### 1998

### HOUSE APPROPRIATIONS – EDUCATION

**MINUTES** 



### HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

### 1997-98 SESSION

### **CO-CHAIRS**

Representative Gene Arnold Representative Robert Grady Representative Jean Preston

### **COMMITTEE CLERKS**

Sandra Ellis Kara McCoy Peggy Burgin Murray

### APPROPRIATIONS/Subcommittee on Education

1997 - 98

### **HOUSE MEMBERS**

MEMBER	TELEPHONE OFFICE		SEAT	CLERK
			<del>,,,,,</del>	
G. Arnold, Co-Chairman	3-5747	535	54	
R. Grady, Co-Chairman	5-3024	402	37	Peggy Murray
J. Preston, Co-Chairman	5-3026	403	38	Alice Falcone
J. Black	5-4946	1229	31	Jean Mims
D. Bonner	5-9664	617	109	Lucy Johnson
D. Davis	5-3003	419C	89	Audrey Johnson
V. Insko	3-5800	1319	112	Pat Baker
P. Oldham	3-5877	538	58	Delta Prince
D. Reynolds	3-5820	533	76	
G. Rogers	5-3023	416A	35	Sally Gillis
F. Shubert	3-5771	2119	64	Dawn Ellis
D. Yongue	3-5823	1305	94	Jenny Umstead

### APPROPRIATIONS/Subcommittee on Education Members

### **CO-CHAIRS**



Representative Robert Grady



Representative Gene G. Arnold Senior Ranking Member



Representative Jean R. Preston

### **RANKING MINORITY MEMBER**



Representative Gene Rogers



Representative James B. Black



Representative Donald A. Bonner



Representative Don Davis



Representative Verla C. Insko



Representative Warren C. Oldham



Representative Dennis Reynolds



Representative Fern Shubert



Representative Douglas Y. Yongue

### ATTENDANCE

### 1997-98 (SHORT SESSION)

## House APPROPRIATIONS/Subcommittee on Education (Shaded area indicates Chair)

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DATES		ARNOLD, CO-CHAIR	GRADY, CO-CHAIR	CO-CHAIR	BLACK, J.	DAVIS, D.	OLDHAM, P.	REYNOLDS, D.	ROGERS, G.	SHUBERT, F.	YONGUE, D.	EX OFFICIO MEMBERS:	CREECH	DAUGHTRY
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### JOINT MEETINGS OF THE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION, 1998 \*

May 12, 1998 May 13, 1998 May 14, 1998 May 20, 1998 June 23, 1998 July 7, 1998 July 16, 1998 (P.M.)

<sup>\*</sup>Materials from these meetings can be found in the notebooks of the Joint Meetings of the Appropriations Subcommittee on Education for 1998.

### HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

### Wednesday, May 27, 1998

### **MINUTES**

The House Appropriations Subcommittee on Education met on Wednesday, May 27, 1998, at 8:30 a.m. in Room 421 of the Legislative Office Building.

Members present were Representative Preston, Co-chair; Representatives Black, Davis, Oldham, Reynolds, Rogers, Shubert and Yongue. Senate members were unable to meet today.

Representative Preston called the meeting to order. House page, Billie Mills, Hickory, sponsored by Speaker Harold Brubaker, was recognized.

Dr. Charles Coble, General Administrator, University of North Carolina, was today's order of business. The Recommendation by UNC President and Board of Governors to request funding to establish a UNC School Services Matching Incentive Grant Program was today's order of business. The budget request was in the amount of \$975,000.

Offices of School Service have operated since 1991 at the 15 UNC constituent institutions with teacher education programs. The offices of School Service serve as the liaison between the resources of the University and the needs of the public schools with a focus on low-performing schools. The Offices of School Services assist in the design and implementation of professional development programs for teachers, administrators, and other school personnel and assist the advanced use of technology in the service areas of the University.

In summary, Dr. Coble noted that incentive grants would enable the Offices of School Service to more effectively extend services from the university to the public schools. Incentive grants would be awarded on the basis of proposals which are developed in collaboration with all of the LEAs proposed to be served by the grant. The grants would be awarded to plans which align with and advance the educational goals and strategic priorities of the State Board of Education; extend, where possible, the knowledge and benefits of the University-School Teacher Education Partnerships to other schools; and outline a strategy for sustaining the collaboration and expanding the involvement of other agencies and organizations over time.

Questions and discussion followed this presentation.

There was no further business to come before the committee at this time. The meeting was adjourned.

Respectfully submitted:

Representative Jean R. Preston, Co-Chair

Sandra B. Ellis, Committee Clerk

### APPROPRIATIONS/Subcommittee on Education 1997 - 98 HOUSE MEMBERS

MEMBER	TELEPHONE	OFFICE	SEAT	CLERK
G. Arnold,	3-5747	535	54	Kara McKoy
Co-Chairman	919-443-1073(H)	Fax: 919-443-1073*51		•
R. Grady,	5-3024	402	37	Peggy Murray
Co-Chairman	910-353-3579(B)			
J. Preston,	5-3026	403	38	Sandra Ellis
Co-Chairman	910-354-6993	Fax: 919-35	54-5118	
J. Black	5-4946	1229	31	Jean Mims
	704-847-9938(H)			
	704-377-5936(B)	Fax: 704-37	75-4003	
D. Davis	5-3003	419C	89	Audrey Johnson
	910-897-7282(H)			·
	910-892-1841(B)	Fax: 910-99	97-8910	
P. Oldham	3-5877	538	58	Delta Prince
	910-767-6936(H)	Fax: 910-76	67-7035	
D. Reynolds	3-5820	533	76	
•	910-578-9541			
G. Rogers	5-3023	416A	35	Sally Gillis
Ü	919-792-4245(H)			•
	919-792-6354(B)			
F. Shubert	3-5771	2119	64	Dawn Ellis
	704-624-3519(H)			
	704-624-2720(B)			
D. Yongue	3-5823	1305	94	Jenny Umstead
~	910-276-1727(H)	Fax: 910-27	76-1727	•

### NORTH CAROLINA HOUSE OF REPRESENTATIVES SUBCOMMITTEE MEETING NOTICE

You are hereby notified that the **APPROPRIATIONS** Subcommittee on **Education** will meet as follows:

DAY & DATE:	Wednesday, May 27, 1998
TIME:	8:30 AM
LOCATION:	LOB Room 421
Dr. Charles Coble, V Matching Incentive C	ice President, UNC, will address UNC Request for School Services Grant Program.
	Respectfully,
	Representatives Gene Arnold, Robert Grady and Jean Preston Co-Chairs
I hereby certify this n 3:00 PM on May 26,	notice was filed by the committee clerk at the following offices at 1998.
Principal (	Clerk Clerk - House Chamber
Peggy B. Murray (Co	ommittee Clerk)

### ATTENDANCE

### 1997-98 (SHORT SESSION)

## House APPROPRIATIONS/Subcommittee on Education (Shaded area indicates Chair)

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DATES	-	ARNOLD, CO-CHAIR	GRADY, CO-CHAIR	PRESTON, CO-CHAIR	BLACK, J.	DAVIS, D.	OLDHAM, P.	REYNOLDS, D.	ROGERS, G.	SHUBERT, F.	YONGUE, D.		
		ARN	GRAJ	PRES	BLA(	DAV]	OLDI	REY	ROG	SHUE	YON		

### **VISITOR REGISTRATION SHEET**

### **APPROPRIATIONS Sub-Committee on Education**

May 27, 1998

Name of Committee

Date

### VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Thad Daise An	NCAE
Hal Miller	NCACCT
Evely or Haw thorns	UNC-CH
The annee Kon	OSBM
Court Police	OSBAI
(Lee Calana)	OSBM
Clifton B. Willeas	UNG GA
Aper Neters	SBE
Ann Berlam	SBE
Saren Gare	Sov 's Office)
Dand Brown	OSBM 1
Ely aboth Moutenten	OSBM
Gurantankham	LWSC
Novali Patel	GN. 'S OFFICE

### **UNC School Services Matching Incentive Grant Program**

Budget Request: \$975,000

Offices of School Service have operated since 1991 at the 15 UNC constituent institutions with teacher education programs. The Offices of School Service serve as the liaison between the resources of the University and the needs of the public schools with a focus on low-performing schools. The Offices of School Services assist in the design and implementation of professional development programs for teachers, administrators, and other school personnel and assist the advanced use of technology in the service area of the university.

Incentive grants would enable the Offices of School Service to more effectively extend services from the university to the public schools. Incentive grants would be awarded on the basis of proposals which are developed in collaboration with all of the LEAs proposed to be served by the grant. The grants would be awarded to plans which align with and advance the educational goals and strategic priorities of the State Board of Education; extend, where possible, the knowledge and benefits of the University-School Teacher Education Partnerships to other schools; and outline a strategy for sustaining the collaboration and expanding the involvement of other agencies and organization over time.

### UNC School Services Matching Incentive Grants

The interest of the state and the University will be served if public school improvement in North Carolina continues its recent positive trends and does so with greater velocity and with more distributed benefit regardless of location. For that reason the Office of University-School Programs in the UNC General Administration is pleased to announce an opportunity for individual campuses or groups of campuses in collaboration with the k-12 school systems to apply for a Matching Incentive Grant to extend services from the university to the public schools.

All constituent institutions in The University of North Carolina are invited to submit proposals through their existing Offices of School Services for the 1998-99 school year. Proposals may range from \$50,000 to \$75,000 per campus. Each proposal will be awarded on the basis of the following criteria:

- 1. The proposal is developed in collaboration with all of the LEAs proposed to be served by the grant;
- 2. The proposal documents an agreement to receive matching funds from the LEAs and/or business partners who agree to support the program plans described in the proposal;
- 3. The CEOs of all participating agencies sign a letter of agreement to all financial obligations and program activities outlined in the proposal;
- 4. The plan aligns with and advances the educational goals and strategic priorities of the State Board of Education;
- 5. The plan extends, where possible, the knowledge and benefits of the University-School Teacher Education Partnerships to other schools;
- 6. The plan outlines a strategy for sustaining the collaboration and expanding the involvement of other agencies and organization over time.

Proposals of 5-10 pages should be submitted to the Vice President for University-School Programs, UNC General Administration by July 1, 1998. Announcements will be made by July 30, contingent upon funding by the N.C. General Assembly.

### Comparison of Offices of School Service and Educational Consortia

OFFICES OF SCHOOL SERVICE EDUCATIONAL CONSORTIA 15 UNC constituent institutions 8 UNC constituent institutions Location Multiple agenda: education, Mission Focus directly on service to the economic development, public schools technology planning and training \$975,000 matching grant funds \$1,200,000 non-matching Funding allocations; \$150,000 per to be distributed upon approval of proposals received and campus reviewed by UNC General No review required Administration Not requested by UNC General Request from UNC General Budget request Administration or approved by Administration, approved by and approval Board of Governors Board of Governors Established from 1991-1993 Established in 1991 as UNC History through three different system-wide initiative to legislative actions support public schools Not necessarily tied to a Organizational Housed in UNC colleges/ college/school/department of schools/departments of Structure education; an independent education to provide a program of organized assistance to the program public schools Relationship varies; no direct Established the collaboration Relationship to and consistent link to with the public schools that has University-School Partnerships required expanded into Partnerships for Teacher Education teacher preparation; provides Partnerships the essential ongoing in-service professional development to complement pre-service teacher preparation programs Report to board of directors; Ultimate oversight by Accountability Chancellor; annual reports to occasional reports to UNC General Administration as UNC General Administration, requested Board of Governors, and the NC General Assembly

### MINUTES HOUSE APPROPRIATIONS PERMANENT SUBCOMMITTEE ON EDUCATION May 28, 1998

The Appropriations Subcommittee on Education met immediately after the adjournment of the House Session on May 28, 1998. Representative Arnold, Co-Chair, called the meeting to order at his chamber desk. The following members were present: Representative Preston, Co-Chair; and Representatives Black, Davis, Daughtry, Oldham, Shubert and Yongue.

The committee met briefly to consider House Committee Substitute for Senate Bill 845 - AN ACT TO PERMIT THE STATE TO PROVIDE SCHOOL AND ACTIVITY BUSES FOR THE TRANSPORTATION NEEDS OF THE SPECIAL OLYMPICS. An amendment was offered to change the amount of the liability insurance from one million dollars (\$1,000,000) to five million dollars (\$5,000,000); and to further amend on page 2, line five by adding "officially" after the word "persons". The amendment was adopted and Representative Black moved to give House Committee Substitute for Senate Bill 845 a favorable report, as amended. Motion carried.

The meeting adjourned.

Representative Gene Arnold

Présiding Co-Chair

Anne Cole, Acting Committee Clerk

Attachments:

Committee Report for bill

Copy of bill

Copy of amendment

### 1998 PERMANENT SUBCOMMITTEE REPORT HOUSE OF REPRESENTATIVES

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE The following report(s) from permanent sub committee(s) is/are presented: By Representative(s) Arnold, Grady and Preston for the Permanent Subcommittee on Education of the Standing Committee on APPROPRIATIONS. □ Committee Substitute for MA BILL TO BE ENTITLED AN ACT TO PERMIT THE STATE S.B. 845 TO PROVIDE SCHOOL AND ACTIVITY BUSES FOR THE TRANSPORTATION NEEDS OF THE SPECIAL OLYMPICS. REPORTED TO THE STANDING COMMITTEE ON **RECOMMENDED ACTION:** With a favorable recommendation. With a favorable recommendation and recommend that the bill be re-referred to the Committee on With a favorable recommendation, as amended. With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on With an unfavorable recommendation. With a favorable recommendation as to proposed committee substitute bill which changes the title, unfavorable as to original bill. With a favorable recommendation as to proposed House committee substitute bill, which changes the title, unfavorable as to Senate committee substitute bill. Other recommended action: WITH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE: Representative Holmes for the Standing Committee on APPROPRIATIONS With a favorable report. With a favorable report, as amended. × ),  $\square$  which changes the title, With a favorable report as to committee substitute bill (# ). (and recommendation that the unfavorable as to original bill (Committee Substitute Bill #

) be referred to the Committee on

And having received a unanimous vote in committee, be placed on the Consent Calendar.

committee substitute bill (#

(PUBLIC BILLS ONLY)

4/24/97

### NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT

(Please type or use ballpoint pen)

H. B. No.	DATE
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Sen. )	
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on Education. **SENATE BILL 845** 

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Agriculture/Environment/Natural Resources Committee Substitute Adopted 4/24/97 House Committee Substitute Favorable 5/27/98

Short Title: School Buses for Special Olympics.	(Public)
Sponsors:	
Referred to:	

### April 15, 1997

A BILL TO BE ENTITLED

2 AN ACT TO PERMIT THE STATE TO PROVIDE SCHOOL AND ACTIVITY 3 BUSES FOR THE TRANSPORTATION NEEDS OF THE SPECIAL OLYMPICS.

5 The General Assembly of North Carolina enacts:

Section 1. Notwithstanding the provisions of G.S. 143-341(8)i. and G.S. 6 7 14-247, the Department of Administration may allow the 1999 Special Olympics 8 World Summer Games Organizing Committee, Inc., to use State-owned trucks and 9 vans for the 1999 Special Olympics World Summer Games in North Carolina.

The Department of Administration shall not charge any fees for the use 10 11 of the vehicles for the 1999 Special Olympics World Summer Games.

The 1999 Special Olympics World Summer Games Organizing 12 13 Committee, Inc., shall submit to the Department of Administration, for its approval, a 14 list of the purposes for which the vehicles may be used. Vehicles may only be used 15 for approved purposes. 16

The State shall incur no liability for any damages resulting from the use 17 of vehicles under this provision. The 1999 Special Olympics World Summer Games 18 Organizing Committee, Inc., shall carry liability insurance of not less than one million 19 dollars (\$1,000,000) covering the use of the vehicles and shall be responsible for the 20 full cost of repairs to these vehicles if they are damaged while used for the 1999 21 Special Olympics World Summer Games.

Section 2. Notwithstanding any other provisions of law, the Johnston 1 2 County, Wake County, Orange County, and Durham County public school systems 3 may permit, under terms and conditions set by the public school systems, the use and 4 operation of public school buses and activity buses by the 1999 Special Olympics 5 World Summer Games Organizing Committee, Inc., for the transportation of persons 6 associated with the 1999 Special Olympics World Summer Games for the periods 7 from May 28, 1998, through May 31, 1998, and from June 19, 1999, through July 10, 8 1999.

9 Section 3. The authorizations contained in Sections 1 and 2 of this act 10 are effective only during the months of May 1998, June 1999, and July 1999. 11

Section 4. This act is effective when it becomes law.

Arnold

DUCLES BLAKE

RID IN

Proposed Committee Substitute For

S.B.	845

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<b>SESSION</b>	LAW	

### A BILL TO BE ENTITLED

AN ACT TO PERMIT THE STATE TO PROVIDE SCHOOL AND ACTIVITY BUSES FOR THE TRANSPORTATION NEEDS OF THE SPECIAL OLYMPICS.

Introduced by Senator(s)	<u>Odm</u>	
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### HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

### Wednesday, June 3, 1998

### **MINUTES**

The House Appropriations Subcommittee on Education met on Wednesday, June 3, 1998, at 8:30 a.m. in Room 421 of the Legislative Office Building.

Members present were Representatives Arnold, Grady and Preston, Co-chairs; Representatives Black, Crawford, Davis, Oldham, Reynolds, Rogers, Shubert Wood and Yongue.

Representative Preston called the meeting to order. The House pages, Zack and Forest from Craven County, sponsored by Representative William Wainwright, were recognized.

The agenda is to address bills which were not acted on last year; not new bills filed this Short Session. Will not vote on bills because we are not aware of what the education availability may be at this time. Today's goal is to review these bills and probably return at a later time and rank according to what we think should have highest consideration for funding.

### **Bills Addressed:**

•	H161	Representative Crawford	<b>Model Teacher Consortium Funds</b>
•	H381	Representative Wood	Charter School Start-up Funds
•	H454	Representative Grady	Low-Wealth School Supplemental Funds
•	H462	Representative Smith*	Noncertified School Employee Funds
•	H864	Representative Preston	Class-size Reduction in Grade 3

Questions and discussion followed each bill's presentation. Representative Grady, Cochair, presided while Representative Preston presented her bill.

The meeting was adjourned to meet again tomorrow, June 4, at 8:30am to take up the bills from the Community Colleges and Universities.

Respectfully submitted:

Representative Jean R. Preston, Co-Chair

Sandra B. Ellis, Committee Clerk

<sup>\*</sup>Representative Smith was not in attendance; H462 was not addressed.

### **House Appropriations Subcommittee on Education**

### Wednesday, June 3, 1998 8:30 AM

### Call to order

### Rep. Jean Preston, Co-Chair

### **Public School Bills**

H161	CRAWFORD	MODEL TEACHER CONSORTIUM FUNDS
H381	WOOD	CHARTER SCHOOL START-UP FUNDS
H454	GRADY	LOW WEALTH SCHOOL SUPP. FUNDS
H462	SMITH	NONCERTIFIED SCHOOL EMPLOYEE FUNDS
H864	PRESTON	CLASS-SIZE REDUCTION IN GRADE 3

### **VISITOR REGISTRATION SHEET**

### APPROPRIATIONS Sub-Committee on Education

June.3, 1998

Name of Committee

Date

### VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

	NAME	FIRM OR AGENCY AND ADDRESS
	a Karagina	NCATA
7	Hal Miller	ncAcci
_	William Wong	Intern
	Gerry Sancoch	EGHS
	earne Winer	MCSBA
	Susan Harrison	WCP55
(	Seno Causky	E-EBC
_(	Jan Cratts	NCASA
<u>6</u>	Purali Potal	Gov. 15 Office
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### **HOUSE BILL 161**

Short Title: Model Teacher Consortium Funds. (Public)

Sponsors: Representatives Crawford; and Boyd-McIntyre.

Referred to: Appropriations.

February 13, 1997

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR THE OPERATION OF THE MODEL

TEACHER EDUCATION CONSORTIUM.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State
Board of Education the sum of two million five hundred thousand dollars

(\$2,500,000) for the 1997-98 fiscal year and the sum of two million five hundred

8 thousand dollars (\$2,500,000) for the 1998-99 fiscal year for the operation of the

Section 2. This act becomes effective July 1, 1997.

9 Model Teacher Education Consortium.

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### **HOUSE BILL 381\***

Short Title: Charter School Start-Up Funds. (Public)

Sponsors: Representatives Wood; and Watson.

Referred to: Appropriations.

### March 4, 1997

A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS TO ASSIST APPROVED CHARTER 3 SCHOOLS TO MEET THEIR START-UP COSTS.

4 The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State Board of Education the sum of one million five hundred thousand dollars (\$1,500,000) for the 1997-98 fiscal year for the State Board to establish and implement a program that provides grants or loans to charter schools for whom charters are approved. The State Board shall determine the amount of each grant or loan; however, no charter school shall receive more than fifty thousand dollars (\$50,000). Each grant or loan shall be used during the first year after the charter has been approved. The grant or loan shall be used for one-time costs or expenses related to starting the school.

Section 2. This act becomes effective July 1, 1997.

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### **HOUSE BILL 454**

Short Title: Low-Wealth School Supp. Funds.

(Public)

Sponsors:

Representatives Grady, Arnold, Preston, Rogers, Owens; Adams, Alexander, Baddour, Beall, Bonner, Boyd-McIntyre, Buchanan, Culpepper, Davis, Easterling, Fox, Goodwin, Hardaway, Hiatt, Hurley, Luebke, Miller, Morris, Ramsey, Sherrill, Shubert, Smith, Sutton, Thompson, Wainwright, Watson, and Yongue.

Referred to: Appropriations.

### March 10, 1997

1 A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS FOR LOW-WEALTH SCHOOL SYSTEMS'

3 SUPPLEMENTAL FUNDING.

4 The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to

6 Local School Administrative Units the sum of fifty-three million six hundred forty-7 three thousand three hundred forty-three dollars (\$53,643,343) for the 1997-98 fiscal

8 year and the sum of fifty-three million six hundred forty-three thousand three

9 hundred forty-three dollars (\$53,643,343) for the 1998-99 fiscal year for low-wealth

10 school systems' supplemental funding.

11 Section 2. This act becomes effective July 1, 1997.

### **SESSION 1997**

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### **HOUSE BILL 462**

(Public) Short Title: Noncertified School Emp'ee/Salaries. Representatives Smith; Sexton, Wainwright, and Jeffus. Sponsors: Referred to: Appropriations. March 10, 1997 A BILL TO BE ENTITLED 2 AN ACT TO DIRECT THE STATE BOARD OF EDUCATION TO DEVELOP AND IMPLEMENT A MINIMUM SALARY SCHEDULE FOR ALL NONCERTIFIED PUBLIC SCHOOL EMPLOYEES AND TO APPROPRIATE FUNDS FOR THAT PURPOSE. The General Assembly of North Carolina enacts: Section 1. There is appropriated from the General Fund to the State 8 Board of Education the sum of sixty-four million dollars (\$64,000,000) for the 1997-98 9 fiscal year and the sum of sixty-four million dollars (\$64,000,000) for the 1998-99

10 fiscal year. The State Board of Education shall use these funds to develop and 11 implement, to the extent funds are available to do so, a statewide salary schedule for

12 all noncertified public school personnel. Section 2. This act becomes effective July 1, 1997. 13

### **SESSION 1997**

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**HOUSE BILL 864** 

Short Title: Class-Size Reduction in Grade 3.

(Public)

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Sponsors:

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Representatives Preston; Arnold, Baddour, Baker, Black, Bonner, Bowie, Buchanan, Culp, Dedmon, Easterling, Fox, Grady, Gray, Gulley, Hiatt, Jarrell, Jeffus, Justus, McAllister, McCombs, McMahan, Miner, Moore, Morris, Mosley, Nichols, Oldham, Owens, Redwine, Rogers, Russell, Saunders, Sexton, Smith, Thompson, Wainwright, Warner, Watson, and Weatherly.

Referred to: Appropriations.

### April 7, 1997

A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS TO REDUCE CLASS SIZE IN THE THIRD 3 GRADE.

4 The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of nineteen million eighty-five thousand nine hundred dollars (\$19,085,900) for the 1997-98 fiscal year and the sum of nineteen million eighty-five thousand nine hundred dollars (\$19,085,900) for the 1998-99 fiscal year to reduce class size in third grade to 23 or fewer students. These funds shall be allocated by the State Board of Education to local school administrative units on the basis of one teacher for every 23 students in third grade. Local school administrative units shall use these funds only to reduce class size in third grade.

For the purpose of calculating the maximum allowable class size for third grade, the ratio of teachers to students shall be 1 to 26.

Section 2. This act becomes effective July 1, 1997.

To: Rep. Gene Arnold

From: Jim Newlin

Subject: Bills Currently Assigned to House Appropriations Subcommittee on Education

The attached sheets show the bills currently assigned to this subcommittee. We have marked those bills which had action last session, and we have circled those which the sponsors may wish to present to the subcommittee again.

All of these bills except one (Sen. Odom's bill **School Buses for Special Olympics S 845**) are holdovers from last year. SB 845 was assigned last week.

We have asked Janice Wheeler and Lynn Muchmore to see if Rep. Holmes would go ahead and reassign some of this year's bills to your subcommittee so that the sponsors could present them. We expect an answer tomorrow.

It might be helpful if these sponsors were asked if they want to present these currently assigned bills to the subcommittee. Some of the members may have filed another bill on the same subject this year, and they might prefer to wait to present a more recent version.

Please let us know what our next step should be. I would suggest that you ask the Subcommittee clerks to contact the sponsors of the circled bills to tell them we will hear these bills Wednesday morning, and to send out notices to that effect.



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Disclaimer

The text of bills are available within 24 hours after introduction or floor action. If you click on a bill's short title and the bill text does not appear, it will be there soon. Check back.

✓ H0157

COMM. COLLEGE SCHOLARSHIP PROGRAM

Status: PEND Sponsor: WARNER

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

(H0161)

MODEL TEACHER CONSORTIUM FUNDS

Status: PEND Sponsor: CRAWFORD

Last Action: [H] RE-ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

H0256

SCHOOL BUDGET ACCOUNTABILITY

Status: PEND Sponsor: PRESTON

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

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H0308

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Status: PEND Sponsor: FITCH

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

H0377

SE COMMUNITY COLLEGE FUNDS

Status: PEND Sponsor: HILL

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

H0381

CHARTER SCHOOL START-UP FUNDS

Status: PEND Sponsor: WOOD

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

H0454

LOW-WEALTH SCHOOL SUPP. FUNDS

Status: PEND Sponsor: GRADY

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

H0462

NONCERTIFIED SCHOOL EMPLOYEE FUNDS

Status: PEND Sponsor: SMITH

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

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H0479

NC A&T AGRICULTURAL RESEARCH FUNDS

Status: PEND Sponsor: ADAMS

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

H0512

SCHOOL SAFETY ACT

ACTION ON.

Status: PEND Sponsor: PRESTON

CONCEPT

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

H0679

EXPAND TECHNOLOGY IN SCHOOLS

ACTION

Status: PEND Sponsor: DAUGHTRY

10

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

1997 MAIN BILL

H0767

UNC EDUCATIONAL CONSORTIUM FUNDS

Status: PEND Sponsor: MCALLISTER

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Committee: APP-EDUC Bill History

FUNDING FOR OTHER  $\mathcal{S}$ CONSORTIA HAS

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SCHOOL RESOURCE OFFICER/TYRRELL HS

H0822

Status: PEND Sponsor: CULPEPPER

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Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

H0864

**CLASS-SIZE REDUCTION IN GRADE 3** 

PEND Sponsor: PRESTON

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

H0905

**EXCELLENT COMMUNITY COLLEGES ACT** 

Status: PEND Sponsor: GRADY

Last Action: [H] RE-REF COM ON APP-EDUC [04/22/1997]

Bill History

Committee: APP-EDUC

H0947

MOBILE PRESCHOOL PROGRAM FUNDS

Status: PEND Sponsor: HUNTER R

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

**EXPAND COMMUNITY LINK FUNDS** 

PEND Sponsor: BEALL

Last Action: [H] ASSIGNED TO APP-EDUC [05/06/1997]

Bill History

Committee: APP-EDUC

H1019

RIGOROUS ACADEMIC CONTROL STANDARDS ACTION

IN 1997

Status: PEND Sponsor: PRESTON

Last Action: [H] ASSIGNED TO APP-EDUC [05/14/1997]

MAIN BILL

Bill History

Committee: APP-EDUC

H1089

**UNC MILITARY TUITION** 

ACTION

Status: PEND Sponsor: KINNEY

Last Action: [H] ASSIGNED TO APP-EDUC [04/29/1997]

IN

Bill History

Committee: APP-EDUC

H1180

FSU/PEMBROKE TEACHER ED. CONSORTIUM

Status: PEND Sponsor: MCALLISTER

Last Action: [H] ASSIGNED TO APP-EDUC [05/22/1997]

Bill History

Committee: APP-EDUC

JH1212

**TECHNOLOGY & TRAINING FUNDS** 

ACTION IN 997 WITH

Status: PEND Sponsor: REYNOLDS

Last Action: [H] ASSIGNED TO APP-EDUC [05/14/1997]

REVERSIONS

Bill History

Committee: APP-EDUC

**\$0845** 

SCHOOL BUSES FOR SPECIAL OLYMPICS

NEW BILL

Status: PEND Sponsor: ODOM

Last Action: [H] ASSIGNED TO APP-EDUC [05/28/1998]

Bill History

Committee: APP-EDUC

email the NCGA Webmanager

## N.C. Model Teacher ducation Consortium True Collaboration among the following:

## 17 Local School Systems

Bertie County
Chowan-Edenton County
Edgecombe County
Franklin County
Gates County
Granville County
Halifax County
Hertford County

Martin County
Northampton County
Perquimans County
Roanoke Rapids City
Vance County
Warren County

Wilson County

### 5 Colleges/Universities

Chowan College
East Carolina University
Elizabeth City State University
North Carolina Central University
North Carolina Wesleyan College

### 8 Community Colleges

College of the Albemarle Edgecombe Community College Halifax Community College Johnston Community College

Martin Community College Roanoke-Chowan Community College Vance-Granville Community College Wilson Technical Community College

## State Department of Public Instruction

The Consortium is a collaborative effort of the above partners begun in 1989 to address the critical shortage of highly-qualified and fully-licensed teachers in the poor rural schools of northeastern North Carolina.

## CONSORTIUM PARTICIPATIKA IN COLLEGE COURSEWORK January 1990 - February 1998

Undergraduate Students	39	0	4	28	24	55	180	63		6	83	0	51	111	26	47	0	34	20	22
Graduate Students	81	2	4	6	19	61	175	99	2	1	133	3	48	86	86	43	0	116	17	26
Local School Systems	Bertie County	Edenton/Chowan County	Edgecombe County	Franklin County	Gates County	Granville County	Halifax County	Hertford County	Johnston County	Martin County	Northampton County	Perquimans County	Roanoke Rapids City	Vance County	Warren County	Weldon City	Wilson County	Other School Systems	Community Colleges	Participants Not Employed in School Systems

# Total Clients Served: 1,601

Totals

NOTE: The total number of students (1,002 + 832 = 1,834) is larger than the total number of clients served (1,601) due to the fact that some students have worked in two different school systems while taking consortium courses.

## Types of Financial Assistance for NCMTEC's Customers

Chá	Undergraduate Stud	ndents		Graduate Students	ents
	NCMTEC Pays	STUDENTS Pay		NCMTEC Pays	STUDENTS Pay
Courses	Remaining \$40 Tuition (as much as \$330.00) Textbooks	\$40.00 Tuition	ECU's Tuition	<ul> <li>\$135.00 Tuition</li> <li>Textbooks</li> <li>\$15.00 Registrat</li> <li>Application Fees</li> </ul>	\$135.00 Tuition Textbooks \$15.00 Registration Application Fees (Degree or Non-degree)
Student   Teaching	Tuition & \$500.00 per mont	nth/3 months	NCCU's Tuition	\$120.00 Tuition • \$120.00 Tuition • Textbooks	\$120.00 Tuition Textbooks
On-Campus Tuition	6 semester hrs./yr. (maximum)	yr.	On-Campus Tuition	3 semester hrs./yr. (maximum)	

## systems have the following common characteristics: Consortium's seventeen participating school The N. C. Model Teacher Education

Large numbers of provisionally-licensed and lateral entry teachers;

Limited resources for induction programs and on-going staff development;

Strong needs for more effective programs; and

Many employees who are eager to grow professionally.

# Education Consortium Activities N.C. Model Teacher

# (Other than College Coursework)

- Serves as advocate/liaison for students seeking college admission/degree/teacher or administrative licensure
- Sponsors Transcript Evaluation Days and Graduate Advisor Sessions in the area one evening each semester for undergraduate and graduate students
- Sponsors two Praxis Examination Preparation Seminars annually
- Enhances the educational program for non-traditional college students by providing opportunities to attend seminars, workshops, and other cultural experiences

# **Mission Statement**

The North Carolina Model Teacher Education Consortium accessible, high-quality education/training to aspiring and practicing educators in participating school districts in is a collaborative effort which provides affordable, Northeastern North Carolina.

educators in the region. This Consortium is committed to This effort will increase the quantity of highly qualified increasing the number of minority educators within the service area.

# HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

# Thursday, June 4, 1998

### **MINUTES**

The House Appropriations Subcommittee on Education met on Thursday, June 4, 1998, at 8:30 a.m. in Room 414, Legislative Office Building.

Members present were Representatives Grady and Preston, Co-chairs; Representatives Davis, Oldham, Rogers, Shubert and Yongue. A visitors' sheet is attached to these minutes.

Representative Grady called the meeting to order. House pages were recognized: Curtis Spenser and Stephanie Starnes from Catawba County. Business to come before the committee today was to hear presentations by bill sponsors on bills that have been introduced.

The following bills were presented:

House Bill 961 - AN ACT TO APPROPRIATE FUNDS TO EXPAND AND UPGRADE THE COMMUNITY LINK PROGRAM TO PROVIDE ADDITIONAL EDUCATIONAL SERVICES TO WESTERN NORTH CAROLINA. Representative Charles Beall, bill sponsor, made the presentation. Discussion followed this presentation.

House Bill 905 - AN ACT TO ENACT THE EXCELLENT COMMUNITY COLLEGES ACT. Representative Robert Grady, bill sponsor, made the presentation.

House Bill 479 - AN ACT TO APPROPRIATE FUNDS FOR AGRICULTURAL RESEARCH AND EXTENSION PROGRAMS AT NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVESITY. Representative Alma Adams, bill sponsor, made the presentation. (See handout #1). Dr. Daniel Godfrey, Dean of the School of Agriculture, North Carolina A&T State University, was recognized to speak before the committee. Discussion followed this presentation.

House APPROPRIATIONS Subcommittee on Education MINUTES
Thursday, June 4, 1998
Page 2

There was no further business to come before the committee at this time. The meeting was adjourned at 9:35 a.m.

Respectfully submitted:

Representative Ropert Grady, Co-Chair

Peggy B. Murray, Committee Clerk

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# **HOUSE BILL 961\***

Short Title: Funds/Expand Community Link. (Public)

Sponsors: Representatives Beall and Ramsey.

Referred to: Appropriations.

# April 16, 1997

A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS TO EXPAND AND UPGRADE THE

3 COMMUNITY LINK PROGRAM TO PROVIDE ADDITIONAL

4 EDUCATIONAL SERVICES TO WESTERN NORTH CAROLINA.

5 The General Assembly of North Carolina enacts:

6 Section 1. There is appropriated from the General Fund to the

Section 1. There is appropriated from the General Fund to the 7 Department of Community Colleges the sum of nine hundred sixty-seven thousand 8 dollars (\$967,000) for the 1997-98 fiscal year to expand the Community Link program 9 and upgrade its existing sites. Community Link is a telecommunications delivery system that provides educational opportunities to the mountain communities of rural 11 Western North Carolina.

12 Section 2. This act becomes effective July 1, 1997.

**SESSION 1997** 

H

# **HOUSE BILL 905**

Short Title: Excellent Community Colleges Act.

(Public)

1

Sponsors:

Representatives Grady; Adams, Aldridge, Alexander, Black, Bonner, Bowie, Braswell, Brawley, Brown, Buchanan, Church, Cole, Culp, Dedmon, Dickson, Dockham, Earle, Ellis, Fox, Gardner, Goodwin, Hardy, Hensley, Hiatt, Hill, H. Hunter, Hurley, Ives, Kinney, Kiser, McCombs, McCrary, McMahan, Mitchell, Moore, Morris, Mosley, Nichols, Nye, Oldham, Preston, Ramsey, Rayfield, Rogers, Russell, Saunders, Sexton, Sherrill, Smith, Thompson, Tolson, Wainwright, Warner, Warwick, Watson, and Wilkins.

Referred to: Education, if favorable, Appropriations.

Section 2.

IMPLEMENTATION OF

**GOALS AND FINDINGS** 

16

18

17 II.

# April 9, 1997

1	A BILL TO BE ENTITLED
2	AN ACT TO ENACT THE EXCELLENT COMMUNITY COLLEGES ACT.
	The General Assembly of North Carolina enacts:
4	
5	Colleges Act".
6	
7	****
8	An outline of the provisions of the act follows this section. The outline
9	shows the heading "CONTENTS/INDEX" and it lists by general category the
0	descriptive captions for the various sections and groups of sections that make up the
1	act. This outline is designed for reference only, and it in no way limits, defines, or
2	prescribes the scope or application of the text of the act.
3	
4	CONTENTS/INDEX
5	I. STATEMENT OF LEGISLATIVE GOALS AND FINDINGS

MEASURES TO IMPLEMENT LEGISLATIVE

1		Α.	CAPACITY TO RESPOND TO EMERGING WORKFORCE TRAINING
2			NEEDS OF BUSINESS AND INDUSTRY
3			Section 3.
4		В.	CAPACITY TO RESPOND TO EMPLOYERS' NEEDS FOR ESSENTIAL
5			BASIC SKILLS
6			Section 4.
7		C.	ABILITY TO PROVIDE ACADEMIC AND SKILL PREPARATION FOR
8			THE FUTURE
9			Section 5.
10		D.	ABILITY TO PROVIDE QUALITY EDUCATION AND TRAINING WITH
11			STATE-OF-THE-ART TECHNOLOGY, EQUIPMENT, AND BOOKS
12			Section 6.
13	III.	LEG	SISLATIVE OVERSIGHT OF IMPLEMENTATION OF THE ACT
14			Section 7.
15	IV.	MIS	CELLANEOUS PROVISIONS
16		A.	CAPTIONS ARE FOR REFERENCE ONLY AND DO NOT LIMIT TEXT
17			Section 8.
18			B. EFFECTIVE DATES
19			Section 9.
20			
21	_		
22	I.	STA	TEMENT OF LEGISLATIVE GOALS AND FINDINGS
23		_	Section 2. (a) It is the goal of the General Assembly that North Carolina
24	citize	ns be	nefit from a prosperous and healthy economy which (i) encourages the
			both new and existing businesses and industries, (ii) creates new jobs and
26	nurtu	res ex	isting jobs, (iii) improves the quality of life, and (iv) produces revenues to

provide and support essential government services.

(b) The General Assembly finds that a prosperous and healthy economy 29 depends on the ability of North Carolina businesses and industries to respond 30 effectively to rapid changes in the workplace resulting from technology and 31 competition in a global economy. Building and maintaining a workforce capable of 32 such responses creates two new imperatives for increasing citizens' access to 33 education and training:

- (1) Formal education beyond high school to bridge the gap between the number of qualified workers entering the workforce and the number of new jobs which will require one to two years of education beyond high school, and
- Retraining of existing employees in order to bridge the gap (2) between their current knowledge and skills and the knowledge and skills which their jobs will require in the future.
- 41 (c) The General Assembly finds further that the State's investments in 42 the North Carolina Community College System have provided a basic infrastructure 43 which is poised to address these critical needs for education and training. 44 adequate funding, community colleges are capable of meeting the workforce

Page 2

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1 development needs of the State. In order to maintain and improve existing programs 2 and meet the additional demands for education and training, the North Carolina Community College System must address needs in four essential areas:

- Capacity to respond to emerging workforce training needs of (1)business and industry;
- Capacity to respond to employers' needs for essential basic skills; (2)
- Ability to provide academic and skill preparation for the future; (3) and
- Ability to provide quality education and training with state-of-the-(4) art technology, equipment, and books.

#### MEASURES TO IMPLEMENT LEGISLATIVE IMPLEMENTATION OF 12 II. **GOALS AND FINDINGS**

# CAPACITY TO RESPOND TO EMERGING WORKFORCE TRAINING **NEEDS OF BUSINESS AND INDUSTRY**

Section 3. The capacity of community colleges to design and deliver 18 customized, quality, and timely instructional responses to meet the diverse needs of 19 employers and employees is an essential element in maintaining and expanding the 20 State's economy. Funds in this area will enhance community colleges' capacity and 21 flexibility in retraining current employees by providing adequate funding for 22 occupational continuing education courses and services; therefore, there is 23 appropriated from the General Fund to the Department of Community Colleges the 24 sum of nineteen million nine hundred eighty-seven thousand thirty-four dollars 25 (\$19,987,034) for the 1997-98 fiscal year and the sum of nineteen million nine 26 hundred eighty-seven thousand thirty-four dollars (\$19,987,034) for the 1998-99 fiscal year for the purpose of raising the occupational extension unit value to the level of 28 the curriculum unit value.

# CAPACITY TO RESPOND TO EMPLOYERS' NEEDS FOR ESSENTIAL В. **BASIC SKILLS**

Section 4. A major component of helping the State's workforce achieve 33 and maintain necessary employment skills involves providing courses and services 34 which enable employees to develop basic skills in reading, writing, math, problem 35 solving, working with one another, and English as a second language. Enhanced 36 funding to support basic skills and literacy instruction is needed; therefore, there is 37 appropriated from the General Fund to the Department of Community Colleges the 38 sum of six million seventy-two thousand thirty-six dollars (\$6,072,036) for the 1997-98 39 fiscal year and the sum of seven million one hundred forty-four thousand seventy-two 40 dollars (\$7,144,072) for the 1998-99 fiscal year for the purpose of raising basic skills 41 to curriculum-level funding.

# ABILITY TO PROVIDE ACADEMIC AND SKILL PREPARATION FOR C. THE FUTURE

Page 3

House Bill 905

Section 5. Associate degree, diploma, and certificate curriculum programs 2 designed to prepare people for employment or transfer to a higher-level degree 3 represent the primary gateway to employability and economic self-sufficiency. Funds 4 in this area will enhance community colleges' capacity and flexibility to serve people 5 and communities by fostering new program development, enhancing existing associate 6 degree, diploma, and certificate programs, integrating workplace skills into the 7 curriculum, and offsetting high costs in vital high technology fields; therefore, there is 8 appropriated from the General Fund to the Department of Community Colleges the 9 sum of sixteen million five hundred thirty-eight thousand seven hundred twenty-four 10 dollars (\$16,538,724) for the 1997-98 fiscal year and the sum of thirty-three million 11 seventy-seven thousand four hundred forty-eight dollars (\$33,077,448) for the purpose 12 of enhancing salaries and adjusting student-teacher ratios.

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#### D. ABILITY TO PROVIDE QUALITY EDUCATION AND TRAINING WITH STATE-OF-THE-ART TECHNOLOGY, EQUIPMENT, AND BOOKS

Section 6. Funds will provide cutting-edge, state-of-the-art technology, 17 equipment, and books essential for effective, quality programs in all areas of 18 instruction including curriculum, occupational continuing education, and literacy; 19 therefore, there is appropriated from the General Fund to the Department of 20 Community Colleges the sum of fifteen million dollars (\$15,000,000) for the 1997-98 21 fiscal year and the sum of thirty million dollars (\$30,000,000) for the purpose of 22 purchasing new technical and vocational equipment and books.

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#### 24 III. LEGISLATIVE OVERSIGHT OF IMPLEMENTATION OF THE ACT

Section 7. The State Board of Community Colleges shall report to the 26 Joint Legislative Education Oversight Committee prior to October 1, 1998, on the 27 impact the funds appropriated under this act have had on the ability of each 28 community college to implement the institutional effectiveness plan that is tailored to 29 the specific mission of each college and to meet the goals of the North Carolina 30 Community College System. In preparing the report, the State Board of Community 31 Colleges shall include the data submitted by each college for the 1996-97 and 1997-98 32 fiscal years, in the "Critical Success Factors" report and shall focus primarily on 33 program outcomes.

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#### 35 IV. MISCELLANEOUS PROVISIONS

# CAPTIONS ARE FOR REFERENCE ONLY AND DO NOT LIMIT TEXT

Section 8. The series of captions used in this act (the descriptive phrases 38 in boldface and capital letters) are inserted for convenience and reference only, and 39 they in no way define, limit, or prescribe the scope or application of the text of the 40 act.

41 42

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#### EFFECTIVE DATES В.

Section 9. This act becomes effective July 1, 1997.

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SESSION 1997

H

# **HOUSE BILL 479**

1

Short Title: NC A & T Agricultural Research Funds.

Sponsors: Representatives Adams; Black, Bowie, Boyd-McIntyre, Braswell, Earle, Fitch, Jarrell, Jeffus, Kinney, Michaux, Oldham, Smith, Wainwright, Womble, and Wright.

Referred to: Appropriations.

March 10, 1997 A BILL TO BE ENTITLED 2 AN ACT TO APPROPRIATE FUNDS FOR AGRICULTURAL RESEARCH AND 3 EXTENSION PROGRAMS AT NORTH CAROLINA AGRICULTURAL AND 4 TECHNICAL STATE UNIVERSITY. Whereas, currently, North Carolina Agricultural and Technical State 6 University receives federal funding in the amount of \$2.6 million for its Agricultural 7 Research Program and \$2.5 million for its Cooperative Extension Program; and Whereas, in order to provide equitable funding, it is the intent of the 9 General Assembly to increase the State's level of funding for these programs to 10 eventually match the federal level of funding; Now, therefore, 11 The General Assembly of North Carolina enacts: 12 Section 1. There is appropriated from the General Fund to the Board of 13 Governors of The University of North Carolina the sum of one million dollars 14 (\$1,000,000) for the 1997-98 fiscal year and the sum of one million dollars 15 (\$1,000,000) for the 1998-99 fiscal year as matching funds for agricultural research 16 and extension programs at North Carolina Agricultural and Technical State University. These funds are in addition to any State funds appropriated for these 18 programs and shall be allocated as follows: 19 (1) \$500,000 for the 1997-98 fiscal year and \$500,000 for the 1998-99 20 fiscal year to match federal funds for the Agricultural Research 21 Program.

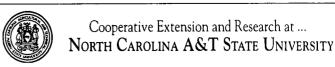
GENERAL.	<b>ASSEMBLY</b>	OF NORTH	CAROLINA
	W CALAINIA HILL		1 A C 11 11 1 1 1

**SESSION 1997** 

1	(2) \$500,000 for the 1997-98 fiscal year and \$500,000 for the 1998-99
2	fiscal year to match federal funds for the Cooperative Extension
3	Program.
4	Section 2. This act becomes effective July 1, 1997.

Page 2

# Food Safety, Nutrition and Health



Each year, there are 6.5 to 8.1 million cases of foodborne illness in this country. Medical and insurance costs, and lost productivity, make measures to lessen this problem extremely important.

Increased sales of ready-to-eat foods (with little or no preservatives) at supermarkets, convenience stores and other retail outlets with personnel inexperienced in food handling create a need for training and Extension programs. Another trend contributing to increased need for food safety training comes from the restaurant industry, where restaurants are responding to consumer demand for more extensive menus. New menu items bring with them new demands for equipment and food handling procedures. With more Americans eating more meals at restaurants every year, it is essential that restaurant employees are aware of the contamination potential for each dish on the menu. The growing popularity of organic foods also has increased the potential for foodborne illness. Some of the replacements organic growers use as alternatives to chemical fertilizers and pesticides can nurture contaminants.

# **ACTION PLAN**

- Develop training and educational programs for food handlers, with a focus on small restaurants, gas station delicatessens, day care facilities, and nursing homes
- Provide training for high school teachers (since many high school students work part time in restaurants), occasional food handlers including youth clubs, parent groups, and church groups
- Intensify research into improved detection methods for foodborne pathogens
- Intensify research into methods for destroying pathogenic microorganisms on the surface areas of fresh fruits, vegetables, meat and poultry, without compromising the appeal of these foods

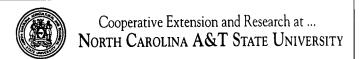
# POTENTIAL IMPACTS

- Heightened consumer awareness of unsafe practices that compromise food safety
- Adoption of safe food preparation and handling practices by food handlers
- Improved microbiological safety of fresh fruits, vegetables, red meat, poultry, and minimally processed foods

# **Resources Needed**

ΤΟΤΔΙ	\$800,000
Communications	\$15,000
Program Development	\$17,500
Training and Development	\$30,000
Operational Expenses	\$417,500
Personnel Costs	

# **Small-Scale Agriculture**



Changes in the public attitude toward tobacco coupled with loss of other farm subsidies continue to reshape small-farm production and marketing in North Carolina. In many cases, the long-standing safety net for small farms is being eliminated. Today's small farms face new economic, social and political realities. Public concerns for the environment, including water quality and waste management issues, represent new challenges for small-scale farmers.

With new challenges come new opportunities as well. Public interest in new value-added farm products, local grown fresh produce, alternative crops and enterprises, and niche markets opened by cultural diversity represent new opportunities for the 40,000 small farms in North Carolina. To address these challenges and opportunities, agricultural research scientists and extension specialists must work collaboratively with county agents to provide the knowledge, skills and research needed for success in a changing agricultural environment.

# **ACTION PLAN**

- Develop the infrastructure at the A&T farm for exploring issues relevant to small-scale agriculture
- Develop collaborative research and outreach efforts among scientists at A&T, North Carolina State University and the North Carolina Department of Agriculture and Consumer Services which protect soil, water and air quality
- Develop alternative enterprises which will ensure the economic viability of small, part-time and limited-resource farmers, with special attention to the needs of minority farmers
- Develop and market high-quality research and educational programs which increase community economic well-being and quality of life

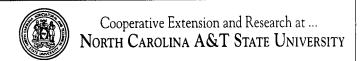
# POTENTIAL IMPACTS

- Stabilization of number of small-scale and minority-operated farms, and the number of new farms will increase
- Small farms will show increased income diversification
- Small farm production will become increasingly environmentally safe and publicly acceptable
- Increased focus on niche markets

### **Resources Needed**

TOTAL	£1 200 000
Communications	\$30,000
Program Development	
Operating Costs	
Capital Improvements	\$400,000
Personnel Costs	\$360,000

# Children, Youth and Families



Like families everywhere, those in North Carolina are affected dramatically by economic, social and political pressures. Persistent poverty, inadequate child-care, unhealthy lifestyles, and unfavorable economic opportunities are factors which tarnish the horizon for families. Building the capacity of North Carolina's families and communities to meet life's challenges head-on contributes substantially to sustaining the state's strength and stability. For generations, education has been the vehicle for advancing the social and economic status of children, families and communities. Research shows that preventive and early intervention educational programs help individuals and families develop skills and knowledge to function effectively, gain economic security, and become healthy, productive responsible members of their communities and society.

Research indicates that nearly half of all violent crimes committed by juveniles occur between 2:00 p.m. and 8:00 p.m., and that initial sexual encounters for teens generally take place between 3:00 p.m. and 6:00 p.m. These statistics underscore the need to provide youth with meaningful, constructive after-school activities, including recreation and academic enrichment. The options for after-school activities should also include strategies for nurturing the innovative, entrepreneurial spirit of youth. Such strategies are vital for promoting North Carolina's economic diversity as well as the workforce preparedness of youth.

# **ACTION PLAN**

- Conduct research and develop educational programs which focus on helping youth, parents and community leaders take responsibility for their lives
- Develop life skill programs for youth, with a focus on the needs of minorities and youth growing up with limited financial resources
- Provide teenage and single parents with educational information which will offer them strategies for coping with the challenges of parenthood
- Develop family and resource management programs which help families maximize their resources for improved family dynamics and enhanced economic security

# POTENTIAL IMPACTS

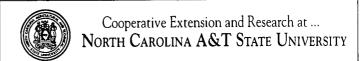
- Increased citizen participation in building strong families and safe communities
- Enhanced capacity of families and communities to establish and maintain self-sufficiency
- Reductions in youth violence and teen pregnancy, and strong, supportive, nurturing families
- Youth who are responsible, productive, contributing citizens

# **Resources Needed**

Personnel Costs	\$380,000
Operational Costs	\$215,000
Program Development	
Training Development	
Communications	\$50,000

TOTAL .....\$1,000,000

# **Community Economic Development**



Despite the state's robust economy, there are communities in North Carolina which are not getting their share of the general prosperity. The prospects for those who are being left behind are not only unjust; these communities are increasingly headed toward crisis conditions. Land loss by African-American farmers has surpassed 200 percent. The residents of many communities do not have strategies or even systems for economic self-determination. Without intervention programs and outreaches, opportunities for local ownership, grass-root empowerment and rejuvenation of local human capital will escape them. If left unresolved, these problems in the social and economic fabric of many communities in North Carolina will eventually undermine the entire state's stature in national and global economics.

The North Carolina A&T School of Agriculture is well positioned to apply economic principles to building sustainable, socially concerned programs, and to embellish the quality of life of the state's residents. Juxtaposed against and intricately related to this current need for community economic development is the School's expertise in providing grassroots capacity for workforce preparation, infrastructure development, community-based planning, business and entrepreneurial development, program evaluation, leadership training, and technology-mediated instruction.

# **ACTION PLAN**

- Intensify research into identifying factors inhibiting community development, and needs assessment studies
- Formulate and disseminate strategies for sustainable communities
- Provide additional leadership training programs
- Develop small farm survival strategies
- Rectify land-loss trend among African-American farmers
- Form community-based micro enterprise development programs
- Develop adequate skills and competencies to meet current and emerging needs of the workforce

#### POTENTIAL IMPACTS

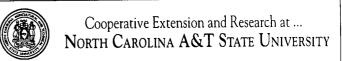
- A better prepared workforce
- Increased number of welfare-to-work participants
- Increased effectiveness of community development programs, a larger pool of effective local leaders, and more viable and sustainable communities
- Increased number of small and minority-owned farms
- Growth in number of small businesses

#### Resources Needed

Personnel Costs	\$500,000
Operational Costs	\$265,000
Program Development	
Communications	\$80,000

TOTAL ......\$1,200,000

# Information Technology and Telecommunications



The School of Agriculture finds itself in a digital revolution which is bringing about dramatic changes in both learning needs and the way learning opportunities are delivered. Technologies associated with distance learning are essential tools for providing learning opportunities that are responsive to learners' needs. If the School of Agriculture is to continue to produce graduates with skills for the workforce, and if it is to continue to provide research which is timely and relevant, it must respond to the needs of new and expanding constituencies.

In addition to reducing costs for printing, distribution, and travel, computer networking also allows unprecedented access by learners, and greater interaction among a community of learners. Virtual communities actively participating in learning environments, characterized by real-world problem-solving, empower learners to construct meaning within the context of their educational experiences.

High-speed digital networking is far and away the most efficient and effective environment to facilitate goals of distance learning, collaboration and access.

# ACTION PLAN

- Develop a high-speed digital network connecting all the School of Agriculture's departments
- Provide faculty training in the use of networks to facilitate teaching, research and extension
- Provide computer and network support for faculty and staff

# POTENTIAL IMPACTS

- Increased enrollment resulting from the use of distance learning technology
- Increased number of society-ready graduates prepared for a knowledge economy
- Increased access to research and extension information, providing just-in-time solutions for community problems
- Increased networking, collaboration and interaction among land-grant researchers, extension specialists, community groups, and federal, state and county partners
- Increased efficiency and effectiveness in program design and evaluation

# **Resources Needed**

	¢700 000
Operating Costs	\$215,000
Faculty Development	
Capital Improvements	444.000
Capital Improvements	\$245,000
Personnel Costs	\$130,000

# Key Points to Emphasize with State Legislators

- Both A&T and NCSU are land-grant universities (teaching, research and extension) receiving federal appropriations from the US Department of Agriculture. However, the state provides only a 12% share of the total extension and research budget for A&T. This level of funding is much less than that provided to other state supported institutions.
- NC A&T is requesting a gradual approach to state matching funds, starting with a 30% match in 1999, increasing to a full 100% match in 2003.
- NC A&T extension and research is requesting continuous funding at the 100% matching level for each year after 2003.
- A&T has professional and paraprofessional staff in nearly 1/3 of NC's 100 counties.
- A&T has a history of working with diverse audiences, and disadvantaged families and communities who are viewed by some as being hard-to-reach and without political clout.
- Even with minimal funding, A&T continues to work collaboratively with NCSU to support a responsive extension and research network within the state of North Carolina.
- Through innovative programs such as *Ways to Grow* and *Community Voices*, small farms are introduced to alternative agricultural enterprises and non-traditional leaders emerge with voices of change and growth for rural communities.
- To sustain the environment while producing high value crops, A&T researchers evaluated
  alternative sustainable practices for growing seedless watermelons and sweet corn. From
  data evaluated thus far, not only was yield enhanced, but texture and taste were also
  improved. This research could translate into increased revenue for the state's small-scale
  farmers.
- A&T initiated a statewide Partners-in-Learning program for 4-H'ers age 6-8 years old, encouraging parents to become partners with their youth while exploring the world of science and nature.
- Working collaboratively with other state agricultural agencies, the A&T extension and research programs helped nearly 1,000 small-scale farmers generate increased income from the production and marketing of alternative enterprises. The estimated gross income from these new enterprises was \$2.9M.
- Other sustainable research projects include the Tillage, Runoff, Agricultural Chemical and Erosion (TRACE) project and bioremediation of contaminants.

# HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

# Wednesday, July 1, 1998

#### **MINUTES**

The House Appropriations Subcommittee on Education met at 8:30 a.m. on Wednesday, July 1, 1998, in Room 421 of the Legislative Office Building.

Members present were: Representatives Arnold, Grady and Preston, Co-chairs; Representatives Black, Davis, Oldham, Reynolds, Rogers, Shubert, and Yongue. A visitors sheet is attached to these minutes.

The meeting was called to order by Representative Robert Grady. Pages were introduced: Eric Provost and Molly Seimens from Wake County and Alex Parker from California.

The purpose of today's meeting was to hear sponsors explain bills which have been assigned to the APPROPRIATIONS/Education Subcommittee. Procedure established was that, in the interest of time, only the sponsor would speak on the bill. Representative Grady announced some changes to the agenda. House Bills 979 and 1154 were removed and House Bill 1719 was added. The following bills were presented in the order given:

House Bill 1198-Savings Reserve/School Technology by Representative Reynolds.

House Bill 1719-Substitute Teacher Pay Raise by Representative Jeffus.

House Bill 1199-Monetary Incentive/Academic Excellence by Representative Shubert.

House Bill 1262-School Utility Costs Paid by the State by Representative Brown.

House Bill 1218-Adult/Student Ratio Reductions by Representative Black.

House Bill 399-English As a Second Language Funds by Representative Insko.

Questions and discussion followed each presentation. This completed the subcommittee's agenda and there was no further business to come before the subcommittee at this time. The meeting was adjourned at 9:40 a.m.

Respectfully submitted:

Representative Robert Grady, Co-Chair

Peggy/B/ Murray, Committee Clerk

# HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION MEETING

# Wednesday, July 1, 1998

# **AGENDA**

# The following bills will be heard:

HB 399 English As a Second Language Funds

Representative Insko

HB 979 Substitute Teacher Pay Raise

Representative Jeffus

HB 1154 Safe School Plans/Accountability

Representative Black

HB 1218 Adult/Student Ratio Reductions

Representative Black

HB 1198 Savings Reserve/School Technology Fund

Representative Reynolds

HB 1199 Monetary Incentive/Academic Excellence

Representative Shubert

HB 1262 School Utility Costs Paid by State

Representative Brown

# **VISITOR REGISTRATION SHEET**

# APPROPRIATIONS Sub-Committee on Education

July 1, 1998

Name of Committee

Date

# VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

<u>NAME</u>	FIRM OR AGENCY AND ADDRESS
Bill Who	ncae:
Thod Daise	v i
Strephanie Summerson	NCJCDC
Chro Fitzsimon	NCJCDC Common Sense Foundation
Maurie King	OSBM.
an Crath	NCASA
Go Cen Morris	AS Former SANC
Learne Winner	NCSBA
ann Belam	5BE
Hoper Nieters	SBE
Nirali Patel	Gov.'s Office
Linda Higgins	Lee Co Schools
Gene Causby	F- FBC
Dand Brown	05 BM
Wand Brown	25BM

# **SESSION 1997**

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# **HOUSE BILL 399\***

Short Title: English as a Second Language/Funds.

(Public)

1

Sponsors:

11

Representatives Insko, Hackney, Culp (Cosponsors); Alexander, Bonner, Cunningham, Easterling, Goodwin, Hall, Hightower, Jarrell, Jeffus, Luebke, Michaux, Moore, Mosley, Nichols, Oldham, Saunders, Wainwright, Warwick, Watson, Womble, and Yongue.

Referred to: Appropriations.

# March 5, 1997

A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS FOR THE ENGLISH AS A SECOND 3 LANGUAGE PROGRAM.

4 The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of ten million dollars (\$10,000,000) for the 1997-98 fiscal year and the sum of ten million dollars (\$10,000,000) for the 1998-8 99 fiscal year to improve services for students with limited English proficiency. The 9 State Board of Education shall allocate these funds to local school administrative units with a high percentage of students for whom English is a second language.

Section 2. This act becomes effective July 1, 1997.

# SESSION 1997

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# 

(Public)

# HOUSE BILL 979 Committee Substitute Favorable 5/14/97

Short Title: Substitute Teacher Pay Raise.

Sponsors:	
Referred to:	
	April 17, 1997
RAISES FOR The General Ass	A BILL TO BE ENTITLED LINK PAY RAISES FOR SUBSTITUTE TEACHERS TO PAY TEACHERS. embly of North Carolina enacts: on 1. G.S. 115C-12(8) reads as rewritten: Power to Make Provisions for Sick Leave and for Substitute Teachers The Board shall provide for sick leave with pay for all public school employees in accordance with the provisions of this Chapter and shall promulgate rules and regulations providing for necessary substitutes on account of sick leave and other teacher absences.  The pay for a substitute shall be fixed by the Board. A
	substitute teacher with a teaching certificate shall be paid at the daily pay rate of a teacher with no years of experience who is paid on the 'A' certificate salary schedule. The State Board shall fix the daily rate of pay for all other substitutes.
	If a teacher assistant acts as a substitute teacher, the salary of the teacher assistant for the day shall be the same as the daily salary of an entry-level teacher with an 'A' certificate.  The Board may provide to each local school administrative unit not exceeding one percent (1%) of the cost of instructional services for the purpose of providing substitute teachers for those

but not exceeding the provisions made for other State Section 2. There is appropriated from the General Fund to Local School Administrative Units the sum of ten million five hundred thousand nine hundred twelve dollars (\$10,527,912) for the 1997-98 five the sum of ten million five hundred twenty-seven thousand nine hundred		
Section 2. There is appropriated from the General Fund to 4 Local School Administrative Units the sum of ten million five hundred 5 thousand nine hundred twelve dollars (\$10,527,912) for the 1997-98 five 6 the sum of ten million five hundred twenty-seven thousand nine hundred twenty-seven nine hundred twen	1	on sick leave as authorized by law or by regulations of the Board,
4 Local School Administrative Units the sum of ten million five hundred 5 thousand nine hundred twelve dollars (\$10,527,912) for the 1997-98 fi 6 the sum of ten million five hundred twenty-seven thousand nine hu 7 dollars (\$10,527,912) for the 1998-99 fiscal year to implement Section 1	2	but not exceeding the provisions made for other State employees."
5 thousand nine hundred twelve dollars (\$10,527,912) for the 1997-98 fi 6 the sum of ten million five hundred twenty-seven thousand nine hu 7 dollars (\$10,527,912) for the 1998-99 fiscal year to implement Section 1	3	Section 2. There is appropriated from the General Fund to State Aid to
5 thousand nine hundred twelve dollars (\$10,527,912) for the 1997-98 fi 6 the sum of ten million five hundred twenty-seven thousand nine hu 7 dollars (\$10,527,912) for the 1998-99 fiscal year to implement Section 1	4	Local School Administrative Units the sum of ten million five hundred twenty-seven
6 the sum of ten million five hundred twenty-seven thousand nine hu 7 dollars (\$10,527,912) for the 1998-99 fiscal year to implement Section 1	5	thousand nine hundred twelve dollars (\$10,527,912) for the 1997-98 fiscal year and
	6	the sum of ten million five hundred twenty-seven thousand nine hundred twelve
8 Section 3. This act becomes effective July 1, 1997.	7	dollars (\$10,527,912) for the 1998-99 fiscal year to implement Section 1 of this act.
	8	Section 3. This act becomes effective July 1, 1997.

Page 2 House Bill 979

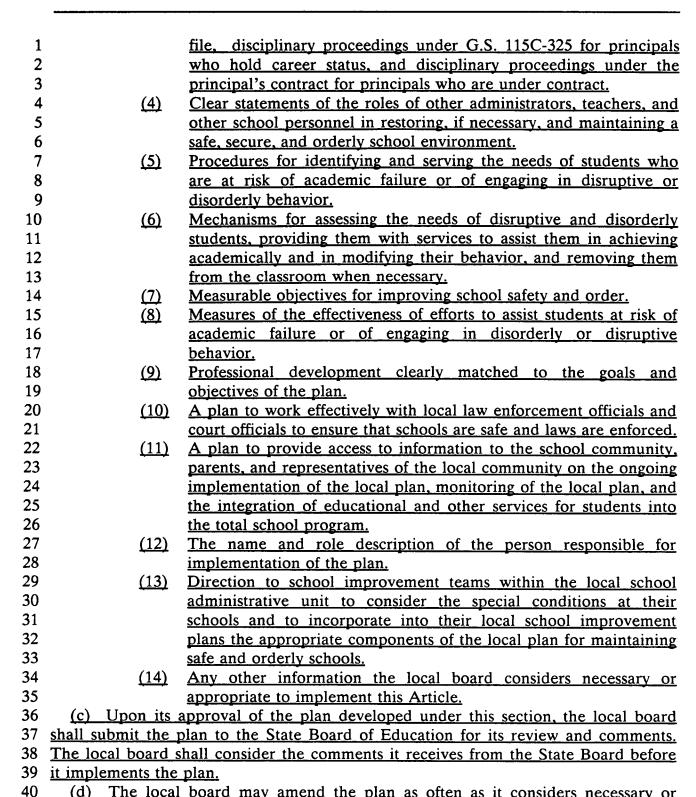
# **SESSION 1997**

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# HOUSE BILL 1154 Committee Substitute Favorable 5/14/97

	Short Title: Safe School Plans/Accountability. (Public)					
	Sponsors:					
	Referred to:					
	April 24, 1997					
1	A BILL TO BE ENTITLED					
2	AN ACT TO PROVIDE FOR THE IMPLEMENTATION OF SAFE SCHOOL					
3	PLANS AND TO HOLD PRINCIPALS ACCOUNTABLE FOR THE SAFETY					
4	OF SCHOOLS.					
5	The General Assembly of North Carolina enacts:					
6	Section 1. Chapter 115C of the General Statutes is amended by adding a					
7	new Article to read:					
8	"ARTICLE 8C.					
9 10	"Local Plans for Maintaining Safe and Orderly Schools.					
11	"§ 115C-105.45. Legislative findings.					
12	The General Assembly finds that all schools should be safe, secure, and orderly. If					
13	students are to aim for academic excellence, it is imperative that there is a climate of					
14	respect in every school and that every school is free of disruption, drugs, violence, and weapons. All schools must have plans policies, and precedures for dealing.					
15	and weapons. All schools must have plans, policies, and procedures for dealing with disorderly and disruptive behavior. All schools and school units must have effective					
16	measures for assisting students who are at risk of academic failure or of engaging in					
17	disruptive and disorderly behavior.					
18	"§ 115C-105.46. State Board of Education responsibilities.					
19	In order to implement this Article, the State Board of Education:					
20	(1) Shall adopt guidelines for developing local plans under G.S. 115C-					
21	<u>105.47;</u>					
22	(2) Shall provide, in cooperation with the Board of Governors of The					
23	University of North Carolina, ongoing technical assistance to the					

1		local school administrative units in the development,						
2		implementation, and evaluation of their local plans under G.S.						
3		115C-105.47;						
4	<u>(3)</u>	May require a local board of education to withhold the salary of						
5		any administrator or other employee of local school administrative						
6		units who delays or refuses to prepare and implement local safe						
7		school plans in accordance with G.S. 115C-105.47;						
8	<u>(4)</u>	May revoke the certificate of the superintendent, pursuant to G.S.						
9		115C-274(c), for failure to fulfill the superintendent's duties under						
10		a local safe school plan.						
11		Local safe school plans.						
12		(a) Each local board of education shall develop a local school administrative unit						
13	_	safe school plan designed to ensure that every school in the local school						
14	administrative unit is safe, secure, and orderly, that there is a climate of respect in							
15	every school, and that appropriate personal conduct is a priority for all students and							
16								
17	representatives of the community, and others in the development of this plan. The							
18		eloped by or in conjunction with other committees.						
19	• •	shall include each of the following components:						
20	<u>(1)</u>	Clear statements of the standard of behavior expected of students						
21		at different grade levels and of school personnel and clear						
22		statements of the consequences that will result from one or more						
23	(2)	violations of those standards.						
24	<u>(2)</u>	A clear statement of the responsibility of the superintendent for						
25 26		coordinating the adoption and the implementation of the plan,						
27		evaluating principals' performance regarding school safety,						
28		monitoring and evaluating the implementation of safety plans at						
29		the school-level, and coordinating with local law enforcement and						
30		court officials appropriate aspects of implementation of the plan.						
31		The statement of responsibility shall provide appropriate disciplinary consequences that may occur if the superintendent fails						
32		to carry out these responsibilities, including a reprimand in the						
33		superintendent's personnel file and withholding of the						
34		superintendent's salary.						
35	<u>(3)</u>	A clear statement of the responsibility of the school principal for						
36	<del>1,0,1</del>	restoring, if necessary, and maintaining a safe, secure, and orderly						
37		school environment and of the consequences that may occur if the						
38		principal fails to meet that responsibility. The principal's duties						
39		shall include exhibiting appropriate leadership for school personnel						
40		and students, providing for alternative placements for students who						
41		are seriously disruptive, reporting all criminal acts pursuant to G.S.						
42		115C-288(g), and providing appropriate disciplinary consequences						
43		for disruptive students. The consequences to the principal that						
44		may occur shall include a reprimand in the principal's personnel						



(d) The local board may amend the plan as often as it considers necessary or 41 appropriate. Any changes to a plan may be submitted to the State Board of 42 Education for its review and comments."

Section 2. The State Board of Education shall develop a plan to reward 44 school principals for improving school safety and school climate. The Board shall

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House Bill 1154 Page 3 1 report this plan, along with any recommended statutory changes, to the Joint 2 Legislative Education Oversight Committee by April 15, 1998.

