

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H.B. 888
Apr 25, 2017
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10318-MTa-55A (02/13)

Short Title: Prof. Teachers & Admins. Accountability Act. (Public)

Sponsors: Representative W. Richardson.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO APPROPRIATE FUNDS TO REFORM THE PUBLIC EDUCATION SYSTEM.
3 The General Assembly of North Carolina enacts:
4

5 **PART I. RAISE TEACHER SALARIES TO FIFTH IN THE NATION**

6 **SECTION 1.(a)** The following monthly teacher salary schedules shall apply for the
7 2017-2020 fiscal years to licensed personnel of the public schools who are classified as
8 teachers. The salary schedules are based on years of teaching experience.

9 **2017-2018 Teacher Monthly Salary Schedule**

10	Years of Experience	"A" Teachers
11	0	\$4,046
12	1	\$4,133
13	2	\$4,162
14	3	\$4,191
15	4	\$4,248
16	5	\$4,306
17	6	\$4,393
18	7	\$4,451
19	8	\$4,508
20	9	\$4,566
21	10	\$4,653
22	11	\$4,740
23	12	\$4,826
24	13	\$4,913
25	14	\$5,000
26	15-19	\$5,231
27	20-24	\$5,549
28	25+	\$5,896

29 **2018-2019 Teacher Monthly Salary Schedule**

30	Years of Experience	"A" Teachers
31	0	\$4,592
32	1	\$4,690
33	2	\$4,723
34	3	\$4,756
35	4	\$4,822
36	5	\$4,887



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1	6	\$4,986
2	7	\$5,051
3	8	\$5,117
4	9	\$5,182
5	10	\$5,281
6	11	\$5,379
7	12	\$5,478
8	13	\$5,576
9	14	\$5,674
10	15-19	\$5,937
11	20-24	\$6,298
12	25+	\$6,691

2019-2020 Teacher Monthly Salary Schedule

14	Years of Experience	"A" Teachers
15	0	\$5,138
16	1	\$5,248
17	2	\$5,285
18	3	\$5,322
19	4	\$5,395
20	5	\$5,469
21	6	\$5,579
22	7	\$5,652
23	8	\$5,726
24	9	\$5,799
25	10	\$5,909
26	11	\$6,019
27	12	\$6,129
28	13	\$6,239
29	14	\$6,350
30	15-19	\$6,643
31	20-24	\$7,047
32	25+	\$7,487.

SECTION 1.(b) Salary Supplements for Teachers Paid on These Salary Schedules.

- 35 (1) Licensed teachers who have NBPTS certification shall receive a salary
- 36 supplement each month of twelve percent (12%) of their monthly salary on
- 37 the "A" salary schedule.
- 38 (2) Licensed teachers who are classified as "M" teachers shall receive a salary
- 39 supplement each month of ten percent (10%) of their monthly salary on the
- 40 "A" salary schedule.
- 41 (3) Licensed teachers with licensure based on academic preparation at the
- 42 six-year degree level shall receive a salary supplement of one hundred
- 43 twenty-six dollars (\$126.00) per month in addition to the supplement
- 44 provided to them as "M" teachers.
- 45 (4) Licensed teachers with licensure based on academic preparation at the
- 46 doctoral degree level shall receive a salary supplement of two hundred
- 47 fifty-three dollars (\$253.00) per month in addition to the supplement
- 48 provided to them as "M" teachers.
- 49 (5) Certified school nurses shall receive a salary supplement each month of ten
- 50 percent (10%) of their monthly salary on the "A" salary schedule.

SECTION 1.(c) The first step of the salary schedules for (i) school psychologists, (ii) school speech pathologists who are licensed as speech pathologists at the master's degree level or higher, and (iii) school audiologists who are licensed as audiologists at the master's degree level or higher shall be equivalent to the sixth step of the "A" salary schedule. These employees shall receive a salary supplement each month of ten percent (10%) of their monthly salary and are eligible to receive salary supplements equivalent to those of teachers for academic preparation at the six-year degree level or the doctoral degree level.

SECTION 1.(d) The twenty-sixth step of the salary schedules for (i) school psychologists, (ii) school speech pathologists who are licensed as speech pathologists at the master's degree level or higher, and (iii) school audiologists who are licensed as audiologists at the master's degree level or higher shall be seven and one-half percent (7.5%) higher than the salary received by these same employees on the twenty-fifth step of the salary schedule.

SECTION 1.(e) Beginning with the 2014-2015 fiscal year, in lieu of providing annual longevity payments to teachers paid on the teacher salary schedule, the amounts of those longevity payments are included in the monthly amounts under the teacher salary schedule.

SECTION 1.(f) Annual longevity payments for teachers shall be at the rate of one and one-half percent (1.5%) of base salary for 10 to 14 years of State service, two and twenty-five hundredths percent (2.25%) of base salary for 15 to 19 years of State service, three and twenty-five hundredths percent (3.25%) of base salary for 20 to 24 years of State service, and four and one-half percent (4.5%) of base salary for 25 or more years of State service. The longevity payment shall be paid in a lump sum once a year.

SECTION 1.(g) As used in this section, the term "teacher" shall also include instructional support personnel.

SECTION 1.(h) There is appropriated from the General Fund to the Department of Public Instruction the sum of nine hundred million seven hundred twenty-three thousand five hundred fifty-eight dollars (\$900,723,558) in recurring funds for the 2017-2018 fiscal year, one billion seven hundred fourteen million one hundred fifty-six thousand six hundred eighty-nine dollars (\$1,714,156,689) in recurring funds for the 2018-2019 fiscal year, and two billion five hundred thirty-six million thirty-five thousand six hundred sixty-four dollars (\$2,536,035,664) in recurring funds for the 2019-2020 fiscal year to implement the provisions of this section.

SECTION 1.(i) This section becomes effective July 1, 2017.

PART II. RAISE SCHOOL-BASED ADMINISTRATOR SALARIES TO 25TH IN THE NATION

SECTION 2.(a) The following base salary schedule for school-based administrators shall apply only to principals and assistant principals. This base salary schedule shall apply for the 2017-2018 fiscal year commencing July 1, 2017.

2017-2018 Principal and Assistant Principal Salary Schedules

Years of Exp	Classification					
	Assistant Principal	Prin I (0-10)	Prin II (11-21)	Prin III (22-32)	Prin IV (33-43)	
0-9	\$5,393	-	-	-	-	
10	\$5,486	-	-	-	-	
11	\$5,687	-	-	-	-	
12	\$5,849	-	-	-	-	
13	\$5,963	\$5,963	-	-	-	
14	\$6,038	\$6,038	-	-	-	
15	\$6,117	\$6,117	\$6,192	-	-	
16	\$6,192	\$6,192	\$6,272	-	-	
17	\$6,272	\$6,272	\$6,353	\$6,435	-	
18	\$6,353	\$6,353	\$6,435	\$6,519	\$6,605	

1	19	\$6,435	\$6,435	\$6,519	\$6,605	\$6,692
2	20	\$6,519	\$6,519	\$6,605	\$6,692	\$6,784
3	21	\$6,605	\$6,605	\$6,692	\$6,784	\$6,874
4	22	\$6,692	\$6,692	\$6,784	\$6,874	\$6,966
5	23	\$6,784	\$6,784	\$6,874	\$6,966	\$7,061
6	24	\$6,874	\$6,874	\$6,966	\$7,061	\$7,156
7	25	\$6,966	\$6,966	\$7,061	\$7,156	\$7,260
8	26	\$7,061	\$7,061	\$7,156	\$7,260	\$7,359
9	27	\$7,156	\$7,156	\$7,260	\$7,359	\$7,461
10	28	\$7,260	\$7,260	\$7,359	\$7,461	\$7,563
11	29	\$7,359	\$7,359	\$7,461	\$7,563	\$7,670
12	30	\$7,461	\$7,461	\$7,563	\$7,670	\$7,782
13	31	\$7,563	\$7,563	\$7,670	\$7,782	\$7,893
14	32	\$7,670	\$7,670	\$7,782	\$7,893	\$7,992
15	33	\$7,782	\$7,782	\$7,893	\$7,992	\$8,151
16	34	\$7,893	\$7,893	\$7,992	\$8,151	\$8,313
17	35	\$7,992	\$7,992	\$8,151	\$8,313	\$8,480
18	36	\$8,151	\$8,151	\$8,313	\$8,480	\$8,650
19	37	-	\$8,313	\$8,480	\$8,650	\$8,823
20	38	-	-	\$8,650	\$8,823	\$8,999
21	39	-	-	\$8,823	\$8,999	\$9,179
22	40	-	-	-	\$9,179	\$9,362
23	41	-	-	-	\$9,362	\$9,550
24	42	-	-	-	-	\$9,740

