

# Education

See full summary documents for additional detail

## H242 - Various Charter School Law Changes. (SL 2016-79)

S.L. 2016-79 makes various changes to the statutes governing charter schools and reorganizes several of the statutes pertaining to charter schools.

Review and Renewal of Charters. The act directs the State Board of Education (SBE) to review the operations of a charter school at least once prior to the expiration of its charter. The SBE may renew a charter for a period of less than ten years or not renew the charter at all if one of the following conditions applies: (i) the charter school has not provided financially sound audits for the immediately preceding three years; (ii) the charter school's student academic outcomes for the immediately preceding three years have not been comparable to the academic outcomes of students in the local school administrative unit (LEA) in which the charter school is located; or (iii) the charter school is not in substantial compliance at the time of the renewal request with State or federal law or the charter school's own bylaws or charter.

Material Revisions of Charters. The act gives the SBE the discretion to waive the requirement that the actual enrollment is within 10% of the maximum authorized enrollment when a charter school requests a material revision of its charter because of a proposed capital expansion and has not been able to meet the enrollment requirement. The charter school must provide the SBE with information that demonstrates the following:

- The requested increase in enrollment growth is within a reasonable margin of the threshold necessary to support the material revision.
- The charter school has secured financing for its proposed capital expansion conditioned on obtaining the requested material revision.

If the SBE grants a material revision for enrollment growth based on this evidence and the charter school is not able to realize the capital expansion within two years of the grant of the material revision, the charter school must reflect the maximum authorized enrollment that was in place immediately preceding the material revision.

Non-Material Revisions of Charters. The act recodifies the existing law into a new statute.

Enrollment Priority. The act provides charter two additional enrollment priorities that may be used: (i) students who were enrolled in another charter school in the State in the previous year that does not offer the students' next grade levels; and (ii) students who were enrolled in another charter school in the State in the previous year that does not offer the students' next grade level and both of the charter schools have enrollment articulation agreements to accept students or are governed by the same board of directors.

Information on Per Pupil Shares of Local Current Expense Funds. The act directs LEAs to provide the SBE with the same information they provide to charter schools to which they transfer a per pupil share of the local current expense fund. The SBE is directed to adopt a policy on the collection of this information and issue letters of non-compliance to LEAs if the information is not submitted.

Low-Performing and Continually Low-Performing Charter Schools. The act directs the SBE to identify low-performing and continually low-performing charter schools on an annual basis. Low-performing charter schools are defined as schools that receive a school performance grade of D or F and a school growth score of "met expected growth" or "not met expected growth." Continually low-performing

charter schools are those that have been designated as low-performing for at least two of three consecutive years and the SBE may terminate, not renew, or seek applicants to assume the charters. However, the act provides that the SBE must not terminate or not renew the charter of a continually low-performing charter school solely because of its continually low-performing status if: (i) the charter school has met growth in each of the preceding three school years or (ii) the charter has an approved strategic improvement plan and is making measurable progress toward adequate student performance goals.

Charter School Facilities. The act specifies that a building or land owned by a local board of education is available to be leased to a charter school if it is closed, vacant, or otherwise unused for classrooms, administrative offices, or extracurricular activities. The local board of education must make a decision on the request by the charter school for the building or land within 90 days of the request. If the decision is not made within that time frame, the local board of education must provide a written explanation of its reasons for not acting within the 90 days to the North Carolina Charter Schools Advisory Board and the Joint Legislative Education Oversight Committee.

Fast-Track Charter Application Timelines. The act directs the SBE to decide whether to grant a charter through the fast-track replication process by October 15 of the year immediately preceding the year of the proposed school opening. The SBE must adopt rules and procedures within 90 days of the effective date of this act and must report to the Joint Legislative Education Oversight Committee within 120 days of the effective date of this act. These changes become effective June 30, 2016, and apply beginning with applications submitted for fast-track replication of schools opening in the 2018-2019 school year.

Except as otherwise provided, this act became effective June 30, 2016, and applies beginning with the 2016-2017 school year.

#### **H474 - Exclude Year-Round Track-Out Program/Child Care. (SL 2016-7)**

S.L. 2016-7 adds track-out programs provided to school-age children when they are out of school on a year-round school calendar to the listed exceptions to the statutory definition of "child care."

This act became effective June 1, 2016.

#### **H561 - School System Authority Re: Legal Proceedings. (SL 2016-116)**

S.L. 2016-116 permits, effective October 1, 2016, a state or federal administrative agency with a quasi-judicial function or a court of law to inspect confidential portions of a school employee's personnel file if all of the following apply:

- A current or former employee has filed a claim against the local board of education or a school official or employee for any alleged act or omission arising during the course and scope of the employee's official duties or employment.
- In the discretion of the superintendent or superintendent's designee, disclosure is necessary to adequately defend against the employee's claim.
- Disclosure is limited to that employee's records, and only to the extent necessary for the defense of the local board of education.

The act also provides, effective October 1, 2016, that local boards of education can request the chief district court judge or designee to grant approval for the local board to issue subpoenas for the production of all tangible items in matters where an employee is suspected of committing job-related misconduct and which, in the discretion of the local board, requires investigation. In making the determination to approve the subpoena, the judge must consider the following:

- Whether there is reasonable time for compliance.
- If disclosure of privileged or other protected matter is required and if any exceptions apply to the privilege or protection.
- Whether the person would be subject to undue burdens or expenses.
- Whether the subpoena is otherwise unreasonable or oppressive.

The act also directs the Program Evaluation Division to study the statutory procedures for resolving education funding disputes between local boards of education and boards of county commissioners. The study must include a historical review of funding requests and appropriations; fund balances; past use of mediation and litigation; current impacts on county budgeting procedures; dispute resolution processes in other states where local boards of education are fiscally dependent on other local governments; alternative ways for local boards of education to receive local funds; and recommendations for alternative ways to resolve education funding disputes or modifications to the current process.

Except as otherwise provided, this act became effective July 28, 2016.

### **H632 - Student Online Protection Act. (SL 2016-11)**

S.L. 2016-11 (HB 632) creates a new statute governing the privacy protection of student information held by operators of third-party online educational websites, services, or applications (operators) for K-12 students in a charter school, regional school, or school operated by a local board of education.

Operators are required to:

- Implement and maintain reasonable security procedures and practices to protect covered student information.
- Delete a student's covered information within 45 days if the school or local board of education requests the deletion, unless written consent is provided for the operator to maintain the information.

Operators may use and disclose personally identifiable information in certain circumstances.

Operators are prohibited from:

- Engaging in targeted advertising based on any information acquired because of the use of the operator's site, service, or application.
- Using information to create a profile about a student except for a K-12 school purpose.
- Renting or selling information, except under permissible circumstances.
- Disclosing covered information, except under permissible circumstances.

This act becomes effective October 1, 2016.

## **H742 - Professional Engineer Licensure/Allow School Maintenance Plumbers.**

### **Sec. 4: Allow School Maintenance Plumbers. (SL 2016-105)**

Sec. 4 of S.L. 2016-105 provides that local boards of education may employ personnel who are licensed to perform maintenance and repairs on school property for plumbing, heating, and fire sprinklers.

This section becomes effective October 1, 2016.