Section 3. There is appropriated from the General Fund to the State 4 Board of Education the sum of fifty thousand dollars (\$50,000) for the 1997-98 fiscal 5 year and the sum of fifty thousand dollars (\$50,000) for the 1998-99 fiscal year for the 6 development of guidelines for local safe school plans and for providing technical 7 assistance to local school administrative units, in accordance with G.S. 115C-105.46, 8 as enacted in Section 1 of this act.

9 Section 4. This act becomes effective July 1, 1997. Local boards of 10 education shall begin implementation of local safe school plans developed under 11 Section 1 of this act by the beginning of the 1998-99 school year.

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# **HOUSE BILL 1218**

Short Title: Adult/Student Ratio Reductions.

(Public)

Sponsors:

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Representatives Black; Alexander, Baddour, Beall, Bonner, Boyd-McIntyre, Braswell, Church, Cole, Culpepper, Dedmon, Earle, Goodwin, Grady, Hensley, Hightower, Hill, H. Hunter, R. Hunter, Hurley, Insko, Jeffus, Luebke, McAllister, Michaux, Miller, Moore, Mosley, Nye, Oldham, Preston, Ramsey, Redwine, Rogers, Saunders, Smith, Sutton, Tolson, Wainwright, Warner, Warwick, Watson, Wilkins, Womble, Wright, and Yongue.

Referred to: Appropriations.

# May 5, 1997

# A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS TO REDUCE THE ADULT/STUDENT 3 RATIO IN KINDERGARTEN THROUGH THIRD GRADE.

4 The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to 6 Local School Administrative Units the sum of twenty-six million one hundred forty 7 thousand four hundred seventy-one dollars (\$26,140,471) for the 1997-98 fiscal year 8 and the sum of twenty-six million one hundred forty thousand four hundred seventy-9 one dollars (\$26,140,471) for the 1998-99 fiscal year to reduce the adult-student ratio 10 in kindergarten through third grade to one teacher assistant and one teacher to 23 or 11 fewer students. The maximum allowable ratio of teacher assistants to students in 12 kindergarten through third grade is one teacher assistant to 26 students.

Section 2. G.S. 115C-301(c) reads as rewritten:

"(c) Maximum Class Size. -- The average class size for each grade span in a local 15 school administrative unit shall at no time exceed the funded allotment ratio of 16 teachers and teacher assistants to students. At the end of the second school month 17 and for the remainder of the school year, the size of an individual class shall not 18 exceed the allotment ratio by more than three students. At no time may the General 19 Assembly appropriate funds for higher unit-wide class averages than those for which

- 1 State funds were provided during the 1984-85 school year. The State Board of
- 2 Education shall report prior to January 1 and prior to July 1 of each year to the Joint
- 3 Legislative Education Oversight Committee on each class that exceeded the funded
- 4 allotment ratio of teachers and teacher assistants to students, regardless of whether a
- 5 waiver was needed or granted for the higher class size."
- 6 Section 3. This act becomes effective July 1, 1997.

# SESSION 1997

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# **HOUSE BILL 1198**

Short Title: Savings Reserve/School Tech. Fund. (Public) Representatives Reynolds, Shubert; and Clary. Sponsors: Referred to: Education, if favorable, Appropriations. May 1, 1997 A BILL TO BE ENTITLED 2 AN ACT TO TRANSFER THE INTEREST ACCUMULATED EACH QUARTER BY THE SAVINGS RESERVE ACCOUNT TO THE SCHOOL TECHNOLOGY FUND AND TO APPROPRIATE FUNDS FOR THE SCHOOL TECHNOLOGY FUND. The General Assembly of North Carolina enacts: Section 1. G.S. 143-15.3 is amended by adding a new subsection to read: "(c) At the end of each fiscal quarter, the State Controller shall transfer the interest accumulated by the Savings Reserve Account to the School Technology Fund established by G.S. 115C-102.6D." Section 2. There is appropriated from the General Fund to the School Technology Fund established by G.S. 115C-102.6D the sum of two million dollars (\$2,000,000) for the 1997-98 fiscal year. Section 3. This act becomes effective July 1, 1997.

# **SESSION 1997**

H

# HOUSE BILL 1199 Committee Substitute Favorable 5/22/97

Short Title: Monetary Incentive/Acad. Excellence.

	Sponsors:				
	Referred to:				
	May 1, 1997				
1	A BILL TO BE ENTITLED				
2	AN ACT TO PROVIDE MONETARY INCENTIVES FOR ACADEMIC				
3	EXCELLENCE.				
4	The General Assembly of North Carolina enacts:				
5	Section 1. Chapter 115C of the General Statutes is amended by adding a				
6	new Article to read:				
7	"ARTICLE 35A.				
8					
9					
10	Since it is the desire of the State to encourage academic excellence and to				
11	encourage high school students to take more demanding classes, the State Board of				
12	Education shall pay the cost of the Advanced Placement exam for any student who				
13	takes and completes an Advanced Placement class with a passing grade.				
14	"§ 115C-496.1. Funds prorated for part-time students attending high school.				
15	The State Board of Education shall include students who are enrolled in a public				
16	high school but attend classes for less than one-half of the instructional day when				
17	calculating the average daily membership for a local school administrative unit. The				
18	State Board shall use funds available from the Public School Fund to allocate to the				
19	local school administrative unit an appropriate pro rata amount for these part time students.				
20 21	"\\$ 115C-496.2. State pays tuition for high school student taking college classes.				
22	Notwithstanding any other provision of law, if a student who is eligible to attend a				

23 public high school completes the student's high school course requirements prior to

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(Public)

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1 completing 12 years of schooling (not including kindergarten and prekindergarten if 2 applicable) and enrolls in a college level class or classes at an institution of higher 3 education, the State Board of Education shall pay for the student's tuition at the 4 institution of higher education. The amount set aside for payment of tuition shall be 5 the amount that would have been allocated to the local school administrative unit for 6 the student to complete 12 years of schooling (not including kindergarten and prekindergarten if applicable) in the public schools. These funds may be used to pay tuition at any nationally or regionally accredited institution of higher education that 9 the student may choose to attend for up to four years of instruction. Funds set aside 10 but not expended for the payment of tuition shall not revert during the four years of 11 instruction.

Should a student not complete all high school graduation requirements but be 13 advanced in certain subjects to the point that university or community college courses would be more beneficial than those available at the student's high school, the 15 normal allotment to the local school administrative unit shall be apportioned based 16 upon the amount of instructional time taken in the local school administrative unit 17 and the local school administrative unit shall receive funds for the portion of the day that the student attends class in the public school. The balance of the funds shall be used to pay tuition at an institution of higher education to the extent that funds are available after payment to the local school administrative unit."

Section 2. There is appropriated from the General Fund to the State 22 Board of Education the sum of four million six hundred eighty-seven thousand two 23 hundred twelve dollars (\$4,687,212) for the 1997-98 fiscal year and the sum of four million nine hundred seventy-four thousand six hundred forty dollars (\$4,974,640) for 25 the 1998-99 fiscal year to assist with the costs of taking the Advanced Placement tests, 26 including the costs of the exams, materials and supplies for the exam, and the 27 education of teachers who instruct and prepare students for the exam.

Section 3. Except as provided otherwise, this act becomes effective July 28 29 1, 1997. G.S. 115C-496.1 and G.S. 115C-496.2 shall become effective July 1, 1998. 30 The State Board of Education shall develop policies for implementing this act.

House Bill 1199 Page 2

# **EXTRA SESSION 1998**

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# **HOUSE BILL 1262**

Short Title: School Utility Costs Paid by State. (Public) Representatives Brown; Davis, Goodwin, Hiatt, Moore, Morris, Sexton, Sponsors: Watson, and G. Wilson. Referred to: Appropriations.

# May 13, 1998

A BILL TO BE ENTITLED 1 2 AN ACT TO APPROPRIATE FUNDS FOR SCHOOL UTILITY COSTS.

3 The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-408(b) reads as rewritten:

"(b) To insure a quality education for every child in North Carolina, and to assure 6 that the necessary resources are provided, it is the policy of the State of North 7 Carolina to provide from State revenue sources the instructional expenses and utility 8 expenses for current operations of the public school system as defined in the standard 9 course of study.

It is the policy of the State of North Carolina that the facilities requirements for a 10 11 public education system will be met by county governments.

It is the intent of the 1983 General Assembly to further clarify and delineate the 12 13 specific financial responsibilities for the public schools to be borne by State and local 14 governments."

Section 2. There is appropriated from the General Fund to State Aid to 16 Local School Administrative Units the sum of one hundred fifty-eight million four 17 hundred seventy-five thousand three hundred fifty-one dollars (\$158,475,351) for the 18 1998-99 fiscal year for school utility costs.

Section 3. This act becomes effective July 1, 1998. 19

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# HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

# Thursday, July 2, 1998

# **MINUTES**

The House Appropriations Subcommittee on Education met on Thursday, July 2, 1998, at 8:30 a.m. in Room 421 of the Legislative Office Building.

Members present were Representatives Arnold, Grady and Preston, Co-chairs; Representatives Davis, Oldham, Reynolds, Rogers, Shubert Wood and Yongue.

Representative Preston called the meeting to order. The House pages, Laura Anderson of Edgecombe County, sponsored by Representative Joe Tolson and Audrey Bowerman of Wake County sponsored, by Representative Julia Howard.

Agenda items to be heard today was an explanation of the Education Section of Senate Bill 1366 (Senate Appropriations Bill) and Special Provisions by the Senate Report Committee.

Charlotte Todd of the Fiscal Research staff was recognized to review the Community College Budget and Special Provisions.

Questions and discussion followed this presentation.

Representative Preston next recognized Jim Newlin of the Fiscal Research staff for review of the University System portion of Senate Bill 1366.

Questions and discussion followed this presentation.

The meeting was adjourned to meet again on Tuesday, July 7, to continue discussion on the agenda items.

Respectfully submitted:

Representative Jean R. Preston, Co-Chair

Sandra B. Ellis, Committee Clerk

# HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

# JULY 2, 1998 AGENDA

Call to Order

Representative Jean Preston, Presiding

# Explanation of Education Section of Senate Bill 1366 (Senate Appropriations Bill)

A. Community Colleges

Charlotte Todd

B. University System

Jim Newlin

C. Public Schools

Jim Johnson

# APPROPRIATIONS/Subcommittee on Education 1997 - 98 HOUSE MEMBERS

1,2,98	
•/	

	MEMBER	TELEPHONE	OFFICE	SEAT	CLERK
,	G. Arnold,	3-5747	535	54	Kara McKoy
·~	Co-Chairman	919-443-1073(H)	Fax: 919-443-1073*51		•
					•
	R. Grady,	5-3024	402	37	Peggy Murray
	Co-Chairman	910-353-3579(B)			
,	J. Preston,	5-3026	403	38	Sandra Ellis
	Co-Chairman	910-354-6993	Fax: 919-354-5118		
	J. Black	5-4946	1229	31	Jean Mims
	J. DIACK	704-847-9938(H)	1227	31	Jean Millis
		704-347-5936(B)	Fax: 704-375-4003		·
		704-377-3230(D)	rax: /04-3/3-4003		
	D. Davis	5-3003	419C	89	Audrey Johnson
		910-897-7282(H)			•
	•	910-892-1841(B)	Fax: 910-99	7-8910	
		`,			
	P. Oldham	3-5877	538	58	Delta Prince
	* 41 (	910-767-6936(H)	Fax: 910-767-7035		
) ,	D. Reynolds	3-5820	533	76	
	,	910-578-9541			
	G. Rogers	5-3023	416A	35	Sally Gillis
	G. Rogers	919-792-4245(H)	410A	33	Sally Gills
		919-792-4245(H) 919-792-6354(B)			
		919-792-0554(D)			
, ,	F. Shubert	3-5771	2119	64	Dawn Ellis
		704-624-3519(H)	—— <del></del> -		
	·	704-624-2720(B)			
. 1.4	D. Yongue	3-5823	1305	94	Jenny Umstead
		910-276-1727(H)	Fax: 910-276-1727		

J. Johnson J. Newlin C. Taclol

#### **VISITOR REGISTRATION SHEET**

#### House APPROPRIATIONS/Subcommittee on Education Thursday, July 2, 1998 8:30 AM

Name of Committee

Date

#### VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

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#### FIRM OR AGENCY AND ADDRESS

Debual Ros	ALLA
Mad Dack	NCAF
Rèw Wilson	NCAE
Stephanie Summerson	NCJCDC
Carrie alteren	NC Office Science orlich.
an Quaen	WCGK
Dand Brown	OSBM
Kennon Briggs	mccc8
Hal Miller	neAceT
Maurice Kuj	O SBM
wo Miloy	UNC-dA
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#### **VISITOR REGISTRATION SHEET**

House APPROPRIATIONS/Subcommittee on Education Thursday, July 2, 1998 8:30 AM

Name of Committee

Date

#### VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

**NAME** 

#### FIRM OR AGENCY AND ADDRESS

any Van Ostrum	PENC
Jenner & Fragan	UNC-GA
Richard (Pote) Andrews	mc -CH
ann Berlam	SBE
Poper Mieters	SBE
Tullouel	NCAICU
Gene Causby	E- Esc
Elizabeth Drovenoteri	OSBM
and Potter O	OSBM
Jan Cratts	NCASA
Extheris Dairo	Eachi Cities DNC
Musan Harris	ElectriCities DNC WCP55

#### **VISITOR REGISTRATION SHEET**

House APPROPRIATIONS/Subcommittee on Education Thursday, July 2, 1998 8:30 AM

Name of Committee

Date

#### VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Leanne Winner	NC5BA
	·
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# **Public Education**

#### **GENERAL FUND**

Total Budget Approved 1997 Session	FY 98-99 \$4,493,194,418	
Budget Changes		
ABC Program		
1 ABC Bonus Awards 1997-98  Provide additional funds to pay the projected ABC bonus awards for FY1997-98. \$17,118,003 was earmarked from 1997-98 excess reversions.	\$0 !	NF
2 ABC Bonus Awards Provide funds to pay the projected ABC bonus awards for FY1998-99.	\$98,480,985	NF
3 ABC Accountability Provide funds to the State Board of Education to pay for existing end-of-grade and end-of-course tests authorized by the Board and the General Assembly. To begin pilot test for alternative assessments for exceptional children as required by federal law.	\$2,000,000 :	NF.
4 Assistance to Low Performing and At Risk Schools Funds to assist low performing and at risk schools.	\$2,000,000	NF
Excellent Schools Act		
5 Increase Teacher Salaries Implement the second year of the new teacher salary schedules called for in the Excellent Schools Act. North Carolina's goal is to increase teacher salaries to the national average. \$192,943,537 in recurring funds are located in the Compensation Reserves for this purpose.	\$C	, F
6 Teacher Longevity: 1997-98 Salary Increases  Appropriate funds to fund teacher longevity increases associated with the FY1998-99 salary increases that are a part of the Excellent Schools Act.	\$3,254,624	. R
7 Additional Pay for Extra Duties  Provide additional funds for teachers in low performing and at-risk schools. These funds will be used to pay for extra duties, student remediation and other teacher activities that lead to improved student performance. A portion of the nonrecurring funds may also be used for additional pay teachers who are a part of local assessment teams.	\$12,405,561 \$3,160,454	

_	OCI	late Substituting on Education		
	8	Extend Mentors to Second Year Teachers  Extend mentors to teachers who had mentors during their first year of teaching. Also provide mentors to instructional support personnel who are in their first year and who were not previously teachers.	\$5,473,776	NR
	9	Extra Pay for Forfeited Vacation Days  Provide additional funds to pay for forfeited teacher vacation days if the teacher teacher is required to work on an optional teacher workday, and did not have the opportunity to take vacation at another time.	\$4,250,000	R
	lmp	proving Student Performance		
	10	Funds for Limited Proficiency in English Students Provide funds to school systems with students who have limited proficiency in English.	\$5,000,000	NR
	11	School Technology Funds Increase School Technology Funds. An additional \$4,700,000 was earmarked from 1997-98 excess reversions.	\$5,300,000	NR
	12	Small School Supplemental Funding Provide additional fund for Small School Supplemental Funding.	\$3,000,000	NR
	13	Advanced Placement and International Baccalureate  Provide funds for pay for advanced placement examinations and international baccalaureate examinations. Funds also may be used for staff development costs for teachers.	\$2,846,195	NR
	14	A+ Schools Provides funds to continue the A+ Schools program.	\$500,000	NR
	15	Global Curriculum Funds Provide funds to continue the Global Curriculum program.	\$150,000	NR
	16	Total Quality Education  Provides funds to continue and to expand the Total Quality Education program.	\$650,000	NR
	17	School Leadership Pilot Funds Funds to the State Board of Education for a school leadership pilot project in two school districts. The school districts will participate in the nationwide program of the Center for Leadership in School Reform.	\$200,000	NR
	Pul	olic Instruction		
	18	Additional Certification Specialists  Provide \$160,000 through receipts to increase the number of certification specialists in the Department of Public	\$0	R

Page B2

Instruction.

_			
19	Charter School Administration Funds  Provide funds to the State Board of Education and the Local Government Commission to provide administrative support audit support for charter schools.	\$491,209	R
20	Student Information System Funds to begin the replacement of the Student Information System (SIMS)	\$1,000,000	NR
Tea	acher Development		
21	Teaching Fellows Program  Funds to increase the North Carolina Teaching Fellows scholarship from \$5,000 per year to \$6,500 per year.	\$2,400,000	R
22	National Board for Professional Teaching Standards  Provide funds to pay for North Carolina teachers to take the assessment established by the National Board for Professional Teaching Standards and for leave days to prepare for the assessment.	\$2,261,588	NR
23	Teacher Evaluation Instruments  Funds to the State Board of Education to develop and validate a new teacher performance appraisal instrument.	\$500,000	NR
Va	rious Budget Adjustments		
24	Funding for Increases in Average Daily Membership Provide funding for additional increases in average daily membership in FY1998-99.	\$26,553,765	R
25	Longevity Increases  Appropriate funds to fund teacher longevity increases associated with the FY1997-98 salary increases that were a part of the Excellent Schools Act. \$9,010,274 was earmarked from 1997-98 excess reversions	\$0	NR
26	Mentor Teachers  Provide full funding for mentor teachers to first year teachers or instructional support personnel who were not previously teachers.	\$9,235,124	NR
27	Average Annual Salary Adjustment  Annual adjustment in average salaries of certified personnel to reflect actual experience through December 1997.	(\$35,525,769)	R
28	School Bus Purchases  Purchase new school buses from nonrecurring funds.  \$24,199,403 was earmarked from 1997-98 excess reversions.	(\$24,199,403)	R

Budget Changes	(\$10,370,013)	R
budget onunges	\$141,758,122	NR
Total Position Changes		
Revised Total Budget	\$4,624,582,527	

UNC System

**GENERAL FUND** 

		FY 98-99	
Tot	al Budget Approved 1997 Session	\$1,455,260,484	
	Budget Changes		
A. L	INC Campuses		
	Base Budget Reductions Reduce each budget code by 0.1%	(\$1,502,974)	R
	New Facility Reserves Adjust reserves for new buildings based on estimated completion dates.	\$128,778 (\$952,617)	R NR
	Utilities Reductions Reduce utilities increases based on recent expenditures	(\$800,938)	R
	Span of Control Study Board of Governors is directed to use span of control study to improve efficiency of campuses' operations.	(\$3,595,609)	R
В. S	schedule of Priorities		
33	Enrollment Growth  Provide for growth of 1,100 additional students, reduced tuition receipts because of shift to more in-state students, and to implement new formula for enrollment changes.	\$13,730,338	R
34	Enrollment: Distance Learning & Off-Campus Degrees  Provides funding for courses offered off-campuses in order to increase access and to provide for increased capacity, based on projections of substantial enrollment growth.  A. Total Request \$13,636,958  B. Less Transfers from Cooperative PhD. Programs \$(253,929)  C. Eliminate on-campus undergraduate bonus factors \$(364,024)  D. Net Appropriation \$13,019,005	\$13,019,005	R
	Information Technology Funds for Computing and Technology to improve effectiveness of teaching and learning, service, and cost effectiveness	\$4,500,000 \$15,000,000	R NR
36	Libraries Improve library resources for constituent institutions.	\$10,000,000	NR

37	University Outreach to the Public Schools: A.  School Services Matching Incentive Grant Program  Funds for campuses to create partnerships with local school	\$975,000	NR
38	University Outreach to the Public Schools: B.  Principal Fellows Program Increase the number of fellows in the first year class from 76 to 100.	\$480,000	R
39	University Outreach to the Public Schools: C. Reading Together Additional General Fund support for this pilot program at UNC-Greensboro.	\$300,000	NR
40	University Outreach to the Public Schools: D  Learning Link: UNC TV Electronic Educational Community Improvements in interactive on-line service to public schools, linking University resources of all campuses to public school teachers	\$535,500	NR
41	Graduate Education and Research Provide additional support for graduate teaching and research assistants	\$8,000,000	R
42	Distinguished Professors Endowment Trust Fund  Additional state matching funds for program to increase endowed funding for faculty chairs.	\$5,600,000	NR
43	Inter-Institutional Programs  Manufacturing Extension Partnership  Continue state matching funds for federal grant to provide engineering services to small manufacturers in NC.	\$900,000	NR
C. /	Agricultural Programs		
44	Agricultural Enhancement  Provide increased support for non-salary operating costs in the Agricultural Research and Cooperative Extension programs at NC State.	\$1,400,000	R
45	Pfiesteria Research Provide operating funds to establish a Center for Applied Aquatic Ecology at NC State to facilitate research on toxic microorganisms	\$600,000 \$1,000,000	R NR
46	Matching Funds for Agricultural Grants  Provide funds to Agricultural Programs at NC Agricultural and Technical State University to match federal grants.	\$500,000	ŅR
47	Turfgrass Research Funds to continue turfgrass research projects at NC State University	\$500,000	NR

R۵	vised Total Budget	\$1,539,260,953	
Tof	tal Position Changes	\$37,692,883	NR
Bu	dget Changes	\$46,307,586	R
	Funds for the Institute of Marine Science at UNC-CH for study of sustainable oyster aquaculture.	\$300,000	NF
57	installed at NC Central University  Oyster Research		
56	Fiber Optic Infrastructure Funds to complete payment of fiber optic infrastructure	\$2,000,000	NF
55	Institute of Medicine Grant-in-aid funds for this Institute	\$400,000	NF
54	Learn NC Funding to expand efforts of UNC-Chapel Hill to provide services to public school teachers across the state.	\$1,000,000	F
53	Teacher Academy Funds to increase the number of programs offered in technology and literacy.	\$500,000	NF
52	Leadership NC Funds to support non-state training program serving 40 to 50 participants per year	\$75,000	NF
51	Center for Global Business Education and Research Funds for UNC-Greensboro to provide support services for volunteer group of organizations interested in world trade	\$60,000	NR
50	Poultry Research Funding for research in new and emerging diseases affecting the poultry industry. Funds are to be allocated to the College of Veterinary Medicine at NC State.	\$100,000	R
49	East Carolina Doctoral II Classification  Provides partial funding to recognize need to increase support to East Carolina, recently designated as a Doctoral II University.	\$2,000,000	F
E. (	Other Programs		
	Provides funding for increases in Legislative Tuition Grants (from \$1,450 to \$1,600 per year) and for need-based scholarship funds (from \$750 to \$900 per NC FTE per year).		
70	Aid to Students Attending Private Colleges	\$7,248,986	F



# Community Colleges

#### **GENERAL FUND**

Tot	al Budget Approved 1997 Session	FY 98-99 \$504,200,909	
	Budget Changes		
58	Enrollment Funds additional enrollment growth in the community college system.	\$2,000,000	R
59	Technology  Provides colleges recurring funds for management information technology staff, non-recurring funds for the purchase and development of software, and recurring funds for Department staff to provide computer and construction technical assistance to colleges as well as SIPS charges and other computer related costs.	\$9,000,000 \$1,000,000 12.00	R NR
60	Equipment and Books  Provides the same level of equipment and book funds to the community college system as it received in the prior fiscal year.	\$9,000,000	NR
61	Equipment Reserve  Creates a non-reverting equipment reserve fund to assist community colleges in meeting their backlog of equipment needs as documented in the Phase 3 Funding Study report to the State Board of Community Colleges.	\$21,200,000	NR
62	Multi-Campus Funds  Provides an equal amount of supplemental funding to those multi-campus college sites operated on an annual basis approved and recommended this year by the State Board of Community Colleges to the General Assembly. Sites operating less than a full year shall receive a pro rata share for the 1998-99 fiscal year.	\$1,000,000	R
63	Center for Applied Textile Technology  Expands the operating budget of the Center for Applied Textile Technology.	\$225,000	R
64	Center for Applied Textile Technology A grant-in-aid for operations at the Center for Applied Textile Technology.	\$300,000	NR
65	Operations and Maintenance of Plant Funds Restores the reduction in the operations and maintenance of plant funds to Central Carolina Community College and Southwestern Community College.	\$313,668	R

S Public Radio Station Funds Provides \$5,000 to each of the Community College System's two public radio stations.  67 Prison Program Start-Up Funds-Pamlico CC Provides funds to allow Pamlico Community College to start new prison education programs.  68 Reduction in Human Resources Development Program Reduces the Human Resources Development (HRD) program as recommended by the Governor.  69 Worker's Compensation Adjustment Accepts the Governor's reduction in the Department's Worker Compensation budget.  70 Departmental Reductions Reduces the Department's budget as recommended by the Governor in the warehouse rent line and vacant program assistant position.  71 MCC Matching Scholarship Endowment Funds Provides matching scholarship endowment funds for Montgomery Community College Foundation, Inc.  \$12,276,373 \$32,500,000 Total Position Changes	otal Budget	
Provides \$5,000 to each of the Community College System's two public radio stations.  67 Prison Program Start-Up Funds-Pamlico CC Provides funds to allow Pamlico Community College to start new prison education programs.  68 Reduction in Human Resources Development Program Reduces the Human Resources Development (HRD) program as recommended by the Governor.  69 Worker's Compensation Adjustment Accepts the Governor's reduction in the Department's Worker Compensation budget.  70 Departmental Reductions Reduces the Department's budget as recommended by the Governor in the warehouse rent line and vacant program assistant position.  71 MCC Matching Scholarship Endowment Funds Provides matching scholarship endowment funds for Montgomery Community College Foundation, Inc.  \$12,276,373	on Changes	
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Provides \$5,000 to each of the Community College System's	s funds to allow Pam	N
	s \$5,000 to each of t	

**Statewide Reserves** 

General	ΙFυ	nd
OCITICIDA DE		ıu

FY 98-99

				_
1	Salary Compensation Reserves		\$341,871,828	R
	Public Schools		4011,020	
	Raise Average Teacher Salary (6.5%)	\$192,943,537		
	Principals & Asst. Principals (8.7%	(i) \$ 18,437,996		
	Other Public School Employees (3%)			
	Subtotal	\$235,934,097		•
	Community Colleges (3%)	\$ 14,641,536		
	University Employees	`	·	
	EPA Employees (3%)	\$ 25,548,463		
	School of Science & Math (6.5%)	\$ 212,953		
	Sub <u>t</u> ota1	\$ 25,761,416		
	SPA Employees			
	University SPA Employees (2% + 1%)	\$ 12,368,250		
	Agency & Department SPA (2% + 1%)	\$ 43,089,837		
1	Subtotal	\$ 55,458,087	·	
	Other State Employees (3%)	\$ 7,912,764		
	Agency Teachers (6.5%)	\$ 2,163,928		
2	Reserve for 1% Compensation Bonus			
			\$43,171,138	NR
3	Reduce Funds for Retirement Rate Ad	justment	•	
	Due to Actuarial Gains in the Teache Retirement System		(\$42,909,070)	NR
4	Reduce Funds for Retirement Rate Ad	iustment		
	Due to actuarial gains in the Consol Retirement System		(\$1,472,800)	NR
5	Debt Service		(\$9,661,426)	R
	Reduction due to revised requirement	s for principal and	•	
	interest payments	3 To. principal and	(\$4,518,148)	NR
6	Reserve for Juvenile Justice Initiative		\$4,133,295	R
			\$13,214,192	NR
			Ψ10,217,132	
7	Reserve for Travel Rate Increase for St	ate Employees		
			\$1,000,000	NR
			. , ,	

#### Senate Reserves Report

#### Global Trans Park Reserve

\$5,325,000 NR

Total Reserves \$13,810,312 NR

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dministration  1 Reserve for State Veterans Nursing Home-Salisbury Renovation of a 100-bed nursing care unit  griculture and Consumer Services  2 N.C. State Fair Conservation Education Center-Design	General Fund	General Fund		
Statewide Capital		FY 98-9	9	
Administration			<u> </u>	
1 Reserve for State Veterans N Renovation of a 100-bed nurs	ursing Home-Salisbury sing care unit	\$1,000,000	) NR	
Agriculture and Consumer :	Services			
2 N.C. State Fair Conservation Education Cente	er-Design	\$500,000	NR	
3 Eastern Agriculture Center Funds for continued developm Covered Walkway	ent including Parking, Paving,and a	\$1,000,000	NR	
4 Southeastern Farmers Market Continued Development	and Agriculture Center	\$500,000	NR	
5 Union County Equine Facility-	Planning			
6 Umstead Farm Unit Authorizes the department to construction of nutrition and Farm Unit in Butner.	use timber receipts for FY 98-99 for the d animal care facilities at the Umstead	\$1,000,000	NR ,	
Total Requirements Less Receipts	\$533,000 (533,000)			
Appropriation	\$ 0			
ommunity Colleges  Center for Applied Textile Tech	поlоду			
Center for Applied Textile Tec	chnology Lab and Administration Building	\$2,000,000	NR	
Fayetteville Technical Communication Funds to construct the Model E	ity College Carly Childhood Education Center	\$3,000,000	NR	

#### Correction

	9 Central Prison-Acute Care Hospital Design of a new 90-bed facility	\$2,500,000	NR .
C	Cultural Resources	•	
1	O Museum of Art-Expansion and Renovation Design Funds	\$2,400,000	NR
1	1 Museum of the Albemarle-New Building Site preparation and beginning construction	\$7,000,000	NR
E	invironment and Natural Resources		
1:	2 State Match-Water Resources Projects Funds for the state share of federal civil works projects	\$7,300,000	NR
13	3 Construction/Renovation of Aquariums  Funds to complete Roanoke Island facility and to do site development at Pine Knoll Shores and Fort Fisher facilities	\$3,750,000	NR
14	4 Central Piedmont Aquarium-Planning	\$500,000	NR
15	Land Acquisition-Jocassee Lake-Transylvania County  Purchase land adjacent to Jocassee Lake to be preserved as a park, recreational, and scenic areas	\$5,000,000	NR
16	Detoxification of PCB Landfill in Warren County	\$3,000,000	NR
17	Channel Widening/Deepening-Wilmington Port To improve navigation for shipping terminals and industries.	\$4,800,000	NR
He	ealth and Human Services		
	Eastern School for the Deaf Construction of 11,000 sq. ft. Independent Living Complex in Wilson	\$1,040,000	NR
19	Cherry Hospital/Children and Youth Facility Replace an existing building which no longer meets federal standards	\$5,000,000	NR

2	20 New Whitaker School-Planning		
	Planning for a 33-bed facility	\$250,000	NR
2	1 Eastern Vocational Rehabilitation Facility/Goldsboro		
	Purchase an existing building for the expansion of the Traumatic Brain Injured Program	\$300,000	NR .
S	tate Ports	,	
2	2 Reserve for Continued Development of State Ports		
	Continued development of the state ports at Wilmington and Morehead City	\$2,000,000	NR
U	niversity of North Carolina-Board of Governors		
2:	3 East Carolina University		
	Science Laboratories and Technology Building-Site Development	\$3,200,000	NR
24	East Carolina University		
	Multipurpose Center-Matching Funds	\$2,000,000	NR
25	Elizabeth City State University		
	To complete Fine Arts and Mass Communications Building	\$948,600	NR
26	Fayetteville State University		
	Fine Arts and General Classroom Facility-Site Development	\$1,000,000	NR
27	North Carolina A&T State University		
	Campus Security Improvements	\$1,450,000	NR
28	North Carolina Central University		
	Health and Safety Repairs and Renovations	\$2,000,000	NR
29	School of the Arts		
	Basic Education Complex-Planning	\$800,000	NR
30	School of the Arts		
	Filmmaking Office/Classroom Post Production Complex	\$300,000	NR
31	North Carolina State University		
١.	Toxicology Building-Construction	\$13,806,100	NR

3	2 North Carolina State University		
	Engineering Instructional Facility-Advanced Planning	\$5,000,000	NR
33	3 North Carolina State University		
	Upfit and Equip Center for Marine Science and Technology Building	\$2,400,000	NR
34	North Carolina State University		
	Polk House-Funds to relocate and renovate	\$600,000	NR
3	North Carolina State University		
	Raulston Aboretum Education Center	\$3,400,000	NR
36	UNC-Asheville		
	Highsmith Center Renovation and Addition-Planning	\$1,000,000	NR
37	UNC-Chapel Hill	•	
	R.B. House Library-Renovation	\$9,332,700	NR
38	UNC-Chapel Hill		
	Medical Biomolecular Research Building-Site Development	\$6,000,000	NR
39	UNC-Chapel Hill		
	Paul Green Theater	\$1,000,000	NR
40	UNC-Chapel Hill		
	Additional renovations of Memorial Hall-Planning	\$1,000,000	NR
41	UNC-Chapel Hill		
	Addition and renovation of the Knapp Building	\$6,570,600	NR
42	UNC-General Administration		
	School Leadership Academy	\$2,000,000	NR
43	UNC-Charlotte		
	Academic Facilities-Humanities-Site Development	\$3,000,000	NR
44	UNC-Charlotte		
	Academic Facilities-Sciences-Planning	\$2,000,000	NR
45	UNC-Greensboro		
	Science Instructional Building-Site Development	\$7,700,000	NR

ota	l Capital Appropriation	\$135,348,000	NR
•	eg, comersion to bigital IV	\$1,100,000	NF
	UNC-Public Television Advanced Planning, Conversion to Digital TV		
	Computer Science Facility-Planning	\$700,000	N
8	Winston-Salem State University	\$2,500,000	٨
**	Western Carolina University  Fine and Performing Arts Center-Site Development	<b>6</b> 2 500 000	
	Regional Center for Economic, Professional and Community Development-	\$700,000	4
46	CHO! CHIDIORE		

# EDUCATION SPECIAL PROVISIONS

	1 2	Requested ALLOCAT	by: <b>ION</b> :	Senators Plyler, Perdue, Odom S FOR PUBLIC SCHOOLS
	3		Sec	tion Q (a) There is appropriated for 1007 00 G
	1	collections	41-	tion 9. (a) There is appropriated from 1997-88 General Fund over-
	4	conections	ine	sum of fifty-five million dollars (\$55,000,000) which shall be used as
	J	follows:		55,027,680
	6	•	(1)	\$17,118,003 to fulfill the State's obligations to public school
	7		(-)	employees the small state's obligations to public school
	ó	•		employees who qualified for performance bonuses for the 1997-98
	8	•		school year under the ABC's of Public Education Program.
1	9		(2)	\$9,010,274 to fulfill the State's obligations to public school teachers
10	)		` /	Who qualified for longerity payments for the 1007 of
1			(2)	who qualified for longevity payments for the 1997-98 school year;
			(3)	\$24,199,403 to permit the State Board of Education to order school
12				buses needed for the 1998-99 school year; and
13	3		(4)	\$4,700,000 for the State School Technology Fund to provide
14			( )	additional school technology Fund to provide
				additional school technology funds prior to the beginning of the
15				1998-99 school year.
16	5		(b)	This section shall not become effective if the allocations in subsection
17	7	(a) of this so	ectio	n are enacted in other legislation by the 1997 General Assembly.
		(-) 1115 5		in and character in other registation by the 1997 General Assembly.

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#### 1 CODE NO. 98DPI-S001-P

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Requested by: Senators Winner, Lee, Plyler, Perdue, Odom

3 TEACHER SALARY SCHEDULES

Section 9.1. (a) Effective for the 1998-99 school year, the Director of the 5 Budget may transfer from the Reserve for Compensation Increase for the 1998-99 6 fiscal year funds necessary to implement the teacher salary schedule set out in subsection (b) of this section, including funds for the employer's retirement and social security contributions and funds for annual longevity payments at one percent (1%) of base salary for 10 to 14 years of State service, one and one-half percent (1.5%) of 10 base salary for 15 to 19 years of State service, two percent (2%) of base salary for 20 11 to 24 years of State service, and four and one-half percent (4.5%) of base salary for 12 25 or more years of State service, commencing July 1, 1998, for all teachers whose salaries are supported from the State's General Fund. These funds shall be allocated to individuals according to rules adopted by the State Board of Education and the Superintendent of Public Instruction. The longevity payment shall be paid in a lump sum once a year.

(b)(1) For the 1998-99 school year, the following monthly salary schedules shall apply to certified personnel of the public schools who are classified as teachers. The schedule contains 30 steps with each step corresponding to one year of teaching experience.

#### 1998-99 Monthly Salary Schedule "A" Teachers

24			"A" leacners
25 26 27	Years of Experience	"A" Teachers	NBPTS Certification
28 29 30 31 33 34 35 36 37 38 39 40 41 42 44 45 47 48 49 51 55 55 55	0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25	2,310 2,352 2,395 2,551 2,678 2,779 2,826 2,874 2,923 2,972 3,021 3,071 3,123 3,176 3,230 3,285 3,341 3,398 3,456 3,516 3,577 3,640 3,703 3,703 3,703 3,703 3,832 3,899	N/A N/A N/A N/A 2,857 2,999 3,112 3,165 3,218 3,273 3,328 3,383 3,439 3,497 3,557 3,617 3,679 3,741 3,805 3,870 3,937 4,006 4,076 4,147 4,219 4,219 4,291 4,366

_ 4	1 26 2 27 3 28 4 29 +	3,968 4,038 4,109 4,182	4,444 4,522 4,602 4,683	
	5 5 7	1998-99 Mc	onthly Salary Sched G" Teachers	iule
10 11	Years of Experience	"G" Teachers	NBPTS Certification	
13 14 15 16 17 18 19 21 22 22 22 22 22 25 27 33 34 35 67 89 41 42 44 44 45 47 48 49 51 52	0 1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 + (2)	salary supplement of month in addition personnel of the pull Certified public so academic preparation salary supplement of month in addition personnel of the public serious for the 199	on at the six-year of one hundred twe to the compensa blic schools who are the doctoral of two hundred fifty to the compensa blic schools who are 18-99 school year.	rith certification based on degree level shall receive a enty-six dollars (\$126.00) per tion provided for certified re classified as "G" teachers. ith certification based on degree level shall receive a y-three dollars (\$253.00) per tion provided for certified e classified as "G" teachers. the first step of the salary step 5, corresponding to five
				<u>.</u>

1 years of experience, on the salary schedule established in this section for certified 2 personnel of the public schools who are classified as "G" teachers. psychologists shall be placed on the salary schedule at an appropriate step based on their years of experience. Certified psychologists shall receive longevity payments based on years of State service in the same manner as teachers.

Certified psychologists with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twentysix dollars (\$126.00) per month in addition to the compensation provided for certified psychologists. Certified psychologists with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two 11 hundred fifty-three dollars (\$253.00) per month in addition to the compensation 12 provided for certified psychologists.

(d) Effective for the 1998-99 school year, speech pathologists who are 14 certified as speech pathologists at the masters degree level and audiologists who are certified as audiologists at the masters degree level and who are employed in the 16 public schools as speech and language specialists and audiologists shall be paid on the

17 school psychologist salary schedule.

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Speech pathologists and audiologists with certification based on academic 19 preparation at the six-year degree level shall receive a salary supplement of one 20 hundred twenty-six dollars (\$126.00) per month in addition to the compensation provided for speech pathologists and audiologists. Speech pathologists and 22 audiologists with certification based on academic preparation at the doctoral degree 23 level shall receive a salary supplement of two hundred fifty-three dollars (\$253.00) per month in addition to the compensation provided for speech pathologists and audiologists.

(e) Effective for the 1998-99 school year, certified school nurses who are 27 employed in the public schools as nurses shall be paid on the "G" salary schedule.

CODE NO. 98DPI-S011B-P

Requested by: Senators Winner, Lee, Perdue

3 FUNDS TO IMPLEMENT THE ABC'S OF PUBLIC EDUCATION PROGRAM

Section 9.2. Section 8.36 of S.L. 1997-443 reads as rewritten:

"Section 8.36. (a) Of the funds appropriated to State Aid to Local School Administrative Units, the State Board of Education may use up to seventy two million four hundred thousand dollars (\$72,400,000) for the 1997-98 fiscal year to shall provide incentive funding for schools that meet or exceed the projected levels of improvement in student performance, in accordance with the ABC's of Public Education Program. In accordance with State Board of Education policy, incentive awards in schools that achieve higher than expected improvements may be up to: (i) one thousand five hundred dollars (\$1,500) for each teacher and for certified personnel; and (ii) five hundred dollars (\$500.00) for each teacher assistant. In meet the expected improvements may be up to: (i) seven hundred fifty dollars (\$750.00) for each teacher and for certified personnel; and (ii) three hundred seventy-

17 five dollars (\$375.00) for each teacher assistant.

18 (b) The State Board of Education may use funds appropriated to State Aid to 19 Local School Administrative Units for assistance teams to low-performing schools."

#### CODE NO. 98DPI-S025-P

Requested by: Senators Winner, Lee

3 EXTRA PAY FOR MENTOR TEACHERS

Section 9.3. (a) Funds appropriated to State Aid to Local School Administrative Units, shall be used to provide qualified and well-trained mentors for newly certified teachers, teachers who had mentors during the 1997-98 school year, and entry-level instructional support personnel who have not previously been teachers. These funds shall be used to compensate each mentor at the rate of (i) one hundred dollars (\$100.00) per month for a maximum of 10 months for serving as a mentor for a first year teacher during the school year, and (ii) one hundred dollars (\$100.00) for serving as a mentor for a first-year teacher for one day prior to the beginning of the school year.

13 (b) The State Board of Education may use funds for the mentor program
14 to evaluate the program. The State Board shall report the results of its evaluation to

15 the Joint Legislative Education Oversight Committee prior to March 5, 2000.

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Requested by: Senators Winner, Lee, Perdue

### 3 AID TO LOW-PERFORMING AND AT-RISK SCHOOLS

Section 9.4. (a) Funds appropriated for the 1998-99 fiscal year for aid to low-performing and at-risk schools shall be used to provide services to:

Elementary schools at which fifty percent (50%) of the students are below grade level on previous year's end-of-grade test, during the

1997-98 school year or the 1998-99 school year;

Middle schools at which fifty percent (50%) of the students in the (2) sixth grade were below grade level on their end-of-grade fifth grade tests during the 1997-98 school year or the 1998-99 school

The five percent (5%) of high schools in the State that have the (3) lowest composite scores on the ABC's accountability measures.

(b) Funds for salary-related items in the amounts of twelve million four 16 hundred five thousand five hundred sixty-one dollars (\$12,405,561) in recurring funds and three million one hundred sixty thousand four hundred fifty-four dollars (\$3,160,454) in nonrecurring funds shall be used as follows:

Up to ten percent (10%) of the nonrecurring funds on a statewide (1)basis may be used for salary supplements for teachers assigned to

local assessment teams;

The remainder of the funds shall be used for extra pay for extra (2) duties for teachers for such activities as Saturday academies and after school tutoring, for professional development, additional days of work outside of the 220 paid days in the school These days should be cooperatively planned by the calendar. principal and the faculty.

These funds shall be allocated by the State Board based on the average daily

membership of the school.

The Director of the Budget is encouraged to include these funds in the continuation budget for the 1999-2001 fiscal biennium.

(c) Funds for nonsalary items in the amount of two million dollars (\$2,000,000) shall be used only for staff development costs, and for textbooks,

34 instructional supplies, materials, and equipment.

(d) The principal of a low-performing or at-risk school, in consultation 36 with the faculty and the site-based management team, shall develop an initial plan for 37 improving the school. The plan shall include whole-staff training. The plan shall be 38 submitted to the local superintendent and approved by the local board prior to 39 submission to the State Board of Education. The plan shall be revised annually.

The plan shall be reviewed and accepted or rejected by the State Board 41 of Education within 30 days after receipt of the plan. The State Board may delegate 42 to the State Superintendent the responsibility for accepting or rejecting the plan.

The local board shall receive the money for each school for which a plan 44 is approved. The local board shall receive for each school for which a plan is approved a minimum of ten thousand dollars (\$10,000) from the funds in subsection 45 (c) of this section; the remainder of these funds shall be allocated on the basis of average daily membership. The State Board of Education shall allocate funds in 48 subsection (b) of this section on the basis of on teacher days based on average daily 49 membership of the school.

The State Board of Education is encouraged to use federal funds such as Goals 2000 and Comprehensive School Reform Demonstration Grants to 51

assist low-performing and at-risk schools.

1 (f) Funds allocated in subsections (b) and (c) of this section shall revert 2 on August 31, 1999.
3 (g) The State Board of Education

(g) The State Board of Education shall report to the Joint Legislative 4 Education Oversight Committee prior to December 1, 1998, on the plans and on the use of funds for Aid to Low-Performing and At-Risk Schools.

#### 1 CODE NO. 98DPI-S031-P

Requested by: Senators Winner, Lee, Perdue

3 ABC'S HIGH SCHOOL ACCOUNTABILITY MODEL

Section 9.5. The State Board of Education shall continue its efforts to improve the standards for determining whether high schools meet or exceed their projected levels of improvement in student performance in accordance with the ABC's of Public Education Program. The General Assembly urges the State Board to consider including in the standards (i) a measurement of improvement in individual students' performance, (ii) dropout rates, and (iii) a measurement of student enrollment and achievement in courses required for graduation, advanced placement courses, or other upper level courses.

#### 1 CODE NO. 98DPI-S018-P

Requested by: Senators Winner, Lee, Perdue SCHOOL-BASED ADMINISTRATOR SALARIES

Section 9.6. (a) Funds appropriated to the Reserve for Compensation Increase shall be used for the implementation of the salary schedule for school-based administrators as provided in this section. These funds shall be used for State-paid employees only.

8 (b) The salary schedule for school-based administrators shall apply only 9 to principals and assistant principals. The salary schedule for the 1998-99 fiscal year,

10 commencing July 1, 1998, is as follows:

11	, A	Assistant Prin	cipals		Principal I	
12 Step 13 14	Base	Base + 1%	Base + 2%	Base	Base + 1%	Base + 2%
15 16 4 17 5 18 6 19 7 20 8	\$2,873 2,983 3,033 3,085 3,137	\$2,902 3,013 3,063 3,116 3,168	\$2,930 3,043 3,094 3,147 3,200	   \$3,137	   \$3,168	   \$3,200
21 9 22 10 23 11 24 12 25 13 26 14	3,190 3,242 3,296 3,351 3,409 3,466	3,222 3,274 3,329 3,385 3,443 3,501	3,254 3,307 3,362 3,418 3,477 3,535	3,190 3,242 3,296 3,351 3,409 3,466	3,222 3,274 3,329 3,385 3,443 3,501	3,254 3,307 3,362 3,418 3,477
27 15 28 16 29 17 30 18 31 19 32 20	3,525 3,586 3,646 3,709 3,773 3,839	3,560 3,622 3,682 3,746 3,811 3,877	3,596 3,658 3,719 3,783 3,848 3,916	3,525 3,586 3,646 3,709 3,773 3,839	3,560 3,622 3,682 3,746 3,811 3,877	3,535 3,596 3,658 3,719 3,783 3,848 3,916
33 21 34 22 35 23 36 24 37 25 38 26	3,907 3,973 4,042 4,113 4,184 4,258	3,946 4,013 4,082 4,154 4,226 4,301	3,985 4,052 4,123 4,195 4,268 4,343	3,907 3,973 4,042 4,113 4,184 4,258	3,946 4,013 4,082 4,154 4,226 4,301	3,985 4,052 4,123 4,195 4,268 4,343
39 27 40 28 41 29 42 30 43 31 44 32	4,333 4,410 4,487 4,577 4,669	4,376 4,454 4,532 4,623 4,716	4,420 4,498 4,577 4,669 4,762	4,333 4,410 4,487 4,577 4,669 4,762	4,376 4,454 4,532 4,623 4,716 4,810	4,420 4,498 4,577 4,669 4,762 4,857
45 46 47 Step 48 49	Pri Base	incipal II Base + 1%	Base + 2%	Base	Principal III Base + 1%	Base + 2%
50 4 51 5						
52 6				 		
53 7	••					

1 8 2 9 3 10 4 11 5 12 6 13 7 14 8 15 9 16 10 17 11 18 12 19 13 20 14 21 15 22 16 23 17 24 18 25 19 26 20 27 21 28 22 29 23 30 24 31 25 32 26 33 27 34 28 35	\$3,296 3,351 3,409 3,466 3,525 3,586 3,646 3,709 3,773 3,839 3,907 3,973 4,042 4,113 4,184 4,258 4,333 4,410 4,487 4,577 4,669 4,762 4,857 4,954 5,053	\$3,329 3,385 3,443 3,501 3,560 3,622 3,682 3,746 3,811 3,877 3,946 4,013 4,082 4,154 4,226 4,301 4,376 4,454 4,532 4,623 4,716 4,810 4,906 5,004 5,104	\$3,362 3,418 3,477 3,535 3,596 3,658 3,719 3,783 3,848 3,916 3,985 4,052 4,123 4,195 4,268 4,343 4,420 4,498 4,577 4,669 4,762 4,857 4,954 5,053 5,154		\$3,466 3,525 3,586 3,646 3,709 3,773 3,839 3,907 3,973 4,042 4,113 4,184 4,258 4,333 4,410 4,487 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257	 \$3,501 3,560 3,622 3,682 3,746 3,811 3,877 3,946 4,013 4,082 4,154 4,226 4,301 4,376 4,454 4,532 4,623 4,716 4,810 4,906 5,004 5,104 5,206 5,310	3,535 3,535 3,596 3,658 3,719 3,783 3,848 3,916 3,985 4,052 4,123 4,195 4,268 4,343 4,420 4,498 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,053 5,154 5,257 5,362
29 36 0		. 1 77 7			5,362	5,416	5,469
31 32 Step 33 34 35 4	Base	cipal IV Base + 1%	Base + 2%	,	Base Page	rincipal V Base + 1%	Base + 2%
35 4 36 5 37 6 38 7 39 8 40 9 41 10 42 11 43 12 44 13 45 14 46 15 47 16 48 17 49 18 50 19 51 20 52 21 53 22	\$3,586 3,646 3,709 3,773 3,839 3,907 3,973 4,042 4,113 4,184	\$3,622 3,682 3,682 3,746 3,811 3,877 3,946 4,013 4,082 4,154 4,226	\$3,658 3,719 3,783 3,848 3,916 3,985 4,052 4,123 4,195 4,268		\$3,709 3,773 3,839 3,907 3,973 4,042 4,113 4,184 4,258	\$3,746 3,811 3,877 3,946 4,013 4,082 4,154 4,226 4,301	\$3,783 3,848 3,916 3,985 4,052 4,123 4,195 4,268 4,343

1 23 2 24 3 25 4 26 5 27 6 28 7 29 8 30 9 31 10 32 11 33 12 34 13 35 14 36 15 37 16 38 17 39 18 40 19 41 20	4,258 4,333 4,410 4,487 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578	4,301 4,376 4,454 4,532 4,623 4,716 4,810 4,906 5,004 5,104 5,206 5,310 5,416 5,524 5,634	4,343 4,420 4,498 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578 5,690	4,333 4,410 4,487 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578 5,689 5,803	4,376 4,454 4,532 4,623 4,716 4,810 4,906 5,004 5,104 5,206 5,310 5,416 5,524 5,634 5,746 5,861	4,420 4,498 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578 5,690 5,803 5,919
21 22 Step 23 24	P Base	rincipal VI Base + 1%	Base + 2%	Base	Principal Base + 1%	VII Base + 2%
25 <del>4</del> 26 5						**
27 6					·	
28 7 29 8				**		
30 9					, <del></del>	
31 10				<b></b>		· <b></b>
32 11						<b></b>
33 12						
34 13						
35 14 36 15						
37 16	\$3,907	\$2 046	#2 00 <i>E</i>		***	
38 17 39 18 40 19 41 20 42 21 43 22 44 23 45 24 46 25 47 26 48 27 49 28 50 29 51 30 52 31 53 32	3,973 4,042 4,113 4,184 4,258 4,333 4,410 4,487 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257	\$3,946 4,013 4,082 4,154 4,226 4,301 4,376 4,454 4,532 4,623 4,716 4,810 4,906 5,004 5,104 5,206 5,310	\$3,985 4,052 4,123 4,195 4,268 4,343 4,420 4,498 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362	\$4,113 4,184 4,258 4,333 4,410 4,487 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469	\$4,154 4,226 4,301 4,376 4,454 4,532 4,623 4,716 4,810 4,906 5,004 5,104 5,206 5,310 5,416 5,524	\$4,195 4,268 4,343 4,420 4,498 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578

1 33 2 34 3 35 4 36 5 37 6 38 7 39 8 40 9 41 10 11 12 Step 13 14	5,362 5,469 5,578 5,689 5,803 5,920 6,038 6,159	5,416 5,524 5,634 5,746 5,861 5,979 6,098 6,221  Principal VIII Base + 1%	5,469 5,578 5,690 5,803 5,919 6,038 6,159 6,282  Base + 2%		5,578 5,689 5,803 5,920 6,038 6,159 6,282 6,407 6,536	5,634 5,746 5,861 5,979 6,098 6,221 6,345 6,471 6,601	5,690 5,803 5,919 6,038 6,159 6,282 6,408 6,535 6,667
15 4 16 5 17 6 18 7 19 8	   	  	  	•			
20 9 21 10 22 11 23 12	  	  					
24 13 25 14 26 15 27 16	  	  	  				
28 17 29 18 30 19 31 20 32 21 33 22 34 23 35 24 36 25 37 26 38 27 39 28 40 29 41 30 42 31 43 32 44 33 45 34 46 35 47 36 48 37 49 38 50 39 51 40 52 41 53	\$4,258 4,333 4,410 4,487 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578 5,689 5,803 5,920 6,038 6,159 6,282 6,407 6,536 6,667	\$4,301 4,376 4,454 4,532 4,623 4,716 4,810 4,906 5,004 5,104 5,206 5,310 5,416 5,524 5,634 5,746 5,861 5,979 6,098 6,221 6,345 6,471 6,601 6,734	\$4,343 4,420 4,498 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578 5,690 5,803 5,919 6,038 6,159 6,282 6,408 6,535 6,667 6,800				

The appropriate classification for placement of principals and assistant principals on the salary schedule, except for principals in alternative schools, shall be determined in accordance with the following schedule:

Number of Teachers Classification Supervised Assistant Principal

Principal I Fewer than 11 Teachers Principal II 11-21 Teachers Principal III 22-32 Teachers Principal IV 33-43 Teachers Principal V 44-54 Teachers Principal VI 55-65 Teachers Principal VII 66-100 Teachers

Principal VIII More than 100 Teachers

The number of teachers supervised includes teachers and assistant principals paid from State funds only; it does not include teachers or assistant principals paid from non-State funds or the principal or teacher assistants.

The beginning classification for principals in alternative schools shall be the Principal III level. Principals in alternative schools who supervise 33 or more

teachers shall be classified according to the number of teachers supervised. 20

(d) A principal shall be placed on the step on the salary schedule that reflects total number of years of experience as a certificated employee of the public schools and an additional step for every three years of experience as a principal.

(e) For the 1998-99 fiscal year, a principal or assistant principal shall be

placed on the appropriate step plus one percent (1%) if:

The employee's school met or exceeded the projected levels of (1) improvement in student performance for the 1997-98 fiscal year, in accordance with the ABCs of Public Education Program; or

The local board of education found in 1997-98 that the employee's school met objectively measurable goals set by the local board of

education for maintaining a safe and orderly school.

The principal or assistant principal shall be placed on the appropriate step plus two percent (2%) if the conditions set out in both subdivisions (1) and (2) are satisfied. The principal or assistant principal shall receive a lump-sum payment for the 1998-99 35 fiscal year service if the conditions set out in subdivision (1) or (2) or both are The lump sum shall be paid as determined by guidelines adopted by the State Board. Placement on the salary schedule in the following year shall be based 38 upon these increases.

(f) For the 1998-99 fiscal year, a principal or assistant principal shall

40 receive a lump sum payment of:

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One percent (1%) of his or her State-paid salary if the employee's school meets or exceeds the projected levels of improvement in student performance for the 1998-99 fiscal year, in accordance with the ABCs of Public Education Program; or

(2)One percent (1%) of his or her State-paid salary if the local board of education finds that the employee's school has met the goals of

the local plan for maintaining a safe and orderly school.

48 The principal or assistant principal shall receive a lump-sum payment of two percent (2%) if the conditions set out in both subdivisions (1) and (2) are satisfied. The lump 50 sum shall be paid as determined by guidelines adopted by the State Board. Placement on the salary schedule in the following year shall be based upon these 51 52 increases.

- Principals and assistant principals with certification based on academic preparation at the six-year degree level shall be paid a salary supplement of one hundred twenty-six dollars (\$126.00) per month and at the doctoral degree level shall be paid a salary supplement of two hundred fifty-three dollars (\$253.00) per 5 month.
- (h) There shall be no State requirement that superintendents in each 7 local school unit shall receive in State-paid salary at least one percent (1%) more 8 than the highest paid principal receives in State salary in that school unit: Provided, 9 however, the additional State-paid salary a superintendent who was employed by a 10 local school administrative unit for the 1992-93 fiscal year received because of that 11 requirement shall not be reduced because of this subsection for subsequent fiscal 12 years that the superintendent is employed by that local school administrative unit so 13 long as the superintendent is entitled to at least that amount of additional State-paid 14 salary under the rules in effect for the 1992-93 fiscal year.

Longevity pay for principals and assistant principals shall be as

16 provided for State employees.

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(j)(1) If a principal is reassigned to a higher job classification because the principal is transferred to a school within a local school administrative unit with a larger number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the higher job classification.

(2) If a principal is reassigned to a lower job classification because the principal is transferred to a school within a local school administrative unit with a smaller number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal

at the lower job classification.

This subdivision applies to all transfers on or after the effective date of this section, except transfers in school systems that have been created, or will be created, by merging two or more Transfers in these merged systems are exempt school systems. from the provisions of this subdivision for one calendar year

following the date of the merger.

(k) Participants in an approved full-time masters in school administration 36 program shall receive up to a 10-month stipend at the beginning salary of an assistant 37 principal during this internship period. Certification of eligible full-time interns shall 38 be supplied to the Department of Public Instruction by the Principal's Fellow Program or the School of Education at The University of North Carolina at Chapel 40 Hill where the intern participates in a full-time masters in school administration 41 language.

1	CODE NO. 98DPI-S030-P
2	Requested by: Senators Winner, Lee, Perdue
3	PRÎNCIPAL SALARY STUDIES
4	Section 9.7. Section 8.43(d) of S.L. 1997-443 reads as rewritten.
5	(a) The State Board of Education may use up to fifty thousand dollars (\$50,000
6	of fullus applicabilities by this act to state Aid to Local School Administrative times
7	for the 1997-98 1998-99 fiscal year to study principals' salaries including the
8	including:
9	(1) The relationship of principals' salaries to the salaries of teacher
10	and other certified school personnel: personnel;
11	(2) Whether the current relationship between the teacher and
12	principal salary schedules should be increased to a three percen
13	(3%) differential;
12 13 14 15	(3) Whether assistant principals should be given additional steps for
15	<u>years of experience; and</u>
16	The appropriate relationship of principal's salary to size of school.
17	The State Board of Education shall report the results of the study to the Joint
l8	Legislative Education Oversight Committee prior to December 15, 1998 "

1 CODE NO. 98DPI-S002-P

Requested by: Senators Cooper, Winner, Lee

COMMUNITIES IN SCHOOLS FUNDS/DO NOT REVERT

Section 9.8. (a) Funds allocated to Communities in Schools of the Rocky

Mount Region, Inc., for the 1997-98 fiscal year shall not revert at the end of the fiscal year but shall remain available for expenditure during the 1998-99 fiscal year.

(b) This section becomes effective June 30, 1998.

1 2	CODE NO. 98DPI-S003A-P Requested by: Senators Winner, Lee, Perdue
3	S SCHOOL ACTIVITY BUS USAGE AUTHORIZED UNDER CERTAIN
5	Section 9.9. G.S. 66-58(c) is amended by adding a new subdivision to read:
8	"(9b) The use of a public school activity bus by a nonprofit corporation or a unit of local government to provide transportation services to
9 10	school-aged and preschool-aged children and their caretakers and instructors."

CODE NO. 98DPI-S004A-P

Requested by: Senators Winner, Lee SCHOOL BOARD QUICK TAKE

Section 9.10. G.S. 40A-42(a) reads as rewritten:

"(a) When a local public condemnor is acquiring property by condemnation for a purpose set out in G.S. 40A-3(b)(1), (4) or (7), or when a city is acquiring property for a purpose set out in G.S. 160A-311(1), (2), (3), (4), (6), or (7), or when a county is acquiring property for a purpose set out in G.S. 153A-274(1), (2) or (3), or when a local board of education or any combination of local boards is acquiring property for any purpose set forth in G.S. 115C-517, or when a condemnor is acquiring property by condemnation as authorized by G.S. 40A-3(c)(8), (9), (10) or (12), title to the property and the right to immediate possession shall vest pursuant to this subsection. Unless an action for injunctive relief has been initiated, title to the property specified in the complaint, together with the right to immediate possession thereof, shall vest in the condemnor upon the filing of the complaint and the making of the deposit in accordance with G.S. 40A-41."

CODE NO. 98DPI-S005-P
Requested by: Senators Winner, Lee
LITIGATION RESERVE
Section 9.11. (a) Funds in the State Board of Education's Litigation
Reserve that are not expended or encumbered on June 30, 1998, shall not revert on
July 1, 1998, but shall remain available for expenditure until June 30, 1999.

(b) The State Board of Education may expend up to five hundred thousand dollars (\$500,000) for the 1998-99 fiscal year from unexpended funds for certified employees' salaries to pay expenses related to pending litigation.

(c) Subsection (a) of this section becomes effective June 30, 1998.

CODE NO. 98DPI-S006-P

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Requested by: Senators Winner, Lee 3 EXCEPTIONAL CHILDREN FUNDS

Section 9.12. (a) The funds appropriated for exceptional children in this act shall be allocated as follows:

- Each local school administrative unit shall receive for academically (1)gifted children the sum of seven hundred forty-six dollars and ninety-five cents (\$746.95) per child for four percent (4%) of the 1998-99 allocated average daily membership in the local school administrative unit, regardless of the number of children identified as academically gifted in the local school administrative unit. The total number of children for which funds shall be allocated pursuant to this subdivision is 49,828 for the 1998-99 school year.
- (2) Each local school administrative unit shall receive for exceptional children other than academically gifted children the sum of two thousand two hundred forty-eight dollars and thirty-nine-cents (\$2,248.39) per child for the lesser of (i) all children who are identified as exceptional children other than academically gifted children or (ii) twelve and five-tenths percent (12.5%) of the 1998-99 allocated average daily membership in the local school administrative unit. The maximum number of children for which funds shall be allocated pursuant to this subdivision is 147,334 for the 1998-99 school year.

The dollar amounts allocated under this subsection for exceptional children shall also increase in accordance with legislative salary increments for personnel who serve exceptional children.

(b) To the extent that funds appropriated for exceptional children other 28 than academically gifted children are adequate to do so, the State Board of Education may allocate these funds to provide services for severely disabled children in school units and in group homes.

2 3 4 5 6 7 8 9	CODE NO. 98DPI-S007B-P Requested by: Senators Winner, Lee ALTERNATIVE SCHOOLS/AT-RISK STUDENTS Section 9.13. The State Board of Education may use up to two hundred thousand dollars (\$200,000) of the funds in the Alternative Schools/At-Risk Student allotment for the 1998-99 fiscal year to:  (1) Implement G.S. 115C-12(24), and (2) Conduct studies of alternative schools and access to alternative schools, as required by Senate Bill 1260 or House Bill 1373, if
10 11	schools, as required by Senate Bill 1260 or House Bill 1373, if enacted by the 1998 Regular Session of the 1997 General Assembly.

CODE NO. 98DPI-S010B-P

Requested by: Senators Winner, Lee

CHARTER SCHOOLS

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Section 9.14. (a) If the projected average daily membership of schools other than charter schools in a county school administrative unit with 3,000 or fewer students is decreased by more than four percent (4%) due to projected shifts of enrollment to charter schools, the State Board of Education may use funds appropriated to State Aid to Local School Administrative Units for the 1998-99 fiscal year to reduce the loss of funds to the schools other than charter schools in the unit 10 to a maximum of four percent (4%). This subsection applies to the 1998-99 fiscal year only.

(b) G.S. 115C-238.29D reads as rewritten:

"§ 115C-238.29D. Final approval of applications for charter schools.

(a) The State Board shall grant final approval of an application if it finds that the 15 application meets the requirements set out in this Part or adopted by the State Board of Education and that granting the application would achieve one or more of the purposes set out in G.S. 115C-238.29Å. The State Board shall act by March 15 of a calendar year on all applications and appeals it receives prior to February 15 of that calendar year.

(b) The State Board shall authorize no more than five charter schools per year in one local school administrative unit. The State Board shall authorize no more than 100 charter schools statewide. If more than five charter schools in one local school administrative unit or more than 100 schools statewide meet the standards for final approval, the State Board shall give priority to applications that are most likely to further State education policies and to strengthen the educational program offered in the local school administrative units in which they are located.

(c) The State Board of Education may authorize a school before the applicant has secured its space, equipment, facilities, and personnel if the applicant indicates the authority is necessary for it to raise working capital. The State Board shall not

allocate any funds to the school until the school has obtained space.

(d) The State Board of Education may grant the initial charter for a period not to exceed five years and may renew the charter upon the request of the chartering entity 33 for subsequent periods not to exceed five years each. A material revision of the 34 provisions of a charter application shall be made only upon the approval of the State. 35 Board of Education. Beginning with the charter school's second year of operation 36 and annually thereafter, the State Board shall allow a charter school to increase its enrollment by ten percent (10%) of the school's previous year's enrollment or as is otherwise provided in the charter. This enrollment growth shall not be considered a material revision of the charter application and shall not require the prior approval of 40 the State Board.

(e) The State Board of Education shall not grant an initial charter to a school or approve a material change to a charter that is projected to result in a decrease in one 42 school year, due to shifts of enrollment to charter schools, of more than four percent (4%) of the average daily membership of schools other than charter schools in a local school administrative unit."

(c) G.S. 115C-238.29F(d) reads as rewritten:

"(d) Instructional Program. --

The school shall provide instruction each year for at least 180 days. The school shall design its programs to at least meet the student

performance standards adopted by the State Board of Education and the student performance standards contained in the charter.

A charter school shall conduct the student assessments required for (3) charter schools by the State Board of Education. In conducting

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these assessments, the school shall be subject to the State Board's policies and guidelines on testing ethics.

(4) A charter school is a local educational agency for the purpose of G.S. 115C-110. The school shall comply with policies adopted by the State Board of Education for charter schools relating to the education of children with special needs.

(5) The school is subject to and shall comply with Article 27 of Chapter 115C of the General Statutes, except that a charter school may also exclude a student from the charter school and return that student to another school in the local school administrative unit in accordance with the terms of its charter."

(d) G.S. 115C-238.29F(e)(3) reads as rewritten:

If a teacher employed by a local school administrative unit makes a written request for an extended leave of absence to teach at a charter school, the local school administrative unit shall grant the leave. The local school administrative unit shall is required to grant a leave of absence for any number of years requested by the teacher, teacher up to four years and shall to extend the leave of absence for any number of years requested by the teacher, and shall extend the leave at the teacher's request. teacher, so long as the total number of years requested does not exceed four. The local school administrative unit is authorized to grant a leave of absence or an extension of a leave of absence for a total of more than four years if it finds it is in the best interest of the unit to do so. For the initial year of a charter school's operation, the local school administrative unit may require that the request for a leave or extension of leave be made up to 45 days before the teacher would otherwise have to report for duty. For subsequent years, the local school administrative unit may require that the request for a leave or extension of leave be made up to 90 days before the teacher would otherwise have to report for duty. A teacher who has career status under G.S. 115C-325 prior to receiving an extended leave of absence to teach at a charter school may return to a public school in the local school administrative unit with career status at the end of the leave of absence or upon the end of employment at the charter school if an appropriate position is available. If an appropriate position is unavailable, the teacher's name shall be placed on a list of available teachers and that teacher shall have priority on all positions for which that teacher is qualified in accordance with G.S. 115C-325(e)(2)."

(e) The State Board of Education may spend up to fifty thousand dollars (\$50,000) from State Aid to Local School Administrative Units for the 1998-99 fiscal year to establish a charter school advisory committee.

(f) G.S. 115C-238.29F(f) reads as rewritten:

"(f) Accountability. --

- (1) The school is subject to the financial audits, the audit procedures, and the audit requirements adopted by the State Board of Education for charter schools. These audit requirements may include the requirements of the School Budget and Fiscal Control Act.
- (2) The school shall comply with the reporting requirements established by the State Board of Education in the Uniform Education Reporting System.

(3) The school shall report at least annually to the chartering entity and the State Board of Education the information required by the chartering entity or the State Board. (4)The school shall report electronically to the local board of education on students enrolled in the school and on students who withdraw or drop out of the school. The State Board of Education shall determine the content, format, and timing of this report."

8 (g) The State Board of Education shall examine the funding formula for charter schools and its impact on public schools, giving special attention to the 10 impact of the formula on instructional programs, school-building administration, and 11 school transportation.

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The State Board shall report electronically its findings to the Joint 13 Legislative Education Oversight Committee prior to December 15, 1998.

### CODE NO. 98DPI-S012A-P

Requested by: Senators Winner, Lee

### TESTING

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Section 9.15. (a) Of the funds appropriated for State Aid to Local School Administrative Units, the State Board of Education may use up to two million dollars (\$2,000,000) for the 1998-99 fiscal year to:

(1)Cover cost increases in end-of-grade, end-of-course, and other tests previously authorized by the SBE and the General Assembly, that

are caused by increases in average daily membership;

(2)Reestablish high school end-of-course tests previously established by the State Board of Education in accordance with Section 8.27 of S.L. 1997-443;

(3) Develop new end-of-course tests required for high school, in accordance with Section 8.27 of S.L. 1997-443; and

(4) Begin the development of alternative assessments for children with

special needs.

The General Assembly encourages the Director of the Budget to include these funds in the continuation budget request for the 1999-2000 fiscal year and subsequent fiscal years.

(b) G.S. 115C-174.11(c)(1) reads as rewritten: "(1)

The State Board of Education shall adopt a system of annual testing for grades three through 12. These tests shall be designed to measure progress toward reading, communication skills, and mathematics for grades three through eight, and toward competencies designated by the State Board for grades nine through 12. Notwithstanding subsection (a) of this section, the State Board shall develop and implement a study allowing selected local school administrative units that volunteer to administer a standardized test in May, 12 months prior to the third grade end-of-grade test, in order to establish a baseline that will be used to measure academic growth at the end of third grade. Initially, the State Board shall select 12 volunteer local school administrative units that are diverse in geography and size to participate in the study. If the State Board determines that a standardized test administered in May, 12 months prior to the third grade end-ofgrade test, is more reliable than a standardized test administered at the beginning of third grade for the purpose of measuring academic growth, the State Board may change the test date for additional local school units. The State Board shall report the results of the study to the Joint Legislative Education Oversight Committee by October 15, 2000.

