses renewed on or after that date.
Request ed by

**REVISE PERSONAL LEAVE COSTS FOR TEACHERS**

**SECTION #.(a)** G.S. 115C-302.1(d) reads as rewritten:

"(d) Personal Leave. – The following shall apply to personal leave:

**(1)** Calculation and Benefits. – Teachers earn personal leave at the rate of .20 days for each full month of employment not to exceed two days per year. Personal leave may be accumulated without any applicable maximum until June 30 of each year. A teacher may carry forward to July 1 a maximum of five days of personal leave; the remainder of the teacher's personal leave shall be converted to sick leave on June 30. At the time of retirement, a teacher may also convert accumulated personal leave to sick leave for creditable service towards retirement. Teachers may transfer personal leave days between local school administrative units. The local school administrative unit shall credit a teacher who has separated from service and is reemployed within 60 months from the date of separation with all personal leave accumulated at the time of separation. Local school administrative units shall not advance personal leave.

**(2)** Use. – Personal leave may be used only upon the authorization of the teacher's immediate supervisor. A supervisor, as follows:

a. Unless the request is approved by the principal, a teacher shall not take personal leave on the first day the teacher is required to report for the school year, on a required teacher workday, on days scheduled for State testing, or on the day before or the day after a holiday or scheduled vacation day, unless the request is approved by the principal.

b. On all other days, if the request is made at least five days in advance, the request shall be automatically granted subject to the availability of a substitute teacher, and the teacher cannot be required to provide a reason for the request. Teachers may transfer personal leave days between local school administrative units. The local school administrative unit shall credit a teacher who has separated from service and is reemployed within 60 months from the date of separation with all personal leave accumulated at the time of separation. Local school administrative units shall not advance personal leave.

**(3)** Pay. – The cost of personal leave shall be assessed as follows:

a. Teachers using personal leave on teacher workdays shall receive full salary.

b. Teachers using personal leave on other days, days other than those referenced in sub-subdivision a. of this subdivision shall receive full salary as long as the teacher provides a reason for the request. If the
teacher does not provide a reason for the request, the teacher shall receive full salary less the required substitute deduction. If, however, full cost of hiring a substitute for the teacher. If no substitute is hired for a teacher, the substitute reduction shall be refunded to that teacher."

SECTION #.(b) This section is effective the date this act becomes law and applies beginning with the 2021-2022 school year.
Program Enhancement Teacher Allotment/K-12

SECTION #.(a) G.S. 115C-301 reads as rewritten:

§ 115C-301. Allocation of teachers; class size.

…

(a1) Teacher Position Allotments. – Funds for classroom teachers in the State Public School Fund shall consist of the following position allotments:

(1) Classroom teachers for kindergarten through twelfth grade, which shall include funds for program enhancement teachers for sixth through twelfth grade, self-contained exceptional children teachers, math, science, and computer teachers, and matching benefits.

(2) Program enhancement teachers for kindergarten through fifth-twelfth grade.

…

(c) Maximum Class Size for Kindergarten Through Third Grade—Grade and Allotment Ratios for Classroom Teachers. – The average class size for kindergarten through third grade in a local school administrative unit shall at no time exceed the funded allotment ratio of teachers to students in kindergarten through third grade. At the end of the second school month and for the remainder of the school year, the size of an individual class in kindergarten through third grade shall not exceed the allotment ratio by more than three students. The funded class size allotment ratio for kindergarten through third grade shall be as follows:

(1) For kindergarten, one teacher per 18 students.

(2) For first grade, one teacher per 16 students.

(3) For second grade, one teacher per 17 students.

(4) For third grade, one teacher per 17 students.

Within the remaining funds available for classroom teachers in the State Public School Fund, the State Board of Education shall set the teacher to student ratios for class size in grades four through 12 to allot those positions. In grades four through 12, local school administrative units shall have the maximum flexibility to use allotted teacher positions to maximize student achievement.

…

(c2) Program Enhancement Teacher Allotment for Kindergarten Through Fifth-Twelfth Grade. –

(1) Definitions. – For the purposes of this section, "program enhancement" refers to any of the following:

a. Arts disciplines, including dance, music, theater, and the visual arts.

b. Physical education and health programs.

c. World languages.

d. Other supplemental classes as defined by the State Board of Education.

(2) Allotment ratio calculation. – The allotment ratio for kindergarten through fifth-twelfth grade program enhancement teachers shall be one teacher per 140 students.
Appropriation. – Beginning with the 2019-2020-2021-2022 fiscal year, there is appropriated from the General Fund to the Department of Public Instruction for the allotment for program enhancement teachers for kindergarten through fifth-twelfth grade an amount equal to the percentage of the total funds required to allot program enhancement teacher positions for kindergarten through fifth-twelfth grade on a basis of one teacher per 494-140 students for each fiscal year as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019-2020</td>
<td>50%</td>
</tr>
<tr>
<td>2020-2021</td>
<td>75%</td>
</tr>
<tr>
<td>2021-2022 and each subsequent fiscal year thereafter</td>
<td>100%</td>
</tr>
</tbody>
</table>

When developing the base budget, as defined by G.S. 143C-1-1, for each fiscal year specified in this subdivision, the Director of the Budget shall include the appropriated amount for that fiscal year.

SECTION #.(b) G.S. 115C-105.25(5d) reads as rewritten:

"(5d) No positions shall be transferred out of the allocation for program enhancement teachers for kindergarten through fifth-twelfth grade except as provided in this subdivision. Positions allocated for program enhancement teachers for kindergarten through fifth-twelfth grade may be converted into positions allocated for classroom teachers for kindergarten through twelfth grade. For the purposes of this subdivision, the term "program enhancement" is as defined in G.S. 115C-301(c2)."

SECTION #.(c) This section applies beginning with the 2021-2022 school year.
REQUESTED BY

PERMANENT CHARTER SCHOOL TRANSPORTATION GRANT PROGRAM

SECTION #.(a) Article 14A of Chapter 115C of the General Statutes is amended by adding a new section to read:

"§ 115C-218.42. Charter School Transportation Grant Program.

(a) Purpose; Definition. – There is established the Charter School Transportation Grant Program (Program). The purpose of the Program shall be to award grant funds to a charter school that meets the requirements of subsection (b) of this section for the reimbursement of up to sixty-five percent (65%) of the eligible student transportation costs incurred by the school in accordance with the provisions of this section. For purposes of this section, the term "eligible student transportation costs" means costs incurred by the charter school for (i) transportation fuel, (ii) vehicle maintenance, (iii) contracted transportation services, and (iv) transportation personnel salaries.

(b) Program Eligibility. – If a charter school has student enrollment in a semester of the school year of at least fifty percent (50%) of its students residing in households with an income level not in excess of the amount required for a student to qualify for the federal free or reduced-price lunch program, the charter school may apply to the Department for grant funds under the Program for reimbursement of up to sixty-five percent (65%) of the eligible student transportation costs incurred by the school for that semester.

(c) Applications. – By August 1 of each year, the Department shall establish the criteria and guidelines for the grant application process for the upcoming school year, including any documentation required to be submitted with the application. Each school year, the Department shall accept applications until December 31 for eligible student transportation costs incurred during the fall semester of the school year and until May 15 for eligible student transportation costs incurred during the spring semester of the school year.

(d) Award of Funds. – From funds made available for the Program, the Department shall award grant funds to the selected charter schools by February 15 for eligible student transportation costs incurred during the fall semester of the same school year and by June 15 for eligible student transportation costs incurred during the spring semester of the prior school year. The total amount of each grant awarded under the Program shall not exceed one hundred thousand dollars ($100,000) per charter school per school year.

(e) Reporting. – No later than March 15 of each year in which funds are awarded under the Program, the Department shall report to the Joint Legislative Education Oversight Committee, the Joint Legislative Transportation Oversight Committee, the Senate Appropriations/Base Budget Committee, the House Committee on Appropriations, and the Fiscal Research Division on the administration of the Program, including at least the following information:

(1) The number of charter schools that received grant funds.

(2) The amount of grant funds awarded to those charter schools.

(3) Whether implementing the Program has led to an increase in charter schools offering lunch.
(4) Whether implementing the Program has led to an increase in student lunch participation at charter schools offering lunch.

(5) Whether implementing the Program has increased or expanded the offering of student transportation by charter schools.

(6) The modes of student transportation offered by charter schools that received grant funds."

SECTION #(b) Notwithstanding G.S. 115C-218.42(c), as enacted by this act, for the 2021-2022 school year, the Department shall establish criteria and guidelines for the grant application process by October 1, 2021.

SECTION #(c) This section is effective July 1, 2021, and applies beginning with the 2021-2022 school year.
SPECIAL PROVISION

Department of Public Instruction
House Appropriations, Education

Requested by

STUDENT TRANSPORTATION SUPPORT

SECTION #.(a) Smart School Bus Safety Pilot Program. – The Department of Public Instruction shall establish the 2021 Smart School Bus Safety Pilot Program (Program), beginning with the 2021-2022 school year and ending on or before January 1, 2025. The purpose of the Program is to modernize the transportation of public school students through technology in response to the COVID-19 pandemic, as follows:

(1) Participation. – As part of the Program, participating local school administrative units and charter schools shall identify and contract with qualifying vendors, as determined by the unit or charter school, to provide technology and services for student transportation in accordance with this subsection. Notwithstanding G.S. 115C-240(d), participating local school administrative units and charter schools shall have discretion over the selection of qualifying vendors pursuant to the Program, and the selection of a qualifying vendor shall not be subject to approval by the State Board of Education or the Department of Public Instruction. The following local school administrative units and charter schools are authorized to participate in the Program, subject to the requirements of this subsection:

a. Burke County Schools.
b. Caldwell County Schools.
c. Chatham County Schools.
d. Clinton City Schools.
e. Elizabeth City-Pasquotank Public Schools.
f. Elkin City Schools.
g. Gaston County Schools.
h. Harnett County Schools.
i. Hickory City Schools.
j. Iredell-Statesville Schools.
k. Johnston County Schools.
l. Martin County Schools.
m. New Hanover County Schools.
n. Sampson County Schools.
o. Surry County Schools.
p. Transylvania County Schools.
q. Union County Public Schools.
r. Watauga County Schools.
s. Wayne County Public Schools.
t. Winston-Salem/Forsyth County Schools.
u. Alpha Academy.
v. Sallie B Howard School.
w. Sugar Creek Charter.
x. Thomas Jefferson Classical.

(2) Option to leave. – Any local school administrative unit or charter school authorized to participate in the Program may elect not to participate. For each local school administrative unit or charter school that elects not to participate in the Program, the Department may authorize one replacement local school administrative unit or charter school with a similar population of students to participate in the Program.

(3) Technology and services. – Participating units and charter schools shall have discretion over the specific technology and services provided by qualifying vendors as long as the technology and services meet the requirements of either of the following sub-divisions of this subdivision:

a. Improve communications and information. – Technology and services that meet at least all of the following requirements:
   1. Improve overall communications and reporting on school buses.
   2. Enable employee time tracking, student ridership tracking, and contact tracing in the event of a COVID-19 infection.
   3. Enable global positioning system (GPS) tracking of school buses.
   4. Enable turn-by-turn navigation along bus routes.
   5. Optimize time, expenditure, and safety of bus routes.
   6. Provide pre- and post-trip vehicle inspections that may be transmitted to the Department of Public Instruction on a regular basis.
   7. Communicate ridership information to the student information management system.
   8. Permit parents or legal guardians to access applicable information.
   9. Conform to applicable guidance provided by the North Carolina Department of Health and Human Services for the transportation of students during the COVID-19 pandemic.
   10. Facilitate the receipt of Medicaid reimbursement for eligible student transportation services.

b. Internet connectivity. – Technology and services that provide students on school buses with access to the internet over Wi-Fi and meet at least all of the following requirements:
   1. Provide participating units and charter schools with customizable connectivity options.
   2. Comply with all State and federal law.

(4) Miscellaneous. – The following requirements shall apply to each participating local school administrative unit and charter school:

a. Every school bus in a participating local school administrative unit or charter school designed for the transportation of children with disabilities shall be outfitted with technology provided pursuant to the Program as long as the technology is appropriate for children with disabilities and can be provided in a cost-effective manner.

b. At the conclusion of the Program, all hardware provided to a participating local school administrative unit or charter school shall become the property of the unit or charter school.
c. Participating local school administrative units and charter schools shall make use of technology or services provided pursuant to the Program at least through the conclusion of the 2023-2024 school year.

(5) Reports. – No later than July 1, 2022, and annually thereafter in any year in which the Program is in effect, the Department of Public Instruction, in consultation with each participating local school administrative unit and charter school, shall report at least all of the following information to the Joint Legislative Education Oversight Committee, any committee constituted by the House of Representatives or Senate to address school safety, and the Fiscal Research Division:

a. An itemized breakdown of software infrastructure, hardware infrastructure, and equipment provided by qualifying vendors to participating local school administrative units and charter schools pursuant to the Program.

b. A description of all services provided by qualifying vendors to participating local school administrative units and charter schools pursuant to the Program.

c. A list of qualifying vendors contracting with participating local school administrative units and charter schools pursuant to the Program.

d. The impact and effectiveness of the Program.

e. All expenditures of State funds pursuant to the Program.

SECTION #.(b) Allocation of Funds for the Program. – Funds appropriated by this act to the Department of Public Instruction from the State Fiscal Recovery Fund for the 2021-2022 fiscal year for the Program shall be allocated to local school administrative units and charter schools as follows:

(1) The sum of thirteen million nine hundred seventy thousand dollars ($13,970,000) for the technology and services described in sub-subdivision a. of subdivision (3) of subsection (a) of this section, as follows:

a. Four hundred seventy-eight thousand dollars ($478,000) to Burke County Schools.

b. Five hundred forty thousand dollars ($540,000) to Caldwell County Schools.

c. Four hundred thirty-six thousand dollars ($436,000) to Chatham County Schools.

d. One hundred forty thousand dollars ($140,000) to Clinton City Schools.

e. Four hundred thirty-five thousand dollars ($435,000) to Elizabeth City-Pasquotank Public Schools.

f. Fifty-one thousand dollars ($51,000) to Elkin City Schools.

g. Nine hundred seventy-eight thousand dollars ($978,000) to Gaston County Schools.

h. One million sixty thousand dollars ($1,060,000) to Harnett County Schools.

i. One hundred fifty thousand five hundred dollars ($150,500) to Hickory City Schools.

j. One million four hundred twenty-five thousand dollars ($1,425,000) to Johnston County Schools.

k. Nine hundred twelve thousand dollars ($912,000) to Iredell-Statesville Schools.

l. Two hundred seventy-three thousand dollars ($273,000) to Martin County Schools.
m. Nine hundred eighty-four thousand dollars ($984,000) to New Hanover County Schools.

n. Five hundred twenty thousand dollars ($520,000) to Sampson County Schools.

o. Four hundred two thousand five hundred dollars ($402,500) to Surry County Schools.

p. Two hundred thirty-eight thousand dollars ($238,000) to Transylvania County Schools.

q. One million six hundred fifty thousand dollars ($1,650,000) to Union County Public Schools.

r. Three hundred thirty-seven thousand dollars ($337,000) to Watauga County Schools.

s. One million seven hundred ninety thousand dollars ($1,079,000) to Wayne County Public Schools.

t. One million four hundred fifty-six thousand dollars ($1,456,000) to Winston-Salem/Forsyth County Schools.

u. Eighty-one thousand dollars ($81,000) to Alpha Academy.

v. One hundred thirteen thousand dollars ($113,000) to Sallie B Howard School.

w. One hundred fifty-five thousand dollars ($155,000) to Sugar Creek Charter.

x. Seventy-six thousand dollars ($76,000) to Thomas Jefferson Classical.

(2) The sum of four million one hundred seventy-eight thousand dollars ($4,178,000) for the technology and services described in sub-subdivision b. of subdivision (3) of subsection (a) of this section, as follows:

a. One hundred forty-three thousand dollars ($143,000) to Burke County Schools.

b. One hundred sixty-two thousand dollars ($162,000) to Caldwell County Schools.

c. One hundred thirty thousand dollars ($130,000) to Chatham County Schools.

d. Forty-two thousand dollars ($42,000) to Clinton City Schools.

e. One hundred thirty thousand dollars ($130,000) to Elizabeth City-Pasquotank Public Schools.

f. Fifteen thousand five hundred dollars ($15,500) to Elkin City Schools.

g. Two hundred ninety-two thousand dollars ($292,000) to Gaston County Schools.

h. Three hundred seventeen thousand dollars ($317,000) to Harnett County Schools.

i. Forty-five thousand dollars ($45,000) to Hickory City Schools.

j. Four hundred twenty-six thousand dollars ($426,000) to Johnston County Schools.

k. Two hundred seventy-three thousand dollars ($273,000) to Iredell-Statesville Schools.

l. Eighty-two thousand dollars ($82,000) to Martin County Schools.

m. Two hundred ninety-four thousand dollars ($294,000) to New Hanover County Schools.

n. One hundred fifty-six thousand dollars ($156,000) to Sampson County Schools.

o. One hundred twenty thousand dollars ($120,000) to Surry County Schools.
p. Seventy-one thousand five hundred dollars ($71,500) to Transylvania County Schools.
q. Four hundred ninety-three thousand dollars ($493,000) to Union County Public Schools.
r. One hundred one thousand dollars ($101,000) to Watauga County Schools.
s. Three hundred twenty-three thousand dollars ($323,000) to Wayne County Public Schools.
t. Four hundred thirty-five thousand dollars ($435,000) to Winston-Salem/Forsyth County Schools.
u. Twenty-four thousand dollars ($24,000) to Alpha Academy.
v. Thirty-four thousand dollars ($34,000) to Sallie B Howard School.
w. Forty-six thousand dollars ($46,000) to Sugar Creek Charter.
x. Twenty-three thousand dollars ($23,000) to Thomas Jefferson Classical.

SECTION #.(c) Proposal to Add Medicaid Coverage for Transportation Provided by Public School Units. – No later than March 1, 2022, the Department of Health and Human Services, Division of Health Benefits, and the Department of Public Instruction shall jointly submit a report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice and the Joint Legislative Education Oversight Committee with a proposal for adding the Medicaid coverage for school-based transportation services described in the November 1, 2016, report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice entitled "Medicaid Coverage for School-Based Health Services" to the fullest extent allowed by federal Medicaid law and regulations. The proposal shall include all of the following:

(1) A detailed description of the coverage to be added.
(2) A detailed description of the required documentation for reimbursement.
(3) An updated analysis of the fiscal impact both to the Department of Health and Human Services and to all public school units of adding the coverage.
(4) The identification of any State appropriations needed to implement the coverage.
(5) A recommended time frame for implementing the coverage.
(6) Proposed language for any legislative changes needed to implement the coverage.

SECTION #.(d) Subsections (a) and (b) of this section become effective July 1, 2021. Except as otherwise provided, this section is effective when it becomes law.
GENERAL ASSEMBLY OF NORTH CAROLINA
Session 2021

SPECIAL PROVISION
Department of Public Instruction
House Appropriations, Education

Requested by

**LIFE CHANGING EXPERIENCES SCHOOL PROGRAM**

**SECTION #.(a)** Of the funds appropriated to the Department of Public Instruction by this act for the Life Changing Experiences School Program, the Department shall contract with the Children and Parent Resource Group, Inc., to design, implement, and evaluate the Life Changing Experiences School Program (Project), beginning with the 2021-2022 school year. The Project shall be operated and administered for students in grades six through 11 in at least the following local school administrative units: Cleveland County Schools, Greene County Schools, Lenoir County Public Schools, Lincoln County Schools, McDowell County Schools, Mitchell County Schools, and Pitt County Schools. The Department may select one or more additional local school administrative units to participate in the Project if the funds are sufficient to support additional units. These contract funds shall not be used for any purpose other than to implement the Project in the local school administrative units, which consists of traveling 3-D, interactive, holistic, and evidence-based multimedia education in-school programs. The Project shall include theme-specific programs screened at school assemblies and additional follow-up applications that address dangerous life- and community-threatening activities that negatively impact teenagers, including alcohol and other drugs, dangerous driving, violence, and bullying. The goal of these programs is to increase positive intentions and behavioral outcomes by teaching students the techniques and skills that empower them to reach meaningful life goals, employ positive behaviors, and start businesses and social enterprises.

