

# LEGISLATIVE UPDATE

May 18, 2012

## Meetings May 21 – 25

### Tuesday Committee Meetings

9:00 a.m.

House Education Appropriations

10:00 a.m.

House Committee on Education, 643 LOB

HB 965 Broaden Successful AP Participation

HB 966 Repeal Prohibition on Teacher Prepayment

### Wednesday Committee Meetings

8:30 a.m.

House Committee on Finance, 544 LOB

10:00 a.m.

Senate Committee on Education/Higher Education, 544 LOB

HB 503 Nutrition Stds./All Foods Sold at School

SB 795 Excellent Public Schools Act

### Thursday Committee Meetings

House Education Appropriations, TBA

## 2012 Session Deadlines

Drafts	To Bill Drafting By 4:00 PM	Filed in House /Senate By 4:00 PM
Bills recommended by Study commissions	Wednesday, May 16	Wednesday, May 23
Bills Affecting 2012-2013 Budget	Friday, May 18	Tuesday, May 29
Local Bills	Wednesday, May 23	Wednesday, May 30
Bills Affecting State or Local Pension or Retirement Systems	Wednesday, May 23	Wednesday, May 30

## **Summary of Key Legislation and Additional Resources**

The General Assembly returned this week for its short session. Here is what's going on.

The filing of bills began. This includes a number of bills recommended by the various committees that met in the interim between the long and short session. The listing below of bills filed so far identifies those that came out of a committee and provides the link to the report. There are a number of bills related to child nutrition. Teacher prepayment and the deaf bill of rights also originated in a committee.

For a full review of possible legislation affecting public education originating from committees, you can follow the links below to the reports.

[Joint Legislative Education Oversight](#)

[House Select Committee on Childhood Obesity](#)

[House Select Committee on Early Childhood Education Improvement](#)

[House Select Committee on Education Reform](#)

[Arts Education Commission](#)

[The Joint Legislative Program Evaluation Oversight Committee](#)

[House Select Committee on Energy Independence and Alternative Fuel](#)

We also expect to see some legislation resurface from the long session. Our list of legislation from the 2011 session that meets eligibility requirements is available at <http://legislative.ncpublicschools.gov/resources-for-legislation/2012/20120518-bills spreadsheet.pdf>.

In addition, bills also can be filed that relate to budget appropriations, special provisions of the budget, technical provisions, and local bills. In the bills filed this week, you will see bills seeking to restore funds including for Teaching Fellows (H946) and the North Carolina Center for the Advancement of Teachers (H984). There is a bill to appropriate funds to eliminate the half billion discretionary reduction ((H999). There also are a number of bills that would require appropriation for new initiatives, including expanding participation in advanced placement courses (H965) and early grade reading initiatives (S795).

The House education budget process began this week with the first meeting of the House Education Appropriation Subcommittee. Its membership – and other education committees – can be found at:

<http://legislative.ncpublicschools.gov/resources-for-legislation/2012/20120518-committee-sheet.pdf>. At this meeting, the co-chairs reviewed the initial budget targets and ground rules for the deliberations by the committee. Copies of these documents are available at the committee website,

<http://www.ncleg.net/gascripts/DocumentSites/browseDocSite.asp?nID=101&sFolderName=\2012 Session\2012-05-17 Meeting>.

Currently the committee is working with a budget target of the amount currently in the budget for 2012-2013 of \$7.4 billion for public schools. Co-chair Representative Holloway explained that it is the intent to use technical adjustments to the average daily membership and corresponding reductions to the average teacher salary to restore \$74 million in funding to public schools by eliminating that amount from the discretionary reduction currently provided in the budget for 2012-2013. The technical adjustments also provide \$18 million in surplus funds that can be used for eliminating more of the discretionary reduction or restoring funds to particular allotments. By the committee's rules, they will not consider expansion of current programs or services.

