



*PUBLIC EDUCATION: NORTH CAROLINA'S BEST INVESTMENT*

# 2021-2022 Legislative Summary

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# SUMMARY OF FY 2021-2023 APPROPRIATIONS ACT

## SB 105 (S.L. 2021-180)

INCLUDES PROVISIONS OF HB 334: BUDGET TECHNICAL CORRECTIONS (S.L. 2021-189) AND  
HB 243: BUDGET TECHNICAL CORRECTIONS (S.L. 2022-6)

### MONEY REPORT

<b>K-12 PUBLIC EDUCATION</b>	<b>FY 2021-2022</b>		<b>FY 2022-2023</b>	
Base Budget	\$10,016,320,410		\$10,016,320,410	
<b>Reserve for Salaries &amp; Benefits</b>				
Increases the base teacher salary schedule by 1.3% at each step in each year of the FY 2021-2023 biennium. Including step increases, the average increase is approximately 2.5% in each year of the biennium.	\$82,776,979	R	\$166,504,825	R
Creates a new allotment to increase salary supplements for teachers and instructional support personnel based on a county's tax base, median household income, and effective tax rate.	\$100,000,000	R	\$100,000,000	R
Implements a \$13/hour minimum wage in FY 2021-2022 for State-funded local employees and a \$15/hour minimum wage in FY 2022-2023.	\$31,000,000	R	\$123,000,000	R
Provides noncertified personnel of public schools a salary increase that is the greater of 2.5% or an increase to the new minimum wage in each year of the biennium.	\$25,700,000	R	\$43,700,000	R
Provides a \$3,500 annual salary supplement for school psychologists, speech pathologists, and audiologists.	\$11,100,000	R	\$11,100,000	R
Provides a \$1,000 annual salary supplement for school counselors.	\$4,500,000	R	\$4,500,000	R
Provides funding for an across-the-board salary increase of 2.5% for central office staff, effective July 1, 2021, and an additional across-the-board salary increase of 2.5%, effective July 1, 2022.	\$3,050,575	R	\$6,101,150	R
Provides funding to raise all levels of the principal salary schedule by 2.5% in each year of the biennium.	\$6,697,695	R	\$13,395,390	R

Provides funding to pay annual salary increases for assistant principals based on the teacher salary schedule plus 19%.	\$2,253, 118	R	\$4,531,189	R
Provides a Low Wealth/Small County Recruitment Bonus of up to \$1,000 to match local funds on a 1:1 basis to recruit teachers and instructional support personnel to LEAs receiving funding from the Small County or Low Wealth allotment.	\$4,300,000	R	\$4,300,000	R
Provides funding for a salary increase for Department of Public Instruction (DPI) employees of 2.5%, effective July 1, 2021, and an additional salary increase of 2.5%, effective July 1, 2022. Also provides funding for State agency teachers paid according to the teacher salary schedule.	\$1,546,656	R	\$3,094,597	R
Provides funding to increase salary supplements for licensed personnel in residential schools.	\$305,000	R	\$305,000	R
Increases the Teachers' and State Employees' Retirement Systems (TSERS) contribution for school district personnel to fund the actuarially determined contribution and increased retiree medical premiums and to provide one-time cost-of-living supplements to retirees of 2% in FY 2021-2022 and 3% in FY 2022-2023.	\$38,064,621 \$42,739,224	R NR	\$84,883,805 \$65,215,603	R NR
Increases the TSERS contribution for DPI employees (same reasons as above).	\$252,913 \$283,972	R NR	\$559,070 \$412,647	R NR
Provides additional funding to continue health benefit coverage for school district personnel supported by the General Fund in the 2021-2023 fiscal biennium.	\$107,928,633	R	\$167,176,842	R
Provides additional funding to continue health benefit coverage for DPI employees supported by the General Fund in the 2021-2023 fiscal biennium.	\$500,838	R	\$774,022	R
Allocates funds from the Unfunded Liability Solvency Reserve (ULSR) to pay additional contributions to the TSERS and the Retiree Health Benefit Fund for school district personnel.			\$21,893,073 (from ULSR)	NR
Allocates funds from the ULSR to pay additional contributions to the TSERS and the Retiree Health Benefit Fund for DPI employees.			\$141,986 (from ULSR)	NR
Provides a \$1,000 bonus for full-time State employees and local education employees, regardless of funding source. Also provides an additional \$500 bonus to employees with an annual salary of less than \$75,000	\$302,838,663 (from federal State Fiscal Recovery Fund)	NR		

Allocates funds for the 2021 Smart School Bus Pilot Program for enhanced safety protocols and Wi-Fi connectivity on school buses.	\$18,148,000 (from federal State Fiscal Recovery Fund)	NR		
Provides directed grants to the Crosby Scholars Community Partnership in Forsyth (\$300,000), Rowan (\$100,000) and Iredell (\$100,000) for scholarships to Pell grant eligible students seeking a college education.	\$500,000 (from federal State Fiscal Recovery Fund)	NR		
<b>Technical Adjustments</b>				
Provides funding to reflect an increase in the average salary of various public-school positions.	\$62,076,002	R	\$62,076,002	R
Provides funding for an allotted average daily membership (ADM) of 1,553,632 students in FY 2021-2022. This revision includes adjustments to multiple position, dollar, and categorical allotments, including the updated number of students identified as Exceptional Children (EC) and Limited English Proficient (LEP).	\$3,568,493	R	\$3,568,493	R
Provides additional one-time funds to DPI to establish the Children with Disabilities Reserve for the 2021-2022 school year. The reserve is to be used in cases where the enrollment of students with disabilities exceeds the original anticipated enrollment of students with disabilities.	\$25,000,000	NR		
Provides additional one-time funds to the ADM reserve for the FY 2021-2022 school year. The ADM reserve is to be used in cases where ADM exceeds the original anticipated ADM used for allotments to the local education agencies. (The revised net appropriation for the ADM contingency reserve is \$12.8 million.)	\$10,000,000	NR		
<b>State Public School Fund (SPSF)</b>				
Reduces the General Fund appropriation by the amount of additional sales and use tax receipts transferred by the Department of Revenue for the LEA loss of the State sales tax refund in 2005. (S.L. 2005-276)	(\$30,000,000)	R	(\$31,608,823)	R
Reduces the General Fund budget to reflect the additional one-time receipts from the Civil Penalty and Forfeiture Fund to the SPSF.	(\$36,000,000)	NR		

Reduces the funding for the Instructional Support Allotment to reflect the transfer of 362 school psychologist positions to a new School Psychologist Allotment. The revised total requirements for this allotment, including ADM adjustments, are \$545 million in each year of the biennium.	(\$31,010,969)	R	(\$31,010,969)	R
Reflects the transfer of 362 school psychologist positions from the Instructional Support Allotment to the new School Psychologist Allotment and provides funding sufficient to hire an additional 115 school psychologist positions.	\$40,862,520	R	\$40,862,520	R
Provides funds to increase the funding cap for the children with disabilities allotment from 12.75% to 13% as well as provide additional per-student funding.	\$13,175,727	R	\$13,175,727	R
Provides additional funding to defray student fees for exams leading to industry certifications and credentials.	\$6,500,000	R	\$6,500,000	R
Provides funding for the new Transportation Reserve Fund for Homeless and Foster Children, a fund that will be used to support the extraordinary transportation costs of qualifying students.	\$2,824,616 \$175,384	R NR	\$2,824,616	R
Provides funds to establish a Charter School Transportation Grant Program.	\$2,353,847 \$146,153	R NR	\$2,353,847	R
Provides additional funding for the Classroom Materials/Instructional Supplies/Equipment Allotment.			\$1,900,000	R
Provides recurring funding to the eight Cooperative Innovative High Schools funded on a nonrecurring basis in the FY 2019-2021 biennium (S.L. 2020-64, Section 4A(b)).	\$1,880,000	R	\$1,880,000	R
Provides additional funds to support the consolidation of the smallest two tiers of the Small County School System Supplemental Funding Allotment.	\$110,000	R	\$110,000	R
<b>Department of Public Instruction</b>				
Eliminates an increase included in the base budget for Information Technology (IT) Subscription Support. Base budget increases for this purpose are not allowed by the State Budget Act (G.S. 143C-1.1(d)(1c)).	(\$934,011)	R	(\$934,011)	R
Continues the School Safety Grants Program for competitive grants to support students in crisis, school safety training, and safety equipment in schools.	\$9,695,000	NR	\$9,695,000	NR



Provides funds for DPI to develop and implement statewide cybersecurity protection for K-12 schools.	\$7,000,000	NR	\$7,000,000	NR
Provides funds for DPI to carry out Early Grade Literacy activities found in S.L. 2021-8, the Excellent Public Schools Act of 2021.	\$6,500,000	NR	\$5,500,000	NR
Provides additional funding for the Computer Science Initiative at DPI. These funds will support five Education Program Consultant III positions to serve as regional computer science consultants and will provide training in computer science for K-12 teachers across the State.	\$750,000 \$2,500,000	R NR	\$750,000	R
Provides funds to the Center for Safer Schools to create and operate a new training facility for school safety in conjunction with the Department of Public Safety.	\$1,700,000 \$300,000	R NR	\$1,700,000	R
Funds the net increase in Department of Information Technology subscription rates based on the FY 2021-2022 approved rate.	\$876,883	R	\$876,883	R
Provides funds to support costs associated with IT subscriptions.	\$593,597	R	\$593,597	R
Provides funds for DPI to acquire curriculum content and implement professional development addressing the Holocaust and genocide.	\$350,000	NR	\$400,000	NR
Provides funding for two full-time equivalent (FTE) positions for additional regional military counselors in Cumberland and Onslow counties and one FTE for a State-level consultant to support districts outside military communities.	\$350,000	R	\$350,000	R
Provides funding for three additional positions in the Financial and Business Services Division of DPI: a Budget Analyst II, a Teacher Allotment Consultant, and a Finance and Business Compliance Analyst II, and associated operating costs.	\$330,000	R	\$330,000	R
Provides funding to support the cloud-based data platform for charter schools that is used to collect and monitor academic, financial, and operational data.	\$250,000	R	\$250,000	R
Provides funding for two additional Auditor II positions and associated operating costs at DPI.	\$190,190	R	\$190,190	R
Provides additional funding for the Transportation Information Management System that coordinates school bus routing.	\$50,000	R	\$50,000	R

<b>NC Center for the Advancement of Teaching (NCCAT)</b>				
Provides funds to DPI for NCCAT to support the continued professional development of teachers.	\$1,411,256	NR		
<b>Reserves and Transfers</b>				
Appropriates the remaining \$338,678,036 in federal funds from Elementary and Secondary School Emergency Relief (ESSER) III to DPI to address statewide needs related to the COVID-19 pandemic.	(See list of funded projects at the bottom of this chart.)	NR		
Reduces recurring funding for the Tas (Teacher Assistants) to Teachers program and increases nonrecurring funding by the same amount. The program provides tuition expenses for TAs enrolled in coursework to earn a teaching license.	(\$575,000) \$575,000	R NR	(\$575,000) \$575,000	R NR
Eliminates funding for the unused Innovation Zone grant program, which provided the opportunity for public school units (PSUs) to form regional innovation zones.	(\$450,552)	R	(\$450,552)	R
Provides additional support for the School Connectivity Initiative, which brings broadband connectivity to all K-12 public school buildings in the State. New funds will match the federal increase from \$150 to \$167 per student over five years.	\$4,600,000	R	\$4,600,000	R
Provides funds for DPI to contract with the NC Association of School Business Officers to provide ongoing technical and strategic assistance regarding maximizing the benefit of PSUs' fiscal resources.	\$2,225,000	R	\$2,225,000	R
Provides additional funding to expand the Advanced Teaching Roles Program as established in G.S. 115C-311.	\$2,040,000	R	\$2,040,000	R
Provides funds to DPI to contract with MyScholar LLC to create the ScholarPath pilot program that helps students and parents prepare for the 12 <sup>th</sup> transition by utilizing O*NET Data to connect and match students to current opportunities in high-demand careers while protecting student data through deindividualized methods.	\$1,500,000	NR		
Provides funding to offset a shortfall in indirect cost receipts generated from the administration of federal grants.	\$1,404,000	NR		
Provides additional funds for recruitment and retention of staff at DPI.	\$1,400,000	R	\$1,400,000	R

Provides funding for the adoption of the TeachNC platform as well as an Education Program Consultant I position and associated operating costs to administer TeachNC, the online platform to recruit teacher candidates and teachers, as well as to manage statewide recruitment efforts.	\$100,000 \$880,000	R NR	\$100,000 \$880,000	R NR
Provides funding to support the Career and College Ready Graduate Program, which introduces college developmental mathematics and developmental reading and English content as well as remediation opportunities during high school.	\$546,500	R	\$546,500	R
Provides funds for a comprehensive evaluation of the Renewal School System in Rowan County, a program authorized by S.L. 2018-32.	\$300,000	NR		
Provides funding for grants to schools for feminine hygiene products for students.	\$250,000	NR		
Provides funding for the State Board of Education (SBE) to contract for an examination of dual enrollment courses offered under the Career and College Promise Program and a study of factors impacting students' ability to complete high school courses leading to college credit.	\$100,000	NR		
Provides funds to DPI for a contract to study how to categorize and set funding levels for the allocations related to students with disabilities.	\$27,500	NR		
<b>Pass-through Grants</b>				
Provides a directed grant to Guilford County Schools to establish the Innovative Signature Career Academy Program. The program will establish signature career academies at six high schools that specialize in defined areas of career and technical education (CTE).	\$2,000,000	NR		
Provides a directed grant to the North Carolina Council on Economic Education to provide economics and personal finance professional development and teacher stipends in support of the program required by S.L. 2019-82.	\$1,063,000	NR		
Provides funds for DPI to contract with the Children and Parent Resource Group, Inc. for the Life Changing Experiences Program, a three-dimensional and interactive multimedia education program that focuses on activities that negatively impact teenagers, including alcohol and drugs, dangerous driving, violence, and bullying.	\$500,000	NR		

Provides a directed grant to Muddy Sneakers to support experiential learning programs that aim to improve the scientific aptitude of fifth graders through supplemental, hands-on field instruction of the State science standards.	\$500,000	NR		
Provides a directed grant to the North Carolina's Eastern Alliance Corporation to expand the existing 10-county STEM East Network into a 29-county eastern North Carolina STEM Network.	\$500,000	NR		
Provides a directed grant to the Mt. Calvary Leadership Development Corporation, Inc. for its Center for Leadership Development.	\$250,000	NR	\$250,000	NR
Provides a directed grant to Communities in Schools of Cape Fear to expand their services.	\$70,000	NR	\$70,000	NR
Provides a directed grant to the Vanguard Educational Institute to support its Roanoke Ecological Science Camp program.	\$50,000	NR		
<b>Total Legislative Changes to Base</b>	<b>\$586,430,360</b>		<b>\$910,598,160</b>	
<b>Revised K-12 Education Budget</b>	<b>\$10,602,750,770</b>		<b>\$10,926,918,570</b>	

<b>Other K-12 Related Spending</b>	<b>FY 2021-2022</b>		<b>FY 2022-2023</b>	
<b>Information Technology</b>				
Continues funding for the School Business System Modernization Plan, as directed by S.L. 2016-94 and S.L. 2017-57. The plan includes an Enterprise Resource Planning system for integrated payroll and human resources information, an integrated State level licensure system, and reporting of financial information for increased transparency and analytics.	\$48,748,522 (from IT Reserve)	NR	\$37,850,910 (from IT Reserve)	NR
<b>State Textbook Fund</b>				
Budgets the reduced transfer from the State Public School Fund, as reflected in the ADM adjustment, to support the State Textbook Fund.	(\$66,438)	R	(\$66,438)	R
<b>School Bus Replacement Fund</b>				
Budgets the reduced transfer from the State Public School Fund, as reflected in the ADM adjustment, to support school bus replacement.	(\$20,378,086)	R	(\$20,378,086)	R

<b>Enrollment Reserve</b>				
Reserves funds for enrollment changes in FY 2022-2023 at the University of North Carolina System and the Community College System as well as for changes in allotted ADM in the public schools.			\$64,646,670	R
<b>Community Colleges</b>				
Provides funding for the RISE Up program to be rolled out to the 116 Cooperative Innovative High Schools that partner with the Community College System. RISE Up is a training and credentialing program that teaches foundational skills in customer service, sales, inventory management, profitability, supply chain, warehousing, and logistics. Funds provide for approximately 2,000 credentials.	\$250,000	NR		
Establishes Career Academies for At-Risk Students, a two-year pilot program between Cape Fear Community College, New Hanover County Schools, and Pender County Schools to expose students in seventh through ninth grades from underperforming schools and underserved populations to career training opportunities. The funds provide for summer programming and four two-year time-limited career liaison positions.	\$583,500	NR	\$583,500	NR
<b>UNC System</b>				
Provides additional funds to UNC Laboratory Schools for support services as the program expands to nine schools.	\$1,000,000	R	\$1,000,000	R
Provides funds to the UNC Board of Governors to be held in reserve and provided to UNC-Wilmington for a new education facility at Isaac Bear Early College High School upon signing a memorandum of understanding with New Hanover County Schools.	\$994,000	NR		
Provides additional funds to the North Carolina Principal Fellows Program to increase the number of school administrator candidates supported by the program.			\$1,500,000	R
Provides funds for two additional Agricultural Education Coordinators at NCSU Agriculture Research. These coordinators will assist with the program planning and instructional delivery of agriculture curriculum, coordinate professional	\$244,330	R	\$244,330	R

development and teacher in-services, and conduct technical assistance visits to programs.				
Provides additional funds to the Opportunity Scholarship Grant Fund Reserve. The revised net appropriation to the Opportunity Scholarship Grant Reserve is \$103.8 million in FY 2021-2022 and \$94.8 million in FY 2022-2023.	\$19,000,000	NR		
Provides additional funds to the Opportunity Scholarship Program to be awarded in the year appropriated and not added to the Reserve.			\$30,000,000	R
Provides additional funds to the Personal Education Savings Accounts (ESAs), which will be consolidated into the Personal Education Student Accounts for Children with Disabilities (PESA) Program in the second year of the biennium.	\$3,000,000	R	\$9,650,000	R
Provides additional funds to the Special Education Scholarship for Children with Disabilities, which will be consolidated into the PESA Program in the second year of the biennium.	\$2,000,000	R	\$5,950,000	R
Consolidates the Special Education Scholarship for Children with Disabilities and Personal Education Savings Accounts and establishes the North Carolina PESA Program.			\$16,043,166	R
Eliminates funds for the Special Education Scholarship for Children with Disabilities and for Personal Education Savings Accounts and instead consolidates these funds into the newly established PESA Program.			(\$16,043,166)	R
<b>Department of Health and Human Services</b>				
Budgets additional requirements and receipts to support the authorization for charter schools to certify public expenditures. Like other public schools, charter schools will pay the non-federal share of Medicaid costs.	\$5,551,590 (from Medicaid)	R	\$9,596,000 (from Medicaid)	R
Provides federal receipts to establish, expand, train, and sustain a State and local public health workforce to support jurisdictional COVID-19 prevention, preparedness, response, and recovery initiatives. Includes funding for school-based health services personnel.	\$62,340,758 (from federal COVID-19 Cooperative Agreement for Emergency Response/ Public Health Crisis Response)	NR		
Provides a directed grant to Mt. Olive Family Medicine Center, Inc. a nonprofit in Wayne	\$100,000	NR	\$100,000	NR

