

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

S

D

SENATE BILL 692
Education/Higher Education Committee Substitute Adopted 4/19/23
PROPOSED COMMITTEE SUBSTITUTE S692-PCS45335-BN-12

Short Title: Community College Governance.

(Public)

Sponsors:

Referred to:

April 10, 2023

A BILL TO BE ENTITLED

AN ACT TO REQUIRE THAT THE PRESIDENT OF THE NORTH CAROLINA
COMMUNITY COLLEGES SYSTEM BE CONFIRMED BY THE GENERAL
ASSEMBLY, TO MAKE CHANGES TO THE APPROVAL PROCESS OF LOCAL
COMMUNITY COLLEGE PRESIDENTS, TO PROHIBIT COMMUNITY COLLEGES
FROM OFFERING COURSES OF INSTRUCTION USING STATE FUNDS WITHOUT
PRIOR APPROVAL BY THE STATE BOARD OF COMMUNITY COLLEGES, AND TO
MAKE CHANGES TO THE STATE BOARD OF COMMUNITY COLLEGES AND
LOCAL BOARDS OF TRUSTEES.

The General Assembly of North Carolina enacts:

**PART I. CONFIRMATION OF THE PRESIDENT OF THE COMMUNITY COLLEGES
SYSTEM**

SECTION 1.(a) G.S. 115D-3 reads as rewritten:

"§ 115D-3. Community Colleges System Office; staff; reorganization authority.

...

(a1) The Subject to confirmation by the General Assembly in accordance with
G.S. 115D-3.1, the State Board shall elect a President of the North Carolina System of
Community Colleges System who shall serve as chief administrative officer of the Community
Colleges System Office. The State Board shall use the following process to elect a President:

(1) At least three final candidates shall be submitted to the full State Board from
which the full State Board shall make its election.

(2) The State Board shall conduct a vote on the election of the President, and the
candidate who receives a majority of votes of the entire State Board shall be
elected President.

(a2) The compensation of this position shall be fixed by the State Board from funds
provided by the General Assembly in the Current Operations Appropriations Act.

(a3) The President shall be assisted by such professional staff members as may be deemed
necessary to carry out the provisions of this Chapter, who shall be elected by the State Board on
nomination of the President. The compensation of the staff members elected by the Board shall
be fixed by the State Board of Community Colleges, upon recommendation of the President of
the Community College-Colleges System, from funds provided in the Current Operations
Appropriations Act. These staff members shall include such officers as may be deemed desirable
by the President and State Board. Provision shall be made for persons of high competence and
strong professional experience in such areas as academic affairs, public service programs,



* S 6 9 2 - P C S 4 5 3 3 5 - B N - 1 2 *

1 business and financial affairs, institutional studies and long-range planning, student affairs,
2 research, legal affairs, health affairs and institutional development, and for State and federal
3 programs administered by the State Board. In addition, the President shall be assisted by such
4 other employees as may be needed to carry out the provisions of this Chapter, who shall be
5 subject to the provisions of Chapter 126 of the General Statutes. The staff complement shall be
6 established by the State Board on recommendation of the President to insure that there are
7 persons on the staff who have the professional competence and experience to carry out the duties
8 assigned and to insure that there are persons on the staff who are familiar with the problems and
9 capabilities of all of the principal types of institutions represented in the system. ~~The State Board
10 of Community Colleges shall have all other powers, duties, and responsibilities delegated to the
11 State Board of Education affecting the Community Colleges System Office not otherwise stated
12 in this Chapter.~~

13"

14 **SECTION 1.(b)** Chapter 115D of the General Statutes is amended by adding a new
15 section to read:

16 **"§ 115D-3.1. General Assembly confirmation of the President.**

17 (a) The State Board shall submit the name of the person elected as President for
18 confirmation to the presiding officers of the Senate and the House of Representatives of the
19 General Assembly on or before the fifteenth day following the election. The General Assembly
20 shall adopt a joint resolution to either (i) confirm or (ii) deny confirmation, subject to the
21 following:

22 (1) The person elected by the State Board shall not serve as President but may
23 serve as interim-President until the General Assembly adopts a joint
24 resolution.

