



PUBLIC EDUCATION: NORTH CAROLINA'S BEST INVESTMENT

2014 LEGISLATIVE SUMMARY

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Published: 8/15/14



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2014 Legislative Summary

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SUMMARY OF FY 2014-15 APPROPRIATIONS ACT
SB 744 (S.L. 2014-100)

Money Report

K-12 PUBLIC EDUCATION	FY 14-15 Certified Budget		FY 14-15 Budget Adjustments	
Continuation Budget	\$8,111,097,830		\$8,048,101,622	
A. Reserve for Salaries & Benefits				
Teacher and Instructional Support Personnel Compensation Avg. 7% Increase See Special Provisions Section 9.1			\$275,514,319	R
Bonuses for Top Steps Teachers (\$1,000)			\$6,764,338	NR
Accrued Longevity Reserve Fund Longevity Earned Prior to July 1, 2014			\$24,299,233	NR
School-Based Administrator Compensation			\$5,818,632	R
Bonuses for Those Not Receiving Increases on Schedule (\$809 Salary + \$191 Benefits)			\$133,410	NR
Non-Certified and Central Office Personnel Compensation Increase (\$500 Salary + \$118 Benefits)			\$32,635,439	R
DPI Personnel Compensation Increase (\$1,000 Salary + \$236 Benefits)			\$1,652,844	R
Retirement System COLA Contribution – School District Personnel			\$26,455,623	R
Retirement System COLA Contribution – Department of Public Instruction Personnel			\$226,087	R
B. Technical Adjustments				
Average Daily Membership (ADM) Adjustment Reduce Allotted ADM to 1,520,305	\$9,914,165	R	(\$37,453,734)	R
Average Salaries for Certified Personnel Align to Actual 6 th Pay Period Figures	(\$11,980,756)	R	(\$64,923,926)	R
ADM Adjustment for School Voucher Program	(\$11,797,941)	R	\$11,797,941	R
Supplant General Fund Expenditures with Lottery Proceeds for Classroom Teacher Allotment			(\$33,942,997)	R

Supplant General Fund Expenditures with Lottery Proceeds for Teacher Assistants			(\$113,318,880)	R
Exceptional Children Headcount Adjustment	(\$2,689,483)	R	(\$5,327,241)	R
Civil Penalties – Increase Budgeted Receipts and Supplant General Fund Revenue			(\$4,000,000) (\$7,572,230)	R NR
Sales Tax Receipts –Reduce Appropriation to Public School Fund Based Upon Increase in Projected Sales Tax Revenue Transferred to the Fund	(\$6,553,965)	R		
C. Other Public School Funding Adjustments				
Excellent Public Schools Act – Funding Read to Achieve and NC Teacher Corps Programs	\$5,000,000	R	\$6,015,859	R
LEA Adjustment Elimination	\$376,124,279	R		
Classroom Teacher Allotment	(\$245,897,168)	R	\$41,932,566	R
	Position Ratios K: 1:19 Grade 1: 1:18 Grades 2-3: 1:17 Grades 4-6: 1:24 Grades 7-8: 1:23 Grade 9: 1:26.5 Grades 10-12: 1:29		Position Ratios K: 1:18 Grade 1: 1:17 Grades 2-3: 1:17 Grades 4-6: 1:24 Grades 7-8: 1:23 Grade 9: 1:26.6 Grades 10-12: 1:29	
Instructional Support Personnel Allotment	(\$17,186,802)	R		
Instructional Supplies Allotment	(\$7,372,550)	R		
Repeal of Five Extra Instructional Days Requirement			(\$391,637)	R
Master's/Adv. Degree Salary Supplements Restore Access for Certain Teachers See Special Provision Section 8.3	(\$18,700,000)	R	\$18,700,000	R
School Bus Replacement	(\$39,102,605)	R	(\$3,369,983) (\$3,369,983)	R NR
Teacher Assistants Allotment Reduce per-ADM Funding (K-3) Switch Some Funds to Non-Recurring	(\$110,000,000)	R	(\$129,912,165) \$24,815,645	R NR
Central Office Administration Allotment			(\$2,750,000)	R
Transportation Allotment			(\$4,630,992)	R
Small County Supplemental Funding See Special Provisions Section 8.4	(\$3,192,877)	R	\$3,581,140	R
Installation and Maintenance of Panic Alarm Systems	\$2,000,000	R	(\$1,100,000)	R
Cooperative Innovative High Schools – Fund 6 New Schools			\$1,864,014	R
Textbook Allotment			\$905,000	R
25% Procedure Bonuses – Switch Funding to Non-Recurring	\$10,200,000	R	(\$10,200,000) \$10,200,000	R NR

Funds to LEAs for Differential Teacher Pay Programs <i>*Monies To Go Into NC Education Endowment Fund But Will Need Separate Act for Appropriation See Special Provisions Sections 8.11 and 8.41</i>			\$1,000,000	NR
At-Risk Student Services Allotment <i>*Also \$5 million of current allotment is designated for another program and will not be available for allocation.</i>			(\$9,263,980)	R
Funding for Education Services to Children in Private Psychiatric Residential Treatment Facilities See Special Provision Section 8.39			\$3,200,000	R
Limited English Proficiency Allotment	(\$6,000,000)	R		
ACT Assessments – Provides Dedicated Source of State Funding for ACT, PLAN, EXPLORE and WorkKeys assessments	\$7,500,000	R		
Stop Arm Cameras – Funding for Two Stop Arm Cameras per LEA	\$690,000	R		
Low Wealth Supplemental Funding Allotment	(\$15,526,391)	R		
EVAAS Expansion	\$850,000	R		
EVAAS Data Collection/Analysis/Calculation of A-F Grades	\$100,000	R		
AP/IB – Defray Student Fees for Tests in All LEAs	\$12,331,184	R		
Career and Technical Education Test Fees – Defray Fees	\$1,302,243	R		
School Safety Officers in Elementary and Middle Schools	\$7,000,000	R		
Education Innovation Grants	\$2,000,000	R		
Cooperative and Innovative High School Allotment – Yadkin Regional Academy	\$310,669	R		
D. Department of Public Instruction				
DPI Flexible Reduction 10% Reduction to State Funding	(\$780,491)	R	(\$5,026,050)	R
NCCAT – Restore Recurring Funding	(\$3,219,222) \$3,219,222	R NR	(\$3,239,639) \$3,239,639	NR R
Military Interstate Children’s Compact Commission			\$11,694	R
Officer of Charter Schools – Additional Personnel <i>3 positions</i>	\$320,000	R		
E. Pass-Through Funds/Grants				
Teaching Fellows – Phase-Out	(\$6,190,000)	R	(\$3,095,000)	R
Communities in Schools			\$1,000,000	R
Teach for America	\$5,100,000	R		
Tarheel ChalleNGe	(\$767,719)	R		

Total Legislative Changes	(\$66,215,430)	R	\$5,844,212	R
	\$3,219,222	NR	\$53,030,774	NR
Revised Budget	\$8,048,101,622		\$8,104,976,608	

OTHER MONEY PROVISIONS	FY 14-15 Certified Budget		FY 14-15 Budget Adjustments	
UNC System				
Opportunity Scholarship School Voucher Program Funding See Special Provision Section 8.25	\$10,000,000 <i>*2014-15 school year vouchers</i>	R	\$840,000 <i>*Spring 2015 vouchers</i>	R
North Carolina New Teacher Support Program			\$1,200,000	R
Teacher Prep Programs Through Distance Education – Eliminate Funding Stream			(\$1,801,861)	R
Tuition Grant for NC Science & Math Students	(\$2,469,075)	R		
National Board Certification Loan Program - Recurring Reduction	(\$3,174,500)	R		
G. Department of Health and Human Services				
NC Pre-K – Replace General Fund Support with Federal TANF Funds			(\$19,842,334)	R
NC Pre-K Direct Funding Will Pay for Per-Slot Cost Increase <i>No Additional Slots</i>			\$5,040,000	R
Child and Family Support Teams			(\$251,788) <i>Eliminates 2 Positions</i>	R
NC High School Athletic Association	(\$332,491)	R		
I. Justice and Public Safety				
Tarheel ChalleNGe Academy – Fund Stanly County Program			\$425,336	R
Safer School Initiative	\$311,572	R		
K. Transportation				
Driver Education Program Eliminate State Support Beginning July 1, 2015	(\$1,701,923)	R	(\$26,682,132) \$26,682,132	R NR
N. Information Technology Services				
Longitudinal Data Board Staffing			\$5,000	NR

SPECIAL PROVISIONS

****ALL SPECIAL PROVISIONS ARE EFFECTIVE JULY 1, 2014, UNLESS OTHERWISE NOTED****

PART V - OTHER APPROPRIATIONS

Section 5.1 Indian Gaming Revenue Fund

Increases monies allocated from the Indian Gaming Revenue Fund to the School Technology Fund for both years of the fiscal biennium. Allocations increased from \$3 million in both fiscal years to \$5 million in 2013-14 and \$6 million in 2014-15.

Section 5.2 Education Lottery Funds

Changes the allocation of lottery proceeds originally outlined for the 2014-15 fiscal year as provided below.

