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Short Title: Accountability and Fair Play in Athletics. (Public)

Sponsors:

Referred to:

February 17, 2021

1 A BILL TO BE ENTITLED
2 AN ACT TO RESTRUCTURE OVERSIGHT OF PUBLIC HIGH SCHOOL
3 INTERSCHOLASTIC ATHLETIC ACTIVITIES TO ENSURE ACCOUNTABILITY AND
4 FAIR PLAY.

5 The General Assembly of North Carolina enacts:

6
7 **PART I. REGULATION OF HIGH SCHOOL INTERSCHOLASTIC ATHLETIC**
8 **ACTIVITIES**

9 **SECTION 1.(a)** Chapter 115C of the General Statutes is amended by adding a new
10 Article to read:

11 "Article 29E.

12 "High School Interscholastic Athletic Activities.

13 "**§ 115C-407.50. Definitions.**

14 The following definitions apply in this Article:

15 (1) Administering organization. – A nonprofit organization that has entered into
16 and is in compliance with a memorandum of understanding with the State
17 Board of Education to administer and enforce the adopted rules and
18 requirements of this Article for interscholastic athletic activities at the high
19 school level.

20 (2) – (5) Reserved for future codification purposes.

21 (6) Parent. – The parent or legal guardian of a student participating or seeking to
22 participate in interscholastic athletic activities.

23 (7) Participating school. – A high school that elects to offer interscholastic athletic
24 activities.

25 "**§ 115C-407.55. Rules for high school interscholastic athletic activities.**

26 The State Board of Education shall adopt rules governing high school interscholastic athletic
27 activities conducted by public school units that include the following:

28 (1) Student participation rules. – These rules shall govern student eligibility to
29 participate in interscholastic athletic activities and shall include, at a
30 minimum, academic standards, enrollment and transfer requirements.



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- 1 attendance requirements, medical eligibility requirements, recruiting
2 limitations, and hardship exceptions.
- 3 (2) Student health and safety rules. – These rules shall govern requirements to
4 ensure student health and safety during participation in interscholastic athletic
5 activities, including rules related to concussions and emergency action plans
6 as required by G.S. 115C-12(23).
- 7 (3) Penalty rules. – These rules shall establish a system of demerits for infractions
8 of rules which may result in reprimands, probations, suspensions, forfeitures
9 of contests, forfeitures of titles, and disqualifications. The State Board may by
10 rule delegate the authority to establish all or a portion of the penalty rules to
11 an administering organization.
- 12 (4) Appeals rules. – These rules shall establish an appeals process for enforcement
13 of rules that provides for an independent appeals board, notice of the infraction
14 and the appeals process to the party that receives the penalty, and an
15 opportunity to be heard before the independent appeals board.
- 16 (5) Administrative rules. – These rules shall govern classifications of schools into
17 divisions and conferences, administration of games, and requirements for
18 coaching, officiating, sportsmanship, and scheduling of seasons. The State
19 Board may by rule delegate the authority to establish all or a portion of the
20 administrative rules to an administering organization.
- 21 (6) Gameplay rules. – These rules shall be adopted in accordance with the
22 requirements of the governing organization for each sport, including the
23 requirements of the National Federation of State High School Associations.
24 The State Board may by rule delegate the authority to establish all or a portion
25 of the gameplay rules to an administering organization.
- 26 (7) Fees. – These rules shall establish the fees and other amounts that may be
27 charged to a participating school for participation in interscholastic athletic
28 activities. The State Board may by rule delegate the authority to establish all
29 or a portion of the fees to an administering organization.
- 30 (8) Administering organization rules. – These rules shall require that to be
31 designated as an administering organization, a nonprofit must enter into and
32 remain compliant with a memorandum of understanding with the State Board.
33 The rules shall also require the following:
- 34 a. The State Board may, by majority vote, invalidate any rule or
35 regulation adopted by the administering organization.
- 36 b. The administering organization be audited annually by a reputable
37 independent auditing firm, engage in open meetings as set out in the
38 memorandum of understanding, and provide the State Board access to
39 records of the administering organization, including financial
40 information, annual audit reports, and any matters related to or
41 impacting participating schools.
- 42 c. The administering organization shall enter into written agreements
43 with each participating school.
- 44 d. The memorandum of understanding shall incorporate by reference any
45 subsequent changes to rules or statutes made after the parties enter into
46 the memorandum.
- 47 (9) Reporting rules. – These rules shall establish a process for reporting issues or
48 concerns related to the administration of interscholastic athletic activities.
- 49 **§ 115C-407.60. Administration and enforcement of high school interscholastic athletic**
50 **activity rules.**