At this meeting, the subcommittee was not yet given authority to consider the use of the approximately \$270 million surplus funds in the State budget for this year. With the expiration of the federal EduJobs funding – provided to maintain positions in schools during the state recession – local education agencies will need approximately \$258 million in order to maintain those positions. It still remains possible that the committee will be cleared to consider surplus funds. It also remains an open question of whether the General Assembly will identify any additional revenue sources that would help alleviate the discretionary reduction and loss of EduJobs funding.

The House Education Appropriations Subcommittee will meet next week, likely on Tuesday and Thursday. It is possible that they will vote on the budget in committee on Thursday.

### **Other bills that made progress May 16-18:**

As the session is just getting underway, few bills have yet to be considered. One bill did make its way from the Senate to the House. It is **Senate Bill 582, Authorize Indian Gaming/Revenue**. Public schools would receive proceeds under the provisions of the Compact.

## **Listing of Bills Filed with Impact on Students and Public Schools**

### **HOUSE BILLS**

#### **[HB 946 Restore Funding for Teaching Fellows Program](#)** (McLawhorn, Lucas, Bell, Tolson)

An Act to restore funding for the Teaching Fellows Program.

- This would appropriate \$3,475,000 to restore funding.

9/17/2012 – *Referred to the House Committee on Appropriations.*

#### **[HB 964 No Liability for Private Schools](#)** (Blackwell, Holloway, Johnson, Jordan)

An Act to provide that private colleges and universities, -nonpublic schools, and the North Carolina Independent Colleges and Universities are not liable for a breach of confidentiality caused by the act or omission of a state agency, local school administrative unit, community college, or constituent institution of the University Of North Carolina, as recommended by the [House Select Committee on Education Reform](#).

- As explained in the committee report, this bill is intended to address liability concerns regarding sharing information as a part of the PreK to 20 Data System.

9/17/2012 – *Referred to the House Committee on Education.*

#### **[HB 965 Broaden Successful AP Participation](#)** (Blackwell, Holloway, Johnson, Jordan)

An Act to broaden successful participation by students in advanced placement courses and to create performance incentives for schools and teachers for student excellence in advanced placement courses, as recommended by the [House Select Committee on Education Reform](#).

- The committee report identifies the cost for implementation at \$11,660,921.

9/17/2012 – *Referred to the House Committee on Education.*

#### **[HB 966 Repeal Prohibition on Teacher Prepayment](#)** (Holloway, Johnson, Blackwell, Hilton) (See also companion bill, SB 823)

An Act to repeal the prohibition on teacher prepayment provision in the School and Teacher Paperwork Reduction Act of 2011, as recommended by the [Joint Legislative Education Oversight Committee](#).

- This would repeal section 5 of SL 2011-379 (H720). The repeal would return salary payment requirements in G.S. 115C-302.1(b) to language existing prior to the 2011 Session.

9/17/2012 – *Referred to the House Committee on Education.*

#### **[HB 967 Yadkin Valley Career Academy Funding](#)** (Dockham)

An Act to provide funding for the Yadkin Valley Regional Career Academy.

- This would appropriate \$307,650 for a school run by Davidson County Schools, Lexington City Schools and Thomasville City Schools.

9/17/2012 – *Referred to the House Committee on Appropriations.*

#### **[HB 974 Eliminate Student Cost Reduced-Price Breakfast](#)** (LaRoque, Sanderson)

An Act to appropriate funds to the Department of Public Instruction for the Child Nutrition Program to eliminate the student cost for reduced-price breakfast in order to increase breakfast participation, as recommended by the [House Select Committee on Childhood Obesity](#).

- This would appropriate \$1,700,000 to supplement federal child nutrition funds.

9/17/2012 – *Referred to the House Committee on Appropriations.*

[HB 976 Task Force & Work Group on PE and Fitness](#) (LaRoque, Sanderson)

An Act to establish the Task Force on Physical Education and Physical Activity in Schools and to direct the State Board of Education to coordinate a work group to examine the current status of data collection from fitness testing conducted in kindergarten through eighth grade, as recommended by the [House Select Committee on Childhood Obesity](#).

9/17/2012 – Referred to the House Committee on Education.