	<u>Original Allocation</u>	<u>New Allocation</u>
Classroom Teachers	\$220,643,188 (47.1%)	\$254,586,185 (43.5%)
Teacher Assistants	\$0	\$113,318,880 (19.3%)
NC Pre-K Program	\$75,535,709 (16.1%)	\$75,535,709 (12.9%)
Public School Building Capital Fund	\$100,000,000 (21.3%)	\$100,000,000 (17.1%)
Digital Learning Grants for LEAs	\$11,928,735 (2.5%)	\$0
Scholarships for Needy Students	\$30,450,000 (6.5%)	\$30,450,000 (5.2%)
UNC Need-Based Financial Aid	\$10,744,733 (2.3%)	\$10,744,733 (1.8%)
UNC Need-Based Financial Aid Forward Funding Reserve	\$32,530,359 (6.9%)	\$0
Total Appropriation	\$468,433,093	\$584,635,507

Eliminates funding for digital learning lottery grants for the 2014-15 fiscal year. Allows the digital learning lottery funds that were distributed to LEAs during the 2013-14 school year (both the funding received through per-pupil basis and the competitive grants) to be carried forward until expended. Requires a report from DPI to inform the General Assembly on how it implemented the digital learning lottery grant program.

Abolishes the Lottery Oversight Committee and replaces it with a new lottery oversight committee comprised of legislators.

G.S. 18C-115, -172; 120-295 through -298.

Section 5.3 Civil Penalty and Forfeiture Fund

Increases monies remitted from the Civil Penalty and Forfeiture Fund to the State Public School Fund in the 2014-15 fiscal year as follows:

- Original remittance: \$120,362,790
- New remittance: \$131,935,020

PART VI – GENERAL PROVISIONS

Section 6.4 Make the Base Budget the Starting Point for State Agency Budgeting

Eliminates school district “planning” allotments by removing public school ADM growth from the items required by law to be built into each fiscal year’s State budget base. **This means that, starting 2015-16, DPI will no longer calculate “planning” allotments for school districts at the beginning of each calendar year.** Growth for ADM will be accounted for in the budget as a separate line-item.

Replaces the term “continuation budget” with “base budget” throughout statute.
G.S. 143C-1-1(d).

Section 6.7 Pilot Program to Improve Budgeting of the General Fund

Authorizes a pilot program by which the Office of State Budget and Management and the Office of State Controller can take experimental measures to improve transparency within the State budget. The agencies can review any programs and funds deemed suitable for inclusion.

Section 6.8 Order of Appropriations Bills

Current law requires both the House and Senate to pass its version of the budget bill before taking up any other appropriations-related legislation and makes three exceptions to this rule. A fourth exception is added that in even-numbered years, either chamber may take up an appropriations bill that contains a statement that the General Assembly does not intend to enact a budget bill for that fiscal year.
G.S. 143C-5-2(a).

Section 6.9 Reporting on Agency Reorganizations and Movements of Positions

Institutes quarterly reporting requirement for the Office of State Budget and Management to inform the General Assembly of certain information concerning State agency reorganizations and position movements.
G.S. 143C-6-12.

PART VIII - PUBLIC SCHOOLS

Section 8.1 Funds for Children with Disabilities

Raises supplemental funding for children with disabilities for the 2014-15 fiscal year to \$3,768.11/child from \$3,743.49/child. Retains LEA allotment cap of 12.5% of ADM.

Section 8.2 Funds for Academically Gifted Children

Raises supplemental funding for academically or intellectually gifted children for the 2014-15 fiscal year to \$1,239.65/child from \$1,233.01/child. Retains LEA allotment cap of 4% of ADM.

Section 8.3 Extend the Date for School Employees to Qualify for Certain Education-Based Salary Supplements/JLEOC Study

Allows those teachers/instructional support personnel who had completed a course for a Master’s or Advanced Degree by August 1, 2013, and meets the requirements of SBE policy TCP-A-006 (6/30/2013) to receive the appropriate salary supplement upon graduation.

In addition to those in the pipeline prior to August 1, 2013, those who received the supplement prior to 2014-15 or who are employed in a position in which a Master's Degree is required for licensure may receive the supplement. All other teachers/instructional support personnel are prohibited from accessing the supplement as of July 1, 2014.

Provides for a legislative study of the Master's/Advanced Degree salary supplements alongside the locally designed differentiated teacher pay models (see Section 8.41). The study and any proposed legislation must be submitted to the 2015 General Assembly long session.

Section 8.4 Funds for Small County School Administrative Units

Revises the Small County School Supplemental allotment funding formula for FY 2014-15. The formula was scheduled to be per-ADM sliding scale formula capped at a certain per-ADM amount. Instead, LEAs will be grouped into ADM bands and receive bulk funding dependent upon this placement as follows:

Allotted ADM	Small County Allotment
0-600	\$ 1,710,000
601-1,300	\$ 1,820,000
1,301-1,700	\$ 1,548,700
1,701-2,000	\$ 1,600,000
2,001-2,300	\$ 1,560,000
2,301-2,600	\$ 1,470,000
2,601-2,800	\$ 1,498,000
2,801-3,200	\$ 1,548,000

Section 8.6 Budget Reductions/Department of Public Instruction

Authorizes the SBE to reorganize DPI in order to implement the 10% State funding reductions outlined in the Money Report. Reorganization authority had been previously given to DPI itself.

Section 8.7 Clarify Carryforward for Reading Camps

Allows each fiscal year's allocation of reading camp funds to carry over into the next fiscal year and revert on October 31.

Effective June 30, 2014

Section 8.8 Carryforward for Panic Alarm Grants

Allows funds appropriated for panic alarm system grants to carry over and be available for expenditure until the end of the next fiscal year.

Effective June 30, 2014

Section 8.9 State Board of Education Notification to the General Assembly of Federal Grant Applications

Mandates that the SBE notify the General Assembly of federal grant applications. The SBE must provide written notification to the General Assembly and Fiscal Research Division of intent to apply for any federal grant before submitting the application.

G.S. 115C-12(42).

Section 8.10 Property Insurance System for Charter Schools

Allows the SBE to offer a system of property insurance to any charter schools granted final approval.

G.S. 115C-533.

Section 8.11 NC Education Endowment Fund

Creates the North Carolina Education Endowment Fund. The following are to be included in the Fund:

- proceeds from “I Support Teachers” special registration plate sales;
- gifts, grants, or contributions to the State that are specifically designated for inclusion in the Fund;
- specific appropriations from the General Assembly (to be made only for teacher compensation that is directly related to improving student outcomes); and
- accrued interest.

Adds a new special registration plate “I Support Teachers” to statute, eliminates language authorizing the “Support Public Schools” plate, and makes conforming statutory changes to direct the proceeds of the “I Support Teachers” plate to the Endowment Fund.

Gives taxpayers the ability to make voluntary contributions to the Fund through either an income tax refund reduction or a voluntary contribution which can be indicated on an income tax form (effective with the January 1, 2014, taxable year).

Declares legislative intent to use monies appropriated to the Endowment Fund for the 2014-15 fiscal year (\$1 million) to provide LEAs with State funding for locally designed differentiated teacher pay programs (see Section 8.41). Requires an act of the General Assembly before the differentiated pay monies can be expended.

G.S. 20-63(b1), -79.4(b), -79.7, -81.12(b12); 105-269.7; 115C-472.10, -472.16.

Section 8.12 Clarify Military Service Credit for Newly Hired Educators

Clarifies eligibility for the educator military service salary credit by adding the qualifying condition that the individual must not have been previously employed by a North Carolina public school.

G.S. 115C-302.3(a).

Section 8.13 School Transportation Fleet Manual Review

Directs DPI to study school bus maintenance issues by convening a committee of school bus transportation maintenance experts to review the School Transportation Fleet manual. At least half the members must be employees of local boards of education directly involved in school bus daily maintenance. Outlines specific items to be reviewed by the committee. Sets date of December 15, 2014, for reporting the results back to the legislature.

Section 8.15 Driver Education Funding

Shifts costs for driver education programs to local boards of education by eliminating State support from the Highway Fund beginning with the 2015-16 fiscal year (see \$26 million adjustment in the Money Report). Local boards will be required to use other available funds for driver education program operations. Raises the maximum fee that local boards may charge for instruction to \$65/student (from \$55/student).

Repeals G.S. 20-88.1C, effective July 1, 2015.

Section 8.17 Funds for Advanced Placement/International Baccalaureate Courses

Allows DPI to use other monies within the State Public School Fund to defray AP/IB course test fees if the recurring appropriation for this program is insufficient in a school year. Extends the AP/IB test fee waivers to charter school students.

Section 8.18 JLEOC Study of NCVPS Revenue

Instructs the Joint Legislative Education Oversight Committee to study revenue raising options for the North Carolina Virtual Public School (NCVPS). Study results and any legislative recommendations are to be submitted to the 2015 General Assembly long session. Notable areas to be examined include:

- Sale of NCVPS course seats in under-subscribed courses to out-of-state students.
- Issues associated with NCVPS operating as a for-profit education provider.

Section 8.19 Competitive Grants to Improve After-School Services

Establishes the After-School Quality Improvement Grant Program, which will award competitive grants to after-school learning program pilots that target at-risk students and raise student academic standards. Sets aside \$5 million of At-Risk Student Services allotment monies for these grants in 2014-15 fiscal year. *This will reduce the At-Risk funds available to be distributed through the regular funding formula.*

Allows LEAs to qualify for grant funding either on their own or in partnership with a nonprofit organization. Enumerates the components that must be part of a program in order to qualify for grant funding, including a directive that at least 70% of students served be free or reduced-price meal eligible. Allows approved grant recipients to receive a maximum of \$500,000 per year for two years with a third year option. There must also be a \$3 to \$1 match of non-State funds to State funds.

Tasks DPI with program administration responsibility. Outlines reporting requirements for DPI and grant recipients.

Section 8.20 Schematic Designs/Emergency Access to Schools

Changes law concerning requirements for school districts to provide certain school safety items to local law enforcement.

Schematic Diagrams

Old Law: School districts that maintained schematic diagrams as of 2013-14 required to provide them to local law enforcement. Other school districts *encouraged* to provide the items prior to 2014-15.