The summary for the sections of this act that pertain to professional engineer licensure may be found in the Occupational Boards and Licensing subject area.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 7.14: Governmental Data Analytics Center/Longitudinal Data System Board. (SL 2016-94)**

Sec. 7.14 of S.L. 2016-94 repeals the governing board for the North Carolina Longitudinal Data System and assigns the prior duties of the governing board to the Governmental Data Analytics Center.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 8.5: Drivers Education Program Funds. (SL 2016-94)**

Sec. 8.5 of S.L. 2016-94 repeals a December 31, 2017, sunset for the following drivers education provisions:

- The purpose of the driver education program must be making available public education to all students on driver education safety and training.
- If a local board of education charges a fee for participation, a process for reduction or waiver of the fee must be provided for students unable to pay due to economic hardship.
- A local board of education may not transfer funds into the driver education allotment category.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 8.7: Teacher Compensation Models and Advanced Teaching Roles. (SL 2016-94)**

Sec. 8.7 of S.L. 2016-94 establishes a three-year pilot program (Pilot) to develop advanced teaching roles and organizational models that link teacher performance and professional growth to salary increases for classroom teachers (teachers who work in the classroom providing instruction for at least 70% of the instructional day and who are not instructional support personnel) in selected local school administrative

units (LEAs). The Pilot's purpose is to (i) allow highly effective classroom teachers to be accountable for the performance of a higher number of students or by leading a school-wide effort to implement new instructional models to improve school-wide performance; (ii) enable LEAs to provide salary supplements to classroom teachers in advanced teaching roles; (iii) enable LEAs to create innovative compensation models that focus on classroom teacher professional growth and student outcomes; and (iv) utilize local plans to establish organizational changes related to compensation to sustain evidenced-based teaching practices that can be replicated.

Proposals from local boards of education must be submitted by October 15, 2016, to the State Board of Education (SBE) and the SBE must select up to 10 LEAs by December 15, 2016, as follows: up to 5 LEAs with an average daily membership (ADM) equal to or less than 4,000; up to 3 LEAs with an ADM between 4,001 and 20,000; and up to 2 LEAs with an ADM of 20,001 or more. The selected LEAs must implement their plans beginning with the 2017-2018 school year through the 2019-2020 school year. Funds awarded to the LEAs can be used for (i) salary supplements for advanced teaching roles; (ii) development of advanced teaching role plans; (iii) development of professional development courses; (iv) transition costs associated with designing and implementing advanced teaching role models; and (v) development of the design and implementation of compensation plans that focus on teacher professional growth and student outcomes.

The SBE must contract with an independent research organization to evaluate the Pilot. The independent research organization must report annually beginning October 15, 2017, to the SBE until the conclusion of the Pilot on all aspects of the implementation and evaluation of the Pilot. It must also evaluate the existing Project LIFT program in the Charlotte-Mecklenburg Public Schools and the proposed Project Advance in the Chapel Hill-Carrboro City Schools if that program is implemented. The SBE must provide the annual reports to the General Assembly.

The Department of Public Instruction may use up to \$200,000 for the SBE to contract with an independent research organization for the pilot evaluations. It is the intent of the General Assembly to appropriate \$9.8 million in the 2017-2018 fiscal year to be used for grants for the selected LEAs. LEAs that receive grants under this Pilot may exceed the maximum class size requirements for kindergarten through third grade.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 8.8: Advanced Placement/International Baccalaureate Teacher Bonus Pilot Program . (SL 2016-94)**

Sec. 8.8 of S.L. 2016-94 directs the State Board of Education (SBE) to establish the Advanced Placement/International Baccalaureate Pilot Program (Pilot) to reward teacher performance and encourage student learning and improvement. As part of the Pilot, the Department of Public Instruction must administer bonus pay for two school years to licensed teachers of advanced courses, beginning with data from the 2015-2016 school year, as follows:

- A bonus of \$50 for each student taught by an advanced course teacher in each advanced course who receives the following score:
- A score of three or higher on a College Board Advanced Placement Examination.
- A score of four or higher on an International Baccalaureate course examination.
- A teacher bonus awarded under this Pilot may not exceed \$2000 in any school year.

- Bonuses for advanced course scores for the 2015-2016 and 2016-2017 school years will be payable in January 2017 and January 2018 respectively to qualifying advanced course teachers who remain employed teaching advanced courses in the same local school administrative unit at least from the school year the data is collected until the corresponding school year that the bonus is paid. The bonuses are not considered compensation under the Teachers' and State Employees' Retirement System.

The SBE must report on and study the Pilot as follows:

- The amount of bonuses awarded to advanced course teachers, including the amount awarded for Advanced Placement courses and the amount awarded for International Baccalaureate Diploma Programme courses, to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Fiscal Research Division by March 15, 2017, and again by March 15, 2018.
- The effect of the Pilot on advanced course teacher performance and retention to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee by March 15, 2018.

This section became effective July 1, 2016, and expires June 30, 2018.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 8.9: Industry Certifications and Credentials Teacher Bonus Pilot Program. (SL 2016-94)**

Sec. 8.9 of S.L. 2016-94 requires the State Board of Education (SBE), in collaboration with the Department of Commerce (Commerce), to establish the Industry Certifications and Credentials Teacher Bonus Pilot Program (Pilot). Commerce, in consultation with the SBE, must assign a value ranking of \$25 or \$50 for industry certifications or credentials (certifications) based on academic rigor and employment value. The 2-year Pilot would provide bonus pay of \$25 or \$50, based on the certification value ranking, per student to those teachers providing direct instruction in courses that led to the student's attainment of certifications.

A teacher bonus awarded under this Pilot may not exceed \$2,000 in any given school year. Data from the 2015-2016 school year must be used to award bonuses in January 2017, and data from the 2016-2017 school year must be used to award bonuses in January 2018. The teacher must be employed at the time bonuses are awarded to receive the bonus, and bonuses are not compensation for purposes of the retirement system.

The SBE must study and report to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Fiscal Research Division on the Pilot as follows:

- By March 15, 2017, on the amount of bonuses awarded.
- By March 15, 2018, on the amount of bonuses awarded and the effect of the Pilot on teacher performance and retention. The Joint Legislative Education Oversight Committee must also receive this report.

This section became effective July 1, 2016, and expires June 30, 2018.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 8.11: Certain Cooperative Innovative High Schools Operating without Additional Funds. (SL 2016-94)**

Sec. 8.11 of S.L. 2016-94 provides that, beginning with the 2016-2017 school year and for subsequent school years thereafter, the following schools can operate as cooperative innovative high schools even though they were not provided with additional operating funds:

- Alamance Burlington Early College.
- Alexander Early College.
- Cabarrus Early College of Technology.
- Camden Early College.
- Chatham County School of Science and Engineering.
- City of Medicine Cooperative Innovative High School.
- Gaston Early College High School.
- Hillside New Tech Cooperative Innovative High School.
- Johnston County Career and Technical Academy.
- Northampton County New Tech Early College.
- Person Early College for Innovation and Leadership.
- Stanly County School of Engineering and Design.
- Wayne School of Engineering at Goldsboro High School.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 8.12: Report for Schools for Students with Visual and Hearing Impairments/Foreign Exchange Students. (SL 2016-94)**

Sec. 8.12 of S.L. 2016-94 directs superintendents of local school administrative units to require that parents of hearing or visually impaired children be asked for written consent to release their contact information and information regarding their child and the child's impairment to the Governor Morehead School for the Blind, the Eastern North Carolina School for the Deaf, and the North Carolina School for the Deaf so that the parents can receive more information on the services offered by those schools. The superintendents must report the names and addresses of parents who provide the written consent to the directors of each of the three schools and include information on the type of disability of each child. This report must also be submitted to the Department of Public Instruction. This information must be kept confidential by the receiving schools, however, the parents who provided written consent and whose information was in the report may be contacted by the schools receiving the reports.

This section also provides that the Governor Morehead School for the Blind, the Eastern North Carolina School for the Deaf, and the North Carolina School for the Deaf may enroll a foreign exchange student and charge the student the full, unsubsidized per capita cost of education at the school for the period of the student's attendance. If a school seeks to enroll foreign exchange students, it must first submit a plan to the State Board of Education for approval, including the proposed costs to be charged to the students for attendance and information on compliance with federal laws. Foreign exchange students on "F" student visas may only be enrolled in grades 9 through 12 for a maximum of 12 months.