[HB 977 School Mealtime](#) (LaRoque, Sanderson)

An Act to direct the State Board of Education and the Department of Public Instruction to determine optimal seat time for students eating meals in public schools and to explore mealtime options, as recommended by the [House Select Committee on Childhood Obesity](#).

9/17/2012 – Referred to the House Committee on Education.

[HB 978 Funds for Child Nutrition](#) (LaRogue, Sanderson)

An Act to appropriate funds to the Department of Public Instruction for the Child Nutrition Program to assist child nutrition programs in meeting nutrition standards, as recommended by the [House Select Committee on Childhood Obesity](#).

- This would appropriate \$20,000,000.

9/17/2012 – Referred to the House Appropriations Subcommittee on Education.

[HB 984 Restore Funding to NCCAT](#) (Rapp)

An Act to restore funding for the North Carolina Center for the Advancement of Teaching.

- This would appropriate \$3,000,000.

9/17/2012 – Referred to the House Committee on Appropriations.

[HB 985 Driver Education Fee Paid When Getting Permit](#) (Gillespie)

An Act to collect a fee for Driver Education when applying for a limited learner's permit.

- This bill would add a new \$15 fee for all learner's permits and an additional \$45 fee to be credited to the costs of the driver education program provided through the public schools. This would seem to be an alternative approach to charging students at the time the time that they take the course.

9/16/2012 Filed

[HB 995 Tax Adjustment Plan](#) (Owens)

An Act to increase the sales tax by a penny, reduce the corporate income tax rate by one percent, increase the personal exemption for personal income tax, give state employees and teachers a two percent pay raise, and provide additional funds for education.

9/16/2012 Filed

[HB 998 Funds to Reduce Class Size in K-3](#) (Glazier, M. Alexander, Gill, Rapp)

An Act to appropriate funds to reduce class size in kindergarten through third grade.

- This would appropriate \$92,885,877.

9/16/2012 Filed

[HB 999 Restore LEA Flexibility Adjustment Funding](#) (Glazier, Michaux, Rapp, McLawhorn)

An Act to restore public school flexibility adjustment funding.

- This would appropriate \$503,067,940 to remove the "negative reserve" - also referred to as the discretionary cut - that requires school districts to make budget cuts at the local level and return the funds to the state.

9/16/2012 Filed

[HB 1002 Bill of Rights/Deaf/Hearing Impaired](#) (Blackwell, Holloway, Jordan, Gill)

An Act establishing a bill of rights for children who are deaf or hearing impaired, as recommended by The House Select Committee on Education Reform.

- This would create additional rights and processes different from what already is provided in federal and state laws related to children with disabilities.

9/17/2012 Filed

[HB 1003 Child Nutrition Program Solvency and Support](#) (Howard)

An Act (1) to prohibit local school administrative units from assessing indirect costs to a Child Nutrition Program unless the program is financially solvent and (2) to appropriate funds to promote optimal pricing for child nutrition program foods and supplies, as recommended by [The Joint Legislative Program Evaluation Oversight Committee](#) based on recommendations from the Program Evaluation Division.

- This would appropriate \$80,000 to support the North Carolina Procurement Alliance.

5/17/2012 Filed

[HJR 1004 Reform Workforce Development](#) (Howard)

A Joint Resolution expressing the opinion of the General Assembly that the local provision of Workforce Investment Act Services should be streamlined by realigning local workforce development areas with the boundaries of councils of governments established pursuant to G.S 160a-470, as recommended by the Program Evaluation Division and endorsed by the [Joint Legislative Program Evaluation Oversight Committee](#).

5/17/2012 Filed

## SENATE BILLS

[SB 582 Authorize Indian Gaming/Revenue](#) (Apodaca, Davis, Nesbitt)

An Act to authorize additional Class III gaming on Indian lands pursuant to a Tribal-State Gaming Compact, to create the Indian Gaming Education Revenue Fund, and to appropriate funds.