New Law: By June 1, 2015, all school districts must provide schematic diagrams, including digital schematic diagrams, to local law enforcement agencies and the Division of Emergency Management at the Department of Public Safety. Whenever there are substantial modifications to school buildings (such as new facilities or modifications to doors and windows) school districts must provide updated schematic diagrams that reflect the modifications. Retains public records exemption for school schematic diagrams.

Access to School Facilities

Old Law: School districts that maintained schematic diagrams as of 2013-14 required to provide keys to the main entrance to all school facilities to local law enforcement. Other school districts *encouraged* to provide the items prior to 2014-15.

New Law: Effective immediately, all school districts must provide local law enforcement with emergency access to key storage devices (such as KNOX boxes) for all school buildings. School districts must also give updated access when changes are made.

Section 8.21 NBPTS Supplement for Instructional Coaches in Title I Schools

Extends eligibility for NBPTS salary supplements to an individual who serves as instructional coach (as classified by DPI), in a Title I school for at least 70% of work time. G.S. 115C-296.2(b).

Section 8.22 JLEOC Study Diagnostic Reading Assessments for Read to Achieve

Tasks the Joint Legislative Education Oversight Committee with studying the mCLASS 3D assessment instrument used for grades K-2 formative and diagnostic reading assessments required by Read to Achieve. The study is to examine the items outlined below.

- The possibility of assessing formative/diagnostic development in way that would allow for more local flexibility.
- Whether there are fewer instruments or data-gathering activities that could be used in doing formative/diagnostic assessments.
- Identification of other assessments to determine student growth for Standard 6 of the teacher evaluation instrument for K-2 teachers. Currently, DPI plans to use mCLASS reading assessments to populate Standard 6 growth.

Delineates specific information the committee shall incorporate into its evaluation.

Section 8.23 Supply of Emergency Epinephrine Auto-Injectors on School Property

Obligations of Local School Boards and School Districts

Enacts statute requiring all local boards of education to maintain an emergency supply of emergency epinephrine auto-injectors (EpiPens) on school property, with each public school to have a minimum of two (2) EpiPens stored in a location that is: (a) secure, (b) unlocked, and (c) easily accessible. Defines EpiPen in statute.

Emergency EpiPens stocked on school property are to be used by trained school personnel (school nurse or designated trained personnel) for emergency medical aid to individuals suffering

from an anaphylactic shock during the school day and/or at school-sponsored events on school property, whether or not the individual already has a prescription for possession and self-administration. Excludes transportation to and from school from being considered “ school property.”

Includes language clarifying that the stocking of emergency EpiPens does not affect students to possessing and self-administering the medication on school property.

Personnel Training and Requirements

Requires each school principal, through the annual process of selecting personnel to participate in the school’s medical care program, to designate one or more personnel to receive initial training and annual retraining from a school nurse or qualified representative of the local health department regarding the storage and emergency use of EpiPens. This person or the school nurse will have an obligation to obtain a non-patient specific prescription for EpiPen administration through a physician, physician assistant, or nurse practitioner of the local health department serving the LEA’s area.

Emergency Action Plan

Establishes that school principals must develop an action plan for emergency EpiPen use, consisting of at least:

- Standards and procedures for storage and emergency use.
- Training of school personnel in recognizing anaphylaxis symptoms.
- Emergency follow-up procedures.
- Instruction and certification in cardiopulmonary resuscitation.

Immunity

Includes an immunity clause protecting local board of educations and specified individuals from civil damage liability for actions and omissions related to EpiPen administration as allowed in statute unless amounting to gross negligence, wanton conduct, or intentional wrongdoing.

All Provisions Effective November 1, 2014.

G.S. 115C-375.2A.

Section 8.25 Opportunity Scholarship Grant Clarifications

Makes several changes to the Opportunity Scholarship school voucher law.

LEA Funding Reduction Process. Repeals requirement that LEAs reduce State funding proportionate to the number of students departing through vouchers.

Spring 2015 Voucher Application Process. Sets up a special application cycle to award vouchers for the Spring 2015 semester (up to \$2,100 per student for the semester). Provides \$810,000 to fund these half-year vouchers. Prioritizes students who applied for a voucher in February 2014 but were not selected. Directs the State Educational Assistance Authority to establish temporary rules and regulations for the special application cycle.

Public Records - Voucher Student Information. Exempts voucher applications and personally identifiable information related to voucher recipient students from public records laws. Specifies items that are considered personally identifiable information. *Effective July 1, 2013.*

Nondiscrimination Clause. Prohibits private schools enrolling voucher students from discriminating on the basis of race, color, or national origin.

Annual Voucher Award Date. Changes the date of when vouchers must begin to be awarded each year from March 1 to March 15.

Makes other clarifying and technical changes.
G.S. 115C-562.2(a), -562.3(a), -562.5, -562.7(a) and (b).

Section 8.26 Injury Prevention and Return-to-Work Programs

Directs local boards of education to have injury prevention and return-to-work programs that align with models developed by the SBE. The SBE will be developing policies and procedures to ensure compliance with model policies.

G.S. 115C-12(43).

Section 8.27 Participation in Investing in Innovation Grants

Eliminates Wilkes and adds Bladen and Martin to the list of LEAs that can offer community college courses to 10th grade students as part of the federal Investing in Innovation Fund Grant.

Section 8.28 Department of Public Instruction Response Time

Directs DPI to respond to information requests from a superintendent or designee within three (3) business days of the receipt of the request. Unless there are extraordinary circumstances, requests for information shall be reasonably and fully answered within 14 business days.

Section 8.30 Extend Reporting for School Performance Scores and Grades

Shifts the earliest allowable date for issuance of the first set of report cards that include the A-F letter grades. Target date moved from August 1, 2014, to January 15, 2015.

Section 8.32 Annual Distribution of School Bullying/Cyber-Bullying Policies

Requires school principals to distribute the school district's harassment and bullying prohibition policy to staff, students, and parents at the beginning of each school year.

Effective beginning with the 2014-15 school year

G.S. 115C-407.16(d).

Section 8.33 Clarify School Counselor Work Duties

Clarifies that school counselors may assist other school personnel with test coordination during their 20% of their work hours that are not direct student services time.

G.S. 115C-316.1(b).

Section 8.34 Funds for Charter School Closure

Sets out guidelines requiring charter schools to reserve at least \$50,000 in assets to cover expenses associated with voluntary or involuntary dissolution. Recodifies statute concerning transfer of charter assets to the LEA upon dissolution.

Applies to charters seeking initial approval or renewal after August 7, 2014.

G.S. 115C-238.29F(i), -238.29L, -238.29G(a1).

Section 8.35 Virtual Charter School Pilot Program

Directs the SBE to establish a pilot program of two (2) virtual charter schools to enroll students statewide beginning August 2015.

Prescribes rules to govern the pilot schools as provided below.

- *Local Funding:* Entitles each pilot school to a per-pupil share of the local current expense fund of the home school district of each enrolled student, to be capped at \$790 per student. Applies all other rules associated with charter school local funding, including accounting disclosure and transference timeline requirements.
- *State Funding:* Entitles each pilot school to State funding for each enrolled student through the same method that applies to brick-and-mortar charter schools, except does not allow for low wealth or small school system allotments from the home school district to be factored into the calculation.
- *Term Length:* Sets each pilot school's term at four (4) years.
- *Withdrawal Rates/Attendance Count:* Establishes a withdrawal limit of 25%. Allows for students enrolled with the prior expressed intent of only enrolling for a finite period of time within the school year to be dropped from the withdrawal rate count. Allows one attendance count date per semester for funding purposes.
- *Grade Span:* Allows pilot schools to serve all grade levels of students (K-12).
- *Enrollment:* Caps first year enrollment for each school at 1,500 and allows for up to 20% growth each year for an enrollment max of 2,592 by the fourth year.
- *Governance:* Requires each school to maintain an administrative office within North Carolina and at least one testing center or meeting place within each education district. Directs that any superintendent, principal, or business officer provided through a third-party EMO or CMO contract be residents of North Carolina.
- *Teacher Certification.* Requires all teaching staff to be licensed and to receive professional development in virtual instruction.
- *Learning Coaches.* Requires that each enrolled student be assigned a learning coach.
- *Class Size Limits:*
 - Grades K-8: 1:50
 - Grades 9-12: 1:150

Provides that if either or both virtual charter schools are considered successful they can receive final approval for full operational status without going through the regular charter application process. Authorizes termination for noncompliance. Allows the SBE Chair to submit a request that data be provided to the SBE and requires that each request be honored within 21 days.

Section 8.36 Clarify Regional School CIHS Applications

Deems the Northeast Regional School of Biotechnology and Agriscience to be a Cooperative Innovative High School for the 2014-15 school year and clarifies the school's CIHS application procedures subsequent to that date.

G.S. 115C-238.50A(1a).

Section 8.38 Lease Purchase or Installment Purchase Contracts to Purchase Athletic Lighting

Allows local boards of education to acquire athletic lighting through lease-purchase or installment purchase contracts.

G.S. 115C-528(a).

Section 8.39 Education of Children in Private Psychiatric Residential Treatment Facilities

Enacts statutory framework governing the education of children in private psychiatric residential treatment facilities (PRTFs).

Defines a PRTF as a non-hospital facility that provides psychiatric and other behavioral health services to individuals under the age of 21 in an inpatient setting licensed by DHHS. Disqualifies State-operated facilities from being included in the definition.

Prescribes that PRTFs serving public school-eligible children are to have a facility-based school and that the children receive educational services (as defined). Allows a qualified PRTF to contract with an LEA for assistance in education service delivery to PRTF children. Any such PRTF-school district contract must specifically define:

- legal responsibilities of the PRTF and the LEA;
- education-related assessment to be used; and
- instruction to be provided.

