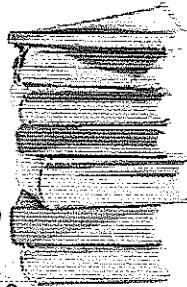


NCASA  
School Law Symposium

**PARTIAL**  
2015 Legislative Update

September 24-25, 2015

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1

**WARNING!!!!!!**

The General Assembly is still in session. Legislation impacting public schools is still pending.

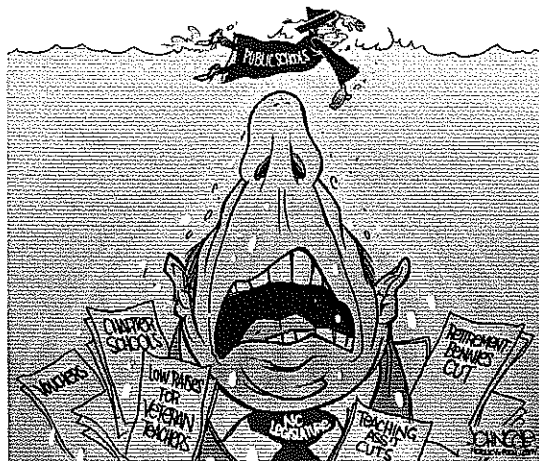
2

**IN ORDER TO OBTAIN A COPY  
OF ANY PIECE OF  
LEGISLATION, YOU MAY DO  
ONE OF THE FOLLOWING:**

1. Go to the General Assembly's website at:  
[www.ncga.state.nc.us](http://www.ncga.state.nc.us)  
or
2. Call "printed bills" at:  
919-733-5648.

3

# LAWS



4

# **APPROVED** **NEW LAWS**

5

## **S.L. 2015-17 (H.B. 358) – School Performance Grade Scale**

- Effective Date: 5/14/15
- Retains 15-point scale for A-F school grades for the 2014-15 and 2015-16 school years.
  - A = 85-100
  - B = 70-84
  - C = 55-69
  - D = 40-54
  - F = Below 40
- Reverts to 10-point scale for the following year and beyond.
- An amendment to change the scores to 50% achievement and 50% growth was defeated.
  - Current law remains 80% achievement, 20% growth.

6

### **S.L. 2015-44 (H.B. 113) – Protect Our Students Act**

- Effective Date: 12/1/15, for offenses committed on or after that date.
- Increases the penalties for certain school personnel who commit sexual offenses against students.
- Changes penalty from Class A1 misdemeanor to Class I felony for sexual acts and indecent liberties with students by school personnel other than a teacher, school administrator, student teacher, school safety officer, or coach, who are less than four years older than the victim.
- (Note: It is already a Class G Felony for teachers, school administrators, student teachers, school safety officers, or coaches, regardless of age, and for other school personnel who are four years older than the victim.)
- Also allows IHE's to request and receive from the local sheriff a report on whether a current or prospective student or employee is a registered sex offender.

7

### **S.L. 2015-46 (H.B. 237) – Repeal PEPs / Modify Transition Plans**

- Effective Date: 6/2/15 (Beginning 2015-16 School Year)
- Retains the requirement to support the Read to Achieve Program by identifying students at risk for academic failure beginning in kindergarten, but repeals the requirement to develop and implement Personal Education Plans (PEPs) for at-risk students, and other requirements associated with PEPs, including the requirement that parents of K-3 students with a PEP be notified of potential retention.
- LEAs can still use PEPs if desired. Local decision. However, PEPs are not to be considered as documentation to determine a good cause exemption from mandating retention. That evidence is limited to: IEP, if applicable, alternative assessment, or portfolio.
- Requires local BOE to adopt policies that direct school improvement teams to develop plans to include successful transition for at-risk students moving from elementary to middle and middle to high schools, but removes the requirement to create "transition teams."

8

**S.L. 2015-64 (S.B. 315) – Outdoor School Property Available to Public**

- Effective Date: 6/11/15
- Allows local BOEs to make outdoor school property available to the public for recreational purposes:
  - Subject to any terms/conditions the BOE deems appropriate;
  - Only when not otherwise being used for school purposes; and
  - Only if such use is consistent with the proper preservation and care of the outdoor school property.
- No liability attaches to BOE or individual board members if a personal injury results from such use.

9

**S.L. 2015-111 (H.B. 86) – Utility Line Relocation**

- Effective Date: 7/1/15
- Requires the Department of Transportation (DOT) to cover the costs of relocating water and sewer lines owned by a local BOE, when they have to be relocated for a DOT project.

10

### **S.L. 2015-126 (S.B. 333) – Teacher Transition Data**

- Effective Date: 6/29/15 (Beginning 2016-17 School Year)
- Amends SBE's duty to monitor decisions of teachers leaving the profession and expands it to include more data.
- Requires the SBE to develop an annual report titled "State of the Teaching Profession in North Carolina," from data collected by local BOEs.
- The data will include the numbers of teachers who left:
  - The field of education entirely (and the reason why);
  - To teach in other states;
  - To work in another NC school, including nonpublic/charter schools;
  - A classroom position for another type of educational position;
  - "Hard-to-staff schools" (any school identified as low-performing);
  - "Hard-to-staff subject areas," either as defined by the US Dept. of Ed., or a subject area that has resulted in a long-term vacancy of 16 months or more.
- Requires LEAs to report the NCEES effectiveness status of leaving teachers for SBE to be able to report this information for each category listed above, only on a statewide basis, not for any LEA.
- Prevents the SBE from revealing confidential identifiable information about the effectiveness status of any individual teacher.

11

### **S.L. 2015-195 (H.B. 562) – Amend Firearm Laws**

- Became Law: 8/5/15, with various effective dates for different provisions. These provisions, in sections 2 and 3, Effective Date: 7/1/15
- Allows handguns on school property if the person has a concealed hand gun permit (or is exempt from permit requirement) and the gun is:
  - In a closed container in a locked vehicle or a locked container affixed to the vehicle (this was the existing law);
  - Concealed on the person and the person stays in the locked vehicle, only unlocking for someone to enter/exit; or
  - Unconcealed in a locked vehicle for purposes of moving the gun between the person and container or vice versa.
- Creates an affirmative defense to prosecution for concealed or openly carrying a handgun on school property if the handgun is taken out of the vehicle for a "Stand Your Ground" situation.
  - N.C. Stand Your Ground Law: *"...a person is justified in the use of deadly force and does not have a duty to retreat in any place he or she has the lawful right to be if...he or she reasonably believes that such force is necessary to prevent imminent death or great bodily harm to the individual or another."*
- Includes many additional provisions not related to schools.

12

**S.L. 2015-222 (H.B. 13) – Amend School Health Assessment Requirement**

- Effective beginning of the 2016-17 school year.
- Current requirement that every entering Kindergarten student's parent/guardian present a health assessment form to the school principal, is expanded to apply to all newly entering students, regardless of grade.
  - Requires that assessment be made no more than 12 months prior to when the child would have first been eligible for initial entry into the public schools.
- Requires that schools use only one specific health assessment form, to be developed by DPI and DHHS.

