

House Budget Education Provision Summaries

Section 4.3.(a) Education Lottery Funds *pg. 15*

	FY 2021-2022	FY 2022-2023
Noninstructional Support Personnel	\$385,914,455	\$385,914,455
Public School Building Capital Fund	\$100,000,000	\$100,000,000
Needs-Based Public School Capital Fund	\$110,252,612	\$138,252,612
Public School Repair & Renovation	\$50,000,000	\$50,000,000
LEA Transportation	\$21,386,090	\$21,386,090

Section 4.4 Needs-Based Changes

Needs-Based Public School Capital Fund *pgs. 16-17*

- Revamps this Lottery-funded program as follows:
 - Changes the eligibility from Tier I and II counties to all counties ranked by the following priorities:
 1. Counties with greater need and less ability to generate sales tax and property tax revenue
 2. Counties with a high debt-to-tax revenue ratio
 3. The extent to which a project will address critical deficiencies in adequately serving the current and future student population
 4. Projects that will consolidate two or more schools into one new facility
 5. Counties that have not received a grant under this Article in the previous three years
 - Changes the requirement from only new construction to construction of new school buildings, additions, repairs, and renovations
 - Grant funds may also be used for real property acquisition
 - Except for counties with a Small County designation, requires counties to provide matching funds for grants in the amount of \$1 of non-state funds for every \$4 of state grant funds
 - Replaces the cap on grants of \$15 million for Tier I and \$10 million for Tier II to the following maximum grant awards:
 - Up to \$30 million for an elementary school
 - Up to \$40 million for a middle school or a combination of an elementary and middle school
 - Up to \$50 million for a high school
 - Reverts grant funds if construction does not commence within 24 months
 - Adds to the annual appropriation \$35.3 million in the 2021-2022 fiscal year and \$63.3 million in the 2022-2023 fiscal year

- Designates funding to the following projects from the Fund in the 2021-2022 fiscal year (no matching funds are required):
 - \$6 million to Wilkes County for construction and renovation at Mt. Pleasant Elementary School
 - \$5 million to Wilkes County for capital improvements at Wilkes Central High School
 - \$20 million to Wayne County for capital improvements at Rosewood Middle School
 - \$4 million to New Hanover County for capital improvements at the Southeast Area Technical High School

Public School Building Repair and Renovation Fund *pg. 18*

- Allocates \$50 million a year from the Lottery Fund to a new Fund that provides each county \$500,000 for the “enlargement, improvement, expansion, repair, or renovation of classroom facilities at public school buildings within local school administrative units located in the county. Funds received under this section shall not be used for the retirement of indebtedness.”

Additional Capital Items ([Money Report](#))

K-12 Athletic Facilities *pgs. H 23-25*

- Designates \$43.5 million for school athletic facilities from the State Capital and Infrastructure Fund as follows:

<u>Project</u>	<u>Amount</u>
DPI K-12 Athletic Facility Grants	\$19,474,000
Alexander Central High Tennis Court	\$330,000
Alexander Central High Track	\$300,000
Alleghany County Schools - Athletic Facilities	\$2,250,000
Bethel Middle School Sports Field	\$1,500,000
Harnett County Schools Athletic Facilities	\$325,000
Lincoln County Rescue Park Soccer Fields	\$1,100,000
Madison High School Athletic Facilities	\$2,500,000
McDowell High School Athletic Facilities	\$4,500,000
Mitchell High School Field Turf	\$1,100,000
Mountain Heritage High School Field Turf	\$1,100,000
North Lincoln High School Field Turf	\$400,000
Parkland High School Athletic Fields and Stadium	\$2,500,000
Surry County Athletic Facilities	\$3,500,000
Washington High School Soccer Field	\$121,000
Wilkes County High School Athletic Facilities	\$2,500,000
	\$43,500,000

Public Schools of Robeson County Planetarium and Science Center *pg. H 40*

- Designates \$5 million from the State Capital and Infrastructure Fund for this project