2017-2018 Principal and Assistant Principal Salary Schedules

Classification

Years of Exp	Prin V (44-54)	Prin VI (55-65)	Prin VII (66-100)	Prin VIII (101+)
29	0-19	\$6,784	-	-
30	20	\$6,874	-	-
31	21	\$6,966	\$7,061	-
32	22	\$7,061	\$7,156	\$7,359
33	23	\$7,156	\$7,260	\$7,461
34	24	\$7,260	\$7,359	\$7,563
35	25	\$7,359	\$7,461	\$7,670
36	26	\$7,461	\$7,563	\$7,782
37	27	\$7,563	\$7,670	\$7,893
38	28	\$7,670	\$7,782	\$7,992
39	29	\$7,782	\$7,893	\$8,151
40	30	\$7,893	\$7,992	\$8,313
41	31	\$7,992	\$8,151	\$8,480
42	32	\$8,151	\$8,313	\$8,650
43	33	\$8,313	\$8,480	\$8,823
44	34	\$8,480	\$8,650	\$8,999
45	35	\$8,650	\$8,823	\$9,179
46	36	\$8,823	\$8,999	\$9,362
47	37	\$8,999	\$9,179	\$9,550
48	38	\$9,179	\$9,362	\$9,740
49	39	\$9,362	\$9,550	\$9,934
50	40	\$9,550	\$9,740	\$10,133
51	41	\$9,740	\$9,934	\$10,335

1	42	\$9,934	\$10,133	\$10,543	\$10,754
2	43	\$10,133	\$10,335	\$10,754	\$10,968
3	44	-	\$10,543	\$10,968	\$11,189
4	45	-	\$10,754	\$11,189	\$11,412
5	46+	-	-	\$11,412	\$11,640

6 **SECTION 2.(b)** The appropriate classification for placement of principals and
 7 assistant principals on the salary schedule, except for principals in alternative schools and in
 8 cooperative innovative high schools, shall be determined in accordance with the following
 9 schedule:

10	Classification	Number of Teachers Supervised
11	Assistant Principal	
12	Principal I	Fewer than 11 Teachers
13	Principal II	11-21 Teachers
14	Principal III	22-32 Teachers
15	Principal IV	33-43 Teachers
16	Principal V	44-54 Teachers
17	Principal VI	55-65 Teachers
18	Principal VII	66-100 Teachers
19	Principal VIII	More than 100 Teachers

20 The number of teachers supervised includes teachers and assistant principals paid
 21 from State funds only; it does not include teachers or assistant principals paid from non-State
 22 funds or the principal or teacher assistants.

23 The beginning classification for principals in alternative schools and in cooperative
 24 innovative high school programs shall be the Principal III level. Principals in alternative
 25 schools who supervise 33 or more teachers shall be classified according to the number of
 26 teachers supervised.

27 **SECTION 2.(c)** A principal shall be placed on the step on the salary schedule that
 28 reflects the total number of years of experience as a certified employee of the public schools
 29 and an additional step for every three years of experience serving as a principal on or before
 30 June 30, 2009. A principal or assistant principal shall also continue to receive any additional
 31 State-funded percentage increases earned for the 1997-1998, 1998-1999, and 1999-2000 school
 32 years for improvement in student performance or maintaining a safe and orderly school.

33 **SECTION 2.(d)** Principals and assistant principals with certification based on
 34 academic preparation at the six-year degree level shall be paid a salary supplement of one
 35 hundred twenty-six dollars (\$126.00) per month and at the doctoral degree level shall be paid a
 36 salary supplement of two hundred fifty-three dollars (\$253.00) per month.

37 **SECTION 2.(e)** Longevity pay for principals and assistant principals shall be as
 38 provided for State employees under the North Carolina Human Resources Act.

39 **SECTION 2.(f)** If a principal is reassigned to a higher job classification because
 40 the principal is transferred to a school within a local school administrative unit with a larger
 41 number of State-allotted teachers, the principal shall be placed on the salary schedule as if the
 42 principal had served the principal's entire career as a principal at the higher job classification.

43 If a principal is reassigned to a lower job classification because the principal is
 44 transferred to a school within a local school administrative unit with a smaller number of
 45 State-allotted teachers, the principal shall be placed on the salary schedule as if the principal
 46 had served the principal's entire career as a principal at the lower job classification.

47 This subsection applies to all transfers on or after the effective date of this section,
 48 except transfers in school systems that have been created, or will be created, by merging two or
 49 more school systems. Transfers in these merged systems are exempt from the provisions of this
 50 subsection for one calendar year following the date of the merger.

1 **SECTION 2.(g)** Participants in an approved full-time master's in-school
2 administration program shall receive up to a 10-month stipend at the beginning salary of an
3 assistant principal during the internship period of the master's program. The stipend shall not
4 exceed the difference between the beginning salary of an assistant principal plus the cost of
5 tuition, fees, and books and any fellowship funds received by the intern as a full-time student,
6 including awards of the Principal Fellows Program. The Principal Fellows Program or the
7 school of education where the intern participates in a full-time master's in-school administration
8 program shall supply the Department of Public Instruction with certification of eligible
9 full-time interns.

10 **SECTION 2.(h)** During the 2017-2020 fiscal years, the placement on the salary
11 schedule of an administrator with a one-year provisional assistant principal's certificate shall be
12 at the entry-level salary for an assistant principal or the appropriate step on the teacher salary
13 schedule, whichever is higher.

14 **SECTION 2.(i)** There is appropriated from the General Fund to the Department of
15 Public Instruction the sum of thirty-eight million six hundred twenty-two thousand nine
16 hundred sixty-six dollars (\$38,622,966) in recurring funds for the 2017-2018 fiscal year,
17 seventy-seven million two hundred forty-five thousand nine hundred thirty-three dollars
18 (\$77,245,933) in recurring funds for the 2018-2019 fiscal year, and one hundred fifteen million
19 eight hundred sixty-eight thousand eight hundred ninety-nine dollars (\$115,868,899) in
20 recurring funds for the 2019-2020 fiscal year to implement the provisions of this section.

21 **SECTION 2.(j)** This section becomes effective July 1, 2017.

22 23 **PART III. TEACHER COMPENSATION MODELS AND ADVANCED TEACHING** 24 **ROLES**

25 **SECTION 3.(a)** Article 20 of Chapter 115C of the General Statutes is amended by
26 adding a new section to read:

27 **"§ 115C-311. Compensation for advanced teaching roles.**

28 (a) Purpose. – The State Board of Education shall establish a statewide program to be
29 implemented in select local school administrative units that utilizes advanced teaching roles
30 and organizational models linking teacher performance and professional growth to salary
31 increases for classroom teachers. For the purposes of this section, a classroom teacher is a
32 teacher who works in the classroom providing instruction at least seventy percent (70%) of the
33 instructional day and who is not instructional support personnel. The purpose of the program
34 shall be to do the following:

35 (1) Allow highly effective classroom teachers the opportunity to teach an
36 increased number of students by accepting accountability for additional
37 students, by becoming a lead classroom teacher, or by leading school-wide
38 performance improvement efforts. Lead classroom teachers are accountable
39 for the performance of all students taught by teachers on the lead teacher's
40 team. School-wide performance improvement efforts include, but are not
41 limited to, new instructional models.

