A BILL TO BE ENTITLED
AN ACT TO APPROPRIATE FUNDS TO MAKE CHANGES TO CERTAIN EDUCATION LAWS RELATED TO ELEMENTARY AND SECONDARY PUBLIC SCHOOLS.

The General Assembly of North Carolina enacts:

PART I. REQUIRE THE DEPARTMENT OF PUBLIC INSTRUCTION TO STUDY AND REPORT ON RAISING SALARIES FOR NONCERTIFIED PUBLIC SCHOOL EMPLOYEES TO AT LEAST FIFTEEN DOLLARS PER HOUR.

SECTION 1.(a) The Department of Public Instruction shall study and make recommendations on the viability and advisability of raising salaries for noncertified public school employees to at least fifteen dollars ($15.00) per hour. As a part of its study, the Department shall consider the following:

(1) Methods of raising salaries for noncertified public school employees in a fiscally responsible manner, including a phased-in approach.
(2) The interconnection in salaries between State, federal, and local funds.
(3) The fiscal impact on local governments.

SECTION 1.(b) The Department of Public Instruction shall report the results of its study to the Joint Legislative Education Oversight Committee no later than January 15, 2020.

PART II. CLASS SIZE PHASE IN

SECTION 2.(a) Delay K-3 Class Size Reduction for One Year. – Part II of S.L. 2018-2 reads as rewritten:

"PART II. CLASS SIZE PHASE IN

..."

SECTION 2.(b) Notwithstanding G.S. 115C-301, as amended by this act, and any other provision of law, for the 2019-2020 and 2020-2021 school years, the average class size for kindergarten through third grade in a local school administrative unit shall not exceed one teacher per 19 students. At the end of the second school month and for the remainder of the school year, the size of an individual class in kindergarten through third grade shall not exceed one teacher per 22 students.

SECTION 2.(c) Notwithstanding G.S. 115C-301, as amended by this act, and any other provision of law, for the 2020-2021 and 2021-2022 school year, the average class size for kindergarten through third grade in a local school administrative unit shall not exceed one teacher per 18 students. At the end of the second school month and for the remainder of the school year, the size of an individual class in kindergarten through third grade shall not exceed one teacher per 21 students.
SECTION 2.(d) The class size requirements set forth in G.S. 115C-301, as amended by this act, shall apply beginning with the 2021-2022 school year.

SECTION 2.(b) Delay Teacher Position Allotment Change. – Section 3(b) of S.L. 2018-2 reads as rewritten:

"SECTION 3.(b) Effective July 1, 2021-2022, G.S. 115C-301(a1), as enacted by subsection (a) of this section, reads as rewritten:

...."

SECTION 2.(c) Delay Restriction on Transfers for Teacher Position Allotments. – Section 4(b) of S.L. 2018-2 reads as rewritten:

"SECTION 4.(b) Effective July 1, 2021-2022, G.S. 115C-105.25(b), as amended by subsection (a) of this section, reads as rewritten:

...."

SECTION 2.(d) Adjustment to the Appropriation for Program Enhancement Teachers. – Notwithstanding Section 1.1 of S.L. 2019-242, effective beginning with the 2020-2021 fiscal year, G.S. 115C-301(c2)(3) reads as rewritten:

"(3) Appropriation. – Beginning with the 2019-2020 fiscal year, there is appropriated from the General Fund to the Department of Public Instruction for the allotment for program enhancement teachers for kindergarten through fifth grade an amount equal to the percentage of the total funds required to allot program enhancement teacher positions for kindergarten through fifth grade on a basis of one teacher per 191 students for each fiscal year as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Appropriation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019-2020</td>
<td>50%</td>
</tr>
<tr>
<td>2020-2021</td>
<td>75%50%</td>
</tr>
<tr>
<td>2021-2022</td>
<td>75%</td>
</tr>
<tr>
<td>2021-2022-2022-2023 and each subsequent fiscal year thereafter</td>
<td>100%</td>
</tr>
</tbody>
</table>

When developing the base budget, as defined by G.S. 143C-1-1, for each fiscal year specified in this subdivision, the Director of the Budget shall include the appropriated amount for that fiscal year."

PART III. BUDGET FLEXIBILITY

SECTION 3.(a) Budget Flexibility for the Remainder of FY 2019-2020. – Effective from the date this act becomes law until June 30, 2020, notwithstanding G.S. 115C-105.25 and any other provision of law, local boards of education may transfer and may approve transfers of any unexpended cash balance in an allotment category to another allotment category subject to the following limitations:

1. Funds for career and technical education and other purposes may be transferred only as permitted by federal law and the conditions of federal grants or as provided through any rules that the State Board adopts to ensure compliance with federal regulations.
2. No funds shall be transferred out of the children with disabilities, students with limited English proficiency, and academically or intellectually gifted students categories.
3. No funds shall be transferred into the central office allotment category.
4. Positions allocated for classroom teachers may be converted to dollar equivalents to contract for visiting international exchange teachers through a visiting international exchange teacher program approved by the State. These positions shall be converted at the statewide average salary for classroom teachers, including benefits. The converted funds shall be used only to provide visiting international exchange teachers with salaries commensurate with their experience levels, to provide any State-approved bonuses, and to cover the
costs associated with supporting visiting international exchange teachers
within the local school administrative unit, including programming and
related activities, background checks, medical coverage, and other program
administration services in accordance with the federal regulations for the

(5) Except as provided in subdivision (4) of this subsection, positions allocated
for classroom teachers and instructional support personnel may be converted
to dollar equivalents for any purpose authorized by the policies of the State
Board of Education. These positions shall be converted at the salary on the
first step of the "A" Teachers Salary Schedule. Certified position allotments
shall not be transferred to dollars to hire the same type of position.

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

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

(8) Funds allotted for textbooks and digital resources may be used only to acquire
textbooks and digital resources and related technology, including any
hardware, software, or equipment or devices necessary for the use of the
digital resources. These funds shall not be transferred out of the allotment for
any other purpose.

Notwithstanding G.S. 20-88.03, G.S. 115C-215, and any other provision of law, a
local board of education may transfer the unexpanded cash balance in the drivers education
allotment category to another allotment category in accordance with this subsection.

SECTION 3.(b) Budget Flexibility for FY 2020-2021. – Effective July 1, 2020,
notwithstanding G.S. 115C-105.25 and any other provision of law, for the 2020-2021 fiscal year
only, local boards of education may transfer and may approve transfers of funds in an allotment
category to another allotment category subject to the following limitations:

(1) Funds for career and technical education and other purposes may be
transferred only as permitted by federal law and the conditions of federal
grants or as provided through any rules that the State Board adopts to ensure
compliance with federal regulations.

(2) No funds shall be transferred out of the children with disabilities, students
with limited English proficiency, and academically or intellectually gifted
students categories.

(3) No funds shall be transferred into the central office allotment category.

(4) Positions allocated for classroom teachers may be converted to dollar
equivalents to contract for visiting international exchange teachers through a
visiting international exchange teacher program approved by the State. These
positions shall be converted at the statewide average salary for classroom
teachers, including benefits. The converted funds shall be used only to provide
visiting international exchange teachers with salaries commensurate with their
experience levels, to provide any State-approved bonuses, and to cover the
costs associated with supporting visiting international exchange teachers
within the local school administrative unit, including programming and
related activities, background checks, medical coverage, and other program
administration services in accordance with the federal regulations for the Exchange Visitor Program, 22 C.F.R. Part 62.

(5) Except as provided in subdivision (4) of this subsection, positions allocated for classroom teachers and instructional support personnel may be converted to dollar equivalents for any purpose authorized by the policies of the State Board of Education. These positions shall be converted at the salary on the first step of the "A" Teachers Salary Schedule. Certified position allotments shall not be transferred to dollars to hire the same type of position.

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

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

(8) Funds allotted for textbooks and digital resources may be used only to acquire textbooks and digital resources and related technology, including any hardware, software, or equipment or devices necessary for the use of the digital resources. These funds shall not be transferred out of the allotment for any other purpose.

Notwithstanding G.S. 20-88.03, G.S. 115C-215, and any other provision of law, a local board of education may transfer funds in the drivers education allotment category to another allotment category in accordance with this subsection.

PART IV. EXCEPTIONAL CHILDREN

SECTION 4. There is appropriated from the Coronavirus Relief Fund an additional two million nine hundred thousand dollars ($2,900,000) to the Department of Public Instruction to hold in reserve and to award as grants, in the discretion of the Department, to public school units that apply for funds to support extraordinary costs associated with providing Extended School Year Services or future services, as appropriate, for exceptional children who qualify for these services due to the impacts of COVID-19. The funds appropriated by this section shall be subject to the requirements contained in S.L. 2020-4 related to the use of funds from the Coronavirus Relief Fund established in Section 2.2 of that act.

PART V. MISCELLANEOUS

SECTION 5.(a) State Budget Act applies. – The provisions of the State Budget Act, Chapter 143C of the General Statutes, are reenacted and shall remain in full force and effect and are incorporated in this act by reference.

SECTION 5.(b) Additional limitations and directions. – Except where expressly repealed or amended by this act, the provisions of any other legislation enacted during the 2019 Regular Session expressly appropriating funds to an agency, a department, or an institution covered under this act, shall remain in effect.

SECTION 5.(c) Applicability of House Bill 966, 2019 Regular Session. – If House Bill 966, 2019 Regular Session, becomes law, and any provision of that act or a provision of the Committee Report described in Section 42.2 of that act conflicts with this act, this act shall control.

PART VI. EFFECTIVE DATE
SECTION 6. Except as otherwise provided, this act is effective when it becomes law.