Department of Public Instruction (DPI) - Center for Advancement of Teaching *pg. H 10*

- Funds the renovation and expansion of the Professional Development Center at the North Carolina Center for the Advancement of Teaching in Cullowhee with \$19.5 million in the 2021-2022 fiscal year and \$3.9 million in the 2022-2023 fiscal year

Section 4.6 Civil Penalty and Forfeiture Fund *pgs. 18-19*

	FY 2021-2022	FY 2022-2023
School Technology Fund	\$18,000,000	\$18,000,000
Drivers Education	\$27,393,768	\$27,393,768
State Public School Fund	\$147,041,640	\$151,841,640
Total	\$192,435,408	\$197,235,408

Section 7.1 Funds for Children with Disabilities *pg. 53*

(similar to [Senate budget](#))

- Requires the State Board of Education (SBE) to allocate an additional \$4,549.88 per child for both years of the fiscal biennium
- In fiscal year 2021-2022, LEAs will receive the lesser of (i) all children identified as children with disabilities or (ii) 12.75% of its 2021-2022 allocated average daily membership (ADM)
- In fiscal year 2022-2023, LEAs will receive the lesser of (i) all children identified as children with disabilities or (ii) 13% of its 2022-2023 allocated ADM

Section 7.2 Funds for Academically Gifted Children *pg. 53*

(identical to [Senate budget](#))

- Requires the SBE to allocate an additional \$1,364.78 per child for both years of the fiscal biennium
- LEAs will receive a maximum of 4% of its 2021-2022 allocated ADM, regardless of number of children identified as academically or intellectually gifted

Section 7.3 Supplemental Funding in Low Wealth Counties *pgs. 53-57*

(identical to [Senate budget](#))

- Continues the same funding formula, requirements for using funds, and nonsupplant language

Section 7.4 Small County School System Supplemental Funding *pgs. 57-58*

(similar to [Senate budget](#))

- Combines the first two ADM tiers to be one tier of 0-1,300
 - This results in an increase of supplemental funding to LEAs with 0-600 ADM from \$1.71 million to \$1.82 million
- Continues the rest of the ADM tiers, supplemental funding amounts, and phase-out provisions

Section 7.5 Disadvantaged Student Supplemental Funding (DSSF) *pgs. 58-59*

(identical to [Senate budget](#))

- Continues the same funding formula and requirements for using funds

Section 7.11 Schools That Lead Program *pg. 61*

(similar to [Senate budget](#))

- Requires DPI to provide professional development to teachers and principals in up to 75 schools beginning with 2021-2022 school year and ending in 2025-2026 school year

Section 7.12 Permit Use of Special State Reserve Fund for Transportation/Establish Transportation Reserve Fund for Homeless and Foster Children *pgs. 61-62*

(similar to [Senate budget](#))

- In addition to the purposes for which funds in the Special State Reserve Fund (SSRF) for children with disabilities are used, beginning with the 2021-2022 fiscal year, the SSRF may also be used to cover extraordinary transportation costs for high-needs children with disabilities
- Establishes the Transportation Reserve Fund for Homeless and Foster Children to provide for a grant program to cover extraordinary school transportation costs for homeless and foster children, beginning with the 2021-2022 fiscal year

Section 7.19 School Safety Grants Program *pgs. 64-67*

(similar to [Senate budget](#))

- Continues the School Safety Grants Program (Program) and makes the allotment recurring
- The purpose of the Program is to improve safety in public school units (PSUs) by providing grants for (i) services for students in crisis, (ii) school safety training, and (iii) safety equipment in schools

Section 7.20 TeachNC Recruitment Initiative *pg. 67*

(similar to [Senate budget](#))

- Requires DPI to adopt the TeachNC recruitment initiative for future teachers to find information and connect with resources on the teaching profession

