

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

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**SENATE DRS55201-LT-105A (03/09)**

Short Title: Education Improvement Act of 2005. (Public)

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Sponsors: Senators Dalton, Swindell and Lucas.

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Referred to:

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1 A BILL TO BE ENTITLED  
2 AN ACT TO ENACT THE EDUCATION AND ECONOMIC COMPETITIVENESS  
3 ACT OF 2005.

4 The General Assembly of North Carolina enacts:

5  
6 **PART I. TITLE OF ACT AND TABLE OF CONTENTS**

7  
8 **SECTION 1.1.** This act shall be known as the "Education and Economic  
9 Competitiveness Act of 2005".

10  
11 **PART II. INVESTING MORE RESOURCES AND DEMANDING MORE  
12 ACCOUNTABILITY**

13  
14 **FULLY FUND THE LOW-WEALTH FORMULA OVER TWO YEARS AND  
15 REQUIRE REPORTS ON THE EXPENDITURE OF THESE FUNDS**

16 **SECTION 2.1.(a)** The General Assembly finds that it is appropriate to  
17 provide supplemental funds in low-wealth counties to allow those counties to enhance  
18 the instructional program and student achievement. Therefore, there is appropriated  
19 from the General Fund to the Department of Public Instruction the sum of sixteen  
20 million five hundred fifty thousand one hundred eleven dollars (\$16,550,111) for the  
21 2005-2006 fiscal year and fifty-eight million five hundred twenty-seven thousand six  
22 hundred thirty-five dollars (\$58,527,635) for the 2006-2007 fiscal year to be used for  
23 supplemental funds for the schools.

24 **SECTION 2.1.(b)** Use of Funds for Supplemental Funding. – It is the intent  
25 that the additional funds appropriated in 2005-2006 and 2006-2007 be used to recruit  
26 and retain high quality teachers. To that end, at least fifteen percent (15%) in the  
27 2005-2006 fiscal year and at least twenty-five percent (25%) in the 2006-2007 fiscal

1 year shall be used for: (i) bonuses to recruit and retain instructional personnel; and/or  
2 (ii) to provide full-time mentors for instructional personnel and instructional support  
3 personnel. All remaining funds received pursuant to this section shall be used for: (i)  
4 and/or (ii) above and/or; (iii) to provide instructional positions, instructional support  
5 positions, teacher assistant positions, clerical positions, school computer technicians,  
6 instructional supplies and equipment, staff development, and textbooks; (iv) for salary  
7 supplements for instructional personnel and instructional support personnel; and (v) to  
8 pay an amount not to exceed ten thousand dollars (\$10,000) of the plant operation  
9 contract cost charged by the Department of Public Instruction for services.

10 **SECTION 2.1.(c)** Reports on the Expenditure of Funds. – Local boards of  
11 education shall report to the State Board of Education by August 31 of each year on the  
12 expenditure of these funds and how these funds were targeted and used to implement  
13 specific improvement strategies of each local school administrative unit and its schools,  
14 such as teacher recruitment, closing the achievement gap, improving student  
15 accountability, addressing the needs of at-risk students, and establishing and  
16 maintaining safe schools. The State Board of Education shall report this information  
17 annually by October 31 to the Office of State Budget and Management, the Joint  
18 Legislative Education Oversight Committee, and the Fiscal Research Division.

19  
20 **CONTINUE DISADVANTAGED STUDENT SUPPLEMENTAL FUNDING AND**  
21 **EVALUATE THE EFFECTIVENESS OF IMPROVEMENT STRATEGIES**

22 **SECTION 2.2.(a)** There is appropriated from the General Fund to the  
23 Department of Public Instruction the sum of twenty-two million five hundred thousand  
24 dollars (\$22,500,000) for the 2005-2006 fiscal year and the sum of twenty-two million  
25 five hundred thousand dollars (\$22,500,000) for the 2006-2007 fiscal year to address the  
26 capacity needs of local school administrative units to meet the needs of disadvantaged  
27 students. For the 2005-2006 fiscal year only, these funds shall continue the nonrecurring  
28 funding that was provided to local school administrative units in the 2004-2005 fiscal  
29 year. For the 2006-2007 fiscal year, these funds shall be allocated under a new formula  
30 as determined by the State Board of Education.