1 (a) The State Board of Education may enter into a memorandum of understanding for a
2 term of four years with one or more nonprofit organizations to administer and enforce the
3 requirements of this Article and the rules adopted by the State Board for interscholastic athletic
4 activities at the high school level. A memorandum of understanding shall comply with the
5 requirements of this Article. If the State Board by rule delegates the authority to establish certain
6 rules to an administering organization, as provided in G.S. 115C-407.55, the administering
7 organization shall not be required to comply with the requirements of Chapter 150B of the
8 General Statutes in establishing those rules.

9 The State Auditor is authorized to conduct audits of any administering organization in the
10 same manner as for State agencies in accordance with Article 5A of Chapter 147 of the General
11 Statutes, if the State Auditor deems an audit necessary.

12 (b) If the State Board is unable to enter into a memorandum of understanding, the State
13 Board shall assign the administration of high school interscholastic athletic activities to the
14 Department of Public Instruction and establish fees sufficient to support the administration of the
15 program.

16 **"§ 115C-407.65. Conduct of high school interscholastic athletic activities by public school**
17 **units.**

18 (a) All public school units with participating schools shall conduct high school
19 interscholastic athletic activities in accordance with the rules adopted by the State Board of
20 Education and as administered and enforced by either an administering organization that is in
21 compliance with the memorandum of understanding or the Department of Public Instruction.
22 Public school units shall not be regulated by any other entities for regular and postseason high
23 school interscholastic athletics.

24 (b) Participating schools shall purchase catastrophic insurance for high school
25 interscholastic athletic activities as provided in Part 2 of Article 31A of Chapter 58 of the General
26 Statutes."

27 **SECTION 1.(b)** Notwithstanding G.S. 150B-21.1(a2), for 180 days following the
28 effective date of this act, the State Board of Education is authorized to submit temporary rules
29 for high school interscholastic athletic activities to the Rules Review Commission.
30 Notwithstanding G.S. 150B-21.1(a4), the State Board of Education shall not be required to
31 submit a written statement of its findings of need with its submission of temporary rules for high
32 school interscholastic athletic activities during this period. Except as otherwise provided in this
33 subsection, the requirements of Article 2A of Chapter 150B of the General Statutes shall apply.

34 **SECTION 1.(c)** The State Board of Education shall negotiate an initial memorandum
35 of understanding to be in effect for four years. The initial memorandum may be renewed for a
36 term of four years. If the State Board of Education has not entered into such a memorandum of
37 understanding by March 15, 2022, the State Board of Education may designate governance of
38 high school interscholastic athletic activities to the Department of Public Instruction for the
39 2022-2023 school year.

40 **SECTION 1.(d)** This section is effective when it becomes law and applies to public
41 school units beginning with the 2022-2023 school year. Rules adopted by the State Board of
42 Education as provided in Article 29E of Chapter 115C of the General Statutes, as enacted by this
43 section, shall apply to public school units no earlier than July 1, 2022.

