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SESSION 2021

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HOUSE BILL 159
Committee Substitute Favorable 3/9/21
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Short Title: Education Law Changes.

(Public)

Sponsors:

Referred to:

March 1, 2021

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE VARIOUS CHANGES TO EDUCATION LAWS.

3 The General Assembly of North Carolina enacts:

4
5 **PART I. FLEXIBILITY FOR SCHOOL EMPLOYEES TO RECEIVE ANNUAL**
6 **SALARY IN 12 MONTHLY INSTALLMENTS THROUGH A PAYROLL DEDUCTION**
7 **PLAN**

8 **SECTION 1.(a)** G.S. 115C-302.1(b) reads as rewritten:

9 "(b) Salary Payments. – State-allotted teachers shall be paid for a term of 10 months.
10 Except for career and technical education agriculture teacher personnel positions as provided for
11 in this subsection, State-allotted months of employment for career and technical education to
12 local boards shall be used for the employment of teachers of career and technical education for a
13 term of employment to be determined by the local boards of education. Beginning with the
14 2018-2019 school year, career and technical education agriculture teacher personnel positions
15 serving students in grades nine through 12 shall be for a term of employment for 12 calendar
16 months. A local board of education may fund these positions using any combination of State
17 funds, local funds, or any other funds available to the local board.

18 ...

19 Any individual teacher who is not employed in a year-round school may be paid in 12
20 monthly installments if the teacher so requests on or before the first day of the school year. The
21 request shall be filed in the local school administrative unit which employs the teacher. Local
22 school administrative units shall fulfill this requirement through a payroll deduction plan. The
23 payment of the annual salary in 12 installments instead of 10 shall not increase or decrease the
24 teacher's annual salary nor in any other way alter the contract made between the teacher and the
25 local school administrative unit. Teachers employed for a period of less than 10 months shall not
26 receive their salaries in 12 installments.

27 Notwithstanding this subsection, the term "daily rate of pay" for the purpose of
28 G.S. 115C-12(8) or for any other law or policy governing pay or benefits based on the teacher
29 salary schedule shall not exceed one twenty-second of a teacher's monthly rate of pay."

30 **SECTION 1.(b)** G.S. 115C-316(a)(2) reads as rewritten:

31 "(2) School Employees Paid on an Hourly or Other Basis. – Salary payments to
32 employees other than those covered in G.S. 115C-272(b)(1), 115C-285(a)(1)
33 and (2), 115C-302.1(b) and 115C-316(a)(1) shall be made at a time



1 determined by each local board of education. Expenditures for the salary of
2 these employees from State funds shall be within allocations made by the State
3 Board of Education and in accordance with rules and regulations approved by
4 the State Board of Education concerning allocations of State funds: ~~Provided,~~
5 ~~that school funds.~~ School employees employed for a term of 10 calendar
6 months or 11 calendar months in year-round schools shall be paid in 12 equal
7 ~~installments: Provided further, that any~~ installments. Any individual school
8 employee employed for a term of 10 calendar months or 11 calendar months
9 who is not employed in a year-round school may be paid in 12 monthly
10 installments if the employee so requests on or before the first day of the school
11 year. Such request shall be filed in the administrative unit which employs the
12 employee. Local school administrative units shall fulfill this requirement
13 through a payroll deduction plan. The payment of the annual salary in 12
14 installments instead of 10 or 11 shall not increase or decrease said annual
15 salary nor in any other way alter the contract between the employee and the
16 said administrative unit. Employees may be prepaid on the set pay date for
17 days not yet worked. An employee who fails to attend scheduled workdays or
18 who has not worked the number of days for which the employee has been paid
19 and who resigns or is dismissed shall repay to the local board any salary
20 payments received for days not yet worked. An employee who has been
21 prepaid and who continues to be employed by a local board but fails to attend
22 scheduled workdays may be subject to dismissal or other appropriate
23 discipline. The daily rate of pay shall equal the number of weekdays in the
24 pay period. Included within the term of employment shall be provided for
25 full-time employees annual vacation leave at the same rate provided for State
26 employees, computed at one-twelfth (1/12) of the annual rate for State
27 employees for each calendar month of employment, to be taken under policies
28 determined by each local board of education. On a day that employees are
29 required to report for a workday but pupils are not required to attend school
30 due to inclement weather, an employee may elect not to report due to
31 hazardous travel conditions and to take one of his annual vacation days or to
32 make up the day at a time agreed upon by the employee and his immediate
33 supervisor or principal. On a day that school is closed to employees and pupils
34 due to inclement weather, the employee shall work on the scheduled makeup
35 day. Included within their term of employment, each local board of education
36 shall designate the same or an equivalent number of legal holidays occurring
37 within the period of employment as those designated by the State Human
38 Resources Commission for State employees."
39