Requires PRTFs to submit information requests to the last LEA in which a new student was last known to be enrolled. Directs LEAs to comply with PRTF information requests by providing a copy of the child's most current IEP and any other available documents related to the provision of appropriate educational service. To the extent practicable, requires LEAs to provide this information within three business days of receiving a PRTF request.

Upon discharge of a child from a PRTF, instructs that the receiving LEA work with the PRTF to develop a transition plan, including a revised IEP if necessary.

Outlines rules for allocating funds set aside for PRTF education service delivery (\$3.2 million).

Allows the Department of Social Services to share with an LEA and DPI confidential information necessary to establish, coordinate, or maintain appropriate educational services for a person receiving public assistance or social services.

Delineates DPI oversight procedures and adds duty of the SBE to ensure educational services are provided to PRTF students.

G.S. 108A-80; 115C-12; 122C-23.1, -55, -450 through -450.4.

Section 8.40 Allow Continued Transfer of Funds from Special Education Tax Credits

Carries forward for future year appropriation any remaining monies in the reserve fund that had been established for the Special Education Tax Credit program (which has since been converted to a voucher program).

Section 8.41 Differentiated Pay for Highly Effective Teachers

Requires each local board of education to propose a locally designed model for awarding salary increases and/or bonuses to its classroom teachers who are (a) rated highly effective and/or (b) assume additional roles and responsibilities (differentiated teacher pay program). Sets a deadline of January 15, 2015, for submission of these proposals.

Allowable program components include:

- Performance pay salary increases for classroom teachers rated Highly Effective on the teacher evaluation instrument (rating of Distinguished on Standards 1-5 and Exceeds Expected Growth on Standard 6).
- Supplemental bonuses for teacher placement in:
 - hard-to-staff subject areas such as STEM education and special education; and/or
 - hard-to-staff schools.
- Bonuses for teachers who assume additional responsibilities such as:
 - additional academic responsibilities
 - leadership roles
 - assignment as an instructional coach

Limits salary increases and bonuses only to: (1) classroom teachers who spend at least 70% of work time in classroom instruction and are not employed as instructional support personnel; and (2) instructional coaches, as defined in federal law.

Requires that proposals be submitted to the House and Senate Appropriations Committees as well as the Joint Legislative Education Oversight Committee.

Declares the General Assembly’s intent use the \$1 million that has been appropriated to the NC Education Endowment Fund (Section 8.11) as the source of State funding for local differentiated teacher pay programs.

PART IX – COMPENSATION OF PUBLIC SCHOOL EMPLOYEES

Section 9.1 Teacher Salary Schedule

Salary Schedule

Repeals the “A” teacher salary schedule established for the 2013-15 biennium and replaces it with a new schedule to apply for the 2014-15 fiscal year. Applies to classroom teachers and instructional support personnel.

Collapses total steps on the schedule from 37 to six (6), with each step corresponding to five (5) years of teaching experience. Keeps base salary levels flat for each five-year period between the

steps. Increases starting annual salary level at step 1 (years 0-4) from \$30,080 to \$33,000. Sets annual base salaries at each subsequent step as provided below.

Step 2 (years 5-9)	\$36,500
Step 3 (years 10-14)	\$40,000
Step 4 (years 15-19)	\$43,500
Step 5 (years 20-24)	\$46,500
Step 6 (years 25+)	\$50,000

Maxes out monthly salary at \$50,000 at step 6.

Puts teachers on the new schedule at their experience level for 2014-15. Grandfathers teachers whose 2013-14 annual salary plus longevity exceeded \$50,000. These teachers will be kept at their 2013-14 base salary levels plus longevity and be given a \$1,000 bonus.

Longevity

Discontinues annual longevity payments for all teachers placed on the new schedule. Pays a prorated longevity amount to teachers who earned longevity in 2013-14. The prorated amount will be for longevity earned prior to July 1, 2014. Sets aside \$24 million for this purposes but directs DPI to use other funds within the Public School Fund if the reserve is insufficient.

Salary Supplements

Authorizes 12% supplement for Nationally Board certified teachers and 10% supplement for certified school nurses. Sets out language for supplements for teachers who earn Master's and advanced degrees.

Section 9.11 School-Based Administrator Salary Schedule

Establishes salary schedules for principals and assistant principals for the 2014-15 fiscal year.

Provides for a mixture of step increases and changes to base salary schedule to provide an average 2% salary increase for principals and assistant principals. Discontinues the practice of awarding one (1) additional year of experience to principals for every three (3) years of principal experience, except still allows experience earned before June 30, 2009, to count towards the pay bump. Awards a bonus of \$809 salary + \$191 benefits to principals and assistant principals who do not receive a salary increase under this provision.

Retains salary supplements, longevity pay, and classification rules.

Section 9.12 Central Office Salaries

Repeals 2013 budget provision freezing salaries for superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers for the 2014-15 fiscal year.

Increases salary ranges to provide for a \$500 salary increase for the 2014-15 fiscal year. Retains all other language from 2013 budget.

Section 9.13 Noncertified Personnel Salaries

Repeals 2013 budget provision freezing 2014-15 salaries for full and part-time noncertified public school employees paid out of the State General Fund.

Increases salary levels for full-time noncertified employees by \$500 for the 2014-15 fiscal year. Provides the same increase to part-time employees except provides that the increases shall be received on a prorated and equitable basis.

PART XI – UNIVERSITY OF NORTH CAROLINA

Section 11.7 Operation of 4-H Camps and Use of Various Sites of Defunct 4-H Camps and Transfer 4-H Camp Sertoma/Moore Springs to the State Parks System

Directs that the following 4-H camps are to continue operations at the same level of services that were being provided as of June 30, 2014:

- Eastern 4-H Center (Columbia).
- Millstone 4-H Camp (near Ellerbe, NC).
- Betsy-Jeff Penn 4-H Educational Center (near Reidsville).

Puts into place procedures to study the possible reopening of defunct 4-H camps Anita-Alta (Lenoir) and Swannanoa (Swannanoa).

Directs how net proceeds from disposition of, use of, or activity on 4-H program property are to be used.

Allocates \$725,000 in recurring funds to be divided equally among all operating 4-H camps, including any defunct 4-H camp that reopens and operates as a 4-H camp.

Section 11.10 State Education Assistance Authority (SEAA) to Assume Responsibility for Teaching Fellows Program Scholarship Loans

As title indicates. Accelerates the date to repeal statutory authority for the Teaching Fellows program from July 1, 2015, to March 1, 2015. Also, as of March 1, 2015, the SEAA will assume responsibility for administering any outstanding scholarships.

PART X – DEPARTMENT OF HEALTH AND HUMAN SERVICES

Section 12B.6 NC Pre-K Audits

Subjects the NC Pre-K program administered by local partnerships to biennial audit requirements.

Section 12E.9 Transfer of Summer Food Service Program to Department of Public Instruction

Transfers the North Carolina Summer Food Services Program to DPI effective October 1, 2014.

Section 12J.1 Revise DHHS Block Grants

Directs \$7,195,807 in TANF and \$12,646,527 in TANF emergency contingency funds to be used for the NC Pre-K program.

Section 12J.1.(w) Maternal and Child Health Block Grant

Prescribes that if federal funds are received under the Maternal and Child Health Block Grant for abstinence education in the 2013-14 or 2014-15 fiscal years then those funds are to be transferred to SBE to be administered by DPI to establish an abstinence until marriage education program. Sets out guidelines for DPI to follow in using the grant funds.

PART XV – DEPARTMENT OF COMMERCE

Section 15.16A Workers' Compensation/Reimbursement for Prescription Drugs and Professional Pharmaceutical Services

Limits workers' compensation reimbursement for prescription drugs and professional pharmaceutical services to 95% of the product's average wholesale price as of the dispensal date. Delineates rules for prescription drug and pharmaceutical services reimbursement. G.S. 97-26.2.

PART XVII – DEPARTMENT OF JUSTICE

Section 17.3A Ensure Proper Role for Attorney General

Empowers the Speaker of the House and Senate President Pro Tempore, in situations where they jointly hire outside counsel to represent the General Assembly in constitutional challenges to enacted legislation, to jointly designate that the outside counsel supersede the Attorney General and act as lead counsel for that case. Requires that consent judgments and settlement agreements involving a State department, agency, institution, or officer be approved by the head of the department, agency, or institution, or by the State officer.

G.S. 114-2, -2.2, -2.4.

SUBPART XVIII – ADMINISTRATIVE OFFICE OF THE COURTS

Section 18B.16 Three-Judge Panel to Rule on Claims That an Act of the General Assembly is Facially Invalid on the Basis That the Act Violates the North Carolina Constitution or Federal Law

Requires all facial challenges to laws enacted by the General Assembly (whether the challenge is based on state constitutional or federal law grounds) to be transferred to Wake County Superior Court and heard by a panel of three resident superior court judges. Also requires requests for injunctive relief based upon facial state constitutional or federal law challenges be heard by the panel. Provides panel be appointed on a case-by-case basis, with appointments to be made by the Chief Justice of the NC Supreme Court. Outlines rules for the appointments. Makes conforming changes throughout the Rules of Civil Procedure.

Establishes that trial court rulings that a law enacted by the General Assembly is facially unconstitutional or in violation of federal law can be appealed directly to the NC Supreme Court. *Panel appointments to begin September 1, 2014.*

G.S. 1-81.1, -267.1; 1A-1, Rule 42 and Rule 62; 7A-27

PART XXIII – OFFICE OF THE GOVERNOR

Section 23.1 Education and Workforce Innovation Program

Allows the Governor's office to use up to 5% of Education and Workforce Innovation Program funds for technical and administrative assistance and reimbursements. Allocates 5% of funds each fiscal year to the North Carolina New Schools Project. Increases the required match for grant recipients to 50%. Increases the number of members on the Education and Workforce Innovation Commission from 11 to 14.