25 (2) If the General Assembly fails to adopt a joint resolution confirming the person
26 by the date that either chamber reaches the thirtieth legislative day following
27 the receipt of the name by the presiding officers, it shall be deemed that the
28 General Assembly has denied confirmation.

29 (b) A person denied confirmation shall not serve as President or interim-President."
30

31 **PART II. APPROVAL OF LOCAL PRESIDENTS OF COMMUNITY COLLEGES**

32 **SECTION 2.(a)** Chapter 115D of the General Statutes is amended by adding a new
33 section to read:

34 **"§ 115D-6.1. College president contracts and approval.**

35 (a) The State Board shall develop mandatory contract terms that boards of trustees of
36 community colleges shall use when electing a president or chief administrative officer pursuant
37 to G.S. 115D-20. The contract terms shall include the following:

38 (1) A contract term of between one and four years.

39 (2) A requirement that the contract or contract renewal is unenforceable unless it
40 is approved by the State Board.

41 (3) A list of causes for dismissal and termination of the contract.

42 (4) A prohibition on additional financial compensation to the president or chief
43 administrative officer when dismissed for causes included in the contracts.

44 (5) Any other provisions deemed necessary by the State Board.

45 (b) Each local board of trustees shall submit the name of the person elected as president
46 or chief administrative officer of the institution under G.S. 115D-20(1) to the State Board for
47 approval. The local board shall submit any information requested by the State Board about the
48 person's qualifications. A person denied approval shall not serve as president of the institution."

49 **SECTION 2.(b)** Chapter 115D of the General Statutes is amended by adding a new
50 section to read:

51 **"§ 115D-10. Limitation on judicial review of State Board actions.**

1 State Board actions affecting a local board of trustees or a person elected as a president or
 2 chief administrative officer of an institution under any of the following statutes are not subject to
 3 judicial review:

- 4 (1) G.S. 115D-6.
 5 (2) G.S. 115D-6.1.
 6 (3) G.S. 115D-6.5.
 7 (4) G.S. 115D-19."

8 **SECTION 2.(c)** G.S. 115D-20 reads as rewritten:

9 **"§ 115D-20. Powers and duties of trustees.**

10 The trustees of each institution shall constitute the local administrative board of such
 11 institution, with such powers and duties as are provided in this Chapter and as are delegated to it
 12 by the State Board of Community Colleges. The powers and duties of trustees shall include the
 13 following:

- 14 (1) To elect a president or chief administrative officer of the institution ~~for such~~
 15 ~~term and under such conditions as the trustees may fix.~~ in accordance with
 16 G.S. 115D-6.1. If the board of trustees chooses to use a search consultant to
 17 assist with the election process, the board of trustees shall select the search
 18 consultant through a competitive request for proposals process. A search
 19 consultant selected pursuant to this subdivision who is collecting a fee for the
 20 consultant's services shall not be (i) an employee of a State agency,
 21 department, or institution, an appointed member of a State commission or
 22 board, or an elected official whose responsibilities include oversight or
 23 budgetary aspects of the Community ~~College~~ Colleges System, (ii) a lobbyist
 24 or lobbyist principal as defined in G.S. 120C-100, or (iii) a State-level
 25 community college board of trustees association or organization. A contract
 26 with a search consultant pursuant to this subdivision shall not be subject to
 27 Article 3C of Chapter 143 of the General Statutes. The election and reelection
 28 of a president or chief administrative officer shall be subject to the approval
 29 of the State Board of Community Colleges. No person shall serve as a
 30 president or chief administrative officer until and unless he or she is approved
 31 by the State Board of Community Colleges as provided in G.S. 115D-6.1.

32 "...."

33 **SECTION 2.(d)** G.S. 115D-6.1, as enacted by this section, applies to contracts
 34 entered into or renewed on or after the effective date of this act.