**SECTION #.(b)** The Children and Parent Resource Group, Inc., in consultation with the Department of Public Instruction, shall submit a report on the Project authorized by subsection (a) of this section by March 1, 2022, and annually thereafter, to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, and the Fiscal Research Division. Each report shall include an accounting of expenditures and student outcome data related to the operation of the Project.
Requested by

INNOVATIVE SIGNATURE CAREER ACADEMY PILOT

SECTION #.(a) Establish; Purpose. – There is established the Innovative Signature Career Academy Program (Program) as a pilot program to be implemented in Guilford County Schools for the purpose of reforming its current career and technical education (CTE) program to more deliberately prepare its students for high-wage, high-skills careers. The Program shall focus on hosting signature career academies at traditional high schools located in the local school administrative unit that specialize in defined areas of career and technical education.

SECTION #.(b) Components of the Program. – The Program shall include at least the following key components in establishing a minimum of four but no more than six signature career academies at high schools in the local school administrative unit:

(1) One school-selected priority career pathway that does not compete with career pathways at other signature career academies in the local school administrative unit in addition to CTE courses offered as elective options and business and computer science courses.

(2) School and community stakeholder input on the development of the priority career pathways and the phaseout of other CTE programs.

(3) Partnerships with higher education institutions and business and industry entities for specific equipment needs and the design of clearly defined career pathways.

(4) The option for eighth grade students to apply to attend a signature career academy of their choice at a high school located in the local school administrative unit.

(5) Reassignment of current CTE teachers to focus on an area of expertise for a signature career academy and the creation of partnerships with higher education faculty and employees of industry and business to volunteer to serve as co-teachers in the specialized areas.

SECTION #.(c) Flexibility for Teachers. – Notwithstanding any other provision of law, in addition to the authority provided to a local board of education to employ adjunct instructors in career and technical education career clusters pursuant to G.S. 115C-157.1, the local school administrative unit shall have the flexibility to contract with individuals who have education and training related to the specific skills and career pathways that are the focus of a signature career academy. Any individual who has direct contact with students pursuant to the authority provided by this subsection shall be subject to a criminal history check to ensure that the person has not been convicted of any crime listed in G.S. 115C-332.

SECTION #.(d) Reporting. – By June 30 of the first school year of operation of the Program, and every June 30 thereafter for the duration of the Program operated as a pilot, Guilford County Schools shall report to the Department of Public Instruction on (i) implementation and administration of the Program, including the use of additional resources provided as an appropriation of State funds specifically for the Program, (ii) data from the Program on student completion rates for career pathways and any other data requested by the
Department, and (iii) any recommendations on the modification of the Program or the potential application of the Program in other local school administrative units.

By August 15 of the first year of reporting by Guilford County Schools under this subsection, and every August 15 thereafter for the duration of the Program operated as a pilot, the Department of Public Instruction shall report to the Joint Legislative Education Oversight Committee on the information submitted by Guilford County Schools pursuant to this subsection.

SECTION #.(e) Term of the Program. – The Program may operate for up to six school years as a pilot program, beginning with the 2021-2022 school year. Before the end of the school year in which the Program will expire as a pilot, the Guilford County Board of Education may apply to the State Board of Education for the Program to be included as an ongoing component of Guilford County Schools’ career and technical education local plan submitted to the State Board of Education pursuant to G.S. 115C-154.1. In operating the Program in subsequent school years, Guilford County Schools shall continue to have flexibility in regard to teachers as provided in subsection (c) of this section. The Guilford County Board of Education may request as part of the application that the General Assembly appropriate additional resources for the operation of the Program but may continue to operate the Program if other sources of funds are available. The State Board shall consider the data submitted to the Department of Public Instruction on the operation of the Program pursuant to subsection (d) of this section when reviewing the Program to become a component of the career and technical education local plan.
APSEED PILOT PROJECT/FUNDS

SECTION #.(a) The Department of Public Instruction, Office of Early Learning (Office), shall establish a one-year pilot project to implement the "ApSeed" program, a program designed to prepare preschool-age children, ages birth through 4 years of age, for prekindergarten through an interactive learning device known as a "seedling" (a device similar to an iPad). The seedling provides games varying in skill level depending on the age and capability of the child and advances in level as the child gains proficiency.

SECTION #.(b) The following counties shall participate in the pilot project described under subsection (a) of this section: Forsyth, Hoke, New Hanover, Watauga, and Yadkin. Each of those counties shall select preschool-age children to participate in the pilot project. The county, in its discretion, shall identify and select children having the greatest need, taking into consideration poverty level as a factor.

SECTION #.(c) Of the funds appropriated to the Department, the sum of two million five hundred seventy-five thousand eight hundred thirty-one dollars ($2,575,831) for the 2021-2022 fiscal year shall be used to provide for the equipment and costs associated with the "ApSeed" pilot project established by this act. These funds shall be allocated to the five counties participating in the pilot project, with each county receiving an amount up to five hundred sixteen thousand dollars ($516,000), as determined by the Office.

SECTION #.(d) Within six months after completion of the pilot project, the Office shall submit a report to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, and the Fiscal Research Division. The report shall include, at a minimum, each of the following:

1. The number of children served, by age and county.
2. The skills gained by the participants as compared to those children who did not participate in the pilot project.
3. The extent of parental involvement in the pilot project.
4. Total project costs, including any administrative costs.
5. The amount of funds needed to expand the program statewide.
6. Any other relevant information deemed appropriate.

SECTION #.(e) This section is effective when this act becomes law.
SPECIAL PROVISION

Department of Public Instruction
House Appropriations, Education

Requested by

ENVIRONMENTAL ENHANCEMENTS OF PUBLIC SCHOOLS/SMITHFIELD FOODS AGREEMENT

SECTION #.(a) The Smithfield Foods Public School Environmental Enhancement Fund is established as a special fund in the State Treasury. The purpose of the Smithfield Foods Public School Environmental Enhancement Fund is to receive funds received by the State resulting from the environmental enhancement provision of the agreement entered into between the Attorney General of North Carolina and Smithfield Foods, Inc., and its subsidiaries, dated July 25, 2000 (Agreement). The State Controller shall transfer any available funds received by the State under the Agreement on or after July 1, 2019, into the Smithfield Foods Public School Environmental Enhancement Fund.

SECTION #.(b) The State Controller shall reserve to the Smithfield Foods Public School Environmental Enhancement Fund all monies received from the Agreement pursuant to subsection (a) of this section. Funds reserved in the Smithfield Foods Public School Environmental Enhancement Fund do not constitute an "appropriation made by law," as that phrase is used in Section 7(1) of Article V of the North Carolina Constitution. The Governor, or an agency, department, office, or division designated by the Governor, and the Attorney General are prohibited from directing the use of funds deposited in the Smithfield Foods Public School Environmental Enhancement Fund unless those funds are appropriated by an act of the General Assembly.

SECTION #.(c) It is the intent of the General Assembly to appropriate funds from the Smithfield Foods Public School Environmental Enhancement Fund to the Department of Public Instruction for the 2022-2023 fiscal year, and for subsequent fiscal years, under a plan that provides for the allocation of funds to local school administrative units for environmental enhancements. The Department shall collaborate with all interested State agencies and stakeholders to develop a plan to allocate funds to local school administrative units for environmental enhancements projects, with priority given to obtaining environmental easements, for constructing and maintaining wetlands, and for other similar environmental purposes, including a competitive grant program for the evaluation of student-initiated projects for environmental enhancements to their school campus where selected projects shall qualify for a grant award of up to one hundred fifty thousand dollars ($150,000) for the implementation of the project. The plan shall, at a minimum, include consultation with the Department of Environmental Quality to prioritize the allocation of funds to local school administrative units.
GENERAL ASSEMBLY OF NORTH CAROLINA
Session 2021

SPECIAL PROVISION

Department of Public Instruction
House Appropriations, Education

Requested by

COMPLIANCE WITH CURSIVE WRITING/MULTIPLICATION TABLES REQUIREMENTS

SECTION #.(a) G.S. 115C-81.81 reads as rewritten:

"§ 115C-81.81. Annual report on cursive writing and multiplication tables; penalty for noncompliance.

(a) The State Board of Education and the Department of Public Instruction shall report to the Joint Legislative Education Oversight Committee by March 30 of each year on the compliance of each local school administrative unit with the requirements regarding cursive writing pursuant to G.S. 115C-81.75 and the memorization of multiplication tables pursuant to G.S. 115C-81.80. The report shall include at least the following information:

(1) The number and percentage of local school administrative units in the State complying and not complying with G.S. 115C-81.75 and a list of both sets of units.

(2) The number and percentage of local school administrative units in the State complying and not complying with G.S. 115C-81.80 and a list of both sets of units.

(3) A list of all instructional strategies used by each local school administrative unit to comply with G.S. 115C-81.75 categorized by unit.

(4) A list of each instructional strategy identified pursuant to subdivision (3) of this section and the corresponding number and percentage of local school administrative units in the State using that strategy to comply with G.S. 115C-81.75.

(5) If, in any given year, one or more local school administrative units does not respond to inquiries from the Department of Public Instruction related to this section, the number and percentage of local school administrative units in the State that were nonresponsive and a list of those units.

(6) The number of local superintendents who had pay withheld and the amount of pay withheld for noncompliance pursuant to subsection (b) of this section.

(b) Penalty for Noncompliance. – If the State Board of Education and the Department of Public Instruction determine that a local superintendent has (i) willfully failed to comply with the requirements regarding cursive writing pursuant to G.S. 115C-81.75 and the memorization of multiplication tables pursuant to G.S. 115C-81.80 or (ii) willfully failed to respond to inquiries from the Department of Public Instruction regarding the reporting requirements under subsection (a) of this section, no State funds shall be allocated to pay the superintendent's salary for the period of time the superintendent is in noncompliance. The local board of education shall continue to be responsible for complying with the terms of the superintendent's employment contract."

SECTION #.(b) G.S. 115C-81.75 reads as rewritten:

"§ 115C-81.75. Cursive writing."
(a) The standard course of study shall include the requirement that the public schools provide instruction in cursive writing so that students create readable documents through legible cursive handwriting by the end of fifth grade.

(b) A local superintendent who has failed to provide instruction in the local school administrative unit in accordance with this section may be subject to a penalty for noncompliance pursuant to G.S. 115C-81.81(b).

SECTION #.(c) G.S. 115C-81.80 reads as rewritten:

"§ 115C-81.80. Multiplication tables.

(a) The standard course of study shall include the requirement that students enrolled in public schools memorize multiplication tables to demonstrate competency in efficiently multiplying numbers.

(b) A local superintendent who has failed to provide instruction in the local school administrative unit in accordance with this section may be subject to a penalty for noncompliance pursuant to G.S. 115C-81.81(b).

SECTION #.(d) This section applies beginning with the 2021-2022 school year.
REQUIRED BY THE STATE BOARD TO GRANT QUALIFYING CHARTER APPLICATIONS AND PROVIDE APPLICANTS AN OPPORTUNITY TO CORRECT DEFECTS

SECTION 115C-218.5 reads as rewritten:

§ 115C-218.5. Final approval and denial of applications for charter schools.

(a) The State Board may grant final approval of an application if it finds the following:

1. The application meets the requirements set out in this Article and such other requirements as may be adopted by the State Board of Education.
2. The applicant has the ability to operate the school and would be likely to operate the school in an educationally and economically sound manner.
3. Granting the application would achieve one or more of the purposes set out in G.S. 115C-218.

In reviewing applications for the establishment of charter schools within a local school administrative unit, the State Board is encouraged to give preference to applications that demonstrate the capability to provide comprehensive learning experiences to students identified by the applicants as at risk of academic failure.

(b) The State Board shall make final decisions on the approval or denial of applications by August 15 of a calendar year on all applications it receives prior to a date established by the Office of Charter Schools for receipt of applications in that application cycle. The State Board may make the final decision for approval contingent upon the successful completion of a planning period prior to enrollment of students.

(c) The State Board of Education may authorize a school before the applicant has secured its space, equipment, facilities, and personnel if the applicant indicates the authority is necessary for it to raise working capital. The State Board shall not allocate any funds to the school until the school has obtained space.

(d) The State Board of Education may grant the initial charter for a period not to exceed 10 years.

(e) Repealed by Session Laws 2016-79, s. 1.1, effective June 30, 2016, and applicable beginning with the 2016-2017 school year.

(g) If the State Board of Education denies final approval of an application for the establishment of a charter school, the State Board shall enumerate all reasons for denying the application, publish those reasons on its website, and provide the applicant with an opportunity to correct the defects in its application and reapply. If the nonprofit corporation reapplies to establish that charter school, and the State Board determines that the defects it previously identified have been cured and no new defects exist, the State Board shall grant final approval of the application. If the State Board identifies one or more new defects in the reapplication of the nonprofit corporation, the State Board may again deny the application. The State Board shall again enumerate all reasons for denying the application, publish those reasons on its website, and provide the applicant with 30 days to correct the defects in its application and reapply. If the
nonprofit corporation reapplies, and the State Board determines that the new defects have been
cured, the State Board shall grant final approval of the application."

SECTION #.(b) No later than December 1, 2021, the State Board of Education shall
adopt a process for implementing the changes to G.S. 115C-218.5, as enacted by this act.

SECTION #.(c) This section is effective when it becomes law and applies to
applications for new charter schools submitted on or after December 1, 2021.
ALLOW SCHOOLS IN ALL ZONING DISTRICTS

SECTION #.(a) G.S. 160D-701 reads as rewritten:

§ 160D-701. Purposes.
(a) Zoning regulations shall be made in accordance with a comprehensive plan and shall be designed to promote the public health, safety, and general welfare. To that end, the regulations may address, among other things, the following public purposes: to provide adequate light and air; to prevent the overcrowding of land; to avoid undue concentration of population; to lessen congestion in the streets; to secure safety from fire, panic, and dangers; to facilitate the efficient and adequate provision of transportation, water, sewerage, schools, parks, and other public requirements; and to promote the health, safety, morals, or general welfare of the community. The regulations shall be made with reasonable consideration, among other things, as to the character of the district and its peculiar suitability for particular uses and with a view to conserving the value of buildings and encouraging the most appropriate use of land throughout the local government’s planning and development regulation jurisdiction.

(b) The regulations may not include, as a basis for denying a zoning or rezoning request from a school, the level of service of a road facility or facilities abutting the school or proximately located to the school. Zoning regulations shall provide that schools are a permitted use in all zoning districts, as provided in G.S. 160D-913.1.

SECTION #.(b) Article 9 of Chapter 160D of the General Statutes is amended by adding a new section to read:

§ 160D-913.1. Schools are a permitted use.
(a) Local government development regulations shall provide that a school is a permitted use as a matter of right in all zoning districts. The procedures of Article 6 of this Chapter shall not apply to a school. No development regulation for any zoning district may require a school to only be located on a site contiguous to a State-maintained road or highway.
(b) No school may be sited closer than within a 300 linear foot radius of an adult establishment, as defined in G.S. 14-202.10.
(c) Prior to the commencement of any construction on a site, a school shall notify the local government with development jurisdiction of the school’s intent to construct. Notice under this section shall be in writing at least 60 days prior to the commencement of construction. A notice given under this section shall be valid for two years, excluding any time the school has a building permit application pending before the local government.
(d) This section shall not apply to zoning districts dedicated to industrial purposes inconsistent with school traffic and usage. Article 6 of this Chapter shall apply to a school desiring to construct a site in a zoning district dedicated to industrial purposes inconsistent with school traffic and usage.
(e) As used in this section, the following definitions shall apply:
(1) Construction. – The building, erection, renovation, or establishment of school buildings, facilities, and infrastructure and shall not include routine maintenance and repair.
(2) School. – As defined in G.S. 160A-307.1(b)(2).

SECTION #.(c) G.S. 160A-307.1 reads as rewritten:

§ 160A-307.1. Limitation on city requirements for street improvements related to schools.

(a) A city may only require street improvements related to schools that are required for safe ingress and egress to the municipal street system and that are physically connected to a driveway on the school site. The required improvements shall not exceed those required pursuant to G.S. 136-18(29). G.S. 160A-307 shall not apply to schools. A city may only require street improvements related to schools as provided in G.S. 160A-372. G.S. 160D-804. The cost of any improvements to the municipal street system pursuant to this section shall be reimbursed by the city. Any agreement between a school and a city to make improvements to the municipal street system shall not include a requirement for acquisition of right-of-way by the school, unless the school is owned by an entity that has eminent domain power. Any right-of-way costs incurred by a school for required improvements pursuant to this section shall be reimbursed by the city. Notwithstanding any provision of this Chapter to the contrary, a city may not condition the approval of any zoning, rezoning, or permit request development approval on the waiver or reduction of any provision of this section.

(b) The term "school," as used in this section, means any facility engaged in the educational instruction of children in any grade or combination of grades from kindergarten through the twelfth grade at which attendance satisfies the compulsory attendance law and includes charter schools authorized under G.S. 115C-218.5. School. – Any facility, including relocatable or modular units as either accessory or primary facilities, that is part of a public school unit, as defined in G.S. 115C-5, or part of any nonpublic school that meets the requirements of Part 1 or Part 2 of Article 39 of Chapter 115C of the General Statutes."

SECTION #.(d) G.S. 14-202.11(c) reads as rewritten:

"(c) Nothing Except as provided in this subsection, nothing in this section shall be deemed to preempt local government regulation of the location or operation of adult establishments or other sexually oriented businesses to the extent consistent with the constitutional protection afforded free speech. In addition to any local regulation established under G.S. 160D-902, no adult establishment may be located closer than within a 300 linear foot radius of a school, as defined in G.S. 160A-307.1(b)(2)."

SECTION #.(e) This section becomes effective October 1, 2021, and applies to school zoning applications pending or submitted on or after that date.
CALLARIFY REPORTING ON TEACHER VACANCIES

SECTION #.(a) G.S. 115C-299.5 reads as rewritten:

"§ 115C-299.5. Duty to monitor the state of the teaching profession.

(a) Definitions. – As used in this section, the following definitions apply:

(1) Hard-to-staff school. – Any school identified as low-performing, as provided in G.S. 115C-105.37.

(2) Hard-to-staff subject area. – A subject area that is either of the following:

a. As defined by the United States Department of Education.

b. A subject area that has resulted in a long-term vacancy of 16 months or more at a particular school in a local school administrative unit.

(3) Teacher vacancy. – A teaching position that a local board of education is unable to fill with a teacher who has one of the following licenses in that subject area:

a. Continuing Professional License.

b. Initial Professional License.

c. Lifetime License.

d. Limited License.

e. Residency License.

(b) State of the Teaching Profession Report. – The State Board of Education shall monitor and compile an annual report by December 15 annually on the state of the teaching profession in North Carolina that includes data on the decisions of teachers to leave the teaching profession and vacancies in teaching positions as provided in subsections (c) and (e) of this section. The State Board shall adopt standard procedures for each local board of education to use in requesting information required by this report and shall require each local board of education to report the information to the State Board in a standard format adopted by the State Board.

(c) Teachers Leaving the Profession. – The report shall include the following data on the decisions of teachers to leave the teaching profession in the prior school year:

(1) The number of teachers who left the profession without remaining in the field of education and the reasons for teachers leaving the profession.

(2) The number of teachers who left their employment to teach in other states.

(3) The number of teachers who left their employment to work in another school in North Carolina, including nonpublic schools and charter schools.

(4) The number of teachers who left a classroom position for another type of educational position.

(5) The number of teachers who left employment in hard-to-staff schools.

(6) The number of teachers who left employment in hard-to-staff subject areas.

(d) Teacher Effectiveness. – The annual teacher transition report by the State Board of Education shall disaggregate the data included in subsection (c) of this section by teacher effectiveness status at a statewide level. The report shall not disaggregate data on teacher effectiveness status at a local school administrative unit level. Notwithstanding Article 21A of
this Chapter, local school administrative units shall provide to the State Board of Education, for 
the purposes of this report, any North Carolina Educator Evaluation System (NCEES) 
effectiveness status assigned to teachers who left employment. The State Board of Education 
shall not report disaggregated data that reveals confidential information in a teacher's personnel 
file, as defined by Article 21A of this Chapter, such as making the effectiveness status personally 
identifiable to an individual teacher.

(e) Teacher Vacancies. – The report shall include data on teaching positions that local 
boards of education are unable to fill with a teacher licensed in that subject area. Teacher vacancies 
by the fortieth school instructional day of the local school administrative unit's calendar. The 
report shall aggregate all data to provide both statewide information and information specific to 
each local school administrative unit, including the following:

(1) The number of teacher vacancies by subject area.
(2) The number of teacher vacancies by school with identification of hard-to-staff 
schools.
(3) The number of teachers that do not have one of the licenses identified in 
subdivision (3) of subsection (a) of this section.