G.S. 115C-64.16.

PART XXXV – SALARIES AND BENEFITS

Section 35.6A State Agency Teachers

Authorizes step increase for employees of schools operated by the Department of Health and Human Services, the Department of Public Safety, and the SBE who are paid on the Teacher Salary Schedule.

Section 35.7 Salary Adjustment Requirement/Limit on Cumulative Increases

Directs that in the 2014-15 fiscal year, a public school employee may be awarded a cumulative salary adjustment that exceeds 10% only if the adjustment is approved in advance by a local board of education.

Section 35.8 Use of Funds Appropriated for Legislatively Mandated Salary Increases

Sets out rules and reporting requirements for use of funds set aside for salary increases.

Section 35.9 All State-Supported Personnel/Salary Increases

Establishes a July 1, 2014, effective date for applicability of salary increases, including those for public school personnel. Clarifies that salary increases do not apply to individuals separated from State service due to resignation, dismissal, RIFs, death, or retirement, or whose last workday is prior to July 1, 2014.

Clarifies that salary increases shall not be included in any payroll checks that may be issued to State-funded public school employees after July 1, 2014, but that represent payment for services provided prior to that date. Clarifies that unless otherwise provided for in the budget, State-funded public school employees who work a 9, 10, or 11 month work year schedule are to receive the \$1,000 annual pay increase.

Section 35.13 Salary-Related Contributions

Sets the employer contribution to the retirement system for the 2014-15 fiscal year at 15.21% (was 14.69% in 2013-14).

Sets the employer contribution for the State Health Plan for the 2014-15 fiscal year at \$5,378 (was, \$5,435 in 2013-14) for non-Medicare eligible employees/retirees and \$4,179 (was, \$4,224 in 2013-14) for Medicare eligible employees/retirees.

Section 35.14 Provide Cost-of-Living Increases for Retirees of the Teachers’ and State Employees’ Retirement System, the Judicial Retirement System, and the Legislative Retirement System

Provides cost-of-living retirement allowance increases from and after July 1, 2014, as follows:

- For those who retired on or before July 1, 2013: 1% increase
- For those who retired after July 1, 2013, but before June 30, 2014: prorated increase of 1% of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 2013, and June 30, 2014.

G.S. 135-5(ttt).

Section 35.15 Use of Funds Appropriated for State Retirement System Contribution Increases

Sets out rules and reporting requirements for use of appropriations set aside for retirement contribution increases.

Section 35.15A Funding for North Carolina Public School Teachers’ and Professional Educators’ Investment Plan

Allows for a \$150,000 loan from Qualified Excess Benefit Arrangement assets to the NC Public School Teachers’ and Professional Educators’ Investment Plan. Establishes repayment rules.

Section 35.16A Clarify That Re-Hired State Retirees Shall be Offered Coverage in State Health Plan as Active Employees Rather Than As Retirees

As title indicates.

G.S. 135-48.41(j).

PART XXXVII – FINANCE PROVISIONS

Section 37.1 Clarify “Net General Fund Tax Collected” for Purposes of the Corporate Income Tax Rate Reduction Trigger

Modifies language that requires an automatic corporate income tax rate reduction upon attainment of certain General Fund revenue collection targets. Redefines how General Fund revenue for tax reduction trigger purposes is determined.

G.S. 105-130.3C.

Section 37.2 Modify County Hold Harmless for Repealed Local Taxes

Institutes a gradual four-year phase-out of the \$500,000 annual net monetary benefit to counties that had been guaranteed as part of the 2007 Medicaid swap legislation. Retains hold harmless language. Net benefits to counties are reduced as follows:

- 2014-15: \$375,000
- 2015-16: \$250,000
- 2016-17: \$125,000
- 2017-18: no net benefit

SUMMARY OF LEGISLATION ENACTED BY THE GENERAL ASSEMBLY

ALL BILLS ARE EFFECTIVE UPON BECOMING LAW UNLESS OTHERWISE NOTED

Public/Statewide Legislation

House Bills

HB 230: Clarify Read to Achieve/ School Performance Grades (S.L 2014-5) makes various changes to Read to Achieve, A-F school performance grades, and testing requirements.

Read to Achieve (Sections 1-10)

Student Reading Portfolios

Authorizes local school districts to design their own student reading portfolios. Allows a single piece of evidence in the portfolio to show mastery of up to two standards instead of just one. Permits teachers to administer student reading portfolio passages during the fall semester instead of just the spring semester as guidelines had stipulated.

Alternative Assessments

Clarifies language to mirror the SBE's process to approve LEA Alternative Assessments (AA) for allowing 3rd grade students to demonstrate reading proficiency. For each AA, the LEA needs to determine that it valid and reliable and DPI must establish achievement level ranges. Provides that all approved AAs are available to all LEAs. Requires review each year to ensure ongoing relevance, validity, and reliability.

Summer Reading Camps

Changes the name to "reading camps." Allows LEAs to offer reading camps for no less than three weeks that provide at least 72 hours of instruction. Prior to retaining 3rd grade students who are not reading at grade level and who have been opted out of the reading camps by parents, LEAs are to provide at least one opportunity to demonstrate reading proficiency through either an Alternative Assessment or successful completion of the student reading portfolio.

Gives 3rd grade students who are reading at grade level the option of enrolling in reading camps if space is available, authorizes that they may be charged up to \$825, and requires local boards of education to establish application procedures and enrollment priorities for these students. Students subject to mandatory retention are to have first priority in enrollment.

Good Cause Exemptions

Changes the special education good cause exemption from mandatory retention to provide that the exemption applies if the student's IEP indicates: (a) the use of the *NCEXTENDI* alternate assessment; (b) at least a two school year delay in educational performance; **or** (c) receipt of intensive reading interventions for at least two school years. Makes clarifying changes to the language on good cause exemptions for Limited English Proficient students.

A-F School Performance Grades (Sections 11-15)

Clarifies that if a school has met expected schoolwide growth and the inclusion of the 20% growth component would lower the school's grade, the school may elect to NOT include the growth component in its grade calculation.

Moves the grading scale to determine letter grades from a 10-point scale to a 15-point scale for 2013-14 grades only.

Makes other clarifying and technical changes to the law.

One-Year Testing Window Waiver (Section 16)

For the 2014-15 school year only, gives local boards of education the ability to apply to the SBE for up to 5 additional test administration days at the end of both year-long and semester-based courses. Sets a deadline of September 1, 2014, for waiver requests to be made, with notifications to be issued one month later.

G.S. 115C-83.3(2),(8), and (9), -83.4A, -83.5(d), -83.7(b), -83.8(a), -83.9(d), -83.11, -83.15(b) and (d), -238.29F(d1).

HB 712: Clarifying Changes/ Special Ed Scholarships (S.L. 2014-49) makes numerous revisions and clarifying changes to the children with disabilities school voucher program.

Establishes definitions for *child with a disability* and *related services* that align with State law.

Removes language qualifying a student for the program if he/she receives special education or related services *on a daily basis*. Provides that voucher funds must be used for special education services that are provided on a daily basis.

Rewrites kindergarten/grade 1 qualifying criteria to provide that the student must be identified as a child with a disability prior to the end of the year of initial enrollment in kindergarten or grade 1. Conditions a voucher award on documentation verifying that the child is a child with a disability prior to the end of initial enrollment year.

Tasks SBE with monitoring all LEAs to ensure the following: (i) the LEA is conducting evaluations requested by a child's parent or guardian of suspected children with disabilities in a timely manner as required by IDEA; and (ii) is providing reevaluations to special education voucher recipients upon request.

Clarifies voucher reimbursement process. Outlines a preapproval process for a parent to submit documentation of tuition and anticipated costs in the semester for preapproval. Categorizes reimbursement types into *tuition reimbursement*, *special education reimbursement*, *related services reimbursement*, and *educational technology reimbursement* and sets rules for each. Disallows any tuition, special education, or related services reimbursements for homeschooled students if provided by a member of the household.

Exempts from public record laws both voucher applications and specified personally identifiable information related to voucher students (Effective July 29, 2013).

Mandates that the State Educational Assistance Authority is to make available information about the voucher and application process on its website.

Revises the definition of child care to encompass a child care facility for more than six and one half hours per day but does not receive NC Pre-K or child care subsidy funding.

Makes other organizational and technical changes throughout.

Public records exemption becomes effective July 29, 2013

Other changes apply to vouchers awarded beginning with the 2014-2015 school year.
 G.S. 110-86(2)f; 115C-112.5, -112.6(e), -112.7, -112.8, -112.9.

HB 884: Dropout Prev./Recovery Pilot Charter School (S.L. 2014-104) repeals 2011 legislation that allowed the SBE to set up a dropout recovery pilot program in select LEAs. Enacts new law piloting a two year dropout prevention and recovery charter school in Mecklenburg County targeting students that have or are about to drop out of high school. Allows for the charter to receive additional funding in the 5th month of the school year to come out of the LEA’s allotments and local funds. Permits the school to operate under an alternative accountability model that meets SBE guidelines for alternative schools. Outlines other rules and reporting requirements for the pilot school.

The SBE and Charter Schools Advisory Board are required to report on the use of contracts for personnel services by local boards of education and charters. Both the purposes and the extent of such contracts prevalent in each LEA and charter are to be included in the report. Report is due to the legislature by December 15, 2014.

