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# NORTH CAROLINA

## Legislative Update

November 29, 2021

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# North Carolina General Assembly

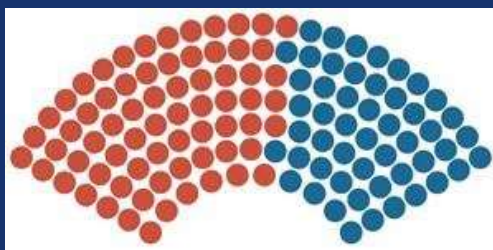
- Elected every two years
- Alternate long and short sessions
  - Long Session
    - (Odd Years)
    - (Jan – July / Aug)
  - Short Session
    - (Even Years)
    - (Apr – May)



# Current Makeup

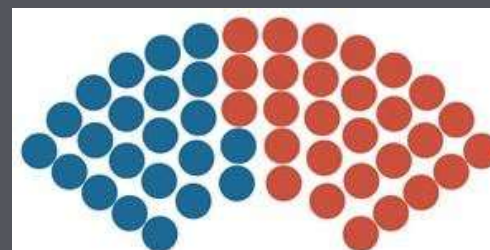
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## House



- 120 Members
  - 69 Republicans
  - 51 Democrats

## Senate



- 50 Members
  - 28 Republicans
  - 22 Democrats

# 2021 Charter School Issues

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- COVID-19 (ESSER) Funding
- School Re-opening
- Summer Learning Programs
- Land Use / Zoning Reform
- LEA Late Payments
- Residency Licensure Program
- CSAB Appointments
- Access to Local Capital Funds
- Enrollment Caps
- Lottery Funding
- Medicaid Reimbursements
- Fast-track Replication
- Equitable Funding
- Appropriation of Fines and Forfeitures

## Budget (S 105)

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- Signed into law 11/18/2021
- \$1.5 billion in new K-12 funding
- \$100 million to fund supplemental teacher pay in counties other than urban centers

## Budget (S 105) – Items of Interest to Charters

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- **ADM Hold Harmless (Sec. 7.23)**
  - State to fund charters (and LEAS) at better of actual or projected ADM
- **Charter Schools Eligible for Medicaid Reimbursements (Sec. 9D.21)**
- **Revision to Fast-Track Replication**
  - Majority of schools operated by board or EMO
- **Water & Sewer Services to Charter Schools (Sec. 7.64(a))**
  - Right to connect to water / sewer system of nearest city/ town unless so long as there is capacity

## Budget (S 105) – Items of Interest to Charters

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- **Permanent Transportation Grant Program**
  - Requires 50% of households in school to qualify for free & reduced lunch
  - Up to \$100,000 per school to offset up to 65% of cost of (i) fuel; (ii) contracted transportation servs; (iii) maintenance; (iv) salaries
  - \$2.5 million initial funding
- **Smart Bus Pilot Program**
- **Epicenter – Permanent Recurring Funding**

## Budget (S 105) – Items of Interest to Charters

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### Teacher Pay Increases for Traditional Schools

- 1.3% salary increase per year for all teachers Annual step increases raise the average increase in pay to 2.5%.
- \$1,000 bonus for all state employees, including teachers
- \$500 bonus for state employees earning under \$75,000 per year, including teachers
- \$1,000 bonus for all teachers
- \$300 bonus for all teachers to replace test score bonuses

**(Total bonuses for all teachers: \$2,800)**



## Budget (S 105) – Items of Interest to Charters

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- **ESSER III**

- Min \$400 per student
- Charters that exceed projected enrollment -- \$600 per student per month over 2<sup>nd</sup> month ADM, up to statutory max

## Budget (S 105) – Items of Interest to Charters

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- **Grant Programs**

- School safety grants (includes equipment)
- Children with disabilities reserve (over 13% ADM)
- School Psychologists
- After-School Robotics
- Medicaid Coverage for Transportation
- School-based Health Services Personnel

# COVID-19 Relief for Public Schools (S 654)

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- **Signed into Law 8/30/21**
- **Remote instruction**
  - PSUs may use up to 5 days remote instruction to satisfy calendar requirements (up to 30 hours) for severe weather, power failures, or other emergencies
  - PSUs may use virtual instruction for 2021-22, if submit a plan to DPI with details of program
  - May also be used for:
    - NCVPS
    - E-learning
    - Higer-ed courses
    - Homebound instruction
    - Long-term or short-term suspensions

## COVID Relief (S 654) – Other Provisions

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- Directs SBE not to identify low performing schools for 2020-21
- Schools / LEAs not be required to publish school report cards or academic performance data for 2020-21
- Schools / LEAs designated as low performing for 2018-19 will continue to be classified as such

## Timely Local Payments (H335)

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- Signed into law on 7/8
- Requires LEAs to pay within 30 days of invoice
- Imposes 5% late fee, with interest continuing at 8%
- Directs Superintendent to establish standard procedure for invoicing LEAs
- Charter schools only required to name, age, grade, address, and dates of enrollment as reported by the parent
- Negotiated agreement from NCSBA

## Land Use and Zoning Reform (H794)

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- Passed House (5/11); In Senate
- Lobbying in cooperation with NCSBA
- Schools shall be permitted use “by right” in all zoning districts
- Prohibits local governments from requiring school to pay for transportation improvements not adjacent to the property in order to get zoning or development approvals
- Cities / towns must approve annexation if sufficient water / sewer capacity

## Charter School Omnibus (H729)

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- Vetoed by Governor (8/23/2021)
- Made Superintendent appointee to CSAB permanent, voting member
- Permit charter schools to use blended learning to meet calendar requirements
- LEAs cannot require charter schools to provide demographic information
- Residency licensure fix
- Statement of Intent: Charter school student shall receive same level of funding as LEAs

## Regulatory Reform 1.0 (H366)

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- Signed into law (8/23/2021)
- Requires NC Pre-K operators to provide rising kindergarten parents with information about charter schools in their county



## Regulatory Reform 2.0 (H911)

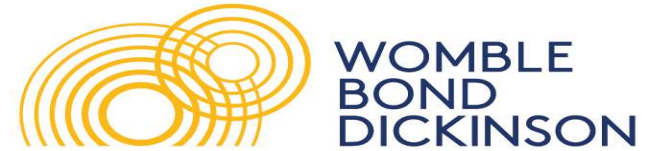
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- Passed House (5/11/21)
- Automatic extension for charter schools that cannot open because they are waiting for land use or zoning approvals
- Lottery exemption for grandchildren of board members
- Automatically extends term of charter if issues arise from land use or development denials

## Other Issues

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- Local Funding – Growing Disparity
- LEA Impact Statements
- Counting Low-income and At-Risk Students
- Compliance with Local Desegregation Orders (N.C.G.S. § 115C-45(e))
- Zoning
- Removing Barriers to Enrollment Growth
- Flexible Charter Application Timeline
- Governmental Immunity for Charter Schools (*State v. Kinston Charter Academy, et al.*)



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