AN ACT TO REORGANIZE EDUCATION REPORTS, TO CLARIFY THE TERMS FOR A SCHOLARSHIP LOAN UNDER THE PRINCIPAL FELLOWS PROGRAM AND TO MAKE TECHNICAL AND CLARIFYING CHANGES TO THE EDUCATION LAWS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 110-148(c)(5) reads as rewritten:

"(5) The State Board of Education shall, with the assistance of the Division of Community Schools, report to the General Assembly at the time of its convening on odd numbered years the use of these funds and shall develop a State plan for the prevention of child abuse and neglect for submission to the Governor, the President of the Senate, and the Speaker of the House no later than January 1, 1987."

Sec. 2. G.S. 115C-21.1 reads as rewritten:


(a) The State Superintendent of Public Instruction shall submit a biennial report to the General Assembly on the implementation of G.S. 115C-81(g).

(b) The Department of Public Instruction shall monitor and provide a report to the General Assembly by May 1, 1991, and annually thereafter showing the school units that have been granted class size waivers pursuant to G.S. 115C-238.6(a), have reported class size exceptions, and have converted State-funded teacher positions to other positions, dollars, or other expenditures."

Sec. 3. G.S. 115C-105.3 reads as rewritten:

"§ 115C-105.3. Purpose.

The purpose of the Commission is to develop high and clearly defined education standards for the public schools of North Carolina. These standards shall specify the skills and the knowledge that high school graduates should possess in order to be competitive in the modern economy. The purpose of the Commission is also to develop fair and valid assessments to assure that high school graduates in North Carolina meet these standards. No later than the Spring semester of the year 2000 or as soon as the State Board of Education adopts the standards and system of assessments, every graduating high school senior shall be required to achieve these standards as a condition for receiving a diploma.

These high standards and assessments shall focus on the key skills needed by students as they strive to be successful after high school and shall reflect the high
expectations for every student demanded by the State's education mission in G.S. 115C-81(a), 115C-238.1, and 115C-238.13(a). Once these key skills are identified, parents, teachers, and the entire school community should be encouraged to help each student meet the student's fullest potential."

Sec. 4. G.S. 115C-105.5 reads as rewritten:

"§ 115C-105.5. Reporting requirements.

(1) No later than July 1, 1994, and annually thereafter, the Commission shall provide an initial progress report on standards and assessments to the General Assembly, the Governor, and the State Board of Education. This report shall include progress:

a. Progress being made on the development of standards, benchmarks, and related assessments. It shall also include recommendations;
b. Recommendations for the education and training of educators to assist in incorporating standards into existing classrooms;
c. An estimation of (i) the number of students each year who are unlikely to achieve at their potential and the cost of the actions that should be taken to enable these students to achieve at their potential, and (ii) the number of students who are unlikely to meet the performance standards for high school graduation each year and the cost of the actions that should be taken to enable these students to meet the standards; and
d. An implementation schedule that includes field testing of the assessments, a public awareness campaign, public release of the assessment data, and the development of designations on graduation diplomas to reflect a student's achievement in the standards.

(2) No later than July 1, 1996, The Commission shall recommend to the State Board of Education standards and a system of assessments, and if the State Board adopts the standards and system of assessments, the Commission and the State Board shall use the following schedule:

a. In the Spring semester of the 1994-95 school year, a field or pilot test of the system of assessments shall be given in a limited number of school units;
b. During the 1994-95 school year, school personnel shall be educated and trained to implement the system of assessments;
c. During the 1994-95 school year, there shall be a public awareness campaign regarding the standards and assessments;
d. In the 1995-96 school year, standards shall be implemented in all school systems, and in the Spring semester of the 1995-96 school year, the assessments shall be administered to all North Carolina high school seniors and in every local school administrative unit."
e. In the Spring semester of the 1995-96 school year, the first set of assessment data shall be released publicly.

during the 1995-96 and subsequent school years, appropriate designations shall be implemented on the diplomas of graduation to reflect the students' achievement.

g. No later than the Spring semester of the year 2000, every graduating high school senior shall be required to achieve these standards as a condition for receiving a diploma.

assessments for the Board's consideration. No later than the year 2000 or as soon as the State Board of Education adopts the standards and system of assessments every graduating high school senior shall be required to achieve these standards as a condition for receiving a diploma.

