

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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SENATE BILL 795

Education/Higher Education Committee Substitute Adopted 5/29/12
Appropriations/Base Budget Committee Substitute Adopted 5/30/12

Short Title: Excellent Public Schools Act.

(Public)

Sponsors:

Referred to:

April 25, 2012

A BILL TO BE ENTITLED

AN ACT TO MAKE CHANGES TO IMPROVE K-3 LITERACY; PROVIDE LITERACY
VOLUNTEER LEAVE TIME; ASSIGN SCHOOL PERFORMANCE GRADES;
MAXIMIZE INSTRUCTIONAL TIME; ADJUST SCHOOL CALENDAR; FUND FIVE
ADDITIONAL INSTRUCTIONAL DAYS WITHIN THE EXISTING SCHOOL
CALENDAR; ESTABLISH AN NC TEACHER CORPS; STRENGTHEN TEACHER
LICENSURE REQUIREMENTS; PROVIDE PROOF OF STATE-FUNDED LIABILITY
INSURANCE; ESTABLISH PLANS FOR PAY FOR EXCELLENCE; CLARIFY NC
PRE-K PROGRAM ELIGIBILITY AND ADD SLOTS; REPEAL PROHIBITION ON
TEACHER PREPAYMENT; PROVIDE A TAX DEDUCTION FOR EDUCATIONAL
SUPPLIES; ESTABLISH TEACHER CONTRACTS; AND ELIMINATE PUBLIC
FINANCING FOR THE OFFICE OF SUPERINTENDENT OF PUBLIC INSTRUCTION.

The General Assembly of North Carolina enacts:

PART I. IMPROVE K-3 LITERACY

SECTION 1.(a) G.S. 115C-81.2 is repealed.

SECTION 1.(b) Article 8 of Chapter 115C of the General Statutes is amended by adding a new Part to read:

"Part 1A. North Carolina Read to Achieve Program.

"§ 115C-83.1A. State goal.

The goal of the State is to ensure that every student read at or above grade level by the end of third grade and continue to progress in reading proficiency so that he or she can read, comprehend, integrate, and apply complex texts needed for secondary education and career success.

"§ 115C-83.1B. Purposes.

(a) The purposes of this Part are to ensure that (i) difficulty with reading development is identified as early as possible; (ii) students receive appropriate instructional and support services to address difficulty with reading development and to remediate reading deficiencies; and (iii) each student and his or her parent or guardian be continuously informed of the student's academic needs and progress.

(b) In addition to the purposes listed in subsection (a) of this section, the purpose of this Part is to determine that progression from one grade to another be based, in part, upon proficiency in reading.

"§ 115C-83.1C. Definitions.



1 The following definitions apply in this Part:

- 2 (1) "Accelerated reading class" means a class where focused instructional
3 supports and services are provided to increase a student's reading level at
4 least two grades in one school year.
- 5 (2) "Alternative assessment" means a valid and reliable standardized assessment
6 of reading comprehension, approved by the State Board of Education, that is
7 not the same test as the State approved standardized test of reading
8 comprehension administered to third grade students.
- 9 (3) "Instructional supports and services" mean intentional strategies used with a
10 majority of students to facilitate reading development and remediate
11 emerging difficulty with reading development. Instructional supports and
12 services include, but are not limited to, small group instruction, reduced
13 teacher-student ratios, frequent progress monitoring, and extended learning
14 time.
- 15 (4) "Difficulty with reading development" means not demonstrating appropriate
16 developmental abilities in any of the major reading areas, including, but not
17 limited to, oral language, phonological or phonemic awareness, vocabulary,
18 fluency, or comprehension, according to observation-based, diagnostic, or
19 formative assessments.
- 20 (5) "Reading interventions" mean evidence-based strategies frequently used to
21 remediate reading deficiencies and include, but are not limited to, individual
22 instruction, tutoring, or mentoring that target specific reading skills and
23 abilities.
- 24 (6) "Reading proficiency" means reading at or above the third grade level by the
25 end of a student's third grade year, demonstrated by the results of the
26 State-approved standardized test of reading comprehension administered to
27 third grade students.
- 28 (7) "Reading deficiency" means not reading at the third grade level by the end of
29 the student's third grade year, demonstrated by the results of the
30 State-approved standardized test of reading comprehension administered to
31 third grade students.
- 32 (8) "Student reading portfolio" means a compilation of independently produced
33 student work selected by the student's teacher, and signed by the teacher and
34 principal, as an accurate picture of the student's reading ability. The student
35 reading portfolio shall include an organized collection of evidence of the
36 student's mastery of the State's reading standards that are assessed by the
37 State-approved standardized test of reading comprehension administered to
38 third grade students. For each benchmark, there shall be three examples of
39 student work demonstrating mastery by a grade of seventy percent (70%) or
40 above.
- 41 (9) "Summer reading camp" means an additional educational program outside of
42 the instructional calendar provided by the local school administrative unit to
43 any student who does not demonstrate reading proficiency. Parents or
44 guardians of the student not demonstrating reading proficiency shall make
45 the final decision regarding the student's summer camp attendance. Summer
46 camps shall (i) be six to eight weeks long, four or five days per week; (ii)
47 include at least three hours of instructional time per day; (iii) be taught by
48 compensated, licensed teachers selected based on demonstrated student
49 outcomes in reading proficiency; and (iv) allow volunteer mentors to read
50 with students.

1 (10) "Transitional third and fourth class combination" means a classroom
2 specifically designed to produce learning gains sufficient to meet fourth
3 grade performance standards while continuing to remediate areas of reading
4 deficiency.

5 **"§ 115C-83.1D. Comprehensive plan for reading achievement.**

6 (a) The State Board of Education shall develop, implement, and continuously evaluate a
7 comprehensive plan to improve reading achievement in the public schools. The plan shall be
8 based on reading instructional practices with strong evidence of effectiveness in current
9 empirical research in reading development. The plan shall be developed with the active
10 involvement of teachers, college and university educators, parents and guardians of students,
11 and other interested parties. The plan shall, when appropriate to reflect research, include
12 revision of the standard course of study or other curricular standards, revision of teacher
13 licensure and renewal standards, and revision of teacher education program standards.

14 (b) The State Board of Education shall report biennially to the Joint Legislative
15 Education Oversight Committee by October 1 of each even-numbered year on the
16 implementation, evaluation, and revisions to the comprehensive plan for reading achievement
17 and shall include recommendations for legislative changes to enable implementation of current
18 empirical research in reading development.

19 **"§ 115C-83.1E. Developmental screening and kindergarten entry assessment.**

20 (a) The State Board of Education shall ensure that every student entering kindergarten
21 shall be administered a developmental screening of early language, literacy, and math skills
22 within 30 days of enrollment.

23 (b) The State Board of Education shall ensure that every student entering kindergarten
24 shall complete a kindergarten entry assessment within 60 days of enrollment.

25 (c) The developmental screening instrument may be composed of subsections of the
26 kindergarten entry assessment.

27 (d) The kindergarten entry assessment shall address the five essential domains of school
28 readiness: language and literacy development, cognition and general knowledge, approaches
29 toward learning, physical well-being and motor development, and social and emotional
30 development.

31 (e) The kindergarten entry assessment shall be (i) administered at the classroom level in
32 all local school administrative units; (ii) aligned to North Carolina's early learning and
33 development standards and to the standard course of study; and (iii) reliable, valid, and
34 appropriate for use with all children, including those with disabilities and those who are
35 English language learners.

36 (f) The results of the developmental screening and the kindergarten entry assessment
37 shall be used to inform the following:

38 (1) The status of children's learning at kindergarten entry.

39 (2) Instruction of each child.

40 (3) Efforts to reduce the achievement gap at kindergarten entry.

41 (4) Continuous improvement of the early childhood system.

42 **"§ 115C-83.1F. Facilitating early grade reading proficiency.**

43 (a) Kindergarten, first, second, and third grade students shall be assessed with valid,
44 reliable, formative, and diagnostic reading assessments made available to local school
45 administrative units by the State Board of Education pursuant to G.S. 115C-174.11(a).
46 Difficulty with reading development identified through administration of formative and
47 diagnostic assessments shall be addressed with instructional supports and services. To the
48 greatest extent possible, kindergarten through third grade reading assessments shall yield data
49 that can be used with the Education Value Added Assessment System (EVAAS), or a
50 compatible and comparable system approved by the State Board of Education, to analyze

1 student data to identify root causes for difficulty with reading development and to determine
2 actions to address them.

3 (b) Formative and diagnostic assessments and resultant instructional supports and
4 services shall address oral language, phonological and phonemic awareness, phonics,
5 vocabulary, fluency, and comprehension using developmentally appropriate practices.

6 (c) Local school administrative units are encouraged to partner with community
7 organizations, businesses, and other groups to provide volunteers, mentors, or tutors to assist
8 with the provision of instructional supports and services that enhance reading development and
9 proficiency.

10 **"§ 115C-83.1G. Elimination of social promotion.**

11 (a) The State Board of Education shall require that a student be retained in the third
12 grade if the student fails to demonstrate reading proficiency appropriate for a third grade
13 student, as demonstrated on a State-approved standardized test of reading comprehension
14 administered to third grade students. The test may be re-administered once prior to the end of
15 the school year.

16 (b) Students may be exempt from mandatory retention in third grade for good cause but
17 shall continue to receive instructional supports and services and reading interventions
18 appropriate for their age and reading level. Good cause exemptions shall be limited to the
19 following:

20 (1) Limited English Proficient students with less than two years of instruction in
21 an English as a Second Language program.

22 (2) Students with disabilities, as defined in G.S. 115C-106.3(1), whose
23 individualized education program indicates the use of alternative
24 assessments and reading interventions.

25 (3) Students who demonstrate reading proficiency appropriate for third grade
26 students on an alternative assessment approved by the State Board of
27 Education. Teachers may administer the alternative assessment following the
28 administration of the State-approved standardized test of reading
29 comprehension typically given to third grade students at the end of the
30 school year, or after a student's participation in the local school
31 administrative unit's summer reading camp.

32 (4) Students who demonstrate, through a student reading portfolio, reading
33 proficiency appropriate for third grade students. Teachers may submit the
34 student reading portfolio at the end of the school year, or after a student's
35 participation in the local school administrative unit's summer reading camp.
36 The student reading portfolio and review process shall be established by the
37 State Board of Education.

38 (5) Students who have (i) received reading intervention and (ii) previously been
39 retained more than once in kindergarten, first, second, or third grades.

40 (c) The superintendent shall determine whether a student may be exempt from
41 mandatory retention on the basis of a good cause exemption. The following steps shall be taken
42 in making the determination:

43 (1) The teacher of a student eligible for a good cause exemption shall submit
44 documentation of the relevant exemption and evidence that promotion of the
45 student is appropriate based on the student's academic record to the
46 principal. Such evidence shall be limited to the student's personal education
47 plan, individual education program, if applicable, alternative assessment, or
48 student reading portfolio.

49 (2) The principal shall review the documentation and make an initial
50 determination whether the student should be promoted. If the principal
51 determines the student should be promoted, the principal shall make a

1 written recommendation of promotion to the superintendent for final
2 determination. The superintendent's acceptance or rejection of the
3 recommendation shall be in writing.

4 **"§ 115C-83.1H. Successful reading development for retained students.**

5 (a) Students not demonstrating reading proficiency shall be enrolled in a summer
6 reading camp provided by the local school administrative unit prior to being retained. Students
7 who demonstrate reading proficiency on an alternative assessment of reading comprehension or
8 student reading portfolio after completing a summer reading camp shall be promoted to the
9 fourth grade. Students who do not demonstrate reading proficiency on these measures after
10 completing a summer reading camp shall be retained under G.S. 115C-83.1G(a) and provided
11 with the instruction listed in subsection (b) of this section during the retained year.

12 (b) Students retained under G.S. 115C-83.1G(a) shall be provided with a teacher
13 selected based on demonstrated student outcomes in reading proficiency and placed in an
14 accelerated reading class or a transitional third and fourth grade class combination, as
15 appropriate. Classroom instruction shall include at least 90 minutes of daily, uninterrupted,
16 evidence-based reading instruction, not to include independent reading time, and other
17 appropriate instructional supports and services and reading interventions.

18 (c) The State Board of Education shall establish a midyear promotion policy for any
19 student retained under G.S. 115C-83.1G(a) who, by November 1, demonstrates reading
20 proficiency through administration of the alternative assessment of reading comprehension, or
21 student reading portfolio review.

22 (d) Parents or guardians of students who have been retained once under the provisions
23 of G.S. 115C-83.1G(a) shall be provided with a plan for reading at home, including
24 participation in shared and guided reading workshops for the parent or guardian, and outlined
25 in a parental or guardian contract.

26 (e) Parents or guardians of students who have been retained twice under the provisions
27 of G.S. 115C-83.1G(a) shall be offered supplemental tutoring for the retained student in
28 evidence-based reading services outside the instructional day.

29 **"§ 115C-83.1I. Notification requirements to parents and guardians.**

30 (a) Parents or guardians shall be notified in writing, and in a timely manner, that the
31 student shall be retained, unless he or she is exempt from mandatory retention for good cause,
32 if the student is not demonstrating reading proficiency by the end of third grade. Parents or
33 guardians shall receive this notice when a kindergarten, first, second or third grade student (i) is
34 demonstrating difficulty with reading development; (ii) is not reading at grade level; or (iii) has
35 a personal education plan under G.S. 115C-105.41.

36 (b) Parents or guardians of any student who is to be retained under the provisions of
37 G.S. 115C-83.1G(a) shall be notified in writing of the reason the student is not eligible for a
38 good cause exemption as provided in G.S. 115C-83.1G(b). Written notification shall also
39 include a description of proposed reading interventions that will be provided to the student to
40 remediate identified areas of reading deficiency.

41 (c) Parents or guardians of students retained under G.S. 115C-83.1G(a) shall receive at
42 least monthly written reports on student progress towards reading proficiency. The evaluation
43 of the student's progress shall be based upon the student's classroom work, observations, tests,
44 assessments, and other relevant information.

45 (d) Teachers and principals shall provide opportunities to discuss with parents and
46 guardians the notifications listed in this section.

47 **"§ 115C-83.1J. Accountability measures.**

48 (a) Each local board of education shall publish annually on a Web site maintained by
49 that local school administrative unit and report in writing to the State Board of Education by
50 September 1 of each year the following information on the prior school year:

- 1 (1) The number and percentage of third grade students demonstrating and not
2 demonstrating reading proficiency on the State-approved standardized test of
3 reading comprehension administered to third grade students.
4 (2) The number and percentage of third grade students who take and pass the
5 alternative assessment of reading comprehension.
6 (3) The number and percentage of third grade students retained for not
7 demonstrating reading proficiency.
8 (4) The number and percentage of third grade students exempt from mandatory
9 third grade retention by category of exemption as listed in
10 G.S. 115C-83.1G(b).

11 (b) Each local board of education shall report annually in writing to the State Board of
12 Education by September 1 of each year a description of all reading interventions provided to
13 students who have been retained under G.S. 115C-83.1G(a).

14 (c) The State Board of Education shall establish a uniform format for local boards of
15 education to report the required information listed in subsections (a) and (b) of this section and
16 shall provide the format to local boards of education no later than 90 days prior to the annual
17 due date. The State Board of Education shall compile annually this information and submit a
18 State-level summary to the Governor, the President Pro Tempore of the Senate, the Speaker of
19 the House of Representatives, and the Joint Legislative Education Oversight Committee by
20 October 1 of each year, beginning with the 2014-2015 school year.

21 (d) The State Board of Education and the Department of Public Instruction shall
22 provide technical assistance as needed to aid local school administrative units to implement all
23 provisions of this Part."