31 **SECTION 2.2.(b)** There is appropriated from the General Fund to the  
32 Department of Public Instruction the sum of one million five hundred eighty-five  
33 million dollars (\$1,585,000) for the 2005-2006 fiscal year and the sum of one million  
34 five hundred ten thousand dollars (\$1,510,000) for the 2006-2007 fiscal year to evaluate  
35 the Disadvantaged Students Supplemental Fund program. The State Board of Education  
36 shall use funds appropriated in this section to annually evaluate the strategies local  
37 school administrative units have implemented and to assess their impact on student  
38 performance. The State Board of Education shall report the results of the evaluation to  
39 the Office of State Budget and Management, the Joint Legislative Education Oversight  
40 Committee, and the Fiscal Research Division, by February 15, 2006, and by January 15  
41 of each subsequent year.

42 **SECTION 2.2.(c)** The State Board of Education shall incorporate into a new  
43 funding mechanism: (i) the results of the evaluation of strategies implemented in the  
44 2004-2005 and 2005-2006 school years; and (ii) its review of the variables that are most

1 highly correlated with student academic achievement. The new funding mechanism  
2 shall consolidate the Improving Student Accountability allotment category, the  
3 At-Risk/Alternative Schools allotment category, and the Disadvantaged Student  
4 allotment category. The State Board of Education shall report on the new formula and  
5 funding mechanism to the Office of State Budget and Management, the Fiscal Research  
6 Division, and the Joint Legislative Education Oversight Committee by February 15,  
7 2006.

8 The new formula shall be implemented in the 2006-2007 fiscal year.

9 **SECTION 2.2.(d)** Funds appropriated under this section shall be used to  
10 implement a plan jointly developed by each local school administrative unit and the  
11 LEA Assistance Program team that is based upon the needs of the students not  
12 achieving grade level proficiency. Prior to the allotment of these funds, the plan shall be  
13 approved by the State Board of Education. All funds received pursuant to this section  
14 shall be used only consistent with the policies and procedures adopted by the State  
15 Board of Education (i) to provide instructional positions or instructional support  
16 positions and/or professional development; (ii) to provide intensive in-school and/or  
17 after-school remediation; and (iii) to purchase diagnostic software and progress  
18 monitoring tools. These funds shall not be used for teacher bonuses and supplements.

19 **SECTION 2.2.(e)** The State Board of Education may require local school  
20 administrative units receiving funding under the Disadvantaged Student Supplemental  
21 Fund to purchase the Education Value Added Assessment System in order to provide  
22 in-depth analysis of student performance and help identify strategies for improving  
23 student achievement.

24 **SECTION 2.2.(f)** To remain eligible for the resources provided in this  
25 section, local school administrative units must submit a report to the State Board of  
26 Education by August 31 of each year detailing the expenditure of the funds and the  
27 impact of these funds on student achievement. The State Board of Education shall report  
28 this information annually by October 31 to the Office of State Budget and Management,  
29 the Joint Legislative Education Oversight Committee, and the Fiscal Research Division.

30  
31 **PROVIDE FOR NEW ACCOUNTABILITY FOR THE USE OF FUNDS IN THE**  
32 **AT-RISK AND IMPROVING STUDENT ACCOUNTABILITY ALLOTMENTS**

33 **SECTION 2.3.(a)** Funds appropriated for the At-Risk/Alternative Schools  
34 allotment and the Improving Student Accountability allotment shall be used consistent  
35 with the policies and procedures adopted by the State Board of Education only (i) to  
36 provide instructional positions or instructional support positions and/or professional  
37 development; (ii) to provide intensive in-school and/or after-school remediation; and  
38 (iii) to purchase diagnostic software and progress monitoring tools.

39 **SECTION 2.3.(b)** To remain eligible for funds appropriated for the  
40 At-Risk/Alternative Schools allotment and the Improving Student Accountability  
41 allotment, local school administrative units must submit a report to the State Board of  
42 Education by October 31 of each year detailing the expenditure of the funds and the  
43 impact of these funds on student achievement. The State Board of Education shall report

1 this information annually by October 31 to the Office of State Budget and Management,  
2 the Joint Legislative Education Oversight Committee, and the Fiscal Research Division.

### 3 4 **LOCAL SCHOOL SYSTEM ASSISTANCE PROGRAM**

5 **SECTION 2.4.(a)** All assistance to local school administrative units that is  
6 provided on behalf of the State Board of Education by the Department of Public  
7 Instruction and its contractors shall be consolidated into the LEA Assistance Program  
8 (LEAAP) created in the 2003 Session of the General Assembly. The consolidated  
9 program shall reside in the School Improvement Division and shall provide assistance to  
10 the State's low-performing Local School Administrative Units (LEAs) and shall assist  
11 schools in meeting adequate yearly progress in each subgroup identified in the No Child  
12 Left Behind Act of 2001.