35
 36 **PART III. PROHIBITION ON THE USE OF STATE FUNDS FOR COURSES OF**
 37 **INSTRUCTION WITHOUT STATE BOARD APPROVAL**

38 **SECTION 3.** G.S. 115D-5 is amended by adding a new subsection to read:

39 "(b3) No course of instruction shall be offered by any community college at State expense
 40 or partial State expense without the approval of the State Board of Community Colleges."

41
 42 **PART IV. CHANGES TO THE STATE BOARD OF COMMUNITY COLLEGES**

43 **SECTION 4.(a)** G.S. 115D-2.2 reads as rewritten:

44 **"§ 115D-2.2. State Board of Community Colleges.**

- 45 (a) The State Board of Community Colleges is established.
 46 (b) The State Board of Community Colleges shall consist of ~~22~~ 21 members, as follows:
 47 (1) The Lieutenant Governor or the Lieutenant Governor's designee shall be a
 48 member ex officio.
 49 (2) The Treasurer of North Carolina or the Treasurer's designee shall be a member
 50 ex officio.

- 1 (3) The Commissioner of Labor or the Commissioner's designee shall be a
2 member ex officio.
- 3 ~~(4) The Governor shall appoint to the State Board four members from the State at
4 large and one member from each of the six Trustee Association Regions
5 defined in G.S. 115D-62. Each appointment by the Governor shall be for a
6 term of four years and until a successor is appointed and qualifies. Any
7 vacancy occurring among the Governor's appointees before the expiration of
8 term shall be filled by appointment of the Governor. The member appointed
9 to fill a vacancy shall meet the same residential qualification, if any, as the
10 vacating member and shall serve for the remainder of the unexpired term of
11 that member.~~
- 12 (5) The General Assembly shall elect ~~eight~~ 18 members of the State Board from
13 the State at large to a term of four years beginning July 1 of an odd-numbered
14 year and until a successor is elected and qualifies. The Senate shall elect ~~four~~
15 nine members and the House of Representatives shall elect ~~four~~ nine members
16 in accordance with subsection (c) of this section.
- 17 ~~(6) The person serving as president of the North Carolina Comprehensive
18 Community College Student Government Association shall be an ex officio
19 member of the State Board. If the president of the Association is unable for
20 any reason to serve as the student member of the State Board, then pursuant
21 to the constitution of the Association, the vice president of the Association
22 shall serve as the student member of the State Board. Any person serving as
23 the student member of the State Board must be a student in good standing at
24 a North Carolina community college. The student member of the State Board
25 shall have all the rights and privileges of membership, except that the student
26 member shall not have a vote.~~

27 ...

28 (h) At its first meeting after July 1 of each odd-numbered year, the State Board shall elect
29 from its membership a ~~chair~~ chair, vice-chair, and such other officers as it may deem necessary.

30 (i) The State Board of Community Colleges shall meet at stated times established by the
31 State Board, but not less frequently than ~~10~~ eight times a year. The State Board of Community
32 Colleges shall also meet with the State Board of Education and the Board of Governors of The
33 University of North Carolina at least once a year to discuss educational matters of mutual interest
34 and to recommend to the General Assembly such policies as are appropriate to encourage the
35 improvement of public education at every level in this State; these joint meetings shall be hosted
36 by the three Boards according to the schedule set out in G.S. 115C-11(b1). Special meetings of
37 the State Board may be set at any regular meeting or may be called by the chair. A majority of
38 the qualified members of the State Board shall constitute a quorum for the transaction of business.

39 "

40 **SECTION 4.(b)** G.S. 115D-2.2, as amended by this act, reads as rewritten:

41 "**§ 115D-2.2. State Board of Community Colleges.**

42 ...

43 (b) The State Board of Community Colleges shall consist of ~~21 members, as follows:~~ 18
44 members elected by the General Assembly from the State at large to a term of four years
45 beginning July 1 of an odd-numbered year until a successor is elected and qualified. The Senate
46 shall elect nine members and the House of Representatives shall elect nine members in
47 accordance with subsection (c) of this section.

