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Chapter 9

Education

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Enacted Legislation

Public Schools

Increase Access to Career/Technical Education

S.L. 2013-1 (**SB 14**), as amended by S.L. 2013-410, Sec. 16.1 (**HB 92**, Sec. 16.1), directs the State Board of Education (SBE) to establish, implement, and determine the impact of adding endorsements to high school diplomas. These endorsements will reflect foci of student coursework to indicate a career, college, or a college and career concentration. The SBE must report to the Joint Legislative Education Oversight Committee (JLEOC) on progress toward establishing the endorsements by February 1, 2014, make the endorsements available beginning with the 2014-2015 school year, and report to the JLEOC on the impact of awarding the endorsements by September 1, 2016, and annually thereafter.

The act also directs the SBE to coordinate placement of NC Teacher Corps members in schools with unmet recruitment needs, especially for career and technical education (CTE) teachers. The SBE must revise education and evaluation requirements for CTE teacher licensure, and develop alternative professional development models for CTE teachers who may not have extensive teaching or classroom management experience. The SBE must report to the JLEOC on progress made to increase accessibility of the licensure process and of professional development for CTE teachers by January 15, 2014.

The SBE, in collaboration with the State Board of Community Colleges (SBCC), must develop strategies to increase the number of high school students engaged in CTE, especially in engineering and industrial technologies, and in other occupations with high numbers of employment opportunities. The SBE and the SBCC must report to the JLEOC on these strategies by October 1, 2014.

This act became effective February 18, 2013. (PLP)

Digital Learning Competencies/School Employees

S.L. 2013-11 (**HB 23**), as amended by S.L. 2013-226 (**SB 168**), and S.L. 2013-410, Sec. 20 (**HB 92**, Sec. 20), directs the State Board of Education (SBE) to develop digital teaching and learning competencies for skills needed to provide high quality, integrated digital teaching and learning. Beginning in 2017, the SBE must require students in school administrator preparation programs to demonstrate competencies in using digital and other instructional technologies and supporting teachers and school personnel in those uses, and require continuing education in digital teaching and learning be integrated into the requirements for licensure renewal for school administrators.

This act became effective March 15, 2013. The increased digital learning requirements for school administrator licensure and licensure renewal become effective July 1, 2017, and apply beginning with the 2017-2018 school year. (KM)

Transition to Digital Learning in Schools

S.L. 2013-12 ([HB 44](#)) states the intent of the current General Assembly to transition from funding textbooks, both traditional and digital, to funding digital materials, including digital textbooks and instructional resources, in the public schools by 2017.

This act became effective March 15, 2013. (PP)

Amend Law Defining Home Schools

S.L. 2013-57 ([SB 189](#)) amends the definition of home school to allow parents, legal guardians, or members of the household to determine the scope and sequence of academic instruction, provide academic instruction, and determine additional sources of academic instruction for the children in the home school.

This act became effective May 30, 2013. (KM)

Back to Basics

S.L. 2013-71 ([HB 146](#)) requires that instruction of cursive writing and memorization of multiplication tables be included as part of the standard course of study in public schools.

This act became effective June 12, 2013, and applies beginning with the 2013-2014 school year. (PLP)

Reporting and Terms for Longitudinal Data Board

S.L. 2013-80 ([HB 591](#)), as amended by S.L. 2013-410, Sec. 22 ([HB 92](#), Sec. 22), makes the following changes pertaining to the governing board of the North Carolina Longitudinal Data System:

- Deletes the option for the State Chief Information Officer (State CIO) to designate someone to sit on the Board in the place of the State CIO.
- Specifies that appointed members' terms begin on May 1, 2013, and every four years thereafter.
- Provides that the State CIO is chair of the Board (rather than the chair being elected by the membership of the Board).
- Directs the Board to hold an initial meeting upon appointment of a majority of the appointed members. The Board is required to meet quarterly, but may meet more frequently upon call of the chair.
- Requires the Board to report quarterly (rather than annually), to the Joint Legislative Commission on Governmental Operations and the Joint Legislative Oversight Committee on Information Technology (in addition to the Joint Legislative Education Oversight Committee.)

This act became effective June 12, 2013. (DHA)

Improve Education for Children Who are Deaf

S.L. 2013-119 ([HB 317](#)) directs the State Board of Education to do the following:

- Develop culturally and linguistically appropriate assessment procedures to assess literacy skills at least annually, and to address the outcomes of the annual assessment.
- Require an individualized education program (IEP) team to use the Communication Plan Worksheet for Students Who are Deaf and Hard of Hearing to assist in making placement decisions, and to annually review needs and placements.

- Ensure availability of highly qualified personnel to meet academic and social goals, including interactions in the child's language and communication modality.
- Ensure that parents know their right to request the IEP team to consider residential placement, and if this request is made, that a representative from one of the residential schools/day programs be made a member of the IEP team.

The Department of Health and Human Services and other State agencies and organizations must make their databases containing information on children birth to 22 years who are deaf and hard of hearing available to the Department of Public Instruction (DPI), upon DPI's request. DPI must use this information to develop and maintain a statewide data tracking system to coordinate State agency and organization efforts to ensure literacy achievement for all children who are deaf and hard of hearing.

This act became effective June 19, 2013. (PLP)

Jury Instructions for School Budget Dispute

S.L. 2013-141 (HB 765) requires that, in a dispute between a local board of education and board of county commissioners over appropriations to the local current expense fund or capital outlay fund, the trial court or jury must make findings as to the amount of money needed from all sources and the amount of money legally needed from the board of county commissioners in order to maintain a system of free public schools. The judge or jury must consider the following in making the findings:

- The educational goals and policies of the State and the local board of education.
- The budgetary request of the local board of education.
- The financial resources of the county and the local board of education.
- The fiscal policies of the board of county commissioners and the local board of education.

This act became effective June 19, 2013, and applies to all actions commenced on or after that date. (KM)

Alternate ACT/PLAN for Certain Students

S.L. 2013-208 (HB 587) directs the State Board of Education (SBE) to administer an alternate ACT or PLAN assessment to a student who: (1) exhibits severe and pervasive delays in academic and adaptive behavioral development, (2) is following the extended content standards of the Standard Course of Study or a course of study that, upon completing high school, may not lead to admission in a college level course of study resulting in a college degree; and (3) has a written parental request for an alternate assessment. An alternate assessment for career and college readiness for students not taking the ACT or PLAN will be developed. The SBE will pilot the ACT alternate during the 2013-2014 school year, and pilot the PLAN alternate during the 2014-2015 school year. Students taking the pilot versions of the tests will not take the ACT and the PLAN, and where possible, the results of the ACT pilot will be included in school accountability reports.

This act became effective June 26, 2013. (SK)

Clarify Education Reporting Requirements

S.L. 2013-226 (SB 168), as amended by S.L. 2013-410, Sec. 20(a) (HB 92, Sec. 20(a)), repeals several reporting requirements for the State Board of Education (SBE), including the evaluation of the Disadvantaged Student Supplemental Funding Initiative and Low-Wealth Initiative. The requirement that the SBE periodically review and report data on the progress of students who have personal education plans to the Joint Legislative Education Oversight Committee also is repealed. The State child nutrition standards and annual report to the SBE and

the Joint Legislative Education Oversight Committee from the Child Nutrition Services Section of the Department of Public Instruction also is repealed.

This act also clarifies the teacher licensure statutes and directs teacher education programs to include information on the effectiveness of their graduates when fulfilling annual reporting requirements to the SBE. The act also directs SBE to create an educator preparation program report card.

This act became effective July 3, 2013, and applies beginning with the 2013-2014 school year. (PLP)

Child Nutrition Program Solvency and Support

S.L. 2013-235 (HB 57) prohibits a local school administrative unit from assessing indirect costs to their child nutrition program unless the program has a minimum of one month's operating balance. One month's operating balance is equal to the net cash resources divided by one month's operating costs. The North Carolina Procurement Alliance is directed to promote optimal pricing for program foods and supplies.

This act became effective July 1, 2013. (SK)

Substitute Teacher Deduction/Personal Leave

S.L. 2013-240 (HB 249) requires teachers to be refunded the cost of the substitute deduction if a teacher uses personal leave on a day other than a teacher workday and a substitute is not hired. Teachers will receive full salary for personal leave taken on teacher workdays.

This act became effective July 3, 2013, and applies beginning with the 2013-2014 school year. (PLP)

Residential School Changes

S.L. 2013-247 (HB 868) provides that the State Board of Education (SBE) is the governing agency of the Governor Morehead School for the Blind, the Eastern North Carolina School for the Deaf, and the North Carolina School for the Deaf. The SBE is directed to adopt rules to implement the laws and the act specifies four factors that the SBE must use in determining admission criteria for these three schools:

- State and federal laws.
- Optimal academic and communicative outcomes for the child.
- Parental input and choice.
- Recommendations in a child's Individualized Education Program.

The current rules governing the Governor Morehead School for the Blind, the Eastern North Carolina School for the Deaf, and the North Carolina School for the Deaf remain in effect until superseded by rules adopted by the SBE pursuant to this act.