This section became effective July 1, 2016, and applies beginning with the 2016-2017 school year. Local superintendents must present the consent form by October 1, 2016, and make the first report of the contact and disability information by November 30, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 8.13: Virtual Charter School Changes. (SL 2016-94)**

Sec. 8.13 of S.L. 2016-94 makes the following changes to the virtual charter school pilot program:

- A participating virtual charter school may administer tests to multiple grade levels at the same time and in the same location.
- A participating virtual charter school may contract with a test administrator who is not employed by the board of directors of the school and meets the following criteria:
  - Holds a valid North Carolina teaching license.
  - Passes a criminal history check performed by the school.
  - Is trained to administer a test in accordance with the North Carolina Testing Program.
- Decreases the amount of a participating virtual charter school's teaching staff that must reside in the State from 90% to 80%.
- Modifies the criteria for measuring a participating virtual charter school's student withdrawal rate to exclude the following:
  - Students who regularly failed to participate in courses who are withdrawn under the procedures adopted by the school.
  - Students no longer qualified under State law to attend a North Carolina public school, including relocation to another state.
  - Students who: (i) withdraw from school because of a family, personal, or medical reason, and (ii) notify the school of the reason for withdrawal.
  - Students who withdraw from school within the first 30 days following the date of enrollment.

This section became effective July 1, 2016, and applies beginning with the 2016-2017 school year.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 8.16: International Exchange Teacher Funds. (SL 2016-94)**

Sec. 8.16 of S.L. 2016-94 allows positions for classroom teachers to be converted to dollar equivalents to contract for visiting international exchange teachers (VIETs) through a VIET program approved by the State. The converted funds may only be used to provide VIETS with salaries commensurate with their experience levels, to provide any State-approved bonuses, and to cover costs associated with supporting VIETs, including programming and related activities, background checks, medical coverage, and other program administration services in accordance with federal regulations for the Exchange Visitor Program.

This section became effective July 1, 2016.



## **H1030 - 2016 Appropriations Act.**

### **Sec. 8.19: Modify School Performance Grades Scale for Three School Years. (SL 2016-94)**

Sec. 8.19 of S.L. 2016-94 extends the use of the 15-point scale for assignment of A-F school performance grades for the 2016-2017, 2017-2018, and the 2018-2019 school years. The scale is as follows:

- A school performance score of at least 85 is a school performance grade of A.
- A school performance score of at least 70 is a school performance grade of B.
- A school performance score of at least 55 is a school performance grade of C.
- A school performance score of at least 40 is a school performance grade of D.
- A school performance score of less than 40 is a school performance grade of F.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 8.21: Pilot Program to Raise the High School Dropout Age from Sixteen to Eighteen. (SL 2016-94)**

Sec. 8.21 of S.L. 2016-94 directs the State Board of Education (SBE) to authorize the Hickory Public Schools, the Newton-Conover City Schools, and the Rutherford County Schools to establish and implement a pilot program to increase the high school dropout age from 16 to the completion of a school year coinciding with the calendar year in which a student reaches 18 years of age, unless the student has previously graduated from high school. However, the SBE may not authorize a pilot program in Catawba County before it receives a copy of a joint resolution adopted by the boards of education for the Hickory Public Schools and the Newton-Conover City Schools setting forth a date to begin establishment and implementation of the pilot program. Additionally, the SBE may not authorize a pilot program in Rutherford County before it receives a copy of a resolution adopted by the board of education for the Rutherford County Schools setting forth a date to begin establishment and implementation of the pilot program.

The local boards of education of these local school administrative units (LEAs) must prescribe specific rules to address when a student who is 18 years of age can be excused from attendance. An example would be enlistment in the Armed Forces. The LEAs can use any funds available to implement the pilot program to employ up to three additional teachers and fund additional student-related costs such as transportation and technology costs. The LEAs may also use any available funds to operate a night school program for students at-risk of dropping out of high school. To the extent possible, the Hickory Public Schools and Newton-Conover City Schools must partner with Catawba Valley Community College and Rutherford County Schools must partner with Isothermal Community College in administering the pilot program.

The LEAs, in collaboration with the SBE, must report to the Joint Legislative Education Oversight Committee, the House Appropriations Subcommittee on Education, and the Senate Appropriations Committee on Education/Higher Education on or before January 15, 2018, and by January 15 of each even-numbered year thereafter until the end of the pilot programs. The report must contain all of the following information:

- An analysis of the graduation rate in each LEA and the impact of the pilot program on the graduation rate.
- The teen crime statistics for Catawba County and Rutherford County.
- The number of reported cases of violations of compulsory attendance laws in Catawba County and Rutherford County and the disposition of those cases.
- Implementation of enforcement mechanisms for violations of the compulsory attendance law and the disposition of those cases.
- The number of at-risk students served in any night programs established as part of the pilot program and student graduation and performance outcomes for those students.
- All relevant data to assist in determining the effectiveness of the program and specific legislative recommendations, including the continuation, modification, or expansion of the program statewide.

This section became effective July 1, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 8.24: Local Board Report on School Start and Release Times. (SL 2016-94)**

Sec. 8.24 of S.L. 2016-94 requires, as part of the Uniform Education Reporting System, each local board of education to report to the State Board of Education on the start and release times for each school under control of the local board of education. Local boards of education must submit an initial report by October 1, 2016, on start and release times for the 2011-2012 through 2016-2017 school years.

This section became effective July 1, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 8.27: Alternative Teacher Preparation Program. (SL 2016-94)**

Sec. 8.27 of S.L. 2016-94 directs the State Board of Education (SBE) to establish a Request for Proposal (RFP) for up to five local alternative teacher preparation programs (LATP programs) administered by local boards of education to prepare, support, and recommend initially licensed lateral entry teachers for continuing licensure. The SBE must issue the RFP to local boards of education by September 15, 2016, and include the following criteria: program of study requirements; mentoring and support requirements; and minimum program size.

Proposals must be submitted to the SBE by January 6, 2017, and include detailed information on the estimated costs, including a cost per teacher participant and anticipated funding sources for the operation of the LATP program. The SBE must select up to five proposals by March 15, 2017, based on program quality, viability, and use of evidence-based principles in program design. The selected LATP programs must be implemented beginning with the 2017-2018 school year and ending with the 2021-2022 school year.

The selected LATP programs must meet prescribed annual benchmark standards and LATP programs that fail to meet any of the benchmark standards must be terminated by the SBE.

This section directs SBE to contract with an independent research organization to evaluate how the LATP programs have accomplished the following:

- Recruitment of lateral entry teachers into the classroom.
- Retention rates for lateral entry teachers beyond initial licensure.
- Quality of classroom instruction by lateral entry teachers prepared through the LAMP program as compared to those prepared by traditional teacher education programs as demonstrated by multiple measures, including student performance.
- Teacher vacancy rates in local school administrative units participating in the LAMP program as compared to similarly situated local school administrative units.
- Funding mechanisms used to support the LAMP program, including sources and stability of funding.
- Recommendations regarding the continuation, expansion, or elimination of LAMP programs.

The independent research organization must report annually to the SBE beginning October 15, 2017, on the progress of the LAMP programs, with an initial evaluation report due by October 15, 2020, and a final report due by October 15, 2022, on all aspects of implementation and evaluation. The SBE must provide the report to the Joint Legislative Education Oversight Committee by December 15, 2020, and by December 15 of each year through 2022.

The Department of Public Instruction (DPI) must issue licenses to all individuals who: (i) successfully complete LAMP programs, (ii) are recommended by the local board of education, and (iii) otherwise meet licensure requirements. If an initially licensed lateral entry teacher leaves a local board of education with a LAMP program before completing the program and is hired by another local board of education, that teacher must receive credit for any work successfully completed in the LAMP program. The DPI may use up to \$200,000 in the 2016-2017 fiscal year for the SBE to contract with the independent research organization. Any remaining funds must be used to award one-year grants to each LAMP program selected for implementation purposes, with the awards being a proportional amount of the funds available.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 8.29: Teacher Assistant Tuition Reimbursement Pilot Program. (SL 2016-94)**

Sec. 8.29 of S.L. 2016-94 establishes a pilot program for the local boards of education of the Anson, Franklin, Moore, Richmond, and Scotland counties school administrative units to provide tuition assistance awards to part-time or full-time teacher assistants working in these local school administrative units (LEAs) to pursue a college degree that will result in teacher licensure. The tuition assistance may be provided for part-time or full-time coursework and academic leave may be granted for coursework that can only be taken during working hours. A teacher assistant who receives an award under the pilot program must fulfill the student teaching requirements of an educator preparation program by working in the teacher assistant's employing LEA.