24 **SECTION 1.(c)** G.S. 115C-105.27(b)(1a) is repealed.

25 **SECTION 1.(d)** G.S. 115C-105.41 reads as rewritten:

26 **"§ 115C-105.41. Students who have been placed at risk of academic failure; personal**
27 **education plans.**

28 In order to implement Part 1A of Article 8 of this Chapter, ~~Local~~ local school
29 administrative units shall identify students who are at risk for academic failure and who are not
30 successfully progressing toward grade promotion and graduation, beginning ~~no later than the~~
31 ~~fourth grade~~ in kindergarten. Identification shall occur as early as can reasonably be done and
32 can be based on grades, observations, diagnostic and formative assessments, State assessments,
33 and other factors, including reading on grade level, that impact student performance that
34 teachers and administrators consider appropriate, without having to await the results of
35 end-of-grade or end-of-course tests. No later than the end of the first quarter, or after a teacher
36 has had up to nine weeks of instructional time with a student, a personal education plan for
37 academic improvement with focused intervention and performance benchmarks shall be
38 developed or updated for any student at risk of academic failure who is not performing at least
39 at grade level, as identified by the State end-of-grade test and other factors noted above.
40 Focused instructional supports and services, reading ~~intervention~~ interventions and accelerated
41 activities should include ~~research-based best-evidence-based~~ practices that meet the needs of
42 students and may include coaching, mentoring, tutoring, summer school, Saturday school, and
43 extended days. Local school administrative units shall provide these activities free of charge to
44 students. Local school administrative units shall also provide transportation free of charge to all
45 students for whom transportation is necessary for participation in these activities.

46 Local school administrative units shall give notice of the personal education plan and a
47 copy of the personal education plan to the student's parent or guardian. Parents should be
48 included in the implementation and ongoing review of personal education plans.

49 Local school administrative units shall certify that they have complied with this section
50 annually to the State Board of Education. The State Board of Education shall periodically

1 review data on the progress of identified students and report to the Joint Legislative Education
2 Oversight Committee.

3 No cause of action for monetary damages shall arise from the failure to provide or
4 implement a personal education plan under this section."

5 **SECTION 1.(e)** G.S. 115C-174.11(a) reads as rewritten:

6 "(a) Assessment Instruments for ~~First and Second Grades~~. Kindergarten, First, Second,
7 and Third Grades. – The State Board of Education shall ~~adopt~~ develop, adopt, and provide to
8 the local school administrative units developmentally appropriate individualized assessment
9 instruments consistent with the Basic Education Program and Part 1A of Article 8 of this
10 Chapter for the ~~first and second grades, rather than standardized tests.~~ kindergarten, first,
11 second, and third grades. Local school administrative units ~~may~~ shall use these assessment
12 instruments provided to them by the State Board for ~~first and second grade students,~~
13 kindergarten, first, second, and third grade students to assess progress, diagnose difficulties,
14 and to inform instruction and remediation needs. ~~and~~ Local school administrative units shall not
15 use standardized tests for summative assessment of kindergarten, first, and second grade
16 students except as required as a condition of receiving federal grants."

17 **SECTION 1.(f)** G.S. 115C-238.29F is amended by adding a new subsection to
18 read:

19 "(d1) Reading Proficiency and Student Promotion. –

20 (1) Students in the third grade shall be retained if the student fails to
21 demonstrate reading proficiency by reading at or above the third grade level
22 as demonstrated by the results of the State-approved standardized test of
23 reading comprehension administered to third grade students. The charter
24 school shall provide reading interventions to retained students to remediate
25 reading deficiency, which may include 90 minutes of daily, uninterrupted,
26 evidence-based reading instruction, accelerated reading classes, transition
27 classes containing third and fourth grade students, and summer reading
28 camp.

29 (2) Students may be exempt from mandatory retention in third grade for good
30 cause but shall continue to receive instructional supports and services and
31 reading interventions appropriate for their age and reading level. Good cause
32 exemptions shall be limited to the following:

33 a. Limited English Proficient students with less than two years of
34 instruction in an English as a Second Language program.

35 b. Students with disabilities, as defined in G.S. 115C-106.3(1), whose
36 individualized education program indicates the use of alternative
37 assessments and reading interventions.

38 c. Students who demonstrate reading proficiency appropriate for third
39 grade students on an alternative assessment of reading
40 comprehension. The charter school shall notify the State Board of
41 Education of the alternative assessment used to demonstrate reading
42 proficiency.

43 d. Students who demonstrate, through a student reading portfolio,
44 reading proficiency appropriate for third grade students.

45 e. Students who have (i) received reading intervention and (ii)
46 previously been retained more than once in kindergarten, first,
47 second, or third grades.

48 (3) The charter school shall provide notice to parents and guardians when a
49 student is not reading at grade level. The notice shall state that if the
50 student's reading deficiency is not remediated by the end of third grade, the
51 student shall be retained unless he or she is exempt from mandatory

1 retention for good cause. Notice shall also be provided to parents and
2 guardians of any student who is to be retained under this subsection of the
3 reason the student is not eligible for a good cause exemption, as well as a
4 description of proposed reading interventions that will be provided to the
5 student to remediate identified areas of reading deficiency.

6 (4) The charter school shall annually publish on the charter school's Web site
7 and report in writing to the State Board of Education by September 1 of each
8 year the following information on the prior school year:

9 a. The number and percentage of third grade students demonstrating
10 and not demonstrating reading proficiency on the State-approved
11 standardized test of reading comprehension administered to third
12 grade students.

13 b. The number and percentage of third grade students not demonstrating
14 reading proficiency and who do not return to the charter school for
15 the following school year.

16 c. The number and percentage of third grade students who take and
17 pass the alternative assessment of reading comprehension.

18 d. The number and percentage of third grade students retained for not
19 demonstrating reading proficiency.

20 e. The number and percentage of third grade students exempt from
21 mandatory third grade retention by category of exemption as listed in
22 subdivision (2) of this subsection."

23 **SECTION 1.(g)** G.S. 115C-288(a) reads as rewritten:

24 "(a) To Grade and Classify Pupils. – The principal shall have authority to grade and
25 classify ~~pupils~~ pupils, except as provided in G.S. 115C-83.1G(a). In determining the appropriate
26 grade for a pupil who is already attending a public school, the principal shall consider the
27 pupil's classroom work and grades, the pupil's scores on standardized tests, and the best
28 educational interests of the pupil. The principal shall not make the decision solely on the basis
29 of standardized test scores. If a principal's decision to retain a child in the same grade is
30 partially based on the pupil's scores on standardized tests, those test scores shall be verified as
31 accurate.

32 A principal shall not require additional testing of a student entering a public school from a
33 school governed under Article 39 of this Chapter if test scores from a nationally standardized
34 test or nationally standardized equivalent measure that are adequate to determine the
35 appropriate placement of the child are available."

36 **SECTION 1.(h)** G.S. 130A-440(b) reads as rewritten:

37 "(b) A health assessment shall include a medical history and physical examination with
38 screening for vision and hearing and, if appropriate, testing for anemia and tuberculosis. Vision
39 screening shall be conducted in accordance with G.S. 130A-440.1. The health assessment may
40 also include dental screening and developmental screening for cognition, language, and motor
41 function. The developmental screening of cognition and language abilities may be conducted in
42 accordance with G.S. 115C-83.1E(a)."

43 **SECTION 1.(i)** There is appropriated from the General Fund to the Department of
44 Public Instruction the sum of thirty-three million nine hundred fourteen thousand five hundred
45 three dollars (\$33,914,503) for the 2012-2013 fiscal year to implement the requirements of this
46 section. It is the intent of the General Assembly to increase this appropriation for the
47 2013-2014 fiscal year to implement additional requirements in that fiscal year.

48 **SECTION 1.(j)** This section is effective when it becomes law and applies
49 beginning with the 2013-2014 school year. The developmental screening and kindergarten
50 entry assessment required by this section shall be administered beginning with the 2014-2015
51 school year

PART II. STATE EMPLOYEE LITERACY VOLUNTEER LEAVE TIME

SECTION 2.(a) G.S. 126-4 reads as rewritten:

"§ 126-4. Powers and duties of State Personnel Commission.

Subject to the approval of the Governor, the State Personnel Commission shall establish policies and rules governing each of the following:

...

(5b) A leave program that allows employees to volunteer in a literacy program in a public school for up to five hours each month.

...."

SECTION 2.(b) This section is effective when it becomes law.

PART III. SCHOOL PERFORMANCE GRADES

SECTION 3.(a) G.S. 115C-12(9)c1. reads as rewritten:

"c1. To issue an annual "report card" for the State and for each local school administrative unit, assessing each unit's efforts to improve student performance based on the growth in performance of the students in each school and taking into account progress over the previous years' level of performance and the State's performance in comparison with other states. This assessment shall take into account factors that have been shown to affect student performance and that the State Board considers relevant to assess the State's efforts to improve student performance. As a part of the annual "report card" for each local school administrative unit, the State Board shall award an overall numerical school performance score on a scale of zero to 100 and a corresponding letter grade of A, B, C, D, or F earned by each school within the local school administrative unit. The school performance score and grade shall reflect student performance on annual subject-specific assessments, college and workplace readiness measures, and graduation rates. For schools serving students in any grade from kindergarten to eighth grade, separate performance scores and grades shall also be awarded based on the school performance in reading and mathematics respectively. The annual "report card" for schools serving students in third grade also shall include the number and percentage of third grade students who (i) take and pass the alternative assessment of reading comprehension; (ii) were retained in third grade for not demonstrating reading proficiency as indicated in G.S. 115C-83.1G(a); and (iii) were exempt from mandatory third grade retention by category of exemption as listed in G.S. 115C-83.1G(b)."

SECTION 3.(b) G.S. 115C-47(58) reads as rewritten:

"(58) To Inform the Public About the North Carolina School Report Cards Issued by the State Board of Education. – Each local board of education shall ensure that the report card issued for it by the State Board of Education receives wide distribution to the local press or ~~otherwise~~ is otherwise provided to the public. Each local board of education shall ensure that the overall school performance score and grade earned by each school in the local school administrative unit for the current and previous four school years is prominently displayed on the Web site of the local school administrative unit. If any school in the local school administrative unit is awarded a grade of D or F, the local board of education shall provide notice

1 of the grade in writing to the parent or guardian of all students enrolled in
2 that school."

3 **SECTION 3.(c)** G.S. 115C-238.29F is amended by adding a new subsection to
4 read:

5 "(l) North Carolina School Report Cards. – A charter school shall ensure that the report
6 card issued for it by the State Board of Education receives wide distribution to the local press
7 or is otherwise provided to the public. A charter school shall ensure that the overall school
8 performance score and grade earned by the charter school for the current and previous four
9 school years is prominently displayed on the school Web site. If a charter school is awarded a
10 grade of D or F, the charter school shall provide notice of the grade in writing to the parent or
11 guardian of all students enrolled in that school."

12 **SECTION 3.(d)** G.S. 115C-238.66 is amended by adding a new subdivision to
13 read:

14 "(11) North Carolina School Report Cards. – A regional school shall ensure that
15 the report card issued for it by the State Board of Education receives wide
16 distribution to the local press or is otherwise provided to the public. A
17 regional school shall ensure that the overall school performance score and
18 grade earned by the regional school for the current and previous four school
19 years is prominently displayed on the school Web site. If a regional school is
20 awarded a grade of D or F, the regional school shall provide notice of the
21 grade in writing to the parent or guardian of all students enrolled in that
22 school."

23 **SECTION 3.(e)** The State Board of Education shall award school performance
24 scores and grades as required by G.S. 115C-12(9)c1. as follows:

- 25 (1) The State Board of Education shall calculate school performance scores by
26 totaling the sum of points earned by the school and converting the sum of
27 points to a 100-point scale. Subsections (2) and (3) of this section provide
28 the school performance elements for schools serving students in
29 kindergarten through eighth grade. Subsection (4) of this section provides
30 the school performance elements for schools serving grades nine through
31 twelve. The school performance score shall be used to determine the school
32 performance grade based on the following scale:
- 33 a. At least 90 performance grade points for an overall school
34 performance grade of A.
 - 35 b. At least 80 performance grade points for an overall school
36 performance grade of B.
 - 37 c. At least 70 performance grade points for an overall school
38 performance grade of C.
 - 39 d. At least 60 performance grade points for an overall school
40 performance grade of D.
 - 41 e. A school that accumulates less than 60 points shall be assigned an
42 overall school performance grade of F.
- 43 (2) For schools serving students in kindergarten through eighth grade the overall
44 school performance score shall be calculated based on the sum of three
45 school performance elements.
- 46 a. The score shall be calculated as follows:
 - 47 1. One point for each percent of students who score at or above
48 proficient on annual assessments for mathematics in grades
49 three through eight.

1 programs, for minimizing the frequency of field testing at any one school, and for otherwise
2 carrying out the provisions of this Article. These policies and guidelines shall include the
3 following:

- 4 (1) Schools shall devote no more than two days of instructional time per year to
5 the taking of practice tests that do not have the primary purpose of assessing
6 current student learning;
- 7 (2) Students in a school shall not be subject to field tests or national tests during
8 the two-week period preceding the administration of end-of-grade tests,
9 end-of-course tests, or the school's regularly scheduled final exams; and
- 10 (3) No school shall participate in more than two field tests at any one grade level
11 during a school year ~~unless that school volunteers, through a vote of its~~
12 ~~school improvement team, to participate in an expanded number of field~~
13 ~~tests year.~~
- 14 (4) All annual assessments of student achievement adopted by the State Board
15 of Education pursuant to G.S. 115C-174.11(c)(1) and (3) and all final exams
16 for courses shall be administered within the final 10 instructional days of the
17 school year for year-long courses and within the final five instructional days
18 of the semester for semester courses. Exceptions shall be permitted to
19 accommodate a student's individualized education program and section 504
20 (29 U.S.C. § 794) plans, and for the administration of final exams for
21 courses with national or international curriculums required to be held at
22 designated times.

23 These policies shall reflect standard testing practices to insure reliability and validity of the
24 sample testing. The results of the field tests shall be used in the final design of each test. The
25 State Board of Education's policies regarding the testing of ~~children~~ students with disabilities
26 shall (i) provide broad accommodations and alternate methods of assessment that are consistent
27 with a ~~child's~~ student's individualized education program and section 504 (29 U.S.C. § 794)
28 plans, (ii) prohibit the use of statewide tests as the sole determinant of decisions about a
29 ~~child's~~ student's graduation or promotion, and (iii) provide parents with information about the
30 Statewide Testing Program and options for students with disabilities. The State Board shall
31 report its proposed policies and proposed changes in policies to the Joint Legislative Education
32 Oversight Committee prior to adoption.

33 The State Board of Education may appoint an Advisory Council on Testing to assist in
34 carrying out its responsibilities under this Article."

35 **SECTION 4.(b)** This section is effective when it becomes law and applies
36 beginning with the 2012-2013 school year.

37 38 **PART V. ADJUSTMENTS TO SCHOOL CALENDAR**

39 **SECTION 5.(a)** G.S. 115C-84.2 reads as rewritten:

40 **"§ 115C-84.2. School calendar.**

41 (a) School Calendar. – Each local board of education shall adopt a school calendar
42 consisting of 215 days all of which shall fall within the fiscal year. A school calendar shall
43 include the following:

- 44 (1) A minimum of 185 days ~~and or~~ 1,025 hours of instruction covering at least
45 nine calendar months. The local board shall designate when the ~~185~~
46 instructional days shall occur. The number of instructional hours in an
47 instructional day may vary according to local board policy and does not have
48 to be uniform among the schools in the administrative unit. Local boards
49 may approve school improvement plans that include days with varying
50 amounts of instructional time. If school is closed early due to inclement
51 weather, the day and the scheduled amount of instructional hours may count

1 towards the required minimum to the extent allowed by State Board policy.
 2 The school calendar shall include a plan for making up days and
 3 instructional hours missed when schools are not opened due to inclement
 4 weather.

