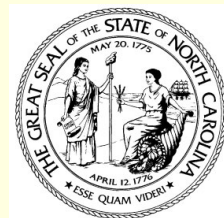
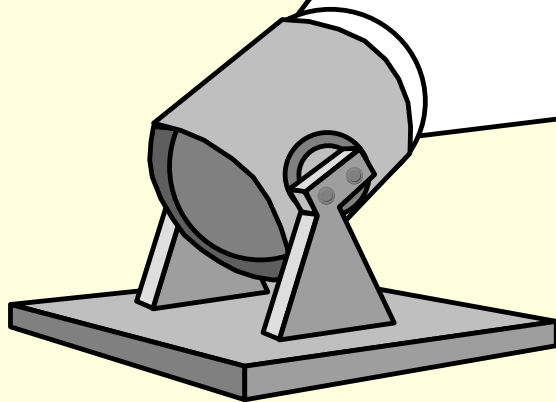


In the Spotlight

Education Legislation

December, 2007



North Carolina General Assembly
2007 Session

North Carolina General Assembly

Education Team – Research Division

Shirley Iorio Sara Kamprath
Drupti Chauhan Kara McCraw
Dee Atkinson

Education Team – Fiscal Research Division

Jennifer Haygood Richard Bostic
Kristopher Nordstrom Brian Matteson

Introduction

The North Carolina General Assembly convened on January 24, 2007, and adjourned on August 2, 2007.

This document includes summaries of selected enacted legislation from the 2007 Regular Session that pertains to education. The format was chosen so that the information can be used as speaker's notes with supporting detail, or readily reproduced as a visual presentation.

This document is organized into 4 parts: Public Schools, Higher Education, Community Colleges, and Universities. Within those parts, the slides are arranged in numerical session law order.

Additional summary information is available in the Research Division's Summaries publication which is available at the General Assembly's website: <http://www.ncleg.net/>.

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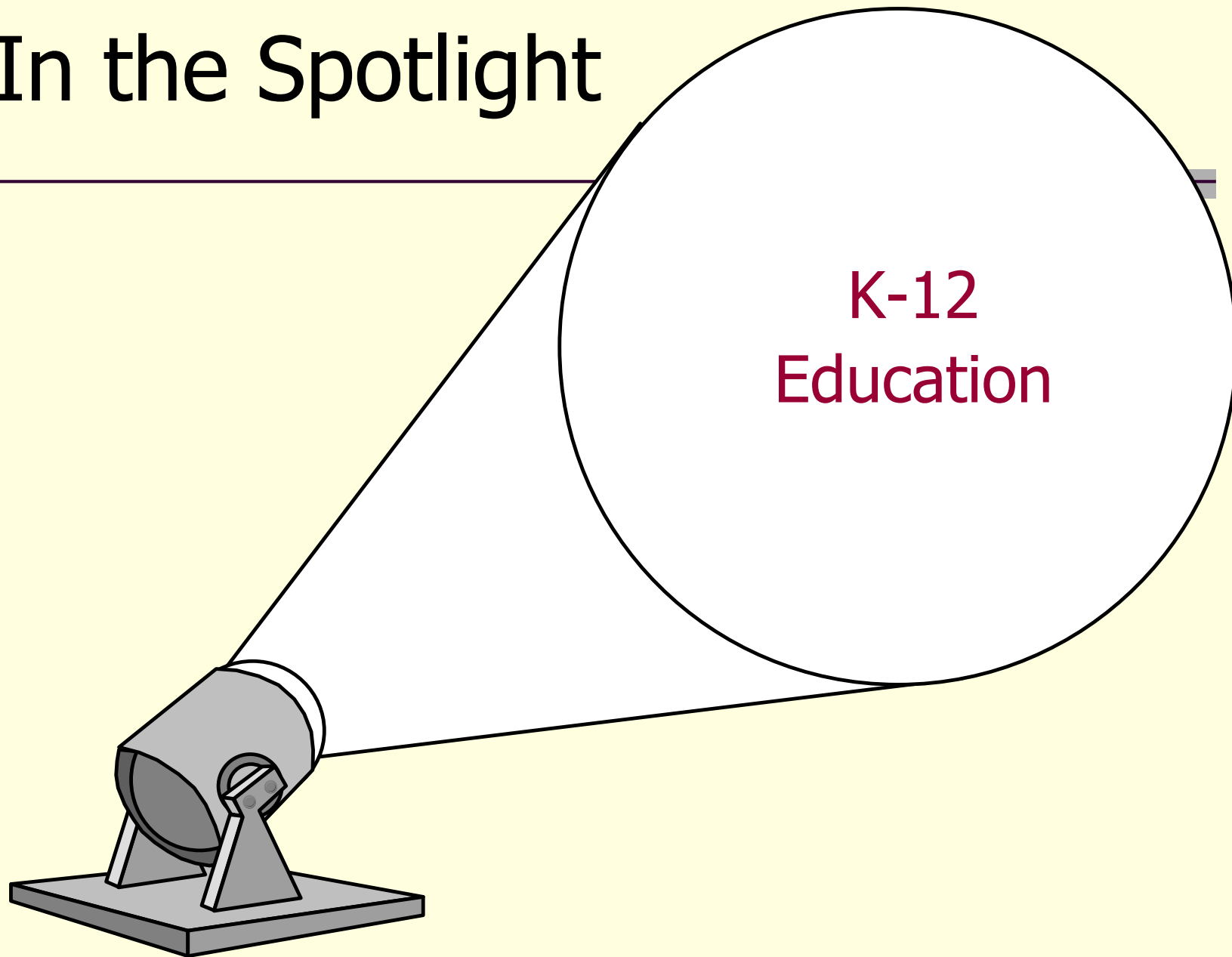
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In the Spotlight



Schools Provide Information on Cervical Cancer

S.L. 2007-59 (SB 260)

- Requires public schools, including charter schools, to provide information concerning cervical cancer, cervical dysplasia, human papillomavirus and vaccines available to prevent those diseases to parents of children entering grades 5-12 at the beginning of each school year.
- Requires the Division of Nonpublic Education to make this information available to private religious schools, qualified nonpublic schools and home schools for distribution to parents.
- Effective July 1, 2007 and applies beginning with the 2007-2008 school year. Year-round schools are required to provide this information no later than September 1, 2007.

Modify School Funding Mediation Law

S.L. 2007-92 (HB 1519)

- Amends the procedure for the resolution of disputes between boards of education and boards of county commissioners regarding school funding when an appeal is taken to the NC Court of Appeals.
- Removes the requirement that if there is an appeal that results in a delay, the county commissioners must deposit in the local school administrative unit's current expense fund a sum of money equal to the amount of this fund for the previous year.

Modify School Funding Mediation Law (Cont'd.)

S.L. 2007-92 (HB 1519)

- Adds the following new requirements:
 - Notice of appeal must be given within 10 days after entry of judgment.
 - If the appeal is still pending beyond the school or fiscal year which is the subject of the budget dispute, the controversy between the parties cannot be deemed resolved.
 - Final judgment is binding on the parties at the conclusion of the appeals process.
 - Payment of final judgment must not be considered or used to reduce subsequent fiscal year appropriations to the LEA to offset a final judgment.
- Effective June 20, 2007.

Information on Lawful Abandonment

S.L. 2007-126 (HB 485)

- Requires local boards of education to adopt policies to ensure that each year public school students in grades 9-12 receive information on the manner in which a parent may lawfully abandon a newborn baby with a responsible person.
- Requires the Department of Public Instruction to ensure that charter schools provide their students in grades 9-12 with this information annually.
- Requires the Division of Nonpublic Education to ensure that this information is available to private religious schools, qualified non-public schools, and home schools.
- Effective June 27, 2007, and applies beginning with the 2008-2009 school year.

Offer Sign Language in Schools and Colleges

S.L. 2007-154 (HB 915)

- Directs the State Board of Education (Board) to encourage high schools to offer American Sign Language (ASL) as a modern foreign language. The Board must adopt and implement standards for teacher certification and set standards for the teacher education programs that prepare students for certification as ASL teachers.
- Requires the State Board of Community Colleges to develop curriculum and continuing education standards for courses of instruction in ASL and to encourage community colleges to offer courses in ASL as a modern foreign language.

Offer Sign Language in Schools and Colleges (Cont'd.) S.L. 2007-154 (HB 915)

- Directs the UNC Board of Governors to encourage the constituent institutions to offer courses in ASL as a modern foreign language.
- Requires the State Board of Education, the State Board of Community Colleges, and UNC Board of Governors to report on implementation by October 1, 2007 to the Joint Legislative Education Oversight Committee.
- Effective June 29, 2007.

Every Child Ready to Learn

S.L. 2007-173 (HB 150)

- Changes the date by which a child must have reached the age of 5 to be eligible for entry into kindergarten that school year.
- Requires that to be eligible for enrollment in a particular school year;
 - A child must have turned 5 on or before August 31 of that school year **or**
 - The child did not reach the age of 5 on or before August 31 but had been attending school in another state during that school year before becoming a resident of North Carolina.
- Effective July 4, 2007 and applies beginning with the 2009-2010 school year.