(3) The Commission shall annually advise the General Assembly, the Governor, and the State Board of Education on the standards and assessments. In its report, the Commission shall estimate (i) the number of students each year who are unlikely to achieve at their potential and the cost of the actions that should be taken to enable these students to achieve at their potential, and (ii) the number of students who are unlikely to meet the performance standards for high school graduation each year and the cost of the actions that should be taken to enable these students to meet the standards."

Sec. 5. G.S. 115C-174.19 is repealed.

Sec. 6. G.S. 115C-238.17 reads as rewritten:

"§ 115C-238.17. Annual assessment and reapproval of plans.

(a) Between March 15 and May 15, no later than May 31 of each subsequent year of the project, the projects shall submit to the Department of Public Instruction any data requested by the Department of Public Instruction or the State Board of Education and any proposed changes in the projects. No later than May 30 each year, the Department shall review the data and the proposed changes in the plans for the projects and shall work with the project sites to assure that the plans carry out the provisions of this Part.

(b) Between March 15 and June 1 of each subsequent year, the State Board of Education shall receive the data requested and the proposed changes in plans for projects from the project sites and shall receive the comments of the Department of Public Instruction regarding the data and the proposed changes in the projects. The State Board shall also consider the results of audits and evaluations performed pursuant to G.S. 115C-238.18.

(c) No later than June-August 15 of each subsequent year, the State Board of Education shall reapprove the plans and any changes for the projects, reapprove the plans and any changes with modifications, or reject the plans.

(d) The project sites shall begin implementation immediately of projects reapproved, or reapproved with modifications, by the State Board."

Sec. 7. G.S. 115C-238.7(b) reads as rewritten:
"(b) The Task Force shall:

(1) Monitor the implementation of the School Improvement and Accountability Act of 1989, as amended, especially the development and implementation of building-level plans;

(2) Advise the Director of the Task Force on Site-Based Management on how to provide training and assistance to the public schools so as to facilitate the implementation of site-based management;

(3) Review by September 1, 1992, publications produced by the Department of Public Instruction on the development and implementation of building-level plans;

(4) Report annually to the General Assembly within the first week of the convening of the 1993 General Assembly and biennially thereafter and the Joint Legislative Education Oversight Committee on the implementation of site-based management in the public schools.

Sec. 8. Section 8 of Chapter 778 of the 1989 Session Laws reads as rewritten:

"Sec. 8. The Department of Public—State Board of Education shall report prior to May 1, 1990, and annually on the first Friday in February thereafter, on the implementation of the School Improvement and Accountability Act of 1989, to the Joint Legislative Education Oversight Committee, the chairmen—chairs of the Senate and House of Representatives committees on education, appropriations, and appropriations on education."

Sec. 9. G.S. 115C-238.24 reads as rewritten:

"§ 115C-238.24. Grants of flexibility by the State Board.

In implementing local projects, local boards need broad decision-making authority so that local boards and participating school leadership teams can carry out the activities that meet the needs of students in that particular building. Each participating local school administrative unit may request from the State Board of Education, with specificity, those aspects of its project implementation that would be enhanced by flexibility with regard to statutes, policies, and regulations. Upon the recommendation of the State Superintendent, the State Board of Education may grant each local school administrative unit such flexibility with regard to Chapter 115C of the General Statutes, and its policies, and regulations, including the waivers allowed under G.S. 115C-238.6(a)(1) and (a)(2), as it finds necessary and appropriate to implement a local project so long as (i) the total amount of State funds expended for the project does not exceed the amount of State funds available for a school with that average daily membership; (ii) no health or safety standards relating to schools or school transportation are lowered; (iii) the State Board of Education does not find as a fact that the flexibility is being abused; (iv) the provisions of G.S. 115C-325 shall not be waived for any certificated teacher working in a Genesis school; and (v) the standard course of study is included in the education program offered to every child in the Genesis school.
Article 2A of Chapter 150B of the General Statutes shall not apply to actions by the State Board of Education when waiving its rules under this subsection.

The State Board of Education shall report annually on the first Friday in May on waivers granted with regard to statutes, policies, and regulations to the Joint Legislative Education Oversight Committee."