42 (2) Enable local school administrative units to provide salary supplements to
43 classroom teachers in advanced teaching roles. Selection of an advanced
44 teaching role classroom teacher and award of related salary supplements
45 shall be made on the basis of demonstrated effectiveness and additional
46 responsibilities.

47 (3) Enable local school administrative units to create innovative compensation
48 models that focus on classroom teacher professional growth and student
49 outcomes.

- 1 (4) Establish organizational changes related to compensation by utilizing local
2 plans to sustain evidence-based teaching practices that have the capacity to
3 be replicated throughout the State.
- 4 (b) Implementation. – The State Board shall include the following elements in the
5 program:
- 6 (1) Program structure, including the process for teacher advancement based on
7 performance, professional growth, or the specific teacher roles assumed by
8 the teacher.
- 9 (2) Descriptions of the advanced teaching roles, including minimum
10 qualifications for the positions that must include at least one of the
11 following:
- 12 a. Advanced certifications, such as National Board for Professional
13 Teaching Standards Certification or a master's degree in the area in
14 which the classroom teacher is licensed and teaching.
- 15 b. A rating of at least accomplished on each of the Teacher Evaluation
16 Standards 1-5 on the North Carolina Teacher Evaluation instrument
17 or the equivalent on an out-of-state evaluation system.
- 18 c. Evidence that the teacher has exceeded expected student growth
19 based on three years of teacher evaluation data as calculated by the
20 State Board of Education.
- 21 d. Equivalent demonstrated mastery of teaching skills as required by the
22 new local compensation model.
- 23 (3) Job responsibilities that include at least one of the following:
- 24 a. Teaching an increased number of students and being accountable for
25 their performance as the teacher of record for those students.
- 26 b. Becoming a lead classroom teacher among a group of teachers and
27 being the teacher of record for all students taught by that group of
28 teachers.
- 29 c. Leading a school-wide effort to implement data-driven instructional
30 models that include blended learning environments, utilizing digital
31 learning and resources, and focusing on methods of improvement for
32 school-wide performance issues.
- 33 d. Completing training that certifies the teacher as an in-house provider
34 of professional development or functioning as an instructional
35 content area coach or a coach in another professional development
36 area.
- 37 e. Serving as a teacher mentor.
- 38 (4) Process for informing all employees and the public of the criteria and
39 selection for the advanced teaching roles, the continued eligibility
40 requirements for the advanced teaching roles, and how the individuals
41 selected for the advanced teaching roles will be evaluated.
- 42 (5) Process for informing all employees and the public on the criteria for
43 movement on the proposed new local compensation model.
- 44 (6) Process for the voluntary relinquishment of an advanced teaching role,
45 including the associated additional duties. Voluntary relinquishment of the
46 advanced teaching role shall not be considered a demotion under Part 3 of
47 Article 22 of Chapter 115C of the General Statutes.
- 48 (7) Salary supplement information including the following:
- 49 a. The amount of the salary supplements that will be provided to those
50 selected for the advanced teaching roles. The supplements may be up
51 to thirty percent (30%) of the State teacher salary schedule.

- 1 b. A statement that the salary supplements will be paid as a supplement
 2 to the classroom teacher's regular salary and not be included in the
 3 average salary calculation used for budgeting State allotments.
 4 c. A statement that if a classroom teacher in an advanced teaching role
 5 (i) fails to maintain the minimum criteria established for the position,
 6 (ii) is not successfully performing the additional duties associated
 7 with the advanced teaching role, or (iii) voluntarily relinquishes the
 8 advanced teaching role, the teacher shall only be paid the salary
 9 applicable to that individual on the State teacher salary schedule and
 10 any other local supplements that would otherwise apply to the
 11 classroom teacher's compensation.
 12 d. The amount of the salary supplements at all levels of the proposed
 13 new local school administrative unit compensation model in relation
 14 to the State teacher salary schedule.
 15 (8) The implementation plan, including the number of schools in the local
 16 school administrative unit that will have advanced teaching roles and any
 17 new proposed compensation model, the number of advanced teaching roles
 18 at each of those schools, the number of students whose teacher of record will
 19 be a teacher in an advanced teaching role, and the number of teachers overall
 20 who would be eligible for the proposed new local school administrative unit
 21 compensation model.
 22 (9) Plans for financial sustainability once any grant money that may be awarded
 23 to the local school administrative unit is no longer available.
 24 (c) Use of Funds. – Funds awarded to local school administrative units shall be used for
 25 any of the following:
 26 (1) Salary supplements for advanced teaching roles.
 27 (2) Development of advanced teaching role plans.
 28 (3) Development of professional development courses.
 29 (4) Transition costs associated with designing and implementing advanced
 30 teaching role models in schools within the local school administrative unit.
 31 Transition costs may include employing staff members or contractors to
 32 assist with design and implementation of the pilot plan.
 33 (5) Development of the design and implementation of compensation plans that
 34 focus on teacher professional growth and student outcomes and the transition
 35 costs associated with designing and implementing new compensation plans,
 36 including employing staff members or contractors to assist with design and
 37 implementation of the pilot plan.
 38 (d) Flexibility for Local School Administrative Units. – Notwithstanding
 39 G.S. 115C-301, local school administrative units receiving funding under this program may
 40 exceed the maximum class size requirements for kindergarten through third grade."

41 **SECTION 3.(b)** There is appropriated from the General Fund to the Department of
 42 Public Instruction the sum of three hundred twenty-eight million sixty-six thousand six hundred
 43 twenty-eight dollars (\$328,066,628) for the 2017-2018 fiscal year, three hundred seventy-one
 44 million eight hundred ten thousand five hundred twenty-two dollars (\$371,810,522) for the
 45 2018-2019 fiscal year, and four hundred sixteen million six thousand nine hundred thirty-eight
 46 dollars (\$416,006,938) for the 2019-2020 fiscal year to implement the provisions of this section
 47 and to provide for seven advanced teaching roles for each school in a local school
 48 administrative unit.

49 **SECTION 3.(c)** This section becomes effective July 1, 2017.
 50

51 **PART IV. EDUCATION-BASED SALARY SUPPLEMENTS**

1 **SECTION 4.1.** Section 8.22 of S.L. 2013-360, as amended by Section 8.3(a) of
2 S.L. 2014-100, is repealed.

3 **SECTION 4.2.** Notwithstanding any other provision of law, only the following
4 teachers and instructional support personnel shall be paid on the "M" salary schedule or receive
5 a salary supplement for academic preparation at the six-year degree level or at the doctoral
6 degree level for the 2017-2018 school year and subsequent school years:

- 7 (1) Certified school nurses and instructional support personnel in positions for
8 which a master's degree is required for licensure.
- 9 (2) Teachers and instructional support personnel who were paid on that salary
10 schedule or received that salary supplement prior to the 2014-2015 school
11 year.
- 12 (3) Teachers and instructional support personnel who (i) complete a degree at
13 the master's, six-year, or doctoral degree level for which they completed at
14 least one course prior to August 1, 2013, and (ii) would have qualified for
15 the salary supplement pursuant to State Board of Education policy,
16 TCP-A-006, as it was in effect on June 30, 2013.
- 17 (4) Teachers and instructional support personnel who do not qualify under
18 subdivisions (1), (2), and (3) of this section but who spend at least seventy
19 percent (70%) of their work time in either of the following:
 - 20 a. Classroom instruction related to their graduate academic preparation
21 in their field or subject area within their area of licensure. Most of the
22 teachers' remaining time shall be spent in one or more of the
23 following:
 - 24 1. Mentoring teachers.
 - 25 2. Performing demonstration lessons for teachers.
 - 26 3. Writing curricula.
 - 27 4. Developing and leading staff development programs for
28 teachers.
 - 29 b. Work within the employee's area of graduate academic preparation.

30 **SECTION 4.3.** Beginning with the 2017-2018 fiscal year and subsequent fiscal
31 years thereafter, for teachers who are paid on the "M" salary schedule under subdivision (4) of
32 Section 4.2 of this act, determination of whether teachers and instructional support personnel
33 shall be paid on the "M" salary schedule or receive a salary supplement for academic
34 preparation shall take place on an annual basis. Teachers and instructional support personnel
35 may be moved off of the "M" salary schedule or discontinue receiving salary supplements if
36 they are not meeting the requirements of subdivision (4) of Section 4.2 of this act in that year.