This act became effective July 3, 2013. (DHA)

Corporal Pruitt Rainey Brass to Class Act

S.L. 2013-268 (HB 767) directs the State Board of Education (SBE) to establish rules for awarding credit for salary purposes to principals, assistant principals, and teachers who have retired or received an Honorable Discharge from the Armed Forces of the United States. The SBE also must establish criteria within the rules for determining the relevance of nonteaching work experience earned while on active military duty to be credited towards an individual's total licensure experience rating. The SBE continues to have the authority to cap nonteaching experience credit for Junior Reserve Officer Training Corps. The SBE must report, by February 28,

2014, to the Joint Legislative Education Oversight Committee on the rules drafted to implement this act.

This act became effective July 17, 2013, and applies to military veterans initially employed by local school administrative units in the 2014-2015 school year and beyond. (PLP)

TRICARE Supplement for Flexible Accounts

S.L. 2013-292 (HB 402). See **State Government**.

Modify Duties/Advisory Council on Indian Education

S.L. 2013-295 (SB 231) modifies the duties of the Advisory Council on Indian Education to include the following:

- Annually review educational data provided by the Department of Public Instruction (DPI).
- Advocate for programs to eradicate low achievement.
- Annually report recommendations to improve student outcomes to the State Board of Education (SBE), tribal councils, the North Carolina Commission of Indian Affairs, and at the annual Indian unity conference.
- Work closely with DPI, tribal leaders, and Title VII coordinators to improve communication and coordination among programs.
- Improve consultations among the SBE, DPI, tribal communities, parents and students.
- Advise the SBE on any other matters upon request by the SBE.

This act became effective July 18, 2013. (PLP)

Health Curriculum/Preterm Birth

S.L. 2013-307 (SB 132) requires that the reproductive health and safety education program provided by each local school administrative unit starting in the seventh grade must include instruction about the preventable risks of preterm birth in subsequent pregnancies. The Department of Public Instruction (DPI) must ensure that charter schools annually provide students in grades 7 through 12 information on the preventable risks for preterm birth in subsequent pregnancies. The Division of Nonpublic Education, Department of Administration, must ensure that information on the preventable risks for preterm birth in subsequent pregnancies is available to private schools, qualified nonpublic schools, and home schools. The preventable risks of preterm birth include induced abortion, smoking, alcohol consumption, the use of illicit drugs, and inadequate prenatal care.

The Division of Public Health, Department of Health and Human Services, must provide sample educational materials with the most current information about the preventable causes of preterm birth to DPI and the Division of Nonpublic Education within 60 days of the effective date of this act and annually thereafter.

This act became effective July 18, 2013, and applies beginning with the 2013-2014 school year. (SK)

Tax Simplification and Reduction Act

S.L. 2013-316 (HB 998). See **Finance**.

North Carolina Charter School Advisory Board

S.L. 2013-355 (SB 337) makes numerous changes to the charter school laws. The act creates the North Carolina Charter Schools Advisory Board (Advisory Board) to make recommendations to the State Board of Education (SBE) on the adoption of rules related to charter schools and on actions regarding charter schools, including approvals, renewals, and revocations. The North Carolina Charter School Advisory Council established by the SBE is abolished. The act amends the law such that only nonprofit corporations can apply to establish a charter school. The preliminary approval process is repealed and no preliminary approvals for charters can be granted from an entity such as a local board of education or a North Carolina constituent institution. Charter schools can no longer agree to be accountable to the local board of education (local board) of the local school administrative unit (LEA) in which the charter is located rather than the SBE. Applicants for charters are no longer required to submit a copy of their charter school application to the local board of the LEA in which the charter school would be located, and information received from the local board regarding the charter application does not have to be considered by the SBE in reviewing the charter application. The SBE must establish reasonable fees of no less than \$500 and no more than \$1,000 for initial and renewal charter applications in accordance with the Administrative Procedure Act. If a charter school has requested to lease available buildings or land from the local board of the LEA in which the charter school is located and is unable to reach an agreement with the local board, the charter school has the right to appeal to the board of county commissioners, who has the final decision-making authority on the leasing issue.

At least 50% of charter school teachers in grades K through 12 must be licensed, and all charter school teachers teaching core subject areas must be college graduates. If the local board of the LEA in which a charter school is located has a policy on criminal history checks, then the board of directors of each charter school in that LEA must adopt a policy mirroring the LEA's policy. The SBE no longer conducts criminal history checks for charter schools, and there is no liability for negligence on the part of the SBE, the board of directors of a charter school, or their employees for any act or omission in carrying out criminal history checks except in cases of gross negligence, wanton conduct, or intentional wrongdoing.

The SBE can terminate, not renew, or seek applicants to assume a charter through a competitive bid process, and public assets transfer to the new entity rather than revert to the LEA in which the charter is located. Charter schools can use State funds for payments on loans made to them for operations. LEAs must transfer the per pupil share of the local current expense fund to the charter school within 30 days of the receipt of monies into the local current expense fund. An LEA must provide to each charter school it transfers a per pupil share of its local current expense fund the following information within the 30-day time period: (1) the total amount of monies the LEA has in each of the funds listed in the uniform budget, such as reimbursements, fees for actual costs, tuition, sales tax refunds, etc.; (2) the student membership numbers used to calculate the per pupil share of the local current expense fund; and (3) how the per pupil share of the local current expense fund was calculated. Before bringing an action regarding a funding transfer, the complaining party must give the other party 15 days written notice of the alleged violation. The court must award the prevailing party reasonable attorney fees and costs in an action to enforce a funding transfer. Any delinquent funds, costs, fees, and interest must be paid in equal monthly installments with payment in full no later than three years from the entry of any judgment.

The act clarifies that special funds of individual schools are not to be included as a part of the local current expense fund of an LEA for determining the per pupil share of the local

current expense fund to be transferred to a charter school. Additionally, an exception is created to allow assignments of State monies by charter schools to obtain funds for facilities, equipment, or operations.

The abolishment of the North Carolina Charter School Advisory Council established by the SBE became effective August 1, 2013. The remainder of the act became effective July 25, 2013. (DC)

Charter School/Property Tax Exemption

S.L. 2013-355, Sec. 3 (SB 337, Sec. 3). See **Finance**.

Charter School Enrollment and Charter Revisions

S.L. 2013-359 (HB 250) amends the enrollment procedures and priorities for charter schools by:

- Requiring a charter school to make efforts to reasonably reflect the racial and ethnic composition of the general population or the special population the school seeks to serve residing within the local school administrative unit.
- Allowing a charter school to give priority to siblings of students who are no longer enrolled, if the sibling was enrolled in at least four grade levels and completed the highest grade level offered, or if less than four grades are offered, in the maximum number of grades offered.
- Allowing a charter school to give priority to the following children if the total number of those children do not exceed 15% of the total enrollment:
 - Children of full-time employees.
 - Children of the charter school's board of directors for the first year of operation.The State Board of Education (SBE) can waive the 15% cap.
- Creating a new class of enrollment priority for students enrolled in the charter school within the previous two years who left the school:
 - To participate in an academic study abroad program or a competitive admission residential program.
 - Because of the vocational opportunities of the student's parents.
- Allowing a charter school to enter all siblings into the lottery together under one surname and admitting those siblings to the extent that space is available and grade level capacity is not exceeded.

The act adds the expansion of one grade higher than currently offered if the charter school has operated for a minimum of three years and has not been identified as having inadequate performance as an event that must not be considered a material revision of a charter application and does not require prior approval by the SBE.

This act became effective July 26, 2013, and applies beginning with the 2013-2014 school year. (SK)

Revise Public School Building Capital Fund/Appropriate Education Lottery Funds

S.L. 2013-360, Secs. 6.11(a) through (e) (SB 402, Secs. 6.11(a) through (e)) revises the allocation formula and use of monies in the Public School Building Capital Fund (Capital Fund) and the Education Lottery Fund (Lottery Fund). Monies previously credited to the Capital Fund from the corporate income tax may continue to be used for capital outlay projects. Effective June 30, 2013, automatic distribution of certain net revenues from the Lottery Fund for reduction of class size, to support academic pre-kindergarten programs, to the Capital Fund, and to fund college and university scholarships are repealed. The General Assembly will appropriate those net

revenues from the Lottery Fund for education-related purposes. Funds appropriated from the Lottery Fund to the Capital Fund will be allocated for school capital construction projects on a per pupil average daily membership basis.

Except as otherwise provided, this section became effective July 1, 2013. (KM)

Public School Procurement of Information Technology

S.L. 2013-360, Sec. 7.6 (SB 402, Sec. 7.6). See **State Government**.

School Bus Replacement

S.L. 2013-360, Sec. 8.11 (SB 402, Sec. 8.11) modifies the replacement process for school buses in the statewide fleet. A bus is eligible for replacement with State funds when either it is 20 years old by model year or has been operated for 250,000 miles, except in the following two situations:

- A bus that has been operated for less than 150,000 miles is not eligible for replacement regardless of its model year.
- A bus that is less than 15 years old by model year is not eligible for replacement until the bus has been operated for 300,000 miles.