Baseline measurements administered in May, 12 months prior to the third grade end-of-grade test, are not public records

provided in Chapter 132 of the General Statutes."

SUBSTITUTÉ TEACHERS

Section 9.16. (a) G.S. 115C-12(8) reads as rewritten:

"(8) Power to Make Provisions for Sick Leave and for Substitute Teachers. -- The Board shall provide for sick leave with pay for all public school employees in accordance with the provisions of this Chapter and shall promulgate rules and regulations providing for necessary substitutes on account of sick leave and other teacher absences.

The pay for a substitute shall be fixed by the Board. The minimum pay for a substitute teacher who holds a teaching certificate shall be fifty-four percent (54%) of the daily pay rate of an entry-level teacher with an 'A' certificate. The minimum pay for a substitute teacher who does not hold a teaching certificate shall be thirty-eight percent (38%) of the daily pay rate of an entry-level teacher with an 'A' certificate. The pay for noncertified substitutes shall not exceed the pay of certified substitutes.

Local boards may use State funds allocated for substitute teachers to hire full-time substitute teachers.

If a teacher assistant acts as a substitute teacher, the salary of the teacher assistant for the day shall be the same as the daily salary of an entry-level teacher with an 'A' certificate.

The Board-may provide to each local school administrative unit not exceeding one percent (1%) of the cost of instructional services for the purpose of providing substitute teachers for those on sick leave as authorized by law or by regulations of the Board, but not exceeding the provisions made for other State employees."

(b) If the average number of substitute teacher days taken by teachers in a local school administrative unit is higher than the statewide average, the local board of education shall determine the reasons unit average is high and shall develop a plan for decreasing the unit average.

CODE NO. 98DPI-S014-P

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Requested by: Senators Winner, Lee

TORT CLAIM LIABILITY/SCHOOL BUSES

Section 9.17. (a) G.S. 115C-257 reads as rewritten:

"§ 115C-257. Attorney General to pay claims.

The Attorney General is hereby authorized to pay reasonable medical expenses, not to exceed six hundred dollars (\$600.00), three thousand dollars (\$3,000), incurred within one year from the date of accident to or for each pupil who sustains bodily injury or death caused by accident, while boarding, riding on, or alighting from a school bus operated by any local school administrative unit.

b) G.S. 143-300.1 reads as rewritten:

"§ 143-300.1. Claims against county and city boards of education for accidents

involving school buses or school transportation service vehicles.

(a) The North Carolina Industrial Commission shall have jurisdiction to hear and 15 determine tort claims against any county board of education or any city board of education, which claims arise as a result of any alleged mechanical defects or other defects which may affect the safe operation of a public school bus or school transportation service vehicle resulting from an alleged negligent act of maintenance personnel or as a result of any alleged negligent act or omission of the driver driver, volunteer, or monitor of a public school bus or school transportation service vehicle when:

> (1) The salary of that driver is paid or authorized to be paid from the State Public School Fund, and the driver is an employee of the county or city administrative unit of which that board is the governing body,

> The monitor was appointed and acting in accordance with G.S. <u>(1a)</u>

115C-245(d),

The volunteer was aboard the bus with the permission of the (1b) principal or was assisting a student in entering or leaving the bus,

(2) The driver is an unpaid school bus driver trainee under the supervision of an authorized employee of the Department of Transportation, Division of Motor Vehicles, or an authorized employee of that board or a county or city administrative unit thereof,

and which driver was at the time of the alleged negligent act or omission operating a public school bus or school transportation service vehicle in the course of his employment by or training for that administrative unit or board, board, which monitor was acting as such in the course of serving under G.S. 115C-245(d), or which 40 volunteer was aboard the bus with the permission of the principal or was assisting a student in entering or leaving the bus. The liability of such county or city board of education, the defenses which may be asserted against such claim by such board, the amount of damages which may be awarded to the claimant, and the procedure for filing, hearing and determining such claim, the right of appeal from such determination, the effect of such appeal, and the procedure for taking, hearing and 46 determining such appeal shall be the same in all respects as is provided in this Article with respect to tort claims against the State Board of Education except as hereinafter provided. Any claim filed against any county or city board of education pursuant to this section shall state the name and address of such board, the name of the employee 50 upon whose alleged negligent act or omission the claim is based, and all other information required by G.S. 143-297 in the case of a claim against the State Board of 52 Education. Immediately upon the docketing of a claim, the Industrial Commission 53 shall forward one copy of the plaintiff's affidavit to the superintendent of the schools

1 of the county or city administrative unit against the governing board of which such 2 claim is made, one copy of the plaintiff's affidavit to the State Board of Education 3 and one copy of the plaintiff's affidavit to the office of the Attorney General of North 4 Carolina. All notices with respect to tort claims against any such county or city board 5 of education shall be given to the superintendent of schools of the county or city 6 administrative unit of which such board is a governing board, to the State Board of Education and also to the office of the Attorney General of North Carolina.

(b) The Attorney General shall be charged with the duty of representing the city 9 or county board of education in connection with claims asserted against them 10 pursuant to this section where the amount of the claim, in the opinion of the 11 Attorney General, is of sufficient import to require and justify such appearance.

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(c) In the event that the Industrial Commission shall make award of damages 13 against any county or city board of education pursuant to this section, the Attorney 14 General shall draw a voucher for the amount required to pay such award. The funds 15 necessary to cover vouchers written by the Attorney General for claims against 16 county and city boards of education for accidents involving school buses and school 17 transportation service vehicles shall be made available from funds appropriated to the 18 Department of Public Instruction. Neither the county or city boards of education, or 19 the county or city administrative unit shall be liable for the payment of any award 20 made pursuant to the provisions of this section in excess of the amount paid upon such voucher by the Attorney General. Settlement and payment may be made by the Attorney General as provided in G.S. 143-295.

(d) The Attorney General may defend any civil action which may be brought 24 against the driver driver volunteer, or monitor of a public school bus or school transportation service vehicle or school bus maintenance mechanic when such driver 26 or mechanic is paid or authorized to be paid from the State Public School Fund Fund, when the monitor is acting in accordance with G.S. 115C-245(d), when the 28 volunteer was aboard the bus with the permission of the principal or was assisting a student in entering or leaving the bus, or when the driver is an unpaid school bus driver trainee under the supervision of an authorized employee of the Department of Transportation, Division of Motor Vehicles, or an authorized employee of a county 32 or city board of education or administrative unit thereof. The Attorney General may 33 afford this defense through the use of a member of his staff or, in his discretion, 34 employ private counsel. The Attorney General is authorized to pay any judgment 35 rendered in such civil action not to exceed the limit provided under the Tort Claims 36 Act. The Attorney General may compromise and settle any claim covered by this 37 section to the extent that he finds the same to be valid, up to the limit provided in 38 the Tort Claims Act, provided that the authority granted in this subsection shall be 39 limited to only those claims which would be within the jurisdiction of the Industrial 40 Commission under the Tort Claims Act."

(c) This section applies as to claims arising on or after July 1, 1998.

### CODE NO. 98DPI-S015A-P

Requested by: Senators Winner, Lee

EXTRA PAY FOR FORFEITED VACATION DAYS

Section 9.18. (a) Of the funds appropriated to State Aid to Local School Administrative Units, the sum of four million two hundred fifty thousand dollars (\$4,250,000) for the 1998-99 fiscal year shall be used by local boards of education to pay teachers for working on, and thereby forfeiting, vacation days, in accordance with G.S. 115C-302.1(c). The State Board of Education shall make available to each local school administrative unit sufficient funds to provide pay for a maximum of six days 10 for each teacher who is qualified to receive additional pay for forfeited vacation days 11 under G.S. 115C-302.1(c). For the 1998-99 fiscal year, the funds allotted under this subsection shall be available for days scheduled by local boards and individual schools as follows: two for days scheduled by the local board of education under G.S. 115C-84.2(a)(4); and four for days scheduled by school principals in consultation with school improvement teams under G.S. 115C-84.2(a)(5).

(b) G.S. 115C-84.2 reads as rewritten:

### "§ 115C-84.2. School calendar.

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School Calendar. -- Each local board of education shall adopt a school calendar consisting of 220 days all of which shall fall within the fiscal year. A school

calendar shall include the following:

(1)A minimum of 180 days and 1,000 hours of instruction covering at least nine calendar months. The local board shall designate when the 180 instructional days shall occur. The number of instructional hours in an instructional day may vary according to local board policy and does not have to be uniform among the schools in the administrative unit. Local boards may approve improvement plans that include days with varying amounts of instructional time. If school is closed early due to inclement weather, the day and the scheduled amount of instructional hours may count towards the required minimum to the extent allowed by State Board policy. The school calendar shall include a plan for making up days and instructional hours missed when schools are not opened due to inclement weather.

A minimum of 10 annual vacation leave days.

The same or an equivalent number of legal holidays occurring within the school calendar as those designated by the State Personnel Commission for State employees.

(4) Ten days, as designated by the local board, for use as teacher workdays, additional instructional days, or other lawful purposes. A local board may delegate to the individual schools some or all of the 10 days to schedule under subdivision (5) of this subsection. A local board may schedule different purposes for different personnel on any given day and is not required to schedule the same dates for all personnel.

(5) The remaining days shall be scheduled by each individual school by the school's principal in consultation with the school improvement team. Days may be scheduled for any of the purposes allowed under subdivision (4) of this subsection. Days may be scheduled for different purposes for different personnel and there is no requirement to schedule the same dates for all personnel.

51 Local boards and individual schools are encouraged to use the calendar flexibility 52 in order to meet the annual performance standards set by the State Board. Local

boards of education shall consult with parents and the employed public school personnel in the development of the school calendar.

Local boards and individual schools shall give teachers at least 14 calendar days' notice before requiring a teacher to work instead of taking vacation leave on days scheduled in accordance with subdivision (4) or (5) of this subsection. may elect to waive this notice requirement for one or more such days.

Limitations. -- The following limitations apply when developing the school

calendar:

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The total number of teacher workdays for teachers employed for a (1)

10 month term shall not exceed 200 days.

The calendar shall include at least 30 42 consecutive days when (2) teacher attendance is not required unless: (i) the school is a yearround school; or (ii) the teacher is employed for a term in excess of 10 months. At the request of the local board of education or of the principal of a school, a teacher may elect to work on one of the 42 days when teacher attendance is not required in lieu of another scheduled workday,

School shall not be held on Sundays.

Veteran's Day shall be a holiday for all students enrolled in the public schools.

(c) Emergency Conditions. --

During any period of emergency in any section of the State where emergency conditions make it necessary, the State Board of Education may order general, and if necessary, extended recesses or adjournment of the public schools.

<u>(2)</u> The State Board of Education may adopt rules to allow a local board to request that the State Board suspend one or more days from the school calendar for an individual school. In order to suspend days under this subdivision a local board shall show and the State Board shall find that extraordinary circumstances that could not have been reasonably predicted justify the action.

(d) Opening and Closing Dates. -- Local boards of education shall determine the dates of opening and closing the public schools under subdivision (a)(1) of this section. A local board may revise the scheduled closing date if necessary in order to comply with the minimum requirements for instructional days or instructional time. Different opening and closing dates may be fixed for schools in the same administrative unit."

(c) The amendments to G.S. 115C-84.2(b)(2) set out in subsection (b) of 39 this section apply to school years beginning with the 1999-2000 school year.

CODE NO. 98DPI-S016-P

Requested by: Senators Winner, Lee, Perdue

3 TEACHING FELLOWS PROGRAM

Section 9.19. (a) G.S. 115C-363.23A(a) reads as rewritten:

"(a) A Teaching Fellows Program shall be administered by the North Carolina Teaching Fellows Commission. The Teaching Fellows Program shall be used to provide a four-year scholarship loan of five thousand dollars (\$5,000) six thousand 8 five hundred dollars (\$6,500) per year to North Carolina high school seniors 9 interested in preparing to teach in the public schools of the State. The Commission 10 shall adopt very stringent standards, including minimum grade point average and scholastic aptitude test scores, for awarding these scholarship loans to ensure that 12 only the best high school seniors receive them."

(b) Notwithstanding the provisions of G.S. 115C-363.23A(f), the Public 14 School Forum, as administrator for the North Carolina Teaching Fellows Program, 15 may spend, in addition to funds required for collection costs related to loan 16 repayments, up to one hundred fifty thousand dollars (\$150,000) for the 1998-99 fiscal 17 year from the fund balance for the Program for costs associated with administration

18 of the Program.

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1 CODE NO. 98DPI-S021-P

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2 Requested by: Senators Winner, Lee 3 LIMITED ENGLISH PROFICIENCY

Section 9.20. (a) The State Board of Education shall develop guidelines 5 for identifying and providing services to students with limited proficiency in the English language.

The State Board shall allocate the funds to local school administrative units on the basis of the number of students they serve with limited English proficiency, with a minimum of 20 students per unit and a maximum of ten and six-

10 tenths percent (10.6%) of the average daily membership of the unit.

Local school administrative units shall use funds allocated to them to pay 12 for classroom teachers, textbooks. classroom materials/instructional 13 supplies/equipment, and staff development for students with limited English proficiency. A unit may use the funds for a program like the Bilingual Teacher 15 Assistant Demonstration Project.

A county in which a local school administrative unit receives funds under 17 this section shall use the funds to supplement local current expense funds and shall not supplant local current expense funds.

(b) G.S. 115C-105.25(b)(4) reads as rewritten:

Funds allocated for children with special needs, for students with limited English proficiency, and funds allocated for driver's education shall not be transferred."

The State Board of Education shall review its certification 24 requirements for English as a Second Language (ESL) and determine whether the requirements should be revised in order to assist local school administrative units to quickly obtain adequate numbers of qualified teachers. The State Board and the Board of Governors of The University of North Carolina shall coordinate efforts to provide ESL certification programs that are geographically disbursed throughout the State. The Board of Governors shall examine providing ESL certification programs through distance learning methods and off-campus programs.

(d) The State Board of Education shall identify existing or develop new 32 programs that provide instructional personnel with in-service, noncertificate training 33 for assisting students with limited English proficiency in the regular classroom. The 34 Board of Governors of The University of North Carolina and the State Board of 35 Community Colleges shall collaborate with the State Board of Education in order to

36 deliver these programs to geographically diverse locations.

(e) The State Board of Education shall survey local school administrative 38 units to determine whether schools are able to recruit and retain ESL certified The State Board shall provide the results of this survey to the Joint 40 Legislative Education Oversight Committee prior to December 15, 1999.

CODE NO. 98DPI-S022-P

Requested by: Senators Winner, Lee

DRIVERS EDUCATION FUNDS DO NOT REVERT

Section 9.21. (a) Of the funds appropriated for drivers education for the

1997-98 fiscal year, but not expended for that purpose, up to thirty-five thousand

dollars (\$35,000) shall not revert at the end of the fiscal year. The State Board of

Education may use these funds during the 1998-99 fiscal year for forms to implement

S.L. 1997-507, AN ACT TO PROVIDE THAT CERTAIN STUDENTS WHO DROP

OUT OF SCHOOL OR DO NOT MAKE PROGRESS TOWARD GRADUATION

SHALL NOT BE ELIGIBLE FOR DRIVERS PERMITS OR LICENSES.

(b) The State Board of Education may use funds appropriated for drivers

education for the 1998-99 fiscal year to implement S.L. 1997-507.

(c) Subsection (a) of this section becomes effective June 30, 1998.

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Requested by: Senators Winner, Lee

3 ADDITIONAL TEACHERS FOR MIDDLE SCHOOL CHILDREN WHO ARE ACADEMICALLY BELOW GRADE LEVEL

Section 9.22. Section 8.29(c) of S.L. 1997-443 reads as rewritten:

"(c) Of the funds appropriated to State Aid to Local School Administrative Units, the sum of three million two hundred thousand dollars (\$3,200,000) for the 1997-98 fiscal year and the sum of three million two hundred thousand dollars (\$3,200,000) for the 1998-99 fiscal year shall be used to provide additional teachers for middle school children who are academically below grade level. Middle school children are children in a school that serves grades six, seven, and eight, and no other grades.

The State Board of Education shall allocate these teacher positions to pilot middle schools on the basis of the number of students in grade six who scored at proficiency Level I on the end-of-grade test in mathematics, on the end-of-grade test in reading, or on both, at the end of their last school year. The funds shall be used in schools that have at least 50 such students at a ratio of one teacher to every 50 students. No partial positions shall be allocated. Positions shall be rounded to the nearest one-half position.

The purpose of these funds is to improve the academic (2) performance and the behavior of these students during the first school year after elementary school by placing them in classes with a low student-to-teacher ratio for either all of their core academic subjects or for the subject or subjects in which they are below grade level. In order to accomplish this purpose, local school administrative units shall use (i) the teachers allocated for these students pursuant to the regular teacher allotment and (ii) the teachers allocated for these students under this section only to improve the academic performance and the behavior of these students. Local boards of education shall adopt rules to ensure that each student for whom funds for additional teacher positions are allocated under this section shall be assigned a teacher who is responsible for monitoring the academic progress of the student.

Of the funds appropriated in this section, the State Board of (3) Education may use up to twenty-five thousand dollars (\$25,000) to evaluate the effectiveness of these smaller classes in improving

academic performance and discipline in middle schools."

1 CODE NO. 98DPI-S035-P

2 Requested by: Senators Winner, Lee

3 UNIFORM EDUCATION REPORTING SYSTEMS FUNDS/BUILDING LEVEL 4 REPORTS ON SCHOOL FUNDING

Section 9.23. Section 8.25(b) of S.L. 1997-443 reads as rewritten:

"(b) The State Board of Education shall modify the Uniform Education Reporting System to provide clear, accurate, and standard information on the use of funds at the unit and school level. The plan shall provide information that will enable the General Assembly to determine State, local, and federal expenditures for personnel at the unit and school level. The plan also shall allow the tracking of expenditures for textbooks, educational supplies and equipment, capital outlay, at-risk students, and other purposes. The revised Uniform Education Reporting System shall be implemented beginning with the 1998-99 1999-2000 school year."

CODE NO. 98DPI-S033-P

2 Requested by: Senators Reeves, Perdue 3 DUES DEDUCTION FOR RETIREES

Section 9.24. (a) Article 1 of Chapter 135 of the General Statutes is amended by adding a new section to read:

"§ 135-18.8. Deduction for payments to certain employees' associations allowed.

Any member who is a member of a domiciled employees' association that has at least 2,000 members, the majority of whom are employees of the State or public school employees, may authorize, in writing, the periodic deduction from the member's retirement benefits a designated lump sum to be paid to the employees' 11 association. The authorization shall remain in effect until revoked by the member. 12 A plan of deductions pursuant to this section shall become void if the employees' 13 association engages in collective bargaining with the State, any political subdivision of 14 the State, or any local school administrative unit."

(b) This section becomes effective July 1, 1998, and applies to retirement

16 benefits paid on or after that date.

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1 CODE NO. 98DPI-S036-P

2 Requested by: Senators Winner, Lee, Odom 3 SCHOOL BUS ALLOCATION

Section 9.25. If funds for school bus replacement are insufficient for the 5 full scheduled allocation of school buses for all local school administrative units, the 6 reductions to allocations should be spread proportionally among the local school 7 administrative units.

CODE NO. 98DPI-S023-P

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2 Requested by: Senators Winner, Lee

3 UNIFORM ÉDUCATION REPORTING SYSTEM (UERS)/STUDENT INFORMATION 4 MANAGEMENT SYSTEM (SIMS) FUNDS

Section 9.26. (a) The State Board of Education shall use funds appropriated for the Uniform Education Reporting System and the Student Information Management System for the 1998-99 fiscal year to begin the development 8 of a replacement for the existing Student Information System. In developing the new 9 system, the State Board shall give priority to the development of applications that 10 maintain student records, maintain ABC accountability data, allow for the transfer of 11 student records between local school administrative units, and facilitate the transfer of 12 transcripts to institutions of higher education.

In designing the new system, the State Board shall develop a model for 14 statewide implementation that maximizes the economies of scale with respect to 15 operations, personnel, and hardware. The State Board's goal shall be to develop a 16 new system that provides information to local schools, local school boards, and the

State Board in the most cost-efficient manner. 17

The new system shall follow guidelines established by the Information 19 Resources Management System.

The State Board may develop pilots of the new system.

(b) The State Board shall provide periodic reports to the Joint Legislative Education Oversight Committee on the development of the new system and shall 22 23 report to the 1999 General Assembly on implementation of the pilot projects.

(c) Funds appropriated for the Uniform Education Reporting System and 25 the Student Information Management System shall not revert at the end of the fiscal 26 year but shall remain available until expended on the project.

Requested by: Senators Winner, Lee

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### SMALL SCHOOL SYSTEM SUPPLEMENTAL FUNDING

Section 9.27. (a) Funds for small school systems. -- Except as provided in subsection (b) of this section, the State Board of Education shall allocate funds appropriated for small school system supplemental funding (i) to each county school administrative unit with an average daily membership of less than 3,150 students and (ii) to each county school administrative unit with an average daily membership of 8 from 3,150 to 4,000 students if the county in which the local school administrative unit is located has a county adjusted property tax base per student that is below the 10 State adjusted property tax base per student and if the total average daily membership of all local school administrative units located within the county is from 3,150 to 4,000 students. The allocation formula shall:

Round all fractions of positions to the next whole position.

- Provide five and one-half additional regular classroom teachers in counties in which the average daily membership per square mile is greater than four, and seven additional regular classroom teachers in counties in which the average daily membership per square mile is four or less.
- (3)Provide additional program enhancement teachers adequate to offer the standard course of study.
- Change the duty-free period allocation to one teacher assistant per (4) 400 average daily membership.
- Provide a base for the consolidated funds allotment of at least (5)\$355,000, excluding textbooks.
- Allot vocational education funds for grade 6 as well as for grades (6) 7-12.

If funds appropriated for each fiscal year for small school system supplemental funding are not adequate to fund fully the program, the State Board of Education shall reduce the amount allocated to each county school administrative unit on a pro 30 rata basis. This formula is solely a basis for distribution of supplemental funding for certain county school administrative units and is not intended to reflect any measure 32 of the adequacy of the educational program or funding for public schools. formula is also not intended to reflect any commitment by the General Assembly to appropriate any additional supplemental funds for such county administrative units.

- Nonsupplant requirement. -- A county in which a local school administrative unit receives funds under this section shall use the funds to supplement 36 local current expense funds and shall not supplant local current expense funds. For 37 the 1997-99 fiscal biennium, the State Board of Education shall not allocate funds 38 under this section to a county found to have used these funds to supplant local per student current expense funds. The State Board of Education shall make a finding that a county has used these funds to supplant local current expense funds in the prior year, or the year for which the most recent data are available, if:
  - The current expense appropriation per student of the county for (1)the current year is less than ninety-five percent (95%) of the average of the local current expense appropriations per student for the three prior fiscal years; and
  - (2) The county cannot show (i) that it has remedied the deficiency in funding, or (ii) that extraordinary circumstances caused the county to supplant local current expense funds with funds allocated under this section.

The State Board of Education shall adopt rules to implement this section.

(c) Phase-out provision. -- If a local school administrative unit becomes 53 ineligible for funding under this formula solely because of an increase in population

or an increase in the county adjusted property tax base per student of the county in which the local school administrative unit is located, funding for that unit shall be phased out over a two-year period. For the first year of ineligibility, the unit shall receive the same amount it received for the prior fiscal year. For the second year of ineligibility, it shall receive half of that amount.

(d) Definitions. -- As used in this section:

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"Average daily membership" means within two percent (2%) of the average daily membership as defined in the North Carolina Public Schools Allotment Policy Manual, adopted by the State Board of Education.

"County adjusted property tax base per student" means the total (2) assessed property valuation for each county, adjusted using a weighted average of the three most recent annual sales assessment ratio studies, divided by the total number of students in average daily membership who reside within the county.

"Local current expense funds" means the most recent county (2a) current expense appropriations to public schools, as reported by local boards of education in the audit report filed with the Secretary of the Local Government Commission pursuant to G.S. 115C-447.

"Sales assessment ratio studies" means sales assessment ratio (3) studies performed by the Department of Revenue under G.S. 105-289(h).

"State adjusted property tax base per student" means the sum of all (4) county adjusted property tax bases divided by the total number of students in average daily membership who reside within the State.

"Supplant" means to decrease local per student current expense (4a)appropriations from one fiscal year to the next fiscal year.

"Weighted average of the three most recent annual sales (5) assessment ratio studies" means the weighted average of the three most recent annual sales assessment ratio studies in the most recent years for which county current expense appropriations and adjusted property tax valuations are available. If real property in a county has been revalued one year prior to the most recent sales assessment ratio study, a weighted average of the two most recent sales assessment ratios shall be used. If property has been revalued the year of the most recent sales assessment ratio study, the sales assessment ratio for the year of revaluation shall be used.

(e) Reports. -- The State Board of Education shall report to the Joint 40 Legislative Education Oversight Committee prior to May 1, 1999, on the results of its 41 analysis of whether counties supplanted funds.

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most recent annual sales assessment ratio studies in the most recent years for which county current expense appropriations and adjusted property tax valuations are available. If real property in a county has been revalued one year prior to the most recent sales assessment ratio study, a weighted average of the two most recent sales assessment ratios shall be used. If property has been revalued the year of the most recent sales assessment ratio study, the sales assessment ratio for the year of revaluation shall be used.

Reports. - The State Board of Education shall report to the Joint 10 Legislative Education Oversight Committee prior to May 1, 1999, on the results of its

11 analysis of whether counties supplanted funds.

### 13 PART X. COMMUNITY COLLEGES

Requested by: Senators Plyler, Purcell, Lee, Winner

EXTEND FOR ONE YEAR THE DEADLINE FOR MATCHING COMMUNITY 16 COLLEGE BOND FUNDS

Section 10. (a) Section 6(b)IV of Chapter 542 of the 1993 Session Laws. 18 as added by Section 4 of Chapter 515 of the 1995 Session Laws, reads as rewritten:

"IV. If the State Board of Community Colleges determines that a community 20 college has not met the matching requirements of G.S. 115D-31(a)(1) by July 1, 1998, 1999, with respect to a capital improvement project for which bond proceeds are allocated in subdivision I or pursuant to subdivision II of this subsection, the Board 23 shall certify that fact to the State Treasurer by October 1, 1998. 1999. All of these 24 bond proceeds with respect to which the Board certifies that the matching 25 requirement has not been met by July 1, 1998, 1999, shall be placed by the State Treasurer in a special account within the Community Colleges Bond Fund and shall be used for making grants to community colleges. Bond proceeds in the special account shall be allocated among the community colleges in accordance with the 29 following conditions:

> (1)The State Board of Community Colleges shall generate, by October 1, 1998, 1999, a priority ranking of legitimate community college capital improvement needs using a formula based on objective meaningful factors relevant to capital needs, including space to population ratio, population served ratio, capacity enrollment ratio, local to State and vocational education ratios, type of project, and readiness to implement.

> (2) The State Board of Community Colleges shall provide the State Treasurer a projected allocation of the proceeds in the special account in accordance with this priority ranking, except that:

No projected allocation shall be made for a community college that the Board certified in accordance with this subdivision IV had failed to meet a matching requirement.

b. No more than four million dollars (\$4,000,000) shall be allocated to a single community college.

Funds shall not be allocated for more than one project per community college.

(3) The proceeds of grants made from bond proceeds in the special account shall be allocated and expended for paying the cost of community college capital improvements in accordance with this allocation by the State Board of Community Colleges, to the extent and as provided in this act. The Director of the Budget is empowered, when the Director of the Budget determines it is in the best interest of the State and the North Carolina Community

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College System to do so, and if the cost of a particular project is less than the projected allocation, to use the excess funds to increase the size of that project or increase the size of any other project itemized in this section, or to increase the amount allocated to a particular community college within the aggregate amount of funds available under this section. The Director of the Budget shall consult with the Advisory Budget Commission and the Joint Legislative Commission on Governmental Operations before making these changes."

(b) This section becomes effective June 30, 1998.

Requested by: Senators Lee, Winner

## INDEPENDENT STUDY OF CAPITAL BUDGET AND OPERATING BUDGET FUND 14 ALLOCATIONS

Section 10.1. The State Board of Community Colleges shall contract with 16 an outside consultant to:

- Review the community college capital allocation process and to (1)recommend modifications to the process necessary to make the process more equitable; and
- Study performance budget measures and recommend options for (2)allocating community college funds on a performance budgeting basis.

The State Board may use funds from the State Board Reserve to implement this

The State Board shall report to the Joint Legislative Appropriations Subcommittee S on Education and the Fiscal Research Division prior to February 1, 1999, on the implementation of this section.

29 Requested by: Senators Lee, Winner, Dalton

# 30 COMMUNITY COLLEGE EQUIPMENT RESERVE FUND

Section 10.2. (a) G.S. 115D-31 reads as rewritten:

"§ 115D-31. State financial support of institutions.

(a) The State Board of Community Colleges shall be responsible for providing, from sources available to the State Board, funds to meet the financial needs of institutions, as determined by policies and regulations of the State Board, for the following budget items:

Plant Fund. - Furniture and equipment for administrative and instructional purposes, library books, and other items of capital outlay approved by the State Board. Provided, the State Board may, on an equal matching-fund basis from appropriations made by the State for the purpose, grant funds to individual institutions for the purchase of land, construction and remodeling of institutional buildings determined by the State Board to be necessary for the instructional programs or administration of such institutions. For the purpose of determining amount of matching State funds, local funds shall include expenditures made prior to the enactment of this Chapter or prior to an institution becoming a community college pursuant to the provisions of this Chapter, when such expenditures were made for the purchase of land, construction, remodeling and οf institutional subsequently determined by the State Board to be necessary as herein specified, and provided such local expenditures have not

previously been used as the basis for obtaining matching State

funds under the provisions of this Chapter or any other laws of the State. Notwithstanding the provisions of this subdivision, G.S. 116-53(b), or G.S. 143-31.4, appropriations by the State of North Carolina for capital or permanent improvements for community colleges may be matched with any prior expenditure of non-State funds for capital construction or land acquisition not already used for matching purposes.

(2)Current Operating Expenses:

General administration. - Salaries and other costs as determined by the State Board necessary to carry out the functions of general administration.

Instructional services. - Salaries and other costs as. b. determined by the State Board necessary to carry out the

functions of instructional services.

Support services. - Salaries and other costs as determined by the State Board necessary to carry out the functions of

support services.

Additional Support for Regional Institutions as Defined in G.S. 115D-2(4). - Matching funds to be used with local funds to meet the financial needs of the regional institutions for the items set out in G.S. 115D-32(a)(2)a. Amount of matching funds to be provided by the State under this section shall be determined as follows: The population of the administrative area in which the regional institution is located shall be called the 'local factor,' the combined populations of all other counties served by the institution shall becalled the 'State factor.' When the budger for the items listed in G.S. 115D-32(a)(2)a has been approved under the procedures set out in G.S. 115D-45, the administrative area in which the regional institution is located shall provide a percentage to be determined by dividing the local factor by the sum of the local factor and the State factor. The State shall provide a percentage of the necessary funds to meet this budget, the percentage to be determined by dividing the State factor by the sum of the local factor and the State factor. If the local administrative area provides less than its proportionate share, the amount of State funds provided shall be reduced by the same proportion as were the administrative area funds.

Wherever the word 'population' is used in this subdivision, it shall mean the population of the particular area in accordance with the latest United States census.

The State Board is authorized to accept, receive, use, or reallocate to the institutions any federal funds or aids that have been or may be appropriated by the government of the United States for the encouragement and improvement of any phase of the programs of the institutions.

State funds appropriated to the State Board of Community Colleges for equipment and library books books, except for funds appropriated to the Equipment Reserve Fund, shall revert to the General Fund 12 months after the close of the fiscal year for which they were appropriated. Encumbered balances outstanding at the end of each period shall be handled in accordance with existing State budget policies. 50 The Department shall identify to the Office of State Budget and Management the 51 funds that revert at the end of the 12 months after the close of the fiscal year.

(d) State funds appropriated to the State Board of Community Colleges for the Equipment Reserve Fund shall be allocated to institutions in accordance with the

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equipment allocation formula for the fiscal period. An institution to which these funds are allocated shall spend the funds only in accordance with an equipment acquisition plan developed by the institution and approved by the State Board.

These funds shall not revert and shall remain available until expended in

accordance with an approved plan."

(b) The State Board of Community Colleges shall allocate equipment funds appropriated for the 1998-99 fiscal year, including funds appropriated to the Equipment Reserve Fund, in accordance with the formula proposed to the General 9 Assembly by the Board at its May 1998 meeting.

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11 Requested by: Senators Lee, Winner

BUDGET REALIGNMENT TO IMPLEMENT REORGANIZATION AUTHORIZED

Section 10.3. Notwithstanding G.S. 143-23 or any other provision of law, 14 the State Board of Community Colleges may transfer funds within the budget of the 15 Department of Community Colleges to the extent necessary to implement the 16 departmental reorganization plan recommended by the President of the North Carolina Community College System and adopted by the State Board.

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19 Requested by: Senators Lee, Winner 20 CONTINUING BUDGET CONCEPT

Section 10.4. (a) The State Board of Community Colleges shall 22 implement the continuing budget concept for full-time equivalent students (FTE)

23 earned for the 1998-99 fiscal year as follows:

Community colleges that experience a decline in enrollment shall not receive a decrease in full-time equivalent student (FTE) enrollment funds until their enrollment declines more than three percent (3%). At that time, they shall experience a decline of only the amount over three percent (3%);

(2) Community colleges that experience an increase in enrollment shall not receive an increase in full-time equivalent student (FTE) enrollment funds until their enrollment increases more than two percent (2%). At that time, they shall experience an increase of

only the amount over two percent (2%).

(b) The State Board of Community Colleges shall implement the 35 continuing budget concept for subsequent fiscal years by funding (i) the average 36 earned full-time equivalent student (FTE) enrollment for the prior three fiscal years, 37 or (ii) the earned full-time equivalent student (FTE) enrollment for the prior fiscal 38 year, whichever is greater.

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40 Requested by: Senators Lee, Winner

41 ANNUAL RÉVIEW ACCOUNTABILITY ENHANCED

Section 10.5. The General Assembly finds that the current annual 43 program review standards are not adequate to ensure that programs are meeting the needs of students, employers, and the general public; therefore, the State Board of 45 Community Colleges shall review the current standard to ensure a higher degree of program accountability and shall establish appropriate levels of performance for each measure based on sound methodological practices.

The State Board shall make an interim report to the Joint Legislative Education Oversight Committee and to the Fiscal Research Division on its improved 50 accountability measures prior to November 1, 1998, and a final report prior to

51 February 1, 1999.

Requested by: Senators Lee, Winner

DEVELOPMENT OF MANAGEMENT INFORMATION SYSTEM

Section 10.6. The State Board of Community Colleges shall develop a plan for an efficient and effective technology and management information system. The system shall be designed to support the Community College System's planning, 5 evaluation, communication, resource management, full-time equivalent student (FTE) 6 reporting, and decision-making processes. The plan shall identify the technology and 7 management information needs of the local colleges and the Department of 8 Community Colleges, the costs of meeting these needs, and the benefits of meeting 9 them.

The State Board shall report to the Joint Legislative Education Oversight 11 Committee prior to February 1, 1999, on the plan it develops.

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13 Requested by: Senators Lee, Winner

14 COOPERATIVE HIGH SCHOOL EDUCATION PROGRAM ACCOUNTABILITY

Section 10.7. (a) It is the goal of the General Assembly to increase the 16 number of qualified high school students participating in cooperative high school 17 education programs that are provided by local community colleges through cost-18 effective programs that do not duplicate high school Advanced Placement courses 19 that are currently being offered or that could feasibly be offered. These programs 20 shall provide additional higher education opportunities for qualified high school 21 students while minimizing overlapping costs to the State for public schools and 22 community colleges.

The State Board of Community Colleges and the State Board of (b) 24 Education shall create a joint task force to study the existing policies for cooperative 25 high school education programs and to recommend changes necessary to improve the 26 programs' success and accountability. The Boards shall report their findings and recommendations to the Joint Legislative Education Oversight Committee and the

28 Fiscal Research Division prior to March 1, 1999.

30 Requested by: Senators Lee, Winner

31 REPORTING REQUIREMENTS

Section 10.8. The local institutions of the North Carolina Community 33 College System shall comply with annual reporting requirements established by the 34 State Board of Community Colleges; therefore, the State Board of Community 35 Colleges shall develop an action plan to improve the timeliness and accuracy of the 36 data that are required to be reported to the State Board by each institution. This 37 plan may include withholding State funds from the institution if an institution is not 38 in compliance.

The plan shall be approved and implemented by October 30, 1998.

41 Requested by: Senators Lee, Winner

42 COMMUNITY COLLEGE TUITION STUDY

Section 10.9. The Joint Legislative Education Oversight Committee shall 44 study community college tuition in light of (i) recent proposals intended to maximize 45 the opportunities of North Carolina residents to continue their education after high 46 school and (ii) federal "Hope Scholarships". The Committee shall report the results of its study to the Appropriations Subcommittees on Education of the Senate and the House of Representatives prior to January 15, 1998) 9

50 Requested by: Senators Hoyle, Lee, Winner

51 HOSPITALITY AND TOURISM JOB TRAINING PROGRAMS

Section 10.10. (a) The State Board of Community Colleges shall study 53 hospitality and tourism job training programs offered by the local institutions of the



North Carolina Community College System. The State Board of Community 2 Colleges shall collaborate with the Board of Governors of The University of North Carolina, the State Board of Education, and the Department of Commerce to 4 improve articulation between institutions with regard to hospitality and tourism job 5 training programs. The efforts to improve articulations shall be considered a joint venture of these educational institutions that are participating members of the Culinary, Hospitality, Tourism Education Alliance (CHTEA), and of the Department of Commerce and the travel and tourism industry.

The State Board of Community Colleges, the State Board of 10 Education, the Board of Governors of The University of North Carolina, and the Department of Commerce shall report jointly to the Joint Legislative Education

Oversight Committee on the following:

An inventory of all curriculum, continuing education, and job (1)training programs offered in the State that support the travel, tourism, and hospitality industries;

Recommendations for improvements to the programs and a system (2)

of program accountability; and

Recommendations on ways to improve communication between (3) the industry and the Boards and to enhance efforts to promote the programs.

Requested by: Senators Lee, Winner

### 23 ROANOKE-CHOWAN COMMUNITY COLLEGE/SHELTERED WORKSHOP 24

Section 10.11. Roanoke-Chowan Community College may use proceeds 25 derived from the lease of buildings associated with the sheltered workshop to phase 26 out the sheltered workshop operation.

### PART XI. UNIVERSITIES

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29 Requested by: Senators Lee, Winner

30 UNC INCENTIVE FUNDING

Section 11. (a) G.S. 116-30.3(d) reads as rewritten:

"(d) For fiscal year 1997-98 and each subsequent/fiscal year, fiscal year 1998-99. 33 one-half of the reversions required in subsections (a) and (b) of this section shall be 34 available to each special responsibility constituent/institution of The University of 35 North Carolina. Those funds shall be used by the institution at the campus level for 36 any of the following: the nonrecurring costs of technology, including the installation 37 of technology infrastructure for academic facilities on the campus of the special 38 responsibility constituent institution, the implementation by the constituent institution 39 of its campus technology plan as approved by the Board of Governors, or for 40 libraries. The funds shall not be used to support positions. Each special responsibility 41 constituent institution shall report annually to the Board of Governors regarding how 42 the institution spent the funds made available under this section."

(b) Effective July 1, 1999, G.S. 116-30.3 as amended by subsection (a) of 44 this section reads as rewritten:

"§ 116-30.3. Reversions.

Of the General Fund current operations appropriations credit balance 47 remaining at the end of each fiscal year in each budget code of a special 48 responsibility constituent institution, except for the budget code of the Area Health 49 Education Centers of the University of North Carolina at Chapel Hill, any amount 50 greater than two-percent (2%) of the General Fund appropriation for that fiscal year may be carried forward by the institution to the next fiscal year and may be used for one-time expenditures that will not impose additional financial obligations on the Of the General Fund current operations appropriations credit balance

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Page 51

30 Requested by: Senators Rand, Lee 31 COMMUNITY COLLEGE TUITION WAIVER

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Section 10.12. It is the intent of the General Assembly to provide a tuition waiver for up to two years, to the extent that funds are appropriated expressly for that purpose, to deserving students who graduate from a North Carolina high school and are enrolled full-time in a North Carolina community college within six months of graduation.

Requested by: Senators Lee, Winner UNC INCENTIVE FUNDING

Section 11. (a) G.S. 116-30.3(d) reads as rewritten:

"(d) For fiscal year 1997-98 and each subsequent fiscal year, fiscal year 1998-99, one-half of the reversions required in subsections (a) and (b) of this section shall be available to each special responsibility constituent institution of The University of North Carolina. Those funds shall be used by the institution at the campus level for any of the following: the nonrecurring costs of technology, including the installation of technology infrastructure for academic facilities on the campus of the special 10 responsibility constituent institution, the implementation by the constituent institution of its campus technology plan as approved by the Board of Governors, or for 12 libraries. The funds shall not be used to support positions. Each special responsibility constituent institution shall report annually to the Board of Governors regarding how 14 the institution spent the funds made available under this section."

(b) Effective July 1, 1999, G.S. 116-30.3 as amended by subsection (a) of 16 this section reads as rewritten:

"§ 116-30.3. Reversions.

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Of the General Fund current operations appropriations credit balance 19 remaining at the end of each fiscal year in each budget code of a special 20 responsibility constituent institution, except for the budget code of the Area Health Education Centers of the University of North Carolina at Chapel Hill, any amount greater than two percent (2%) of the General Fund appropriation for that fiscal year may be carried forward by the institution to the next fiscal year and may be used for 24 one-time expenditures that will not impose additional financial obligations on the Of the General Fund current operations appropriations credit balance 26 remaining in the budget code of the Area Health Education Centers of the University of North Carolina at Chapel Hill, any amount greater than one percent (1%) of the General Fund appropriation for that fiscal year may be carried forward in that budget code to the next fiscal year and may be used for one-time expenditures that will not 30 impose additional financial obligations on the State. However, the amount carried 31 forward under this section shall not exceed two and one-half percent (2 1/2%) of the General Fund appropriation. The Director of the Budget, under the authority set forth in G.S. 143-25, shall establish the General Fund current operations credit balance remaining in each budget code of each institution.

(b) An institution shall cease to be a special responsibility constituent institution under the following circumstances:

> $\frac{(1)}{(1)}$ An institution, other than the Area Health Education Centers of the University of North Carolina, does not revert at least two percent (2%) of its General Fund current operations credit balance remaining in each budget code of that institution, or  $\frac{(2)}{(2)}$

The Area Health Education Centers of the University of North Carolina at Chapel Hill does not revert at least one percent (1%) of its General Fund current operations credit balance remaining in its budget code.

However, if the Board of Governors finds that the low reversion rate is due to adverse and unforeseen conditions, the Board may allow the institution to remain a special responsibility constituent institution for one year to come into conformity with 48 this section. The Board may make this exception only one time for any special 49 responsibility constituent institution, and shall report these exceptions to the Joint 50 Legislative Commission on Governmental Operations.

(e) One-half of the reversions required in subsection (a) and (b) of this section shall be returned to the General Fund credit balance at the end of each fiscal year.

(d) For fiscal year 1997-98 and fiscal year 1998-99, one half of the reversions required in subsections (a) and (b) of this section shall be available to each special responsibility constituent institution of The University of North Carolina. Those funds shall be used by the institution at the campus level for any of the following: the nonrecurring costs of technology, including the installation of technology infrastructure for academic facilities on the campus of the special responsibility constituent institution, the implementation by the constituent institution of its campus technology plan as approved by the Board of Governors, or for libraries. The funds shall not be used to support positions. Each special responsibility constituent institution shall report annually to the Board of Governors regarding how the institution spent the funds made available under this section."

### 1 CODE NO. 98UNC-S002-P.

# 2 Requested by: Senators Lee, Winner 3 NATURAL RESOURCES LEADERSHIP INSTITUTE

Section 11.1. For the 1998-99 fiscal year, the requirement for reversion of General Fund appropriations as required by G.S. 116-30.3 for the Cooperative Extension Service budget code at North Carolina State University is reduced by one hundred seventy thousand dollars (\$170,000) in order to provide funding for the Natural Resource Leadership Institute sponsored by the Cooperative Extension 9 Service.

### 1 CODE NO. 98UNC-S003-P

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Requested by: Senators Lee, Winner

3 INCENTIVE SCHOLARSHIP PROGRAM FOR NATIVE AMERICANS

Section 11.2. Section 17.3(a) of Chapter 769, 1993 Session Laws, reads as rewritten:

"Sec. 17.3. (a) The Board of Governors of The University of North Carolina shall establish the Incentive Scholarship Program for Native Americans to provide opportunities for Native Americans who are residents of North Carolina to attend constituent institutions of The University of North Carolina under rules adopted by 10 the Board of Governors. Scholarships awarded under the program shall carry a 11 maximum value of three thousand dollars (\$3,000) per recipient per academic year, 12 reduced by any amount of need-based aid that the recipient may receive from Pell 13 Grants, North Carolina Student Incentive Grants, Supplemental Educational 14 Opportunity Grants, or the American Indian Student Legislative Grant Program, to 15 be awarded after all other need-based grants for which the recipient is eligible have 16 been included in the student's financial aid package. The maximum amount of the 17 award shall not exceed the cost of attendance budget used to calculate financial aid 18 less other need-based aid received, and in no case shall the award exceed three 19 thousand dollars (\$3,000). To be eligible for such a scholarship, a student shall be a 20 Native American, defined as an individual who maintains cultural identification as a 21 Native American through membership in an Indian tribe recognized by the United 22 States or by the State of North Carolina or through other tribal affiliation or 23 community recognition."

CODE NO. 98UNC-S004-P

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Requested by: Senators Lee, Winner, Plyler

# AID TO STUDENTS ATTENDING PRIVATE COLLEGES PROCEDURE

Section 11.3. Section 10.4 of S.L. 1997-443 reads as rewritten:

"Section 10.4. (a) Funds appropriated in this act to the Board of Governors of The University of North Carolina for aid to private colleges shall be disbursed in accordance with the provisions of G.S. 116-19, 116-21, and 116-22. These funds shall provide up to seven hundred fifty dollars (\$750.00) nine hundred dollars (\$900.00) per full-time equivalent North Carolina undergraduate student enrolled at a private institution as of October 1 each year.

These funds shall be placed in a separate, identifiable account in each eligible 12 institution's budget or chart of accounts. All funds in this account shall be provided as scholarship funds for needy North Carolina students during the fiscal year. Each student awarded a scholarship from this account shall be notified of the source of the 15 funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be available for the tuition grant program as defined in subsection (b) of this section.

(b) In addition to any funds appropriated pursuant to G.S. 116-19 and in addition 18 to all other financial assistance made available to private educational institutions 19 located within the State, or to students attending these institutions, there is granted to 20 each full-time North Carolina undergraduate student attending an approved 21 institution as defined in G.S. 116-22, a sum, not to exceed one thousand four hundred fifty dollars (\$1,450) one thousand six hundred dollars (\$1,600) per academic year, which shall be distributed to the student as hereinafter provided.

The tuition grants provided for in this section shall be administered by the State 25 Education Assistance Authority pursuant to rules adopted by the State Education 26 Assistance Authority not inconsistent with this section. The State Education Assistance Authority shall not approve any grant until it receives proper certification 28 from an approved institution that the student applying for the grant is an eligible student. Upon receipt of the certification, the State Education Assistance Authority 30 shall remit at such times as it shall prescribe the grant to the approved institution on behalf, and to the credit, of the student.

In the event a student on whose behalf a grant has been paid is not enrolled and 33 carrying a minimum academic load as of the tenth classroom day following the 34 beginning of the school term for which the grant was paid, the institution shall refund 35 the full amount of the grant to the State Education Assistance Authority. 36 approved institution shall be subject to examination by the State Auditor for the 37 purpose of determining whether the institution has properly certified eligibility and 38 enrollment of students and credited grants paid on the behalf of the students.

In the event there are not sufficient funds to provide each eligible student with a 40 full grant:

- (1) The Board of Governors of The University of North Carolina, with the approval of the Office of State Budget and Management, may transfer available funds to meet the needs of the programs provided by subsections (a) and (b) of this section; and
- (2) Each eligible student shall receive a pro rata share of funds then available for the remainder of the academic year within the fiscal period covered by the current appropriation.

Any remaining funds shall revert to the General Fund.

- Expenditures made pursuant to this section may be used only for secular 50 educational purposes at nonprofit institutions of higher learning. Expenditures made pursuant to this section shall not be used for any student who:
  - Is incarcerated in a State or federal correctional facility for (1)committing a Class A, B, B1, or B2 felony; or

(2) incarcerated in a State or federal correctional facility for committing a Class C through I felony and is not eligible for parole or release within 10 years.

(d) The State Education Assistance Authority shall document the number of fulltime equivalent North Carolina undergraduate students that are enrolled in offcampus programs and the State funds collected by each institution pursuant to G.S. 116-19 for those students. The State Education Assistance Authority shall also 8 document the number of scholarships and the amount of the scholarships that are 9 awarded under G.S. 116-19 to students enrolled in off-campus programs. An "off-10 campus program" is any program offered for degree credit away from the institution's 11 main permanent campus.

The State Education Assistance Authority shall include in its annual report to the 13 Joint Legislative Education Oversight Committee the information it has compiled and

14 its findings regarding this program."

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## CODE NO. 98UNC-S005A-P

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Requested by: Senators Lee, Winner

# 3 UNC EQUITY FUNDS/CAPITAL FACILITIES STUDY

Section 11.4. Section 10.1 of S.L. 1997-443 reads as rewritten:

"Section 10.1. (a) The funds appropriated to the Board of Governors of The University of North Carolina for equity funds are to address relative inequities in State operating funding revealed through a study of the constituent institutions in the 8 university system. The General Assembly notes that the study dealt with equity based 9 upon current funding from State appropriations and tuition for operations and did 10 not consider historical equity in funding for physical facilities or funding from non-11 State sources. Therefore, in making this appropriation, the General Assembly does 12 not conclude that the total funding of any institution, including specifically the 13 historically black universities, is adequate in light of all considerations.

(b) Based on findings of the Legislative Study Commission on the Status of 15 Education at The University of North Carolina, the General Assembly is still 16 concerned about perceived differences in the quality of capital facilities on the different campuses, which may impact the ability of some campuses to attract students and faculty. Since the Board of Governors has recently completed studies of equity 19 of funding for operating costs among the constituent institutions and of the Board of 20 Governors' capital improvements request process, it is timely that the question of

21 equity of facilities be addressed.

The Board of Governors of The University of North Carolina shall study the 23 relative equity and adequacy of the physical facilities of its constituent institutions. The study shall consider the condition of the facilities, whether or not facilities are 25 comparable among the campuses given the different missions of the institutions, 26 comparable adequacy of the physical facilities given the size and projected growth of 27 the school, and such other factors deemed appropriate by the Board of Governors. 28 The study shall include all facilities contributing to the accomplishment of the 29 campuses' missions. First, the Board of Governors shall study those facilities 30 considered central to the academic missions of the campuses that are generally supported from General Fund appropriations. Secondly, the Board of Governors shall study those facilities that contribute to the overall missions of the campuses, 33 including residential, dining, research, and other facilities regardless of the sources of The Board of Governors shall consider its policies on funding of selfliquidating projects and whether those policies contribute to any inequities among the campuses, including the overall costs to the students.

The Board of Governors shall report to the General Assembly by January 15, 1999, with the results of its study. The report shall include recommendations to rectify any

inequities or inadequacies found in the study.

(c) The Board of Governors shall contract with a private consulting firm with expertise in higher education matters to assess the additional capital needs of the constituent institutions of The University of North Carolina. The needs assessment shall project the needs for capital funding for a 10-year period, and shall include a detailed plan for making funding allocations based on the priorities of needs.

The plan shall provide a detailed capital spending plan for the next 10 years to assist the General Assembly in making funding decisions relating to The University of North Carolina, as the State plans for major increases in enrollment in higher education and prepares its citizens to compete in a global economy. The plan shall include considerations of the costs and changes in capital needs caused by new 50 technologies and alternative systems for delivery of higher education services.

The consultant shall visit each campus in The University of North Carolina system

52 to understand the needs of each campus based on their assigned missions, physical 53 needs, and plans.

The Board and its consultant shall provide interim progress reports to the General Assembly on a periodic basis. The Board of Governors shall report to the General

Assembly by April 15, 1999, with the results of its study and plan.

Of the funds appropriated to the Board of Governors for fiscal year 1998-99, up to two hundred fifty thousand dollars (\$250,000) may be reallocated for the purposes of this section, including funds that would normally revert to the General Fund at the

7 end of the fiscal year."

CODE NO. 98UNC-S006-P
 Requested by: Senators Lee, Winner
 MANUFACTURING EXTENSION PARTNERSHIP
 Section 11.5. Section 10.7 of S.L. 1997-443 reads as rewritten:
 "Section 10.7. Of the funds appropriated to the Board of Governors of The University of North Carolina, the sum of nine hundred thousand dollars (\$900,000)
 for the 1997-98 1998-99 fiscal year shall be allocated to North Carolina State
 University to match additional federal funds for the Manufacturing Extension

9 Partnership Program."

## 1 CODE NO. 98UNC-S008-P

2 Requested by: Senators Lee, Winner, Warren, Perdue 3 EAST CAROLINA DOCTORAL II CLASSIFICATION

Section 11.6. Of the funds appropriated to the Board of Governors of The University of North Carolina for the 1998-99 fiscal year, the sum of two million 6 dollars (\$2,000,000) shall be allocated to East Carolina University in recognition of 7 the designation of that institution as a Doctoral II University. The funds may be used 8 for additional faculty, increases in faculty salaries, increases in the number of 9 graduate student tuition remissions, and other enhancements required to meet the 10 needs of a Doctoral II institution. The use of these funds shall be in accord with the 11 plan developed for the Board of Governors for adjusting the funding for East 12 Carolina University to a level appropriate for Doctoral II University status. East 13 Carolina University shall report to the Board of Governors, the Office of State 14 Budget and Management, and the Fiscal Research Division on the allocation of these funds within its budgets.

## CODE NO. 98UNC-S009A-P

Requested by: Senators Lee, Winner

# 3 UNC DISTANCE EDUCATION

Section 11.7. This act provides funding to The University of North Carolina Board of Governors for degree-related courses provided away from the campus sites of the constituent institutions of The University of North Carolina. The intent of this commitment is to provide expanded opportunities for higher education to more North Carolina residents, including nontraditional students, and to increase 9 the number of North Carolina residents who earn post-secondary degrees.

These funds shall be used for the provision of off-campus higher 11 education programs, including the costs for the development or adaptation of programs for this purpose, and the funds may be used for the costs of providing space

13 and services at the off-campus sites.

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Prior to approving funding for off-campus programs in nursing, the Board 15 shall consult with the central office of the Area Health Education Centers (AHEC) to 16 obtain information about regional needs and priorities and to coordinate funding with

17 AHEC efforts in nursing education.

The Board of Governors shall track these funds separately in order to 19 provide data on the costs of providing these programs, including the different costs 20 for various methods of delivery of educational programs. The Board of Governors 21 shall provide for evaluation of these off-campus programs, including comparisons to 22 the costs and quality of on-campus delivery of similar programs, as well as the impact 23 on access to higher education and the educational attainment levels of North 24 Carolina residents. The Board shall provide a preliminary report to the General 25 Assembly by May 1, 2000, and subsequent evaluations, including recommendations 26 for changes, shall be made at least biennially to the Joint Legislative Education 27 Oversight Committee.

#### CODE NO. 98UNC-S012A-P

Requested by: Senator Winner

UNC HOSPITALS/MANAGEMENT FLEXIBILITY

Section 11.8. (a) G.S. 116-37 reads as rewritten:

"§ 116-37. University of North Carolina Hospitals at Chapel Hill.

(a) Composition. -- The Board of Governors of the University of North Carolina 6 is hereby directed to create a board of directors for the University of North Carolina Hospitals at Chapel Hill consisting of 12 members of which nine shall be appointed 9 by the Board of Governors. Three members ex officio of said board shall be the 10 University of North Carolina at Chapel Hill Vice-Chancellor for Health Affairs, 11 University of North Carolina at Chapel Hill Vice-Chancellor for Business and 12 Finance, and the Dean of the University of North Carolina at Chapel Hill Medical 13 School, or successors to these offices under other titles with similar responsibilities. 14 Nine members shall be appointed from the business and professional public-at-large, 15 none of whom shall be Governors of the University, and, thereafter, the nine 16 appointive members shall select one of their number to serve as chairman. Members of this board shall include, but not be limited to, persons with special competence in 17 business management, hospital administration, and medical practice not affiliated 18 19 with University faculty. The Governors may remove any member for cause. Board 20 members, other than ex officio members, shall each receive such per diem and necessary travel and subsistence expenses while engaged in the discharge of their 21 official duties as is provided by law for members of State boards and commissions generally.

(a1) Appointment to Board. -- Each of the nine persons who, as of June 30, 1989, is serving as an appointed member of the Board shall be reassigned by the Governors, each to a different term, ending June 30, 1989, June 30, 1990, June 30, 1991, June 30, 1992, June 30, 1993, June 30, 1994, June 30, 1995, June 30, 1996, or June 30, 1997. After July 1, 1989, the term of office for new appointments shall commence on July 29 1, and all members shall serve for four-year terms; provided, however, that no person 30 may be appointed to (i) more than three full four-year terms in succession, or (ii) a 31 four-year term if preceded immediately by 12 years of service. Resignation from a 32 term of office shall not constitute a break in service for the purpose of this subsection. 33 Board member vacancies shall be filled by the Governors for the remainder of the

34 unexpired term.

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(b) Meetings and Powers of Board. -- The board of directors shall meet at least 36 every 60 days and may hold special meetings at any time and place within the State at the call of its chairman. The board of directors shall make rules, regulations, and policies governing the management and operation of the University of North Carolina Hospitals at Chapel Hill, consistent with basic State statutes and procedures, to meet 40 the goals of education, research, patient care, and community service. The board's 41 action on matters within its jurisdiction is final, except that appeals may be made, in 42 writing, to the Board of Governors with a copy of the appeal to the University administration. The board of directors shall elect and may remove the executive 44 director of the University of North Carolina Hospitals at Chapel Hill. The board of 45 directors may enter into formal agreements with the University of North Carolina at 46 Chapel Hill, Division of Health Affairs, with respect to the provision of clinical experience for students and may also enter into formal agreements with the 48 University of North Carolina at Chapel Hill for the provision of maintenance and supporting services.

(c) Executive Director. -- The chief administrative officer of the University of North Carolina Hospitals at Chapel Hill shall be the executive director, who shall be appointed by the board of directors to serve at its pleasure. The executive director shall administer the affairs of the University of North Carolina Hospitals at Chapel

Hill subject to the duly adopted policies, rules, and regulations of the board of directors, including the appointment, promotion, demotion, and discharge of all personnel. The executive director shall report to the board of directors quarterly or more often as required. The executive director will serve as secretary to the board of directors.

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(d) Personnel. -- The University of North Carolina Hospitals at Chapel Hill shall maintain a personnel office for personnel administration. Notwithstanding the provisions of Chapter 126 of the General Statutes to the contrary, the Board of Directors of the University of North Carolina Hospitals at Chapel Hill-shall establish policies and rules governing the study and implementation of competitive position elassification and compensation plans for registered and licensed practical nurse positions that have been approved by the Board of Directors. These plans shall provide for minimum, maximum, and intermediate rates of pay, and may include provisions for range revisions and shift premium pay and for salary adjustments to address internal inequities, job performance, and market conditions. The Office of 16 State Personnel shall review the classification and compensation plans on an annual 17 basis. All changes in compensation plans for these registered and licensed practical nurse positions shall be submitted to the Office of State Personnel upon implementation. All employees of the University of North Carolina Hospitals at 5 20 Chapel Hill shall be deemed to be employees of the State and shall be subject to all provisions of State law relevant thereto; provided, however, that except as to the provisions of Articles 5, 6, and 7 of Chapter 126 of the General Statutes, the provisions of Chapter 126 shall not apply to employees of the University of North Carolina Hospitals at Chapel Hill, and the policies and procedures governing the terms and conditions of employment of such employees shall be adopted by the Board of Directors.

> The Board of Directors shall fix or approve the schedules of pay, (1) expense allowances, and other compensation and adopt position classification plans for all employees of the University of North

Carolina Hospitals at Chapel Hill.

<u>(2)</u> The Board of Directors shall adopt or provide for rules and regulations concerning, but not limited to, annual leave, sick leave, special leave with full pay or with partial pay supplementing workers' compensation payments for employees injured accidents arising out of and in the course of employment, working conditions, service awards, and incentive award programs, grounds for dismissal, demotion, or discipline, other personnel policies, and any other measures that promote the hiring and retention of capable, diligent, and effective career employees. However, employee who has achieved career State employee status defined by G.S. 126-1.1 by October 31, 1998, shall not have his or her compensation reduced as a result of this subdivision. Further, an employee who has achieved career State employee status as defined by G.S. 126-1.1 by October 31, 1998, shall be subject to the rules regarding discipline or discharge that were effective on October 31, 1998, and shall not be subject to the rules regarding discipline or discharge adopted after October 31, 1998.

(3) The Board of Directors may prescribe the office hours, workdays. and holidays to be observed by the various offices and departments of the University of North Carolina Hospitals at Chapel Hill.

<u>(4)</u> The Board of Directors shall establish boards, committees, or councils to conduct hearings upon the appeal of employees who been suspended, demoted, otherwise disciplined.

discharged, to hear employee grievances, or to undertake any other duties relating to personnel administration that the Board of Directors may direct.

(e) Finances. -- The University of North Carolina Hospitals at Chapel Hill shall be subject to the provisions of the Executive Budget Act. There shall be maintained a business and budget office to administer the budget and financial affairs of the University of North Carolina Hospitals at Chapel Hill. The executive director, subject to the board of directors, shall be responsible for all aspects of budget preparation, budget execution, and expenditure reporting. Subject to the approval of the Director 10 of the Budget: All operating funds of the University of North Carolina Hospitals at 11 Chapel Hill may be budgeted and disbursed through a special fund code, all receipts 12 of the University of North Carolina Hospitals at Chapel Hill may be deposited 13 directly to the special fund code; and general fund appropriations for support of the 14 University of North Carolina Hospitals at Chapel Hill may be budgeted in a general 15 fund code under a single purpose, "Contribution to University of North Carolina 16 Hospitals at Chapel Hill Operations" and be transferable to the special fund 17 operating code as receipts. Prior to taking any action under this subsection, the 18 Director of the Budget may consult with the Advisory Budget Commission.

Finances -- Patient/Hospital Benefit. -- The Executive Director of the 20 University of North Carolina Hospitals at Chapel Hill or the Director's designee, may expend operating budget funds, including State funds, of the University of North 22 Carolina Hospitals at Chapel Hill for the direct benefit of a patient, when, in the 23 judgment of the Executive Director or the Director's designee, the expenditure of these funds would result in a financial benefit to the University of North Carolina Hospitals at Chapel Hill. Any such expenditures are declared to result in the provision of medical services and create charges of the University of North Carolina Hospitals at Chapel Hill for which the hospitals may bill and pursue recovery in the same way as allowed by law for recovery of other hospitals' charges for services that

are unpaid.

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These expenditures shall be limited to no more than seven thousand five hundred dollars (\$7,500) per patient per admission and shall be restricted (i) to situations in which a patient is financially unable to afford ambulance or other transportation for discharge; (ii) to afford placement in an after-care facility pending approval of third party entitlement benefits; (iii) to assure availability of a bed in an after-care facility after discharge from the hospitals; (iv) to secure equipment or other medically 36 appropriate services after discharge; (v) or to pay health insurance premiums. The Executive Director or the Director's designee shall reevaluate at least once a month 38 the cost-effectiveness of any continuing payment on behalf of a patient.

To the extent that the University of North Carolina Hospitals at Chapel Hill 40 advance anticipated government entitlement benefits for a patient's benefit, for which the patient later receives a lump sum "backpay" award from an agency of the State, whether for the current admission or subsequent admission, the State agency shall withhold from this backpay an amount equal to the sum advanced on the patient's behalf by the University of North Carolina Hospitals at Chapel Hill, if, prior to the disbursement of the backpay, the applicable State program has received notice from the University of North Carolina Hospitals at Chapel Hill of the advancement.

(f) Purchases. -- The University of North Carolina Hospitals at Chapel Hill-shall be subject to all provisions of Articles 3 and 3A of Chapter 143 of the General Statutes relating to the Department of Administration, Purchase and Contract 50 Division. There shall be maintained a purchasing office to handle all purchasing 51 requirements of the University of North Carolina Hospitals at Chapel Hill. The 52 Purchase and Contract Division may enter into such arrangements with the board of 53 directors as the Division may deem necessary in consideration of the special

requirements of the University of North Carolina Hospitals at Chapel Hill for procurement of certain supplies, materials, equipments and services. Notwithstanding the provisions of Articles 3 and 3A of Chapter 143 of the General Statutes to the contrary, the Board of Directors shall establish policies and regulations governing the purchasing requirements of the University of North Carolina Hospitals at Chapel Hill. These policies and regulations shall provide for requests for proposals, competitive bidding or purchasing by means other than competitive bidding, contract negotiations and contract awards for purchasing supplies, materials, equipment, and services which are necessary and appropriate to fulfill the clinical, educational, research, and community service missions of the University of North Carolina Hospitals at Chapel Hill. The Board of Directors shall seek the advice of the Director of the Purchase and Contract Division on an annual basis concerning the adequacy of the University of North Carolina Hospitals at Chapel Hill management staff and internal controls to administer the additional authorities authorized under this section.

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(g) Property. -- The board of directors shall be responsible to the University Board of Governors for the maintenance, operation, and control of the University of North Carolina Hospitals at Chapel Hill and grounds. Notwithstanding the provisions of Article 6 of Chapter 146 of the General Statutes to the contrary, the Board of Directors shall establish rules and regulations to perform the functions otherwise prescribed for the Department of Administration in acquiring or disposing of any interest in real property by the University of North Carolina Hospitals at Chapel Hill. These rules and regulations shall include provisions for development of specifications. advertisement, and negotiations with owners for acquisition by purchase, gift, lease, or rental, but not by condemnation or exercise of eminent domain, on behalf of the University of North Carolina Hospitals at Chapel Hill. This section does not authorize the Board of Directors to encumber real property. The Board of Directors shall seek the advice of the State Property Office on an annual basis concerning the adequacy of the University of North Carolina Hospitals at Chapel Hill management staff and internal controls to administer the additional authorities permitted by this After review by the Attorney General as to form and after the consummation of any such acquisition, the University of North Carolina Hospitals at Chapel Hill shall promptly file a report concerning the acquisition or disposition with the Governor and Council of State.

(h) Patient Information. - The University of North Carolina Hospitals at Chapel 35 Hill shall, at the earliest possible opportunity, specifically make a verbal and written 36 request to each patient to disclose the patient's Social Security number, if any. If the patient does not disclose that number, the University of North Carolina Hospitals at Chapel Hill shall deny benefits, rights, and privileges of the University of North 39 Carolina Hospitals at Chapel Hill to the patient as soon as practical, to the maximum 40 extent permitted by federal law or federal regulations. The University of North 41 Carolina Hospitals at Chapel Hill shall make the disclosure to the patient required by Section 7(b) of P.L. 93-579. This subsection is supplementary to G.S. 105A-3(c).

(i) Property Construction. -- Notwithstanding G.S. 143-341(3) and G.S. 143-135.1, the Board of Directors shall, with respect to the design, construction, and renovation of buildings, utilities, and other property developments of the University of North Carolina Hospitals at Chapel Hill requiring the expenditure of public money:

Conduct the fee negotiations for all design contracts and supervise the letting of all construction and design contracts.

<u>(2)</u> Develop procedures governing the responsibilities of the University of North Carolina Hospitals at Chapel Hill to perform the duties of the Department of Administration, the Office of State Construction, and the State Building Commission under G.S. 133-

1 1.1(d), Article 8 of Chapter 143 of the General Statutes, and G.S. 2 143-341(3). (3) Develop procedures and limitations governing the use of open-end design agreements. 5 6 <u>(4)</u> As appropriate, submit construction documents for review and approval by the Department of Insurance and the Division of 7 <u>Facility Services of the Department of Human Resources.</u> 8 9 <u>(5)</u> Use the standard contracts for design and construction currently in use for State capital improvement projects by the Office of State 10 Construction of the Department of Administration. Seek the advice of the Director of the Office of State Construction 11 <u>(6)</u> 12 on an annual basis concerning the adequacy of the University of 13 North Carolina Hospitals at Chapel Hill management staff and 14 internal controls to administer the additional authorities authorized 15 by this section.' 16 (b) G.S. 126-5 is amended by adding a new subsection to read: 17 Except as to the provisions of Articles 5, 6, and 7 of this Chapter, the 18 provisions of this Chapter shall not apply to: 19 Employees of the University of North Carolina Hospitals at Chapel <u>(1)</u> 20 21 <u>(2)</u> Employees of the Medical Faculty Practice Plan, a Division of the 22 School of Medicine of East Carolina University. 23 Employees of UNC Physicians and Associates, a Division of the <u>(3)</u> 24 School of Medicine of the University of North Carolina at Chapel 25 Hill." 26 (c) G.S. 143-56 reads as rewritten: 27 "§ 143-56. Certain purchases excepted from provisions of Article. Unless as may otherwise be ordered by the Secretary of Administration, the 28 purchase of supplies, materials and equipment through the Secretary Administration shall be mandatory in the following cases: 30 31 Published books, manuscripts, maps, pamphlets and periodicals. 32 Perishable articles such as fresh vegetables, fresh fish, fresh meat, 33 eggs, and others as may be classified by the Secretary of 34 Administration. 35 Purchase through the Secretary of Administration shall not be mandatory for a purchase of supplies, materials or equipment for the General Assembly if the total expenditures is less than the expenditure benchmark established under the provisions 37 38 of G.S. 143-53.1 or 143-53.1, for group purchases made by hospitals through a competitive bidding purchasing program, as defined in G.S. 143-129. 143-129, by the University of North Carolina Hospitals at Chapel Hill pursuant to G.S. 116-37(f), by 41 the University of North Carolina at Chapel Hill on behalf of UNC Physicians and Associates pursuant to G.S. 116-37.2(c), or by East Carolina University on behalf of 42 the Medical Faculty Practice Plan pursuant to G.S. 116-40.6(c). 43 44 All purchases of the above articles made directly by the departments, institutions 45 and agencies of the State government shall, whenever possible, be based on competitive bids. Whenever an order is placed or contract awarded for such articles 46 by any of the departments, institutions and agencies of the State government, a copy 48 of such order or contract shall be forwarded to the Secretary of Administration and a record of the competitive bids upon which it was based shall be retained for 50 inspection and review."