37 **SECTION 4.4.** Unless an individual otherwise qualifies under subdivisions (2) or
38 (3) of Section 4.2 of this act, teachers and instructional support personnel who earn an
39 advanced degree in school administration shall not be paid on the "M" salary schedule or
40 receive a salary supplement for academic preparation unless they serve as an assistant principal
41 or principal.

42 **SECTION 4.5.** This Part becomes effective July 1, 2017.

43 **PART V. TEACHER SABBATICALS**

44 **SECTION 5.1.** Article 20 of Chapter 115C of the General Statutes is amended by
45 adding a new section to read:

46 **§ 115C-302.5. Educational sabbatical leave for teachers.**

47 (a) In accordance with this section, the State Board of Education shall establish rules
48 for local school administrative units to grant interval educational sabbatical leave to classroom
49 teachers according to a teacher's years of service in North Carolina public schools. A classroom
50 teacher shall be eligible to request up to a six-month educational sabbatical leave between (i)
51

1 seven and 10 years of service, (ii) 12 and 15 years of service, and (iii) 20 and 25 years of
2 service. After 25 years of service, a classroom teacher shall be eligible to request up to a
3 one-year educational sabbatical leave. A classroom teacher shall not be granted educational
4 sabbatical leave more frequently than every five years. For the purposes of this section, a
5 classroom teacher is a teacher who works in the classroom providing instruction and who is not
6 instructional support personnel.

7 (b) A classroom teacher granted an educational sabbatical leave shall enroll in an
8 accredited institution of higher education to take one or more courses for an educational
9 research project related to the classroom teacher's job. A project must be significantly rigorous
10 and must have evident links that translate into improved instructional delivery of content to
11 students. After the educational research project has been completed, the classroom teacher must
12 file a copy of the completed product of the research, which may include a research paper, book,
13 or film or video production, with the principal of the classroom teacher's school and the
14 superintendent of the local school administrative unit."

15 **SECTION 5.2.** There is appropriated from the General Fund to the Department of
16 Public Instruction the sum of one hundred forty-three million sixty thousand six hundred
17 fifty-three dollars (\$143,060,653) for the 2017-2018 fiscal year, one hundred sixty million six
18 hundred two thousand two hundred eighteen dollars (\$160,602,218) for the 2018-2019 fiscal
19 year, and one hundred seventy-eight million three hundred twenty-five thousand two hundred
20 forty-eight dollars (\$178,325,248) for the 2019-2020 fiscal year to implement this Part.

21 **SECTION 5.3.** This Part becomes effective July 1, 2017, and applies beginning
22 with the 2017-2018 school year.

23

24 **PART VI. MENTOR TEACHER PROGRAM**

25 **SECTION 6.(a)** G.S. 115C-296 reads as rewritten:

26 "**§ 115C-296. Board sets licensure requirements; reports; lateral entry and mentor**
27 **programs.**

28 ...
29 (e) The State Board of Education shall develop a mentor program to provide ongoing
30 support for teachers entering the profession. In developing the mentor program, the State Board
31 shall conduct a comprehensive study of the needs of new teachers and how those needs can be
32 met through an orientation and mentor support program. For the purpose of helping local
33 boards to support new teachers, the State Board shall develop and distribute guidelines which
34 address optimum teaching load, extracurricular duties, student assignment, and other working
35 condition considerations. These guidelines shall provide that initially licensed teachers not be
36 assigned extracurricular activities unless they request the assignments in writing and that other
37 noninstructional duties of these teachers be minimized. The State Board shall develop and
38 coordinate a mentor teacher training program. The State Board shall develop criteria for
39 selecting excellent, experienced, and qualified teachers to be participants in the mentor teacher
40 training program, including requiring that mentor teachers have been rated, through formal
41 evaluations, at least at the "accomplished" level as part of the North Carolina Teacher
42 Evaluation System and have met expectations for student growth. Each new teacher shall have
43 one mentor and each mentor shall have one teacher mentee. The mentor shall prepare all of the
44 mentee's lesson plans while the mentee has fewer than two years of experience. The mentor
45 shall also observe and counsel the mentee during this period of time. If the mentor believes that
46 the mentee is suffering from severe stress, exhaustion, or disillusionment related to the
47 profession, the mentor shall refer the mentee to the Teacher Support Program established
48 pursuant to G.S. 115C-300.5.

49 (e1) The State Board of Education shall allot funds for mentoring services to local school
50 administrative units based on the highest number of employees in the preceding three school
51 years who (i) are paid with State, federal, or local funds and (ii) are either teachers paid on the

1 first or second steps of the teacher salary schedule or instructional support personnel paid on
2 the first step of the instructional support personnel salary schedule.

3 To the extent funds are appropriated for this purpose, the State Board shall compensate
4 mentors for duties related to participating in the teacher mentor program in accordance with
5 G.S. 115C-311(b)(3)e. Local school administrative units shall use these funds to provide
6 mentoring support to eligible employees in accordance with a plan approved by the State Board
7 of Education. The plan shall include information on how all mentors in the local school
8 administrative unit will be adequately trained to provide mentoring support.

9 (e2) The Department of Public Instruction shall provide any teacher who is referred to
10 the Teacher Support Program under subsection (e) of this section with weekly access to a
11 counselor, psychologist, psychiatrist, or social worker for six months after the date of referral.
12 In the discretion of the mentor, the mentor may rerefer a mentee to the Program as necessary
13 during the period of the mentor-mentee relationship.

14"

15 **SECTION 6.(b)** There is appropriated from the General Fund to the Department of
16 Public Instruction the sum of one hundred sixty-eight million nine hundred sixty-eight thousand
17 two hundred seventy-six dollars (\$168,968,276) in recurring funds for the 2017-2018 fiscal
18 year to provide a monthly stipend of one thousand five hundred dollars (\$1,500) for each
19 teacher serving as a teacher mentor pursuant to the provisions of this section.

20 **SECTION 6.(c)** This section becomes effective July 1, 2017, and applies
21 beginning with the 2017-2018 school year.

22 23 **PART VII. PRINCIPALS SUPPORTING TEACHERS/PROFESSIONAL** 24 **DEVELOPMENT**

25 **SECTION 7.(a)** There is appropriated from the General Fund to the Department of
26 Public Instruction the sum of five million dollars (\$5,000,000) in recurring funds for the
27 2017-2018 fiscal year to provide funds to the North Carolina Center for the Advancement of
28 Teaching (NCCAT) to support a professional development program for principals and assistant
29 principals focusing on the principal's role in recruitment and retention of high quality teachers.
30 NCCAT shall use these funds to deliver a professional development program that will prepare
31 school leaders for the responsibility of providing teacher support and promoting teacher success
32 in at least the following ways:

- 33 (1) Providing strategies for recruiting high quality teachers through innovative
34 methods to enrich professional opportunities and develop advanced roles for
35 teachers.
- 36 (2) Creating a collaborative learning environment for teachers.
- 37 (3) Designing and delivering professional development to teachers with a
38 particular emphasis on support for beginning teachers.
- 39 (4) Assessing teacher performance and encouraging professional growth.
- 40 (5) Recognizing signs of professional fatigue and developing strategies for
41 long-term teacher retention.
- 42 (6) Highlighting the importance of teachers' roles in school and individual
43 student success by cultivating trust between school administrators and
44 teachers and promoting feedback and assistance from peers.

45 **SECTION 7.(b)** Beginning September 15, 2018, and annually thereafter, the
46 Department of Public Instruction shall report to the Joint Legislative Education Oversight
47 Committee on the delivery and outcomes of the professional development program required by
48 this section, including the number of participants and results for principals and assistant
49 principals in recruiting and retaining high quality teachers in their schools.