The State Board of Education may authorize the replacement of up to 30 buses each year due to safety, mechanical, or structural concerns that would place an undue burden on a local school administrative unit (LEA). An LEA will receive an incentive payment of \$2,000 at the beginning of each school year for each bus that it continues to operate although the bus is eligible for replacement, until the bus is 23 years old by model year.

For the 2013-2015 fiscal biennium only, State funds will be used, at the request of a LEA, to replace all buses that are 20 years old by model year in addition to all buses eligible for replacement under the new replacement process.

This section became effective July 1, 2013. (DHA)

Local School Administrative Unit Budgetary Flexibility

S.L. 2013-360, Sec. 8.14 (SB 402, Sec. 8.14) eliminates many of the limitations on the transfer of funds between funding allotment categories, allowing local school administrative units (LEAs) more flexibility to move monies. The following limitations will remain:

- Funds for children with disabilities, career and technical education, and other purposes may be transferred only as permitted by federal law and the conditions of federal grants or as provided by any rules adopted by the State Board of Education (SBE) to ensure federal compliance.
- No funds are allowed to be transferred into the central office administration category.
- Positions allocated for classroom teachers may be converted to dollar equivalents to contract for visiting international exchange teachers.
- Positions allocated for classroom teachers and instructional support personnel also may be converted to dollar equivalents for purposes authorized by the SBE.
- Funds allocated for school building administration may be converted for any purpose authorized by the policies of the SBE.
- Funds allocated to carry out the Read to Achieve Program under the Excellent Public Schools Act cannot be transferred.

LEAs must publish the following information, written in plain English, on their Web sites by October 15 of each year:

- A description of each program report code and summary of the prior fiscal year's expenditure of State funds within each program code.

- A description of each object code within a program report code and summary of the prior fiscal year's expenditure of State funds for each object code.
- A description of each allotment transfer that increased or decreased the initial allotment amount by more than 5% and the educational priorities that necessitated the transfer.

This section became effective July 1, 2013. (DC)

Participation in Communities in Schools Learning Initiative

S.L. 2013-360, Sec. 8.17 (SB 402, Sec. 8.17) provides that students enrolled in the Harvard University Reads for Summer Learning Initiative (Initiative), which is conducted with Communities in Schools of North Carolina (CISNC), are exempted from mandatory retention requirements under the North Carolina Read to Achieve Program. A student participating in the Initiative who needs more intensive intervention must be placed in a summer reading program as determined by the local school administrative unit and as approved by the student's parent or guardian.

CISNC must report to the Joint Legislative Education Oversight Committee on the Initiative by November 1, 2015, and include reading competency outcome data for all participating students.

This section became effective July 1, 2013, and expires at the end of the 2014-2015 school year. (DC)

Regional School Boards

S.L. 2013-360, Sec. 8.20 (SB 402, Sec. 8.20) requires that the board of directors for the chamber of commerce of the county in which a regional school is located, in consultation with the North Carolina Economic Developers Association, appoint at least three members as representatives of the business community to the board of directors for a regional school. At least 50% of the members of a board of directors for a regional school must be representatives of the business community appointed in accordance with this section.

This section became effective July 1, 2013. (SK)

Teach for America Expansion and North Carolina Teacher Corps

S.L. 2013-360, Sec. 8.21 (SB 402, Sec. 8.21) makes various changes to the Teach for America (TFA) and the North Carolina Teacher Corps (Teacher Corps) programs, including:

Expansion of TFA. — Directs TFA to use a portion of the funds available to it for the 2013-2015 fiscal biennium to recruit, train, support, and retain teachers to work in North Carolina public schools and to raise additional funds to expand its current programs and initiate new programs, including Teach Back Home (recruiting teaching candidates who are North Carolina residents) and Teach Beyond Two and Make it Home (encouraging teaching commitments beyond TFA's required two years).

Reports. — By March 1, 2014, and annually beginning on January 1, 2015, TFA must report to the Joint Legislative Education Oversight Committee on the operation of its program, including: (1) the number of applicants received nationally; (2) the number of applicants received from North Carolina residents; (3) North Carolina residents accepted by TFA; (4) applicants placed in the State; (5) regions where TFA candidates work; (6) recruiting and retention efforts; and (7) a financial accounting of how State funds appropriated to TFA were expended in the previous year.

TFA must submit quarterly updates on the information in the annual report to the General Assembly.

TFA and Teacher Corps. — Effective July 1, 2014, the State Board of Education is directed to enter into a contract with TFA to administer the Teachers Corps, and beginning with the 2014-2015 fiscal year, TFA must use a portion of the funds available to administer the program. The SBE is directed to provide ongoing support to Teacher Corps members who were placed in the public schools for the 2012-2013 and 2014-2015 school years.

This section became effective July 1, 2013. (DHA)

Phase Out Certain Teacher Salary Supplements

S.L. 2013-360, Sec. 8.22 (SB 402, Sec. 8.22) provides that, except for certified school nurses and instructional support personnel in positions for which a master's degree is required for licensure, no teachers or instructional support personnel can be paid on the "M" salary schedule or receive a salary supplement for academic preparation at the six-year degree level or at the doctoral degree level for the 2014-2015 school year, unless the individual was paid on that salary schedule or received that salary supplement prior to the 2014-2015 school year.

This section became effective July 1, 2013. (DC)

Investing in Innovation Grant

S.L. 2013-360, Sec. 8.25 (SB 402, Sec. 8.25) allows certain local school administrative units (LEAs) to offer one community college course to 10th grade students. The participating LEAs are: Alleghany, Beaufort, Hertford, Jones, Madison, Richmond, Rutherford, Surry, Warren, Wilkes, and Yancey County Schools. These LEAs are a part of the federal Investing in Innovation Fund Grant: Validating Early College Strategies for Traditional Comprehensive High Schools (Grant) which was awarded to the North Carolina New Schools Project (NCNSP) for 2012-2017.

The Grant funds will pay for the costs incurred by the LEAs and the community college partners, including community college tuition costs. Community colleges cannot earn budget FTE for student course enrollments supported with the Grant. The NCNSP must report on the implementation of the Grant to the State Board of Education, the State Board of Community Colleges, the Office of the Governor, and the Joint Legislative Education Oversight Committee by March 15, 2014, and annually until the end of the grant period.

This section became effective July 1, 2013. (DC)

Broaden Successful Participation in Advanced Courses

S.L. 2013-360, Sec. 8.27 (SB 402, Sec. 8.27), as amended by S.L. 2013-363, Sec. 3.18 (HB 112, Sec. 3.18), directs the State Board of Education (SBE) to include measures of Advanced Placement (AP) and International Baccalaureate (IB) Diploma Programme participation and performance on the annual report card issued for each local school administrative unit (LEA). To the extent that funds are available, students are exempt from paying any fees for administration of exams for advanced courses. The results of student diagnostic tests like the PSAT/NMSQT and PLAN precursor test to the ACT, and other criteria established by schools, will be used to identify students who are prepared, and those needing additional support, to be successful in advanced courses. Local boards of education must (1) provide information to students and parents on available opportunities and the enrollment process for students to take advanced courses, and (2) ensure all high school students have access to advanced courses in language arts, mathematics, science, and social studies. Such access may be provided through enrollment in courses offered through, or approved by, North Carolina Virtual Public Schools. The SBE will seek a partner, such as the College Board, to form the North Carolina Advanced Placement Partnership (Partnership) to assist secondary schools in offering AP courses and in improving college readiness of students. The Partnership must report annually to the Department of Public Instruction, and the SBE must report annually to the Joint Legislative Education Oversight

Committee on assistance provided and on the demographics of students enrolled in advanced courses. Funds are appropriated for the Partnership to implement its responsibilities during the 2013-2014 school year, and for student AP/IB assessment fees during the 2014-2015 school year.

This section became effective July 1, 2013, and applies beginning with the 2013-2014 school year. (PLP)

Increase Successful Career and Technical Education Participation

S.L. 2013-360, Sec. 8.28 (SB 402, Sec. 8.28) directs the State Board of Education (SBE) to implement, to the extent that funds are available, an industry certifications and credentials program. Students enrolled in Career and Technical Education (CTE) courses in the public schools are exempted from paying any fees for one administration of exams according to rules adopted by the SBE. Annually, the Department of Commerce must provide the SBE with a list of occupations in high need of additional skilled employees. Local school administrative units must consult with local industries and employers to identify those certifications and credentials that best meet State and local workforce needs. Starting in 2014, the SBE must report to the Joint Legislative Education Oversight Committee annually by September 1 on the number of students in CTE courses who earned community college credit and who earned related industry certifications and credentials.

This section became effective July 1, 2013, and applies beginning with the 2013-2014 school year. (SK)

Opportunity Scholarships

S.L. 2013-360, Sec. 8.29 (SB 402, Sec. 8.29) creates scholarship grants (grants) for nonpublic school tuition for students who meet certain criteria and income threshold requirements. The State Education Assistance Authority (SEAA) will be responsible for administration of the program, with grants first awarded for the 2014-2015 school year.