Section 7.21 Extend Student Meal Debt Report *pgs. 67-68*

(identical to [Senate budget](#))

- Extends the student meal debt report by the SBE to the Joint Legislative Education Oversight Committee (JLEOC) from October 15, 2021, to October 15, 2023

Section 7.24 COVID-19 ADM and Children with Disabilities Reserve *pg. 68*

(similar to [Senate budget](#))

- Requires DPI to establish the COVID-19 ADM and Children with Disabilities Reserve
- For the 2021-2022 fiscal year, requires DPI to allocate funds from the Reserve to PSUs whose ADM and children with disabilities population, or both, exceed their initial predictions during the first two months of the 2021-2022 school year

Section 7.27 Elementary and Secondary School Emergency Relief Fund/Use of Reserve Funds *pgs. 68-78*

(similar to [Senate budget](#))

- Appropriates the entire 10% DPI reserve of federal ESSER III funds (\$360 million) to 34 different allotments
- (Each allocation is listed in [NCSBA's summary](#) of House budget education appropriations)

Section 7.28 Transfer of Funds for the School Business System Modernization Plan *pgs. 78-79*

(identical to [Senate budget](#))

- Appropriates \$1.4 million in each year of the biennium to the Government Data Analytics Center to continue work on the school data reporting system

Section 7.29 After-School Robotics Grant Program/Athletics *pgs. 79-82*

- Requires DPI to establish the Educational and Competitive After-School Robotics Grant Program for the 2021-2022 school year
- Requires the SBE to adopt rules for competitive robotics as an interscholastic athletic activity

- Requires DPI to publish application criteria by September 15, 2021
- Requires applications to be accepted until October 15, 2021

Section 7.31 School Nutrition Program Report *pg. 84*

(identical to the Senate amendment to Part III of [HB 159](#))

- Requires all local school nutrition programs to submit specified information to DPI by October 15, 2021
- Requires DPI to compile the responses into a report to the JLEOC by December 15, 2021

Section 7.32 School Safety/Threat Assessment Teams *pgs. 84-92*

(identical to [HB 657](#) (primary sponsor: Representative John Torbett, R-Gaston))

- Clarifies that school safety requirements apply to PSUs
- Requires the establishment of threat assessment teams in PSUs to evaluate threatening behavior, determine the level of risk, and intervene when deemed necessary to protect students and staff
- Requires LEAs to establish peer-to-peer student support programs in schools with grades six and higher

Section 7.33 Revise Fast-Track Replication of High-Quality Charter Schools

pgs. 92-93

- Upon recommendations by the Office of Charter Schools and the Charter Schools Advisory Board, requires the SBE to adopt a process and rules for fast-track replication of high-quality charter schools currently operating in the State
- Prohibits the SBE from requiring a planning year for applicants selected through this process
- Outlines eligibility requirements for charter school board of directors

Section 7.34 Standards of Student Conduct *pgs. 93-100*

(similar to [HB 247](#) (primary sponsor: Representative John Torbett, R-Gaston))

- Requires the governing body of each PSU to do the following:
 - Consult with teachers, school-based administrators, parents, and local law enforcement when adopting discipline policies and student code of conduct
 - Consider existing federal guidance for disciplining students with disabilities, in addition to other school discipline guidance issued by the U.S. Department of Education
 - Send most current discipline policies and student code of conduct to DPI by September 1 each year

- Inform parents and guardians of the full range of responses to disciplinary violations at the beginning of each school year

Section 7.35 Flexibility For School Employees to Receive Annual Salary in 12 Monthly Installments *pgs. 100-101*

(similar to Part I of [HB 159](#) (primary sponsors: Representatives John Torbett, R-Gaston; Hugh Blackwell, R-Burke))

- Allows LEAs to use a payroll deduction plan to pay eligible school personnel in 12 monthly installments