50 51 **PART VIII. RESTORE TEACHING FELLOWS**

1 **SECTION 8.1.** Article 23 of Chapter 116 of the General Statutes is amended by
2 adding new sections to read:

3 **"§ 116-209.27A. North Carolina Teaching Fellows Commission.**

4 There is established the North Carolina Teaching Fellows Commission. The Authority shall
5 provide staff and office space to the Commission. The Commission shall exercise its powers
6 and functions in coordination with the Authority.

7 **"§ 116-209.27B. Membership.**

8 (a) The Commission shall consist of 11 members as follows:

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

10 (2) The Lieutenant Governor or his or her designee.

11 (3) Three persons appointed by the Governor.

12 (4) Three persons appointed by the General Assembly on the recommendation
13 of the President Pro Tempore of the Senate, as provided in G.S. 120-121.

14 (5) Three persons appointed by the General Assembly on the recommendation
15 of the Speaker of the House of Representatives, as provided in G.S. 120-121.

16 Terms of commission members appointed under this section expire on June 30 of the year
17 of expiration. In 2017, three members shall be appointed by the General Assembly upon the
18 recommendation of the Speaker of the House of Representatives, one for a term to expire June
19 30, 2019, one for a term to expire June 30, 2020, and one for a term to expire June 30, 2021. In
20 2017, three members shall be appointed by the General Assembly upon the recommendation of
21 the President of the Senate, one for a term to expire June 30, 2018, one for a term to expire
22 June 30, 2019, and one for a term to expire June 30, 2020. In 2017, three members shall be
23 appointed by the Governor, one for a term to expire June 30, 2019, one for a term to expire
24 June 30, 2020, and one for a term to expire June 30, 2021. Subsequent appointments are for a
25 term of four years.

26 (b) Each of the appointing entities shall seek to achieve a balanced membership
27 representing, to the maximum extent possible, the State as a whole. The Commission members
28 shall be chosen from among individuals who have demonstrated a commitment to education.

29 (c) Commission members shall be appointed for four-year terms after the initial
30 appointments expire as set forth in this subsection.

31 (d) In the event a vacancy occurs for any reason, the vacancy shall be filled by
32 appointment by the entity that made the appointment, except that vacancies in appointments by
33 the General Assembly shall be filled under G.S. 120-122. The new appointee shall serve for the
34 remainder of the unexpired term.

35 (e) The Lieutenant Governor or his or her designee shall serve as chair.

36 (f) Members of the Commission shall receive per diem and necessary travel and
37 subsistence expenses in accordance with Chapter 138 of the General Statutes.

38 (g) The Commission shall meet regularly at times and places the chair deems necessary.

39 **"§ 116-209.27C. Teaching Fellows Program established; administration.**

40 (a) A Teaching Fellows Program shall be administered by the North Carolina Teaching
41 Fellows Commission, in coordination with the Authority. The Teaching Fellows Program shall
42 be used to provide a four-year scholarship loan of six thousand five hundred dollars (\$6,500)
43 per year to North Carolina high school seniors interested in preparing to teach in the public
44 schools of the State. The Commission shall adopt very stringent standards, including minimum
45 grade point average and scholastic aptitude test scores, for awarding these scholarship loans to
46 ensure that only the best high school seniors receive them.

47 (b) The Commission shall administer the program in cooperation with educator
48 preparation programs selected by the Commission. Teaching Fellows should be exposed to a
49 range of extracurricular activities while in the program. These activities should be geared to
50 instilling a strong motivation not only to remain in teaching but to provide leadership for
51 tomorrow's schools.

1 (c) The Commission shall form regional review committees to assist it in identifying
2 the best high school seniors for the program. The Commission and the review committees shall
3 make an effort to identify and encourage minority students and students who may not otherwise
4 consider a career in teaching to enter the program.

5 (d) All scholarship loans shall be evidenced by notes made payable to the Authority that
6 shall bear interest at the rate of ten percent (10%) per year beginning September 1 after
7 completion of the program or immediately after termination of the scholarship loan, whichever
8 is earlier. The scholarship loan may be terminated by the recipient withdrawing from school or
9 by the recipient not meeting the standards set by the Commission.

10 (e) The Authority shall forgive the loan if, within seven years after graduation, the
11 recipient teaches for four years at a North Carolina public school or at a school operated by the
12 United States government in North Carolina. The Authority shall also forgive the loan if, within
13 seven years after graduation, the recipient teaches for three consecutive years, unless the
14 recipient takes an approved leave of absence, at a North Carolina public school in a local
15 school administrative unit that, at the time the recipient accepts employment with the unit, is a
16 low-performing school system identified in accordance with G.S. 115C-105.37. The Authority
17 shall also forgive the loan if it finds that it is impossible for the recipient to teach for four years,
18 within seven years after graduation, at a North Carolina public school or at a school operated
19 by the United States government in North Carolina, because of the death or permanent
20 disability of the recipient.

21 (f) All funds appropriated to or otherwise received by the Teaching Fellows Program
22 for scholarships, all funds received as repayment of scholarship loans, and all interest earned on
23 these funds shall be placed in a revolving fund. This revolving fund shall be used for
24 scholarship loans granted under the Teaching Fellows Program. With the prior approval of the
25 General Assembly in the Current Operations Appropriations Act, the revolving fund may also
26 be used for campus and summer program support, and costs related to disbursement of awards
27 and collection of loan repayments.

28 The Authority may use up to six hundred thousand dollars (\$600,000) each fiscal year from
29 the fund balance for costs associated with administration of the Teaching Fellows Program.

30 (g) The Authority is responsible for the collection of a loan awarded under this section
31 if the loan repayment is outstanding for more than 30 days."

32 **SECTION 8.2.** G.S. 120-123 is amended by adding a new subdivision to read:

33 "(59b) The North Carolina Teaching Fellows Commission established by
34 G.S. 116-209.27C."

35 **SECTION 8.3.** The catch line of G.S. 116-209.27 reads as rewritten:

36 "**§ 116-209.27. Administration as of March 1, 2017, of outstanding scholarships**
37 **previously awarded by Teaching Fellows Program."**

38 **SECTION 8.4.(a)** There is appropriated from the General Fund to the Board of
39 Governors of the University of North Carolina the sum of four hundred thousand dollars
40 (\$400,000) for the 2017-2018 fiscal year and the sum of eight hundred ten thousand dollars
41 (\$810,000) for the 2018-2019 fiscal year to be allocated to the State Education Assistance
42 Authority for administration of the program and the expenses of the Teaching Fellows
43 Commission, including expenses related to recruitment and selection of Teaching Fellows.

44 **SECTION 8.4.(b)** There is appropriated from the General Fund to the Board of
45 Governors of the University of North Carolina the sum of three million two hundred fifty
46 thousand dollars (\$3,250,000) for the 2018-2019 fiscal year to provide 500 Teaching
47 Fellowships the sum of six thousand five hundred dollars (\$6,500) per recipient for the
48 2018-2019 academic year.

49 **SECTION 8.4.(c)** This section becomes effective July 1, 2017.

50 **SECTION 8.5.** Except as otherwise provided in this Part, this Part is effective
51 when it becomes law.

1
2 **PART IX. LOAN REPAYMENT ASSISTANCE FOR TEACHER SERVICE**

3 **SECTION 9.1.** Chapter 116 of the General Statutes is amended by adding a new
4 Article to read:

5 "Article 35.

6 "Loan Repayment Assistance Program for Teachers.

7 **"§ 116-284. Purpose.**

8 The Loan Repayment Assistance Program for Teachers is designed to attract qualified
9 teachers to the field of education and to address the educational needs of the State. The
10 program is established to help participants reduce the amount of indebtedness created by the
11 cost of higher education through assisting in the repayment of educational loans.