40 PART II. REVISE STUDENT MEAL DEBT REPORT

41 **SECTION 2.** Section 2.3(a) of S.L. 2020-80 reads as rewritten:

42 "**SECTION 2.3.(a)** No later than October 15, ~~2021,~~ 2023, the State Board of Education shall
43 report to the Joint Legislative Education Oversight Committee on unpaid meal charges in local
44 school administrative units. At a minimum, the report shall include the following information:

- 45 (1) The percentage of students of all grade levels in each local school
46 administrative unit who (i) qualify for and participate in reduced-price meals
47 and (ii) do not carry an unpaid meal charge.
- 48 (2) The total amount of debt carried by each local school administrative unit
49 related to unpaid meal charges.
- 50 (3) Summaries of approaches adopted by each local school administrative unit
51 regarding unpaid meal charges.

- 1 (4) Options for a statewide policy on the uniform administration of unpaid meal
2 charges in local school administrative units. Every option shall ensure that
3 students are not prevented from receiving nutritious meals because of an
4 unpaid meal charge."
5

6 PART III. REVISE OPERATING BALANCE RESTRICTIONS FOR SCHOOL 7 NUTRITION PROGRAMS

8 SECTION 3.(a) G.S. 115C-450 reads as rewritten:

9 "§ 115C-450. School food services.

10 (a) School ~~food~~ nutrition services shall be included in the budget of each ~~local school~~
11 ~~administrative unit~~ public school unit that provides school nutrition services, and the State Board
12 of Education shall provide for school ~~food~~ nutrition services in the uniform budget format
13 required by G.S. 115C-426.

14 (b) No ~~local school administrative unit~~ public school unit that provides school nutrition
15 services shall assess indirect costs to a ~~child school~~ nutrition program unless the program has a
16 ~~minimum of one month's an~~ operating balance. ~~One month's operating balance shall be derived~~
17 ~~from net cash resources divided by one month's operating costs.~~ "Net cash resources" means all
18 ~~monies, as determined in accordance with the State agency's established accounting system, that~~
19 ~~are available to or have accrued to a school food authority's nonprofit child nutrition account at~~
20 ~~any given time, less cash payables and other liabilities. When calculating the average month's~~
21 ~~operating balance, the Department of Public Instruction shall use the complete and final figures~~
22 ~~obtained from the annual financial report from each child nutrition program's operation. An~~
23 ~~average month's operating balance shall be calculated and published by the Department of Public~~
24 ~~Instruction for each child nutrition program and shall be equal to the average of the three prior~~
25 ~~fiscal years' monthly operating balances.~~ balance of at least two months. The Department of
26 Public Instruction shall calculate the operating balance of a school nutrition program of a public
27 school unit that provides school nutrition services. If complete and final financial reports for a
28 given year are not yet available for a ~~child school~~ nutrition program, the Department of Public
29 Instruction may use projected ~~figures~~ figures, but shall update the published average month's
30 operating balance once complete and final financial reports become available. As used in this
31 subsection, the term "indirect costs" is as defined in the ~~United States Office of Budget and~~
32 ~~Management Circular A-87, as revised, and the term "net cash resources" is as defined in 7 C.F.R.~~
33 ~~§ 210.2.2 C.F.R. § 200.414.~~

34 (c) No public school unit that provides school nutrition services shall assess indirect costs
35 that are more than eight percent (8%) of a school nutrition program's annual budget per fiscal
36 year."

37 SECTION 3.(b) This section becomes effective July 1, 2021.

38 39 PART IV. CLARIFY CHARTER SCHOOL APPLICATION FEE

40 SECTION 4. G.S. 115C-218.1(c) reads as rewritten:

41 "(c) The State Board shall establish ~~reasonable fees of no less than five hundred dollars~~
42 ~~(\$500.00) and no more than one thousand dollars (\$1,000)~~ for initial and renewal charter
43 applications, in accordance with Article 2A of Chapter 150B of the General Statutes. No
44 application fee shall be refunded in the event the application is rejected or the charter is revoked."
45

46 PART V. STATE BOARD OF EDUCATION REQUIRED TO USE RULEMAKING TO 47 ADOPT STANDARDS

48 SECTION 5.(a) G.S. 115C-12 reads as rewritten:

49 "§ 115C-12. Powers and duties of the Board generally.