- This would provide the necessary authorizing legislation for the First Amended & Restated Tribal State Compact entered into by Governor Perdue and the Eastern Band of Cherokee Indians.

5/16/2012 Committee substitute received a favorable report in the Rules and Operation of the Senate, committee substitute adopted.

5/16/2012 Re-referred to the Senate Appropriations/Base Budget Committee, favorable report.

5/16/2012 Passed 2<sup>nd</sup> and 3<sup>rd</sup> reading in the Senate.

5/17/2012 Received in the House.

[SB 795 Excellent Public Schools Act](#) (Apodaca, Berger, Tillman)

An Act to make changes to improve K-3 literacy; provide literacy volunteer leave time; assign school performance grades; maximize instructional time; adjust school calendar start and end dates; fund five additional instructional days within the existing school calendar; establish an NC Teacher Corps; strengthen teacher licensure requirements; provide proof of state-funded liability insurance; establish plans for pay for excellence; end tenure; and eliminate public financing for the Office Of Superintendent of Public Instruction.

- This extensive reform package was filed by President Pro Tempore Berger when the General Assembly returned during the interim for a special session on April 23. It is on the agenda for the Senate Education Committee on Education/Higher Education for Wednesday, May 23. It would appropriate the following: \$34,087,650 for early literacy and \$11,350,000 for additional five instructional days (\$1,200,000 for noninstructional support personnel and \$10,150,000 for transportation).

4/25/2012 Referred to the Senate Committee on Education/Higher Education.

[SB 803 Retirement Administrative Changes](#) (Stevens)

An Act to make changes to the administration of the state retirement systems.

5/17/2012 Referred to the Committee on Pensions & Retirement and Aging.

[SB 804 Retirement Technical Corrections](#) (Stevens)

An Act to make technical and conforming changes to statutes affecting the state retirement systems.

5/17/2012 Referred to the Committee on Pensions & Retirement and Aging.

[SB 810 Regulatory Reform Act of 2012](#) (Rouzer, Brown, Davis)

An Act to (1) reestablish the Joint Legislative Administrative Procedure Oversight Committee; (2) make various technical and clarifying changes to the Administrative Procedures Act; (3) extend the effective date for changes to final decision-making authority in certain contested cases; (4) limit the period during which records of unclaimed property must be maintained; (5) require agencies to give written notice before auditing or examining a business;

(6) clarify that the discharge of waste into waters of the state does not include the release of air contaminants into the outdoor atmosphere; (7) authorize rather than require the commission for public health to adopt rules for the testing of water from new drinking water wells for certain volatile organic compounds; (8) direct the Department of Environment and Natural Resources to track and report on permit processing times; (9) delay the effective date for compliance with wading pool fencing requirements from July 1, 2012, to January 1, 2013; and (10) direct the Commission for Public Health to amend the rules governing the duration of permits for sanitary landfills and the period in which those permits are reviewed, as recommended by the Joint Regulatory Reform Committee.

- This legislation is followed for its impact on the Department of Public Instruction and rule-making requirements.

*5/17/2012 Filed*

[SB 815 Reform Workforce Development](#) (Hartsell)

An Act initiating reform of the workforce development laws of North Carolina, modifying the composition of the North Carolina Commission on Workforce Development, and establishing the Joint Legislative Workforce Development System Reform Committee, as recommended by the [Joint Legislative Program Evaluation Oversight Committee](#) based on recommendations from the Program Evaluation Division.

- This legislation seeks common performance measures for workforce development programs across state agencies.

*5/17/2012 Filed*

[SB 823 Repeal Prohibition on Teacher Prepayment](#) (Tillman, Preston, Soucek) (See also companion bill, H966)

An Act to repeal the prohibition on teacher prepayment provision in the School and Teacher Paperwork Reduction Act of 2011, as recommended by the [Joint Legislative Education Oversight Committee](#).

- This would repeal section 5 of SL 2011-379 (H720). The repeal would return salary payment requirements in G.S. 115C-302.1(b) to language existing prior to the 2011 Session.

*5/17/2012 Filed*

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