Modify School Employee Confidentiality Law S.L. 2007-192 (HB 550)

- Clarifies that information contained in personnel files that is relevant to possible criminal misconduct may be made available to law enforcement and to district attorneys to assist in the investigation of certain criminal offenses.
- Requires that the employee be given five working days prior written notice of any disclosure and the right to seek in camera review of the records in district court.
- Effective July 8, 2007.

False Report/Mass Violence at School

S.L. 2007-196 (HB 1347)

- Makes it a Class H felony to communicate a false report that an act of mass violence is going to occur on educational property or at an activity sponsored by a school.
- Authorizes the court to order a person convicted of this offense to pay restitution, including costs and consequential damages resulting from the disruption of the normal activity that would have otherwise occurred on the premises but for the false report.
- Effective December 1, 2007, and applies to offenses committed on or after that date.

Tobacco Free Schools

S.L. 2007-236 (SB 1086)

- Requires local boards of education to broaden their tobacco use policy to include all of the following:
 - Prohibit at all times the use of any tobacco products by any person in public school buildings and facilities, on public school campuses, and in or on any other school property owned or operated by the LEA.
 - Persons attending school-sponsored activities at other locations not listed above when students or school personnel are present, or in an area where smoking is already prohibited by law.
 - Provide for adequate notice to parents and the public.

Tobacco Free Schools (Cont'd.)

S.L. 2007-236 (SB 1086)

- Requires local boards of education to adopt, implement, and enforce this written policy no later than August 1, 2008.
- Directs the NC Health and Wellness Trust Fund Commission to assist local school boards in implementing this policy by providing information on smoking cessation and prevention.
- Effective July 18, 2007.

Ban Cell Phone Use by School Bus Drivers

S.L. 2007-261 (HB 183)

- Makes it unlawful to use a mobile telephone or additional technology that provides access to digital media while operating a public or private school bus, while operating a school activity bus, or while transporting students in any vehicle for hire.
- Makes this violation a Class 2 misdemeanor punishable by a fine of not less than \$100.
- Allows an exception for use of a mobile telephone in an emergency situation.
- Effective December 1, 2007, and applies to offenses committed on or after that date.

Disability History & Awareness Month

S.L. 2007-274 (SB 753)

- Designates October as Disability History and Awareness Month in North Carolina.
- Requires local boards of education to provide instruction on disability, people with disabilities, and the disability rights movement.
- Encourages UNC constituent institutions to conduct and promote activities that provide education, awareness, and understanding of disability history, people with disabilities, and the disability rights movement.
- Effective July 27, 2007.

ROPE Scholars Pilot Program

S.L. 2007-277 (SB 1030)

- Requires the State Board of Education, The UNC Board of Governors, and the State Board of Community Colleges to cooperatively develop a framework for a Reaching One's Potential for Excellence (ROPE) Scholars Pilot Program.
- Requires that participating schools have or be afforded access to high speed broadband Internet resources and use the SAS Education Value Added Assessment System or a comparable software system to track student academic progress.

ROPE Scholars Pilot Program (Cont'd.)

S.L. 2007-277 (SB 1030)

- Requires the State Board of Education to:
 - Develop a competitive process through which LEAs may apply to participate.
 - Select 3 LEAs from different geographic areas of the State for the 2009-2010 school year. At least one of the LEAs must be urban, and one rural.
 - Develop a process to evaluate the effectiveness of the Program.
 - Submit a draft proposed framework to the Joint Legislative Education Oversight Committee by October 15, 2007, and a final proposal by December 15, 2007.
 - Include in the final proposal the cost of implementing the pilot program and an indication of the laws, rules, and policies that would prevent the implementation of the Program.
- Effective July 27, 2007.

Military Children May Attend Public Schools

S.L. 2007-283 (HB 1357)

- Allows a student to attend, free of charge, a public school where he or she is not a domiciliary.
- Applies to a student who:
 - Is not a domiciliary of a local school administrative unit.
 - Resides with an adult who is a domiciliary of that unit, because the student's parent or legal guardian is deployed with the military.
 - Has a parent or legal guardian who is on active military duty and is deployed out of the district where the parent was a domiciliary.

Military Children May Attend Public Schools (Cont'd.) S.L. 2007-283 (HB 1357)

- Provides that “active duty” does not include periods of active duty for training for less than 30 days. Evidence of deployment must be submitted along with affidavits.
- Effective July 27, 2007.

Define Residence for Student with Special Needs

S.L. 2007-292 (HB 18)

- Adds the definition of “residence” and “reside” to Article 9 of Chapter 115C of the General Statutes (Education of Children with Disabilities).
- Defines both the terms “residence” and “reside” as the place where a child with a disability is entitled to be enrolled in a NC public school under State law.
- Specifies that the age restrictions of the general State law do not apply to children with disabilities.
- Effective July 28, 2007. The definition of “residence” and “reside” does not apply to children with disabilities either enrolled in a particular LEA on the last day of the 2006-2007 school year or enrolled in and attending school in an LEA on August 1, 2007 for the 2007-2008 school year for as long as they live in and are enrolled in that LEA.

Study Services for Students with Disabilities in High School

S.L. 2007-295 (HB 17)

- Directs the Department of Public Instruction to do the following:
 - Identify and consider the efficacy of the models currently being used to deliver educational services at the high school level to students with disabilities in North Carolina.
 - Review the research for best practice models implemented in other states.
- Requires the Department of Public Instruction to report its findings and recommendations to the Joint Legislative Education Oversight Committee by March 1, 2008.
- Effective July 28, 2007.

Budget Bill

S.L. 2007-323 (HB 1473)

- Provision 23 (Page F 4) of the Joint Conference Committee Report on the Continuation, Expansion and Capital Budgets – Focused Education Reform Pilot Program.
 - Creates an education reform pilot program in five local school administrative units (LEAs) to be administered by the Public School Forum, in conjunction with the North Carolina Science, Mathematics and Technology Education Center.
 - Requires that participating LEAs be chosen based on the following criteria:
 - Hard-to-staff.
 - Geographic diversity.
 - Continuing low performance.
 - High-risk population.

Budget Bill

S.L. 2007-323 (HB 1473)

- Provision 23 (Page F 4) of the Joint Conference Committee Report on the Continuation, Expansion and Capital Budgets – Focused Education Reform Pilot Program (cont'd.).
 - Requires the pilot to incorporate the following:
 - Target professional development.
 - After-school programming.
 - Teacher recruitment and retention bonuses.
 - Principal achievement bonuses.
 - Teacher mentoring.
 - Science and math instructional assistance.
- Effective July 1, 2007.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 7.16 – Charter School Evaluation.
 - Authorizes the State Board of Education (State Board) to spend up to \$50,000 a year for the 2007-2008 and 2008-2009 fiscal years to evaluate charter schools.
 - Requires the State Board to report the results of its evaluation to the Joint Legislative Education Oversight Committee and the Fiscal Research Division.
 - Effective July 1, 2007.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 7.27 – Learn and Earn Online.
 - Requires the State Board of Education to:
 - Determine the allocation of Learn and Earn Online course offerings across the State.
 - Verify the credit hour enrollment of high school students in Learn and Earn Online courses and then allot funds for tuition, fees, and textbooks on that basis.
 - Allows local school systems to purchase textbooks for Learn and Earn Online courses through the Department of Public Instruction's textbook warehouse.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 7.27 – Learn and Earn Online (cont'd.).
 - Allows public school students enrolled in grades 9 through 12 and participating in the program to enroll in online courses through a community college for college credit. Participating students may enroll in courses regardless of the college service area in which they reside.
 - Requires the State Board of Community Colleges to consult with the Department of Public Instruction to adopt rules to implement this provision beginning with the 2007-2008 school year.
 - Requires The University of North Carolina and the North Carolina Community College System to provide oversight and coordination, including coordination with the Department of Public Instruction and with the North Carolina Virtual Public School to avoid course duplication.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 7.27 – Learn and Earn Online (cont'd.).
 - Requires the State Board of Education, The University of North Carolina and the North Carolina Community College System to report to the Joint Legislative Education Oversight Committee, the Office of State Budget and Management, and the Fiscal Research Division no later than April 15, 2008, on the implementation of the program for the 2007-2008 school year and the proposed operating plan for the 2008-2009 school year.
 - Effective July 1, 2007.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 7.32 as amended by S.L. 2007-345, sec. 5.1 (HB 714) – Dropout Prevention Grants.
 - Establishes the Committee on Dropout Prevention (Committee) to determine which local school administrative units, schools, agencies and nonprofits will receive dropout prevention grants established in this section, the amount of each grant, and eligible uses of the grant funding.
 - Sets out the criteria that apply to the grants approved by the Committee.
 - Requires the Committee to report to the Joint Legislative Commission on Dropout Prevention and High School Graduation by December 1, 2007 on the grants awarded, and will terminate after submitting that report.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 7.32 as amended by S.L. 2007-345, sec. 5.1 (HB 714) – Dropout Prevention Grants (cont'd.).
 - Creates the Joint Legislative Commission on Dropout Prevention and High School Graduation (Commission).
 - Sets out areas for the Commission to consider.
 - Allows the Commission to submit an interim report to the Joint Legislative Education Oversight Committee and the General Assembly by May 1, 2008, and requires it to submit a final report of its findings and recommendations on or before the convening of the 2009 Session of the General Assembly.
 - Requires that the Commission terminate upon the filing of its final report.
 - Effective July 1, 2007.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 7.39 – School Technology Pilot Program.
 - Appropriates \$3 million in State funds to be used with a grant of \$3 million from the Golden LEAF foundation and other private sector funds to establish a school technology pilot program.
 - Directs the Golden LEAF Foundation and the Department of Public Instruction to select eight pilot high schools that will be given money to incorporate technology in the classroom. Non-State monies will fund portable computers for teachers and students.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 7.39 – School Technology Pilot Program (cont'd.).
 - Requires the State Board of Education to report to the Joint Legislative Education Oversight Committee, the Office of State Budget and Management, and the Fiscal Research Division on the results of the pilot program by March 15, 2009.
 - Effective July 1, 2007.