5 ...
 6 (4a) Three days, as designated by the local board, for use as teacher workdays.
 7 These days shall be protected to allow teachers to complete instructional and
 8 classroom administrative duties. The local school administrative unit shall
 9 not impose any additional tasks on these days. The local board shall
 10 schedule at least one of these days at the beginning of the school year and at
 11 least one at the end of the school year.

12 (5) The remaining days scheduled by the local board in consultation with each
 13 school's principal for use as teacher workdays, additional instructional days,
 14 or other lawful purposes. Before consulting with the local board, each
 15 principal shall work with the school improvement team to determine the
 16 days to be scheduled and the purposes for which they should be scheduled.
 17 Days may be scheduled and planned for different purposes for different
 18 personnel and there is no requirement to schedule the same dates for all
 19 personnel. In order to make up days for school closing because of inclement
 20 weather, the local board may designate any of the days in this subdivision as
 21 additional make-up days to be scheduled after the last day of student
 22 attendance.

23 ~~If the State Board of Education finds that it will enhance student performance to do so, the~~
 24 ~~State Board may grant a local board of education a waiver to use up to five of the instructional~~
 25 ~~days required by subdivision (1) of this subsection as teacher workdays. For each instructional~~
 26 ~~day waived, the State Board shall waive an equivalent number of instructional hours.~~

27 Local boards and individual schools are encouraged to use the calendar flexibility in order
 28 to meet the annual performance standards set by the State Board. Local boards of education
 29 shall consult with parents and the employed public school personnel in the development of the
 30 school calendar.

31 Local boards shall designate at least two days scheduled under subdivision (5) of this
 32 subsection as days on which teachers may take accumulated vacation leave. Local boards may
 33 designate the remaining days scheduled in subdivision (5) of this subsection as days on which
 34 teachers may take accumulated vacation leave, but local boards shall give teachers at least 14
 35 calendar days' notice before requiring a teacher to work instead of taking vacation leave on any
 36 of these days. A teacher may elect to waive this notice requirement for one or more of these
 37 days.

38 ...
 39 (d) Opening and Closing Dates. – Local boards of education shall determine the dates
 40 of opening and closing the public schools under subdivision (a)(1) of this section. Except for
 41 year-round schools, the opening date for students shall ~~not be before August 25, be no earlier~~
 42 than the Monday closest to August 26, and the closing date for students shall ~~not be after June~~
 43 10, be no later than the Friday closest to June 11. On a showing of good cause, the State Board
 44 of Education may waive ~~this requirement~~ the requirement that the opening date for students be
 45 no earlier than the Monday closest to August 26 and may allow the local board of education to
 46 set an opening date no earlier than the Monday closest to August 19, to the extent that school
 47 calendars are able to provide sufficient days to accommodate anticipated makeup days due to
 48 school closings. A local board may revise the scheduled closing date if necessary in order to
 49 comply with the minimum requirements for instructional days or instructional time. For
 50 purposes of this subsection, the term "good cause" means ~~either that~~ that schools in any local
 51 school administrative unit in a county have been closed eight days per year during any four of

1 the last 10 years because of severe weather conditions, energy shortages, power failures, or
2 other emergency situations.

3 (1) ~~Schools in any local school administrative unit in a county have been closed~~
4 ~~eight days per year during any four of the last 10 years because of severe~~
5 ~~weather conditions, energy shortages, power failures, or other emergency~~
6 ~~situations; or~~

7 (2) ~~Schools in any local school administrative unit in a county have been closed~~
8 ~~for all or part of eight days per year during any four of the last 10 years~~
9 ~~because of severe weather conditions. For purposes of this subdivision, a~~
10 ~~school shall be deemed to be closed for part of a day if it is closed for two or~~
11 ~~more hours.~~

12 ~~The State Board also may waive this requirement for an educational purpose. The term~~
13 ~~"educational purpose" means a local school administrative unit establishes a need to adopt a~~
14 ~~different calendar for (i) a specific school to accommodate a special program offered generally~~
15 ~~to the student body of that school, (ii) a school that primarily serves a special population of~~
16 ~~students, or (iii) a defined program within a school. The State Board may grant the waiver for~~
17 ~~an educational purpose for that specific school or defined program to the extent that the State~~
18 ~~Board finds that the educational purpose is reasonable, the accommodation is necessary to~~
19 ~~accomplish the educational purpose, and the request is not an attempt to circumvent the~~
20 ~~opening and closing dates set forth in this subsection. The waiver requests for educational~~
21 ~~purposes shall not be used to accommodate system wide class scheduling preferences.~~

22 The required opening and closing dates under this subsection shall not apply to any school
23 that a local board designated as having a modified calendar for the 2003-2004 school year or to
24 any school that was part of a planned program in the 2003-2004 school year for a system of
25 modified calendar schools, so long as the school operates under a modified calendar.

26"

27 **SECTION 5.(b)** G.S. 115C-238.29F(d)(1) reads as rewritten:

28 "(1) The school shall provide instruction each year for at least 185 days ~~days or~~
29 1,025 hours over nine calendar months. ~~If the State Board of Education finds~~
30 ~~that it will enhance student performance to do so, the State Board may grant~~
31 ~~a charter school a waiver to use up to five of these instructional days as~~
32 ~~teacher workdays."~~

33 **SECTION 5.(c)** G.S. 115C-238.53 is amended by adding a new subsection to read:

34 "(g) The requirements of G.S. 115C-84.2 shall not apply to a program approved under
35 this Part, however, the program shall provide instruction each year for at least 185 days or
36 1,025 hours over nine calendar months."

37 **SECTION 5.(d)** G.S. 115C-238.66(1)d. reads as rewritten:

38 "d. The board of directors shall adopt a school calendar consisting of a
39 minimum of 185 days or 1,025 hours of instruction covering at least
40 nine calendar months."

41 **SECTION 5.(e)** This section is effective when it becomes law and applies
42 beginning with the 2013-2014 school year.

43 44 **PART VI. FUNDING FOR THE ADDITION OF FIVE INSTRUCTIONAL DAYS** 45 **WITHIN THE EXISTING SCHOOL CALENDAR**

46
47 **SECTION 6.(a)** To fully provide for the expansion of five additional instructional
48 days in accordance with S.L. 2011-145, Section 7.29 for those days for which a local school
49 administrative unit has not requested and received a waiver from the State Board of Education
50 for the 2012-2013 school year:

- 1 (1) There is appropriated from the General Fund to the Department of Public
2 Instruction the sum of forty thousand one hundred sixty-eight dollars
3 (\$40,168) for the 2012-2013 fiscal year to increase the amount appropriated
4 for the noninstructional support personnel allotment.
- 5 (2) There is appropriated from the General Fund to the Department of Public
6 Instruction the sum of three hundred fifty-one thousand four hundred
7 sixty-nine dollars (\$351,469) for the 2012-2013 fiscal year to increase the
8 amount appropriated for the transportation allotment.

9 **SECTION 6.(b)** This section becomes effective July 1, 2012.

10 11 **PART VII. ESTABLISH NC TEACHER CORPS**

12 **SECTION 7.(a)** Article 20 of Chapter 115C of the General Statutes is amended by
13 adding a new section to read:

14 **"§ 115C-296.7. North Carolina Teacher Corps.**

15 (a) There is established the North Carolina Teacher Corps (NC Teacher Corps) to
16 recruit and place recent graduates of colleges and universities and mid-career professionals as
17 teachers in high needs public schools.

18 (b) The State Board of Education, in consultation with the Board of Governors of The
19 University of North Carolina and the North Carolina Independent Colleges and Universities,
20 shall develop and administer the NC Teacher Corps. In the development of the NC Teacher
21 Corps, the State Board of Education shall consider examples of other successful teacher
22 recruitment models used nationally and in other states.

23 (c) Applications shall be received annually for admission to the NC Teacher Corps. The
24 State Board of Education shall establish application criteria, including, at a minimum, an award
25 of a bachelor's degree from an accredited college or university. The State Board of Education
26 may establish a committee to annually evaluate and select candidates for admission to the NC
27 Teacher Corps.

28 (d) The State Board of Education shall identify local school administrative units with
29 unmet recruitment needs and high needs schools and shall coordinate placement of NC Teacher
30 Corps members in those schools.

31 (e) The State Board of Education, in coordination with the Board of Governors, shall
32 develop an intensive summer training institute for NC Teacher Corps members to provide
33 coursework and training on essential teaching frameworks, curricula, and lesson planning
34 skills, as well as identification and education of students with disabilities, positive management
35 of student behavior, effective communication for defusing and deescalating disruptive and
36 dangerous behavior, and safe and appropriate use of seclusion and restraint. The intensive
37 summer training institute also shall address identification of difficulty with reading
38 development and of reading deficiencies, and the provision of reading instruction, intervention,
39 and remediation strategies.

40 (f) The State Board of Education, in coordination with the Board of Governors, shall
41 provide ongoing support to NC Teaching Corps members through coaching, mentoring, and
42 continued professional development.

43 (g) NC Teaching Corps members shall be granted lateral entry teaching licenses
44 pursuant to G.S. 115C-296(c)."

45 **SECTION 7.(b)** This section is effective when it becomes law. The State Board of
46 Education shall recruit and place an initial cohort of NC Teacher Corps members no later than
47 the 2012-2013 school year.

48 49 **PART VIII. STRENGTHEN TEACHER LICENSURE**

50 **SECTION 8.(a)** G.S. 115C-296 reads as rewritten:

1 "§ 115C-296. Board sets licensure requirements; reports; lateral entry and mentor
2 programs.

3 (a) The State Board of Education shall have entire control of licensing all applicants for
4 teaching positions in all public elementary and high schools of North Carolina; and it shall
5 prescribe the rules and regulations for the renewal and extension of all licenses and shall
6 determine and fix the salary for each grade and type of license which it authorizes.

7 The State Board of Education may require an applicant for an initial bachelors degree
8 certificate or graduate degree certificate to demonstrate the applicant's academic and
9 professional preparation by achieving a prescribed minimum score on a standard examination
10 appropriate and adequate for that purpose. Elementary Education (K-6) teachers shall also
11 achieve a prescribed minimum score on subtests or standard examinations specific to teaching
12 reading and mathematics. The State Board of Education shall permit an applicant to fulfill any
13 such testing requirement before or during the applicant's second year of teaching provided the
14 applicant took the examination at least once during the first year of teaching. The State Board
15 of Education shall make any required standard initial licensure exam ~~sufficiently~~ rigorous and
16 raise the prescribed minimum score as necessary to ensure that each applicant has ~~adequate~~
17 received high quality academic and professional preparation to teach effectively.

18 ...

19 (b) It is the policy of the State of North Carolina to maintain the highest quality teacher
20 education programs and school administrator programs in order to enhance the competence of
21 professional personnel licensed in North Carolina. To the end that teacher preparation programs
22 are upgraded to reflect a more rigorous course of study, the State Board of Education, as lead
23 agency in coordination and cooperation with the University Board of Governors, the Board of
24 Community Colleges and such other public and private agencies as are necessary, shall
25 continue to refine the several licensure requirements, standards for approval of institutions of
26 teacher education, standards for institution-based innovative and experimental programs,
27 standards for implementing consortium-based teacher education, and standards for improved
28 efficiencies in the administration of the approved programs. The licensure program shall
29 provide for initial licensure after completion of preservice training, continuing licensure after
30 three years of teaching experience, and license renewal every five years thereafter, until the
31 retirement of the teacher. The last license renewal received prior to retirement shall remain in
32 effect for five years after retirement. The licensure program shall also provide for lifetime
33 licensure after 50 years of teaching.

34 The State Board of Education, as lead agency in coordination with the Board of Governors
35 of The University of North Carolina and any other public and private agencies as necessary,
36 shall continue to raise standards for entry into teacher education programs.

37 The State Board of Education, in consultation with local boards of education and the Board
38 of Governors of The University of North Carolina, shall evaluate and modify, as necessary, the
39 academic requirements for students preparing to teach science in middle and high schools to
40 ensure that there is adequate preparation in issues related to science laboratory safety.

41 The State Board of Education, in consultation with the Board of Governors of The
42 University of North Carolina, shall evaluate and develop enhanced requirements for continuing
43 licensure. The new requirements shall reflect more rigorous standards for continuing licensure
44 and to the extent possible shall be aligned with quality professional development programs that
45 reflect State priorities for improving student achievement. Standards for continuing licensure
46 shall include at least three continuing education credits related to literacy for elementary and
47 middle school teachers. Literacy renewal credits shall include assessment, diagnosis, and
48 intervention strategies for students not demonstrating reading proficiency. Oral language,
49 phonemic and phonological awareness, phonics, vocabulary, fluency, and comprehension shall
50 be addressed in literacy-related activities leading to certification renewal for elementary school
51 teachers.

1 The State Board of Education, in consultation with local boards of education and the Board
 2 of Governors of The University of North Carolina, shall reevaluate and enhance the
 3 requirements for renewal of teacher licenses. The State Board shall consider modifications in
 4 the license renewal achievement and to make it a mechanism for teachers to renew continually
 5 their knowledge and professional skills. ~~The State Board shall adopt new standards for the~~
 6 ~~renewal of teacher licenses by May 15, 1998.~~

7 The standards for approval of institutions of teacher education shall require that teacher
 8 education programs for all students include demonstrated competencies in (i) the identification
 9 and education of children with disabilities and (ii) positive management of student behavior
 10 and effective communication techniques for defusing and deescalating disruptive or dangerous
 11 behavior. The standards for approval of institutions of teacher education shall require that
 12 elementary teacher education programs include demonstrated competencies in (i) teaching of
 13 reading, including a substantive understanding of reading as a process involving oral language,
 14 phonological and phonemic awareness, phonics, fluency, vocabulary, and comprehension; (ii)
 15 evidence-based assessment and diagnosis of specific areas of difficulty with reading
 16 development and of reading deficiencies; and (iii) appropriate application of instructional
 17 supports and services and reading interventions to ensure reading proficiency for all students.
 18 The State Board of Education shall incorporate the criteria developed in accordance with
 19 G.S. 116-74.21 for assessing proposals under the School Administrator Training Program into
 20 its school administrator program approval standards.

21 All North Carolina institutions of higher education that offer teacher education programs,
 22 masters degree programs in education, or masters degree programs in school administration
 23 shall provide performance reports to the State Board of Education. The performance reports
 24 shall follow a common format, shall be submitted according to a plan developed by the State
 25 Board, and shall include the information required under the plan developed by the State Board.

26 ...

27 (c) It is the policy of the State of North Carolina to encourage lateral entry into the
 28 profession of teaching by skilled individuals from the private sector. To this end, before the
 29 1985-86 school year begins, the State Board of Education shall develop criteria and procedures
 30 to accomplish the employment of such individuals as classroom teachers. Beginning with the
 31 2006-2007 school year, the criteria and procedures shall include preservice training in (i) the
 32 identification and education of children with disabilities and (ii) positive management of
 33 student behavior, effective communication for defusing and deescalating disruptive or
 34 dangerous behavior, and safe and appropriate use of seclusion and restraint. Skilled individuals
 35 who choose to enter the profession of teaching laterally may be granted a ~~provisional~~lateral
 36 entry teaching license for no more than three years and shall be required to obtain licensure
 37 before contracting for a fourth year of service with any local administrative unit in this State.

38"

39 **SECTION 8.(b)** This section is effective when it becomes law and applies
 40 beginning with the 2013-2014 school year.