**Cont.**

13

**S.L. 2015-222 (H.B. 13) – Amend School Health Assessment Requirement (cont.)**

- Standardizes and limits the information collected on the health assessment form. In addition to basic information, includes the following:
  - space allowing the parent to share any concerns about the student's health with those individuals authorized to have access to the form.
  - A section that includes the following information, if applicable, supplied by a health care provider specified in G.S. 130A-440(c):

**Cont.**

14

**S.L. 2015-222 (H.B. 13) – Amend School Health Assessment Requirement (cont.)**

- A list of medications prescribed for the student.
- A list of the student's allergies, the type of allergic reaction, and the response required.
- Guidance regarding a special diet for the student.
- Health-related recommendations to enhance the student's school performance.
- Information on whether the student passed a vision screening and any concerns related to the student's vision.
- Information on whether the student passed a hearing screening and any concerns related to the student's hearing.
- An opportunity to indicate whether there are recommendations, concerns, or needs related to the student's health and whether school follow-up is needed.
- An opportunity to provide comments.

Cont.

15

**S.L. 2015-222 (H.B. 13) – Amend School Health Assessment Requirement (cont.)**

- Instructions to the health care provider specified in G.S. 130A-440(c) to provide the student's current immunization record and any of the following applicable school health forms:
  - School medication authorization form.
  - Diabetes care plan.
  - Asthma action plan.
  - Health care plans for any other condition for which the school needs to be aware.
- Requires schools to advise parents/guardians at time of enrollment that a health assessment transmittal form is needed on or before the child's first day of attendance.

Cont.

16



**S.L. 2015-222 (H.B. 13) – Amend School Health Assessment Requirement (cont.)**

- Requires principals to present parents/guardians with a notice of deficiency if the form is not presented on or before the child's first day of attendance.
  - The notice must at least state that (i) the health assessment transmittal form must be submitted to the principal within 30 calendar days of the child's first day of attendance or the child will not be permitted to attend school until the form is submitted and (ii) an explanation for how the child may make up work missed in accordance with G.S. 115C-390.2(l).
- Clarifies that a student absent for failure to submit the form shall not be suspended and shall be allowed to make up missed work.
- Requires schools to note in the child's official school record when the health assessment transmittal form has been received.

**Cont.**

17

**S.L. 2015-222 (H.B. 13) – Amend School Health Assessment Requirement (cont.)**

- Requires schools to maintain the form on file once it has been submitted.
  - The student's official school record shall only reflect whether or not the form has been received.
  - The form is only open to inspection by authorized school administrators, teachers, and school personnel who require access to perform assigned duties.
  - Any accessing personnel must maintain confidentiality of the form.
  - Information on the form is confidential and not a public record.
- Requires the local BOE to provide de-identified health assessment information from the forms to authorized DHHS personnel upon request.

**Cont.**

18

**S.L. 2015-222 (H.B. 13) – Amend School Health Assessment Requirement (cont.)**

- Keeps the health assessment report principals currently must file within 60 days of the start of the school year to DHHS, but expands the report to all newly enrolled students and not just Kindergarteners.
- Requires local BOE policies to state such absences are not suspensions and that those absent students are allowed to take textbooks home, receive assignments/materials, and take missed tests.

19

**S.L. 2015-XXX (H.B. 334) – Charter School & Other Education Laws Changes**

- Requires the SBE-appointed member of the NC Charter School Advisory Board be a “charter school advocate.”
- Creates a new “NC Office of Charter Schools,” administratively located in DPI but under the control of the SBE, with an executive director hired by the SBE (upon recommendation of a search committee led by the Lt. Gov.) and reporting to the SBE. Tasked with:
  - Staffing the Advisory Board, providing technical assistance and guidance to charter schools and nonprofit corporations seeking to open charters, providing training to preliminarily approved charters, and assisting approved and proposed charters with coordinating services with DPI.
- Increases minimum number of charter students from 65 to 80.
- Requires charter applicants provide information on the weighted lottery, if they intend to use one.
- Requires the SBE and Advisory Board provide notice to charter applicants of any “format issues” or incomplete information in the application and allow them 5 business days to correct.

Cont.

20

**S.L. 2015-XXX (H.B. 334) – Charter School & Other Education Laws Changes (cont.)**

- Requires the Advisory Board allow charters or applicants to address the board before taking action regarding that charter.
- Requires (rather than permits) the SBE renew charters for 10 years when the original charter of 10 years expires, unless the school is not financially sound, is not producing academic outcomes comparable to the LEA over the past 3 years, or is not in compliance with state/federal law.
- Allows charters to charge fees that are charged by the LEA, as well as fees for extracurriculars as long as they are not higher than fees for the same extracurriculars charged by the LEA.
- Requires the SBE to amend charter replication rules to allow authorization of fast-track replication of charter applications regardless of whether the nonprofit sponsoring the charter has previously operated a charter school in NC.
- Requires charters adopt anti-nepotism policies.

Cont.

21

**S.L. 2015-XXX (H.B. 334) – Charter School & Other Education Laws Changes (cont.)**

- Requires local BOEs adopt nepotism policies, effective March 1, 2016.
- Policies would affect hiring (as employee OR independent contractor) of immediate family members of BOE members or central office administrators.
- Central office administrators defined as:
  - Directors, supervisors, specialists, staff officers, assistant superintendents, area superintendents, superintendents, or principals.
- Immediate family members defined as:
  - Spouse, parent, child, brother, sister, grandparent, or grandchild, and includes step, half, and in-law relationships.
- Policies would require proposed employment or engagement be:
  - Disclosed to the BOE, and
  - Approved by the BOE in an open-session meeting.
- Policies would place the burden of disclosure on the applicable BOE member or administrator.
- There are several obvious problems with these required policies that would conflict with other laws.
- At least some of the problems are expected to be addressed in the Technical Corrections Act, including placing the burden of disclosure on the applicant [see later slide].

Cont.

22

**S.L. 2015-XXX (H.B. 334) – Charter School & Other Education Laws Changes (cont.)**

- Changes eligibility assessments of special education scholarships for children with disabilities administered by the State Education Assistance Authority.
- Instead of students being "reevaluated," their "continuing eligibility is assessed."
- Instead of only the LEA verifying that the student still has a disability, eligibility can be assessed by either the LEA OR a licensed psychologist with a school psychology focus.
- Applies to students required to be assessed on or after January 1, 2015.
- Ratified on 9/16/15.
- Presented to Governor on 9/17/15.

23

**S.L. 2015-XXX (S.B. 400) – School Access for Boy Scouts/Girl Scouts**

- Amends the Community Schools Act to require local BOEs to give priority in the use of school facilities to any youth group listed in Title 36 of the United States Code as a patriotic society, in order to encourage schools to facilitate access for students to participate in activities provided by these groups at times other than instructional time during the school day for the purposes of encouraging civic education.
- Applicable groups in Title 36 would be: Big Brothers-Big Sisters, Boy Scouts, Boys & Girls Clubs of America, Girl Scouts, Little League Baseball, and the National Federation of Music Clubs.
- Requires BOEs, if they deny priority access to such groups, to provide reasons for the denial in writing to the requesting entity.
- Encourages charter and regional schools to do the same.
- Ratified on 9/17/15.
- Presented to Governor on 9/18/15.

24

**BILLS PASSED IN**  
**DIFFERENT**  
**VERSIONS BY**  
**BOTH CHAMBERS**

**(But Still Not Law, Due to  
Differing Versions that Must be  
Reconciled)**

25

**H.B. 561 – School System Authority Legal  
Proceedings**

- House passed bill was originally sought by the NC School Boards Association and would:
  - Allow disclosure of personnel file information to courts or state/federal quasi-judicial agencies, if disclosure is necessary to defend a claim by that current/former employee against the BOE or other school officials/employees; and
  - Expand local BOE subpoena power when conducting quasi-judicial hearings and investigating job-related misconduct to be able to compel production of tangible items and physical evidence (current law only allows BOE subpoenas to compel witnesses to testify).
- Senate passed an amendment on the floor that radically alters the bill. It would:
  - Change the House bill to require BOEs to get approval from a district court judge when seeking physical evidence subpoenas; and
  - Add a five-year moratorium preventing BOEs from filing legal action under NCGS § 115C-431, to challenge insufficient budgets provided by their county commissioners, from FY 2015-16 to FY 2019-20.
- House refused to go along with the Senate changes, and the bill is currently in a Conference Committee.