Section 7.38 Advanced Teaching Roles Changes *pgs. 104-105*

- Increases the number of years LEAs may be awarded funds from one term (three years) to two terms (six years)
- Clarifies that any class size flexibility approved for an Advanced Teaching Roles school expires if that school is no longer designated as an Advanced Teaching Roles school

Section 7.39 Principal Recruitment Supplement *pg. 105*

(identical to [SB 654](#))

- Continues the low-performing schools principal recruitment supplement for the 2021-2022 school year

Section 7.44 Recommendation for Students with Disabilities Funding *pg. 106*

- Of the funds appropriated by DPI to contract with Augenblick, Palaich and Associates Consulting (APA) for the 2021-2022 fiscal year, requires APA to make recommendations on how to categorize funding for students with disabilities and how to set funding levels for each recommended category
- Includes a list of requirements for APA to examine while developing recommendations
- Requires APA to submit its recommendations to SBE and DPI by February 15, 2022
- Requires DPI to submit a final report on the recommendations to the General Assembly by March 15, 2022

Section 7.46 Academic Transparency *pgs. 107-109*

(similar to [HB 755](#) (primary sponsor: Representative Hugh Blackwell, R-Burke))

- Requires PSUs to post to their website (i) a list of lesson plans, (ii) instructional/course materials, (iii) procedures for approval of those materials, and (iv) procedures for requesting an in-person review of materials not publicly available on the internet
 - Must be posted by June 30 annually
 - Based on the prior school year
- Requires title, author, brief description, and link (if publicly accessible) to be posted to the website for all materials
- Exempts schools with fewer than 400 students from complying with these requirements

Section 7.47 Modernize Selection of Instructional Materials *pgs. 109-117*

- This eight-page provision establishes the role and responsibility of local boards of education when selecting and adopting instructional and supplemental materials at each instructional level
 - Includes when boards adopt, modify, or amend a health and safety program
- Requires boards to adopt policy for parents to opt their children in or out of health and safety programs
- Requires local boards of education to maintain a repository of current instructional and supplemental materials (does not include classroom materials developed by teachers), as well as listed criteria for current objectives, entire curricula, texts, and all other materials used in any health and safety program
 - Among other requirements, requires the repository to be maintained at a central location for in-person review by parents and the public upon request
- Requires local boards of education to establish a local community media advisory committee to investigate and evaluate challenges from parents, teachers, and members of the public to instructional and supplemental materials
 - Establishes a process for challenges and appeals

Section 7.48 Low-Performing Schools *pgs. 117-118*

(identical to Part II of [SB 654](#))

- Waives low-performing school, continually low-performing school, and low-performing local school administrative unit identification for the 2021-2022 school year, based on 2020-2021 school year data

Section 7.49 Public School Unit Calendars for the 2021-2022 School Year *pgs. 118-120* (identical to Part III of [SB 654](#))

- Allows PSUs with good-cause waivers to use up to 15 days or 90 hours of remote instruction for severe weather and other emergencies
- Allows all other PSUs to use up to 5 days or 30 hours

Section 7.50 Remote Instruction for COVID-19 Emergencies *pg. 120* (identical to Part IIIA of [SB 654](#))

- Allows PSUs to provide remote instruction to address health and safety concerns related to COVID-19 during the 2021-2022 school year

Section 7.51 Planned Virtual Instruction *pgs. 121-122* (similar to Part IIIB of [SB 654](#))

- During the 2021-2022 school year, allows no more than 15% of total student enrollment in a PSU to be enrolled in a virtual academy
- Requires PSUs to submit a virtual instruction plan to DPI by August 1, 2021
- Prohibits virtual instruction after June 30, 2022, except if a LEA was assigned a school code to operate a virtual academy by May 1, 2021

Section 7.52 Virtual Academies Study *pg. 122* (identical to Part IIIC of [SB 654](#) (Edition 3))

- Requires the State Superintendent to create a Working Group on Virtual Academies to make recommendations to the JLEOC by January 15, 2022