41 **PART IX. PROOF OF STATE-FUNDED LIABILITY INSURANCE**

42 **SECTION 9.(a)** G.S. 115C-12 reads as rewritten:

43 **"§ 115C-12. Powers and duties of the Board generally.**

44 The general supervision and administration of the free public school system shall be vested
 45 in the State Board of Education. The State Board of Education shall establish policy for the
 46 system of free public schools, subject to laws enacted by the General Assembly. The powers
 47 and duties of the State Board of Education are defined as follows:

48 ...

49 (9) **Miscellaneous Powers and Duties.** – All the powers and duties exercised by
 50 the State Board of Education shall be in conformity with the Constitution
 51

1 and subject to such laws as may be enacted from time to time by the General
2 Assembly. Among such duties are:

3 ...

4 f. To annually notify public school employees of the availability and
5 coverage of professional liability insurance.

6"

7 **SECTION 9.(b)** This section is effective when it becomes law and applies
8 beginning with the 2012-2013 school year.

9 10 **PART X. PAY FOR EXCELLENCE**

11 **SECTION 10.(a)** Each local board of education shall develop a plan of
12 performance pay for all licensed personnel employed by the local board. Under the
13 performance pay plan, licensed employees should be eligible to receive bonuses or adjustments
14 to base salary for meeting certain performance criteria. Criteria for award of bonuses or
15 adjustments to base salary should include, but are not limited to, the following factors:

- 16 (1) Annual growth in student achievement of students assigned to a teacher's
17 classroom, when applicable.
- 18 (2) Annual growth in student achievement of students assigned to a specific
19 school.
- 20 (3) Assignment of additional academic responsibilities.
- 21 (4) Assignment to a hard-to-staff school.
- 22 (5) Assignment to a hard-to-staff subject area.

23 Local boards of education shall submit plans to the State Board of Education no
24 later than March 1, 2013. The State Board of Education shall report on these plans and the
25 achievement-based compensation models developed as part of the federal Race to the Top grant
26 and shall submit the report and all plans to the Fiscal Research Division, the Joint Legislative
27 Commission on Governmental Operations, and the respective Subcommittees on Education
28 Appropriations of the Senate and House of Representatives no later than April 15, 2013.
29 Members of the public may also submit plans for performance pay no later than April 15, 2013,
30 to the Fiscal Research Division, the Joint Legislative Commission on Governmental
31 Operations, and the respective Subcommittees on Education Appropriations of the Senate and
32 House of Representatives.

33 **SECTION 10.(b)** This section is effective when it becomes law.

34 35 **PART XI. CLARIFY NC PRE-K PROGRAM ELIGIBILITY**

36 **SECTION 11.(a)** Section 10.7(f) of S.L. 2011-145 reads as rewritten:

37 ~~"SECTION 10.7.(f) The prekindergarten program may continue to serve at risk children~~
38 ~~identified through the existing "child find" methods in which at risk children are currently~~
39 ~~served within the Division of Child Development. The Division of Child Development shall~~
40 ~~serve at risk children regardless of income. However, the total number of at risk children~~
41 ~~served shall constitute no more than twenty percent (20%) of the four year olds served within~~
42 ~~the prekindergarten program. Any~~ The Division of Child Development and Early Education
43 shall establish income eligibility requirements for the program not to exceed seventy-five
44 percent (75%) of the State median income. Up to twenty percent (20%) of children enrolled
45 may have family incomes in excess of seventy-five percent (75%) of median income if they
46 have other designated risk factors. Furthermore, any age-eligible child who is a child of either
47 of the following shall be eligible for the program: (i) an active duty member of the Armed
48 Forces of the United States, including the North Carolina National Guard, State military forces,
49 or a reserve component of the Armed Forces, who was ordered to active duty by the proper
50 authority within the last 18 months or is expected to be ordered within the next 18 months or
51 (ii) a member of the Armed Forces of the United States, including the North Carolina National

1 Guard, State military forces, or a reserve component of the Armed Forces, who was injured or
2 killed while serving on active duty. Eligibility determinations for prekindergarten participants
3 may continue through local education agencies and local North Carolina Partnership for
4 Children, Inc., partnerships."

5 **SECTION 11.(b)** Section 10.7(h) of S.L. 2011-145 is repealed.

6 **SECTION 11.(c)** There is appropriated from the General Fund to the Department
7 of Health and Human Services, Division of Child Development and Early Education, the sum
8 of eleven million three hundred eight thousand three hundred sixty-three dollars (\$11,308,363)
9 for the 2012-2013 fiscal year to add 2,261 slots to be used in the NC Pre-K program.

10 **SECTION 11.(d)** This section is effective when it becomes law.

11 12 **PART XII. REPEAL PROHIBITION ON TEACHER PREPAYMENT**

13 **SECTION 12.(a)** Section 5 of S.L. 2011-379 is repealed.

14 **SECTION 12.(b)** This section becomes effective July 1, 2012.

15 16 **PART XIII. TAX DEDUCTION FOR EDUCATIONAL SUPPLIES**

17 **SECTION 13.(a)** G.S. 105-134.6(d) is amended by adding a new subdivision to
18 read:

19 "(d) Other Adjustments. – The following adjustments to taxable income shall be made in
20 calculating North Carolina taxable income:

21 ...

22 (9) To the extent a deduction has not been claimed for educator expenses in
23 determining federal adjusted gross income, an eligible educator may deduct
24 an amount not to exceed two hundred fifty dollars (\$250.00) paid or incurred
25 in connection with items listed in this subdivision. For purposes of this
26 subdivision, the term "eligible educator" has the same meaning as defined in
27 section 62 of the Code, as it existed on December 31, 2011. In the case of a
28 married couple filing a joint return where both spouses are eligible
29 educators, the maximum dollar amount is five hundred dollars (\$500.00).

30 a. Books.

31 b. Supplies, other than nonathletic supplies for courses of instruction in
32 health or physical education.

33 c. Computer equipment, including related software and services.

34 d. Supplementary materials used by the eligible educator in the
35 classroom."

36 **SECTION 13.(b)** This section becomes effective for taxable years beginning on or
37 after January 1, 2012.

38 39 **PART XIV. TEACHER CONTRACTS**

40 **SECTION 14.(a)** G.S. 115C-325 is repealed.

41 **SECTION 14.(b)** Part 3 of Article 22 of Chapter 115C of the General Statutes is
42 amended by adding new sections to read:

43 **"§ 115C-325.1. Definitions.**

44 As used in this Part, the following definitions apply:

45 (1) "Day" means calendar day. In computing any period of time, Rule 6 of the
46 North Carolina Rules of Civil Procedure shall apply.

47 (2) "Demote" means to reduce the salary of a person who is classified or paid by
48 the State Board of Education as a classroom teacher or as a school
49 administrator. The word "demote" does not include (i) a suspension without
50 pay pursuant to G.S. 115C-325.5(a); (ii) the elimination or reduction of
51 bonus payments, including merit-based supplements, or a systemwide

1 modification in the amount of any applicable local supplement; or (iii) any
2 reduction in salary that results from the elimination of a special duty, such as
3 the duty of an athletic coach or a choral director.

4 (3) "Disciplinary suspension" means a final decision to suspend a teacher or
5 school administrator without pay for no more than 60 days under
6 G.S. 115C-325.5(b).

7 (4) "School administrator" means a principal, assistant principal, supervisor, or
8 director whose major function includes the direct or indirect supervision of
9 teaching or any other part of the instructional program as provided in
10 G.S. 115C-287.1(a)(3).

11 (5) "Teacher" means a person meeting each of the following requirements:

12 a. Who holds at least one of the following licenses issued by the State
13 Board of Education:

14 1. A current standard professional educator's license.

15 2. A current lateral entry teaching license.

16 3. A regular, not expired, vocational license.

17 b. Whose major responsibility is to teach or directly supervise teaching
18 or who is classified by the State Board of Education or is paid either
19 as a classroom teacher or instructional support personnel.

20 c. Who is employed to fill a full-time, permanent position.

21 **"§ 115C-325.2. Personnel files.**

22 (a) Maintenance of Personnel File. – The superintendent shall maintain in his or her
23 office a personnel file for each teacher that contains any complaint, commendation, or
24 suggestion for correction or improvement about the teacher's professional conduct, except that
25 the superintendent may elect not to place in a teacher's file (i) a letter of complaint that contains
26 invalid, irrelevant, outdated, or false information or (ii) a letter of complaint when there is no
27 documentation of an attempt to resolve the issue. The complaint, commendation, or suggestion
28 shall be signed by the person who makes it and shall be placed in the teacher's file only after
29 five days' notice to the teacher. Any denial or explanation relating to such complaint,
30 commendation, or suggestion that the teacher desires to make shall be placed in the file. Any
31 teacher may petition the local board of education to remove any information from the teacher's
32 personnel file that the teacher deems invalid, irrelevant, or outdated. The board may order the
33 superintendent to remove said information if it finds the information is invalid, irrelevant, or
34 outdated.

35 (b) Inspection of Personnel Files. – The personnel file shall be open for the teacher's
36 inspection at all reasonable times but shall be open to other persons only in accordance with
37 such rules and regulations as the board adopts. Any preemployment data or other information
38 obtained about a teacher before the teacher's employment by the board may be kept in a file
39 separate from the teacher's personnel file and need not be made available to the teacher. No
40 data placed in the preemployment file may be introduced as evidence at a hearing on the
41 dismissal or demotion of a teacher, except the data may be used to substantiate
42 G.S. 115C-325.4(a)(7) or G.S. 115C-325.4(a)(14) as grounds for dismissal or demotion.

43 **"§ 115C-325.3. Teacher contracts.**

44 (a) Length of Contract. – A contract between the local board of education and a teacher
45 who has been employed by the local board of education for less than three years shall be for a
46 term of one school year. A contract or renewal of contract between the local board of education
47 and a teacher who has been employed by the local board of education for three years or more
48 shall be for a term of one, two, three, or four school years.

49 (b) Superintendent Recommendation to Local Board. – Local boards of education shall
50 employ teachers upon the recommendation of the superintendent. If a superintendent intends to
51 recommend to the local board of education that a teacher be offered a new or renewed contract,

1 the superintendent shall submit the recommendation to the local board for action and shall
2 include in the recommendation the length of the term of contract. A superintendent shall only
3 recommend a teacher for a contract of a term longer than one school year if the teacher has
4 shown effectiveness as demonstrated on the teacher evaluation instrument. The local board may
5 approve the superintendent's recommendation, may decide not to offer the teacher a new or
6 renewed contract, or may decide to offer the teacher a renewed contract for a different term
7 than recommended by the superintendent.

8 (c) Dismissal During Term of Contract. – A teacher shall not be dismissed or demoted
9 during the term of the contract except for the grounds and by the procedure set forth in
10 G.S. 115C-325.4.

11 (d) Recommendation on Nonrenewal. – If a superintendent decides not to recommend
12 that the local board of education offer a renewed contract to a teacher, the superintendent shall
13 give the teacher written notice of the decision no later than May 15.

14 (e) Right to Petition for Hearing. – A teacher shall have the right to petition the local
15 board of education for a hearing no later than June 1. The local board may, in its discretion,
16 grant a hearing regarding the superintendent's recommendation for nonrenewal. The local board
17 of education shall notify the teacher making the petition of its decision whether to grant a
18 hearing. If the request for a hearing is granted, the local board shall conduct a hearing pursuant
19 to the provisions of G.S. 115C-45(c) and make a final decision on whether to offer the teacher a
20 renewed contract. The board shall notify a teacher whose contract will not be renewed for the
21 next school year of its decision by June 15; provided, however, if a teacher submits a request
22 for a hearing, the board shall provide the nonrenewal notification by July 1 or such later date
23 upon the written consent of the superintendent and teacher. A decision not to offer a teacher a
24 renewed contract shall not be on any basis prohibited by State or federal law.

25 (f) Local boards of education and teachers employed by the local board may mutually
26 modify the terms of the contract to permit part-time employment.

27 **"§ 115C-325.4. Dismissal or demotion for cause.**

28 (a) Grounds. – No teacher shall be dismissed or demoted or reduced to employment on
29 a part-time basis for disciplinary reasons during the term of the contract except for one or more
30 of the following:

31 (1) Inadequate performance. In determining whether the professional
32 performance of a teacher is adequate, consideration shall be given to regular
33 and special evaluation reports prepared in accordance with the published
34 policy of the employing local school administrative unit and to any
35 published standards of performance which shall have been adopted by the
36 board. Inadequate performance for a teacher shall mean (i) the failure to
37 perform at a proficient level on any standard of the evaluation instrument or
38 (ii) otherwise performing in a manner that is below standard.

39 (2) Immorality.

40 (3) Insubordination.

41 (4) Neglect of duty.

42 (5) Physical or mental incapacity.

43 (6) Habitual or excessive use of alcohol or nonmedical use of a controlled
44 substance as defined in Article 5 of Chapter 90 of the General Statutes.

45 (7) Conviction of a felony or a crime involving moral turpitude.

46 (8) Advocating the overthrow of the government of the United States or of the
47 State of North Carolina by force, violence, or other unlawful means.

48 (9) Failure to fulfill the duties and responsibilities imposed upon teachers or
49 school administrators by the General Statutes of this State.

50 (10) Failure to comply with such reasonable requirements as the board may
51 prescribe.

- 1 (11) Any cause which constitutes grounds for the revocation of the teacher's
2 teaching license or the school administrator's administrator license.
3 (12) Failure to maintain his or her license in a current status.
4 (13) Failure to repay money owed to the State in accordance with the provisions
5 of Article 60 of Chapter 143 of the General Statutes.
6 (14) Providing false information or knowingly omitting a material fact on an
7 application for employment or in response to a preemployment inquiry.

8 (b) Dismissal Procedure. – The procedures provided in G.S. 115C-325.6 shall be
9 followed for dismissals, demotions, or reductions to part-time employment for disciplinary
10 reasons for any reason specified in subsection (a) of this section.

11 **§ 115C-325.5. Teacher suspension.**

12 (a) Immediate Suspension Without Pay. – If a superintendent believes that cause exists
13 for dismissing a teacher for any reason specified in G.S. 115C-325.4 and that immediate
14 suspension of the teacher is necessary, the superintendent may suspend the teacher without pay.
15 Before suspending a teacher without pay, the superintendent shall meet with the teacher and
16 give him or her written notice of the charges against the teacher, an explanation of the basis for
17 the charges, and an opportunity to respond. Within five days after a suspension under this
18 paragraph, the superintendent shall initiate a dismissal, demotion, or disciplinary suspension
19 without pay as provided in this section. If it is finally determined that no grounds for dismissal,
20 demotion, or disciplinary suspension without pay exist, the teacher shall be reinstated
21 immediately, shall be paid for the period of suspension, and all records of the suspension shall
22 be removed from the teacher's personnel file.

23 (b) Disciplinary Suspension Without Pay. – A teacher recommended for disciplinary
24 suspension without pay may request a hearing before the board. If no request is made within 15
25 days, the superintendent may file his or her recommendation with the board. If, after
26 considering the recommendation of the superintendent and the evidence adduced at the hearing
27 if one is held, the board concludes that the grounds for the recommendation are true and
28 substantiated by a preponderance of the evidence, the board, if it sees fit, may by resolution
29 order such suspension.

30 (1) Board hearing for disciplinary suspensions for more than 10 days or for
31 certain types of intentional misconduct. – The procedures for a board hearing
32 under G.S. 115C-325.8 shall apply if any of the following circumstances
33 exist:

- 34 a. The recommended disciplinary suspension without pay is for more
35 than 10 days; or
36 b. The disciplinary suspension is for intentional misconduct, such as
37 inappropriate sexual or physical conduct, immorality,
38 insubordination, habitual or excessive alcohol or nonmedical use of a
39 controlled substance as defined in Article 5 of Chapter 90 of the
40 General Statutes, any cause that constitutes grounds for the
41 revocation of the teacher's or school administrator's license, or
42 providing false information.