(f) Teacher Licensure. – The report shall include the number of teachers in each of the 
following licensure categories, aggregated to provide both statewide information and information 
specific to each local school administrative unit:

(1) Continuing Professional License.
(2) Initial Professional License.
(3) Lifetime License.
(4) Limited License.
(5) Residency License.
(6) Emergency License.

**SECTION #.(b)** Notwithstanding G.S. 115C-299.5(a)(3), as amended by this 
section, for purposes of the report required pursuant to G.S. 115C-299.5(e), as amended by this 
section, the State Board of Education shall not treat as vacant a teaching position that is filled 
with a teacher who has a lateral entry license.

**SECTION #.(c)** This section is effective when it becomes law.
INTERNET-BASED SCHOOL BUSINESS SYSTEMS/SCHOOL BUSINESS SYSTEM MODERNIZATION FUNDS GRANT PROGRAM

SECTION #.(a) Beginning with the 2021-2022 school year, local boards of education and charter schools shall ensure that all school business systems are (i) housed off the property of the unit or school and (ii) composed of internet-based software.

SECTION #.(b) From funds available to the Department of Public Instruction for the School Business System Modernization Plan for the 2021-2023 fiscal biennium, the Department shall establish a grant program for the 2021-2022 fiscal year to provide funds to eligible local school administrative units and charter schools to transition from school business systems that are located on the premises of the local school administrative unit or charter school to internet-based school business systems. A local school administrative unit or charter school is eligible to receive funds under the grant program if the school does not participate in the School Business System Modernization Plan. Funds shall be provided to local school administrative units and charter schools in appropriate amounts, as determined by the Department.
UNC/ESCHEAT FUND FOR STUDENT FINANCIAL AID PROGRAMS

SECTION 8.1.(a) The funds appropriated by this act from the Escheat Fund for the 2021-2023 fiscal biennium for student financial aid shall be allocated in accordance with G.S. 116B-7. Notwithstanding any other provision of Chapter 116B of the General Statutes, if the interest income generated from the Escheat Fund is less than the amounts referenced in this act, the difference may be taken from the Escheat Fund principal to reach the appropriations referenced in this act; however, under no circumstances shall the Escheat Fund principal be reduced below the sum required in G.S. 116B-6(f). If any funds appropriated from the Escheat Fund by this act for student financial aid remain uncommitted aid as of the end of a fiscal year, the funds shall be returned to the Escheat Fund, but only to the extent the funds exceed the amount of the Escheat Fund income for that fiscal year.

SECTION 8.1.(b) The State Education Assistance Authority (Authority) shall conduct periodic evaluations of expenditures of the student financial aid programs administered by the Authority to determine if allocations are utilized to ensure access to institutions of higher education and to meet the goals of the respective programs. The Authority may make recommendations for redistribution of funds to the President of The University of North Carolina and the President of the Community College System regarding their respective student financial aid programs, who then may authorize redistribution of unutilized funds for a particular fiscal year.
IN-STATE TUITION/VETERANS/FEDERAL LAW COMPLIANCE

SECTION 8.2.(a) G.S. 116-143.3A reads as rewritten:

"§ 116-143.3A. Waiver of 12-month residency requirement for certain veterans and other individuals.

... Waiver of 12-month residency requirement for certain veterans and other Certain Individuals. – Any veteran, dependent of a veteran, or other individual who qualifies for admission to an institution of higher education as defined in G.S. 116-143.1(a)(3) is eligible to be charged the in-State tuition rate and applicable mandatory fees for enrollment, to the extent required by Section 702 of the Veterans Access, Choice, and Accountability Act of 2014, as amended, 38 U.S.C. § 3679, without satisfying the 12-month residency requirement under G.S. 116-143.1, provided the individual meets all of the following criteria:

... After the expiration of the three-year period following discharge as described in 38 U.S.C. § 3679(c), any enrolled individual who is eligible for in-State tuition under this section shall continue to be eligible for the in State tuition rate so long as the covered individual remains continuously enrolled (other than during regularly scheduled breaks between courses, quarters, terms, or semesters) at that institution of higher education.

..."

SECTION 8.2.(b) This section is effective when it becomes law.
Patriot Star Family Scholarship Program

SECTION 8.3.(a) Program Established. – Of the funds appropriated by this act for the 2021-2023 fiscal biennium to the Board of Governors of The University of North Carolina for the North Carolina Patriot Star Family Scholarship Program (Program), the Board of Governors shall make funds available to (i) the Patriot Foundation, a nonprofit corporation, and (ii) the Marine Corps Scholarship Foundation, Inc., a nonprofit corporation, for the purpose of establishing and administering scholarships under the Program, originally established pursuant to Section 3.4 of S.L. 2020-97, in accordance with the requirements of this section.

SECTION 8.3.(b) Purpose of the Program. – The Patriot Foundation and the Marine Corps Scholarship Foundation, Inc., respectively, shall provide for scholarships to eligible children and eligible spouses of certain veterans, eligible children of certain currently serving members of the Armed Forces, and eligible disabled veterans to attend eligible postsecondary institutions in accordance with the requirements of this section.

SECTION 8.3.(c) Definitions. – For the purposes of this section, the following definitions apply:

1. Armed Forces. – A component of the United States Army, Navy, Marine Corps, Air Force, and Coast Guard, including their reserve components.

2. Eligible child or eligible children. – Any person (i) who is attending or has been accepted to enroll in an eligible postsecondary institution, (ii) who is a legal resident of North Carolina when scholarship documentation is completed, provided that if a child is claimed as a dependent by the child's parent, residency may be established based on a parent meeting sub-sub-subsection 4. of sub-subsection a. of this subdivision, (iii) who has complied with the requirements of the Selective Service System, if applicable, and (iv) whose parent is a veteran or a currently serving member of the Armed Forces that meets the following:

   a. Meets one of the following residency conditions:

      1. Is a resident of North Carolina at the time of scholarship documentation completion.
      2. Was a resident of North Carolina at the time of entrance into service in the Armed Forces.
      3. Was permanently stationed in North Carolina at the time of his or her death.
      4. Is an active duty service member permanently stationed in North Carolina at the time of documentation completion.

   b. Meets one of the following service conditions:

      1. Was a member of the Armed Forces who was killed in action or in the line of duty, or died of wounds or other causes not due to the service member's willful misconduct during a period of war, national emergency, or training in preparation for future conflicts and is a direct result of service in the line of duty.
2. Was a member of the Armed Forces who died of service-connected injuries, wounds, illness, or other causes incurred or aggravated while a member of the Armed Forces during a period of war, national emergency, or training in preparation for future conflicts and is a direct result of service in the line of duty. Standard documentation of the parent's death, wounds, injury, or illness must be supplied by a scholarship recipient at the time of scholarship request.

3. Is a veteran of the Armed Forces who incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of war or national emergency and is receiving compensation for a wartime service-connected disability of at least fifty percent (50%) as rated by the U.S. Department of Veterans Affairs.

4. Is a current member of the Armed Forces who incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of war, national emergency, or training in preparation for future conflicts and is a direct result of service in the line of duty. The parent's traumatic wounds, injury, or major illness must be documented by the member's Unit Commander.

(3) Eligible disabled veteran. – Any person who is (i) a veteran of the Armed Forces who incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of war or national emergency and is receiving compensation for a wartime service-connected disability of at least fifty percent (50%) as rated by the U.S. Department of Veterans Affairs, (ii) a resident of North Carolina when scholarship documentation is completed, and (iii) is attending or has been accepted to enroll in an eligible postsecondary institution.

(4) Eligible postsecondary institution. – A school that is any of the following:
   a. A constituent institution of The University of North Carolina.
   b. A community college under the jurisdiction of the State Board of Community Colleges.
   c. A private educational institution as defined in G.S. 143B-1224.
   d. A private vocational institution, including Federal Aviation Administration certificated aviation training programs.

(5) Eligible spouse. – Any person (i) who is attending or has been accepted to enroll in an eligible postsecondary institution, (ii) who is a legal resident of North Carolina when scholarship documentation is completed, (iii) who has complied with the requirements of the Selective Service System, if applicable, and (iv) whose spouse meets one of the conditions set forth in sub-subdivisions 1. through 3. of sub-subdivision b. of subdivision (2) of this subsection.

(6) Veteran. – An individual who has served and is no longer serving in the Armed Forces of the United States. For the purposes of this section, the veteran must have separated from the Armed Forces under honorable conditions or whose death or disability of at least fifty percent (50%) or more was incurred as a direct result of service in the line of duty.

SECTION 8.3.(d) Administration; Awards. – Within the funds made available for the Program, the Patriot Foundation and the Marine Corps Scholarship Foundation shall each separately administer and award scholarships to eligible applicants in accordance with the
requirements of the North Carolina Patriot Star Family Scholarship Program. In administering the Program, each nonprofit corporation shall be responsible for Program oversight for the scholarships awarded through its organization to ensure compliance with the provisions of this section.

Each nonprofit corporation shall, at a minimum, establish criteria and procedures related to scholarship documentation completion, the amount of individual scholarships, the permissible uses of scholarship funds, the period of eligibility for award of a scholarship, the conditions for a revocation of a scholarship, and any other procedures it deems necessary for its administration of the Program.

If an eligible child or eligible spouse receives a scholarship or other grant covering the cost of attendance at an eligible postsecondary institution for which the scholarship is awarded, then the amount of a scholarship awarded under this section shall be reduced so that the sum of all grants and scholarships covering the cost of attendance received by the eligible child or eligible spouse does not exceed the cost of attendance for the institution. For the purposes of this section, cost of attendance shall include monies for tuition, fees, books, supplies, and school-related expenses, including laptops, equipment, tutoring support, as well as room and board as long as the scholarship recipient is enrolled as at least a half-time student at the institution. Off-campus housing costs for room and board are also included to the extent the eligible postsecondary institution includes it in its cost of attendance.

SECTION 8.3.(e) Reporting. – The Patriot Foundation shall submit a report by April 1 of each year in which the Patriot Foundation spends State funds made available for the Program to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the activities related to the Program and the use of the State funds.

The Marine Corps Scholarship Foundation, Inc., shall submit a report by April 1 of each year in which the Marine Corps Scholarship Foundation spends State funds made available for the Program to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the activities related to the Program and the use of the State funds.
FALLS LAKE NUTRIENT MANAGEMENT STUDY/FUNDS

SECTION 8.5. Of the funds appropriated by this act to the Board of Governors for the 2022-2023 fiscal year for the study of Falls Lake, any unexpended funds remaining at the end of the 2022-2023 fiscal year shall not revert to the General Fund but shall remain available for expenditure for the purposes of studying and analyzing nutrient management strategies and compiling existing water quality data of Falls Lake pursuant to Section 14.13(c) of S.L. 2016-94, as amended by Section 13.18(a) of S.L. 2018-5, until December 31, 2023.
ALLOW IN-STATE TUITION/ATHLETIC SCHOLARSHIPS

SECTION 8.7.(a) G.S. 116-143.6 reads as rewritten:

"§ 116-143.6. Full scholarship students attending constituent institutions.

(a) Notwithstanding any other provision of law, if the Board of Trustees of a constituent institution of The University of North Carolina elects to do so, it may by resolution adopted consider as residents of North Carolina all persons who receive full scholarships, unless the scholarship is for athletics, scholarships to the institution from entities recognized by the institution and attend the institution as undergraduate students. The aforesaid persons shall be considered residents of North Carolina for all purposes by The University of North Carolina.

(b) The following definitions apply in this section:

(1) "Full cost" means an amount calculated by the constituent institution that is no less than the sum of tuition, required fees, and on-campus room and board.

(2) "Full scholarship" means a grant that meets the full cost for a student to attend the constituent institution for an academic year.

(c) This section shall not be applied in any manner that violates federal law.

(d) This section shall be administered by the electing constituent institution so as to have no fiscal impact.

(e) In administering this section, the electing constituent institution shall maintain at least the current number of North Carolina residents admitted to that constituent institution.

(f) A change in residency status under this section shall not impact the financial aid amount a student is able to receive as determined by the Free Application for Federal Student Aid."

SECTION 8.7.(b) This section applies beginning with the 2021-2022 academic year.
COLLABORATORY/FIREFIGHTING FOAM REGISTRY/PFAS BAN

SECTION 8.10.(a) Chapter 58 of the General Statutes is amended by adding a new Article to read:

"Article 82B.

"Management of Aqueous Film-Forming Foams.

"§ 58-82B-1. Findings.

The General Assembly finds that certain firefighting foams used to fight Class B fires, often referred to as Aqueous Film-Forming Foams (AFFF), are critical for fire suppression and public safety. However, because many AFFF could contain per- and poly-fluoroalkyl substances, certain foams may require additional research, oversight, and management. The General Assembly further finds that accurate and comprehensive reporting of the use of AFFF by fire departments throughout the State is essential in order to appropriately manage the potential impacts of AFFF on the environment and public health.

"§ 58-82B-5. Reporting requirement.

Fire departments operated, regulated, or managed by one or more units of State and local government, including those located at or serving public airports, in partnership with the Office of the State Fire Marshal (OSFM), shall, no later than July 1, 2022, and annually thereafter, do all of the following:

1. Provide an inventory of all AFFF at each department.
2. Identify all AFFF no longer utilized at each department that should be properly disposed of.
3. Report annually in summary form and within 15 days individually every incident where AFFF were deployed. Both the annual summary report and the individual incident reports shall utilize the online portal created as directed by G.S. 58-82B-10.


The Office of the State Fire Marshal (OSFM) shall do all of the following:

1. Educate and inform every fire department it regulates of the reporting requirements imposed by this Article.
2. Assist the North Carolina Policy Collaboratory at the University of North Carolina at Chapel Hill in the development of an online reporting portal for fire departments operated, regulated, or managed by one or more units of State and local government, including those located at or serving public airports, with the requirements of this Article.
3. Adopt rules to implement the requirements of this Article. OSFM may adopt temporary rules and shall adopt permanent rules no later than July 1, 2022.


The Office of the State Fire Marshal (OSFM) shall report annually to the Environmental Review Commission no later than September 1 of each year on the utilization and inventory of AFFF by fire departments across the State during the previous fiscal year based on the reporting requirements of this Article."
SECTION 8.10.(b) The North Carolina Policy Collaboratory at the University of North Carolina at Chapel Hill (Collaboratory), in partnership with the Office of the State Fire Marshal (OSFM) and any unit of State and local government deemed relevant by the Collaboratory, shall develop and maintain the online reporting portal as required by G.S. 58-82B-10, as enacted by subsection (a) of this section. The portal shall consist of an online reporting tool and related database that captures the storage and deployment of Aqueous Film-Forming Foams (AFFF) by fire departments in the State that are operated, managed, or overseen by units of local government, including those located at or serving public airports. The reporting tool shall be easily accessible to firefighters and fire department personnel to upload the data. The required inventory data shall include, at a minimum, the following:

1. The number of trucks at each department that carry AFFF and the volume, trade name, and Chemical Abstract Service (CAS) number of the AFFF on each truck.

2. The fire station, including street address, where each truck is located.

3. The volume, trade name, and CAS number of AFFF stored by each fire department or unit of local government at a station or other location, as well as the address of each location where AFFF are stored.

4. The volume, trade name, and CAS number of AFFF products that are no longer utilized and could be removed from inventory for disposal.

5. The volume of AFFF used by each fire department annually, including all of the following:
   a. The date, time, and location, including street address and global positioning system (GPS) coordinates, where AFFF was deployed, and the trade name and CAS number of the AFFF used.
   b. The total volume of AFFF deployed, including gallons of foam and gallons of water and total concentration of foam.
   c. The reason for the deployment of AFFF, such as firefighting, fire prevention, other emergency response actions intended to protect property or public safety, training, or an accidental spill.

6. A photograph of the label and the container of the foam. For the purpose of this subdivision, a photograph includes an electronic image produced by the camera of an electronic device.

7. Any other data deemed relevant by the Collaboratory to establish a statewide inventory of AFFF used for fighting fires or firefighter training.

OSFM and all units of local government shall provide any information or assistance requested by the Collaboratory to acquire, compile, manage, interpret, and maintain the data required by this section. The tool and database required by this section shall be online and operational no later than June 1, 2022.

SECTION 8.10.(c) Article 21A of Chapter 143 of the General Statutes is amended by adding a new Part to read:


§ 143-215.104LL. Definitions.

The following definitions apply in this Part:

1. Class B firefighting foam. – Foams designed for flammable liquid fires.

2. PFAS chemicals. – Per-fluoroalkyl and poly-fluoroalkyl substances that are a group of manufactured chemicals containing at least two fully fluorinated carbon atoms, excluding polymers, gases, and volatile liquids, and designed to be fully functional in Class B firefighting foam.

3. Testing. – Any calibration, conformance, or fixed system testing of Class B firefighting foam.
(4) **Testing facility.** – A facility that allows the discharge of Class B firefighting foam for testing in nonemergency situations.

§ 143-215.104MM. **Prohibition of certain firefighting foams for training, practice, or testing.**

(a) No person, local government, or State agency may discharge for training or practice purposes Class B firefighting foam that contains intentionally added PFAS chemicals.

(b) No person, local government, or State agency may discharge for testing purposes Class B firefighting foam that contains intentionally added PFAS chemicals unless otherwise required by law or an authority having jurisdiction, and a testing facility has implemented appropriate containment, treatment, and disposal measures to prevent releases of Class B firefighting foam into the environment.

(c) Non-fluorinated training foams or other non-fluorinated surrogates shall be used for firefighting training, and training shall be conducted under conditions conducive to the collection of spent foam regardless of foam type.

(d) The Office of State Fire Marshal may adopt rules to implement this Part."

**SECTION 8.10.(d)** This section becomes effective the date this act becomes law.
AP FEES FOR NCSSM/UNCSA HS STUDENTS

SECTION #.(a) Part 5 of Article 1 of Chapter 116 of the General Statutes is amended by adding a new section to read:

(a) It is the intent of the State to enhance accessibility and encourage secondary school students to enroll in and successfully complete more rigorous Advanced Placement courses to enable success in postsecondary education for all students. To attain this goal, to the extent funds are made available for this purpose, secondary school students enrolled in the North Carolina School of Science and Mathematics and the University of North Carolina School of the Arts shall be exempt from paying any fees for registration and administration of examinations for Advanced Placement courses in which the student is enrolled, regardless of the score the student achieves on an examination.

(b) The University of North Carolina System Office shall report annually by December 15 to the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee on Advanced Placement course information for the North Carolina School of Science and Mathematics and the University of North Carolina School of the Arts. The report shall include, at a minimum, the following information from the prior fiscal year:

(1) Number of students enrolled in Advanced Placement courses and participating in Advanced Placement course examinations, including demographic information by gender and race.

(2) Student performance on Advanced Placement course examinations, including information by course and school.

(3) Amount of State funds expended for fees for Advanced Placement courses by school."

SECTION #.(b) The initial report required pursuant to G.S. 116-43.30(b) shall be submitted to the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee by December 15, 2022.
GENERAL ASSEMBLY OF NORTH CAROLINA
Session 2021

Proofed
SPECIAL PROVISION 2021-UNC-H11-P

University of North Carolina and Private Instruction
House Appropriations, Education

Requested by

UNC PROGRAM OUTCOME REPORTING

SECTION #. G.S. 116-11 is amended by adding a new subdivision to read:
"(9c) Reports on State-funded programs. – Beginning October 1, 2022, and annually thereafter, The University of North Carolina System Office shall file a report with the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee for all programs administered through The University of North Carolina that were provided an expansion of State appropriations or a new State appropriation in the Current Operations Appropriations Act from the prior fiscal year, including grants to non-State entities as defined in G.S. 143C-1-1. The report shall include information on program activities, objectives, and accomplishments and prior year State fiscal year itemized expenditures and fund sources. The System Office is not required to include information in the report for programs with an existing reporting requirement otherwise required by State law."
CHANGES TO UNC CARRYFORWARD AUTHORITY

SECTION #.  G.S. 116-30.3 reads as rewritten:

"§ 116-30.3. Reversions.
(a) Of the General Fund current operations appropriations credit balance remaining at the end of each fiscal year in each of the budget codes listed in this subsection, any amount of the General Fund appropriation for that budget code for that fiscal year (i) may be carried forward to the next fiscal year in that budget code, (ii) is appropriated in that budget code, and (iii) may be used for the purposes set out in subsection (f) of this section. However, the amount carried forward in each budget code under this subsection shall not exceed five percent (5.0%) of the General Fund appropriation in that budget code. The Director of the Budget, under the authority set forth in G.S. 143C-6-2, shall establish the General Fund current operations credit balance remaining in each budget code.