13 **SECTION 2.4.(b)** To accomplish this, up to six million five hundred  
14 thousand dollars (\$6,500,000) shall be transferred from within existing appropriations to  
15 the LEAAP. These funds shall come from appropriations currently supporting positions  
16 and related operating costs within the Department of Public Instruction for school  
17 improvement teams and for Closing the Gap, and from the funds appropriated to the  
18 State Public School Fund being used for contractual services and associated costs for  
19 the assistance teams.

20 **SECTION 2.4.(c)** The State Board of Education shall develop: (i) the  
21 criteria for LEA Assistance Teams; (ii) the criteria for selecting LEAs and schools to  
22 receive assistance; (iii) measurable goals and objectives for the assistance program; and  
23 (iv) an explanation of the type of assistance to be provided with these combined  
24 resources. The Department shall develop a revised organizational structure and budget  
25 for providing assistance services to LEAs to ensure the department can meet the needs  
26 of the LEAs. This structure and budget must be approved by the State Board of  
27 Education.

28 For 2005-2006 only, the State Board may, with the prior approval of the  
29 Office of State Budget and Management, transfer General Fund appropriations between  
30 personal service and nonpersonal service line items within this fund to structure itself  
31 most efficiently for the delivery of services. All funds transferred under this provision  
32 are only for this program and for the services described herein. Funds shall not be used  
33 to raise the salary of existing employees.

34 **SECTION 2.4.(d)** The State Board of Education shall report to the Office of  
35 State Budget and Management, the Fiscal Research Division, and the Joint Legislative  
36 Education Oversight Committee on the criteria and the new organizational structure,  
37 proposed budget, functions, and projected workloads for the 2005-2006 academic year  
38 by August 1, 2005.

39 The State Board shall report on the prior year's expenditure of these funds by  
40 August 31 of each year. This report shall contain: (i) the criteria for selecting LEAs and  
41 schools to receive assistance; (ii) measurable goals and objectives for the assistance  
42 program; (iii) an explanation of the assistance provided; (iv) findings from the  
43 assistance program; (v) actual expenditures by category; (vi) recommendations

1 regarding the continuation of this program; and (vii) any other information the State  
2 Board deems necessary.

3           These funds shall not revert at the end of each fiscal year but shall remain  
4 available until expended for this purpose.

5  
6 **PART III. RECRUITING AND RETAINING QUALITY TEACHERS AND**  
7 **PRINCIPALS ACROSS THE STATE**

8  
9 **UNC-NCCCS JOINT INITIATIVE FOR TEACHER EDUCATION AND**  
10 **RECRUITMENT**

11           **SECTION 3.1.(a)** There is appropriated from the General Fund to the Board  
12 of Governors of The University of North Carolina the sum of six hundred forty  
13 thousand dollars (\$640,000) for the 2005-2006 fiscal year and the sum of six hundred  
14 forty thousand dollars (\$640,000) for the 2006-2007 fiscal year.

15           **SECTION 3.1.(b)** These funds shall be used to establish eight personnel  
16 positions for The University of North Carolina-North Carolina Community College  
17 System (UNC-NCCCS) Joint Initiative for Teacher Education and Recruitment. These  
18 employees shall have an office in and work with staff in the Regional Alternative  
19 Licensure Centers of the Department of Public Instruction. Their responsibilities shall  
20 be to help increase the number of certified teachers in the public schools of North  
21 Carolina. Their specific tasks shall be as follows:

- 22           (1) Resolve curriculum issues between The University of North Carolina  
23 and the community colleges within each region to ensure seamless  
24 articulation;
- 25           (2) Serve as licensure advisors to prospective teachers and assist with  
26 individual reviews for lateral entry candidates;
- 27           (3) Offer admissions advice to community college students seeking to  
28 transfer to four-year institutions; and
- 29           (4) Recruit prospective teachers on community college campuses.

30 These funds shall also be used to ensure that these staff members can travel routinely  
31 among all of The University of North Carolina and community college sites within a  
32 region.

33           **SECTION 3.1.(c)** Each constituent institution of The University of North  
34 Carolina with a teacher education program shall develop a 2+2 program in partnership  
35 with one or more constituent institutions in the North Carolina Community College  
36 System by June 2007.