For the 2014-2015 school year, to be eligible for a grant a child must qualify for both free and reduced lunch and must have been enrolled in a North Carolina public school during the 2014 spring semester. After the 2014-2015 school year, to be eligible for a grant a child must reside in a household with an income level not in excess of 133% of the amount required for the student to qualify for the federal free or reduced price lunch program, and must meet one of the following criteria:

- Was a full-time student assigned to and attending a North Carolina public school during the previous semester.
- Received a scholarship grant during the previous school year.
- Is entering either kindergarten or the first grade.
- Is a child in foster care.
- Is a child whose adoption decree was entered not more than one year prior to submission of the scholarship grant application.

Award of grants are based on the following criteria:

- First priority will be given to students who received a scholarship the prior year, if the student applies by March 1.
- After scholarships have been awarded to prior recipients, the remaining funds will be awarded as follows:
 - At least 50% to students from households with incomes that qualify for free and reduced lunch.
 - No more than 35% to students entering kindergarten or first grade.
- Any remaining funds will be used to award scholarships to all other eligible students.

The SEAA is required to develop rules for the administration of this process and may include a lottery selection process within the above criteria as part of that process.

Nonpublic schools that accept students receiving grants must agree to meet certain requirements, including providing tuition information to the SEAA, conducting a criminal background check on the school's highest-ranking staff person, providing information to parents on the scholarship students' progress, annually administering nationally normed tests for third grade and above and sharing results of those tests for analysis, reporting on scholarship student graduation rates, and conducting financial reviews if more than \$300,000 in grants are received.

Parents must restrictively endorse the grants to the school at the site of the nonpublic school. Failure to do so will result in forfeiture of the scholarship.

The SEAA must report on students receiving scholarships to the Department of Public Instruction (DPI) by September 1 to allow reductions in per pupil allocations for average daily membership in local school administrative units. The SEAA must report annually by March 1 to the Joint Legislative Education Oversight Committee (JLEOC) on demographic information and statistical information on grant awards. The SEAA also must report annually by December 1 to DPI and JLEOC on learning gains or losses of students receiving scholarship grants and competitive effects on public school performance on standardized tests as a result of the program. The report must be conducted by an independent research organization selected by the SEAA.

Qualifications for nonpublic schools are clarified to include any nonpublic school that is accredited by a national or regional accrediting agency.

This section became effective July 1, 2013, and applies beginning with the 2014-2015 school year. (KM)

Repeal Requirement that Schools Provide Reading Workshops for Parents of Students Who Have Been Retained

S.L. 2013-360, Sec. 8.30 (SB 402, Sec. 8.30) repeals the requirement that local school administrative units provide a plan for reading at home, including parental participation in reading workshops to parents or guardians of students who have been retained once in the third grade for failure to demonstrate reading proficiency.

This section became effective July 1, 2013. (DHA)

Education and Workforce Innovation Program

S.L. 2013-360, Sec. 8.34 (SB 402, Sec. 8.34), as amended by S.L. 2013-363, Sec. 3.10(a) (HB 112, Sec. 3.10(a)), creates the North Carolina Education and Workforce Innovation Commission (Commission) whose purpose is to ensure North Carolina graduates more career and college ready students. The independent, 11-member Commission is located administratively in the Governor's Office. The Commission is directed to administer the Education and Workforce Innovation Program (Program), including making grant awards and publishing an annual report of its activities. The grants may be awarded to a school, local school administrative unit (LEA), and regional partnerships of LEAs that have partnerships with an institution of higher education, regional businesses, and business leaders. Grantees must demonstrate ability to create and sustain proposed educational and career innovations. State funds granted through the Program must be matched by a combination of local and private funds. Grantees must submit an annual report on the progress and outcomes of grant activities to the Commission.

The Commission also is directed to study the most efficient way to fund enrollment of high school students in college course work and report the results of this study to the Joint Legislative Education Oversight Committee by October 1, 2014.

This section became effective July 1, 2013. (PLP)

State Employee Literacy Volunteer Leave Time

S.L. 2013-360, Sec. 9.1 (SB 402, Sec. 9.1). See **State Government**.

Maximize Instructional Time

S.L. 2013-360, Sec. 9.2 (SB 402, Sec. 9.2) limits the administration of all final exams and federally required testing of students to the final 10 instructional days of each school year, and to the last 5 instructional days of a semester for a semester-long course. Exceptions can be made for children with disabilities and for administration of assessments associated with national or international curricula. The State Board of Education is required to report to the Joint Legislative Education Oversight Committee and wait for legislative action before purchasing any assessments associated with the Common Core State Standards.

This section became effective July 1, 2013, and applies beginning with the 2013-2014 school year. (PLP)

Strengthen Teacher Licensure and Modify Licensure Fees

S.L. 2013-360, Sec. 9.3 (SB 402, Sec. 9.3) amends the schedule of fees for teacher licensure and administrative changes so that the fees do not exceed the actual cost of providing the service. The State Board of Education (SBE) must report to the Joint Legislative Education Oversight Committee (JLEOC) by March 15 in any year that fees have been modified on the number of personnel paid from licensure receipts, any change in personnel paid from licensure receipts, and other related costs covered by the receipts. For the 2013-2014 fiscal year only, the SBE is exempt from rulemaking in establishing the schedule of fees for teacher licensure and administrative changes.

Beginning with the 2013-2014 school year, the standards for continuing licensure must include at least eight continuing education credits with at least three credits required in the teacher's academic subject area. The SBE must adopt a minimum composite ACT math and verbal score needed for admission to an approved undergraduate teacher education program.

Beginning with the 2014-2015 school year, Elementary Education (K-6) and special education general curriculum teachers must achieve a prescribed minimum score on tests specific to teaching reading and mathematics. The standards for continuing licensure for elementary and middle school teachers must include at least three continuing education credits related to literacy. The standards for elementary and special education general curriculum teacher education programs must include demonstrated competencies in specific literacy-related assessment and instruction skills.

For teachers who are in their fourth or fifth year of their current five-year license renewal cycle, the changes to the standards for continuing licensure apply beginning with the first year of their next five-year license renewal cycle.

The SBE must develop a plan requiring the schools of education to measure performance on the above demonstrated competencies included in their elementary and special education general curriculum teacher education programs and require this information to be included in the annual performance reports to the SBE and the higher education educator preparation program report cards. The SBE must report to the JLEOC by March 15, 2014, on the plan to include the information in the performance reports required for the 2014-2015 school year.

This section became effective July 1, 2013. (SK)

School Performance Grades

S.L. 2013-360, Sec. 9.4 (SB 402, Sec. 9.4), as amended by S.L. 2013-363, Sec. 3.6 (HB 112, Sec. 3.6), sets out the calculation methodology for school performance grades. The State

Board of Education (SBE) must award a school performance grade of A, B, C, D, or F to each school based on a performance score of 0 to 100. 80% of the school performance score is derived from a sum of points earned for school achievement, and 20% is derived from the score for school growth. If a school's achievement score is 80 or higher and the school meets expected growth, then the school's performance score and associated letter grade is based solely on the school's achievement score. School report cards must include achievement, growth, and performance scores, along with the associated letter grade and an indication of whether the school has met, not met, or exceeded expected growth. Elementary and middle school report cards also must include separate mathematics and reading achievement scores. The SBE may modify this system for alternative schools and programs. School performance grades cannot be issued prior to August 1, 2014.

This section became effective July 1, 2013, and applies beginning with the 2013-2014 school year. (PLP)

Pay for Excellence

S.L. 2013-360, Sec. 9.5 (SB 402, Sec. 9.5) states the intent of the General Assembly to utilize a plan of performance pay for teachers once an evaluation instrument and process that accurately assesses and evaluates the effectiveness of teachers is wholly implemented in North Carolina.

This section became effective July 1, 2013. (DHA)

Teacher Contracts

S.L. 2013-360, Sec. 9.6 (SB 402, Sec. 9.6) eliminates career status in North Carolina over a five-year period and requires that all teachers be employed on contract. Local boards of education must employ teachers upon the recommendation of the superintendent. Teachers employed less than three years by a local board may be employed only on one-year contracts. Contracts or contract renewals between a local board and teachers employed by that board for three or more years may be for one, two, or four school years. For teachers employed more than three years, a teacher may be recommended for a contract term of longer than one year only if the teacher has shown effectiveness as demonstrated by proficiency on the teacher evaluation instrument. Local boards have the option to approve the superintendent's recommendation, to not approve the recommendation, or to offer a teacher a renewed contract for a term different from that recommended by the superintendent.

Dismissal during the term of the contract may be for only one of 15 statutory grounds (the same 15 grounds for which teachers currently with career status can be dismissed). Teachers have the right to petition for a hearing for a nonrenewal of a contract, but the local board has discretion in whether to grant such a hearing. A teacher has no right to appeal the denial of such a hearing or for the nonrenewal of a contract. For teachers being dismissed during the term of the contract, there is a right to a hearing before the local board. The local board must grant the hearing if requested by the teacher, and the teacher has a right to a further appeal to superior court.