(d) G.S. 146-22 reads as rewritten:

"§ 146-22. All acquisitions to be made by Department of Administration.

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Every acquisition of land on behalf of the State or any State agency, whether by 2 purchase, condemnation, lease, or rental, shall be made by the Department of 3 Administration and approved by the Governor and Council of State; provided that if 4 the proposed acquisition is a purchase of land with an appraised value of at least 5 twenty-five thousand dollars (\$25,000), and the acquisition is for other than a transportation purpose, the acquisition may only be made after consultation with the Joint Legislative Commission on Governmental Operations: and provided further, that acquisitions on behalf of the University of North Carolina Hospitals at Chapel Hill shall be made in accordance with G.S. 116-37(g), acquisitions on behalf of the UNC Physicians and Associates shall be made in accordance with G.S. 116-37.2(d), and acquisitions on behalf of the Medical Faculty Practice Plan made in accordance with G.S. 116-40.6(d). In determining whether the appraised value is at least twenty-five thousand dollars (\$25,000), the value of the property in fee simple shall be used. The State may not purchase land as a tenant-in-common without consultation with the Joint Legislative Commission on Governmental Operations if the appraised value of the property in fee simple is at least twenty-five thousand dollars (\$25,000)."

(e) G.S. 133-1.1(d) reads as rewritten:

"(d) On projects on which no registered architect or engineer is required pursuant 20 to the provisions of this section, the governing board or awarding authority shall require a certificate of compliance with the State Building Code from the city or county inspector for the specific trade or trades involved or from a registered architect or engineer, except that the provisions of this subsection shall not apply on projects (i) wherein plans and specifications are approved by the Department of Administration, Division of State Construction, and the completed project is inspected by the Division of State Construction and the State Electrical Inspector, (ii) that are exempt from the State Building Code, or (iii) that are subject to G.S. 116-31.11 and the completed project is inspected by the State Electrical Inspector and by The University of North Carolina or its constituent or affiliated institution. (iv) that are subject to G.S. 116-37(i) and the completed project is inspected by the State Electrical Inspector and by the University of North Carolina Hospitals at Chapel Hill, (v) that are subject to G.S. 116-37.2(e) and the completed project is inspected by the State Electrical Inspector and by the University of North Carolina at Chapel Hill on behalf of the UNC Physicians and Associates, or (vi) that are subject to G.S. 116-40.6(e) and the completed project is inspected by the State Electrical Inspector and by East Carolina University on behalf of the Medical Faculty Practice Plan.

Chapter 116 of the General Statutes is amended by adding the

following:

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"§ 116-37.2. The University of North Carolina Physicians and Associates.

UNC Physicians and Associates. - "UNC Physicians and Associates," a division of the School of Medicine of the University of North Carolina at Chapel Hill, operates clinical programs and facilities for the purpose of providing medical care to the general public and training physicians and other health care professionals.

Personnel. -- All employees of UNC Physicians and Associates shall be deemed to be employees of the State and shall be subject to all provisions of State law relevant thereto; provided, however, that except as to the provisions of Articles 5, 6, and 7 of Chapter 126 of the General Statutes, the provisions of Chapter 126 shall not apply to employees of UNC Physicians and Associates, and the policies and procedures governing the terms and conditions of employment of such employees shall be adopted by the Board of Trustees of the University of North Carolina at Chapel Hill; provided, that with respect to such employees as may be members of the faculty of the University of North Carolina at Chapel Hill, no such policies and procedures may be inconsistent with policies established by, or adopted pursuant to

delegation from, the Board of Governors of the University of North Carolina. Such policies and procedures shall be implemented on behalf of UNC Physicians and Associates by a personnel office maintained by the University of North Carolina at Chapel Hill.

(1) The Board of Trustees shall fix or approve the schedules of pay, expense allowances, and other compensation and adopt position classification plans for employees of UNC Physicians and Associates.

<u>(2)</u> The Board of Trustees may adopt or provide for rules and regulations concerning, but not limited to, annual leave, sick leave, special leave with full pay or with partial pay supplementing workers' compensation payments for employees injured in accidents arising out of and in the course of employment, working conditions, service awards, and incentive award programs, grounds for dismissal, demotion, or discipline, other personnel policies, and any other measures that promote the hiring and retention of capable, diligent, and effective career employees. However, an employee who has achieved career State employee status as defined by G.S. 126-1.1 by October 31, 1998, shall not have his or her compensation reduced as a result of this subdivision. Further, an employee who has achieved career State employee status as defined by G.S. 126-1.1 by October 31, 1998, shall be subject to the rules regarding discipline or discharge that were effective on October 31, 1998, and shall not be subject to the rules regarding discipline or discharge adopted after October 31, 1998.

(3) The Board of Trustees may prescribe the office hours, workdays, and holidays to be observed by the various offices and departments

of UNC Physicians and Associates.

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(4) The Board of Trustees shall establish boards, committees, or councils to conduct hearings upon the appeal of employees who have been suspended, demoted, otherwise disciplined, or discharged, to hear employee grievances, or to undertake any other duties relating to personnel administration that the Board of Trustees may direct.

(c) Purchases. — Notwithstanding the provisions of Articles 3 and 3A of Chapter 143 of the General Statutes to the contrary, the Board of Trustees of the University of North Carolina at Chapel Hill shall establish policies and regulations governing the purchasing requirements of UNC Physicians and Associates. These policies and regulations shall provide for requests for proposals, competitive bidding or purchasing by means other than competitive bidding, contract negotiations and contract awards for purchasing supplies, materials, equipment, and services which are necessary and appropriate to fulfill the clinical and educational missions of UNC Physicians and Associates. Pursuant to such policies and regulations, purchases for UNC Physicians and Associates shall be effected by a purchasing office maintained by the University of North Carolina at Chapel Hill. The Board of Trustees shall seek the advice of the Director of the Purchase and Contract Division on an annual basis concerning the adequacy of the University of North Carolina at Chapel Hill management staff and internal controls to administer the additional authorities authorized under this section.

(d) Property. -- Notwithstanding the provisions of Article 6 of Chapter 146 of the General Statutes to the contrary, the Board of Trustees shall establish rules and regulations to perform the functions otherwise prescribed for the Department of Administration in acquiring or disposing of any interest in real property for the use of

UNC Physicians and Associates. These rules and regulations shall include provisions for development of specifications, advertisement, and negotiations with owners for acquisition by purchase, gift, lease, or rental, but not by condemnation or exercise of eminent domain, on behalf of UNC Physicians and Associates. This section does not authorize the Board of Trustees to encumber real property. Such rules and regulations shall be implemented by a property office maintained by the University of North Carolina at Chapel Hill. The Board of Trustees shall seek the advice of the State Property Office on an annual basis concerning the adequacy of the University of North Carolina at Chapel Hill management staff and internal controls to administer the additional authorities permitted by this section. After review by the Attorney General as to form and after the consummation of any such acquisition, the University of North Carolina at Chapel Hill shall promptly file, on behalf of UNC Physicians and Associates, a report concerning the acquisition or disposition with the Governor and Council of State.

(e) Property Construction. - Notwithstanding G.S. 143-341(3) and G.S. 143-135.1, the Board of Trustees shall adopt policies and procedures to be implemented by the administration of the University of North Carolina at Chapel Hill, with respect to the design, construction, and renovation of buildings, utilities, and other property developments for the use of UNC Physicians and Associates, requiring the

expenditure of public money for:

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Conducting the fee negotiations for all design contracts and <u>(1)</u> supervising the letting of all construction and design contracts.

<u>(2)</u> Performing the duties of the Department of Administration, the Office of State Construction, and the State Building Commission under G.S. 133-1.1(d), Article 8 of Chapter 143 of the General Statutes, and G.S. 143-341(3).

Using open-end design agreements.

As appropriate, submitting construction documents for review and approval by the Department of Insurance and the Division of Facility Services of the Department of Human Resources.

<u>(5)</u> Using the standard contracts for design and construction currently in use for State capital improvement projects by the Office of State

Construction of the Department of Administration.

The Board of Trustees shall seek the advice of the Director of the Office of State Construction on an annual basis concerning the adequacy of the University of North Carolina at Chapel Hill management staff and internal controls to administer the additional authorities authorized by this section.

"§ 116-40.6. East Carolina University Medical Faculty Practice Plan.

(a) Medical Faculty Practice Plan. - The "Medical Faculty Practice Plan," a division of the School of Medicine of East Carolina University, operates clinical programs and facilities for the purpose of providing medical care to the general

public and training physicians and other health care professionals.

(b) Personnel. -- Employees of the Medical Faculty Practice Plan shall be deemed to be employees of the State and shall be subject to all provisions of State law relevant thereto; provided, however, that except as to the provisions of Articles 5, 6, and 7 of Chapter 126 of the General Statutes, the provisions of Chapter 126 shall not apply to employees of the Medical Faculty Practice Plan, and the policies and procedures governing the terms and conditions of employment of such employees shall be adopted by the Board of Trustees of East Carolina University; provided, that with respect to such employees as may be members of the faculty of East Carolina University, no such policies and procedures may be inconsistent with policies established by, or adopted pursuant to delegation from, the Board of Governors of 53 the University of North Carolina. Such policies and procedures shall be implemented on behalf of the Medical Faculty Practice Plan by a personnel office maintained by East Carolina University.

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The Board of Trustees shall fix or approve the schedules of pay, expense allowances, and other compensation and adopt position classification plans for employees of the Medical Faculty Practice Plan.

<u>(2)</u> The Board of Trustees may adopt or provide for rules and regulations concerning, but not limited to, annual leave, sick leave, special leave with full pay or with partial pay supplementing workers' compensation payments for employees injured in accidents arising out of and in the course of employment, working conditions, service awards, and incentive award programs, grounds for dismissal, demotion, or discipline, other personnel policies, and any other measures that promote the hiring and retention of capable, diligent, and effective career employees. However, an employee who has achieved career State employee status as defined by G.S. 126-1.1 by October 31, 1998, shall not have his or her compensation reduced as a result of this subdivision. Further, an employee who has achieved career State employee status as defined by G.S. 126-1.1 by October 31, 1998, shall be subject to the rules regarding discipline or discharge that were effective on October 31, 1998, and shall not be subject to the rules regarding discipline or discharge adopted after October 31, 1998.

(3) The Board of Trustees may prescribe the office hours, workdays, and holidays to be observed by the various offices and departments

of the Medical Faculty Practice Plan.

(4) The Board of Trustees shall establish boards, committees or councils to conduct hearings upon the appeal of employees who have been suspended, demoted, otherwise disciplined, or discharged, to hear employee grievances, or to undertake any other duties relating to personnel administration that the Board of Trustees may direct.

(c) Purchases. — Notwithstanding the provisions of Articles 3 and 3A of Chapter 143 of the General Statutes to the contrary, the Board of Trustees of East Carolina University shall establish policies and regulations governing the purchasing requirements of the Medical Faculty Practice Plan. These policies and regulations shall provide for requests for proposals, competitive bidding or purchasing by means other than competitive bidding, contract negotiations and contract awards for purchasing supplies, materials, equipment, and services which are necessary and appropriate to fulfill the clinical and educational missions of the Medical Faculty Practice Plan. Pursuant to such policies and regulations, purchases for the Medical Faculty Practice Plan shall be effected by a purchasing office maintained by East Carolina University. The Board of Trustees shall seek the advice of the Director of the Purchase and Contract Division on an annual basis concerning the adequacy of the East Carolina University management staff and internal controls to administer the additional authorities authorized under this section.

(d) Property. -- Notwithstanding the provisions of Article 6 of Chapter 146 of the General Statutes to the contrary, the Board of Trustees shall establish rules and regulations to perform the functions otherwise prescribed for the Department of Administration in acquiring or disposing of any interest in real property for the use of the Medical Faculty Practice Plan. These rules and regulations shall include provisions for development of specifications, advertisement, and negotiations with owners for acquisition by purchase, gift, lease, or rental, but not by condemnation or

exercise of eminent domain, on behalf of the Medical Faculty Practice Plan. section does not authorize the Board of Trustees to encumber real property. rules and regulations shall be implemented by a property office maintained by East Carolina University. The Board of Trustees shall seek the advice of the State Property Office on an annual basis concerning the adequacy of the East Carolina University management staff and internal controls to administer the additional authorities permitted by this section. After review by the Attorney General as to form and after the consummation of any such acquisition, East Carolina University shall promptly file, on behalf of the Medical Faculty Practice Plan, a report concerning the acquisition or disposition with the Governor and Council of State. (e) Property Construction. -- Notwithstanding G.S. 143-341(3) and G.S. 143-135.1, the Board of Trustees shall adopt policies and procedures, to be implemented by the 12 administration of East Carolina University, with respect to the design, construction,

and renovation of buildings, utilities, and other property developments for the use of the Medical Faculty Practice Plan, requiring the expenditure of public money for:

Conducting the fee negotiations for all design contracts and (1)supervising the letting of all construction and design contracts.

(2)<u>Performing the duties of the Department of Administration, the</u> Office of State Construction, and the State Building Commission under G.S. 133-1.1(d), Article 8 of Chapter 143 of the General Statutes, and G.S. 143-341(3).

Using open-end design agreements.

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 $\frac{(3)}{(4)}$ As appropriate, submitting construction documents for review and approval by the Department of Insurance and the Division of Facility Services of the Department of Human Resources.

<u>(5)</u> Using the standard contracts for design and construction currently in use for State capital improvement projects by the Office of State Construction of the Department of Administration.

The Board of Trustees shall seek the advice of the Director of the Office of State Construction on an annual basis concerning the adequacy of East Carolina University management staff and internal controls to administer the additional authorities authorized by this section."

(g) This section becomes effective November 1, 1998.

## 1 CODE NO. 98UNC-S013-P

2 Requested by: Senators Lee, Winner

## 3 UNC APPLICATIONS POOL

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Section 11.9. The Board of Governors of The University of North 5 Carolina shall create a system that provides for the sharing of selected applications 6 for admissions from North Carolina residents among the constituent institutions. The intent of the system shall be to increase the number of qualified North Carolina high 8 school graduates who participate in higher education by providing information about 9 applicants to other schools as well as providing information to applicants about 10 alternative higher education opportunities in North Carolina. The Board of 11 Governors may cooperate with the State Board of Community Colleges and with the 12 private colleges and universities in North Carolina in creating such a system.

The Board of Governors shall report on its progress in developing such a 14 system to the Joint Legislative Education Oversight Committee by January 15, 1999.

CODE NO. 98UNC-S014-P

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Requested by: Senators Lee, Winner, Plyler PRIVATE COLLEGES/INCENTIVE FUNDS

Section 11.10. G.S. 116-20 reads as rewritten:

"§116-20. Scholarship and contract terms; base period.

In order to encourage and assist private institutions to educate additional numbers of North Carolinians, the Board of Governors of the University of North Carolina is hereby authorized to enter into contracts within the institutions under the terms of which an institution receiving any funds that may be appropriated pursuant to this 10 section would agree that, during any fiscal year in which such funds were received, 11 the institution would provide and administer scholarship funds for needy North 12 Carolina students in an amount at least equal to the amount paid to the institution, pursuant to this section, during the fiscal year. Under the terms of the contracts the 14 Board of Governors of the University of North Carolina would agree to pay to the 15 institutions, subject to the availability of funds, a fixed sum of money for each North 16 Carolina student enrolled as of October 1 of any year for which appropriated funds 17 may be available, over and above the number of North Carolina students enrolled in 18 that institution as of October 1, 1970, 1997, which shall be the base date for the purpose of this calculation. Funds appropriated pursuant to this section shall be paid 20 by the Department of Administration State Education Assistance Authority to an institution upon recommendation of the Board of Governors of the University of 22 North Carolina and on certification of the institution showing the number of North 23 Carolina students enrolled at the institution as of October 1 of any year for which 24 funds may be appropriated over the number enrolled on the base date. In the event 25 funds are appropriated for expenditure pursuant to this section and funds are also appropriated, for the same fiscal year, for expenditure pursuant to G.S. 116-19, students who are enrolled at an institution in excess of the number enrolled on the 28 base date may be counted under this section for the purpose of calculating the amount to be paid to the institution, but the same students may not also be counted 30 under G.S. 116-19, for the purpose of calculating payment to be made under that 31 section."

## CODE NO. 98UNC-S020-P

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Requested by: Senators Lee, Winner, Odom, Plyler SUSTAINABLE OYSTER AQUACULTURE STUDY

Section 11.11. (a) Of the funds appropriated in this act to the Board of Governors of The University of North Carolina for fiscal year 1998-99, the sum of three hundred thousand dollars (\$300,000) shall be allocated to the Institute of Marine Sciences at the University of North Carolina at Chapel Hill to study the potential for sustainable oyster aquaculture of triploid Crassostrea sikamea (Kumamoto), triploid Crassostrea ariakensis (Suminoe), triploid Crassostrea gigas (Pacific), and triploid Ostrea edulis (European flat). Testing shall be carried out under a variety of environmental conditions, including, but not limited to, the evaluation of oyster growth of each type of oyster in polluted waters and the ability of each type of oyster to purify polluted waters.

(b) The Primary Investigator or Researcher receiving funding pursuant to 15 subsection (a) of this section shall provide progress reports to the Joint Legislative 16 Commission on Seafood and Aquaculture, the Environmental Review Commission, the Marine Fisheries Commission, and the Fiscal Research Division on January 1 and July 1 of each year until the project or study is complete. Upon completion of the project or study, the Primary Investigator or Researcher shall provide a final report of

20 its findings and recommendations to the above entities.

CODE NO. 98UNC-S019-P

Requested by: Senators Lee, Winner UNC REPAIRS AND RENOVATIONS

Section 30.2. The Board of Governors of The University of North Carolina may allocate up to ten million dollars (\$10,000,000) of its funding from the Reserve for Repairs and Renovations for improvements to the technology infrastructure on the campuses of the constituent institutions. Such improvements to the technology infrastructure shall include repairs to existing systems, improvements to improve the use and suitability of existing space for technology, and other improvements to utilities infrastructure that will allow the increased use of advanced technology for educational and research purposes.

These funds shall be used in accordance with G.S. 143-15.3A.

#### HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

## Wednesday, July 8, 1998

#### **MINUTES**

The House Appropriations Subcommittee on Education met on Wednesday, July 8, 1998, at 8:30 a.m. in Room 421 of the Legislative Office Building.

Members present were Representatives Arnold, Grady, Preston, Co-chairs; Representatives Black, Davis, Oldham, Reynolds, and Yongue. Representatives Rogers and Shubert had an excused absence.

Representative Grady called the meeting to order. The House pages are Sara Dickens of Beaufort, sponsored by Representative Hardy and Summer Bethune, Cumberland County, sponsored by Representative McCallister.

Agenda Items are to hear bills and take whatever action necessary.

•	HB 1430	Natural Resources Leadership Funds	Representative Culp	
•	HB 1532	Model Teacher Consortium Funds	Representative Crawford	
•	HB 1386	Expand Community Link Funds	Representative Carpenter	
•	HB 1548	Institute Of Government Intern Funds	Representative Goodwin	
•	HB 1676	Teacher Compensation/Extra Work Days	Representative Black	
•	HB 1428	LEP Student Funds	Representative Arnold	
•	HB 1557	Low-Wealth School Supplemental Funds	Representative Arnold	
•	HB 1672	Principal Salary Funds	Representative Arnold	
•	HB 1634	Community College Expansion Funds	Representative Reynolds	
	(HB 1673 and 1674 removed from the agenda at the request of Representative Arnold)			

Questions and discussion followed each presentation.

The committee plan is to meet tomorrow, Thursday, July 9, to hear all bills which have been received. We will then meet with staff to nail down the real availability figure, plug in items we feel are "must do" and bring to committee to try to finish our work next week.

The meeting adjourned to be back tomorrow morning at 8:30am to conclude presentation of bills.

Respectfully submitted:

Representative W. Robert Grady, Co-Chair

Sandra B. Ellis, Committee Clerk

# HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION MEETING

# Wednesday, July 8, 1998

## AGENDA

Call to Order

Representative Grady, Co-Chair

#### Bill for Consideration:

HB 1428 LEP Student Funds
HB 1557 Low-Wealth School Supplemental Funds
HB 1672 Principal Salary Funds
HB 1673 Teacher Evaluations/Assessment Teams
HB 1674 Principals in Low-Performing Schools
HB 1676 Teacher Compensation/Extra Work Days
HB 1386 Expand Community Link Funds
HB 1532 Model Teacher Consortium Funds
HB 1430 Natural Resources Leadership Funds
HB 1548 IOG Intern Funds

Representative Arnold
Representative Arnold
Representative Arnold
Representative Arnold
Representative Arnold
Representative Black
Representative Carpenter
Representative Crawford
Representative Culp
Representative Goodwin

### VISITOR REGISTRATION SHEET

House APPROPRIATIONS/Subcommittee on Education Wednesday, July 8, 1998 8:30 AM

Name of Committee

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Date

## VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

# **NAME** FIRM OR AGENCY AND ADDRESS NCDOA - YAID Virginia Eagles Paula J. Stolf (brenant W/NC's Children NC PTA Professional Educators of NC (PENC) Steve Snutko Natural Ras. Ceadership hst. (Nesu) NCAE Dawn Brown SBM Maurice King Elizabett Droumster OSBM 05 Bu Ncmodel Jeacher Ed. Consortium

Intern, 6 as is Office

# VISITOR REGISTRATION SHEET

House APPROPRIATIONS/Subcommittee on Education Wednesday, July 8, 1998 8:30 AM

Date

Name of Committee

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Piper Nictors	SBE
Guran Markham	EgHS
GERRY HANKER	EGH5
Gene Causby	I-EBC
Rep. Goodun	
Jim Stegall	Professional Educators of North Carolina (PENC)
LIBW OB VCENCA VND VDDBESS	NVWE

# GENERAL ASSEMBLY OF NORTH CAROLINA

# **SESSION 1997**

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**HOUSE BILL 1430** 

Short Title: Natural Resources Leadership Funds. (Public) Representative Culp. Sponsors: Referred to: Appropriations.

# May 25, 1998

1 A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS TO CONTINUE THE PROGRAMS OF 3 THE NATURAL RESOURCE LEADERSHIP INSTITUTE SPONSORED BY 4

THE COOPERATIVE EXTENSION SERVICE AT NORTH CAROLINA

5 STATE UNIVERSITY.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of 8 Governors of The University of North Carolina the sum of one hundred seventy

9 thousand dollars (\$170,000) for the 1998-99 fiscal year in order to provide funding for

10 the Natural Resource Leadership Institute sponsored by the Cooperative Extension

11 Service at North Carolina State University.

12 Section 2. This act becomes effective July 1, 1998. 1

# GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 1997

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## **HOUSE BILL 1532**

Short Title: Model Teacher Consortium Funds. (Public)

Sponsors: Representative Crawford.

Referred to: Appropriations.

# May 27, 1998

A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS FOR THE OPERATION OF THE MODEL

3 TEACHER EDUCATION CONSORTIUM.

4 The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State

6 Board of Education the sum of two million five hundred thousand dollars

7 (\$2,500,000) for the 1998-99 fiscal year for the operation of the Model Teacher

8 Education Consortium.

Section 2. This act becomes effective July 1, 1998.

# GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 1997

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#### **HOUSE BILL 1386**

Short Title: Funds/Expand Community Link. (Public)

Sponsors: Representative Carpenter.

Referred to: Appropriations.

# May 21, 1998

A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS TO EXPAND AND UPGRADE THE

3 COMMUNITY LINK PROGRAM TO PROVIDE ADDITIONAL

4 EDUCATIONAL SERVICES TO WESTERN NORTH CAROLINA.

5 The General Assembly of North Carolina enacts:

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Section 1. There is appropriated from the General Fund to the Department of Community Colleges the sum of nine hundred sixty-seven thousand dollars (\$967,000) for the 1998-99 fiscal year to expand the Community Link program and upgrade its existing sites. Community Link is a telecommunications delivery system that provides educational opportunities to the mountain communities of rural Western North Carolina.

Section 2. This act becomes effective July 1, 1998.

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# GENERAL ASSEMBLY OF NORTH CAROLINA

#### SESSION 1997

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#### **HOUSE BILL 1548**

Short Title: IOG Intern Funds.

(Public)

Sponsors:

Representatives Goodwin; Adams, Baddour, Culpepper, Dedmon, Gardner, Hensley, R. Hunter, Hurley, Ives, Jeffus, McMahan, Moore,

Rogers, Russell, Sutton, Wainwright, Weatherly, and Yongue.

Referred to: Appropriations.

# May 27, 1998

1 A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS TO THE UNIVERSITY OF NORTH 3 CAROLINA FOR THE INTERNSHIP PROGRAM AT THE INSTITUTE OF

4 GOVERNMENT.

5 The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of fourteen thousand dollars

8 (\$14,000) for the 1998-99 fiscal year to be used for student intern compensation at the

9 UNC Institute of Government.

Section 2. This act becomes effective July 1, 1998.



July 7, 1998

Wayne G. Goodwin Representative North Carolina House of Representatives P.O. Drawer 249 Rockingham, N.C. 28380

Dear Representative Goodwin,

Thank you for introducing HB 1548 to appropriate \$14,000 to be used to increase the hourly wage of student interns participating in the Institute of Government Summer Internship Program from \$5.00 to \$6.75. I appreciate the support for the intern program you have shown by sponsoring this bill.

As you know from your own participation in the Institute's intern program, the primary purpose is not to pay the interns for their work. Rather, our goal is to provide interesting work in government and prepare future leaders. Even so, some payment is important so that students of a variety of income classes have a fair chance at internships. The hourly wage for an intern in the Institute of Government Program in 1997 was \$5. The hourly wage has been \$5 since 1988. As the program supports 20 students for a period of ten weeks, the state appropriation in 1997 was \$40,000. Increasing the wage to \$6.75 requires an increase of \$14,000.

The Youth Advocacy and Involvement Office in the Department of Administration supervises a similar internship program. In 1997 the General Assembly increased the hourly wage for interns participating in the Youth Advocacy program to \$6.75. The Youth Advocacy program and the Institute of Government program have always paid interns the same hourly wage and I feel that it is important that interns participating in both programs continue to receive the same pay. The Institute temporarily is paying the interns participating in the 1998 program \$6.75 per hour. The Institute is paying the difference between the \$5 appropriated wage and the actual wage with funds the Institute generates from other activities. It would be most beneficial to the Institute and the intern program for the wages to be paid from appropriated funds.

Again, thank you for your support of the Institute of Government intern program. I feel that the appropriation provided by HB 1548 is extremely important to the continued success of the program. Please let me know if I can provide further information or assistance in your efforts to secure this appropriation.

Sincerely,

Mike

Michael Smith Director



March 9, 1998

Wayne G. Goodwin Representative North Carolina House of Representatives P O Drawer 249 Rockingham NC 28380

Dear Representative Goodwin:

I am writing to request your assistance in upgrading the hourly wage of interns in the Institute of Government Summer Internship Program. I hope that your fond memories of being an intern, being involved in prospective intern interviewing, and being close to the program over the years will lead you to be interested in helping. While you are familiar with the program, please let me provide some historic detail.

The Institute of Government Summer Internship Program provides paid summer internships in state and local government in the Raleigh area. This program has operated since 1962, with the Institute assuming full responsibility for it from Governor Terry Sanford in 1965. A key component of this program is that all interns are required to live together in a residential setting. In recent years, the interns have lived as a group in a Meredith College dormitory. We believe that this enhances the educational experience. Even so, it can place a financial burden on some interns, who must maintain another apartment or living space in addition to their living space for the internship program.

This program's primary purpose is not paying interns for their work—instead, it provides interesting work in government and prepares future leaders. Even so, some payment is important so that students of a variety of income classes have a fair chance at internships. The hourly wage for an intern in the Institute of Government program in summer, 1997 was \$5. That is \$200 per week, over a ten-week period. This hourly wage has been \$5 since 1988, when the wage was increased from \$3.73 per hour.

Last summer, the Institute of Government internship program supported 20 internships, plus a student coordinator. A handful of additional internships may also be filled, and local government and local government associations in Raleigh fund them. The state appropriation for these 20 interns in 1997 was \$40,000 (20 x 40 hours per week x ten weeks).

The Youth Advocacy and Involvement Office in the Department of Administration supervises a similar internship program. That internship program fills 100 internships every summer. The internships are located around the state, and students often are able to live at home, in their home campus apartments, or with family or friends. In 1997, the General Assembly increased the hourly wage for interns in this program from \$5 per hour to \$6.75.

Until this past legislative session, the Youth Advocacy program and the Institute of Government program have always paid interns the same hourly wage. Given their historic treatment as parallel offerings with some distinctive differences, we request that the General Assembly pass legislation to increase the intern wage from \$5 per hour to \$6.75 per hour. The needed appropriation would change from \$40,000 to \$54,000, an increase of \$14,000 over 1997. In 1998, the Institute will pay interns \$6.75 per hour, making up the difference between the appropriated \$5 wage and the actual wage with funds the Institute generates from other activities. Even so, it would be most beneficial to the Institute and the intern program for these wages to be paid from appropriated funds.

I hope you can help the Institute achieve this goal. Please let me know if I can provide additional information or assistance.

Sincerely,

Thomas H. Thomburg

Associate Director for Programs

Dowal H. Douba

919/966-4377

#### Attachments:

(1) summer intern program brochure

(2) school representation in the intern program

# Schools represented in Institute of Government Summer Internship Program, 1995-97

1995—25 interns

1996—20 interns

1997-20 interns

# North Carolina Schools Represented

Appalachian State University

Davidson College

**Duke University** 

East Carolina University

Elizabeth City State University

Elon College

Fayetteville State University

Guilford College

Johnson C. Smith University

Meredith College

North Carolina A&T

North Carolina Central University

North Carolina School of Arts

North Carolina State University

Queens College

Salem College

**UNC-Asheville** 

UNC-Chapel Hill

**UNC-Greensboro** 

**UNC-Pembroke** 

Wake Forest University

Western Carolina University

Winston-Salem State University

## Out-of-State Schools Represented

Amherst College (Amherst, MA). Student hometown was Burnsville, NC. Hampton University (Hampton, VA). Student hometown was Elizabethtown, NC. Morehouse College (Atlanta, GA). Student hometown was Hope Mills, NC.



# North Carolina General Assembly House of Representatives State Tegislative Building Raleigh 27601-1096

REPRESENTATIVE WAYNE GOODWIN

32ND DISTRICT

OFFICE ADDRESS: ROOM 502 LEGISLATIVE OFFICE BUILDING

RALEIGH, N.C. 27601-1096

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ROCKINGHAM, N.C. 28379

COMMITTEES:

COMMERCE

BUSINESS AND LABOR SUBCOMMITTEE

JUDICIARY II

PENSIONS AND RETIREMENTS

UNIVERSITY OF NORTH CAROLINA BOARD

OF GOVERNORS

## **MEMORANDUM**

TO:

Representative Gene Arnold

Representative Jim Black

Representative Don Davis

Representative Robert Grady

Representative Pete Oldham

Representative Jean Preston

Representative Dennis Reynolds

Representative Gene Rogers

Representative Fern Shubert

Representative Doug Yongue

FROM:

Representative Wayne Goodwin WG

RE:

HB 1548

DATE:

June 25, 1998

I want to take this opportunity to draw your attention to my bill, HB 1548. This bill is merely an expense of \$14,000.00 (that's right) so that interns through the Institute of Government (IOG) Internship Program are paid the same summer wages as other state interns through the N.C. State Government Internship Program offered through the Youth Advocacy and Involvement Office. I participated in this program with the SBI in 1989, and my experience was very valuable.

Currently, IOG interns are paid a total of \$6.75 per hour -- \$5 per hour from the State appropriation for that purpose and the additional \$1.75 out of the IOG operating budget. The IOG pays the \$1.75 only because last year's state budget did not include the same pay increase given other state interns. As wonderful a resource as the IOG is for legislators and for our citizens, I think it is only fair that we treat their intern funding the same way we treat Youth Advocacy and Involvement Office intern funding and provide an equal amount for both programs.

I want to stress that this is a fairness issue, is a small appropriation, and addresses a technical omission from last year's budget that needs our attention this year. I would strongly urge your support of this small increase being included in the budget. Thank you for your consideration.

cc:

Senator Aaron Plyler

Senator Leslie Winner

Senator Howard Lee

Mr. Franklin Freeman

Mr. Michael Smith, IOG

Mr. Thomas Thomburg, IOG



# GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 1997

H

**HOUSE BILL 1676** 

Short Title: Teacher Compensation/Extra Work Days.

(Public)

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**Sponsors:** 

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Representatives Black; H. Hunter, Hensley, Luebke, Mercer, Mosley, Sexton, Shubert, Tolson, Wainwright, Warner, Warwick, Womble and

Yongue.

Referred to: Appropriations.

June 1, 1998

A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS TO COMPENSATE TEACHERS FOR 3 WORKING MORE DAYS IN ONE SCHOOL YEAR THAN IN THE PRIOR SCHOOL YEAR. 4

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-302.1(b) reads is rewritten:

"(b) Salary Payments. -- State-allotted teachers shall be paid for a term of 10 8 months. State-allotted months of employment for vocational education to local boards 9 shall be used for the employment of teachers of vocational and technical education 10 for a term of employment to be determined by the local boards of education. 11 However, local boards shall not reduce the term of employment for any vocational 12 agriculture teacher personnel position that was 12 calendar months for the 1982-83 13 school year for any school year thereafter.

Each local board of education shall establish a set date on which monthly salary 15 payments to State-allotted teachers shall be made. This set pay date may differ from 16 the end of the month of service. The daily rate of pay for teachers shall equal one 17 twenty-second of the monthly rate of pay. If teachers in a local school administrative 18 unit are required to work on more days during the 1997-98 school year or a 19 subsequent school year than they were required to work during the prior school year. 20 teachers shall be paid for up to three such additional days.

Teachers may be prepaid on the monthly pay date for days not yet worked. A 21 22 teacher who fails to attend scheduled workdays or who has not worked the number 1 of days for which the teacher has been paid and who resigns, is dismissed, or whose 2 contract is not renewed shall repay to the local board any salary payments received 3 for days not yet worked. A teacher who has been prepaid and continues to be 4 employed by a local board but fails to attend scheduled workdays may be subject to 5 dismissal under G.S. 115C-325 or other appropriate discipline.

Any individual teacher who is not employed in a year-round school may be paid 7 in 12 monthly installments if the teacher so requests on or before the first day of the 8 school year. The request shall be filed in the local school administrative unit which 9 employs the teacher. The payment of the annual salary in 12 installments instead of 10 10 shall not increase or decrease the teacher's annual salary nor in any other way 11 alter the contract made between the teacher and the local school administrative unit. 12 Teachers employed for a period of less than 10 months shall not receive their salaries 13 in 12 installments."

Section 2. There is appropriated from the General Fund to State Aid to 15 Local School Administrative Units the sum of fifteen million dollars (\$15,000,000) for 16 the 1998-99 fiscal year to implement the provisions of Section 1 of this act.

Section 3. This act becomes effective July 1, 1998.

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#### **SESSION 1997**

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# **HOUSE BILL 1428\***

Short Title: LEP Students/Appropriations. (Public) Representatives Arnold; Hackney, Insko, Jeffus, Luebke, Preston, Sexton, Tolson, Warwick, and Watson. Sponsors: Referred to: Appropriations.

### May 25, 1998

1 A BILL TO BE ENTITLED 2 AN ACT TO IMPLEMENT THE RECOMMENDATION OF THE LEGISLATIVE STUDY COMMISSION ON PUBLIC SCHOOLS TO APPROPRIATE FUNDS 3 4 FOR **PROGRAMS** TO SERVE LIMITED ENGLISH PROFICIENCY 5 STUDENTS.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to the State 8 Board of Education the sum of fifteen million dollars (\$15,000,000) for the 1998-99 9 fiscal year to provide funds to assist students with limited proficiency in the English 10 language. The State Board shall allocate funds to local school administrative units to 11 assist students with limited English proficiency (LEP). The State Board also may 12 allocate funds to institutions of higher education to provide training to instructional 13 personnel who serve LEP students. The State Board shall determine the allocation of 14 the funds and shall develop standards for identifying and providing services to LEP 15 students. Local school administrative units shall use funds appropriated under this 16 act to pay for classroom teachers, textbooks, classroom materials/instructional 17 supplies/equipment, and staff development. A county in which a local school 18 administrative unit receives funds under this section shall use the funds to supplement 19 local current expense funds and shall not supplant local current expense funds. Section 2. G.S. 115C-105.25(b)(4) reads as rewritten:

Funds allocated for children with special needs, for students with limited English proficiency, and funds allocated for driver's education shall not be transferred."

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Section 3. The State Board of Education shall review its certification 2 requirements for English as a Second Language (ESL) and determine whether the 3 requirements should be revised in order to assist local school administrative units to 4 quickly obtain adequate numbers of qualified teachers. The State Board and the 5 Board of Governors of The University of North Carolina shall coordinate efforts to 6 provide ESL certification programs that are geographically disbursed throughout the 7 State. The Board of Governors shall examine providing ESL certification programs 8 through distance learning methods and off-campus programs.

Section 4. The State Board of Education shall identify existing or 10 develop new programs that provide instructional personnel with in-service, 11 noncertificate training for assisting LEP students in the regular classroom. The Board 12 of Governors of The University of North Carolina and the State Board of Community 13 Colleges shall collaborate with the State Board in order to deliver these programs to 14 geographically diverse locations.

Section 5. The State Board of Education shall survey local school 16 administrative units to determine whether schools are able to recruit and retain ESL 17 certified teachers. The State Board shall provide the results of this survey to the 18 Joint Legislative Education Oversight Committee prior to December 15, 1999.

Section 6. This act becomes effective July 1, 1998.

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#### **HOUSE BILL 1557**

Short Title: Low-Wealth Supp. School Funds. (Public)

Sponsors: Representatives Arnold; Goodwin, Hurley, Luebke, Morris, Owens, Sexton, Thompson, Tolson, and Yongue.

Referred to: Appropriations.

#### May 28, 1998

A BILL TO BE ENTITLED

AN ACT TO APPROPRIATE FUNDS FOR LOW-WEALTH SCHOOL SYSTEMS'

SUPPLEMENTAL FUNDING.

The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of fifty-three million six hundred forty-three thousand three hundred forty-three dollars (\$53,643,343) for the 1998-99 fiscal year for low-wealth school systems' supplemental funding.

It is a goal of the General Assembly to provide supplemental funds to allow-wealth counties to allow those counties to allow thos

10 low-wealth counties to allow those counties to enhance the instructional program and student achievement.

12 Section 2. This act becomes effective July 1, 1998.

#### **SESSION 1997**

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#### **HOUSE BILL 1672**

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Short Title: Principal Salary Funds. (Public) Representatives Arnold; Sexton, Shubert, Watson, and Yongue. **Sponsors:** Referred to: Appropriations

#### June 1, 1998

#### A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS TO INCREASE THE SALARIES OF 3 PRINCIPALS AND ASSISTANT PRINCIPALS.

The General Assembly of North Carolina enacts:

Section 1. (a) There is appropriated from the General Fund to the 6 Reserve for Compensation the sum of eighteen million dollars (\$18,000,000) for the 7 1998-99 fiscal year to implement the salary increases for school-based administrators 8 set out in this section.

9 (b) The salary ranges for school-based administrators shall apply only to 10 principals and assistant principals. The salary ranges for the 1998-99 fiscal year, 11 commencing July 1, 1998, are as follows:

12	Classification	Range
13	Assistant Principal	2,873 - 4,880
14	Principal I	3,068 - 4,978
15	Principal II	3,238 - 5,282
16	Principal III	3,421 - 5,606
17	Principal IV	3,548 - 5,833
18	Principal V	3,680 - 6,068
19	Principal VI	3,892 - 6,440
20	Principal VII	4,112 - 6,700
21	Principal VIII	4,189 - 6,834
22	*	1,107 0,054

The appropriate classification for placement of principals and 24 assistant principals on the salary range, except for principals in alternative schools, shall be determined in accordance with the following schedule:

**Number of Teachers** 

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1 2	Classification Assistant Principal	Supervised
3	Principal I	Less than 11 Teachers
4	Principal II	11-21 Teachers
5	Principal III	22-32 Teachers
6	Principal IV	33-43 Teachers
7	Principal V	44-54 Teachers
8	Principal VI	55-65 Teachers
9	Principal VII	66-100 Teachers
10	Principal VIII	More than 100 Teachers

11 The number of teachers supervised includes teachers and assistant principals paid 12 from State funds only; it does not include teachers or assistant principals paid from 13 non-State funds or the principal or teacher assistants.

The beginning classification for principals in alternative schools shall be 15 the Principal III level. Principals in alternative schools who supervise 33 or more teachers shall be classified according to the number of teachers supervised.

- (d) For the 1998-99 fiscal year, a principal or assistant principal may be awarded a salary increase of up to one percent (1%) if
  - The employee's school meets or exceeds the projected levels of (1) improvement in student performance for the 1998-99 fiscal year, in accordance with the ABC's of Public Education Program; or
  - The local board of education finds that the employee's school has (2) met or exceeded the goals of the local plan for maintaining a safe and orderly school.

25 The principal or assistant principal may be awarded a salary increase of up to two 26 percent (2%) if the conditions set out in both subdivisions (1) and (2) are satisfied. 27 The principal or assistant principal shall receive a lump sum payment for the 1998-99 28 fiscal year service if the conditions set out in subdivision (1) or (2) or both are The lump sum shall be paid as determined by guidelines adopted by the 29 satisfied. 30 State Board of Education. Placement on the salary range in the following year shall 31 be based upon these increases.

- Principals and assistant principals with certification based on (e) 33 academic preparation at the six-year degree level shall be paid a salary supplement of 34 one hundred twenty-six dollars (\$126.00) per month and at the doctoral degree level 35 shall be paid a salary supplement of two hundred fifty-three dollars (\$253.00) per 36 month.
- There shall be no State requirement that superintendents in each 38 local school unit shall receive in State-paid salary at least one percent (1%) more 39 than the highest paid principal receives in State salary in that school unit: Provided, 40 however, the additional State-paid salary a superintendent who was employed by a 41 local school administrative unit for the 1992-93 fiscal year received because of that 42 requirement shall not be reduced because of this subsection for subsequent fiscal 43 years that the superintendent is employed by that local school administrative unit so 44 long as the superintendent is entitled to at least that amount of additional State-paid 45 salary under the rules in effect for the 1992-93 fiscal year.

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1	(g) Longevity pay for principals and assistant principals shall be as		
2	provided for State employees.		
3	(h)(1) If a principal is reassigned to a higher job classification because the		
4	principal is transferred to a school within a local school administrative unit with a		
5	larger number of State-allotted teachers, the principal shall be placed on the salary		
6	range as if the principal had served the principal's entire server as it is		
7	by the principal at the		
8	higher job classification.		
9	(2) If a principal is reassigned to a lower job classification because the		
10	principal is transferred to a school within a local school		
11	administrative unit with a smaller number of State-allotted		
12	teachers, the principal shall be placed on the salary range as if the		
13	principal had served the principal's entire career as a principal at		
14	the lower job classification.		
15	This subdivision applies to all transfers on or after the ratification		
16	date of this act, except transfers in school systems that have been		
17	created, or will be created, by merging two or more school systems.		
18	Transfers in these merged systems are exempt from the provisions		
19	of this subdivision for one calendar year following the date of the		
20	merger.		
	(i) The State Board may authorize local boards of education to pay		
21	persons for one year at the entry-level step of the assistant principal's salary range if		
22	they (i) are serving as assistant principals, (ii) have completed one year of a masters		
23 24	in school administration program, and (iii) are not certified as principals.		
24	Sec. 2. This act becomes effective July 1, 1998.		

House Bill 1672

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#### **HOUSE BILL 1634\***

Short Title: Community College Expansion Funds.

(Public)

Sponsors:

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Representatives Reynolds, Grady, Preston, Russell, Tolson (Cosponsors); Adams, Alexander, Allen, Arnold, Baker, Beall, Berry, Bonner, Bowie, Braswell, Cansler, Carpenter, Clary, Cole, Crawford, Culpepper, Dedmon, Earle, Easterling, Fox, Gamble, Gardner, Goodwin, Hightower, Howard, H. Hunter, R. Hunter, Hurley, Jarrell, Jeffus, Justus, McAllister, McCrary, Moore, Mosley, Neely, Nye, Oldham, Owens, Ramsey, Rayfield, Rogers, Saunders, Sexton, Sherrill, Shubert, Smith, Sutton, Thompson, Warner, Warwick, Wood, and Yongue.

Referred to: Appropriations.

May 28, 1998

A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE EXPANSION BUDGET FUNDS FOR THE 3 COMMUNITY COLLEGE SYSTEM.

4 The General Assembly of North Carolina enacts:

Section 1. The General Assembly finds that the North Carolina Community College System, developed in the 1960s, has been a wise and beneficial investment of the tax dollars of the citizens of this State and has significantly contributed to the economic development of this State. Furthermore, the General Assembly finds that the Community College System has enhanced the capabilities of the State to provide for better secondary and higher education through coordination with the public school systems and the colleges and universities of this State. In addition, it has offered cultural opportunities and a quality of life that benefits the State and its citizens and makes the State more attractive to expanding or locating industries.

The General Assembly recognizes the need for education, training, and technology as our workforce prepares to compete in a global economy. The General Assembly also, however, recognizes its commitment to public education and higher



Who are the

332-K Nelson Hall · Box 8109 · North Carolina State University · Raleigh, NC · 27695-8109 · 919/515-4683

#### Who We Are

The Natural Resources Leadership Institute is a training program administered through the NC Cooperative Extension Service at NC State University. The Institute is the first of its kind in the country to provide a structured leadership curriculum for people who are critically involved in natural resources management and policy. Each year, the Institute brings together a group that includes government regulators, industry representatives, leaders in the environmental movement, landowners and others over a six-month period where they learn skills focused on dispute resolution and collaborative problem solving. Our goal is to train people to work together to solve environmental problems, and keep the decision making process in the meeting room and out of the courtroom. We believe that it is possible for people to work together to achieve sustainable economic development while maintaining or improving the quality of the environment.

#### **Our Advisory Board**

Stan Adams NC Division of Forest Resources

Susan L. Allen Cary, NC

Tom Bean NC Wildlife Federation

Robert J. Beason International Paper Company

Ronald M. Bost NC Forest Landowners Association Arlie F. Culp NC House of Representatives

L.K. "Mike" Gantt

U.S. Fish and Wildlife Service

Bill Holman
Dept. of Environment & Natural

Resources

A. Preston Howard, Jr. NC Division of Water Quality

J. C. Jessup, Jr. Weyerhaeuser Company John F. Ramey US Forest Service

Ed Regan

NC Association of County Commissioners

John Runkle

Conservation Council of NC

Paula S. Thomas

NC League of Municipalities

Larry W. Tombaugh NC State University

# **Our Accomplishments**

The Institute was funded through a grant from the W.K. Kellogg Foundation in 1994. We are completing our third year of the 3-year grant. In those three years, one class has completed the 18-month program, while a second is nearing completion, and the third is in the middle of the course-work phase.

In all, 94 North Carolinians have entered the program. Our participants have come from industry (Weyerhaeuser, Georgia Pacific, Columbia-Carolina, Coming) state and federal agencies (NC Div. Water Quality, NC Div. Forest Resources, US Fish & Wildlife Service, US Forest Service, USDA, US Army Corps of Engineers), environmental organizations (Sierra Club, Coastal Federation, Clean Water Fund of NC), higher education (Univ. of Western Carolina, NC State Univ.), and others.

Even though we have been in existence only a short time, the State of North Carolina has already felt the impact of the Institute. Our participants are required to carry out a year-long practicum where they apply the skills and information gained in the classroom to situations they face at work, in their organizations, or in their communities. Through these projects, graduates of the program have worked collaboratively to solve natural resource problems.



# NATURAL RESOURCES LEADERSHIP INSTITUTE

People often disagree over how our land, air, and water resources should be used and managed. Disputes arise over such issues as endangered species, private property rights, wetlands, timber management and air and water quality. People with a stake in these issues tend to focus on their disagreements rather than building on their common interests. Policy gridlock often results as decision making moves from the meeting room to the courtroom.

#### Our Goal

Gridlock is not necessary. People involved in these disputes can reach mutually acceptable solutions by communicating in a more meaningful and effective way, opening the debate to include all stakeholders, and negotiating to settle disagreements. The goal of the North Carolina Natural Resources Leadership Institute is to develop leaders who can build consensus around contentious issues and move beyond conflict that solutions. By applying the skills learned in the program, Institute graduates can become more effective in working with other people in their jobs, organizations, and communities.

# **Participants**

The Institute trains North Carolinians who have a stake in the use and conservation of our natural resources. We encourage applicants from:

- Federal and state natural resource management agencies
- Resource-based industries and firms
- Environmental and conservation organizations
- Local government

- Private landowners and managers
- Educational institutions
- Elected office
- Professions involved in natural resource policy and development
- Community organizations
- Concerned, active citizens

# The Program

The Institute is part of the North Carolina Cooperative Extension Service at North Carolina State University. NCSU faculty from the Departments of Forestry, Sociology and Anthropology, Agricultural and Resource Economics, and Extension Administration have planned and developed the curriculum, and coordinate the Institute programs. The resources and staff of the University are an integral part of the Institute. The program is structured around six three-day workshop sessions, and a year-long practicum. The Institute draws from NCSU faculty, and experts from other universities, state and federal government agencies, dispute mediation practitioners, and other natural resource professionals to lead the workshop presented in the classroom. Workshop topics include:

- Leadership and teamwork skills
- Communication skills
- Public policy and government

- Conflict management and interestbased negotiation
- Collaborative problem solving

# 1998 WORKSHOP SCHEDULE

The training consists of six three-day workshop sessions that focus on both process and content skills. Workshops are held at various locations around the state and one Washington DC. Sessions typically begin at noon on the first day and adjourn after lunch on the third day. The 1998 workshop schedule is given below.

Session 1	Building Working Relationships and Communicating for Agreement I	Jan. 22-24, 1998	Aqueduct Conferenc Chapel Hill, NC
Session 2	Collaborative Problem Solving and Small Group Facilitation	Feb. 26-28, 1998	NC Baptist Assembl Caswell Beach, NC
Session 3	Public Policy Negotiation I and Communicating for Agreement II	March 19-21, 1998	YMCA Blue Ridge Black Mountain, NC
Session 4	Conflict in Public Policy and Public Policy Negotiation II	April 16-18, 1998	Summit Conference Brown Summit, NC
Session 5	Washington D.C. Field Trip	May 17-20, 1998	Federal Environmen <sup>.</sup> Hotel Washington Washington, DC
Session 6	Communicating with the Media	June 18-20, 1998	Location to be annot Raleigh, NC Area
Practicum Rev	view Session #1	Oct. 9, 1998	Raleigh, NC
Practicum Rev	view Session #2	Feb. 12, 1999	Raleigh, NC
Graduation		June 18, 1999	

Back to About NRLI...



For example, two participants who are state employees brought a group of people together who represent forestry, wildlife conservation, landowners, and state government. Their goal was to develop a management plan for a large tract of state-owned forest that currently provides habitat for at least one endangered species. Through their efforts, a management plan was successfully negotiated that satisfied the interests of all the groups involved. The outcome is not only improved habitat for the red-cockaded woodpecker -- an endangered species, but increased income from the sale of timber and pine straw.

Another example of an ongoing practicum project is the development of a statewide habitat conservation plan for the red-cockaded woodpecker in North Carolina. Three Institute participants have teamed up to carry out this project: a biologist with the U.S. Fish and Wildlife Service, a forester with the NC Division of Forest Resources, and the environmental and communications coordinator for Georgia-Pacific's Forest Resources Eastern Region. The participants have assembled a task group of private landowners, state and federal agencies, farming organizations, environmental organizations and others to develop a plan that allows landowners more flexibility in managing lands with woodpecker habitat. The outcome will be a statewide program that protects the bird while allowing landowners to maintain income from their property.

A third example involves a major industrial plant in Forsyth County, NC that wanted to expand its production facilities. The plant, which produces and stores hazardous materials, is located within the protected area of a water supply watershed. The county development ordinance restricts industrial expansion within the protected area. Without the ability to expand, the plant would have to move its operations out of the community. A local environmental organization, the county planning department, and the county environmental affairs department staked counter positions. A NRLI graduate, acting in the interests of the county environmental affairs department, negotiated a settlement of the dispute.

These are just three examples of the projects that have been undertaken throughout the state. Independent evaluators from Cornell University reported that the Institute had "significantly increased [participants'] ability to be effective members of a team or a diverse group, to understand others' perspectives on environmental issues, to design and facilitate a collaborative process, and to listen to others effectively. Participants overwhelming[ly] agreed that Institute learning included how to be a better leader and an effective stakeholder in conflict situations, and self-insights useful in conflict situations."

#### How to Contact Us

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#### HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

#### Thursday, July 9, 1998

#### **MINUTES**

The House Appropriations Subcommittee on Education met at 8:30 a.m. on Thursday, July 9, 1998, in Room 421 of the Legislative Office Building.

Members present were: Representatives Arnold, Grady and Preston, Co-chairs; Representatives Black, Davis, Oldham, Reynolds, Rogers, Shubert, and Yongue.

Pages were Jennifer Tuttle and Brad Thompson. A visitors sheet is attached to these minutes.

The meeting was called to order by Representative Jean Preston. The purpose of today's meeting was to hear the sponsors present bills which have been assigned to the APPROPRIATIONS/Education Subcommittee. Procedure established was that in the interest of time, only the sponsor would speak on the bill. The following bills were presented in the order given:

House Bill 1695-Special Education Group Home Funds by Representative Hurley.

House Bill 1675-ADM Changes & Special Education Funds by Representative Morris.

House Bill 1598-Cued Speech Center Funds by Representative McComas.

House Bill 1730-Bilingual Teacher Assistant Funds by Representative Warwick.

House Bill 1620-School Nurse Funds by Representative Watson.

House Bill 1723-Low Performing School/Salary Funds by Representative Hardaway.

House Bill 1671-Teacher Assistant Salary Funds by Representative Moore.

This concluded presentations on House bills assigned to this subcommittee. Questions and discussion followed each presentation. In the absence of sponsors, three bills listed on the agenda were not heard. There was no further business to come before the subcommittee at this time. The meeting was adjourned.

Respectfully submitted:

Representative Jean Preston, Co-Chair

Peggy B. Murray, Committee Clerk

# HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

#### **MEETING**

# Thursday, July 9, 1998

#### **AGENDA**

Call to Order

Representative Preston, Co-Chair

## Bills for Consideration:

Representative Hardaway
Representative Hurley
Representative Jeffus
Representative McComas
Representative Moore
Representative Morris
Representative Rogers
Representative Warwick
Representative Watson
Representative Wood

House APPROPRIATIONS/Subcommittee on Education Thursday, July 9, 1998 8:30 AM

Name of Committee

Date

## VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

#### **NAME**

#### FIRM OR AGENCY AND ADDRESS

Harriet Dial	NCAE
Sudy Baller	NC Nurs Association
Danil Brown	OSBM
Hal Miller	neAecT
Augunel Micons	neccs
Kun Bys	1,
Jeanne Schon	nc nunses 4550c
Marine Kry	OSBM
Lee alan	()
Junet Pollen	()
Elizabeth Grovenstein	11
Janis Ranguest	NCATA
6	

House APPROPRIATIONS/Subcommittee on Education Thursday, July 9, 1998 8:30 AM

Name of Committee

Date

## VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

NAME	FIRM OR AGENCY AND ADDRESS
Cinn Berlen	5-BE_
Nivali Potel	Gar. & Office
Jo ann Karres	Path School Form of MC
Gene Causby	Puth School Form of MC E-EBC
W	
,	

#### **SESSION 1997**

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#### **HOUSE BILL 1695**

Short Title: Special Ed. Group Home Funds. (Public)

Sponsors: Representatives Hurley; Adams, Alexander, Bonner, McAllister, Morris, Tolson, Warner, and Yongue.

Referred to: Appropriations.

#### June 1, 1998

A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS TO REIMBURSE A HOST LOCAL 3 SCHOOL ADMINISTRATIVE UNIT FOR LOCAL FUNDS SPENT FOR THE 4 EDUCATION OF A STUDENT WHO IS RESIDING IN A GROUP OR 5 THERAPEUTIC HOME.

6 The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund to State Aid to Local School Administrative Units the sum of three million five hundred ninety-five thousand two hundred seventy-five dollars (\$3,595,275) for the 1998-99 fiscal year for a reserve for severely disabled children in group or therapeutic homes. These funds shall be used to reimburse the local school administrative unit in which the group or therapeutic home is located for the special education of children whose parents reside outside of that local school administrative unit.

Section 2. This act becomes effective July 1, 1998.

**SESSION 1997** 

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#### **HOUSE BILL 1675**

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Short Title: ADM Changes & Special Ed/Funds. (Public) Sponsors: Representatives Morris; Hurley, Kinney, McAllister, Shubert, Warner, and Watson. Referred to: Appropriations.

#### June 1, 1998

A BILL TO BE ENTITLED

2 AN ACT TO ADJUST SCHOOL FUNDING FORMULAS TO REFLECT CHANGES IN AVERAGE DAILY MEMBERSHIP AND TO APPROPRIATE 3 FUNDS TO REIMBURSE A HOST LOCAL SCHOOL ADMINISTRATIVE 4 UNIT FOR LOCAL FUNDS SPENT FOR THE EDUCATION OF A STUDENT WHO IS RESIDING IN A GROUP OR THERAPEUTIC HOME.

7 The General Assembly of North Carolina enacts:

Section 1. The State Board of Education shall examine and modify as 9 necessary current measures of projecting average daily membership. The State Board 10 shall give special attention to the needs of local school administrative units that may 11 experience abrupt changes in average daily membership due to the presence of large 12 military bases, new and expanding industry, and sudden fluctuations in the 13 employment rate.

Section 2. There is appropriated from the General Fund to State Aid to 15 Local School Administrative Units the sum of three million five hundred ninety-five 16 thousand two hundred seventy-five dollars (\$3,595,275) for the 1998-99 fiscal year for 17 a reserve for severely disabled children in group or therapeutic homes. These funds 18 shall be used to reimburse the local school administrative unit in which the group or 19 therapeutic home is located for the special education of children whose parents reside 20 outside of that local school administrative unit.

Section 3. This act becomes effective July 1, 1998.

#### SESSION 1997

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#### **HOUSE BILL 1598**

Short Title: Cued Speech Center Funds. (Public) Sponsors: Representative McComas. Referred to: Appropriations. May 28, 1998 A BILL TO BE ENTITLED 2 AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF PUBLIC INSTRUCTION TO ENABLE THE CUED SPEECH CENTER TO PROVIDE SERVICES TO HEARING IMPAIRED CHILDREN. 5 The General Assembly of North Carolina enacts: There is appropriated from the General Fund to the Section 1. 7 Department of Public Instruction the sum of one hundred eighty-five thousand dollars 8 (\$185,000) for the 1998-99 fiscal year to be allocated to the Cued Speech Center in 9 Wake County to enable the continuation of needed services to hearing impaired 10 children. These funds shall be allocated as follows: (1) Preschool services \$ 90,000 Transitional and resources services 95,000 Total \$185,000. Section 2. This act becomes effective July 1, 1998.

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#### **SESSION 1997**

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#### **HOUSE BILL 1730\***

Short Title: Bilingual Teacher Assistant Funds. (Public)

Sponsors: Representatives Warwick; H. Hunter and Tolson.

Referred to: Appropriations.

#### June 1, 1998

1 A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS FOR THE BILINGUAL TEACHER

ASSISTANT DEMONSTRATION PROGRAM.

4 The General Assembly of North Carolina enacts:

Section 1. There is appropriated from the General Fund the sum of one 6 million dollars (\$1,000,000) for the 1998-99 fiscal year for the Bilingual Teacher 7 Assistant Demonstration Project.

8 Section 2. This act becomes effective July 1, 1998.

#### SESSION 1997

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#### **HOUSE BILL 1620\*** Corrected Copy 6/2/98

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Short Title: School Nurse Funds. (Public) Sponsors: Representatives Watson; Alexander, Earle, Jarrell, Jeffus, Mosley, and Sexton. Referred to: Appropriations.

#### May 28, 1998

#### A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS FOR SCHOOL NURSES.

3 The General Assembly of North Carolina enacts:

4 Section 1. (a) There is appropriated from the General Fund to State Aid 5 to Local School Administrative Units the sum of nine million dollars (\$9,000,000) for 6 the 1998-99 fiscal year for school nurses. The State Board of Education shall allocate 7 half of these funds on the basis of one position for each 1,000 students in a local 8 school administrative unit, with a minimum of one position per county. The State 9 Board of Education shall allocate the remaining half of these funds through a system 10 of competitive grants using a fifty percent (50%) to fifty percent (50%) match with 11 local monies. These competitive grant applications shall be reviewed jointly by the 12 Department of Public Instruction and the Department of Health and Human Services.

- 13 Division of Women's and Children's Health.
- (b) The State Board of Education shall make these funds available to the 14 15 local school administrative unit only after the unit has developed a plan for the use of 16 the funds in collaboration with local health department and local health care 17 providers.
- 18 (c) Local school administrative units may use these funds to contract 19 with local health departments or other public or private providers for school nursing 20 services.

- 1 (d) All school nurses employed under this act must hold school nurse 2 certification by the American Nurses Credentialing Center of the National 3 Association of School Nurses.
- 4 (e) In addition, those school nurses employed by the local school districts 5 and holding certification shall be treated in all legal respects as other noninstructional 6 certified personnel under the Department of Public Instruction.
- 7 (f) The State Board of Education shall not grant a waiver for the use of 8 these funds pursuant to G.S. 115C-105.26(a).
- Section 2. This act becomes effective July 1, 1998.

#### **SESSION 1997**

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#### **HOUSE BILL 1723**

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Short Title: Low-Perf. School/Salary Increase. (Public) Sponsors: Representatives Hardaway; and Hall. Referred to: Appropriations.

#### June 1, 1998

A BILL TO BE ENTITLED

2 AN ACT TO APPROPRIATE FUNDS TO PROVIDE A SALARY INCREASE TO TEACHERS IN LOW-PERFORMING SCHOOLS THAT ARE ASSIGNED ASSISTANCE TEAMS.

5 The General Assembly of North Carolina enacts:

6 Section 1. (a) Effective for the 1998-99 school year, the first step of the 7 salary schedule for teachers who (i) are classified as "A" teachers, and (ii) are 8 employed in schools identified as low-performing and assigned an assistance team by 9 the State Board of Education, shall be equivalent to Step 2, corresponding to two 10 years of experience, on the salary schedule established in this section for certified 11 personnel of the public schools who are classified as "A" teachers. 12

Effective for the 1998-99 school year, the first step of the salary schedule 13 for teachers who (i) are classified as "A" teachers, (ii) have National Board for 14 Professional Teaching Standards (NBPTS) certification, and (iii) are employed in 15 schools identified as low-performing and assigned an assistance team by the State 16 Board of Education, shall be equivalent to Step 2, corresponding to two years of 17 experience, on the salary schedule established in this section for certified personnel of 18 the public schools who are classified as "A" teachers with NBPTS certification.

Effective for the 1998-99 school year, the first step of the salary schedule 20 for teachers who are (i) classified as "G" teachers, and (ii) employed in schools 21 identified as low-performing and assigned an assistance team by the State Board of 22 Education, shall be equivalent to Step 2, corresponding to two years of experience, 23 on the salary schedule established in this section for certified personnel of the public 24 schools who are classified as "G" teachers.

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Effective for the 1998-99 school year, the first step of the salary schedule 2 for teachers who (i) are classified as "G" teachers, (ii) have National Board for 3 Professional Teaching Standards (NBPTS) certification, and (iii) are employed in 4 schools identified as low-performing and assigned an assistance team by the State 5 Board of Education, shall be equivalent to Step 2, corresponding to two years of 6 experience, on the salary schedule established in this section for certified personnel of 7 the public schools who are classified as "G" teachers with NBPTS certification.

These teachers shall be placed on the salary schedule at an appropriate 9 step based on their years of experience. They shall receive longevity payments based 10 on years of State service in the same manner as other teachers.

If they have certification based on academic preparation at the six-year 12 degree level, these teachers shall receive a salary supplement of one hundred twenty-13 six dollars (\$126.00) per month in addition to the compensation provided for them on 14 the salary schedule. If they have certification based on academic preparation at the 15 doctoral degree level, these teachers shall receive a salary supplement of two 16 hundred fifty-three dollars (\$253.00) per month in addition to the compensation 17 provided for them on the salary schedule.

Section 2. There is appropriated from the General Fund to State Aid to 19 Local School Administrative Units the sum of four million dollars (\$4,000,000) for 20 the 1998-99 fiscal year to implement the provisions of Section 1 of this act.

Section 3. This act becomes effective July 1, 1998.

Page 2 House Bill 1723

#### **SESSION 1997**

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#### **HOUSE BILL 1671\***

Short Title: Teacher Assistant Salary Funds.

(Public)

Sponsors:

Representatives Moore, Boyd-McIntyre, (Cosponsors); Adams, Baddour, Barbee, Blue, Bonner, Dedmon, Earle, Goodwin, Grady, Hensley, H. Hunter, Insko, Jarrell, Jeffus, Oldham, Preston, Russell, Saunders, Sexton, Shubert, Thompson, Wainwright, Warner, and Warwick.

Referred to: Appropriations.

#### June 1, 1998

1		A BILL TO BE ENTITLED		
2	AN ACT TO	ALLOCATE FUNDS APPROPRIATED BY THE GENERAL		
3	ASSEMBLY F	FOR TEACHER ASSISTANT SALARY INCREASES AND TO		
4	MODIFY THE	TERMS OF EMPLOYMENT FOR TEACHER ASSISTANTS.		
5	The General Assembly of North Carolina enacts:			
6	Section 1. The funds appropriated by the 1998 Regular Session of the			
7	1997 General Assembly for salary increases for teacher assistants shall be allocated a			
8	follows:			
9	(1)	First priority for the funds shall be to provide a three percent (3%)		
10		increase to each teacher assistant employed for the 1998-99 school		
11		year who was employed as a teacher assistant for the 1997-98		
12		school year and to implement corresponding longevity increases		
13		for these teacher assistants.		
14	(2)	Second priority shall be to provide a one-time bonus to teacher		
15	·	assistants with at least 30 college credits. This bonus shall be paid		
16		as soon as practicable after data on the level of education of		
17		teacher assistants become available.		
18	(3)	The remainder shall be used to otherwise increase the salary of		
19		teacher assistants.		

20 The requirement that all teacher assistants be paid at a minimum grade of 54 shall 21 not apply to the extent that it conflicts with the provisions of this section.

Section 2. G.S. 115C-47(31) reads as rewritten:

"(31) To Determine Hours of Employment for Teacher Assistants. -Local boards of education shall determine the hours of
employment for teacher assistants. The Legislative Commission of
Salary Schedules for Public School Employees shall include in its
report to the General Assembly recommendations regarding hours
of employment for teacher assistants and other employees. The
hours of employment shall not exceed 40 hours per week,
including work teacher assistants are required to perform away
from school, and shall include at least a 30-minute lunch break."

Section 3. G.S. 115C-12(16)b. reads as rewritten:

Salary schedules for the following public school support personnel shall be adopted by the State Board of Education: school finance officer, office support personnel, teacher assistants, maintenance supervisors, custodial personnel, and transportation personnel. The Board shall classify these support positions in terms of uniform pay grades included in the salary schedule of the State Personnel Commission.

By the end of the third payroll period of the 1995-96 fiscal year, local boards of education shall place State-allotted office support personnel, teacher assistants, and custodial personnel on the salary schedule adopted by the State Board of Education so that the average salary paid is the Stateallotted amount for the category. In placing employees on the salary schedule, the local board shall consider the education, training, and experience of each employee. It is the intent of the General Assembly that a local school administrative unit not fail to employ an employee who was employed for the prior school year in order to implement the provisions of this sub-subdivision. A local board of education is in compliance with this sub-subdivision if the average salary paid is at least ninety-five percent (95%) of the State-allotted amount for the category at the end of the third payroll period of the 1995-96 fiscal year, and at least ninety-eight percent (98%) of the State-allotted amount for the category at the end of the third payroll period of each subsequent fiscal year. The Department of Public Instruction provide technical assistance to local administrative units regarding the implementation of this sub-subdivision.

Beginning with the 1998-99 school year, local boards shall consider years of experience as a teacher or teacher assistant in another local school administrative unit when placing a teacher assistant on the salary schedule."

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Section 4. This act becomes effective July 1, 1998.

House Bill 1671 Page 3

#### **CUED SPEECH CENTER**

# NARRATIVE FOR APPROPRIATION FOR PRESCHOOL, RESOURCE & TRANSITION SERVICES FOR DEAF & HARD-OF-HEARING STUDENTS USING CUED SPEECH & OTHER ORAL APPROACHES

Preschool Services \$ 90,000
Transition & Resource Services \$ 95,000
TOTAL \$185,000

#### INTRODUCTION

The great handicap of deafness is not the absence of hearing, but rather the impediment that the loss of hearing is to language acquisition. Cued Speech is a communication system which provide clear access to the spoken English language for the deaf and hard of hearing. Used consistently, it allows deaf children to develop language and literacy equal to or better than their hearing peers. So important are language mastery and literacy, that without them deaf people remain for the most part marginal in society, their potential severely limited. Focusing on the early years of life which are crucial to the mastery of language, the Center pursues the goals of language fluency and literacy on two tracks: Preschool and Transition/Resource Services.

#### **PRESCHOOL SERVICES**

The Cued Speech Oral Auditory Program (CSOAP) is directed to early intervention for language input during the crucial language-learning years of early childhood. Toward this end, the Center, in collaboration with the North Carolina Schools for the Deaf, works in eight programs serving approximately 75 deaf toddlers and preschoolers across the state.

In working with these very young children, the greatest single need is training--training of parents, teachers, speech-language pathologists, and audiologists. CSOAP provides three principal types of training: (1) Individual training including in-the-classroom observation and instruction; (2) personal and phone consultation and mentoring, giving counsel and assisting in problem-solving, for example; and (3) group instruction in such topics as language development, speech, audition, and behavior control.

The funds requested here are to stabilize and expand a program of services already in operation, but growing rapidly as more parents choose Cued Speech as the preferred communication modality for their very young deaf children. To be effective in meeting the needs of these children, however, early intervention, as represented by CSOAP must be truly "early." Intensive work over an extended period of time must be available for very young deaf children before the best language learning years slip away. The funds requested would accommodate the growth of and strengthen efforts already under way.

#### TRANSITION AND RESOURCE SERVICES

Virtually all CSOAP children go from preschools into the public schools; and the number of school systems receiving these deaf children, and served by the Center, has grown from six to 24 in less than two years. The program of Transition and Resource Services is shaped around three conditions crucial to the success of Cued-Speech-trained deaf children in mainstream classes: (1) Access to the spoken language in the classroom through a Cued Speech interpreter/transliterator; (2) Support services provided by trained professionals such as audiologists and speech therapists; (3) Classroom teachers who are prepared to receive them.