Each local board of education participating in the pilot program may select up to 5 teacher assistants to receive an award of up \$4,500 per academic year for a period of up to 4 years to be used towards the cost of tuition and fees to attend an educator preparation program. Priority for the awards must be given to teacher assistants who received a tuition assistance award for the previous academic year and who is making satisfactory academic progress towards achieving teacher licensure.

The local board of education must (i) set the criteria for the application and selection for the tuition assistance awards and (ii) have a memorandum of understanding with the institution of higher education in which a recipient of the award is enrolled that includes specific procedures.

The participating local boards of education must report the results of the pilot program to the Joint Legislative Education Oversight Committee by September 1, 2017, and annually thereafter, on:

- The number and amount of funds in tuition assistance awards provided to teacher assistants.
- The number of teacher assistant recipients who achieved teacher licensure, including the period of time from the issue of an initial tuition assistance award to the time of achieving licensure.
- The number of recipients who remained employed in the LEA after achieving teacher licensure.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 8.32: School Notification Requirements/Teacher Employment/Licensure Changes and Beginning Teacher Support. (SL 2016-94)**

Sec. 8.32 of S.L. 2016-94 makes the following changes:

- Requires the State Board of Education (SBE) to provide written notification to the General Assembly of its intent to conduct a mandatory student or parent survey, either statewide or in any local school administrative unit (LEA), and a copy of the survey. The Department of Public Instruction (DPI) must also notify superintendents of plans to conduct a parent or student survey in an LEA and give the superintendents an opportunity to provide feedback prior to administration of the survey.
- Requires local boards of education (local boards) to notify the SBE by September 1 annually of any local testing to be administered in the LEA, a calendar of those tests, and the source of funds for the local testing program. The SBE is required to report to the Joint Legislative Education Oversight Committee (JLEOC) by October 15 annually on statewide administration of the testing program and a summary of local testing programs.
- Requires the SBE to develop minimum criteria for qualifications of adjunct instructors in each career and technical education career cluster. Local boards may hire qualified individuals to serve as adjunct instructors on an annual or semester basis, subject to the following requirements for the instructor:
  - May be employed for no more than 10 hours a week.
  - Is subject to a criminal history check.
  - Is not required to hold or apply for licensure as a teacher.
  - Has completed the preservice training required for lateral entry teachers.
- For applications submitted on or after July 14, 2016, requires teachers employed by local boards to show evidence of a rating of at least proficient on the teacher's most recent annual evaluation to maintain a continuing license. A teacher who does not satisfy this requirement, but has been placed on a mandatory improvement plan, may receive an initial degree license if the teacher satisfies other licensure requirements.
- For applications submitted on or after July 14, 2016, requires applicants with an out-of-state license to provide evidence of that teacher's effectiveness, when available, as measured by the state of current licensure, including any growth measures. Out-of-state license applicants who provide this information receive priority in review of applications over out-of-state license applicants who do not provide this information. An out-of-state license applicant that does not include the information is only eligible for an initial degree license.
- Requires that mentor teachers participating in the mentor teacher training program be rated as at least "accomplished" on the North Carolina Teacher Evaluation System and have met expectations for student growth.

- Requires that students in educator preparation programs have field experiences in every semester, and that the number of hours increase in each semester prior to the student's residency or internship. All programs must also include a field experience in a low-performing school for at least one semester.
- Requires that teachers that have been licensed for less than two years must be observed at least three times annually by the principal or the principal's designee, at least once annually by a teacher, and at least once annually by a principal. At least two of those observations must be conducted in the first semester of the school year, and if practicable, at least one observation in the first grading period of the school year.

This section became effective July 14, 2016, and applies beginning with the 2016-2017 school year.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 9.3: No Pay Loss for Break in Service or for Teachers Who Become Principals. (SL 2016-94)**

Sec. 9.3 of S.L. 2016-94 provides that a teacher who becomes an assistant principal must be paid at least as much as the teacher would earn as a teacher in that local school administrative unit (LEA) even if there was a break in service between the two positions. An assistant principal who becomes a principal must also be paid at least as much as the assistant principal would earn as an assistant principal in that LEA even if there was a break in service between the two positions.

A teacher who becomes a principal must also be paid at least as much as the teacher would earn as a teacher in that LEA.

This section became effective July 1, 2016, and cannot be construed to modify the compensation of persons initially employed as principals or assistant principals prior to July 1, 2016, for work performed prior to July 1, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 9.4: Joint Legislative Study Committee on School-Based Administrator Pay. (SL 2016-94)**

Sec. 9.4 of S.L. 2016-94 establishes the Joint Legislative Study Committee on School-Based Administrator Pay (Committee), a six-member Committee directed to study and make recommendations on:

- The feasibility of revising the school-based administrator salary schedule, and whether revisions are needed.
- The process of recruiting and retaining principals in the State as compared with the process of recruiting and retaining executives in other professions.
- Strategies for recruiting and retaining the most qualified principals in low-performing and hard-to-staff schools.

The Committee must submit a final report on the results of the study, including any proposed legislation, to the General Assembly and the Joint Legislative Education Oversight Committee, on or before

December 31, 2016. The Committee will terminate on December 31, 2016, or upon the filing of its final report, whichever occurs first.

This section became effective July 1, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 10.1: Update Performance Measures. (SL 2016-94)**

Sec. 10.1 of S.L. 2016-94 changes mandatory performance measures for community colleges by adding measures of the success rate of students in credit-bearing English and Math courses, and removes measures related to attainment of adult high school equivalency diplomas by students and success of developmental students in subsequent college level English and Math courses.

This section became effective July 1, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 10.3: Youth Apprenticeship Tuition Waiver. (SL 2016-94)**

Sec. 10.3 of S.L. 2016-94 authorizes the State Board of Community Colleges to waive tuition and registration fees for courses provided to students who are participating in an apprenticeship program that meets the following criteria:

- Is a registered apprenticeship program recognized by the United States Department of Labor.
- Has a documented plan of study with courses relating to a job-specific occupational or technical skill.
- Requires the participants in the program to be high school students when entering the program.

This section became effective July 1, 2016, and applies beginning with the 2016 fall academic term.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 10.4: Tuition Waiver/Firefighters and Emergency Medical Services Personnel on Military Installations. (SL 2016-94)**

Sec. 10.4 of S.L. 2016-94 allows the State Board of Community Colleges (SBCC) to waive tuition and registration fees for firefighters, EMS personnel, and rescue and lifesaving personnel whose duty station is located on a military installation within the State for courses that support their organizations' training needs and are approved for this purpose by the SBCC. This section also clarifies that federal law enforcement officers, firefighters, EMS personnel, and rescue and lifesaving personnel whose permanent duty station is within the State and who do not otherwise qualify for the tuition and registration fee waiver are eligible for the in-State resident community college tuition rate for courses that support their organizations' training needs and are approved for the purpose by the SBCC.