The budget codes that may carry forward a General Fund current operations appropriations credit balance remaining at the end of each fiscal year pursuant to this section are the budget codes for each of the following:

(1) Each special responsibility constituent institution.
(2) The Area Health Education Centers of the University of North Carolina at Chapel Hill.
(3) University of North Carolina System Office Budget Code 16010.

Each budget code in subdivisions (1) through (3) of this subsection may retain a carryforward amount of up to two and one half percent (2.5%). One half of any amounts carried forward exceeding two and one half percent (2.5%) shall be distributed to the University of North Carolina System Office, to be disbursed to the constituent institutions at the discretion of the Board of Governors, with the remaining amount being retained in that budget code.

(b) Repealed by Session Laws 1998-212, s. 11(b).
(c) Repealed by Session Laws 1998-212, s. 11(a).
(d) Repealed by Session Laws 1998-212, s. 11(b).
(e) Repealed by Session Laws 2014-100, s. 11.17(a), effective July 1, 2014.
(f) Funds carried forward pursuant to subsection (a) of this section shall be used for projects that are eligible to receive funds under G.S. 143C-8-13(a). Expenditures may be used for one-time expenditures; provided, however, expenditures authorized by this subsection shall not impose additional financial obligations on the State and shall not be used to support positions."
Requested by

BEYOND ACADEMICS SCHOLARSHIP PROGRAM/UNCG

SECTION #.(a) Chapter 116 of the General Statutes is amended by adding a new Article to read:

"Article 35A.

"Comprehensive Transition Postsecondary (CTP) Scholarships.

§ 116-295. Comprehensive Transition Postsecondary Scholarship Program established; administration of scholarships.

(a) Program Established. – There is established the Comprehensive Transition Postsecondary (CTP) Scholarship Program to provide scholarships to full-time North Carolina students with intellectual disabilities enrolled in the Integrative Community Studies program, also known as the Beyond Academics program, which is a certificate accomplishment program at the University of North Carolina at Greensboro. The Integrative Community Studies program is approved by the United States Department of Education as a CTP Program, pursuant to the Higher Education Opportunity Act of 2008, 20 U.S.C. §§ 1140f-1140i.

(b) Administration of the Program. – The University of North Carolina System Office shall administer the CTP Scholarship Program, in consultation and collaboration with the University of North Carolina at Greensboro, pursuant to policies adopted by the Board of Trustees of the University of North Carolina at Greensboro that are consistent with the requirements of this Article.

§ 116-296. Comprehensive Transition Postsecondary Scholarship Fund established; administration of fund.

(a) Fund Established. – There is established the Comprehensive Transition Postsecondary (CTP) Scholarship Fund to be used to fund scholarships awarded pursuant to this Article. All funds appropriated for the program, all returned scholarship monies, and all interest earned on these funds shall be placed in the Fund. Scholarship funds that are unexpended at the end of each fiscal year shall not revert to the General Fund but shall remain available for the award of scholarships under this Article.

(b) Administration of Fund. – The University of North Carolina System Office, in collaboration with the University of North Carolina at Greensboro, shall administer the CTP Scholarship Fund.

§ 116-297. Student eligibility; award of scholarships.

(a) Eligibility. – To be eligible for a scholarship under this Article, a student must meet all of the following conditions:

(1) Qualify as a resident for tuition purposes under the criteria set forth in G.S. 116-143.1 and in accordance with the coordinated and centralized residency determination process administered by the State Education Assistance Authority.

(2) Meet enrollment standards by being admitted, enrolled, and classified as a full-time student in the Integrative Community Studies CTP Program at the University of North Carolina at Greensboro.
(3) Submit a Free Application for Federal Student Aid (FAFSA) and demonstrate need according to the federal methodology in Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. § 1070, et seq.

(b) Award of Scholarships; Reduction to Award. – Subject to the availability of funds in the Comprehensive Transition Postsecondary (CTP) Scholarship Fund established under G.S. 116-296, scholarships shall be awarded to eligible students in an amount to cover the cost of attendance in the CTP program at the University of North Carolina at Greensboro. If a student who is eligible for a scholarship under this section also receives a scholarship or other grant covering the cost of attendance, then the amount of the scholarship shall be reduced by an appropriate amount determined by the University of North Carolina at Greensboro so that the total amount of scholarships and grants received by the student does not exceed the cost of attendance. The cost of attendance shall be determined by the University of North Carolina at Greensboro. In the event there are not sufficient funds available for scholarships for each eligible student to cover the cost of attendance, the University of North Carolina at Greensboro may adjust the distribution of the amount of scholarships as necessary in an academic year."

SECTION #.(b) This section becomes effective beginning with the 2022-2023 academic year.
UNC SYSTEM EDUCATIONAL CAREER ALIGNMENT

SECTION #.(a) The Board of Governors of The University of North Carolina shall contract with an independent research organization to conduct an evaluation of its current programs at each constituent institution of The University of North Carolina related to its operational costs, student outcomes, and return on investment (ROI) of each program. The evaluation conducted by the independent research organization shall include an analysis of at least the following information by constituent institution and undergraduate and graduate degree programs:

1. The number of students in each program.
2. The number of faculty and other staff employed for each program.
3. The related costs to operate each program, inclusive of total staff compensation and benefits, facility costs, and any other related expenses, including overhead.
4. A detailed correlation between degree of study and directly related career roles and associated expected starting compensation, as well as expected career earnings for students upon completion of those programs.
5. A detailed ROI for each program.
6. ROI for State funding expenditures.
7. ROI for student funding expenditures.

SECTION #.(b) By September 1, 2023, the Board of Governors shall report to the Senate Appropriations Committee on Education/Higher Education, the House Appropriations Committee on Education, the Joint Legislative Education Oversight Committee, and the Fiscal Research Division of the General Assembly on the results of the evaluation conducted by the independent research organization pursuant to subsection (a) of this section.
COLLABORATORY/STUDY OF A CYANOBACTERIAL ALGAL BLOOM TREATMENT

SECTION #.(a) Findings. – The General Assembly finds it is in the best interests of the State, upon consideration of bids and proposals by any agencies of the State bound by the North Carolina Administrative Code on procurement, to remediate and prevent cyanobacterial harmful algal blooms in the lakes and reservoirs of North Carolina by selecting an in situ treatment of the nutrient impaired surface waters in lakes and reservoirs through giving preference to those vendors who comply with the following specifications, which is to be considered as constituting the best practices for cyanobacterial harmful algal bloom remediation and prevention in North Carolina waters:

1. The technology employed must be approved by the United States Environmental Protection Agency and certified to meet or exceed The American National Standards for health effects of drinking water treatment chemicals (NSF/ANSI/CAN 60) and be registered for application by the State.
2. A vendor must have previous experience treating water bodies larger than 1,000 acres with proven success in the United States.
3. A treatment aim must be to reduce cyanotoxins in the water to less than harmful levels.
4. A treatment technology employed must be ready to use without limitation of size or shape of the waterbody.
5. A preference must be given to employment of technology allowing for application under emergency situations and within less than 96 hours from approval.
6. A preference must be given to products that are modular and can be used as a preventative measure.
7. A preference must be given to products that are quick and easy to apply and are safe to the applicator.
8. A preference must be given to products that float on the surface of the water and do not sink immediately to the bottom of the water column and are not diminished in effectiveness by mixing with sediment.
9. A preference must be given to products that are distributed autonomously across the water body after a localized application.
10. A preference must be given to products with a time release mechanism that applies constant and prolonged oxidative stress of the cyanobacteria triggered by the programmed cell death signaling cascade resulting in their collapse.
11. A preference must be given for products manufactured in the United States.

SECTION #.(b) The North Carolina Policy Collaboratory at the University of North Carolina at Chapel Hill (Collaboratory) shall evaluate the effectiveness and efficacy of an approved in situ treatment of the nutrient impaired surface waters in lakes and reservoirs on cyanobacterial harmful algal blooms under subsection (a) of this section. The Collaboratory shall report the results of the evaluation no later than April 1, 2023, to the Joint Legislative Oversight Committee.
Committee on Agriculture and Natural and Economic Resources; the chairs of the House of Representatives Appropriations Committee on Agriculture and Natural and Economic Resources; the chairs of the Senate Appropriations Committee on Agriculture, Natural, and Economic Resources; and the Fiscal Research Division.
NC PATRIOT STAR FAMILY RECOVERY SCHOLARSHIP PROGRAM

SECTION #.(a) Program Established. – Of the funds appropriated by this act from the State Fiscal Recovery Fund to the Board of Governors of The University of North Carolina for the North Carolina Patriot Star Family Recovery Scholarship Program (Program), the Board of Governors shall make funds available to the Patriot Foundation, a nonprofit corporation, for the purpose of establishing and administering scholarships under the NC Patriot Star Family Recovery Scholarship Program in accordance with the requirements of this section.

SECTION #.(b) Purpose of the Program. – The Patriot Foundation shall provide for scholarships under the Program to eligible children, eligible spouses of certain veterans, eligible children of certain currently serving members of the Armed Forces, and eligible disabled veterans to attend eligible postsecondary institutions to help remediate the impacts of the COVID-19 pandemic so that individuals who meet certain income criteria can recover learning and achieve credential and degree attainment.

SECTION #.(c) Definitions. – For the purposes of this section, the following definitions apply:

(1) Armed Forces. – A component of the United States Army, Navy, Marine Corps, Air Force, and Coast Guard, including their reserve components.

(2) Eligible child or eligible children. – Any person (i) who is a legal resident of North Carolina when scholarship documentation is completed, provided that if a child is claimed as a dependent by the child's parent, residency may be established based on a parent meeting sub-subdivision 4. of sub-subdivision a. of this subdivision, and (ii) whose parent is a veteran or a currently serving member of the Armed Forces that meets the following:

a. Meets one of the following residency conditions:

1. Is a resident of North Carolina at the time of scholarship documentation completion.

2. Was a resident of North Carolina at the time of entrance into service in the Armed Forces.

3. Was permanently stationed in North Carolina at the time of his or her death.

4. Is an active duty service member permanently stationed in North Carolina at the time of documentation completion.

b. Meets one of the following service conditions:

1. Was a member of the Armed Forces who was killed in action or in the line of duty or died of wounds or other causes not due to the service member's willful misconduct during a period of war, national emergency, or training in preparation for future conflicts and is a direct result of service in the line of duty.

2. Was a member of the Armed Forces who died of service-connected injuries, wounds, illness, or other causes.
incurred or aggravated while a member of the Armed Forces during a period of war, national emergency, or training in preparation for future conflicts and is a direct result of service in the line of duty. Standard documentation of the parent's death, wounds, injury, or illness must be supplied by a scholarship recipient at the time of scholarship request.

3. Is a veteran of the Armed Forces who incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of war, national emergency, or training in preparation for future conflicts and is a direct result of service in the line of duty. Standard documentation of the parent’s death, wounds, injury, or illness must be supplied by a scholarship recipient at the time of scholarship request.

4. Is a current member of the Armed Forces who incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of war or national emergency. The parent’s traumatic wounds, injury, or major illness must be documented by the member’s Unit Commander.

(3) Eligible disabled veteran. – Any person who (i) is a veteran of the Armed Forces who incurred traumatic injuries or wounds or sustained a major illness while a member of the Armed Forces during a period of war or national emergency and is receiving compensation for a wartime service-connected disability of at least fifty percent (50%) as rated by the U.S. Department of Veterans Affairs and (ii) is a resident of North Carolina at the time of scholarship documentation completion.

(4) Eligible postsecondary institution. – A school that is any of the following:
   a. A constituent institution of The University of North Carolina.
   b. A community college under the jurisdiction of the State Board of Community Colleges.
   c. A private educational institution as defined in G.S. 143B-1224.
   d. A private vocational institution, including Federal Aviation Administration certificated aviation training programs.

(5) Eligible spouse. – Any person (i) who is a legal resident of North Carolina when scholarship documentation is completed and (ii) whose spouse meets one of the conditions set forth in sub-sub-divisions 1. through 3. of sub-subdivision b. of subdivision (2) of this subsection.

(6) Veteran. – An individual who has served and is no longer serving in the Armed Forces of the United States. For the purposes of this section, the veteran must have separated from the Armed Forces under honorable conditions or whose death or disability of at least fifty percent (50%) or more was incurred as a direct result of service in the line of duty.

SECTION #.(d) Other Eligibility Requirements. – Any eligible child, eligible spouse, or eligible disabled veteran shall also meet the following conditions to be eligible for a scholarship under the Program:

(1) Has a household income of less than three hundred fifty percent (350%) of the federal poverty level. Benefits received by a veteran under 38 U.S.C. § 2101 shall not be included in calculating the income level of an applicant's household for the purposes of determining eligibility for a scholarship under the Program. An applicant shall provide any financial information necessary
to the Patriot Foundation for the purposes of calculating income eligibility under this subdivision.

(2) Is attending or has been accepted to enroll in an eligible postsecondary institution.

(3) Has complied with the requirements of the Selective Service System, if applicable.

**SECTION #.(e) Administration; Awards.** – Within the funds made available for the Program, the Patriot Foundation shall administer and award scholarships to eligible applicants in accordance with the requirements of the Program. In administering the Program, the Patriot Foundation shall be responsible for Program oversight for the scholarships awarded through its organization to ensure compliance with the provisions of this section. The Patriot Foundation may contract with the State Education Assistance Authority (Authority) for administrative assistance for the Program. The Patriot Foundation may use funds allocated to it under this section for any administrative costs associated with a contract with the Authority.

The Patriot Foundation shall, at a minimum, establish criteria and procedures related to scholarship documentation completion, the amount of individual scholarships, the permissible uses of scholarship funds, the period of eligibility for award of a scholarship, the conditions for a revocation of a scholarship, and any other procedures it deems necessary for its administration of the Program.

If a scholarship recipient receives a scholarship or other grant covering the cost of attendance at an eligible postsecondary institution for which the scholarship is awarded, then the amount of a scholarship awarded under this section shall be reduced so that the sum of all grants and scholarships covering the cost of attendance received by the recipient does not exceed the cost of attendance for the institution. For the purposes of this section, cost of attendance shall include monies for tuition, fees, books, supplies, and school-related expenses, including laptops, equipment, tutoring support, as well as room and board as long as the scholarship recipient is enrolled as at least a half-time student at the institution. Off-campus housing costs for room and board are also included to the extent the eligible postsecondary institution includes it in its cost of attendance.

**SECTION #.(f) Reporting.** – The Patriot Foundation shall submit a report by April 1 of each year in which the Patriot Foundation spends federal funds made available for the Program to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the activities related to the Program and the use of the funds through the deadline established by federal law and guidelines.
TUITION GRANTS FOR NCSSM/UNCSA GRADUATES

SECTION 8A.1.(a) Article 23 of Chapter 116 of the General Statutes is amended by adding a new Part to read:

"Part 5. Tuition Grant for High School Graduates of the North Carolina School of Science and Mathematics and the University of North Carolina School of the Arts.

§ 116-209.90. Tuition grants for graduates to attend an eligible institution of higher education.

(a) Within the funds available, a high school graduate from the North Carolina School of Science and Mathematics (NCSSM) or the University of North Carolina School of the Arts (UNCSA) in each school year, beginning with the 2020-2021 school year, who meets the following conditions shall be eligible for a tuition grant awarded under this Part:

(1) Is a resident for tuition purposes under the criteria set forth in G.S. 116-143.1 and in accordance with the coordinated and centralized residency determination process administered by the Authority.

(2) Enrolls as a full-time student in an eligible institution of higher education in the next academic year after graduation.

Students who receive initial tuition grants as a cohort of a high school graduating class of NCSSM or UNCSA shall also be eligible to apply for tuition grants for subsequent academic years for up to a total of four academic years. A student must be continuously enrolled in an eligible institution of higher education after the award of the initial tuition grant to be eligible for tuition grants in subsequent academic years. The Authority shall have the discretion to waive this requirement if the student is able to demonstrate that any of the following have substantially disrupted or interrupted the student's pursuit of a degree: (i) a military service obligation, (ii) serious medical debilitation, (iii) a short-term or long-term disability, or (iv) other extraordinary hardship.

(b) For the purposes of this Part, "an eligible institution of higher education" shall mean a constituent institution of The University of North Carolina or a private postsecondary institution located in North Carolina as described in G.S. 116-280(3). The amount of the tuition grant to each graduate shall be determined and distributed as provided in G.S. 116-209.91.

§ 116-209.91. Administration of tuition grants.

(a) The Authority shall administer the tuition grants provided for in this Part pursuant to guidelines and procedures established by the Authority consistent with its practices for administering State-funded financial aid. The guidelines and procedures shall include an application process and schedule, notification and disbursement procedures, standards for reporting, and standards for return of tuition grants when a student withdraws. The Authority shall not approve any grant until it receives proper certification from the appropriate eligible institution of higher education that the student applying for the grant is an eligible student. Upon receipt of the certification, the Authority shall remit, at the times it prescribes, the tuition grant to the eligible institution of higher education on behalf, and to the credit, of the student. In the event a student on whose behalf a tuition grant has been paid is not enrolled and carrying a minimum academic load as of the tenth classroom day following the beginning of the school
term for which the tuition grant was paid, the eligible institution of higher education shall refund
the full amount of the tuition grant to the Authority.

(b) Except as otherwise provided in this section, the amount of the grant awarded to a
student shall cover (i) to attend a constituent institution, the tuition cost at the constituent
institution in which the student is enrolled or (ii) to attend a private postsecondary institution
located in North Carolina, the tuition cost, in whole or in part, at the private postsecondary
institution in an amount up to the highest amount of undergraduate resident tuition charged at a
constituent institution of The University of North Carolina for that academic year.

No tuition grant awarded to a student under this section shall exceed the cost of attendance
at a constituent institution for which the student is enrolled, or if enrolled in a North Carolina
private postsecondary institution, exceed the highest amount of undergraduate resident tuition
charged at a constituent institution of The University of North Carolina for that academic year.

(c) If a student, who is eligible for a tuition grant under this section, also receives a
scholarship or other grant covering the cost of attendance at the eligible institution of higher
education for which the tuition grant is awarded, then the amount of the tuition grant shall be
reduced by an appropriate amount determined by the Authority so that the total amount of
scholarships and grants received by the student does not exceed the cost of attendance for the
institution. The cost of attendance shall be determined by the Authority for each eligible
institution of higher education.

(d) In the event there are not sufficient funds to provide each eligible student who has
applied in accordance with the application process and the schedule established by the Authority
with a full tuition grant as provided by this Part, each eligible student shall receive a pro rata
share of funds available for the academic year covered by the appropriation in the preceding
fiscal year.

"§ 116-209.92. North Carolina Tuition Grant Fund Reserve.

The North Carolina Tuition Grant Fund Reserve shall be established as a reserve to be
administered by the Authority. All funds appropriated to or otherwise received by the Authority
to provide tuition grants under this Part, all returned tuition grant monies, and all interest earned
on these funds shall be placed in the Fund. The Fund shall be used for (i) tuition grants for the
academic year that begins in the fiscal year following the fiscal year in which the appropriation
is made to the Reserve and (ii) the administrative costs of the Authority, provided that no more
than five percent (5%) of the funds appropriated each fiscal year for tuition grants is expended
for administrative purposes."

SECTION 8A.1.(b) It is the intent of the General Assembly to appropriate from the
General Fund to the North Carolina Tuition Grant Fund Reserve the following additional funds
for the purpose of awarding tuition grants for future high school graduating classes of the North
Carolina School of Science and Mathematics (NCSSM), including students graduating from the
Morganton campus of NCSSM, and the University of North Carolina School of the Arts:

(1) For the 2023-2024 fiscal year, the sum of two million six hundred thirty-nine
thousand seven hundred eighty-two dollars ($2,639,782) in recurring funds.

(2) For the 2024-2025 fiscal year, the sum of six hundred thirty-one thousand
twenty-four dollars ($631,024) in recurring funds.

(3) For the 2025-2026 fiscal year, the sum of six hundred thirty-one thousand
twenty-four dollars ($631,024) in recurring funds.

(4) For the 2026-2027 fiscal year, the sum of six hundred thirty-one thousand
twenty-four dollars ($631,024) in recurring funds.
PUBLIC COLLEGES AND UNIVERSITIES NEED-BASED FINANCIAL AID CONSIDERATION

SECTION 8A.2.(a) Article 23 of Chapter 116 of the General Statutes is amended by adding a new Part to read:

"Part 5. The North Carolina Need-Based Scholarship for Public Colleges and Universities.