HB 1031: Econ. Dev. Partnership Modifications (S.L. 2014-18)

Section 3. Divides the state of North Carolina into eight (8) geographic regions entitled Collaboration for Prosperity Zones (CPZs) to enhance collaboration and cooperation between governmental agencies, improve planning and use of resources, and increase efficiency at a regional level. Renames all eight education districts and corresponding SBE seats beginning April 1, 2015. Education district titles use new CPZs regional designations instead of numerical designations as follows:

Ed District <i>Current</i>	Ed District <i>April 1, 2015</i>	SBE Rep <i>Current</i>	SBE Rep <i>April 1, 2015</i>
1	Northeast Region	Rebecca Taylor	Rebecca Taylor
2	Southeast Region	Reginald Kenan	Reginald Kenan
3	North Central Region	Kevin Howell	<i>*To be Appointed*</i>
4	Sandhills Region	Olivia Oxendine	Olivia Oxendine
5	Piedmont-Triad Region	A.L. “Buddy” Collins	A.L. “Buddy” Collins
6	Southwest Region	John Tate	Greg Alcorn
7	Northwest Region	Greg Alcorn	<i>*To Be Appointed*</i>
8	Western Region	Wayne McDevitt	Wayne McDevitt

Maintains groupings of LEAs in each education district *except* for the following changes:

LEA	Current District	New District
Sampson	2	Sandhills Region (old district 4)
Clinton City	2	Sandhills Region (old district 4)
Halifax	3	Northeast Region (old district 1)
Roanoke Rapids	3	Northeast Region (old district 1)
Weldon City	3	Northeast Region (old district 1)
Northampton	3	Northeast Region (old district 1)
Harnett	4	North Central Region (old district 3)
Lee	4	North Central Region (old district 3)
Orange	5	North Central Region (old district 3)

Chapel Hill-Carrboro	5	North Central Region (old district 3)
Person	5	North Central Region (old district 3)
Davie	7	Piedmont-Triad Region (old district 5)
Surry	7	Piedmont-Triad Region (old district 5)
Elkin City	7	Piedmont-Triad Region (old district 5)
Mt. Airy City	7	Piedmont-Triad Region (old district 5)
Iredell-Statesville	7	Southwest Region (old district 6)
Mooresville	7	Southwest Region (old district 6)
Rowan	7	Southwest Region (old district 6)
McDowell	8	Northwest Region (old district 7)
Mitchell	8	Northwest Region (old district 7)
Yancey	8	Northwest Region (old district 7)

G.S. 115C-65; G.S. 143B-28.1.

Section 4. Instructs SBE to designate an individual from each CPZ region to serve as a liaison for that region’s LEAs and public schools. Designation must be made by January 1, 2015. The liaison can be a representative from one of the area LEAs or a representative from the Department of Public Instruction. Directs the public school liaison to work to enhance collaboration and cooperation between their departments and other State agencies, local governmental agencies, and other regional public and nonprofit entities. Also directs the public school liaison, in conjunction with the community college system liaison, to work closely with the Department of Commerce and other State and local governmental agencies and local businesses in the zone to promote job development through career technical education. Establishes reporting requirements for the SBE to update the General Assembly on liaison activities.

Effective July 1, 2014 to July 1, 2018

HB 1043: Prequalification Update (S.L. 2014-42) makes a number of changes to public contracting statutes.

Use of Prequalification for Selection of Bidders

Adds a definition of prequalification into contracting statutes. Institutes three rules that governmental entities must follow in order to use prequalification in selecting bidders for a public construction or repair contract:

1. The public entity must be using the separate-prime, single-prime, or dual-bidding construction method.
2. Prior to the advertisement of the contract for which prequalification will be used, the public entity must adopt an objective prequalification policy that includes six specific items delineated in the new statute, including uniformity in application, clarity in prequalification criteria, and a denial protest process.
3. The public entity must adopt the assessment tool and criteria for the project for which prequalification will be used. This must include prequalification scoring values and a minimum score required to be prequalified.

Specifies that when prequalification is used, bids submitted by any non-prequalified bidder will be deemed nonresponsive.

Clarifies that prequalification may not be used for design-build, design-build bridging, public-private partnership construction methods, the selection of a construction manager at-risk, or the selection of surveying, architectural, or engineering service contracts (Mini-Brooks Act services).

Construction Manager At-Risk Changes

Requires that the prequalification rules established for public entities also apply to a construction managers at-risk using prequalification for the selection of first-tier subcontractors. Establishes that the construction manager at-risk and the public entity must jointly develop the assessment tool and criteria required per standard three.

Prescribes that a public entity can only use the construction manager at-risk construction method if it has made a determination that the method is in the best interest of the project after having weighed advantages/disadvantages of using this method against the single-prime, separate-prime, or dual-bidding methods.

Miscellaneous Changes

Restricts the items a public entity may request and consider through a Request for Qualifications (RFQ) for service contracts for design-build, design-build bridging, public-private partnerships, construction managers at-risk, surveyors, engineers, and architects. The RFQ may not request new work products/designs. The RFQ also may not request costs or fees other than unit price information. Makes an allowance that examples of prior completed work can be solicited, submitted, and considered when determining demonstrated competence and qualification.

Removes the amount of proposed fees for services from the items public entities must report when utilizing construction manager at-risk, design-build, or public private partnership.

Amends the rules for using design-build and design-build bridging by changing the comparison analysis a public entity must engage in to use these methods. Analysis is changed from a cost/benefit analysis to an advantage/disadvantage comparison analysis.

Recodifies reporting requirement statute.

Building and Infrastructure Study Commission

Establishes a 20-member Blue Ribbon Commission to Study the Building and Infrastructure Needs of the State. Designates seven members to be appointed by the Senate President Pro Tempore, including one upon recommendation of the North Carolina School Boards Association. Designates seven members to be appointed by the Speaker of the House. Designates six members to be appointed by the Governor.

Enumerates eight public infrastructure items the Commission is to study, including the 10-year capital needs of local school boards, the anticipated costs thereof, and the feasibility of establishing a dedicated source of revenue for capital funding for local school boards and other governmental entities.

Allows the Commission to make an interim report prior to the 2015 long session of the General Assembly and requires a final report to the 2016 short session. Prescribes rules for the Commission. Terminates the Commission on December 31, 2016, or upon the filing of its final report, whichever occurs first.

All statutory changes effective October 1, 2014.

Establishment of the Blue Ribbon Commission is effective immediately.

G.S. 143-64.31(b),(c),(d),(f), -128.1(c) and (e), -128.1A(b)(6), -128.1B(b)(6), -133.1, -135.8.

HB 1050: Omnibus Tax Law Changes (S.L. 2014-3)

Section 5.1. Rewrites and makes substantive changes to statutory provisions applying the State sales tax to admission charges. Removes some of the events that had been excluded from the sales tax on admission charges but continues to exempt events sponsored by elementary or secondary schools from the sales tax on admission charges.

G.S. 105-164.4G(f).

HB 1060: Military Student Identifier (S.L. 2014-15) directs the SBE to develop and implement a process for LEAs to annually identify enrolled military-connected students using PowerSchool. This provision specifies that this information is not a public record and will not be made public except as permitted by FERPA (the Family Educational Rights and Privacy Act). For this purpose *military-connected student* is defined as a student enrolled in an LEA and has a parent, step-parent, sibling, or any other person who resides in their same household serving in the active or reserve components of the military.

Beginning July 1, 2015, changes the role of the principal from developing a way to identify and serve the unique needs of military children to serving those who have been identified through the new process.

Annual identification requirement applies with the 2015-2016 school year. LEAs may begin in the 2014-2015 school year.

G.S. 115C-12, -288.

HB 1133: Technical and Other Corrections (S.L. 2014-115)

Section 2.2. Makes a technical correction to the title of a statute authorizing DPI to administer a towing/storage/sales program for forfeited vehicles.

G.S. 20-28.9

Section 18. Corrects an erroneous Rules of Civil Procedure reference and specifies appellate level intervention rules for joint intervention by the House Speaker and President Pro Tempore in cases challenging a North Carolina statute or provisions of the North Carolina Constitution.

G.S. 1-72.2.

Section 28.5. Changes law concerning commercial driver's license issuance. Individuals must now hold a commercial driver learner's permit for at least 14 days in order to be issued a commercial driver's license and upgrade if the upgrade requires a skills test. Establishes that drivers who do not meet medical certification requirements are to be given 60 days to provide sufficient documentation, after which point the license is to be downgraded.

G.S. 20-37.13.

Section 39.4. Exempts certain activities of the North Carolina Center for the Advancement of Teaching from the Umstead Act, including agreements to use NCCAT staff and materials for meetings and educational programs provided by State agencies and public schools.

G.S. 66-58(b).

Section 48. Clarifies that grants through the NC Education and Workforce Innovation Program may be awarded for both new and existing projects.

G.S. 115C-64.16(e).

Section 49.2. Specifies that tests are not public record until officially released by the SBE. Gives authority for the SBE to create rules for public inspection of pre-release tests.

G.S. 115C-174.13.

Sections 49.5 and 49.7. Changes certain SBE legislative reporting requirement deadlines.

Section 56.7. Makes technical corrections to statute governing contractual agreements for guaranteed energy savings.

G.S. 143-64.17B.

Section 62. Formally repeals 2012 legislation that had prohibited dues from being deducted for public school employee organizations. The legislation has been null and void since being struck down by a Superior Court judge. Adds new language requiring State Auditor's verification and certification of the membership counts of employee organizations eligible for dues checkoff.

G.S. 143B-426.40A(g).

Section 64. Makes clarifying changes to the dropout age increase pilot program in Hickory Public Schools and the Newton-Conover City Schools.