37           **SECTION 3.1.(d)** The UNC-NCCCS Joint Initiative for Teacher Education  
38 and Recruitment shall report on the results of this initiative by September 1, 2006, and  
39 annually thereafter to the State Board of Education, the Board of Governors, the State  
40 Board of Community Colleges, the Education Cabinet, the Joint Legislative Education  
41 Oversight Committee, and the Office of State Budget and Management. The report shall  
42 include information on all existing and planned 2+2 teacher education partnership  
43 programs and, at a minimum, the following performance outcomes by region in which  
44 the advisors are working:

- 1 (1) The number of community college students articulated and working  
2 toward teacher licensure, their base community college, and The  
3 University of North Carolina institution to which they have moved;
- 4 (2) The number of lateral entry teachers that these advisors worked with  
5 who are actively pursuing certification and the number licensed;
- 6 (3) A headcount of the number of students in the process of receiving  
7 courses towards certification, their home county, the institutions at  
8 which they are taking courses, and whether they are taking courses by  
9 regular attendance, via distance education, or both. If both methods are  
10 being employed, the report shall contain the percentage of courses  
11 taken by each method;
- 12 (4) The total FTE and SCH that the headcount represents;
- 13 (5) Articulation issues and/or curriculum changes effectively made as a  
14 result of these advisors; and
- 15 (6) Articulation issues that are under discussion but have not been  
16 satisfactorily resolved.

#### 17 18 **UNC-NCCCS 2+2 E-LEARNING INITIATIVE**

19 **SECTION 3.2.(a)** There is appropriated from the General Fund to the Board  
20 of Governors of The University of North Carolina the sum of one million dollars  
21 (\$1,000,000) for the 2005-2006 fiscal year and the sum of one million dollars  
22 (\$1,000,000) for the 2006-2007 fiscal year for the UNC-NCCCS 2+2 E-Learning  
23 Initiative.

24 There is appropriated from the General Fund to the North Carolina  
25 Community Colleges System Office the sum of one million dollars (\$1,000,000) for the  
26 2005-2006 fiscal year and the sum of one million dollars (\$1,000,000) for the  
27 2006-2007 fiscal year for the UNC-NCCCS 2+2 E-Learning Initiative.

28 **SECTION 3.2.(b)** These funds shall be used to fund further development of  
29 online courses for 2+2 programs. These funds shall also be used in the area of greatest  
30 need as determined jointly by the Chair of the State Board of Education, the President of  
31 the Community College System, and the President of The University of North Carolina  
32 to: (i) support joint technology development and joint systems to track student progress  
33 and articulation between a community college and a university campus; and (ii) develop  
34 technology needed to support online courses and 2+2 programs.

#### 35 36 **TWO-YEAR TEACHING FELLOWS PROGRAM FOR SCIENCE AND** 37 **MATHEMATICS**

38 **SECTION 3.3.(a)** There is appropriated from the General Fund to the  
39 Department of Public Instruction the sum of three hundred thirty thousand dollars  
40 (\$330,000) for the 2006-2007 fiscal year for the administration of a Two-Year Teaching  
41 Fellows Program focused on preparing math and science teachers for public middle and  
42 high schools.

43 **SECTION 3.3.(b)** G.S. 115C-363.23A reads as rewritten:  
44 "**§ 115C-363.23A. Teaching Fellows Program established; administration.**

1 (a) A Teaching Fellows Program shall be administered by the North Carolina  
2 Teaching Fellows Commission. The Teaching Fellows Program shall be used to provide  
3 a four-year scholarship loan of six thousand five hundred dollars (\$6,500) per year to  
4 North Carolina high school seniors interested in preparing to teach in the public schools  
5 of the State. Beginning July 1, 2006, the Teaching Fellows Program shall also be used  
6 to provide 50 two-year scholarship loans of six thousand five hundred dollars (\$6,500)  
7 per year to North Carolina college juniors who intend to teach mathematics or science in  
8 the public middle schools or high schools of the State. The Commission shall adopt very  
9 stringent standards, including minimum grade point average and scholastic aptitude test  
10 scores, for awarding these scholarship loans to ensure that only the best high school  
11 seniors receive them.

12 ...

13 (c) The Commission shall form regional review committees to assist it in  
14 identifying the best high school seniors or college juniors for the program. The  
15 Commission and the review committees shall make an effort to identify and encourage  
16 minority students and students who may not otherwise consider a career in teaching to  
17 enter the program.

18 ...

