

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

**H.B. 778**  
**May 3, 2021**  
**HOUSE PRINCIPAL CLERK**

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**HOUSE BILL DRH10291-MKa-44**

Short Title: Increase Resources/COVID-19/Local Bd. of Ed. (Public)

Sponsors: Representative Lofton.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE ADDITIONAL RESOURCES FOR LOCAL BOARDS OF  
3 EDUCATION TO RESPOND TO COVID-19 IMPACTS FOR THE 2021-2022 FISCAL  
4 YEAR.

5 Whereas, public schools are facing uncertainty for the 2021-2022 fiscal year from the  
6 impacts of the coronavirus disease 2019 (COVID-19) on the availability of State funding  
7 resources due to a variety of factors; and

8 Whereas, COVID-19 has created an unprecedented strain on public schools to use  
9 their existing resources to provide a safe and effective learning environment for students and  
10 personnel; and

11 Whereas, greater flexibility at the local level is necessary as public schools return to  
12 serving students with in-person instruction and as unexpected needs related to COVID-19 arise;  
13 Now, therefore,

14 The General Assembly of North Carolina enacts:

15  
16 **PART I. COVID-19 RESOURCES FOR LOCAL BOARDS OF EDUCATION**

17 **SECTION 1.1.** Notwithstanding G.S. 115C-105.25 and any other provision of law,  
18 for the 2021-2022 fiscal year only, local boards of education may transfer and may approve  
19 transfers of funds in an allotment category to another allotment category to respond to the impacts  
20 of the coronavirus disease 2019 (COVID-19), subject to the following limitations:

- 21 (1) Funds for career and technical education and other purposes may be  
22 transferred only as permitted by federal law and the conditions of federal  
23 grants or as provided through any rules that the State Board adopts to ensure  
24 compliance with federal regulations.
- 25 (2) No funds shall be transferred out of the children with disabilities, students  
26 with limited English proficiency, and academically or intellectually gifted  
27 students categories.
- 28 (3) No funds shall be transferred into the central office administration allotment  
29 category.
- 30 (4) Funds from the teacher assistants allotment category may only be transferred  
31 into the instructional support allotment category.
- 32 (5) Positions allocated for classroom teachers may be converted to dollar  
33 equivalents to contract for visiting international exchange teachers through a  
34 visiting international exchange teacher program approved by the State. These  
35 positions shall be converted at the statewide average salary for classroom  
36 teachers, including benefits. The converted funds shall be used only to provide



1 visiting international exchange teachers with salaries commensurate with their  
2 experience levels, to provide any State-approved bonuses, and to cover the  
3 costs associated with supporting visiting international exchange teachers  
4 within the local school administrative unit, including programming and  
5 related activities, background checks, medical coverage, and other program  
6 administration services in accordance with the federal regulations for the  
7 Exchange Visitor Program, 22 C.F.R. Part 62.

8 (6) Except as provided in subdivision (5) of this section, positions allocated for  
9 classroom teachers and instructional support personnel may be converted to  
10 dollar equivalents for any purpose authorized by the policies of the State  
11 Board of Education. These positions shall be converted at the salary on the  
12 first step of the "A" Teachers Salary Schedule. Certified position allotments  
13 shall not be transferred to dollars to hire the same type of position.

14 (7) Funds allocated for school building administration may be converted for any  
15 purpose authorized by the policies of the State Board of Education. For funds  
16 related to principal positions, the salary transferred shall be based on the first  
17 step of the Base column of the Principal Salary Schedule. For funds related to  
18 assistant principal months of employment, the salary transferred shall be based  
19 on the first step of the "A" Teachers Salary Schedule at the salary level for  
20 assistant principals. Certified position allotments shall not be transferred to  
21 dollars to hire the same type of position.

22 (8) Funds to carry out the elements of the Excellent Public Schools Act that are  
23 contained in Section 7A.1 of S.L. 2012-142 shall not be transferred.

24 (9) Funds allotted for textbooks and digital resources shall be used only (i) for the  
25 purchase of textbooks and digital resources or (ii) for a transfer to the  
26 classroom materials/instructional supplies/equipment allotment category.

27 **SECTION 1.2.** Notwithstanding G.S. 20-88.03, G.S. 115C-215, and any other  
28 provision of law, for the 2021-2022 fiscal year only, a local board of education may transfer  
29 funds in the drivers education allotment category to another allotment category. This section shall  
30 not apply to fees collected by a local board of education pursuant to G.S. 115C-216.

## 31 32 **PART II. PERMIT LOCAL SCHOOL ADMINISTRATIVE UNITS TO CARRY** 33 **FORWARD UNEXPENDED STATE FUNDS**

34 **SECTION 2.(a)** Notwithstanding any other provision of law, any unexpended funds  
35 in an allotment category for a local school administrative unit at the end of the fiscal year shall  
36 not revert to the General Fund but shall remain available for expenditure for the purposes of that  
37 allotment category until June 30, 2022. If a local board of education transferred funds in an  
38 allotment category to another allotment category during the fiscal year and the funds were  
39 unexpended at the end of the fiscal year, the funds shall remain in that allotment category until  
40 expended.

41 **SECTION 2.(b)** This section becomes effective June 30, 2021.

## 42 43 **PART III. EFFECTIVE DATE**

44 **SECTION 3.** Except as otherwise provided, this act becomes effective July 1, 2021.