County, to support its Concussion Clinic and provide concussion education, baseline testing, and post-concussion assessment and care to schools and adolescent athletes in eastern North Carolina.				
Provides a grant to Atrium Health, Inc. to support the development and implementation of a school-based virtual care pilot program to address health disparities in historically underserved areas disproportionately impacted by the COVID-19 public health emergency. The pilot program sites shall be located at four elementary schools in Anson County and six elementary schools in Forsyth County where at least 90% of the students are eligible for free or reduced lunch.	\$1,000,000 (from federal State Fiscal Recovery Fund)	NR		
Provides funds to support lead and asbestos remediation in public schools and childcare facilities.	\$150,000,000 (from federal State Fiscal Recovery Fund)	NR		
<b>Lieutenant Governor</b>				
Provides funds for an education advisor position and operating costs.	\$120,000	R	\$120,000	R
<b>Department of Administration</b>				
Provides funds for time-limited positions and database improvements for tracking the increased number of operational home schools in the State due to the COVID-19 pandemic.	\$750,000	NR		
<b>Department of Public Safety</b>				
Provides funding to implement mobile panic alarm capability in all public K-12 and charter schools.	\$220,000 \$4,462,475	R NR	\$220,000	R
<b>State Budget and Management – Special Appropriations</b>				
Provides a directed grant to the Professional Engineers of North Carolina Educational Foundation to support a Future City engineering competition for middle school students.	\$200,000	NR		
<b>Department of Transportation</b>				
Provides a grant to the Town of Princeton for drainage pipe replacement at Princeton High School.	\$750,000 (from State Emergency Response and	NR		

	Disaster Relief Fund)			
<b>Capital - Lottery</b>				
Using increased lottery receipts and prior year surplus funds, increases the Needs-Based Public School Capital Fund for grant awards to counties for new school construction, additions, repairs, and renovations. With this increase, the revised appropriation is \$375.3 million in FY 2021-2022 and \$153.3 million in FY 2022-2023.	\$70,252,612 (from Lottery)	R	\$78,252,612 (from Lottery)	R
Creates a new Public School Building R&R Fund to provide an annual allocation to counties for repairs and renovations of K-12 educational facilities. Each county will receive an annual allocation of \$300,000 in FY 2021-2022 and \$500,000 in FY 2022-2023.	\$30,000,000 (from Lottery)	R	\$50,000,000 (from Lottery)	R
<b>Capital</b>				
Provides a grant to New Hanover County for capital improvements at Southeast Area Technical High School.	\$4,000,000	NR		
Provides a grant to the Public Schools of Robeson County for the Southeastern North Carolina Science Center and Planetarium.	\$5,000,000	NR		
Provides funding to DPI for the Northeast Regional School of Biotechnology and Agriscience for capital improvements.	\$400,000	NR		
Provides funding to DPI for grants to K-12 Athletic Facilities for repairs and renovations.	\$12,624,000	NR		
Provides a grant to the Alexander County School System for repairs and renovations of the tennis courts at Alexander Central High School.	\$330,000	NR		
Provides a grant to the Alexander County School System for repairs and renovations of the track at Alexander Central High School.	\$300,000	NR		
Provides a grant to the Alleghany County School System for repairs and renovations of school athletic facilities.	\$2,250,000	NR		
Provides a grant to Haywood County School System for repairs and renovations of the sports field at Bethel Middle School.	\$1,500,000	NR		
Provides a grant to the Cleveland County School System for repairs and renovations of the following facilities: lighting upgrades at all four county high schools; stadium press box upgrades at Burns,	\$4,900,000	NR		



Crest, and Kings Mountain High Schools; HVAC at Shelby High School; track and field house renovations at Shelby High School; and restroom renovations at Burns and Crest High Schools				
Provides a grant to the Harnett County School System for repairs and renovations of school athletic facilities.	\$325,000	NR		
Provides a grant to the Hertford County Public Schools for the football field at Hertford County Middle School.	\$150,000	NR		
Provides a grant to Lincoln County for repairs and renovations of the Lincoln County Rescue Park soccer fields.	\$1,100,000	NR		
Provides a grant to the Madison County School System for repairs and renovations of athletic facilities at Madison High School.	\$2,500,000	NR		
Provides a grant to the Mitchell County School System for new field turf at Mitchell High School.	\$1,100,000	NR		
Provides a grant to the Yancey County School System for new field turf at Mountain Heritage High School.	\$1,100,000	NR		
Provides a grant to the Lincoln County School System for new field turf at North Lincoln High School.	\$1,000,000	NR		
Provides a grant to the Union County School System for repairs and renovations of the athletic facilities at Piedmont High School.	\$1,200,000	NR		
Provides a grant to the Winston-Salem/Forsyth County School System for repairs and renovations of the athletic fields and stadium at Parkland Magnet High School.	\$2,500,000	NR		
Provides a grant to the Stokes County School System for repairs and renovations of athletic facilities in the county.	\$1,750,000	NR		
Provides a grant to the Surry County School System for repairs and renovations of athletic facilities in the county.	\$1,750,000	NR		
Provides a grant to the Beaufort County School System for repairs and renovations of the soccer field at Washington High School.	\$121,000	NR		
Provides a grant to the Wilkes County School System for repairs and renovations of the athletic facilities at Wilkes Central High School.	\$5,000,000	NR		
Provides a grant to the Wilkes County School System for repairs and renovations of high school athletic facilities in the county.	\$2,500,000	NR		

<b>ESSER III (Federal Funds in Section 7.27 of SB 105/SL 2021-180)</b>				
Allocates funds to public schools to administer a one-time, lump sum bonus of \$1,000 no later than January 31, 2022, to every qualifying teacher whose salary is supported from State funds and who, as of January 1, 2022, is employed as a teacher in a public school. Qualifying teachers are teachers and instructional support personnel who participate in one or more trainings between March 12, 2020, and January 1, 2022, that address the mitigation of COVID-19 in public schools, learning loss resulting from the COVID-19 pandemic, or virtual instruction needed because of the COVID-19 pandemic.	\$100,000,000	NR		
Provides funds to DPI to be allocated to PSUs as grants to support COVID-19 related needs during the instructional year, including after-school and before-school programs that incorporate supplemental in-person instruction to address learning loss and provide enrichment activities.	\$36,000,000	NR		
Provides funds to DPI to be allocated to PSUs as grants to support COVID-19 related needs during the summer, including in-person instruction to address learning loss and provide enrichment activities.	\$36,000,000	NR		
Provides funds for teacher and principal professional development for implementing the Science of Reading and the requirements of the Excellent Public Schools Act of 2021 to mitigate learning loss related to reading that has resulted from the COVID-19 pandemic.	\$37,500,000	NR		
Provides funds to contract with one or more external research partners pursuant to subdivision (4) of Section 5A of S.L. 2021-1, as enacted by Section 1.2 of S.L. 2021-3, to assess the impact of COVID-19 on PSUs and the responses of the State to the challenges presented by COVID-19.	\$1,000,000	NR		
Allocates funds to the North Carolina Education Corps, a nonprofit corporation, for the purpose of partnering with PSUs to recruit, train, and deploy corps members to work as tutors and mentors with public school students. The program shall focus on accelerating COVID-19 learning recovery with students, families, and school personnel,	\$13,500,000	NR		

particularly through high-impact literacy tutors grounded in the Science of Reading and reading instruction.				
Provides funds to support expansion of the North Carolina Preschool Pyramid Model (NCPMP) across and within LEA preschool programs and to support the implementation of NCPMP in kindergarten in a developmentally appropriate and vertically aligned manner. Funds shall be used to provide training, consultation, and ongoing support for LEAs to implement the NCPMP framework to prekindergarten and kindergarten classrooms, with priority given to low-performing schools and LEAs affected by COVID-19 that receive low-wealth supplemental funding.	\$500,000	NR		
Provides funds to contract with a third-party entity for a period of up to two years for a new software platform, in response to the COVID-19 pandemic, to develop and implement a system of tracking expenditures of State and federal funds provided for subscription services and technology.	\$2,000,000	NR		
Provides funds to contract with a third-party entity for a period of up to three years for a new software platform, in response to the COVID-19 pandemic, to evaluate and improve student learning and performance and to provide students with an individualized roadmap for improving learning and performance.	\$9,000,000	NR		
Provides funds to establish one new time-limited, full-time equivalent position at DPI to manage the software platform for tracking State and federal funds spending on subscription services and technology.	\$200,000	NR		
Allocates funds to The Innovation Project to create the North Carolina High-Tech Learning Accelerator, an initiative to provide a network of place-based learning hubs for students with rigorous and experiential pathways for jobs in the technology industry. The initiative shall offer summer immersion and out-of-school options, in addition to other student supports in a core program aimed at enhancing curriculum opportunities for work-based learning.	\$8,000,000	NR		
Provides funds to establish a grant program, in response to the COVID-19 pandemic, to allocate funds to PSUs to identify and locate missing	\$7,265,134	NR		

students by contracting with either (i) one or more third-party entities to provide technology to assist with this purpose or (ii) outside personnel. <sup>1</sup>				
Provides funds to contract with the State Auditor to perform detailed analyses of the attendance and truancy policies and procedures from the 2020-2021 school year of at least two small, two medium-sized, and two large LEAs, selected randomly by the State Auditor. The State Auditor may contract with third-party entities, as needed, for services related to the analyses. <sup>2</sup>	\$350,000	NR		
Funds five new time-limited and full-time equivalent positions and associated operating costs in DPI's Office of Learning Recovery and Acceleration in response to the COVID-19 pandemic.	\$2,500,000	NR		
Provides funds for DPI's School Planning Section to contract with a third-party entity to establish a digital platform to facilitate data sharing among LEAs and county governments regarding products and services purchased for elementary and secondary education, including capital improvement projects.	\$1,000,000	NR		
Provides additional funding for services provided by BEGINNINGS for Parents of Children Who are Deaf or Hard of Hearing, Inc., for outreach to and support of North Carolina families affected by COVID-19.	\$1,000,000	NR		
Transfers funds to the Board of Governors of The University of North Carolina to be allocated to the National College Advising Corps, Inc., (CAC), a nonprofit organization, in response to the decrease in underrepresented students matriculating at institutions of higher education during the COVID-19 pandemic. These funds shall be used to support a temporary expansion of the placement of college advisers in North Carolina public schools through CAC's program over a two-year period.	\$7,042,000	NR		
Provides funds to contract with Schools That Lead, Inc., to develop or purchase a statewide, online platform that allows teachers to (i) share student performance improvement methods across the State	\$970,000	NR		

<sup>1</sup> Section 7.27(a)(13) of SB 105 (S.L. 2021-180) was amended by Section 2.3 of HB 243: Budget Technical Corrections (S.L. 2022-6) by setting due dates for an interim and final report.

<sup>2</sup> Section 7.27(a)(14) of SB 105 (S.L. 2021-180) was amended by Section 2.2 of HB 334: Budget Technical Corrections (S.L. 2021-189) by changing "from 2020-2021" to "for 2021-2022."

in response to learning loss resulting from the COVID-19 pandemic.				
Allocates funds to Communities in Schools of North Carolina, Inc., to expand student support services for K-12 students who have experienced learning loss and negative impacts due to the COVID-19 pandemic. Support services include, but are not limited to, expanded service during the regular academic year and the extension of contracts for employees to provide assistance and enrichment activities over the summers. <sup>3</sup>	\$3,900,000	NR		
Allocates funds to PSUs on the basis of ADM in response to the COVID-19 pandemic to contract with a third-party entity for technology to mitigate cyberbullying, monitor student internet activity, monitor classroom educational devices, and assist with suicide prevention services.	\$16,000,000	NR		
Allocates funds to PSUs on the basis of ADM in response to the COVID-19 pandemic to contract with Gaggle.Net, Inc., for technology to mitigate cyberbullying, monitor student internet activity, and assist with suicide prevention services.	\$5,000,000	NR		
Provides funds for CTE programs to provide options for students outside traditional classroom instruction during the COVID-19 pandemic. DPI shall allocate these funds as grants to nationally certified programs in CTE with a focus on developing critical skills necessary for students to succeed in the hospitality sector.	\$400,000	NR		
Provides funds for coaching support and professional development for principals and school improvement leadership teams in LEAs. Funds shall be used (i) to design and implement a leadership institute for principals employed in qualifying public schools and (ii) to provide grants to LEAs in which a majority of the public schools are qualifying public schools for flexible improvement and intervention options approved by DPI to address negative impacts of COVID-19.	\$18,000,000	NR		
Provides funds to administer a pilot program to promote access to innovative digital and personalized learning solutions for high school students that bridge the gap between chemistry and physical science classes and CTE career pathways.	\$2,500,000	NR		

<sup>3</sup> Section 7.27(a)(20) of SB 105 (S.L. 2021-180) was amended by Section 2.4 of HB 243: Budget Technical Corrections (S.L. 2022-6) by replacing bill language, which is reflected in this summary.

Provides funds to establish a program entitled "Failure Free Reading" to support middle school students in authorized public schools who read below grade level. The program shall use rigorous data assessment of student success to support middle school students who continue to struggle with reading, including students who suffered learning loss due to the COVID-19 pandemic. The legislation names 24 schools that will participate in the program.	\$2,500,000	NR		
Transfers funds to the North Carolina Museum of Art to establish NCMAKids to mitigate learning loss by providing digital learning experiences and activities related to works of art, in response to the COVID-19 pandemic.	\$500,000	NR		
Provides funds to establish a grant program during the 2021-2023 fiscal biennium for qualifying PSUs to improve teacher quality and mitigate learning loss, notwithstanding G.S. 115C-296.2, by reimbursing teachers for the cost of the participation fee for National Board for Professional Teaching Standards certification, in response to the COVID-19 pandemic.	\$1,200,000	NR		
Provides funds to establish the School Psychologists Grant Program in response to the COVID-19 pandemic to improve the safety, mental health, and well-being of students by providing grants to PSUs to recruit school psychologists.	\$1,700,000	NR		
Provides funds to support driver education programs and aid in reducing a backlog of student applicants due to the COVID-19 pandemic.	\$400,000	NR		
Provides funds to establish the Educational and Competitive After-School Robotics Grant Program during the 2021-2023 fiscal biennium.	\$1,600,000	NR		
Allocates funds to LEAs and charter schools to account for additional students enrolled during the 2020-2021 school year as a result of the COVID-19 pandemic. DPI shall allocate \$600 per month for each student enrolled in a LEA or charter school above the number of students accounted for by DPI in the funded ADM for the unit or school from the 2020-2021 school year.	\$1,100,000	NR		
Provides funds to contract with Betabox, Inc., in response to the COVID-19 pandemic, to mitigate learning loss in the areas of science, technology, engineering, and mathematics by providing	\$2,042,000	NR		

students in PSUs with experiences, curriculum, instructional coaching, hands-on equipment, and other needed resources.				
Provides funds to DPI to use for administrative costs.	Up to \$18,008,902	NR		

## BUDGET SPECIAL PROVISIONS

\*\*\*ALL SPECIAL PROVISIONS ARE EFFECTIVE JULY 1, 2021, UNLESS OTHERWISE NOTED\*\*\*

### PART IV - OTHER AVAILABILITY AND APPROPRIATIONS

#### Section 4.3.(a) Education Lottery Funds

	<b>FY 2018-2019</b>	<b>FY 2021-2022</b>	<b>FY 2022-2023</b>
Noninstructional Support Personnel	\$385,914,455 (51.9%)	\$385,914,455 (48.1%)	\$385,914,455 (46.5%)
NC Pre-K	\$78,252,110 (10.5%)	\$78,252,110 (9.8%)	\$78,252,110 (9.4%)
Public School Building Capital Fund	\$100,000,000 (13.4%)	\$100,000,000 (12.5%)	\$100,000,000 (12.0%)
Needs-Based Public School Capital Fund	\$117,320,354 (15.8%)	\$145,252,612 (18.1%) <u>plus surplus of \$230 million</u>	\$153,252,612 (18.5%)
Public School Repair & Renovation	-	\$30,000,000 (3.7%)	\$50,000,000 (6.0%)
Scholarships for Needy Students	\$30,450,000 (4.1%)	\$30,450,000 (3.8%)	-
UNC Need-Based Financial Aid	\$10,744,733 (1.4%)	\$10,744,733 (1.3%)	-
Scholarship Reserve Fund for Public Colleges and Universities	-	-	\$41,194,733 (5.0%)
LEA Transportation	\$21,386,090 (2.9%)	\$21,386,090 (2.7%)	\$21,386,090 (2.6%)
<b>TOTAL</b>	<b>\$744,067,742</b>	<b>\$802,000,000</b>	<b>\$830,000,000</b>

#### Section 4.4 Needs-Based Changes

##### **Needs-Based Public School Capital Fund**

Codifies the Needs-Based Public School Capital Fund (Fund) in Article 38B of G.S. 115C for DPI to award grants to counties to assist with critical public school building capital needs. (The Fund was created in S.L. 2017-57). Prioritizes the following factors for awarding grants:

- Tier one counties (no longer lists tier two counties)
- Counties with greater need and less ability to generate sales tax and property tax revenue
- Counties with a high debt-to-tax revenue ratio
- The extent to which a project will address critical deficiencies to serve current and future students
- Projects with new construction or complete renovation of existing facilities (new priority)
- Projects that will consolidate two or more schools into one new facility (new priority)



- Counties that have not received a grant under this Article in the previous three years (new priority)

Excludes counties with an adjusted market value of taxable real property greater than \$40 billion from being awarded grants. Requires awarded counties to provide local matching funds based on their adjusted market value of taxable real property. Prohibits the use of funds for real property acquisition, capital improvements to administrative buildings, and acquisition of a Leadership in Energy and Environmental Design certification.

Changes the requirement from only new construction to construction of new school buildings, additions, repairs, and renovations. Replaces the cap on grants of \$15 million for tier one counties and \$10 million for tier two counties 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

Requires grant recipients to enter into an agreement with DPI detailing the use of grant funds and to submit an annual progress report to DPI by April 1 and a final report within three months of completion of the project. Requires DPI to submit an annual report to specific legislators and the Fiscal Research Division by May 1.

Allows counties to utilize grant funds for a lease agreement if certain criteria are met. Allows counties that were previously awarded grant funds but have not started construction to apply for the increased grant award.

Repeals session laws for the previous Needs-Based Public School Capital Fund, because of the codification of the program. Repeals the legislative intent to increase the amount “dedicated to assist local governments in meeting local school capital needs from 16.9% of net lottery revenue collected in the 2016-2017 fiscal year to 40% of net lottery revenue collected no later than the 2028-2029 fiscal year.” Directs recipients of Needs-Based Public School Capital Fund grants from 2017 to 2021 to spend remaining funds according to agreements with DPI instead of repealed statutory language.

**Repeals:** Sections 5.3(d)-(h) of S.L. 2017-57, as amended by Section 1.1(a) of S.L. 2017-187, Section 1.1 of S.L. 2017-212, Section 5.3 of S.L. 2018-5, and Section 3A.1(a) of S.L. 2018-80.