26

## **S.B. 279 - Amend Qualifications/Practice of Counseling**

- As part of a largely unrelated bill about professional counseling, alters the state sex ed requirements to expand the allowable sources of information to be conveyed to students.
- Previously only information accepted by experts in the field of "sexual health education" was allowed; beginning in the 2016-17 school year information would also be allowed if accepted by an expert in the fields of adolescent psychology, behavioral counseling, medicine, human anatomy, biology, ethics, or health education.
- Beginning in the spring semester of the 2015-16 school year, requires LEAs to include teaching about sex trafficking prevention and awareness in sex ed instruction. As part of the requirement, LEAs shall:
  - (1) "Collaborate with a diverse group of outside consultants where practical, including law enforcement with expertise in sex trafficking prevention education, to address the threats of sex trafficking," and
  - (2) "Collaborate with a diverse group of outside consultants, including law enforcement with expertise in sex trafficking, on a referral protocol for high-risk pupils and minors."
- On 9/21/15, Senate refused to concur with House version (which had added the provisions on sex ed); a conference committee has been appointed.

27

## **HOUSE-PASSED** **BILLS**

28

### **H.B. 35 – Education Innovation Task Force**

- Would create a task force to study the need to create a permanent entity dedicated to examining innovative practices in education designed to improve student achievement throughout the State.
- The task force would study whether a permanent entity is appropriate, how the entity would be structured, whether it would be housed in an agency or under the legislature, how it would be staffed, and how stakeholders would participate.
- Would require the task force to report back to the 2017 General Assembly.
- Senate has not acted.

29

### **H.B. 138 – Arts Education Requirement**

- Would require the SBE to modify the State graduation requirements to include one required credit in arts education to be completed by each student at any time in grades 6 through 12, beginning with students entering the sixth grade in 2018.
- Would exempt transfer students in the ninth grade or later if such requirement would prevent a student from graduating with their class.
- SBE would have to report to the General Assembly by December 15, 2018, on statewide implementation of the three interdependent components of comprehensive arts education (arts education, arts integration, and arts exposure), and the new graduation requirement.
- Senate has not acted.

30

### **H.B. 162 – Sudden Cardiac Arrest Education/Students**

- Would create a new Article 29E in the Public School Laws, entitled "Student Safety in Athletics."
- Beginning in 2016-17 school year, would require parent/guardian signature on sudden cardiac arrest awareness information sheet to be developed by the SBE, prior to student participation in athletic activities, including interscholastic, club, cheerleading, practices, interschool, school-affiliated, or other athletic contests or competition.
- Would require heart history questionnaire as part of required pre-participation physical exam.
- Coaches to complete and maintain CPR certification.
- Would allow schools to hold an informational meeting prior to the start of each athletic season regarding sudden cardiac arrest awareness and would encourage schools to have physicians, pediatric cardiologists, and athletic trainers attend the meeting to provide information.
- Would recodify existing language on concussion requirements.
- Senate has not acted.

31

### **H.B. 164 – School Calendar Flexibility**

- Would strike the 185-day minimum requirement, but keep the 1,025 hours of instruction minimum requirement covering nine months.
- Would allow local BOEs to vary the number of instructional hours in instructional days occurring in different semesters of the school year, and to vary the number of days per instructional semester if hours of instruction remain equivalent between semesters.
- Teachers would be compensated as if on a 185-day calendar.
- Would allow LEAs that adopt a school calendar with the fall semester ending before December 31 to hold tests prior to the end of the semester, and legislature would study this.
- Would apply to 2015-16 school year.
- Senate has not acted.

32



### **H.B. 216 – Great Leaders for Great Schools Study**

- Would instruct the Joint Legislative Education Oversight Committee to “study strategies for providing North Carolina with great leaders for great schools,” and make recommendations on
  - (1) Recruitment of the highest performing leaders for the school leadership administrator role.
  - (2) Greater flexibility and autonomy for principals over school-based decisions, including personnel decisions.
  - (3) A compensation plan that will attract and retain principals and assistant principals to the lowest-achieving schools and will reward outstanding leadership at those schools.
  - (4) Specialized State professional development for principals and assistant principals that is focused exclusively on turning around the lowest-achieving schools.
  - (5) Strategies for assisting less than proficient principals and assistant principals in improving their work performance and, if necessary, removing them from their positions.
- Instructs Committee to at least consider:
  - Principal preparation and professional development programs, licensure/certification of principals/APs, principal recruitment, statewide leadership standards for school leadership, principal mentoring, data use/evaluation by school leaders, state policies to promote effective talent management, areas of high priority, and support options for principals in need of assistance with job performance.
- Senate has not acted.

33

### **H.B. 238 – Duty-Free Time/Lunch for Teachers**

- Would add (alongside requirement to provide classroom teachers duty-free instructional planning time) a new requirement to provide duty-free lunch time
- Would amend the required sections of the school improvement plan to change the existing requirement of teachers’ daily duty-free lunch “period” to “time,” with a goal of providing at least 75 minutes per week for lunch.
- Senate has not acted.

34

### **H.B. 248 – Eliminate NC Final Exam**

- Would instruct SBE to eliminate the use of the NC Final Exam and the analysis of student work process to assess teachers' performance in relation to Standard 6 of the North Carolina Teacher Evaluation System.
- Would require assessment of Standard 6 by:
  - (i) End-of-Grade and End-of-Course assessments to determine student growth values for teachers who teach at least sixty percent (60%) of their time in an EOG/EOC tested subject, or
  - (ii) School-wide growth values for all other teachers.
- Would become effective upon U.S. DOE approval.
- Senate has not acted.

35

### **H.B. 355 – Evidence Passed Vehicle is a School Bus**

Would be effective 10/1/15, if passed:

- Under the Motor Vehicle Law requiring vehicles to stop for school buses, would remove the language stating that the law only applies when the bus has front and rear signs reading "school bus."
- Instead allows as prima facie evidence that a vehicle was a school bus:
  - (1) A certified copy of a record from DMV showing the vehicle was registered as a school bus at the time of the violation; or
  - (2) Testimony from the school bus driver, a passenger on the school bus, or the law enforcement officer investigating the violation.

Would be effective: 2015-16 school year, if passed:

- Senate has not addressed on the floor, but the Senate Judiciary II Committee passed a committee substitute in May that also:
  - Requires LEAs to provide SBE-developed instruction in school bus safety to all elementary school students every school year; and
  - Requires DPI and DOT to study procedures and equipment to increase the safety of children boarding and exiting school buses, including extending a metal bar or other device to provide a barrier between children and approaching vehicles.

36

### **H.B. 559 – Testing Feedback for Students/Teachers**

- Increases flexibility for testing schedules, expanding the acceptable date range for final exams.
  - Exams for year-long courses must be within the final 15 instructional days (currently final 10 days).
  - Exams for semester courses must be within the final 10 instructional days (currently final 5 days).
- Requires the SBE to provide student performance data on each statewide test to LEAs, teachers, parents, and students within five days (or reasonable time).
  - For students, parents, and individual teachers, the data includes the standard linked to the test item and whether the answer was correct/incorrect.
  - For teachers, the data includes the number and percentage of correct answers per test item.
- Senate has not acted.