The first condition is addressed through a program of recruitment and training of transliterators/ interpreters, with regularly scheduled training courses at various levels of skill held throughout the state. Condition two provides on-the-job training and mentoring, and the development of model demonstration classroom programs in various parts of the state for the support professionals serving these deaf students.. The third condition--preparing teachers in mainstream classrooms to work with deaf children--is addressed through a series of workshops focusing on such topics as deafness, language development, and speech.

#### **SUMMARY**

Support of these two important programs will permit the strengthening and growth of needed services to deaf children during the critical early years of language acquisition, and will facilitate the education of developing children in regular public school settings. The goal is to enable deaf children to reach their full potential, producing at the same time independent, tax-paying citizens who contribute to the public good.

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REP-WARWICK

Languages Other Than English Currently Reported in North Carolina

Abhazian Haitian Creole Pele-Ata
Afar Hawaiian Polish
Afghani/ Hebrew Portuguese
Western Pashto Hmong Punjabi/ Panjabi
Afrikaans Hindi/ Indian/ Urdu Pushto/ Eastern Pashto

Afrikaans Hindi/ Indian/ Urdu Pushto/ E Akan Hausa Quechua Albanian/Shquip Hungarian/ Magyar Rade

American Indian Ibibio Rhaeto/ Romanic
Amharic Icelandic/ Islenzk Romanian/ Moldavian

Arabic Ikwerre Russian
Armerian/ Hayeren Ilocano Sangho
Assamese Indonesian Sapo
Assyrian Inupiak Samoan
Azerbaijani Italian Sanskrit

Aymara Jamaican Creole Saurashtra/ Sowrashtra

Bana Japanese Serbo-Croatian

Bashkir Javanese/ Bahasa Jawa Serbian Bassa Kannada Sesotho

Basque/ Euskera Kashmiri Shanghai/ Wu/ Chinese

Belorussian/Byelorussia Kazakh Shona
Bengali/Bangla Kinyarwanda Sindhi
Bhutani Kirghiz/ Kyrgyz Sinhalese
Bihari Kirundi Siswati/ Tekela

Bisayan/ Ilongo Koho Slovak
Breton Koner Slovene
Bulgarian Konkani Somali
Burmese Korean Spanish

Cambodian/ Khmer Kpelle Sri Lanka Malay
Cantonese/ Chinese Krio Sudanese
Catalan/ Catalonian Kru/ Ibo / Nigerian Swabian

Cebuano Kurdish/ Zimany/ Kurdy Swahili/ Kiswahili

Cheremis Latvian/Lettish Swedish

Cherokee Lingala Tagalog/Filipino
Chinese Lithuanian Taiwanese/Chinese

Corsican Macedonian Tajik
Creole/ French Creole Malagasy Talasco
Croatian/ Hrvatski Malay/ Bahasa Malaysia Tarasco
Tamil

CzechMalayalamTamilDanishMalteseTatarDutchMandarin/ ChineseTeluguEdoMandingoTetela

English/ Liberian Maori Thai/ Laotian/ Lao/ Kam
Tibetian/ Rodskad

Estonian Marathi Tibetian/ Bodskad
Faroese Mayan Tigrinya

Mayan Faroese Tongan Mende Farsi/ Persian/ Dari Tsonga Mixteco Fijian/ Lauan Turkish Mongolian Finnish Turkmen Nauruan/ Nauru Flemish Twi Nepali French Ukranian Ngoni Frisian Urhobo Norwegian Gaeilge/Irish Uzbek Occitan Gaelic/Scots Oromo/ Afan Vietnamese Galician

Georgian/ Kartuli Ojibwa Visayan
German Oriya Wandala/ Montagnard

Greek Pampangan Welsh
Greenlandic/ Kalaallisut Papiamentu/ Papiamentic Wolof
Guarani Patois Xhosa/ Zulu

Gujarati/ Gujarathi Patwin Yoruba

#### HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

**Thursday, July 16, 1998 (PM)** 

#### MINUTES

The House Appropriations Subcommittee on Education met on Thursday, July 16, 1998, at afternoon following Session in Room 421 of the Legislative Office Building.

Members present were Representatives Arnold, Grady and Preston, Co-chairs; Representatives Creech, Daughtry, Davis, Oldham, Reynolds, Rogers, Shubert and Yongue.

Representative Preston called the meeting to order. Any Special Amendments would be addressed at the end of all presentations. Jim Johnson, Fiscal Research Staff, was recognized to present the Public Schools Budget and Special Revisions (Attachment I). These items are addressed in the attached document, "House Appropriations Subcommittee On Education, July 17, 1998. Minor changes were noted. Questions and discussion followed this presentation.

Representative Grady moved to amend the bill on page 54, line 6, after the word "administration" and add words "as a part-time student". Motion carried.

Amendments were entertained. Representative Yongue addressed page 50 and the proposal is to get with Ms. Kathrine Joyce, Legislative Affairs Specialists, SEANC, to help rewrite so it does not do any harm to anyone and correct technically. Plan to have on the floor on Monday, July 20.

Representative Rogers moved to adopt the substitute provision (Attachments II (a) and (b). The NO's have it and the Provision was defeated.

Representative Reynolds recommended an Amendment to pages 77, 78, and 79 (Attachment III). A vote was called for on Representative Reynolds' amendment and the NO's have it. The Provision was defeated.

There were no further amendments and Representative Grady made a motion that if there were no other amendments to the Budget either in provisions or in money, that the SubCommittee report be adopted as amended and send to the Full Appropriations Committee. The Motion carried.

There was no further business to come before the committee at this time. Meeting was adjourned until Monday, July 20, at 1:00pm.

Respectfully submitted:

Representative Jean R. Preston, Co-Chair

Sandra B. Ellis, Committee Clerk

House APPROPRIATIONS/Subcommittee on Education Thursday, July 16, 1998 After Session

Name of Committee

Date

#### VISITORS: PLEASE SIGN BELOW AND RETURN TO COMMITTEE CLERK

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House APPROPRIATIONS/Subcommittee on Education Thursday, July 16, 1998 After Session

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TROY GREEN	SEANC
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Kerry Manoch	EG45
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Haren Law	Governor & Office)
Lynda M'Cullock	
Leanne Winner	NCSBA
Dan Crath	NCASD

House APPROPRIATIONS/Subcommittee on Education Thursday, July 16, 1998 After Session

Name of Committee

Date

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./	R. Grady, Co-Chairman	5-3024	402	37	Peggy Murray		
	Co-Chairman	910-353-3579(B)					
	J. Preston,	5-3026	403	38	Sandra Ellis		
./	Co-Chairman	910-354-6993	Fax: 919-35	-	Sandia Ems		
	Co-Chairman	710-334-0773	Fax: 919-55	4-3116			
	J. Black	5-4946	1229	31	Jean Mims		
		704-847-9938(H)					

Fax: 704-375-4003

419C **Audrey Johnson** 5-3003 D. Davis 910-897-7282(H) Fax: 910-997-8910 910-892-1841(B)

. Oldham 3-5877 538 58 **Delta Prince** 910-767-6936(H) Fax: 910-767-7035

D. Reynolds 3-5820 533 **76** 910-578-9541

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5-3023 416A Sally Gillis 35 919-792-4245(H) 919-792-6354(B)

Dawn Ellis 3-5771 2119 64

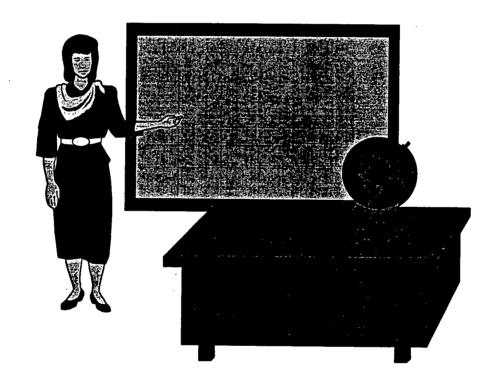
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D. Yongue Jenny Umstead 3-5823 1305 94 910-276-1727(H) Fax: 910-276-1727

ATTACHMENTI

# HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

July 17, 1998



REP. ROBERT GRADY

REP. JEAN PRESTON

KEP. JEAN PRESION

REP. GÉNE ARNOLD

# Public Education

**GENERAL FUND** 

<u> </u>		
Total Budget Approved 1997 Session	FY 98-99 \$4,493,194,418	
Budget Changes		
ABC Program		
1 ABC Bonus Awards 1997-98  Provide additional funds to pay the projected ABC bonus awards for FY 1997-98. \$17,118,003 was earmarked from 1997-98 excess reversions.	\$0	NR
2 ABC Bonus Awards Provide funds to pay the projected ABC bonus awards for FY 1998-99.	\$98,480,985	NR
3 ABC Accountability  Provide funds to the State Board of Education to pay for existing end-of-grade and end-of-course tests authorized by the Board and the General Assembly. To begin pilot test for alternative assessments for exceptional children as required by federal law.	\$2,000,000	NR
4 Assistance to Low Performing and At Risk Schools Funds to assist low performing and at risk schools.	\$1,215,466	NR
Excellent Schools Act		
5 Increase Teacher Salaries	\$0	R
Implement the second year of the new teacher salary schedules called for in the Excellent Schools Act. North Carolina's goal is to increase teacher salaries to the national average. \$192,943,537 in recurring funds are located in the Compensation Reserves for this purpose.	·	
6 Teacher Longevity: 1998-99 Salary Increases  Appropriate funds to fund teacher longevity increases associated with the FY 1998-99 salary increases that are a part of the Excellent Schools Act.	\$3,254,624	R
7 Additional Pay for Extra Duties  Provide additional funds for teachers in low performing and at-risk schools. These funds will be used to pay for extra duties, student remediation and other teacher activities that lead to improved student performance. A portion of the nonrecurring funds may also be used for additional pay teachers who are a part of local assessment teams.	\$12,405,561 \$3,160,454	R ·NR



#### House Subcommittee on Education

House Subcommittee on Education	1	
8 Extra Pay for Extra Duties to Improve Performance		
Provide extra pay for teachers for extra duties that improve student performance. Duties must be related to activities that improve student performance. These activities may include Saturday Academies and after school tutoring, and for additional days of work outside of the 220 paid days in the school calendar. The State Board of Education shall allocate these funds based on average daily membership to schools that do not qualify for the additional funds for low performing and at-risk schools in Section 9.4 of this act.	\$5,473,776	NR
9 Extra Pay for Forfeited Vacation Days	\$4,250,000	R
Provide additional funds to pay for forfeited teacher vacation days if the teacher is required to work on an optional teacher workday, and did not have the opportunity to take vacation at another time.		
Improving Student Performance		
10 Low Wealth Supplemental Funding	\$10,000,000	R
Provide additional Low Wealth Supplemental funding.		
11 Funds for Limited Proficiency in English Students		
Provide funds to school systems with students who have limited proficiency in English.	\$5,000,000	NR
12 Substitute Teacher Pay	\$1,000,000	
Increase substitute teacher pay.	,	
13 A+ Schools		
Provides funds to continue the A+ Schools program.	\$400,000	NR
14 Global Curriculum Funds		
Provide funds to continue the Global Curriculum program.	\$150,000	NR
Public Instruction		
15 Additional Certification Specialists	\$0	R
Provide \$160,000 through receipts to increase the number of certification specialists in the Department of Public Instruction.		
16 Student Information System		
Funds to begin the replacement of the Student Information	\$2,000,000	NR

#### **Teacher Development**

System (SIMS)

#### 17 Teacher Evaluation Instruments

Funds to the State Board of Education to develop and validate a new teacher performance appraisal instrument.



\$500,000

# House Subcommittee on Education

Provide funding for additional increases in average daily membership in FY 1998-99.  19 Longevity Increases  Appropriate funds to fund teacher longevity increases associated with the FY 1997-98 salary increases that were a part of the Excellent Schools Act. \$9,010,274 was earmarked from 1997-98 excess reversions  20 Mentor Teachers  Provide full funding for mentor teachers to first year teachers or instructional support personnel who were not previously teachers.  21 Average Annual Salary Adjustment  Annual adjustment in average salaries of certified personnel to reflect actual experience through December 1997.  22 School Bus Purchases  Purchase new school buses from nonrecurring funds. \$24,199,403 was earmarked from 1997-98 excess reversions.  Budget Changes  (\$2,261,222)	Revised Total Budget	\$4,618,549,001	
Provide funding for additional increases in average daily membership in FY 1998-99.  19 Longevity Increases  Appropriate funds to fund teacher longevity increases associated with the FY 1997-98 salary increases that were a part of the Excellent Schools Act. \$9,010,274 was earmarked from 1997-98 excess reversions  20 Mentor Teachers  Provide full funding for mentor teachers to first year teachers or instructional support personnel who were not previously teachers.  21 Average Annual Salary Adjustment  Annual adjustment in average salaries of certified personnel to reflect actual experience through December 1997.  22 School Bus Purchases  Purchase new school buses from nonrecurring funds. \$24,199,403 was earmarked from 1997-98 excess reversions.  (\$2,261,222)	Total Position Changes		
Provide funding for additional increases in average daily membership in FY 1998-99.  19 Longevity Increases  Appropriate funds to fund teacher longevity increases associated with the FY 1997-98 salary increases that were a part of the Excellent Schools Act. \$9,010,274 was earmarked from 1997-98 excess reversions  20 Mentor Teachers  Provide full funding for mentor teachers to first year teachers or instructional support personnel who were not previously teachers.  21 Average Annual Salary Adjustment  Annual adjustment in average salaries of certified personnel to reflect actual experience through December 1997.  22 School Bus Purchases  Purchase new school buses from nonrecurring funds. \$24,199,403 was earmarked from 1997-98 excess reversions.	Budget Changes		N
Provide funding for additional increases in average daily membership in FY 1998-99.  19 Longevity Increases  Appropriate funds to fund teacher longevity increases associated with the FY 1997-98 salary increases that were a part of the Excellent Schools Act. \$9,010,274 was earmarked from 1997-98 excess reversions  20 Mentor Teachers  Provide full funding for mentor teachers to first year teachers or instructional support personnel who were not previously teachers.  21 Average Annual Salary Adjustment Annual adjustment in average salaries of certified personnel to reflect actual experience through December 1997.  22 School Bus Purchases  (\$24,199,403)	\$24,199,403 was earmarked from 1997-98 excess reversions.		
Provide funding for additional increases in average daily membership in FY 1998-99.  19 Longevity Increases  Appropriate funds to fund teacher longevity increases associated with the FY 1997-98 salary increases that were a part of the Excellent Schools Act. \$9,010,274 was earmarked from 1997-98 excess reversions  20 Mentor Teachers  Provide full funding for mentor teachers to first year teachers or instructional support personnel who were not previously teachers.  21 Average Annual Salary Adjustment (\$35,525,769)  Annual adjustment in average salaries of certified personnel		(\$24,199,403)	
Provide funding for additional increases in average daily membership in FY 1998-99.  19 Longevity Increases  Appropriate funds to fund teacher longevity increases associated with the FY 1997-98 salary increases that were a part of the Excellent Schools Act. \$9,010,274 was earmarked from 1997-98 excess reversions  20 Mentor Teachers  Provide full funding for mentor teachers to first year teachers or instructional support personnel who were not	Annual adjustment in average salaries of certified personnel	(\$35,525,769)	
Provide funding for additional increases in average daily membership in FY 1998-99.  19 Longevity Increases  Appropriate funds to fund teacher longevity increases associated with the FY 1997-98 salary increases that were a part of the Excellent Schools Act. \$9,010,274 was earmarked	Provide full funding for mentor teachers to first year teachers or instructional support personnel who were not	\$9,235,124	: <b>N</b>
Provide funding for additional increases in average daily	Appropriate funds to fund teacher longevity increases associated with the FY 1997-98 salary increases that were a part of the Excellent Schools Act. \$9,010,274 was earmarked	\$0	• 1
		\$26,553,765	

NonRecurring

127,615,805

Reductions

Increases

Recurring

-59,725,172

57,463,950

# **UNC System**

# **GENERAL FUND**

Total Budget Approved 1997 Session	FY 98-99 \$1,455,260,484	:
Budget Changes		
A. UNC Campuses		
23 Base Budget Reductions Reduce each budget code by 0.1%	(\$1,502,974)	R
24 New Facility Reserves  Adjust reserves for new buildings based on estimated completion dates.	\$128,778 (\$952,617)	R NR
25 Utilities Reductions Reduce utilities increases based on recent expenditures	(\$800,938)	·R
26 Span of Control Study  Board of Governors is directed to use span of control study to improve efficiency of campuses' operations.	(\$3,595,609)	·R
B. Schedule of Priorities		
27 Enrollment Growth  Provide for growth of 1,100 additional students, reduced tuition receipts because of shift to more in-state students, and to implement new formula for enrollment changes.	\$13,730,338	Ŕ
Provides funding for courses offered off-campuses in order to increase access and to provide for increased capacity, based on projections of substantial enrollment growth.  A. Total Request \$13,636,958  B. Less Transfers from Cooperative PhD. Programs \$(253,929)  C. Eliminate on-campus undergraduate bonus factors \$(364,024)  D. Net Appropriation \$13,019,005	\$13,019,005	R
29 Information Technology	\$4,000,000	R
Funds for Computing and Technology to improve effectiveness of teaching and learning, service, and cost effectiveness	\$4,000,000	NR
30 Libraries		_



Improve library resources for constituent institutions.

\$2,000,000

# House Subcommittee on Education

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31 University Outreach to the Public Schools: A.  School Services Matching Incentive Grant Program Funds for campuses to create partnerships with local school	\$975,000	NR
systems to extend UNC services to public schools.  32 University Outreach to the Public Schools: B.  Principal Fellows Program Increase the number of fellows in the first year class from	\$380,000	R
76 to 95.		
33 University Outreach to the Public Schools: C.	••••	
Reading Together Additional General Fund support for this pilot program at UNC-Greensboro.	\$200,000	NR
34 New Degree Programs	\$400,000	°R
NC State Engineering Degree in Asheville Funds for the BS in Engineering program to be offered in collaboration with UNC-Asheville.		
35 University Outreach to the Public Schools: D		
Learning Link: UNC TV Electronic Educational Community Improvements in interactive on-line service to public schools, linking University resources of all campuses to public school teachers	\$535,500	NR
36 Graduate Education and Research	\$1,000,000	R
Provide additional support for graduate teaching and research assistants		
37 Distinguished Professors Endowment Trust Fund		
Additional state matching funds for program to increase endowed funding for faculty chairs.	\$2,000,000	NR
C. Agricultural Programs		
38 Agricultural Enhancement	\$0	R
Provide increased support for non-salary operating costs in the Agricultural Research and Cooperative Extension programs at NC State. Funds of \$1,400,000 will be transferred from the Reserve for Compensation Increase.		
39 Pfiesteria Research	\$600,000	R
Provide operating funds to establish a Center for Applied Aquatic Ecology at NC State to facilitate research on toxic microorganisms.	\$1,000,000	NR
D. Related Educational Programs		
40 Aid to Students Attending Private Colleges	\$7,248,986	R
Provides funding for increases in Legislative Tuition Grants (from \$1,450 to \$1,600 per year) and for need-based scholarship funds (from \$750 to \$900 per NC FTE per year).		



#### House Subcommittee on Education

# E. Other Programs

### 41 Oyster Research

Funds for the Institute of Marine Science at UNC-CH for study of sustainable oyster aquaculture.

\$100,000

NR

R

**Budget Changes** 

\$34,607,586

NR \$9,857,883

**Total Position Changes** 

**Revised Total Budget** 

\$1,499,725,953

Recurring

NonRecurring

Reductions

-5,899,521

-952,617

Increases

40,507,107

10,810,500



# **Community Colleges**

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Total Budget Approved 1997 Session	FY 98-99 \$504,200,909	
Budget Changes		
42 Enrollment  Funds additional enrollment growth in the community college system.	\$2,000,000	R
43 Technology  Provides colleges recurring funds for management information technology staff, recurring funds for the purchase and development of software, and recurring funds for Department staff to provide computer and construction technical assistance to colleges as well as SIPS charges and other computer related costs.	\$10,000,000	·R
44 Equipment and Books  Provides the same level of equipment and book funds to the community college system as it received in the prior fiscal year.	\$9,000,000	NR
45 Equipment Reserve  Creates a non-reverting equipment reserve fund to assist community colleges in meeting their backlog of equipment needs as documented in the Phase 3 Funding Study report to the State Board of Community Colleges.	\$8,000,000	NR
46 Center for Applied Textile Technology  Expands the operating budget of the Center for Applied Textile Technology.	\$100,000	R
47 Public Radio Station Funds Provides \$5,000 to each of the Community College System's two public radio stations.	\$10,000	R
48 Prison Program Start-Up Funds- Mayland and Pamlico Provides funds to allow Mayland and Pamlico Community Colleges to start new prison education programs. The funds shall be divided equally between these two colleges.	\$500,000	NR
49 Reduction in Human Resources Development Program Reduces the Human Resources Development (HRD) program as recommended by the Governor.	(\$92,904)	R
50 Worker's Compensation Adjustment Accepts the Governor's reduction in the Department's Worker	(\$121,731)	R



Compensation budget.

#### House Subcommittee on Education

## 51 Departmental Reductions

Reduces the Department's budget as recommended by the Governor in the warehouse rent line and vacant program assistant position.

(\$57,660)

\$11,837,705

\$17,500,000 NR

**Total Position Changes** 

**Budget Changes** 

**Revised Total Budget** 

\$533,538,614

Recurring

**NonRecurring** 

Reductions

-272,295

Increases

12,110,000

17,500,000



# **HOUSE: PUBLIC SCHOOLS**

# CODE NO. 98DPI-H000-S

19 Section 5 of S.L. 1998-23.

Requested by: Representatives Arnold, Grady, Preston

# ALLOCATIONS FOR PUBLIC SCHOOLS

1	Section 9. (a) There is allocated from unexpended 1997-
2	98 General Fund appropriations the sum of fifty-five million
	twenty-seven thousand six hundred eighty dollars (\$55,027,680)
4	which shall not revert and shall be used as follows:
5	(1) \$17,118,003 to fulfill the State's obligations to
6	public school employees who qualified for
7	performance bonuses for the 1997-98 school year
8	under the ABC's of Public Education Program;
9	(2) \$9,010,274 to fulfill the State's obligations to
10	public school teachers who qualified for longevity
11	payments for the 1997-98 school year;
12	(3) \$24,199,403 to permit the State Board of Education
13	to order school buses needed for the 1998-99 school
14	year; and
15	(4) \$4,700,000 for the State School Technology Fund to
16	provide additional school technology funds prior to
17	the beginning of the 1998-99 school year.
18	(b) This section becomes effective on the expiration of

#### 1 CODE NO. 98DPI-H001-S

2

26

3 Requested by: Representatives Arnold, Grady, Preston

#### 5 TEACHER SALARY SCHEDULES

Section 9.1. (a) Effective for the 1998-99 school year, 2 the Director of the Budget may transfer from the Reserve for 3 Compensation Increase for the 1998-99 fiscal year funds necessary 4 to implement the teacher salary schedule set out in subsection of this section, including funds for the employer's 6 retirement and social security contributions and funds for annual 7 longevity payments at one percent (1%) of base salary for 10 to 8 14 years of State service, one and one-half percent (1.5%) of 9 base salary for 15 to 19 years of State service, two percent (2%) 10 of base salary for 20 to 24 years of State service, and four and 11 one-half percent (4.5%) of base salary for 25 or more years of 12 State service, commencing July 1, 1998, for all teachers whose 13 salaries are supported from the State's General Fund. 14 funds shall be allocated to individuals according to rules 15 adopted by the State Board of Education and the Superintendent of 16 Public Instruction. The longevity payment shall be paid in a 17 lump sum once a year.

18 (b)(1)For the 1998-99 school year, the following 19 monthly salary schedules shall apply 20 certified personnel of the public schools who 21 are classified as teachers. The schedule 22 contains 30 steps with each step corresponding 23 to one year of teaching experience. 24

"A" Teachers

25 1998-99 Monthly Salary Schedule

27			
28	Years of	"A"	NBPTS
29	Experience	Teachers	Certification
30			
31	0	2,310	N/A
32	1	2,352	N/A
33	2	2,395	N/A
34	3	2,551	2,857
35	4	2,678	2,999
36	5	2,779	3,112
37	6	2,826	3,165
38	7	2,874	3,218
39	8	2,923	3,273
40	9	2,972	3,328
41	10	3,021	3,383

1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20	11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29+	3,071 3,123 3,176 3,230 3,285 3,341 3,398 3,456 3,516 3,577 3,640 3,703 3,767 3,832 3,899 3,968 4,038 4,109 4,182	3,497 3,557 3,617 3,679 3,741 3,805 3,870 3,937 4,006 4,076 4,147 4,219 4,291 4,291 4,366 4,444 4,522	
21 22 23		1998-99	Monthly Salary "G" Teachers	Schedule
24	Years of	"G"	NBPTS	
25	Experience	=	Certification	
26	_			
27 28	0	2,454	N/A	
29	1 2	2,499 2,545	N/A N/A	
30	3	2,710	3,035	
31	4	2,845	3,186	
32	5	2,953	3,307	
33	6	3,003	3,363	
34 35	7 8	3,054	3,420	
36	9	3,106 3,158	3,478 3,536	
37	10	3,210	3,595	•
38	11	3,263	3,654	
39	12	3,318	3,716	
40 41	13 14	3,375 3,432	3,780	
42	15	3,490	3,843 3,908	
43	16	3,550	3,976	
44	17	3,610	4,043	
45	18	3,672	4,112	
46 47	19 20	3,736 3,801	4,184	
48	21	3,868	4,257 4,332	
49	22	3,934	4,406	
50	23	4,002	4,482	•
51	24	4,072	4,560	
52	25 26	4,143	4,640	
53	26	4,216	4,721	

27	4,290	4,804
28	4,366	4,889
29+	4.443	4.976

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- Certified public school teachers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars (\$126.00) per month addition to the compensation provided certified personnel of the public schools who are "G" teachers. classified as Certified public teachers with certification based academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars (\$253.00) per month in addition provided compensation for personnel of the public schools who are classified as "G" teachers.
- Effective for the 1998-99 school year, the first (C) 19 step of the salary schedule for school psychologists shall be 20 equivalent to Step 5, corresponding to five years of experience, 21 on the salary schedule established in this section for certified 22 personnel of the public schools who are classified as Certified psychologists shall be placed on the salary 23 teachers. 24 schedule at appropriate step based on their an 25 experience. Certified psychologists shall receive longevity 26 payments based on years of State service in the same manner as 27 teachers.

Certified psychologists with certification 29 academic preparation at the six-year degree level shall receive a 30 salary supplement of one hundred twenty-six dollars (\$126.00) per 31 month in addition to the compensation provided for certified 32 psychologists. Certified psychologists with certification based 33 on academic preparation at the doctoral degree level 34 receive a salary supplement of two hundred fifty-three dollars 35 (\$253.00) per month in addition to the compensation provided for 36 certified psychologists.

Effective for the 1998-99 school year, 37 (d) speech 38 pathologists who are certified as speech pathologists at the 39 masters degree level and audiologists who are certified as 40 audiologists at the masters degree level and who are employed in 41 the public schools as speech and language specialists and 42 audiologists shall be paid on the school psychologist salary 43 schedule.

Speech pathologists and audiologists with certification 45 based on academic preparation at the six-year degree level shall 46 receive a salary supplement of one hundred twenty-six dollars 47 (\$126.00) per month in addition to the compensation provided for 48 speech pathologists and audiologists. Speech pathologists and 49 audiologists with certification based on academic preparation at 50 the doctoral degree level shall receive a salary supplement of 51 two hundred fifty-three dollars (\$253.00) per month in addition compensation provided for speech the pathologists 53 audiologists.



(e) The State Board of Education shall study the current 2 salary schedules for nurses and other allied health 3 professionals. The State Board shall report to the Joint 4 Legislative Education Oversight Committee prior to December 15, 5 1998, on the results of its study and on any recommended 6 modifications to the current salary schedules.



1 CODE NO. 98DPI-H002-S
2
3 Requested by: Representatives Arnold, Grady, Preston
4
5 FUNDS TO IMPLEMENT THE ABC'S OF PUBLIC EDUCATION PROGRAM
1 Section 9.2. Section 8.36 of S.L. 1997-443 reads as 2 rewritten:
3 "Section 8.36. (a) Of the funds appropriated to State Aid to 4 Local School Administrative Units, the State Board of Education 5 may use up to seventy-two million four hundred thousand dollars

(a) Of the funds appropriated to State Aid to 4 Local School Administrative Units, the State Board of Education 5 may use up to seventy-two million four hundred thousand dollars 6 <del>(\$72,400,000)</del> for the 1997-98 fiscal year to shall 7 incentive funding for schools that meet or exceed the projected 8 levels of improvement in student performance, in accordance with 9 the ABC's of Public Education Program. In accordance with State 10 Board of Education policy, incentive awards in schools that 11 achieve higher than expected improvements may be up to: (i) 12 thousand five hundred dollars (\$1,500) for each teacher and for 13 certified personnel; and (ii) five hundred dollars (\$500.00) for 14 each teacher assistant. In accordance with State Board of 15 Education policy, incentive awards in schools that meet the 16 expected improvements may be up to: (i) seven hundred fifty 17 dollars (\$750.00) for each teacher and for certified personnel; 18 and (ii) three hundred seventy-five dollars (\$375.00) for each 19 teacher assistant.

20 (b) The State Board of Education may use funds appropriated to 21 State Aid to Local School Administrative Units for assistance 22 teams to low-performing schools."

1	CODE NO. 98DPI-H003-S
2	
3	Requested by: Representatives Arnold, Grady, Preston
4	
5	STATE BOARD STUDY MENTOR TEACHERS
1	Section 9.3. (a) The State Board of Education may use
2	funds for the mentor program to evaluate the program. The State
3	Board shall report the results of its evaluation to the Joint
4	Legislative Education Oversight Committee prior to March 5, 2000.



#### 1 CODE NO. 98DPI-H004-S

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3 Requested by: Representatives Arnold, Grady, Preston

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# 5 AID TO LOW-PERFORMING AND AT-RISK SCHOOLS

Section 9.4. (a) Funds appropriated for the 1998-99 2 fiscal year for aid to low-performing and at-risk schools shall 3 be used to provide services to:

- (1) Elementary schools at which fifty percent (50%) of the students are below grade level on previous year's end-of-grade test, during the 1997-98 school year or the 1998-99 school year;
- (2) Middle schools at which fifty percent (50%) of the students in the sixth grade were below grade level on their end-of-grade fifth grade tests during the 1997-98 school year or the 1998-99 school year; and
- (3) The five percent (5%) of high schools in the State that have the lowest composite scores on the ABC's accountability measures.
- (b) Funds for salary-related items in the amounts of twelve million four hundred five thousand five hundred sixty-one dollars (\$12,405,561) in recurring funds and three million one hundred sixty thousand four hundred fifty-four dollars (\$3,160,454) in nonrecurring funds shall be used as follows:
  - (1) Up to fifteen percent (15%) of the nonrecurring funds on a statewide basis may be used for salary supplements for teachers assigned to local assessment teams;
  - (2) The remainder of the funds shall be used for extra pay for extra duties for teachers for such activities as Saturday academies and after school tutoring, for professional development, and for additional days of work outside of the 220 paid days in the school calendar. These days should be cooperatively planned by the principal and the faculty.
- 32 These funds shall be allocated by the State Board based on 33 additional teacher days based on average daily membership of the 34 school.
- The Director of the Budget is encouraged to include these funds in the continuation budget for the 1999-2001 fiscal biennium.
- 38 (c) Funds for nonsalary items in the amount of one 39 million two hundred fifteen thousand four hundred sixty-six

- 1 dollars (\$1,215,466) shall be used only for staff development 2 costs, and for textbooks, instructional supplies, materials, and 3 equipment.
- 4 (d) The principal of a low-performing or at-risk 5 school, in consultation with the faculty and the site-based 6 management team, shall develop an initial plan for improving the 7 school. The plan shall include whole-staff training. The plan 8 shall be submitted to the local superintendent and approved by 9 the local board prior to submission to the State Board of 10 Education. The plan shall be revised annually.
- The plan shall be reviewed and accepted or rejected by 12 the State Board of Education within 30 days after receipt of the 13 plan. The State Board may delegate to the State Superintendent 14 the responsibility for accepting or rejecting the plan.
- The local board shall receive the money for each school for which a plan is approved. The local board shall receive for each school for which a plan is approved a minimum of ten thousand dollars (\$10,000) from the funds in subsection (c) of this section; the remainder of these funds shall be allocated on the basis of average daily membership.
- (e) The State Board of Education is encouraged to use federal funds such as Goals 2000 and Comprehensive School Reform Demonstration Grants to assist low-performing and at-risk schools.
- 25 (f) Funds allocated in subsections (b) and (c) of this 26 section shall revert on August 31, 1999.
- 27 (g) The State Board of Education shall report to the 28 Joint Legislative Education Oversight Committee prior to December 29 15, 1998, on the plans and on the use of funds for Aid to Low-30 Performing and At-Risk Schools.

1 CODE NO. 98DPI-H005-S
2
3 Requested by: Representatives Arnold, Grady, Preston
4

# 5 ABC'S HIGH SCHOOL ACCOUNTABILITY MODEL

Section 9.5. The State Board of Education shall continue 2 its efforts to improve the standards for determining whether high 3 schools meet or exceed their projected levels of improvement in 4 student performance in accordance with the ABC's of Public 5 Education Program. The General Assembly urges the State Board to 6 consider including in the standards (i) a measurement of 7 improvement in individual students' performance, (ii) dropout 8 rates, and (iii) a measurement of student enrollment and 9 achievement in courses required for graduation, advanced 10 placement courses, or other upper level courses.

2

3 Requested by: Representatives Arnold, Grady, Preston

4

#### 5 SCHOOL-BASED ADMINISTRATOR SALARIES

Section 9.6. (a) Funds appropriated to the Reserve for 2 Compensation Increase shall be used for the implementation of the 3 salary schedule for school-based administrators as provided in 4 this section. These funds shall be used for State-paid employees 5 only.

6 (b) The salary schedule for school-based administrators 7 shall apply only to principals and assistant principals. The 8 salary schedule for the 1998-99 fiscal year, commencing July 1, 9 1998, is as follows:

10			Assistant	Principals		Princip	al I
11	Step	Base	Base	Base	Base	Base	Base
12	_		+ 1%	+ 2%		+ 1%	+ 2%
13							
14			H 40 1 1				
15		\$2,873	\$2,902	\$2,930			
16		2,983	3,013	3,043			
17	6	3,033	3,063	3,094			
18	7	3,085	3,116	3,147			
19	8	3,137	3,168	3,200	\$3,137	\$3,168	\$3,200
20	9	3,190	3,222	3,254	3,190	3,222	3,254
21	10	3,242	3,274	3,307	3,242	3,274	3,307
22	11	3,296	3,329	3,362	3,296	3,329	3,362
23	12	3,351	3,385	3,418	3,351	3,385	3,418
24	13	3,409	3,443	3,477	3,409	3,443	3,477
25	14	3,466	3,501	3,535	3,466	3,501	3,535
26	15	3,525	3,560	3,596	3,525	3,560	3,596
27	16	3,586	3,622	3,658	3,586	3,622	3,658
28	17	3,646	3,682	3,719	3,646	3,682	3,719
29	18	3,709	3,746	3,783	3,709	3,746	3,783
30	19	3,773	3,811	3,848	3,773	3,811	3,848
31	20	3,839	3,877	3,916	3,839	3,877	3,916
32	21	3,907	3,946	3,985	3,907	3,946	3,985
33	22	3,973	4,013	4,052	3,973	4,013	4,052
34	23	4,042	4,082	4,123	4,042	4,082	4,123
35	24	4,113	4,154	4,195	4,113	4,154	4,195
36	25	4,184	4,226	4,268	4,184	4,226	4,268
37	26	4,258	4,301	4,343	4,258	4,301	4,343
38	27	4,333	4,376	4,420	4,333	4,376	4,420
39	28	4,410	4,454	4,498	4,410	4,454	4,498
40	29	4,487	4,532	4,577	4,487	4,532	4,577
41	30	4,577	4,623	4,669	4,577	4,623	4,669
42	31	4,669	4,716	4,762	4,669	4,716	4,762
43	32				4,762	4,810	4,857
44					- <b>,</b> · - <del></del>	.,	.,
45			Principal	II		Principa	al III

1 2	Step	Base	Base + 1%	Base + 2%	Base	Base + 1%	Base + 2%
3				. 20		, 10	+ 26
4							
5	5						
6							
7	7			·			
8							
9							
10		\$3,296	\$3,329	\$3,362			
11		3,351	3,385	3,418			<del>-</del> -
12		3,409	3,443	3,477	\$3,466	\$3,501	\$3,535
13 14	13 14	3,466	3,501	3,535	3,525	3,560	3,596
15		3,525 3,586	3,560 3,622	3,596	3,586	3,622	3,658
16		3,646	3,622	3,658 3,719	3,646	3,682	3,719
17	17	3,709	3,746	3,783	3,709 3,773	3,746	3,783
18	18	3,773	3,811	3,848	3,773	3,811 3,877	3,848
19	19	3,839	3,877	3,916	3,907	3,946	3,916
20		3,907	3,946	3,985	3,973	4,013	3,985 4,052
21	21	3,973	4,013	4,052	4,042	4,082	4,123
22	22	4,042	4,082	4,123	4,113	4,154	4,195
23	23	4,113	4,154	4,195	4,184	4,226	4,268
24	24	4,184	4,226	4,268	4,258	4,301	4,343
25	25	4,258	4,301	4,343	4,333	4,376	4,420
26	26	4,333	4,376	4,420	4,410	4,454	4,498
27	27	4,410	4,454	4,498	4,487	4,532	4,577
28	28	4,487	4,532	4,577	4,577	4,623	4,669
29	29	4,577	4,623	4,669	4,669	4,716	4,762
30	30	4,669	4,716	4,762	4,762	4,810	4,857
31 32	31 32	4,762	4,810	4,857	4,857	4,906	4,954
33	33	4,857 4,954	4,906 5,004	4,954 5,053	4,954	5,004	5,053
34	34	5,053	5,104	5,053	5,053	5,104	5,154
35	35	J,033	5,104	5,154	5,154 5,257	5,206 5,310	5,257
36	36				5,362	5,416	5,362 5,469
37					3,302	3,410	5,409
38		Pri	ncipal IV		P	rincipal V	,
39	Step	Base	Base	Base	Base	Base	Base
40			+ 1%	+ 2%		+ 1%	+ 2%
41							
42	4						
43	5						
44	6				<del></del>		
45	7						
46 47	8						
4.7	9						
48	10 11						
	12		<b></b>				
	13	\$3,586	\$3,622	\$3,658	<b></b>		
52		3,646	3,682	3,719	\$3,709	\$3,746	\$3,783
	15	3,709	3,746	3,783	3,773	3,811	3,848
		•			-, , , ,	-,-11	2,010

Principal VI Principal VII Step Base Base Base Base Base Base	3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26	17 18 19 20 21 22 23 24 25 26 27 28 29 30	3,773 3,839 3,907 3,973 4,042 4,113 4,184 4,258 4,333 4,410 4,487 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578	3,811 3,877 3,946 4,013 4,082 4,154 4,226 4,301 4,376 4,454 4,532 4,623 4,716 4,810 4,906 5,004 5,104 5,206 5,310 5,416 5,524 5,634	3,848 3,916 3,985 4,052 4,123 4,195 4,268 4,343 4,420 4,498 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578 5,690	3,839 3,907 3,973 4,042 4,113 4,184 4,258 4,333 4,410 4,487 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578 5,689 5,803	3,877 3,946 4,013 4,082 4,154 4,226 4,301 4,376 4,454 4,532 4,623 4,716 4,810 4,906 5,004 5,104 5,004 5,104 5,206 5,310 5,416 5,524 5,634 5,746 5,746 5,861	3,916 3,985 4,052 4,123 4,195 4,268 4,343 4,420 4,498 4,577 4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578 5,690 5,803 5,919
29 Step       Base       Base	27 28			Principal	VI		Princip	al VII
33 5		Step	Base	Base	Base	Base		
34 6  <	31			+ 1%	+ 2%			+ 2%
35       7	31 32			+ 1%	+ 2%			
36 8  <	31 32 33	5		+ 1%  	+ 2%  			
38 10	31 32 33 34	5 6	  	+ 1%	+ 2%   	  		
39 11	31 32 33 34 35	5 6 7	  	+ 1%	+ 2%    			
40       12 <td< td=""><td>31 32 33 34 35 36 37</td><td>5 6 7 8 9</td><td>  </td><td>+ 1%</td><td>+ 2%    </td><td>   </td><td></td><td></td></td<>	31 32 33 34 35 36 37	5 6 7 8 9	  	+ 1%	+ 2%    	   		
41       13 <td< td=""><td>31 32 33 34 35 36 37 38</td><td>5 6 7 8 9 10</td><td>    </td><td>+ 1%</td><td>+ 2%</td><td>   </td><td></td><td></td></td<>	31 32 33 34 35 36 37 38	5 6 7 8 9 10	    	+ 1%	+ 2%	   		
42       14 <td< td=""><td>31 32 33 34 35 36 37 38 39</td><td>5 6 7 8 9 10 11</td><td>   </td><td>+ 1%</td><td>+ 2%</td><td>    </td><td></td><td></td></td<>	31 32 33 34 35 36 37 38 39	5 6 7 8 9 10 11	   	+ 1%	+ 2%	    		
43       15 <td< td=""><td>31 32 33 34 35 36 37 38 39 40</td><td>5 6 7 8 9 10 11</td><td>   </td><td>+ 1%</td><td>+ 2%</td><td>     </td><td></td><td></td></td<>	31 32 33 34 35 36 37 38 39 40	5 6 7 8 9 10 11	   	+ 1%	+ 2%	     		
44       16       \$3,907       \$3,946       \$3,985 <td>31 32 33 34 35 36 37 38 39 40 41</td> <td>5 6 7 8 9 10 11 12</td> <td>     </td> <td>+ 1%</td> <td>+ 2%</td> <td>     </td> <td></td> <td></td>	31 32 33 34 35 36 37 38 39 40 41	5 6 7 8 9 10 11 12	     	+ 1%	+ 2%	     		
45       17       3,973       4,013       4,052       \$4,113       \$4,154       \$4,195         46       18       4,042       4,082       4,123       4,184       4,226       4,268         47       19       4,113       4,154       4,195       4,258       4,301       4,343         48       20       4,184       4,226       4,268       4,333       4,376       4,420         49       21       4,258       4,301       4,343       4,410       4,454       4,498         50       22       4,333       4,376       4,420       4,487       4,532       4,577         51       23       4,410       4,454       4,498       4,577       4,669       4,716       4,762         52       24       4,487       4,532       4,577       4,669       4,716       4,762	31 32 33 34 35 36 37 38 39 40 41 42	5 6 7 8 9 10 11 12 13	    	+ 1%	+ 2%	    		
	31 32 33 34 35 36 37 38 39 40 41 42 43	5 6 7 8 9 10 11 12 13 14	         53.907	       	     	    		

17	27 28 29 30 31 32 33 34 35 36 37 38	4,669 4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578 5,689 5,803 5,920 6,038 6,159	4,716 4,810 4,906 5,004 5,104 5,206 5,310 5,416 5,524 5,634 5,746 5,861 5,979 6,098 6,221	4,762 4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578 5,690 5,803 5,919 6,038 6,159 6,282	4,857 4,954 5,053 5,154 5,257 5,362 5,469 5,578 5,689 5,803 5,920 6,038 6,159 6,282 6,407 6,536	4,906 5,004 5,104 5,206 5,310 5,416 5,524 5,634 5,746 5,861 5,979 6,098 6,221 6,345 6,471 6,601	4,954 5,053 5,154 5,257 5,362 5,469 5,578 5,690 5,803 5,919 6,038 6,159 6,282 6,408 6,535 6,667
18 19 20	Step	Base	Principal Base + 1%	VIII Base + 2%			
21			, 18	7 2 6			
22							
23 24		<del></del>					
25	7						
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29	11						
	12						
31	13						
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33	15						
34 35	16			<del>-</del> -,			
36	17 18	\$4,258	 ¢4 201				
37	19	4,333	\$4,301 4,376	\$4,343			
	20	4,410	4,454	4,420 4,498			
39		4,487	4,532	4,577			
	22	4,577	4,623	4,669			
41	23	4,669	4,716	4,762			
	24	4,762	4,810	4,857			
	25	4,857	4,906	4,954			
	26	4,954	5,004	5,053			
	27	5,053	5,104	5,154			
	28	5,154	5,206	5,257			
	29 30	5,257	5,310	5,362			
	31	5,362 5,469	5,416 5,524	5,469 5,570			
	32	5,578	5,634	5,578 5,690			
	33	5,689	5,746	5,803			
	34	5,803	5,861	5,919			
53		5,920	5,979	6,038			
				•			

1	1 36 6,038 6,098 6,159	
	2 37 6,159 6,221 6,282	
3	3 38 6,282 6,345 6,408	
	1 39 6,407 6,471 6,535	
	5 40 6,536 6,601 6,667	
	6 41 6,667 6,734 6,800	
7 8		loopification for all assume of
	principals and assistant princi	lassification for placement of
10	except for principals in alternati	ive schools shall be determined
	in accordance with the following s	
12		Number of Teachers
13		Supervised
14	Assistant Principal	-
15		Fewer than 11 Teachers
16	Principal II	11-21 Teachers
17	Principal III	22-32 Teachers
18	Principal IV	33-43 Teachers
19 20	Principal V	44-54 Teachers
21	Principal VI Principal VII	55-65 Teachers 66-100 Teachers
22		
	The number of teachers supervised	
24	principals paid from State fund	ds only; it does not include
25	teachers or assistant principals p	paid from non-State funds or the
26	principal or teacher assistants.	
	The beginning classif	ication for principals in
28	alternative schools shall be the F	Principal III level. Principals
29 30	in alternative schools who supervi	se 33 or more teachers shall be
31	classified according to the number (d) A principal shall	be placed on the step on the
	salary schedule that reflects tota	number of years of experience
33	as a certificated employee of	the public schools and an
34	additional step for every thre	e years of experience as a
35	principal.	
	(e) For the 1998-99	fiscal year, a principal or
3/	assistant principal shall be place	ed on the appropriate step plus
38 39	one percent (1%) if:	1
40	· /	ol met or exceeded the projected ent in student performance for
41		year, in accordance with the
42	ABCs of Public Educa	tion Program: or
43		education found in 1997-98 that
44	the employee's scho	ool met objectively measurable
45	goals set by the	local board of education for
46	maintaining a safe a	nd orderly school.
47		cipal shall be placed on the
48	appropriate step plus two percent	(2%) if the conditions set out
50	in both subdivisions (1) and (2) a (f) For the 1998-99	
	assistant principal shall receive	fiscal year, a principal or a lump sum payment of:
52	(1) One percent (1%) of	his or her State-paid salary if
53	the employee's sc	
	_	

projected levels of improvement in 2 performance for the 1998-99 fiscal year, 3 accordance with the ABCs of Public Education 4 Program; or 5 (2) One percent (1%) of his or her State-paid salary if 6 the local board of education finds that the employee's school has met the goals of the local 7 plan for maintaining a safe and orderly school. 9 The principal or assistant principal shall receive a lump-sum 10 payment of two percent (2%) if the conditions set out in both 11 subdivisions (1) and (2) are satisfied. The lump sum shall be 12 paid as determined by guidelines adopted by the State Board. 13 Placement on the salary schedule in the following year shall be 14 based upon these increases. The lump sum shall be paid as determined by guidelines adopted 16 by the State Board. Placement on the salary schedule in the 17 following year shall be based upon these increases. 18 Principals (g) and assistant principals 19 certification based on academic preparation at the six-year 20 degree level shall be paid a salary supplement of one hundred 21 twenty-six dollars (\$126.00) per month and at the doctoral degree 22 level shall be paid a salary supplement of two hundred fifty-23 three dollars (\$253.00) per month. 24 (h) There shall be no State requirement 25 superintendents in each local school unit shall receive in State-26 paid salary at least one percent (1%) more than the highest paid 27 principal receives in State salary in that school 28 Provided, however, the additional State-paid salary 29 superintendent who was employed by a local school administrative 30 unit for the 1992-93 fiscal year received because of that 31 requirement shall not be reduced because of this subsection for 32 subsequent fiscal years that the superintendent is employed by 33 that local school administrative unit so long 34 superintendent is entitled to at least that amount of additional 35 State-paid salary under the rules in effect for the 1992-93 36 fiscal year. 37 Longevity pay for principals and 38 principals shall be as provided for State employees. 39 (j)(l) If a principal is reassigned to a higher job 40 classification because the principal is transferred 41 to a school within a local school administrative 42 unit with larger number a οf State-allotted 43 teachers, the principal shall be placed on the 44 salary schedule as if the principal had served the 45 principal's entire career as a principal at the 46 higher job classification. 47 (2) If a principal is reassigned to a lower 48 classification because the principal is transferred 49 to a school within a local school administrative 50



smaller number

teachers, the principal shall be placed on the

salary schedule as if the principal had served the

with

a

unit

51

52

of

State-allotted

principal's entire career as a principal at the 2 lower job classification. 3 This subdivision applies to all transfers on 4 or after the effective date of this section, except 5 transfers in school systems that have been created. 6 or will be created, by merging two or more school 7 Transfers in these merged systems are systems. 8 exempt from the provisions of this subdivision for 9 one calendar year following the date of the merger. 10 Participants in an approved full-time masters in 11 school administration program shall receive up to a 10-month 12 stipend at the beginning salary of an assistant principal during 13 the internship period of the masters program. Certification of 14 eligible full-time interns shall be supplied to the Department of 15 Public Instruction by the Principal's Fellow Program or a school 16 of education where the intern participates in a full-time masters 17 in school administration.

1	CODE NO. 98DPI-H007-S
2	
3	Requested by: Representatives Arnold, Grady, Preston
4	· · · · · · · · · · · · · · · · · · ·
5	PRINCIPAL SALARY STUDIES
1	Section 9.7. Section 8.43(d) of S.L. 1997-443 reads as
2	rewritten:
3	"(d) The State Board of Education may use up to fifty thousand
4	dollars (\$50,000) of funds appropriated by this act to State Aid
5	to Local School Administrative Units for the 1997-98 1998-99
6	fiscal year to study principals' salaries including the
	including:
8	(1) The relationship of principals' salaries to the
9	salaries of teachers and other certified school
10	personnel;
11	(2) Whether the current relationship between the
12	teacher and principal salary schedules should be
13	increased to a three percent (3%) differential;
14	(3) Whether assistant principals should be given
15	additional steps for years of experience; and
16	(4) The appropriate relationship of principal's salary
17	to size of school.
18	The State Board of Education shall report the results of the
19	study to the Joint Legislative Education Oversight Committee

(27)

20 prior to December 15, 1998."

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1 CODE NO. 98DPI-H008-S

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3 Requested by: Representatives Arnold, Grady, Preston

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5 COMMUNITIES IN SCHOOLS FUNDS/DO NOT REVERT

1 Section 9.8. Section 13(b) of S.L. 1998-23 reads as 2 rewritten:

3 "(b) This section becomes effective June 30, 1998, and 4 expires when the Current Operations Appropriations and Capital 5 Improvement Appropriations Act of 1998 becomes a law. 1998."
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1	CODE NO. 98DPI-H011-S
2	
3	Requested by: Representatives Arnold, Grady, Preston
4	
5	LITIGATION RESERVE
1	Section 9.11. (a) Section 14 of S.L. 1998-23 reads as
2	rewritten:
3	"Section 14. (a) Funds in the State Board of
4	Education's Litigation Reserve that are not expended or
	encumbered on June 30, 1998, shall not revert on July 1, 1998,
	but shall remain available for expenditure until the Current
	Operations Appropriations and Capital Improvement Appropriations
	Act of 1998 becomes a law. June 30, 1999.
9	(b) babbeetion (d) of entry section becomes effective
	June 30, 1998, and expires when the Current Operations
	Appropriations and Capital Improvement Appropriations Act of 1998
12	becomes a law. 1998."
13	(a) and added to Education may expend up to live
14	hundred thousand dollars (\$500,000) for the 1998-99 fiscal year
15	from unexpended funds for certified employees' salaries to pay
16	expenses related to pending litigation.



#### 1 CODE NO. 98DPI-H012-S

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3 Requested by: Representatives Arnold, Grady, Preston

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#### 5 EXCEPTIONAL CHILDREN FUNDS

Section 9.12. (a) The funds appropriated for exceptional children in this act shall be allocated as follows:

- 1) Each local school administrative unit shall receive for academically gifted children the sum of seven hundred forty-six dollars and ninety-five cents (\$746.95) per child for four percent (4%) of the 1998-99 allocated average daily membership in the local school administrative unit, regardless of the number of children identified as academically gifted in the local school administrative unit. The total number of children for which funds shall be allocated pursuant to this subdivision is 49,828 for the 1998-99 school year.
- (2) Each local school administrative unit shall receive for exceptional children other than academically gifted children the sum of two thousand two hundred forty-eight dollars and thirty-nine cents (\$2,248.39) per child for the lesser of (i) all children who are identified as exceptional children other than academically gifted children or (ii) twelve and five-tenths percent (12.5%) of the 1998-99 allocated average daily membership in the local school administrative unit. The maximum number of children for which funds shall be allocated pursuant to this subdivision is 147,334 for the 1998-99 school year.

27 The dollar amounts allocated under this subsection for 28 exceptional children shall also increase in accordance with 29 legislative salary increments for personnel who serve exceptional 30 children.

31 (b) To the extent that funds appropriated for 32 exceptional children other than academically gifted children are 33 adequate to do so, the State Board of Education may allocate the 34 excess of these funds to provide services for severely disabled 35 children in school units and in group homes.

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1 CODE NO. 98DPI-H013-S
2 000-S
3
4 Requested by: Representatives Arnold, Grady, Preston
5
6 ALTERNATIVE SCHOOLS/AT-RISK STUDENTS
1 Section 9.13. The State Board of Education may use up to 2 two hundred thousand dollars ($200,000) of the funds in the 3 Alternative Schools/At-Risk Student allotment for the 1998-99 4 fiscal year to implement G.S. 115C-12(24) and to conduct studies 5 of alternative schools.
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	CODE NO. 98DPI-H014-S		
	2		
	3 Requested by: 1	Representatives Arnold, Grady, Preston	
	5 CHARTER SCHOOLS		
1		n 9.14. (a) G.S. 115C-238.29F(d) reads as	
	2 rewritten:	1 9.14. (a) G.S. 115C-238.29F(d) reads as	
		cional Program	
	(-) ======	ne school shall provide instruction each year for	
		t least 180 days.	
	<del>-</del>	ne school shall design its programs to at least	
7	, , – -	eet the student performance standards adopted by	
8		ne State Board of Education and the student	
9	_	erformance standards contained in the charter.	
10	P		
11	( - /		
12		sessments required for charter schools by the	
13		ate Board of Education. administer the tests	
14	<u></u>	lopted by the State Board of Education under G.S.	
15		5C-174.11 that are used to implement the School-	
16	_	sed Management and Accountability Program in	
17	<u></u>	her public schools.	
18	( - )	e school shall comply with policies adopted by	
	<b></b>	e State Board of Education for charter schools	
19 20		lating to the education of children with special	
21		eds.	
22	( - /	e school is subject to and shall comply with	
	<del></del>	ticle 27 of Chapter 115C of the General Statutes,	
23		cept that a charter school may also exclude a	
24		udent from the charter school and return that	
25		udent to another school in the local school	
26		ministrative unit in accordance with the terms of	
27	_ <del></del>	s charter."	
28	(-, -,	. 115C-238.29G(a) reads as rewritten:	
29	, , = ====	ate Board of Education, or a chartering entity	
30	subject to the	approval of the State Board of Education, may	
31	terminate or no	t renew a charter upon any of the following	
	grounds:		
33	( - /	ilure to meet the requirements for student	
34	F.	rformance contained in the charter; charter or to	
35	me	et the requirements for student testing contained	
36	<u>in</u>	G.S. 115C-238.29F(d)(3).	
37	( - /	ilure to meet generally accepted standards of	
38	fi	scal management;	
39	(3) Vi	olations of law;	

1		(4)	Material violation of any of the conditions,
2			standards, or procedures set forth in the charter;
3		(5)	Two-thirds of the faculty and instructional support
4			personnel at the school request that the charter be
5			terminated or not renewed; or
6		(6)	Other good cause identified."
7		(C)	This section becomes effective July 1, 1998, and
8	applies	to scl	hool years beginning with the 1998-99 school year.

33)

1 CODE NO. 98DPI-H015-S 2 3 Requested by: Representatives Arnold, Grady, Preston 4 5 TESTING Section 9.15. (a) Of the funds appropriated for State 1 2 Aid to Local School Administrative Units, the State Board of 3 Education may use up to two million dollars (\$2,000,000) for the 4 1998-99 fiscal year to: 5 (1) Cover cost increases in end-of-grade, course, and other tests previously authorized by 6 7 the SBE and the General Assembly, that are caused 8 by increases in average daily membership; 9 Reestablish high school end-of-course (2) tests 10 previously established by the State Board of 11 Education in accordance with Section 8.27 of S.L. 12 1997-443: 13 Develop new end-of-course tests required for high (3) 14 school, in accordance with Section 8.27 of S.L. 15 1997-443; and 16 (4)Begin the development of alternative assessments 17 for children with special needs. 18 General Assembly encourages the Director of the The 19 Budget to include these funds in the continuation budget request 20 for the 1999-2000 fiscal year and subsequent fiscal years. 21 (b) G.S. 115C-174.11(c)(1) reads as rewritten: 22 "(1) The State Board of Education shall adopt a system 23 of annual testing for grades three through 12. 24 These tests shall be designed to measure progress 25 toward reading, communication skills. 26 mathematics for grades three through eight, and 27 toward competencies designated by the State Board 28 for grades nine through 12. Notwithstanding 29 subsection (a) of this section, the State Board 30 shall develop and implement a study allowing 31 selected local school administrative units that 32 volunteer to administer a standardized test in May, 33 12 months prior to the third grade end-of-grade 34 test, in order to establish a baseline that will be 35 used to measure academic growth at the end of third 36 grade. Initially, the State Board shall select 12 37 volunteer local school administrative units that



are diverse in geography and size to participate in

the study.

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If the State Board determines that a

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standardized test administered in May, 12 months prior to the third grade end-of-grade test, is more reliable than a standardized test administered at the beginning of third grade for the purpose of measuring academic growth, the State Board may change the test date for additional local school units. The State Board shall report the results of the study to the Joint Legislative Education Oversight Committee by October 15, 2000.

Baseline measurements administered in May, 12 months prior to the third grade end-of-grade test, are not public records as provided in Chapter 132 of the General Statutes."



#### 1 CODE NO. 98DPI-H016-S 3 Requested by: Representatives Arnold, Grady, Preston 4 SUBSTITUTE TEACHERS 1 Section 9.16. (a) G.S. 115C-12(8) reads as rewritten: 2 "(8) Power to Make Provisions for Sick Leave and for 3 Substitute Teachers. -- The Board shall provide for sick leave with pay for all public school employees 4 5 in accordance with the provisions of this Chapter 6 and shall promulgate rules and 7 providing for necessary substitutes on account of 8 sick leave and other teacher absences. 9 The pay for a substitute shall be fixed by the 10 The minimum pay for a substitute teacher 11 who holds a teaching certificate shall be fifty-12 four and five-tenths percent (54.5%) of the daily 13 pay rate of an entry-level teacher with an 14 The minimum pay for certificate. a substitute 15 teacher who does not hold a teaching certificate 16 shall be thirty-eight and five-tenths percent (38.5%) of the daily pay rate of 17 an entry-level 18 with an `A′ certificate. The pay 19 noncertified substitutes shall not exceed the pay 20 of certified substitutes. 21 Local boards may use State funds allocated for 22 substitute teachers to hire full-time substitute 23 teachers. 24 If a teacher assistant acts as a substitute 25 teacher, the salary of the teacher assistant for 26 the day shall be the same as the daily salary of an 27 entry-level teacher with an 'A' certificate. 28 The Board may provide to each local school 29 administrative unit not exceeding one percent (1%) 30 of the cost of instructional services for the 31 purpose of providing substitute teachers for those 32 on sick leave as authorized by law or by 33 regulations of the Board, but not exceeding the 34 provisions made for other State employees." If the average number of substitute teacher days (b)



36 taken by teachers in a local school administrative unit is higher 37 than the statewide average, the local board of education shall 38 determine the reasons unit average is high and shall develop a

39 plan for decreasing the unit average.

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1 CODE NO. 98DPI-H017A-S
 3 Requested by: Representatives Arnold, Grady, Preston
 5 TORT CLAIM LIABILITY/SCHOOL BUSES
            Section 9.17. (a) G.S. 115C-257 reads as rewritten:
 2 "§ 115C-257. Attorney General to pay claims.
     The Attorney General is hereby authorized to pay reasonable
 4 medical expenses, not to exceed six hundred dollars ($600.00),
 5 three thousand dollars ($3,000), incurred within one year from
 6 the date of accident to or for each pupil who sustains bodily
 7 injury or death caused by accident, while boarding, riding on, or
 8 alighting from a school bus operated by any
                                                      local
 9 administrative unit."
10
            (b) G.S. 143-300.1 reads as rewritten:
11 "$ 143-300.1. Claims against county and city boards of education
12 for accidents involving school buses or school transportation
13 service vehicles.
     (a) The North Carolina Industrial Commission
                                                        shall
15 jurisdiction to hear and determine tort claims against any county
16 board of education or any city board of education, which claims
17 arise as a result of any alleged mechanical defects or other
18 defects which may affect the safe operation of a public school
19 bus or school transportation service vehicle resulting from an
20 alleged negligent act of maintenance personnel or as a result of
21 any alleged negligent act or omission of the driver driver,
22 transportation safety assistant, or monitor of a public school
23 bus or school transportation service vehicle when:
24
                The salary of that driver is paid or authorized to
            (1)
25
                be paid from the State Public School Fund, and the
26
                driver is an employee of the county or city
                administrative unit of which that board is the
27
28
                governing body,
29
           (la) The monitor was appointed and acting in accordance
30
                with G.S. 115C-245(d),
           (1b) The transportation safety assistant was employed
31
                and acting in accordance with G.S. 115C-245(e), or
32
33
           (2)
                The driver is an unpaid school bus driver trainee
34
                under the supervision of an authorized employee of
35
                the Department of Transportation, Division of Motor
                Vehicles, or an authorized employee of that board
36
37
                or a county or city administrative unit thereof,
38 and which driver was at the time of the alleged negligent act or
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39 omission operating a public school bus or school transportation

1 service vehicle in the course of his employment by or training 2 for that administrative unit or board, which monitor was 3 at the time of the alleged negligent act or omission acting as 4 such in the course of serving under G.S. 115C-245(d), or which 5 transportation safety assistant was at the time of the alleged 6 negligent act or omission acting as such in the course of serving 7 under G.S. 115C-245(e). The liability of such county or city 8 board of education, the defenses which may be asserted against 9 such claim by such board, the amount of damages which may be 10 awarded to the claimant, and the procedure for filing, hearing 11 and determining such claim, the right of appeal from such 12 determination, the effect of such appeal, and the procedure for 13 taking, hearing and determining such appeal shall be the same in 14 all respects as is provided in this Article with respect to tort 15 claims against the State Board of Education except as hereinafter 16 provided. Any claim filed against any county or city board of 17 education pursuant to this section shall state the name and 18 address of such board, the name of the employee upon whose 19 alleged negligent act or omission the claim is based, and all 20 other information required by G.S. 143-297 in the case of a claim 21 against the State Board of Education. Immediately upon the 22 docketing of a claim, the Industrial Commission shall forward one 23 copy of the plaintiff's affidavit to the superintendent of the 24 schools of the county or city administrative unit against the 25 governing board of which such claim is made, one copy of the 26 plaintiff's affidavit to the State Board of Education and one 27 copy of the plaintiff's affidavit to the office of the Attorney 28 General of North Carolina. All notices with respect to tort 29 claims against any such county or city board of education shall 30 be given to the superintendent of schools of the county or city 31 administrative unit of which such board is a governing board, to 32 the State Board of Education and also to the office of the 33 Attorney General of North Carolina.

34 (b) The Attorney General shall be charged with the duty of 35 representing the city or county board of education in connection 36 with claims asserted against them pursuant to this section where 37 the amount of the claim, in the opinion of the Attorney General, 38 is of sufficient import to require and justify such appearance.

39 (c) In the event that the Industrial Commission shall make 40 award of damages against any county or city board of education 41 pursuant to this section, the Attorney General shall draw a 42 voucher for the amount required to pay such award. The funds 43 necessary to cover vouchers written by the Attorney General for 44 claims against county and city boards of education for accidents

1 involving school buses and school transportation service vehicles 2 shall be made available from funds appropriated to the Department 3 of Public Instruction. Neither the county or city boards of 4 education, or the county or city administrative unit shall be 5 liable for the payment of any award made pursuant to the 6 provisions of this section in excess of the amount paid upon such 7 voucher by the Attorney General. Settlement and payment may be 8 made by the Attorney General as provided in G.S. 143-295.

(d) The Attorney General may defend any civil action which may 10 be brought against the driver driver, transportation 11 assistant, or monitor of a public school bus school 12 transportation service vehicle or school bus maintenance mechanic 13 when such driver or mechanic is paid or authorized to be paid 14 from the State Public School Fund, when the monitor is accordance with G.S. 115C-245(d), 15 acting in 16 transportation safety assistant is acting in accordance with G.S. 17 115C-245(e), or when the driver is an unpaid school bus driver 18 trainee under the supervision of an authorized employee of the 19 Department of Transportation, Division of Motor Vehicles, or an 20 authorized employee of a county or city board of education or 21 administrative unit thereof. The Attorney General may afford this 22 defense through the use of a member of his staff or, in his 23 discretion, employ private counsel. The Attorney General 24 authorized to pay any judgment rendered in such civil action not 25 to exceed the limit provided under the Tort Claims Act. 26 Attorney General may compromise and settle any claim covered by 27 this section to the extent that he finds the same to be valid, 28 up to the limit provided in the Tort Claims Act, provided that 29 the authority granted in this subsection shall be limited to only 30 those claims which would be within the jurisdiction of the 31 Industrial Commission under the Tort Claims Act."

32 (c) This section applies as to claims arising on or 33 after July 1, 1998.



### 1 CODE NO. 98DPI-H018-S

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3 Requested by: Representatives Arnold, Grady, Preston

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### 5 EXTRA PAY FOR FORFEITED VACATION DAYS

1 Section 9.18. (a) Of the funds appropriated to State 2 Aid to Local School Administrative Units, the sum of four million 3 two hundred fifty thousand dollars (\$4,250,000) for the 1998-99 4 fiscal year shall be used by local boards of education to pay 5 teachers for working on, and thereby forfeiting, vacation days, 6 in accordance with G.S. 115C-302.1(c). The State Board of 7 Education shall make available to each local 8 administrative unit sufficient funds to provide pay for a maximum six days for each teacher who is qualified to receive 10 additional pay for forfeited vacation days under For the 1998-99 fiscal year, the funds allotted under 11 302.1(c). 12 this subsection shall be available for days scheduled by local 13 boards and individual schools as follows: two for days scheduled 14 by the local board of education under G.S. 115C-84.2(a)(4); and 15 four for days scheduled by school principals in consultation with 16 school improvement teams under G.S. 115C-84.2(a)(5).

(b) G.S. 115C-84.2 reads as rewritten:

18 "§ 115C-84.2. School calendar.

- 19 (a) School Calendar. -- Each local board of education shall 20 adopt a school calendar consisting of 220 days all of which shall 21 fall within the fiscal year. A school calendar shall include the 22 following:
  - (1)minimum of 180 days and 1,000 instruction covering at least nine calendar months. local board shall designate when the instructional days shall occur. The instructional hours in an instructional day vary according to local board policy and does not to be uniform among the schools in administrative unit. Local boards may approve school improvement plans that include days with varying amounts of instructional time. If school is closed early due to inclement weather, the day and the scheduled amount of instructional hours may count towards the required minimum to the extent allowed by State Board policy. The school calendar shall include a plan for making up days instructional hours missed when schools are not opened due to inclement weather.

(40)

(2) A minimum of 10 annual vacation leave days.

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- The same or an equivalent number of legal holidays (3) occurring within the school calendar as designated by the State Personnel Commission for State employees.
- Ten days, as designated by the local board, for use (4)as teacher workdays, additional instructional days, lawful purposes. Α local board delegate to the individual schools some or all of the 10 days to schedule under subdivision (5) of this subsection. Α local board may schedule different purposes for different personnel on any given day and is not required to schedule the same dates for all personnel.
- The remaining days shall be scheduled by (5) individual school by the school's principal consultation with the school improvement team. Days may be scheduled for any of the purposes allowed under subdivision (4) of this subsection. Days may be scheduled for different purposes for different personnel and there is no requirement to schedule the same dates for all personnel.

Local boards and individual schools are encouraged to use the 24 calendar flexibility in order to meet the annual performance 25 standards set by the State Board. Local boards of education shall 26 consult with parents and the employed public school personnel in 27 the development of the school calendar.

Local boards and individual schools shall give teachers at 29 least 14 calendar days' notice before requiring a teacher to work 30 instead of taking vacation leave on days scheduled in accordance 31 with subdivision (4) or (5) of this subsection. A teacher may 32 elect to waive this notice requirement for one or more such days.

- Limitations. -- The following limitations apply when 33 (b) 34 developing the school calendar:
  - The total number of teacher workdays for teachers (1)employed for a 10 month term shall not exceed 200 days.
  - (2)The calendar shall include at least 30 42 consecutive days when teacher attendance is not required unless: (i) the school is a year-round school; or (ii) the teacher is employed for a term in excess of 10 months. At the request of the local board of education or of the principal of a school, a teacher may elect to work on one of the



- 42 days when teacher attendance is not required in lieu of another scheduled workday.
- (3) School shall not be held on Sundays.

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- (4) Veteran's Day shall be a holiday for all students enrolled in the public schools.
- 6 (C) Emergency Conditions. -- During any period of emergency in 7 any section of the State where emergency conditions make it 8 necessary, the State Board of Education may order general, and if 9 necessary, extended recesses or adjournment of the public 10 schools.
- 11 (d) Opening and Closing Dates. -- Local boards of education 12 shall determine the dates of opening and closing the public 13 schools under subdivision (a)(1) of this section. A local board 14 may revise the scheduled closing date if necessary in order to 15 comply with the minimum requirements for instructional days or 16 instructional time. Different opening and closing dates may be 17 fixed for schools in the same administrative unit."
- 18 (c) The amendments to G.S. 115C-84.2(b)(2) set out in 19 subsection (b) of this section apply to school years beginning 20 with the 1999-2000 school year.



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3 Requested by: Representatives Arnold, Grady, Preston

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## 5 LIMITED ENGLISH PROFICIENCY

Section 9.20. (a) The State Board of Education shall develop guidelines for identifying and providing services to students with limited proficiency in the English language.

The State Board shall allocate the funds to local school administrative units on the basis of the number of students they serve with limited English proficiency, with a minimum of 20 students per unit and a maximum of ten and six-tenths percent (10.6%) of the average daily membership of the unit.