Repeals the statute that prohibits a county receiving a grant from the Needs-Based Public School Capital Fund from receiving allocations from the Public School Building Capital Fund for five years.

**Repeals:** G.S. 115C-546.2(f)

**Public School Building Repair and Renovation Fund**

Creates the new Public School Building Repair and Renovation Fund in Article 38C of G.S. 115C that provides each county with \$300,000 in the 2021-2022 fiscal year and \$500,000 in the 2022-2023 fiscal year (and annually thereafter) for the “enlargement, improvement, expansion, repair, or renovation of classroom facilities at public school buildings within local school administrative units located in the county.” Prohibits funds from being used to pay off debt.

[Section 4.5 Indian Gaming Education Revenue Fund Appropriation](#)

Allocates \$10,000,000 in each fiscal year of the biennium from the Indian Gaming Education Revenue Fund to DPI, Textbooks and Digital Resources Allotment.

[Section 4.6 Civil Penalty and Forfeiture Fund](#)

	<b>FY 2021-2022</b>	<b>FY 2022-2023</b>
School Technology Fund	\$18,000,000	\$18,000,000
Drivers Education	\$27,393,768	\$27,393,768
State Public School Fund	\$183,041,640	\$147,041,640
<b>TOTAL</b>	<b>\$228,435,408</b>	<b>\$192,435,408</b>

(The \$36 million in excess receipts in the State Public School Fund in the 2021-2022 fiscal year is negated by a General Fund reduction of \$36 million – see Committee Report page B 29, item 78)

[Section 4.8 Modifications of Previous Appropriations and Reporting on ARPA Funds](#)

Section 3.2 of S.L. 2021-25 reads as rewritten:

Elementary and Secondary School Emergency Relief (ESSER) Fund	\$3,601,780,364
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(Was \$3.26 billion – a \$341 million increase)  
Funds are allocated in Section 7.27.

**PART V – GENERAL PROVISIONS**

[Section 5.9 2021 Disaster Relief and Recovery/Mitigation/Resiliency](#)

Appropriates \$750,000 from the State Emergency Response and Disaster Relief Fund to the Town of Princeton for drainage pipe replacement at Princeton High School.

**PART VI – COMMUNITY COLLEGE SYSTEM**

[Section 6.3 CC Joint Program Enrollment of Public School Students](#)

Requires the evaluations of cooperative innovative high schools, the College Transfer pathway, and the Career and Technical Education (CTE) pathway to include an analysis of the cost of

students participating in each of the programs, which are within the Career and College Promise Program. Outlines minimum evaluation requirements. Adds additional reporting requirements for the three State Boards. Applies beginning with the 2021-2022 academic year.

*Amends: G.S. 115D-5(x); G.S. 115C-238.55*

#### [Section 6.5 Career Academies for At-Risk Students](#)

Establishes a two-year pilot program between Cape Fear Community College (CFCC), New Hanover County Schools, and Pender County Schools to meet the needs of underserved students in seventh through ninth grades through opportunities in various career and technical education (CTE) programs on CFCC's campus. Requires New Hanover County Schools and Pender County Schools to offer a summer career academy for up to 300 students and to hire career liaisons in time-limited positions in certain middle schools.

(\$583,500 NR appropriated in each year of the biennium to the program – see Committee Report page B 15, item 40)

#### [Section 6.8 Rise Up Training and Credentialing Programs/CIHS](#)

Partners the Community Colleges System Office with the North Carolina Retail Merchants Association and the Retail Consumer Alliance Foundation to implement the RISE Up credentialing program for the 2021-2022 fiscal year to teach foundational skills to students attending cooperative innovative high schools. Requires the RISE Up credentialing program to be offered to students at cooperative innovative high schools through their partner community colleges with the opportunity for students to earn community college credentials in (i) retail industry fundamentals, (ii) customer service and sales, (iii) operations and profits, and (iv) supply chain: warehouse, inventory, and logistics.

(\$250,000 NR appropriated in the 2021-2022 fiscal year to the program – see Committee Report page B 13, item 28)

#### [Section 6.13 Marketing and Outreach for CTE and Work-Based Learning Programs](#)

Funds the establishment of a temporary program to raise awareness for parents and students regarding career and technical education (CTE) programs and work-based learning experiences offered in high-demand fields through partnerships with community colleges, businesses, and public school units (PSUs) throughout the State.

(\$2 million NR appropriated in the 2021-2022 fiscal year to the program – see Committee Report page B 14, item 34)

#### [Section 6.14 Expansion of Apprenticeship Programs for Small Businesses/High Demand Trades](#)

Establishes a temporary program to expand apprenticeship opportunities for high school and non-high school apprentices between the ages of 16 and 25 by providing incentives for small businesses in high-demand fields and careers. The program is designed to help small business employers in tier one and two counties.

(\$12 million NR appropriated in the 2021-2022 fiscal year to the program – see Committee Report page B 10, item 15)

**PART VII - PUBLIC INSTRUCTION**

Section 7.1 Children with Disabilities

Increases supplemental funding for children with disabilities to \$4,600 per-pupil for both years of the fiscal biennium (was \$4,549.88). LEAs will receive the lesser of (i) all children identified as children with disabilities or (ii) 13% (was 12.75%) of its 2021-2022 allocated average daily membership (ADM).

Section 7.2 Funds for Academically Gifted Children

Requires the State Board of Education (SBE) to allocate \$1,364.78 per child for both years of the fiscal biennium (was \$1,364.85). LEAs will receive a maximum of 4% of its 2021-2022 allocated average daily membership (ADM), regardless of the number of children identified as academically or intellectually gifted.

Section 7.3 Supplemental Funding in Low Wealth Counties

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

Section 7.4 Small County School System Supplemental Funding

Combines the first two average daily membership (ADM) tiers into 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.

<b>Allotted ADM</b>	<b>Small County Allotment</b>
0-1,300	\$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
2,801-3,300	\$1,548,000

Section 7.5 Disadvantaged Student Supplemental Funding (DSSF)

Continues the same funding formula and requirements for using DSSF funds.

Section 7.6 School Psychologists Allotment

Creates a new School Psychologist Allotment based on average daily membership (ADM) in Article 21 of G.S. 115C. Provides each LEA with sufficient funding for at least one school psychologist position. Transfers \$31 million for 362 school psychologist positions (including 33 positions for charter schools, per DPI) from the Instructional Support Allotment to the new

School Psychologist Allotment. Adds \$9.9 million to the new allotment for an additional 115 positions, which brings the total for the new allotment to \$40.9 million in each year of the biennium.

(See Committee Report page B 29, items 79 and 80)

States that funds cannot be transferred out of this allotment except for contracted services directly related to school psychology. Requires each LEA to employ at least one full-time, permanent school psychologist.

*Amends: G.S. 115C-105.25(b); G.S. 115C-47*

The section requiring at least one school psychologist per LEA applies beginning with the 2022-2023 school year. The remaining sections apply beginning with the 2021-2022 school year.

#### [Section 7.7 School Health Support Personnel Professional Entry Report](#)

Requires the State Board of Education (SBE) to submit a report to specific legislative committees and the Fiscal Research Division no later than May 15, 2022, on:

- Policies, standards, and curriculum for individuals receiving training, licensure, and employment as school health support personnel
- Barriers individuals face when entering school health support professions (based on previous bullet)
- Recommendations and actions already taken to (i) reduce and eliminate barriers and (ii) improve the number and quality of school health support personnel

School health support personnel includes psychologists, counselors, nurses, and social workers.

#### [Section 7.8 Department of Public Instruction Reorganization Authority](#)

For the fiscal biennium, requires DPI to reclassify at-least

- Seven full-time equivalent (FTE) positions to support the Science of Reading and the NC Read to Achieve Program, as amended by the Excellent Public Schools Act of 2021, S.L. 2021-8
- One FTE position to serve as a recruitment and retention coordinator to increase the number of school psychologists in public school units (PSUs) with a demonstrated need that is difficult to meet

Provides guidance and reporting requirements on any reorganization within DPI. Adds the Center for Safer Schools to the list of programs that DPI cannot transfer or reduce funding or positions from to accommodate for changes in funding.

#### [Section 7.9 Report on K-12 Computer Science Data](#)

Requires the State Board of Education (SBE) to report by November 15 annually to specific legislative committees on data related to K-12 computer science participation. Lists requirements for the report. Requires public school units (PSUs) to report by September 15 annually to the

SBE, the Senate Appropriations Committee on Education/Higher Education, and the House Appropriations Committee on Education required information about computer science data. States that the SBE's initial report must be submitted by March 15, 2022, and PSUs' initial reports must be submitted by January 15, 2022.

*Amends: G.S. 115C-12; G.S. 115C-47; G.S. 115C-75.9; G.S. 115C-218.75; G.S. 115C-238.66; G.S. 116-239.8(b)*

#### Section 7.10 Instructional Support Personnel Report

Requires DPI, in consultation with the Fiscal Research Division, to survey each LEA on the use of funds for instructional support personnel position categories from the 2020-2021 fiscal year and report on the results to specific legislative committees by March 15, 2022. Requires DPI to incorporate the results into its annual expenditure report for the 2020-2021 fiscal year. Lists requirements for the report and clarifies what positions are included under "instructional support personnel."

#### Section 7.11 Schools That Lead Program

Requires DPI to contract with Schools That Lead, Inc., to provide professional development to teachers and principals in up to 75 schools, beginning with the 2021-2022 school year and ending in the 2025-2026 school year. Schools must be charter schools or schools under the authority of a LEA. Requires the Superintendent of Public Instruction, in consultation with Schools That Lead, Inc., to determine which schools are eligible to participate. Provides information on which cohorts of schools will be offered services, evaluation, and reporting.

#### Section 7.12 Permit Use of Special State Reserve Fund for Transportation/Establish Transportation Reserve Fund for Homeless and Foster Children

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, allows the SSRF to also be used to cover extraordinary transportation costs for high-needs children with disabilities. Lists qualifications for LEAs and charter schools to receive SSRF transportation funds.

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. Lists requirements for awarding funds. Requires DPI to submit an annual report on the use of funds to specific legislative committees and the Fiscal Research Division by March 15.

(\$175,384 NR appropriated in the 2021-2022 fiscal year and \$2.8 million R appropriated in each year of the biennium – see Committee Report page B 30, item 83)

#### Section 7.13 Eliminate Innovation Zone Grants

Eliminates innovation zone grants. Repeals statutes related to the funding of innovation zone grants.

**Repeals:** *G.S. 115C-75.13; Section 6 of S.L. 2016-110, as amended by Section 7.26E(e) of S.L. 2017-57 and Section 2.13 of S.L. 2018-97*

#### [Section 7.14 Transition from the Innovative School District Model](#)

Ends further selection of schools for the Innovative School District (ISD). Repeals ISD statutes. Makes conforming changes.

**Amends:** *G.S. 115C-5(3a)d; G.S. 115C-5(7a)d; G.S. 115C-105.51(g)(2); G.S. 115C-105.60(a); G.S. 115C-376.5(a)(1); G.S. 115C-429(a)*

**Repeals:** *G.S. 115C-75.5; Section 1(c) of S.L. 2019-248, as amended by Section 2.6(b) of S.L. 2020-3; Section 1(d) of S.L. 2019-248; Article 7A of G.S. 115C; G.S. 115C-105.37A(d); G.S. 115C-321(a)(5)*

Requires the State Board of Education (SBE) to develop a transition plan to return Southside-Ashpole Elementary School (the only school in the ISD) to Robeson County Schools for the 2023-2024 school year. Requires the State Superintendent to study a list of factors related to support and intervention for low-performing and continually low-performing schools and report on recommendations and suggested legislative changes to the Joint Legislative Education Oversight Committee (JLEOC) by February 15, 2022.

Clarifies when subsections become effective based on the transition from the ISD.

#### [Section 7.15 Excellent Public Schools Act of 2021 Implementation Guide/Report](#)

Requires the State Superintendent to establish a working group to develop an implementation guide for the Excellent Public Schools Act of 2021, S.L. 2021-8. Lists minimum requirements for the implementation guide. Requires the Superintendent to submit a report to specific legislative committees and the Fiscal Research Division by January 15, 2022, that includes proposed implementation components and a timeline of publishing the guide in preparation for 2022-2023 school year.

#### [Section 7.16 Medicaid Reimbursement Contract for Residential Schools](#)

Requires DPI to contract with a third-party entity for any administrative services necessary to receive maximum reimbursement from the NC Medicaid Program for health care services provided to eligible students attending the Governor Morehead School for the Blind, the Eastern North Carolina School for the Deaf, and the North Carolina School for the Deaf.

#### [Section 7.17 Full-Time Equivalent of Public School Students](#)

Creates a new section in Article 30 of G.S. 115C that requires the State Board of Education (SBE) to establish a formula for determining the full-time equivalency of a student enrolled in a public school unit (PSU) for the purposes of providing State funds on a per pupil basis. Includes reporting requirements for the SBE and DPI.

### Section 7.18 Career and College Ready Graduate Program Support

Requires DPI to partner with NROC Project (formerly known as the National Repository of Online Courses) to utilize its adaptive math and English learning platform to facilitate the implementation of the Career and College Ready Program in collaboration with the NC Community College System.

(\$546,500 R added to the DPI budget for the program – see Committee Report page B 34, item 114)

### Section 7.19 School Safety Grants Program

Continues the School Safety Grants Program for the fiscal biennium. 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. Requires the State Superintendent to develop criteria and guidelines for the administration and use of the grants.

Outlines the permitted uses of the three types of grants. Prohibits funds from being used to supplant State or non-State funds already provided for these services. Requires the Superintendent of Public Instruction to report to specific legislative committees and the Fiscal Research Division by April 1 of each fiscal year that grants are awarded.

(\$9,695,000 NR appropriated each year of the biennium – see Committee Report page B 31, item 89)

### Section 7.20 TeachNC Recruitment Initiative

Requires DPI to adopt the TeachNC recruitment initiative for future teachers to find information and connect with resources on (i) the teaching profession, (ii) opportunities for educators in NC, and (iii) the process of obtaining an educator’s license in NC. Requires DPI to report to specific legislative committees and the Fiscal Research Division by March 15, 2022, and annually thereafter, on the implementation of the platform.

(\$100,000 R and \$880,000 NR appropriated in each year of the biennium – see Committee Report page B 34, item 113)

### Section 7.22 Feminine Hygiene Products Grant Program

Requires DPI to establish a Feminine Hygiene Products Grant Program for the 2021-2022 fiscal year to provide grants of up to \$5,000 to public school units (PSUs) to provide feminine hygiene products for students. Grants are awarded on a first-come, first-served basis and no PSU is allowed to receive more than one grant. Requires DPI to report to specific legislative committees and the Fiscal Research Division by March 15, 2022, on the PSUs receiving grants.

(\$250,000 NR appropriated in the 2021-2022 fiscal year – see Committee Report page B 34, item 116)



### [Section 7.23 Average Daily Membership/Hold Harmless](#)

Holds public school units' (PSU) average daily membership (ADM) harmless for the 2021-2022 fiscal year, meaning the State Board of Education (SBE) will not reduce ADM allocations due to a discrepancy between actual and anticipated ADM. Requires DPI to calculate and report to specific legislative committees and the Fiscal Research Division by January 15, 2022, the amounts that each funding allotment would have been reduced for each applicable PSU without the ADM hold harmless, based on data from the 2020-2021 and 2021-2022 fiscal years.

### [Section 7.24 Children with Disabilities Reserve](#)

For the 2021-2022 fiscal year, requires DPI to use \$25 million NR to establish the Children with Disabilities Reserve. Requires DPI to allocate funds from the Reserve to public school units (PSUs) that enroll more children with disabilities during the first two months of school than DPI anticipated prior to the beginning of the 2021-2022 school year. Prohibits funds from exceeding 13% of the 2021-2022 average daily membership (ADM) during the first two months of school.

(See Committee Report page B 29, item 75)

### [Section 7.25 Special Education Due Process Hearings/Permit Immediate Judicial Review of ALJ Decision<sup>4</sup>](#)

Alters the appeals process for special education due process hearings by eliminating State Hearing Review Officers (SHROs). The decision of the administrative law judge becomes final unless an aggrieved party files civil action under subsection (h2) of this provision. Requires the State Board of Education (SBE) to enforce the final decision of the administrative law judge by ordering a LEA to comply with one or more of the three options listed in this provision. Provides time limitations to file a civil action. Once a petition is filed, the student must remain in the then-current educational placement, or a student must be placed in the public school if applying for initial admission. However, the parties may agree in writing to a different placement while the case is pending.

**Amends:** *G.S. 115C-106.3(5); G.S. 115C-109.6*

**Repeals:** *G.S. 115C-109.9*

Effective November 18, 2021.

### [Section 7.26 State Public School Fund May be Used for ARPA Maintenance of Equity](#)

Allows DPI to allocate additional funds from the State Public School Fund to public school units (PSUs) receiving funds from the American Rescue Plan Act (ARPA) Elementary and Secondary School Emergency Relief (ESSER) fund to meet the ARPA minimum maintenance of equity requirements for the 2021-2023 fiscal biennium.

### [Section 7.27 Elementary and Secondary School Emergency Relief Fund/Use of Reserve Funds](#)

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<sup>4</sup> Section 2.2 of HB 243: Budget Technical Corrections (S.L. 2022-6) added information regarding civil action described in Section 7.25 of SB 105 (S.L. 2021-180).

Appropriates the entire 10% DPI reserve of federal Elementary and Secondary School Emergency Relief (ESSER) III funds (\$360 million) to 33 new allotments. (Each allotment is included in the budget appropriations chart starting on page 17 of this document.) Provides information about contract terms, reallocation of unencumbered funds, and compliance with federal law.

*Amends: Section 3.5 of S.L. 2021-25*

Requires the State Board of Education (SBE) and DPI to develop a strategic plan for deployment of a competency-based education program that provides credit by demonstrated mastery for students in grades 7-12 to address impacts of COVID-19. The program must also focus on demonstrating teacher competency and enable teacher professional development and principal professional development for purposes of educator licensure reform. Requires this strategic plan to be submitted to the Joint Legislative Education Oversight Committee (JLEOC) by March 15, 2022.

*Amends: Section 3.5 of S.L. 2021-25*

Requires DPI, in consultation with the Department of Health and Human Services (DHHS), to inform public school units (PSUs) no later than January 15, 2022, of (i) the availability of federal funds to be used for school-based health services personnel in response to COVID-19 and (ii) allowable uses for these funds pursuant to federal law and guidance.

#### [Section 7.28 Transfer of Funds for the School Business System Modernization Plan](#)

Requires DPI to transfer \$1.4 million from the school business system modernization plan in each year of the biennium to the Government Data Analytics Center to continue work on the school data reporting system.

(\$48,748,522 NR appropriated in the 2021-2022 fiscal year and \$37,850,910 NR appropriated in the 2022-2023 fiscal year for the School Business System Modernization Plan – see Committee Report page B 37, item 127)

#### [Section 7.30 Powers and Duties of the Center for Safer Schools](#)

Assigns 10 powers and duties to the Center for Safer Schools. Requires the Center to “coordinate, collaborate, and seek information as necessary” from State and local agencies. The Center is to receive guidance and advice from the Task Force for Safer Schools. Requires public school units (PSUs) to provide information to the Center for its Annual Census of School Resource Officers (SROs) by January 15 each year. Requires this Census to be submitted to the Joint Legislative Education Oversight Committee (JLEOC) and the State Board of Education (SBE) by March 1 of each year.