Retired Teachers Work S.L. 2007-326 (HB 956)

- Extends the sunset from August 1, 2007, until October 1, 2007.
- Allows all teachers who retired on or before October 1, 2007, to return to the classroom after a six month break in service, without limitation.
- Allows teachers who retire after October 1, 2007, to return to the classroom after a six month break in service, **if** they retired on an unreduced retirement allowance. Those teachers who take early retirement will no longer be eligible for this benefit.

Retired Teachers Work (Cont'd.)

S.L. 2007-326 (HB 956)

- Continues the requirement that each local school administrative unit must pay a reemployed teacher contribution rate of 11.70% as a percentage of covered salaries that the retired teachers, who are exempt from the earnings cap, are being paid.
- Provides that the provision is repealed if the Internal Revenue Service determines that it jeopardizes the status of the Retirement System under the Internal Revenue Code.

Retired Teachers Work (Cont'd.)

S.L. 2007-326 (HB 956)

- Extends the reemployment after retirement benefit for teachers until October 1, 2009.
- The extension of the current sunset until October 1, 2007, became effective July 31, 2007. The remainder of the act became effective October 1, 2007, and expires October 1, 2009.

Study of Public School Funding Formulas

S.L. 2007-345, Sec. 5.3 (HB 714)

- Creates the Joint Legislative Study Committee on Public School Funding Formulas (Committee).
- Allows the Committee to contract for professional, clerical, or consultant services.
- Requires the Committee to conduct an extensive study of the public school funding formulas and distributions.
- Requires the Committee to also study the State Board of Education's model for projecting average daily membership and focus particularly on how well the model projects average daily membership in rapidly growing schools systems with highly mobile populations.

Study of Public School Funding Formulas (Cont'd.)

S.L. 2007-345, Sec. 5.3 (HB 714)

- Requires the Committee to submit any of its findings and recommendations, including proposed legislation, to the 2008 Session. The Committee shall terminate upon filing its report.
- Permits the Committee to use up to \$1 million for the study, from funds available to the General Assembly, subject to approval of the Legislative Services Commission.
- Effective July 1, 2007.

Pilot Program for Lateral Entry Teachers

S.L. 2007-376 (SB 1115)

- Requires the State Board of Education to adopt policies and procedures no later than December 15, 2007 to pilot innovative programs for lateral entry teachers. The State Board may grant approval to an LEA, a community college, or a college or university to pilot such a program.
- Requires the Department of Public Instruction to license all program completers who are recommended by the entity piloting the program and who have met all other licensure requirements.

Pilot Program for Lateral Entry Teachers (Cont'd.) S.L. 2007-376 (SB 1115)

- Requires the State Board to report to the Joint Legislative Education Oversight Committee on the effectiveness of the pilot innovative programs, along with any recommendations regarding the continuation, expansion, or elimination of the pilot program, by October 15, 2010.
- Effective August 19, 2007.

Teachers Convert Personal Leave to Sick Leave

S.L. 2007-378 (SB 914)

- Allows teachers to accumulate personal leave without limit until June 30 of each year. On June 30 of each year, a maximum of 5 days may be carried forward to July 1 and the balance converted to sick leave.
- Allows teachers, at the time of retirement, to convert accumulated personal leave to sick leave for creditable service towards retirement.

Teachers Convert Personal Leave to Sick Leave (Cont'd.)

S.L. 2007-378 (SB 914)

- Provides that subject to the availability of a substitute teacher, a request for personal leave must be automatically granted if (i) the request is made 5 days in advance and (ii) the request is not for one of the following days (unless approved by the principal):
 - The first day a teacher is required to report for the school year.
 - A required teacher workday.
 - The day before or the day after holidays or scheduled vacation days.
 - Days scheduled for State testing.
- Effective July 1, 2007.

School Bus Safety Act Correction

S.L. 2007-382 (SB 924)

- Changes the law concerning the felony offense of passing a stopped school bus and striking a person, so that causing serious bodily injury is no longer required as an element of the offense.
- This provision becomes effective December 1, 2007, and applies to offenses committed on or after that date.

School Bus Safety Act Correction (Cont'd.)

S.L. 2007-382 (SB 924)

- Makes a change to the definition of “school bus” in the State’s motor vehicle law by removing the requirement that the vehicle bear the words “School Bus” on the front and rear in letters 8 inches high, and substituting a requirement that the words be plainly visible on the front and rear of the bus.
- This provision became effective August 19, 2007.

School Bus Safety Act Correction (Cont'd.)

S.L. 2007-382 (SB 924)

- Makes a further change to the definition of “school bus” in the State’s motor vehicle law by defining the term to require that such vehicles be painted primarily yellow below the roofline.
- This provision became effective August 1, 2007, and applies to all school buses acquired on or after that date.

Modify Requirements/Teacher License Renewal

S.L. 2007-409 (SB 1292)

- Directs the State Board of Education to adopt a policy requiring teachers to take three renewal credits in their academic subject areas as part of the five-year teaching license renewal process.
- Allows the policy to provide exceptions for teachers seeking certification or re-certification by the National Board for Professional Teaching Standards.
- Applies to teachers currently in the fourth or fifth year of their five-year renewal cycle beginning with the first year of their next five-year renewal cycle.
- Effective August 21, 2007.

Homebound Instruction for Disabled Students

S.L. 2007-425 (HB 14)

- Requires that when a change of placement occurs under the discipline regulations of the federal IDEA, homebound instruction can be assigned only if a student's IEP team (team) determines it is the least restrictive alternative environment for that student.
- Requires the team to determine what homebound educational services will be provided if the team determines homebound instruction is the least restrictive alternative environment.
- Requires the IEP team leader to review monthly the continued appropriateness of the homebound instruction for the student.
- Effective August 23, 2007.

Homebound Instruction Standards

S.L. 2007-429 (HB 20)

- Defines “Educational Services” to include all of the following:
 - Necessary instructional hours per week in the form and format determined by the student’s IEP team and consistent with State and federal law.
 - Instruction delivered by a teacher appropriately qualified to the extent required by federal and State law.
 - Related Services included in the student’s IEP.
 - Behavior intervention services designed to address the behavior violation that caused the disciplinary change of placement in order to prevent a recurrence.
- Defines “Homebound Instruction” as educational services provided to a student outside the school setting.
- Effective August 23, 2007.

High-Need Schools/Additional Support

S.L. 2007-445 (SB 1479)

- Requires the State Board of Education to designate schools as “high-need schools” if they meet 2 or more of the following criteria:
 - More than 45% of students perform at Level 1 or Level 2 on end-of-grade or end-of-course tests.
 - Teacher turnover rate is greater than 25%.
 - More than 80% of students qualify for free or reduced-price lunch.

High-Need Schools/Additional Support (Cont'd.)

S.L. 2007-445 (SB 1479)

- Permits high-need schools, beginning in the 2008-2009 school year, to allow:
 - National Board Certified Teachers (NBCT) to retain their 12% salary increment while serving as mentors, literacy coaches, or in other non-administrative instructional leadership positions.
 - NBCT, teachers of the year, and other categories of accomplished teachers designated by the State Board of Education to have academic freedom to use research-based practices that go beyond the standard course of study.

High-Need Schools/Additional Support (Cont'd.)

S.L. 2007-445 (SB 1479)

- Directs the State Board of Education to consider the following strategies to ensure high-need schools have high quality staff and additional needed support:
 - Adding additional teacher positions to reduce class size.
 - Providing incentives to attract national board certified teachers.
 - Employing teachers for 11 months, with the extra month used for curriculum development, staff development, and planning for the next school year.
- Requires the State Board to report to the Joint Legislative Education Oversight Committee by January 15, 2008 on the cost of implementing these strategies for the 2008-2009 fiscal year.
- Effective August 23, 2007.

