

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023**

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**HOUSE BILL 601  
PROPOSED COMMITTEE SUBSTITUTE H601-PCS10451-BN-11**

Short Title: Comm. Colleges Funding & Accountability Study.

(Public)

Sponsors:

Referred to:

April 17, 2023

A BILL TO BE ENTITLED  
AN ACT TO DIRECT THE STATE BOARD OF COMMUNITY COLLEGES TO STUDY  
AND REPORT ON OPTIONS FOR IMPROVING THE CURRENT FUNDING MODEL  
AND ACCOUNTABILITY MEASURES FOR COMMUNITY COLLEGES.

The General Assembly of North Carolina enacts:

**SECTION 1.** The State Board of Community Colleges shall study and report to the Joint Legislative Education Oversight Committee by March 1, 2024, on options for improving funding and accountability for community colleges. The study and report shall evaluate at least the following:

- (1) The process of allocating funds to community colleges, especially allocating funds based on full-time enrollment (FTE), including an evaluation of the benefits and associated costs of the following possible changes to that process:
  - a. Reducing the number of membership hours needed for one FTE student under the formula while maintaining existing payments per FTE for each course tier.
  - b. Increasing the base allotment provided to community colleges and the impact on colleges with different levels of enrollment.
  - c. Revising the current tiered weighting model for courses, including increasing payments for certain tiers and expanding the number of courses in tiers with higher payments.
  - d. Providing start-up funding to assist community colleges with new programs.
- (2) The effect the current formula, based on FTE, has on small community colleges, especially colleges with a significant number of part-time students. The evaluation shall include a comparison of funds generated by part-time students relative to academic and institutional supports used by those students.
- (3) Institutional accountability measures and performance standards adopted pursuant to G.S. 115D-31.3, including at least the following:
  - a. The effects the current mandatory performance measures have on student success and funding for community colleges.
  - b. Recommendations for other performance metrics to address student learning, success, and skills attainment.
- (4) The extent to which the tiered weighting of community college courses reflects actual demand for occupations in the State and the different service regions for each community college. As part of this evaluation, the State Board shall consult with the Department of Commerce and determine (i) job



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1 fields with the highest demand for workers compared to the number of courses  
2 offered in those fields and (ii) whether the current funding model encourages  
3 or discourages community colleges to start and maintain programs in  
4 high-demand fields like science, technology, engineering, mathematics, and  
5 other technical fields, including plumbing, electrical, mechanical, and welding  
6 fields.

7 (5) Any other recommendation the State Board deems relevant to its study.

8 **SECTION 2.** This act is effective when it becomes law.