From September 1, 2013, to June 30, 2014, superintendents must review the performance and evaluations of all teachers who have been employed for three consecutive years by the local board of education and then recommend 25% of these teachers to the local board for four-year contracts starting in 2014-2015. The local board must review the recommendations and accept them or select other teachers as part of the 25% to offer four-year contracts. Four-year contracts to teachers can be offered only to teachers who are effective as demonstrated by proficiency on the teacher evaluation instrument. All contract offers must be made and accepted by June 30, 2014. Teachers employed on these four-year contracts will receive a \$500 annual pay raise for each year of the contract. A person not granted career status

prior to the 2013-2014 school year cannot be granted career status after August 1, 2013. Career status is repealed effective June 30, 2018.

Except as otherwise provided, this section became effective July 1, 2013. (DC)

Study Use of Unique Student Identifier/Child Care Subsidy

S.L. 2013-360, Sec. 12B.8 (SB 402, Sec. 12B.8). See **Health and Human Services**.

Driver Education

S.L. 2013-360, Sec. 34.20 (SB 402, Sec. 34.20) authorizes local boards of education to charge up to \$55 to participate in driver education courses to offset the costs of the training and instruction, effective July 26, 2013, for driver education courses occurring after that date.

The Division of Motor Vehicles, Department of Transportation, and the Department of Public Instruction must collaborate to revise the driver knowledge test and create a process for test administration and certification of passage by public schools with driver education programs. Progress on the collaboration must be reported to the General Assembly, including the Joint Legislative Transportation Oversight Committee and the Joint Legislative Education Oversight Committee by March 1, 2014.

This section became effective July 1, 2013. (KM)

Kindergarten Through Third Grade Class Size

S.L. 2013-363, Sec. 3.3 (HB 112, Sec. 3.3) specifies class size for kindergarten through third grade (K-3) cannot exceed the funded allotment ratio of teachers to students. In grades 4 through 12, local school administrative units (LEAs) have the maximum flexibility to use allotted teacher positions to maximize student achievement. The provisions that set maximum teaching loads for grades 7 through 12 and allowed the State Board of Education (SBE) to allot additional positions and set maximum class size in music, physical education, and similar subjects are repealed. Exceptions to class size requirements for K-3 and significant increases in class size at other grade levels must be reported. LEAs can request allotment adjustments at any grade level and waivers from the requirements for K-3 classrooms. LEAs must ensure that class size requirements are met in K-3. The SBE may grant waivers for excess class size in K-3.

This section became effective July 1, 2013. (PLP)

Funds for 12 Months of Employment for Regional School Principals

S.L. 2013-363, Sec. 3.5 (HB 112, Sec. 3.5) directs the State Board of Education to allocate to a regional school funds for 12 months of employment for the school principal if the regional school has a final total average daily membership of 100 or more students.

This section became effective July 1, 2013. (SK)

Modifications to the Developmental Screening and Kindergarten Entry Assessment

S.L. 2013-363, Sec. 3.9 (HB 112, Sec. 3.9) provides that the developmental screening and entry assessment required of every student entering kindergarten must be administered in at least 50% of local school administrative units beginning with the 2014-2015 school year, with statewide implementation no later than the 2015-2016 school year.

This section became effective July 1, 2013. (DHA)

Children with Disabilities Scholarship Grants

S.L. 2013-364 (HB 269), as amended by S.L. 2013-363, Secs. 3.2 and 3.17 (HB 112, Secs. 3.2 and 3.17) and S.L. 2013-410, Sec. 47 (HB 92, Sec. 47), repeals the current tax credit for children with disabilities and related Fund for Special Education and Related Services. A new program of Special Education Scholarship Grants for Children with Disabilities (grants) is created that provides up to \$3,000 per semester to eligible students for reimbursement of tuition and special education and related services.

To be eligible for the grant a child with a disability under the age of 22 must meet the following requirements:

- Require an individualized education plan.
- Receive special education or related services on a daily basis.
- Meet one of the following requirements:
 - Was enrolled in a North Carolina public school during the previous semester.
 - Received special education or related services through the North Carolina public schools as a preschool child with a disability during the previous semester.
 - Received a scholarship grant for the previous semester.
 - Be eligible for initial enrollment in kindergarten or the first grade in a North Carolina public school.

A child with a disability is not eligible if the child has been placed in a nonpublic school or facility by a public agency at public expense, has been enrolled in a postsecondary institution as a full-time student, or has received a high school diploma. To remain eligible, a child must be reevaluated by the local educational agency every three years.

The grant will be administered by the State Education Assistance Authority (SEAA), with applications available by May 1 annually. Priority will be given in awarding grants to students who received a grant in the previous semester. Otherwise, grants will be awarded to eligible students in the order in which applications are received. Parents will be required to submit receipts or other documentation to the SEAA at the end of each semester for reimbursement up to the maximum amount of the grant. Parents also must provide documentation that the student was enrolled in nonpublic school or was homeschooled and receiving related services for no less than 75 days of the semester for which the parent seeks reimbursement.

The SEAA must report annually by October 1 to the Joint Legislative Education Oversight Committee on demographics of students receiving grants, total amount of grant funding awarded, nonpublic schools in which grant recipients are enrolled, and types of special education or related services for which grants were awarded.

For the 2014 spring semester, the SEAA is required to make applications available in October 2013. For awards for that semester, students whose parents are allowed a tax credit for the fall semester of 2013 will receive priority in awards, and students eligible for enrollment in kindergarten or the first grade during the 2013-2014 school year who also meet other requirements are eligible for award of grants.

This act became effective July 29, 2013, and applies beginning with the spring semester of the 2013-2014 school year. The repeal of the children with disabilities tax credit is effective for taxable years beginning on or after January 1, 2014. Appropriations included within the act became effective July 1, 2013. (KM)

Public Contracts/Construction Methods/Design-Build/Public Private Partnerships

S.L. 2013-401 (HB 857). See **State Government**.

School Safety

School Psychologists, School Counselors, and School Social Workers

S.L. 2013-360, Sec. 8.35 (SB 402, Sec. 8.35) directs school counselors to implement a comprehensive developmental school counseling program in their schools, with at least 80% of their work time spent on direct services to students. During the remainder of their work time, school counselors must spend adequate time on such activities as professional development and program management. The duties of school counselors must not include the coordination of standardized testing, but school counselors may assist other staff with the coordination of standardized testing. Each local board of education must develop a transition plan for implementing the new program within existing resources by reassigning duties within its schools. The State Board of Education must develop and distribute guidelines to all local school administrative units to assist with implementation of their programs.

This section became effective July 1, 2013. (SK)

Grants for School Resource Officers in Elementary and Middle Schools

S.L. 2013-360, Sec. 8.36 (SB 402, Sec. 8.36) provides that grants to local school administrative units, regional schools, and charter schools for the hiring and/or training of school resource officers in elementary and middle schools will be matched on the basis of \$2 in State funds for every \$1 in local funds and are to be used to supplement and not supplant State, local, and federal funds for school resource officers. The State Board of Education must include need-based considerations in its criteria when awarding these grants.

This section became effective July 1, 2013. (DHA)

Panic Alarm Systems

S.L. 2013-360, Sec. 8.37 (SB 402, Sec. 8.37) requires local boards of education, in coordination with local law enforcement agencies, to adopt emergency response plans relating to incidents of school violence. Grants to local school administrative units, regional schools, and charter schools for panic alarm systems in schools will be matched on the basis of \$1 in State funds for every \$1 in local funds and are to be used to supplement and not supplant State, local, and federal funds for panic alarm systems.

Every public school must have a panic alarm system that connects with the nearest local law enforcement agency in the local board of education's emergency response plan by July 1, 2015.

This section became effective July 1, 2013. (DC)

School Safety Exercises

S.L. 2013-360, Sec. 8.38 (SB 402, Sec. 8.38) encourages each local school administrative unit to hold a full systemwide school safety and school lockdown exercise at least every two years with local law enforcement agencies that are part of the local board of education's emergency response plan. As a part of a local board of education's emergency response plan, each school is encouraged to hold a full school-wide school safety and lockdown exercise with local law enforcement agencies at least annually.

This section became effective July 1, 2013. (DC)

Schematic Diagrams of School Facilities

S.L. 2013-360, Sec. 8.39 (SB 402, Sec. 8.39) requires each local school administrative unit (LEA) that currently has a schematic diagram of its school facilities to provide those diagrams to local law enforcement agencies and to provide updates of the diagrams when substantial modifications are made to facilities. If an LEA does not have a schematic diagram of its school facilities, then it is required to report to the Department of Public Instruction (DPI) by March 1, 2014, on plans to develop these diagrams and provide them to local law enforcement agencies and if any obstacles exist in preparing such diagrams. LEAs are encouraged to prepare diagrams and to provide keys to main entrances of school facilities to law enforcement agencies prior to the beginning of the 2014-2015 school year. DPI, in consultation with the Department of Public Safety, may develop standards and guidelines to assist LEAs in developing schematic diagrams of their school facilities. Schematic diagrams are not considered public records and are not subject to inspection and examination.

This section became effective July 1, 2013. (PLP)

Anonymous Tip Line

S.L. 2013-360, Sec. 8.40 (SB 402, Sec. 8.40) encourages each local school administrative unit to operate an anonymous tip line to receive information on risks to school buildings and school-related activities. The Department of Public Instruction, in consultation with the Department of Public Safety, may develop guidelines for the operation and staffing of the tip lines.