Alternative Teacher Salary Plans/Pilot Program S.L. 2007-453 (HB 966)

- Directs the State Board of Education (State Board) to establish in up to five LEAs a pilot program authorizing the implementation of alternative teacher salary plans.
- Requires applicants to submit to the State Board a business plan adopted by the local board of education.
- Authorizes the State Board to grant waivers of laws, rules, and policies necessary to allow pilot units to implement their business plans.
- Specifies the components of the business plan.

Alternative Teacher Salary Plans/Pilot Program (Cont'd.)

S.L. 2007-453 (HB 966)

- Includes several reporting requirements:
 - The Department of Public Instruction (DPI) must report to the Joint Legislative Education Oversight Committee on the number of LEAs that submitted business plans, the types of waivers being requested, and the status of the selection process.
 - DPI must monitor the implementation of the business plans and regularly report its findings to the State Board and Education Oversight Committee.
 - DPI and the State Board must report to the Education Oversight Committee by June 30, 2010 regarding the effectiveness and performance of all the pilots along with any recommendations regarding the continuation, modification, or elimination of the pilot program.
- Effective August 27, 2007.

Notice and Rights Regarding School Suspension/Expulsion

S.L. 2007-466 (HB 1739)

- Requires principals to give parents or guardians notice of a student's short-term suspension and that student's rights upon short-term suspension by a method reasonably designed to achieve actual notice.
- Allows students placed on short-term suspension the opportunity to take textbooks home and the right to inquire about homework assignments for the duration of the suspension.
- Requires the local board of education to give notice of long-term suspension to the student's parent or guardian by a method reasonably designed to achieve actual notice of student's rights.
- Effective August 29, 2007 and applies with the 2007-2008 school year.

Lifetime Certification After Teaching 50 Years

S.L. 2007-478 (HB 1308)

- Directs the State Board of Education to provide a lifetime certification for a teacher after fifty years of teaching.
- Effective August 29, 2007.

Local School Board Member Removal

S.L. 2007-498 (HB 349)

- Repeals the statutory provision that allows the State Board of Education to initiate the process of removing a local school board member.
- Effective August 30, 2007.

Alternative Hearing Before School Reassignment S.L. 2007-501 (HB 488)

- Clarifies that a local board of education (local board) may provide initial hearings prior to the final determination made by the full board regarding school assignment appeals.
- Requires a local board to designate a hearing panel of at least 2 board members to hear appeals if the local board of education establishes initial hearings.
- Allows a local board the option to designate a hearing officer to hear appeals for fact-finding and a recommended decision.
- Requires a local board to provide notice of the decision to the applicant by mail, telephone, telefax, email, or any other method reasonably designed to achieve notice.
- Effective August 30, 2007.

Criminal History Checks/DPI Employees

S.L. 2007-516 (HB 1659)

- Authorizes the Department of Justice upon a request by DPI to provide criminal history record checks of Department of Public Instruction (DPI) employees, applicants for employment, and contractors.
- Provides that DPI may not request a criminal history check based on a person's age, sex, race, color, national origin, religion, creed, political affiliation, or handicapping condition.
- Authorizes national criminal history checks for applicants who have not lived in the State during the past five years.
- Requires DPI to keep all information obtained confidential.

Criminal History Checks/DPI Employees (Cont'd.) S.L. 2007-516 (HB 1659)

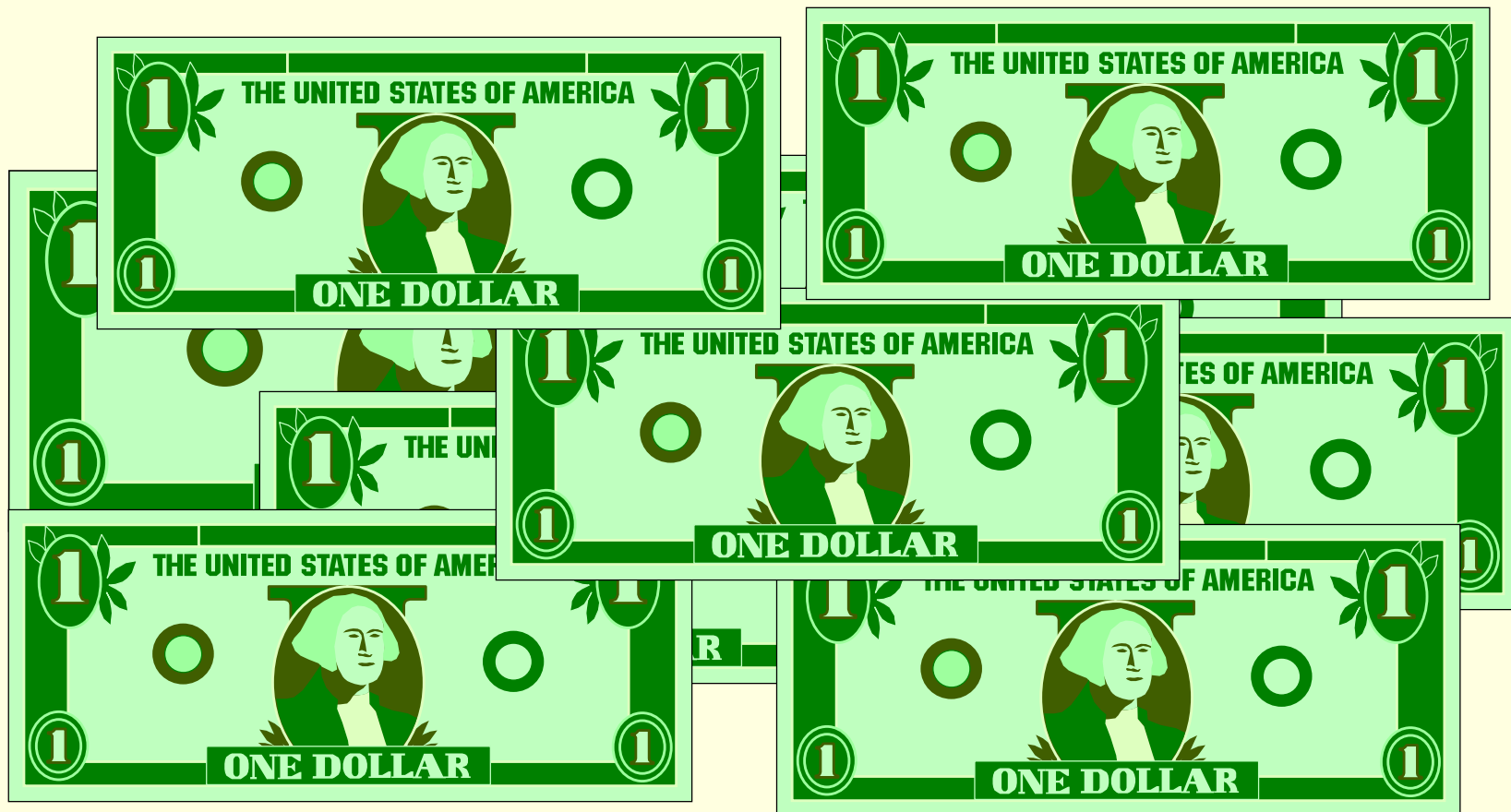
- Authorizes the Department of Justice to charge a reasonable fee for conducting the criminal history records check.
- Allows DPI to deny employment to an applicant or dismiss a current employee for refusing to consent to the criminal history records check. Any such refusal constitutes just cause for denial of employment or dismissal from employment.
- Allows DPI to extend a conditional offer of employment pending results of the criminal history records check.
- Effective October 1, 2007.

Enhanced Training for School Administrators

S.L. 2007-517 (HB 536)

- Directs the State Board of Education to adopt new standards for school administrator preparation programs by July 1, 2008.
- Specifies certain requirements for the new standards.
- Requires the institutions of higher education to redesign their school administrator preparation programs to meet the new standards and report to the State Board of Education on the redesign of their programs by July 1, 2009.
- Effective August 30, 2007.

Appropriations Public Schools



Budget Highlights for the Public Schools

- Provides \$56 million to create an additional 10,000 “More at Four” slots and increase the per slot amount by \$400.
- Appropriates \$90.4 million from lottery proceeds and \$37.5 million (nonrecurring) from the General Fund to maintain K-3 class sizes at an 18:1 student-to-teacher ratio.
- Provides \$2.4 million to expand the Learn and Earn High School initiative to 9 more schools in 2007-08 and \$3.3 million to expand the program to 3 additional schools in 2008-09, bringing the total number of Learn and Earn schools to 45.

Budget Highlights for the Public Schools

- Provides \$70 million (nonrecurring) for ABC bonuses.
- Provides \$11.5 million in 2007-08 and \$10.1 million in 2008-09 to begin implementing the Learn and Earn Online initiative. \$5 million (nonrecurring) of the 2007-08 appropriation is in a non-reverting reserve account that will be available to support expansion in the 2008-09 school year, if funds are not used in 2007-08.
- Provides \$12 million to expand connectivity to schools across the State and increase schools' abilities to use instructional technology.

Budget Highlights for the Public Schools

- Creates a \$7 million (nonrecurring) grant program to support innovative dropout prevention programs across the State.
- Appropriates \$4.4 million in 2007-08 and \$7.2 million in 2008-09 to fund the first two years of a three-year Focused Education Reform Pilot Program in 5 local school administrative units. The pilot program will incorporate targeted professional development, after-school programs, and recruitment and retention bonuses, among other initiatives.

