

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

H

D

**HOUSE BILL 159**  
**Committee Substitute Favorable 3/9/21**  
**PROPOSED COMMITTEE SUBSTITUTE H159-CSRQ-8 [v.1]**  
03/30/2021 06:32:35 PM

Short Title: Education Law Changes.

(Public)

Sponsors:

Referred to:

March 1, 2021

A BILL TO BE ENTITLED  
AN ACT TO MAKE VARIOUS CHANGES TO EDUCATION LAWS.  
The General Assembly of North Carolina enacts:

**PART I. FLEXIBILITY FOR SCHOOL EMPLOYEES TO RECEIVE ANNUAL SALARY IN TWELVE MONTHLY INSTALLMENTS**

**SECTION 1.(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 for 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.~~ requests. The request shall be filed in the local school administrative unit which employs the teacher. 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.~~ Local school administrative units may fulfill this requirement through a payroll deduction plan.

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 1.(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



\* H 1 5 9 - C S R Q - 8 \*

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 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.~~ requests. Such request shall be filed in the administrative unit which employs the employee. 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."

## **PART II. REVISE STUDENT MEAL DEBT REPORT AND CARRYFORWARD FUNDS FOR SCHOOL LUNCHES**

**SECTION 2.(a)** Section 2.3(a) of S.L. 2020-80 reads as rewritten:

**"SECTION 2.3.(a)** No later than October 15, ~~2021,~~ 2022, 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."

1           **SECTION 2.(b)** Section 2.3(b) of S.L. 2020-80 reads as rewritten:

2           **"SECTION 2.3.(b)** For the 2020-2021 fiscal year, the Department of Public Instruction shall  
3 transfer the sum of three million nine hundred thousand dollars (\$3,900,000) in nonrecurring  
4 funds from the cash balance in the School Bus Replacement Fund (Budget Code: 73510; Fund  
5 Code: 7200) to the State Public School Fund (Budget Code: 13510; Fund Code: 1830). Funds  
6 transferred pursuant to this section are hereby appropriated to provide school lunches at no cost  
7 to students of all grade levels qualifying for reduced-price meals in all schools participating in  
8 the National School Lunch Program in the 2020-2021 school year and 2021-2022 school year.  
9 These funds shall not revert at the end of the 2020-2021 fiscal year, but shall remain available  
10 until the end of the 2021-2022 fiscal year. If these funds are insufficient to provide school lunches  
11 at no cost to students qualifying for reduced-price meals, the Department of Public Instruction  
12 shall also use any excess funds appropriated for the National School Breakfast Program for the  
13 purposes of this subsection."

14           **SECTION 2.(c)** Subsection (b) of this section becomes effective June 30, 2021.

15  
16 **PART III. REVISE OPERATING BALANCE RESTRICTIONS FOR SCHOOL**  
17 **NUTRITION PROGRAMS**

18           **SECTION 3.(a)** G.S. 115C-450 reads as rewritten:

19 **"§ 115C-450. School food services.**

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

24           (b) ~~No local school administrative unit-public school unit that provides school nutrition~~  
25 ~~services shall assess indirect costs to a child-school nutrition program unless the program has a~~  
26 ~~minimum of one month's an operating balance. One month's operating balance shall be derived~~  
27 ~~from net cash resources divided by one month's operating costs. "Net cash resources" means all~~  
28 ~~monies, as determined in accordance with the State agency's established accounting system, that~~  
29 ~~are available to or have accrued to a school food authority's nonprofit child nutrition account at~~  
30 ~~any given time, less cash payables and other liabilities. When calculating the average month's~~  
31 ~~operating balance, the Department of Public Instruction shall use the complete and final figures~~  
32 ~~obtained from the annual financial report from each child nutrition program's operation. An~~  
33 ~~average month's operating balance shall be calculated and published by the Department of Public~~  
34 ~~Instruction for each child nutrition program and shall be equal to the average of the three prior~~  
35 ~~fiscal years' monthly operating balances. balance of at least three months. The Department of~~  
36 ~~Public Instruction shall calculate the operating balance of a school nutrition program of a public~~  
37 ~~school unit that provides school nutrition services. If complete and final financial reports for a~~  
38 ~~given year are not yet available for a child-school nutrition program, the Department of Public~~  
39 ~~Instruction may use projected figures-figures, but shall update the published average month's~~  
40 ~~operating balance once complete and final financial reports become available. As used in this~~  
41 ~~subsection, the term "indirect costs" is as defined in the United States Office of Budget and~~  
42 ~~Management Circular A-87, as revised, and the term "net cash resources" is as defined in 7 C.F.R.~~  
43 ~~§ 240.2-2 C.F.R. § 200.414.~~

44           (c) No public school unit that provides school nutrition services shall assess indirect costs  
45 that are more than eight percent (8%) of a school nutrition program's annual budget per fiscal  
46 year."

47           **SECTION 3.(b)** This section becomes effective July 1, 2021.

