



LEGISLATIVE UPDATE

May 16, 2014

Wednesday of this week began the 2014 Short Session of the North Carolina General Assembly. The main event of the week was the release of the Governor's proposed budget: <http://osbm.state.nc.us/thebudget> (see pp. 31-37 for K-12 public education information).

Some of the key provisions affecting K-12 public education for 2014-2015 are the following:

1. *Average* salary increase for teachers of 3.26% (where those currently on Steps 0-5 would get a 7.1% increase; those currently on Steps 6-11 would get a 2.8% - 5.7% increase; those currently on Steps 12 and above would get, on average, a 2% increase; those currently on Step 36+ will get zero increase);
2. *Average* salary increase of 2% for principals and assistant principals who move to Steps 10-36 in 2014-2015;
3. Certain school personnel who would not qualify for a Step increase, would receive a one-time bonus of approximately \$809.00 (plus benefits):
 - a. Assistant principals currently at Steps 0-8;
 - b. Psychologists currently at 0-4 years;
 - c. Non-certified personnel.

For more information on the Governor's proposed salary schedules, see: <http://www.ncpublicschools.org/fbs/>

4. A new *Career Pathways* pilot funded by \$9.7 million (non-recurring) from lottery receipts would allow the State Board of Education (SBE) to approve plans for 8 LEAs to offer career paths for growth and advancement for high quality teachers.
5. An additional \$23 million for textbooks.
6. Reinstatement of master's degree pay for: a) those who have taken a course toward that degree as of July 1, 2013; and b) those who have received a master's degree and are teaching in-field for at least 70% of their work time (\$18.7 million).
7. \$4 million for Homebase content toward the opt-in portion for LEAs and charters.
8. Increase of \$3.6 million from lottery funds for NC Pre-K.
9. Elimination of the NC Center for the Advancement of Teaching (NCCAT) (\$3.2 million reduction).
10. Transfer to LEAs the payment of workers' compensation and tort claims arising from events on or after July 1, 2014.

Joint Appropriations Committee

May 15, 2014

Yesterday, the State Budget Director presented the Governor's 2014-2015 Recommended Budget Adjustments to the Committee, with an overview of revenue forecasts and the Medicaid budget shortfall. The details of the presentation can be found here: http://www.osbm.state.nc.us/files/pdf_files/2014-15budget.pdf

Relevant Bills with Action this Week

[HB 725](#) Young Offenders Rehabilitation Act (Avila, Moffitt, Mobley, Hall)

This bill would establish the Juvenile Jurisdiction Advisory Committee, create a pilot civil citation process for juveniles, and would raise the age of juvenile jurisdiction to include 16-year olds (effective July 1, 2019) and 17-year olds (effective July 1, 2020) who have committed misdemeanor offenses.

- Passed 2nd reading in 2013
- Placed on House Calendar for 5/20/14

Bills Filed this Week

House Bills

(with companion Senate bills noted)

[HB 1038](#) (**[SB 751](#)**) Driver Ed. Performance Indicators (Howard, Hurley, Moffitt)

This bill would require the SBE to establish and utilize performance indicators to measure the efficiency and effectiveness of the Driver Education Program. It would require DPI, in collaboration with the Division of Motor Vehicles, to establish a follow-up information management system to monitor the performance of current and certain past participants in the Driver Education Program. In addition, the bill would require studying the feasibility of delivering driver education through electronic means.

- Referred to House Committee on Education, if favorable, Transportation

[HB 1039](#) (**[SB 748](#)**) NCVPS Courses/Nonpublic School Students (Howard)

This would codify the NC Virtual Public School (NCVPS) in state statute. It also provides for a tuition waiver for nonpublic school students for a maximum of 2 NCVPS courses each year.

- Referred to House Committee on Education, if favorable, Appropriations

[HB 1040](#) (**[SB 753](#)**) Improve Admin. Prog. Monitoring at DPI (Howard)

This bill would require DPI to reduce the budget rating for school bus operations by 1% annually and limit the statewide inventory of spare school buses that meet the replacement criteria to 10%. The bill would shift a series of responsibilities to LEAs.

- Referred to House Committee on Education, if favorable, Finance

[HB 1049](#) Restore School Calendar Educ. Purpose Waiver (Horn, Martin, Lucas, Langdon)

This bill would restore the School Calendar Educational Purpose Waiver to provide flexibility to LEAs for calendar modifications. An "educational purpose" could be demonstrated by an LEA for: (1) a specific school to accommodate a special program; (2) a school that primarily serves a special population of students; or (3) a defined program within a school.

- Referred to House Committee on Commerce and Job Development, if favorable, Education

[HB 1060](#) (**[SB 771](#)**) Military Student Identifier (Holloway, Johnson, Horn)

This would require the SBE to develop a process for LEAs to identify military-connected students using the Uniform Education Reporting System (UERS). The bill provides that the identification of military-connected students shall not be used for the purposes of determining

school achievement, growth, or performance scores and shall not be made public by any person, except as permitted under the provisions of the Family Educational and Privacy Rights Act.

- Referred to House Committee on Education

[HB 1061](#) Replace Common Core to Meet NC's Needs (Holloway, Pittman, Speciale)

This bill does not enact a replacement of the Common Core. Rather, it confirms the SBE's constitutional authority over academic standards in public schools. The bill requires the formation of the Academic Standard Review Committee that will conduct a review of all Language Arts and Mathematics standards and propose modifications. The bill requires that the standards continue to be named the North Carolina Course of Study.