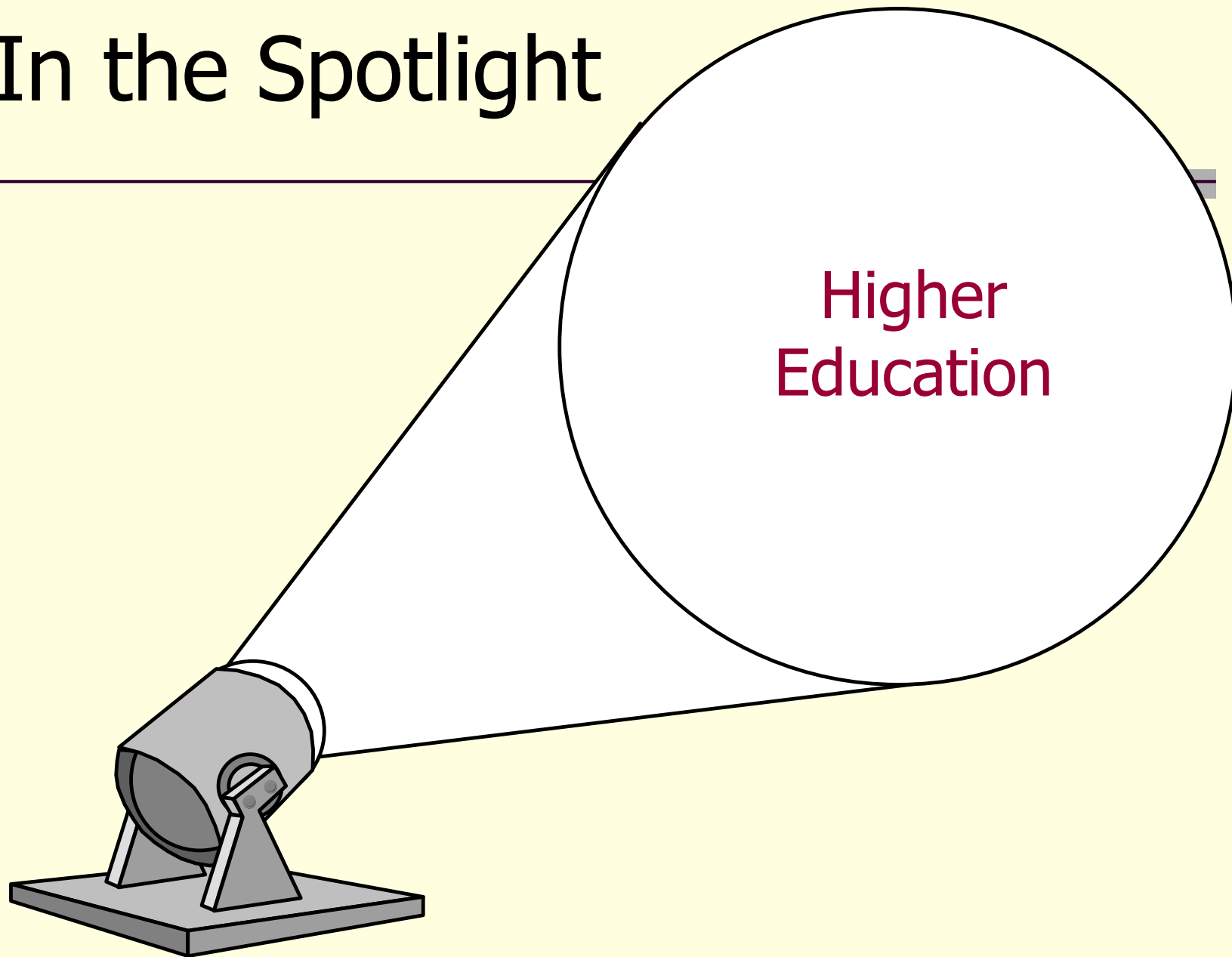
Budget Highlights for the Public Schools

- Provides \$5.7 million to support 100 new Literacy Coaches who will provide specialized, research-based professional development in 100 middle schools, and an additional \$2 million to the Teacher Academy for training of new and existing Literacy Coaches.
- Provides an additional \$17.6 million for Disadvantaged Student Supplemental Funding. Funds will be allocated to all local school administrative units.

Budget Highlights for the Public Schools

- Expands the allotments for the following:
 - Instructional Supplies/Materials (\$2.8 million).
 - Academically & Intellectually Gifted (\$1.8 million).
 - Children with Disabilities (\$5 million).
 - Small County Supplemental Funding (\$2.1 million).

In the Spotlight



Budget Bill

S.L. 2007-323 (HB 1473)

- Section 9.7 – Establish the Education Access Rewards North Carolina Scholars Fund (EARN).
 - Provides grants to certain eligible students to enable them to obtain an education beyond high school at certain North Carolina postsecondary institutions without incurring student loans during the first two years of their postsecondary education.
 - Directs the State Education Assistance Authority (SEAA) to:
 - Administer the Fund.
 - Adopt rules for administration of the grants.
 - Develop criteria for awarding the grants.

Budget Bill

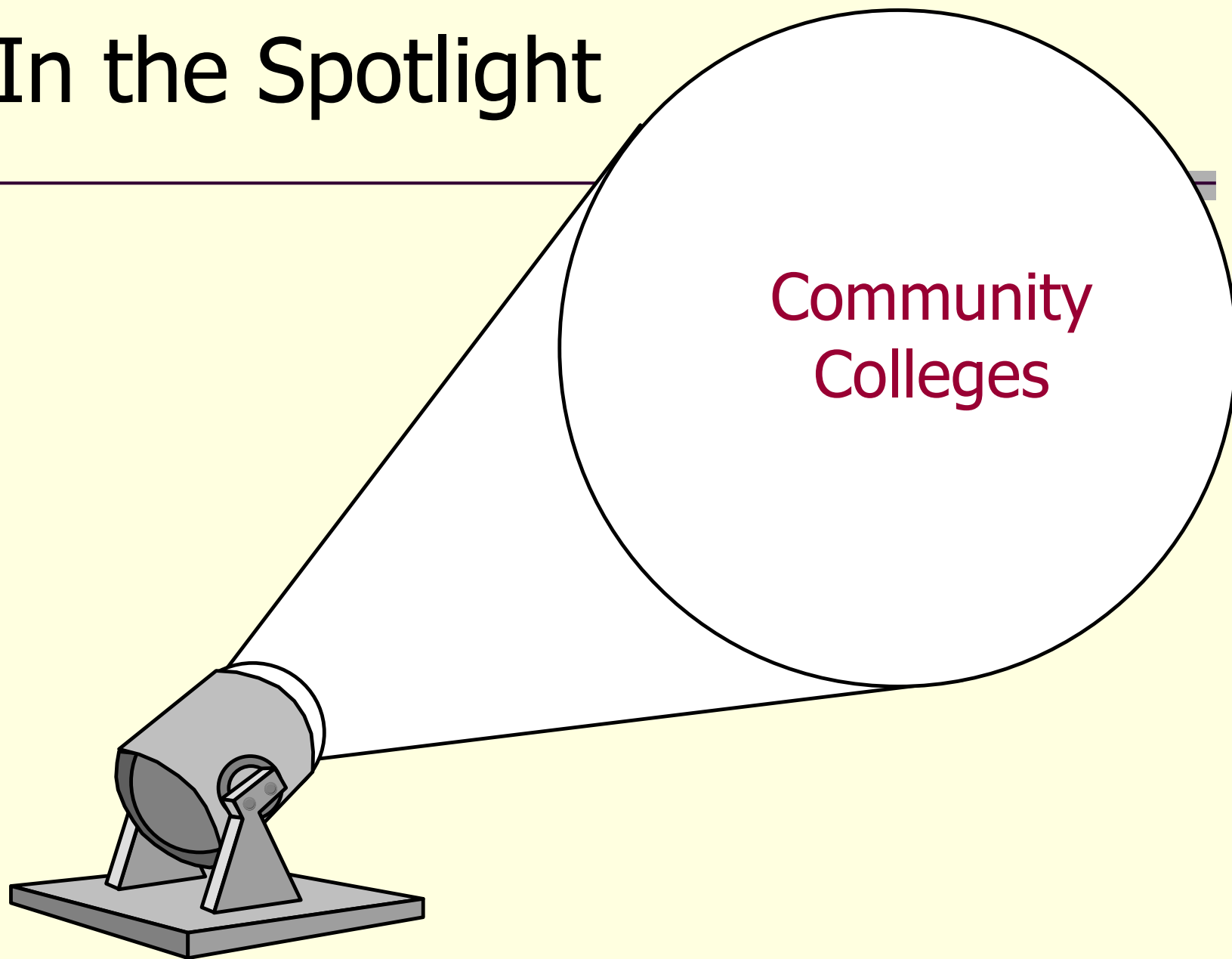
S.L. 2007-323 (HB 1473)

- Section 9.7 – Establish the Education Access Rewards North Carolina Scholars Fund (EARN) (cont'd.).
 - Requires the SEAA to report to the Joint Legislative Education Oversight Committee by December 1, 2009, and annually thereafter, regarding the Fund and grants awarded from the Fund.
 - Effective July 1, 2007.

