



SENATE BILL 695: Various Education Changes.

2021-2022 General Assembly

Committee:	House Rules, Calendar, and Operations of the House	Date:	September 28, 2021
Introduced by:	Sens. Jarvis, Lee, Ballard	Prepared by:	Brian Gwyn and Kara McCraw
Analysis of:	PCS to Second Edition S695-CSTC-54		Staff Attorneys

OVERVIEW: *The PCS to SB 695 would remove the prior contents of the bill and provide the following:*

- *Exempt school administrators from certain licensure requirements.*
- *Authorize local school administrative units to use payroll deduction plans to pay ten-month employees in twelve-month installments.*
- *Change the date for reporting on student meal debt.*
- *Authorize public school units to hold State funds in local bank accounts for up to three business days after the date of drawing on the State funds before making a final disbursement to the ultimate payee.*

PART I: PRINCIPAL LICENSE EXEMPTIONS

CURRENT LAW: G.S. 115C-284 identifies the statutory requirements for licensing school administrators, including the following:

- Pass an exam adopted by the State Board of Education (G.S. 115C-284(b1)(5) and (c)).
- Complete a year-long internship (G.S. 115C-284(c2)(7)).
- Have at least four years of classroom teaching experience and possess at least a Masters Degree in Education Administration (G.S. 115C-284(d1)).
- Achieve at least the second level of differentiation between classroom teachers (G.S. 115C-284(d1)).

BILL ANALYSIS: School administrator licenses issued by the State Board of Education between 2010-2021 would be deemed valid, regardless of the failure to meet certain licensure requirements, including:

- Pass an exam adopted by the State Board of Education (G.S. 115C-284(b1)(5) and (c)).
- Complete a year-long internship (G.S. 115C-284(c2)(7)).
- Have at least four years of classroom teaching experience and possess at least a Masters Degree in Education Administration (G.S. 115C-284(d1)).
- Achieve at least the second level of differentiation between classroom teachers (G.S. 115C-284(d1)).

With regards to new school administrator licenses, the State Board of Education would be required to waive the following licensure requirements for certain individuals:

- Pass an exam adopted by the State Board of Education (G.S. 115C-284(b1)(5) and (c)).
- Complete a year-long internship (G.S. 115C-284(c2)(7)).
- Have at least four years of classroom teaching experience and possess at least a Masters Degree in Education Administration (G.S. 115C-284(d1)).

Jeffrey Hudson
Director



Legislative Analysis
Division
919-733-2578

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- Achieve at least the second level of differentiation between classroom teachers (G.S. 115C-284(d1)).

Individuals who completed at least one course as part of a masters degree program or a post-masters certificate designed for school administrators prior to August 31, 2022, would be eligible for the waiver, provided that the individual completes a masters degree program or a post-masters certificate designed for school administrators and meets all licensure requirements not otherwise waived by this provision prior to being licensed as a school administrator.

PART II: FLEXIBILITY TO RECEIVE ANNUAL SALARY IN 12 MONTHLY INSTALLMENTS THROUGH A PAYROLL DEDUCTION PLAN

CURRENT LAW: Teachers and school employees who are not employed in year-round schools may be paid in 12 monthly installments if they request so on or before the first day of the school year. Teachers employed for a period of less than 10 months cannot receive their salaries in 12 monthly installments.

BILL ANALYSIS: Local school administrative units (LEAs) would be required to fulfill requests by teachers and school employees to be paid in 12 monthly installments through a payroll deduction plan.

PART III: CHANGE REPORT DATE FOR STUDENT MEAL DEBT REPORT

CURRENT LAW and BILL ANALYSIS: The State Board of Education (SBE) must report to the Joint Legislative Education Oversight Committee (JLEOC) on unpaid meal charges in LEAs by October 15, 2021. This Part would change the due date to October 15, 2023.

PART IV: CASH MANAGEMENT FLEXIBILITY FOR CERTAIN PUBLIC SCHOOL UNITS

CURRENT LAW: G.S. 147-80 prohibits State funds from being deposited with any entity other than a place, bank, or trust company selected and designated as an official depository of the State of North Carolina by the State Treasurer. Further, G.S. 147-86.11(f) requires in part that the statewide cash management plan must require moneys deposited with the State Treasurer to remain on deposit with the State Treasurer until final disbursement to the ultimate payee. Therefore, final payments made with State funds must be made from one of these official depositories and may not be held in an intermediate account.

G.S. 147-86.12 requires school administrative units to follow G.S. 147-86.11 for any funds required by law to be deposited with the State Treasurer, as well as State funds made available to the school administrative unit for expenditure by warrants drawn on the State Treasurer. Therefore, State funds cannot be held in a school administrative unit's local bank account, even for a brief period of time before final disbursement.

BILL ANALYSIS: Part IV would allow local school administrative units, charter schools, regional schools, and innovative schools (public school units) to make final disbursements to an ultimate payee no later than 3 business days after the date the public school units draws on State funds from the State Treasurer. Additionally, these public school units would be exempt from G.S. 147-80, allowing them to deposit State funds with the official depository designated by the governing body of the public school unit.

This authority would allow these public school units to deposit State funds in their local accounts, provided those State funds are disbursed by the third business day after being withdrawn from the State Treasury.

EFFECTIVE DATE: This PCS would become effective when it becomes law.