Section 65. Clarifies that school administrators and noncertified school personnel who were employed before July 1, 2014, and are subsequently rehired do not retain their old rights to appeal dismissal/nonrenewal decisions to Superior Court or receive written reasons for dismissal/nonrenewal actions. Those rights were eliminated as part of the public school employment changes of 2013.

Sections 80-93. Standardizes various reporting requirement deadlines for the SBE.

Senate Bills

SB 370: Respect for Student Prayer/Religious Activity (S.L. 2014-13) repeals G.S. 115C-47(29b) which set out general guidelines for local board of education policies concerning prayer by individual students. Enacts new statute (Article 29D) governing student prayer and religious activity on public school grounds.

Enumerates in statute specific rights students have concerning religious-based activities on public school grounds that are protected through case law interpreting the First Amendment of the U.S. Constitution as follows.

1. Pray alone or with other students to the same extent as a student is allowed to reflect/speak on nonreligious matters.

2. Express, speak to, and attempt to share religious viewpoints to the same extent as if they were nonreligious viewpoints.
3. Possess or distribute religious literature subject to reasonable time, place, and manner restrictions, to the same extent as nonreligious literature.
4. Organize prayer groups, religious clubs, and religious gatherings before, during, and after school to the same extent as students are permitted to organize other non-curricular student activities and groups. Local boards of education would be authorized to disclaim sponsorship of noncurricular groups and events in a manner that neither favors nor disfavors the religious groups.
5. Express beliefs about religion in homework, artwork, and other assignments without being subject to content-based discrimination.

Allows school districts to prohibit an individual student from engaging in any of the protected prayer/religious activities on public school grounds if the student's action would:

- infringe on the school's right to maintain order and discipline, prevent disruption of the educational process, and determine educational curriculum and assignments;
- harass others or coerce other students to participate or otherwise infringe upon other people's rights.

If a local board of education has not adopted a local grievance policy including an appeal to the board for alleged violations of this act, the statute prescribes a grievance process.

Enables allegations that a school district has violated protected student prayer/religious activity rights to be asserted by a student in Superior Court, either as a cause of action or defense, and only upon exhaustion of all administrative remedies through a grievance process. Awards reasonable attorneys' fees and court costs to a student that prevails either as a plaintiff or defendant party. Requires the North Carolina Attorney General to intervene and provide legal defense in any action challenging the statute's constitutionality.

Directs that local boards of education cannot prohibit school personnel from participating in student-initiated religious activities on school grounds that occur at reasonable times before or after the instructional day, provided (a) that the activities are voluntary for all parties; and (b) the activities do not conflict with responsibilities or assignments.

Allows school employees supervising extracurricular activities, including coaches, to be present while a student or group of students engages in lawful prayer activity. Provides that while a group of students is engaging in lawful prayer activity, the supervisory employee is not to be disrespectful and may adopt a respectful posture.

Clarifies that local boards of education may allow school personnel to participate in other constitutionally permitted religious activities on school grounds.

G.S. 115C-47(29b), -407.30, -407.31, -407.32, -407.33.

SB 403: Omnibus Elections Clarifications (S.L. 2014-111)

Section 4. Makes a technical correction to conform with the elimination of high school preregistration in the 2013 elections bill.

G.S. 115C-47(59).

Section 17. Restricts when counties may hold special elections for bond issues and other matters. Beginning with special elections on or after January 1, 2015, special elections can only be held: (a) at the same time as a State or county election; or (b) at the same time as any other election requiring all county precincts to be open. This in essence means school bond referenda cannot be held in odd-numbered years.

G.S. 163-287.

SB 793: Charter School Modifications (S.L. 2014-101)

LEA Local Funding Accounting Disclosure and Transference

Obligates LEAs to provide any additional records beyond what is specified in statute that a charter school requests to audit and verify the monthly local current expense fund accounting data. The charter governing board is to use the same schedule established by the Department of Cultural Resources for retention and disposition of LEA records.

Reduces from three years to one year the amount of time a court may allow for payment of funds, costs, fees, and interest if an LEA is found to have wrongly withheld or failed to timely transfer local current expense funds. *Applies to actions filed on or after July 28, 2014.*

Charter Application Process and Renewal Changes

Revises the regular charter school application process by moving the date by which the SBE must make a final decision on applicants to no later than August 15 of the calendar year before the calendar year in which the charter plans to open. The SBE will also be allowed to make final approval contingent on successful completion of a planning year. Currently, the SBE takes one vote to trigger a planning year and then takes a second vote on final approval by January 15 of the year the charter plans to become operational.

Maintains authority of the Office of Charter Schools to set a deadline by which applications must be received in order to be considered during a cycle.

Requires the establishment of a separate 150-day “fast-track” charter application review process by the SBE that would allow governing boards of charters operating in NC to apply to replicate existing schools in other parts of the state. Prescribes minimum qualifying criteria for fast-track review consideration and requires the SBE develop fast-track rules and procedures by December 15, 2014.

Sets 10 years as the default renewal term for operational charter schools (current Office of Charter School policy is five years as default renewal term). Outlines three situations under which renewals of less than 10 years are allowable:

- The school has not provided financially sound audits for the 3 prior years.
- Student academic outcomes within the past 3 years have not been comparable to the local LEA.
- Noncompliance with State/federal law, school bylaws, or the charter agreement.

Grade Expansion Authority

Allows charters that have been operational for less than three years to expand into one grade level higher or lower without seeking approval from the SBE. Currently, this authority is only allowed if the charter has been operational for at least three years. Attaches the following conditions to this authority:

- the charter must have a financially sound audit for the prior year;

- the charter’s students must have academic outcomes during the past year that are comparable to the LEA of operation; and
- the charter must be compliant with State/federal law, school bylaws, and the charter agreement.

Allows the SBE to prevent the expansion upon finding that one of the conditions have not been met or exceptional circumstances exist which justify preventing the expansion.

Sunsets the authority on September 1, 2015.

Other Provisions

Subjects charter schools and charter governing boards to public records and open meetings laws. Opens to public inspection the personnel records of employees directly employed by the governing board of a charter participating in the Teachers’ and State Employees Retirement System.

Directs the SBE, upon recommendation of the Advisory Board, to establish a competitive bid process for outside entities to assume control and responsibility for charter schools that are low performing. The SBE has the authority to do this but will now be required to set up a process. Sets baseline criteria that must be part of the competitive bid rules. Targets January 15, 2015, as the date by which rules for this process must be adopted.

Makes other changes.

G.S. 115C-238.29B(b), -238.29D, -238.29F, -238.29H.

SB 812: Replace CCSS w/NC’s Higher Academ. Standards (S.L. 2014-78)

Academic Standards Review Commission

Creates the Academic Standards Review Commission (ASRC) which is to examine the Common Core English Language Arts and Mathematics Standards (CCSS) adopted for the Standard Course of Study in 2010 and to provide the SBE with suggested changes and modifications. Sets the ASRC’s membership at 11, composed of:

- 4 appointees of the Speaker of the House
- 4 appointees of the President Pro Tempore of the Senate
- 2 members of the SBE:
 - The SBE Chair or designee
 - An appointee of the SBE chair who is also a member of the SBE’s Task Force on Summative Assessment
- 1 appointee of the Governor

Requires that the Speaker and Senate President Pro Tempore consider making appointments from the following groups: public school parents; Math/ELA teachers; Math/ELA curriculum experts; superintendents and principals; business community members; and qualified members of the postsecondary education community. Bars statewide elected officials or legislators from serving on the ASRC.

Directs that the ASRC meet no later than September 1, 2014.

Suggested areas for the ASRC to look at in considering modifications are: age and developmental appropriateness, clarity to parents and teachers, and the ability to increase students’ level of academic achievement.

Directs that suggestions are to be proposed to the SBE as soon as practicable and allows additional suggestions to be proposed at any time before termination (the earlier of December 31, 2015, or submission of a final report to the 2016 General Assembly). Requires that suggestions take into consideration the impact on educators, including the need for professional development.

Also instructs that the ASRC is to provide the SBE with recommendations on assessments aligned to whatever modifications are proposed. Provides that the assessment recommendations also include a reduction in the number of high-stakes assessments administered by public schools.

Requires local governmental entities to provide the ASRC with any information it may request. Houses the ASRC in the Department of Administration and sets out rules for conducting its meetings.

Standard Course of Study Review

Instructs the SBE to conduct a comprehensive review of CCSS and propose modifications to ensure that the standards satisfy a set of delineated criteria, including: age and developmental appropriateness, clarity to parents and teachers, and the ability to increase students' level of academic achievement. Requires that any changes or modifications to the standards be undertaken with consultation from the ASRC.

Forbids the SBE from entering into any agreement, understanding, or contract that would relinquish authority over the Standard Course of Study and aligned assessments. Affirms that State academic standards adopted by the SBE are to continue to be named the Standard Course of Study and sets out directives for the SBE to maintain autonomy over the standards.

Other Provisions

Affirms that the Standard Course of Study as it exists on July 1, 2014, remains in effect until official notice is provided of any changes adopted by the SBE. Clarifies that local boards of education are to continue providing for the efficient teaching of the course content required by the Standard Course of Study as prescribed in statute.

Repeals directive in statute that required the SBE to continue participating in CCSS development and implement aligned assessments. Directs the SBE instead to continue to develop and update the Standard Course of Study in accordance with its prescribed powers and implement assessments most appropriately aligned to the Standard Course of Study.

Removes CCSS from the considerations the SBE must incorporate into the development of accreditation criteria.

Establishes a July 15, 2015, reporting requirement for the SBE to update the General Assembly on the acquisition and implementation of new assessment instruments. Requires that the General Assembly enact authorizing legislation before the SBE can acquire or implement new assessments. Spells out standards for the assessment instruments.