12 **"§ 116-285. Definitions.**

13 The following definitions apply to this Article:

- 14 (1) Authority. – The State Education Assistance Authority.
15 (2) Eligible debt. – The outstanding principal, interest, and related fees from
16 loans obtained for undergraduate or graduate educational expenses made by
17 government or commercial lending institutions or educational institutions.
18 Eligible debt does not include loans made by a private individual or family
19 member.
20 (3) Eligible teacher. – A classroom teacher currently licensed in North Carolina
21 who is rated as "highly effective" on the most recent North Carolina Teacher
22 Evaluation instrument through the North Carolina Educator Evaluation
23 System or the equivalent on an out-of-state teacher's state or district
24 instrument. For the purposes of this act, a highly effective classroom teacher
25 is a teacher who receives a rating of at least "accomplished" on each of the
26 teacher evaluation standards on the North Carolina Teacher Evaluation
27 instrument and who exceeds expected student growth based on teacher
28 evaluation data as calculated by the State Board of Education or equivalent
29 on an out-of-state teacher's state or district evaluation system.
30 (4) Fund. – The Teachers' Loan Repayment Assistance Fund established under
31 G.S. 116-288.
32 (5) Program. – The Loan Repayment Assistance Program for Teachers.
33 (6) Repayment assistance loan. – A forgivable loan made under the Program.
34 (7) Repayment assistance period. – Up to six years of eligible employment as an
35 eligible teacher from the time of receipt of a repayment assistance loan.

36 **"§ 116-286. Repayment assistance loans.**

37 (a) The Authority shall administer the Loan Repayment Assistance Program for
38 Teachers in accordance with the provisions of this Article and adopt any necessary rules,
39 including adopting an application process, eligibility guidelines, and a process for certifying an
40 applicant's employment status and reevaluating eligibility on an annual basis.

41 (b) Any eligible teacher may apply to the Authority for a repayment assistance loan
42 under the Program to repay all or a portion of the teacher's eligible debt by receiving repayment
43 assistance loans for up to six years for eligible debt accrued toward an undergraduate degree
44 and for up to six years for eligible debt accrued toward a graduate degree. The eligible teacher
45 shall have been employed for at least one year in any local school administrative unit in North
46 Carolina prior to applying for the initial year of repayment assistance. The eligible teacher shall
47 include in the teacher's application for repayment assistance a signed statement of intent to
48 remain employed in a North Carolina public school for a period of at least four years following
49 each year the eligible teacher receives a repayment assistance loan. The eligible teacher shall
50 agree to repay in full any repayment assistance loans disbursed to the eligible teacher if the

1 teacher fails to complete the repayment assistance period due to voluntarily leaving
2 employment in a North Carolina public school and fails to secure other qualifying employment.

3 (c) An applicant shall not be eligible for a repayment assistance loan if the applicant is
4 in default on any obligation to a government or commercial lending institution or educational
5 institution until those financial obligations are satisfied. The Authority may waive ineligibility
6 for this reason at its sole discretion.

7 **"§ 116-287. Amount of loan; termination of eligible employment.**

8 (a) The Authority shall annually provide repayment assistance loans to eligible teachers
9 from monies available in the Fund. The Authority shall award repayment assistance loans of up
10 to six thousand five hundred dollars (\$6,500) per calendar year for an eligible teacher that
11 meets the criteria set forth in G.S. 116-285(3) in the order in which applications are received.

12 (b) All repayment assistance loans shall be evidenced by promissory notes made
13 payable to the Authority. The Authority shall forgive the repayment assistance loan in the
14 amount of each annual disbursement once the eligible teacher remains employed in a North
15 Carolina public school for four years following the receipt of funds. An eligible teacher who
16 received a repayment assistance loan in a previous year shall provide documentation to the
17 Authority that the funds in the amount of the loan were submitted to the government or
18 commercial lending institutions or educational institutions for repayment of the teacher's
19 eligible debt.

20 (c) An eligible teacher shall notify the Authority if the teacher's employment that
21 provided the basis for eligibility under the Program terminates or changes, voluntarily or
22 involuntarily, before exiting the repayment assistance period. An eligible teacher who
23 voluntarily leaves the qualifying employment shall be required to repay in full any funds that
24 were paid to the teacher, with interest accruing at the annualized rate applicable to the eligible
25 debt being repaid, if not yet forgiven under subsection (b) of this section at the time of
26 termination. An eligible teacher who (i) cannot fulfill the employment requirements due to
27 death or disability, (ii) takes a leave of absence, or (iii) is involuntarily terminated shall no
28 longer be eligible for a repayment assistance loan under the Program but shall not be
29 responsible for repaying the outstanding amount of loans previously disbursed to the eligible
30 teacher during the repayment assistance period.

31 **"§ 116-288. Establishment of the Teachers' Loan Repayment Assistance Fund.**

32 There is established the Teachers' Loan Repayment Assistance Fund to be administered by
33 the Authority. All funds appropriated to or otherwise received by the Authority to provide
34 repayment assistance loans through the Program, all funds received as repayment of loans, and
35 all interest earned on these funds shall be placed in the Fund. The Fund shall be used only for
36 (i) repayment assistance loans made pursuant to this section and (ii) the administrative costs of
37 the Authority.

38 **"§ 116-289. Report by the Authority.**

39 The Authority shall report no later than December 1, 2018, and annually thereafter, to the
40 Joint Legislative Education Oversight Committee regarding the Fund and repayment assistance
41 loans awarded from the Fund."

42 **SECTION 9.2.** There is appropriated from the General Fund to the Board of
43 Governors of The University of North Carolina the sum of four million sixty thousand dollars
44 (\$4,060,000) for the 2017-2018 fiscal year and the sum of seven million three hundred ten
45 thousand dollars (\$7,310,000) for the 2018-2019 fiscal year to implement the provisions of this
46 section. The State Education Assistance Authority may use up to eight hundred ten thousand
47 dollars (\$810,000) of the funds appropriated in this section for each fiscal year for
48 administration of the program.

49 **SECTION 9.3.** This Part becomes effective July 1, 2017.

50
51 **PART X. REGIONAL EDUCATION TASK FORCE**

1 **SECTION 10.** Chapter 115C of the General Statutes is amended by adding a new
2 section to read:

3 **"§ 115C-296.14. Regional Education Task Force.**

4 (a) Establishment and Purpose. – There is established the Regional Education Task
5 Force (Task Force). The Task Force shall monitor the teacher preparation program to obtain
6 data that may assist in evaluating the program and in determining its strengths and weaknesses.
7 The data compiled by the Task Force for evaluation of the program may include the following:
8 the qualifications of students entering the program, the preparedness of students graduating
9 from the program, the number of program graduates who actually become teachers, the subject
10 areas that they teach, the location of the teaching positions, the length of time program
11 graduates remain in the teaching profession, and any other information that may be helpful in
12 the evaluation of the program.

13 (b) Membership Regions. – The membership of the Task Force shall be divided into
14 three geographical categories as follows:

15 (1) Western Region.

- 16 a. Western Carolina University.
17 b. University of North Carolina at Asheville.
18 c. Appalachian State University.
19 d. University of North Carolina at Charlotte.
20 e. Winston-Salem State University.

21 (2) Piedmont Region.

- 22 a. University of North Carolina at Greensboro.
23 b. North Carolina Agricultural and Technical State University.
24 c. University of North Carolina at Chapel Hill.
25 d. North Carolina Central University.
26 e. North Carolina State University.

27 (3) Eastern Region.

- 28 a. University of North Carolina at Pembroke.
29 b. Fayetteville State University.
30 c. Elizabeth City State University.
31 d. East Carolina University.
32 e. University of North Carolina at Wilmington.

33 (c) Membership; Terms; Vacancies. – The Chair of the Department of Education at
34 each constituent institution shall appoint to the Task Force a professor from the Department of
35 Education to serve as the member representing that constituent institution. Terms on the Task
36 Force are for one year and begin on July 1, except the terms of the initial members, which
37 begin on appointment. Resignation or removal as a professor in the education department
38 constitutes resignation or removal from service on the Task Force. A member continues to
39 serve until the member's successor is appointed. Any vacancy on the Task Force shall be filled
40 by the officer who made the original appointment. No person may serve as a member for more
41 than four years.

42 (d) Chair. – The initial chair for the Task Force shall be appointed by the Chair of the
43 State Board of Education. Thereafter the chair shall be elected annually by the membership as
44 follows:

45 Each year the chair shall be elected from a different region. Upon completion of the initial
46 chair's term of service a new chair shall be elected from the members representing the Western
47 Region. The following year the chair shall be elected from the members representing the
48 Piedmont Region. The next year the chair shall be elected from the members representing the
49 Eastern Region, and the rotation of regions shall continue in the same order. No member may
50 serve as Chair for more than two years.