Local State Personnel Act Employee Status/University of North Carolina Records S.L. 2007-372, Secs. 2 and 3 (SB 1023)

- Exempts from public disclosure records maintained by The University of North Carolina (UNC) or any constituent institution, or by the Community Colleges System Office or any community college, if the records contain personally identifiable information from or about an applicant for admission.
- Provides that the UNC internal auditor's working papers that are the basis for an audit report must be open to examination and inspection, but only after the audit report has been completed.
- Sections 2 and 3 effective August 19, 2007, and apply to public records existing before, on, or after that date.

In the Spotlight



Modify Community College Lateral Entry Process S.L. 2007-166 (HB 583)

- Removes the following requirements for participation in the community college program of study for lateral entry teachers:
 - That an individual must have completed a bachelor's degree at least five years before participation in the lateral entry program.
 - That an individual must hold a lateral entry teaching certificate and be employed as a teacher in a local school administrative unit.

Modify Community College Lateral Entry Process (Cont'd.) S.L. 2007-166 (HB 583)

- Keeps in place the requirement that an individual must hold at least a bachelor's degree from a regionally accredited institution of higher education in order to participate in the lateral entry program.
- Repeals the July 1, 2011 sunset.
- Effective July 1, 2007.

Expand Legislative Intern Program

S.L. 2007-201 (SB 167)

- Expands the Legislative Intern Program to include community college students by defining, for the purpose of this Program, “institutions of higher education” as four-year colleges and universities and community colleges that offer college transfer programs.
- Effective July 8, 2007.

Amend Community College Performance Standards S.L. 2007-230 (HB 642)

- Amends the community college institutional performance accountability standards by removing four of the twelve performance standards used to evaluate each of the community colleges.
- Clarifies that the State Board of Community Colleges (State Board) must evaluate each college using all of the remaining eight performance measures for recognition of successful institutional performance. The State Board may also add additional performance standards for evaluation.

Amend Community College Performance Standards (Cont'd.)

S.L. 2007-230 (HB 642)

- Provides that for each standard on which successful performance is demonstrated, the community college may carry forward one-fourth of 1% of its final fiscal year General Fund appropriations into the next fiscal year.
- Provides that a college may also carry forward one-fourth of 1% of its final fiscal year General Fund appropriations for each standard in use for three years or less and on which the college demonstrates significant improvement.

Amend Community College Performance Standards (Cont'd.)

S.L. 2007-230 (HB 642)

- Requires the State Board to allocate remaining funds in recognition of exceptional institutional performance to colleges that perform successfully on the eight performance standards, and meet the following criteria:
 - The passing rate on all reported licensure and certification examinations for which the community colleges have authority over who sits for the examination must meet or exceed 70% for first-time test takers.
 - The percentage of college transfer students with a grade point average of at least 2.0 after two semesters at a four-year institution must equal or exceed the performance of students who began college at that four-year institution.

Amend Community College Performance Standards (Cont'd.) S.L. 2007-230 (HB 642)

- Authorizes the State Board to withhold funds if the college is under investigation by a State or federal agency or does not meet regional accreditation or state agency standards.
- Effective July 18, 2007.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 8.6 – Study Community College Access.
 - Directs the Joint Legislative Education Oversight Committee (Committee) to study whether the North Carolina Community College System is appropriately organized to provide adequate geographic access while minimizing overhead costs.
 - Requires the Committee to report the results of the study to the General Assembly prior to April 30, 2008.
 - Effective July 1, 2007.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 8.8 – Study of FTE Funding Formula.
 - Directs the Fiscal Research Division, in consultation with the Community College System, to consider modifications to the funding formulas to ensure that the community colleges have sufficient funds to adequately serve students when enrollment increases.
 - Requires the Fiscal Research Division to report the results of the study to the Joint Legislative Education Oversight Committee and to the chairs of the Senate and House Appropriations Committees by April 15, 2008.
 - Effective July 1, 2007.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 9.6 – Graduate Nurse Scholarship Loans for Full-Time Community College Nursing Faculty.
 - Provides scholarship loans for up to two years in the amount of \$15,000 per year to North Carolina Community Colleges System nursing faculty members who are enrolled in a master's degree program in nursing education.
 - Effective July 1, 2007.

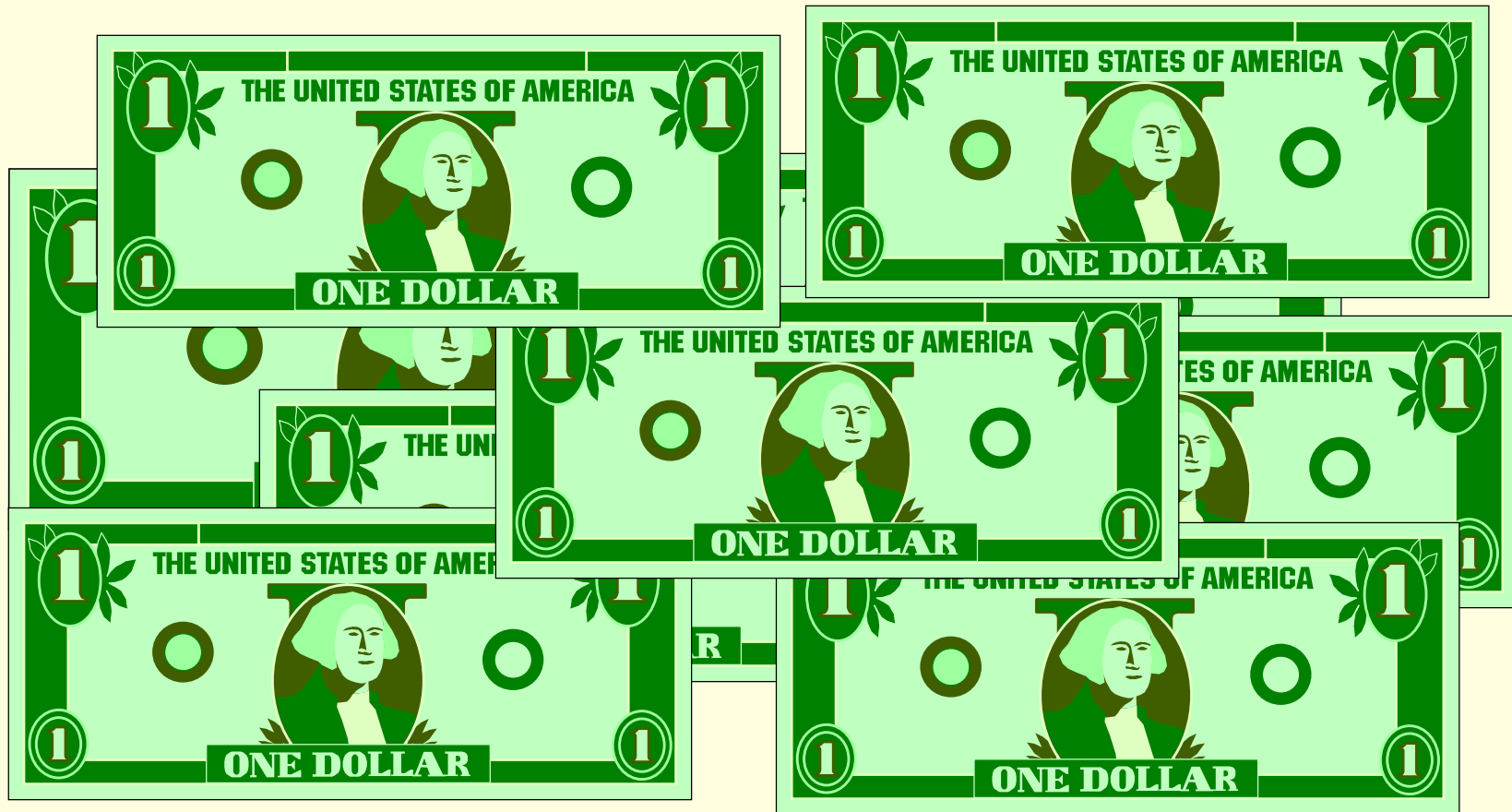
Community College Tuition Surcharge/Scholarships S.L. 2007-367 (SB 1065)

- Authorizes a community college, with approval of the State Board of Community Colleges, to:
 - Implement a tuition surcharge of up to 33 1/3% of the statewide tuition rate to fund a new instructional program necessary to attract industry to the area.
 - Use proceeds of an endowed scholarship in excess of \$5 million to offset the cost of the tuition surcharge, consistent with terms of the endowment.
- Requires that all students enrolled in the program be charged the tuition surcharge, unless tuition is waived by law or regulation.