§ 116-209.80. Definitions.
The following definitions apply to this Part:

(1) Eligible postsecondary institution. – A school that is:
   a. A constituent institution of The University of North Carolina as defined in G.S. 116-2(4).
   b. A community college as defined in G.S. 115D-2(2).

(2) Matriculated status. – Being recognized as a student in a defined program of study leading to a degree, diploma, or certificate at an eligible postsecondary institution.

(3) Program. – The North Carolina Need-Based Scholarship Program for Public Colleges and Universities.

(4) Reserve Fund. – Scholarship Reserve Fund for Public Colleges and Universities.

(5) Scholarship. – A scholarship for education awarded under this Part.


§ 116-209.81. Eligibility requirements for a scholarship.
(a) In order to be eligible to receive a scholarship under this Part, a student seeking a degree, diploma, or certificate at an eligible postsecondary institution must meet all of the following requirements:

(1) Qualify as a resident for tuition purposes under the criteria set forth in G.S. 116-143.1 and in accordance with the coordinated and centralized residency determination process administered by the Authority.

(2) Meet enrollment standards by being admitted, enrolled, and classified as an undergraduate student in a matriculated status at an eligible postsecondary institution. The President of The University of North Carolina and the President of the North Carolina Community College System may jointly agree to additional enrollment standards for the Program.

(3) Submit a Free Application for Federal Student Aid (FAFSA) and demonstrate need according to federal methodology in Title IV of the Higher Education Act of 1965, as amended, 20 U.S.C. § 1070, et seq.

(b) In addition to the criteria set forth in subsection (a) of this section, in order for a student to continue to be eligible for a scholarship for the student's second and subsequent academic years, the student must meet achievement standards by maintaining satisfactory academic progress in a course of study in accordance with the standards and practices used for
federal Title IV programs by the eligible postsecondary institution in which the student is enrolled.

§ 116-209.82. Semester limitation on eligibility for scholarship.
(a) Except as otherwise provided by subsection (c) of this section, a student matriculating at a constituent institution of The University of North Carolina shall not receive a scholarship for more than 10 full-time academic semesters, or its equivalent if enrolled part-time, unless the student is enrolled in a program officially designated by the Board of Governors of The University of North Carolina as a five-year degree program. If a student is enrolled in such a five-year degree program, then the student shall not receive a scholarship for more than 12 full-time academic semesters or the equivalent if enrolled part-time.
(b) Except as otherwise provided by subsection (c) of this section, a student shall not receive a scholarship for more than six full-time academic semesters, or the equivalent if enrolled part-time, while matriculating at a community college.
(c) Upon application by a student, the applicable eligible postsecondary institution may grant a waiver to the student who may then receive a scholarship for the equivalent of one additional full-time academic semester if the student demonstrates that any of the following have substantially disrupted or interrupted the student's pursuit of a degree, diploma, or certificate: (i) a military service obligation, (ii) serious medical debilitation, (iii) a short-term or long-term disability, or (iv) other extraordinary hardship. The Board of Governors of The University of North Carolina or the State Board of Community Colleges, as appropriate, shall establish policies and procedures to implement the waiver provided by this subsection.

§ 116-209.83. Scholarship amounts; adjustment of scholarship amounts.
(a) Scholarship Amounts. – Subject to the availability of funds in the Scholarship Reserve Fund for Public Colleges and Universities, as provided in G.S. 116-209.85, a scholarship awarded under this Part to a student at an eligible postsecondary institution shall be based upon a consolidated payment schedule established jointly by the President of The University of North Carolina and the President of the North Carolina Community College System, in consultation with the Authority. The payment schedule shall clearly define award amounts by type of eligible postsecondary institution and student financial need as defined by federal methodology. The Authority shall publish the payment schedule for the Program in an easily accessible and understandable format. Once published, a payment schedule shall remain in effect unless otherwise agreed by the President of The University of North Carolina and the President of the North Carolina Community College System.
(b) Availability of Scholarships. – Subject to the payment schedule described in subsection (a) of this section, the Authority shall have the power to determine the actual scholarship amounts disbursed to students in any given year based on the amount of funds available in the Scholarship Reserve Fund for Public Colleges and Universities created pursuant to G.S. 116-209.85. If the funds available are not sufficient to fully fund the scholarships as set forth in the payment schedule established pursuant to subsection (a) of this section, the Authority, in consultation with the President of The University of North Carolina and the President of the North Carolina Community College System, shall adjust the distribution of the funds as necessary.

§ 116-209.84. Scholarship administration; reporting requirements.
(a) The scholarships provided for in this Part shall be administered by the Authority under rules adopted by the Authority in accordance with the provisions of this Part.
(b) Notwithstanding any other provision of law to the contrary, the Authority shall conduct periodic evaluations of expenditures under the Program administered by the Authority to determine if allocations are utilized to ensure access to eligible postsecondary institutions and to meet the goals of respective programs. The authority may make recommendations of the redistribution of funds to the President of The University of North Carolina and the President of...
the North Carolina Community College System, who then may jointly authorize redistribution
of funds for a particular fiscal year.
(c) The Authority shall report no later than December 1, 2024, and annually thereafter to
the Joint Legislative Education Oversight Committee. The report shall contain, for the previous
academic year, the dollar amount of awards disbursed, the number of eligible students receiving
funds, and a breakdown of the eligible postsecondary institutions that received the funds.
(d) Scholarship funds unexpended shall remain available for future scholarships to be
awarded under this Part.

§ 116-209.85. Scholarship Reserve Fund for Public Colleges and Universities.
(a) There is established the Scholarship Reserve Fund for Public Colleges and
Universities as a reserve consisting of the following monies:
(1) Funds appropriated by the General Assembly for the Program from the
Education Lottery Fund in the Current Operations Appropriations Act for a
fiscal year for education-related purposes in accordance with G.S. 18C-164.
(2) Funds appropriated by the General Assembly for the Program from the
Escheat Fund in the Current Operations Appropriations Act for a fiscal year
that is distributed annually on or before August 15 to the Authority pursuant
to G.S. 116B-7(a).
(3) Funds appropriated by the General Assembly for the Program from the
General Fund in the Current Operations Appropriations Act for a fiscal year.
(4) All returned scholarship funds from the Program.
(5) All interest earned on these funds.
(b) The Authority shall create two reserves within the Reserve Fund as follows: The
University of North Carolina (UNC Reserve) and the North Carolina Community College System
(CC Reserve) from monies in the Reserve Fund. The funds in the reserves shall be used for
scholarships for the academic year that begins in the fiscal year following the fiscal year in which
the allocations are made to the reserves. Allocations shall be made from the reserves for the
amounts determined for the payment schedules for eligible postsecondary institutions pursuant
to G.S. 116-209.83.
Beginning with the 2023-2024 fiscal year and for each subsequent fiscal year, within the
funds available, the Authority shall allocate an amount equal to the amount from the prior fiscal
year for the UNC Reserve and the CC Reserve to each reserve, respectively, unless otherwise
agreed to by the President of The University of North Carolina and the President of the North
Carolina Community College System. Additional funds may be directed to the reserves from a
Current Operations Appropriations Act in a fiscal year. The reserves established for the
2022-2023 fiscal year shall consist of the following funds:
(1) For the UNC Reserve, the monies shall consist of the following:
a. An amount equal to the amount appropriated to the Board of
Governors of The University of North Carolina for The University of
North Carolina Need-Based Financial Aid Program for the 2021-2022
fiscal year.
b. An amount equal to the proportionate share of the appropriation for
the Education Lottery Scholarship Program based on awards of
financial assistance to students enrolled in The University of North
Carolina from the Education Lottery Scholarship Program for the
(2) For the CC Reserve, the monies shall consist of the following:
a. An amount equal to the amount appropriated to the Community
Colleges System Office for the North Carolina Community College
Grant Program, except for funds set aside for the targeted assistance
program pursuant to G.S. 115D-40.1, for the 2021-2022 fiscal year.
b. An amount equal to the proportionate share of the appropriation for the Education Lottery Scholarship based on awards of financial assistance to students enrolled in North Carolina community colleges from the Education Lottery Scholarship Program for the 2017-2018, 2018-2019, and 2019-2020 fiscal years.

(c) Monies in the Reserve Fund shall not revert at the end of each fiscal year but shall remain available until expended for the purposes of this Part.

(d) The Authority may use up to one and one-half percent (1.5%) of the funds available in the Reserve Fund each fiscal year for administrative costs related to the Program. Upon a determination by the Authority that funds in excess of one percent (1%) are necessary to administer the Program, including funds necessary for one-time or recurring costs, the Authority shall consult with the President of The University of North Carolina and the President of the North Carolina Community College System at the same time the consolidated payment schedule is set pursuant to G.S. 116-209.83. The Authority shall also report the amount of the increase and the purpose for which the additional funds will be used to the Joint Legislative Education Oversight Committee and the Fiscal Research Division of the General Assembly within 30 days of the increase. In no event shall the cost of administering the Program in a fiscal year exceed one and one-half percent (1.5%) of the funds available in the Reserve Fund."

SECTION 8A.2.(b) G.S. 116B-7 reads as rewritten:

"§ 116B-7. Distribution of fund.

(a) The income derived from the investment or deposit of the Escheat Fund shall be distributed annually or on or before August 15 to the State Education Assistance Authority for grants and loans to aid worthy and needy students who are residents of this State and are enrolled in public institutions of higher education in this State. Such grants and loans shall be made upon terms, consistent with the provisions of this Chapter, pursuant to which the State Education Assistance Authority makes grants and loans to other students under G.S. 116-201 to 116-209.23, Article 23 of Chapter 116 of the General Statutes, policies of the Board of Governors of The University of North Carolina regarding need-based grants for students of The University of North Carolina, and policies of the State Board of Community Colleges regarding need-based grants for students of the community colleges. The Authority shall deposit an amount specified in the Current Operations Appropriations Act from the Escheat Fund into the Scholarship Reserve Fund for Public Colleges and Universities pursuant to G.S. 116-209.85 each fiscal year to fund the North Carolina Need-Based Scholarship for Public Colleges and Universities pursuant to Part 5 of Article 23 of Chapter 116 of the General Statutes.

(b) An amount specified in the Current Operations Appropriations Act shall be transferred annually from the Escheat Fund to the Department of Military and Veterans Affairs to partially fund the program of Scholarships for Children of War Veterans established by Part 2 of Article 14 of Chapter 143B of the General Statutes. Those funds may be used only for residents of this State who (i) are worthy and needy as determined by the Department of Military and Veterans Affairs and (ii) are enrolled in public institutions of higher education of this State."

SECTION 8A.2.(c) By May 1, 2022, the President of The University of North Carolina and the President of the North Carolina Community College System shall report to the Fiscal Research Division, the House Appropriations Education Committee, and the Senate Appropriations on Education/Higher Education Committee on the following regarding the consolidation of student financial assistance for constituent institutions of The University of North Carolina and the community colleges:

(1) The payment schedule required by G.S. 116-209.83, as enacted by this section.

(2) Potential ways to include students with intellectual and developmental disabilities as eligible for scholarships through the North Carolina Need-Based Scholarship Program for Public Colleges and Universities or
other student financial assistance recommendations, including grants or other
funding sources for students enrolled in Comprehensive Transition Programs.

(3) Any recommended legislative changes, including for the North Carolina
Need-Based Scholarship Program for Public Colleges and Universities.

SECTION 8A.2.(d) By October 15, 2022, the Authority shall transfer any
unexpended balances remaining in the reserves for The University of North Carolina Need-Based
Financial Aid Program and the Education Lottery Scholarship to the Scholarship Reserve Fund
for Public Colleges and Universities under G.S. 116-209.85, as enacted by this section.

SECTION 8A.2.(e) Article 35A of Chapter 115C of the General Statutes is repealed.

SECTION 8A.2.(f) G.S. 116-209.19A reads as rewritten:

"§ 116-209.19A. Limit semesters eligible for need-based grants and scholarships.

The Authority administers the following need-based grant and scholarship programs: the
Education Lottery Scholarships, North Carolina Community College Grant Program, The
University of North Carolina Need Based Financial Aid Program, North Carolina Need-Based
Scholarship for Public Colleges and Universities and Need-Based Scholarships for Students
Attending Private Institutions of Higher Education. G.S. 115C-499.2A, 115D-40.2, 116-25.1,
G.S. 116-209.82 and 116-281.1 G.S. 116-281.1 limit the number of semesters that a student may
receive a grant or scholarship from any of those programs and also provide the
reason for the waiver.

A postsecondary institution that grants a waiver under G.S. 115C-499.2A, 115D-40.2,
116-25.1, G.S. 116-209.82 or 116-281.1 G.S. 116-281.1 shall certify the granting of the waiver
in a manner acceptable to the Authority and shall also maintain documentation substantiating the
reason for the waiver."

SECTION 8A.2.(g) G.S. 115D-40.1 reads as rewritten:


(a) Need-Based Assistance Program. It is the intent of the General Assembly that the
Community College System make these financial aid funds available to the neediest students
who are not eligible for other financial aid programs that fully cover the required educational
expenses of these students. The State Board may use some of these funds as short-term loans to
students who anticipate receiving the federal HOPE or Lifetime Learning Tax Credits.

(b) Targeted Financial Assistance. Notwithstanding subsection (a) of this section, the
Within the funds available, the State Board may allocate up to ten percent (10%) of the funds
appropriated for Targeted Financial Assistance for Community College Students provide financial
assistance to the following students:

(1) Students who enroll in low-enrollment programs that prepare students for
high-demand occupations.

(2) Students with disabilities who have been referred by the Department of Health
and Human Services, Division of Vocational Rehabilitation, and are enrolled
in a community college.

(3) Students enrolled in fewer than six credit hours per semester who otherwise
qualify for need-based financial aid programs.

(c) Administration of Program. The State Board shall adopt rules and policies for the disbursement of the targeted financial assistance provided in
subsections (a) and subsection (b) of this section. Degree, diploma, and certificate students must complete a Free Application for Federal Student Aid (FAFSA) to be eligible for financial assistance. The State Board may contract with the State Education Assistance Authority for administration of these targeted financial assistance funds. These funds shall not revert at the end of each fiscal year but shall remain available until expended for need-based financial assistance. The interest earned on the funds provided in subsections (a) and (b) of this section may be used to support the costs of administering the Community College Grant Program. If the interest earnings are not adequate to support the administrative costs, up to one percent (1%) of funds provided in subsection (a) of this section may be used to support the costs of administering the Community College Grant Program.

(d) Participation in Federal Loan Programs. – All community colleges shall participate in the William D. Ford Federal Direct Loan Program, unless the board of trustees of an institution adopts a resolution declining to participate in the Program. The State Board shall ensure that at least one counselor is available at each college to inform students about federal programs and funds available to assist community college students, including, but not limited to, Pell Grants, HOPE and Lifetime Learning Tax Credits, and, for participating colleges, the William D. Ford Federal Direct Loan Program, and to actively encourage students to utilize these federal programs and funds. The board of trustees of any institution that has declined to participate in the William D. Ford Federal Direct Loan Program through the adoption of a resolution may rescind the resolution and participate in the Program but shall not have the authority to again decline participation in the Program."

SECTION 8A.2.(h) G.S. 115D-40.2 is repealed.
SECTION 8A.2.(i) G.S. 116-25.1 is repealed.
SECTION 8A.2.(j) Section 10.1 of S.L. 2000-67 is repealed.
SECTION 8A.2.(k) Subsections (a) through (d) of this section become effective January 1, 2022, and apply to scholarships awarded beginning with the 2023-2024 academic year. Subsections (e) through (j) of this section become effective July 1, 2023. The remainder of this section is effective on the date that this act becomes law.
EQUITY IN OPPORTUNITY ACT

SECTION 8A.3.(a) Opportunity Scholarship Grant Program. --

G.S. 115C-562.1(3)a.3. reads as rewritten:

"3. Is entering either kindergarten or the eligible to enter kindergarten, first grade, grade, or second grade pursuant to Article 25 of this Chapter. A child who is the age of 4 on or before April 16 is eligible to attend the following school year if the principal, or equivalent, of the school in which the child seeks to enroll finds that the student meets the requirements of G.S. 115C-364(d) and those findings are submitted to the Authority with the child's application."

SECTION 8A.3.(b) G.S. 115C-562.1(3)a.6. reads as rewritten:

"6. Is a child whose parent or legal guardian (i) is on full-time duty status in the active uniformed service of the United States, including members of the National Guard and Reserve on active duty orders pursuant to 10 U.S.C. § 12301, et seq., and 10 U.S.C. § 12401, et seq., or (ii) receives an honorable discharge as an active duty member from the uniformed service of the United States within 18 months prior to application."

SECTION 8A.3.(c) Any student who meets the following requirements shall qualify as an eligible student and shall be eligible to receive a scholarship for the 2021-2022 school year pursuant to Part 2A of Article 39 of Chapter 115C of the General Statutes:

(1) Was enrolled in a North Carolina public school or a Department of Defense Elementary and Secondary School located in North Carolina for the fall semester of the 2019-2020 school year.

(2) Was enrolled in a nonpublic school that meets the requirements of Part 1, 2, or 3 of Article 39 of this Chapter for the spring semester of the 2019-2020 school year and the entire 2020-2021 school year.

(3) Meets the eligibility requirements of G.S. 115C-562.1(3)a. and b.

(4) Submits a scholarship application for the 2021-2022 school year.

A student who becomes eligible for a scholarship in the 2021-2022 school year solely due to this subsection shall receive first priority in award of scholarships in the same manner as those previously awarded scholarships.

SECTION 8A.3.(d) G.S. 115C-562.1(3)a. is amended by adding a new sub-sub-subdivision to read:

"7. Is a child who meets both of the following:

I. Was enrolled in a nonpublic school that meets the requirements of Part 1 and Part 2 of this Article during the spring semester prior to the school year for which the student is applying.
II. Was enrolled for the fall semester prior to the spring semester of the school year in which the student enrolled in the nonpublic school in one of the following:

A. A North Carolina public school.

SECTION 8A.3.(e) G.S. 115C-562.1(3)b. reads as rewritten:

"b. Meets one of the following criteria:

1. Resides in a household with an income level not in excess of one hundred fifty-seventy-five percent (150%)–(175%) of the amount required for the student to qualify for the federal free or reduced-price lunch program. The Authority shall not count any distribution from the estate of a decedent in calculating the income level of the applicant's household for the purposes of determining eligibility for a scholarship under this subdivision.

2. Is a child in foster care as defined in G.S. 131D-10.2. The Authority shall not consider the household income of the foster parent, as defined in G.S. 131D-10.2, in determining the eligibility of a foster care child."

SECTION 8A.3.(f) G.S. 115C-562.2(b) reads as rewritten:

"(b) Scholarship grants awarded to eligible students residing in households with an income level not in excess of the amount required for the student to qualify for the federal free or reduced-price lunch program shall be for amounts of up to four thousand two hundred dollars ($4,200) per year, per year per eligible student, in an amount of up to ninety percent (90%) of the average State per pupil allocation for average daily membership in the prior fiscal year. Scholarship grants awarded to eligible students residing in households with an income level in excess of the amount required for the student to qualify for the federal free or reduced-price lunch program shall be for amounts of not more than ninety percent (90%) of the required tuition and fees for the nonpublic school the eligible child will attend. Tuition and fees for a nonpublic school may include tuition and fees for books, transportation, equipment, or other items required by the nonpublic school. No scholarship grant shall exceed four thousand two hundred dollars ($4,200) exceed, per year per eligible student, an amount equal to ninety percent (90%) of the average State per pupil allocation for average daily membership in the prior fiscal year and no scholarship grant shall exceed the required tuition and fees for the nonpublic school the eligible student will attend."

SECTION 8A.3.(g) G.S. 115C-562.2(b1) is repealed.

SECTION 8A.3.(h) G.S. 115C-562.3 reads as rewritten:

"§ 115C-562.3. Verification of eligibility; information from other State agencies.

(b) Household members of applicants for scholarship grants shall authorize the Authority to access information needed for verification efforts held by other State agencies, including the Department of Revenue, the Department of Health and Human Services, and the Department of Public Instruction. The Department of Public Instruction shall provide the Authority with public school enrollment information to establish eligibility pursuant to G.S. 115C-562.1(3)a. as needed.

(c) By December 1 of each year, the Department of Public Instruction shall provide the Authority the average State per pupil allocation for that fiscal year to determine the maximum
scholarship amount for eligible students to be awarded in the following fiscal year in accordance
with G.S. 115C-562.2(b)."