51 (e) Quorum. – A quorum of the Task Force is a majority of the members.

1 (f) Meetings. – The Chair shall convene the Task Force. Meetings shall held as often as
2 necessary, but not less than once a year.

3 (g) Report. – The Task Force shall report annually to the Joint Legislative Education
4 Oversight Committee regarding the data compiled and its evaluation of the teacher preparation
5 program. The report shall include any legislative proposals recommended by the Task Force.
6 The Task Force shall make its first report on September 1, 2018."
7

8 **PART XI. PERSONAL LEARNING TECHNOLOGY FOR ALL STUDENTS IN** 9 **GRADES SEVEN THROUGH 12**

10 **SECTION 11.1.** G.S. 115C-102.6A(c) is amended by adding a new subdivision to
11 read:

- 12 "(4a) A plan to equip all students in grades seven through 12 with personal
13 learning technology statewide. The plan shall include at least the following:
14 a. Promote equal opportunity for and provide meaningful access to
15 personal learning technology resources for students who are
16 economically disadvantaged or have special needs.
17 b. Support student achievement through the integration of personal
18 learning technologies that are content-focused and that add value to
19 existing instructional methods.
20 c. Provide for future sustainability of learning technology resources to
21 adapt to future educational needs and to avoid obsolescence of
22 learning technology resources.
23 d. Provide effective preparation, professional development, and training
24 programs for teachers and other educators in the use and integration
25 of learning technology tools in curriculum development, instructional
26 methods, and student assessment systems.
27 e. Estimate the level of expenditure for purchases of portable
28 computing devices or the anticipated principal and interest costs for
29 the year of allocation for leases and other appropriate financing
30 arrangements, including leases under which the learning technology
31 plan may apply the lease payments to the purchase of those devices.
32 f. Estimate the level of expenditures for software and services such as
33 technical support and education intranet services necessary for
34 operation of personal learning technologies."

35 **SECTION 11.2.** There is appropriated from the General Fund to the State School
36 Technology Fund, established under G.S. 115C-102.6D, the sum of fifty million dollars
37 (\$50,000,000) in recurring funds for the 2017-2018 fiscal year for the State Board of Education
38 to implement, as part of the State School Technology Plan, the plan to equip all students in
39 grades seven through 12 with personal learning technology in accordance with
40 G.S. 115C-102.6A(c), as amended by this Part. Within the funds appropriated for this purpose,
41 the State Board may phase in deployment of personal learning technology beginning with
42 seventh grade and eighth grade students. The State Board shall then use available funds to
43 deploy personal learning equipment to students in high school.

44 **SECTION 11.3.** This Part becomes effective July 1, 2017, and applies beginning
45 with the 2018-2019 school year.
46

47 **PART XII. EXPAND THE NC PRE-K PROGRAM**

48 **SECTION 12.1.(a)** Findings. – The General Assembly makes the following
49 findings:

- 50 (1) Access to early childhood programs increases the academic success rate of
51 children and reduces special education placements. Specifically,

- 1 participation in North Carolina's Early Childhood Initiatives reduces the
2 odds of special education placement by thirty-nine percent (39%).
- 3 (2) The National Institute for Early Education Research assesses preschool
4 programs in all 40 states and the District of Columbia that offer programs
5 according to the following benchmarks: early learning standards, teacher
6 degrees, teacher specialized training, assistant teacher degrees, teacher
7 in-service, maximum class size, staff-child ratio, screening/referral and
8 support services, meals, and monitoring. As such, North Carolina's
9 prekindergarten program (NC Pre-K) is one of only five states in the country
10 that meets all benchmarks for high quality state prekindergarten standards.
- 11 (3) More than 14 years of studies on the NC Pre-K program demonstrate
12 positive outcomes in the key domains of learning for later school success,
13 including language development and communication, cognitive
14 development, and both social and emotional development.
- 15 (4) Research indicates children progress at an even greater rate during
16 participation in NC Pre-K than expected for normal developmental growth
17 and NC Pre-K produces higher test scores, less grade retention, and fewer
18 special education placements.
- 19 (5) It is a matter of health and human services to expand the NC Pre-K program
20 to include three-year-olds, extend the coverage to 12 months of the program
21 year, and appropriate funds for the NC Pre-K program.

22 **SECTION 12.1.(b)** Eligibility. – To ensure children three and four years of age are
23 kindergarten-ready, the Department of Health and Human Services, Division of Child
24 Development and Early Education, shall continue implementing the prekindergarten program
25 (NC Pre-K) and serve children who are four years of age. However, beginning January 1, 2018,
26 the program shall be extended to cover 12 months of the program year. Additionally, beginning
27 January 1, 2020, the NC Pre-K program shall be expanded to serve children who are three years
28 of age and shall cover 12 months of the program year. A child shall be either three or four years
29 of age on or before August 31 of the program year. In determining eligibility, the Division shall
30 establish income eligibility requirements for the program not to exceed seventy-five percent
31 (75%) of the State median income. Up to twenty percent (20%) of children enrolled may have
32 family incomes in excess of seventy-five percent (75%) of median income if those children
33 have other designated risk factors. Furthermore, any age-eligible child who is a child of either
34 of the following shall be eligible for the program: (i) an active duty member of the Armed
35 Forces of the United States, including the North Carolina National Guard, State military forces,
36 or a reserve component of the Armed Forces who was ordered to active duty by the proper
37 authority within the last 18 months or is expected to be ordered within the next 18 months or
38 (ii) a member of the Armed Forces of the United States, including the North Carolina National
39 Guard, State military forces, or a reserve component of the Armed Forces who was injured or
40 killed while serving on active duty. Eligibility determinations for prekindergarten participants
41 may continue through local education agencies and local North Carolina Partnership for
42 Children, Inc., partnerships.

43 Other than developmental disabilities or other chronic health issues, the Division
44 shall not consider the health of a child as a factor in determining eligibility for participation in
45 the NC Pre-K program.

46 **SECTION 12.1.(c)** Multiyear Contracts. – The Division of Child Development and
47 Early Education shall require the NC Pre-K contractor to issue multiyear contracts for licensed
48 private child care centers providing NC Pre-K classrooms.

49 **SECTION 12.1.(d)** Building Standards. – Notwithstanding G.S. 110-91(4), private
50 child care facilities and public schools operating prekindergarten classrooms shall meet the
51 building standards for preschool students as provided in G.S. 115C-521.1.

1 **SECTION 12.1.(e)** Programmatic Standards. – Except as provided in subsection
2 (d) of this section, entities operating prekindergarten classrooms shall adhere to all of the
3 policies prescribed by the Division of Child Development and Early Education regarding
4 programmatic standards and classroom requirements.

5 **SECTION 12.1.(f)** NC Pre-K Committees. – Local NC Pre-K committees shall use
6 the standard decision-making process developed by the Division of Child Development and
7 Early Education in awarding prekindergarten classroom slots and student selection.

8 **SECTION 12.1.(g)** Reporting. – The Division of Child Development and Early
9 Education shall submit an annual report no later than March 15 of each year to the Joint
10 Legislative Oversight Committee on Health and Human Services, the Office of State Budget
11 and Management, and the Fiscal Research Division. The report shall include the following:

- 12 (1) The number of children participating in the NC Pre-K program by county.
- 13 (2) The number of children participating in the NC Pre-K program who have
14 never been served in other early education programs such as child care,
15 public or private preschool, Head Start, Early Head Start, or early
16 intervention programs.
- 17 (3) The expected NC Pre-K expenditures for the programs and the source of the
18 local contributions.
- 19 (4) The results of an annual evaluation of the NC Pre-K program.

20 **SECTION 12.1.(h)** Audits. – The administration of the NC Pre-K program by local
21 partnerships shall be subject to the financial and compliance audits authorized under
22 G.S. 143B-168.14(b).