Section 7.56 Adoption of the Standard Course of Study/Advisory Commission/SBE Rulemaking *pgs. 128-133*

- Requires the SBE to follow the rulemaking process ([G.S. 150B](#)) when adopting course standards
- Establishes the 20-member Standard Course of Study Advisory Commission (Commission), which will develop and recommend rules for modifying academic content standards to the SBE
- Delays the implementation of the new social studies standard course of study until the 2023-2024 school year so that the Commission can review and provide recommendations on the standards

Section 7.57 Changes to Educator Licensure Requirements *pgs. 133-134*

- Modifies the definition of a lifetime license for professional educators to include the completion of a combined total of 30 or more years of employment as a licensed teacher, administrator, or student services personnel in one or more PSU in the State
- Modifies one of the residency license education requirements to require an individual to hold at least a bachelor's degree or an advanced degree

Section 7.58 Delay the Implementation of Class Size Requirements for Kindergarten Classes *pg. 134*

(identical to [SB 654](#))

- For the 2021-2022 school year, if the total kindergarten ADM for the first month of the school year is 5% or more than the kindergarten ADM for the first month of the 2019-2020 school year:
 - Requires the average class size to not exceed one teacher per 20 students
 - At the end of the second school month and for the remainder of the school year, requires the class size to not exceed one teacher per 23 students

Section 7.59 Clarify the Definition of Year-Round School *pgs. 134-135*

(identical to Part X of [SB 654](#))

- Modifies one of the definitions of a year-round school by requiring students to attend four quarters of between 43 and 47 instructional days (was 45) each school year, with 14 to 18 vacation days (was 15) between each quarter
- Adds another definition of a year-round school: allows a single-track school to operate on the same multi-track schedule of another school in that LEA (only impacts Wake County)

Section 7.60 School Performance Grades/Annual Report Cards *pg. 135*

(identical to [SB 654](#))

- Waives school performance grades and annual report cards for the 2021-2022 school year, based on 2020-2021 school year data

Section 7.61 Student Digital Learning Access *pgs. 135-137*

- Requires the SBE to establish and maintain an electronic dashboard to publicly display information related to digital learning that is provided by each PSU

Section 7.63 Authorization of Virtual Charter Schools/End Pilot *pgs. 150-152*

- Deems NC’s two virtual charter schools that are participating in the State’s pilot program to be approved to operate with the same standards and rules as all other charter schools
- Allows the virtual charter schools to operate for five additional years (ending after the 2025-2026 school year), after which time the charter school contracts may be renewed for a subsequent 10 years

Section 7.65 Clarify Private School Testing Requirements *pgs. 153-154*

(identical to [HB 78](#) (primary sponsors: Representatives Hugh Blackwell, R-Burke; Ashton Clemmons, D-Guilford; Jefferey Elmore, R-Wilkes; Pat Hurley, R-Randolph), which was sent to the Governor on 8/13/21)

- For nonpublic schools required to administer annual testing to Opportunity Scholarship recipients:
 - Requires testing in grades 3-8 that measures achievement in English grammar, reading, spelling, and math
 - Requires testing in grades 9-12 that measures either (i) achievement in English grammar, reading, spelling, and math or (ii) competencies in verbal and quantitative areas
- (Reminder: nonpublic schools select a nationally standardized test or other equivalent measurement, while traditional public schools take the same required test)

Section 7.66 Mandatory Training Contributing to Continuing Education Credits *pgs. 154-155*

(identical to [HB 545](#) (primary sponsors: Representatives Jefferey Elmore, R-Wilkes; Ashton Clemmons, D-Guilford; John Torbett, R-Gaston))

- Requires hours spent by teachers attending mandatory training programs to count towards the calculation for continuing education credits, if certain requirements are met