43 (2) Board hearing for disciplinary suspensions of no more than 10 days. – The
44 procedures for a board hearing under G.S. 115C-325.7 shall apply to all
45 disciplinary suspensions of no more than 10 days that are not for intentional
46 misconduct as specified in G.S. 115C-325.5(b)(1).

47 (c) Suspension with Pay. – If a superintendent believes that cause may exist for
48 dismissing or demoting a teacher for any reasons specified in G.S. 115C-325.4 but that
49 additional investigation of the facts is necessary and circumstances are such that the teacher
50 should be removed immediately from the teacher's duties, the superintendent may suspend the
51 teacher with pay for a reasonable period of time, not to exceed 90 days. The superintendent

1 shall notify the board of education within two days of the superintendent's action and shall
2 notify the teacher within two days of the action and the reasons for it. If the superintendent has
3 not initiated dismissal or demotion proceedings against the teacher within the 90-day period,
4 the teacher shall be reinstated to the teacher's duties immediately and all records of the
5 suspension with pay shall be removed from the teacher's personnel file at the teacher's request.
6 However, if the superintendent and the teacher agree to extend the 90-day period, the
7 superintendent may initiate dismissal or demotion proceedings against the teacher at any time
8 during the period of the extension.

9 **"§ 115C-325.6. Procedure for dismissal or demotion of a teacher for cause.**

10 (a) Recommendation of Dismissal or Demotion. – A teacher may not be dismissed,
11 demoted, or reduced to part-time employment for disciplinary reasons during the term of the
12 contract except upon the superintendent's recommendation based on one or more of the grounds
13 in G.S. 115C-325.4.

14 (b) Notice of Recommendation. – Before recommending to a board the dismissal or
15 demotion of a teacher, the superintendent shall give written notice to the teacher by certified
16 mail or personal delivery of the superintendent's intention to make such recommendation and
17 shall set forth as part of the superintendent's recommendation the grounds upon which he or she
18 believes such dismissal or demotion is justified. The superintendent also shall meet with the
19 teacher and provide written notice of the charges against the teacher, an explanation of the basis
20 for the charges, and an opportunity to respond if the teacher has not done so under
21 G.S. 115C-325.5(a). The notice shall include a statement to the effect that the teacher, within
22 14 days after the date of receipt of the notice, may request a hearing before the board on the
23 superintendent's recommendation. A copy of Part 3 of Article 22 of Chapter 115C shall also be
24 sent to the teacher.

25 (c) Request for Hearing. – Within 14 days after receipt of the notice of
26 recommendation, the teacher may file with the superintendent a written request for a hearing
27 before the board on the superintendent's recommendation. The superintendent shall submit his
28 or her recommendation to the board. Within five days after receiving the superintendent's
29 recommendation and before taking any formal action, the board shall set a time and place for
30 the hearing and shall notify the teacher by certified mail or personal delivery of the date, time,
31 and place of the hearing. The time specified shall not be less than 10 nor more than 30 days
32 after the board has notified the teacher, unless both parties agree to an extension. The hearing
33 shall be conducted as provided in G.S. 115C-325.7.

34 (d) No Request for Hearing. – If the teacher does not request a hearing before the board
35 within the 14 days provided, the superintendent may submit his or her recommendation to the
36 board. The board, if it sees fit, may by resolution (i) reject the superintendent's recommendation
37 or (ii) accept or modify the superintendent's recommendation and dismiss, demote, reinstate, or
38 suspend the teacher without pay.

39 **"§ 115C-325.7. Hearing before board.**

40 (a) Board Hearing. – The following procedures shall apply to a hearing conducted by
41 the board:

42 (1) The hearing shall be private.

43 (2) The board shall receive the following:

44 a. Any documentary evidence the superintendent intends to use to
45 support the recommendation. The superintendent shall provide the
46 documentary evidence to the teacher seven days before the hearing.

47 b. Any documentary evidence the teacher intends to use to rebut the
48 superintendent's recommendation. The teacher shall provide the
49 superintendent with the documentary evidence three days before the
50 hearing.

1 c. The superintendent's recommendation and the grounds for the
2 recommendation.

3 (3) The superintendent and teacher may submit a written statement not less than
4 three days before the hearing.

5 (4) The superintendent and teacher shall be permitted to make oral arguments to
6 the board based on the record before the board.

7 (5) The board shall make findings of fact based upon a preponderance of the
8 evidence.

9 (6) Within two days following the hearing, the board shall send a written copy
10 of its findings and determination to the teacher and the superintendent.

11 (7) If the board elects to make a transcript, the teacher may request and shall
12 receive at no charge a transcript of the proceedings. A teacher may have the
13 hearing transcribed by a court reporter at the teacher's expense.

14 (b) The procedures of this section shall not apply to board hearings for disciplinary
15 suspensions without pay. Board hearings for G.S. 115C-325.5(b), disciplinary suspensions
16 without pay, shall be conducted as provided in G.S. 115C-325.8.

17 **"§ 115C-325.8. Board hearing for certain disciplinary suspensions.**

18 (a) The following procedures shall apply for a board hearing under G.S. 115C-325.5(b),
19 disciplinary suspensions without pay:

20 (1) The hearing shall be private.

21 (2) The hearing shall be conducted in accordance with reasonable rules adopted
22 by the State Board of Education to govern such hearings.

23 (3) At the hearing, the teacher and the superintendent shall have the right to be
24 present and to be heard, to be represented by counsel, and to present through
25 witnesses any competent testimony relevant to the issue of whether grounds
26 exist for a disciplinary suspension without pay.

27 (4) Rules of evidence shall not apply to a hearing under this subsection and the
28 board may give probative effect to evidence that is of a kind commonly
29 relied on by reasonably prudent persons in the conduct of serious affairs.

30 (5) At least eight days before the hearing, the superintendent shall provide to the
31 teacher a list of witnesses the superintendent intends to present, a brief
32 statement of the nature of the testimony of each witness, and a copy of any
33 documentary evidence the superintendent intends to present.

34 (6) At least six days before the hearing, the teacher shall provide the
35 superintendent a list of witnesses the teacher intends to present, a brief
36 statement of the nature of the testimony of each witness, and a copy of any
37 documentary evidence the teacher intends to present.

38 (7) No new evidence may be presented at the hearing except upon a finding by
39 the board that the new evidence is critical to the matter at issue and the party
40 making the request could not, with reasonable diligence, have discovered
41 and produced the evidence according to the schedule provided in this
42 section.

43 (8) The board may subpoena and swear witnesses and may require them to give
44 testimony and to produce records and documents relevant to the grounds for
45 suspension without pay.

46 (9) The board shall decide all procedural issues, including limiting cumulative
47 evidence, necessary for a fair and efficient hearing.

48 (10) The superintendent shall provide for making a transcript of the hearing. The
49 teacher may request and shall receive at no charge a transcript of the
50 proceedings.

51 **"§ 115C-325.9. Teacher resignation.**

1 (a) Teacher Resignation Following Recommendation for Dismissal. – If a teacher has
2 been recommended for dismissal under G.S. 115C-325.4 and the teacher chooses to resign
3 without the written agreement of the superintendent, then:

4 (1) The superintendent shall report the matter to the State Board of Education.

5 (2) The teacher shall be deemed to have consented to (i) the placement in the
6 teacher's personnel file of the written notice of the superintendent's intention
7 to recommend dismissal and (ii) the release of the fact that the
8 superintendent has reported this teacher to the State Board of Education to
9 prospective employers, upon request. The provisions of G.S. 115C-321 shall
10 not apply to the release of this particular information.

11 (3) The teacher shall be deemed to have voluntarily surrendered his or her
12 license pending an investigation by the State Board of Education in a
13 determination whether or not to seek action against the teacher's license.
14 This license surrender shall not exceed 45 days from the date of resignation.
15 Provided further that the cessation of the license surrender shall not prevent
16 the State Board of Education from taking any further action it deems
17 appropriate. The State Board of Education shall initiate investigation within
18 five working days of the written notice from the superintendent and shall
19 make a final decision as to whether to revoke or suspend the teacher's license
20 within 45 days from the date of resignation.

21 (b) 30 Days' Notice Resignation Requirement. – A teacher who is not recommended for
22 dismissal should not resign during the term of the contract without the consent of the
23 superintendent unless he or she has given at least 30 days' notice. If a teacher who is not
24 recommended for dismissal does resign during the term of the contract without giving at least
25 30 days' notice, the board may request that the State Board of Education revoke the teacher's
26 license for the remainder of that school year. A copy of the request shall be placed in the
27 teacher's personnel file.

28 **"§ 115C-325.10. Application to certain institutions.**

29 Notwithstanding any law or regulation to the contrary, this Part shall apply to all persons
30 employed in teaching and related educational classes in the schools and institutions of the
31 Departments of Health and Human Services, Public Instruction, Correction, or the Division of
32 Juvenile Justice of the Department of Public Safety, regardless of the age of the students.

33 **"§ 115C-325.11. Dismissal of school administrators and teachers employed in**
34 **low-performing residential schools.**

35 (a) Notwithstanding any other provision of this section or any other law, this section
36 shall govern the dismissal by the State Board of Education of teachers, principals, assistant
37 principals, directors, supervisors, and other licensed personnel assigned to a residential school
38 that the State Board has identified as low-performing and to which the State Board has assigned
39 an assistance team. The State Board shall dismiss a teacher, principal, assistant principal,
40 director, supervisor, or other licensed personnel when the State Board receives two consecutive
41 evaluations that include written findings and recommendations regarding that person's
42 inadequate performance from the assistance team. These findings and recommendations shall
43 be substantial evidence of the inadequate performance of the teacher or school administrator.

44 (b) The State Board may dismiss a teacher, principal, assistant principal, director,
45 supervisor, or other licensed personnel when:

46 (1) The State Board determines that the school has failed to make satisfactory
47 improvement after the State Board assigned an assistance team to that
48 school.

49 (2) That assistance team makes the recommendation to dismiss the teacher,
50 principal, assistant principal, director, supervisor, or other licensed personnel

1 for one or more grounds established in G.S. 115C-325.4 for dismissal or
2 demotion of a teacher.

3 Within 30 days of any dismissal under this subsection, a teacher, principal, assistant
4 principal, director, supervisor, or other licensed personnel may request a hearing before a panel
5 of three members designated by the State Board. The State Board shall adopt procedures to
6 ensure that due process rights are afforded to persons recommended for dismissal under this
7 subsection. Decisions of the panel may be appealed on the record to the State Board.

8 (c) Notwithstanding any other provision of this section or any other law, this subsection
9 shall govern the dismissal by the State Board of licensed staff members who have engaged in a
10 remediation plan under G.S. 115C-105.38A(c) but who, after one retest, fail to meet the general
11 knowledge standard set by the State Board. The failure to meet the general knowledge standard
12 after one retest shall be substantial evidence of the inadequate performance of the licensed staff
13 member.

14 Within 30 days of any dismissal under this subsection, a licensed staff member may request
15 a hearing before a panel of three members designated by the State Board. The State Board shall
16 adopt procedures to ensure that due process rights are afforded to licensed staff members
17 recommended for dismissal under this subsection. Decisions of the panel may be appealed on
18 the record to the State Board.

19 (d) The State Board or the superintendent of a residential school may terminate the
20 contract of a school administrator dismissed under this section. Nothing in this section shall
21 prevent the State Board from refusing to renew the contract of any person employed in a school
22 identified as low-performing.

23 (e) Neither party to a school administrator or teacher contract is entitled to damages
24 under this section.

25 (f) The State Board shall have the right to subpoena witnesses and documents on behalf
26 of any party to the proceedings under this section.

27 **§ 115C-325.12. Procedure for dismissal of Principals employed in low-performing**
28 **schools.**

29 (a) Dismissal of Principals Assigned to Low-Performing Schools With Assistance
30 Teams. – Notwithstanding any other provision of this Part or any other law, this section
31 governs the State Board's dismissal of principals assigned to low-performing schools to which
32 the State Board has assigned an assistance team.

33 (b) Authority of State Board to Dismiss Principal. – The State Board through its
34 designee may, at any time, recommend the dismissal of any principal who is assigned to a
35 low-performing school to which an assistance team has been assigned. The State Board through
36 its designee shall recommend the dismissal of any principal when the State Board receives from
37 the assistance team assigned to that principal's school two consecutive evaluations that include
38 written findings and recommendations regarding the principal's inadequate performance.

39 (c) Procedures for Dismissal of Principal. –

40 (1) If the State Board through its designee recommends the dismissal of a
41 principal under this section, the principal shall be suspended with pay
42 pending a hearing before a panel of three members of the State Board. The
43 purpose of this hearing, which shall be held within 60 days after the
44 principal is suspended, is to determine whether the principal shall be
45 dismissed.

46 (2) The panel shall order the dismissal of the principal if it determines from
47 available information, including the findings of the assistance team, that the
48 low performance of the school is due to the principal's inadequate
49 performance.

50 (3) The panel may order the dismissal of the principal if (i) it determines that the
51 school has not made satisfactory improvement after the State Board assigned

1 an assistance team to that school; and (ii) the assistance team makes the
2 recommendation to dismiss the principal for one or more grounds
3 established in G.S. 115C-325.4 for dismissal or demotion of a teacher.

4 (4) If the State Board or its designee recommends the dismissal of a principal
5 before the assistance team assigned to the principal's school has evaluated
6 that principal, the panel may order the dismissal of the principal if the panel
7 determines from other available information that the low performance of the
8 school is due to the principal's inadequate performance.

9 (5) In all hearings under this section, the burden of proof is on the principal to
10 establish that the factors leading to the school's low performance were not
11 due to the principal's inadequate performance. In all hearings under this
12 section, the burden of proof is on the State Board to establish that the school
13 failed to make satisfactory improvement after an assistance team was
14 assigned to the school and to establish one or more of the grounds
15 established for dismissal or demotion of a teacher under G.S. 115C-325.4.

16 (6) In all hearings under this section, two consecutive evaluations that include
17 written findings and recommendations regarding that principal's inadequate
18 performance from the assistance team are substantial evidence of the
19 inadequate performance of the principal.

20 (7) The State Board shall adopt procedures to ensure that due process rights are
21 afforded to principals under this section. Decisions of the panel may be
22 appealed on the record to the State Board.

23 (d) The State Board of Education or a local board may terminate the contract of a
24 principal dismissed under this section.

25 (e) Neither party to a school administrator contract is entitled to damages under this
26 section.

27 (f) The State Board shall have the right to subpoena witnesses and documents on behalf
28 of any party to the proceedings under this section.

29 **"§ 115C-325.13. Procedure for dismissal of teachers employed in low-performing schools.**

30 (a) Notwithstanding any other provision of this Part or any other law, this section shall
31 govern the State Board's dismissal of teachers, assistant principals, directors, and supervisors
32 assigned to schools that the State Board has identified as low-performing and to which the State
33 Board has assigned an assistance team under Article 8B of this Chapter. The State Board shall
34 dismiss a teacher, assistant principal, director, or supervisor when the State Board receives two
35 consecutive evaluations that include written findings and recommendations regarding that
36 person's inadequate performance from the assistance team. These findings and
37 recommendations shall be substantial evidence of the inadequate performance of the teacher,
38 assistant principal, director, or supervisor.

39 (b) The State Board may dismiss a teacher, assistant principal, director, or supervisor
40 when:

41 (1) The State Board determines that the school has failed to make satisfactory
42 improvement after the State Board assigned an assistance team to that school
43 under G.S. 115C-105.38; and

44 (2) That assistance team makes the recommendation to dismiss the teacher,
45 assistant principal, director, or supervisor for one or more grounds
46 established in G.S. 115C-325.4 for dismissal or demotion for cause.