Effective July 1, 2014.

G.S. 115C-12(39), -174.11(c)(3).

SB 815: Ensuring Privacy of Student Records (S.L. 2014-50) directs local boards of education to notify parents each year, beginning 2014-15, of certain rights and powers State and federal law affords them with respect to student records. Each annual notice must include the following information:

- Student record rights under the Family Educational Rights and Privacy Act (FERPA)

- The right to inspect and review student educational records.
- The right to request amendment of records believed to be inaccurate.
- The right to consent to disclosures of personally identifiable student record information.
- The right to file complaints with the U.S. Department of Education alleging a failure to comply with FERPA.
- Disclosure of directory information
 - Information concerning disclosure of directory information and parental rights to opt-out
- The parent's right to receive notice and an opportunity to opt a student out of any protected information survey under the Protection of Pupil Rights Amendment.

Directs the SBE to engage in six specified actions to ensure student data accessibility, transparency, and accountability relating to PowerSchool. These actions include: (a) creating a publically available data inventory and index of data elements with definitions of individual student data fields in the system; (b) developing rules to comply with relevant and applicable State and federal privacy laws including, but not limited to, FERPA; (c) prohibiting the release of personally identifiable student data to those not explicitly authorized in statute; (d) directing the development of a detailed data security plan for PowerSchool that includes guidelines for authorizing access, privacy compliance standards, security audits, breach planning, data retention, data encryption; (e) ensuring the Department of Public Instruction routinely complies with FERPA and other relevant privacy laws; and (f) building safeguards and penalties into any contractual agreement with a private entity concerning PowerSchool that includes de-identified student data or personally identifiable student data.

Instructs the SBE to notify the General Assembly and Governor annually by October 1 of new student data and changes to existing data collection.

Restricts the collection or reporting in PowerSchool on: biometric information, political affiliation, religion, and voting history.

Annual parental notification requirements begin with the 2014-2015 school year.

G.S. 115C-402.5, -402.15.

State Health Plan, Retirement, Unemployment, and Workers' Compensation Bills

HB 1193: Retirement Technical Corrections Act of 2014 (S.L. 2014-97)

Section 4. Amends retirement statutes to define *Consumer Price Index* as applied to limits on the amount that can be earned by re-employed retirees and recipients of disability benefits.

G.S. 135-1, -3(8), -5(e)(1).

HB 1194: Retirement Admin. Changes Act of 2014 (S.L. 2014-112)

Section 1. Modifies the timing for when a retiree would experience reduced benefits under Option Four of TSERS, a payment option which allows a retiree to receive higher benefits until Social Security eligible and a lower benefit after eligibility. Reduced benefits would begin the first month following the month at which the member becomes eligible for Social Security.

Effective January 1, 2015.

G.S. 135-5(g).

Section 2. Permits an employing entity that is untimely in providing contributions to receive one penalty waiver every five years if the Board of Trustees finds the employing entity has consistently demonstrated good-faith efforts to comply with the contribution remittance deadline.

Effective October 1, 2014

G.S. 135-8(f).

HB 1195: Fiscal Integrity/Pension-Spiking Prevention (S.L. 2014-88)

Anti-Pension Spiking and Contribution-Based Benefit Cap (Section 1)

Enacts new statutory provisions to establish a Contribution-Based Benefit Cap (CBBC) for employee members of the Teachers' and State Employees' Retirement System (TSERS).

Applicable Employee Members

Applies Contribution-Based Benefit Cap **only** to TSERS members who meet the following two criteria:

- a) the member is retiring on or after January 1, 2015; and
- b) the member's average final compensation is \$100,000 or more (indexed to inflation).

CBBC

Calculates a Contribution-Based Benefit Cap for applicable employee members as follows:

The single life annuity equivalent of the member's accumulated contributions, adjusted for age at the member's retirement or death

Multiplied By

The Contribution-Based Benefit Cap Factor (CBBC-F) required to be established by the Board of Trustees (see below)

Requires the Board of Trustees to establish a CBBC-F recommended by the actuary and based upon experience. Provides that the CBBC-F selected by the Board of Trustees be projected to cap no more than 0.75% of member retirement allowances under the statutory calculation.

Applicable Employee Members as of December 31, 2014

Exempts all applicable employees who are TSERS members as of December 31, 2014, from having retirement benefits capped under the CBBC.

Requires an additional retirement contribution from employing entities with whom an applicable employee earns last month of credible service when the employee's retirement benefits would have otherwise been capped under the CBBC. Final contribution must equal the amount by which retirement benefits exceed the CBBC.

Applicable Employees Who Become TSERS Members On or After January 1, 2015

Caps retirement benefits for retiring applicable employee members under CBBC when the employee has attained the five-year vesting period (see Section 3).

Provides that notice be issued to the employing entity and the employee when an employee's benefits have been capped under the CBBC.

Allows the employee 90 days after notification or until the effective date of retirement, whichever is later, to submit a lump sum payment equal to the amount by which benefits are in excess of the cap. If no action is taken within 90 days, the member's benefits are to be reduced by the difference. Allows employing entity to pay all or part of the excess above the cap.

Notification to Employing Entities

Directs that employing entities receive monthly notification of those members for whom a retirement contribution was made the preceding month and who are most likely to require an additional contribution should they elect to retire in the following 12 months.

Identical provisions also apply to the Local Governmental Employees' Retirement System Effective January 1, 2015

G.S. 128-26(v), -27(a3), -30(g)(2)b; 135-4(ii), -5(a3), -8(f)(2)f.

Return of Contributions and Interest (Section 2)

Allows TSERS and LGERS members who voluntarily leave employment within five years to receive interest accumulated on retirement contributions. This allowance had previously been made only for those with five years or more or who were involuntarily separated.

Effective January 1, 2015

G.S. 128-27(f); 135-5(f).

Return to 5-Year Vesting (Section 3)

Reinstates 5 year vesting period to receive monthly benefits for TSERS and Disability Income Plan members hired as of August 1, 2011. Allows these employees to be considered vested upon 5 years of creditable service. Makes conforming changes throughout the statutes.

Effective Immediately

G.S. 135-3(8), -4(jj), -5(a3) and (f), -8(f)(2).

SB 794: Disapprove Industrial Commission Rules (S.L. 2014-77)

Disapproves 10 rules adopted by the NC Industrial Commission and gives directions on how to revise the rules.

Modifies the law on procedures for the handling of disputes regarding medical compensation or medical treatment issues to allow various motions to be filed without the Commission making the determination as to how the motion is classified.

G.S. 97-25

LOCAL LEGISLATION

House Bills

HB 292: Moratorium/Lawsuits for School Funds (S.L. 2014-8)

as modified by

SB 355: Tech Correction/Gaston, Nash, Union Local Act (S.L. 2014-9)

Union

Prohibits the Union County Schools Board of Education from filing a legal action against the Union county commissioners challenging sufficiency of appropriations to the local current expense fund, the capital outlay fund, or both, for the 2014-15 and 2015-16 fiscal years.

Prescribes minimum local current expense appropriations to the Union County Board of Education for the 2014-15 fiscal year and sets minimum appropriations for the 2015-16 fiscal year through a growth formula of inflation equal to the most recent CPI-U index plus ADM. Sets out minimum capital outlay appropriations for the capital outlay fund for both fiscal years. Reinstates litigation authority upon adoption of the 2016-17 budget by the Union county commissioners.

Requires the Union Board of Education and county commissioners to engage in joint, multi-year planning of expenses.

Includes severability clause.

Effective June 11, 2014, and does not affect any action filed prior to that date.

Gaston and Nash-Rocky Mount

Bars the Gaston County and the Nash-Rocky Mount Boards of Education from using the local school funding dispute resolution process (115C-431) to challenge county commission appropriations for the 2014-15 and 2015-16 fiscal years.

Forbids both Gaston and Nash-Rocky Mount from filing legal action against their respective county commissioners challenging sufficiency of appropriations to the local current expense fund, the capital outlay fund, or both, for the 2014-15 and 2015-16 fiscal years. Reinstates access to the local funding dispute resolution process and authority to file legal actions adoption of the 2016-17 budget by the respective county commissions.

Includes severability clause.

Effective June 11, 2014, and does not affect any action filed prior to that date.

HB 1108: Duplin BBC Elections/Harnett Vacancies (S.L. 2014-6) makes changes affecting the Duplin County Board of Education and the Harnett County Board of Education.

Duplin

Makes technical changes to the transition to new districts for the Duplin County Board of Education. S.L. 2013-320 redrew the districts and reduced membership from 6 to 5 members on a staggered implementation schedule.

Harnett

Places restrictions on superintendent elections by the Harnett County Schools Board of Education when the election occurs in the time period between when new board members are

elected and when they assume office (up to seven months). Establishes that any action to elect a superintendent or set the terms thereof within this time period must be by unanimous vote.

Adds Harnett County to those school boards on which vacancies are to be filled on a partisan basis.

G.S. 115C-37.1(d), -47(13).

HB 1151: Fayetteville Red Light Changes (S.L. 2014-84) authorizes the City of Fayetteville to lease or purchase a red light camera system from a contractor. Increases the civil fine to be levied for detected violations from \$75 to \$100. Permits the Cumberland County Board of Education and the City of Fayetteville to enter into an interlocal agreement that may include cost-sharing and reimbursement terms regarding civil fines collected through the red light camera system.

HB 1154: Moore Co. Schools Transfer of Property (S.L. 2014-70) authorizes the Moore County Schools Board of Education to convey right, title, and interest in certain described real property to the Town of Taylortown with consideration.