Section 7.67 Revise Personal Leave Costs for Teachers *pgs. 155-156*

(identical to [HB 362](#) (primary sponsors: Representatives Jefferey Elmore, R-Wilkes; John Torbett, R-Gaston; Ashton Clemmons, D-Guilford; Rosa Gill, D-Wake))

- If a teacher provides a reason for a personal leave request, requires that teacher to receive full salary
- If a teacher does not provide a reason for the request, requires that teacher to receive full salary less the full cost of hiring a substitute teacher

Section 7.68 Program Enhancement Teacher Allotment/K-12 *pgs. 156-157*

- Changes the program enhancement allotment and ratio from K-5 (one teacher per 191 students) to K-12 (one teacher per 140 students)

Section 7.70 Student Transportation Support *pgs. 158-163*

- Requires DPI to establish the 2021 Smart School Bus Safety Pilot Program, beginning with the 2021-2022 school year and ending on or before January 1, 2025, to modernize the transportation of public-school students through technology, in response to COVID-19
- List LEAs and charter schools that are authorized to participate in the Program

Section 7.72 Innovative Signature Career Academy Pilot *pgs. 163-164*

- Establishes the Innovative Signature Career Academy Program as a pilot program to be implemented in Guilford County Schools for the purpose of reforming its current career and technical education (CTE) program to prepare students more deliberately for high-wage, high-skills careers

Section 7.73 ApSeed Pilot Project/Funds *pgs. 164-165*

- Requires DPI's Office of Early Learning to establish a one-year pilot project to implement the "ApSeed" program, which is designed to prepare preschool-aged children for prekindergarten through an interactive learning device known as a "seedling" (similar to an iPad)

Section 7.75 Compliance With Cursive Writing/Multiplication Tables Requirements *pgs. 166-167*

- Withholds State funds from local superintendents' salaries for the period that they willfully fail to comply with the requirements regarding cursive writing and multiplication tables or willfully fail to respond to inquiries from DPI regarding reporting requirements
- Requires the local board of education to continue to be responsible for complying with the terms of the superintendent's employment contract

Section 7.76 Require State Board to Grant Qualifying Charter Applications and Provide Applicants an Opportunity to Correct Defects *pgs. 167-168*

- Requires (currently allows) the SBE to grant final approval to a charter school application if it meets SBE and State statute requirements
- If the SBE denies final approval of a charter school application, requires the SBE to specify all reasons for denying the application on its website and allow the applicant to correct the defects in its application and reapply
 - Requires the SBE to proceed through the same process if one or more new defects are found in the reapplication

Section 7.77 Allow Schools in All Zoning Districts *pgs. 168-169*

(similar to [HB 794](#) (primary sponsor: Representative Dean Arp, R-Union))

- Designates public schools as a permitted use in all zoning districts, with the following exceptions:
 - No school may be sited closer than within a 300 linear foot radius of an adult establishment
 - A zoning district designated to industrial purposes

Section 7.79 Internet-Based School Business Systems/School Business System Modernization Funds Grant Program *pg. 171*

- Beginning with the 2021-2022 school year, requires LEAs and charter schools to ensure that all school business systems are (i) housed off the property of the LEA/school and (ii) composed of internet-based software
- Requires DPI to establish a grant program for the 2021-2022 fiscal year to provide funds to eligible LEAs and charter schools to transition from school business systems that are located on the premises of the LEA/school to internet-based school business systems

Section 7.80 Increase Transportation Efficiency Buffer for Currituck County Schools *pg. 171*

- For the purpose of calculating the transportation efficiency budget rating for Currituck County Schools, requires DPI to include an assumption that the transportation efficiency budget rating is at least 15% higher than the actual calculated transportation efficiency budget rating

Section 7.81 Scholarpath *pg. 171*

- Requires DPI to contract with a third-party entity to create the Twelfth Grade Transition Pilot to help students and parents prepare for twelfth grade by utilizing O*NET Data to connect and match students to current opportunities in high demand careers