This section became effective July 1, 2016, and applies beginning with the 2016 fall academic term.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 11.1: Expand Internships and Career-Based Opportunities for Students Attending Historically Black Colleges and Universities (HBCU). (SL 2016-94)**

Sec. 11.1 of S.L. 2016-94 requires the Board of Governors, for the 2016-2017 school year, to conduct a competitive process to select historically black colleges and universities (HBCUs) to participate in the internship program linking 95 students attending HBCUs with North Carolina companies.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 11.2: Modify North Carolina Guaranteed Admissions Program (NCGAP). (SL 2016-94)**

Sec. 11.2 of S.L. 2016-94 modifies the provisions of the North Carolina Guaranteed Admissions Program (NCGAP). It directs the President of The University of North Carolina (President), in consultation with the Board of Governors of The University of North Carolina, to adopt a plan to improve student completion of baccalaureate degrees that includes specific targets for each constituent institution's completion rates and is effective for the 2017-2018 academic year. "Completion rates" may include the four and six year graduation rate of first-time, full-time freshman or other methods of measuring completion that can more accurately capture the success of each institution's undergraduate population. The plan must allow for a variety of strategies designed to meet the individual constituent institution's needs including redesigned courses, early alert systems, and tutoring. The President must report on the plan to improve the student completion rates to the Joint Legislative Education Oversight Committee, the Fiscal Research Division, and the Office of the State Budget and Management by January 1, 2017.

In addition, this section changes the implementation date for NCGAP at each constituent institution to the 2017-2018 fiscal year and applied to each constituent institution's admissions process for the 2018-2019 academic year and each subsequent year if the plan presented by the President is not implemented.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 11.4: Access to Affordable College Education. (SL 2016-94)**

Sec. 11.4 of S.L. 2016-94 establishes several different programs and directives as follows:

Fixed Tuition Payment Program. A fixed tuition payment program (Program) is established under which the rate of tuition is guaranteed for any freshman or transfer undergraduate student who is admitted to any constituent institution of The University of North Carolina (UNC) and is a North Carolina resident for tuition purposes.

The Program has the following components: (i) a guarantee that the approved rate of tuition approved will remain constant or decrease during the tuition period; (ii) prescribed tuition periods based on the length of

the student's academic program; (iii) a student's continued enrollment during the entire tuition period; and (iv) at the end of the tuition period, the cost of the tuition for any additional academic semesters reverts to the amount of the current tuition for that constituent institution and a tuition surcharge, if applicable.

The tuition period may be tolled if the student is able to show a substantial disruption or interruption in the student's pursuit of a degree. The Board of Governors (BOG) must adopt the policies needed to implement the Program and determine the fixed tuition rates and periods for undergraduate transfer students who are North Carolina residents for tuition purposes.

The Program applies beginning with the 2016 fall academic semester for the rate of tuition for freshman and transfer students who enroll at a constituent institution.

Cap on Student Fees. The BOG and the Board of Trustees at each constituent institution can increase the cumulative total of all undergraduate student fees approved by either the BOG or the Board of Trustees by no more than 3% each academic year.

The cap on student fees applies beginning with the 2017-2018 academic year and the student fees charged for the 2016-2017 academic year must be the baseline used to determine the amount of the 3% increase in student fees allowed for the 2017-2018 academic year.

NC Promise Tuition Plan and "Buy Down." The NC Promise Tuition Plan directs the BOG, beginning with the fall 2018 academic semester, to set the rate of undergraduate tuition for Elizabeth City State University, the University of North Carolina at Pembroke, and Western Carolina University at \$500 per academic semester for students who are North Carolina residents and \$2,500 per academic semester for nonresident students.

The State must "buy down" the amount of any financial obligation resulting from the lower established tuition rate that may be incurred the aforementioned constituent institutions. Beginning with the 2018-2019 fiscal year, the Director of the State Budget (Director) must determine for every fiscal year the amount required to offset the forgone tuition receipts at each of the three constituent institutions in the NC Promise Tuition Plan. The Director must authorize an increase in the base budget of UNC of up to \$40 million each fiscal year to cover the cost of the "buy down" for that fiscal year and must allocate the appropriate amount to each of the three constituent institutions. These authorized increases in the base budget of UNC will not be included in the calculation of its projected enrollment growth.

By January 16, 2017, the BOG must develop and implement a marketing strategy designed to increase enrollment at Elizabeth City State University and to effectively market the NC Promise Tuition Plan at that campus.

Evaluation of Admissions Cap on Nonresident Students. The BOG must consider what effect, if any, the elimination of or an increase in the current cap of 18% on enrollment of nonresident students entering the freshman class would have regarding student applications at Elizabeth City State University, the University of North Carolina at Pembroke, and Western Carolina University. If the BOG determines that eliminating or increasing the cap may increase the number, academic strength, and diversity of student applications at these institutions, then the BOG may adopt a policy that eliminates or establishes a different cap and the period of time for which the modification of the cap would be implemented.

Cheatham-White Scholarships. The Cheatham-White Scholarships (Scholarships) are established as merit scholarship programs at North Carolina Agricultural and Technical State University (NC A&T) and North Carolina Central University (NCCU). The Scholarships are fully funded, four-year scholarships that cover the cost of all of the following: full tuition, student fees, housing, meals, textbooks, laptop, supplies, travel, and personal expenses and also provides for four summers of fully funded enrichment and



networking opportunities that can include international travel and study. The funds appropriated each year to the Scholarships must be matched by non-State funds.

Up to 50 Scholarships may be awarded to students at each institution each academic year with 40 for North Carolina residents and 10 for nonresidents and will be selected based on academic merit, honorable character, outstanding leadership potential, and a demonstrable commitment to service. Financial need is not a consideration. All North Carolina high schools are eligible to nominate students to be considered as candidates for the Scholarships.

The University of North Carolina General Administration will administer the Scholarships, in consultation and collaboration with NC A&T and NCCU, under the policies adopted by the Boards of Trustees of both institutions, and in accordance with the criteria prescribe in this section.

Students may be nominated for the Scholarships during the 2017-2018 academic year, and recipients of the Scholarships may enroll at the constituent institution beginning with the 2018 fall academic semester.

Except as otherwise provided, this section became effective July 1, 2016, and applies to the 2016 fall academic semester and each subsequent academic semester.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 11.6: The University of North Carolina Teacher and Principal Preparation Program Lab School for K-8 Students. (SL 2016-94)**

Sec. 11.6 of S.L. 2016-94, as amended by Sec. 4.5 of S.L. 2016-123, creates The University of North Carolina Laboratory Schools (lab schools). Lab schools are public schools serving students in kindergarten through eighth grade that are established by a designated constituent institution of The University of North Carolina with an education preparation program and located in a local school administrative unit (LEA) that has 25% or more low-performing schools. The mission of the lab schools is to provide an enhanced education program for students residing in those LEAs and to provide exposure and training for teachers and principals to successfully address challenges existing in high-needs school settings.

The Board of Governors of The University of North Carolina (BOG) must select eight constituent institutions to establish lab schools based on the annual performance measures for those schools' educator preparation programs. Four of the schools must open in the 2017-2018 school year, and four must open in the 2018-2019 school year. The BOG and constituent institutions must adopt a plan for the location of the lab schools that provides geographic diversity and limits one lab school per LEA. The plan must be submitted 90 days prior to implementation to the Joint Legislative Commission on Governmental Operations. For the initial eight schools, the plan must be submitted by November 1, 2016.

The board of trustees of the constituent institution must adopt a resolution creating the lab school that includes the name of the school, location, and a term of operation of five years, which may be renewed for an additional five years under certain conditions. For the initial establishment of the lab schools, resolutions must be adopted no earlier than April 1, 2017. The resolution must be filed with and approved by the State Board of Education (SBE). A plan must also be adopted for dissolution of a lab school.

The board of trustees of the constituent institution must oversee the lab school, including establishing an advisory board, the academic program for the school, and standards of performance and conduct for the

school. Food and transportation services for the school will be provided by the LEA in which the school is located.

Students who reside in and are enrolled in a low-performing school in the LEA in which the lab school is located may apply to attend the lab school, with priority enrollment given based on certain factors. No local board of education may require a student to attend a lab school.

Employees of the lab school are appointed by the board of trustees. Principals may be contracted with for no more than three years, and must be licensed, unless waived by the SBE. Faculty members may serve simultaneously as instructional personnel for the lab school and the constituent institution. Teachers may be contracted with, and at least 50% of teachers must be licensed, unless waived by the SBE. Boards of trustees must conduct criminal history checks for members of the board of trustees, members of the advisory board, and employees and independent contractors of the lab school.