48 ~~(1) The Lieutenant Governor or the Lieutenant Governor's designee shall be a
49 member ex officio.~~

50 ~~(2) The Treasurer of North Carolina or the Treasurer's designee shall be a member
51 ex officio.~~

- 1 ~~(3) The Commissioner of Labor or the Commissioner's designee shall be a~~
2 ~~member ex officio.~~
- 3 ~~(5) The General Assembly shall elect eight members of the State Board from the~~
4 ~~State at large to a term of four years and until a successor is elected and~~
5 ~~qualifies. The Senate shall elect four members and the House of~~
6 ~~Representatives shall elect four members in accordance with subsection (e) of~~
7 ~~this section.~~

8 (c) At each session of the General Assembly held in an odd-numbered year, the Senate
9 and the House of Representatives shall elect from a slate of candidates made in each chamber.
10 The slate shall be prepared as provided by resolution in each chamber. If a sufficient number of
11 nominees who are legally qualified are submitted, then the slate of candidates shall list at least
12 twice the number of candidates for the total seats open. All qualified candidates shall compete
13 against all other qualified candidates. All candidates shall submit a statement of economic interest
14 to the State Ethics Commission for review under G.S. 138A-24.

15 (d) ~~When a vacancy occurs among the members elected by the two chambers of the~~
16 ~~General Assembly, occurs, the chair of the State Board shall inform~~ the chamber that originally
17 elected the vacating ~~member-member. The chamber shall elect a person to fill the vacancy in the~~
18 same manner as required for election under subsection (c) of this section when the General
19 Assembly next convenes. The election shall be for the remainder of the unexpired term.

20 ...

21 ~~(j) Whenever any vacancy shall occur in the appointed or elected membership of the~~
22 ~~State Board, the chair shall inform the appropriate appointing or electing authority of the vacancy.~~

23 (k) The State Board of Community Colleges may declare vacant the office of an
24 ~~appointed or elected member~~ who does not attend three consecutive scheduled meetings without
25 justifiable excuse. The chair of the State Board shall notify the ~~appropriate appointing or electing~~
26 ~~authority chamber that elected the member~~ of any vacancy."

27 **SECTION 4.(c)** Notwithstanding G.S. 115D-2.2, as amended by this act, the current
28 members serving on the State Board as of the effective date of this act shall serve the remainder
29 of their terms.

30 **SECTION 4.(d)** When the State Board of Community Colleges elects a chair in
31 accordance with G.S. 115D-2.2(h) in 2023, the chair shall be elected from the members elected
32 by the Senate. When the State Board of Community Colleges elects a chair in accordance with
33 G.S. 115D-2.2(h) in 2025, the chair shall be elected from the members elected by the House of
34 Representatives.

35 **SECTION 4.(e)** Notwithstanding G.S. 115D-2.2, as amended by this act, the
36 following shall be the terms of office for members elected to terms beginning July 1, 2023:

- 37 (1) The House of Representatives shall elect two members to two-year terms.
38 (2) The Senate shall elect three members to two-year terms.

39 **SECTION 4.(f)** For elections to terms beginning July 1, 2025, and every four years
40 thereafter, the following applies:

- 41 (1) The House of Representatives shall elect five members to four-year terms.
42 (2) The Senate shall elect five members to four-year terms.

43 **SECTION 4.(g)** For elections to terms beginning July 1, 2027, and every four years
44 thereafter, the following applies:

- 45 (1) The House of Representatives shall elect four members to four-year terms.
46 (2) The Senate shall elect four members to four-year terms.

47 **SECTION 4.(h)** G.S. 115D-62 is repealed.

48 **SECTION 4.(i)** G.S. 115D-79 reads as rewritten:

49 "**§ 115D-79. Open meetings.**

1 All official meetings of the State Board of Community Colleges and of local boards of
 2 trustees shall be open to the public in accordance with the provisions of ~~G.S. 143-318.1 through~~
 3 ~~143-318.7.~~G.S. 143-318.9."