Sec. 10. G.S. 115C-325(i)(1) reads as rewritten:

"(1) The career teacher and superintendent will each have the right to designate not more than 30 of the 121 members of the Professional Review Committee as not acceptable to the teacher or superintendent respectively. No person so designated shall be appointed to the panel. The career teacher shall specify to the superintendent those Committee members who are not acceptable in his request for a review of the superintendent's proposed recommendations provided for in subdivision (h)(3) above. The superintendent's notice to the Superintendent of Public Instruction provided for in subdivision (h)(4) above shall contain a list of those members of the Committee not acceptable to the superintendent and the teacher respectively. Failure to designate nonacceptable members in accordance with this subsection shall constitute a waiver of that right."

Sec. 11. G.S. 115C-290.5(a) reads as rewritten:

"(a) The Board shall administer this Article. In fulfilling this duty, the Board shall:

(1) Develop and implement a North Carolina Public School Administrator Exam, based on the professional standards established by the Board.
(2) Establish and collect an application fee not to exceed fifty dollars ($50.00), and an exam fee not to exceed one hundred fifty dollars ($150.00). Fees collected under this Article shall be credited to the General Fund as nontax revenue.
(3) Review the educational achievements of an applicant to take the exam to determine whether the achievements meet the requirements set by G.S. 115C-290.7.
(4) Notify the State Board of Education of the names and addresses of the persons who passed the exam and are thereby qualified to be certified as public school administrators by the State Board of Education.
(5) Maintain accounts and records in accordance with the Executive Budget Act, Article 1 of Chapter 143 of the General Statutes.
(6) Adopt rules in accordance with Chapter 150B of the General Statutes to implement this Article.
(7) Submit an annual report by March 1 of each year to the Joint Legislative Education Oversight Committee of its activities during the preceding year, together with any recommendations and findings regarding improvement of the profession of public school administration."
Sec. 12. (a) G.S. 116-74.43(b) reads as rewritten:

"(b) The State Education Assistance Authority shall forgive the loan and any interest accrued on the loan if, within six years after graduation from a school administrator program, exclusive of any authorized deferment for extenuating circumstances, the recipient serves for four years as a school administrator at a North Carolina public school or at a school operated by the United States government in North Carolina. The SEAA shall also forgive the loan if it finds that it is impossible for the recipient to work for four years, within 10 six years after completion of the two-year school administrator program supported by the scholarship loan at a North Carolina public school, or at a school operated by the United States government in North Carolina, because of the death or permanent disability of the recipient. If the recipient repays the scholarship loan by cash payments, all indebtedness shall be repaid within 10 12 years after completion of the two-year school administrator program supported by the scholarship loan. If the recipient completes the school administrator program, payment of principal and interest shall begin no later than 27 months after the completion of the program. Should a recipient present extenuating circumstances, the State Education Assistance Authority may extend the period to repay the loan in cash to no more than a total of 15 years."

(b) This section is effective upon ratification and applies to scholarship loan contracts entered into by the State Education Assistance Authority on or after January 1, 1994.

Sec. 12.1. G.S. 116C-3 reads as rewritten:

"§ 116C-3. Strategic design for a continuum of education programs.

The Education Cabinet shall develop a strategic design for a continuum of education programs. A continuum of education programs is the complement of programs delivered by the State to learners at all levels.

The new design shall take into account issues raised by the Government Performance Audit Committee of the Legislative Research Commission.

The design process shall:

1. Include vigorous examination of all programs as if they were being created for the first time.

2. Compare the existing structures, funding levels, and responsibilities of each system to the new design.

3. Focus on issues concerning coursework articulation and plan for how to improve coursework articulation among existing providers of education.

The Education Cabinet shall report to the Joint Legislative Education Oversight Committee on the strategic design it develops prior to January 1, 1995."

Sec. 13. Section 6 of Chapter 199 of the 1993 Session Laws reads as rewritten:

"Sec. 6. The Board of Governors shall report on the design for the programs and the proposal process created in accordance with G.S. 116-74.21 to the Joint Legislative Education Oversight Committee no later than December 1, 1993. Requests for proposals shall be disseminated to the constituent institutions no later than January 15,
1994. Proposals shall be submitted to the Board of Governors no later than June 1, 1994. The Board of Governors shall then reconvene the panel of experts to screen the submitted proposals. After its screening, the panel shall make recommendations by September 1, 1994, to the Board of Governors. The Board of Governors shall choose the institutions that shall have school administrator programs no later than November 1, 1994.

The Board of Governors shall report annually on the implementation of the act no later than December 1 of each year."