Lab schools must be provided State and local funding similar to funding for charter schools, except for the State allocation for transportation.

The BOG, in conjunction with the constituent institutions operating lab schools and the SBE, must review and evaluate the educational effectiveness of the lab schools for both public school students and students enrolled in educator preparation programs. The BOG must submit an initial report on the progress of establishing the lab schools by November 15, 2017, to the Joint Legislative Education Oversight Committee (JLEOC). The BOG must report annually beginning November 15, 2018, on the lab schools to the JLEOC, including the following information:

- Public school student enrollment in lab schools, including student demographics.
- Public school student admissions process and number of students enrolled under the priority admissions category.
- Public school student achievement data, including performance grades, achievement scores, and student growth.
- Academic progress as measured against the prior school year and against other schools in the LEA and statewide.
- Outcomes for those enrolled in the educator preparation program who obtained clinical experience in the lab schools, including performance elements for those programs.
- Best practices from lab school operations.

This section became effective July 1, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 11.7: Repeal Limit on Use of State Funds for The University of North Carolina Advancement Activities. (SL 2016-94)**

Sec. 11.7 of S.L. 2016-94 repeals the limit on the use of State funds for advancement programs at the constituent institutions of The University of North Carolina.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 11.8: Establish North Carolina Policy Collaboratory at the University of North Carolina at Chapel Hill . (SL 2016-94)**

Sec. 11.8 of S.L. 2016-94 directs that the \$1 million in recurring funds appropriated to the Board of Governors of The University of North Carolina (The University) for the 2016-2017 fiscal year to establish and operate a North Carolina Policy Collaboratory at the University of North Carolina at Chapel Hill must be used to create a Collaboratory that facilitates the dissemination of the policy and research expertise of The University for practical use by State and local government.

The Collaboratory:

- Must conduct research on natural resources management, including research related to the environmental and economic components of the management of the natural resources within the State and of new technologies for habitat, environmental, and water quality improvement.
- Must develop and disseminate relevant best practices to interested parties.
- May lead or participate in projects across the State related to natural resource management.
- May make recommendations to the General Assembly.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 11A.2: Modifications to the Special Education Scholarship Grant Program for Children with Disabilities. (SL 2016-94)**

Sec. 11A.2 of S.L. 2016-94 amends the special education scholarship grant program for children with disabilities (scholarships). It expands the list of eligible students to include: (i) a child that was enrolled during the previous semester in a Department of Defense Elementary and Secondary School that is located in the State; (ii) a child whose parent or legal guardian is on full-time duty status in the United States Armed Services, including members of the National Guard and Reserve on active duty orders; and (iii) a child who has been domiciled in the State for at least six months. The students must meet all of the other eligibility criteria as well.

The State Education Assistance Authority (SEAA) is directed to award the scholarships in the following priority:

- First priority must be given to eligible students who received a scholarship during the previous semester.
- Next priority are eligible students who are:
- Enrolled in a North Carolina public school or a Department of Defense Elementary and Secondary School located in the State during the previous semester;
- Received special education or related services through the North Carolina public schools as a preschool child with a disability during the previous semester;
- Identified as children with disabilities prior to the end of the year of initial enrollment in kindergarten or first grade.

- Children whose parents or legal guardians are on full-time duty status in the United States Armed Services, including members of the National Guard and Reserve on active duty orders.
- Last priority is for eligible students who have been domiciled in the state for at least six months.

The SEAA must disburse the scholarship funds awarded to eligible students for tuition at a nonpublic school based upon the method selected by the nonpublic school of either scholarship endorsement or reimbursement for tuition. For the scholarship endorsement for tuition option, the SEAA must remit twice during each school year the scholarship funds awarded to eligible students for endorsements by the students' parents or guardians. The scholarship funds must be restrictively endorsed for deposit into the account of the school and the endorsement must be made in person at the site of the school. For the reimbursement for tuition option, the parents or guardians must pay tuition directly to the school deemed eligible by the Division of Nonpublic Education in the Department of Administration. After which, SEAA must reimburse the parents or guardians no sooner than the midpoint of each semester.

Any unexpended scholarship funds at the end of each fiscal year revert to the General Fund, except that the SEAA may carry forward to the next fiscal year an amount needed to ensure that any outstanding allowable reimbursements can be disbursed. Any funds carried forward for the purpose of meeting anticipated reimbursement obligations from the prior fiscal year that are not expended cannot be used to award additional scholarships but must revert to the General Fund at the end of that fiscal year.

This section also adds a psychiatrist to the list of professionals that may assess a student's continued eligibility for the scholarship after reviewing the appropriate medical and educational records. Finally, the annual report on the scholarship grant program for children with disabilities must also include information on the number of applicants by eligibility type and total number of scholarships awarded by priority type.

This section became effective July 1, 2016, and applies beginning with the 2016-2017 school year.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 11A.4: Transforming Principal Preparation/Clarify Requests For Proposal Grants. (SL 2016-94)**

Sec. 11A.4 of S.L. 2016-94 as amended by Sec. 4.3 of S.L. 2016-123, makes the following changes to the grant program for principal preparation:

- Authorizes the nonprofit corporation administering the program to issue additional requests for proposals for grant applications as it deems necessary and subject to availability of funds.
- Requires grant recipients to annually report on the percentage of program completers who are school leaders who remained employed in a North Carolina public school for two or more years after initial placement.
- Requires the nonprofit corporation administering the program to report annually to the Joint Legislative Education Oversight Committee, as well as the State Board of Education, on data collected from grant recipients.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 12B.5: State Agency Collaboration on Early Childhood Education/Transition from Preschool to Kindergarten. (SL 2016-94)**

Sec. 12B.5 of S.L. 2016-94 directs three initiatives pertaining to a child's transition from preschool to kindergarten as follows:

1. Directs the Department of Health and Human Services (DHHS), in consultation with the Department of Public Instruction (DPI) and other agencies or organizations that administer, support, or study early childhood education, to collaborate on an ongoing basis, to develop and implement a statewide vision for early childhood education. The agencies must develop a comprehensive approach to early childhood education, birth through 3rd grade, create cross agency accountability, and consider the NC Pathways to Grade-Level Reading to monitor and measure success of early childhood education systems. The agencies and organizations must report their findings and recommendations, including any legislative proposals resulting from the initiative, to the Joint Legislative Oversight Committee on Health and Human Services (HHS Oversight) and the Joint Legislative Education Oversight Committee (Ed Oversight) as follows: an initial report must be made by January 1, 2017; a follow up report must be made by January 1, 2018; and subsequent reports may be made annually, on or before January 1, as needed.
2. Directs DHHS, in consultation with DPI, to recommend that both NC Pre-K teachers and preschool teachers in 4- and 5-star rated facility classrooms prepare a preschool-to-kindergarten transition plan for each child who receives assistance through the NC Pre-K program or the Child Care Subsidy Assistance Program transitioning to kindergarten. The transition plan must document the child's strengths and needs based on the 5 Goals and Developmental Indicator domains for children's developmental and learning progress. DHHS must report on the implementation of the transition plan, including findings, recommendations, and any legislative proposals, to the HHS Oversight and Ed Oversight committees on or before December 15, 2016. It is the intent of the General Assembly that this plan be utilized until such time as the standardized program to transition children from preschool to kindergarten is developed and implemented.
3. Directs DHHS, in consultation with DPI, to develop a standardized program to transition children from preschool to kindergarten that incorporates criteria set out in the section. DHHS must report on its development of the standardized transition program to the HHS Oversight and Ed Oversight committees on or before January 1, 2017.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 12E.2: Healthy Out of School Time (HOST) Recognition Program. (SL 2016-94)**

Sec. 12E.2 of S.L. 2016-94, as amended by Sec. 5.10 S.L. 2016-123, established the "Healthy Out-of-School Time (HOST) Recognition Program" to be administered by the Division of Public Health (DPH) in the Department of Health and Human Services, and in collaboration with the North Carolina Center for After School Programs based in the Public School Forum. This section directs DPH to develop a process, through its Web site, for an out-of-school time program that meets the National Institute on Out-of-School Time Healthy Eating and Physical Activity Standards (HEPA Standards) and provide all resources and links that a program may employ to implement and provide verification of self-assessments for

programs applying for recognition. DPH must review and, as necessary, update the program standards to reflect advancements in nutrition science, dietary data, and physical activity that are consistent with nationally recognized guidelines for out-of-school time programs.