4 **SECTION 4.(j)** Subsection (b) of this section becomes effective July 1, 2027. The
 5 remainder of this section is effective when it becomes law.

6
 7 **PART V. CHANGES TO THE MAKEUP OF THE LOCAL BOARDS OF TRUSTEES**

8 **SECTION 5.(a)** G.S. 115D-12 reads as rewritten:

9 "**§ 115D-12. Each institution to have board of trustees; selection of trustees.**

10 (a) Each community college established or operated pursuant to this Chapter shall be
 11 governed by a board of trustees ~~consisting of 13 members, or of additional members if selected~~
 12 ~~according to the special procedure prescribed by the third paragraph of this subsection, who shall~~
 13 ~~be selected by the following agencies. No member of the General Assembly may be appointed~~
 14 ~~to a local board of trustees for a community college composed as follows:~~

15 (1) Eight trustees appointed by the General Assembly under G.S. 120-121. The
 16 General Assembly shall appoint two members annually. One member shall be
 17 appointed upon the recommendation of the Speaker of the House of
 18 Representatives and one member shall be appointed upon the recommendation
 19 of the President Pro Tempore of the Senate.

20 (2) Four trustees elected by the board of commissioners of the county in which
 21 the main campus of the institution is located, one of whom may be a county
 22 commissioner. In addition, each board of commissioners of any other county
 23 in the administrative area that provides plant funds to the institution shall elect
 24 two additional trustees to the board, one of whom may be a county
 25 commissioner.

26 (3) The president of the student government or the chair of the executive board of
 27 the student body of each community college may be an ex officio nonvoting
 28 member if the board of trustees of the community college agrees.

29 (a1) No member of the General Assembly shall be a trustee of a local board of trustees.

30 ~~Group One—four trustees, elected by the board of education of the public school~~
 31 ~~administrative unit located in the administrative area of the institution. If there are two or more~~
 32 ~~public school administrative units, whether city or county units, or both, located within the~~
 33 ~~administrative area, the trustees shall be elected jointly by all of the boards of education of those~~
 34 ~~units, each board having one vote in the election of each trustee, except as provided in~~
 35 ~~G.S. 115D-59. No board of education shall elect a member of the board of education or any~~
 36 ~~person employed by the board of education to serve as a trustee, however, any such person~~
 37 ~~currently serving on a board of trustees shall be permitted to fulfill the unexpired portion of the~~
 38 ~~trustee's current term.~~

39 ~~Group Two—four trustees, elected by the board of commissioners of the county in which the~~
 40 ~~institution is located. Provided, however, if the administrative area of the institution is composed~~
 41 ~~of two or more counties, the trustees shall be elected jointly by the boards of commissioners of~~
 42 ~~all those counties, each board having one vote in the election of each trustee. Provided, also, the~~
 43 ~~county commissioners of the county in which the community college has established a satellite~~
 44 ~~campus may elect an additional two members if the board of trustees of the community college~~
 45 ~~agrees. No more than one trustee from Group Two may be a member of a board of county~~
 46 ~~commissioners. Should the boards of education or the boards of commissioners involved be~~
 47 ~~unable to agree on one or more trustees the senior resident superior court judge in the superior~~
 48 ~~court district or set of districts as defined in G.S. 7A-41.1 where the institution is located shall~~
 49 ~~fill the position or positions by appointment.~~

50 ~~Group Three—four trustees, appointed by the Governor.~~

1 ~~Group Four—the president of the student government or the chairman of the executive board~~
2 ~~of the student body of each community college established pursuant to this Chapter shall be an~~
3 ~~ex officio nonvoting member of the board of trustees of each said institution.~~

4 (b) All trustees shall be residents of the administrative area of the institution for which
5 they are selected or of counties contiguous thereto with the exception of members provided for
6 in subsection (a) of this section, ~~Group Four to the administrative area.~~

7 (b1) No person who has been employed full time by the community college within the
8 prior 5 years and no spouse or child of a person currently employed full time by the community
9 college shall serve on the board of trustees of that college.