9 Local school administrative units shall use funds 10 allocated to them to pay for classroom teachers, textbooks, 11 classroom materials/instructional supplies/equipment, and staff 12 development for students with limited English proficiency.

A county in which a local school administrative unit 14 receives funds under this section shall use the funds to 15 supplement local current expense funds and shall not supplant 16 local current expense funds.

- (b) G.S. 115C-105.25(b)(4) reads as rewritten:
- "(4) Funds allocated for children with special needs, for students with limited English proficiency, and funds allocated for driver's education shall not be transferred."
- (c) The State Board of Education shall review its certification requirements for English as a Second Language (ESL) and determine whether the requirements should be revised in order to assist local school administrative units to quickly obtain adequate numbers of qualified teachers. The State Board and the Roard of Governors of The University of North Carolina shall coordinate efforts to provide ESL certification programs that are geographically disbursed throughout the State. The Board of Governors shall examine providing ESL certification programs through distance learning methods and off-campus programs.
- 32 (d) The State Board of Education shall identify existing 33 or develop new programs that provide instructional personnel with 34 in-service, noncertificate training for assisting students with 35 limited English proficiency in the regular classroom. The Board 36 of Governors of The University of North Carolina and the State 37 Board of Community Colleges shall collaborate with the State 38 Board of Education in order to deliver these programs to 39 geographically diverse locations.



(e) The State Board of Education shall survey local 2 school administrative units to determine whether schools are able 3 to recruit and retain ESL certified teachers. The State Board 4 shall provide the results of this survey to the Joint Legislative 5 Education Oversight Committee prior to December 15, 1999.



1	CODE NO. 98DPI-H021-S
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3	Requested by: Representatives Arnold, Grady, Preston
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5	DRIVERS EDUCATION FUNDS DO NOT REVERT
1	Section 9.21. Section 12(b) of S.L. 1998-23 reads as
2	rewritten:
3	"(b) This section becomes effective June 30, 1998, and
4	expires when the Current Operations Appropriations and Capital
5	Improvement Appropriations Act of 1998 becomes a law. 1998."
6	(h) The State Poard of Education
7	appropriated for drivers education for the 1998-99 fiscal year to
8	implement S.L. 1997-507.



3 Requested by: Representatives Arnold, Grady, Preston

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5 ADDITIONAL TEACHERS FOR MIDDLE SCHOOL CHILDREN WHO ARE 6 ACADEMICALLY BELOW GRADE LEVEL

Section 9.22. Section 8.29(c) of S.L. 1997-443 reads as 2 rewritten:

- "(c) Of the funds appropriated to State Aid to Local School Administrative Units, the sum of three million two hundred thousand dollars (\$3,200,000) for the 1997-98 fiscal year and the sum of three million two hundred thousand dollars (\$3,200,000) for the 1998-99 fiscal year shall be used to provide additional teachers for middle school children who are academically below grade level. Middle school children are children in a school that serves grades six, seven, and eight, and no other grades.
  - (1) The State Board of Education shall allocate these teacher positions to pilot middle schools on the basis of the number of students in grade six who scored at proficiency Level I on the end-of-grade test in mathematics, on the end-of-grade test in reading, or on both, at the end of their last school year. The funds shall be used in schools that have at least 50 such students at a ratio of one teacher to every 50 students. No partial positions shall be allocated. Positions shall be rounded to the nearest one-half position.
  - (2) The purpose of these funds is to improve the academic performance and the behavior of these students during the first school year elementary school by placing them in classes with a low student-to-teacher ratio for either all of their core academic subjects or for the subject or subjects in which they are below grade level. order to accomplish this purpose, local administrative units shall use (i) the teachers these allocated for students pursuant to regular teacher allotment and (ii) the teachers allocated for these students under this section only to improve the academic performance and the behavior of these students. Local education shall adopt rules to ensure that each student for whom funds for additional teacher positions are allocated under this section shall be



1	assigned a teacher who is responsible for
2	monitoring the academic progress of the student.
3 (3)	Of the funds appropriated in this section, the
1	State Board of Education may use up to twenty-five
5	thousand dollars (\$25,000) to evaluate the
5	effectiveness of these smaller classes in improving
7	academic performance and discipline in middle
3	schools."



3 Requested by: Representatives Arnold, Grady, Preston

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# 5 UNIFORM EDUCATION REPORTING SYSTEMS FUNDS/BUILDING LEVEL REPORTS 6 ON SCHOOL FUNDING

Section 9.23. G.S. 115C-12(18) reads as rewritten:

- (18) Duty to Develop and Implement a Uniform Education Reporting System, Which Shall Include Standards and Procedures for Collecting Fiscal and Personnel Information.
  - a. The State Board of Education shall standards and procedures for local administrative units to provide timely, accurate, and complete fiscal and personnel information, including payroll information, on all school personnel. All local school administrative units shall comply with these standards and procedures by the beginning of the 1987-88 school year.
  - b. The State Board of Education shall develop and implement a Uniform Education Reporting System that shall include requirements collecting, processing, and reporting fiscal, personnel, and student data, by means electronic transfer of data files from local computers to the State Computer Center through the State Communications Network. All local school administrative units shall comply with the requirements of the Uniform Education Reporting System by the beginning of the 1989-90 school year.
  - The State Board of Education shall comply with c. the provisions of G.S. 116-11(10a) to plan and implement an exchange of information between the public schools and the institutions of higher education in the State. The State Board of Education shall require local boards of education to provide to the parents children at a school all information except for confidential information received about that school from institutions higher of education pursuant to G.S. 116-11(10a) and to



1 2		make that information available to the general
Z		public.
3	<u>d.</u>	The State Board of Education shall modify the
4		Uniform Education Reporting System to provide
5	•	clear, accurate, and standard information on
6		the use of funds at the unit and school level.
7		The plan shall provide information that will
8		enable the General Assembly to determine
9		State, local, and federal expenditures for
10		personnel at the unit and school level. The
l 1		plan also shall allow the tracking of
12		expenditures for textbooks, educational
13		supplies and equipment, capital outlay, at-
L <b>4</b>		risk students, and other purposes. The
15		revised Uniform Education Reporting System
16		shall be implemented beginning with the 1999-
.7		2000 school year."



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1 CODE NO. 98DPI-H024-S
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3 Requested by: Representatives Arnold, Preston
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5 DUES DEDUCTION FOR ACTIVE EMPLOYEES
1 Section 9.24. G.S. 143-3.3(g) is repealed.
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1 CODE NO. 98DPI-H026-S 3 Requested by: Representatives Arnold, Grady, Preston 5 UNIFORM EDUCATION REPORTING SYSTEM (UERS)/STUDENT INFORMATION 6 MANAGEMENT SYSTEM (SIMS) FUNDS Section 9.26. (a) The State Board of Education shall use 2 funds appropriated for the Uniform Education Reporting System and 3 the Student Information Management System for the 1998-99 fiscal 4 year to begin the development of a replacement for the existing 5 Student Information System. In developing the new system, the 6 State Board shall give priority to the development 7 applications that maintain student records, maintain **ABC** 8 accountability data, allow for the transfer of student records 9 between local school administrative units, and facilitate the 10 transfer of transcripts to institutions of higher education. In designing the new system, the State Board shall 12 develop a model for statewide implementation that maximizes the 13 economies of scale with respect to operations, personnel, and The State Board's goal shall be to develop a new 14 hardware. 15 system that provides information to local schools, local school 16 boards, and the State Board in the most cost-efficient manner. 17 The new system shall follow guidelines established by 18 the Information Resources Management System. The State Board may develop pilots of the new system. 19 20 (b) The State Board shall provide periodic reports to 21 the Joint Legislative Education Oversight Committee on 22 development of the new system and shall report to the 1999 23 General Assembly on implementation of the pilot projects. 24 Funds appropriated for the Uniform Education 25 Reporting System and the Student Information Management System 26 shall not revert at the end of the fiscal year but shall remain 27 available until expended on the project.



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1 CODE NO. 98DPI-H028
 3 Requested by: Representatives Arnold, Grady, Preston
 5 REDUCE K-3 CLASS SIZE
            Section @. G.S. 115C-105.25(b) reads as rewritten:
          Subject to the following limitations, local Local boards
 2
     (b)
 3 of education may transfer and may approve transfers of funds
 4 between funding allotment categories: categories as follows:
            (1) In accordance with a school improvement plan
 5
 6
                 accepted under C.S. 115C-105.27,
                                                    State funds
 7
                 allocated for teacher assistants may be transferred
 8
                 may be used only for personnel (i) to serve for one
 9
                 or more of the following purposes:
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                     Teacher assistants who serve only students
                 a.
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                     only in kindergarten through third grade, or
12
                     (ii) to serve students primarily in
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                     kindergarten through third grade when the
14
                     personnel are assigned to an elementary school
15
                     to serve the whole school. grade;
                     Teacher assistants who serve the entire
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                b.
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                     elementary school to which they are assigned
18
                     but primarily serve only students
                                                                in
19
                     kindergarten through third grade; and
20
                     Certified teachers - Funds allocated for
                <u>c.</u>
21
                     teacher assistants may be transferred
22
                     reduce class size or to reduce the student-
23
                     teacher ratio in kindergarten through third
24
                     grade so long as the affected teacher
25
                     assistant positions are not filled when the
                     plan is amended or approved by the
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                     building-level staff entitled to vote on the
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                     plan or the affected teacher assistant
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                     positions are not expected to be filled on the
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                     date the plan is to be implemented. Any State
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                     funds appropriated for teacher assistants that
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                     were converted to certificated teachers before
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                     July 1, 1995, in accordance with Section 1 of
34
                     Chapter 986 of the 1991 Session Laws, as
35
                     rewritten by Chapter 103 of the 1993 Session
36
                     Laws, may continue to be used for certificated
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                     teachers. grade.
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           (2)
                    accordance with a school improvement
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accepted under G.S. 115C-105.27, (i) State funds

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allocated for classroom materials/instructional supplies/equipment may be transferred only for the purchase of textbooks; (ii) State funds allocated for textbooks may be transferred only for the purchase of instructional supplies, instructional equipment, or other classroom materials; and (iii) State funds allocated for noninstructional support personnel may be transferred only for teacher positions.

- (3) No funds shall be transferred into the central office allotment category.
- (4) Funds allocated for children with special needs and funds allocated for driver's education shall not be transferred.
- (5) Funds allocated for classroom teachers may be transferred only for teachers of exceptional children, for teachers of at-risk students, and for authorized purposes under the textbooks allotment category and the classroom materials/instructional supplies/equipment allotment category.
- (6) Funds allocated for vocational education may be transferred only in accordance with any rules that the State Board of Education considers appropriate to ensure compliance with federal regulations.
- (7) Funds allocated for career development shall be used in accordance with Section 17.3 of Chapter 324 of the 1995 Session Laws.
- Funds allocated for academically or intellectually (8)gifted students may used be only academically or intellectually gifted students; (ii) to implement the plan developed under G.S. 115C-150.7; or (iii) in accordance with an accepted school improvement plan, for any purpose so long as that school demonstrates it is providing appropriate services to academically intellectually gifted students assigned to school in accordance with the local plan developed under G.S. 115C-150.7."

### 1 CODE NO. 98DPI-H029

3 Requested by: Representatives Arnold, Grady, Preston

# 5 SCHOOL ADMINISTRATION INTERNS

During the 1998-99 fiscal year, a local Section @. 2 school administrative unit may employ a person in an assistant 3 principal position who is not certified as an assistant principal person is participating in a local 5 administrative unit sponsored master's program in school 6 administration, (ii) the placement of the person in the School 7 Building Administration Allotment is part of the unit-sponsored 8 program and is in cooperation with an accredited masters in 9 administration program, and (iii) the person continues to in the unit-sponsored program and successfully 10 participate 11 completes the program within one year. A person meeting these 12 criteria shall be placed for no more than one year on the 13 assistant principal salary schedule as if the individual were 14 certified as a school administrator.



2 CODE NO. 98-RH-003

4 Requested by: Representative Daughtry.

#### 6 CHARTER SCHOOLS

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Section . (a) G.S. 115C-238.29F(e) reads as rewritten:

"(e) Employees. --

- An employee of a charter school operated by a private nonprofit corporation is not an employee of the local school administrative unit in which the charter school is located. An employee of a charter school operated by a local school administrative unit is an employee of the local school administrative unit in which the charter school is The charter school's board of directors located. shall employ and contract with necessary teachers to perform the particular service for which they are employed in the school; at least seventy-five percent (75%) of these teachers in kindergarten through five, at least fifty percent (50%) of these teachers in grades six through eight, and at least fifty percent (50%) of these teachers in grades nine through 12 shall hold teacher certificates. The board also may employ necessary employees who are not required to hold teacher certificates to perform duties other than teaching and may contract for other services. The board may discharge teachers and noncertificated employees.
- (2) No local board of education shall require any employee of the local school administrative unit to be employed in a charter school.
- (3)teacher employed by local a administrative unit makes a written request for an extended leave of absence to teach at a charter school, school operated by a private nonprofit corporation, the local school administrative unit shall grant the leave. The local school administrative unit shall grant a leave for any number of years requested by the teacher, shall extend the leave for any number of years requested by the teacher, and shall extend the leave at the teacher's request. For the initial year



charter operation, the school's local school administrative unit may require that the request for a leave or extension of leave be made up to 45 days before the teacher would otherwise have to report for duty. For subsequent years, the local school administrative unit may require that the request for a leave or extension of leave be made up to 90 days before the teacher would otherwise have to report for duty. A teacher who has career status under G.S. 115C-325 prior to receiving an extended leave of absence to teach at a charter school may return to a public school in the local school administrative unit with career status at the end of the leave of absence or upon the end of employment at the charter school if an appropriate position is available. If an appropriate position is unavailable, the teacher's name shall be placed on a list of available teachers and that teacher shall have priority on all positions for which that teacher is qualified in accordance with G.S. 115C-325(e)(2).

The employees of the charter school operated by a (4)private nonprofit corporation shall be employees of the local school administrative unit purposes of providing certain State-funded employee benefits, including membership in Teachers' and State Employees' Retirement System and the Teachers' and State Employees' Comprehensive Major Medical Plan. The State Board of Education provides funds to charter schools, schools operated by private nonprofit corporations, approves the original members of the boards of directors of the charter schools, has the authority grant, supervise, and revoke charters, demands full accountability from charter for school finances and student performance. Accordingly, it is the determination of the General Assembly that charter schools operated by private nonprofit corporations are public schools and that the employees of these charter schools are public school employees and are "teachers" for purposes of membership in the North Carolina Teachers' and State Employees' Retirement System and State Employees' Comprehensive Major Medical Plan-



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employees. Employees of a charter school operated by a private nonprofit corporation whose board of directors elects to become a participating employer under G.S. 135-5.3 are 'teachers' for the purpose of membership in the North Carolina Teachers' and State Employees' Retirement System. Employees of a charter school operated by a private nonprofit corporation whose board of directors elects to become a participating employer under G.S. 135-40.3A are 'teachers' for the purpose of membership North Carolina Teachers' and Employees' Comprehensive Major Medical Plan. In no event shall anything contained in this Part require the North Carolina Teachers' and State Employees' Retirement System to accept employees of a private employer as members or participants of the System." Article 1 of Chapter 135 of the General Statutes is

18 amended by adding the following new section:
19 "<u>§ 135-5.3. Optional participation for charter schools operated</u>
20 by private nonprofit corporations.

The board of directors of each charter school operated by 21 22 a private nonprofit corporation shall elect whether to become a 23 participating employer in the Retirement System in accordance 24 with this Article. This election shall be in writing, shall be 25 made no later than September 1, 1998, and shall be filed with the 26 Retirement System and with the State Board of Education. For 27 each charter school employee who is employed on or before the 28 date the board makes the election, membership in the System is 29 effective as of the date the board makes the election. For each 30 charter school employee who is employed after the date the board 31 makes the election, membership in the System is effective as of 32 the date of that employee's entry into eligible service. 33 subsection applies only to charter schools that received State 34 Board of Education approval under G.S. 115C-238.29D in 1997 or 35 1998.

36 (b) No later than 30 days after both parties have signed the written charter under G.S. 115C-238.29E, the board of directors of a charter school operated by a private nonprofit corporation shall elect whether to become a participating employer in the Retirement System in accordance with this Article. This election shall be in writing and filed with the Retirement System and with the State Board of Education and is effective for each charter school employee as of the date of that employee's entry into eligible service. This subsection applies to charter schools



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- 1 that receive State Board of Education approval under G.S. 115C2 238.29D after 1998.
- 3 <u>(c) A board's election to become a participating employer in</u>
  4 the Retirement System under this section is irrevocable and shall
  5 require all eligible employees of the charter school to
  6 participate.
- (d) No retirement benefit, death benefit, or other benefit payable under the Retirement System shall be paid by the State of North Carolina or the Board of Trustees of the Teachers' and State Employees' Retirement System with respect to any employee, or with respect to any beneficiary of an employee, of a charter school whose board of directors does not elect to become a participating employer in the Retirement System under this section.
- 15 (e) The board of directors of each charter school shall notify
  16 each of its employees as to whether the board elected to become a
  17 participating employer in the Retirement System under this
  18 section. This notification shall be in writing and shall be
  19 provided within 30 days of the board's election or at the time an
  20 initial offer for employment is made, whichever occurs last. If
  21 the board did not elect to join the Retirement System, the notice
  22 shall include a statement that the employee shall have no legal
  23 recourse against the board or the State for any possible credit
  24 or reimbursement under the Retirement System. The employee shall
  25 provide written acknowledgment of the employee's receipt of the
  26 notification under this subsection."
- 27 (C) G.S. 135-4 is amended by adding the following new 28 subsection to read:
- "(bb) Credit for Employment in Charter School Operated by a 29 30 Private Nonprofit Corporation. -- Any member may purchase 31 creditable service for any employment as an employee of a charter 32 school operated by a private nonprofit corporation whose board of 33 directors did not elect to participate in the Retirement System 34 under G.S. 135-5.3 upon completion of five years of membership 35 service after that charter school employment by making a lump-sum 36 payment into the Annuity Savings Fund. The payment by the member 37 shall be equal to the full liability of the service credits 38 calculated on the basis of the assumptions used for purposes of 39 the actuarial valuation of the Retirement System's liabilities, 40 taking into account the additional retirement allowance arising 41 on account of the additional service credits commencing at the 42 earliest age at which the member could retire with an unreduced 43 retirement allowance, as determined by the Board of Trustees upon 44 the advice of the actuary plus an administrative expense fee to

- be determined by the Board of Trustees. Notwithstanding the foregoing provisions of this subsection that provide for the purchase of service credits, the terms 'full cost', 'full liability', and 'full actuarial cost' include assumed annual postretirement allowance increases, as determined by the Board of Trustees, from the earliest age at which a member could retire on an unreduced service allowance."
  - (d) G.S. 135-40.1(6) reads as rewritten:

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- "(6) Employing Unit. -- A North Carolina School System; Community College; State Department, Agency Institution; Administrative Office of the Courts; or Association or Examining Board whose employees are eligible for membership in a State-Supported Retirement System. An employing unit also shall mean a charter school operated by a private nonprofit corporation in accordance with Part 6A of Chapter 115C of the General Statutes employees are deemed to be public employees and members of a State-Supported Retirement System. whose board of directors elects to join become a participating employer in the Plan under G.S. 135-40.3A."
- 23 (e) Part 3 of Article 3 of Chapter 135 is amended by 24 adding the following new section:
- 25 "<u>§ 135-40.3A. Optional participation for charter schools</u> 26 operated by private nonprofit corporations.
- (a) The board of directors of each charter school operated by 27 28 a private nonprofit corporation shall elect whether to become a 29 participating employer in the Plan in accordance with this 30 Article. This election shall be in writing, shall be made no 31 later than September 1, 1998, and shall be filed with the 32 Executive Administrator and Board of Trustees and with the State 33 Board of Education. For each charter school employee who is 34 employed on or before the date the board makes the election, 35 membership in the Plan is effective as of the date the board 36 makes the election. For each charter school employee who is 37 employed after the date the board makes the election, membership 38 in the Plan is effective as of the date of that employee's entry 39 into eligible service. This subsection applies only to charter 40 schools that received State Board of Education approval under 41 G.S. 115C-238.29D in 1997 or 1998.
- (b) No later than 30 days after both parties have signed the written charter under G.S. 115C-238.29E, the board of directors of a charter school operated by a private nonprofit corporation



- 1 shall elect whether to become a participating employer in the 2 Plan in accordance with this Article. This election shall be in 3 writing and filed with the Executive Administrator, the Board of 4 Trustees, and the State Board of Education. This election is 5 effective for each charter school employee as of the date of that 6 employee's entry into eligible service. This subsection applies 7 to charter schools that receive State Board of Education approval 8 <u>under G.S. 115C-238.29D</u> after 1998.
- (c) A board's election to become a participating employer in 10 the Plan under this section is irrevocable and shall require all 11 eligible employees of the charter school to participate.
- (d) If a charter school's board of directors does not elect to 13 become a participating employer in the Plan under this section, 14 that school's employees and the dependents of those employees are 15 not eligible for any benefits under the Plan.
- (e) The board of directors of each charter school shall notify 17 each of its employees as to whether the board elected to become a 18 participating employer in the Plan under this section. 19 notification shall be in writing and shall be provided within 30 20 days of the board's election or at the time an initial offer for 21 employment is made, whichever occurs last. If the board did not 22 elect to become a participating employer in the Plan, the notice 23 shall include a statement that the employee shall have no legal 24 recourse against the board or the State for any possible benefit 25 under the Plan. The employee shall provide 26 acknowledgment of the employee's receipt of the notification 27 under this subsection."
  - G.S. 105-228.90(b) reads as rewritten:
- 29 Definitions. -- The following definitions apply in this "(b) 30 Article:
- 31 (1) Reserved. 32

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- Charter school board. -- A nonprofit corporation (2) that has a charter under G.S. 115D-238.29D to operate a charter school.
- City. -- A city as defined by G.S. 160A-1(2). The term also includes an urban service district defined by the governing board of a consolidated city-county, as defined by G.S. 160B-2(1).
- $\frac{(1a)(4)}{(1a)(1a)}$  Code. -- The Internal Revenue Code as enacted as of January 1, 1997, including any provisions enacted as of that date which become effective either before or after that date.
- 43  $\frac{(1b)(5)}{(5)}$  County. -- Any one of the counties listed in G.S. 44 153A-10. The term also includes a consolidated 45 city-county as defined by G.S. 160B-2(1). 46
  - $\frac{(2)}{(6)}$  Reserved.



<del>(3)</del>(7) Electronic Funds Transfer. -- A transfer of funds 2 initiated by using an electronic terminal, 3 telephone, a computer, or magnetic tape to instruct 4 or authorize a financial institution or its agent 5 to credit or debit an account. 6 <del>(4)</del>(8) Reserved. 7 Person. -- An individual, a fiduciary, a firm, an <del>(5)</del>(9) 8 association, a partnership, a limited liability 9 company, a corporation, a unit of government, or 10 another group acting as a unit. The term includes an officer or employee of a corporation, a member, 11 12 a manager, or an employee of a limited liability 13 company, and a member or employee of a partnership who, as officer, employee, member, or manager, is 14 under a duty to perform an act in meeting the 15 requirements of Subchapter I, V, or VIII of this 16 17 Chapter or of Article 3 of Chapter 119 of the 18 General Statutes. 19  $\frac{(6)(10)}{(10)}$  Secretary. -- The Secretary of Revenue. 20 (7) Tax. -- A tax levied under Subchapter I, V, or VIII 21 of this Chapter or an inspection tax levied under Article 3 of Chapter 119 of the General Statutes. 22 23 Unless the context clearly requires otherwise, the 24 terms "tax" and "additional tax" include penalties 25 and interest as well as the principal amount. 26  $\frac{(8)(12)}{(12)}$  Taxpayer. -- A person subject to 27 reporting requirements of Subchapter I, V, or VIII 28 of this Chapter or of Article 3 of Chapter 119 of 29 the General Statutes." 30 G.S. 105-449.88 reads as rewritten: 31 "§ 105-449.88. Exemptions from the excise tax. The excise tax on motor fuel does not apply to the following: 32 33 Motor fuel removed, by transport truck or another 34 means of transfer outside the terminal transfer 35 system, from a terminal for export, if the supplier 36 of the motor fuel collects tax on it at the rate of 37 the motor fuel's destination state. 38 (2) Motor fuel sold to the federal government. 39 (3) Motor fuel sold to the State for its use. 40 Motor fuel sold to a local board of education for (4)41 use in the public school system. 42 (5) Motor fuel sold to a charter school board for use 43 for charter school purposes." G.S. 20-84 reads as rewritten: (h)

45 "\$ 20-84. Vehicles owned by State, municipalities or orphanages, 46 etc.; certain vehicles operated by the local chapters of American 47 National Red Cross.

The Division upon proper proof being filed with it that any 49 motor vehicle for which registration is herein required is owned 50 by the State or any department thereof, or by any county, 51 township, city or town, or by any board of education, or by any 52 nonprofit corporation that has a charter under G.S. 115C-238.29D 53 to operate a charter school, or by any orphanage or civil air



1 patrol, or incorporated emergency rescue squad, or incorporated 2 REACT ("Radio Emergency Association of Citizen Teams") Team, or 3 for any motor vehicle involved exclusively in the support of a 4 disaster relief effort, shall collect six dollars ( $\$6.\bar{00}$ ) for the 5 registration of such motor vehicles, but shall not collect any 6 fee for application for certificate of title in the name of the 7 State or any department thereof, or by any county, township, city 8 or town, or by any board of education or orphanage: Provided, 9 that the term "owned" shall be construed to mean that such motor 10 vehicle is the actual property of the State or some department 11 thereof or of the county, township, city or town, or of the board 12 of education, and no motor vehicle which is the property of any 13 officer or employee of any department named herein shall be 14 construed as being "owned" by such department. Provided, that the 15 above exemptions from registration fees shall also apply to any 16 church-owned bus used exclusively for transporting children and 17 parents to Sunday school and church services and for no other 18 purpose.

In lieu of the annual six dollars (\$6.00) registration provided 20 for in this section, the Division may for the license year 1950 21 and thereafter provide for a permanent registration of 22 vehicles described in this section and issue permanent 23 registration plates for such vehicles. The permanent registration 24 plates issued pursuant to this paragraph shall be 25 distinctive color and shall bear thereon the word "permanent." 26 Such plates may be transferred as provided in G.S. 20-78 to a 27 replacement vehicle of the same classification. For the permanent 28 registration and issuance of permanent registration 29 provided for in this paragraph, the Division shall collect a fee 30 of six dollars (\$6.00) for each vehicle so registered and 31 licensed.

The provisions of this section are hereby made applicable to 33 vehicles owned by a rural fire department, agency or association. The Division of Motor Vehicles shall issue to the 35 Carolina Tuberculosis Association, Incorporated, or any local 36 chapter or association of said corporation, for a fee of six 37 dollars (\$6.00) for each plate a permanent registration plate 38 which need not be thereafter renewed for each motor vehicle in 39 the form of a mobile X-ray unit which is owned by said North 40 Carolina Tuberculosis Association, Incorporated, or any local 41 chapter or local association thereof and operated exclusively in 42 this State for the purpose of diagnosis, treatment and discovery 43 of tuberculosis. The initial six dollars (\$6.00) fee required by 44 this section and for this purpose shall be in full payment of the 45 permanent registration plates issued for such vehicle operated as 46 a mobile X-ray unit, and such plates need not thereafter be 47 renewed, and such plates may be transferred as provided in G.S. 48 20-78 to replacement vehicles to be used for the purposes above 49 described and for which the plates were originally issued.

The Division of Motor Vehicles shall issue to the American National Red Cross, upon application of any local chapter thereof 2 and payment of a fee of six dollars (\$6.00) for each plate, a permanent registration plate, which need not be thereafter

1 renewed, for all disaster vans, bloodmobiles, handivans, and such 2 sedans and station wagons as are used for emergency or disaster 3 work, and operated by a local chapter in this State in the 4 business of the American National Red Cross. Such plates may be 5 transferred as provided in G.S. 20-78 to a replacement vehicle to 6 be used for the purposes above described and for which the plates 7 were originally issued. In the event of transfer of ownership to other person, firm or corporation, or transfer 9 reassignment of any vehicle bearing such registration plate to 10 any chapter or association of the American National Red Cross in 11 any other state, territory or country, the registration plate 12 assigned to such vehicle shall be surrendered to the Division of 13 Motor Vehicles.

lieu all other registration requirements, 15 Commissioner shall each year assign to the State Highway Patrol, 16 upon payment of six dollars (\$6.00) per registration plate, a 17 sufficient number of regular registration plates of the same 18 letter prefix and in numerical sequence beginning with number 100 19 to meet the requirements of the State Highway Patrol for use on 20 Division vehicles assigned to the State Highway Patrol. The 21 commander of the Patrol shall, when such plates are assigned, 22 issue to each member of the State Highway Patrol a registration 23 plate for use upon the Division vehicle assigned to him pursuant 24 to G.S. 20-190 and assign a registration plate to each Division 25 service vehicle operated by the Patrol. An index 26 assignments of registration plates shall be kept at each State 27 Highway Patrol radio station and a copy thereof 28 furnished to the registration division of the Division. 29 Information as to the individual assignments of such registration 30 plates shall be made available to the public upon request to the 31 same extent and in the same manner as regular registration 32 information. The commander, when necessary, may 33 registration plates provided that such reassignment shall be made 34 to appear upon the index required herein within 20 days after 35 such reassignment.

The Division of Motor. Vehicles shall, upon appropriate 37 certification of financial responsibility, issue to sheltered 38 workshops recognized or approved by the Division of Vocational 39 Rehabilitation Services and to public and nonprofit agencies or 40 organizations which provide transportation or 41 programs subject to and approved in accordance with standards 42 adopted by the Commission for Mental Health, Developmental 43 Disabilities, and Substance Abuse Services of the Department of 44 Health and Human Services upon application and payment of a fee 45 of six dollars (\$6.00) for each plate, a permanent registration 46 plate for vehicles registered to and operated by such agencies. 47 The initial six dollars (\$6.00) fee required by this section and 48 for this purpose shall be in full payment of the permanent 49 registration plate issued for such vehicle operated 50 sheltered workshop and such plates need not thereafter 51 renewed, and such plates may be transferred as provided in G.S. 52 20-78 to a replacement vehicle to be used by the sheltered 53 workshop designated on the registration card.

1 On and after January 1, 1972, permanent registration plates 2 used on all vehicles owned by the State of North Carolina or a 3 department thereof shall be of a distinctive color and design 4 which shall be readily distinguishable from all other permanent 5 registration plates issued pursuant to this section or G.S. 20-For the purpose of carrying out the intent of this 7 paragraph, all vehicles owned by the State of North Carolina or a 8 department thereof in operation as of October 1, 1971, 9 bearing a permanent registration shall be reregistered during the 10 months of October, November and December, 1971, and upon 11 reregistration, registration plates issued for such vehicles 12 shall be of a distinctive color and design as provided for 13 hereinabove."

> G.S. 115C-238.29B(a) reads as rewritten: (i)

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"(a) Any person, group of persons, or nonprofit corporation 16 corporation, or local board of education seeking to establish a 17 charter school may apply to establish a charter school. If the an 18 applicant other than a local board of education seeks to convert 19 a public school to a charter school, the application shall 20 include a statement signed by a majority of the teachers and 21 instructional support personnel currently employed at the school 22 indicating that they favor the conversion and evidence that a 23 significant number of parents of children enrolled in the school 24 favor conversion. If a local board of education seeks a charter 25 for a school, the application shall include a statement that the 26 local board understands that no employee shall be required to work at the charter school and no student shall be assigned to 28 the school except at the request of the student's parent 29 guardian."

G.S. 115C-238.29B(b)(3) reads as rewritten:

"(3) The governance structure of the school school, if the applicant is not a local board of education, including the names of the proposed initial members of the board of directors of the nonprofit, taxexempt corporation and the process to be followed by the school to ensure parental involvement."

(k) G.S. 115C-238.29B(b)(11) reads as rewritten: "(11)

The procedures by which students excluded from the charter school and returned to a public school, school other than a charter school. Notwithstanding any law to the contrary, any local board may refuse to admit any student who is suspended or expelled from a charter school due to actions that would lead to suspension or expulsion from a public school under G.S. 115C-391 until the period of suspension or expulsion has expired."

(1) G.S. 115C-238.29B(c) reads as rewritten:

An applicant shall submit the application to a chartering 50 entity for preliminary approval. A chartering entity may be:

The local board of education of the local school (1)administrative unit in which the charter



will be <del>located;</del> <u>located</u>, <u>unless the applicant is a</u> local board of education;

- The board of trustees of a constituent institution of The University of North Carolina, so long as the constituent institution is involved planning, operation, or evaluation of the charter school; or
- The State Board of Education.

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Regardless of which chartering entity receives the application 10 for preliminary approval, the State Board of Education shall have 11 final approval of the charter school.

Notwithstanding the provisions of this subsection, if the State 13 Board of Education finds that an applicant (i) submitted an 14 application to a local board of education and received final 15 approval from the State Board of Education, but (ii) is unable to 16 find a suitable location within that local school administrative 17 unit to operate, the State Board of Education may authorize the 18 charter school to operate within an adjacent local 19 administrative unit for one year only. The charter school cannot 20 operate for more than one year unless it reapplies, in accordance 21 with subdivision (1), (2), or (3) of this subsection, 22 receives final approval from the State Board of Education."

- (m) G.S. 115C-238.29B(d) is repealed.
- G.S. 115C-238.29D(b) is repealed.
- (o) G.S. 115C-238.29E reads as rewritten:

26 "\$ 115C-238.29E. Charter school operation.

- A charter school that is approved by the State shall be a 28 public school within the local school administrative unit in 29 which it is located. It shall be accountable to the local board 30 of education if the applicant for the charter is the local board 31 of education or if it applied for and received preliminary 32 approval that local from board for purposes ensuring 33 compliance with applicable laws and the provisions 34 charter. All other charter schools shall be accountable to the 35 State Board for ensuring compliance with applicable laws and the 36 provisions of their charters, except that any of these charter 37 schools may agree to be accountable to the local board of the 38 school administrative unit in which the charter school is located 39 rather than to the State Board.
- A charter school other than a charter school for which the 41 applicant is a local board of education shall be operated by a 42 private nonprofit corporation that shall have received federal 43 tax-exempt status no later than 24 months following 44 approval of the application. A charter school for which the 45 applicant is a local board of education shall be operated by the 46 local board of education.
- A charter school shall operate under the written charter 48 signed by the entity to which it is accountable under subsection 49 (a) of this section and the applicant. A charter school is not 50 required to enter into any other contract. The charter shall 51 incorporate the information provided in the application, as 52 modified during the charter approval process, and any terms and 53 conditions imposed on the charter school by the State Board of



1 Education. No other terms may be imposed on the charter school as 2 a condition for receipt of local funds. The State Board shall issue the written charter no later than 30 days after the date on which the State Board grants final approval for the charter. The 5 written charter shall incorporate the information provided in the application, as modified during the charter approval process, and any terms and conditions applicable to all charter schools under the rules of the State Board. The charter school is not required 9 to agree to any additional terms, whether requested by the State 10 Board, the local board where the charter school is located, entity to which the charter school is accountable. 12 additional terms may be imposed on the charter school 13 condition for receipt of local funds. The charter school shall 14 operate under the written charter signed by the entity to which it is accountable and the applicant.

The board of directors of the charter school operated by a 17 private nonprofit corporation shall decide matters related to the 18 operation of the school, including budgeting, curriculum, and 19 operating procedures. The local board of education shall decide 20 these matters for a charter school operated by a local board.

A charter school's specific location The specific location 21 (e) 22 of a charter school operated by a private nonprofit corporation 23 shall not be prescribed or limited by a local board or other 24 authority except a zoning authority. The school may lease space 25 from a local board of education or as is otherwise lawful in the 26 local school administrative unit in which the charter school is 27 located. If a charter school leases space from a sectarian 28 organization, the charter school classes and students shall be 29 physically separated from any parochial students, and there shall 30 be no religious artifacts, symbols, iconography, or materials on 31 display in the charter school's entrance, classrooms, 32 hallways. Furthermore, if a charter school leases space from a 33 sectarian organization, the charter school shall not use the name 34 of that organization in the name of the charter school.

At the request of the charter school, the local board of 36 education of the local school administrative unit in which the 37 charter school will be located shall lease or may sell any 38 available building or land to the charter school unless the board 39 demonstrates that the lease or sale is not economically or 40 practically feasible or that the local board does not have 41 adequate classroom space to meet its enrollment. needs. 42 Notwithstanding any other law, a local board of education may 43 provide a school facility to a charter school free of charge; 44 however, the charter school is responsible for the maintenance of

45 and insurance for the school facility.

46 (f) Except as provided in this Part and pursuant to the 47 provisions of its charter, a charter school is exempt from 48 statutes and rules applicable to a local board of education or 49 local school administrative unit. The State Board shall not 50 adopt any rules, policies, procedures, requirements, standards, 51 terms, conditions, or regulations governing charter schools 52 unless they are authorized specifically under this Part; they are 53 applicable uniformly to all charter schools; and the Board



1 proceeds under Chapter 150B of the General Statutes. Only those 2 rules, policies, procedures, requirements, standards, conditions, and regulations that are adopted by the Board shall 4 apply to charter schools and may be included in the written 5 charter and amendments to that charter. The Board may adopt guidelines to assist charter schools. These guidelines are not binding on charter schools and shall not be included in any 8 written charter unless the charter school agrees to the inclusion."

(p) G.S. 115C-238.29F(b) reads as rewritten:

School Nonsectarian. -- A charter school 12 nonsectarian in its programs, admission policies, employment 13 practices, and all other operations and shall not charge tuition 14 or tuition, application fees, or admission fees. A charter school 15 shall not be affiliated with a nonpublic sectarian school or a 16 religious institution."

G.S. 115C-238.29F(c) is amended by adding the (q) 18 following new subdivision:

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"(3) The civil liability for a charter school operated by a local school administrative unit shall be the same as for any other school operated by the unit."

G.S. 115C-238.29F(h) reads as rewritten:

Transportation. -- The charter school may 24 transportation for students enrolled at the school. The charter school shall develop a transportation plan so that transportation 26 is not a barrier to any student who resides in the local school 27 administrative unit in which the school is located. The charter 28 school is not required to provide transportation to any student 29 who lives within one and one-half miles of the school. At the 30 request of the charter school and if the local board of the local 31 school administrative unit in which the charter school is located 32 operates a school bus system, then that local board may contract 33 with the charter school to provide transportation in accordance 34 with the charter school's transportation plan to students who 35 reside in the local school administrative unit and who reside at 36 least one and one-half miles of the charter school. A local board 37 may charge the charter school a reasonable charge that 38 sufficient to cover the cost of providing this transportation. 39 Furthermore, a local board may refuse to provide transportation 40 under this subsection if it demonstrates there is no available 41 space on buses it intends to operate during the term of the 42 contract or it would not be practically feasible to provide this 43 transportation.

A student who attends a charter school operated by a local 45 board of education and who resides within the local 46 administrative unit in which the school is located has the same school transportation as students assigned to other 48 public schools in the local school administrative unit.

(s) G.S. 115C-238.29F(g)(5) reads as rewritten:

"(5) A charter school shall not discriminate against any student on the basis of ethnicity, national origin, gender, or disability. Except as otherwise provided by law or the mission of the school as set out in



the charter, the school shall not limit admission to students on the basis of intellectual ability, measures of achievement aptitude, or athletic ability, disability, race, creed, gender, national origin, religion, or ancestry. The charter school give enrollment priority to siblings currently enrolled students who were admitted to the charter school in a previous year and children of the school's principal, teachers, and teacher assistants. In addition, and only for its first year of operation, the charter school may give enrollment priority to children of the initial members of the charter school's board of directors, so long as (i) these children are limited to no more than ten percent (10%) of the school's total enrollment or to 20 students, whichever is less, and (ii) the charter school is not a former public private school. Within one year after the charter school begins operation, The charter school shall make a good faith effort to attract enroll students so that the population of reasonably reflects school <del>shall</del> and ethnic composition of the general residing population within the local school administrative unit in which the school is located or the racial and ethnic composition of the special population that the school seeks to serve residing within the local school administrative unit which the school is located. The school shall be subject to any court-ordered desegregation plan in effect for the local school administrative unit."

(t) G.S. 115C-238.29G(c) reads as rewritten:

33 The State Board and the charter school are encouraged to 34 make a good-faith attempt to resolve the differences that may 35 arise between them. They Furthermore, the local board of the local school administrative unit in which the charter school is located and the charter school are encouraged to make a good-38 faith attempt to resolve any differences that may arise between The parties in dispute may agree to jointly select a 40 mediator. The mediator shall act as a neutral facilitator of 41 disclosures of factual information, statements of positions and 42 contentions, and efforts to negotiate an agreement settling the 43 differences. The mediator shall, at the request of either the 44 State Board or a charter school, party, commence a mediation 45 immediately or within a reasonable period of time. The mediation 46 shall be held in accordance with rules and standards of conduct 47 adopted under Chapter 7A of the General Statutes governing 48 mediated settlement conferences but modified as appropriate and 49 suitable to the resolution of the particular issues 50 disagreement.

51 Notwithstanding Article 33C of Chapter 143 of the General 52 Statutes, the mediation proceedings shall be conducted in 53 private. Evidence of statements made and conduct occurring in a



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1 mediation are not subject to discovery and are inadmissible in 2 any court action. However, no evidence otherwise discoverable is 3 inadmissible merely because it is presented or discussed in a 4 mediation. The mediator shall not be compelled to testify or 5 produce evidence concerning statements made and conduct occurring 6 in a mediation in any civil proceeding for any purpose, except 7 disciplinary hearings before the State Bar or 8 established to enforce standards of conduct for mediators. The 9 mediator may determine that an impasse exists and discontinue the 10 mediation at any time. The mediator shall not make 11 recommendations or public statement of findings or conclusions. 12 The State Board and the charter school parties in dispute shall 13 share equally the mediator's compensation and expenses. 14 mediator's compensation shall be determined according to rules 15 adopted under Chapter 7A of the General Statutes." (u) G.S. 115C-238.29H reads as rewritten:

17 "§ 115C-238.29H. State and local funds for a charter school.

18 (a) The State Board of Education shall allocate to each 19 charter school (i) an amount equal to the average per pupil 20 allocation for average daily membership from the local school 21 administrative unit allotments in which the charter school is 22 located for each child attending the charter school except for 23 the allocation for children with special needs and (ii) an 24 additional amount for each child attending the charter school who 25 is a child with special needs. In accordance with G.S. 115C-26 238.29D(d), the State Board shall allow for annual adjustments to 27 the amount allocated to a charter school based on its enrollment 28 growth in school years subsequent to the initial year of 29 operation.

In the event a child with special needs leaves the charter school and enrolls in a public school during the first 60 school days in the school year, the charter school shall return a pro rata amount of funds allocated for that child to the State Board, and the State Board shall reallocate those funds to the local school administrative unit in which the public school is located. In the event a child with special needs enrolls in a charter school during the first 60 school days in the school year, the State Board shall allocate to the charter school the pro rata amount of additional funds for children with special needs.

Funds allocated by the State Board of Education may be 41 used to enter into operational and financing leases for real 42 property or mobile classroom units for use as school facilities 43 for charter schools and may be used for payments on loans made to 44 charter schools for facilities or equipment. However, State funds 45 shall not be used to obtain any other interest in real property 46 or mobile classroom units. No indebtedness of any kind incurred 47 or created by the charter school shall constitute an indebtedness 48 of the State or its political subdivisions, and no indebtedness 49 of the charter school shall involve or be secured by the faith, or taxing power of the State or its political 51 subdivisions, unless the charter school is operated 52 by a local board of education. Every contract or lease into which 53 a charter school enters except for contracts or leases entered 1 <u>into by a local board of education</u> shall include the previous 2 sentence. The school also may own land and buildings it obtains 3 through non-State sources.

If a student attends a charter school, the local school 5 administrative unit in which the child resides shall transfer to 6 the charter school an amount equal to the per pupil local current 7 expense appropriation to the local school administrative unit for The per pupil local current 8 the fiscal vear. appropriation shall be calculated by dividing the total county 10 appropriation to the local school administrative unit's local fund, including appropriations 11 current expense funded 12 supplemental taxes, by the unit's average daily membership for 13 the budget year as determined by and certified to the unit and 14 the board of county commissioners by the State Board. 15 to establish the number of children for whom these funds are to 16 be transferred, the local administrative unit may require the 17 charter school to provide electronically an invoice 18 identifies each child for whom these funds are to be remitted, 19 that child's address, and that child's Student Information 20 Management System identification number. The local 21 administrative unit shall not require any other information from 22 the charter school as a condition of the unit's remission of 23 these funds. If the local school administrative unit requires 24 this invoice, the unit shall provide to the charter school the 25 local current expense appropriation based on the number of 26 children in the most recent invoice. If no invoice is required, 27 the local current expense appropriation shall be based on the 28 number of children as mutually agreed upon by the local school 29 administrative unit and the charter school. The local 30 administrative unit shall remit these funds to the charter school 31 at times that are mutually agreed upon by the unit and the 32 charter school, but if no agreement is reached, then the unit 33 shall remit these funds to the charter school no later than one week after the unit receives the funds from the board of county 35 commissioners as established under G.S. 115C-437 and upon receipt 36 of an invoice, if required. The State Board may withhold money 37 used for payment of salaries for the superintendent and school finance officer of any local school administrative unit if the 39 Board finds that the unit is not using its best efforts to remit 40 these funds on a timely basis.

(c) The board of county commissioners of the county in which the charter school is located may allocate to the charter school funds that may be used for capital outlay purposes."

(v) G.S. 115C-452 reads as rewritten:

"§ 115C-452. Fines and forfeitures.

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The clear proceeds of all penalties and forfeitures and of all fines collected in the General Court of Justice in each county 48 shall be remitted by the clerk of the superior court to the 49 county finance officer, who shall forthwith determine what 50 portion of the total is due to each local school administrative 51 unit and to each charter school in the county and remit the 52 appropriate portion of the amount to the finance officer of each 53 local school administrative unit and each charter school.



The first twenty-five percent (25%) of fines 2 forfeitures shall be apportioned according to the projected 3 average daily membership of each local school administrative unit 4 as determined by and certified to the local school administrative 5 units and the board of county commissioners by the State Board of 6 Education pursuant to G.S. 115C-430. The remainder of the fines 7 and forfeitures shall be apportioned according to the projected 8 average daily membership of each local school administrative unit 9 and each charter school as determined by and certified to the 10 local school administrative units, the charter schools, and the 11 board of county commissioners by the State Board of Education pursuant to G.S. 115C-430 or G.S. 115C-238.29H(b)." (w) G.S. 115C-457.3 reads as rewritten:

"\$ 115C-457.3. Transfer of funds to the State School Technology 15 Fund.

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The Office of State Budget and Management shall transfer funds 17 accruing to the Civil Penalty and Forfeiture Fund to the State 18 School Technology Fund. These The first twenty-five percent 19 (25%) οf these funds shall be allocated to local 20 administrative units on the basis of average daily membership. remaining funds shall be allocated to local 22 administrative units and charter schools on the basis of average 23 daily membership. Notwithstanding any other law, the funds 24 allocated to charter schools under this section shall be used for 25 school technology; however, in accordance with G.S. 26  $\overline{238.29E(f)}$ , the charter school is not required to develop or submit a school technology plan under Part 3A of Article 8 of 28 this Chapter."

> (x) G.S. 150B-2(8a) reads as rewritten: "(8a)

'Rule' means any agency regulation, standard, statement of general applicability that implements or interprets an enactment of the General Assembly or Congress or a regulation adopted by a federal agency or that describes the procedure or practice requirements of an agency. The term includes the establishment of a fee and the amendment or repeal of a prior rule. The term also includes any State Board Education or Department of Public Instruction policy, rule, procedure, requirement, standard, term, condition, regulation that is authorized specifically under Part 6A of Article 16 of Chapter 115C of General Statutes. The term does include the following:

a. Statements concerning only the management of an agency or group of agencies within the same principal office or department enumerated G.S. 143A-11 including policies and procedures manuals, if statement does not directly or substantially affect the procedural or



substantive rights or duties of a person not 2 employed by the agency or group of agencies. 3 Budgets and budget policies and procedures b. 4 issued by the Director of the Budget, by the 5 head of a department, as defined by G.S. 143A-6 2 or G.S. 143B-3, by an occupational licensing 7 board, as defined by G.S. 93B-1, or by the 8 State Board of Elections. 9 Nonbinding interpretative statements within 10 the delegated authority of an agency that 11 merely define, interpret, or explain 12 meaning of a statute or rule. 13 d. form, the contents or substantive 14 requirements of which are prescribed by rule 15 or statute. 16 Statements of agency policy made e. 17 context of another proceeding, including: 18 Declaratory rulings under G.S. 150B-4. 19 2. Orders of establishing or fixing rates or 20 tariffs. 21 f. Requirements, communicated to the public by 22 the use of signs or symbols, concerning the 23 public roads, bridges, ferries, 24 buildings, or facilities. 25 q. Statements that set forth criteria 26 quidelines to be used by the staff of an 27 agency in performing audits, investigations, 28 or inspections; in settling financial disputes 29 or negotiating financial arrangements; or in 30 the defense, prosecution, or settlement of 31 cases. 32 Scientific, architectural, or engineering 33 standards, forms, or procedures, including 34 design criteria and construction standards 35 used to construct or maintain highways, 36 bridges, or ferries. 37 i. classification standards, 38 qualifications, and salaries established for 39 positions under the jurisdiction of the State 40 Personnel Commission. 41 j. Establishment of the interest rate that 42 applies to tax assessments under G.S. 43 241.1 and the variable component of the excise 44 tax on motor fuel under G.S. 105-449.80." 45 Article 2A of Chapter 150B of the General Statutes (y) 46 is amended by adding the following new Part: 47 "Part 6. Rules Affecting Charter Schools. 48 "§ 150B-21.30. Procedures applicable to rules affecting charter 49 schools. (a) G.S. 150B-21.2(a)(1) shall not apply to proposed rules adopted by the State Board of Education if the proposed rules are 52 authorized specifically under Part 6A of Article 16 of Chapter 53 115C of the General Statutes.



(b) Notwithstanding G.S. 150B-21.3(b), a permanent rule that is 2 adopted by the State Board of Education, is approved by the Rules Review Commission, and is authorized specifically under Part 6A of Article 16 of Chapter 115C of the General Statutes, becomes effective five business days after the Commission delivers the rule to the Codifier of Rules, unless the rule specifies a later If the State Board of Education specifies a effective date. 8 <u>later effective date</u>, the rule becomes effective upon that date. 9 A permanent rule that is adopted by the State Board of Education to implement Part 6A of Article 16 of Chapter 115C of the General 11 Statutes, but is not approved by the Rules Review Commission, shall not become effective.

G.S. 150B-21.4(bl) shall not apply to permanent rules the 13 (C) 14 State Board of Education proposes to adopt if those rules are authorized specifically under Part 6A of Article 16 of Chapter 115C of the General Statutes.

The rule proposed by the State Board of Education may (d) 18 create, amend, or repeal a rule. The State Board of Education shall indicate in the notice of proposed text that the rule is authorized specifically under Part 6A of Article 16 of Chapter 21 115C of the General Statutes and that the State Board 22 Education is proceeding under that authority.

"§ 150B-21.31. Procedures applicable to charters.

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24 The State Board of Education shall submit to the Commission the 25 standard written charter agreement that the State Board of 26 Education approved and issued under Part 6A of Article 16 Chapter 115C of the General Statutes to charter schools that received State Board approval under G.S. 115C-238.29D in 1997 or 28 The State Board of Education also shall submit to the 30 Commission any modifications to that written charter agreement 31 that the State Board approves after July 1, 1998, for issuance to 32 charter schools approved in subsequent years. The Commission 33 shall review each portion of the charter and each modification to 34 that charter as if it is a rule and shall follow the procedure 35 established in Part 3 of this Article. The Commission shall 36 determine whether each portion or modification is authorized 37 specifically under Part 6A of Article 16 of Chapter 115C of the 38 General Statutes. The Commission may approve only portions 39 modifications of the charter that are so authorized. 40 approved portions and modifications of the charter are binding on 41 the charter school. Each portion or modification of the charter 42 that is not approved is void and shall not apply to any charter 43 school unless the charter school's board of directors agrees to 44 its applicability. The board of directors is not required to 45 agree to any portion or modification of the charter that the 46 Commission does not approve. This section shall not apply to 47 information in a charter school's application, as modified during approval process, that is incorporated in each charter school's charter agreement.'

50 The State Board of Education, in collaboration (z) (1) 51 with the Charter School Professional Association, shall evaluate 52 the Uniform Education Reporting System to determine whether this 53 is the best way for charter schools to report information to the



1 State Board or whether there is a mutually functional alternative 2 that could be implemented. The State Board shall report the 3 results of this evaluation and its recommendations, including any 4 proposed legislative changes, to the Joint Legislative Commission 5 on Governmental Operations by December 1, 1998.

6 (2) If, at any time, a majority of charter schools 7 present to the State Board of Education an alternative reporting 8 system that is the functional equivalent of the Uniform Education 9 Reporting System and the alternative system has been benchmarked, 10 the State Board shall consider the adoption of that system for 11 charter schools.

(aa) G.S. 105-164.14(c) reads as rewritten:

13 Certain Governmental Entities. -- A governmental entity 14 listed in this subsection is allowed an annual refund of sales 15 and use tax taxes paid by it under this Article, except under 105-164.4(a)(4c), 16 G.S. 105-164.4(a)(4a) and G.S. on direct 17 purchases of tangible personal property. Sales and use tax 18 liability indirectly incurred by a governmental entity 19 building materials, supplies, fixtures, and equipment that become 20 a part of or annexed to any building or structure that is owned 21 or leased by the governmental entity and is being erected, 22 altered, or repaired for use by the governmental entity is 23 considered a sales or use tax liability incurred on direct 24 purchases by the governmental entity for the purpose of this 25 subsection. A request for a refund must be in writing and must 26 include any information and documentation required 27 Secretary. A request for a refund is due within six months after 28 the end of the governmental entity's fiscal year.

29 This subsection applies only to the following governmental 30 entities:

(1) A county.

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(2) A city as defined in G.S. 160A-1.

(2a) A consolidated city-county as defined in G.S. 160B-2.

(2b) A local school administrative unit.

- (3) A metropolitan sewerage district or a metropolitan water district in this State.
- (4) A water and sewer authority created under Chapter 162A of the General Statutes.
- (5) A lake authority created by a board of county commissioners pursuant to an act of the General Assembly.
- (6) A sanitary district.
- (7) A regional solid waste management authority created pursuant to G.S. 153A-421.
- (8) An area mental—health, developmental disabilities, and substance abuse authority, other than a single-county area authority, established pursuant to Article 4 of Chapter 122C of the General Statutes.
- (9) A district health department.
- (10) A regional council of governments created pursuant to G.S. 160A-470.



6	G.S. 153A-391.
7	(13) A regional sports authority created pursuant to
8	G.S. 160A-479.
9	(14) A public transportation authority created pursuant
10	to Article 25 of Chapter 160A of the General
11	Statutes.
12	(14a) A facility authority created pursuant to Part
13	4 of Article 20 of Chapter 160A of the General
14	Statutes.
15	(10) 11 10310111 Public of the decision addition to the control of
16	pursuant to Article 26 of Chapter 160A of the
17	General Statutes.
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19	to a local act of the General Assembly and has at
20	least one of the following characteristics:
21	a. It has all of the rights of a municipality.
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24	c. A local act of the General Assembly
25	specifically authorizes it to receive a refund
26	under this section.
27	(17) A joint agency created by interlocal agreement
28	pursuant to G.S. 160A-462 to operate a public
29	broadcasting television station.
30	(18) The North Carolina Low-Level Radioactive Waste
31	Management Authority created pursuant to Chapter
32	104G of the General Statutes.
33	(19) The North Carolina Hazardous Waste Management
34	Commission created pursuant to Chapter 130B of the
35	General Statutes.
36	(20) A constituent institution of The University of
37	North Carolina, but only with respect to sales and
38	use tax paid by it for tangible personal property
39	acquired by it through the expenditure of contract
40	and grant funds.
41	(21) The University of North Carolina Hospitals at
42	Chapel Hill."
43	(bb) Subsections (a)-(e) or this section become
	effective February 1, 1998. The remainder of this section
45	becomes effective July 1, 1998. Subsection (aa) of this section
46	applies to taxes paid on or after July 1, 1998.

(11) A regional planning and

General Statutes.

commission or a regional

economic

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commission created pursuant to Chapter 158 of the

(12) A regional planning commission created pursuant to

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development

# HOUSE SPECIAL PROVISIONS UNIVERSITY SYSTEM

Requested by: Representatives Arnold, Grady, Preston

### UNC INCENTIVE FUNDING

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Section 0. (a) G.S. 116-30.3 reads as rewritten:
2 "\$ 116-30.3. Reversions.

- Of the General Fund current operations appropriations 4 credit balance remaining at the end of each fiscal year in each 5 budget code of a special responsibility constituent institution, 6 except for the budget code of the Area Health Education Centers 7 of the University of North Carolina at Chapel Hill, any amount 8 greater than two percent (2%) of the General Fund appropriation 9 for that fiscal year may be carried forward by the institution to 10 the next fiscal year and may be used for one-time expenditures 11 that will not impose additional financial obligations on the Of the General Fund current operations appropriations 13 credit balance remaining in the budget code of the Area Health 14 Education Centers of the University of North Carolina at Chapel 15 Hill, any amount greater than one percent (1%) of the General 16 Fund appropriation for that fiscal year may be carried forward in 17 that budget code to the next fiscal year and may be used for one-18 time expenditures that will not impose additional financial However, the amount carried forward 19 obligations on the State. 20 under this section shall not exceed two and one-half percent (2 21 1/2%) of the General Fund appropriation. appropriation, plus the 22 amount of the reversions to be retained under subsections (d) and The Director of the Budget, under the 23 (e) of this section. 24 authority set forth in G.S. 143-25, shall establish the General 25 Fund current operations credit balance remaining in each budget 26 code of each institution.
- 27 (b) An institution shall cease to be a special responsibility 28 constituent institution under the following circumstances:
  - (1) An institution, other than the Area Health Education Centers of the University of North Carolina, does not revert at least two percent (2%) of its General Fund current operations credit balance remaining in each budget code of that institution, or
  - (2) The Area Health Education Centers of the University of North Carolina at Chapel Hill does not revert at least one percent (1%) of its General Fund current operations credit balance remaining in its budget code.



- 1 However, if the Board of Governors finds that the low reversion 2 rate is due to adverse and unforeseen conditions, the Board may 3 allow the institution to remain a special responsibility 4 constituent institution for one year to come into conformity with 5 this section. The Board may make this exception only one time 6 for any special responsibility constituent institution, and shall 7 report these exceptions to the Joint Legislative Commission on 8 Governmental Operations.
- 9 (c) One-half of the The reversions required in subsection (a) 10 and (b) of this section shall be returned to the General Fund 11 credit balance at the end of each fiscal year, less the 12 amounts retained by the special responsibility constituent 13 institutions under subsections (d) and (e) of this section.
- (d) For fiscal year 1997-98 and each subsequent fiscal year, 15 1997-98, one-half of the reversions required in subsections (a) 16 and (b) of this section shall be available to each special 17 responsibility constituent institution of The University of North 18 Carolina. Those funds shall be used by the institution at the 19 campus level for any of the following: the nonrecurring costs of including installation of 20 technology, the technology 21 infrastructure for academic facilities on the campus of the institution, constituent 22 special responsibility 23 implementation by the constituent institution of its 24 technology plan as approved by the Board of Governors, or for 25 libraries. The funds shall not be used to support positions. Each 26 special responsibility constituent institution shall 27 annually to the Board of Governors regarding how the institution 28 spent the funds made available under this section.
- (e) For fiscal year 1998-99 and each subsequent fiscal year, 30 the reversions required in subsections (a) and (b) of this 31 section shall be available to each special responsibility 32 constituent institution of The University of North Carolina if 33 the constituent institution meets the following conditions 34 during the fiscal year 1998-99: the institution spent an amount 35 on technology equal to or greater than the total of (i) the 36 amount spent by the institution in the preceding fiscal year on 37 technology and (ii) the amount equal to or greater than one-half 38 of the reversion required in subsections (a) and (b) of this 39 section; for subsequent fiscal years, each special responsibility 40 constituent institution shall spend an amount on technology equal 41 to or greater than the amount expended on technology for the base 42 year 1998-99. Those funds made available under this subsection 43 shall be used by the institution at the campus level for any of 44 the following: the nonrecurring costs of technology, including



the installation of technology infrastructure for academic facilities on the campus of the special responsibility constituent institution, the implementation by the constituent institution of its campus technology plan as approved by the Board of Governors, or for libraries. The funds shall not be used to support positions. Each special responsibility constituent institution shall report annually to the Board of Governors regarding how the institution spent the funds made available under this section."

#### CODE NO. 98UNC-H002-S

Requested by: Representatives Arnold, Grady, Preston

#### NATURAL RESOURCES LEADERSHIP INSTITUTE

Section 11.1. For the 1998-99 fiscal year, the requirement for reversion of General Fund appropriations as required by G.S. 116-30.3 for the Cooperative Extension Service budget code at North Carolina State University is reduced by one hundred seventy thousand dollars (\$170,000) in order to provide funding for the Natural Resource Leadership Institute sponsored by the Cooperative Extension Service.

#### CODE NO. 98UNC-H003-S

Requested by: Representatives Arnold, Gray, Preston

## INCENTIVE SCHOLARSHIP FOR NATIVE AMERICANS

Section 17.3(a) of Chapter 769, 1993 Section 11.2. 2 Session Laws, reads as rewritten: The Board of Governors of The University of "Sec. 17.3. (a) 4 North Carolina shall establish the Incentive Scholarship Program Native Americans to provide opportunities for residents of North Carolina to are 6 Americans who 7 constituent institutions of The University of North Carolina 8 under rules adopted by the Board of Governors. Scholarships 9 awarded under the program shall carry a maximum value of three 10 thousand dollars (\$3,000) per recipient per academic year, 11 reduced by any amount of need-based aid that the recipient may 12 receive from Pell Crants, North Carolina Student Incentive 13 Crants, Supplemental Educational Opportunity Crants, or the 14 American Indian Student Legislative Crant Program. to be awarded 15 after all other need-based grants for which the recipient is 16 eligible have been included in the student's financial aid 17 package. The maximum amount of the award shall not exceed the 18 cost of attendance budget used to calculate financial aid less 19 other need-based aid received, and in no case shall the award 20 exceed three thousand dollars (\$3,000). To be eligible for such 21 a scholarship, a student shall be a Native American, defined as 22 an individual who maintains cultural identification as a Native 23 American through membership in an Indian tribe recognized by the 24 United States or by the State of North Carolina or through other 25 tribal affiliation or community recognition."

#### CODE NO. 98UNC-H004-S

Requested by: Representatives Arnold, Grady, Preston

## AID TO STUDENTS ATTENDING PRIVATE COLLEGES PROCEDURE

1 Section 11.3. Section 10.4 of S.L. 1997-443 reads as 2 rewritten:

"Section 10.4. (a) Funds appropriated in this act to the 4 Board of Governors of The University of North Carolina for aid to 5 private colleges shall be disbursed in accordance with the 6 provisions of G.S. 116-19, 116-21, and 116-22. These funds shall 7 provide up to seven hundred fifty dollars (\$750.00) nine hundred 8 dollars (\$900.00) per full-time equivalent North Carolina 9 undergraduate student enrolled at a private institution as of 10 October 1 each year.

These funds shall be placed in a separate, identifiable account in each eligible institution's budget or chart of accounts. All funds in this account shall be provided as scholarship funds for needy North Carolina students during the fiscal year. Each student awarded a scholarship from this account shall be notified of the source of the funds and of the amount of the award. Funds not utilized under G.S. 116-19 shall be available for the tuition grant program as defined in subsection (b) of this section.

19 (b) In addition to any funds appropriated pursuant to G.S. 20 116-19 and in addition to all other financial assistance made 21 available to private educational institutions located within the 22 State, or to students attending these institutions, there is 23 granted to each full-time North Carolina undergraduate student 24 attending an approved institution as defined in G.S. 116-22, a 25 sum, not to exceed one thousand four hundred fifty dollars (\$1,450) one thousand six hundred dollars (\$1,600) per academic 27 year, which shall be distributed to the student as hereinafter 28 provided.

The tuition grants provided for in this section shall be administered by the State Education Assistance Authority pursuant to rules adopted by the State Education Assistance Authority not inconsistent with this section. The State Education Assistance Authority shall not approve any grant until it receives proper dertification from an approved institution that the student applying for the grant is an eligible student. Upon receipt of the certification, the State Education Assistance Authority shall remit at such times as it shall prescribe the grant to the approved institution on behalf, and to the credit, of the student.

In the event a student on whose behalf a grant has been paid is 2 not enrolled and carrying a minimum academic load as of the tenth 3 classroom day following the beginning of the school term for 4 which the grant was paid, the institution shall refund the full 5 amount of the grant to the State Education Assistance Authority. 6 Each approved institution shall be subject to examination by the 7 State Auditor for the purpose of determining whether the 8 institution has properly certified eligibility and enrollment of 9 students and credited grants paid on the behalf of the students.

10 In the event there are not sufficient funds to provide each 11 eliqible student with a full grant:

- (1) The Board of Governors of The University of North Carolina, with the approval of the Office of State Budget and Management, may transfer available funds to meet the needs of the programs provided by subsections (a) and (b) of this section; and
- (2) Each eligible student shall receive a pro rata share of funds then available for the remainder of the academic year within the fiscal period covered by the current appropriation.

21 Any remaining funds shall revert to the General Fund.

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- 22 (c) Expenditures made pursuant to this section may be used 23 only for secular educational purposes at nonprofit institutions 24 of higher learning. Expenditures made pursuant to this section 25 shall not be used for any student who:
  - (1) Is incarcerated in a State or federal correctional facility for committing a Class A, B, B1, or B2 felony; or
  - (2) Is incarcerated in a State or federal correctional facility for committing a Class C through I felony and is not eligible for parole or release within 10 years.
- 33 (d) The State Education Assistance Authority shall document 34 the number of full-time equivalent North Carolina undergraduate 35 students that are enrolled in off-campus programs and the State 36 funds collected by each institution pursuant to G.S. 116-19 for 37 those students. The State Education Assistance Authority shall 38 also document the number of scholarships and the amount of the 39 scholarships that are awarded under G.S. 116-19 to students 40 enrolled in off-campus programs. An "off-campus program" is any 41 program offered for degree credit away from the institution's 42 main permanent campus.
- 43 The State Education Assistance Authority shall include in its 44 annual report to the Joint Legislative Education Oversight

1 Committee the information it has compiled and its findings

2 regarding this program."



#### CODE NO. 98UNC-H005-S

Requested by: Representatives Arnold, Grady, Preston

## UNC EQUITY FUNDS/CAPITAL FACILITIES STUDY

1 Section 11.4. Section 10.1 of S.L. 1997-443 reads as 2 rewritten:

(a) The funds appropriated to the Board of "Section 10.1. 4 Governors of The University of North Carolina for equity funds 5 are to address relative inequities in State operating funding 6 revealed through a study of the constituent institutions in the The General Assembly notes that the study 7 university system. upon current funding 8 dealt with equity based from 9 appropriations and tuition for operations and did not consider 10 historical equity in funding for physical facilities or funding 11 from non-State sources. Therefore, in making this appropriation, 12 the General Assembly does not conclude that the total funding of 13 any institution, including specifically the historically black 14 universities, is adequate in light of all considerations.

15 (b) Based on findings of the Legislative Study Commission on 16 the Status of Education at The University of North Carolina, the 17 General Assembly is still concerned about perceived differences 18 in the quality of capital facilities on the different campuses, 19 which may impact the ability of some campuses to attract students 20 and faculty. Since the Board of Governors has recently completed 21 studies of equity of funding for operating costs among the 22 constituent institutions and of the Board of Governors' capital 23 improvements request process, it is timely that the question of 24 equity of facilities be addressed.

The Board of Governors of The University of North Carolina 25 26 shall study the relative equity and adequacy of the physical 27 facilities of its constituent institutions. The study shall 28 consider the condition of the facilities, whether or 29 facilities are comparable among the campuses given the different 30 missions of the institutions, comparable adequacy of the physical 31 facilities given the size and projected growth of the school, and 32 such other factors deemed appropriate by the Board of Governors. 33 The study shall include all facilities contributing to the 34 accomplishment of the campuses' missions. First, the Board of 35 Governors shall study those facilities considered central to the 36 academic missions of the campuses that are generally supported 37 from General Fund appropriations. Secondly, the Board of 38 Governors shall study those facilities that contribute to the 39 overall missions of the campuses, including residential, dining,

- 1 research, and other facilities regardless of the sources of 2 funding. The Board of Governors shall consider its policies on
- 3 funding of self-liquidating projects and whether those policies
- 4 contribute to any inequities among the campuses, including the
- 5 overall costs to the students.
- 6 The Board of Covernors shall report to the Ceneral Assembly by
- 7 January 15, 1999, with the results of its study. The report
- 8 shall include recommendations to rectify any inequities or
- 9 inadequacies found in the study-
- 10 (c) The Board of Governors shall contract with a private
- 11 consulting firm with expertise in higher education matters to
- 12 assess the additional capital needs of the constituent
- 13 institutions of The University of North Carolina. The needs
- 14 assessment shall project the needs for capital funding for a 10-
- 15 year period, and shall include a detailed plan for making funding
- 16 allocations based on the priorities of needs.
- 17 The plan shall provide a detailed capital spending plan for the
- 18 next 10 years to assist the General Assembly in making funding
- 19 decisions relating to The University of North Carolina, as the
- 20 State plans for major increases in enrollment in higher education
- 21 and prepares its citizens to compete in a global economy. The
- 22 plan shall include considerations of the costs and changes in
- 23 capital needs caused by new technologies and alternative systems
- 24 for delivery of higher education services.
- 25 The consultant shall visit each campus in The University of
- 26 North Carolina system to understand the needs of each campus
- 27 based on their assigned missions, physical needs, and plans.
- 28 The Board and its consultant shall provide interim progress
- 29 reports to the General Assembly on a periodic basis. The Board
- 30 of Governors shall report to the General Assembly by April 15,
- 31 1999, with the results of its study and plan.
- 32 Of the funds appropriated to the Board of Governors for fiscal
- 33 year 1998-99, up to two hundred fifty thousand dollars (\$250,000)
- 34 may be reallocated for the purposes of this section, including
- 35 funds that would normally revert to the General Fund at the end
- 36 of the fiscal year."



#### CODE NO. 98UNC-H006-S

Requested by: Representatives Arnold, Grady, Preston

#### UNC DISTANCE EDUCATION

Section 11.7. This act provides funding to The University of North Carolina Board of Governors for degreerelated courses provided away from the campus sites of the constituent institutions of The University of North Carolina. The intent of this commitment is to provide expanded opportunities for higher education to more North Carolina residents, including nontraditional students, and to increase the number of North Carolina residents who earn post-secondary degrees.