Community College Tuition Surcharge/Scholarships (Cont'd.) S.L. 2007-367 (SB 1065)

- Requires that the funds collected from the endowment be deposited in an unrestricted institutional fund account at the community college.
- Directs the State Board of Community Colleges to adopt rules for implementation of this section.
- Effective July 1, 2007.

Appropriations Community Colleges



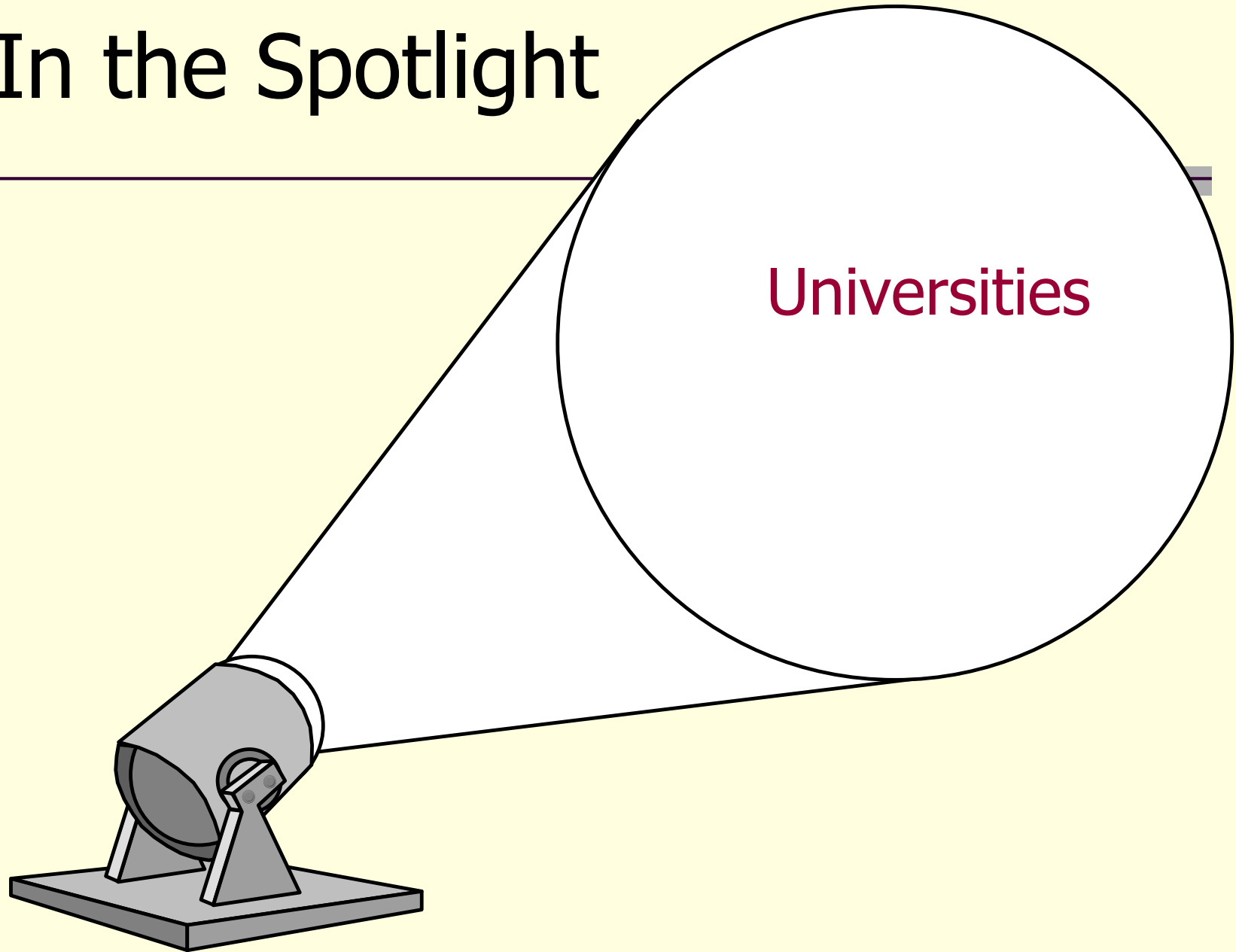
Budget Highlights for the Community Colleges System

- Provides an additional \$5.3 million (in addition to the \$5.5 million included in the continuation budget) to fully fund enrollment growth and provide an enrollment reserve, in case colleges experience enrollment spikes. System-wide enrollment has increased 1.2%.
- Increases tuition by 6.3% to generate an additional \$7.5 million for expansion of community college programs.
- Provides \$33 million (nonrecurring) for capital and equipment, including \$8 million for advanced planning, \$8 million for additional equipment, and \$15 million for the Facilities and Equipment Grant Fund.

Budget Highlights for the Community Colleges System

- Provides \$5.6 million for high-cost allied health programs.
- Invests a total of \$5.3 million in online distance education efforts, including increasing bandwidth and efforts to develop online content.
- Invests \$3.75 million in workforce development programs that support key State industries, including biotechnology, motorsports, viticulture, and military contracting.

In the Spotlight



Immunization Certificate/College Students S.L. 2007-99 (SB 982)

- Clarifies that a student residing off campus and registering for any combination of night, weekend, off-campus and no more than four traditional day credit hours in on-campus courses would not be required to provide documentation of immunizations in order to attend a college or university in the State.
- Effective June 20, 2007.

The University of North Carolina Smoke-Free S.L. 2007-114 (SB 862)

- Allows The University of North Carolina (UNC) facilities and the areas within 100 linear feet of UNC buildings to be designated as nonsmoking.
- Allows the areas within 100 linear feet of State-owned, occupied, or leased buildings involved in health care instruction to be designated as nonsmoking.
- Removes certain UNC affiliated health care facilities, grounds, and walkways from any restrictions on designating nonsmoking areas. The effect of this exclusion allows the governing boards of those facilities to designate all areas as nonsmoking.
- Effective July 1, 2007.

The University of North Carolina Board of Governors/Dual Office Holding S.L. 2007-278 (SB 884)

- Removes the prohibition against eligibility of spouses of officers or employees of the State as members of:
 - The University of North Carolina Board of Governors.
 - The boards of trustees of constituent institutions of UNC.
 - The State Board of Community Colleges.
- Removes the prohibition against spouses of officers or employees of the State, UNC, or of any constituent institution of UNC from eligibility as members of the Board of Trustees of the NC School of Science and Mathematics.
- Effective July 27, 2007.

Study Teacher Preparation Programs

S.L. 2007-284 (HB 26)

- Directs the UNC Board of Governors, in consultation with the State Board of Education, to study the effectiveness of the current teacher education programs in preparing new teachers to educate students with disabilities.
- Requires UNC Board of Governors to report its findings and recommendations to the Joint Legislative Education Oversight Committee by May 15, 2008.
- Specifies certain information to be included in the report.
- Effective July 27, 2007.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 9.2 – Reporting on The University of North Carolina Faculty Workload.
 - Requires the Board of Governors of The University of North Carolina (UNC) to use the Delaware Study Method of collecting data to conduct a study on faculty workload at UNC.
 - Requires the Board of Governors to report to the Joint Legislative Education Oversight Committee, the Office of State Budget and Management, and the Fiscal Research Division no later than March 1, 2008.
 - Effective July 1, 2007.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 9.9 – Future Teachers of North Carolina Scholarship Loan Program.
 - Increases the number of Future Teachers of North Carolina Scholarship Loans from 100 to 150.
 - Effective July 1, 2007.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 9.10 – Principals' Executive Program.
 - Directs the Principals' Executive Program to develop a formalized admissions policy that:
 - Gives priority to school administrators working in high-need schools.
 - Takes into account geographic diversity to ensure that school administrators from across the State are served.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 9.10 – Principals' Executive Program (cont'd.).
 - Requires that the State Board of Education and the Board of Governors of The University of North Carolina recommend to the Joint Legislative Education Oversight Committee, by April 1, 2008, a plan to provide input on the priorities of the Principals' Executive Program and feedback on its performance.
 - Effective July 1, 2007.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 9.13 – Legislative Tuition Grant for Part-Time Students.
 - Allows a part-time NC undergraduate student attending certain private colleges who is enrolled to take at least nine hours of academic credit per semester to receive a tuition grant in an amount that is calculated on a pro rata basis.
 - Allows any part-time licensure student who is enrolled to take at least nine hours of undergraduate academic credit per semester in a program intended to result in a license in teaching or nursing to be eligible to receive a tuition grant on a pro rata basis.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 9.13 – Legislative Tuition Grant for Part-Time Students (cont'd.).
 - Requires the institution to refund the full amount of the grant to the State Education Assistance Authority if a full-time or part-time student or a full-time or part-time licensure student has been awarded a tuition grant and is not enrolled and carrying the required minimum academic load as of the tenth classroom day following the beginning of the school term for which a grant or prorated grant was paid.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 9.13 – Legislative Tuition Grant for Part-Time Students (cont'd.).
 - Requires the institution to refund only the difference between the amount of the full-time grant awarded and the amount of the part-time grant that is awarded if a full-time student or a full-time licensure student becomes a part-time student or a part-time licensure student by the tenth classroom day following the beginning of the school term for which the grant was paid.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 9.13 – Legislative Tuition Grant for Part-Time Students (cont'd.).
 - Provides that students who attend certain private nonprofit educational institutions are eligible for a State grant for an academic year if the student is a North Carolina undergraduate and is not eligible for a similar State grant under another State program for the same academic year.
 - Allows part-time students and part-time licensure students enrolled in a program intended to result in a license in teaching or nursing from an approved institution to be eligible for a prorated State grant.
 - Effective July 1, 2007.