10 (c) Vacancies occurring in a seat appointed by the General Assembly shall be filled as
11 provided in G.S. 120-122. Vacancies occurring in any group for whatever reason a seat elected
12 by a board of county commissioners shall be filled for the remainder of the unexpired term by
13 the agency or agencies authorized to select trustees of that group and in the manner in which
14 regular selections are made. Should the selection of a trustee not be made by the agency or
15 agencies having the authority to do so within 60 days after the date on which a vacancy occurs,
16 whether by creation or expiration of a term or for any other reason, the Governor shall fill the
17 vacancy by appointment for the remainder of the unexpired term."

18 **SECTION 5.(b)** G.S. 115D-13 reads as rewritten:

19 "**§ 115D-13. Terms of office of trustees.**

20 (a) The regular terms of trustees appointed in 1981 and trustees appointed in 1987 shall
21 be extended for one year. The term of one or more trustees, as appropriate, elected pursuant to
22 G.S. 115D-12 may be extended for one year so that these terms will be staggered, unless they are
23 already staggered.

24 (b) Except for the one year extensions of terms set forth in subsection (a) of this section,
25 and for the ex officio member, as the terms of trustees currently in office expire, their successors
26 shall be appointed for four-year terms.

27 (c) All terms shall commence on July 1 of the year.

28 (d) Each local board of trustees shall submit the following to the Legislative Library of
29 the General Assembly by August 1 annually:

30 (1) The name and address of each trustee.

31 (2) The county of residence of each trustee.

32 (3) The appointing or electing entity of each trustee.

33 (4) If a trustee is filling a vacancy, the name of the trustee replaced.

34 (5) The date each trustee's term begins.

35 (6) The date each trustee's term ends."

36 **SECTION 5.(c)** Notwithstanding G.S. 115D-12, as amended by this section, the
37 current members serving on a board of trustees of a community college as of the effective date
38 of this act shall serve the remainder of their terms. Thereafter, as terms expire, the members shall
39 be appointed or elected in accordance with G.S. 115D-12, as amended by this section. When a
40 vacancy occurs in a seat that was elected by a local board of education or appointed by the
41 Governor, the vacancy shall be filled as provided in G.S. 120-122 and as follows:

42 (1) If the vacancy occurs in a term expiring in an odd-numbered year, and the
43 General Assembly is not in a regular or extra session at the time of the
44 vacancy, the Governor shall consult with the Speaker of the House of
45 Representatives before making the appointment as required by G.S. 120-122.

46 (2) If the vacancy occurs in a term expiring in an even-numbered year, and the
47 General Assembly is not in a regular or extra session at the time of the
48 vacancy, the Governor shall consult with the President Pro Tempore of the
49 Senate before making the appointment as required by G.S. 120-122.

50 (3) Notwithstanding G.S. 120-122, after receiving the written recommendation
51 for the appointment to fill the vacancy, the Governor shall appoint the person

1 recommended within 30 days and shall not reject the recommendation. Upon
2 the expiration of the term, the seat shall be filled in accordance with
3 G.S. 115D-12, as amended by this section.

4 **SECTION 5.(d)** The following are repealed:

- 5 (1) S.L. 1997-12.
- 6 (2) Section 2 of S.L. 1999-60.
- 7 (3) Section 2 of S.L. 2011-175.
- 8 (4) S.L. 2014-73.
- 9 (5) S.L. 2015-12.
- 10 (6) Section 1 of S.L. 2015-167.
- 11 (7) S.L. 2015-243.
- 12 (8) Section 2 of S.L. 2015-252.
- 13 (9) S.L. 2018-15.
- 14 (10) S.L. 2020-20.
- 15 (11) Section 1 of S.L. 2021-52.
- 16 (12) Section 5 of S.L. 2021-102.
- 17 (13) S.L. 2022-10.

18

19 **PART VI. EFFECTIVE DATE**

20 **SECTION 6.** Except as otherwise provided, this act is effective when it becomes law.