47 A teacher, assistant principal, director, or supervisor may request a hearing before a panel
48 of three members of the State Board within 30 days of any dismissal under this section. The
49 State Board shall adopt procedures to ensure that due process rights are afforded to persons
50 recommended for dismissal under this section. Decisions of the panel may be appealed on the
51 record to the State Board.

1 (c) Notwithstanding any other provision of this Part or any other law, this section shall
2 govern the State Board's dismissal of licensed staff members who have engaged in a
3 remediation plan under G.S. 115C-105.38A(c) but who, after one retest, fail to meet the general
4 knowledge standard set by the State Board. The failure to meet the general knowledge standard
5 after one retest shall be substantial evidence of the inadequate performance of the licensed staff
6 member.

7 (d) A licensed staff member may request a hearing before a panel of three members of
8 the State Board within 30 days of any dismissal under this section. The State Board shall adopt
9 procedures to ensure that due process rights are afforded to licensed staff members
10 recommended for dismissal under this section. Decisions of the panel may be appealed on the
11 record to the State Board.

12 (e) The State Board of Education or a local board may terminate the contract of a
13 teacher, assistant principal, director, or supervisor dismissed under this section.

14 (f) Neither party to a school administrator or teacher contract is entitled to damages
15 under this section.

16 (g) The State Board shall have the right to subpoena witnesses and documents on behalf
17 of any party to the proceedings under this section."

18 **SECTION 14.(c)** G.S. 115C-45(c) reads as rewritten:

19 "(c) Appeals to Board of Education and to Superior Court. – An appeal shall lie to the
20 local board of education from any final administrative decision in the following matters:

- 21 (1) The discipline of a student under G.S. 115C-390.7, 115C-390.10, or
22 115C-390.11;
- 23 (2) An alleged violation of a specified federal law, State law, State Board of
24 Education policy, State rule, or local board policy, including policies
25 regarding grade retention of students;
- 26 (3) The terms or conditions of employment or employment status of a school
27 employee; and
- 28 (4) Any other decision that by statute specifically provides for a right of appeal
29 to the local board of education and for which there is no other statutory
30 appeal procedure.

31 As used in this subsection, the term "final administrative decision" means a decision of a
32 school employee from which no further appeal to a school administrator is available.

33 Any person aggrieved by a decision not covered under subdivisions (1) through (4) of this
34 subsection shall have the right to appeal to the superintendent and thereafter shall have the right
35 to petition the local board of education for a hearing, and the local board may grant a hearing
36 regarding any final decision of school personnel within the local school administrative unit.
37 The local board of education shall notify the person making the petition of its decision whether
38 to grant a hearing.

39 In all appeals to the board it is the duty of the board of education to see that a proper notice
40 is given to all parties concerned and that a record of the hearing is properly entered in the
41 records of the board conducting the hearing.

42 The board of education may designate hearing panels composed of not less than two
43 members of the board to hear and act upon such appeals in the name and on behalf of the board
44 of education.

45 An appeal of right brought before a local board of education under subdivision (1), (2), ~~(3),~~
46 or (4) of this subsection may be further appealed to the superior court of the State on the
47 grounds that the local board's decision is in violation of constitutional provisions, is in excess of
48 the statutory authority or jurisdiction of the board, is made upon unlawful procedure, is affected
49 by other error of law, is unsupported by substantial evidence in view of the entire record as
50 submitted, or is arbitrary or capricious. ~~However, the right of a noncertified employee to appeal~~
51 ~~decisions of a local board under subdivision (3) of this subsection shall only apply to decisions~~

1 concerning the dismissal, demotion, or suspension without pay of the noncertified employee. A
 2 noncertified employee may request and shall be entitled to receive written notice as to the
 3 reasons for the employee's dismissal, demotion, or suspension without pay. The notice shall be
 4 provided to the employee prior to any local board of education hearing on the issue. This
 5 subsection shall not alter the employment status of a noncertified employee."

6 **SECTION 14.(d)** G.S. 115C-105.26(b)(2) reads as rewritten:

7 "(2) State rules and policies, except those pertaining to public school State salary
 8 schedules and employee benefits for school employees, the instructional
 9 program that must be offered under the Basic Education Program, the system
 10 of employment for public school teachers and administrators set out in
 11 G.S. 115C-287.1 and ~~G.S. 115C-325~~, in Part 3 of Article 22 of this Chapter,
 12 health and safety codes, compulsory attendance, the minimum lengths of the
 13 school day and year, and the Uniform Education Reporting System."

14 **SECTION 14.(e)** G.S. 115C-105.37B(a)(2) reads as rewritten:

15 "(2) Restart model, in which the State Board of Education would authorize the
 16 local board of education to operate the school with the same exemptions
 17 from statutes and rules as a charter school authorized under Part 6A of
 18 Article 16 of this Chapter, or under the management of an educational
 19 management organization that has been selected through a rigorous review
 20 process. A school operated under this subdivision remains under the control
 21 of the local board of education, and employees assigned to the school are
 22 employees of the local school administrative unit with the protections
 23 provided by ~~G.S. 115C-325~~. Part 3 of Article 22 of this Chapter."

24 **SECTION 14.(f)** G.S. 115C-105.38A(d) reads as rewritten:

25 "(d) Retesting; Dismissal. – Upon completion of the remediation plan required under
 26 subsection (c) of this section, the certified staff member shall take the general knowledge test a
 27 second time. If the certified staff member fails to acquire a passing score on the second test, the
 28 State Board shall begin a dismissal proceeding under
 29 ~~G.S. 115C-325(q)(2a)~~; G.S. 115C-325.13."

30 **SECTION 14.(g)** G.S. 115C-105.38A(f) reads as rewritten:

31 "(f) Other Actions Not Precluded. – Nothing in this section shall be construed to restrict
 32 or postpone the following actions:

- 33 (1) The dismissal of a principal under ~~G.S. 115C-325(q)(1)~~; G.S. 115C-325.12.
- 34 (2) The dismissal of a teacher, assistant principal, director, or supervisor under
 35 ~~G.S. 115C-325(q)(2)~~; G.S. 115C-325.13.
- 36 (3) The dismissal or demotion of ~~a career~~ an employee for any of the grounds
 37 listed under ~~G.S. 115C-325(e)~~; G.S. 115C-325.4.
- 38 (4) The nonrenewal of a school administrator's or ~~probationary~~ teacher's contract
 39 of ~~employment~~; or employment.
- 40 ~~(5) The decision to grant career status."~~

41 **SECTION 14.(h)** G.S. 115C-105.39 reads as rewritten:

42 "**§ 115C-105.39. Dismissal or removal of personnel; appointment of interim**
 43 **superintendent.**

44 (a) Within 30 days of the initial identification of a school as low-performing, whether
 45 by the local school administrative unit under G.S. 115C-105.37(a1) or by the State Board under
 46 G.S. 115C-105.37(a), the superintendent shall take one of the following actions concerning the
 47 school's principal: (i) recommend to the local board that the principal be retained in the same
 48 position, (ii) recommend to the local board that the principal be retained in the same position
 49 and a plan of remediation should be developed, (iii) recommend to the local board that the
 50 principal be transferred, or (iv) proceed under ~~G.S. 115C-325~~ G.S. 115C-325.4 to dismiss or
 51 demote the principal. The principal may be retained in the same position without a plan for

1 remediation only if the principal was in that position for no more than two years before the
2 school is identified as low-performing. The principal shall not be transferred to another
3 principal position unless (i) it is in a school classification in which the principal previously
4 demonstrated at least 2 years of success, (ii) there is a plan to evaluate and provide remediation
5 to the principal for at least one year following the transfer to assure the principal does not
6 impede student performance at the school to which the principal is being transferred; and (iii)
7 the parents of the students at the school to which the principal is being transferred are notified.
8 The principal shall not be transferred to another low-performing school in the local school
9 administrative unit. If the superintendent intends to recommend demotion or dismissal, the
10 superintendent shall notify the local board. Within 15 days of (i) receiving notification that the
11 superintendent intends to proceed under ~~G.S. 115C-325~~, G.S. 115C-325.4 or (ii) its decision
12 concerning the superintendent's recommendation, but no later than September 30, the local
13 board shall submit to the State Board a written notice of the action taken and the basis for that
14 action. If the State Board does not assign an assistance team to that school or if the State Board
15 assigns an assistance team to that school and the superintendent proceeds under
16 ~~G.S. 115C-325~~, G.S. 115C-325.4 to dismiss or demote the principal, then the State Board shall
17 take no further action. If the State Board assigns an assistance team to the school and the
18 superintendent is not proceeding under ~~G.S. 115C-325~~, G.S. 115C-325.4 to dismiss or demote
19 the principal, then the State Board shall vote to accept, reject, or modify the local board's
20 recommendations. The State Board shall notify the local board of its action within five days. If
21 the State Board rejects or modifies the local board's recommendations and does not recommend
22 dismissal of the principal, the State Board's notification shall include recommended action
23 concerning the principal's assignment or terms of employment. Upon receipt of the State
24 Board's notification, the local board shall implement the State Board's recommended action
25 concerning the principal's assignment or terms of employment unless the local board asks the
26 State Board to reconsider that recommendation. The State Board shall provide an opportunity
27 for the local board to be heard before the State Board acts on the local board's request for a
28 reconsideration. The State Board shall vote to affirm or modify its original recommended
29 action and shall notify the local board of its action within five days. Upon receipt of the State
30 Board's notification, the local board shall implement the State Board's final recommended
31 action concerning the principal's assignment or terms of employment. If the State Board rejects
32 or modifies the local board's action and recommends dismissal of the principal, the State Board
33 shall proceed under ~~G.S. 115C-325(q)(1)~~, G.S. 115C-325.12.

34 (b) The State Board shall proceed under ~~G.S. 115C-325(q)(2)~~, G.S. 115C-325.13 for the
35 dismissal of teachers, assistant principals, directors, and supervisors assigned to a school
36 identified as low-performing in accordance with ~~G.S. 115C-325(q)(2)~~, G.S. 115C-325.13.

37"

38 **SECTION 14.(i)** G.S. 115C-238.29F(e)(3) reads as rewritten:

39 "(3) If a teacher employed by a local school administrative unit makes a written
40 request for a leave of absence to teach at a charter school, the local school
41 administrative unit shall grant the leave for one year. For the initial year of a
42 charter school's operation, the local school administrative unit may require
43 that the request for a leave of absence be made up to 45 days before the
44 teacher would otherwise have to report for duty. After the initial year of a
45 charter school's operation, the local school administrative unit may require
46 that the request for a leave of absence be made up to 90 days before the
47 teacher would otherwise have to report for duty. A local board of education
48 is not required to grant a request for a leave of absence or a request to extend
49 or renew a leave of absence for a teacher who previously has received a
50 leave of absence from that school board under this subdivision. A teacher
51 who has ~~career status under G.S. 115C-325~~ prior to receiving received a

1 leave of absence to teach at a charter school may return to a public school in
 2 the local school administrative unit ~~with career status~~ at the end of the leave
 3 of absence or upon the end of employment at the charter school if an
 4 appropriate position is available. ~~If an appropriate position is unavailable,~~
 5 ~~the teacher's name shall be placed on a list of available teachers and that~~
 6 ~~teacher shall have priority on all positions for which that teacher is qualified~~
 7 ~~in accordance with G.S. 115C-325(e)(2)."~~

8 **SECTION 14.(j)** G.S. 115C-238.68(3) reads as rewritten:

9 "(3) ~~Career status.~~ Leave of absence from local school administrative unit. –
 10 ~~Employees of the board of directors shall not be eligible for career status.~~ If
 11 a teacher employed by a local school administrative unit makes a written
 12 request for a leave of absence to teach at the regional school, the local school
 13 administrative unit shall grant the leave for one year. For the initial year of
 14 the regional school's operation, the local school administrative unit may
 15 require that the request for a leave of absence be made up to 45 days before
 16 the teacher would otherwise have to report for duty. After the initial year of
 17 the regional school's operation, the local school administrative unit may
 18 require that the request for a leave of absence be made up to 90 days before
 19 the teacher would otherwise have to report for duty. A local board of
 20 education is not required to grant a request for a leave of absence or a
 21 request to extend or renew a leave of absence for a teacher who previously
 22 has received a leave of absence from that school board under this
 23 subdivision. A teacher who has ~~career status under G.S. 115C-325~~ prior to
 24 ~~receiving~~ received a leave of absence to teach at the regional school may
 25 return to a public school in the local school administrative unit ~~with career~~
 26 ~~status~~ at the end of the leave of absence or upon the end of employment at
 27 the regional school if an appropriate position is available. ~~If an appropriate~~
 28 ~~position is unavailable, the teacher's name shall be placed on a list of~~
 29 ~~available teachers in accordance with G.S. 115C-325(e)(2)."~~

30 **SECTION 14.(k)** G.S. 115C-276(l) reads as rewritten:

31 "(l) To Maintain Personnel Files and to Participate in Firing and Demoting of Staff. –
 32 The superintendent shall maintain in his or her office a personnel file for each teacher that
 33 contains complaints, commendations, or suggestions for correction or improvement about the
 34 teacher and shall participate in the firing and demoting of staff, as provided in
 35 G.S. 115C-325, Part 3 of Article 22 of this Chapter."

36 **SECTION 14.(l)** G.S. 115C-285(7) reads as rewritten:

37 "(7) All persons employed as principals in the schools and institutions listed in
 38 ~~subsection (p) of G.S. 115C-325~~ G.S. 115C-325.10 shall be compensated at
 39 the same rate as are teachers in the public schools in accordance with the
 40 salary schedule adopted by the State Board of Education."

41 **SECTION 14.(m)** G.S. 115C-287.1 reads as rewritten:

42 **§ 115C-287.1. Method of employment of principals, assistant principals, supervisors,**
 43 **and directors.**

- 44 (a) (1) ~~Beginning July 1, 1995, all~~ All persons employed as school administrators
 45 shall be employed pursuant to this section.
 46 (2) ~~Notwithstanding G.S. 115C-287.1(a)(1), the following school administrators~~
 47 ~~shall be employed pursuant to G.S. 115C-325:~~
 48 a. ~~School administrators who, as of July 1, 1995, are serving in a~~
 49 ~~principal or supervisor position with career status in that position;~~
 50 ~~and~~

~~b. School administrators who, as of July 1, 1995, are serving in a principal or supervisor position and who are eligible to achieve career status on or before June 30, 1997.~~

~~A school administrator shall cease to be employed pursuant to G.S. 115C 325 if the school administrator: (i) voluntarily relinquishes career status or the opportunity to achieve career status through promotion, resignation, or otherwise; or (ii) is dismissed or demoted or whose contract is not renewed pursuant to G.S. 115C 325.~~

(3) For purposes of this section, school administrator means a:

- a. Principal;
- b. Assistant principal;
- c. Supervisor; or
- d. Director,

whose major function includes the direct or indirect supervision of teaching or of any other part of the instructional program.

~~(4) Nothing in this section shall be construed to confer career status on any assistant principal or director, or to make an assistant principal eligible for career status as an assistant principal or a director eligible for career status as a director.~~

(b) Local boards of education shall employ school administrators ~~who are ineligible for career status as provided in G.S. 115C 325(e)(3),~~ upon the recommendation of the superintendent. The initial contract between a school administrator and a local board of education shall be for two to four years, ending on June 30 of the final 12 months of the contract. In the case of a subsequent contract between a principal or assistant principal and a local board of education, the contract shall be for a term of four years. In the case of an initial contract between a school administrator and a local board of education, the first year of the contract may be for a period of less than 12 months provided the contract becomes effective on or before September 1. A local board of education may, with the written consent of the school administrator, extend, renew, or offer a new school administrator's contract at any time after the first 12 months of the contract so long as the term of the new, renewed, or extended contract does not exceed four years. Rolling annual contract renewals are not allowed. Nothing in this section shall be construed to prohibit the filling of an administrative position on an interim or temporary basis.