These funds shall be used for the provision of off-10 campus higher education programs, including the costs for the 11 development or adaptation of programs for this purpose, and the 12 funds may be used for the costs of providing space and services 13 at the off-campus sites.

Prior to approving funding for off-campus programs in 15 nursing, the Board shall consult with the central office of the 16 Area Health Education Centers (AHEC) to obtain information about 17 regional needs and priorities and to coordinate funding with AHEC 18 efforts in nursing education.

19 The Board of Governors shall track these 20 separately in order to provide data on the costs of providing 21 these programs, including the different costs for various methods 22 of delivery of educational programs. The Board of Governors shall 23 provide for evaluation of these off-campus programs, including 24 comparisons to the costs and quality of on-campus delivery of 25 similar programs, as well as the impact on access to higher 26 education and the educational attainment levels of North Carolina 27 residents. The Board shall provide a preliminary report to the 28 General Assembly by May 1, 2000, and subsequent evaluations, 29 including recommendations for changes, shall be made at least 30 biennially to the Joint Legislative Education Oversight 31 Committee.

#### CODE NO. 98UNC-H008-S

Requested by: Representatives Arnold, Grady, Preston

#### UNC APPLICATIONS POOL

Section 11.9. The Board of Governors of The University 2 of North Carolina shall create a system that provides for the 3 sharing of selected applications for admissions from North 4 Carolina residents among the constituent institutions. The intent 5 of the system shall be to increase the number of qualified North 6 Carolina high school graduates who participate in higher 7 education by providing information about applicants to other 8 schools as well as providing information to applicants about 9 alternative higher education opportunities in North Carolina. The 10 Board of Governors may cooperate with the State Board of 11 Community Colleges and with the private colleges and universities 12 in North Carolina in creating such a system.

The Board of Governors shall report on its progress in 14 developing such a system to the Joint Legislative Education 15 Oversight Committee by January 15, 1999.

#### CODE NO. 98UNC-H009-S

Requested by: Representatives Arnold, Grady, Preston

#### PRIVATE COLLEGES/INCENTIVE FUNDS

Section 11.10. G.S. 116-20 reads as rewritten: 2 "\$116-20. Scholarship and contract terms; base period.

In order to encourage and assist private institutions to 4 educate additional numbers of North Carolinians, the Board of University of North Carolina ofthe 5 Governors 6 authorized to enter into contracts within the institutions under 7 the terms of which an institution receiving any funds that may be 8 appropriated pursuant to this section would agree that, during 9 any fiscal year in which such funds were received, the 10 institution would provide and administer scholarship funds for 11 needy North Carolina students in an amount at least equal to the 12 amount paid to the institution, pursuant to this section, during 13 the fiscal year. Under the terms of the contracts the Board of 14 Governors of the University of North Carolina would agree to pay 15 to the institutions, subject to the availability of funds, a 16 fixed sum of money for each North Carolina student enrolled as of 17 October 1 of any year for which appropriated funds may be 18 available, over and above the number of North Carolina students 19 enrolled in that institution as of October 1, 1970, 1997, which 20 shall be the base date for the purpose of this calculation. Funds 21 appropriated pursuant to this section shall be paid by the 22 Department of Administration State Education Assistance Authority 23 to an institution upon recommendation of the Board of Governors 24 of the University of North Carolina and on certification of the 25 institution showing the number of North Carolina students 26 enrolled at the institution as of October 1 of any year for which 27 funds may be appropriated over the number enrolled on the base In the event funds are appropriated for expenditure 29 pursuant to this section and funds are also appropriated, for the 30 same fiscal year, for expenditure pursuant to G.S. 116-19, 31 students who are enrolled at an institution in excess of the 32 number enrolled on the base date may be counted under this 33 section for the purpose of calculating the amount to be paid to 34 the institution, but the same students may not also be counted 35 under G.S. 116-19, for the purpose of calculating payment to be 36 made under that section."

#### CODE NO. 98UNC-H010-S

Requested by: Representatives Arnold, Grady, Preston

#### SUSTAINABLE OYSTER AQUACULTURE STUDY

1 Section 11.11. (a) Of the funds appropriated in this 2 act to the Board of Governors of The University of North Carolina 3 for fiscal year 1998-99, the sum of one hundred thousand dollars 4 (\$100,000) shall be allocated to the Institute of Marine Sciences 5 at the University of North Carolina at Chapel Hill to study the sustainable oyster aquaculture 7 Crassostrea sikamea (Kumamoto), triploid Crassostrea ariakensis 8 (Suminoe), triploid Crassostrea gigas (Pacific), and triploid 9 Ostrea edulis (European flat). Testing shall be carried out 10 under a variety of environmental conditions, including, but not 11 limited to, the evaluation of oyster growth of each type of 12 oyster in polluted waters and the ability of each type of oyster 13 to purify polluted waters.

(b) The Primary Investigator or Researcher receiving funding pursuant to subsection (a) of this section shall provide progress reports to the Joint Legislative Commission on Seafood and Aquaculture, the Environmental Review Commission, the Marine Fisheries Commission, and the Fiscal Research Division on January and July 1 of each year until the project or study is complete. Upon completion of the project or study, the Primary Investigator or Researcher shall provide a final report of its findings and recommendations to the above entities.

# CODE NO. 98UNC-H011C

Requested by: Representative Arnold

ESTABLISH UNC CENTER FOR SCHOOL LEADERSHIP DEVELOPMENT	
1 Section @.(a) Chapter 116 of the General Statutes	is
2 amended by adding a new Article to read:	
3 " <u>Article 5D</u>	
4 "Center for School Leadership Development.	
5 "§ 116-74.50. Definitions.	
6 As used in this Article, unless the context clearly indicates	<u>a</u>
7 contrary intent:	
8 (1) "Board of Governors" means the Board of Governor	rs
of The University of North Carolina.	
10 (2) "Board of Trustees" means the Board of Trustees (	<u>of</u>
the UNC Center for School Leadership Development.	
12 (3) "Center" means the UNC Center for School Leadersh:	ip
13 <u>Development.</u>	
14 (4) "Director" means the executive director of the UI	NC
Center for School Leadership Development.	
16 (5) "President" means the President of The Universit	<u>ty</u>
of North Carolina.	
18 "§ 116-74.51. UNC Center for School Leadership Development Boar	<u>rd</u>
19 of Trustees established; membership.	
20 (a) There is established the Board of Trustees of the UN	NC
21 Center for School Leadership Development. The Board of Trustee	<u>≥s</u>
22 shall be responsible to the Board of Governors of The Universit	<u>ty</u>
23 of North Carolina. Subject to G.S. 116-74.52, the Board of	o <u>f</u>
24 Governors shall delegate to the Board of Trustees all the power	<u>cs</u>
25 and duties the Board of Governors considers necessary of	or
26 appropriate for the effective discharge of the functions of the	<u>1e</u>
27 UNC Center for School Leadership Development.	
28 (b) The Board of Trustees shall consist of 15 members appointed	<u>ed</u>
29 <u>as follows:</u>	
30 (1) The Chair, appointed by the the Board of Governors	3 <b>;</b>
31 (2) One member of the Board of Governors appointed b	<u> </u>
the Chair of the Board of Governors;	
33 (3) One member of the State Board of Education	<u>n</u>
34 appointed by the Chair of the State Board of	of.
35 <u>Education</u> ;	

1 (4	The Superintendent of Public Instruction, or a
2	designee;
3 <u>(5</u>	One Dean of a School of Education of a constituent
4	institution that offers an initial preparation
5	program for school administrators appointed by the
6	Chair of the Board of Governors after consultation
7	with the Chair of the State Board of Education;
8 (6)	One professor of education administration appointed
9	by the Chair of the Board of Governors after
10	consultation with the Chair of the State Board of
11	Education;
12 (7)	The President of the North Carolina Association of
13	Independent Colleges and Universities, or a
14	designee;
15 <u>(8)</u>	
16	unit appointed by the Chair of the Board of
17	Governors after consultation with the Chair of the
18	State Board of Education;
19 (9)	
20	of the Board of Governors after consultation with
2.1	
21	the Chair of the State Board of Education;
22 <u>(10</u>	the Chair of the State Board of Education; One public school teacher appointed by the Chair of
22 <u>(10</u> 23	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the
22 <u>(10</u> 23 24 .	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;
22 <u>(10</u> 23 24 . 25 <u>(11</u>	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the
22 <u>(10</u> 23 24 25 <u>(11</u> 26	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the Board of Governors after consultation with the
22 <u>(10</u> 23 24 25 <u>(11</u> 26 27	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education.
22 (10 23 24 25 (11 26 27 28 (c) Member	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education.  rs appointed under subdivisions (1), (2), (3), (5),
22 (10 23 24 25 (11 26 27 28 (c) Member 29 and one at-1	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education.  The appointed under subdivisions (1), (2), (3), (5), arge member shall serve until June 30, 2001. Members
22 (10 23 24 25 (11 26 27 28 (c) Member 29 and one at-1 30 appointed un	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education.  rs appointed under subdivisions (1), (2), (3), (5), arge member shall serve until June 30, 2001. Members ider subdivisions (6), (8), (9), and one at-large
22 (10 23 24 25 (11 26 27 28 (c) Member 29 and one at-1 30 appointed un member shall	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education.  Its appointed under subdivisions (1), (2), (3), (5), arge member shall serve until June 30, 2001. Members ader subdivisions (6), (8), (9), and one at-large serve until June 30, 2000. The remaining at-large
22 (10 23 24 25 (11 26 27 28 (c) Member 29 and one at-1 30 appointed ur 31 member shall 32 members and	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education.  It appointed under subdivisions (1), (2), (3), (5), arge member shall serve until June 30, 2001. Members and der subdivisions (6), (8), (9), and one at-large serve until June 30, 2000. The remaining at-large the member appointed under subdivision (10) shall
22 (10 23 24 25 (11 26 27 28 (c) Member 29 and one at-1 30 appointed ur 31 member shall 32 members and 33 serve until	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education.  It appointed under subdivisions (1), (2), (3), (5), arge member shall serve until June 30, 2001. Members ader subdivisions (6), (8), (9), and one at-large serve until June 30, 2000. The remaining at-large the member appointed under subdivision (10) shall June 30, 1999. Subsequent appointments shall be for
22 (10 23 24 25 (11 26 27 28 (c) Member 29 and one at-1 30 appointed ur 31 member shall 32 members and 33 serve until	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education.  It appointed under subdivisions (1), (2), (3), (5), arge member shall serve until June 30, 2001. Members and der subdivisions (6), (8), (9), and one at-large serve until June 30, 2000. The remaining at-large the member appointed under subdivision (10) shall
22 (10 23 24 25 (11 26 27 28 (c) Member 29 and one at-1 30 appointed ur 31 member shall 32 members and 33 serve until 34 three-year t 35 terms.	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education.  rs appointed under subdivisions (1), (2), (3), (5), arge member shall serve until June 30, 2001. Members after subdivisions (6), (8), (9), and one at-large serve until June 30, 2000. The remaining at-large the member appointed under subdivision (10) shall June 30, 1999. Subsequent appointments shall be for terms. Members may serve two consecutive three-year
22 (10 23 24 25 (11 26 27 28 (c) Member 29 and one at-1 30 appointed ur 31 member shall 32 members and 33 serve until 34 three-year transport 35 terms. 36 "§ 116-74.52 37 for School Le	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education.  It is appointed under subdivisions (1), (2), (3), (5), arge member shall serve until June 30, 2001. Members appointed under subdivisions (6), (8), (9), and one at-large serve until June 30, 2000. The remaining at-large the member appointed under subdivision (10) shall June 30, 1999. Subsequent appointments shall be for the serve until Board of Trustees of the UNC Center and the Board of Trustees of the UNC Center and the seadership Development.
22 (10 23 24 25 (11 26 27 28 (c) Member 29 and one at-1 30 appointed ur 31 member shall 32 members and 33 serve until 34 three-year trans 35 terms. 36 "\$ 116-74.52 37 for School Le 38 (a) In a	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education.  It is appointed under subdivisions (1), (2), (3), (5), arge member shall serve until June 30, 2001. Members ider subdivisions (6), (8), (9), and one at-large serve until June 30, 2000. The remaining at-large the member appointed under subdivision (10) shall June 30, 1999. Subsequent appointments shall be for terms. Members may serve two consecutive three-year didition to any powers and duties delegated to the
22 (10 23 24 25 (11 26 27 28 (c) Member 29 and one at-1 30 appointed ur 31 member shall 32 members and 33 serve until 34 three-year trans 35 terms. 36 "\$ 116-74.52 37 for School Le 38 (a) In a	the Chair of the State Board of Education;  One public school teacher appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education;  Five at-large members appointed by the Chair of the Board of Governors after consultation with the Chair of the State Board of Education.  It is appointed under subdivisions (1), (2), (3), (5), arge member shall serve until June 30, 2001. Members ider subdivisions (6), (8), (9), and one at-large serve until June 30, 2000. The remaining at-large the member appointed under subdivision (10) shall June 30, 1999. Subsequent appointments shall be for terms. Members may serve two consecutive three-year endership Development.  Chicken delegated to the under subdivision to any powers and duties delegated to the ustees by the Board of Governors, the Board of

1	(1)	Develop,	updat	te, and	monitor	а	long	range	plan	for
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3		offered	through	gh the C	enter.					
4	(2)	Develop	and	provide	e high	Ċ	nalit	.v. n	neanin	aful

- (2) Develop and provide high quality, meaningful professional development programs for professional public school employees and school board members.
- 7 (b) The Board of Trustees shall incorporate into the long 8 range plan the recommendations made by the State Board of 9 Education under G.S. 115C-12(26). The Board of Trustees shall 10 submit the plan and any subsequent modifications and revisions to 11 the Board of Governors for approval. The Board of Trustees shall 12 provide copies of the approved plan to the State Board of 13 Education, the Joint Legislative Education Oversight Committee, 14 and the Governor.
- 15 (c) The professional development programs under the Center 16 shall reflect the long range plan developed by the Board of 17 Trustees. The programs also shall be aligned with State 18 education goals, shall be directed toward improving student 19 academic achievement, shall be developed collaboratively, and 20 shall be offered in geographically dispersed locations that are 21 convenient to local school administrative units.
- 22 "§ 116-74.53. UNC Center for School Leadership Development established; programs; executive director.
- 24 (a) There is established the UNC Center for School Leadership
  25 Development. The purpose of the Center is to provide high
  26 quality, coordinated professional development programs to
  27 professional public school employees and school board members.
  28 The Center shall include the following professional development
  29 programs and any other programs the Board of Governors determines
  30 should be located within the Center:
- 31 (1) The Executive Leadership Academy.

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- 32 (2) The North Carolina Center for the Advancement of Teaching.
  - (3) The North Carolina Center for the Prevention of School Violence.
- 36 (4) The North Carolina Mathematics and Science
  37 Education Network.
- 38 <u>(5)</u> The North Carolina Teacher Academy.
  - (6) The Principal Fellows Program.
  - (7) The Principals' Executive Program.



- 1 (b) The Board of Governors shall appoint the executive 2 director for each professional development program located under 3 the Center. Except as otherwise provided by law, the Board of 4 Governors shall determine the scope, purpose, and mission, and 5 also may create a governing board for each professional 6 development program located under the Center. However, any 7 program governing board created under this subsection shall serve 8 in an advisory capacity to the Board of Trustees.
- 9 (c) The President of The University of North Carolina shall appoint an executive director for the Center, subject to the approval of the Board of Governors. The director shall have responsibility for the professional development programs located under the Center, and shall administer the long range plan on behalf of the Board of Governors and the Board of Trustees."
  - (b) G.S. 116-30.01 is repealed.
  - (c) G.S. 116-74.6 reads as rewritten:

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17 "\$ 116-74.6. North Carolina Center for the Advancement of 18 Teaching established; powers and duties of trustees. Teaching.

19 The sums of five hundred thousand dollars (\$500,000) in fiscal

20 year 1985-86 and two million dollars (\$2,000,000) in fiscal year 21 1986-87 that are appropriated to the Board of Covernors of The 22 University of North Carolina in Section 2 of the 1985-87 Current 23 Operations Appropriations Act shall be used to establish the 24 North Carolina Center for the Advancement of Teaching at Western 25 Carolina University in Jackson County. The Center shall operate 26 under the general auspices of The University of North Carolina 27 Board of Covernors. It shall be the function of the North 28 Carolina Center for the Advancement of Teaching (hereinafter 29 called "NCCAT"), through itself or agencies with which it may 30 contract, to provide career teachers with opportunities to study 31 advanced topics in the sciences, arts, and humanities and to 32 engage in informed discourse, assisted by able mentors and 33 outstanding leaders from all walks of life; and otherwise to 34 offer opportunity for teachers to engage in scholarly pursuits, 35 through a center dedicated exclusively to the advancement of 36 teaching as an art and as a profession.

37 The North Carolina Center for the Advancement of Teaching is 38 established under the Board of Governors of the University of 39 North Carolina. The Board of Governors shall determine the



1 scope, purpose, and mission of the North Caroina Center for the 2 Advancement of Teaching. The Board of Governors of The University of North Carolina shall 4 establish the North Carolina Center for the Advancement of 5 Teaching Board of Trustees and shall delegate to the Board of 6 Trustees all the powers and duties the Board of Covernors 7 considers necessary or appropriate for the effective discharge of 8 the functions of NCCAT." 9 (d) G.S. 116-74.7 is repealed. 10 G.S. 116-74.41(a) reads as rewritten: 11 There is established the North Carolina Principal Fellows 12 Commission. The Commission shall exercise its powers and duties 13 independently of the Board of Covernors of The University of 14 North Carolina be responsible to the Board of Trustees of the 15 UNC Center for School Leadership Development. The Director of 16 the Principal Fellows Program shall staff the Commission. 17 State Education Assistance Authority (SEAA) as created in G.S. 18 116-203 shall be responsible for implementing scholarship loan 19 agreements, monitoring, cancelling through service, collecting 20 and otherwise enforcing the agreements for the Principal Fellows 21 Program scholarship loans established in accordance with G.S.



22 116-74.42."

#### CODE NO. 98UNC-H012

Requested by: Representatives Arnold, Grady, Preston

INCREASE THE NUMBER OF SCHOOL ADMINISTRATOR PROGRAMS THAT MAY BE ESTABLISHED BY UNC BOARD OF GOVERNORS

Section @.(a) G.S. 116-74.21(b) reads as rewritten:

"(b) No more than eight nine school administrator programs
shall be established under the competitive proposal program. In
selecting campus sites, the Board of Governors shall be sensitive
to the racial, cultural, and geographic diversity of the State.
Special priority shall be given to the following factors: (i) the
historical background of the institutions in training educators;
(ii) the ability of the sites to serve the geographic regions of
the State, such as, the far west, the west, the triad, the
piedmont, and the east; and, (iii) whether the type of roads and
terrain in a region make commuting difficult. A school
administrator program may provide for instruction at one or more
acampus sites."

(b) The Board of Governors of The University of North 15 Carolina shall include the Master of School Administration 16 program at North Carolina State University in Raleigh as one of 17 the nine school administrator programs established pursuant to 18 G.S. 116-74.21.

Requested by: Representatives Arnold, Grady, Preston

#### UNC HOSPITALS/MANAGEMENT FLEXIBILITY

Section 11.8. (a) G.S. 116-37 reads as rewritten: 2 "\$ 116-37. University of North Carolina Hospitals at Chapel 3 Hill.

Composition. -- The Board of Governors of the University (a) 5 of North Carolina is hereby directed to create a board of 6 directors for the University of North Carolina Hospitals 7 Chapel Hill consisting of 12 members of which nine shall be 8 appointed by the Board of Governors. Three members ex officio of 9 said board shall be the University of North Carolina at Chapel 10 Hill Vice-Chancellor for Health Affairs, University of North 11 Carolina at Chapel Hill Vice-Chancellor for Business and Finance, 12 and the Dean of the University of North Carolina at Chapel Hill 13 Medical School, or successors to these offices under other titles 14 with similar responsibilities. Nine members shall be appointed 15 from the business and professional public-at-large, none of whom 16 shall be Governors of the University, and, thereafter, the nine 17 appointive members shall select one of their number to serve as 18 chairman. Members of this board shall include, but not be limited 19 to, persons with special competence in business management, 20 hospital administration, and medical practice not affiliated with 21 University faculty. The Governors may remove any member for 22 cause. Board members, other than ex officio members, shall each 23 receive such per diem and necessary travel and subsistence 24 expenses while engaged in the discharge of their official duties 25 as is provided by law for members of State boards and commissions 26 generally.

27 (al) Appointment to Board. -- Each of the nine persons who, as 28 of June 30, 1989, is serving as an appointed member of the Board 29 shall be reassigned by the Governors, each to a different term, 30 ending June 30, 1989, June 30, 1990, June 30, 1991, June 30, 31 1992, June 30, 1993, June 30, 1994, June 30, 1995, June 30, 1996, 32 or June 30, 1997. After July 1, 1989, the term of office for new 33 appointments shall commence on July 1, and all members shall 34 serve for four-year terms; provided, however, that no person may 35 be appointed to (i) more than three full four-year terms in 36 succession, or (ii) a four-year term if preceded immediately by 37 12 years of service. Resignation from a term of office shall not 38 constitute a break in service for the purpose of this subsection.

- 1 Board member vacancies shall be filled by the Governors for the 2 remainder of the unexpired term.
- Meetings and Powers of Board. -- The board of directors 4 shall meet at least every 60 days and may hold special meetings 5 at any time and place within the State at the call of its 6 chairman. The board of directors shall make rules, regulations, 7 and policies governing the management and operation of the 8 University of North Carolina Hospitals at Chapel Hill, consistent 9 with basic State statutes and procedures, to meet the goals of 10 education, research, patient care, and community service. The 11 board's action on matters within its jurisdiction is final, 12 except that appeals may be made, in writing, to the Board of copy of the with appeal to the University 13 Governors a 14 administration. The board of directors shall elect and may remove 15 the executive director of the University of North Carolina 16 Hospitals at Chapel Hill. The board of directors may enter into 17 formal agreements with the University of North Carolina at Chapel 18 Hill, Division of Health Affairs, with respect to the provision 19 of clinical experience for students and may also enter into 20 formal agreements with the University of North Carolina at Chapel 21 Hill for the provision of maintenance and supporting services.
- (c) Executive Director. -- The chief administrative officer of the University of North Carolina Hospitals at Chapel Hill shall be the executive director, who shall be appointed by the board of directors to serve at its pleasure. The executive director shall administer the affairs of the University of North Carolina Hospitals at Chapel Hill subject to the duly adopted policies, rules, and regulations of the board of directors, including the appointment, promotion, demotion, and discharge of all personnel. The executive director shall report to the board of directors quarterly or more often as required. The executive director will serve as secretary to the board of directors.
- 33 (d) Personnel. -- The University of North Carolina Hospitals
  34 at Chapel Hill shall maintain a personnel office for personnel
  35 administration. Notwithstanding the provisions of Chapter 126 of
  36 the General Statutes to the contrary, the Board of Directors of
  37 the University of North Carolina Hospitals at Chapel Hill shall
  38 establish policies and rules governing the study and
  39 implementation of competitive position classification and
  40 compensation plans for registered and licensed practical nurse
  41 positions that have been approved by the Board of Directors.
  42 These plans shall provide for minimum, maximum, and intermediate
  43 rates of pay, and may include provisions for range revisions and
  44 shift premium pay and for salary adjustments to address internal

1 inequities, job performance, and market conditions. The Office of 2 State Personnel shall review the classification and compensation 3 plans on an annual basis. All changes in compensation plans for 4 these registered and licensed practical nurse positions shall be 5 submitted to the Office of State Personnel upon implementation. 6 All employees of the University of North Carolina Hospitals at 7 Chapel Hill shall be deemed to be employees of the State and 8 shall be subject to all provisions of State law relevant thereto; 9 provided, however, that except as to the provisions of Articles 10 5, 6, and 7 of Chapter 126 of the General Statutes, 11 provisions of Chapter 126 shall not apply to employees of the 12 University of North Carolina Hospitals at Chapel Hill, and the 13 policies and procedures governing the terms and conditions of 14 employment of such employees shall be adopted by the Board of 15 Directors. 16

- (1) The Board of Directors shall fix or approve the schedules of pay, expense allowances, and other compensation and adopt position classification plans for all employees of the University of North Carolina Hospitals at Chapel Hill.
- The Board of Directors shall adopt or provide for rules and regulations concerning, but not limited to, annual leave, sick leave, special leave with full pay or with partial pay supplementing workers' compensation payments for employees injured accidents arising out of and in the course of employment, working conditions, service awards, and incentive award programs, grounds for dismissal, demotion, or discipline, other personnel policies, and any other measures that promote the hiring and retention of capable, diligent, and effective career employees. However, an employee who has achieved career State employee status as defined by G.S. 126-1.1 by October 31, 1998, shall not have his or her compensation reduced as a result of this subdivision. Further, an employee who has achieved career State employee status as defined by G.S. 126-1.1 by October 31, 1998, shall be subject to the rules regarding discipline or discharge that were effective on October 31, 1998, and shall not be subject to the rules regarding discipline or discharge adopted after October 31, 1998.
- (3) The Board of Directors may prescribe the office hours, workdays, and holidays to be observed by the



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- of North Carolina Hospitals at Chapel Hill.
- The Board of Directors shall establish boards,

  committees, or councils to conduct hearings upon

  the appeal of employees who have been suspended,

  demoted, otherwise disciplined, or discharged, to

  hear employee grievances, or to undertake any other

  duties relating to personnel administration that

  the Board of Directors may direct.

- Finances. -- The University of North Carolina Hospitals at 10 11 Chapel Hill shall be subject to the provisions of the Executive 12 Budget Act. There shall be maintained a business and budget 13 office to administer the budget and financial affairs of the 14 University of North Carolina Hospitals at Chapel Hill. 15 executive director, subject to the board of directors, shall be for all aspects of budget preparation, 16 responsible 17 execution, and expenditure reporting. Subject to the approval of 18 the Director of the Budget: All operating funds of the University 19 of North Carolina Hospitals at Chapel Hill may be budgeted and 20 disbursed through a special fund code, all receipts of the 21 University of North Carolina Hospitals at Chapel Hill may be 22 deposited directly to the special fund code; and general fund 23 appropriations for support of the University of North Carolina 24 Hospitals at Chapel Hill may be budgeted in a general fund code 25 under a single purpose, "Contribution to University of North 26 Carolina Hospitals at Chapel Hill Operations" and be transferable 27 to the special fund operating code as receipts. Prior to taking 28 any action under this subsection, the Director of the Budget may 29 consult with the Advisory Budget Commission.
- 30 (el) Finances -- Patient/Hospital Benefit. -- The Executive 31 Director of the University of North Carolina Hospitals at Chapel 32 Hill or the Director's designee, may expend operating budget 33 funds, including State funds, of the University of North Carolina 34 Hospitals at Chapel Hill for the direct benefit of a patient, 35 when, in the judgment of the Executive Director or the Director's 36 designee, the expenditure of these funds would result in a 37 financial benefit to the University of North Carolina Hospitals 38 at Chapel Hill. Any such expenditures are declared to result in 39 the provision of medical services and create charges of the 40 University of North Carolina Hospitals at Chapel Hill for which 41 the hospitals may bill and pursue recovery in the same way as 42 allowed by law for recovery of other hospitals' charges for 43 services that are unpaid.



These expenditures shall be limited to no more than seven thousand five hundred dollars (\$7,500) per patient per admission and shall be restricted (i) to situations in which a patient is financially unable to afford ambulance or other transportation for discharge; (ii) to afford placement in an after-care facility pending approval of third party entitlement benefits; (iii) to assure availability of a bed in an after-care facility after discharge from the hospitals; (iv) to secure equipment or other medically appropriate services after discharge; (v) or to pay health insurance premiums. The Executive Director or the Director's designee shall reevaluate at least once a month the cost-effectiveness of any continuing payment on behalf of a patient.

To the extent that the University of North Carolina Hospitals at Chapel Hill advance anticipated government entitlement benefits for a patient's benefit, for which the patient later receives a lump sum "backpay" award from an agency of the State, whether for the current admission or subsequent admission, the state agency shall withhold from this backpay an amount equal to the sum advanced on the patient's behalf by the University of North Carolina Hospitals at Chapel Hill, if, prior to the disbursement of the backpay, the applicable State program has received notice from the University of North Carolina Hospitals at Chapel Hill of the advancement.

Purchases. -- The University of North Carolina Hospitals 26 at Chapel Hill shall be subject to all provisions of Articles 3 27 and 3A of Chapter 143 of the General Statutes relating to the 28 Department of Administration, Purchase and Contract Division. 29 There shall be maintained a purchasing office to handle all 30 purchasing requirements of the University of North Carolina 31 Hospitals at Chapel Hill. The Purchase and Contract Division may 32 enter into such arrangements with the board of directors as the 33 Division may deem necessary in consideration of the special 34 requirements of the University of North Carolina Hospitals at 35 Chapel Hill for procurement of certain supplies, materials, 36 equipments and services. Notwithstanding the provisions 37 Articles 3 and 3A of Chapter 143 of the General Statutes to the 38 contrary, the Board of Directors shall establish policies and 39 regulations governing the purchasing requirements the 40 University of North Carolina Hospitals at Chapel Hill. These 41 policies and regulations shall provide for requests 42 proposals, competitive bidding or purchasing by means other than 43 competitive bidding, contract negotiations and contract awards 44 for purchasing supplies, materials, equipment, and services which



1 are necessary and appropriate to fulfill the clinical,
2 educational, research, and community service missions of the
3 University of North Carolina Hospitals at Chapel Hill. The Board
4 of Directors shall seek the advice of the Director of the
5 Purchase and Contract Division on an annual basis concerning the
6 adequacy of the University of North Carolina Hospitals at Chapel
7 Hill management staff and internal controls to administer the
8 additional authorities authorized under this section.

Property. -- The board of directors shall be responsible 10 to the University Board of Covernors for the maintenance, 11 operation, and control of the University of North Carolina 12 Hospitals at Chapel Hill and grounds. Notwithstanding the 13 provisions of Article 6 of Chapter 146 of the General Statutes to 14 the contrary, the Board of Directors shall establish rules and 15 regulations to perform the functions otherwise prescribed for the 16 Department of Administration in acquiring or disposing of any 17 interest in real property by the University of North Carolina 18 Hospitals at Chapel Hill. These rules and regulations shall 19 include provisions for development of specifications, 20 advertisement, and negotiations with owners for acquisition by 21 purchase, gift, lease, or rental, but not by condemnation or 22 exercise of eminent domain, on behalf of the University of North 23 Carolina Hospitals at Chapel Hill. This section does 24 authorize the Board of Directors to encumber real property. The 25 Board of Directors shall seek the advice of the State Property 26 Office on an annual basis concerning the adequacy of 27 University of North Carolina Hospitals at Chapel Hill management 28 staff and internal controls to administer the additional 29 authorities permitted by this section. After review by 30 Attorney General as to form and after the consummation of any 31 such acquisition, the University of North Carolina Hospitals at 32 Chapel Hill shall promptly file a report concerning the 33 acquisition or disposition with the Governor and Council 34 State.

35 (h) Patient Information. -- The University of North Carolina 36 Hospitals at Chapel Hill shall, at the earliest possible 37 opportunity, specifically make a verbal and written request to 38 each patient to disclose the patient's Social Security number, if 39 any. If the patient does not disclose that number, the 40 University of North Carolina Hospitals at Chapel Hill shall deny 41 benefits, rights, and privileges of the University of North 42 Carolina Hospitals at Chapel Hill to the patient as soon as 43 practical, to the maximum extent permitted by federal law or 44 federal regulations. The University of North Carolina Hospitals



-	at chaptini.	is shall make the disclosure to the patient required
		b) of P.L. 93-579. This subsection is supplementary
	to G.S. 105A-	
		rty Construction Notwithstanding G.S. 143-341(3)
5	and G.S. 143-	-135.1, the Board of Directors shall, with respect to
		construction, and renovation of buildings, utilities,
		roperty developments of the University of North
8	Carolina Hos	pitals at Chapel Hill requiring the expenditure of
	public money:	
10	<u>(1)</u>	Conduct the fee negotiations for all design
11		contracts and supervise the letting of all
12		construction and design contracts.
13	(2)	Develop procedures governing the responsibilities
14		of the University of North Carolina Hospitals at
15		Chapel Hill to perform the duties of the Department
16		of Administration, the Office of State
17		Construction, and the State Building Commission
18		under G.S. 133-1.1(d), Article 8 of Chapter 143 of
19		the General Statutes, and G.S. 143-341(3).
20	(3)	Develop procedures and limitations governing the
21		use of open-end design agreements.
22	(4)	
23		review and approval by the Department of Insurance
24		and the Division of Facility Services of the
25		Department of Human Resources.
26	<u>(5)</u>	Use the standard contracts for design and
27		construction currently in use for State capital
8.		improvement projects by the Office of State
29		Construction of the Department of Administration.
30	<u>(6)</u>	Seek the advice of the Director of the Office of
31		State Construction on an annual basis concerning
32		the adequacy of the University of North Carolina
3		Hospitals at Chapel Hill management staff and
4		internal controls to administer the additional
5		authorities authorized by this section."
6	• •	G.S. 126-5 is amended by adding a new subsection to
	read:	
8		ept as to the provisions of Articles 5, 6, and 7 of
9	this Chapter,	the provisions of this Chapter shall not apply to:
0	<u>(1)</u>	
1		Hospitals at Chapel Hill.
2	<u>(2)</u>	
3		Division of the School of Medicine of East Carolina
4		University.

- (3) Employees of UNC Physicians and Associates, a Division of the School of Medicine of the University of North Carolina at Chapel Hill."
- (c) G.S. 143-56 reads as rewritten:

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- 5 "§ 143-56. Certain purchases excepted from provisions of 6 Article.
- 7 Unless as may otherwise be ordered by the Secretary of 8 Administration, the purchase of supplies, materials and equipment 9 through the Secretary of Administration shall be mandatory in the 10 following cases:
  - (1) Published books, manuscripts, maps, pamphlets and periodicals.
    - (2) Perishable articles such as fresh vegetables, fresh fish, fresh meat, eggs, and others as may be classified by the Secretary of Administration.

classified by the Secretary of Administration.

16 Purchase through the Secretary of Administration shall not be
17 mandatory for a purchase of supplies, materials or equipment for
18 the General Assembly if the total expenditures is less than the
19 expenditure benchmark established under the provisions of G.S.
20 143-53.1 or 143-53.1, for group purchases made by hospitals
21 through a competitive bidding purchasing program, as defined in
22 G.S. 143-129. 143-129, by the University of North Carolina
23 Hospitals at Chapel Hill pursuant to G.S. 116-37(f), by the
24 University of North Carolina at Chapel Hill on behalf of UNC
25 Physicians and Associates pursuant to G.S. 116-37.2(c), or by
26 East Carolina University on behalf of the Medical Faculty
27 Practice Plan pursuant to G.S. 116-40.6(c).

- All purchases of the above articles made directly by the departments, institutions and agencies of the State government shall, whenever possible, be based on competitive bids. Whenever an order is placed or contract awarded for such articles by any of the departments, institutions and agencies of the State government, a copy of such order or contract shall be forwarded to the Secretary of Administration and a record of the competitive bids upon which it was based shall be retained for inspection and review."
- 37 (d) G.S. 146-22 reads as rewritten:
- 38 "§ 146-22. All acquisitions to be made by Department of 39 Administration.
- Every acquisition of land on behalf of the State or any State 41 agency, whether by purchase, condemnation, lease, or rental, 42 shall be made by the Department of Administration and approved by 43 the Governor and Council of State; provided that if the proposed 44 acquisition is a purchase of land with an appraised value of at



twenty-five thousand dollars (\$25,000), the 2 acquisition is for other than a transportation purpose, 3 acquisition may only be made after consultation with the Joint 4 Legislative Commission on Governmental Operations, Operations; 5 and provided further, that acquisitions on behalf of 6 University of North Carolina Hospitals at Chapel Hill shall be 7 made in accordance with G.S. 116-37(g), acquisitions on behalf of 8 the UNC Physicians and Associates shall be made in accordance 9 with G.S. 116-37.2(d), and acquisitions on behalf of the Medical 10 Faculty Practice Plan made in accordance with G.S. 116-40.6(d). the appraised value determining whether is at 12 twenty-five thousand dollars (\$25,000), the value of the property 13 in fee simple shall be used. The State may not purchase land as a 14 tenant-in-common without consultation with the Joint Legislative 15 Commission on Governmental Operations if the appraised value of 16 the property in fee simple is at least twenty-five thousand 17 dollars (\$25,000)."

(e) G.S. 133-1.1(d) reads as rewritten:

"(d) On projects on which no registered architect or engineer 19 20 is required pursuant to the provisions of this section, the 21 governing board or awarding authority shall require a certificate 22 of compliance with the State Building Code from the city or 23 county inspector for the specific trade or trades involved or 24 from a registered architect or engineer, except 25 provisions of this subsection shall not apply on projects (i) 26 wherein plans and specifications are approved by the Department 27 of Administration, Division of State Construction, 28 completed project is inspected by the Division of 29 Construction and the State Electrical Inspector, (ii) that are 30 exempt from the State Building Code, or (iii) that are subject to 31 G.S. 116-31.11 and the completed project is inspected by the 32 State Electrical Inspector and by The University of North 33 Carolina or its constituent or affiliated institution- , (iv) 34 that are subject to G.S. 116-37(i) and the completed project is 35 inspected by the State Electrical Inspector and by the University 36 of North Carolina Hospitals at Chapel Hill, (v) that are subject 37 to G.S. 116-37.2(e) and the completed project is inspected by the 38 State Electrical Inspector and by the University of North 39 Carolina at Chapel Hill on behalf of the UNC Physicians and 40 Associates, or (vi) that are subject to G.S. 116-40.6(e) and the 41 completed project is inspected by the State Electrical Inspector 42 and by East Carolina University on behalf of the Medical Faculty 43 Practice Plan."

- 1 (f) Chapter 116 of the General Statutes is amended by 2 adding the following:
- 3 "§ 116-37.2. The University of North Carolina Physicians and 4 Associates.
- 5 (a) UNC Physicians and Associates. -- "UNC Physicians and 6 Associates," a division of the School of Medicine of the 7 University of North Carolina at Chapel Hill, operates clinical 8 programs and facilities for the purpose of providing medical care 9 to the general public and training physicians and other health 10 care professionals.
- (b) Personnel. -- All employees of UNC Physicians and 11 12 Associates shall be deemed to be employees of the State and shall 13 be subject to all provisions of State law relevant thereto; 14 provided, however, that except as to the provisions of Articles 15 5, 6, and 7 of Chapter 126 of the General Statutes, 16 provisions of Chapter 126 shall not apply to employees of UNC 17 Physicians and Associates, and the policies and procedures 18 governing the terms and conditions of employment of such 19 employees shall be adopted by the Board of Trustees of the 20 University of North Carolina at Chapel Hill; provided, that with 21 respect to such employees as may be members of the faculty of the 22 University of North Carolina at Chapel Hill, no such policies and 23 procedures may be inconsistent with policies established by, or 24 adopted pursuant to delegation from, the Board of Governors of 25 the University of North Carolina. Such policies and procedures 26 shall be implemented on behalf of UNC Physicians and Associates 27 by a personnel office maintained by the University of North 28 Carolina at Chapel Hill.
- 29 (1) The Board of Trustees shall fix or approve the schedules of pay, expense allowances, and other compensation and adopt position classification plans for employees of UNC Physicians and Associates.
  - The Board of Trustees may adopt or provide for rules and regulations concerning, but not limited to, annual leave, sick leave, special leave with full pay or with partial pay supplementing workers' compensation payments for employees injured in accidents arising out of and in the course of employment, working conditions, service awards, and incentive award programs, grounds for dismissal, demotion, or discipline, other personnel policies, and any other measures that promote the hiring and retention of capable, diligent, and effective



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career employees. However, an employee who has achieved career State employee status as defined by G.S. 126-1.1 by October 31, 1998, shall not have his or her compensation reduced as a result of this subdivision. Further, an employee who has achieved career State employee status as defined by G.S. 126-1.1 by October 31, 1998, shall be subject to the rules regarding discipline or discharge that were effective on October 31, 1998, and shall not be subject to the rules regarding discipline or discharge adopted after October 31, 1998.

- The Board of Trustees may prescribe the office hours, workdays, and holidays to be observed by the various offices and departments of UNC Physicians and Associates.
- The Board of Trustees shall establish boards, committees, or councils to conduct hearings upon the appeal of employees who have been suspended, demoted, otherwise disciplined, or discharged, to hear employee grievances, or to undertake any other duties relating to personnel administration that the Board of Trustees may direct.
- (c) Purchases. -- Notwithstanding the provisions of Articles 3 23 24 and 3A of Chapter 143 of the General Statutes to the contrary, 25 the Board of Trustees of the University of North Carolina at 26 Chapel Hill shall establish policies and regulations governing 27 the purchasing requirements of UNC Physicians and Associates. 28 These policies and regulations shall provide for requests for 29 proposals, competitive bidding or purchasing by means other than 30 competitive bidding, contract negotiations and contract awards 31 for purchasing supplies, materials, equipment, and services which 32 are necessary and appropriate to fulfill the clinical and 33 educational missions of UNC Physicians and Associates. Pursuant 34 to such policies and regulations, purchases for UNC Physicians 35 and Associates shall be effected by a purchasing office 36 maintained by the University of North Carolina at Chapel Hill. 37 The Board of Trustees shall seek the advice of the Director of 38 the Purchase and Contract Division on an annual basis concerning 39 the adequacy of the University of North Carolina at Chapel Hill 40 management staff and internal controls to administer the 41 additional authorities authorized under this section.
- 42 (d) Property. -- Notwithstanding the provisions of Article 6
  43 of Chapter 146 of the General Statutes to the contrary, the Board
  44 of Trustees shall establish rules and regulations to perform the



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1 functions otherwise prescribed for the Department 2 Administration in acquiring or disposing of any interest in real 3 property for the use of UNC Physicians and Associates. These 4 rules and regulations shall include provisions for development of 5 specifications, advertisement, and negotiations with owners for 6 acquisition by purchase, gift, lease, or rental, but not by 7 condemnation or exercise of eminent domain, on behalf of UNC 8 Physicians and Associates. This section does not authorize the 9 Board of Trustees to encumber real property. Such rules and 10 regulations shall be implemented by a property office maintained 11 by the University of North Carolina at Chapel Hill. The Board of 12 Trustees shall seek the advice of the State Property Office on an 13 annual basis concerning the adequacy of the University of North 14 Carolina at Chapel Hill management staff and internal controls to 15 administer the additional authorities permitted by this section. 16 After review by the Attorney General as to form and after the 17 consummation of any such acquisition, the University of North 18 Carolina at Chapel Hill shall promptly file, on behalf of UNC 19 Physicians and Associates, a report concerning the acquisition or 20 disposition with the Governor and Council of State. 21

- (e) Property Construction. -- Notwithstanding G.S. 143-341(3) and G.S. 143-135.1, the Board of Trustees shall adopt policies and procedures to be implemented by the administration of the University of North Carolina at Chapel Hill, with respect to the design, construction, and renovation of buildings, utilities, and other property developments for the use of UNC Physicians and Associates, requiring the expenditure of public money for:
- 28 (1) Conducting the fee negotiations for all design
  29 contracts and supervising the letting of all
  30 construction and design contracts.
  - Performing the duties of the Department of Administration, the Office of State Construction, and the State Building Commission under G.S. 133-1.1(d), Article 8 of Chapter 143 of the General Statutes, and G.S. 143-341(3).
  - (3) Using open-end design agreements.
  - (4) As appropriate, submitting construction documents for review and approval by the Department of Insurance and the Division of Facility Services of the Department of Human Resources.
  - (5) Using the standard contracts for design and construction currently in use for State capital improvement projects by the Office of State Construction of the Department of Administration.



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- 1 The Board of Trustees shall seek the advice of the Director of
  2 the Office of State Construction on an annual basis concerning
- 3 the adequacy of the University of North Carolina at Chapel Hill
- 4 management staff and internal controls to administer the 5 additional authorities authorized by this section.
- 6 "\$ 116-40.6. East Carolina University Medical Faculty Practice 7 Plan.
- 8 (a) Medical Faculty Practice Plan. -- The "Medical Faculty
  9 Practice Plan," a division of the School of Medicine of East
  10 Carolina University, operates clinical programs and facilities
  11 for the purpose of providing medical care to the general public
  12 and training physicians and other health care professionals.
- (b) Personnel. -- Employees of the Medical Faculty Practice 14 Plan shall be deemed to be employees of the State and shall be 15 subject to all provisions of State law relevant thereto; 16 provided, however, that except as to the provisions of Articles 17 5, 6, and 7 of Chapter 126 of the General Statutes, the 18 provisions of Chapter 126 shall not apply to employees of the 19 Medical Faculty Practice Plan, and the policies and procedures 20 governing the terms and conditions of employment of 21 employees shall be adopted by the Board of Trustees of East 22 Carolina University; provided, that with respect to such 23 employees as may be members of the faculty of East Carolina 24 University, no such policies and procedures may be inconsistent 25 with policies established by, or adopted pursuant to delegation 26 from, the Board of Governors of the University of North Carolina. 27 Such policies and procedures shall be implemented on behalf of 28 the Medical Faculty Practice Plan by a personnel office 29 maintained by East Carolina University.
- 30 (1) The Board of Trustees shall fix or approve the schedules of pay, expense allowances, and other compensation and adopt position classification plans for employees of the Medical Faculty Practice Plan.
  - (2) The Board of Trustees may adopt or provide for rules and regulations concerning, but not limited to, annual leave, sick leave, special leave with full pay or with partial pay supplementing workers' compensation payments for employees injured in accidents arising out of and in the course of employment, working conditions, service awards, and incentive award programs, grounds for dismissal, demotion, or discipline, other personnel policies, and any other measures that promote the hiring and



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retention of capable, diligent, and effective career employees. However, an employee who has achieved career State employee status as defined by G.S. 126-1.1 by October 31, 1998, shall not have his or her compensation reduced as a result of this subdivision. Further, an employee who has achieved career State employee status as defined by G.S. 126-1.1 by October 31, 1998, shall be subject to the rules regarding discipline or discharge that were effective on October 31, 1998, and shall not be subject to the rules regarding discipline or discharge adopted after October 31, 1998.

- The Board of Trustees may prescribe the office (3) hours, workdays, and holidays to be observed by the various offices and departments of the Medical Faculty Practice Plan.
- (4) The Board of Trustees shall establish boards, committees or councils to conduct hearings upon the appeal of employees who have been suspended, demoted, otherwise disciplined, or discharged, to hear employee grievances, or to undertake any other duties relating to personnel administration that the Board of Trustees may direct.
- (c) Purchases. -- Notwithstanding the provisions of Articles 3 25 and 3A of Chapter 143 of the General Statutes to the contrary, 26 the Board of Trustees of East Carolina University shall establish 27 policies and regulations governing the purchasing requirements of 28 the Medical Faculty Practice Plan. These policies 29 regulations shall provide for requests for proposals, competitive 30 bidding or purchasing by means other than competitive bidding, 31 contract negotiations and contract awards for purchasing 32 supplies, materials, equipment, and services which are necessary 33 and appropriate to fulfill the clinical and educational missions 34 of the Medical Faculty Practice Plan. Pursuant to such policies 35 and regulations, purchases for the Medical Faculty Practice Plan 36 shall be effected by a purchasing office maintained by East 37 Carolina University. The Board of Trustees shall seek the advice 38 of the Director of the Purchase and Contract Division on an 39 annual basis concerning the adequacy of the East Carolina 40 University management staff and internal controls to administer 41 the additional authorities authorized under this section.
- 42 (d) Property. -- Notwithstanding the provisions of Article 6 43 of Chapter 146 of the General Statutes to the contrary, the Board 44 of Trustees shall establish rules and regulations to perform the



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1 functions otherwise prescribed for the Department of 2 Administration in acquiring or disposing of any interest in real 3 property for the use of the Medical Faculty Practice Plan. These 4 rules and regulations shall include provisions for development of 5 specifications, advertisement, and negotiations with owners for 6 acquisition by purchase, gift, lease, or rental, but not by 7 condemnation or exercise of eminent domain, on behalf of the 8 Medical Faculty Practice Plan. This section does not authorize 9 the Board of Trustees to encumber real property. Such rules and 10 regulations shall be implemented by a property office maintained 11 by East Carolina University. The Board of Trustees shall seek 12 the advice of the State Property Office on an annual basis 13 concerning the adequacy of the East Carolina University 14 management staff and internal controls to administer the 15 additional authorities permitted by this section. After review 16 by the Attorney General as to form and after the consummation of 17 any such acquisition, East Carolina University shall promptly 18 file, on behalf of the Medical Faculty Practice Plan, a report 19 concerning the acquisition or disposition with the Governor and 20 Council of State. (e) Property Construction. -- Notwithstanding G.S. 143-341(3) 21

22 and G.S. 143-135.1, the Board of Trustees shall adopt policies 23 and procedures, to be implemented by the administration of East 24 Carolina University, with respect to the design, construction, 25 and renovation of buildings, utilities, and other property 26 developments for the use of the Medical Faculty Practice Plan, 27 requiring the expenditure of public money for:

- 28 Conducting the fee negotiations for all design (1)29 contracts and supervising the letting 30 construction and design contracts. 31
  - (2) Performing the duties of the Department of Administration, the Office of State Construction, and the State Building Commission under G.S. 133-1.1(d), Article 8 of Chapter 143 of the General Statutes, and G.S. 143-341(3).
    - (3) Using open-end design agreements.

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- As appropriate, submitting construction documents (4)for review and approval by the Department of Insurance and the Division of Facility Services of the Department of Human Resources.
- 41 Using the standard contracts for design and <u>(5)</u> 42 construction currently in use for State capital 43 improvement projects by the Office of State Construction of the Department of Administration.



- The Board of Trustees shall seek the advice of the Director of the Office of State Construction on an annual basis concerning the adequacy of East Carolina University management staff and internal controls to administer the additional authorities authorized by this section."
- (g) This section becomes effective November 1, 1998.



# HOUSE COMMUNITY COLLEGE SPECIAL PROVISIONS

1	CODE NO. 98DOCC-H002-S
2	· ·
3	Requested by: Representatives Arnold, Grady, Preston
4	
5	DELETE SUNSET ON ONE-YEAR EXTENSION ON THE DEADLINE FOR MATCHING
6	COMMUNITY COLLEGE BOND FUNDS
1	Section 10. Section 8(b) of S.L. 1998-23 reads as
2	rewritten:
-	"(b) This section becomes effective June 30, 1998, and
4	expires when the Current Operations Appropriations and Capital
<b>E</b>	Improvement Appropriations Act of 1998 becomes a law 1998.""



1	CODE NO. 98DOCC-H003-S
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3	Requested by: Representatives Arnold, Grady, Preston
4	
5	INDEPENDENT STUDY OF CAPITAL BUDGET AND OPERATING BUDGET FUND
6	ALLOCATIONS
1	Section 10.1. The State Board of Community Colleges
2	shall contract with an outside consultant to:
3	(1) Review the community college capital allocation
4	process and to recommend modifications to the
5	process necessary to make the process more
6	equitable; and
7	(2) Study performance budget measures and recommend
8	options for allocating community college funds on a
9	performance budgeting basis.
10	The State Board may use funds from the State Board Reserve to
11	implement this section.
12	The State Board shall report to the Joint Legislative
13	Appropriations Subcommittees on Education and the Fiscal Research
14	Division prior to February 1, 1999, on the implementation of this
15	section.

1 CODE NO. 98DOCC-H004-S

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3 Requested by: Representatives Arnold, Grady, Preston

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5 COMMUNITY COLLEGE EQUIPMENT RESERVE FUND

Section 10.2. (a) G.S. 115D-31 reads as rewritten:

"§ 115D-31. State financial support of institutions.

- 3 (a) The State Board of Community Colleges shall be responsible 4 for providing, from sources available to the State Board, funds 5 to meet the financial needs of institutions, as determined by 6 policies and regulations of the State Board, for the following 7 budget items:
  - Furniture Fund. and equipment (1)Plant for administrative and instructional purposes, library books, and other items of capital outlay approved by the State Board. Provided, the State Board may, on an equal matching-fund basis from appropriations made by the State for the purpose, grant funds to individual institutions for the purchase of land, construction and remodeling of institutional buildings determined by the State Board to necessary for the instructional programs or administration of such institutions. For the purpose of determining amount of matching State funds, local funds shall include expenditures made prior to the enactment of this Chapter or prior to institution becoming community а college pursuant to the provisions of this Chapter, when such expenditures were made for the purchase of land, construction, and remodeling of institutional subsequently determined by the State Board to be necessary as herein specified, provided such local expenditures previously been used as the basis for obtaining matching State funds under the provisions of this Chapter or any other laws of the State. Notwithstanding the provisions of this subdivision, G.S. 116-53(b), or G.S. 143-31.4, appropriations by the State of North Carolina for capital permanent improvements for community colleges may be matched with any prior expenditure of non-State funds for capital construction or land acquisition not already used for matching purposes.
    - (2) Current Operating Expenses:



- a. General administration. -- Salaries and other costs as determined by the State Board necessary to carry out the functions of general administration.
- b. Instructional services. -- Salaries and other costs as determined by the State Board necessary to carry out the functions of instructional services.
- c. Support services. -- Salaries and other costs as determined by the State Board necessary to carry out the functions of support services.
- (3) Additional Support for Regional Institutions as Defined in G.S. 115D-2(4). -- Matching funds to be used with local funds to meet the financial needs of the regional institutions for the items set out in G.S. 115D-32(a)(2)a. Amount of matching funds to be provided by the State under this section shall be determined as follows: The population of the administrative area in which the regional institution is located shall be called the 'local factor,' the combined populations of all other counties served by the institution shall be called the 'State factor.' When the budget for the items listed in G.S. 115D-32(a)(2)a has been approved under the procedures set out in G.S. 115D-45, the administrative the area in which regional institution is located shall provide a percentage to be determined by dividing the local factor by the sum of the local factor and the State factor. State shall provide a percentage necessary funds to meet this budget, the percentage to be determined by dividing the State factor by the sum of the local factor and the State factor. If the local administrative area provides less than its proportionate share, the amount of State funds provided shall be reduced by the same proportion as were the administrative area funds.

Wherever the word 'population' is used in this subdivision, it shall mean the population of the particular area in accordance with the latest United States census.

42 (b) The State Board is authorized to accept, receive, use, or 43 reallocate to the institutions any federal funds or aids that 44 have been or may be appropriated by the government of the United



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1 States for the encouragement and improvement of any phase of the 2 programs of the institutions.

3 (c) State funds appropriated to the State Board of Community 4 Colleges for equipment and library books books, except for funds 5 appropriated to the Equipment Reserve Fund, shall revert to the 6 General Fund 12 months after the close of the fiscal year for 7 which they were appropriated. Encumbered balances outstanding at 8 the end of each period shall be handled in accordance with 9 existing State budget policies. The Department shall identify to 10 the Office of State Budget and Management the funds that revert 11 at the end of the 12 months after the close of the fiscal year.

(d) State funds appropriated to the State Board of Community
Colleges for the Equipment Reserve Fund shall be allocated to
institutions in accordance with the equipment allocation formula
for the fiscal period. An institution to which these funds are
allocated shall spend the funds only in accordance with an
equipment acquisition plan developed by the institution and
approved by the State Board.

These funds shall not revert and shall remain available until

20 expended in accordance with an approved plan."

(b) The State Board of Community Colleges shall allocate 22 equipment funds appropriated for the 1998-99 fiscal year, 23 including funds appropriated to the Equipment Reserve Fund, in 24 accordance with the formula proposed to the General Assembly by 25 the Board at its May 1998 meeting.



1 CODE NO. 98DOCC-H005-S

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3 Requested by: Representatives Arnold, Grady, Preston

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5 BUDGET REALIGNMENT TO IMPLEMENT REORGANIZATION AUTHORIZED

1 Section 10.3. Notwithstanding G.S. 143-23 or any other

2 provision of law, the State Board of Community Colleges may

3 transfer funds within the budget of the Department of Community

4 Colleges to the extent necessary to implement the departmental

5 reorganization plan recommended by the President of the North

6 Carolina Community College System and adopted by the State Board.

#### 1 CODE NO. 98DOCC-H006-S

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3 Requested by: Representatives Arnold, Grady, Preston

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#### 5 CONTINUING BUDGET CONCEPT

Section 10.4. (a) The State Board of Community Colleges 2 shall implement the continuing budget concept for full-time 3 equivalent students (FTE) earned for the 1998-99 fiscal year as 4 follows:

- (1) Community colleges that experience a decline in enrollment shall not receive a decrease in fulltime equivalent student (FTE) enrollment funds until their enrollment declines more than three percent (3%). At that time, they shall experience a decline of only the amount over three percent (3%);
- (2) Community colleges that experience an increase in enrollment shall not receive an increase in full-time equivalent student (FTE) enrollment funds until their enrollment increases more than two percent (2%). At that time, they shall experience an increase of only the amount over two percent (2%).
- 19 (b) The State Board of Community Colleges shall 20 implement the continuing budget concept for subsequent fiscal 21 years by funding (i) the average earned full-time equivalent 22 student (FTE) enrollment for the prior three fiscal years, or 23 (ii) the earned full-time equivalent student (FTE) enrollment for 24 the prior fiscal year, whichever is greater.

1 CODE NO. 98DOCC-H007-S

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3 Requested by: Representatives Arnold, Grady, Preston

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#### 5 ANNUAL REVIEW ACCOUNTABILITY ENHANCED

Section 10.5. The General Assembly finds that the current annual program review standards are not adequate to ensure that programs are meeting the needs of students, employers, and the general public; therefore, the State Board of Community Colleges shall review the current standard to ensure a higher degree of program accountability and shall establish appropriate levels of performance for each measure based on sound methodological practices.

The State Board shall make an interim report to the 10 Joint Legislative Education Oversight Committee and to the Fiscal 11 Research Division on its improved accountability measures prior 12 to November 1, 1998, and a final report prior to February 1, 13 1999.

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1 CODE NO. 98DOCC-H008-S
3 Requested by: Representatives Arnold, Grady, Preston
5 DEVELOPMENT OF MANAGEMENT INFORMATION SYSTEM
           Section 10.6. The State Board of Community Colleges shall
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2 develop a plan for an efficient and effective technology and
                                  The system shall be
3 management information system.
4 support the Community College System's
                                             planning, evaluation,
5 communication, resource management, full-time equivalent student
6 (FTE) reporting, and decision-making processes.
                                                    The plan shall
7 identify the technology and management information needs of the
8 local colleges and the Department of Community Colleges, the
9 costs of meeting these needs, and the benefits of meeting them.
           The State Board shall report to the Joint Legislative
11 Education Oversight Committee prior to February 1, 1999, on the
12 plan it develops.
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#### 1 CODE NO. 98DOCC-H009-S

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3 Requested by: Representatives Arnold, Grady, Preston

#### 5 COOPERATIVE HIGH SCHOOL EDUCATION PROGRAM ACCOUNTABILITY

Section 10.7. (a) It is the goal of the General 2 Assembly to increase the number of qualified high school students 3 participating in cooperative high school education programs that 4 are provided by local community colleges through cost-effective 5 programs that do not duplicate high school Advanced Placement 6 courses that are currently being offered or that could feasibly 7 be offered. These programs shall provide additional higher 8 education opportunities for qualified high school students while 9 minimizing overlapping costs to the State for public schools and 10 community colleges.

11 (b) The State Board of Community Colleges and the State 12 Board of Education shall create a joint task force to study the 13 existing policies for cooperative high school education programs 14 and to recommend changes necessary to improve the programs' 15 success and accountability. The Boards shall report their 16 findings and recommendations to the Joint Legislative Education 17 Oversight Committee and the Fiscal Research Division prior to 18 March 1, 1999.



1 CODE NO. 98DOCC-H010-S 3 Requested by: Representatives Arnold, Grady, Preston 5 REPORTING REQUIREMENTS The local institutions of the North 1 Section 10.8. 2 Carolina Community College System shall comply with annual 3 reporting requirements established by the State 4 Community Colleges; therefore, the State Board of Community 5 Colleges shall develop an action plan to improve the timeliness 6 and accuracy of the data that are required to be reported to the 7 State Board by each institution. This plan shall include 8 withholding State funds from the institution if an institution is 9 not in compliance. 10 The plan shall be approved and implemented by October



11 30, 1998.

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1 CODE NO. 98DOCC-H011-S
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3 Requested by: Representatives Arnold, Grady, Preston
4
5 COMMUNITY COLLEGE TUITION STUDY
1 Section 10.9. The Joint Legislative Education Oversight
2 Committee shall study community college tuition in light of
3 federal "Hope Scholarships". The Committee shall report the
4 results of its study to the Appropriations Subcommittees on
5 Education of the Senate and the House of Representatives prior to
6 January 15, 1999.
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#### 1 CODE NO. 98DOCC-H012-S

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3 Requested by: Representatives Arnold, Grady, Preston

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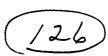
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#### 5 HOSPITALITY AND TOURISM JOB TRAINING PROGRAMS

Section 10.10. (a) The State Board of Community Colleges 1 2 shall study hospitality and tourism job training programs offered 3 by the local institutions of the North Carolina Community College The State Board of Community Colleges shall collaborate 5 with the Board of Governors of The University of North Carolina, 6 the State Board of Education, and the Department of Commerce to 7 improve articulation between institutions with 8 hospitality and tourism job training programs. The efforts to 9 improve articulations shall be considered a joint venture of 10 these educational institutions that are participating members of 11 the Culinary, Hospitality, Tourism Education Alliance (CHTEA), 12 and of the Department of Commerce and the travel and tourism 13 industry.

- 14 (b) The State Board of Community Colleges, the State 15 Board of Education, the Board of Governors of The University of 16 North Carolina, and the Department of Commerce shall report 17 jointly to the Joint Legislative Education Oversight Committee 18 prior to April 1, 1999, on the following:
  - (1) An inventory of all curriculum, continuing education, and job training programs offered in the State that support the travel, tourism, and hospitality industries;
  - (2) Recommendations for improvements to the programs and a system of program accountability; and
  - (3) Recommendations on ways to improve communication between the industry and the Boards and to enhance efforts to promote the programs.



1	CODE NO. 98DOCC-H013-P
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3	Requested by: Representatives Arnold, Grady, Preston
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5	ROANOKE-CHOWAN COMMUNITY COLLEGE/SHELTERED WORKSHOP
1	Section 10.11. (a) Roanoke-Chowan Community College may
2	use proceeds derived from the lease of buildings associated with
3	the sheltered workshop to phase out the sheltered workshop
4	operation.
<b>E</b>	(h) Whis section shall womain in offert while the

5 (b) This section shall remain in effect until the 6 closeout of the sheltered workshop has been accomplished.



ATTACHMENT ITO

#### CODE NO. 98UNC-H011D

Requested by:

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#### ESTABLISH UNC CENTER FOR SCHOOL LEADERSHIP DEVELOPMENT

1 Section @.(a) Chapter 116 of the General Statutes is 2 amended by adding a new Article to read:

3 "Article 5D

"Center for School Leadership Development.

5 "<u>\$ 116-74.50. UNC Center for School Leadership Development Board</u> 6 of directors established.

There is established the Board of Directors of the UNC Center for School Leadership Development. The Board of Directors shall be responsible to the Board of Governors of The University of North Carolina. Subject to G.S. 116-74.51, the Board of Governors shall delegate to the Board of Directors all the powers and duties the Board of Governors considers necessary or appropriate for the effective discharge of the functions of the UNC Center for School Leadership Development.

- 15 "<u>\$ 116-74.51.</u> Duties of the Board of Directors of the UNC Center 16 for School Leadership Development.
- 17 (a) In addition to any powers and duties delegated to the 18 Board of Directors by the Board of Governors, the Board of 19 Directors shall:
- 20 (1) Develop, update, and monitor a long range plan for coordinated professional development programs offered through the Center.
  - (2) Develop and provide high quality, meaningful professional development programs for professional public school employees and school board members.
- 26 (b) The Board of Directors shall incorporate into the long range plan the recommendations made by the State Board of Education under G.S. 115C-12(26). The Board of Directors shall submit the plan and any subsequent modifications and revisions to the Board of Governors for approval. The Board of Directors shall provide copies of the approved plan to the State Board of Education, the Joint Legislative Education Oversight Committee, and the Governor.
- 34 (c) The professional development programs under the Center 35 shall reflect the long range plan developed by the Board of

- Directors. The programs also shall be aligned with State education goals, shall be directed toward improving student academic achievement, shall be developed collaboratively, and shall be offered in geographically dispersed locations that are convenient to local school administrative units.
- 6 "\$ 116-74.52. UNC Center for School Leadership Development restablished; programs; director.
- 8 (a) There is establi'hed the UNC Center for School Leadership
  9 Development. The purpose of the Center is to provide high
  10 quality, coordinated professional development programs to
  11 professional public school employees and school board members.
  12 The Center shall include the following professional development
  13 programs and any other programs the Board of Governors determines
  14 should be located within the Center:
- 15 (1) The Executive Leadership Academy.

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- 16 (2) The North Carolina Center for the Advancement of Teaching.
  - (3) The North Carolina Center for the Prevention of School Violence.
    - (4) The North Carolina Mathematics and Science Education Network.
    - (5) The North Carolina Teacher Academy.
    - (6) The Principal Fellows Program.
  - (7) The Principals' Executive Program.
- 25 (b) Except as otherwise provided by law, the Board of 26 Governors shall determine the scope, purpose, and mission for 27 each professional development program located under the Center. 28 The Board of Governors also shall create a board of directors for 29 each professional development program located under the Center. 30 The boards of directors created under this subsection shall serve 31 in an advisory capacity to the Board of Directors for the UNC 32 Center for School Leadership Development.
- The Board of Governors shall appoint a director for each professional development program located under the Center. Each board of directors created under this subsection shall provide to the Board of Directors of the UNC Center for School Leadership Development recommended candidates to serve as director of their professional development program. The UNC Center for School Leadership Development Board of Directors shall transmit these
- 40 recommendations to the Board of Governors. The Board of

- 1 Governors shall take a board of directors recommendations into 2 consideration when appointing a director for the professional 3 development program.
- 4 (c) The President of The University of North Carolina shall 5 appoint a director for the Center, subject to the approval of the 6 Board of Governors."
  - (b) G.S. 116-30.01 is repealed.
  - (c) G.S. 116-74.6 reads as rewritten:
- 9 "§ 116-74.6. North Carolina Center for the Advancement of 10 Teaching established; powers and duties of trustees. Teaching.
- The sums of five hundred thousand dollars (\$500,000) in fiscal 11 12 year 1985-86 and two million dollars (\$2,000,000) in fiscal year 13 1986-87 that are appropriated to the Board of Covernors of The 14 University of North Carolina in Section 2 of the 1985-87 Current 15 Operations Appropriations Act shall be used to establish the 16 North Carolina Center for the Advancement of Teaching at Western 17 Carolina University in Jackson County. The Center shall operate 18 under the general auspices of The University of North Carolina 19 Board of Governors. It shall be the function of the North 20 Carolina Center for the Advancement of Teaching (hereinafter 21 called "NCCAT"), through itself or agencies with which it may 22 contract, to provide career teachers with opportunities to study 23 advanced topics in the sciences, arts, and humanities and to 24 engage in informed discourse, assisted by able mentors and 25 outstanding leaders from all walks of life; and otherwise to 26 offer opportunity for teachers to engage in scholarly pursuits, 27 through a center dedicated exclusively to the advancement of 28 teaching as an art and as a profession.
- The North Carolina Center for the Advancement of Teaching is 30 established under the Board of Governors of the University of 31 North Carolina. The Board of Governors shall determine the 32 scope, purpose, and mission of the North Carolina Center for the 33 Advancement of Teaching.
- The Board ofGovernors of The University of North Carolina shall establish the North Carolina Center for the Advancement of Teaching Board of Trustees and shall delegate to the Board of Trustees all the powers and duties the Board of Covernors considers necessary or appropriate for the effective discharge of the functions of NCCAT."
- 40 (d) G.S. 116-74.7 is repealed.



1 (e) G.S. 116-74.41(a) reads as rewritten: 2 "(a) There is established the North Carolina Principal Fellows 3 Commission. The Commission shall exercise its powers and duties 4 independently of the Board of Covernors of The University of 5 North Carolina. be responsible to the Board of directors of the 6 UNC Center for School Leadership Development. The Director of 7 the Principal Fellows Program shall staff the Commission. 8 State Education Assistance Authority (SEAA) as created in G.S. 9 116-203 shall be responsible for implementing scholarship loan 10 agreements, monitoring, cancelling through service, collecting 11 and otherwise enforcing the agreements for the Principal Fellows 12 Program scholarship loans established in accordance with G.S. 13 116-74.42."

ATTACKMENT II6

#### CODE NO. 98UNC-H011E

Requested by:

### ESTABLISH BOARD OF DIRECTORS FOR UNC CENTER FOR SCHOOL LEADERSHIP DEVELOPMENT

116-11 is amended by adding a

T	Section	e.(a) G.S. 110-11 Is allended by adding a new
2	subsection to rea	d:
3	" <u>(12b)</u>	The Board of Governors of The University of
4		North Carolina shall create a Board of
5		Directors for the UNC Center for School
6		Leadership Development. The Board of
7		Governors shall determine the powers and
8		duties of the Board of Directors.
9		Notwithstanding any other law, the governing
10		boards for all professional development
11		programs located under the UNC Center for
12		School Leadership Development shall serve in
13		an advisory capacity to the Board of
14		Directors."

(b) The Joint Legislative Education Oversight Committee 16 shall study whether additional statutory changes are needed to 17 implement the intent of this section and shall report its 18 recommendations to the 1999 General Assembly.

#### CODE NO. 98UNC-H001C-S

Requested by: Representative Reynolds

#### UNC INCENTIVE FUNDING

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Section 0. (a) G.S. 116-30.3 reads as rewritten: "\$ 116-30.3. Reversions.

Of the General Fund current operations appropriations 4 credit balance remaining at the end of each fiscal year in each 5 budget code of a special responsibility constituent institution, 6 except for the budget code of the Area Health Education Centers 7 of the University of North Carolina at Chapel Hill, any amount 8 greater than two percent (2%) of the General Fund appropriation 9 for that fiscal year may be carried forward by the institution to 10 the next fiscal year and may be used for one-time expenditures 11 that will not impose additional financial obligations on the Of the General Fund current operations appropriations 13 credit balance remaining in the budget code of the Area Health 14 Education Centers of the University of North Carolina at Chapel 15 Hill, any amount greater than one percent (1%) of the General 16 Fund appropriation for that fiscal year may be carried forward in 17 that budget code to the next fiscal year and may be used for one-18 time expenditures that will not impose additional financial 19 obligations on the State. However, the amount carried forward 20 under this section shall not exceed two and one-half percent (2 21 1/2%) of the General Fund appropriation. appropriation, plus the 22 amount of the reversions to be retained under subsections (d) and The Director of the Budget, under the 23 (e) of this section. 24 authority set forth in G.S. 143-25, shall establish the General 25 Fund current operations credit balance remaining in each budget 26 code of each institution.