DPH is authorized to certify out-of-school time programs that meet HEPA standards; certificates are valid for one calendar year. DPH must have information about the program available for review by a parent at both the physical school and on the program's Web site, if applicable. Any out-of-school time program must maintain records of documents signed by all parents acknowledging that they are aware of the HOST Recognition Program requirements.

This section directs DPH to maintain and update a list of qualified out-of-school time programs on the Division's Web site that includes the date of qualification for each program.

This section became effective July 1, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 12I.1: Study Establishment of Optometry School at Wingate University. (SL 2016-94)**

Sec. 12I.1 of S.L. 2016-94 encourages Wingate University to study and report on the feasibility of establishing an affiliated school of Optometry in North Carolina by May 1, 2017, to the House Appropriations Committee on Health and Human Services, the Senate Appropriations Committee on Health and Human Services, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division. The report must include:

- A breakdown of any projected capital, operational, or other expenditures necessary for establishing and operating an affiliated school of optometry.
- A breakdown of all funds available to assist the university with these expenses.
- A projected number of applicants for the affiliated school of optometry.
- A projection of how a State appropriation in the amount of \$800,000 would impact tuition reimbursement for students.

This section became effective July 14, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 25.1: School Construction Needs Study. (SL 2016-94)**

Sec. 25.1 of S.L. 2016-94 directs the Joint Legislative Program Evaluation Oversight Committee to amend the 2016-2017 Program Evaluation Division (PED) work plan to direct PED to contract with an outside entity to (i) perform an independent assessment of school construction needs and (ii) determine which of the local school administrative units have the highest facility needs in relation to their capacity to raise revenue to meet those needs. The section directs PED to report the results of this study to the Joint Legislative Program Evaluation Oversight Committee and the Joint Legislative Economic Development and Global Engagement Oversight Committee by March 15, 2017.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 36.19: Extend Voluntary Shared Leave to Community Colleges Employees. (SL 2016-94)**

Sec. 36.19 of S.L. 2016-94 directs the State Board of Community Colleges to adopt rules and policies consistent with policies of the State Human Resources Commission to allow employees at community colleges to share leave voluntarily with a nonfamily member who is also an employee of a community college. An employee who donates sick leave to another employee who is not a family member is limited to donating no more than five days of sick leave per year to any one nonfamily community college employee. The combined total of sick leave donated to a community college employee from nonfamily community college employee donors cannot exceed 20 days per year. Donated sick leave cannot be used for retirement purposes and community college employees who donate sick leave must be notified in writing of the consequences of donating sick leave in regard to State retirement system service credit.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 10.5: Clarify Career-and College-Ready Graduation Program. (SL 2016-94)**

Sec. 10.5 of S.L. 2016-94 makes changes to the requirements regarding the Career-and College-Ready Graduate Program (Program) to include the following:

- Provides that the State Board of Community Colleges (SBCC), in consultation with the State Board of Education (SBE), must implement model programs beginning with the 2016-2017 school year.
- Requires full implementation of the Program in all high schools statewide beginning with the 2018-2019 school year.
- Requires the SBCC and the SBE to jointly report to the Joint Legislative Education Oversight Committee as follows:
- By March 15, 2017, the outcomes of model programs implemented in the 2016-2017 school year and suggested statutory changes.
- By March 15, 2018, the implementation and professional development efforts in the 2017-2018 school year and information on final changes in curriculum, policy, and rules for implementation of the Program statewide in the 2018-2019 school year.
- No later than October 15, 2019, and annually thereafter, on program outcomes, including impact on remediation rates in mathematics and reading and English for recent high school graduates entering a North Carolina community college or constituent institution of The University of North Carolina.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 11.5: Disclosure of Student Data and Records to Private Institutions of Higher Education/Liability Protection. (SL 2016-94)**

Sec. 11.5 of S.L. 2016-94 extends liability protection to private colleges and universities if there is a breach of confidentiality, disclosure, use, retention, or destruction of data or records resulting from actions or omissions by the North Carolina Independent Colleges and Universities, Inc.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 11A.3: Opportunity Scholarship Modifications/Program Forward Funding. (SL 2016-94)**

Sec. 11A.3 of S.L. 2016-94 makes the following changes, beginning with the 2016-2017, school year to awards of Opportunity Scholarship Grants (Scholarships):

- Expands the list of eligible students to include:
- Students enrolled in a Department of Defense Elementary and Secondary School located in North Carolina during the previous semester.
- Students whose parents or legal guardians are on full-time duty status in the United States Armed Forces, including the National Guard and Reserve on active duty orders.
- Clarifies that a student enrolled in a postsecondary institution in a matriculated status eligible for enrollment for 12 hours of academic credit is not eligible for the Scholarship.
- Expands from 35% to 40% the amount of funds to be used to award Scholarships to eligible students entering either kindergarten or first grade.

Beginning with the 2017-2018 school year, the section authorizes award of at least 2,000 more Scholarships annually over the prior school year.

The section also creates a new funding mechanism for the Scholarship by establishing the Opportunity Scholarship Grant Fund Reserve (Reserve). The Reserve is administered by the Board of Governors of The University of North Carolina for the purpose of allocating funds to the State Education Assistance Authority for the award of Scholarships in the fiscal year following appropriations of those funds to provide additional program stability. Effective July 1, 2017, an appropriation increase of \$10 million each fiscal year for 10 years is provided to the Reserve.

Except as otherwise provided, this section became effective July 1, 2016.



## **H1030 - 2016 Appropriations Act.**

### **Sec. 8.23: Digital Learning Plan Funds. (SL 2016-94)**

Sec. 8.23 of S.L. 2016-94 directs the State Board of Education to collaborate with the Friday Institute for Educational Innovation at North Carolina State University to continue implementing the Digital Learning Plan in North Carolina public schools by doing the following:

- Coordinate the implementation of professional development programs that support teachers and school administrators in transitioning to digital-age learning.
- Manage statewide cooperative purchasing of content, including statewide shared resources for teachers to use in lesson planning and formative student assessments.
- Develop infrastructure maintenance and support protocols.
- Modify and update State policies to provide support and flexibility for local digital learning innovation.
- Develop and maintain the continuous improvement process.
- Create assessments for technological and pedagogic skills and identify best practices from those assessments.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 8.31: Remediation Plan for Principals in Low-Performing Schools. (SL 2016-94)**

Sec. 8.31 of S.L. 2016-94 modifies the actions a superintendent may pursue concerning a principal of a school that has been identified as low-performing by the State Board of Education. A superintendent may recommend a principal be retained in the same position without a plan for remediation only if: (i) the principal has been at the same school for less than two years, or (ii) the principal has been at the school two years or more and the school has both met student growth and improved student achievement scores for the prior school year.