Section 7A.1 Teacher Salary Schedule *pgs. 172-173*

- Provides an average teacher raise of 5.5% over two years, with a range of 1% to 9% (includes step increases)
 - (Senate budget provides an average teacher raise of 3% over two years)
- Increases the step increases for teachers with experience levels of 16 or greater on the “A” teacher salary schedule as follows:

Current		House Proposal	
Years of Experience	Monthly Salary Schedule	Years of Experience	Monthly Salary Schedule
15-24	\$5,000	15	\$5,000
		16	\$5,050
		17	\$5,100
		18	\$5,150
		19	\$5,200
		20	\$5,250
		21	\$5,300
		22	\$5,350
		23	\$5,400
		24	\$5,450
25+	\$5,200	25+	\$5,550

Section 7A.1A Restore Education-Based Salary Supplements for Teachers and Instructional Support Personnel *pgs. 173-174*

- Restores the 10% master’s pay supplement for teachers and instructional support personnel
 - (not included in the Senate budget)

Section 7A.3 Bonuses for Teachers *pgs. 174-175*

(identical to [Senate budget](#))

- Provides a \$300 bonus to teachers who salaries are State funded

- States that the General Assembly intends to reinstate teacher bonuses for third through fifth grade reading and fourth through eighth grade math in the 2022-2023 fiscal year

Section 7A.4 Advanced Course and CTE Teacher Bonuses *pgs. 175-177*

(identical to [Senate budget](#))

- Provides bonuses to qualifying Advanced Course and Career and Technical Education (CTE) teachers in each year of the fiscal biennium

Section 7A.5 Small County and Low-Wealth Signing Bonus for Teachers *pg. 178*

(similar to [Senate budget](#) (no low-wealth bonus))

- Provides State-matching recruitment bonus funds for teachers and instructional support personnel accepting employment in school districts that receive funding from the Small County or Low Wealth allotments

Section 7A.6 Principal Salary Schedule *pgs. 178-180*

- Provides a 1% salary increase in each year of the biennium for school principals
 - (Senate budget provides a 1.5% increase in each year of the biennium)
- Includes a hold harmless provision on principal salary that is based on school growth scores

Section 7A.7 Bonuses for Principals *pg. 180*

(identical to [Senate budget](#))

- Provides a \$1,800 principal bonus

Section 7A.8 Assistant Principal Salaries *pgs. 180-181*

- Increases the assistant principal salary from 19% of the “A” teacher salary schedule to 22%
 - (Senate budget maintains 19%)

Section 7A.9 Central Office Salaries *pgs. 181-182*

- Provides a 1% salary increase in each year of the biennium for central office personnel
 - (Senate budget provides a 1.5% salary increase in each year of the biennium)

Section 7A.10 Noncertified Personnel Salaries *pgs. 182-183*

- Implements a \$13/hour minimum wage in the 2021-2022 fiscal year and a \$15/hour minimum wage in the 2022-2023 fiscal year for State-funded local employees in public schools and community colleges
 - (Senate budget increases the minimum wage to \$13/hour)
- Guarantees noncertified personnel a salary increase that is the greater of 2.5% or an increase to the new minimum wage in each year of the biennium

Section 7A.11 Paid Parental Leave *pgs. 183-184*

- Provides paid parental leave for public school personnel

Additional Salary Items ([Money Report](#), *pgs. B 22-B 23*)

- Increases the base salary amount for school psychologists, speech pathologists, school audiologists, and school counselors by \$1,000 annually
- Ties school counselor pay to the salary schedule applied to school psychologists, speech pathologists, and school audiologists

Section 39.2 Bonuses Awarded to State Employees and Local Education Employees for Work During the Pandemic *pgs. 541-542*

(similar to [Senate budget](#))

- Provides bonuses for full-time State employees and local education employees who worked throughout the COVID-19 pandemic, regardless of funding source
 - A \$500 bonus is provided to all eligible permanent, full-time employees
 - Two additional bonuses of \$1,000 and \$500 are provided to employees making less than \$75,000 and \$40,000, respectively
 - School principals are eligible to receive all three bonuses