- 27 (b) An institution shall cease to be a special responsibility 28 constituent institution under the following circumstances:
  - Health than the Area institution, other (1)of the University of Education Centers Carolina, does not revert at least two percent (2%) its General Fund current operations credit in each budget code of that balance remaining institution, or
  - (2) The Area Health Education Centers of the University of North Carolina at Chapel Hill does not revert at least one percent (1%) of its General Fund current operations credit balance remaining in its budget code.

- 1 However, if the Board of Governors finds that the low reversion 2 rate is due to adverse and unforeseen conditions, the Board may 3 allow the institution to remain a special responsibility 4 constituent institution for one year to come into conformity with 5 this section. The Board may make this exception only one time 6 for any special responsibility constituent institution, and shall 7 report these exceptions to the Joint Legislative Commission on 8 Governmental Operations.
- 9 (c) One-half of the The reversions required in subsection (a) 10 and (b) of this section shall be returned to the General Fund 11 credit balance at the end of each fiscal year. year, less the 12 amounts retained by the special responsibility constituent 13 institutions or the Board of Governors under subsections (d) and (e) of this section.
- (d) For fiscal year 1997-98 and each subsequent fiscal year, one-half of the reversions required in subsections (a) and (b) of this section shall be available to each special responsibility constituent institution of The University of North Carolina. Those funds shall be used by the institution at the campus level for any of the following: the nonrecurring costs of technology, including the installation of technology infrastructure for academic facilities on the campus of the special responsibility constituent institution, the implementation by the constituent institution of its campus technology plan as approved by the Board of Governors, or for libraries. The funds shall not be used to support positions. Each special responsibility constituent institution shall report annually to the Board of Governors regarding how the institution spent the funds made available under this section.
- (e) For fiscal year 1998-99 and each subsequent fiscal year, 31 one-half of the reversions required in subsections (a) and (b) of 32 this section shall be available to The Board of Governors of The 33 University of North Carolina for the nonrecurring costs of installation of 34 technology including the 35 infrastructure for academic facilities on the campuses of the 36 special responsibility constituent institutions according to 37 technology plans as approved by the Board of Governors. 38 funds shall be transferred to a non-reverting technology account 39 established for this purpose on June 30 of each fiscal year. The 40 Board of Governors shall allocate these funds based on priorities 41 approved by the Board, and the Board shall report annually to the 42 Joint Legislative Education Oversight committee on the use of 43 these funds."

#### HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

#### Thursday, October 15, 1998

#### **MINUTES**

The House Appropriations Subcommittee on Education met on Thursday, October 15, 1998, at 8:30 a.m. in Room 421 of the Legislative Office Building.

Members present were Representatives Grady and Preston, Co-chairs; Representatives Creech, Daughtry, Davis, Reynolds, Rogers, and Yongue.

Representative Grady called the meeting to order.

The Committee met to take up SB 1125, Miscellaneous Education Changes, which has not received the Third reading. It is a bill by Senator Jennie Lucas, passed through Education Oversight Committee with an overwhelming vote on Second Reading. One amendment failed on a tie vote and the question is whether to postpone ABC Bonus Money. Some school districts said they could not do as fast as the original bill called for. Compromise arrived and all people involved in the process seem to have signed off. We are trying to get the bill finished before Short Session ends. Recognized Representative Preston to explain time delay involving ABC bonus money.

Representative Preston stated that many complaints have been received from teachers about not having bonus pay yet. Many LEA's have acted and are able to accommodate the teachers. An amendment received in the Education Policy Committee which would force the local boards to act promptly on receiving money from the Department of Public Instruction. As heard on the House floor this week, it creates a problem for LEA's to get out as quickly as bill requires. Challenge is to accommodate getting teachers paid as early as possible but allow time for finance officers to get money into the regular paycheck.

Wording has been removed to eliminate days and now states that "each local school administrative unit is encouraged to make these awards to each eligible person no later than the first regular teacher payroll following the local unit's receipt of the funds and shall make these awards to each eligible person no later than the  $2^{nd}$  regular teacher payroll following the local unit's receipt of the funds".

Representative Grady called for questions and there were none.

Representative Grady stated that this will take the bill back to the House floor and make this bill virtually unamendable. It is the intent to get this passed before the end of the Short Session. There has been a full day of discussion, had a lot of amendments and this takes us back to where we can put the bill on the calendar, people can vote yes or no, will sent to the Senate for concurrence and see if will have to have conference committee. Extremely time sensitive. Motion made to accept the amendment; no opposition. Bill will be engrossed and sent back to the House floor.

House APPROPRIATIONS/Subcommittee on Education MINUTES
Thursday, October 15, 1998
Page 2

There was no further business to come before the committee at this time. The meeting was adjourned.

Respectfully submitted:

Representative W. Robert Grady, Co-Chair

Sandra B. Ellis, Committee Clerk

#### 1998 PERMANENT SUBCOMMITTEE REPORT HOUSE OF REPRESENTATIVES

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE The following report(s) from permanent sub committee(s) is/are presented:

By Representative(s) Arnold, Grady and Preston for the Permanent Subcommittee on Education of the Standing Committee on APPROPRIATIONS.

House Committee Substitute for

S.B. 1125

MA BILL TO BE ENTITLED AN ACT TO AMEND VARIOUS

EDUCATION LAWS

#### REPORTED TO THE STANDING COMMITTEE ON

RE	COMMENDED ACTION:		
	With a favorable recommendation.		
	With a favorable recommendation and recommend that the bill be re-referred to the Committee on .		
	With a favorable recommendation, as amended.		
	With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on		
	With an unfavorable recommendation.		
	With a favorable recommendation as to proposed committee substitute bill which changes the title, unfavorable as to original bill.		
	With a favorable recommendation as to proposed House committee substitute bill, which changes the title, unfavorable as to Senate committee substitute bill.		
	Without prejudice.		
	Other recommended action:		
	TH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY THE FLOOR OF THE HOUSE: Rep. Holmes for the Standing Committee on APPROPRIATIONS.  SI JUNES M. HOLMEN		
	With a favorable report.  With a favorable report, as amended.  With a favorable report as to House committee substitute bill (#2), ⋈ which changes the title, unfavorable as to original-bill (House Committee Substitute Bill #1).  And having received a unanimous vote in committee, be placed on the Consent Calendar. (PUBLIC BILLS ONLY)		



## NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT Senate Bill 1125

AMENDMENT NO.

(to be filled in by Principal Clerk)

Page 1 of

S1125-ARH-016.1

Date\_\_\_\_\_,199

Comm. Sub. [YES]
Amends Title [YES]
Fourth Edition, as amended by Amendments 1 & 4

#### Representative Preston

1 moves to amend the bill, as amended by Amendments 1 & 4, on page 1, 2 line 2, by rewriting the line to read: "AN ACT TO CLARIFY THAT THE PRESIDENT PRO TEMPORE OF THE SENATE 4 APPOINTS ONE COCHAIR OF THE SCHOOL TECHNOLOGY COMMISSION; TO REQUIRE 5 LOCAL SCHOOL ADMINISTRATIVE UNITS TO MAKE ABC'S AWARDS NO LATER THAN 6 THE SECOND REGULAR TEACHER PAYROLL; TO REQUIRE ABC'S AWARDS TO GO ONLY FOR DIRECT AWARDS TO CERTIFIED PERSONNEL AND TEACHER 8 ASSISTANTS; TO CLARIFY THAT THE SUPERINTENDENT OR HIS DESIGNEE 9 DEVELOPS THE SCHOOL BUS ASSIGNMENT PLAN; TO EXEMPT FROM THE SCHOOL 10 ADMINISTRATOR EXAM INDIVIDUALS WHO OBTAINED OR RENEWED A SCHOOL 11 ADMINISTRATOR/SUPERVISOR CERTIFICATE DURING THE FIVE YEARS BEFORE 12 JANUARY 1, 1998; TO AUTHORIZE THE STATE BOARD OF EDUCATION TO ADOPT 13 POLICIES GOVERNING THE REQUIREMENTS FOR THE CERTIFICATION OF 14 INDIVIDUALS WHO ARE CERTIFIED IN ANOTHER STATE AS SCHOOL 15 ADMINISTRATORS; TO MOVE THE COMPETENCY TEST FROM TENTH TO NINTH 16 GRADE; TO CLARIFY THAT THE SUPERINTENDENT MAKES DECISIONS CONCERNING 17 SUSPENSION OR EXPULSION OF STUDENTS; TO CLARIFY THAT SUPERINTENDENTS 18 MUST KEEP DATA ON STUDENTS WHO ARE SUSPENDED MORE THAN 10 DAYS; TO 19 REQUIRE THE PROVISION OF REMEDIAL ASSISTANCE IN NINTH GRADE TO 20 STUDENTS WHO FAIL TO PASS THE EIGHTH GRADE END-OF-GRADE TESTS; TO 21 PROHIBIT PRINCIPALS OR THEIR DESIGNEES FROM WITHHOLDING A STUDENT 22 RECORD WHEN A STUDENT TRANSFERS TO ANOTHER SCHOOL EXCEPT IN 23 ACCORDANCE WITH FEDERAL LAW; TO AMEND THE EXCELLENT SCHOOLS ACT TO 24 CLARIFY THAT ACTION PLANS ARE REQUIRED FOR CERTIFIED EMPLOYEES IN 25 LOW-PERFORMING SCHOOLS WHEN THEY RECEIVE AN UNSATISFACTORY 26 EVALUATION RELATED TO THEIR INSTRUCTIONAL DUTIES AND TO REQUIRE 27 LOCAL BOARDS TO ADOPT POLICIES THAT REQUIRE ACTION PLANS FOR 28 CERTIFIED EMPLOYEES IN OTHER SCHOOLS WHO RECEIVE AN UNSATISFACTORY 29 EVALUATION; TO ALLOW THE INITIAL CONTRACT FOR A SCHOOL ADMINISTRATOR 30 TO BE FOR A TERM OF LESS THAN 12 MONTHS; TO DIRECT THE STATE BOARD 31 OF EDUCATION TO EVALUATE THE SAFE SCHOOLS BONUS FOR PRINCIPALS AND 32 ASSISTANT PRINCIPALS; AND TO DIRECT THE STATE BOARD OF EDUCATION AND 33 UNC BOARD OF GOVERNORS TO DEVELOP A PROPOSAL FOR A STATEWIDE LATERAL 34 ENTRY TEACHER LICENSURE PROGRAM.";



#### NORTH CAROLINA GENERAL ASSEMBLY AMENDMENT Senate Bill 1125

		AMENDMENT NO	<b>).</b>
		(to be fille	
		Principal (	Clerk)
	S1125-ARH-016.1		Page 2 of
		ي مناسب المناسب المناس	
1	and further amends the bil	11, as amended by Amendment	cs 1& 4, on page
2	2, lines 29-36, by rewrit:		•
3		or awards to the personnel.	
		t is encouraged to make the	
		ater than the first regular	
6	following the local unit's	receipt of the funds, and	<u>l shall make</u>
7	these awards to each elig:	ible person no later than t	the second
		ollowing the local unit's r	receipt of the
9	funds.'".		
LO		•	•
	SIGNED	·	•
	Amendment Sponsor		
	SIGNED	Gammittee Amendment	
	Committee Chair if Senate	Committee Amendment	
	ADOPTED	FAILED	TABLED

#### GENERAL ASSEMBLY OF NORTH CAROLINA

#### **SESSION 1997**

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D

#### SENATE BILL 1125\*

Education/Higher Education Committee Substitute Adopted 8/3/98
Third Edition Engrossed 8/4/98
House Committee Substitute Favorable 8/19/98
Proposed House Committee Substitute S1125-PCS2916

Short Title: Misc. Education Changes.	(Public
Sponsors:	
Referred to:	

#### May 14, 1998

1 A BILL TO BE ENTITLED AN ACT TO CLARIFY THAT THE PRESIDENT PRO TEMPORE OF THE 2 SENATE APPOINTS ONE COCHAIR OF THE SCHOOL TECHNOLOGY 3 4 COMMISSION; TO REQUIRE LOCAL SCHOOL ADMINISTRATIVE UNITS 5 TO MAKE ABC'S AWARDS NO LATER THAN THE SECOND REGULAR 6 TEACHER PAYROLL; TO REQUIRE ABC'S AWARDS TO GO ONLY FOR 7 AWARDS TO CERTIFIED PERSONNEL AND 8 ASSISTANTS; TO CLARIFY THAT THE SUPERINTENDENT OR HIS 9 DESIGNEE DEVELOPS THE SCHOOL BUS ASSIGNMENT PLAN: TO 10 EXEMPT FROM THE SCHOOL ADMINISTRATOR EXAM INDIVIDUALS 11 WHO **OBTAINED** OR RENEWED Α SCHOOL ADMINISTRATOR/SUPERVISOR CERTIFICATE DURING THE FIVE YEARS 12 BEFORE JANUARY 1, 1998; TO AUTHORIZE THE STATE BOARD OF 13 14 EDUCATION TO ADOPT POLICIES GOVERNING THE REQUIREMENTS FOR THE CERTIFICATION OF INDIVIDUALS WHO ARE CERTIFIED IN 15 ANOTHER STATE AS SCHOOL ADMINISTRATORS; TO MOVE THE 16 17 COMPETENCY TEST FROM TENTH TO NINTH GRADE; TO CLARIFY 18 THAT THE SUPERINTENDENT MAKES DECISIONS CONCERNING 19 SUSPENSION OR EXPULSION OF STUDENTS; TO CLARIFY THAT SUPERINTENDENTS MUST KEEP DATA ON STUDENTS WHO ARE 20 21 SUSPENDED MORE THAN TEN DAYS; TO REQUIRE THE PROVISION OF

1 REMEDIAL ASSISTANCE IN NINTH GRADE TO STUDENTS WHO FAIL 2 TO PASS THE EIGHTH GRADE END-OF-GRADE TESTS; TO PROHIBIT 3 PRINCIPALS OR THEIR DESIGNEES FROM WITHHOLDING A STUDENT 4 RECORD WHEN A STUDENT TRANSFERS TO ANOTHER SCHOOL EXCEPT IN ACCORDANCE WITH FEDERAL LAW; TO AMEND THE 5 6 EXCELLENT SCHOOLS ACT TO CLARIFY THAT ACTION PLANS ARE 7 REQUIRED FOR CERTIFIED **EMPLOYEES** IN LOW-PERFORMING 8 SCHOOLS WHEN THEY RECEIVE AN UNSATISFACTORY EVALUATION 9 RELATED TO THEIR INSTRUCTIONAL DUTIES AND TO REQUIRE 10 LOCAL BOARDS TO ADOPT POLICIES THAT REQUIRE ACTION PLANS 11 FOR CERTIFIED EMPLOYEES IN OTHER SCHOOLS WHO RECEIVE AN 12 UNSATISFACTORY EVALUATION; TO ALLOW THE INITIAL CONTRACT 13 FOR A SCHOOL ADMINISTRATOR TO BE FOR A TERM OF LESS THAN 14 TWELVE MONTHS; TO DIRECT THE STATE BOARD OF EDUCATION TO 15 EVALUATE THE SAFE SCHOOLS BONUS FOR PRINCIPALS AND ASSISTANT PRINCIPALS: AND TO DIRECT THE STATE BOARD OF 16 17 EDUCATION AND UNC BOARD OF GOVERNORS TO DEVELOP A PROPOSAL FOR A STATEWIDE LATERAL ENTRY TEACHER LICENSURE 18 19 PROGRAM.

The General Assembly of North Carolina enacts:

Section 1. G.S. 115C-102.5(b) reads as rewritten:

- "(b) The Commission shall consist of the following 18 members:
  - (1) The State Superintendent of Public Instruction or a designee;
    - (2) One representative of The University of North Carolina, appointed by the President of The University of North Carolina;
    - (3) One representative of the North Carolina Community College System, appointed by the President of the North Carolina Community College System;
    - (4) A person with management responsibility concerning information technology related State Government functions, designated by the Secretary of Commerce;
    - (5) Four members appointed by the Governor;
    - (6) Six members appointed by the President Pro Tempore of the Senate two of whom shall be members of the Senate. One of these six members shall be appointed by the President Pro Tempore of the Senate to serve as cochair; and
    - (7) Six members appointed by the Speaker of the House of Representatives two of whom shall be members of the House of Representatives. One of these six members shall be appointed by the Speaker of the House of Representatives to serve as cochair.

In appointing members pursuant to subdivisions (5), (6), and (7) of this subsection, the appointing persons shall select individuals with technical or applied knowledge or experience in learning and instructional management technologies or individuals with

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1 expertise in curriculum or instruction who have successfully used learning and 2 instructional management technologies.

No producers, vendors, or consultants to producers or vendors of learning or 4 instructional management technologies shall serve on the Commission.

Members shall serve for two-year terms. Vacancies in terms of members shall be 6 filled by the appointing officer. Persons appointed to fill vacancies shall qualify in the same manner as persons appointed for full terms."

Section 2. G.S. 115C-105.36(b) reads as rewritten:

- "(b) The State Board shall establish a procedure to allocate the funds for these 10 awards to the local school administrative units in which the eligible schools are 11 located. Funds shall become available for expenditure July 1 of each fiscal year. 12 Funds shall remain available until November 30 of the subsequent fiscal year for 13 expenditure for:
  - Awards to the personnel; or <del>(1)</del>
  - $\left(\frac{2}{2}\right)$ The purposes authorized in a plan that has been:
    - Developed and voted on by the personnel in the same manner that a school improvement plan is approved under G.S. 115C-105.27:
    - Approved by a majority of the personnel who vote on the <del>b.</del> plan; and
    - Submitted to and approved by the local-board of education. The local board shall approve this plan unless the plan involves expenditures of funds that are not for a public purpose or that are otherwise unlawful. for awards to the personnel. Each local school administrative unit is encouraged to make these awards to each eligible person no later than the first regular teacher payroll following the local unit's receipt of the funds, and shall make these awards to each eligible person no later than the second regular teacher payroll following the local unit's receipt of the funds."

Section 3. G.S. 115C-244 reads as rewritten:

#### "§ 115C-244. Assignment of pupils to school buses.

- (a) The principal of a school, to which any school bus has been assigned by the 33 superintendent of the schools of the local school administrative unit embracing such 34 school, shall assign to such bus or buses the pupils and employees who may be 35 transported to and from such school upon such bus or buses. The superintendent or 36 superintendent's designee shall assign the pupils and employees who may be 37 transported to and from school upon the bus or buses assigned to each school and 38 shall implement and enforce the plan developed under G.S. 115C-246. No pupil or 39 employee shall be permitted to ride upon any school bus to which such pupil or 40 employee has not been so assigned by the principal, superintendent or 41 superintendent's designee, except by the express direction of the principal. 42 <u>superintendent or superintendent's designee.</u>
- (b) In the event that the superintendent of any local school administrative unit 44 shall assign or superintendent's designee assigns a school bus to be used in the

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- 1 transportation of pupils to two or more schools, the superintendent or 2 superintendent's designee shall designate the number of assign the pupils to be 3 transported to and from each such school by such that bus, and the principals of the 4 respective schools shall assign pupils to such buses in accordance with such 5 designation. implement and enforce this assignment of pupils.
- (c) Any pupil enrolled in any school, or the parent or guardian of any such pupil, 6 7 or the person standing in loco parentis to such pupil, may apply to the principal of 8 such school for transportation of such pupil to and from such school by school bus 9 for the regularly organized school day. Upon application, the principal 10 shall deliver the application to the superintendent or superintendent's designee, who 11 shall assign a pupil to a school bus if the pupil is entitled to school bus transportation 12 under this Article and the rules of the State Board of Education. Such assignment 13 shall be made by the principal superintendent or superintendent's designee so as to 14 provide for the orderly, safe and efficient transportation of pupils to such school and 15 so as to promote the orderly and efficient administration of the school and the health, 16 safety and general welfare of the pupils to be so transported. Assignments of pupils 17 and employees to school buses may be changed by the principal of the school 18 superintendent or superintendent's designee as he may from time to time find proper 19 for the safe and efficient transportation of such pupils and employees.
- (d) The parent or guardian of any pupil enrolled in any school, or the person 21 standing in loco parentis to any such pupil, who shall apply to the principal of such 22 sehool under subsection (c) of this section for the transportation of such pupil to and 23 from such school by school bus, may, if such application is denied, or if such pupil is 24 assigned to a school bus not satisfactory to such parent, guardian, or person standing 25 in loco parentis to such pupil, pursuant to rules and regulations established by the 26 local board of education, apply to such board for such transportation upon a school 27 bus designated in such application, and shall be entitled to a prompt and fair hearing 28 by such board in accordance with the rules and regulations established by it. The majority of such board shall be a quorum for the purpose of holding such hearing 30 and passing upon such application, and the decision of the majority of the members 31 present at such hearing shall be the decision of the board. If, at such hearing, the 32 board shall find that pupil is entitled to be transported to and from such school upon 33 the school bus designated in such application, or if the board shall find that the 34 transportation of such pupil upon such bus to and from such school will be for the 35 best interests of such pupil, will not interfere with the proper administration of such 36 school, or with the safe and efficient transportation by school bus of other pupils 37 enrolled in such school and will not endanger the health or safety of the children 38 there enrolled, the board shall direct that such child be assigned to and transported to such school upon such bus.
- (e) A decision of a local board under subsection (d) is final and, except as 41 provided in this subsection, is subject to judicial review in accordance with Article 4 42 of Chapter 150B of the General Statutes. A person seeking judicial review shall file a 43 petition in the superior court of the county where the local board made its decision.

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(f) No employee shall be assigned to or permitted to ride upon a school bus when 2 to do so will result in the overcrowding of such bus or will prevent the assignment to 3 such bus of a pupil entitled to ride thereon, or will otherwise, in the opinion of the principal, superintendent or superintendent's designee, be detrimental to the comfort 5 or safety of the pupils assigned to such bus, or to the safe, efficient and proper 6 operation of such bus."

Section 4. G.S. 115C-245 reads as rewritten:

#### "§ 115C-245. School bus drivers; monitors; safety assistants.

- (a) Each local board, which elects to operate a school bus transportation system, 10 shall employ the necessary drivers for such school buses. The drivers shall have all 11 qualifications prescribed by the regulations of the State Board of Education herein 12 provided for and must be at least 18 years old and have at least six months driving 13 experience as a licensed operator of a motor vehicle before employment as a regular 14 or substitute driver, but the selection and employment of each driver shall be made 15 by the local board of education, and the driver shall be the employee of such local 16 school administrative unit. Each local board of education shall assign the bus drivers 17 employed by it to the respective schools within the jurisdiction of such board, and the 18 principal of each such school superintendent or superintendent's designee shall assign 19 the drivers to the school buses to be driven by them. No school bus shall at any time 20 be driven or operated by any person other than the bus driver assigned by such 21 principal to such bus except by the express direction of such principal the 22 superintendent or superintendent's designee or in accordance with rules and 23 regulations of the appropriate local board of education.
- The driver of a school bus subject to the direction of the principal 25 superintendent or superintendent's designee shall have complete authority over and 26 responsibility for the operation of the bus and the maintaining of good order and 27 conduct upon such bus, and shall report promptly to the principal any misconduct 28 upon such bus or disregard or violation of the driver's instructions by any person 29 riding upon such bus. The principal may take such action with reference to any such 30 misconduct upon a school bus, or any violation of the instructions of the driver, as he 31 might take if such misconduct or violation had occurred upon the grounds of the 32 school.
- (c) The driver of any school bus shall permit no person to ride upon such bus 34 except pupils or school employees assigned thereto or persons permitted by the 35 express direction of the principal superintendent or superintendent's designee to ride 36 thereon.
- (d) The principal of a school, to which a school bus has been assigned, may, in his 38 discretion, appoint a monitor for any bus so assigned to such school. The 39 superintendent or superintendent's designee may, in his discretion, appoint a monitor 40 for any bus assigned to any school. It shall be the duty of such monitor, subject to 41 the direction of the driver of the bus, to preserve order upon the bus and do such 42 other things as may be appropriate for the safety of the pupils and employees 43 assigned to such bus while boarding such bus, alighting therefrom or being 44 transported thereon, and to require such pupils and employees to conform to the

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1 rules and regulations established by the local board of education for the safety of 2 pupils and employees upon school buses. Such monitors shall be unpaid volunteers 3 who shall serve at the pleasure of the principal. superintendent or superintendent's 4 designee. 5

(e) A local board of education may, in its discretion within funds available. 6 employ transportation safety assistants upon recommendation of the principal through 7 the superintendent. The safety assistants thus employed shall assist the bus drivers 8 with the safety, movement, management, and care of children boarding the bus, 9 leaving the bus, or being transported in it. The safety assistant should be either an 10 adult or a certified student driver who is available as a substitute bus driver."

Section 5. G.S. 115C-290.8 reads as rewritten:

#### 12 "§ 115C-290.8. Exemptions from requirements.

- (a) The requirements of this Article do not apply to a person who, at any time 14 during the five years preceding January 1, 1998, (i) completed an administrative 15 internship as part of an approved graduate program in school administration and 16 obtained an active State administrator/supervisor certificate, (ii) was engaged in 17 school administration while in possession of an active State administrator/supervisor 18 certificate, or (iii) was employed in a North Carolina college or university as an 19 instructor while in possession of an active State administrator/supervisor certificate 20 and whose major responsibilities included the preparation or supervision of 21 individuals enrolled in a public school administration program that meets the public 22 sehool administrator program approval standards set by the State Board. obtained or 23 renewed a State administrator/supervisor certificate.
- (b) The State Board may adopt policies governing the requirements for the 25 certification of individuals who hold a certificate issued in any other state that authorizes them to be employed as school administrators in that state. These policies may exempt some or all of these individuals from the requirements of this Article.
- (c) A person who is exempt from the requirements of this Article but applies to the Standards Board under this Article shall be subject to the Article." 29

Section 6. G.S. 115C-174.21(b) reads as rewritten:

- "(b) Competency Testing Program.
  - The State Board of Education shall adopt tests or other (1) measurement devices which may be used to assure that graduates of the public high schools and graduates of nonpublic schools supervised by the State Board of Education pursuant to the provisions of Part 1 of Article 39 of this Chapter possess the skills knowledge necessary to function independently successfully in assuming the responsibilities of citizenship.
  - The tests shall be administered annually to all tenth ninth grade (2) students in the public schools. Students who fail to attain the required minimum standard for graduation in the tenth ninth grade shall be given remedial instruction and additional opportunities to take the test up to and including the last month of the twelfth grade. Students who fail to pass parts of the test shall be retested

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1		on only those parts they fail. Students in the tenth ninth grade who
2		are enrolled in special education programs or who have been
3		officially designated as eligible for participation in such programs
4		may be excluded from the testing programs.
5	(3)	The State Board of Education may develop and validate alternate
6		means and standards for demonstrating minimum competence.
7		These standards, which must be more difficult than the tests
8		adopted pursuant to subdivision (1) of this subsection, may be
9		passed by students in lieu of the testing requirement of subdivision
10		(2) of this subsection.
11	(4)	Repealed by Session Laws 1996, Second Extra Session, c. 18, s.
12		18.14."
13	Sectio	n 7. G.S. 115C-391(d1) reads as rewritten:
14		board of education or superintendent shall suspend for 365 days any
15		gs a weapon, as defined in G.S. 14-269.2(b) and G.S. 14-269.2(g),
16		erty. The local board of education upon recommendation by the
17		ay modify this suspension requirement on a case-by-case basis that
18		not limited to, the procedures established for the discipline of
19		abilities and may also provide, or contract for the provision of,
20		ces to any student suspended pursuant to this subsection in an
21		setting or in another setting that provides educational and other
22	services."	
23	Section	n 8. G.S. 115C-391(d2) reads as rewritten:
24	"(d2) (1)	A local board of education shall The superintendent shall, upon
25	. , . ,	recommendation of the principal, remove to an alternative
26		educational setting, as provided in subdivision (4) of this
27		subsection, any student who is at least 13 and who physically
28		assaults and seriously injures a teacher or other school personnel. If
29		no appropriate alternative educational setting is available, then the
30		board shall superintendent shall, upon recommendation of the
31		principal, suspend for no less than 300 days but no more than 365
32		days any student who is at least 13 and who physically assaults and
33		seriously injures a teacher or other school personnel.
34	(2)	A local board of education may The superintendent may, upon
35		recommendation of the principal, remove to an alternative
36		educational setting any student who is at least 13 and who does
37		one of the following:
38		a. Physically assaults a teacher or other adult who is not a
39		student.
10		b. Physically assaults another student if the assault is witnessed
11		by school personnel

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Physically assaults and seriously injures another student.

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c.

1 If no appropriate alternative educational setting is available, then the board may 2 superintendent may, upon recommendation of the principal, suspend this student for 3 up to 365 days.

- (3) For purposes of this subsection, the conduct leading to suspension or removal to an alternative educational setting must occur on school property or at a school-sponsored or school-related activity on or off school property. This subsection shall not apply when the student who is subject to suspension or removal was acting in selfdefense. If a teacher is assaulted or injured and as a result a student is suspended or removed to an alternative educational setting under this subsection, then the student shall not be returned to that teacher's classroom unless the teacher consents. If a student is suspended under this subsection, the board may assign the student to an alternative educational setting upon the expiration of the period of suspension.
- (4) If the <del>local board</del> superintendent removes the student to an alternative educational setting, as provided in subdivision (1) of this subsection, and the conduct leading to the removal occurred on or before the ninetieth school day, the board shall remove the student to that setting for the remainder of the current school year and the first 90 school days in the following school year. If the board superintendent chooses to remove the student to an alternative educational setting, as provided in subdivision (1) of this subsection, and the conduct leading to the removal occurred after the ninetieth school day, the board shall remove the student to that setting for the remainder of the current school year and for entire subsequent school year. Notwithstanding requirements, the local board superintendent may authorize a shorter or longer length of time a student must remain in an alternative educational setting if the board superintendent finds this would be more appropriate based upon the recommendations of the principals of the alternative school and the school to which the student will return."

Section 9. G.S. 115C-391(e) reads as rewritten:

"(e) A decision of a local-board superintendent under subsection (c), (d), (d1), or 36 (d2) of this section may be appealed to the local board of education. A decision of 37 the local board upon this appeal or of the local board under subsection (d) or (d1) of 38 this section is final and, except as provided in this subsection, is subject to judicial 39 review in accordance with Article 4 of Chapter 150B of the General Statutes. A 40 person seeking judicial review shall file a petition in the superior court of the county 41 where the local board made its decision."

Section 10. G.S. 115C-276(r) reads as rewritten:

"(r) To Maintain Student Discipline. -- The superintendent shall maintain student 44 discipline in accordance with Article 27 of this Chapter and shall keep data on each

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1 student suspended for more than 10 days or expelled. This data shall include the 2 race, gender, and age of each student, the duration of suspension for each student, 3 whether an alternative education was considered or provided for each student, and whether a student had multiple suspensions."

Section 11. G.S. 115C-174.21(c) reads as rewritten:

"(c) Annual Testing Program.

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- The State Board of Education shall adopt a system of annual (1) testing for grades three through 12. These tests shall be designed to measure progress toward reading, communication skills, and mathematics for grades three through eight, and toward competencies designated by the State Board for grades nine through 12. Students who do not pass the tests adopted for eighth grade shall be provided remedial instruction in the ninth grade. This assistance shall be calculated to prepare the students to pass the competency test administered under subsection (b) of this section.
- If the State Board of Education finds that additional testing in (2) grades three through 12 is desirable to allow comparisons with national indicators of student achievement, that testing shall be conducted with the smallest size sample of students necessary to assure valid comparisons with other states."

Section 12. G.S. 115C-403(b) reads as rewritten:

"(b) When any child transfers from one school system to another school system, 24 the receiving school shall, within 30 days of the child's enrollment, obtain the child's 25 record from the school from which the child is transferring. If the child's parent, 26 custodian, or guardian provides a copy of the child's record from the school from 27 which the child is transferring, the receiving school shall, within 30 days of the child's 28 enrollment, request written verification of the school record by contacting the school 29 or institution named on the transferring child's record. Upon receipt of a request, 30 the principal or the principal's designee of the school from which the child is 31 transferring shall not withhold the record or verification for any reason, except as is 32 authorized under the Family Educational Rights and Privacy Act. Any information 33 received indicating that the transferring child is a missing child shall be reported to 34 the North Carolina Center for Missing Persons."

Section 13. G.S. 115C-288 is amended by adding the following new 36 subsection:

"(i) To Transfer Student Records. -- The principal shall not withhold the transfer 38 of student records, except as is provided in G.S. 115C-403(b)."

G.S. 115C-333(b), as created in S.L. 1998-5, reads as Section 14. 40 rewritten:

- "(b) Action Plans. --
  - If a certified employee in a low-performing school receives an (1) unsatisfactory or below standard rating on any function of the evaluation that is related to the employee's instructional duties, the

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individual or team that conducted the evaluation shall recommend to the superintendent that: (i) the employee receive an action plan designed to improve the employee's performance: or (ii) the superintendent recommend to the local board that the employee be dismissed or demoted. The superintendent shall determine whether to develop an action plan or to recommend a dismissal proceeding. Action plans shall be developed by the person who evaluated the employee or the employee's supervisor unless the evaluation was conducted by an assistance team or an assessment team. If the evaluation was conducted by an assistance team or an assessment team, that team shall develop the action plan in collaboration with the employee's supervisor. Action plans shall be designed to be completed within 90 instructional days or before the beginning of the next school year. The State Board shall develop guidelines that include strategies to assist local boards in evaluating certified employees and developing effective action plans within the time allotted under this section. Local boards may adopt policies for the development and implementation of action plans or professional development plans for employees who do not require action plans under this section.

(2) Local boards shall adopt policies to require action plans for all certified employees who receive a below standard or unsatisfactory rating on an evaluation in the event the superintendent does not recommend dismissal, demotion, or nonrenewal."

G.S. 115C-333(c), as created in S.L. 1998-5, reads as Section 15. 26 rewritten:

"(c) Reevaluation. -- Upon completion of an action plan under subdivision (1) of 28 subsection (b) of this section, the superintendent, the superintendent's designee, or 29 the assessment team shall evaluate the employee a second time. If on the second 30 evaluation the employee receives one unsatisfactory or more than one below standard 31 rating on any function that is related to the employee's instructional duties, the 32 superintendent shall recommend that the employee be dismissed or demoted under 33 G.S. 115C-325. The results of the second evaluation shall constitute substantial 34 evidence of the employee's inadequate performance."

Section 16. G.S. 115C-287.1(b) reads as rewritten:

Local boards of education shall employ school administrators who are 37 ineligible for career status as provided by in G.S. 115C-325(c)(3), upon the 38 recommendation of the superintendent. All contracts between the a school 39 administrator and the a local board of education shall be for two to four years, 40 ending on June 30 of the final 12 months of the contract. In the case of an initial 41 contract between a school administrator and a local board of education, the first year 42 of the contract may be for a period of less than 12 months provided the contract 43 becomes effective on or before September 1. The A local board of education may, 44 with the written consent of the a school administrator, extend, renew, or offer a new

1 school administrator's contract at any time after the first 12 months of the contract so 2 long as the term of the new, renewed, or extended contract does not exceed four 3 years. Rolling annual contract renewals are not allowed. Nothing in this section 4 shall be construed to prohibit the filling of an administrative position on an interim 5 or temporary basis."

Section 17. The State Board of Education shall evaluate the provision by 7 local boards of education of lump-sum payments of one percent (1%) of the base 8 salaries of principals and assistant principals in schools the boards found to meet the 9 goals of local plans for maintaining safe and orderly schools. 10 identify the number of principals and assistant principals who received these 11 payments, how local boards determined whether schools met local goals for 12 maintaining safe and orderly schools, and any other information that boards used to 13 select the individuals to receive these payments. The State Board shall report the 14 results of this evaluation to the Joint Legislative Education Oversight Committee by 15 December 31, 1998.

16 Section 18. The State Board of Education and the Board of Governors of 17 The University of North Carolina shall develop a proposal for a statewide lateral 18 entry teacher licensure program and shall report the proposal to the Joint Legislative 19 Education Oversight Committee prior to September 1, 1999. The proposal shall 20 include the following: (i) active recruitment of mid-career college graduates into 21 teaching; (ii) intensive summer preservice preparation prior to the initial year of 22 employment that is delivered at multiple sites throughout the State; (iii) coaching, 23 support, and continued professional preparation for initial licensure provided during 24 the initial year of employment; (iv) portfolio development and professional 25 assessment during the initial year of employment; (v) intensive second summer 26 preparation for initial licensure examination unless the individual has already taken 27 and passed the initial licensure examination; (vi) use of technology for professional 28 and instructional support to increase program accessibility and decrease distance as a 29 barrier to program completion; (vii) a program management plan; and (viii) an 30 estimated annual budget to operate the program. The proposal also shall include a 31 review of the current process for lateral entry and alternative certification, an 32 inventory and description of existing programs designed to assist individuals achieve 33 licensure through lateral entry, and a review of any reports or plans developed by the 34 State Board of Education or the Board of Governors since 1995 addressing lateral 35 entry or alternative certification. The Joint Legislative Education Oversight 36 Committee shall review the proposal and report any suggested legislation to the 37 General Assembly by May 1, 2000.

Section 19. G.S. 153A-158.1(e), as amended by S.L. 1998-33 and S.L. 39 1998-48, reads as rewritten:

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"(e) Scope. -- This section applies to Alamance, Alexander, Alleghany, Ashe, 40 41 Avery, Bladen, Brunswick, Burke, Cabarrus, Caldwell, Camden, Carteret, Caswell, 42 Cherokee, Chowan, Columbus, Currituck, Dare, Davidson, Davie, Duplin, 43 Edgecombe, Forsyth, Franklin, Gates, Graham, Greene, Guilford, Halifax, Harnett, 44 Haywood, Hyde, Iredell, Jackson, Johnston, Jones, Lee, Lenoir, Macon, Madison,

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- 1 Martin, Mitchell, Moore, Nash, New Hanover, Onslow, Orange, Pasquotank, Pender,
- 2 Perquimans, Person, Pitt, Randolph, Richmond, Rockingham, Rowan, Sampson,
- 3 Scotland, Stanly, Stokes, Surry, Union, Vance, Wake, Wilkes, Wilson, Watauga, and
- 4 Wayne Counties."
- Section 20. This act is effective when it becomes law. Section 2 of this 6 act applies to funds awarded beginning with those awarded at the end of the 1998-99
- 7 school year, and any plan developed and approved under G.S. 115C-105.36(b) before
- 8 the effective date of this act shall not apply to those funds. Section 16 of this act
- 9 applies to contracts entered into on or after the effective date of this act.

## GENERAL ASSEMBLY OF NORTH CAROLINA

#### SESSION 1997

S

Short Title: Misc. Education Changes.

(Public)

## SENATE BILL 1125\*

Education/Higher Education Committee Substitute Adopted 8/3/98
Third Edition Engrossed 8/4/98
House Committee Substitute Favorable 8/19/98

Sponsors:  Referred to:	
	A BILL TO BE ENTITLED
AN ACT TO A	MEND VARIOUS EDUCATION LAWS.
	sembly of North Carolina enacts:
	ion 1. G.S. 115C-102.5(b) reads as rewritten:
	mmission shall consist of the following 18 members:
(1)	The State Superintendent of Public Instruction or a designee;
(2)	One representative of The University of North Carolina, appointed by the President of The University of North Carolina;
(3)	One representative of the North Carolina Community College
	System, appointed by the President of the North Carolina
	Community College System;
(4)	A person with management responsibility concerning information
	technology related State Government functions, designated by the
	Secretary of Commerce;
(5)	Four members appointed by the Governor;
(6)	Six members appointed by the President Pro Tempore of the
	Senate two of whom shall be members of the Senate. One of these
	six members shall be appointed by the President Pro Tempore of
/=\	the Senate to serve as cochair; and
(7)	Six members appointed by the Speaker of the House of

Representatives two of whom shall be members of the House of

1 Representatives. One of these six members shall be appointed by 2 the Speaker of the House of Representatives to serve as cochair.

3 In appointing members pursuant to subdivisions (5), (6), and (7) of this subsection, 4 the appointing persons shall select individuals with technical or applied knowledge or 5 experience in learning and instructional management technologies or individuals with 6 expertise in curriculum or instruction who have successfully used learning and 7 instructional management technologies.

No producers, vendors, or consultants to producers or vendors of learning or 9 instructional management technologies shall serve on the Commission.

Members shall serve for two-year terms. Vacancies in terms of members shall be 11 filled by the appointing officer. Persons appointed to fill vacancies shall qualify in the 12 same manner as persons appointed for full terms."

Section 2. G.S. 115C-105.36(b) reads as rewritten:

- "(b) The State Board shall establish a procedure to allocate the funds for these 15 awards to the local school administrative units in which the eligible schools are 16 located. Funds shall become available for expenditure July 1 of each fiscal year. Funds shall remain available until November 30 of the subsequent fiscal year for 18 expenditure for:
  - <del>(1)</del> Awards to the personnel; or
  - The purposes authorized in a plan that has been:  $\frac{(2)}{(2)}$ 
    - Developed and voted on by the personnel in the same manner-that-a school-improvement plan is approved under G.S. 115C-105.27;
    - Approved by a majority of the personnel who vote on the b. plan: and
    - Submitted to and approved by the local board of education. The local board-shall approve this plan unless the plan involves expenditures of funds that are not for a public purpose or that are otherwise unlawful. for awards to the personnel. Each local school administrative unit shall make these awards to each eligible person no later than that person's first regular paydate following the local unit's receipt of the funds; however, if that paydate is fewer than 15 days following the unit's receipt of the funds, then the local school administrative unit shall make the award to that person no later than that person's second regular paydate following the unit's receipt of the funds."

Section 3. G.S. 115C-244 reads as rewritten:

"§ 115C-244. Assignment of pupils to school buses.

(a) The principal of a school, to which any school bus has been assigned by the 40 superintendent of the schools of the local school administrative unit embracing such 41 school, shall assign to such bus or buses the pupils and employees who may be 42 transported to and from such school upon such bus or buses. The superintendent or 43 superintendent's designee shall assign the pupils and employees who may be 44 transported to and from school upon the bus or buses assigned to each school and

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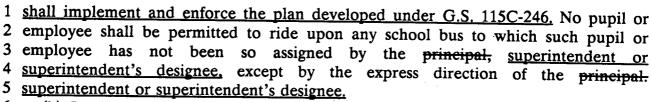
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(b) In the event that the superintendent of any local school administrative unit 7 shall assign or superintendent's designee assigns a school bus to be used in the 8 transportation of pupils to two or more schools, the superintendent or 9 superintendent's designee shall designate the number of assign the pupils to be 10 transported to and from each such school by such that bus, and the principals of the 11 respective schools shall assign pupils to such buses in accordance with such 12 designation. implement and enforce this assignment of pupils.

(c) Any pupil enrolled in any school, or the parent or guardian of any such pupil, 14 or the person standing in loco parentis to such pupil, may apply to the principal of 15 such school for transportation of such pupil to and from such school by school bus 16 for the regularly organized school day. Upon application, the principal The principal 17 shall deliver the application to the superintendent or superintendent's designee, who 18 shall assign a pupil to a school bus if the pupil is entitled to school bus transportation 19 under this Article and the rules of the State Board of Education. Such assignment 20 shall be made by the principal superintendent or superintendent's designee so as to 21 provide for the orderly, safe and efficient transportation of pupils to such school and 22 so as to promote the orderly and efficient administration of the school and the health, 23 safety and general welfare of the pupils to be so transported. Assignments of pupils 24 and employees to school buses may be changed by the principal of the school 25 superintendent or superintendent's designee as he may from time to time find proper 26 for the safe and efficient transportation of such pupils and employees.

(d) The parent or guardian of any pupil enrolled in any school, or the person 28 standing in loco parentis to any such pupil, who shall apply to the principal of such 29 sehool under subsection (c) of this section for the transportation of such pupil to and 30 from such school by school bus, may, if such application is denied, or if such pupil is 31 assigned to a school bus not satisfactory to such parent, guardian, or person standing 32 in loco parentis to such pupil, pursuant to rules and regulations established by the 33 local board of education, apply to such board for such transportation upon a school 34 bus designated in such application, and shall be entitled to a prompt and fair hearing 35 by such board in accordance with the rules and regulations established by it. The 36 majority of such board shall be a quorum for the purpose of holding such hearing and passing upon such application, and the decision of the majority of the members 38 present at such hearing shall be the decision of the board. If, at such hearing, the 39 board shall find that pupil is entitled to be transported to and from such school upon 40 the school bus designated in such application, or if the board shall find that the 41 transportation of such pupil upon such bus to and from such school will be for the 42 best interests of such pupil, will not interfere with the proper administration of such 43 school, or with the safe and efficient transportation by school bus of other pupils 44 enrolled in such school and will not endanger the health or safety of the children

Senate Bill 1125 Page 3 1 there enrolled, the board shall direct that such child be assigned to and transported to 2 such school upon such bus.

- (e) A decision of a local board under subsection (d) is final and, except as 4 provided in this subsection, is subject to judicial review in accordance with Article 4 5 of Chapter 150B of the General Statutes. A person seeking judicial review shall file a 6 petition in the superior court of the county where the local board made its decision.
- (f) No employee shall be assigned to or permitted to ride upon a school bus when 8 to do so will result in the overcrowding of such bus or will prevent the assignment to 9 such bus of a pupil entitled to ride thereon, or will otherwise, in the opinion of the 10 principal, superintendent or superintendent's designee, be detrimental to the comfort or safety of the pupils assigned to such bus, or to the safe, efficient and proper 12 operation of such bus."

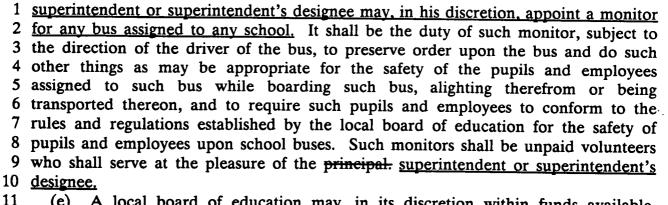
Section 4. G.S. 115C-245 reads as rewritten:

## 14 "§ 115C-245. School bus drivers; monitors; safety assistants.

- (a) Each local board, which elects to operate a school bus transportation system. 16 shall employ the necessary drivers for such school buses. The drivers shall have all qualifications prescribed by the regulations of the State Board of Education herein 18 provided for and must be at least 18 years old and have at least six months driving 19 experience as a licensed operator of a motor vehicle before employment as a regular 20 or substitute driver, but the selection and employment of each driver shall be made 21 by the local board of education, and the driver shall be the employee of such local 22 school administrative unit. Each local board of education shall assign the bus drivers 23 employed by it to the respective schools within the jurisdiction of such board, and the 24 principal of each such school superintendent or superintendent's designee shall assign 25 the drivers to the school buses to be driven by them. No school bus shall at any time 26 be driven or operated by any person other than the bus driver assigned by such principal to such bus except by the express direction of such principal the 28 superintendent or superintendent's designee or in accordance with rules and 29 regulations of the appropriate local board of education.
- The driver of a school bus subject to the direction of the principal 31 superintendent or superintendent's designee shall have complete authority over and 32 responsibility for the operation of the bus and the maintaining of good order and 33 conduct upon such bus, and shall report promptly to the principal any misconduct 34 upon such bus or disregard or violation of the driver's instructions by any person 35 riding upon such bus. The principal may take such action with reference to any such 36 misconduct upon a school bus, or any violation of the instructions of the driver, as he 37 might take if such misconduct or violation had occurred upon the grounds of the 38 school.
- 39 (c) The driver of any school bus shall permit no person to ride upon such bus 40 except pupils or school employees assigned thereto or persons permitted by the express direction of the principal superintendent or superintendent's designee to ride 42 thereon.
- 43 (d) The principal of a school, to which a school bus has been assigned, may, in his 44 discretion, appoint a monitor for any bus so assigned to such school. The

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A local board of education may, in its discretion within funds available, (e) 12 employ transportation safety assistants upon recommendation of the principal through 13 the superintendent. The safety assistants thus employed shall assist the bus drivers 14 with the safety, movement, management, and care of children boarding the bus, 15 leaving the bus, or being transported in it. The safety assistant should be either an 16 adult or a certified student driver who is available as a substitute bus driver."

Section 5. G.S. 115C-290.8 reads as rewritten:

# 18 "§ 115C-290.8. Exemptions from requirements.

- (a) The requirements of this Article do not apply to a person who, at any time 20 during the five years preceding January 1, 1998, (i) completed an administrative 21 internship as part of an approved graduate program in school administration and 22 obtained an active State administrator/supervisor certificate, (ii) was engaged in 23 school-administration while in possession of an active State-administrator/supervisor 24 certificate, or (iii) was employed in a North Carolina college or university as an 25 instructor while in possession of an active State administrator/supervisor certificate 26 and whose major responsibilities included the preparation or supervision of 27 individuals enrolled in a public school administration program that meets the public 28 sehool administrator program approval standards set by the State Board. obtained or 29 renewed a State administrator/supervisor certificate.
- (b) The State Board may adopt policies governing the requirements for the 31 certification of individuals who hold a certificate issued in any other state that 32 authorizes them to be employed as school administrators in that state. These policies 33 may exempt some or all of these individuals from the requirements of this Article.
- (c) A person who is exempt from the requirements of this Article but applies to 35 the Standards Board under this Article shall be subject to the Article."

Section 6. G.S. 115C-174.21(b) reads as rewritten:

- "(b) Competency Testing Program.
  - The State Board of Education shall adopt tests or other (1) measurement devices which may be used to assure that graduates of the public high schools and graduates of nonpublic schools supervised by the State Board of Education pursuant to the provisions of Part 1 of Article 39 of this Chapter possess the skills knowledge necessary to function independently successfully in assuming the responsibilities of citizenship.

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- The tests shall be administered annually to all tenth ninth grade 1 (2) 2 students in the public schools. Students who fail to attain the 3 required minimum standard for graduation in the tenth ninth grade 4 shall be given remedial instruction and additional opportunities to 5 take the test up to and including the last month of the twelfth 6 grade. Students who fail to pass parts of the test shall be retested 7 on only those parts they fail. Students in the tenth ninth grade who 8 are enrolled in special education programs or who have been 9 officially designated as eligible for participation in such programs may be excluded from the testing programs. 10 11 The State Board of Education may develop and validate alternate (3) 12 means and standards for demonstrating minimum competence. 13 These standards, which must be more difficult than the tests 14 adopted pursuant to subdivision (1) of this subsection, may be 15 passed by students in lieu of the testing requirement of subdivision 16 (2) of this subsection. 17 Repealed by Session Laws 1996, Second Extra Session, c. 18, s. **(4)** 18 18.14." 19 Section 7. G.S. 115C-391(d1) reads as rewritten: 20
- "(d1) A local board of education or superintendent shall suspend for 365 days any student who brings a weapon, as defined in G.S. 14-269.2(b) and G.S. 14-269.2(g), onto school property. The local board of education upon recommendation by the superintendent may modify this suspension requirement on a case-by-case basis that includes, but is not limited to, the procedures established for the discipline of students with disabilities and may also provide, or contract for the provision of, educational services to any student suspended pursuant to this subsection in an alternative school setting or in another setting that provides educational and other services."

# Section 8. G.S. 115C-391(d2) reads as rewritten:

- "(d2) (1) A local board of education shall The superintendent shall, upon recommendation of the principal, remove to an alternative educational setting, as provided in subdivision (4) of this subsection, any student who is at least 13 and who physically assaults and seriously injures a teacher or other school personnel. If no appropriate alternative educational setting is available, then the board shall superintendent shall, upon recommendation of the principal, suspend for no less than 300 days but no more than 365 days any student who is at least 13 and who physically assaults and seriously injures a teacher or other school personnel.

  (2) A local board of education may The superintendent may, upon
  - recommendation of the principal, remove to an alternative educational setting any student who is at least 13 and who does one of the following:

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- Physically assaults a teacher or other adult who is not a student.
  - b. Physically assaults another student if the assault is witnessed by school personnel.
  - Physically assaults and seriously injures another student. C.

If no appropriate alternative educational setting is available, then the board may superintendent may, upon recommendation of the principal, suspend this student for up to 365 days.

- For purposes of this subsection, the conduct leading to suspension (3) or removal to an alternative educational setting must occur on school property or at a school-sponsored or school-related activity on or off school property. This subsection shall not apply when the student who is subject to suspension or removal was acting in selfdefense. If a teacher is assaulted or injured and as a result a student is suspended or removed to an alternative educational setting under this subsection, then the student shall not be returned to that teacher's classroom unless the teacher consents. If a student is suspended under this subsection, the board may assign the student to an alternative educational setting upon the expiration of the period of suspension.
- If the local board superintendent removes the student to an (4) alternative educational setting, as provided in subdivision (1) of this subsection, and the conduct leading to the removal occurred on or before the ninetieth school day, the board shall remove the student to that setting for the remainder of the current school year and the first 90 school days in the following school year. If the board superintendent chooses to remove the student to an alternative educational setting, as provided in subdivision (1) of this subsection, and the conduct leading to the removal occurred after the ninetieth school day, the board shall remove the student to that setting for the remainder of the current school year and for the entire subsequent school year. Notwithstanding requirements, the local board superintendent may authorize a shorter or longer length of time a student must remain in an alternative educational setting if the board superintendent finds this would be more appropriate based upon the recommendations of the principals of the alternative school and the school to which the student will return."

Section 9. G.S. 115C-391(e) reads as rewritten:

"(e) A decision of a local board superintendent under subsection (c), (d), (d1), or 41 (d2) of this section may be appealed to the local board of education. A decision of 42 the local board upon this appeal or of the local board under subsection (d) of this 43 section is final and, except as provided in this subsection, is subject to judicial review 44 in accordance with Article 4 of Chapter 150B of the General Statutes. A person



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1 seeking judicial review shall file a petition in the superior court of the county where 2 the local board made its decision."

Section 10. G.S. 115C-276(r) reads as rewritten:

"(r) To Maintain Student Discipline. -- The superintendent shall maintain student 5 discipline in accordance with Article 27 of this Chapter and shall keep data on each 6 student suspended for more than 10 days or expelled. This data shall include the 7 race, gender, and age of each student, the duration of suspension for each student. 8 whether an alternative education was considered or provided for each student, and 9 whether a student had multiple suspensions."

Section 11. G.S. 115C-174.21(c) reads as rewritten:

"(c) Annual Testing Program.

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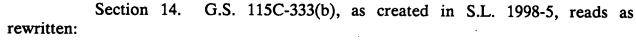
- The State Board of Education shall adopt a system of annual testing for grades three through 12. These tests shall be designed to measure progress toward reading, communication skills, and mathematics for grades three through eight, and toward competencies designated by the State Board for grades nine through 12. Students who do not pass the tests adopted for eighth grade shall be provided remedial instruction in the ninth grade. This assistance shall be calculated to prepare the students to pass the competency test administered under subsection (b) of this section.
- If the State Board of Education finds that additional testing in **(2)** grades three through 12 is desirable to allow comparisons with national indicators of student achievement, that testing shall be conducted with the smallest size sample of students necessary to assure valid comparisons with other states."

Section 12. G.S. 115C-403(b) reads as rewritten:

"(b) When any child transfers from one school system to another school system, 29 the receiving school shall, within 30 days of the child's enrollment, obtain the child's 30 record from the school from which the child is transferring. If the child's parent, 31 custodian, or guardian provides a copy of the child's record from the school from 32 which the child is transferring, the receiving school shall, within 30 days of the child's 33 enrollment, request written verification of the school record by contacting the school 34 or institution named on the transferring child's record. Upon receipt of a request, 35 the principal or the principal's designee of the school from which the child is 36 transferring shall not withhold the record or verification for any reason, except as is 37 authorized under the Family Educational Rights and Privacy Act. Any information 38 received indicating that the transferring child is a missing child shall be reported to 39 the North Carolina Center for Missing Persons."

Section 13. G.S. 115C-288 is amended by adding the following new 41 subsection:

"(j) To Transfer Student Records. -- The principal shall not withhold the transfer 43 of student records, except as is provided in G.S. 115C-403(b)."



"(b) Action Plans. --(1)

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- If a certified employee in a low-performing school receives an unsatisfactory or below standard rating on any function of the evaluation that is related to the employee's instructional duties, the individual or team that conducted the evaluation shall recommend to the superintendent that: (i) the employee receive an action plan designed to improve the employee's performance; or (ii) the superintendent recommend to the local board that the employee be dismissed or demoted. The superintendent shall determine whether to develop an action plan or to recommend a dismissal proceeding. Action plans shall be developed by the person who evaluated the employee or the employee's supervisor unless the evaluation was conducted by an assistance team or an assessment team. If the evaluation was conducted by an assistance team or an assessment team, that team shall develop the action plan in collaboration with the employee's supervisor. Action plans shall be designed to be completed within 90 instructional days or before the beginning of the next school year. The State Board shall develop guidelines that include strategies to assist local boards in evaluating certified employees and developing effective action plans within the time allotted under this section. Local boards may adopt policies for the development and implementation of action plans or professional development plans for employees who do not require action plans under this section.
- Local boards shall adopt policies to require action plans for all **(2)** certified employees who receive a below standard or unsatisfactory rating on an evaluation in the event the superintendent does not recommend dismissal, demotion, or nonrenewal."

G.S. 115C-333(c), as created in S.L. 1998-5, reads as Section 15. 32 rewritten:

"(c) Reevaluation. -- Upon completion of an action plan under subdivision (1) of 34 subsection (b) of this section, the superintendent, the superintendent's designee, or 35 the assessment team shall evaluate the employee a second time. If on the second 36 evaluation the employee receives one unsatisfactory or more than one below standard 37 rating on any function that is related to the employee's instructional duties, the 38 superintendent shall recommend that the employee be dismissed or demoted under 39 G.S. 115C-325. The results of the second evaluation shall constitute substantial 40 evidence of the employee's inadequate performance."

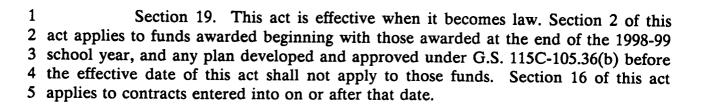
Section 16. G.S. 115C-287.1(b) reads as rewritten:

"(b) Local boards of education shall employ school administrators who are 43 ineligible for career status as provided by in G.S. 115C-325(c)(3), upon the 44 recommendation of the superintendent. All contracts between the a school

1 administrator and the a local board of education shall be for two to four years. 2 ending on June 30 of the final 12 months of the contract. In the case of an initial 3 contract between a school administrator and a local board of education, the first year 4 of the contract may be for a period of less than 12 months provided the contract 5 becomes effective on or before September 1. The A local board of education may, 6 with the written consent of the a school administrator, extend, renew, or offer a new 7 school administrator's contract at any time after the first 12 months of the contract so 8 long as the term of the new, renewed, or extended contract does not exceed four 9 years. Rolling annual contract renewals are not allowed. Nothing in this section 10 shall be construed to prohibit the filling of an administrative position on an interim 11 or temporary basis."

Section 17. The State Board of Education shall evaluate the provision by 13 local boards of education of lump-sum payments of one percent (1%) of the base 14 salaries of principals and assistant principals in schools the boards found to meet the 15 goals of local plans for maintaining safe and orderly schools. The Board shall 16 identify the number of principals and assistant principals who received these 17 payments, how local boards determined whether schools met local goals for 18 maintaining safe and orderly schools, and any other information that boards used to 19 select the individuals to receive these payments. The State Board shall report the 20 results of this evaluation to the Joint Legislative Education Oversight Committee by 21 November 15, 1998.

22 Section 18. The State Board of Education and the Board of Governors of 23 The University of North Carolina shall develop a proposal for a statewide lateral 24 entry teacher licensure program and shall report the proposal to the Joint Legislative 25 Education Oversight Committee prior to December 1, 1998. The proposal shall 26 include the following: (i) active recruitment of mid-career college graduates into 27 teaching; (ii) intensive summer preservice preparation prior to the initial year of 28 employment that is delivered at multiple sites throughout the State; (iii) coaching, 29 support, and continued professional preparation for initial licensure provided during 30 the initial year of employment; (iv) portfolio development and professional 31 assessment during the initial year of employment; (v) intensive second summer 32 preparation for initial licensure examination unless the individual has already taken 33 and passed the initial licensure examination; (vi) use of technology for professional 34 and instructional support to increase program accessibility and decrease distance as a 35 barrier to program completion; (vii) a program management plan; and (viii) an 36 estimated annual budget to operate the program. The proposal also shall include a 37 review of the current process for lateral entry and alternative certification, an 38 inventory and description of existing programs designed to assist individuals achieve 39 licensure through lateral entry, and a review of any reports or plans developed by the 40 State Board of Education or the Board of Governors since 1995 addressing lateral 41 entry or alternative certification. The Joint Legislative Education Oversight 42 Committee shall review the proposal and report any suggested legislation to the 43 General Assembly by January 27, 1999.



# HOUSE APPROPRIATIONS SUBCOMMITTEE ON EDUCATION Wednesday, October 28, 1998

#### **MINUTES**

The House Appropriations Subcommittee on Education met at 8:45 a.m. on Wednesday, October 28, 1998, in the House Chamber.

Members present were: Representatives Arnold, Grady and Preston, Co-chairs; Representatives Oldham and Rogers.

Representative Arnold presided. The order of business was to report all bills out of the Subcommittee. Representative Grady made a motion that all bills remaining in the Education Subcommittee receive an indefinite postponement report. Representative Rogers seconded the motion. The motion passed with a unanimous voice vote. The following bills were reported out with an indefinite postponement report:

CS for HB 157 COMMUNITY COLLEGE SCHOLARSHIP PROGRAM

**HB 161 MODEL TEACHER CONSORTIUM FUNDS** 

CS for HB 256 SCHOOL BUDGET ACCOUNTABILITY

HB 308 REPEAL SUNSET ON FICA SAVINGS USE

HB 377 SOUTHEASTERN COMMUNITY COLLEGE FUNDS

**HB 381 CHARTER SCHOOL START-UP FUNDS** 

HB 399 ENGLISH AS A SECOND LANGUAGE FUNDS

HB 454 LOW-WEALTH SCHOOL SUPPLEMENTAL FUNDS

HB 462 NONCERTIFIED SCHOOL EMPLOYEE FUNDS

HB 479 NC A&T AGRICULTURAL RESEARCH FUNDS

CS for HB 512 SCHOOL SAFETY ACT

**HB 555 SCHOOL NURSE FUNDS** 

**HB 556 AUTISM OPERATING FUNDS** 

**HB 679 EXPAND TECHNOLOGY IN SCHOOLS** 

HB 767 UNC EDUCATIONAL CONSORTIUM FUNDS

HB 822 SCHOOL RESOURCE OFFICER/TYRRELL HIGH SCHOOL

**HB 864 CLASS-SIZE REDUCTION IN GRADE 3** 

HB 905 EXCELLENT COMMUNITY COLLEGES ACT

**HB 947 MOBILE PRESCHOOL PROGRAM FUNDS** 

**HB 961 EXPAND COMMUNITY LINK FUNDS** 

CS for HB 979 SUBSTITUTE TEACHER PAY RAISE

**HB 1019 RIGOROUS ACADEMIC CONTROL STANDARDS** 

CS for HB 1089 UNC MILITARY TUITION

CS for HB 1154 SAFE SCHOOL PLANS/ACCOUNTABILITY

HB 1180 FSU/PEMBROKE TEACHER EDUCATION CONSORTIUM

**HB 1183 CIVIC EDUCATION PROGRAM FUNDS** 

HB 1198 SAVINGS RESERVE/SCHOOL TECHNOLOGY FUND

CS for HB 1199 MONETARY INCENTIVE/ACADEMIC EXCELLENCE

**HB 1212 TECHNOLOGY & TRAINING FUNDS** 

**HB 1218 ADULT/STUDENT RATIO REDUCTIONS** 

HB 1262 SCHOOL UTILITY COSTS PAID BY STATE

**HB 1386 EXPAND COMMUNITY LINK FUNDS** 

**HB 1428 LEP STUDENT FUNDS** 

HB 1430 NATURAL RESOURCES LEADERSHIP FUNDS

APPROPRIATIONS Subcommittee on Education Wednesday, October 28, 1998 Minutes

**HB 1532 MODEL TEACHER CONSORTIUM FUNDS** 

**HB 1548 IOG INTERN FUNDS** 

**HB 1557 LOW-WEALTH SCHOOL FUNDS** 

**HB 1563 INTERNATIONAL BACCALAUREATE FUNDS** 

**HB 1598 CUED SPEECH CENTER FUNDS-3** 

**HB 1620 SCHOOL NURSE FUNDS** 

**HB 1634 COMMUNITY COLLEGE EXPANSION FUNDS** 

**HB 1635 ROANOKE-CHOWAN COMMUNITY COLLEGE FUNDS** 

**HB 1671 TEACHER ASSISTANT SALARY FUNDS** 

**HB 1672 PRINCIPAL SALARY FUNDS** 

**HB 1673 TEACHER EVALUATIONS/ASSESSMENT TEAMS** 

**HB 1674 PRINCIPALS IN LOW-PERFORMANCE SCHOOLS** 

**HB 1675 ADMININSTRATION CHANGES SPECIAL EDUCATION FUNDS** 

HB 1676 TEACHER COMPENSATION/EXTRA WORK DAYS

**HB 1695 SPECIAL EDUCATION GROUP HOME FUNDS** 

HB 1723 LOW -PERFORMANCE SCHOOL/SALARY FUNDS

**HB 1730 BILINGUAL TEACHER ASSISTANT FUNDS** 

**HB 1751 LIFEBOAT SCHOLARSHIP FUNDS** 

There was no further business to come before the Subcommittee at this time. The meeting was adjourned.

Respectfully submitted:

Representative Gene Arnold, Co-Chair

Peggy B Murray, Committee Clerk/

### 1998 PERMANENT SUBCOMMITTEE REPORT HOUSE OF REPRESENTATIVES

FOR RECOMMENDING BILLS TO STANDING COMMITTEE OR TO THE FLOOR OF THE HOUSE The following report(s) from permanent sub committee(s) is/are presented: By Representative(s) Arnold, Grady and Preston for the Permanent Subcommittee on Education of the Standing Committee on APPROPRIATIONS. S.B. , A BILL TO BE ENTITLED AN ACT H.B. S.J.R. \_\_\_\_\_, A JOINT RESOLUTION H.J.R. \_\_\_\_\_, H.R. , A HOUSE RESOLUTION Se allached REPORTED TO THE STANDING COMMITTEE ON **RECOMMENDED ACTION:** With a favorable recommendation. With a favorable recommendation and recommend that the bill be re-referred to the Committee With a favorable recommendation, as amended. With a favorable recommendation, as amended, and recommend that the bill be re-referred to the Committee on ☐ With an unfavorable recommendation. ☐ With a favorable recommendation as to proposed committee substitute bill (☐) which changes the title, unfavorable as to original bill. ☐ With a favorable recommendation as to proposed House committee substitute bill (☐) which changes the title, unfavorable as to Senate committee substitute bill. ☐ Without prejudice. Other recommended action WITH APPROVAL OF STANDING COMMITTEE CHAIR FOR REPORT TO BE MADE DIRECTLY TO THE FLOOR OF THE HOUSE: Rep. Espositions for the Standing Committee on Speripreations ☐ With a favorable report. With a favorable report, as amended. ), ([]) which changes the title, unfavorable With a favorable report as to committee substitute bill (# as to original bill (Committee Substitute Bill # ). (and recommendation that the committee substitute bill (# ) be re-referred to the Committee on And having received a unanimous vote in committee, is placed on the Consent Calendar. (PUBLIC BILLS ONLY)

With an indefinite postponement report.

4/24/97

CS for HB 157 COMMUNITY COLLEGE SCHOLARSHIP PROGRAM HB 161 MODEL TEACHER CONSORTIUM FUNDS CS for HB 256 SCHOOL BUDGET ACCOUNTABILITY HB 308 REPEAL SUNSET ON FICA SAVINGS USE HB 377 SOUTHEASTERN COMMUNITY COLLEGE FUNDS **HB 381 CHARTER SCHOOL START-UP FUNDS** HB 399 ENGLISH AS A SECOND LANGUAGE FUNDS HB 454 LOW-WEALTH SCHOOL SUPPLEMENTAL FUNDS HB 462 NONCERTIFIED SCHOOL EMPLOYEE FUNDS HB 479 NC A&T AGRICULTURAL RESEARCH FUNDS CS for HB 512 SCHOOL SAFETY ACT HB 555 SCHOOL NURSE FUNDS **HB 556 AUTISM OPERATING FUNDS** HB 679 EXPAND TECHNOLOGY IN SCHOOLS HB 767 UNC EDUCATIONAL CONSORTIUM FUNDS HB 822 SCHOOL RESOURCE OFFICER/TYRRELL HIGH SCHOOL HB 864 CLASS-SIZE REDUCTION IN GRADE 3 HB 905 EXCELLENT COMMUNITY COLLEGES ACT **HB 947 MOBILE PRESCHOOL PROGRAM FUNDS HB 961 EXPAND COMMUNITY LINK FUNDS** CS for HB 979 SUBSTITUTE TEACHER PAY RAISE HB 1019 RIGOROUS ACADEMIC CONTROL STANDARDS CS for HB 1089 UNC MILITARY TUITION CS for HB 1154 SAFE SCHOOL PLANS/ACCOUNTABILITY HB 1180 FSU/PEMBROKE TEACHER EDUCATION CONSORTIUM **HB 1183 CIVIC EDUCATION PROGRAM FUNDS** HB 1198 SAVINGS RESERVE/SCHOOL TECHNOLOGY FUND CS for HB 1199 MONETARY INCENTIVE/ACADEMIC EXCELLENCE **HB 1212 TECHNOLOGY & TRAINING FUNDS** HB 1218 ADULT/STUDENT RATIO REDUCTIONS HB 1262 SCHOOL UTILITY COSTS PAID BY STATE **HB 1386 EXPAND COMMUNITY LINK FUNDS** HB 1428 LEP STUDENT FUNDS HB 1430 NATURAL RESOURCES LEADERSHIP FUNDS HB 1532 MODEL TEACHER CONSORTIUM FUNDS **HB 1548 IOG INTERN FUNDS** HB 1557 LOW-WEALTH SCHOOL FUNDS HB 1563 INTERNATIONAL BACCALAUREATE FUNDS HB 1598 CUED SPEECH CENTER FUNDS-3. HB 1620 SCHOOL NURSE FUNDS HB 1634 COMMUNITY COLLEGE EXPANSION FUNDS HB 1635 ROANOKE-CHOWAN COMMUNITY COLLEGE FUNDS HB 1671 TEACHER ASSISTANT SALARY FUNDS, **HB 1672 PRINCIPAL SALARY FUNDS** HB 1673 TEACHER EVALUATIONS/ASSESSMENT TEAMS HB 1674 PRINCIPALS IN LOW-PERFORMANCE SCHOOLS HB 1675 ADMININSTRATION CHANGES SPECIAL EDUCATION FUNDS HB 1676 TEACHER COMPENSATION/EXTRA WORK DAYS **HB 1695 SPECIAL EDUCATION GROUP HOME FUNDS** HB 1723 LOW -PERFORMANCE SCHOOL/SALARY FUNDS HB 1730 BILINGUAL TEACHER ASSISTANT FUNDS

HB 1751 LIFEBOAT SCHOLARSHIP FUNDS

4/24/97