This section became effective July 1, 2013. (SK)

School Safety Component of School Improvement Plans

S.L. 2013-360, Sec. 8.41 (SB 402, Sec. 8.41) restructures the statute governing school improvement plans and makes the following changes:

- Provides that while school improvement team meetings are subject to the open meetings law, deliberations on the school safety components of the plan are to be held in closed session. The principal is responsible for ensuring these requirements are met.
- Provides that the school improvement plan, except for the school safety components of the plan, is a public record and should be posted on the school's Web site.
- Requires the superintendent to review the school safety components of the plan and make written recommendations on the plan to the local board of education. The local board of education must review and make findings on the school safety components of the plan in closed session, and neither the safety components nor the board's findings on the safety components should be included in the minutes of the board.
- Encourages employees, parents, and other interested persons to notify the principal or superintendent of concerns regarding compliance with the school improvement

plan. The superintendent must make a good faith effort to investigate the concern and, upon request, provide a written response to the concern.

This section became effective July 1, 2013, and applies beginning with the 2013-2014 school year. (DHA)

Crisis Kits

S.L. 2013-360, Sec. 8.42 (SB 402, Sec. 8.42) provides that the Department of Public Instruction, in consultation with the Department of Public Safety through the North Carolina Center for Safer Schools, may develop and adopt policies on the placement and content of school crisis kits. At a minimum, such kits should contain basic first-aid supplies, communications devices, and other items recommended by the International Association of Chiefs of Police. The principal of a school, in coordination with the law enforcement agencies that are part of the local board of education's emergency response plan, may place one or more of the kits in appropriate locations in the school.

This section became effective July 1, 2013. (DC)

School Safety for Charter Schools and Regional Schools

S.L. 2013-360, Sec. 8.43 (SB 402, Sec. 8.43) encourages charter schools and regional schools, in coordination with local law enforcement agencies, to adopt emergency response plans related to incidents of school violence. These plans are not considered public records and are not subject to inspection and examination. Both charter schools and regional schools are encouraged to provide schematic diagrams and keys to the main entrance of school facilities to local law enforcement agencies, hold school-wide safety and lockdown exercises annually with local law enforcement agencies, and place school crisis kits at appropriate locations.

This section became effective July 1, 2013. (KM)

Emergency and Crisis Training

S.L. 2013-360, Sec. 8.44 (SB 402, Sec. 8.44) encourages the Departments of Public Safety, Justice, and Public Instruction to collaboratively develop school emergency and crisis training modules for school employees and to provide them to schools as soon as practicable.

This section became effective July 1, 2013. (PLP)

Volunteer School Safety Resource Officer Program

S.L. 2013-360, Sec. 8.45 (SB 402, Sec. 8.45) allows the sheriff and the chief of police of a local or county police department (chief of police) to establish a program to provide non-salaried special deputies to serve as volunteer school safety resource officers (volunteer SROs) in public schools. Volunteers have the power of arrest while performing official duties.

Volunteer SROs must:

- Have prior experience either as a sworn law enforcement officer or a military police officer with a minimum of two years' service.
- Have training on research into the social and cognitive development of students.
- Work under the direction and supervision of the sheriff or chief of police.
- Have been certified by the North Carolina Sheriff's Education and Training Standards Commission as meeting the educational and firearms proficiency standards required of special deputy sheriffs.
- Take a standard medical exam to ensure the volunteer is in good health.

Local boards of education may enter into agreements with the sheriff and the chief of police for volunteer SROs to provide security at public schools.

Volunteer SROs acting in the discharge of official duties on the property of the school to which the volunteer is assigned are exempt from the restrictions on weapons on campus or other educational property.

Volunteer school safety resource officers are exempt from benefits under the North Carolina Workers' Compensation Act and any fringe benefits. There is no liability on the part of and no cause of action can arise against a volunteer SRO, the sheriff or the chief of police or their employees, or the school system or its employees for any good-faith action taken in the performance of their duties.

This section becomes effective December 1, 2013. (SK)

Higher Education

Prohibit Expunction Inquiry

S.L. 2013-53 (SB 91). See **Courts, Justice, and Corrections**.

The University of North Carolina and Community College Credit Transfers

S.L. 2013-72 (HB 903) requires the constituent institutions of The University of North Carolina (UNC) to fully comply with the Comprehensive Articulation Agreement (CAA) and requires the Board of Governors of The University of North Carolina to ensure that the CAA is applied consistently through the UNC system. Both the UNC system and North Carolina Community College System (NCCCS) must conduct biannual joint reviews of the CAA to ensure that it is fair, current, and relevant for the students and the institutions. UNC and NCCCS must report findings to the Joint Legislative Education Oversight Committee by November 1 of each year and include revisions to the CAA as well as reports of noncompliance with the CAA. Finally, UNC and the NCCCS must jointly develop an articulation agreement advising tool for students, parents, and faculty to simplify the course transfer and admissions process.

This act became effective June 12, 2013. (PLP)

TRICARE Supplement for Flexible Accounts

S.L. 2013-292 (HB 402). See **State Government**.

Coordinated Residency Determination Process

S.L. 2013-360, Sec. 11.3 (SB 402, Sec. 11.3) directs The University of North Carolina, the North Carolina Community College System, and the State Education Assistance Authority to determine residency for tuition purposes in a coordinated and similar manner, including the implementation of a coordinated and centralized process. These entities must report to the Joint Legislative Education Oversight Committee on the centralized residency determination process, and on any statutory changes needed to implement this process, by January 1, 2014.

This section became effective July 1, 2013. (PLP)

Hospital Debt Collection

S.L. 2013-382, Part XII (HB 834, Part XII). See **Finance**.

Regulatory Reform

Disciplinary Proceedings/Right to Counsel for Students and Organizations

S.L. 2013-413, Secs. 6(c) through 6(e) (HB 74, Secs. 6(c) through 6(e)) make the following changes to the laws governing colleges and universities.

- *Right to Counsel for Students and Organizations in Disciplinary Proceedings.* — A student or recognized student organization at a constituent institution charged with violating the disciplinary or conduct rules of the constituent institution may be represented, at the student's or organization's expense, by an attorney or non-attorney advocate at most disciplinary proceedings used by the constituent institution regarding the alleged violation. This requirement does not apply if the constituent institution has implemented a Student Honor Court fully staffed by students or for students facing an allegation of academic dishonesty.
- *Report on Disciplinary Proceedings at Constituent Institutions.* — Each constituent institution must track the number and type of disciplinary proceedings, as well as the number of cases in which a student or student organization is represented by an attorney or non-attorney advocate. The constituent institutions must report their findings to the Board of Governors of The University of North Carolina (BOG), and the BOG must submit a combined report to the Joint Legislative Education Oversight Committee and the General Assembly by May 1, 2014.

These sections became effective August 23, 2013, and apply to all allegations of violations beginning on or after that date. (DHA)

Prohibit Public Entities from Purchasing or Acquiring Property with Known Contamination without Approval of the Governor and Council of State

S.L. 2013-413, Sec. 40 (HB 74, Sec. 40). See **State Government**.

Community Colleges

Redeposit Government Funds into Insured Deposit Accounts

S.L. 2013-305 (HB 474). See **State Government**.

Lease Purchase of Real Property/Community Colleges

S.L. 2013-310 (HB 754) authorizes the board of trustees of a community college to use local funds for lease purchase or installment purchase contracts to buy real property.

This act became effective July 18, 2013. (DC)

Enrollment Funding

S.L. 2013-360, Secs. 10.4(b) through 10.4(d) (SB 402, Secs. 10.4(b) through 10.4(d)) authorizes community colleges to teach technical education, health care, developmental education, and STEM-related courses at any time during the year, including the summer term. Student membership hours from these courses must be counted when computing FTE students

for use in budget funding formulas at the State level. The State Board of Community Colleges must report on FTE for the 2014 summer term to the Joint Legislative Education Oversight Committee by October 1, 2014.

This section became effective July 1, 2013, and applies beginning with the summer 2014 term. (DC)

Performance Funding

S.L. 2013-360, Sec. 10.5 (SB 402, Sec. 10.5) directs the State Board of Community Colleges (SBCC) to review, at least once every three years, the accountability and performance standards used to recognize successful institutional performance. Before any proposed revisions to the accountability and performance standards are implemented, the SBCC must report to the Joint Legislative Education Oversight Committee. Subject to the availability of funds, the SBCC may allocate funds based on the evaluation of each institution's performance, including the following components:

- A college's rate of student success on each measure compared to a systemwide baseline and goal.
- Program impact on student outcomes evaluated by the number of students succeeding on each measure.

The section amends the amount of funds that a college may retain and carry forward into the next fiscal year to an amount up to or equal to its performance-based funding allocation for that year.

The section repeals the following provisions:

- Recognition for exceptional institutional performance.
- Permissible uses of funds for the purchase of equipment, initial program start-up costs, and faculty and staff bonuses.
- The use of funds in low-wealth counties.

Each community college must report on the mandatory performance standards in this section beginning with the 2012-2013 reporting year.