37

### **H.B. 581 – Computer Coding Course Elective**

- Would require SBE to develop and identify academically rigorous courses in computer programming and coding that can be offered as electives at the middle or high school level.
- Would require the courses to provide multiple opportunities for students to learn about the coding process.
- Senate has not acted.

38

### **H.B. 660 – Transition to Personalized Digital Learning**

- Would require the SBE to:
  - Expand the School Connectivity Initiative to support wired/wireless infrastructure in public school buildings.
  - Establish a collaborative procurement service to coordinate acquisition of technology infrastructure, devices, content, and professional services for LEAs.
  - Provide access to digital learning resources for public schools to meet S.L. 2013-12 requirements on the use of digital resources as primary curriculum materials by 2017.
  - Provide coaching/support for teachers/administrators on digital transition.
  - Establish a grant program to support innovative LEA digital learning models.
  - Contract with the Friday Institute to establish the NC Digital Learning Initiative.
- A similar collaborative procurement piece was included in the final budget.
- Senate has not acted.

39

### **H.B. 661 – Teacher Recruitment and Scholarships**

- Would create the North Carolina Competitive Teaching Scholarship Loan Program under the UNC System.
- Scholarship loans of up to \$8,500 per year to students going into hard-to-staff areas of licensure or hard-to-staff schools.
- Forgives the loan if the recipient teaches four years in the seven years following licensure.
- Senate has not acted and it was not in final budget.

40

### **H.B. 673 – Modify Read to Achieve**

- Would change the definition of student reading portfolio:
  - “Mastery” is changed to “reading proficiency.”
  - Each reading standard would only need two examples of student work, rather than the current three.
  - If a student correctly answers 80% of comprehension questions about one reading passage, that one work example would sufficiently demonstrate proficiency.
  - Portfolios would only be compiled for students when a standardized reading comprehension test would likely not show proficiency.
- Would allow K-3 teacher of record to administer assessments to their own students.

**Cont.**

41

### **H.B. 673 – Modify Read to Achieve (cont.)**

- Would require LEAs to limit the student reading portfolio process to appropriate students (determined by principal, after consulting with teacher and parents), and to discontinue administration of the portfolio passages whenever a student is not demonstrating reading proficiency.
- Would require parents who do not enroll their student in a reading camp to notify the school of any alternative reading interventions or instructional supports that shall be provided to the student to achieve reading proficiency.
- Would require that students who are retained and also attended a reading camp continuously for 64 hours be placed in a transitional 3<sup>rd</sup>/4<sup>th</sup> grade class combination.
- Would require principals to provide at least one information session within the first 30 days of school about 3<sup>rd</sup> grade reading requirements.
- Senate has not acted.

42

### **H.B. 687 – Public Schools / Testing Schedule**

- Would allow an LEA with local BOE approval to apply to the SBE at least 60 days prior to the date of scheduled assessments or final exams for an extension of the testing schedule for:
  - Up to the final 20 instructional days of the school year for year-long courses, and
  - Up to the final 15 instructional days of the semester for semester-long courses.
- States that no teacher of record shall be prohibited from administering tests to students assigned to that teacher, except when testing modifications are necessary.
- Senate has not acted.

43

### **H.B. 803 – School Performance Scores**

- Would change the formula for school performance scores, making both the “school achievement score” and the “school growth score” count for 50% of the total school grade.
  - Current law dictates 80% achievement and 20% growth.
- Senate has not acted, and defeated an amendment to a different bill which would have made the same change.

44

## **H.B. 943 – Connect NC Bond Act of 2015**

- Original bill would have authorized the issuance of \$2.86B in bonds, subject to a voter referendum.
  - \$2.46B for infrastructure for various state agencies.
    - \$500M of that for the Public Schools Capital Assistance Program, to finance new schools, additions and renovations across the state.
  - \$400M for transportation projects.
- Major priority of Gov. McCrory, and moved rapidly through the House. Introduced on 8/3/15. Passed House on 8/6/15.
- The leaders of House and Senate have agreed to a smaller number, totaling \$2B.
- Senate Proposed Committee Substitute (released 9/21/15) for \$2 billion voter referendum bond package does not include any bonds for school construction. Would provide \$58,792,500 for a new Western N.C. School of Science and Math in Morganton.

45

## **SENATE-PASSED** **BILLS**

46

### **S.B. 298 – School Bus Cameras / Civil Penalties**

- Would allow counties to adopt ordinances for the civil enforcement of the statute that requires stopping for a school bus, by means of an automated camera installed on a school bus.
  - Establishes various procedures for such ordinances, including \$500 civil penalties and \$100 late fees for violations, and preventing county imposition of a civil penalty if the driver is charged criminally under the same facts. Failure to pay civil penalties would be grounds to refuse issuance of title/registration.
- Would require that any recorded photographs/video be provided to investigating law enforcement.
- Would require that the automated cameras be identified by appropriate warning signs conspicuously posted on the school bus, consistent with a statewide standard adopted by the SBE.
- Would allow local BOEs to install/operate cameras by themselves or through a private vendor contract, but contracts should follow the provisions of state purchase and contract.
  - Also allows local BOEs to request that the SBE enter into a contract for a statewide service or contracts for regional services to install and operate cameras with a private vendor.
  - Requires the SBE develop a model contract for use by local BOEs in letting and awarding contracts for the installation and operation of automated cameras, and that the SBE and DPI provide technical assistance to a local BOE on this process upon request.
- Currently in House committee.

47

### **S.B. 330 – Change Orders on School Construction Projects**

- Would require change orders (COs) involving school construction contracts to be approved by the local BOE, unless the BOE adopts a policy.
- Would require CO to be submitted by architect to the superintendent.
- Would allow BOE chair or chair's designee from the BOE to approve at the request of the superintendent if a CO that is required to be approved must be approved before the next board meeting due to (i) a health or safety issue; (ii) a delay of the construction project; or (iii) the risk of increased cost.
  - Superintendent to report the CO to the BOE at its next meeting.
  - If the chair or designee does not approve CO, a special board meeting shall be called.
- Would require BOEs to adopt a policy providing COs are not subject to approval by the BOE but may be approved by the superintendent or designee, if the COs do not exceed:
  - \$100,000 for LEAs with an average of at least \$50M of school construction projects over the prior five years.
  - \$25,000 for LEAs with an average of less than \$50M of school construction projects over the prior five years.
- House has not acted.

48



### **S.B. 343 – Student Assault on Teacher/Felony Offense**

- Would create a new criminal offense for student-on-teacher assaults if:
  - The student is 16 or older and does not have an IEP or Sec. 504 Plan,
  - The student assaults a school employee when the employee is discharging or attempting to discharge his/her duties (defined as "all activities on school property"), or the student assaults the school employee as a result of the discharge or attempt to discharge that individual's duties, and
  - The assault occurs on school property (includes buses).
- The offense is a:
  - Class A1 misdemeanor for the first conviction.
  - Class H felony for the second conviction.
  - Class G felony for the third or subsequent conviction.
- House has not acted.