Retirement ([Money Report](#), *pg. B 23*)

- Provides a 2% one-time cost-of-living supplement to retirees of the Teachers' and State Employees' Retirement System (TSERS) in each year the biennium

Section 8A.3 Equity in Opportunity Act *pgs. 205-218*

(similar to [HB 32](#) (*primary sponsors: Representatives Dean Arp, R-Union; Hugh Blackwell, R-Burke; Donny Lambeth, R-Forsyth; Jason Saine, R-Lincoln*))

- Opportunity Scholarship Grant Program
 - Expands the definition of eligible beginning student from those entering grades K-1 to students entering grades K-2

- Expands student eligibility to four-year-olds, if approved by the principal (currently at least 5 years old by August 31)
- Expands eligibility to include students whose parents are honorably discharged from the Armed Services in the past 18 months (income eligibility must be met)
- Expands income eligibility to include all foster children
- Increases income eligibility from 150% to 175% of the amount required for the student to qualify for the federal free or reduced-price lunch program
- The scholarship grant cap increases from a fixed amount of \$4,200 to 90% of the average State per pupil allocation for ADM (average of \$5,948 based on 2019-2020 school year data)
- Merges the Personal Education Savings Accounts program and the Special Education Scholarships for Children with Disabilities program to form the Personal Education Student Accounts for Children with Disabilities
 - Expands student eligibility to four-year-olds, if approved by the principal (currently at least 5 years old by August 31)
 - Modifies the maximum scholarship amount per eligible student to be based on a percentage formula, rather than a fixed amount (using last year's numbers, the maximum amount per scholarship would increase from \$9,000 to \$10,091)
 - Creates a 10-year funding reserve similar to the voucher program and appropriates money for that reserve

Section 9G.8 Lead and Asbestos Remediation in PSUs, Child Care Facilities, and Residential Housing Units *pgs. 288-290*

(similar to [Senate budget](#))

- Requires \$150 million in nonrecurring funds for the 2021-2022 fiscal year to be allocated as follows for lead and asbestos remediation and abatement programs to benefit PSUs, child care facilities, and residential housing units:
 - \$30,812,500 shall be used to fund a program for the testing and remediation of lead levels in drinking water
 - \$109,187,500 shall be used to fund a program for lead paint abatement and asbestos abatement
 - \$10,000,000 shall be used to fund a program for lead poisoning hazard remediation in residential housing units

Section 39.25 Establish NC Retirement Health Reimbursement Arrangement

pgs. 562-565

- Establishes a retiree-only health reimbursement arrangement called the NC Retirement HRA
- Eligible retirees include individuals who became a member of TSERS after January 1, 2021

Section 42. Finance *pgs. 632-669*

- Fiscal impact of tax cuts:

	FY 21-22	FY 22-23	FY 23-24	FY 24-25	FY 25-26	TOTAL
House	(\$1.5 B)	(\$1.56 B)	(\$1.63 B)	(\$1.89 B)	(\$2.04 B)	(\$8.6 B)
Senate	(\$680.2 M)	(\$1.97 B)	(\$2.79 B)	(\$3.54 B)	(\$4.95 B)	(\$13.9 B)

- House General Fund tax cuts over five fiscal years are 36.1% less than Senate General Fund tax cuts for the same period

Broadband ([Money Report](#), *pgs. G 6-G 7*, and [budget bill](#), *pgs. 522-538*)

- Invests \$1 billion in federal COVID-19 funds to expand broadband availability in the State, especially in rural areas

Education Enrollment Reserve ([Money Report](#), *pg. 16*)

- Provides a \$76.3 million reserve in the 2022-2023 fiscal year for enrollment changes at UNC, the Community College System, and changes in allotted ADM in the public schools