This section became effective July 1, 2013. (SK)

Repeal of Senior Citizen Tuition Waiver

S.L. 2013-360, Sec. 10.6 (SB 402, Sec. 10.6) eliminates the senior citizen community college tuition waiver, which allowed North Carolina community colleges to waive tuition and registration fees for up to 6 hours of for-credit courses and 1 non-credit course per semester for legal residents of the State age 65 or older.

This section became effective July 1, 2013. (DHA)

Expand Industrial and Engineering Technologies Education to Freshman and Sophomore High School Students

S.L. 2013-360, Sec. 10.9 (SB 402, Sec. 10.9), subject to the approval of the State Board of Community Colleges, allows community colleges to collaborate with local school administrative units to offer courses through academic transition pathways for qualified freshman and sophomore high school students that lead to a career technical education certificate or diploma in industrial and engineering technologies. The Community College System Office must report to the Joint Legislative Education Oversight Committee by October 1, 2014, and October 1, 2015, on the freshman and sophomore students served by this expansion, and include the number of and budget FTE equivalent freshman and sophomore students.

This section became effective July 1, 2013. (DC)

Clarify Employee Academic Assistance

S.L. 2013-360, Sec. 10.12 (SB 402, Sec. 10.12) allows community colleges to use State and local funds to cover tuition and fees for their employees for professional development consistent with the academic assistance program authorized by the State Personnel Commission.

This section became effective July 1, 2013. (PLP)

Revise Targeted Assistance Criteria

S.L. 2013-360, Sec. 10.13 (SB 402, Sec. 10.13) amends the criteria for students who can receive targeted financial aid assistance from the community colleges' need-based financial aid assistance program. Students who enroll in low-enrollment programs that prepare students for high-demand occupations must qualify for need-based assistance.

This section became effective July 1, 2013. (SK)

Clarify Community College Audits

S.L. 2013-360, Sec. 10.15 (SB 402, Sec. 10.15), as amended by S.L. 2013-363, Sec. 3.14 (HB 112, Sec. 3.14), effective July 1, 2015, eliminates the requirement that the State Board of Community Colleges (SBCC) maintain an education program auditing function that conducts an annual audit of college programs and fiscal operations of each community college.

A designated 12-member committee is charged with the responsibility to study the program audit function of the SBCC and determine how program audit procedures may be streamlined, and report recommendations to the Joint Legislative Education Oversight Committee by January 1, 2015.

The section also provides that each community college is subject to a financial audit a minimum of once every two years.

Except as otherwise provided, this section became effective July 1, 2013. (DHA)

North Carolina Back-To-Work Funds

S.L. 2013-360, Sec. 10.16 (SB 402, Sec. 10.16), as amended by S.L. 2013-363, Sec. 3.15 (HB 112, Sec. 3.15), specifies funds for the North Carolina Back-to-Work Program (Program). The Program provides unemployed and underemployed North Carolina residents, military veterans, and North Carolina National Guard members with occupational skills, employability skills, and opportunities to earn third-party, industry recognized credentials. Funds may be given only to community colleges whose training plans include support to specified employees or projects and programs.

Funds can be used only for student instruction, student support and coaching, and targeted financial assistance for students, including assistance with tuition, registration fees, books, and certification costs. Funds appropriated for the Program for the 2012-2013 fiscal year do not revert at the end of that fiscal year but remain available for the Program.

This section became effective July 1, 2013. The provision that provides that funds for the 2012-2013 fiscal year do not revert became effective June 30, 2013. (DC)

Membership on the Advisory Board for the North Carolina Center for Applied Textile Technology

S.L. 2013-410, Sec. 36 (HB 92, Sec. 36) revises the membership on the Advisory Board for the North Carolina Center for Applied Textile Technology. The Advisory Board will have two

members who are residents of North Carolina who are appointed by the National Council of Textile Organizations and adds two members appointed by the Southern Textile Association.

This section became effective July 26, 2013. (DC)

Universities

Provide Access to Campus Police Records

S.L. 2013-97 (HB 142) establishes that campus police agency records are not public records, but requires that, as a condition of certification under the Campus Police Act, campus police agencies be required to make the following information available to the public:

- Time, date, location, and nature of a violation or apparent violation of the law reported to the campus police agency.
- Name, sex, age, address, employment, and alleged violation of law of a person arrested or formally charged or indicted.
- Circumstances surrounding an arrest.
- Contents of emergency telephone calls received by or on behalf of the campus police agency, except for information that may identify the caller, victim, or witness.
- Contents of communications between or among employees of the campus police agency pertaining to the above information broadcast over the public airways.
- Name, sex, age, and address of a complaining witness.
- Daily log of crimes reported to the campus police agency maintained pursuant to the federal Jeanne Clery Disclosure of Campus Security Policy and Campus Crime Statistics Act.

The act allows temporary withholding of information regarding a complaining witness in certain circumstances, and provides a method for seeking a court order to withhold other information.

This act became effective June 12, 2013. (KM)

The University of North Carolina/Cherokee Language

S.L. 2013-322 (SB 444) directs the Board of Governors to require each constituent institution of The University of North Carolina to implement a policy to recognize the Cherokee language as a language that may satisfy the foreign language course requirement for degree completion at that campus.

This act became effective July 23, 2013, and applies beginning with the 2013-2014 academic year. (SK)

The University of North Carolina Tuition Surcharge/Advance Notice

S.L. 2013-325 (HB 255) provides that courses and credit hours transferred from (1) an institution of higher education that is not a constituent institution or (2) a North Carolina community college established pursuant to statute and accepted by a constituent institution prior to August 15, 2013, will not count toward the tuition surcharge. Beginning with the 2013 fall academic semester, the Board of Governors of The University of North Carolina is directed to develop a set of uniform principles for notification of the tuition surcharge, including a process for each campus to notify students and parents at orientation and through each semester's tuition statements, as well as a process to provide advance notification when a student is approaching the credit hour limit.

The General Administration of The University of North Carolina must report to the Joint Legislative Education Oversight Committee by March 1, 2014, on the number of courses exempted from the tuition surcharge.

This act became effective July 22, 2013. (DHA)

The University of North Carolina Board of Governors Report on Overhead Receipts

S.L. 2013-360, Sec. 11.6 (SB 402, Sec. 11.6) directs the Board of Governors of The University of North Carolina to report annually to the Joint Legislative Education Oversight Committee and the Office of State Budget and Management regarding the sum of facilities and administrative fees and overhead receipts that are collected and expended by each constituent institution. This section repealed an obsolete report on the amount and use of overhead receipts.

This section became effective July 1, 2013. (SK)

Student Charges at the North Carolina School of Science and Math

S.L. 2013-360, Sec. 11.7 (SB 402, Sec. 11.7) allows the Board of Governors of The University of North Carolina to approve, upon recommendation of the Board of Trustees of the North Carolina School of Science and Mathematics, fees not inconsistent with actions of the General Assembly for distance education services provided by the School to nonresidents and for students participating in extracurricular enrichment programs sponsored by the School.

This section became effective July 1, 2013, and applies to the 2013-2014 spring academic semester and each subsequent academic semester. (DHA)

Student Charges at the University of North Carolina School of the Arts

S.L. 2013-360, Sec. 11.8 (SB 402, Sec. 11.8) allows the Board of Governors at The University of North Carolina, at the recommendation of the Board of Trustees of the University of North Carolina School of the Arts, to set fees that are not inconsistent with the actions of the General Assembly. These fees would be paid by in-State high school students enrolled at the University of North Carolina School of the Arts to assist with expenses of the institution.

This section became effective July 1, 2013, and applies to the 2014-2015 academic year and each subsequent academic year. (DC)

The University of North Carolina Disposition and Acquisition of Real Property

S.L. 2013-360, Sec. 11.10 (SB 402, Sec. 11.10), as amended by S.L. 2013-363, Sec. 3.12 (HB 112, Sec. 3.12), allows the Board of Governors of The University of North Carolina (BOG) to not obtain the approval of the Governor and the Council of State for acquisition of real property for a period of 10 years or less or disposition of 65 years or less by easement, lease, or rental agreement in any building on the Centennial Campus, the Horace Williams Campus, on a Millennial Campus, or the Kannapolis Research Campus. The BOG must report these acquisitions or dispositions to the Department of Administration for inclusion in the inventory maintained by the Department of Administration.

This section became effective July 1, 2013, and expires June 30, 2015. (DC)

Student Financial Aid/Semester Limit

S.L. 2013-360, Sec. 11.15 (SB 402, Sec. 11.15) limits the number of semesters that a student can receive a scholarship or need-based financial aid from a constituent institution of The University of North Carolina to 10 full-time semesters, or equivalent for part-time students, unless the student is enrolled in a program that has been officially designated by the Board of Governors as a 5-year program. Students enrolled in a 5-year program may receive a scholarship or financial aid for up to 12 full-time semesters, or equivalent for part-time enrollment. Students enrolled in a community college may not receive a scholarship or need-based grant for more than six full-time semesters, or the equivalent if enrolled part-time. A student enrolled in a postsecondary institution with a military obligation, serious medical condition, short- or long-term disability, or other extraordinary hardship may receive a waiver to receive a scholarship or need-based grant for one additional full-time semester. The State Education Assistance Authority is directed to: (1) enforce the limits on the scholarships and financial aid programs that the Authority administers; (2) encourage students to complete an average of 30 credit hours per year; and (3) report to the Joint Legislative Education Oversight Committee by March 1, 2014, regarding the measures implemented by this section.