49

### **S.B. 480 – Uniform Political Activity / Employees**

- Would prohibit various political activities by any employee of a BOE, including:
  - Taking an active part in managing a political campaign, campaigning for political office, or otherwise engaging in political activity, or otherwise using the authority of the employee's position to secure support for or oppose any candidate, party, or issue in an election involving candidates for office or party nominations, or affect the results thereof, while the employee is on duty or within any period of time during which the employee is expected to perform services for which the employee receives compensation from a local board of education.
  - Utilizing public funds, supplies, equipment (including email), or vehicles (1) to secure support for or oppose any candidate, party, or issue in an election involving candidates for office or party nominations, or affect the results thereof; or (2) for partisan purposes, political purposes, or to engage in advocating for or against issues of local, State, or federal policy.
- Allows advocating for or against public policy through public means if the employee is invited to address a public body, or if employee is a superintendent, principal, or otherwise has a job that requires advocacy.
- Despite many exceptions and apparent attempts to allow free speech, could potentially restrict legal advocacy at the local or state levels or at least pose questions (e.g., addressing county commissioners regarding local funding; using a school email address to discuss a political issue).
- Apparently introduced in response to political flyers being distributed in teacher mailboxes.
- House has not acted.

50

### **S.B. 524 – Founding Principles / Graduation Requirement**

- Would instruct the SBE to require the instruction of the following "Founding Principles" in addition to existing list of civic literacy topics required in a high school class:
  - "Constitutional limitations on government power to tax and spend and prompt payment of public debt."
  - "Money with intrinsic value."
  - "Strong defense and supremacy of civil authority over military."
  - "Peace, commerce, and honest friendship with all nations, entangling alliances with none."
  - "Eternal vigilance by 'We the People.' "
- House has not acted.

51

### **S.B. 561 – Career and College Ready Graduates**

- Would require Board of Community Colleges, in consultation with SBE, to:
  - Develop a program for the 2016-2017 school year that introduces college developmental math and reading/English curriculums in the high school senior year, and
  - Provide opportunities for college remediation for students prior to high school graduation through cooperation with community college partners.
- The program would require:
  - Changes in curriculum, policy, and rules as needed by the SBE to make remedial courses mandatory for students who do not meet readiness indicators by their junior year to ensure college readiness prior to high school graduation, including flexibility for students to fulfill senior math and English graduation requirements through enrollment in mandatory remedial courses or to enroll in those courses as electives.
  - SBE policies for delivery of the instruction in high schools, including requirements for partner high schools to identify and assign appropriate faculty to the remedial course (to be trained by partner community college faculty prior to the start of the school year or semester), and to provide appropriate technology resources for delivery of the remedial course modules.
- Currently in House committee.

52

## S.B. 607 – Taxpayer Protection Act

- A “Taxpayers Bill of Rights” (TABOR) bill was rapidly approved by the Senate on 8/11/15.
- It would put three constitutional amendments on the November 2016 general election ballot, with all three to be approved by a single vote:
  1. Would cap annual state spending increases at no more than population growth and inflation (unless otherwise approved by “supermajority” votes of 2/3 of the House and 2/3 of the Senate);
  2. Would create an emergency fund of at least 2% each year until it reaches 12.5% of the General Fund. Interest on these funds would remain in the emergency fund. Any action of the G.A. to decline to reserve or to spend these funds would require 2/3 supermajority of each chamber;
  3. Would cap individual/corporate tax rates at 5% (lower than current rates).
- This would essentially lock in the reduced spending rates for education and other government services that have occurred since the recession.

53

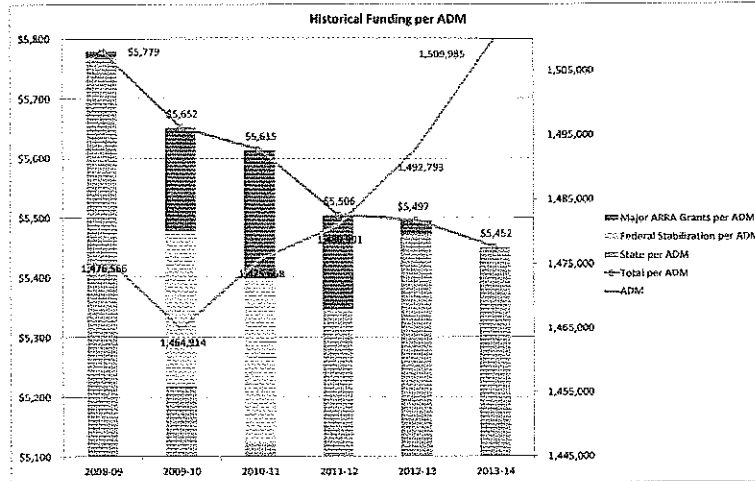
## BUDGET PROVISIONS

S.L. 2015-241 (H.B. 97) – Appropriations Act of 2015

OH, THE WHEELS ON THE BUS,  
THEY DON'T GO 'ROUND!..



54



Major ARRA grant expenditures include Title I, IDEA, and Education Jobs.  
 Funding represents Total State Public School Fund Requirements, which comprise current appropriations and receipts, excluding NCDPI and pass-through entities.  
 For more information, please see page 6 of the prior years' highlights of the NC Public School Budget at <http://www.ncpublicschools.org/tbs/resources/data/>

Source: DPI

55

### **S.L. 2015-241 (H.B. 97) – Appropriations Act of 2015**

- Due July 1.
- House passed H.B. 97 (ver. 5) on May 22.
- Senate passed H.B. 97 (ver. 7) on June 18.
- House and Senate versions were radically different.
- The chambers agreed to three successive continuing resolutions, which eventually ran until September 18, to keep state government from shutting down during negotiations.
- Conference report finally submitted on September 14.
- Senate passed September 16.
- House passed September 18.
- Gov. McCrory signed into law September 18.

56



**S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Salaries**

- Teachers
  - \$750 bonus if employed 11/1/2015.
  - Increases starting pay from \$3,300 to \$3,500 per month (i.e., \$35,000/yr)
  - Experience step increase on the “A” salary schedule.
    - With reformed schedule providing increases at 5-year increments, the only teachers getting a step increase are those moving to years 5, 10, 15, 20, and 25 this year.
    - DPI estimates that this constitutes only 32% of those on the salary schedule; everyone else will be at the same salary level as last year.
  - New sixth step for 25-year school psychologists, speech pathologists, and audiologists with 7.5% salary increase.

59

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Salaries (cont.)**

**Teacher Salary Schedule (Bachelor) Changes for 2015-16**  
 (Reflects experience-based step increases and salary changes for this year)

<u>Years of Experience</u>		<u>Monthly Salary (\$)</u>		<u>Increase (\$)</u>	<u>Increase (%)</u>
2014-15	2015-16	2014-15	2015-16	(per month)	
0-3	1-4	3,300	3,500	200	6.1
4	5	3,300	3,650	350	10.6
5-8	6-9	3,650	3,650	---	---
9	10	3,650	4,000	350	9.6
10-13	11-14	4,000	4,000	---	---
14	15	4,000	4,350	350	8.8
15-18	16-19	4,350	4,350	---	---
19	20	4,350	4,650	300	6.9
20-23	21-24	4,650	4,650	---	---
24	25	4,650	5,000	350	7.5
25+	25+	5,000	5,000	---	---

Source: DPI 60

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations –  
Salaries (cont.)**

- Supplements for: Master's / Advanced Degree / NBPTS / Certified School Nurse
  - Remain funded.
- Principals / Assistant Principals
  - \$750 bonus if employed 11/1/2015.
  - Step increase.
  - No changes to base salaries on the schedule.
  - No pay loss for teachers who become a principal or assistant principals who become principals.
- Non-Certified and central office personnel salaries
  - \$750 bonus if employed 11/1/2015.