23 **SECTION 12.2.(a)** Appropriation/Extend to 12 Months for Four-Year-Olds. –
24 There is appropriated from the General Fund to the Department of Health and Human Services,
25 Division of Child Development and Early Education, the sum of twenty-eight million three
26 hundred thousand dollars (\$28,300,000) for the 2017-2018 fiscal year and the sum of
27 twenty-eight million three hundred thousand dollars (\$28,300,000) for the 2018-2019 fiscal
28 year for the purpose of expanding the NC Pre-K program to eligible children who are four
29 years of age to provide coverage for those children, without additional slots, for 12 months of
30 the program year.

31 **SECTION 12.2.(b)** Appropriation/Expansion for Three-Year-Olds. – There is
32 appropriated from the General Fund to the Department of Health and Human Services, Division
33 of Child Development and Early Education, the sum of three hundred ninety-one million five
34 hundred thousand dollars (\$391,500,000) for the 2019-2020 fiscal year for the purpose of
35 expanding the NC Pre-K program to eligible children who are three years of age to provide
36 coverage for those children for 12 months of the program year.

37 **SECTION 12.3.** Effective Date. – Part XII of this act becomes effective July 1,
38 2017.

39 **PART XIII. TEACHER SUPPORT PROGRAM**

40 **SECTION 13.(a)** Article 20 of Chapter 115C of the General Statutes is amended
41 by adding a new section to read:

42 **"§ 115C-300.5. Teacher Support Program.**

43 (a) The State Board of Education shall establish the Teacher Support Program
44 (Program) to help teachers cope with stress, exhaustion, and disillusionment related to the
45 profession by providing counseling services. The State Board may contract with a private,
46 for-profit, or nonprofit employee assistance program corporation for purposes of administering
47 the Program.

48 (b) The State Board shall adopt rules for the implementation of the Program, including
49 rules regarding the following:

- 50 (1) The development of a referral system for the Program.

1 (2) Professional and licensure requirements for staff.

2 (3) The development a toll-free, 24-hour hotline for use by teachers.

3 (c) Any records related to teacher participation in the Program shall be deemed
4 confidential. No employing entity shall consider teacher participation in the Program for
5 purposes of evaluating a teacher's performance or making any employment decision under
6 Article 22 of this Chapter."

7 **SECTION 13.(b)** There is appropriated from the General Fund to the Department
8 of Public Instruction the sum of one million dollars (\$1,000,000) in recurring funds for the
9 2017-2018 fiscal year to establish and operate the Teacher Support Program.

10 11 **PART XIV. EVALUATION OF THE PTA – PROFESSIONAL TEACHER ACT**

12 **SECTION 14.** In accordance with Chapter 143E of the General Statutes, the
13 Program Evaluation Division of the General Assembly shall conduct a measurability
14 assessment of the State programs created by this act and the investment of State funds in raising
15 teacher and principal salaries to determine whether these actions and programs are impacting
16 student performance and outcomes, improving the retention and availability of employing high
17 quality teachers in the North Carolina public schools, and providing a return on investment of
18 State funds. The Program Evaluation Division shall begin the measurability assessment
19 beginning in 2027 and compare data from the 2017-2018 fiscal year to data collected up until
20 the 2031-2032 fiscal year. The Program Evaluation Division shall report to the 2033 General
21 Assembly on the results of the measurability assessment.

22 23 **PART XV. INCOME AND SALES TAX INCREASE**

24 **SECTION 15.1.(a)** G.S. 105-164.4(a) reads as rewritten:

25 "(a) A privilege tax is imposed on a retailer engaged in business in the State at the
26 percentage rates of the retailer's net taxable sales or gross receipts, listed in this subsection. The
27 general rate of tax is ~~four and three-quarters percent (4.75%)~~ five and one-quarter percent
28 (5.25%). The percentage rates are as follows:

29 "

30 **SECTION 15.1.(b)** G.S. 105-164.4(a), as amended by subsection (a) of this
31 section, reads as rewritten:

32 "(a) A privilege tax is imposed on a retailer engaged in business in the State at the
33 percentage rates of the retailer's net taxable sales or gross receipts, listed in this subsection. The
34 general rate of tax is five and ~~one-quarter~~ one-half percent (~~5.25%~~) (5.5%). The percentage rates
35 are as follows:

36 "

37 **SECTION 15.1.(c)** G.S. 105-164.4(a), as amended by subsection (b) of this
38 section, reads as rewritten:

39 "(a) A privilege tax is imposed on a retailer engaged in business in the State at the
40 percentage rates of the retailer's net taxable sales or gross receipts, listed in this subsection. The
41 general rate of tax is five and ~~one-half~~ three-quarters percent (~~5.5%~~) (5.75%). The percentage
42 rates are as follows:

43 "

44 **SECTION 15.1.(d)** Subsection (a) of this section becomes effective July 1, 2017,
45 and applies to sales made on or after that date. Subsection (b) of this section becomes effective
46 July 1, 2018, and applies to sales made on or after that date. Subsection (c) of this section
47 becomes effective July 1, 2019, and applies to sales made on or after that date. The remainder
48 of this section is effective when it becomes law.

49 **SECTION 15.2.(a)** G.S. 105-130.3C is repealed.

50 **SECTION 15.2.(b)** G.S. 105-130.3 reads as rewritten:

51 "**§ 105-130.3. Corporations.**

1 A tax is imposed on the State net income of every C Corporation doing business in this
2 State at the rate of ~~four percent (4%)~~ five percent (5%). An S Corporation is not subject to the
3 tax levied in this section."

4 **SECTION 15.2.(c)** G.S. 105-130.3, as amended by subsection (b) of this section,
5 reads as rewritten:

6 "**§ 105-130.3. Corporations.**

7 A tax is imposed on the State net income of every C Corporation doing business in this
8 State at the rate of ~~five percent (5%)~~ six percent (6%). An S Corporation is not subject to the
9 tax levied in this section."

10 **SECTION 15.2.(d)** Subsection (a) of this section is effective for taxable years
11 beginning on or after January 1, 2018. Subsection (b) of this section is effective for taxable
12 years beginning on or after January 1, 2019. Subsection (c) of this section is effective for
13 taxable years beginning on or after January 1, 2020. The remainder of this section is effective
14 when it becomes law.

15 **SECTION 15.3.(a)** G.S. 105-153.7(a) reads as rewritten:

16 "(a) Tax. – A tax is imposed for each taxable year on the North Carolina taxable income
17 of every individual. The tax shall be levied, collected, and paid annually. The tax is ~~five and~~
18 ~~four hundred ninety nine thousandths percent (5.499%)~~ five and three-quarters percent (5.75%)
19 of the taxpayer's North Carolina taxable income."

20 **SECTION 15.3.(b)** G.S. 105-153.7(a), as amended by subsection (a) of this
21 section, reads as rewritten:

22 "(a) Tax. – A tax is imposed for each taxable year on the North Carolina taxable income
23 of every individual. The tax shall be levied, collected, and paid annually. The tax is ~~five and~~
24 ~~three-quarters percent (5.75%)~~ six percent (6%) of the taxpayer's North Carolina taxable
25 income."

26 **SECTION 15.3.(c)** G.S. 105-153.7(a), as amended by subsection (b) of this
27 section, reads as rewritten:

28 "(a) Tax. – A tax is imposed for each taxable year on the North Carolina taxable income
29 of every individual. The tax shall be levied, collected, and paid annually. The tax is ~~six percent~~
30 ~~(6%)~~ six and one-half percent (6.5%) of the taxpayer's North Carolina taxable income."

31 **SECTION 15.3.(d)** Subsection (a) of this section is effective for taxable years
32 beginning on or after January 1, 2018. Subsection (b) of this section is effective for taxable
33 years beginning on or after January 1, 2019. Subsection (c) of this section is effective for
34 taxable years beginning on or after January 1, 2020. The remainder of this section is effective
35 when it becomes law.

36
37 **PART XVI. EFFECTIVE DATE**

38 **SECTION 16.** Except as otherwise provided, this act is effective when it becomes
39 law and applies beginning with the 2017-2018 school year.