44
45 **PART II. CONFORMING CHANGES**

46 **SECTION 2.(a)** G.S. 115C-12(23) reads as rewritten:

47 "~~(23) Power to Adopt Eligibility Rules for Interscholastic Athletic Competition-~~
48 ~~Activities.~~ – The State Board of Education shall adopt rules governing
49 interscholastic athletic activities conducted by local boards of education,
50 including eligibility for student ~~participation-~~ participation, in accordance with

1 this subdivision and Article 29E of this Chapter. With regard to middle
2 schools and high schools, the rules shall provide for the following:

3 ...

4 ~~The State Board of Education may authorize a designated organization to~~
5 ~~apply and enforce the Board's rules governing participation in interscholastic~~
6 ~~athletic activities at the high school level."~~

7 **SECTION 2.(b)** G.S. 115C-47(4) reads as rewritten:

8 "(4) To Regulate Extracurricular Activities. – Local boards of education shall
9 make all rules and regulations necessary for the conducting of extracurricular
10 activities in the schools under their supervision, including a program of
11 athletics, where desired, without assuming liability therefor; provided, that all
12 interscholastic athletic activities shall be conducted in accordance with rules
13 ~~and regulations prescribed adopted~~ by the State Board of
14 ~~Education.~~ Education, in accordance with G.S. 115C-12(23) and Article 29E
15 of this Chapter."

16 **SECTION 2.(c)** G.S. 115C-366(f) reads as rewritten:

17 "(f) This section shall not be construed to allow students to transfer from one local school
18 administrative unit to another for athletic participation purposes in violation of eligibility
19 requirements ~~established adopted~~ by the State Board of Education and the North Carolina High
20 ~~School Athletic Association.~~ Education."

21 **SECTION 2.(d)** G.S. 116-235(b) is amended by adding a new subdivision to read:

22 "(4) Interscholastic Athletics. – If the Board of Trustees elects to provide a
23 program of interscholastic athletics, that program shall be conducted in
24 accordance with rules adopted by the State Board of Education, in accordance
25 with Article 29E of Chapter 115C of the General Statutes."

26 **SECTION 2.(e)** G.S. 143-291(c) is repealed.

27 **SECTION 2.(f)** This section becomes effective July 1, 2022.

28
29 **PART III. STUDENT-ATHLETIC CATASTROPHIC INSURANCE COVERAGE**
30 **PROVIDED THROUGH THE DEPARTMENT OF INSURANCE**

31 **SECTION 3.(a)** Article 31A of Chapter 58 of the General Statutes reads as rewritten:

32 "Article 31A.

33 "State Insurance ~~of for~~ Public ~~Education Property.~~ Education.

34 "Part 1. Public Education Property.

35 **"§ 58-31A-1. Definitions.**

36 The following definitions shall apply in this ~~Article:~~ Part:

37 ...

38 "Part 2. Student-Athletic Catastrophic Insurance.

39 **"§ 58-31A-60. Catastrophic insurance for covered activities.**

40 (a) For the purposes of this section, the following definitions shall apply:

41 (1) Administering organization. – As defined in G.S. 115C-407.50.

42 (2) Covered activities. – Interscholastic athletic activities that are authorized,
43 sanctioned, or scheduled by a participating school or by an administering
44 organization, including school-supervised practice, game-related activity, and
45 related travel.

46 (3) Covered persons. – Students or school personnel participating in or
47 responsible for supervising covered activities.

48 (4) Participating school. – As defined in G.S. 115C-407.50.

49 (b) The Commissioner of Insurance shall have the duty to offer catastrophic insurance
50 coverage for covered persons to participating schools for covered activities.

1 (c) Premiums for catastrophic insurance for covered activities shall be paid by each
2 participating school in accordance with rates fixed by the Commissioner, and the Commissioner
3 may purchase from insurers admitted to do business in North Carolina such insurance as may be
4 necessary."

5 **SECTION 3.(b)** This section is effective when it becomes law and applies to
6 catastrophic insurance coverage beginning with the 2022-2023 school year.

7
8 **PART IV. EFFECTIVE DATE**

9 **SECTION 4.** Except as otherwise provided herein, this act is effective when it
10 becomes law.