48  
49 **PART IV. TEMPORARILY EXTEND CPR GRADUATION REQUIREMENT**  
50 **CHANGES**

1           **SECTION 4.** Notwithstanding G.S. 115C-12(9d)a., for the 2020-2021 school year,  
2 any student in grade 12 who has not satisfied the requirement for completion of instruction in  
3 cardiopulmonary resuscitation shall be eligible to graduate if both of the following apply:

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

9  
10 **PART V. REVISE ANNUAL CENSUS OF SCHOOL RESOURCE OFFICERS**

11           **SECTION 5.** G.S. 115C-105.57(e) reads as rewritten:

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

- 19           (1) The total number of school resource officers ~~in the State and in each public~~  
20 ~~school unit officers.~~
- 21           (2) Data regarding school resources officers' education levels, years as sworn law  
22 enforcement officers, and years as school resource officers.
- 23           (3) Training required of school resource officers and training actually completed  
24 by school resource officers, including training specific to the position of  
25 school resource officer and other advanced or additional training.
- 26           (4) The funding source for all school resource officers.
- 27           (5) The location of school resource officers, differentiated by grade ~~levels and~~  
28 ~~type of public school unit levels.~~
- 29           (6) The percentage of school resource officers assigned to more than one school.
- 30           (7) The law enforcement affiliation of school resource officers.

31           The Center shall compile the information submitted pursuant to this subsection and submit a  
32 report detailing this information at the statewide and local levels to the Joint Legislative  
33 Education Oversight Committee and the State Board of Education by March 1 of each year."  
34

35 **PART VI. CLARIFY CHARTER SCHOOL APPLICATION FEE**

36           **SECTION 6.** G.S. 115C-218.1(c) reads as rewritten:

37           "(c) The State Board shall establish ~~reasonable fees of no less than five hundred dollars~~  
38 ~~(\$500.00) and no more than one thousand dollars (\$1,000)~~ for initial and renewal charter  
39 applications, in accordance with Article 2A of Chapter 150B of the General Statutes. No  
40 application fee shall be refunded in the event the application is rejected or the charter is revoked."  
41

42 **PART VII. LIFETIME LICENSURE REQUIREMENTS FOR PROFESSIONAL**  
43 **EDUCATORS**

44           **SECTION 7.** G.S. 115C-270.20 reads as rewritten:

45 **"§ 115C-270.20. Licensure requirements.**

46           (a) Teacher Licenses. – The State Board shall adopt rules for the issuance of the following  
47 classes of teacher licenses, including required levels of preparation for each classification:

48           ...

- 49           (4) ~~Lifetime license. — A license issued to a teacher after 30 or more years of~~  
50 ~~teaching as a licensed teacher that requires no renewal. For the purposes of~~  
51 ~~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."

## **PART VIII. COMBINING OF THE EDUCATION AND WORKFORCE INNOVATION COMMISSION GRANT PROGRAMS**

**SECTION 8.(a)** Article 6C of Chapter 115C of the General Statutes reads as rewritten:

"Article 6C.

"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~~ provide 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 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~~ the program and their impact on student achievement, retention, and employability.
- (2) Recommended statutory and policy changes.
- (3) Recommendations for improvement of ~~each~~ the 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~~ 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~~ a charter school, 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 ~~a~~ 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 public schools~~ Individual 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 ~~a~~ 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, ~~a~~ 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.

(2) 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, recipients as provided in G.S. 115C-64.16(a1).~~ ~~The Commission, in consultation with the Superintendent of Public Instruction, Commission~~ 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."

**SECTION 8.(b)** Of the funds appropriated to the Department of Public Instruction from the General Fund for the 2021-2022 fiscal year for the North Carolina Education and Workforce Innovation Commission for the Education and Workforce Innovation Program and for the Career and Technical Education Grade Expansion Program, beginning with the 2021-2022 fiscal year, the sum of three million one hundred seventy-one thousand one hundred eighteen dollars (\$3,171,118) in recurring funds shall instead be appropriated to the Department of Public Instruction for the North Carolina Education and Workforce Innovation Commission for the Education and Workforce Innovation and CTE Grade Expansion Program, established pursuant to G.S. 115C-64.16, as amended by this section.

**SECTION 8.(c)** This section becomes effective July 1, 2021.

**PART IX. STATE BOARD OF EDUCATION REQUIRED TO USE RULEMAKING TO ADOPT STANDARDS**

**SECTION 9.(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:

...."

**SECTION 9.(b)** 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 formatting 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 9.(c)** Any standards that make up the standard course of study that do not meet the criteria of subsection (b) of this section shall not be deemed permanent rules and shall be subject to the provisions of Chapter 150B of the General Statutes. 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-12(9c) and in accordance with the rulemaking process under Chapter 150B of the General Statutes.

**SECTION 9.(d)** When the Codifier of Rules enters the permanent rules submitted pursuant to subsection (b) of this section into the North Carolina Administrative Code, the Codifier shall publish notice of the permanent rules on the internet.

**SECTION 9.(e)** Section 3(b) of S.L. 2019-82 reads as rewritten:

1 "SECTION 3.(b) The requirements of G.S. 115C-81.45(d), as amended by subsection (a)  
2 of this section, shall apply to all students entering the ninth grade in the ~~2021-2022~~ 2022-2023  
3 school year."

4 SECTION 9.(f) This section is effective when it becomes law.  
5

6 **PART X. EFFECTIVE DATE**

7 SECTION 10. Except as otherwise provided, this act is effective when it becomes  
8 law.