*Amends: G.S. 115C-105.57*

Requires the Center to enter into a memorandum of understanding with the Department of Public Safety (DPS) to use DPS facilities to provide training, resources, and professional development to students, public school personnel, first responders, social services agencies, members of the

community, and other interested parties. Requires the Center and DPS to report to specific legislative committees and the Fiscal Research Division on January 15, 2022, and in October each year thereafter.

Effective November 18, 2021.

#### [Section 7.31 Operating Balance Restrictions for School Nutrition Programs](#)

Prohibits public school units (PSUs) from getting reimbursed for costs incurred while operating and administering a school nutrition program unless the program has a minimum of two months operating balance. Caps the rate at which PSUs can get reimbursed for these costs at 8% of a school nutrition program's annual budget (the current average is around 14%). Requires DPI to report to specific legislative committees and the Fiscal Research Division by May 15, 2022, and every six months thereafter, the number of months of operating balance held by school nutrition programs for each PSU and the amount and percentage of indirect costs charged to school nutrition programs by PSUs.

*Amends: G.S. 115C-450*

#### [Section 7.33 Revise Fast-Track Replication of High-Quality Charter Schools](#)

Modifies the eligibility requirements for a charter school board of directors to qualify for fast-track application.

*Amends: G.S. 115C-218.3*

Effective November 18, 2021.

#### [Section 7.36 Bonuses for Teachers and Instructional Support Personnel in Schools for Students with Visual and Hearing Impairments/ESSER II Fund](#)

Provides a one-time, lump sum bonus of \$350 to every teacher who, as of April 1, 2021, was employed as a teacher in a school for students with visual and hearing impairments, in recognition of their service during the COVID-19 pandemic.

*Amends: Section 5A of S.L. 2021-1, as enacted by Section 1.2 of S.L. 2021-3*

Effective November 18, 2021.

#### [Section 7.38 Advanced Teaching Roles Changes](#)

Modifies the list of information that the State Board of Education (SBE) is required to review when evaluating each participating LEA's compliance with its approved Advanced Teaching Roles Program plan. Increases the number of years LEAs may be awarded funds from one term (three years) to two terms (six years) and provides term renewal guidance.

*Amends: G.S. 115C-311*

Effective November 18, 2021.

(\$2,040,000 R added to expand the program – see Committee Report page B 33, item 109)

#### [Section 7.44 Recommendation for Students with Disabilities Funding](#)

Requires DPI to contract with an independent research organization to make recommendations on how to categorize the allocation of funding for students with disabilities and how to set funding levels for each recommended category. Includes a list of requirements for the independent research organization to examine while developing recommendations. Includes reporting requirements and requirements for the selection of the independent research organization.

(See Committee Report page B 34, item 118)

#### [Section 7.57 Changes to Educator Licensure Requirements](#)

Modifies the definition of a lifetime license for professional educators to include educators who meet at least one of the following criteria:

- The completion of 30 or more years of creditable service with the Teachers' and State Employees' Retirement System (TSERS)
- 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 public school units (PSUs) in NC

*Amends: G.S. 115C-270.20*

Effective November 18, 2021.

#### [Section 7.61 Student Digital Learning Access](#)

Creates a new section in Part 3A of Article 8 of G.S. 115C that requires the State Board of Education (SBE) to establish and maintain an electronic dashboard to publicly display information related to digital learning that is provided by each public school unit (PSU). The dashboard must include information on in-school digital device access, out-of-school digital device access, and out-of-school internet connectivity. Requires each PSU to annually submit to the SBE by November 15 all categories of information included in the digital learning dashboard. Includes additional reporting requirements. Makes conforming changes.

*Amends: G.S. 115C-75.9; G.S. 115C-218.75; G.S. 115C-238.66; G.S. 116-239.8(b); Section 6(d) of S.L. 2018-32*

Requires DPI and the Department of Information Technology, in collaboration with the Friday Institute for Education Innovation at North Carolina State University, to conduct a statewide assessment of data related to out-of-school internet and device access obtained by students during school closure due to COVID-19 during the 2019-2020 and 2020-2021 school years. Requires PSUs to provide any relevant data to the Departments. Requires recommendations for effective programs and policies to close the student digital access gap to be provided by the Departments. Includes reporting requirements.

Effective November 18, 2021.

#### [Section 7.64 Water and Sewer Services to Charter Schools](#)

Adds a new requirement regarding the erection of school buildings, stating that prior to an application for any development approval under G.S. 160D, a local board of education must inquire, in writing, of the public water and/or sewer systems serving the site as to whether the system has the capacity to serve the proposed school facility. Requires the water/sewer systems to respond to the inquiry within 30 days. If there are no capacity restrictions or moratoriums on expansion, requires the water/sewer systems to reserve the necessary capacity for the proposed school facility for 24 months from the date of the written inquiry. Adds to an existing requirement that the local board of education must comply with this new requirement prior to creating a contract for the erection of any school building.

*Amends: G.S. 115C-521*

Requires a charter school to comply with this new school building construction requirement.

*Amends: G.S. 115C-218.35*

Effective November 18, 2021.

#### [Section 7.67 Revise Personal Leave Costs for Teachers](#)

Provides personal leave to teachers at no cost if a reason for the personal leave request is submitted. 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.

*Amends: G.S. 115C-302.1(d)*

Effective November 18, 2021, and applies beginning with the 2021-2022 school year.

#### [Section 7.69 Permanent Charter School Transportation Grant Program](#)

Establishes the Charter School Transportation Grant Program (Program) in Article 14A of G.S. 115C to award grant funds to a charter school that has at least 50% of its students residing in households with an income level not in excess of the amount required for a student to qualify for the federal free or reduced-price lunch program. Allows a charter school to be reimbursed up to 65% of the eligible student transportation costs incurred by the school. Eligible student transportation costs include transportation fuel, vehicle maintenance, contracted transportation services, and transportation personnel salaries. Includes application, award of funds, reporting requirements, and a timeline for the Program for the 2021-2022 school year.

Applies beginning with the 2021-2022 school year.

(\$2,353,847 R appropriated in each year of the biennium and \$146,153 NR appropriated in the 2021-2022 fiscal year – see Committee Report page B 30, item 84)

#### [Section 7.70 Student Transportation Support](#)

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. Lists LEAs and charter schools that are authorized to participate in the Program.

Allows any LEA or charter school authorized to participate in the Program to elect not to participate and allows DPI to authorize replacements. Gives LEAs and charter schools discretion over specific technology and services provided by qualifying vendors, as long as they meet certain requirements. Includes miscellaneous and reporting requirements, as well as allocation of funds and a proposal to add Medicaid coverage for transportation provided by public school units (PSUs).<sup>5</sup>

Clarifies differing effective dates for subsections of this provision.

(\$18,148,000 NR federal funds appropriated in the 2021-2022 fiscal year – see Committee Report page B 28, item 71)

#### Section 7.71 Life Changing Experiences School Program

Requires DPI to contract with the Children and Parent Resource Group, Inc., to design, implement, and evaluate the Life Changing Experiences School Program (Project) in the 2021-2022 school year. Requires the Project to be offered in grades 6-11 in at least the following LEAs:

- Cleveland County Schools
- Greene County Schools
- Lenoir County Public Schools
- Lincoln County Schools
- McDowell County Schools
- Mitchell County Schools
- Pitt County Schools

Allows DPI to select additional LEAs, if there are sufficient funds. Prohibits these funds from being used for any purpose other than to implement the Project. The goal of the Project's programs is to increase positive intentions and behavioral outcomes by teaching students techniques and skills that empower them to reach meaningful life goals, employ positive behaviors, and start businesses and social enterprises. Includes reporting requirements.

(\$500,000 NR appropriated in the 2021-2022 fiscal year for this program – see Committee Report page B 35, item 121)

#### Section 7.72 Innovative Signature Career Academy Pilot

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

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<sup>5</sup> Section 7.70(c) of SB 105 (S.L. 2021-180) was amended by Section 2.7 of HB 243: Budget Technical Corrections (S.L. 2022-6) by changing the report due date from March 1, 2022, to May 1, 2022.

technical education (CTE) program to prepare students more deliberately for high-wage, high-skills careers. Includes information about components of the Program, flexibility for teachers, reporting requirements, and term of the Program.

(\$2 million NR appropriated in the 2021-2022 fiscal year for this program – see Committee Report page B 35, item 119)

#### Section 7.78 Clarify Reporting on Teacher Vacancies

Defines teacher vacancy for the State of the Teaching Profession Report as follows:

- Is not filled by a teacher who has one of the following licenses in the subject area of the position:
  - Continuing Professional License
  - Initial Professional License
  - Lifetime License
  - Limited License
  - Residency License
- Is not filled by a licensed teacher in a permanent assignment
- Is filled by a substitute teacher or interim teacher
- Is filled by a teacher with (i) an emergency license or (ii) another permit or license not included in sub-division (a) of this subdivision

Modifies reporting requirements to include the number of teachers in each licensure category by subject area, aggregated to provide statewide information and information specific to each LEA and school.

*Amends: G.S. 115C-299.5*

Requires DPI to provide guidance to LEAs by December 15, 2021, on positions considered vacant for purposes of the report required pursuant to G.S. 115C-299.5(e), as amended by this section. Requires the State Board of Education (SBE) to submit its State of the Teaching Profession Report for the 2021-2022 school year no later than January 15, 2022.

Effective November 18, 2021.

#### Section 7.79 Internet-Based School Business Systems/School Business System Modernization Funds Grant Program

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/charter school to internet-based school business systems. LEAs and charter schools are eligible to receive funds under this grant program if they do not participate in the School Business System Modernization Plan.

(\$48,748,522 NR appropriated in the 2021-2022 fiscal year and \$37,850,910 NR appropriated in the 2022-2023 fiscal year for this program – see Committee Report page B 37, item 127)

#### Section 7.81 Scholarpath

Requires DPI to contract with MyScholar, LLC, to use the ScholarPath platform to create the Twelfth Grade Transition Pilot to help students and parents prepare for twelfth-grade transition by utilizing O\*NET Data to connect and match students to current opportunities in high demand careers.

(\$1,500,000 NR appropriated in the 2021-2022 fiscal year for this program – see Committee Report page B 34, item 110)

#### Section 7.83 CIPA Compliance Contract

Requires DPI to use up to \$450,000 R of unused funds for the Digital Learning Plan in each fiscal year of the biennium to contract with the digital literacy curriculum provider selected via the competitive procurement process pursuant to Section 7.23K of S.L. 2017-57. Establishes a statewide program available to all public school units (PSUs) for up to three years, beginning in the 2021-2022 fiscal year and ending in the 2023-2024 fiscal year, to ensure compliance with P.L. 106-554, the Children’s Internet Protection Act. Includes intent language for the 2023-2024 fiscal year to enact similar authority for DPI to use unexpended funds for the Digital Learning Plan for the same program.

#### Section 7.84 Gizella Abramson Holocaust Education Act

Creates a new section in Part 1 of Article 8 of G.S. 115C that requires the State Board of Education (SBE) to integrate education on the Holocaust and genocide into English, social studies, and other appropriate courses in middle and high school. Requires the SBE to develop a curriculum for a Holocaust Studies elective that may be offered in middle and high schools. Requires DPI to provide curriculum content and requires LEAs to provide professional development.

Effective November 18, 2021, and applies beginning with the 2023-2024 school year.

(\$350,000 NR appropriated in the 2021-2022 fiscal year and \$400,000 NR appropriated in the 2022-2023 fiscal year for this program – see Committee Report page B 31, item 96)

#### Section 7.85 Dual Enrollment/Opportunity Study

Requires the State Board of Education (SBE) to partner with a third-party entity to conduct a study examining the factors impacting all students’ ability to complete high school courses leading to college credit, an associate degree, or a career-ready credential and to report its findings to the Joint Legislative Education Oversight Committee (JLEOC), the Fiscal Research Division, and the Office of State Budget Management by July 15, 2022.<sup>6</sup>

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<sup>6</sup> Section 7.85 of SB 105 (S.L. 2021-180) was amended by Section 2.6 of HB 243: Budget Technical Corrections (S.L. 2022-6) by changing the report due date from March 15, 2022, to July 15, 2022.



(\$100,000 NR appropriated in the 2021-2022 fiscal year for this program – see Committee Report page B 34, item 117)

**PART VII-A – COMPENSATION OF PUBLIC SCHOOL EMPLOYEES**

Section 7A.1 Teacher Salary Schedule

Provides an average raise of 5% for teachers and instructional support personnel over two years, including step increases.

<b>Years of Experience</b>	<b>Current Salary</b>	<b>Annual Salary 2021-2022</b>	<b>Annual Salary 2022-2023</b>
0	\$35,000	\$35,460	\$35,920
1	\$36,000	\$36,470	\$36,940
2	\$37,000	\$37,480	\$37,970
3	\$38,000	\$38,490	\$38,990
4	\$39,000	\$39,510	\$40,020
5	\$40,000	\$40,520	\$41,050
6	\$41,000	\$41,530	\$42,070
7	\$42,000	\$42,550	\$43,100
8	\$43,000	\$43,560	\$44,130
9	\$44,000	\$44,570	\$45,150
10	\$45,000	\$45,590	\$46,180
11	\$46,000	\$46,600	\$47,210
12	\$47,000	\$47,610	\$48,230
13	\$48,000	\$48,620	\$49,250
14	\$49,000	\$49,640	\$50,290
15-24	\$50,000	\$50,650	\$51,310
25+	\$52,000	\$52,680	\$53,360

Maintains salary supplements for teachers and school personnel paid on the “A” teacher salary schedule, including:

- 12% monthly supplement for Nationally Board-certified teachers
- 10% monthly supplement for “M” teachers with advanced degrees
- \$126 monthly supplement for teachers with academic preparation at the six-year degree level, in addition to the “M” teacher supplement
- \$253 monthly supplement for teachers with academic preparation at the doctoral degree level, in addition to the “M” teacher supplement
- 10% monthly supplement for school nurses

Adds a \$100 monthly salary supplement (\$1,000/year) for school counselors. Adds a \$350 monthly salary supplement (\$3,500/year) for school psychologists, school speech pathologists,

and school audiologists. Retains the 26<sup>th</sup> step on the salary schedule for school psychologists, school speech pathologists, and school audiologists that is 7.5% higher than the 25<sup>th</sup> tier. Continues to build longevity payments into the salary schedule. Maintains the hold harmless for teacher longevity.

(See Committee Report pages B 26-27 for reserves for salary and benefits)

#### [Section 7A.2 Support Highly Qualified NC Teaching Graduates](#)

Creates a new section in Article 20 of G.S. 115C that continues the highly qualified NC teaching graduates salary supplements each month at the highest level for which the graduate qualifies. Codifies these salary supplements. Includes qualification and employment requirements.

#### [Section 7A.3 Bonuses for Teachers](#)

No later than January 31, 2022, requires DPI to provide a \$300 bonus to teachers and instructional support personnel in qualifying public school units (PSUs) whose salary is State funded and who is employed as of January 1, 2022. 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](#)

Provides bonuses to qualifying Advanced Course and Career and Technical Education (CTE) teachers in each year of the fiscal biennium, based on 2020-2021 and 2021-2022 school year data, respectively. Teachers are paid a \$50 bonus for each student earning three or higher on Advanced Placement exams, four or higher on International Baccalaureate exams, and C or higher on Cambridge AICE program exams. CTE teachers are paid a \$25-\$50 bonus for each student earning an industry certification or credential. Includes information on bonus fund limitations, the State Board of Education (SBE) study on the effect of the program on teacher performance and retention, and the SBE report.

#### [Section 7A.5 Small County and Low-Wealth Signing Bonus for Teachers](#)

Provides funds for State-matching signing bonuses for teachers and instructional support personnel accepting employment for the 2021-2022 fiscal year (employed as of October 1, 2021) in school districts that receive funding from the Small County or Low Wealth allotments. Requires bonuses to be matched on \$1.00 in State funds for every \$1.00 in local funds, up to \$1,000 in State funds. States that a teacher who receives this signing bonus is ineligible to receive the same signing (or similar) bonus until at least July 1, 2024. Includes intent language and funding to provide additional signing bonuses for eligible employees in the 2022-2023 fiscal year.

(\$4.3 million R appropriated in the 2021-2022 fiscal year for this program – see Committee Report page B 27, item 60)

### Section 7A.6 Principal Salary Schedule

Provides a 5% salary increase over two years for principals. The schedule ties principal salaries to average daily membership (ADM) and school growth scores. Includes a hold harmless provision on principal salary that is based on school growth scores. This means that for the purposes of determining school growth for each school that the principal supervised in at least two of the prior three school years, school growth scores from the three most available school years, up to 2018-2019, must be used.

#### **2021-2022 Principal Annual Salary Schedule**

<b>School ADM</b>	<b>Base Salary</b>	<b>Salary if School Met Growth</b>	<b>Salary if School Exceeded Growth</b>
0-200	\$69,828	\$76,811	\$83,794
201-400	\$73,319	\$80,651	\$87,983
401-700	\$76,811	\$84,492	\$92,173
701-1,000	\$80,302	\$88,332	\$96,362
1,001-1,600	\$83,794	\$92,173	\$100,553
1,601 +	\$87,285	\$96,014	\$104,742

#### **2022-2023 Principal Annual Salary Schedule**

<b>School ADM</b>	<b>Base Salary</b>	<b>Salary if School Met Growth</b>	<b>Salary if School Exceeded Growth</b>
0-200	\$71,574	\$78,731	\$85,889
201-400	\$75,153	\$82,668	\$90,184
401-700	\$78,731	\$86,604	\$94,477
701-1,000	\$82,310	\$90,541	\$98,772
1,001-1,600	\$85,889	\$94,478	\$103,067
1,601 +	\$89,468	\$98,415	\$107,362

Continues to build longevity payments into the salary schedule. Includes a hold harmless clause to ensure that for the 2021-2022 fiscal year no principal's salary drops below the 2016-2017 level.

(See Committee Report page B 26, item 58)

### Section 7A.7 Bonuses for Principals

No later than January 31, 2022, requires DPI to provide a \$1,800 bonus to every principal whose salary is State funded and who is employed as of January 1, 2022.

### Section 7A.8 Assistant Principal Salaries

Maintains the base assistant principal pay and supplements. Pay is based on the "A" teacher salary schedule plus 19%. Includes the 5% average raise applied to the "A" teacher salary schedule over two years. Continues to build longevity payments into the salary schedule. Includes a hold harmless clause to ensure that for the 2021-2022 fiscal year no assistant principal's salary drops below the 2016-2017 level.

(See Committee Report page B 26, item 59)

#### [Section 7A.9 Central Office Salaries](#)

Provides a 5% salary increase over two years for central office employees. Removes salary minimum (now only salary maximum). Retains historical salary supplements, longevity pay, and classification guidelines.