SECTION 8A.3.(i) G.S. 115C-562.8 reads as rewritten:

"§ 115C-562.8. The Opportunity Scholarship Grant Fund Reserve.

(a) The Opportunity Scholarship Grant Fund Reserve is established as a reserve to be
administered by the Board of Governors of The University of North Carolina for the purpose of
allocating funds to the Authority for the award of scholarship grants in accordance with this Part.
The Reserve shall consist of monies appropriated from the General Fund to the Reserve by the
General Assembly and any interest accrued to it thereon. These funds shall be used to award
scholarship grants to eligible students for the school year that begins in the fiscal year following
the fiscal year in which the appropriation is made to the Reserve. The Board of Governors shall
only use monies in the Reserve in accordance with the purposes set forth in this section. Funds
appropriated in a particular fiscal year to be used for the award of scholarships in the following
fiscal year that are unexpended at the end of the fiscal year after the fiscal year in which the funds
were appropriated shall be carried forward for one fiscal year and may be used for the purposes
set forth in this section. The Authority shall not expend funds that are carried forward for a fiscal
year until the funds from the prior year appropriation to be used to award scholarships are
expended. Funds carried forward pursuant to this section that have not been spent within one
fiscal year shall revert to the General Fund."

(d) Any unexpended funds at the end of a fiscal year from the funds carried forward for
one fiscal year pursuant to subsection (a) of this section shall be used as follows:

(1) Up to five hundred thousand dollars ($500,000) shall be used by the Authority
to contract with a nonprofit corporation representing parents and families for
outreach and scholarship education and application assistance for parents and
students pursuant to Part 4A of this Article.

(2) Any remaining funds shall revert to the General Fund."

SECTION 8A.3.(j) Article 39 of Chapter 115C of the General Statutes is amended
by adding a new Part to read:

"Part 4A. Information for Parents and Students on Nonpublic School Scholarship Programs.

"§ 115C-567.1. Outreach and assistance for parents and students.

(a) The State Education Assistance Authority, in its administration of scholarship
programs for eligible students pursuant to Part 2A of this Article, Article 41 of this Chapter, and
Part 1H of Article 9 of this Chapter, may contract with a nonprofit corporation representing
parents and families for outreach and scholarship education, program promotion, and application
assistance for parents and students. The Authority shall issue a request for proposals in order to
enter into a contract with a nonprofit corporation that meets the following requirements during
the term of the contract:

(1) Be a nonprofit corporation organized pursuant to Chapter 55A of the General
Statutes and comply at all times with the provisions of section 501(c)(3) of the
Internal Revenue Code.

(2) Employ sufficient staff who have demonstrated a capacity of direct parent and
family outreach, program promotion, and procedural knowledge to assist
parents through scholarship application processes and provide guidance on the
scholarship grant program, including by doing the following:

a. One-on-one parent and family engagement.
b. Scholarship education and public awareness.

(3) Comply with the limitations on lobbying set forth in section 501(c)(3) of the
Internal Revenue Code.

(4) Have no State officer or employee serving on the board of the nonprofit.
Conduct at least quarterly meetings of the board of directors of the nonprofit at the call of its chair.

(b) The terms of the contract between the Authority and a nonprofit corporation shall require that the nonprofit (i) maintain the confidentiality of any information provided by the Authority for parents and students as directed by the Authority and (ii) not disseminate information to third parties without written parental consent. During the term of the contract provided for in this section, the Authority shall include on scholarship applications a statement for parents to indicate nonconsent for sharing information with a nonprofit corporation.

(c) Notwithstanding any other provision of law, during the term of the contract provided for in this section, the Authority may share the name, address, email, and telephone number of the parent of any student applicant, unless the parent indicates that the information should not be shared."

SECTION 8A.3.(k) G.S. 115C-562.8(c) reads as rewritten:
"(c) Of the funds allocated to the Authority to award scholarship grants under this Part, the Authority may retain the lesser of up to four two and one-half percent (4%) (2.5%) of the funds appropriated or one million five hundred thousand dollars ($1,500,000) each fiscal year for administrative costs associated with the scholarship grant program."

SECTION 8A.3.(l) Personal Education Student Accounts for Children with Disabilities. – Article 41 of Chapter 115C of the General Statutes reads as rewritten:
"Article 41.
"§ 115C-590. North Carolina Personal Education Savings Account Student Accounts for Children with Disabilities Program established. There is established the North Carolina Personal Education Savings Account Student Accounts for Children with Disabilities Program to provide the option for a parent to better meet the individual educational needs of the parent's child.
"§ 115C-591. Definitions. The following definitions apply in this Article:
(1) Authority. – Defined in G.S. 116-201.
(2) Division. – The Division of Nonpublic Education, Department of Administration.
(2a) Educational technology. – As defined annually by the Authority, an item, piece of equipment, material, product, or system which may be purchased commercially off the shelf, modified, or customized and that is used primarily for educational purposes for a child with a disability.
(3) Eligible student. – A student residing in North Carolina who has not yet received a high school diploma and who meets all of the following requirements:
a. Is eligible to attend a North Carolina public school pursuant to G.S. 115C-366-Article 25 of this Chapter. A child who is the age of 4 on or before April 16 is eligible to attend the following school year if the principal, or equivalent, of the school in which the child seeks to enroll finds that the student meets the requirements of G.S. 115C-364(d) and those findings are submitted to the Authority with the child's application.
b. Has not been enrolled in a postsecondary institution in a matriculated status eligible for enrollment for as a full-time student taking at least 12 hours of academic credit.
c. Is a child with a disability, as defined in G.S. 115C-106.3(1), including, for example, intellectual disability, hearing impairment, speech or language impairment, visual impairment, serious emotional...
disturbance, orthopedic impairment, autism, traumatic brain injury, other health impairments, specific learning disability, or disability as may be required to be included under IDEA. G.S. 115C-106.3(1).

d. Has not been placed in a nonpublic school or facility by a public agency at public expense.

(3a) G.S. 115C-562.5 compliant school. – A Part 1 or 2 nonpublic school that consents to comply with the requirements of G.S. 115C-562.5.

(4) Nonpublic school. – A school that meets the requirements of Part 1, 2, or 3 of Article 39 of this Chapter, as identified by the Division.

(5) Parent. – A parent, legal guardian, or legal custodian of an eligible student.

(5a) Part 1 or 2 nonpublic school. – A nonpublic school that meets the requirements of Part 1 or Part 2 of Article 39 of this Chapter, as identified by and deemed eligible by the Division.

(5a)(5b) Part-time student. – A child enrolled part time in a public school and part time in a nonpublic school that exclusively provides services for children with disabilities.

(6) Personal Education Savings Student Account or PESA. – A bank or agency at

§ 115C-592. Award of scholarship funds for a personal education savings student account.

(a) Application Selection. – The Authority shall make available no later than February 1 of each year applications to eligible students for the award of scholarship funds for a personal education savings student account to be used for qualifying education expenses to attend a nonpublic school. Information about scholarship funds and the application process shall be made available on the Authority’s Web site. Applications shall be submitted electronically. Beginning March 15, the Authority shall begin selecting recipients for award scholarships according to the following criteria for applications received by March 1 of each year:

(1) First priority shall be given to eligible students who were awarded scholarship funds for a PESA during the previous school year if those students have applied by March 1 year.

(2) After funds have been awarded to prior recipients as provided in subdivision (1) of this subsection, any remaining funds shall be used to award scholarship funds for a PESA for all other eligible students.

(b) Scholarship Awards. – Scholarships. – Except for eligible students who qualify for scholarship funds pursuant to subsection (b1) of this section, scholarships shall be awarded each year for an amount not to exceed nine thousand dollars ($9,000) per eligible student in an amount, per year per eligible student, of up to the sum of the following from the prior fiscal year: the State allocation per funded child with disabilities plus eighty-five percent (85%) of the average State per pupil allocation, except for the allocation for children with disabilities, for the fiscal school year in which the application is received, except for eligible part-time students, who shall be awarded scholarships each year for an amount not to exceed four thousand five hundred dollars ($4,500), fifty percent (50%) of the sum from the prior fiscal year as described in this subsection per eligible student for the fiscal school year in which the application is received. Any funds remaining in an electronic account provided under subsection (b2) of this section at the end of a school year for eligible students who qualify only under this subsection shall be returned to the Authority.

(b1) Scholarship Awards for Students with Certain Disabilities. – An eligible student may be awarded scholarship funds in an amount of up to seventeen thousand dollars ($17,000) for each school year only if the student has been determined to have one or more of the following disabilities as a primary or secondary disability at the time of application for scholarship funds:
For eligible students who qualify for scholarship funds under this subsection, no more than four thousand five hundred dollars ($4,500) of funds remaining in an electronic account at the end of a school year shall be carried forward until expended for each school year upon renewal of the account under subsection (b2) of this section. In no event shall the total amount of funds carried forward for an eligible student in a personal education student account exceed fifteen thousand dollars ($15,000). Any funds remaining in the electronic account if an agreement is not renewed under G.S. 115C-595 shall be returned to the Authority.

(b2) Disbursement and Deposit of Awards. – Scholarship funds shall be used only for tuition and qualifying education expenses as provided in G.S. 115C-595. Recipients shall receive the scholarship funds deposited in two equal amounts to a PESA in amounts, one-half in each quarter-semester of the fiscal school year. The first deposit of funds to a PESA shall be subject to the execution of the parental agreement required by G.S. 115C-595. The parent shall then receive a debit card or an electronic account with the prepaid funds loaded on the card or in the electronic account at the beginning of the fiscal school year. After the initial disbursement of funds, each subsequent, quarterly-semester disbursement of funds shall be subject to the submission by the parent of an expense report. The expense report shall be submitted electronically and shall include documentation that the student received an education, as described in G.S. 115C-595(a)(1), for no less than 35-70 days of the applicable quarter-semester. The debit card or the electronic account shall be renewed upon the receipt of the parental agreement under G.S. 115C-595 for recipients awarded scholarship funds in subsequent fiscal school years. Any funds remaining on the card or in the electronic account at the end of the fiscal year may be carried forward to the next fiscal year if the card or electronic account is renewed. Any funds remaining on the card or in the electronic account if an agreement is not renewed shall be returned to the Authority.

(c) Eligibility for the other scholarship programs is provided for as follows: Eligibility for Other Scholarship Programs. –

(1) An eligible student under this Article may receive, in addition to a PESA, a scholarship under Part 2A of Article 39 of this Chapter.

(2) An eligible student under this Article may receive, in addition to a PESA and a scholarship under Part 2A of Article 39 of this Chapter, a scholarship under the special education scholarship program for children with disabilities pursuant to Part 1H of Article 9 of this Chapter, only if that student has one or more of the following disabilities:

a. Autism.

b. Developmental disability.

c. Hearing impairment.

d. Moderate or severe intellectual disability.

e. Multiple, permanent orthopedic impairments.

f. Visual impairment.

(d) Applications Not Public Records. – Applications for scholarship funds and personally identifiable information related to eligible students receiving funds shall not be a public record under Chapter 132 of the General Statutes. For the purposes of this section, personally identifiable information means any information directly related to a student or members of a student’s household, including the name, birthdate, address, Social Security number, telephone number, e-mail address, or any other information or identification number that would provide information about a specific student or members of a specific student’s household.
(e) Establishment of Initial Eligibility. – An applicant may demonstrate for initial eligibility that the applicant is a child with a disability, as required by G.S. 115C-591(3)c., in either of the following ways:

(1) The child has been assessed by a local education agency and determined to be a child with a disability and with that outcome verified by the local education agency on a form provided to the Authority.

(2) The child was initially assessed by a local education agency and determined to be a child with a disability and, following receipt of a scholarship awarded pursuant to Part 1H of Article 9 of this Chapter, was determined to have continuing eligibility, as provided in G.S. 115C-112.6(c)(2), by the assessing psychologist or psychiatrist. Both the initial verification from the local education agency and the continuing verification by the assessing psychologist or psychiatrist shall be provided on a form to the Authority.

"§ 115C-593. Student continuing eligibility.

After the initial disbursement of funds, the Authority shall ensure that the student's continuing eligibility is assessed at least every three years. by one of the following:

(1) The local education agency. – The local education agency shall assess if the student continues to be a child with a disability and verify the outcome on a form to be provided to the Authority.

(2) A licensed psychologist with a school psychology focus or a psychiatrist. – The psychologist or psychiatrist shall assess, after review of appropriate medical and educational records, if the education and related services received by the student in the nonpublic school setting have improved the child's educational performance and if the student would continue to benefit from placement in the nonpublic school setting. The psychologist or psychiatrist shall verify the outcome of the assessment on a form to be provided to the Authority.

"§ 115C-594. Verification of eligibility; information from other State agencies.

(a) Verification of Information. – The Authority may seek verification of information on any application for the award of scholarship funds for a personal education savings student account. The Authority shall select and verify six percent (6%) of applications annually, including those with apparent errors on the face of the application. The Authority shall establish rules for the verification process. If a household fails to cooperate with verification efforts, the Authority shall revoke the award of scholarship funds for a PESA for the eligible student.

(b) Access to Information. – Household members of applicants for the award of scholarship funds for a PESA shall authorize the Authority to access information needed for verification efforts held by other State agencies, including the Department of Health and Human Services and the Department of Public Instruction.

(c) By December 1 of each year, the Department of Public Instruction shall provide the Authority the State allocation per funded child with disabilities and the average State per pupil allocation for that fiscal year to determine the maximum scholarship amount for eligible students to be awarded in the following fiscal year in accordance with G.S. 115C-592(b).

"§ 115C-595. Parental agreement; use of funds.

(a) Parental Agreement. – The Authority shall provide the parent of a scholarship recipient with a written agreement, applicable for each year the eligible student receives scholarship funds under this Article, to be signed and returned to the Authority prior to receiving the scholarship funds. The agreement shall be submitted to the Authority electronically. The parent shall not designate any entity or individual to execute the agreement on the parent's behalf. A parent or eligible student's failure to comply with this section shall result in a forfeit of
scholarship funds and those funds may be awarded to another eligible student. The parent shall agree to the following conditions in order to receive scholarship funds under this Article:

1. Use at least a portion of the scholarship funds to provide an education to the eligible student in, at a minimum, the subjects of English language arts, mathematics, social studies, and science.

2. Unless the student is a part-time eligible student, release a local education agency in which the student is eligible to attend under G.S. 115C-366 of all obligations to educate the eligible student while the eligible student is receiving scholarship funds under this Article. A parent of a student, other than a part-time eligible student, who decides to enroll the student into the local education agency or other North Carolina public school during the term of the agreement shall notify the Authority to request a release from the agreement and shall return any unexpended funds to the Authority.

3. Use the scholarship funds deposited into a personal education savings student account only for the following qualifying education expenses of the eligible student:
   a. Tuition and fees for a nonpublic school that meets the requirements of Part 1 or Part 2 of Article 39 of this Chapter and is subject to the requirements of G.S. 115C-562.5-G.S. 115C-562.5 compliant school, disbursed as provided in subdivision (1) of subsection (a1) of this section.
   b. Textbooks required by a nonpublic school.
   c. Tutoring and teaching services provided by an individual or facility accredited by a State, regional, or national accrediting organization.
   d. Curricula.
   e. Fees for nationally standardized norm-referenced achievement tests, advanced placement tests, or nationally recognized college entrance exams.
   f. Fees charged to the account holder for the management of the PESA.
   g. Fees for services provided by a public school, including individual classes and extracurricular programs.
   h. Premiums charged to the account holder for any insurance or surety bonds required by the Authority.
   i. Educational therapies from a licensed or accredited practitioner or provider.
   j. Educational technology defined by the Authority as approved for use pursuant to Part 1H of Article 9 of this Chapter-G.S. 115C-591(2a).
   k. Student transportation, pursuant to a contract with an entity that regularly provides student transportation, to and from (i) a provider of education or related services or (ii) an education activity.
   l. Transaction or merchant fees charged to the account holder, not to exceed two and one-half percent (2.5%) of the cost of the item or service.

3a) Use of scholarship funds for reimbursement of tuition. – Notwithstanding sub-subdivision a. of subdivision (3) of this subsection, a parent of an eligible student may pay tuition to Part 1 or 2 nonpublic schools that are not G.S. 115C-562.5 compliant schools with funds other than funds available in the personal education student account and then request reimbursement from the Authority from scholarship funds if the parent complies with the provisions of subdivision (2) of subsection (a1) of this section.

4) Not use scholarship funds for any of the following purposes:
a. Computer hardware or other technological devices not defined by the Authority as educational technology approved for use pursuant to Part HI of Article 9 of this Chapter G.S. 115C-591(2a).

b. Consumable educational supplies, including paper, pen, or markers.

c. Tuition and fees at an institution of higher education, as defined in G.S. 116-143.1, or a private postsecondary institution.

d. Tuition and fees for a nonpublic school that meets the requirements of Part 3 of Article 39 of this Chapter.

(a1) Disbursement of Funds for Tuition. – The method by which the Authority shall disburse scholarship funds awarded to eligible students for tuition at a nonpublic school shall be based upon whether the nonpublic school is a G.S. 115C-562.5 compliant school. Scholarship funds for tuition shall be disbursed as follows:

(1) Scholarship endorsement for tuition. – The Authority shall remit, at least two times each school year, scholarship funds from the personal education student account for eligible students who attend G.S. 115C-562.5 compliant schools. The funds shall be remitted to the G.S. 115C-562.5 compliant school for endorsement by at least one of the student’s parents. The parent shall restrictively endorse the scholarship funds awarded to the eligible student for deposit into the account of the G.S. 115C-562.5 compliant school to the credit of the eligible student. The parent shall not designate any entity or individual associated with the school as the parent’s attorney-in-fact to endorse the scholarship funds. A parent’s failure to comply with this subdivision shall result in forfeiture of the scholarship funds for tuition. Scholarship funds forfeited for failure to comply with this subdivision shall be returned to the Authority to be awarded to another student.

(2) Reimbursement for tuition. – The parent of an eligible student who enrolls in a school that is (i) a North Carolina public school other than the public school to which that student would have been assigned as provided in G.S. 115C-366 or (ii) a Part 1 or 2 nonpublic school that is not a G.S. 115C-562.5 compliant school may pay tuition directly to the school with funds other than scholarship funds and request reimbursement with funds available in the personal education student account under subdivision (3a) of subsection (a) of this section. However, the Authority shall not reimburse the parent prior to the midpoint of each semester. A parent may only receive reimbursement for tuition if the parent provides documentation to the Authority that the student is enrolled in the school.

(b) No Refunds to an Account Holder. – A nonpublic school or a provider of services purchased under subsection (a) of this section shall not refund or rebate any scholarship funds to a parent or eligible student in any manner. The parent shall notify the Authority if such a refund is required.

(c) Repealed by Session Laws 2018-5, s. 38.10(m), effective for taxable years beginning on or after January 1, 2018.

"§ 115C-596. Identification of nonpublic schools and distribution of personal education savings student account information.

(a) List of Nonpublic Schools. – The Division shall provide annually by February 1 to the Authority a list of all nonpublic schools operating in the State that meet the requirements of Part 1, 2, or 3 of Article 39 of this Chapter.

(b) Information on PESAs to the Division. – The Authority shall provide information about personal education savings student accounts to the Division. The Division shall provide information about PESAs to all qualified nonpublic schools on an annual basis.

"§ 115C-597. Administration.
(a) Rules and Regulations. – The Authority shall establish rules and regulations for the administration of the program, including the following:

(1) The administration and awarding of scholarship funds, including a lottery process for the selection of recipients within the criteria established by G.S. 115C-592(a), if necessary.

(2) Requiring a surety bond or insurance to be held by account holders.

(3) Use of the funds and the reporting of expenditures.

(4) Monitoring and control of spending scholarship funds deposited in a personal education savings account.

The Authority shall provide recipients of scholarship funds with the annual list of defined educational technology for which scholarship funds may be used.

(b) Contract for Management of PESAs. – The Authority may contract with a private financial management firm or institution to manage PESAs in accordance with this Article.

(c) Annual Audits. – The Authority shall conduct annual audits of PESAs and may audit a random sampling of PESAs as needed to ensure compliance with the requirements of this Article. The Authority may contract with an independent entity to conduct these audits. The Authority may remove a parent or eligible student from the program and close a personal education savings student account for failure to comply with the terms of the parental agreement, for failure to comply with applicable laws, or because the student is no longer an eligible student.

(d) Administration Costs. – Of the funds allocated to the Authority to award scholarship funds under this Article, the Authority may retain up to two hundred fifty thousand dollars ($250,000) each fiscal year for administrative costs associated with the program, including contracting with non-State entities for administration of certain components of the program.