61

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations –  
Retirement /Benefits**

- Allows rehired retirees to retain retiree coverage under State Health Plan, but LEAs must cover additional costs (Sec. 30.25).
  - Currently, if rehired retirees come back to work for 30 hours a week or more, they are forced on the "Bronze" high-deductible health plan, which is much less generous than the State Health Plan for retirees.
- Sec. 30.30 restricts the purchase of creditable service for leaves of absence to only periods of time employed as a charter school teacher, or time for leaves of absence when the retirement system member is:
  - (1) Enrolled in a full-time degree program at an accredited institution of higher education;
  - (2) Not being paid; AND
  - (3) Not performing any services for NCAE or various other employee associations.
- 15.32% retirement contribution for active employees.
  - House wanted 15.67%, Senate wanted 15.21%.
- \$5,471 health contribution for active employees.
  - House wanted \$5,497, Senate wanted \$5,378.

62

### **S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Teacher Assistants**

- One of the biggest differences between the chambers.
- House ultimately prevailed in maintaining funding for TAs at last year's level.
  - Senate budget would have cut \$58 million in 2015-16 and \$166 million more in 2016-17, resulting in loss of ~7,500 positions statewide and the biggest mass layoff in state history.
- However, LEAs are prohibited from transferring funding out of the TA allotment to other priorities (Sec. 8.47).
  - Eliminates flexibility previously provided for use of TA funding to pay teachers.
- The TA funding formula is also changed:
  - Kindergarten: 2 TAs per 3 classes.
  - Grades 1-2: 1 TA per 2 classes.
  - Grade 3: 1 TA per 3 classes.
  - For all grades, 21 students per class is assumed.

63

### **S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Driver Education**



64



**S.L. 2015-241 (H.B. 97) – 2015 Appropriations –  
Driver Education**

- Another major difference between the chambers.
- House position prevailed.
- State funding for 2015-16 fully restored from the general fund.
- Shifts funding for Driver Ed to the Civil Fines and Forfeitures Fund beginning in 2016-17, with funding generated by new fees on late motor vehicle registrations (Sec. 5.3).
- LEA may charge a fee up to \$65.
- Adds a new provision to G.S. §115C-216(g), requiring that if an LEA charges a fee for Driver Ed, the local BOE must provide a process for reducing or waiving the fee due to economic hardship (Sec. 8.39).

65

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations –  
Driver Education (cont.)**

- Sec. 8.39 requires local BOEs to report to the SBE by December 15, 2015, on the following for the 2012-13, 2013-14, 2014-15, and 2015-16 school years, by year:
  - (1) How provided; if by contract with an outside provider, very detailed info on instruction, materials, fleet, and terms and copies of the contract.
  - (2) Total cost and per student cost for the program.
  - (3) How the fleet used for driver training is provided and maintained.
  - (4) Numbers of students eligible, participating, successfully completing.
  - (5) Materials used for instruction.
  - (6) Methodology for transfer to agencies of student information related to driver education.
  - (7) Role of parents and legal guardians in driver education instruction.
  - (8) Process for filing/resolving complaints and information on filed complaints.
  - (9) Assessments/evaluations.
  - (10) Average/maximum time between classroom/behind-the-wheel instruction.
  - (11) Average/maximum classroom hours taught per day.
  - (12) Average/maximum behind-the-wheel hours taught per day.
  - (13) Process reviewing driving records for instructors.
  - (14) Tracking of student outcomes.
  - (15) Fees and process for fee waiver/reduction.

66

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations –  
Other Spending Changes**

- DPI
  - Cut by (\$2.5M) recurring, or 5.2% of total budget.
- Textbooks / Digital Resources
  - \$52M in 2015-16; \$62M in 2016-17.
  - Increase from \$23M in 2014-15, but still way below 2009-10 amount of \$111M.
- Transportation
  - (\$25M) reduction to adjust for lower fuel costs.
- Voucher Program
  - Was funded at \$10.8 million in 2014-15.
  - \$6.8 million more in 2015-16.
  - Adds \$7.2 million more in 2016-17.
  - Total support next year will reach \$24.8 million.
  - Will fund approximately 6,000 vouchers at maximum of \$4,200 per year.

67

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations –  
Other Spending (cont.)**

- Hunt Institute
  - State funding (\$740k) entirely eliminated.
- Read to Achieve Reading Camps
  - \$20M recurring increase to cover 1<sup>st</sup> and 2<sup>nd</sup> grade expansion.
- School Connectivity Initiative
  - Increases of \$2M in 2015-16 and \$12M in 2016-17 to enhance school Wi-Fi and classroom connectivity.
  - Allows access to \$30M in federal e-Rate funding.
- Special Education Scholarships
  - Increases of \$250k for each year (a 6% bump).
  - The program provides scholarship grants of up to \$4,000 per semester for eligible students.
- Virtual Charter School Pilots
  - \$2.5M increase to ADM Contingency Reserve for enrollment of non-public school students.

68

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Other Spending (cont.)**

- After-School Quality Improvement Competitive Grants (Sec. 8.29)
  - \$6M in both 2015-16 and 2016-17 to DPI-administered grant program for after-school programs for at-risk kids.
  - Awards up to two years and \$500k; LEAs, charters, and nonprofits eligible.
- Principal Preparation Program Redesign (Sec. 11.9)
  - Competitive grant program for principal development, administered by the State Educational Assistance Authority.
  - \$500k in 2015-16, then \$1 million recurring for the program beginning in 2016-17.

69

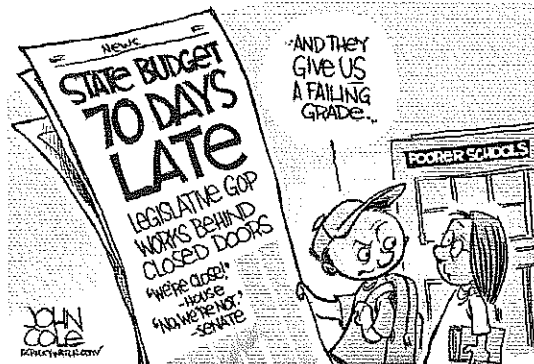
**S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Tax Changes**

- Reduces flat income tax rate from 5.75% to 5.499% (Sec. 32.16).
- Expands sales tax base to levy tax on some repair, maintenance, and installation services (Sec. 32.18).
- The extra revenue generated by the sales tax expansion (\$84.8M in FY 2016) will be distributed to 79 counties and their municipalities. County's portion must be used only for economic development, public education, and community colleges (Sec. 32.19).
  - Alamance, Avery, Brunswick, Buncombe, Cabarrus, Carteret, Catawba, Currituck, Dare, Durham, Forsyth, Guilford, Iredell, Jackson, Macon, Mecklenburg, Moore, New Hanover, Surry, Wake, and Watauga Counties will NOT receive any portion of the additional revenue; all other counties will receive varying amounts.

70

# POLICY PROVISIONS IN THE BUDGET

S.L. 2015-241 (H.B. 97) – Appropriations Act of 2015



71

## S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Policy Provisions

### **Competency-Based Learning and Assessments (Sec. 8.12):**

- Declares intent of General Assembly to transition to testing/assessments for all students using competency-based learning assessments to measure student performance/growth, which would provide that:
  - (i) students advance upon mastery,
  - (ii) competencies are broken down into explicit and measurable learning objectives,
  - (iii) assessment is meaningful for students,
  - (iv) students receive differentiated support based on their learning needs, and
  - (v) learning outcomes emphasize competencies that include the application and creation of knowledge.
- Encourages SBE to evaluate integrating such assessments in statewide testing system.