- Referred to House Committee on Education, if favorable, Appropriations

[HB 1062](#) ([SB 770](#)) Schematic Diagrams and Keys of Schools (Holloway, Johnson, Hanes, Lucas)

This would require LEAs to provide schematic diagrams and keys to the main entrances of all school facilities to local law enforcement agencies. DPI, in consultation with the Department of Public Safety, would develop standards and guidelines for the preparation and content of schematic diagrams and necessary updates.

- Referred to House Committee on Education

[HB 1063](#) Restore Teacher Cadet Funds (Holloway, Johnson)

This bill would appropriate \$340,000 for the 2014-2015 fiscal year in recurring funds to operate the North Carolina Teacher Cadet program. The North Carolina Teacher Cadet program is a recruitment initiative designed to encourage North Carolina high school students to enter the education profession.

- Referred to House Committee on Appropriations

[HB 1075](#) Repeal Opp. Scholarships (Glazier, Fisher, Gill)

This bill would repeal the Opportunity Scholarship Grants enacted in 2013 and appropriate funds in order to decrease certain allotment reductions to LEAs.

- Referred to Committee on Rules, Calendar, and Operations of the House

[HB 1084](#) Charter Schools/Students with IEPs (Insko, Glazier)

This proposed legislation would allow charter schools with a student population of 30% or more students with IEPs to develop and use an alternative acceptability model in accordance with guidelines adopted by the SBE. The bill would also provide \$53,000 to develop and help implement the guidelines for an alternative accountability model.

[HB 1085](#) Increase Charter School Accountability (Insko, Glazier)

This proposed legislation would require each charter school applicant and existing charter schools to conduct criminal history checks on all members, current and new, of their respective governing boards and submit them to the State Board. The bill would require the SBE to review operations of each charter school within at most three (3) years during the initial charter term. If a school is in noncompliance, they must create a remedial plan and have it approved by the SBE. Administrators from each charter school would be required to submit to their respective charter school governing board a plan of performance and operation, which, after approval, would be submitted to the SBE.

[HB 1107](#) Restore Lottery \$ for School Construction (Holloway, J. Bell, Saine, Jones)
This bill calls for the appropriation of 27% of the lottery funds to the Public School Building Capital Fund for the 2014-2015 fiscal year. For the 2015-2016 fiscal year, the General Assembly shall appropriate 33% of these funds to the Public School Building Capital Fund. For the 2016-2017 fiscal year and subsequent fiscal years, the General Assembly shall appropriate a sum equal to 40% of these funds to the Public School Building Capital Fund.

[HB 1111](#) ([SB 758](#)) Western School of Science and Math/Funds (Blackwell, Hager, Starnes, Dobson)

This would appropriate planning funds for an additional Burke County campus of the North Carolina School of Science and Mathematics that is capable of serving 300 students. The bill would appropriate \$2.4 million to the University of North Carolina for the 2014-2015 fiscal year.

Senate Bills

(please see companion Senate bills already listed above in House Bills section)

[SB 743](#) ([HB 1031](#)) NC Econ. Dev. Partnership Modifications (Brown)

This bill would change the SBE regions, effective April 1, 2015. The bill would make changes to the North Carolina Economic Development Partnerships and would align the 8 educational districts with the Prosperity Zones.

- Referred to Senate Commerce Committee

[SB 752](#) ([HB 1042](#)) Clarify Charter School Application Process

This proposed legislation would provide a prescriptive charter school application review process that the statutorily-created 2013 Charter School Advisory Board must use for making recommendations to the SBE. This measure would also change the required charter approval date from January to June and recognizes a period of time known as the "planning year," which the SBE utilizes to help prepare new charter schools for their initial opening.

- Referred to House Committee Education

[SB 754](#) ([HB 1041](#)) Charter School Preliminary Approval Process

This would reestablish a process for preliminary approval of charter schools by local boards of education and constituent institutions of the UNC system. As part of another charter school measure passed during the 2013 legislative session, these seldom-used provisions were removed. This measure would reinstate them and maintain the SBE's authority for final approval.

- Referred to House Committee Education

[SB 777](#) Eliminate Obsolete Boards and Commissions (Hartsell)

This would eliminate obsolete boards and commissions, as recommended by the Joint Legislative Administrative Procedure Oversight Committee. Among the boards and commissions to be eliminated are the Committee on Dropout Prevention, the State Education Commission established in G.S. 116C-1, and the State Education Committee established in Article 26 of Chapter 143 of the General Statutes.

[SB 781](#) SBOE Rulemaking Clarification (Hartsell)

This bill would subject the SBE to rulemaking under the Administrative Procedure Act (APA); it would provide a remedy when an agency fails to act as directed by statute. It would not

permit the SBE to implement or enforce a policy that meets the definition of a rule under the APA if the policy has not been adopted as a rule in accordance with the APA.

[SB 787](#) Teacher Funds Must be 51% of School Budget (Apodaca, Curtis, Rabon)

This bill would ensure that at least 51% of the General Fund appropriations for public schools for each fiscal year are allocated to the classroom teacher allotment.

[SB 789](#) Funds for Geographically Sparse LEAs (Cook)

This bill would appropriate additional funds for certain geographically sparse LEAs for the 2014-2015 fiscal year. An eligible LEA in which the average daily membership per square mile is less than two (2) shall receive an additional allotment in the amount of \$500,000 for the 2014-2015 fiscal year.

Contact Information:

[Rachel E. Beaulieu](#)

Department of Public Instruction
Legislative & Community Relations Director
919-807-4035

Rachel.Beaulieu@dpi.nc.gov

[Zane B. Stilwell, II](#)

State Board of Education
Legislative Relations & Policy
919-807-4068

Zane.Stilwell@dpi.nc.gov

[Loretta Peace-Bunch](#)

Legislative Assistant
919-807-3403

Loretta.Peace-Bunch@dpi.nc.gov