(See Committee Report page B 26, item 57)

#### [Section 7A.10 Noncertified Personnel Salaries](#)

For State funded noncertified public school employees:

- Implements a \$13 per hour minimum wage in the 2021-2022 fiscal year
- Implements a \$15 per hour minimum wage in the 2022-2023 fiscal year

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.

(See Committee Report page B 26, item 54)

#### [Section 7A.12 Supplemental Funds for Teacher Compensation](#)

Creates a new allotment to increase salary supplements for teachers and qualifying school administrators based on a county's respective tax base, median household income, and effective tax rate. Includes definitions for determining eligible school districts.

Prohibits allocations from exceeding \$4,250 per State-funded teacher. Prohibits funds from being used to supplant non-State funds provided for salary supplements for teachers and qualifying school administrators. Requires the State Board of Education (SBE) to report on the funds by April 15 in each year of the biennium to specific legislative committees and the Fiscal Research Division.

(\$100 million R appropriated in the 2021-2022 fiscal year for this program – see Committee Report page B 26, item 52)

## **PART VIII – THE UNIVERSITY OF NORTH CAROLINA SYSTEM**

#### [Section 8.4 Report on Science of Reading EPP Coursework Implementation<sup>7</sup>](#)

Requires the UNC Board of Governors to contract with an outside consultant for evaluation on the progress of the implementation of requirement changes for educator preparation programs

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<sup>7</sup> Section 8.4(b) of SB 105 (S.L. 2021-180) was amended by Section 2.9 of HB 243: Budget Technical Corrections (S.L. 2022-6) by changing the due dates of required reports.

(EPPs), based on the Science of Reading pursuant to Section 4 of S.L. 2021-8. Includes reporting requirements.

(\$500,000 NR appropriated in the 2021-2022 fiscal year for this report – see Committee Report page B 49, item 154)

#### [Section 8.6 New Education Facility/UNCW/Planning Funds](#)

Appropriates \$994,000 NR in the 2021-2022 fiscal year for the planning of a new facility for Isaac Bear Early College High School on the University of North Carolina at Wilmington's campus.

(See Committee report page B49, item 153)

#### [Section 8.20 Student Beekeeping Grant Program](#)

Requires North Carolina State University to establish a Student Beekeeping Grant Program for the 2021-2022 fiscal year. Grants will be used to create beekeeping programs in high school chapters of Future Farmers of America in North Carolina.

(\$150,000 NR appropriated to NC State University for the program – see Committee Report page B 60, item 200)

#### [Section 8A.3 Equity in Opportunity Act](#)

Modifies requirements that qualify a student as eligible to receive an Opportunity Scholarship grant (commonly referred to as a voucher), beginning with 2022-2023 school year. Increases scholarship grants per student by more than 50%. Significantly expands student eligibility, including a lower age eligibility, an increased income eligibility, and elimination of the household income cap for foster children.<sup>8</sup>

***Amends:*** G.S. 115C-562.1; G.S. 115C-562.2(b)

***Repeals:*** G.S. 115C-562.2(b1)

Modifies the required use of unexpended funds in the Opportunity Scholarship Grant Fund Reserve (Reserve). Allows the State Education Assistance Authority (SEAA) to contract with a nonprofit representing parents and families for outreach and scholarship education and application assistance. Includes meeting requirement and the terms of the contract.

***Amends:*** G.S. 115C-562.8; Article 39 of G.S. 115C

Extends the years that the State will increase funds to the Reserve from 10 to 15 years. Increases the current appropriation to the Reserve from \$103.8 million in the 2021-2022 fiscal year to \$255.5 million in the 2032-2033 fiscal year, and each year thereafter.

***Amends:*** G.S. 115C-562.8(b)

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<sup>8</sup> Section 8A.3(c) of SB 105 (S.L. 2021-180) was amended by Section 2.13 of HB 243: Budget Technical Corrections (S.L. 2022-6) by making technical changes to the definition of an eligible student.

(An additional \$19 million NR is appropriated to the Reserve in the 2021-2022 fiscal year and an additional \$30 million NR is appropriated to the program in the 2022-2023 fiscal year – see Committee Report page B 53, item 174, and page B 54, item 175)

Merges the Personal Education Savings Accounts program and the Special Education Scholarship for Children with Disabilities program to form the Personal Education Student Accounts for Children with Disabilities. Expands student eligibility. Modifies statutory definitions.

*Amends: Article 41 of G.S. 115C*

Modifies statutory language regarding the awarding of scholarship funds for a personal education student account, including restricting the total amount of funds carried forward for an eligible student in an account from exceeding \$30,000.<sup>9</sup> Modifies additional statutory language regarding verification of eligibility, parental agreement, administration, and duties of State agencies. Creates a 10-year funding program for personal education student accounts that is similar to the reserve for opportunity scholarships and appropriates money for that program.

*Amends: Article 41 of G.S. 115C*

Makes conforming changes.<sup>10</sup>

*Amends: G.S. 115C-555(4); G.S. 115C-567.1(a), as enacted by subsection (h) of this section; G.S. 105-153.(b)(12)*

*Repeals: Part 1H of Article 9 of G.S. 115C; Section 5(b) of S.L. 2013-364, as rewritten by Section 3.2 of S.L. 2013-363, as amended by Section 11.18 of S.L. 2015-241*

Clarifies differing effective dates for subsections of this provision.

## **PART IX – HEALTH AND HUMAN SERVICES (DHHS)**

### **[Section 9B.8B School-Based Virtual Care Pilot Program to Address Health Disparities in Historically Underserved Areas Disproportionately Impacted by the COVID-19 Public Health Emergency](#)**

Appropriates funds to Atrium Health, Inc. to support a school-based telehealth pilot program to address health disparities in historically underserved areas disproportionately impacted by the COVID-19 pandemic. Requires the funds to be distributed equally among four elementary schools in Anson County and six elementary schools in Forsyth County where at least 90% of the students are eligible for free or reduced lunch.

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<sup>9</sup> Section 8A.3(l) of SB 105 (S.L. 2021-180) was amended by Section 2.14 of HB 243: Budget Technical Corrections (S.L. 2022-6) by modifying provisions regarding the awarding of scholarship funds for a personal education student account.

<sup>10</sup> Section 8A.3(u) of SB 105 (S.L. 2021-180) was amended by Section 2.5 of HB 334: Budget Technical Corrections (S.L. 2021-189) by changing “G.S. 115C-592(e)” to “G.S. 115C-592(a)” when referring to the repeal of certain statutes.

(\$1 million NR appropriated in the 2021-2022 fiscal year – see Committee Report page C 19, item 38)

#### [Section 9C.9 Grants for Child Care Facilities and NC Pre-K Classrooms/ARPA Funds](#)

Provides grants for child care facilities and NC Pre-K classrooms in response to the COVID-19 pandemic, particularly those located in child care deserts and low-performing and high-poverty districts. These grants can be used for (i) start-up costs associated with establishing a new NC Pre-K classroom or child care facility, (ii) improvements that increase the Pre-K classroom or child care facility's capacity or upgrade its star rating, and (iii) capital improvements or renovations.

(\$20 million NR appropriated in the 2021-2022 fiscal year – see Committee Report page C 33, item 87)

#### [Section 9D.21 Charter Schools Medicaid Reimbursement](#)

Recognizes charter schools as local governmental entities that can receive North Carolina Medicaid reimbursement for covered services in the same manner as LEAs.

*Amends: G.S. 115C-218.105*

#### [Section 9G.8 Lead and Asbestos Remediation in Public School Units and Child Care Facilities](#)

For the 2021-2022 fiscal year, requires \$150 million NR to be allocated as follows for lead and asbestos remediation and abatement programs to benefit public school units (PSUs) and child care facilities:

- \$32,812,500 to fund a program for the testing and remediation of lead levels in drinking water
- \$117,187,500 to fund a program for lead paint abatement and asbestos abatement
  - PSUs that are allocated these funds are required to match \$1.00 in local funds for every \$2.00 in State funds

States that funds allocated under this section will remain available until depleted or on the date federal law requires funds to be fully expended, whichever is earlier. Includes administration and reporting requirements.

(See Committee Report page C 96, item 250)

#### [Section 9G.13 Reservation of CDC Cooperative Agreement for Emergency Response/Public Health Crisis Response/COVID-19 Public Health Workforce Supplemental Funding Received Pursuant to the American Rescue Plan Act for School-Based Health Services Personnel](#)

Reserves at least 25% of the funding from the Centers for Disease Control and Prevention Cooperative Agreement for Emergency Response: Public Health Crisis Response, COVID-19 Public Health Workforce Supplemental Funding to be used for school-based health services personnel. Prohibits funds from being used to supplant State, local, or federal funds for this purpose.

## **PART XII – ENVIRONMENTAL QUALITY**

### **Section 12.11 Volkswagen Settlement**

Requires funds from the Volkswagen Litigation Environmental Mitigation Fund to remain available until expended. (These funds are used in NC to replace school buses.)

*Amends: Section 10(b) of S.L. 2020-79*

Effective June 30, 2021.

## **PART XIII – LABOR**

### **Section 13.1 Be Pro Be Proud**

Establishes the Be Pro Be Proud initiative in the Department of Labor to generate student, parent, and educator interest in technical professions within the construction, manufacturing, transportation, and utility industries. One component of the program will be a custom-built mobile workshop that brings elements of up to 12 skilled professions to middle and high school students through simulators and virtual reality experiences. Includes administration, collaboration, retention of funds, and reporting requirements.

(\$5 million NR appropriated in the 2021-2022 fiscal year – see Committee Report page D 80, item 224)

## **PART XIX-E – EMERGENCY MANAGEMENT AND NATIONAL GUARD**

### **Section 19E.8 Statewide Implementation of Panic Alarm Application**

Appropriates \$220,000 R in the 2021-2023 fiscal biennium and \$4,462,475 million NR in the 2021-2022 fiscal year to contract with a vendor to implement a statewide panic alarm application available to all employees of public secondary schools.

(See Committee Report page E 51, item 151)

## **PART XXIV – BUDGET AND MANAGEMENT – DIRECTED GRANTS**

### **Section 24.1B Truck Driver Shortage<sup>11</sup>**

Appropriates \$5 million NR in the 2021-2022 fiscal year to the North Carolina Trucking Association Foundation (Foundation) to address the truck driver shortage in the State. Requires the Foundation to offer incentives to trucking companies to establish internships and pre-apprenticeships to high school students.

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<sup>11</sup> Section 24.1B(a) of SB 105 (S.L. 2021-180) was amended by Section 6.3 of HB 334: Budget Technical Corrections (S.L. 2021-189) by adding “to purchase a mobile learning vehicle” as an allowable use of funds.



(See Committee Report page F 37, item 68)

[Section 24.1D Construction Training and Apprenticeship Program](#)

Requires the CAGC Foundation, Inc. to partner with nonprofit organizations to conduct outreach to low-wealth and rural high schools and minority and non-English speaking populations in North Carolina to promote construction and apprenticeship programs.

(\$3.5 million NR appropriated in the 2021-2022 fiscal year – see Committee Report page F 37, item 61)

[Section 24.1F Future City Competition](#)

Provides a \$200,000 NR grant for the 2021-2022 fiscal year to the Professional Engineers of North Carolina Educational Foundation to support the NC Future City competition, a statewide program for sixth through eighth grade students to foster engineering skills and create interest in S.T.E.M. careers.

(See Committee Report page F 47, item 100)

**PART XXXVIII – INFORMATION TECHNOLOGY**

[Section 38.5 State Recovery Funds/Broadband Stopgap Solutions<sup>12</sup>](#)

Provides grants to internet service providers, local government entities, and nonprofits for the expansion of broadband to unserved and underserved households.

(\$90 million NR appropriated in the 2021-2022 fiscal year – see Committee Report page G 7, item 9)

(Including the above \$90 million, the whole budget includes approximately \$1 billion in broadband funding that will indirectly help education.)

[Section 38.13 Cybersecurity/State Agencies Prohibited From Making Ransomware Payments](#)

Creates Article 84 in G.S. 143, which prohibits State agencies and local governments (including LEAs) from paying or communicating with entities that encrypt public agency data then attempt to decrypt for a ransom payment. Requires State and local governments experiencing a ransomware attack to consult with the Department of Information Technology.

*Amends: G.S. 143B-1320; G.S. 143B-1379(c); G.S. 143B-1322(c)*

Effective November 18, 2021.

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<sup>12</sup> Section 38.5 of SB 105 (S.L. 2021-180) was amended by Section 10.1 of HB 334: Budget Technical Corrections (S.L. 2021-189) by changing the percentage of funds that are allowed to be granted for broadband projects located in any single county from 10% to 5%.

## **PART XXXIX – SALARIES AND BENEFITS**

### Section 39.1 Eligible State-Funded Employees Awarded Legislative Salary Increases / Effective July 1, 2021, and July 1, 2022

Provides State-funded employees (i.e., DPI employees) a legislative salary increase of 2.5% for both fiscal years.

### Section 39.2 Bonuses Awarded to State Employees for Work During the Pandemic

By January 31, 2022, awards bonuses to all permanent full-time State employees and local school employees who are employed as of December 1, 2021<sup>13</sup>, for their extraordinary work in response to the COVID-19 pandemic:

- \$1,000 bonus to all employees
- Additional \$500 bonus to employees making less than \$75,000 annually

Appropriates \$545 million in the 2021-2022 fiscal year for these bonuses. Requires permanent part-time employees to receive these bonuses on a prorated and equitable basis.

### Section 39.17 All State-Supported Personnel/Flexible Administration of Legislative Salary Increases

Requires salary increases authorized for the 2021-2022 fiscal year to be paid effective on January 1, 2022, and states that these salary increases do not apply to persons separated from service prior to December 31, 2021.<sup>14</sup> Requires the salary increase for the period from July 1 to December 31, 2021, to be paid in the form of a bonus and allows the salary increase to be applied to the employee's base annual rate of pay.<sup>15</sup> States that employees not employed continuously on a full-time basis since July 1 will receive a prorated and equitable bonus.

Requires salary increases for the 2022-2023 fiscal year to be paid effective on July 1, 2022, and states that these salary increases do not apply to persons whose last workday is prior to June 30, 2022.

Applies to public school employees paid from State funds.

### Section 39.20 State Agency Teachers

Ensures that employees of schools operated by the Department of Health and Human Services, the Department of Public Safety, and the State Board of Education (SBE) are paid on the Teacher Salary Schedule authorized under this act.

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<sup>13</sup> Section 39.2(d) of SB 105 (S.L. 2021-180) was amended by Section 8.1 of HB 334: Budget Technical Corrections (S.L. 2021-189) by changing the required employment date of the \$500 bonus from January 1, 2022, to December 1, 2021.

<sup>14</sup> Section 39.17 of SB 105 (S.L. 2021-180) was amended by Section 8.3 of HB 334: Budget Technical Corrections (S.L. 2021-189) by clarifying that salary increases do not apply to persons separated from service prior to December 31, 2021.

<sup>15</sup> Section 39.17 of SB 105 (S.L. 2021-180) was amended by Section 8.3 of HB 334: Budget Technical Corrections (S.L. 2021-189) by clarifying that salary increases may be applied to the employee's base annual rate of pay.

[Section 39.23 One-Time Cost of Living Supplements for Retirees of the Teachers’ and State Employees’ Retirement System, the Consolidated Judicial Retirement System, and the Legislative Retirement System](#)

Provides a 2% one-time cost-of-living supplement to retirees of the Teachers’ and State Employees’ Retirement System (TSERS) in the 2021-2022 fiscal year and a 3% one-time cost-of-living supplement in the 2022-2023 fiscal year.

*Amends: G.S. 135-5*

**PART XL – CAPITAL**

[Section 40.1 Capital Improvement and Repairs and Renovations Appropriations \(c1, subsections \(5\) and \(6\)\)](#)

For the 2021-2022 fiscal year, appropriates the following for the campus of the North Carolina School for the Deaf:

- \$2 million for repairs and renovations to the historic Superintendent's House<sup>16</sup>
- \$1.1 million for repairs and renovations to the chapel

[Section 40.17 SCIF Grant Changes<sup>17</sup>](#)

Requires that the \$4 million to New Hanover County for SEATech for the 2021-2022 fiscal year instead be provided as a grant to New Hanover County Schools for capital improvements at Southeast Area Technical High School.<sup>18</sup>

**PART XLI – TRANSPORTATION**

[Section 41.62<sup>19</sup>](#)

Requires that the \$750,000 NR appropriated from the State Emergency Response and Disaster Relief Funds to the Department of Transportation for the Town of Princeton be used for drainage improvement expenditures at Princeton High School.

**PART XLII – FINANCE**

Reduces General Fund revenue by \$1.33 billion in the 2021-2022 fiscal year and by \$1.99 billion in the 2022-2023 fiscal year. The major tax changes are as follows:

- The personal income tax rate is reduced from 5.25% to 3.99% over six years
  - The standard deduction is increased to \$25,500 (married filing jointly)
  - The child deduction is increased by \$500 and expands eligibility for the child deduction to more families

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<sup>16</sup> Section 40.1.(c1)(5) of SB 105 (S.L. 2021-180) was amended by Section 9.1.(b) of HB 334: Budget Technical Corrections (S.L. 2021-189) to say “the North Carolina School for the Deaf” instead of “Broughton Hospital.”

<sup>17</sup> Section 9.1 (d) of HB 334: Budget Technical Corrections (S.L. 2021-189) added Section 40.17 to SB 105 (S.L. 2021-180).

<sup>18</sup> Section 40.17 of SB 105 (S.L. 2021-180) was amended by Section 18.1 of HB 243: Budget Technical Corrections (S.L. 2022-6) by adding the New Hanover County Schools capital provision.

<sup>19</sup> Section 19.2 of HB 243: Budget Technical Corrections (S.L. 2022-6) added Section 41.62 to SB 105 (S.L. 2021-180).

- Effective for taxable years beginning on or after January 1, 2022
- The income tax on most military retirement income is exempt from taxation, effective January 1, 2021
- The corporate income tax is phased out over six years, beginning in 2025
- The franchise tax calculation is simplified, and the amount owed is reduced for some taxpayers
  - Effective for taxable years beginning on or after January 1, 2023

# SUMMARY OF LEGISLATION ENACTED BY THE GENERAL ASSEMBLY

## PUBLIC/STATEWIDE LEGISLATION

### **House Bills**

#### [HB 53: Education Changes for Military-Connected Students \(S.L. 2021-9\)](#)

Section 1.(a) Allows students of active duty military parents who live outside of a local education agency (LEA) to attend the public schools of that LEA without paying tuition, if the student lives with a caregiver who lives in the LEA. The following must apply to the student:

1. Their parent (or legal guardian) is on active military duty
2. The commanding officer of the parent provides a signed letter stating that the parent's military orders prevent them from physically residing with the student
3. The signed letter is submitted with the required affidavits and includes the time period that the military orders will be in effect

Clarifies that “active military duty” does not include active-duty training for less than 30 days. Clarifies that LEAs are not allowed to require the caregiver of a student to prove legal guardianship.

*Amends: G.S. 115C-366(a3)*

Section 1.(b) Clarifies that a student may register to attend school in a LEA if the student resides in the LEA with a parent on active military duty assigned to a military installation in the State.

*Amends: G.S. 115C-366*

Section 1.(c) Effective when it becomes law (April 9, 2021) and applies beginning with the 2021-2022 school year.