72

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Policy (cont.)**

**Statewide School Risk and Response Management System (Sec. 8.26):**

- Requires local BOEs to replace Emergency Response Plans with School Risk Management Plans (SRMP) by March 1, 2017.
- Requires BOEs to coordinate with local law enforcement AND emergency management agencies, and utilize the School Risk and Response Management System (SRRMS)(not yet created).
- (Sec. 8.26(b)): At least once annually, each school must hold a school-wide tabletop exercise and drill based on that school's SRMP.
  - The drill shall include a practice school lockdown due to an intruder on school grounds.
  - Schools are encouraged to hold additional tabletop exercises and drills for different hazards.
  - "Tabletop exercise" involving key personnel conducting simulated scenarios related to emergency planning.
  - "Drill" is a school-wide practice exercise with simulated scenarios.

Cont.

73

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Policy (cont.)**

**Statewide School Risk and Response Management System (Sec. 8.26) (cont.):**

- (Sec. 8.26(c)): Creates New School Risk and Response Management System (SRRMS).
  - DPS, the Division of Emergency Management, and the Center for Safer Schools shall construct and maintain this statewide system which should fully integrate and leverage existing data (such as schematic diagrams) and applications that support school risk planning and exercise, monitoring, and emergency response.
  - All data and information acquired and stored in the SRRMS are not to be considered public records.
- (Sec. 8.26(d)): Directs DPS, the Division of Emergency Management, and the Center for Safer Schools (in collaboration with DPI) to implement/maintain:
  - An anonymous safety tip line by July 1, 2016 for purposes of receiving anonymous student information on risks to the school population, buildings, and activities. Not public records, but can collect aggregate numbers/types of tips.
  - A statewide panic alarm system for the purposes of launching real-time 911 messaging to Public Safety Answer Points of risks to the school population, school buildings, and school related activities.

Cont.

74

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations –  
Policy (cont.)**

**Statewide School Risk and Response Management System  
(Sec. 8.26) (cont.):**

- (Sec. 8.26(e), (g)): Would replace Emergency Response Plans with School Risk Management Plans (SRMP) in the School Crisis Kit statute (§115C-105.52) and the statute that mandates sharing schematic drawings with the Division of Emergency Management (§115C-105.54).
- (Sec. 8.26(f)): Would permit LEAs to provide, and update as needed, keys to the main entrance of all school buildings or access to key storage devices. (Previously only access to key storage devices was permitted.)

75

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations –  
Policy (cont.)**

**Performance-Based RIFs (Sec. 8.38):**

- Requires local BOEs adopt reduction in force (RIF) policies for contract (non-career status) teachers and changes existing law and board policy requirement for RIF of career status teachers.
- In determining which positions to reduce, requires LEA to consider:
  - Structural considerations, such as identifying positions, departments, courses, programs, operations, and other areas where there are (i) less essential, duplicative, or excess personnel; (ii) job responsibility and position inefficiencies; (iii) opportunities for combined work functions; and (iv) decreased student or other demands for curriculum, programs, operations, or other services; and
  - Organizational considerations, such as anticipated organizational needs of the school system and program or school enrollment.
- In identifying which teachers to RIF, requires LEA to consider work performance and teacher evaluations.

76

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Policy (cont.)**

**Reading Camps Offered to 1<sup>st</sup> and 2<sup>nd</sup> Grade Students (Sec. 8.48):**

- Expands LEA-provided reading camps beyond 3<sup>rd</sup> grade students who do not demonstrate reading proficiency, to include 1<sup>st</sup> and 2<sup>nd</sup> grade students who demonstrate reading comprehension below grade level.
- Requires that parents/guardians of such students be encouraged to enroll their student in a reading camp, but leaves final decision on attendance to parents/guardians.
- Allows parents/guardians of 1<sup>st</sup> and 2<sup>nd</sup> graders who are at grade level to attend reading camp for a fee, if space is available. Fee amount is determined by local BOE, equal to the per student program cost, not to exceed \$825.
- Requires local BOEs publish by September 1 each year on the LEA website and report to the SBE the number and percentage of 1<sup>st</sup> and 2<sup>nd</sup> graders demonstrating and not demonstrating reading comprehension at grade level.
- Also requires local BOEs report to the SBE the number of 1<sup>st</sup> and 2<sup>nd</sup> graders attending reading camps.

77

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Policy (cont.)**

**Legislative Findings on Low Performing Schools / LEAs (Part VIII-A):**

- Makes legislative findings "that some local boards of education are not in compliance with the requirements of the judiciary's decisions in Leandro to provide all public school students the opportunity to receive a sound basic education. Notwithstanding a history of adequate State and local funding and legislatively-granted flexibility in administration, management, and employment at the local level to provide tools to facilitate compliance with Leandro, some local boards of education have failed to take actions sufficient to: (1) Prevent education bureaucracies from interfering with and overriding accountability measures and education reforms required by State law, (2) Properly administer the public schools, (3) Provide high-quality principals in every school and high-quality teachers in every classroom." (Sec. 8A.1.(a))

Cont.

78

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations –  
Policy (cont.)**

**Legislative Findings on Low Performing  
Schools / LEAs (Part VIII-A) (cont.):**

- Declares “intent of the General Assembly in this act to provide the following additional direction, authority, and resources to local boards of education and to the State Board of Education to enable them to correct these deficiencies.”
- Codifies Leandro; mandates that local BOEs make all policy decisions with Leandro in mind (employment, budget, other administrative actions). (Sec. 8A.2.)

79

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations –  
Policy (cont.)**

**Class Size in Kindergarten through 3<sup>rd</sup> Grade (Sec. 8A.3):**

- Allows the SBE to allot additional positions at any grade level within 45 days of local BOE reports of exceptions to class size requirements.
- Prevents the SBE from granting waivers to K-3<sup>rd</sup> class size requirements unless there are:
  - Emergencies or acts of God that impact classroom space or facilities;
  - Unanticipated increases in student population of an individual school above 2% of the ADM of that school;
  - Organizational problems in geographically isolated LEAs in which ADM is less than one and one-half per square mile;
  - Classes organized for a solitary curricular area; or
  - Closures of a charter school.
- Prevents any state funds from contributing to a superintendent's salary (though the local BOE remains liable for the contract) if the SBE determines that superintendent has willfully failed to comply with the above requirements.

80



**S.L. 2015-241 (H.B. 97) – 2015 Appropriations –  
Policy (cont.)**

**Identification of Low-Performing Schools and LEAs  
(Sec. 8A.4.):**

- Requires the SBE to annually identify as low-performing schools those that receive a school performance grade of D or F and a school growth score of "met expected growth" or "not met expected growth."
- Requires superintendents to submit to local BOE an improvement plan for a low-performing school within 30 days, and local BOEs to:
  - Vote on the plan within another 30 days;
  - Submit the plan to the SBE within 5 days of the vote; and
  - Provide access to the plan on the LEA website.
- Requires school to notify parents/guardians in writing of low-performing status, school grade, and information on the improvement plan within 30 days of identification.
- Requires the SBE to annually identify low-performing LEAs as those in which a majority of schools are low-performing.
- Requires the LEA and local BOE to conduct a improvement plan process similar to the one for schools above; written notification must go to all parents/guardians in any LEA school.

81

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations –  
Policy (cont.)**

**SBE Authority to Consolidate Contiguous  
County LEAs (Sec. 8A.5.):**

- Provides the SBE authority to consolidate/merge contiguous county school administrative units or a group of county units where every county touches at least one other county in the group.
- Allows legislative disapproval of a merger if a bill specifically disproving it is introduced in the first 30 days of a legislative session.