§ 115C-598. Reporting requirements.

The Authority shall report annually, no later than October 15, to the Joint Legislative Education Oversight Committee on the following information from the prior school year:

(1) Total number, grade level, race, ethnicity, and sex of eligible students receiving scholarship funds.

(2) Total amount of scholarship funding awarded.

(3) Number of students previously enrolled in public schools in the prior semester by the previously attended local education agency.

(4) Nonpublic schools in which scholarship recipients are enrolled, including numbers of scholarship recipients at each nonpublic school.

(5) The number of substantiated cases of fraud by recipients and the number of parents or students removed from the program for noncompliance with the provisions of this Article.

§ 115C-599. Duties of State agencies.

(a) The State Board, as part of its duty to monitor all local education agencies to determine compliance with this Article and the Individuals with Disabilities Education Act (IDEA), 20 U.S.C. § 1400, et seq., (2004), as amended, and federal regulations adopted under that act, as provided in G.S. 115C-107.4, shall ensure that local education agencies do the following:

(1) Conduct evaluations requested by a child's parent of suspected children with disabilities, as defined in G.S. 115C-107.3, in a timely manner as required by IDEA.

(2) Provide assessments for continuing eligibility to identified children with disabilities receiving scholarship funds at the request of the parent to ensure compliance with G.S. 115C-593.

(b) The Authority shall analyze, in conjunction with the Department of Public Instruction, past trends in scholarship data on an annual basis to ensure that the amount of funds transferred each fiscal year by the Authority to the Department for reevaluations by local school...
administrative units of eligible students under G.S. 115C-593 are sufficient and based on actual annual cost requirements.

§ 115C-600. Personal Education Student Account Fund Reserve.

(a) The Personal Education Student Account Fund Reserve (Reserve) is established as a reserve to be administered by the Board of Governors of The University of North Carolina for the purpose of allocating funds to the Authority for the award of scholarship funds in accordance with this Article. The Reserve shall consist of monies appropriated from the General Fund to the Reserve by the General Assembly and any interest accrued to it thereon. These funds shall be used in the fiscal year following the fiscal year in which the funds were appropriated to the Reserve (i) to award scholarship funds to eligible students for the school year that begins in the fiscal year following the fiscal year in which the funds were appropriated, (ii) for administrative costs, and (iii) for reevaluations by local school administrative units of eligible students under G.S. 115C-599. The Board of Governors shall only use monies in the Reserve in accordance with the purposes set forth in this Article. Funds appropriated in a particular fiscal year to be used in the following fiscal year that are unexpended at the end of the fiscal year following the fiscal year in which the funds were appropriated shall be carried forward for one fiscal year and may be used for the purposes set forth in this Article. The Authority shall not expend funds that are carried forward for a fiscal year until the funds from the prior year appropriation to be used to award scholarships are expended. Funds carried forward pursuant to this section that have not been spent within one fiscal year shall revert to the General Fund.

(b) Appropriations. – The General Assembly finds that due to the continued growth and ongoing need in this State to provide opportunity for school choice for children with disabilities, it is imperative that the State provide an increase in funds of at least one million dollars ($1,000,000) each fiscal year to the Reserve for 10 years for the Personal Education Student Accounts for Children with Disabilities Program. To that end, there is appropriated from the General Fund to the Board of Governors of The University of North Carolina the following amounts each fiscal year to be allocated to the Authority for the program in accordance with this Article:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Appropriation</th>
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<tbody>
<tr>
<td>2023-2024</td>
<td>$32,643,166</td>
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<tr>
<td>2024-2025</td>
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<td>$39,643,166</td>
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<td>2031-2032</td>
<td>$40,643,166</td>
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<tr>
<td>2032-2033 and each subsequent fiscal year thereafter</td>
<td>$41,643,166</td>
</tr>
</tbody>
</table>

When developing the base budget, as defined by G.S. 143C-1-1, for each fiscal year specified in this subsection, the Director of the Budget shall include the appropriated amount specified in this subsection for that fiscal year.

(c) Administrative Funds. – Of the funds allocated to the Authority to award scholarships pursuant to this section, the Authority may retain up to four percent (4%) of the funds appropriated each fiscal year for administrative costs associated with the program, including contracting with non-State entities for administration of certain components of the program.

SECTION 8A.3.(m) It is the intent of the General Assembly to move the Special Education Scholarships for Children with Disabilities and the Personal Education Savings Account program funding, in addition to any other funds appropriated by the General Assembly for the Personal Education Student Accounts for Children with Disabilities Program, into the Personal Education Student Account Fund Reserve established under G.S. 115C-600, as enacted
by this section, so that funds appropriated for scholarships in a fiscal year are awarded to students
for the school year in the following fiscal year.

**SECTION 8A.3.(n)** Notwithstanding G.S. 115C-592, as amended by this section, a
student who was awarded scholarship funds for a Personal Education Savings Account (PESA)
pursuant to Article 41 of Chapter 115C of the General Statutes for the 2021-2022 school year or
a student who received a scholarship pursuant to Part 1H of Article 9 of Chapter 115C of the
General Statutes for the 2021-2022 school year shall receive priority in the award of scholarship
funds under G.S. 115C-592 for a personal education student account for the 2022-2023 school
year if the student applies by March 1, 2022.

**SECTION 8A.3.(o)** Part 1H of Article 9 of Chapter 115C of the General Statutes is
repealed.

**SECTION 8A.3.(p)** G.S. 115C-555(4) reads as rewritten:
"(4) It receives no funding from the State of North Carolina. For the purposes of
this Article, scholarship funds awarded pursuant to Part 2A of this Article,
Article or Article 41 of this Chapter, or Part 1H of Article 9 of this Chapter to
eligible students attending a nonpublic school shall not be considered funding
from the State of North Carolina."

**SECTION 8A.3.(q)** G.S. 115C-567.1(a), as enacted by subsection (j) of this section,
reads as rewritten:
"(a) The State Education Assistance Authority, in its administration of scholarship
programs for eligible students pursuant to Part 2A of this Article, Article and Article 41 of this
Chapter, and Part 1H of Article 9 of this Chapter may contract with a nonprofit corporation
representing parents and families, for outreach and scholarship education, program promotion,
and application assistance for parents and students. The Authority shall issue a request for
proposals in order to enter into a contract with a nonprofit corporation that meets the following
requirements during the term of the contract:
(1) Be a nonprofit corporation organized pursuant to Chapter 55A of the General
Statutes and comply at all times with the provisions of section 501(c)(3) of the
Internal Revenue Code.
(2) Employ sufficient staff who have demonstrated a capacity of direct parent and
family outreach, program promotion, procedural knowledge to assist parents
through scholarship application process and provide guidance on the
scholarship grant program, including by doing the following:
a. One-on-one parent and family engagement.
b. Scholarship education and public awareness.
(3) Comply with the limitations on lobbying set forth in section 501(c)(3) of the
Internal Revenue Code.
(4) Have no State officer or employee serving on the board of the nonprofit.
(5) Conduct at least quarterly meetings of the board of directors of the nonprofit
at the call of its chair."

**SECTION 8A.3.(r)** Section 5(b) of S.L. 2013-364, as rewritten by Section 3.2 of
S.L. 2013-363 and as amended by Section 11.18 of S.L. 2015-241, is repealed.

**SECTION 8A.3.(s)** G.S. 105-153.5(b)(12) reads as rewritten:
"(12) The amount deposited during the taxable year to a personal education savings
student account under Article 41 of Chapter 115C of the General Statutes."

**SECTION 8A.3.(t)** This section does not affect the rights or liabilities of the State,
taxpayer, or another person arising under a statute amended by this section before the effective
date of its amendment, nor does it affect the right to any refund or credit of a tax that accrued
under the amended statute before the effective date of its amendment.

**SECTION 8A.3.(u)** Authorize Counties to Use Local Funds to Supplement K-12
Scholarships. – G.S. 153A-149(c) is amended by adding a new subdivision to read:
"(17a) K-12 Scholarship Programs. – To provide supplemental funds for students receiving K-12 scholarships for educational purposes as authorized by G.S. 153A-460."

SECTION 8A.3.(v) Article 23 of Chapter 153A of the General Statutes is amended by adding a new section to read:

(a) For the purposes of this section, a K-12 scholarship is a State-funded scholarship awarded to a student for educational purposes in accordance with Part 2A of Article 39 or Article 41 of Chapter 115C of the General Statutes.
(b) Each county is authorized to appropriate funds in accordance with subsection (c) of this section to provide an amount of up to one thousand dollars ($1,000) per child residing in the county who meets all of the following requirements to supplement a qualifying child’s scholarship:
   (1) The child has been awarded a K-12 scholarship for the school year.
   (2) The child is enrolled in a nonpublic school located within the county for the school year.
   (c) The county may request, no later than January 15 annually, de-identified data from the State Education Assistance Authority on the number of students receiving K-12 scholarship funds, by type of K-12 scholarship, in the current fiscal year who both live in that county and attend a nonpublic school in that county. The county shall use this information as a basis for determining the amount of funds to appropriate for award of supplemental funds for the following fiscal year. The county may provide supplemental funds for eligible students receiving scholarships under one or both of the qualifying K-12 scholarships.
   (d) A county appropriating funds pursuant to this section shall remit the appropriated funds to the State Education Assistance Authority for expenditure to supplement K-12 scholarships awarded for the school year occurring in that fiscal year no later than July 15 annually. The State Education Assistance Authority shall act as the fiscal agent for the county in the disbursement of funds to eligible students pursuant to G.S. 115C-562.2(f) or G.S. 115C-592(f), as applicable."

SECTION 8A.3.(w) G.S. 115C-562.2 is amended by adding a new subsection to read:

"(f) A county may provide funds to supplement scholarships for eligible students residing within the county pursuant to G.S. 153A-460 for a school year. The Authority shall require applicants to state their county of residence in the application and may verify residency as provided in G.S. 115C-562.3. When requested by January 15, the Authority shall provide de-identified data to a county by February 15 on the number of students who, in the current school year, (i) received scholarship grants pursuant to this Part, (ii) resided in the county, and (iii) were enrolled in a nonpublic school located in the county. If a county appropriates supplemental funds for scholarships pursuant to G.S. 153A-460, the Authority shall disburse up to one thousand dollars ($1,000) in scholarship funds for that school year to each eligible student residing in that county who is enrolled in a nonpublic school located in the county to supplement the scholarship grants awarded pursuant to this Part. Funds disbursed to eligible students under this subsection shall be subject to the same limitations and requirements as scholarship grants provided with State funds under this Part and shall supplement but not supplant State funds. The Authority shall return to the county any unused funds at the end of each fiscal year. The Authority shall adopt rules for the disbursement of funds pursuant to this subsection."

SECTION 8A.3.(x) G.S. 115C-592 is amended by adding a new subsection to read:

"(f) Supplemental Local Scholarship Funds. – A county may provide supplemental scholarship funds for eligible students residing within the county pursuant to G.S. 153A-460 for a school year. The Authority shall require applicants to state their county of residence in the application and may verify residency as provided in G.S. 115C-594. When requested by January
15, the Authority shall provide de-identified data to a county by February 15 on the number of students who, in the current school year, (i) received scholarships pursuant to this Article, (ii) resided in the county, and (iii) were enrolled in a nonpublic school located in the county. If a county appropriates supplemental funds for scholarships pursuant to G.S. 153A-460, the Authority shall disburse up to one thousand dollars ($1,000) in scholarship funds for that school year to each eligible student residing in that county who is enrolled in a nonpublic school located in the county to supplement the scholarship funds awarded pursuant to this Article. Funds disbursed to eligible students under this subsection shall be subject to the same limitations and requirements as scholarship funds provided with State funds under this Article and shall supplement but not supplant State funds. The Authority shall return to the county any unused funds at the end of each fiscal year. The Authority shall adopt rules for the disbursement of funds pursuant to this subsection.”

SECTION 8A.3.(y) Notwithstanding G.S. 115C-562.8(d), as enacted by subsection (i) of this section, of the funds appropriated in the 2019-2020 fiscal year for the award of scholarship grants for the 2020-2021 school year pursuant to G.S. 115C-562.8, the State Education Assistance Authority may use up to three hundred thousand dollars ($300,000) for the 2021-2022 fiscal year of any unexpended funds available at the end of the 2020-2021 fiscal year for the purpose of establishing the infrastructure for the supplemental local scholarship funds.

SECTION 8A.3.(z) Subsections (a) and (b) of this section apply beginning with applications for scholarship funds for the spring semester of the 2021-2022 school year. Subsections (d) through (h) of this section apply beginning with applications for scholarship funds for the 2022-2023 school year. Subsections (i) and (j) of this section are effective June 30, 2021. Subsection (l) of this section applies to applications for scholarship funds beginning with the 2022-2023 school year. Subsections (o) through (r) of this section become effective July 1, 2022. Subsection (s) of this section applies to taxable years beginning on or after January 1, 2022. Subsections (u) through (x) of this section apply beginning with county budget ordinances adopted for the 2022-2023 fiscal year that provide funds for students receiving scholarship funds for the 2022-2023 school year. Subsection (y) of this section is effective June 30, 2021.
SECTION 8A.4. (a) G.S. 116-203 reads as rewritten:

"§ 116-203. Authority created as subdivision of State; appointment, terms and removal of board of directors; officers; quorum; expenses and compensation of directors.

(a) Authority Created. – There is created and constituted a political subdivision of the State to be known as the "State Education Assistance Authority," (Authority) to be housed administratively within The University of North Carolina System Office for organizational, staffing, and budgetary purposes. The exercise by the Authority of the powers conferred by this Article shall be deemed and held to be the performance of an essential governmental function in administering a system of financial assistance to qualified students of the State. The Authority shall exercise its statutory powers independently from the System Office and the Board of Governors of The University of North Carolina.

(b) Membership. – The Authority shall be governed by a board of directors consisting of nine members, seven of whom shall be appointed by the Governor and two of whom shall be ex officio. The members shall be appointed as follows:

(1) Seven members appointed by the Governor, three of whom shall be members of the following:

a. The Board of Governors of The University of North Carolina shall appoint the following members:

1. One member who shall have expertise in secondary or higher education, two of whom shall be members of the Board.

2. One member who shall be a chief financial officer or chief administrative officer from a nonpublic school that enrolls students receiving scholarship funds pursuant to Part 2A of Article 39 of Chapter 115C of the General Statutes.

3. One member who shall have expertise in finance, one of whom shall be a member of the public at large with an interest in higher education.

b. The Governor shall appoint the following members:

1. One member who shall have expertise in finance.

2. One member who shall have expertise in secondary or higher education.

3. One member who shall be a member of the public at large with an interest in higher education, and one of whom shall have expertise in higher education.

4. One member who shall be a chief financial officer from a college or university that is a member of North Carolina Independent Colleges and Universities, Inc., appointed upon the recommendation of North Carolina Independent Colleges and Universities, Inc.

(2) The chief financial officer of The University of North Carolina shall serve as an ex officio member.
(3) The chief financial officer of the North Carolina Community College System shall serve as an ex officio member.

(c) Terms. – Members appointed by the Governor pursuant to subdivision (1) of subsection (b) of this section shall serve for a term of four years and until their successors are appointed and duly qualified. Immediately after appointment, the directors shall enter upon the performance of their duties.

(d) Vacancies. – A vacancy in an appointment made by the Governor shall be filled by the Governor appointing authority in the same manner as the original appointment for the remainder of the unexpired term.

(e) Removal. – The Governor appointing authority may remove any member of the board of directors appointed by the Governor that authority for misfeasance, malfeasance, or nonfeasance.

(f) Officers. – The board shall annually elect one of its members as chair and another as vice-chair and shall also elect annually a secretary, or a secretary-treasurer, who may or may not be a member of the board. The chair, or in the chair's absence, the vice-chair, shall preside at all meetings of the board. In the absence of both the chair and vice-chair, the board shall appoint a chair pro tempore, who shall preside at such meetings.

(f1) Executive Director. – The President of The University of North Carolina shall appoint the Executive Director of the Authority, who shall be the Authority's principal executive officer, and the Executive Director shall be responsible to the President. The Executive Director shall serve as secretary to the board of directors.

(g) Quorum. – Five directors shall constitute a quorum for the transaction of the business of the Authority, and no vacancy in the membership of the board shall impair the right of a quorum to exercise all the rights and perform all the duties of the Authority. The favorable vote of at least a majority of the members of the board present at any meeting is required for the adoption of any resolution or motion or for other official action.

(h) Expenses. – The members of the board shall receive per diem and allowances as provided in G.S. 138-5 and G.S. 138-6. These expenses and compensation shall be paid from funds provided under this Article, or as otherwise provided."
of the Authority, and to receive and accept from the State, from any
municipality, county or other political subdivision thereof and from any other
source aid or contributions of either money, property, or other things of value,
to be held, used and applied only for the purposes for which such grants and
contributions may be made.

(7) To sue and to be sued; to have a seal and to alter the same at its pleasure; and
to make and from time to time amend and repeal bylaws, rules and regulations
not inconsistent with law to carry into effect the powers and purposes of the
Authority.

(8) To do all other acts and things necessary or convenient to carry out the powers
expressly granted in this Article; provided, however, that nothing in this
Article shall be construed to empower the Authority to engage in the business
of banking or insurance.

(9) To collect loan repayments for loans awarded under the Teaching Fellows
Program pursuant to G.S. 115C-363.23A if the loan repayment is outstanding
for more than 30 days.

(10) To collect loan repayments for loans awarded from the Scholarship Loan Fund
for Prospective Teachers pursuant to Article 32A of Chapter 115C of the
General Statutes if the loan repayment is outstanding for more than 30 days.

(11) To administer the awarding of scholarship grants to students attending
nonpublic schools as provided in Part 2A of Article 39 of Chapter 115C of the
General Statutes.

(12) To administer the coordinated and centralized process for determining
residency for tuition and State-funded financial aid purposes that is jointly
developed and implemented by The University of North Carolina, the North
Carolina Community College System, and the Authority, in consultation with
the North Carolina Independent Colleges and Universities.

(13) To collect loan repayments for scholarship loans awarded under the former
Principal Fellows Program pursuant to Article 5C of this Chapter if the loan
repayment is outstanding for more than 30 days."

SECTION 8A.4.(c) G.S. 116-205 reads as rewritten:

"§ 116-205. Title to property; use of State lands; offices.

(a) Title to any property acquired by the Authority shall be taken in the name of the
Authority.

(b) The State hereby consents, subject to the approval of the Governor, the
Board of Governors of The University of North Carolina, and Council of State, to the use of any
other lands or property owned by the State, which are deemed by the Authority to be necessary
for its purposes.

(c) Upon approval by The University of North Carolina System Office, the Authority
may establish such offices in State-owned or rented structures as it deems
appropriate for its purposes."

SECTION 8A.4.(d) G.S. 116-209.14 reads as rewritten:


The Authority shall, following the close of each fiscal year, publish an annual report of its
activities for the preceding year to the Governor, Board of Governors of The University of North
Carolina, the Governor, and the General Assembly. Each report shall set forth a complete
operating and financial statement covering the operations of the Authority during the year. The
operations of the Authority shall be subject to the oversight of the State Auditor pursuant to
Article 5A of Chapter 147 of the General Statutes."

SECTION 8A.4.(e) G.S. 116-209.21 is repealed.
SECTION 8A.4.(f) Notwithstanding any other provision of law to the contrary, the Director of the Budget shall, in consultation with The University of North Carolina and the North Carolina State Education Assistance Authority, make necessary permanent adjustments to The University of North Carolina's certified budget for the 2021-2022 fiscal year to ensure that State appropriations for programs administered by the State Education Assistance Authority are clearly identified in a separate budget code or budget codes from the funds for the programs and for the support of the operations of The University of North Carolina System Office. The budget code changes authorized by this section are effective from July 1, 2021, and shall be reflected in the base budget for the 2023-2025 fiscal biennium.

SECTION 8A.4.(g) For the board of directors of the State Education Assistance Authority, subsection (a) of this section applies to the appointment of seats expiring or the appointment to fill vacancies in seats occurring on or after the date this act becomes law. Notwithstanding G.S. 116-203, as amended by this act, upon the next vacancies for seats for (i) a member who has expertise in finance and (ii) a member who has expertise in secondary or higher education, the Board of Governors of The University of North Carolina shall appoint the member to fill that vacant seat in accordance with G.S. 116-203(b)(1).