(c) The term of employment shall be stated in a written contract that shall be entered into between the local board of education and the school administrator. The school administrator shall not be dismissed or demoted during the term of the contract except for the grounds and by the procedure by which a ~~career~~ teacher may be dismissed or demoted for cause as set forth in ~~G.S. 115C 325~~. G.S. 115C-325.4.

(d) If a superintendent intends to recommend to the local board of education that the school administrator be offered a new, renewed, or extended contract, the superintendent shall submit the recommendation to the local board for action. The local board may approve the superintendent's recommendation or decide not to offer the school administrator a new, renewed, or extended school administrator's contract.

If a superintendent decides not to recommend that the local board of education offer a new, renewed, or extended school administrator's contract to the school administrator, the superintendent shall give the school administrator written notice of his or her decision ~~and the reasons for his or her decision~~ no later than May 1 of the final year of the contract. ~~The superintendent's reasons may not be arbitrary, capricious, discriminatory, personal, or political.~~ No action by the local board or further notice to the school administrator shall be necessary unless the school administrator files with the superintendent a written request, within 10 days of receipt of the superintendent's decision, for a hearing before the local board. ~~Failure to file a~~

1 timely request for a hearing shall result in a waiver of the right to appeal the superintendent's
2 decision. If a school administrator files a timely request for a hearing, the local board shall
3 conduct a hearing pursuant to the provisions of G.S. 115C-45(c) and make a final decision on
4 whether to offer the school administrator a new, renewed, or extended school administrator's
5 contract.

6 If the local board decides not to offer the school administrator a new, renewed, or extended
7 school administrator's contract, the local board shall notify the school administrator of its
8 decision by June 1 of the final year of the contract. A decision not to offer the school
9 administrator a new, renewed, or extended contract may not be for any cause ~~that is not~~
10 ~~arbitrary, capricious, discriminatory, personal, or political, prohibited by State or federal law.~~
11 ~~The local board's decision not to offer the school administrator a new, renewed, or extended~~
12 ~~school administrator's contract is subject to judicial review in accordance with Article 4 of~~
13 ~~Chapter 150B of the General Statutes.~~

14 (e) Repealed by Session Laws 1995, c. 369, s. 1.

15 (f) If the superintendent or the local board of education fails to notify a school
16 administrator by June 1 of the final year of the contract that the school administrator will not be
17 offered a new school administrator's contract, the school administrator shall be entitled to 30
18 days of additional employment or severance pay beyond the date the school administrator
19 receives written notice that a new contract will not be offered.

20 (g) ~~If, prior to appointment as a school administrator, the school administrator held~~
21 ~~career status as a teacher in the local school administrative unit in which he or she is employed~~
22 ~~as a school administrator, a school administrator shall retain career status as a teacher if the~~
23 ~~school administrator is not offered a new, renewed, or extended contract by the local board of~~
24 ~~education, unless the school administrator voluntarily relinquished that right or is dismissed or~~
25 ~~demoted pursuant to G.S. 115C-325.~~

26 (h) An individual who holds a provisional assistant principal's certificate and who is
27 employed as an assistant principal under G.S. 115C-284(c) shall be considered a school
28 administrator for purposes of this section. Notwithstanding subsection (b) of this section, a
29 local board may enter into one-year contracts with a school administrator who holds a
30 provisional assistant principal's certificate. ~~If the school administrator held career status as a~~
31 ~~teacher in the local school administrative unit prior to being employed as an assistant principal~~
32 ~~and the State Board for any reason does not extend the school administrator's provisional~~
33 ~~assistant principal's certificate, the school administrator shall retain career status as a teacher~~
34 ~~unless the school administrator voluntarily relinquished that right or is dismissed or demoted~~
35 ~~under G.S. 115C-325. Nothing in this subsection or G.S. 115C-284(c) shall be construed to~~
36 ~~require a local board to extend or renew the contract of a school administrator who holds a~~
37 ~~provisional assistant principal's certificate."~~

38 **SECTION 14.(n)** G.S. 115C-288(g) reads as rewritten:

39 "(g) To Report Certain Acts to Law Enforcement and the Superintendent. – When the
40 principal has personal knowledge, a reasonable belief, or actual notice from school personnel
41 that an act has occurred on school property involving assault resulting in serious personal
42 injury, sexual assault, sexual offense, rape, kidnapping, indecent liberties with a minor, assault
43 involving the use of a weapon, possession of a firearm in violation of the law, possession of a
44 weapon in violation of the law, or possession of a controlled substance in violation of the law,
45 the principal shall immediately report the act to the appropriate local law enforcement agency.

46 A principal who willfully fails to make a report to law enforcement required by this
47 subsection may be subject to demotion or dismissal pursuant to
48 ~~G.S. 115C-325.~~G.S. 115C-325.4.

49 Notwithstanding any other provision of law, the State Board of Education shall not require
50 the principal to report to law enforcement acts in addition to those required to be reported by
51 this subsection.

1 For purposes of this subsection, "school property" shall include any public school building,
2 bus, public school campus, grounds, recreational area, or athletic field, in the charge of the
3 principal.

4 The principal or the principal's designee shall notify the superintendent or the
5 superintendent's designee in writing or by electronic mail regarding any report made to law
6 enforcement under this subsection. This notification shall occur by the end of the workday in
7 which the incident occurred when reasonably possible but not later than the end of the
8 following workday. The superintendent shall provide the information to the local board of
9 education.

10 Nothing in this subsection shall be interpreted to interfere with the due process rights of
11 school employees or the privacy rights of students."

12 **SECTION 14.(o)** G.S. 115C-304 is repealed.

13 **SECTION 14.(p)** G.S. 115C-333 reads as rewritten:

14 **"§ 115C-333. Evaluation of licensed employees including certain superintendents;
15 mandatory improvement plans; State board notification upon dismissal of
16 employees.**

17 (a) Annual Evaluations; Low-Performing Schools. – Local school administrative units
18 shall evaluate at least once each year all licensed employees assigned to a school that has been
19 identified as low-performing. The evaluation shall occur early enough during the school year to
20 provide adequate time for the development and implementation of a mandatory improvement
21 plan if one is recommended under subsection (b) of this section. If the employee is a teacher as
22 defined under ~~G.S. 115C-325(a)(6)~~, G.S. 115C-325.1(5), either the principal, the assistant
23 principal who supervises the teacher, or an assistance team assigned under G.S. 115C-105.38
24 shall conduct the evaluation. If the employee is a school administrator as defined under
25 G.S. 115C-287.1(a)(3), either the superintendent or the superintendent's designee shall conduct
26 the evaluation.

27 All teachers in low-performing schools who have ~~not attained career status~~ been employed
28 for less than three consecutive years shall be observed at least three times annually by the
29 principal or the principal's designee and at least once annually by a teacher and shall be
30 evaluated at least once annually by a principal. This section shall not be construed to limit the
31 duties and authority of an assistance team assigned to a low-performing school under
32 G.S. 115C-105.38.

33 A local board shall use the performance standards and criteria adopted by the State Board
34 and may adopt additional evaluation criteria and standards. All other provisions of this section
35 shall apply if a local board uses an evaluation other than one adopted by the State Board.

36 (b) Mandatory Improvement Plans. –

37 (1) Repealed by Session Laws 2011-348, s. 2, effective July 1, 2011, and
38 applicable to persons recommended for dismissal or demotion on or after
39 that date.

40 (1a) A mandatory improvement plan is an instrument designed to improve a
41 teacher's performance or the performance of any licensed employee in a
42 low-performing school by providing the individual with notice of specific
43 performance areas that have substantial deficiencies and a set of strategies,
44 including the specific support to be provided to the individual, so that the
45 individual, within a reasonable period of time, should satisfactorily resolve
46 such deficiencies.

47 (2) Repealed by Session Laws 2011-348, s. 2, effective July 1, 2011, and
48 applicable to persons recommended for dismissal or demotion on or after
49 that date.

50 (2a) If a licensed employee in a low-performing school receives a rating on any
51 standard on an evaluation that is below proficient or otherwise represents

1 unsatisfactory or below standard performance in an area that the licensed
2 employee was expected to demonstrate, the individual or team that
3 conducted the evaluation shall recommend to the superintendent that (i) the
4 employee receive a mandatory improvement plan designed to improve the
5 employee's ~~performance or performance~~, (ii) the superintendent recommend
6 to the local board that the ~~employee be dismissed or demoted~~employee's
7 contract not be recommended for renewal, or (iii) if the employee engaged in
8 inappropriate conduct or performed inadequately to such a degree that such
9 conduct or performance causes substantial harm to the educational
10 environment that a proceeding for immediate dismissal or demotion be
11 instituted. If the individual or team that conducted the evaluation elects not
12 to make ~~either any~~ of the above recommendations, the said individual or
13 team shall notify the superintendent of this decision. The superintendent
14 shall determine whether to develop a mandatory improvement ~~plan~~plan, to
15 not recommend renewal of the employee's contract, or to recommend a
16 dismissal proceeding.

17 (3) If at any time a licensed employee engages in inappropriate conduct or
18 performs inadequately to such a degree that such conduct or performance
19 causes substantial harm to the educational environment, and immediate
20 dismissal or demotion is not appropriate, then the principal may immediately
21 institute a mandatory improvement plan regardless of any ratings on
22 previous evaluations. The principal shall document the exigent reason for
23 immediately instituting such a plan.

24 (4) Mandatory improvement plans shall be developed by the person who
25 evaluated the licensed employee or the employee's supervisor unless the
26 evaluation was conducted by an assistance team. If the evaluation was
27 conducted by an assistance team, that team shall develop the mandatory
28 improvement plan in collaboration with the employee's supervisor.
29 Mandatory improvement plans shall be designed to be completed within 90
30 instructional days or before the beginning of the next school year. The State
31 Board shall develop guidelines that include strategies to assist local boards
32 in evaluating licensed employees and developing effective mandatory
33 improvement plans within the time allotted under this section. Local boards
34 may adopt policies for the development and implementation of mandatory
35 improvement plans and policies for the implementation of monitored and
36 directed growth plans.

37 (c) Reassessment of Employee in a Low-Performing School. – After the expiration of
38 the time period for the mandatory improvement plan under subdivision (2a) of subsection (b) of
39 this section, the superintendent, the superintendent's designee, or the assistance team shall
40 assess the performance of the employee of the low-performing school a second time. If the
41 superintendent, superintendent's designee, or assistance team determines that the employee has
42 failed to become proficient in any of the performance standards articulated in the mandatory
43 improvement plan or demonstrate sufficient improvement toward such standards, the
44 superintendent shall recommend that the ~~employee~~employee's contract not be renewed, or that
45 the employee be immediately dismissed or demoted under G.S. 115C-325.G.S. 115C-325.4.
46 The results of the second assessment shall constitute substantial evidence of the employee's
47 inadequate performance.

48 (d) State Board Notification. – If a local board dismisses an employee of a
49 low-performing school ~~for any reason~~for cause or elects to not renew an employee's contract as
50 a result of a superintendent's recommendation under subsection (b) or (c) of this section, except
51 a reduction in force under G.S. 115C-325(e)(1)l., it shall notify the State Board of the action,

1 and the State Board annually shall provide to all local boards the names of those individuals. If
2 a local board hires one of these individuals, within 60 days the superintendent or the
3 superintendent's designee shall observe the employee, develop a mandatory improvement plan
4 to assist the employee, and submit the plan to the State Board. The State Board shall review the
5 mandatory improvement plan and may provide comments and suggestions to the
6 superintendent. If on the next evaluation the employee receives a rating on any standard that
7 was identified as an area of concern on the mandatory improvement plan that is again below
8 proficient or otherwise represents unsatisfactory or below standard performance, the local
9 board shall notify the State Board and the State Board shall initiate a proceeding to revoke the
10 employee's license under G.S. 115C-296(d). If on this next evaluation the employee receives at
11 least a proficient rating on all of the performance standards that were identified as areas of
12 concern on the mandatory improvement plan, the local board shall notify the State Board that
13 the employee is in good standing and the State Board shall not continue to provide the
14 individual's name to local boards under this subsection unless the employee is subsequently
15 dismissed under ~~G.S. 115C-325~~ except for a reduction in force. G.S. 115C-325.4.

16"

17 **SECTION 14.(q)** G.S. 115C-333.1 reads as rewritten:

18 **"§ 115C-333.1. Evaluation of teachers in schools not identified as low-performing;**
19 **mandatory improvement plans; State Board notification upon dismissal of**
20 **teachers.**

21 (a) Annual Evaluations. – All teachers who are assigned to schools that are not
22 designated as low-performing and who have not ~~attained career status~~ been employed for at
23 least three consecutive years shall be observed at least three times annually by the principal or
24 the principal's designee and at least once annually by a teacher and shall be evaluated at least
25 once annually by a principal. All teachers ~~with career status~~ who have been employed for three
26 or more years who are assigned to schools that are not designated as low-performing shall be
27 evaluated annually unless a local board adopts rules that allow teachers ~~with career~~
28 ~~status~~ employed for three or more years to be evaluated more or less frequently, provided that
29 such rules are not inconsistent with State or federal requirements. Local boards also may adopt
30 rules requiring the annual evaluation of nonlicensed employees. A local board shall use the
31 performance standards and criteria adopted by the State Board and may adopt additional
32 evaluation criteria and standards. All other provisions of this section shall apply if a local board
33 uses an evaluation other than one adopted by the State Board.

34 (b) Mandatory Improvement Plans for Teachers. – If, in an observation report or
35 year-end evaluation, a teacher receives a rating that is below proficient or otherwise represents
36 unsatisfactory or below standard performance on any standard that the teacher was expected to
37 demonstrate, the principal may place the teacher on a mandatory improvement plan as defined
38 in G.S. 115C-333(b)(1a). The mandatory improvement plan shall be utilized only if the
39 superintendent or superintendent's designee determines that an individual, monitored, or
40 directed growth plan will not satisfactorily address the deficiencies.

41 If at any time a teacher engages in inappropriate conduct or performs inadequately to such a
42 degree that such conduct or performance causes substantial harm to the educational
43 environment, and immediate dismissal or demotion is not appropriate, then the principal may
44 immediately institute a mandatory improvement plan regardless of any ratings on previous
45 evaluations. The principal shall document the exigent reason for immediately instituting such a
46 plan. The mandatory improvement plan shall be developed by the principal in consultation with
47 the teacher. The teacher shall have five instructional days from receipt of the proposed
48 mandatory improvement plan to request a modification of such plan before it is implemented,
49 and the principal shall consider such suggested modifications before finalizing the plan. The
50 teacher shall have at least 60 instructional days to complete the mandatory improvement plan.
51 The State Board shall develop guidelines that include strategies to assist local boards in

1 evaluating teachers and developing effective mandatory improvement plans. Local boards may
2 adopt policies for the implementation of mandatory improvement plans under this section.

3 (c) Observation by a Qualified Observer. –

4 (1) The term "qualified observer" as used in this section is any administrator or
5 teacher who is licensed by the State Board of Education and working in
6 North Carolina; any employee of the North Carolina Department of Public
7 Instruction who is trained in evaluating licensed employees; or any instructor
8 or professor who teaches in an accredited North Carolina school of
9 education and holds an educator's license.

10 (2) The local board of education shall create a list of qualified observers who are
11 employed by that board and available to do observations of employees on
12 mandatory improvement plans. This list shall be limited to names of
13 administrators and teachers selected by the local board of education. The
14 local board of education shall strive to select administrators and teachers
15 with excellent reputations for competence and fairness.