This section became effective July 1, 2016, and applies beginning with the 2016-2017 school year.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 9.7: Third Grade Reading Teacher Performance Pilot Program. (SL 2016-94)**

Sec. 9.7 of S.L. 2016-94 directs the State Board of Education (SBE) to establish the Third Grade Reading Teacher Performance Pilot Program (Program) to reward teacher performance and to encourage student learning and improvement. The Department of Public Instruction must administer bonus pay to licensed third grade teachers who have an Education Value-Added Assessment System (EVAAS) student growth index score for third grade reading from the previous school year, beginning with the data from the 2015-2016 school year, as follows:

- \$5 million must be allocated for bonuses to licensed third grade teachers who are in the top 25% of teachers in the State according to the EVAAS scores for third grade reading from the previous year. Funds are to be allocated equally among qualifying teachers.
- \$5 million must be allocated for bonuses to licensed third grade teachers who are in the top 25% of teachers in their respective local school administrative units (LEA) according to the EVAAS scores for third grade reading from the previous year. Funds are to be split proportionally based on average daily membership for each LEA and then distributed equally among qualifying teachers in each LEA, subject to the following conditions:
  - Teachers employed in charter schools and regional schools are not eligible to receive the bonuses.
  - Any teacher working in an LEA that employs three or fewer third grade teachers will receive a bonus if that teacher has an EVAAS score for third grade reading from the previous school year that exceeds expected growth.
  - For EVAAS data collected during the 2015-2016 school year and the 2016-2017 school year, the bonuses are payable in January of 2017 and January of 2018, respectively, to qualifying third grade teachers who remain employed teaching third grade in the same LEA at least from the school year the data is collected until the corresponding school year that the bonus is paid.
  - A teacher who is eligible to receive a qualifying bonus by being in the top 25% of EVAAS scores for third grade reading at the State level is also eligible for the bonus at the local level. Qualifying bonuses are not considered compensation under the Teachers' and State Employees' Retirement System.

The SBE must do the following:

- Study the distribution of statewide bonuses among LEAs and the distribution of bonuses within LEAs among individual schools and report to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Fiscal Research Division on March 1, 2017, and again on March 1, 2018.
- Study the effect of the Program on teacher performance and retention and report the results of its findings to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Fiscal Research Division, and the Joint Legislative Education Oversight Committee no later than March 1, 2018.

This section became effective July 1, 2016, and expires June 30, 2018.

### **H1080 - Achievement School District. (SL 2016-110)**

S.L. 2016-110 establishes the Achievement School District (ASD) under the control of the State Board of Education (SBE) and headed by the ASD Superintendent. The SBE is authorized to select, upon recommendation of the ASD Superintendent, five qualifying elementary schools that meet certain performance criteria to transfer to the ASD as achievement schools.

The ASD Superintendent may waive SBE rules, regulations, policies, and procedures for achievement schools, but at a minimum, the schools must meet the statutory requirements for charter schools. An achievement school operator will be selected to operate an achievement school and have a direct role in making decisions on school finance, human capital, and curriculum and instruction.

The achievement school may remain under the supervision of the ASD for up to eight consecutive years through a contract with an AS operator.

If a local board of education transfers a qualifying school to the ASD, the local board may ask the SBE to create an innovation zone for up to three continually low-performing schools within its local school administrative unit for up to five years. The act also requires the SBE to authorize the Charlotte-Mecklenburg Board of Education to create an innovation zone that may include up to five low-performing schools among Project Lift Schools and Beacon Initiative Schools for the 2017-2022 school years.

The SBE must contract with an independent research organization (IRO) beginning in 2016-2017, to evaluate the implementation and effectiveness of the ASD and innovation zones. The IRO is directed to report its interim findings to the SBE annually beginning February 15, 2017, with a final report due by February 15, 2023. The SBE must provide the IRO report, along with recommended legislative changes, to the Joint Legislative Education Oversight Committee annually, beginning March 1, 2017, until submission of the final report in 2023.

This act became effective July 22, 2016, and applies beginning with the 2017-2018 school year. In the discretion of the SBE (i) the ASD Superintendent may not be required during the 2016-2017 school year to recommend qualifying schools for inclusion in the ASD for the 2017-2018 school year and (ii) the timeline for selection of achievement schools for the 2017-2018 school year may be varied, but in no event may the local board of education's decision to close the qualifying school or transfer it to the ASD occur later than April 1, 2017. The SBE may select up to five qualifying schools to transfer to the ASD beginning with the 2017-2018 school year, but must select at least two qualifying schools to transfer to the ASD no later than the 2018-2019 school year and must have selected five qualifying schools for transfer to the ASD no later than the 2019-2020 school year.

### **S330 - Change Orders on School Construction Projects. (SL 2016-58)**

S.L. 2016-58 requires all local boards of education to adopt a policy governing change orders to any construction or repair work for which a contract has been awarded in accordance with certain construction statutes. The policy must address, at a minimum, all of the following:

- How proposed change orders are submitted by the contractor for approval, including requests for expedited review.
- Identification of the individual(s), with responsible authority for approving change orders of a particular category of work or amount, and the corresponding descriptions and dollar limits for particular categories of work or amounts that may be approved.
- How a change order that must be approved by the local board is submitted to that board.
- How the local board is notified of all change orders submitted for approval, and the resulting actions taken.

S.L. 2016-58 becomes effective October 1, 2016, and applies to contracts awarded, extended, or renewed on or after that date.

### **S536 - Students Know Before You Go and Central Residency. (SL 2016-57)**

S.L. 2016-57 directs the North Carolina State Education Assistance Authority (NCSEAA) to provide on a Web site, under a section entitled "Know Before You Go," information to assist students and parents in selecting major and career opportunities. This information must include, as data is available, projected employment needs in the labor economy and the salary ranges for those areas of employment, college

majors which may fulfill those employment needs, and institutions of higher education that may provide those majors. This section becomes effective April 1, 2017.

The act also authorizes the NCSEAA to administer a coordinated and centralized process for determining residency for tuition and State-funded financial aid purposes that is jointly developed and implemented by The University of North Carolina (UNC), the North Carolina Community College System (NCCCS), and the NCSEAA, in consultation with the North Carolina Independent Colleges and Universities (NCICU). The NCSEAA must establish a council with representatives from UNC, NCCCS, and the NCICU to guide and assist the NCSEAA in developing and implementing any policies needed to administer the coordinated and centralized process for determining residency for tuition and State-funded financial aid purposes. This section became effective September 1, 2016, and the centralized process for residency determination applies to all undergraduate enrollments for academic quarters, terms, or semesters that begin on or after January 1, 2017, and to all graduate enrollments for academic quarters, terms, or semesters, that begin on or after January 1, 2018.

### **S575 - North Carolina/South Carolina Original Boundary Confirmation. (SL 2016-23)**

S.L. 2016-23 addresses several legal and tax issues related to the reestablishment of the original boundary line existing between North Carolina and South Carolina. North Carolina and South Carolina created a Joint Boundary Commission to relocate and reestablish their 334-mile common boundary. The Commission began its work in 1995 and completed the technical part of its work by May of 2013. For the last three years, efforts have been underway to reduce or eliminate the impact of the work on property owners whose residency or business would be moved from South Carolina to North Carolina, or vice versa, because of the reestablished boundary line. This act addresses not only the tax consequences of the reestablished boundary line but also other issues, such as public education enrollment and drivers licenses. South Carolina enacted similar legislation in June 2016: Act 270, Ratified 292, and Senate Bill 667.

This act became effective June 22, 2016. It is anticipated that the process to complete the reestablishment of the boundary line will be completed by the end of this calendar year. The boundary must be approved by the Governor and the Council of State before the Governor may issue a proclamation declaring the reestablished line as the true boundary line between North Carolina and South Carolina.

### **S770 - North Carolina Farm Act of 2016.**

#### **Sec. 8: Allow Local Preference for School Food Procurement. (SL 2016-113)**

Sec. 8 of S.L. 2016-113 allows a local board of education to develop and implement policies and procedures to facilitate and maximize purchases of food grown or raised in North Carolina. This includes policies that permit a price percentage preference for the purpose of procuring food grown or raised within the State. A price percentage preference is the percent by which a responsive bid from a responsible bidder whose product is grown or raised in the State may exceed the lowest responsive bid submitted by a responsible bidder whose product is not grown or raised in the State.

This section became effective July 26, 2016.