SECTION 8A.4.(h) Except as otherwise provided, this section is effective the date this act becomes law.
REQUESTED BY

CHANGES TO THE NC PRINCIPAL FELLOWS/TP3 PROGRAM

SECTION #. Article 5C of Chapter 116 of the General Statutes reads as rewritten:

"Article 5C.

§ 116-74.41. North Carolina Principal Fellows and TP3 Commission established; membership.

(a) There is established the North Carolina Principal Fellows and TP3 Commission. The Commission shall exercise its powers and duties independently in its administration of the North Carolina Principal Fellows and Transforming Principal Preparation Program in accordance with this Article. The Director of the Program shall staff the Commission in accordance with G.S. 116-74.49. The State Education Assistance Authority as created in G.S. 116-203 shall be responsible for awarding grants upon selection of the recipients by the Commission in accordance with G.S. 116-74.46 and executing agreements for forgivable scholarship loans, cancelling through service, collecting, and otherwise enforcing the agreements under G.S. 116-74.48.

..."

§ 116-74.41A. Definitions.

For the purposes of this Article, the following definitions apply:

(1) Authority or SEAA. – The State Education Assistance Authority as created in G.S. 116-203.

(2) Commission. – The North Carolina Principal Fellows and TP3 Commission.

(3) Eligible entity. – A for-profit or nonprofit organization or an institution of higher education that has an evidence-based plan for preparing school leaders who implement school leadership practices linked to increased student achievement.

(4) High-need local school administrative unit. – A local school administrative unit with the majority of its schools deemed to be high-need schools as defined in subdivision (5) of this subsection.

(5) High-need school. – A public school that meets one or more of the following criteria:

a. Is a school identified under Part A of Title I of the Elementary and Secondary Education Act of 1965, as amended.

b. Is a persistently low-achieving school, as identified by the Department of Public Instruction for purposes of federal accountability.

c. A middle school containing any of grades five through eight that feeds into a high school with less than a seventy-five percent (75%) four-year cohort graduation rate.

d. A high school with less than a seventy-five percent (75%) four-year cohort graduation rate.

(6) Repealed by Session Laws 2019-60, s. 1(x), effective July 1, 2021.
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(7) Principal. – The highest administrative official in a public school building with primary responsibility for the instructional leadership, talent management, and organizational development of the school.

(8) Repealed by Session Laws 2019-60, s. 1(x), effective July 1, 2021.

(9) Program. – The North Carolina Principal Fellows and Transforming Principal Preparation Program established pursuant to G.S. 116-74.44.

(10) Public school. – An elementary or secondary school located in North Carolina that is operated by a local board of education, charter school board of directors, regional school board of directors, chancellor for a University of North Carolina laboratory school, an innovative school operator, or the United States government.

(11) School leader. – An individual employed in a school leadership role, including principal or assistant principal roles.

(12) Student achievement. – At the whole school level, after three years of leading a school, consistent and methodologically sound measures of:
   a. Student academic achievement.
   b. Aggregated individual student academic growth.
   c. Additional outcomes, such as high school graduation rates, the percentage of students taking advanced-level coursework, or the percentage of students who obtain a career-related credential through a national business certification exam.

(13) Trust Fund. – The North Carolina Principal Fellows and TP3 Trust Fund established pursuant to G.S. 116-74.41B.

"§ 116-74.41B. The North Carolina Principal Fellows and TP3 Trust Fund.
   (a) Trust Fund Established. – The North Carolina Principal Fellows and TP3 Trust Fund shall be an institutional trust fund established pursuant to G.S. 116-36.1. All funds appropriated to, or otherwise received by, (i) the Program for the award of grants pursuant to G.S. 116-74.44, (ii) all funds received as repayment of scholarship loans, including under the former Principal Fellows Program administered under G.S. 116-74.42 and the Transforming Principal Preparation Program under G.S. 116-209.77, and (iii) all interest earned on these funds shall be placed in the Trust Fund.
   (b) Use of Monies in the Trust Fund. – The monies in the Trust Fund may be used only for the purposes set forth in this subsection, including the award of grants pursuant to G.S. 116-74.44, administrative costs, and costs associated with Program operations in accordance with this Article. The Authority may use up to two percent (2%) of the funds appropriated for the Program or one hundred sixty thousand dollars ($160,000) from the Trust Fund, whichever is greater, each fiscal year for administrative costs, including recovery of funds advanced under the Program, and may allocate to the Commission up to eight hundred thousand dollars ($800,000) from the Trust Fund each fiscal year for the following:
      (1) The salary and benefits of the director and staff of the Program.
      (2) The expenses of the Commission to administer the Program.
      (3) Program monitoring and evaluation.
      (4) Extracurricular enhancement activities for the Program.
      (5) Repealed by Session Laws 2019-60, s. 1(y), effective July 1, 2021.

Within funds available in the Trust Fund that are not otherwise obligated for grant awards, the Commission may also approve that monies in the Trust Fund be used for program monitoring and evaluation and for program enhancement resources that are intended to improve the program outcomes. These funds are in addition to any funds allocated to the Commission for these purposes under this subsection.
...
§ 116-74.44. North Carolina Principal Fellows and Transforming Principal Preparation Program established; administration.

(a) Established. – There is established the North Carolina Principal Fellows and Transforming Principal Preparation Program as a competitive grant program for eligible entities for the purpose of elevating educators in North Carolina public schools by transforming the preparation of principals across the State and providing for forgivable scholarship loans to the participants of those school leader preparation programs. The Authority shall administer the North Carolina Principal Fellows and Transforming Principal Preparation Program in collaboration with the Commission as set forth in this Article to provide funds for the preparation and support of highly effective future school principals in North Carolina.

§ 116-74.46. Recipient selection; use of grant funds; duration and conditions of grants; reporting requirements.

(c) Duration and Conditions of Grants. – The Commission shall also notify the Authority of its decisions on the duration and renewal of grants to eligible entities made in accordance with the following:

In evaluating performance for purposes of grant renewal and making its renewal decisions to provide to the Authority, the Commission shall consider at least the following:

a. For all grantees, the primary consideration in renewing grants shall be the extent to which program participants improved student achievement in eligible schools.

b. Other criteria from data received in the annual report in subsection (d) of this section may include the following:

1. The percentage of program completers who are placed as school leaders in this State within three years of receiving a grant.

2. The percentage of program completers who are rated proficient or above on the North Carolina School Executive Evaluation Rubric.

3. The use of a rigorous, annual assessment process of each aspiring school leader.

4. The inclusion of a robust coaching model for each aspiring school leader throughout the residency.

§ 116-74.49. Staff to the Commission.

The Commission shall appoint a director of the North Carolina Principal Fellows and Transforming Principal Preparation Program. The director shall chair and staff the Commission and shall administer the extracurricular enhancement activities of the Program. The University of North Carolina System Office shall provide office space for the Program. The office space shall not be located on the campus of a constituent institution."
STATE EDUCATION ASSISTANCE AUTHORITY DISBURSE STATE'S SCHOLARSHIPS FOR CHILDREN OF WARTIME VETERANS

SECTION #.(a) G.S. 116-204 reads as rewritten:

"§ 116-204. Powers of Authority.

The Authority is hereby authorized and empowered:

... (11a) To be responsible for the disbursement and accounting of funds for the State's Scholarships for Children of Wartime Veterans established by Part 2 of Article 14 of Chapter 143B of the General Statutes.

..."

SECTION #.(b) G.S. 116B-7 reads as rewritten:

"§ 116B-7. Distribution of fund.

... (b) An amount specified in the Current Operations Appropriations Act shall be transferred annually from the Escheat Fund to the Department of Military and Veterans Affairs Board of Governors of The University of North Carolina to be allocated to the State Education Assistance Authority to partially fund the program of Scholarships for Children of War Veterans established by Part 2 of Article 14 of Chapter 143B of the General Statutes. Those funds may be used only for residents of this State who (i) are worthy and needy as determined by the Department of Military and Veterans Affairs and (ii) are enrolled in public institutions of higher education of this State."

SECTION #.(c) G.S. 143B-1211 reads as rewritten:

"§ 143B-1211. Powers and duties of the Department of Military and Veterans Affairs.

It shall be the duty of the Department of Military and Veterans Affairs to do all of the following:

... (11) Manage and maintain the State's Scholarships for Children of Wartime Veterans in accordance with Part 2 of Article 14 of Chapter 143B of the General Statutes and in support of the Veterans' Affairs Commission; provided, however, the disbursement of scholarships to the children of wartime veterans shall be performed by the State Education Assistance Authority established pursuant to Article 23 of Chapter 116 of the General Statutes.

..."

SECTION #.(d) G.S. 143B-1220 reads as rewritten:

"§ 143B-1220. Veterans' Affairs Commission – creation, powers and duties.

There is hereby created the Veterans' Affairs Commission of the Department of Military and Veterans Affairs. The Veterans' Affairs Commission shall have the following functions and duties, as delegated by the Secretary of Military and Veterans Affairs:

..."
To promulgate rules and regulations concerning the awarding of scholarships for children of North Carolina veterans as provided by this Article. The Commission shall make rules and regulations consistent with the provisions of this Article. All rules and regulations not inconsistent with the provisions of this Chapter heretofore adopted by the State Board of Veterans' Affairs shall remain in full force and effect unless and until repealed or superseded by action of the Veterans' Affairs Commission. All rules and regulations adopted by the Commission shall be enforced by the Department of Military and Veterans Affairs and, in the disbursement of scholarships, the Authority, as directed by the Department on behalf of the Commission; and

"§ 143B-1224. Definitions."

As used in this Part the terms defined in this section shall have the following meaning:

"Authority" means the State Education Assistance Authority established pursuant to Article 23 of Chapter 116 of the General Statutes.

"§ 143B-1225. Scholarship."

The Veterans' Affairs Commission shall select recipients for scholarships and notify the Authority of the recipients for the disbursement of scholarships in accordance with the provisions of G.S. 143B-1227. When notifying the Authority of the recipients, the Veterans' Affairs Commission shall indicate the recipients that qualify for scholarships funded with monies from the Escheat Fund. If a child is awarded a scholarship under this Part, the Commission shall notify the recipient by May 1st of the year in which the recipient enrolls in college.

"§ 143B-1227. Administration and funding."

The administration of the scholarship program shall be vested in the Department of Military and Veterans Affairs, and the disbursing and accounting activities required shall be a responsibility of the Department of Military and Veterans Affairs. Authority. The Veterans' Affairs Commission shall determine the eligibility of applicants, select the scholarship recipients, establish the effective date of scholarships, and may notify the Authority of the need to suspend or revoke scholarships if the Veterans' Affairs Commission finds that the recipient does not comply with the registration requirements of the Selective Service System or does not maintain an adequate academic status, or if the recipient engages in riots, unlawful demonstrations, the seizure of educational buildings, or otherwise engages in disorderly conduct, breaches of the peace or unlawful assemblies. The Department of Military and Veterans Affairs shall maintain the primary and necessary records, and the Veterans' Affairs Commission shall promulgate such rules and regulations not inconsistent with the other provisions of this Part as it deems necessary for the orderly administration of the program. It may require of State or private educational institutions, as defined in this Part, such reports and other information as it may need to carry out the provisions of this Part. The Department of Military and Veterans Affairs shall disburse scholarship payments for recipients certified eligible by the Department of Military and Veterans Affairs upon certification of enrollment by the enrolling institution.

Funds for the support of this program shall be appropriated to the Department of Military and Veterans Affairs—Authority Board of Governors of The University of North Carolina to be allocated to the Authority as a reserve for payment of the allocable costs for room, board, tuition, and other charges, and shall be placed in a separate budget code from which disbursements shall be made. Funds to support the program shall be supported by receipts from the Escheat Fund, as
provided by G.S. 116B-7, but those funds may be used only for worthy and needy residents of this State who are enrolled in public institutions of higher education of this State. In the event the said appropriation for any year is insufficient to pay the full amounts allocable under the provisions of this Part, such supplemental sums as may be necessary shall be allocated from the Contingency and Emergency Fund. The method of disbursing and accounting for funds allocated for payments under the provisions of this section shall be in accordance with those standards and procedures prescribed by the Director of the Budget, pursuant to the State Budget Act.

(c) Allowances for room and board in State educational institutions shall be at such rate as established by the Secretary of the Department of Military and Veterans Affairs.

(d) Scholarship recipients electing to attend a private educational institution shall be granted a monetary allowance for each term or other academic period attended under their respective scholarship awards. All recipients under Class I-B scholarship shall receive an allowance at one rate, irrespective of course or institution; all recipients under Classes I-A, II, III and IV shall receive a uniform allowance at a rate higher than for Class I-B, irrespective of course or institution. The amount of said allowances shall be determined by the Director of the Budget and made known prior to the beginning of each fall quarter or semester; provided that the Director of the Budget may change the allowances at intermediate periods when in his or her judgment such changes are necessary. Disbursements by the State shall be to the private institution concerned, for credit to the account of each recipient attending said the institution. The manner of payment to any private institution shall be as prescribed by the Department of Military and Veterans Affairs Authority. The participation by any private institution in the program shall be subject to the applicable provisions of this Part and to examination by State auditors of the accounts of scholarship recipients attending or having attended private institutions. The Veterans' Affairs Commission Authority may defer making an award or may suspend an award in any private institution which does not comply with the provisions of this Part relating to said the institutions.

(e) Irrespective of other provisions of this Part, the Veterans' Affairs Commission Authority may prescribe special procedures for adjusting the accounts of scholarship recipients who for reasons of illness, physical inability to attend class or for other valid reason satisfactory to the Veterans' Affairs Commission Authority may withdraw from State or private educational institutions prior to the completion of the term, semester, quarter or other academic period being attended at the time of withdrawal. Such procedures may include, but shall not be limited to, paying the recipient the dollar value of his or her unused entitlements scholarship for the academic period being attended, with a corresponding deduction of this period from his or her remaining scholarship eligibility time.

(f) From the funds appropriated from the General Fund each fiscal year to support the program, the Authority may use up to one hundred fifty thousand dollars ($150,000) each fiscal year for administrative costs for the disbursement and accounting activities for the program.

SECTION #.(h) This section applies beginning with scholarships awarded for the 2021-2022 academic year.
WASHINGTON CENTER INTERNSHIP SCHOLARSHIP PROGRAM

SECTION #.(a) Scholarship Program Established. – Of the funds appropriated by this act for the 2021-2022 fiscal year to the Board of Governors of The University of North Carolina for the Washington Center Internship Scholarship Program, the State Education Assistance Authority (Authority) shall award scholarship grants to students who are residents of North Carolina and are enrolled in their second year or higher in a constituent institution of The University of North Carolina to attend a semester or summer term internship program at The Washington Center for Internships and Academic Seminars (Washington Center) located in Washington, D.C. The Authority shall administer the scholarship program pursuant to guidelines and procedures established by the Authority consistent with its practices for administering State-funded financial aid. The guidelines and procedures shall include an application process and schedule, notification and disbursement procedures, standards for reporting, and standards for return of funds when a student withdraws from the program. A student who meets the eligibility criteria of the Washington Center to attend a semester or summer term internship program may apply to the Authority for a grant to cover costs related to the internship program in an amount of up to seven thousand dollars ($7,000). The Authority shall award grants to students in the order in which applications are received.

SECTION #.(b) Limitations on Grant Amount. – If a student who is eligible for a grant pursuant to this section also receives a scholarship or other grant covering the cost of attendance for the program, then the amount of the State grant shall be reduced by an appropriate amount determined by the Authority. The Authority shall reduce the amount of the grant so that the sum of all grants and scholarship aid covering the cost of attendance shall not exceed the cost of attendance for the program, including program fees, housing, and incidental costs. The cost of attendance shall be established by the Authority in accordance with information provided to the Authority by the Washington Center.

SECTION #.(c) Internship Activities. – A student participating in the Washington Center's program shall (i) intern four days a week with a nonprofit corporation, private company, federal agency, or a member of the United States Congress, (ii) take an academic class taught by the Washington Center's faculty, (iii) participate in career readiness training programs, and (iv) be responsible for a final portfolio project outlining work completed during the program. Students from all academic majors can participate and benefit from the program.

SECTION #.(d) Funds for the Program. – Any funds that are unencumbered for the program at the end of each fiscal year shall not revert to the General Fund but shall remain available for the purposes of this section. The Authority may use up to one percent (1%) of the funds appropriated each fiscal year for the program for administrative costs.

SECTION #.(e) Reporting. – By March 1, 2023, the Authority, in consultation with the Washington Center, shall report to the Joint Legislative Education Oversight Committee, the Senate Appropriations Committee on Education/Higher Education, the House of Representatives Appropriations Committee on Education, and the Fiscal Research Division on the...
implementation of the scholarship program, including the number of participating students and the amount of awards for each semester or summer term by constituent institution.

SECTION #.(f) This section applies beginning with the award of scholarship grants for the 2022 spring academic semester.
PRIVATE COLLEGES AND UNIVERSITIES/SUPPORT FOR RESPONSES TO THE COVID-19 PANDEMIC

SECTION #.(a) Of the funds appropriated by this act to the Board of Governors of The University of North Carolina to be allocated to the State Education Assistance Authority (Authority) from the State Fiscal Recovery Fund, the Authority shall provide funds to eligible private postsecondary institutions, as defined in G.S. 116-280(3), by apportioning the funds to those institutions according to the following:

(1) The Authority shall first distribute funds to each eligible private postsecondary institution on the basis of two thousand five hundred dollars ($2,500) per student who received a scholarship pursuant to Article 34 of Chapter 116 of the General Statutes in the 2019-2020 academic year.

(2) After the Authority distributes funds to eligible private postsecondary institutions pursuant to subdivision (1) of this section, the Authority shall distribute any remaining funds to eligible private postsecondary institutions that qualified to receive federal funds pursuant to section 314(a)(2) of the Coronavirus Response and Relief Supplemental Appropriations Act, 2021, P.L. 116-260, under one of the following programs:

a. Historically Black Colleges and Universities (HBCUs).

b. Minority Serving Institutions (MSIs).

c. Strengthening Institutions Program (SIPs).

Funds under this subdivision shall be distributed to an eligible private postsecondary institution in an amount proportional to the amount of federal funds the institution qualified for under the programs listed in sub-subdivisions a. through c. of this subdivision relative to the total amount of federal funds from the programs listed in sub-subdivisions a. through c. of this subdivision that were allocated to all of the qualifying eligible private postsecondary institutions.

SECTION #.(b) In applying the allocation methods set forth in subsection (a) of this section, the Authority shall distribute a total amount of funds to eligible private postsecondary institutions based on the following estimated schedule, provided funds may be subject to adjustment as the Authority deems necessary:

<table>
<thead>
<tr>
<th>Institution</th>
<th>Amount of Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barton College</td>
<td>$1,534,341</td>
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<tr>
<td>Belmont Abbey College</td>
<td>$1,142,500</td>
</tr>
<tr>
<td>Bennett College</td>
<td>$3,014,603</td>
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<tr>
<td>Brevard College</td>
<td>$823,752</td>
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<tr>
<td>Cabarrus College of Health Sciences</td>
<td>$497,500</td>
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<tr>
<td>Campbell University</td>
<td>$3,577,500</td>
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<tr>
<td>Carolinas College of Health Sciences</td>
<td>$107,500</td>
</tr>
<tr>
<td>Catawba College</td>
<td>$1,525,000</td>
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<td></td>
<td>Institution</td>
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<td>1</td>
<td>Chowan University</td>
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<td>2</td>
<td>Davidson College</td>
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<td>3</td>
<td>Duke University</td>
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<td>Elon University</td>
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<td>5</td>
<td>Gardner-Webb University</td>
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<td>Greensboro College</td>
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<td>7</td>
<td>Guilford College</td>
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<td>8</td>
<td>High Point University</td>
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<td>9</td>
<td>Johnson &amp; Wales University-Charlotte</td>
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<td>10</td>
<td>Johnson C. Smith University</td>
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<td>11</td>
<td>Lees-McRae College</td>
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<td>Lenoir-Rhyne University</td>
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<td>13</td>
<td>Livingstone College</td>
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<td>Louisburg College</td>
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<td>15</td>
<td>Mars Hill University</td>
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<td>16</td>
<td>Meredith College</td>
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**SECTION #.(c)** The funds distributed to eligible private postsecondary institutions under this section shall be used to mitigate losses in revenue and to respond to the negative impacts of the COVID-19 pandemic for any permissible uses allowed under federal law and guidance, including, but not limited to, financial assistance for students, COVID-19 testing, cleaning costs, personal protective equipment and any other necessary equipment, and ventilation improvements for congregate settings.