#### [HB 78: Various Education Changes \(S.L. 2021-111\)](#)

Section 1.(a)-(b) Changes ninth grade testing requirements for private church schools, religious charter schools, and qualified nonpublic schools to allow tests that measure either (i) achievement in the areas of English grammar, reading, spelling, and math or (ii) competencies in the verbal and quantitative areas.

*Amends: G.S. 115C-549; G.S. 115C-557*

Section 1.(c) For nonpublic schools required to administer annual testing to Opportunity Scholarship recipients, maintains current testing requirements for grades three through eight that measure achievement in the areas of English grammar, reading, spelling, and math, but changes testing requirements for grades nine through 12 to measure either (i) achievement in the areas of

English grammar, reading, spelling, and math or (ii) competencies in the verbal and quantitative areas.

*Amends: G.S. 115C-562.5(a)(4)*

Section 1.(d) Effective when it becomes law (August 23, 2021) and applies beginning with the 2021-2022 school year.

[HB 82: Summer Learning Choice for NC Families \(S.L. 2021-7\)](#)

Section 1.1. Requires each LEA to offer a K-12 “school extension learning recovery and enrichment program” following the end of the 2020-2021 school year. The program aims to address learning loss and negative impacts experienced by students due to COVID-19. Requires LEAs to identify and prioritize at-risk students in program enrollment. Allows other students to participate in the program if space is available. States that LEA programs will be funded with existing funds, including federal funds. Clarifies that year-round schools may offer the program during vacation periods through October 1, 2021.

Section 1.2. Requires each LEA to submit a plan for its program to the DPI no later than 30 days prior to the last instructional day of the 2020-2021 school year. Requires the plan to include:

- 150 hours or 30 days of instruction time
- Meal service and physical activity each day
- Grade level course offerings
  - K-3: reading and math; science for third graders; integration of the LEA’s reading camp; one enrichment activity (sports, music, or arts)
  - 4-8: reading, math, and science; at least one enrichment activity
  - 9-12: end-of-course subjects; credit recovery courses necessary to meet graduation requirements (including courses offered through the NC Virtual Public School); an elective course
- Transportation services in accordance with the StrongSchoolsNC Public Health Toolkit (K-12), as of March 24, 2021
- Time for teachers to provide individual or small group instruction to at-risk students
- In-person social-emotional learning supports for all students
- Voluntary student participation
  - Kindergarten students who participate in the program are exempt from retention for the 2021-2022 school year
  - All other students who were retained for the 2021-2022 school year who participate in the program will receive a reassessment of promotion eligibility
- Outreach to increase program participation

Section 1.3.(a)-(b) Sets the rules for employment of staff for the summer program as follows:

- Personnel are employed on temporary contracts

- Retirees of the Teachers’ and State Employees’ Retirement System (TSERS) may be employed if they have one month separation of service (retired by March 1)
- Programs must provide a minimum \$1,200 signing bonus for teachers who have previously received a reading performance bonus or hold National Board for Professional Teaching Standards Certification
- Programs must provide a minimum \$150 performance bonus to teachers for each third-grade student who becomes proficient in reading by the end of the program

Expires on October 1, 2021.

Section 1.4. Clarifies that fiscal year 2020-2021 reading camp funds must only be used to support K-3 reading instruction in the program.

Section 1.5. Expresses the intent of the General Assembly to use federal Elementary and Secondary School Emergency Relief (ESSER) II funds directed to DPI for the program.

Section 1.6. Mandates that State residential schools for the visual and hearing-impaired offer summer learning programs.

Section 1.7. Requires the State Board of Education (SBE) to provide LEAs with a single competency-based assessment per grade and subject for K-8 students to be taken at the beginning and end of the program.

Section 1.8. Requires LEAs to report to DPI by October 15, 2021, on the following:

- K-8 competency-based assessment results
- The number of students that progressed to the next grade level after participating in the program
- The number of students who were retained in the same grade level after participating in the program
- The number of students who received credit recovery in high school

Requires DPI to report this information to the Joint Legislative Education Oversight Committee (JLEOC) by January 15, 2022.

Section 2. Effective when it becomes law (April 9, 2021).

#### [HB 84: Sex Offender Premises Restrictions \(S.L. 2021-115\)](#)

Section 1. Extends premise restrictions for sex offenders to include those convicted of first-, second-, or third-degree sexual exploitation of a minor.

*Amends: G.S. 14-208.18(c)*

Section 3. Clarifies that a registered sex offender is prohibited from knowingly residing at any location that is within 1,000 feet of any property line on which a public or nonpublic school or childcare center is located (underlined words are new language added to the statute).

*Amends: G.S. 14-208.16(a)*

Section 4. Section 1 becomes effective December 1, 2021, and applies to offenses committed on or after that date. Section 3 becomes effective December 1, 2021, and applies to offenses committed on or after that date by all persons registered or required to register on or after that date. Section 3 does not apply to a person who has established a residence prior to the effective date, in accordance with G.S. 14-208.16(d)(1), (2), or (3).

[HB 91: Accountability and Fair Play in Athletics \(S.L. 2021-184\)](#)

Section 1.(a). Creates Article 29E in G.S. 115C, which sets new requirements for the regulation of high school interscholastic athletics. Permits the State Board of Education (SBE) to enter into a memorandum of understanding (MOU) for a term of four years with one or more nonprofits to administer and enforce requirements and rules for high school athletics (does not exclude the NC High School Athletic Association from consideration). Includes definitions and types of rules to be adopted by the SBE. Assigns administration of high school athletics to DPI if the SBE is unable to enter into a MOU. Authorizes the State Auditor to conduct audits of any administering organization in the same manner as for State agencies. Requires all public school units (PSUs) with participating schools to abide by the rules adopted by the SBE and to purchase catastrophic insurance as provided in Section 3 of this act. Clarifies that PSUs are not to be regulated by any other entities for high school athletics other than an administering organization or DPI.

Section 1.(b)-(d). For 180 days following the effective date of this act, authorizes the SBE to submit temporary rules for high school athletics to the Rules Review Commission. States that rules adopted by the SBE are to apply to PSUs no earlier than July 1, 2022. Allows the initial MOU to be renewed for a term of four years. If the SBE has not entered into a MOU by March 15, 2022, allows the SBE to designate governance of high school athletics to DPI for the 2022-2023 school year. Effective when it becomes law (November 23, 2021).

Section 2.(a)-(f). Makes conforming changes. Effective July 1, 2022.

*Amends: G.S. 115C-12(23); G.S. 115C-47(4); G.S. 115C-366(f); G.S. 116-235(b)*

*Repeals: G.S. 143-291(c)*

Section 3.(a)-(b). Creates Part 2 of Article 31A in G.S. 58, which includes definitions and requirements regarding the student-athletic catastrophic insurance that is required to be purchased by participating schools. Requires the Commissioner of Insurance to offer this catastrophic insurance to participating schools but does not require schools to purchase this insurance through the Commissioner. Applies beginning with the 2022-2023 school year.

*Amends: Article 31A of G.S. 58*

Section 4. Except as otherwise provided, effective when it becomes law (November 23, 2021).



[HB 160: Retirement Service Purchase Rewrite Part II.-AB \(S.L. 2021-57\)](#)

Section 1.1. Amends the Teachers' and State Employees' Retirement System (TSERS) credit for prior temporary State employment statute by clarifying that the right to purchase creditable service that existed before December 31, 2021, is not diminished.

*Amends: G.S. 135-4*

Sections 1.1, 1.2, and 1.3. Amend TSERS statutes by outlining the process for purchasing service prior to January 1, 2023, and on or after January 1, 2023.

*Amends: G.S. 135-4; G.S. 135-4(j1), (j2); G.S. 135-4(ff)*

Section 1.4.(a)-(b) Repeals the following TSERS statutes regarding creditable service: G.S. 135-4(j), (k), (ll), (w), and (bb). Effective July 1, 2022.

Section 3.1. Amends statutes related to the transfer of accumulated contributions from TSERS.

*Amends: G.S. 135-56*

Section 3.3. Amends TSERS statutes regarding creditable service for other employment.

*Amends: G.S. 135-56.2*

Section 4.1. Except as otherwise provided, effective January 1, 2022, and applies to purchases of creditable service occurring on or after that date.

[HB 165: DOT Legislative Changes.-AB \(S.L. 2021-185\)](#)

Section 15.5.(a)-(c). Authorizes a charter school located in the City of Durham that was chartered prior to 2005 to utilize on-street right-of-way for the purpose of temporary motor vehicle stacking or queuing to load or unload students that attend the charter school. A charter school must meet the following (additional) conditions for this authorization to apply: (i) operates more than one campus within the city limits and operates on a year-round school schedule and (ii) is relocating, renovating, or expanding a campus at or to a location within one-half mile of the existing location. Clarifies that this does not allow motor vehicle stacking or queuing to block driveway access or the movement of through traffic on streets adjacent to the charter school location. Effective December 1, 2021.

[HB 168: Retirement Administrative Changes Act of 2021.-AB \(S.L. 2021-75\)](#)

Section 1.3.(b)-(c) Modifies the following Teachers' and State Employees' Retirement System (TSERS) statute: For the payment of a TSERS contribution-based benefit cap (CBBC) liability, the date for payment must be 12 months after the member's effective date of retirement, or the first day of the month coincident with or next following six months after the date of invoice, whichever is later. States that this section applies to CBBC liability payment due from an employer on or after the effective date of this act.

*Amends: G.S. 135-8(f)(3)*

Section 2.1.(b)-(c) Clarifies that the TSERS statute pertaining to the procedure and payment to cease participation in the Retirement System applies to an employing unit that is allowed to cease participation by sale, dissolution, or otherwise changing to a business or legal form not eligible for participation as an employer in the Retirement System under federal law. Applies to participation withdrawal by an employing unit on or after the effective date of this act.

*Amends: G.S. 135-8(i)*

Section 3.1.(b)-(c) Modifies the definition of “actuarial equivalent” in TSERS statute. Applies to benefit calculations performed on or after the effective date of this act.

*Amends: G.S. 135-1(2)*

Section 5.1.(a)-(b) Establishes steps for the Department of State Treasurer and the Supplemental Retirement Board of Trustees to adopt a new or amended rule to impose or change administrative fees under the NC Public School Teachers’ and Professional Educators’ Investment Plan. Prohibits a rule to impose or change an administrative fee from exceeding 0.05% of assets. States that any administrative fee established or changed applies prospectively to any amounts owed on or after the effective date of the act.

*Amends: G.S. 135-91*

Section 6.1.(a)-(b) Amends the TSERS Optional Retirement Program statutes regarding overpayments to the Disability Income Plan. Applies to overpayments owed on or after the effective date of this act.

*Amends: G.S. 135-107*

Section 7.1.(b) Outlines the process for the payment of the TSERS special retirement allowance when the member has selected Option 2, 3, or 6 and the member and the member’s designated beneficiary have died. Modifies the process for the payment to the member’s designated beneficiary when the member dies and has not selected Option 2, 3, or 6.

*Amends: G.S. 135-5(m2)(1)*

Section 8.1. Provides a severability clause.

Section 9.1. Effective July 1, 2021.

#### [HB 196: 2021 COVID-19 Response & Relief \(S.L. 2021-3\)](#)

Section 1.1.(a) Appropriates federal COVID-19 funds as follows:

- \$42,920,546 Governor’s Emergency Education Relief Fund (GEER II)
- \$84,824,393 Governor’s Emergency Education Relief Fund – Emergency Assistance to Nonpublic Schools (EANS)

Section 1.2. Amends S.L. 2021-1 by adding the following appropriations from the 10% DPI reserve of Elementary and Secondary School Emergency Relief (ESSER) II funds (non-recurring):

<b>DPI</b>	<b>Appropriation</b>	<b>Section</b>
Transfer funds to the State Library for the NC Kids Digital Library project to provide children with increased access to digital learning resources in public libraries, including e-books, audiobooks, and videos	\$500,000	(1)
Allocate funds to the Governor Morehead School for the Blind, Eastern NC School for the Deaf, and NC School for the Deaf for COVID-19 related expenses	\$500,000	(2)
Transfer funds to the UNC Board of Governors for the NC New Teacher Support Program to provide mentoring and coaching support to beginning teachers	\$1,000,000	(3)
Contract with a third-party entity to collect, analyze, and report data related to the overall impacts of COVID-19 on public school units (PSUs), students, and families of the State	\$1,000,000	(4)
Transfer funds to the Wildlife Resources Commission for the Outdoor Heritage Advisory Council's NC Schools Go Outside grant program	\$1,200,000	(5)
Allocate funds to ensure that each PSU receives at least \$180 per pupil from the ESSER II fund	\$10,000,000	(6)
Allocate funds for contracted services for school health support personnel (counselors, nurses, psychologists, and social workers) to provide additional physical and mental health support services for students in response to COVID-19	\$10,000,000	(7)
Allocate funds to PSUs participating in a federal school nutrition program administered by the US Department of Agriculture for school nutrition services provided in response to COVID-19	\$10,000,000	(8)
Contract with a third-party entity to conduct a statewide assessment of the cybersecurity capabilities of public schools and threats posed to public schools	\$1,000,000	(9)
Contract with a third-party entity to implement a statewide cybersecurity program to improve the cybersecurity infrastructure of the public schools	\$9,000,000	(10)
Contract with Voyager Sopris Learning, Inc., to provide Language Essentials for Teachers of Reading and Spelling (LETRS) training for teachers for improving the literacy and language development of students	\$12,000,000	(11)
Fund the Extended Learning and Integrated Student Supports Competitive Grant Program for high-quality, independently validated extended learning and integrated student support service programs for at-risk students	\$15,000,000	(12)
Hold in reserve for DPI to allocate to PSUs to support in-person instruction programs to address learning loss and provide enrichment activities in the summer	\$40,000,000	(13)

Hold in reserve for DPI to allocate to PSUs to support COVID-19 related needs, including in-person instruction programs to address learning loss and provide enrichment activities in the summer	\$26,046,144	(14)
Fund DPI administrative costs	\$8,012,955	(15)
Reallocate ESSER II funds remaining after August 15, 2022, to meet the emergency needs of the elementary and secondary schools of the State		(16)

*Amends: S.L. 2021-1*

Section 1.3. After DPI allocates ESSER II funds, requires the State Board of Education (SBE) to reserve a portion of remaining ESSER II funds to be used to meet emergency needs of elementary and secondary schools of the State.

*Amends: Section 5 of S.L. 2021-1*

Section 1.8.(a) Requires each PSU to submit quarterly reports to DPI on the ESSER II funds it received, beginning April 1, 2021. Requires DPI to collate these reports and submit a report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division, beginning May 1, 2021, and quarterly thereafter.

Section 2.2. Clarifies that “subscription services” does not include internet service provided as part of the purchase price of a device or internet service purchased for a device without an ongoing monthly subscription.

*Amends: Section 3.3 of S.L. 2020-4, Section 3.3 (as amended by Section 3 of S.L. 2020-32; Section 4 of S.L. 2020-49; Section 1.1(d) of S.L. 2020-80; Section 3B(b) of S.L. 2020-88; Section 4.9(a) of S.L. 2020-91; Section 1.2 of S.L. 2020-97; Section 3.2 of S.L. 2021-1)*

Section 2.5. Extends the provision that allowed increased virtual charter school enrollment for the 2020-2021 school year through the 2021-2022 school year.

*Amends: Section 3.2 of S.L. 2020-97*

Section 4.1. Effective when it becomes law (March 11, 2021).

[HB 335: Timely Local Payments to Charter Schools \(S.L. 2021-79\)](#)

Section 1. Requires the 30-day clock for a LEA to submit payment to a charter school to begin after the LEA is in receipt of:

1. A charter school invoice
2. The monies from the county into the local current expense fund

Requires a LEA to submit payment to a charter school for the undisputed amount within the 30-day period. Requires a LEA to pay a 3% late fee and 8% annual interest if the following occur:

1. A charter school provides written notice to the LEA's superintendent and school finance officer after the 30-day period stating that the payment was not received
2. Electronic payment is not transferred within 15 days of that notice, or if mailed, not postmarked within 15 days of that notice
3. If a LEA disputes payment for any student whose information submitted by a charter school is incorrect, late fees and interest are not applied to the payment for that student

Requires the State Superintendent, in consultation with LEAs and charter schools, to create:

1. A standardized enrollment verification and transfer request document used by charter schools to request the per pupil share of the local current expense fund
2. A standardized procedure that LEAs must use when transferring the per pupil share of the local current expense fund

*Amends: G.S. 115C-218.105*

Section 2. Effective when it becomes law (July 8, 2021) and applies beginning with the 2021-2022 school year.

[HB 366: Regulatory Reform Act of 2021 \(S.L. 2021-117\)](#)

Section 1.(a) Increases the limits on public employees benefitting from public contracts. Under prior law, a public officer or employee involved in making or administering a contract on behalf of a public agency is prohibited from deriving a direct benefit from the contract except in certain circumstances. A member of a city school board in a municipality of no more than 15,000 population or a member of a county school board in a county that contains a municipality of no more than 15,000 population are exempt from the prohibition, if the amount of the agreement between the government and the official does not exceed the following within a 12-month period:

- \$20,000 for medically related services
- \$40,000 for other goods and services

Under this session law, the population limit is increased from 15,000 to 20,000 and the conflict-of-interest prohibition for goods and services is increased from \$40,000 to \$60,000.

*Amends: G.S. 14-234*

Section 1.(b) Effective when it becomes law (August 23, 2021) and applies to contracts executed on or after that date.

Section 2.(a) Requires the Division of Childhood Development and Early Education of the Department of Health and Human Services (DHHS) to post information on its website pertaining to public school (LEA & charter) kindergarten options and scholarships for enrollment in nonpublic schools. Requires the information to be searchable by county and updated on June 1 each year. Requires NC Pre-K operators to provide families with this website or, upon request, a list of public school kindergarten options and scholarships for enrollment in nonpublic schools in the county.

Section 2.(b) Effective January 1, 2022.

[HB 812: Clarify Remote Meetings During Emergencies \(S.L. 2021-35\)](#)

Section 1. Clarifies the authorization of remote open meetings during emergencies. If a public body has already provided notice of an official meeting, and one or more members of the public body want to participate remotely, allows the public body to amend the meeting notice to be a remote meeting and to include how the public can access the remote meeting. Requires the amended meeting notice to be issued at least six hours before the start of the meeting and to be distributed and posted in accordance with G.S. 143-318.12.

*Amends: G.S. 166A-19.24*

Section 2. Effective July 1, 2021, and applies to remote meetings held on or after that date.