82

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Policy (cont.)**

**Limit Local BOE Waivers (Sec. 8A.6.):**

- Prevents the SBE from granting waivers of state laws or rules to local BOEs.
- Only exceptions:
  - Class size, which is itself limited (as previously described).
  - School calendar requirements in order to provide sufficient days to accommodate anticipated makeup days due to school closings.
- Requires the SBE to report to the legislature by October 15 each year with a list of specific waivers granted to each local BOE.
- Begins with the 2015-2016 school year.

83

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Policy (cont.)**

- Cooperative Innovative High Schools (Sec. 8.8)
  - Exempts CIHSs from funding adjustments reflecting legislative salary, retirement, or health benefit changes for school personnel, unless specifically stated by the NCGA.
- Collaborative Procurement (Sec. 8.14)
  - Requires DPI collaborate with the Friday Institute for Educational Innovation to implement public school cooperative purchasing agreements for the procurement of information technology goods/services, allowing collaborative or collective purchases to reduce costs and provide a standard competitive cost throughout NC.
- Vocational Ag Teachers (Sec. 8.22)
  - Prevents LEAs from reducing the term of employment for any vocational agriculture teacher personnel position that was 12 calendar months for the 2014-15 school year and for any school year thereafter.

84

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Policy (cont.)**

- Investing in Innovation Grant (Sec. 8.27)
  - As part of a federal grant, allows 10<sup>th</sup> grade students to take one community college course in Alleghany, Beaufort, Bladen, Duplin, Hertford, Harnett, Jones, Madison, Martin, Richmond, Rutherford, Scotland, Surry, Warren, and Yancey County Schools.
- DPI Study / Students with Disabilities (Sec. 8.30)
  - Requires DPI to study and develop policy changes to improve outcomes for students with disabilities.
- Textbooks and Digital Resources Allotment / Use of Funds (Sec. 8.33)
  - Requires local BOEs to post on website by October 15 each year (1) a description of any transfer of funds from textbooks/digital allotment and an explanation as to why the transfer occurred, and (2) a chart clearly reflecting how the LEA spent state funds.

85

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Policy (cont.)**

- DPI Reorganization (Sec. 8.37)
  - Allows the SBE to reorganize DPI if necessary due to budget cuts.
  - Prevents the SBE from reducing funding for NCCAT, Eastern NC School for the Deaf, NC School for the Deaf, Gov. Morehead School, Communities in Schools of NC, Teach for America, or Beginnings for Parents of Children who are Deaf or Hard of Hearing.
- Educator Preparation Program Approval (Sec. 8.41)
  - Creates extensive new statutes detailing standards for new and lateral entry teachers' education and/or preparation, including minimum undergraduate GPAs and test scores on Praxis or SAT/ACT.
- Teacher Access to EVAAS Data (Sec. 8.42)
  - Requires LEAs to provide teachers access to school-level value-added data, the teacher's own value-added data, when applicable, and the teacher's evaluation dashboard through the Education Value-Added Assessment System (EVAAS).
  - The principal of each school shall notify teachers at least annually when EVAAS data has been updated to reflect teacher performance from the previous year.

86

**S.L. 2015-241 (H.B. 97) – 2015 Appropriations – Policy (cont.)**

- School Board Training (Sec. 8.44)
  - Changes the 12-hour annual training requirement for local BOE members to 12 hours every two years.
- Repeal Extracurricular Duties Restriction for 27+ Year Teachers (Sec. 8.45)
  - Repeals NCGS §115C-47(18a)b., which required local BOE policies preventing assignment of extracurricular activities and minimizing other noninstructional duties assigned to teachers of 27 or more years.
- Licensure for Retired Substitutes with 30+ Years Teaching Experience (Sec. 8.46)
  - Allows continued licensure of teachers with 30+ years teaching who have served as a substitute teacher at least once every 3 years since retirement.
  - Sets standards for such retirees seeking a continuing license at 640 hours of documented substitute teaching each renewal cycle and 8 hours of annual professional development.
  - Applies beginning with the 2015-2016 school year.

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**What to Look For  
(Or Worry About)  
in the Future...**

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## Future Issues...

- **Achievement Districts.**
  - A draft bill has been prepared that would allow control and management of five persistently low-performing schools to be transferred from the local BOE to a third-party operator.
  - Operator would have control of employees and management decisions; BOE would have to provide facilities, other services.
  - Bill could appear at any time.
- **Charter School Fund Sharing Compromise.**
  - The NC School Boards Association and NC Association of School Administrators were working on a compromise with the charter school community on Fund 8 and the sharing of funds between LEAs and charter schools, including a 6-year moratorium on further legislative changes on the issue.
  - Although it was believed agreement was close, the negotiations stalled and it appears unlikely to occur this session.

Cont.

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## Future Issues...

- **Charter School Fund Sharing Compromise.**  
(cont.)
  - On 9/21/15 the Senate Finance Committee passed a Proposed Committee Substitute for H.B. 539, converting it from a school playgrounds bill to one that makes significant changes to Charter School Funding. The bill is on the Senate calendar for approval on 9/22/15. The bill would require LEAs to share the following additional funds with charter schools:
    - Indirect costs including child nutrition
    - Reimbursements except for Medicaid and Medicare for a particular student
    - Fees for actual costs (not including rental fees for facility use)
    - Sales tax revenues regardless of how distributed
    - Gifts and grants that (i) do not expressly exclude charters; (ii) were not expressly restricted by the donor or grantor to an individual school; or (iii) were given or pledged after July 1, 2015
    - Federal appropriations made directly to LEAs
    - Supplemental property tax revenue even if the charter school is located outside the taxing jurisdiction.
  - In addition, this bill would require courts to award liquidated damages in an amount equal to 5% of the amount of money to be awarded in any lawsuit by a charter school seeking funds it believes the LEA should have transferred.

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### Future Issues... (cont.)

- Movement of Retirement Benefits.
  - There is talk around the legislature (particularly on the Senate side) of placing future employees on Defined Contribution Plans (e.g., 401(k)s), rather than Defined Benefit Plans (e.g., traditional pensions).
- Vouchers.
  - Following the recent NC Supreme Court ruling allowing vouchers, expect more funding and other efforts to expand the program in future years.
- Local bills making BOEs partisan.
  - Several local bills in this and recent sessions have sought to switch BOEs from nonpartisan to partisan elections; expect this trend to continue.

Cont.

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### Future Issues... (cont.)

- Nepotism
  - On 9/21/15, a draft of changes to the nepotism provisions in Ratified H.B. 334 (S.L. 2015-XXX) was circulated for possible inclusion in the Technical Corrections Act.
  - Would retain the new requirement for local BOE anti-nepotism policies.
  - Would shift the disclosure burden from the BOE member or LEA administrator to the prospective employee or independent contractor.
  - Would change the definition of administrators to:
    - Superintendent, principal, or individual paid on the salary schedule for central office administrators.
  - Would define "independent contractor" as an individual who:
    1. Has more than a 10% ownership or other interest in an entity that is a party to the contract;
    2. Derives any income or commission directly from the contract; or
    3. Acquires property under the contract.

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## **REMINDERS**

- The General Assembly is still in session.
- Target adjournment is now September 30.
- Pay attention to the Technical Corrections Act that will be passed at the end of the session. It is likely to contain substantive provisions dealing with education law changes.

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**“No man’s life, liberty or property is safe while the legislature is in session.”**

Judge Gideon J. Tucker (1866)

94

**THE END**

*W. W. W.*

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