16 (3) Any teacher, other than a teacher assigned to a school designated as
17 low-performing, who has been placed on a mandatory improvement plan
18 shall have a right to be observed by a qualified observer in the area or areas
19 of concern identified in the mandatory improvement plan. The affected
20 teacher and the principal shall jointly choose the qualified observer within
21 20 instructional days after the commencement of the mandatory
22 improvement plan. If the teacher and the principal cannot agree on a
23 qualified observer within this time period, they each shall designate a person
24 from the list of qualified observers created pursuant to subdivision (2) of this
25 subsection, and these two designated persons shall choose a qualified
26 observer within five instructional days of their designation. The qualified
27 observer shall draft a written report assessing the teacher in the areas of
28 concern identified in the mandatory improvement plan. The report shall be
29 submitted to the principal before the end of the mandatory improvement plan
30 period. If a teacher or administrator from the same local school
31 administrative unit is selected to serve as the qualified observer, the
32 administration of the local school administrative unit shall provide such
33 qualified observer with the time necessary to conduct the observation and
34 prepare a report. If someone who is not employed by the same local school
35 administrative unit is selected to serve as the qualified observer, the teacher
36 who is the subject of the mandatory improvement plan will be responsible
37 for any expenses related to the observations and reports prepared by the
38 qualified observer. The qualified observer shall not unduly disrupt the
39 classroom when conducting an observation.

40 (4) No local board of education or employee of a local board of education shall
41 discharge, threaten, or otherwise retaliate against another employee of the
42 board regarding that employee's compensation, terms, conditions, location,
43 or privileges of employment because of the employee's service or
44 completion of a report as an objective observer pursuant to this subsection,
45 unless the employee's report contained material information that the
46 employee knew was false.

47 (d) Reassessment of the Teacher. – Upon completion of a mandatory improvement plan
48 under subsection (b) of this section, the principal shall assess the performance of the teacher a
49 second time. The principal shall also review and consider any report provided by the qualified
50 observer under subsection (c) of this section if one has been submitted before the end of the
51 mandatory improvement plan period. If, after the second assessment of the teacher and

1 consideration of any report from the qualified observer, the superintendent or superintendent's
2 designee determines that the teacher has failed to become proficient in any of the performance
3 standards identified as deficient in the mandatory improvement plan or demonstrate sufficient
4 improvement toward such standards, the superintendent may recommend that the teacher's
5 contract not be renewed, or if the teacher has engaged in inappropriate conduct or performed
6 inadequately to such a degree that such conduct or performance causes substantial harm to the
7 educational environment, that the teacher be immediately dismissed or demoted under
8 G.S. 115C-325.G.S. 115C-325.4. The results of the second assessment produced pursuant to
9 the terms of this subsection shall constitute substantial evidence of the teacher's inadequate
10 performance.

11 (e) Dismissal Proceedings Without a Mandatory Improvement Plan. – The absence of a
12 mandatory improvement plan as described in this section shall not prohibit a superintendent
13 from initiating a dismissal proceeding against a teacher under the provisions of
14 G.S. 115C-325.G.S. 115C-325.4. However, the superintendent shall not be entitled to the
15 substantial evidence provision in subsection (d) of this section if such mandatory improvement
16 plan is not utilized.

17 (f) State Board Notification. – If a local board dismisses a teacher for cause or elects to
18 not renew an employee's contract as a result of a superintendent's recommendation under
19 subsection (d) of this section, for any reason except a reduction in force under
20 G.S. 115C-325(e)(1)I., it shall notify the State Board of the action, and the State Board annually
21 shall provide to all local boards the names of those teachers. If a local board hires one of these
22 teachers, within 60 days the superintendent or the superintendent's designee shall observe the
23 teacher, develop a mandatory improvement plan to assist the teacher, and submit the plan to the
24 State Board. The State Board shall review the mandatory improvement plan and may provide
25 comments and suggestions to the superintendent. If on the next evaluation the teacher receives
26 a rating on any standard that was an area of concern on the mandatory improvement plan that is
27 again below proficient or a rating that otherwise represents unsatisfactory or below standard
28 performance, the local board shall notify the State Board, and the State Board shall initiate a
29 proceeding to revoke the teacher's license under G.S. 115C-296(d). If on the next evaluation the
30 teacher receives at least a proficient rating on all of the overall performance standards that were
31 areas of concern on the mandatory improvement plan, the local board shall notify the State
32 Board that the teacher is in good standing, and the State Board shall not continue to provide the
33 teacher's name to local boards under this subsection unless the teacher is subsequently
34 dismissed under G.S. 115C-325.G.S. 115C-325.4. except for a reduction in force. If, however,
35 on this next evaluation the teacher receives a developing rating on any standards that were
36 areas of concern on the mandatory improvement plan, if the local board elects to renew the
37 teacher's contract and the teacher shall have one more year to bring the rating to proficient. If,
38 by the end of this second year, the teacher is not proficient in all standards that were areas of
39 concern on the mandatory improvement plan, the local board shall notify the State Board, and
40 the State Board shall initiate a proceeding to revoke the teacher's license under
41 G.S. 115C-296(d).

42"

43 **SECTION 14.(r)** G.S. 115C-335(b) reads as rewritten:

44 "(b) Training. – The State Board, in collaboration with the Board of Governors of The
45 University of North Carolina, shall develop programs designed to train principals and
46 superintendents in the proper administration of the employee evaluations developed by the
47 State Board. The Board of Governors shall use the professional development programs for
48 public school employees that are under its authority to make this training available to all
49 principals and superintendents at locations that are geographically convenient to local school
50 administrative units. The programs shall include methods to determine whether an employee's
51 performance has improved student learning, the development and implementation of

1 appropriate professional growth and mandatory improvement plans, the process for contract
2 nonrenewal, and the dismissal process under ~~G.S. 115C-325~~. Part 3 of Article 22 of this
3 Chapter. The Board of Governors shall ensure that the subject matter of the training programs
4 is incorporated into the masters in school administration programs offered by the constituent
5 institutions. The State Board, in collaboration with the Board of Governors, also shall develop
6 in-service programs for licensed public school employees that may be included in a mandatory
7 improvement plan created under G.S. 115C-333(b) or G.S. 115C-333.1(b). The Board of
8 Governors shall use the professional development programs for public school employees that
9 are under its authority to make this training available at locations that are geographically
10 convenient to local school administrative units."

11 **SECTION 14.(s)** Article 23 of Chapter 115C of the General Statutes is amended
12 by adding a new section to read:

13 **"§ 115C-344. Employment benefits for exchange teachers.**

14 An exchange teacher is a nonimmigrant alien teacher participating in an exchange visitor
15 program designated by the United States Department of State pursuant to 22 C.F.R. Part 62 or
16 by the United States Department of Homeland Security pursuant to 8 C.F.R. Part 214.2(q). For
17 purposes of determining eligibility to receive employment benefits under this Chapter,
18 including personal leave, annual vacation leave, and sick leave, an exchange teacher shall be
19 considered a permanent teacher if employed with the expectation of at least six full consecutive
20 monthly pay periods of employment and if employed at least 20 hours per week. An exchange
21 teacher is not a teacher for purposes of the Teachers' and State Employees' Retirement System
22 of North Carolina as provided in G.S. 135-1(25)."

23 **SECTION 14.(t)** G.S. 115C-404(b) reads as rewritten:

24 "(b) Documents received under this section shall be used only to protect the safety of or
25 to improve the education opportunities for the student or others. Information gained in
26 accordance with G.S. 7B-3100 shall not be the sole basis for a decision to suspend or expel a
27 student. Upon receipt of each document, the principal shall share the document with those
28 individuals who have (i) direct guidance, teaching, or supervisory responsibility for the student,
29 and (ii) a specific need to know in order to protect the safety of the student or others. Those
30 individuals shall indicate in writing that they have read the document and that they agree to
31 maintain its confidentiality. Failure to maintain the confidentiality of these documents as
32 required by this section is grounds for the dismissal ~~of an employee who is not a career~~
33 ~~employee and is grounds for dismissal of an employee who is a career employee,~~ in accordance
34 with ~~G.S. 115C-325(e)(1)~~ G.S. 115C-325.4(a)(9)."

35 **SECTION 14.(u)** G.S. 143B-146.7(b) reads as rewritten:

36 "(b) At any time after the State Board identifies a school as low-performing under this
37 Part, the ~~Secretary State Board~~ shall proceed under ~~G.S. 115C-325(p1)~~ G.S. 115C-325.11 for
38 the dismissal of certificated instructional personnel assigned to that school."

39 **SECTION 14.(v)** G.S. 143B-146.8 reads as rewritten:

40 **"§ 143B-146.8. Evaluation of ~~certificated~~ licensed personnel and principals; action plans;**
41 **State Board notification.**

42 (a) Annual Evaluations; Low-Performing Schools. – The principal shall evaluate at
43 least once each year all ~~certificated~~ licensed personnel assigned to a participating school that
44 has been identified as low-performing but has not received an assistance team. The evaluation
45 shall occur early enough during the school year to provide adequate time for the development
46 and implementation of an action plan if one is recommended under subsection (b) of this
47 section. If the employee is a teacher as defined under ~~G.S. 115C-325(a)(6)~~, G.S. 115C-325.1(5),
48 either the principal or an assessment team assigned under G.S. 143B-146.9 shall conduct the
49 evaluation. If the employee is a school administrator as defined under G.S. 115C-287.1(a)(3),
50 the Superintendent shall conduct the evaluation.

1 Notwithstanding this subsection or any other law, the principal shall observe at least three
2 times annually, a teacher shall observe at least once annually, and the principal shall evaluate at
3 least once annually, all teachers who have ~~not attained career status~~ been employed for less
4 than three consecutive years. All other employees who have been employed for three or more
5 years and are defined as teachers under ~~G.S. 115C-325(a)(6)~~ G.S. 115C-325.1(5) who are
6 assigned to participating schools that are not designated as low-performing shall be evaluated
7 annually unless the Secretary adopts rules that allow specified categories of teachers with
8 ~~career status~~ three or more years of employment to be evaluated more or less frequently. The
9 Secretary also may adopt rules requiring the annual evaluation of ~~noncertificated-nonlicensed~~
10 personnel. This section shall not be construed to limit the duties and authority of an assistance
11 team assigned to a low-performing school.

12 The Secretary shall use the State Board's performance standards and criteria unless the
13 Secretary develops an alternative evaluation that is properly validated and that includes
14 standards and criteria similar to those adopted by the State Board. All other provisions of this
15 section shall apply if an evaluation is used other than one adopted by the State Board.

16 (b) Action Plans. – If a ~~certificated-licensed~~ employee in a participating school that has
17 been identified as low-performing receives an unsatisfactory or below standard rating on any
18 function of the evaluation that is related to the employee's instructional duties, the individual or
19 team that conducted the evaluation shall recommend to the principal that: (i) the employee
20 receive an action plan designed to improve the employee's performance; (ii) the employee's
21 contract not be recommended for renewal, or (iii) if the employee engages in inappropriate
22 conduct or performs inadequately to such a degree that such conduct or performance causes
23 substantial harm to the educational environment that a proceeding for immediate dismissal or
24 demotion be instituted. ~~or (ii) the principal recommend to the Secretary that the employee be~~
25 ~~dismissed or demoted.~~ The principal shall determine whether to develop an action ~~plan~~ plan, to
26 not recommend renewal of the employee's contract, or to recommend a dismissal proceeding.
27 The person who evaluated the employee or the employee's supervisor shall develop the action
28 plan unless an assistance team or assessment team conducted the evaluation. If an assistance
29 team or assessment team conducted the evaluation, that team shall develop the action plan in
30 collaboration with the employee's supervisor. Action plans shall be designed to be completed
31 within 90 instructional days or before the beginning of the next school year. The State Board, in
32 consultation with the Secretary, shall develop guidelines that include strategies to assist in
33 evaluating ~~certificated-licensed~~ personnel and developing effective action plans within the time
34 allotted under this section. The Secretary may adopt policies for the development and
35 implementation of action plans or professional development plans for personnel who do not
36 require action plans under this section.

37 (c) Reevaluation. – Upon completion of an action plan under subsection (b) of this
38 section, the principal or the assessment team shall evaluate the employee a second time. If on
39 the second evaluation the employee receives one unsatisfactory or more than one below
40 standard rating on any function that is related to the employee's instructional duties, the
41 principal shall recommend that the employee's contract not be renewed, or if the employee
42 engages in inappropriate conduct or performs inadequately to such a degree that such conduct
43 or performance causes substantial harm to the educational environment, that the employee be
44 dismissed or demoted under G.S. 115C-325. ~~G.S. 115C-325.4.~~ The results of the second
45 evaluation shall constitute substantial evidence of the employee's inadequate performance.

46 (d) State Board Notification. – If the Secretary dismisses an employee for cause or
47 elects to not renew an employee's contract as a result of a superintendent's recommendation
48 under subsection (b) or (c) of this section, ~~any reason except a reduction in force under~~
49 ~~G.S. 115C-325(e)(1)~~, the Secretary shall notify the State Board of the action, and the State
50 Board annually shall provide to all local boards of education the names of those individuals. If

1 a local board hires one of these individuals, that local board shall proceed under
2 G.S. 115C-333(d).

3"

4 **SECTION 14.(w)** Notwithstanding the requirements for terms of contracts in
5 G.S. 115C-325.3, for the 2012-2013 school year all teachers shall be employed on a contract
6 for a term of one year. This section becomes effective July 1, 2012, and applies to all school
7 employees employed on or after that date.

8
9 **PART XV. ELIMINATION OF PUBLIC FINANCING FOR SUPERINTENDENT OF**
10 **PUBLIC INSTRUCTION**

11 **SECTION 15.(a)** G.S. 163-278.95 reads as rewritten:

12 "**§ 163-278.95. Purpose and establishment of Voter-Owned Elections Act.**

13 The purpose of this Article is to ensure the vitality and fairness of democratic elections in
14 North Carolina to the end that any eligible citizen of this State can realistically choose to seek
15 and run for public office. It is also the purpose of this Article to protect the constitutional rights
16 of voters and candidates from the detrimental effects of increasingly large amounts of money
17 being raised and spent in North Carolina to influence the outcome of elections. It is essential to
18 the public interest that the potential for corruption or the appearance of corruption is minimized
19 and that the equal and meaningful participation of all citizens in the democratic process is
20 ensured. Accordingly, this Article establishes the North Carolina Voter-Owned Elections Fund
21 as an alternative source of campaign financing for candidates who obtain a sufficient number of
22 qualifying contributions from registered voters and who voluntarily accept strict fund-raising
23 and spending limits. This Article is available to candidates for the Council of State offices of
24 ~~Auditor, Superintendent of Public Instruction, Auditor~~ and Commissioner of Insurance in
25 elections to be held in 2008 and thereafter."

26 **SECTION 15.(b)** G.S. 163-278.96(12) reads as rewritten:

27 "(12) Office. – The Council of State offices of ~~Auditor, Superintendent of Public~~
28 ~~Instruction, Auditor~~ and Commissioner of Insurance."

29 **SECTION 15.(c)** Within five business days of the effective day of this act, the
30 State Board of Elections shall notify any individual who is a candidate for Superintendent of
31 Public Instruction and who has filed a declaration of intent to participate in the program for
32 public financing through the North Carolina Voter-Owned Elections Fund that the candidate is
33 no longer eligible to participate in the program.

34 **SECTION 15.(d)** This section is effective when it becomes law and applies to
35 elections held on or after that date.

36
37 **PART XVI. EFFECTIVE DATE**

38 **SECTION 16.** Except as otherwise provided, this act is effective when it becomes
39 law.