## Senate Bills

[SB 36: 2020 COVID Relief Bill Modifications \(S.L. 2021-1\)](#)

Sections 3.1. and 3.2. Extend the deadline for spending Coronavirus Relief Fund appropriations from December 31, 2020, to December 31, 2021, for the following programs:

- DPI – National School Lunch Program, School Breakfast Program, and Summer Food Service Program (\$75 million)
- DPI – Instructional Support Allotment (\$10 million)
- DPI – supplemental summer learning program (\$70 million)
- DPI – Extended Learning and Integrated Student Supports Competitive Grant Program (\$5 million)
- DPI – personal protective equipment for public schools (\$27 million)
- UNC (State Education Assistance Authority) – alternative educational option scholarships for disabled students (\$6.5 million)
- YMCAs – remote learning opportunities (\$19.8 million)

*Amends: Section 2.2 of S.L. 2020-4 and Section 3.3 of S.L. 2020-4 (as amended by Section 3 of S.L. 2020-32; Section 4 of S.L. 2020-49; Section 1.1(d) of S.L. 2020-80; Section 3B(b) of S.L. 2020-88; Section 4.9(a) of S.L. 2020-91; Section 1.2 of S.L. 2020-97)*

Section 3.11. Amends the reporting requirements for the Department of Commerce, Office of Science, Technology, and Innovation on the Plasma Games Pilot Program.

*Amends: Sections 4.2D(d) of S.L. 2020-4 (as enacted by Section 1.1(e) of S.L. 2020-80)*

Section 3.12. Extends the deadline for State agencies to procure COVID-19 supplies, materials, equipment, printing, or services from the open market from December 30, 2020, to December 31, 2021.

*Amends: Section 1.7(b) of S.L. 2020-97*

Section 4.1.(a)-(b) Transfers \$39 million from the General Fund to the State Capital and Infrastructure Fund (SCIF) for the Growing Rural Economies with Access to Technology (GREAT) Fund for grants to businesses to accelerate broadband access in the State. (These funds replace the original \$39 million appropriated in S.L. 2020-4 (as amended by S.L. 2020-97) from federal coronavirus relief funds. Section 3.1 of this act strikes that original appropriation.)

Section 5.(a)-(c) Appropriates \$1.6 billion to DPI from the Elementary and Secondary School Emergency Relief (ESSER) II fund. Requires DPI to receive approval from the Director of the Budget to spend the federal funds. Requires positions created with the funds to terminate at the earlier of the funds being fully expended or the federal deadline for spending the funds. Requires recipient public school units (PSUs) to report quarterly to DPI, beginning March 1, 2021, (and requires DPI to report quarterly to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division, beginning April 1, 2021) on the following:

- Amount of federal funds received
- Amount of grant funds expended
- How the funds were used, including program information such as number of people served and geographic distribution
- The amount spent on administration
- The amount of funds that remained unspent
- The number of full-time equivalent (FTE) positions established with funds received and, for each FTE established, a position number, position status, date the position was established, hire date, and date on which the position is to be abolished

Section 6. Effective when it becomes law (February 10, 2021).

#### [SB 126: Clean Up Obsolete Boards \(S.L. 2021-90\)](#)

Section 5.(a)-(b) Abolishes the Commission on School Technology that was created in 1993 to advise the State Board of Education (SBE) on the development of a State School Technology Plan.

***Amends:*** *G.S. 115C-102.6*

***Repeals:*** *G.S. 115C-102.5*

Section 26. Effective when it becomes law (July 22, 2021).

#### [SB 146: Teledentistry/RDH Admin. Local Anesthetic \(S.L. 2021-95\)](#)

Section 3. Allows experienced dental hygienists to practice in schools without a licensed dentist being physically present, under certain circumstances.

***Amends:*** *G.S. 90-233*

Section 7. Effective when it becomes law (July 23, 2021).

[SB 159: State Health Plan Administrative Changes -AB \(S.L. 2021-125\)](#)

Section 1. Increases the value of State Health Plan (SHP) contracts that the Board of Trustees of the SHP for Teachers and State Employees is required to approve from more than \$500,000 to more than \$3 million. This requirement includes contracts that start at less than \$3 million but may exceed that amount during the term of the contract.

*Amends: G.S. 135-48.33(a)*

Section 2. Strikes language that says dependent children are not eligible for coverage under the SHP if the dependent child is eligible for employer-based health care outside of the SHP, other than a parent's claim. Continues coverage for disabled dependent children past their 26<sup>th</sup> birthday if (i) the disabled dependent child was covered by the SHP on their 26<sup>th</sup> birthday, and (ii) if verification of the dependent child's disability is provided to the SHP no later than 60 days after their 26<sup>th</sup> birthday. Allows disabled children to be eligible for coverage as dependents, even if they are also eligible for coverage as employees or retired employees.

*Amends: G.S. 135-48.41*

Section 3.(a)-(c) Gives the SHP Executive Administrator the sole authority to determine whether internal appeals are subject to external review. If the Executive Administrator decides that an internal appeal is not subject to external review, gives the Executive Administrator the authority to make a binding decision on the matter. Makes conforming changes.

*Amends: G.S. 135-48.24; G.S. 150B-1(e)*

*Repeals: G.S. 135-48.22(3)*

Sections 4 and 5. Make technical changes.

*Amends: G.S. 135-48.27 ; G.S. 135-48.1(14)*

Section 6. Effective when it becomes law (August 30, 2021).

[SB 172: Additional COVID-19 Response & Relief \(S.L. 2021-25\)](#)

Section 3.2.(a) Appropriates a total of \$6.4 billion from the American Rescue Plan Act of 2021, some of which impact NC students, including:

Elementary and Secondary School Emergency Relief (ESSER) III (90% for public school units (PSUs))	\$3,260,772,535
Individuals with Disabilities Education Act (IDEA): Grants to States	\$81,359,400
IDEA: Preschool Grants	\$5,961,100
Emergency Assistance to Non-Public Schools	\$82,952,000

The federal act requires 90% of the ESSER III funds to go to PSUs and 10% to a State reserve. Of the funds going to PSUs, 20% must be used to address learning loss. From the State reserve, 5% must be used to address learning loss, 1% for comprehensive afterschool programs, 1% for



evidence-based summer enrichment, 2.5% for other State level initiatives, and up to 0.5% for administration.

Section 3.5. Appropriates \$21.5 million from the ESSER III funds as follows:

1. \$20 million to ensure that each PSU receives at least \$400.00 per pupil in federal grant funds
2. \$1.5 million to be allocated in equal amounts to the Governor Morehead School for the Blind, Eastern NC School for the Deaf, and NC School for the Deaf for school facility repairs and improvements to reduce the risk of virus transmission and exposure to environmental health hazards

Section 5.3. Effective when it becomes law (May 24, 2021).

[SB 207: Various Raise The Age Changes/ JJAC Recs. \(S.L. 2021-123\)](#)

Section 5.(e) Creates Article 27A in G.S. 7B. In cases when a juvenile court counselor is providing juvenile consultation services, requires the counselor to work collaboratively with specified individuals and groups, including the local education authority.

Section 9. Effective December 1, 2021, and applies to offenses committed on or after that date.

[SB 219: Surveyor Lic. & Ed. Req's/Constr. Contract Rev's \(S.L. 2022-1\)](#)

Section 2. Provides additional definitions for design-build and design-build bridging contracts. Clarifies statutory requirements for how design-builders are to select their project team when responding to request for proposals and once identified, requirements for updating any changes. Specifies that the governmental entity cannot require the design builder to provide the costs of the subcontractor work in the design criteria package. Requires the governmental entity to provide a list of general conditions, for which the design-builder is to provide a fixed fee in their response. Applies to contracts entered, amended, or renewed on or after March 1, 2022.

Section 3. Adds a provision that in lien waivers, releases, construction agreements, or design professional agreements purporting to require a promisor to submit a waiver or release of liens or claims as a condition of receiving interim or progress payments are void and unenforceable unless limited to the specific interim or progress payment actually received by the promisor in exchange for the lien waiver. Lists exemptions. Effective March 1, 2022

Section 4. Allows an arbitrator (previously only a judge) to hear lawsuits involving statutory liens on real property (Article 2 of this section) and model payments and performance bonds (Article 3 of this section). Changes the rules for how a presiding judge or arbitrator is to award attorneys' fees in such disputes. Effective March 1, 2022.

[SB 220: The Reopen Our Schools Act of 2021 \(S.L. 2021-4\)](#)

Section 1. Requires LEAs to provide in-person instruction to students in grades K-12 for the remainder of the 2020-2021 school year, beginning no later than the first instructional day that occurs 21 days following the effective date of this act.

Section 2. Defines in-person instruction in grades K-5 as Plan A (minimal social distancing) and in grades 6-12 as either Plan A or Plan B (six feet social distancing). Requires LEAs to comply with all requirements of the StrongSchoolsNC Public Health Toolkit (K-12), as that guidance existed on March 4, 2021. Requires students with an individualized education program or 504 plan to have the option of Plan A, at the discretion of the student's parent or guardian. Requires middle and high schools that open under Plan A to notify the Department of Health and Human Services (DHHS) and describe their plan to open safely. Requires a LEA that is operating grades 6-12 under Plan A to partner with the ABC Science Collaborative of the Duke University School of Medicine (ABC Collaborative) to allow the collection and analysis of data. Requires LEAs to continue to provide remote instruction options. Gives LEAs the authority to shift a school to remote instruction due to COVID-19 exposures or quarantines and requires a shift to be reported to DPI within 72 hours.

Section 3.(a)-(c) Requires DPI to use \$500,000 in federal funds to contract with the ABC Collaborative to provide data collation, analysis, and interpretation of COVID-19-related metrics of student, teacher, and staff safety for LEAs operating grades 6-12 under Plan A. Requires the ABC Collaborative to report its finding to the General Assembly, DPI, State Board of Education (SBE), DHHS, and the Governor's Office no later than the last day of March, April, and May and provide a final analysis no later than June 30, 2021. Requires the contract to end by September 15, 2021.

Section 4. For the remainder of the 2020-2021 school year, authorizes the Governor to issue an executive order to close a LEA when necessary to protect the health and safety of students and employees. However, does not allow the Governor to order a statewide closure, restriction, or reduction of the operation of schools in a single executive order.

Section 5. Clarifies that in-person instruction includes (i) being taught by a teacher on the school campus, as well as (ii) meal and transportation services. States that continued enrollment in a NC Virtual Public School course, other e-learning course, or the use of prerecorded learning materials that occurs on a LEA campus is considered to meet the in-person instruction requirement.

Section 6. Effective when it becomes law (March 11, 2021).

[SB 387: Excellent Public Schools Act of 2021 \(S.L. 2021-8\)](#)

Section 1. States that this act is to be known as the "Excellent Public Schools Act of 2021."

Section 2. Defines the "Science of Reading" as "evidence-based reading instruction practices that address the acquisition of language, phonological and phonemic awareness,

phonics and spelling, fluency, vocabulary, oral language, and comprehension that can be differentiated to meet the needs of individual students”.

*Amends: G.S. 115C-83.3*

Section 3.(a) Adds a new section to Article 8 of G.S. 115C that establishes the Early Literacy Program within DPI to aid the NC Pre-K program by:

1. Training educators and administrators in instruction based on the Science of Reading
2. Providing digital and technological resources to meet reading achievement goals
3. Assessing children at the conclusion of their NC Pre-K program to determine their kindergarten readiness

Section 3.(b) Requires teacher licensure renewal continuing education credits related to literacy be grounded in the Science of Reading.

*Amends: G.S. 115C-270.30(b)*

Section 3.(c) Requires educators working in the NC Pre-K program and with K-5 students to participate in the Language Essentials for Teachers of Reading and Spelling (LETRS) training program.

Section 3.(d) Requires DPI to report on the establishment of the Early Literacy Program to the Joint Legislative Education Oversight Committee (JLEOC) by September 15, 2022.

Section 3.(e) Applies beginning with the 2021-2022 school year.

Section 4.(a)-(c) Requires Educator Preparation Programs (EPPs) for elementary education and special educator teacher training to include coursework grounded in the Science of Reading, beginning on or after July 1, 2022.

*Amends: G.S. 115C-269.20(a)(2) and (3)*

Section 5.(a)-(b) Aligns literacy curriculum and instruction with the Read to Achieve program. Incorporates the Science of Reading into literacy instruction methods. Requires the State Board of Education (SBE) to develop and report literacy instruction standards to the JLEOC by May 15, 2022, and requires the SBE to provide those standards to LEAs by June 30, 2022. Requires DPI to develop a literacy implementation plan based on the standards and provide a model plan to LEAs by June 30, 2022. Requires LEAs to submit a concise explanation of its literacy curriculum and instruction, as aligned with the standards and model plan, by December 15, 2022. Requires regional case managers to review and modify literacy instruction statewide by November 15, 2023, and requires all modified curriculum and instruction to be in place beginning with the 2024-2025 school year.

Section 6.(b) Renames “instructional and support services” as “literacy interventions” in regard to strategies used to remediate reading difficulties. Defines an “Individual Reading Plan” as a document that outlines the literacy interventions that the student will receive to address their reading skill deficiencies. Requires LEAs to offer reading camps to third grade students who do not demonstrate reading proficiency and second grade students who demonstrate difficulty with reading development. Allows LEAs to offer reading camps to first grade students who demonstrate difficulty with reading development.

***Amends: G.S. 115C-83.3***

Section 6.(d) Adds a new section to Article 8 of G.S. 115C that requires LEAs to submit to DPI by October 1 a plan for literacy interventions that will be offered in the following school year. Requires DPI to review these plans, approve plans aligned with Read to Achieve, and report the results to the JLEOC by February 15. If a plan was denied, requires LEAs to submit an amended plan to DPI by March 15.

Section 6.(e) Adds a new section to Article 8 of G.S. 115C that requires Individual Reading Plans (IRPs) to be developed for K-3 students demonstrating difficulty with reading development and lists what must be included in the IRP. Requires notice to be provided to a student's parent or guardian that an IRP has been developed for the student. Requires DPI to develop an IRP checklist.

Section 6.(i) Requires LEAs to report to the SBE annually on September 1 the number of K-3 students with IRPs. Requires LEAs to report to the SBE annually on November 15 the number and percentage of retained third grade students placed in an accelerated reading class or transitional third- and fourth-class combination in the prior school year who were (i) promoted mid-year, or (ii) promoted directly to fifth grade for the school year following retention.

***Amends: G.S. 115C-83.10***

Section 6.(j) Permits an attendance fee for first grade students who attend a reading camp literacy intervention for first grade students demonstrating appropriate developmental abilities in reading comprehension.

***Amends: G.S. 115C-83.11***

Section 6.(k) Requires the SBE and DPI to conduct an analysis of literacy interventions provided throughout the State to determine which are most effective and to report any recommended legislation to the JLEOC by December 15, 2021.

Section 6.(l) Requires LEAs to submit a plan for literacy interventions, including reading camps, to DPI by March 1, 2022. Requires DPI to review each LEA's plan and provide feedback no later than May 15, 2022. Applies to the 2021-2022 school year.

Sections 6.(a), (c), (f), (g), and (h) Make conforming changes to statutes.

***Amends: G.S. 115C-83.2(a); G.S. 115C-83.6; G.S. 115C-83.7; G.S. 115C-83.8; G.S. 115C-83.9(b)***

Section 6.(m) Except for subsection (l), applies beginning with the 2022-2023 school year.

Section 7.(a)-(j) Details reading camp requirements. Requires LEAs to provide a minimum \$1,200 signing bonus for teachers who have previously received a reading performance bonus or are associated with high growth in reading based on Education Value-Added Assessment System (EVAAS) data. Requires LEAs to provide a minimum \$150 performance bonus to teachers for each third-grade student who becomes proficient in reading by

the end of the program. Clarifies what funds can be used for reading camps and bonuses. Clarifies differing effective dates for subsections. Reading camps and teacher bonuses are effective July 1, 2021, and apply beginning with the 2021-2022 school year.

*Amends: G.S. 115C-83.3(4a) (as amended by Section 6(b) of this act); Article 8 of G.S. 115C; G.S. 115C-83.7A(a)*

Section 8. Requires DPI to develop a Digital Children’s Reading Initiative, aligned with the Science of Reading, to increase the percentage of students who are reading proficiently by the end of third grade. Requires DPI to disseminate the fully developed Initiative by January 15, 2022, to all LEAs and requires LEAs to make the resources accessible on their website homepage no later than July 1, 2022.

Section 9.(a)-(c) Requires the SBE to analyze passage rates for alternative reading comprehension assessments and report those results and one alternative assessment recommendation to the JLEOC by October 15, 2021. Requires the SBE to provide the alternative assessment to LEAs, beginning with the 2022-2023 school year.

*Amends: G.S. 115C-83.3(2)*

Section 10.(a)-(c) Requires DPI to create and use a uniform template to collect Read to Achieve data and requires a report to the JLEOC by April 15, 2022. Applies beginning with the 2021-2022 school year and includes data from the 2020-2021 school year.

*Amends: G.S. 115C-83.6(a2)*

Section 11. Except as otherwise provided, effective when it becomes law (April 9, 2021).

[SB 473: Enhance Local Gov’t Transparency \(S.L. 2021-191\)](#)

Section 3.(a)-(b) Creates a Class H felony for an elected officer that solicits or receives personal financial gain from the political subdivision (local board of education) for which the elected official serves by means of intimidation, undue influence, or misuse of the employees of that local board of education. Effective January 1, 2022.

*Amends: Article 31 of G.S. 14*

Section 4.(a)-(b) Prohibits public officials from participating in making or administering a contract with any non-profit with which the local official serves as a director, officer, or governing board member. Requires the public official to recuse himself/herself in those cases. Authorizes the political subdivision (local board of education) to enter into the contract upon recusal. Defines “nonprofit” and lists exceptions. Defines “participate in making or administering a contract.” Establishes that a violation of this section is a Class 1 misdemeanor. Effective January 1, 2022.

*Amends: Article 31 of G.S. 14*

[SB 582: High School Adjunct Instructors/CC Prep \(S.L. 2021-48\)](#)

Section 1. Allows higher education faculty members to qualify as K-12 adjunct instructors for fine and performing arts and foreign language courses (previous law only allowed instruction in core academic subjects). Allows an individual who (i) holds a bachelor’s or

graduate degree, (ii) attends a community college or educator preparation program (EPP), and (iii) completes at least one semester of teacher preparation to contract with a LEA to teach high-school level courses in core academic subjects, fine and performing arts, and foreign language related to the individual's specialized knowledge or work experience. (Existing contract requirements between LEAs and adjunct instructors apply.)

*Amends: G.S. 115C-298.5*

Section 2. Effective when it becomes law (June 21, 2021) and applies beginning with the 2021-2022 school year.

[SB 654: K-12 COVID-19 Provisions \(S.L. 2021-130\)](#)

Section 1.1. For the 2021-2022 school year, requires the State Board of Education (SBE) to waive the calculation of achievement, growth, and performance scores and the display of performance scores, growth designations, and letter grades, based on 2020-2021 school year data. Requires the SBE to provide a brief explanation for these waivers because assessment data was heavily impacted by COVID-19.

Section 1.2.(a)-(b) For the 2021-2022 school year, requires the SBE to issue annual report cards for public school units (PSUs), based on 2020-2021 school year data, that meet minimum accountability reporting requirements under the Elementary and Secondary Education Act (ESEA). Clarifies that PSUs are only required to display annual report card information issued by the SBE pursuant to this section.

Sections 2.1, 2.2, and 2.3. Require the SBE to waive identification of additional low-performing schools, continually low-performing schools, and low-performing LEAs, based on 2020-2021 school year data. Previously identified schools and LEAs will continue with that identification and plans for improvement.