This section became effective July 1, 2013, and applies beginning with the 2014-2015 academic year and each subsequent academic year. (PLP)

Limit The University of North Carolina Repairs and Maintenance Exemption

S.L. 2013-360, Sec. 36.10 (SB 402, Sec. 36.10) limits the exemption allowing chancellors of constituent institutions of The University of North Carolina system to approve use of available operating funds for repair and maintenance projects that do not exceed \$1 million to those projects of the type that may be funded from the Repairs and Renovations Reserve Account and that are State facilities and related infrastructure supported by the General Fund. The chancellor must report on the approval of the expenditure within 60 days to the Office of State Budget and Management and the Fiscal Research Division.

This section became effective July 1, 2013. (KM)

The University of North Carolina/Report/E-Commerce/Improvements

S.L. 2013-375 (SB 485), as amended by S.L. 2013-410, Sec. 38.5 (HB 92, Sec. 38.5), makes the following changes pertaining to The University of North Carolina:

- Allows the Board of Governors of The University of North Carolina to implement and expand its electronic commerce infrastructure among the constituent institutions to allow those institutions to use common application programs.
- Provides a property tax exemption for improvements made on property owned by social fraternities, sororities, and similar college, university, or high school organizations and located on land owned by or allocated to The University of North Carolina or one of its constituent institutions.

The section on property taxes is effective for taxes imposed for taxable years beginning on or after July 1, 2013. The remainder of this act became effective July 29, 2013. (DHA)

University of North Carolina Special One-Time Permits

S.L. 2013-410, Sec. 27.9 (HB 92, Sec. 27.9). See **Alcoholic Beverage Control**.

Repeal Academic Common Market Report

S.L. 2013-410, Sec. 36.5 (HB 92, Sec. 36.5) repeals a requirement that the Board of Governors of The University of North Carolina report biennially to the Joint Legislative Education Oversight Committee on the Academic Common Market Program.

This act became effective August 23, 2013. (KM)

Studies

Referrals to Existing Commissions/Committees

Study of Grade Point Average Calculations

S.L. 2013-360, Sec. 8.19 (SB 402, Sec. 8.19) directs the Joint Legislative Education Oversight Committee (JLEOC) to study the State Board of Education's policy on calculating weighted grade point averages and class rank on high school transcripts, especially for courses taken through institutions of higher education. The JLEOC must report study findings to the General Assembly prior to the convening of the 2014 Regular Session of the 2013 General Assembly.

This section became effective July 1, 2013. (PLP)

Study Scholarships for Children of War Veterans Program

S.L. 2013-360, Sec. 11.1(g) (SB 402, Sec. 11.1(g)) directs the Joint Legislative Education Oversight Committee to study the Scholarships for Children of War Veterans Program in the Department of Administration and report its findings and recommendations by March 1, 2014, to the General Assembly.

This section became effective July 1, 2013. (DC)

Study North Carolina Guaranteed Admission Program

S.L. 2013-360, Sec. 11.17 (SB 402, Sec. 11.17), as amended by S.L. 2013-363, Sec. 3.16 (HB 112, Sec. 3.16), directs the Joint Legislative Education Oversight Committee (JLEOC), the Board of Governors of The University of North Carolina, and the State Board of Community Colleges to jointly study the feasibility of establishing an alternative undergraduate admission program to be known as the North Carolina Guaranteed Admission Program (NC GAP). Under the program envisioned in this section, a student admitted to a constituent institution through NC GAP must agree to defer enrollment at the constituent institution until the student earns an associate degree from one of the State's community colleges, at which time the student is guaranteed admission as a junior at the constituent institution. Each constituent institution of higher education would be directed to establish NC GAP as part of its undergraduate admission program.

The JLEOC must report its findings and recommendations regarding the feasibility of NC GAP, including any recommended legislation, to the 2014 Regular Session of the 2013 General Assembly upon its convening.

This section became effective July 1, 2013. (DHA)

New/Independent Studies/Commissions

Task Force to Study Teacher and School Administrator Effectiveness and Compensation

S.L. 2013-360, Sec. 8.31 (SB 402, Sec. 8.31) establishes the 18-member North Carolina Educator Effectiveness and Compensation Task Force (Task Force). The Task Force must make recommendations on whether to create a statewide model of incentives to encourage the recruitment and retention of highly effective educators and to consider the transition to an alternative compensation system for educators. The Task Force must consider the following factors in making its recommendations:

- Alternatives to, or simplification of, the current teacher and school principal salary schedules..
- Incorporating the feedback of educators in order to maximize buy-in.
- The integration of school level performance measures in an alternative compensation system.
- Whether local school administrative units may create their own customized alternative compensation systems in lieu of or in addition to a statewide system.
- The use of incentive pay to recruit and retain educators to teach in hard-to-staff areas.
- The recognition of educator responsibilities and leadership roles such as mentoring of beginning teachers and instructional coaching.
- Methods for identifying effective teaching and its relationship to an alternative compensation system.
- Barriers to the implementation of alternative compensation systems.
- Educator compensation reform in other states and North Carolina pilot programs currently utilizing alternative compensation.
- Effective strategies for retaining effective teachers.

The Task Force must report its findings and recommendations to the 2014 Regular Session of the 2013 General Assembly by April 15, 2014. The Task Force terminates on April 14, 2014, or upon the filing of its final report, whichever occurs first.

This section became effective July 1, 2013. (DC)

Study the Most Efficient Way to Fund Dual Enrollment for High School Students in College Coursework

S.L. 2013-360, Sec. 8.34 (SB 402, Sec. 8.34). See Education and Workforce Innovation Program summary in the **Public Schools** subheading.

Referrals to Departments, Agencies, Etc.

Study Virtual Charter Schools

S.L. 2013-360, Sec. 8.48 (SB 402, Sec. 8.48) directs the State Board of Education to study and recommend rules or statutory modifications for the authorization and oversight of virtual charter schools, including application requirements, enrollment growth, and funding allocations. The recommended draft rules and proposed statutory changes must be reported to the Joint Legislative Education Oversight Committee by February 1, 2014.

This section became effective July 1, 2013. (DHA)

Pilot Program to Raise the High School Dropout Age from 16 to 18

S.L. 2013-360, Sec. 8.49 (SB 402, Sec. 8.49) requires the State Board of Education (SBE) to authorize the Hickory Public Schools and the Newton-Conover City Schools to establish and implement a pilot program to increase the high school dropout age from 16 to 18, unless the student has previously graduated from high school. However, the SBE may not authorize a pilot program before it receives a copy of a joint resolution adopted by the boards of education of the Hickory Public Schools and the Newton-Conover City Schools setting forth a date to begin establishment and implementation of the pilot program.

Both of the local school administrative units (LEAs) can use any funds available to implement the pilot program to employ up to three additional teachers and fund additional student-related costs such as transportation and technology costs. The LEAs also may use any available funds to operate a night school program for students at risk of dropping out of high school. The LEAs must partner with Catawba Valley Community College in administering the pilot program to the extent possible.

The LEAs, in collaboration with the State Board of Education, must report on the Pilot Program to the Joint Legislative Education Oversight Committee and the General Assembly on or before January 1, 2016.

This section became effective July 1, 2013. (DC)

Study of the Approval Process for Multicampus Centers

S.L. 2013-360, Sec. 10.7 (SB 402, Sec. 10.7) directs the State Board of Community Colleges to develop a process for approval of multicampus centers and report to the Joint Legislative Education Oversight Committee by January 1, 2014, on its plan for a multicampus approval process and any statutory changes necessary to implement the plan.

This section became effective July 1, 2013. (DHA)

Study the Program Audit Function of the State Board of Community Colleges

S.L. 2013-360, Sec. 10.15 (SB 402, Sec. 10.15). See Clarify Community College Audits summary in the **Community Colleges** subheading.

Study School of Science and Mathematics/Morganton Campus

S.L. 2013-360, Sec. 11.16 (SB 402, Sec. 11.16) directs the Board of Governors of The University of North Carolina, the School of Science and Math, and the Department of Public Instruction to jointly study the feasibility of establishing a western campus for the School of Science and Math at the School for the Deaf in Morganton. If it is determined that the School for the Deaf is not a suitable site, then other available sites in western North Carolina may be considered. Upon request, the Department of Administration must provide information about renovations that would be needed at the School for the Deaf, and information about other State-owned real property that might be available. A report, including findings and recommendations, is due to the General Assembly by February 1, 2014.

This section became effective July 1, 2013. (SK)

University of North Carolina iSchool/Career and College Promise Program

S.L. 2013-360, Sec. 11.18 (SB 402, Sec. 11.18) directs the University of North Carolina at Greensboro and the Department of Public Instruction to jointly study the feasibility and cost of restarting the UNC-G iSchool by incorporating it as a part of the existing structure of the Career and College Promise Program. The findings and recommendations must be reported to the Joint Legislative Education Oversight Committee by March 1, 2014.

This section became effective July 1, 2013. (DC)