Budget Bill

S.L. 2007-323 (HB 1473)

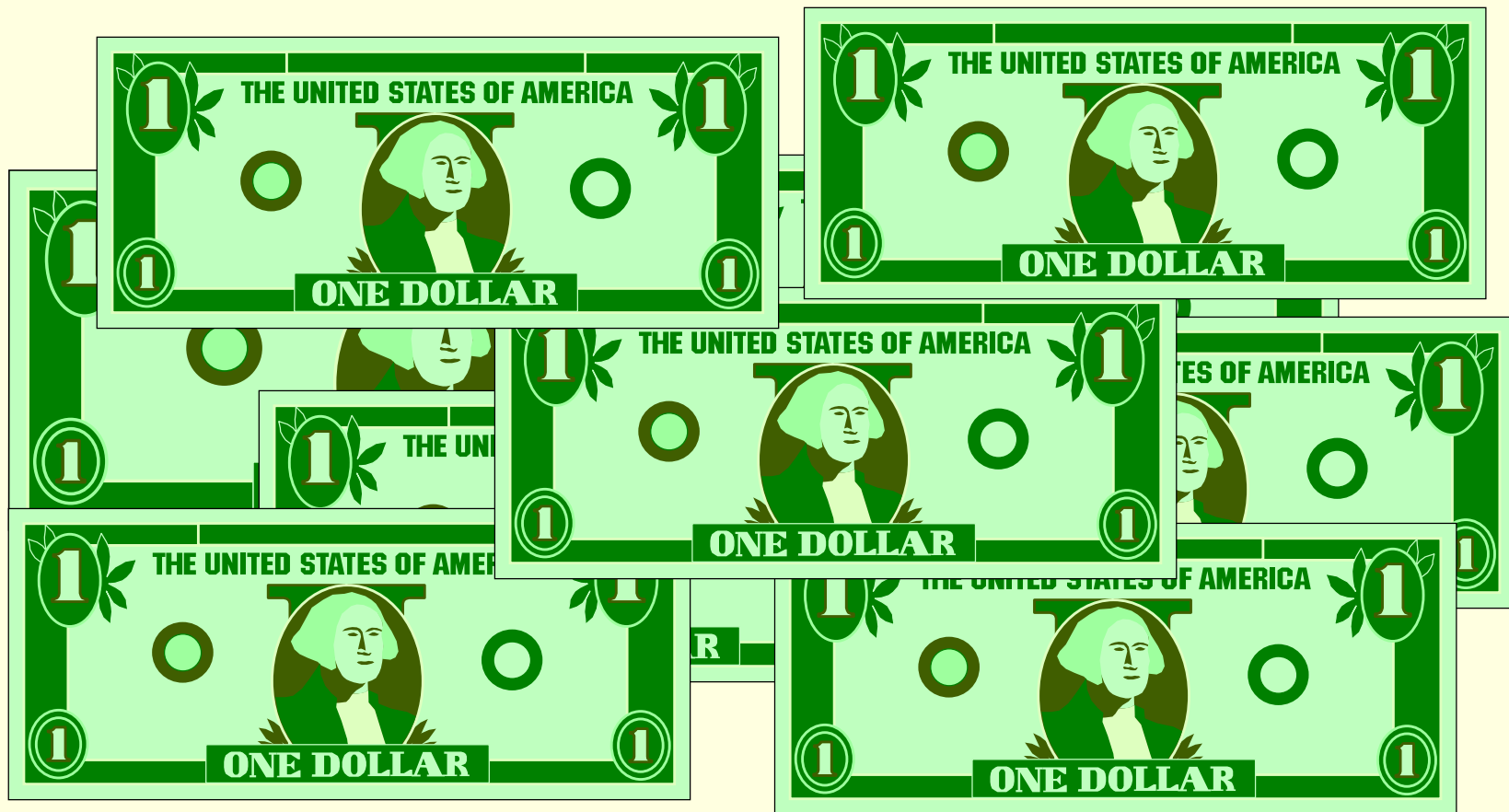
- Section 9.18 – Establish the John B. McLendon Leadership Awards.
 - Directs the State Education Assistance Authority (SEAA) to administer the John B. McLendon Scholarship Fund (Fund).
 - Requires that the interest from the Fund be used to provide two leadership scholarships annually to be awarded to a male and a female student athlete at each of North Carolina's accredited Historically Black Colleges and Universities.
 - Requires that Bennett College receive funding for two leadership scholarships for two female student athletes.

Budget Bill

S.L. 2007-323 (HB 1473)

- Section 9.18 – Establish the John B. McLendon Leadership Awards (cont'd.).
 - Allows the Chancellor or President and the Board of Trustees of each Historically Black College or University to designate students as recipients of the scholarships.
 - Authorizes the SEAA to adopt rules to administer the Fund.
 - Requires the SEAA to report no later than June 1, 2008, and annually thereafter, to the Joint Legislative Education Oversight Committee regarding the scholarships awarded.
 - Effective July 1, 2007. No scholarships will be awarded under this section prior to the 2008-2009 academic year.

Appropriations Universities



Budget Highlights for the UNC System

- Accepts the efficiency reductions in the Office of the President and affiliated institutions recommended by the President's Advisory Committee on Efficiency and Effectiveness (PACE) (-\$4.1 million). Cut an additional \$15 million in FY 07-08 and \$22 million in FY 08-09 in anticipation of future PACE efforts.
- Increases need-based financial aid by:
 - Adjusting aid grants for the increased cost of college attendance and awarding grants to late applicants that were previously unfunded (\$35.6 million Escheat Fund)
 - Funding the Governor's EARN scholarships that awards up to \$4,000 to students with family incomes below 200% of the federal poverty level (\$27.6 million General Fund in FY 07-08 and \$60 million General Fund and \$40 million Escheat Fund in FY 08-09).

Budget Highlights for the UNC System

- Increases aid to private college students by:
 - Increasing the State Contractual Scholarship Fund (SCSF) from \$1,250 to \$1,350 per North Carolina FTE student in North Carolina private colleges (\$3.2 million).
 - Increasing the Legislative Tuition Grant (LTG) from \$1,900 to 1,950 per North Carolina resident student in the state's private colleges (\$1.6 million).
 - Making part-time students with nine hours of credit eligible for LTG grants (\$1.5 million).
 - Increasing grants to NC resident students attending two religious colleges from \$1,800 to \$1,950 (\$29,700).
 - Funding 3% enrollment growth in the LTG and SCSF grant programs (\$2.4 million).

Budget Highlights for the UNC System

- Increases the state's investment in research by funding:
 - The University Cancer Research Fund at UNC Hospitals (\$25 million in FY 07-08 and \$40 million in FY 08-09 from combination of General Fund, Tobacco Trust Fund, and a tax on tobacco products other than cigarettes).
 - The Wake Forest Institute for Regenerative Medicine bid for a federal grant to develop regenerative techniques to treat soldier wounds (\$8 million in FY 07-08 and \$4 million in FY 08-09).
 - The NC Research Campus in Kannapolis (\$16.5 million in FY 07-08 and \$8.5 million in FY 08-09).
 - The creation of a joint graduate School of Nanoscience and Nanoengineering at NC A&T and UNC Greensboro's Millennium Campus (\$1.4 million).
 - The creation of a Competitiveness Fund to support investment in cutting edge science and technology (\$3 million in FY 07-08).

Budget Highlights for the UNC System

- Makes investments in key university programs by funding:
 - An increase in faculty and graduate assistants for the bioengineering program at North Carolina State University (\$5 million).
 - An increase in operating support for North Carolina Central University Law School (\$2.5 million) and UNC-Chapel Hill Law School (\$2 million).
 - The final phase of operating funds for the North Carolina Central University BRITE program (\$1 million).
 - An increase in the Distinguished Professor Endowment Fund (\$6 million in FY 07-08).

Budget Highlights for the UNC System

- Addresses the state's health care needs by funding:
 - The North Carolina Area Health Education Centers (AHEC) efforts in recruiting and training additional family physicians and other primary care doctors (\$571,000).
 - Indigent care at East Carolina University (\$2.5 million in FY 07-08) and at UNC-Chapel Hill (\$1 million in FY 07-08).
 - Cochlear implant programs at East Carolina University (\$100,000 in FY 07-08) and UNC-Chapel Hill (\$400,000 in FY 07-08).
 - The second year of the Graduate Nurse Scholarship Program for Faculty Production that provides \$15,000 per year scholarship loans to masters and doctoral candidates in nursing. Priority will be given to Community College faculty needing an advanced degree to meet new accreditation standards for nursing programs (\$1.2 million).