Section 3.(a)-(i) For the 2021-2022 school year, 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. Requires PSUs that use this remote instruction to submit a remote instruction plan to the SBE by July 1 annually. Requires the SBE to report each remote instruction plan and a summary document to the Joint Legislative Education Oversight Committee (JLEOC) by September 15 annually. Effective when it becomes law (August 30, 2021) and is repealed June 30, 2022.

*Amends: Part 2 of Article 8 of G.S. 115C; G.S. 115C-84.2(a); G.S. 115C-218.85(a)(1); G.S. 115C-238.53(d); G.S. 115C-238.66(1)d; G.S. 116-239.8(b)(2)c; subdivision 6(e)(1) of S.L. 2018-32; Section 6(d) of S.L. 2018-32*

Section 3A. For the 2021-2022 school year, allows PSUs to provide remote instruction to address health and safety concerns related to COVID-19. Requires PSUs to report any shift to remote instruction to DPI within 72 hours of the shift.

Section 3B.(a)-(c) Requires PSUs to submit a virtual instruction plan to DPI by October 1, 2021, in order to provide virtual instruction to students, with the consent of a parent or

guardian, during the 2021-2022 school year. Requires DPI to make available a copy of each PSU's virtual instruction plan to the JLEOC and Working Group on Virtual Academies (enacted by Section 3C) by October 15, 2021. Lists requirements for PSU virtual instruction plans. 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 3C. Requires the State Superintendent of Public Instruction to create a Working Group on Virtual Academies that includes various stakeholders to make recommendations related to virtual academies. Provides a list of what the Working Group is required to report to the JLEOC by March 15, 2022.

Section 4. Continues the principal recruitment supplement for the 2021-2022 school year.

Section 5. For the 2021-2022 school year, requires principals to provide context to teachers on Education Value-Added Assessment System (EVAAS) data that reflects performance over multiple years and multiple teachers.

Section 6. For the 2021-2022 school year, requires LEAs and the SBE to provide context to teachers on EVAAS data that reflects performance over multiple years and multiple teachers.

Section 7. For the 2020-2021 school year, allows seniors to graduate without completing CPR instruction.

Section 8.(a)-(b) Extends exam and/or coursework requirements for teachers seeking a continuing professional license from June 30, 2021, to December 31, 2021. Allows individuals to receive a residency teacher license if they have a bachelor's or advanced degree, or both (prior law only included bachelor's degree).

*Amends: G.S. 115C-270.20(a)(5)*

Section 9.(a)-(b) 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. Effective when it becomes law (August 30, 2021) and applies beginning with the 2021-2022 school year.

*Amends: G.S. 115C-84.2(f)(5)*

Section 10. For the 2021-2022 school year, requires all PSUs to adopt a face mask policy for employees and students and to vote at least once a month on if the policy should be modified.

Section 11.(a)-(b) Temporarily waives the requirement that a person be making progress toward obtaining a high school diploma (or its equivalent) to be granted a driving eligibility certificate. Prohibits a school authority from notifying the Division of Motor Vehicles (DMV) that a person does not meet the requirements for a driving eligibility certificate. Effective when it becomes law (August 30, 2021) and expires January 30, 2022.

Section 12.(a)-(b) Requires the DMV to restore a person’s revoked permit or license due to ineligibility for a driving eligibility certificate on making progress grounds. Effective when it becomes law (August 30, 2021) and applies to revocations dated on or after March 1, 2020, through the effective date of this section.

Section 13. Except as otherwise provided, effective when it becomes law (August 30, 2021).

[SB 668: Anti-Pension Spiking Amds & Litig. Moratorium \(S.L. 2021-72\)](#)

Section 1.1.(b) and (d) Authorizes the collection of additional contributions from employing units under the Teachers’ and State Employees’ Retirement System (TSERS) to resolve contribution-based benefit cap (CBBC) liability. Applies to assessments imposed on or after July 1, 2022. Creates a new option for an employer to make an adjustment to their regular contribution rate, which is expected to last for 12 years.

*Amends: G.S. 135-8(f); G.S. 135-4(jj)*

Section 2.1.(a) Creates a definition for “annualized final compensation” under TSERS as “the compensation received during the final year of service that is included in the member’s average final compensation.”

*Amends: G.S. 135-1*

Section 2.1.(b) States that the retirement allowance of a TSERS member with an average final compensation of more than \$100,000 (indexed) is not subject to the CBBC if the compensation was earned from multiple simultaneous employers unless an employer’s share of the compensation exceeds \$100,000 (indexed). If the retirement allowance of a member who became a member before January 1, 2015, or who has not earned at least five years of membership service after January 1, 2015, exceeds the member’s CBBC, that members’ retirement allowance cannot be reduced but an additional contribution will be required. The additional contribution is required as follows:

1. If the member’s annualized final compensation from the member’s last employer is \$100,000 or more (indexed), then the additional contribution is required from the member’s last employer.
2. If the member’s annualized final compensation from the last employer is less than \$100,000 (indexed), and if the member was not eligible to retire with an unreduced benefit at the time of hire by the last employer, then the additional contribution is required from the member’s last employer.
3. If the member’s annualized final compensation from the last employer is less than \$100,000 (indexed), and if the member was eligible to retire with an unreduced benefit at the time of hire by that last employer, then the additional contribution is required from the most recent employer from which the member earned an annualized final compensation of \$100,000 or more (indexed).

*Amends: G.S. 135-5(a3)*

Section 2.1.(d) Effective when this act becomes law (July 2, 2021) and expires July 1, 2022. Applies retroactively to retirements occurring on or after January 1, 2019; provided that



for any retirement occurring on or after that date through the effective date, for which the Retirement System notified an employer of its liability, no additional employer is to be held liable for an additional contribution.

Section 3.1.(d) Amends the TSERS CBBC purchase provision to include the following:

- If the member's employer did not report to the retirement system any compensation paid to the member during the period used to compute the member's average final compensation, the retirement system will not notify the member's employer, but instead will notify the employer(s) who reported compensation during the member's average final compensation period.
- This notification will specify that employer's share of the amount that would have had to have been purchased to increase the member's benefit to the pre-cap level.
- The amount will be allocated proportionally to each employer based on the total amount of compensation to the member that each employer reported during the period used to compute the member's average final compensation.

*Amends: G.S. 135-4(jj) (as amended by Section 1.1(d) of this act)*

Section 3.1.(e) Amends the TSERS anti-pension-spiking CBBC provision to require the Board of Trustees to determine the member's amount of retirement allowance with the following adjustments:

1. Multiplying the percentage of the member's average final compensation by the number of years of membership service (rather than credible service)
2. The amount should include the effect of any percentage reduction that applies to the member's service retirement allowance by virtue of the member's age or amount of creditable service
3. The amount should not be adjusted for an optional allowance elected

*Amends: G.S. 135-5(a3)*

Section 3.1.(f) Amends the TSERS provision pertaining to the collection of employer's contributions by adding the following:

1. If the employer associated with the member's last month of membership service did not report to the retirement system any compensation paid to the member during the period used to compute the member's average final compensation, that employer will not transmit the lump sum payment.
2. Instead, the employer(s) who reported compensation during the member's average final compensation period must transmit a lump sum payment equal to the employer's share of the total required lump sum payment, allocated proportionally to each employer based on the total amount of compensation to the member that each employer reported during the period used to compute the member's average final compensation.

*Amends: G.S. 135-8(f)*

Section 3.1.(g) Effective July 1, 2022.

Section 3.2. Requires a pause on pension-spiking litigation from the effective date of the act (July 2, 2021) until June 30, 2022. As a result of this pause, extends the statute of limitations.

Prohibits the Retirement System from intercepting funds that would have otherwise been directed to a LEA during this pause.

Section 4.(a)-(b) Creates a working group consisting of NCSBA, the NC Department of State Treasurer, and other organizations to review the anti-pension-spiking CBBC and develop recommendations that will reduce the number of pension spiking cases and lawsuits. These recommendations are to be presented to the Joint Legislative Oversight Committee on General Government no later than April 1, 2022.

Section 5.1. Requires a LEA to notify the Local Government Commission 15 days before it issues a request for proposals (RFP) for energy savings contracts that would involve a financing agreement.

*Amend: G.S. 143-64.17A*

Section 6.1. Provides a severability clause.

Section 7.1. Except as otherwise provided, effective when it becomes law (July 2, 2021).

#### [SB 693: Expedite Child Safety and Permanency \(S.L. 2021-132\)](#)

Section 6.(a)-(h) Requires public school units (PSUs) to provide students in grades 6-12 with information on child abuse and neglect, including age-appropriate information on sexual abuse. This information is to be based on a rule that the State Board of Education (SBE), in consultation with DPI, must adopt. Requires students to receive a document with the information at the beginning of each school year and requires a display to be posted in “visible, high-traffic areas” in every public secondary school. Outlines the minimum required information to be provided.

*G.S. 115C-12; G.S. 115C-47; G.S. 115C-218.75; G.S. 115C-238.66; Article 4 of G.S. 116; G.S. 116-235; G.S. 116-239.8 (b); Section 6(d)(2) of S.L. 2018-32*

Section 6.(i) Effective when it becomes law (September 1, 2021) and applies beginning with the 2021-2022 school year.

#### [SB 695: Various Education Changes \(S.L. 2021-170\)](#)

Section 1.(a)-(c) For individuals licensed as school administrators for any school year from 2010-2011 to 2020-2021, requires the State Board of Education (SBE) to deem previously issued licenses and future renewals as valid, regardless of failure to meet certain statutory licensure requirements. Requires the SBE to waive certain statutory licensure requirements for certain individuals in the process of becoming a licensed school administrator.

Section 2.(a)-(b) Requires LEAs to fulfill requests by eligible teachers and school employees to be paid in 12 monthly installments through a payroll deduction plan.

*Amends: G.S. 115C-302.1(b); G.S. 115C-316(a)(2)*

Section 3. Extends the submission of the Student Meal Debt Report from October 15, 2021, to October 15, 2023.

*Amends: Section 2.3(a) of S.L. 2020-80*

Section 4.(a)-(g) Authorizes public school units (PSUs) to hold State funds in local bank accounts for up to three business days after the date of drawing on the State funds, before making a final disbursement to the ultimate payee. Allows PSUs to deposit State funds with the official depository designated by the governing body of the PSU. Prior law required the State Treasurer to keep money on deposit until final disbursement to the ultimate payee.

*Amends: G.S. 147-86.12; G.S. 115C-75.11; G.S. 115C-218.105; G.S. 115C-238.70; G.S. 115C-438; G.S. 147-86.10; G.S. 147-86.11(f)(1)*

Section 5. Effective when it becomes law (October 15, 2021).

[SB 722: Revise Local Gov't Redistricting/Census \(S.L. 2021-56\)](#)

Section 1.6.(a)-(b) Delays the regular 2021 elections for the Charlotte-Mecklenburg Board of Education until the general election for county offices in 2022. Requires candidates to file their notices for the election between 12:00 pm on July 25, 2022, and 12:00 pm on August 12, 2022. States that terms of office for members elected in 2022 will begin on December 6, 2022, and expire on December 2, 2025. Effective only if 2020 census data has not been received by the Board by July 19, 2021. Requires the Board to adopt a resolution regarding the election delay prior to July 26, 2021.

Section 1.7.(a)-(b) Delays the regular 2021 elections for the Lexington City Board of Education until the primary election for county offices in 2022. Requires candidates to file their notices for the election between 12:00 pm on December 6, 2021, and 12:00 pm on December 17, 2021. Allows winners of this election to be sworn into office after issuance of the certificate of election and their terms will expire on December 2, 2025. Requires the Lexington City Board of Education to publish notice of the date of the election both on its website and at least once in a newspaper of general circulation within seven days of the effective date of this act.<sup>20</sup>

Section 2. Effective when it becomes law (June 28, 2021).

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<sup>20</sup> Section 1.7 of SB 722 originally delayed the regular 2021 elections until the general election for county offices in 2022; required candidates to file notices for the election between 12:00 pm on July 25, 2022, and 12:00 pm on August 12, 2022; stated that terms of office for members elected in 2022 will begin on December 6, 2022, and expire on December 2, 2025; was effective only if 2020 census data had not been received by the Board by July 19, 2021; required the Board to adopt a resolution regarding the election delay prior to July 26, 2021. Section 1.7 of SB 722 was amended by Section 6 of SB 150: Various Local Act Changes (S.L. 2021-102).

## LOCAL LEGISLATION

### **House Bills**

#### [HB 3: Craven Bd of Ed/Partisan Electoral Districts \(S.L. 2021-140\)](#)

Section 1. Beginning in 2022, changes the election method for the Craven County Board of Education from nonpartisan to partisan in even-numbered years. Changes the voting method from county-wide voting for district seats to allowing only voters residing in a district to vote for candidates for that district in primary and general elections.

Section 2. Beginning the first Monday in December 2022, requires Board vacancies to be filled by appointment by the remaining members of the Board, in consultation with the county executive committee of the relevant political party.

Section 3. Clarifies that this act does not affect the terms of office for Board members elected in 2018 or 2020 and that those elected or appointed in 2018 or 2020 will serve until a successor has been elected or qualified.

Section 4. Adds “Craven” to the list of counties titled “Vacancies in offices of county boards elected on a partisan basis in certain counties”, effective the first Monday in December 2022.

*Amends: G.S. 115C-37.1(d) (as amended by S.L. 2021-28, S.L. 2021-51, and S.L. 2021-99)*

Section 5. Effective when it becomes law (September 9, 2021) and applies to elections held on or after that date.

#### [HB 85: Cleveland County Bd of Ed Vacancies \(S.L. 2021-28\)](#)

Section 1. Requires the Cleveland County Board of Education to fill a vacancy for an unexpired term upon the recommendation of the county executive committee of the political party of which the vacating member was affiliated at the time of his or her election or appointment. The Board must appoint that person within seven days of the recommendation.

*Amends: Section 3.1 of S.L. 2017-78 (as amended by S.L. 2017-200 and S.L. 2018-140)*

Section 2. Removes “Cleveland” from the list of counties titled “Vacancies in offices of county boards elected on a partisan basis in certain counties”.

*Amends: G.S. 115C-37.1(d)*

Section 3. Effective when it becomes law (June 9, 2021) and applies to vacancies existing on or after that date.

[HB 244: Lincoln County Bd of Ed/Partisan Election \(S.L. 2021-99\)](#)

Section 1. Beginning in 2022, changes the election method for the Lincoln County Board of Education from nonpartisan to partisan in even-numbered years. In 2022, and quadrennially thereafter, three members of the Board will be elected. In 2024, and quadrennially thereafter, four members of the Board will be elected. Beginning in 2022, requires Board vacancies to be filled by appointment by the remaining members of the Board, in consultation with the county executive committee of the relevant political party.

*Amends: Section 5 of S.L. 1973-876 (as amended by Section 1 of S.L. 1983-179; S.L. 1985-155; S.L. 1989-304)*

Section 2. Clarifies that this act does not affect the terms of office for Board members elected in 2018 and 2020 and that those elected and appointed in 2018 or 2020 will serve until a successor has been elected or qualified.

Section 3. Adds “Lincoln” to the list of counties titled “Vacancies in offices of county boards elected on a partisan basis in certain counties”, effective the first Monday in December 2022.

*Amends: G.S. 115C-37.1(d)*

Section 4. Except as otherwise provided, effective when it becomes law (August 5, 2021).

[HB 400: Asheville City Sch. Bd. Appt/Elections \(S.L. 2021-187\)](#)

Section 1. Beginning in 2022, requires the Asheville City Board of Education to be composed of seven members (was five), with three members appointed by the governing body of the City of Asheville and four members elected in accordance with this act. Beginning in 2024, requires the Board to be composed of seven members elected to staggered four-year terms.

Section 2. States that Board members will be elected at-large using the nonpartisan primary and election method. Elections will be held in each even-numbered year and Board members will serve a four-year term. Includes requirements for candidacy filing, primaries, elections, and vacancies, which align with current statute. States that newly elected Board members will take office at the first regular meeting of the Board in December following their election.

Section 3. The terms of appointed Board members who are serving at the time of the effective date of this act will expire as follows:

- The seats of the two members appointed in 2019 will expire in 2022
- The seats of the three members appointed in 2021 will expire in 2024

Section 4. Requires the chair of the Board to be elected at the first board meeting in December following the election. The chair will serve a two-year term or until a successor is elected and qualified. Allows the chair or any two Board members to call a meeting. Requires Board members to be paid in accordance with G.S. 115C-38.

Section 5. Repeals Section 2 of Chapter 255 of S.L. 1947; Chapter 745 of S.L. 1953; and Chapter 20 of S.L. 1985.

Section 6. Effective when it becomes law (November 30, 2021) and applies to elections conducted on or after that date.

## Senate Bills

### [SB 150: Various Local Act Changes \(S.L. 2021-102\)](#)

Section 6.(a) Modifies Section 1.7(a) of S.L. 2021-56. Delays the regular 2021 elections for the Lexington City Board of Education until the primary election for county offices in 2022. Requires candidates to file their notices for the election between 12:00 pm on December 6, 2021, and 12:00 pm on December 17, 2021. Allows winners of this election to be sworn into office after issuance of the certificate of election and their terms will expire on December 2, 2025. Requires the Lexington City Board of Education to publish notice of the date of the election both on its website and at least once in a newspaper of general circulation within seven days of the effective date of this act (August 10, 2021).

*Amends: Section 1.7(a) of S.L. 2021-56*

Section 6.(b) Repeals Section 1.7(b) of S.L. 2021-56, which stated that Section 1.7(a) was effective only if 2020 census data had not been received by the Board by July 19, 2021, and required the Board to adopt a resolution regarding the election delay prior to July 26, 2021.

Section 7. Effective when it becomes law (August 10, 2021).

### [SB 288: Rutherford College/Bd. of Ed. Burke/Caldwell \(S.L. 2021-51\)](#)

Section 1.1.(a)-(e) Beginning in 2024, changes the election method for the Burke County Board of Education from nonpartisan to partisan in even-numbered years. Following the change to partisan, requires Board vacancies to be filled by appointment by the remaining members of the Board, in consultation with the county executive committee of the relevant political party. Clarifies that this act does not affect the terms of office for Board members elected in 2019 and 2021 and that those elected and appointed in 2019 or 2021 will serve until a successor has been elected or qualified.

*Amends: Sections 2 and 3 of S.L. 1981-1*

Section 2.1. Beginning in 2022, changes the election method for the Caldwell County Board of Education from nonpartisan to partisan in even-numbered years. Following the change to partisan, requires Board vacancies to be filled by appointment by the remaining members of the Board, in consultation with the county executive committee of the relevant political party.

*Amends: Section 4 of S.L. 1973-1273 (as amended by S.L. 1987-37)*

Sections 2.2. and 2.3. Make conforming changes.

*Amends: Section 5 and 6 of S.L. 1973-1273*

Section 2.4. Clarifies that this act does not affect the terms of office for Board members elected in 2018 and 2020 and that those elected and appointed in 2018 or 2020 will serve until a successor has been elected or qualified.

Section 2.5. Adds “Burke” and “Caldwell” to the list of counties titled “Vacancies in offices of county boards elected on a partisan basis in certain counties”, effective the first Monday in December 2022.

*Amends: G.S. 115C-37.1(d)*

Section 3.1. Effective when it becomes law (June 23, 2021) and applies to elections held on or after that date.