Sec. 14. Section 6 of Chapter 880 of the 1991 Session Laws reads as rewritten:

"Sec. 6. The Board of Governors shall coordinate a joint report of progress on the implementation of the system to provide an exchange of information among the public and independent colleges and universities, the community colleges, and the public schools. The report shall be made to the Joint Legislative Education Oversight Committee no later than February 15, 1993, and annually thereafter."

Sec. 15. Subsection (a) of Section 139 of Chapter 321 of the 1993 Session Laws reads as rewritten:

"Sec. 139. (a) Of the funds appropriated to Aid to Local School Administrative Units, the sum of two million five hundred thousand dollars ($2,500,000) for the 1993-94 fiscal year and the sum of two million five hundred thousand dollars ($2,500,000) for the 1994-95 fiscal year shall be used to provide grants for local school administrative units for locally designed innovative local programs to make schools safe for students and school employees. These funds shall be used for grants of from fifty thousand dollars ($50,000) to one hundred thousand dollars ($100,000) per year to local school administrative units. These funds may be used for continuing or noncontinuing expenses.

A local school administrative unit may apply for a grant, or two or three adjacent local school administrative units may apply jointly for a grant. Applicants for grants shall submit to the State Board of Education an application that includes the following information:

(1) An assessment of local problems with regard to violence and harassment, including sexual and other forms of harassment, in the schools prepared by a local task force of educators, parents, students, community leaders, and representatives of social services and law enforcement, appointed by the local board of education.

(2) A detailed plan for addressing these local problems, including proposed goals and anticipated outcomes, prepared after consultation with the task force.

(3) A statement of how the grant funds would be used to address these local problems and what other resources would be used to address the problems.
(4) A process for assessing on an annual basis the success of the local plan for addressing problems with regard to violence and harassment in the schools.

The Superintendent of Public Instruction shall appoint a State task force to assist the Superintendent in reviewing grant applications. The State task force shall include representatives of the Department of Public Instruction, local school administrative units, educators, parents, the juvenile justice system, social services, and nongovernmental agencies providing services to children, and other members the Superintendent deems appropriate. In reviewing grant applications, the Superintendent and the State task force shall consider the severity of the local problems with regard to violence in the schools and the likelihood that the locally designed plan will deal with the problems successfully.

The State Board of Education shall consider the recommendations of the Superintendent in selecting grant recipients. The State Board shall also attempt to give grants to local school administrative units that are located geographically throughout the State, that have different demographic profiles, and that propose different approaches to their problems. The State Board shall select grant recipients prior to January 1, 1994.

The Superintendent of Public Instruction shall administer the grant program and provide technical assistance to grant applicants and recipients.

The State Board of Education shall report to the Joint Legislative Education Oversight Committee prior to March 15, 1994, and prior to January 15, 1995, and October 1, 1995, and annually thereafter on how the funds are being used."

Sec. 16. (a) Section 7 of Chapter 210 of the 1993 Session Laws reads as rewritten:

"Sec. 7. This act becomes effective July 1, 1993, except that Sections 3, 5, and 6 become effective July 1, 1995."

(b) This section is effective upon ratification. This section does not apply to employment contracts entered into between a local school unit and an assistant principal between July 1, 1993, and the effective date of this act.

Sec. 17. Subsections (d) and (e) of Section 96 of Chapter 830 of the 1987 Session Laws are repealed.

Sec. 18. Subsections (d) and (e) of Section 96 of Chapter 752 of the 1989 Session Laws are repealed.

Sec. 19. Chapter 43 of the 1993 Session Laws is repealed.

Sec. 20. G.S. 115C-85 reads as rewritten:

"§ 115C-85. Textbook needs are determined by course of study.

When the State Board of Education has adopted, upon the recommendation of the Superintendent of Public Instruction, a standard course of study at each instructional level in the elementary school and the secondary school, setting forth what subjects shall be taught at each level, it shall proceed to select and adopt textbooks.

As used in this part, 'textbook' means systematically organized material comprehensive enough to cover the primary objectives outlined in the standard course of study for a grade or course. Formats for textbooks may be print or nonprint, including hardbound books, softbound books, activity-oriented programs, classroom
kits, and technology-based programs that require the use of electronic equipment in order to be used in the learning process.

Textbooks adopted in accordance with the provisions of this Part shall be used by the public schools of the State."

Sec. 21. This act is effective upon ratification.

In the General Assembly read three times and ratified this the 5th day of July, 1994.

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Dennis A. Wicker
President of the Senate

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Daniel Blue, Jr.
Speaker of the House of Representatives