50 The general supervision and administration of the free public school system shall be vested
51 in the State Board of Education. The State Board of Education shall establish all needed rules

1 and regulations for the system of free public schools, subject to laws enacted by the General
2 Assembly. Except as otherwise provided by law, the State Board of Education shall adopt any
3 rules, regulations, policies, standards, or statements of general applicability in accordance with
4 Chapter 150B of the General Statutes. Any such rules, regulations, policies, standards, or
5 statements of general applicability are not valid unless they are adopted in substantial compliance
6 with Chapter 150B of the General Statutes. In accordance with Sections 7 and 8 of Article III of
7 the North Carolina Constitution, the Superintendent of Public Instruction, as an elected officer
8 and Council of State member, shall administer all needed rules and regulations adopted by the
9 State Board of Education through the Department of Public Instruction. The powers and duties
10 of the State Board of Education are defined as follows:

11"

12 **SECTION 5.(b)** Notwithstanding G.S. 150B-21.2, the current standards that make
13 up the standard course of study adopted pursuant to G.S. 115C-12(9c) and Part 1 of Article 8 of
14 Chapter 115C of the General Statutes, which are subject to rulemaking as provided in Chapter
15 150B of the General Statutes, shall be deemed permanent rules so long as they meet the following
16 criteria:

- 17 (1) The standards were adopted by the State Board of Education prior to January
18 1, 2021.
- 19 (2) The State Board of Education submits the standards to the Codifier of Rules
20 in accordance with the formatting requirements in 26 NCAC 02C no later than
21 60 days after this section becomes effective.

22 Permanent rules submitted in accordance with this subsection shall be effective on
23 the date they are submitted to the Codifier of Rules.

24 **SECTION 5.(c)** Any standards that make up the standard course of study that do not
25 meet the criteria of subsection (b) of this section shall not be deemed permanent rules and shall
26 be subject to the provisions of Chapter 150B of the General Statutes. The standard course of
27 study shall continue to be revised on the time line provided in the comprehensive plan developed
28 by the State Board of Education under G.S. 115C-12(9c) and in accordance with the rulemaking
29 process under Chapter 150B of the General Statutes.

30 **SECTION 5.(d)** When the Codifier of Rules enters the permanent rules submitted
31 pursuant to subsection (b) of this section into the North Carolina Administrative Code, the
32 Codifier shall publish notice of the permanent rules on the internet.

33 **SECTION 5.(e)** Section 3(b) of S.L. 2019-82 reads as rewritten:

34 "**SECTION 3.(b)** The requirements of G.S. 115C-81.45(d), as amended by subsection (a)
35 of this section, shall apply to all students entering the ninth grade in the ~~2021-2022~~ 2022-2023
36 school year."

37 **SECTION 5.(f)** This section is effective when it becomes law.

38 39 **PART VI. BONUSES FOR TEACHERS AND INSTRUCTIONAL SUPPORT** 40 **PERSONNEL IN SCHOOLS FOR STUDENTS WITH VISUAL AND HEARING** 41 **IMPAIRMENTS**

42 **SECTION 6.(a)** No later than 30 days after the date this act becomes law, the
43 Department of Public Instruction, within funds available, shall administer a one-time lump sum
44 bonus of three hundred fifty dollars (\$350.00) to every teacher who, as of April 1, 2021, is
45 employed as a teacher in a school for students with visual and hearing impairments. It is the intent
46 of the General Assembly that the bonuses provided pursuant to this section will complement the
47 bonuses provided to other teachers in Section 2 of S.L. 2020-45.

48 **SECTION 6.(b)** As used in this section, the following definitions shall apply:

- 49 (1) Teacher. – Teachers and instructional support personnel.

1 (2) School for students with visual and hearing impairments. – A public school
2 governed by the State Board of Education under Article 9C of Chapter 115C
3 of the General Statutes.

4 **SECTION 6.(c)** The bonuses awarded pursuant to this section shall be in addition to
5 any regular wage or other bonus the teacher receives or is scheduled to receive.

6 **SECTION 6.(d)** Notwithstanding G.S. 135-1(7a), the bonuses awarded pursuant to
7 this section are not compensation under Article 1 of Chapter 135 of the General Statutes,
8 Retirement System for Teachers and State Employees.

9 **SECTION 6.(e)** The bonuses awarded pursuant to this section do not apply to any
10 teacher no longer employed as a teacher due to resignation, dismissal, reduction in force, death,
11 or retirement or whose last workday is prior to April 1, 2021.

12 **SECTION 6.(f)** Funds provided pursuant to this section shall supplement the
13 compensation of a public school employee and shall not supplant any existing compensation
14 funds.

15

16 **PART VII. EFFECTIVE DATE**

17 **SECTION 7.** Except as otherwise provided, this act is effective when it becomes
18 law.