19 (e) The Commission shall forgive ~~the a four-year~~ loan if, within seven years after  
20 graduation, the recipient teaches for four years at a North Carolina public school or at a  
21 school operated by the United States government in North Carolina. The Commission  
22 shall forgive a two-year loan if, within five years after graduation, the recipient teaches  
23 for two years at a North Carolina public school or at a school operated by the United  
24 States government in North Carolina. The Commission shall also forgive ~~the a two-year~~  
25 or a four-year loan if it finds that it is impossible for the recipient to ~~teach for four years,~~  
26 ~~within seven years after graduation, at a North Carolina public school or at a school~~  
27 ~~operated by the United States government in North Carolina, because of fulfill the~~  
28 teaching requirement due to the death or permanent disability of the recipient.

29 ...."

### 30 31 **INCREASE FUNDS FOR THE PROSPECTIVE TEACHER SCHOLARSHIP** 32 **LOAN PROGRAM**

33 **SECTION 3.4.(a)** There is appropriated from the General Fund to the  
34 Department of Public Instruction the sum of one million dollars (\$1,000,000) for the  
35 2005-2006 fiscal year and the sum of one million dollars (\$1,000,000) for the  
36 2006-2007 fiscal year for the Prospective Teacher Scholarship Loan Program.

37 **SECTION 3.4.(b)** The first priority for awards for these additional funds  
38 shall be to students in the 2+2 UNC-NCCCS Teacher Education and Recruitment  
39 Initiative.

### 40 41 **PRINCIPALS EXECUTIVE PROGRAM FOR NEW PRINCIPALS**

42 **SECTION 3.5.** There is appropriated from the General Fund to the Board of  
43 Governors of The University of North Carolina the sum of one hundred twenty-five  
44 thousand dollars (\$125,000) for the 2005-2006 fiscal year and the sum of one hundred

1 twenty-five thousand dollars (\$125,000) for the 2006-2007 fiscal year to support the  
2 development and implementation of a new program for all new public school principals.  
3 The program shall include a focus on the principal's responsibility for instructional  
4 leadership, data-driven decision making, and positive teacher working conditions.

5 All newly hired principals in North Carolina shall be required to attend this  
6 PEP-developed program for new principals during their first year of employment as a  
7 principal.

## 8 9 **TEACHER WORKING CONDITIONS INITIATIVE**

10 **SECTION 3.6.(a)** There is appropriated from the General Fund to the  
11 Department of Public Instruction the sum of two hundred fifteen thousand dollars  
12 (\$215,000) for the 2005-2006 fiscal year and the sum of two hundred ninety thousand  
13 dollars (\$290,000) for the 2006-2007 fiscal year to administer the Governor's Teacher  
14 Working Conditions Survey. These funds shall be used by the State Board of Education,  
15 in collaboration with the Professional Teaching Standards Commission, to administer  
16 the survey on a biennial basis, establish an advisory board to oversee implementation of  
17 recommendations from the survey, and support the NC Network in providing  
18 customized analysis for school improvement teams.

19 **SECTION 3.6.(b)** The State Board of Education may supplement these  
20 funds with gifts or other private funds donated for this purpose.

## 21 22 **TEACH FOR AMERICA**

23 **SECTION 3.7.** There is appropriated from the General Fund to the  
24 Department of Public Instruction the sum of two hundred thousand dollars (\$200,000)  
25 for the 2005-2006 fiscal year and the sum of two hundred thousand dollars (\$200,000)  
26 for the 2006-2007 fiscal year to support the Teach for America Program in North  
27 Carolina for the purpose of recruiting teachers into high-need schools.

## 28 29 **STANDARDS REVIEW OF MSA PROGRAMS**

30 **SECTION 3.8.** The State Board of Education, in consultation with the Board  
31 of Governors of The University of North Carolina, shall review standards for the  
32 Masters in School Administration (MSA) programs to ensure that appropriate  
33 competencies related to teacher retention, teacher evaluations, teacher support  
34 programs, and teacher effectiveness are included and emphasized.

## 35 36 **EVALUATION OF SCHOOL PRINCIPALS**

37 **SECTION 3.9.** The State Board of Education shall ensure that principals are  
38 evaluated annually as specified in G.S. 115C-333 and shall revise the standards for the  
39 evaluations of school administrators (SBE Policy QP-C-006) to include accountability  
40 measures of teacher retention, teacher support, and school climate. The State Board  
41 shall revise its evaluation instruments to reflect these changes.

## 42 43 **PLANNING TIME FOR TEACHERS**

1           **SECTION 3.10.** The State Board of Education, in collaboration with the  
2 North Carolina Professional Teaching Standards Commission, shall report on best  
3 practices from North Carolina schools for providing a minimum of five hours per week  
4 within the instructional day for planning, collaborating with colleagues and parents, and  
5 professional development, especially within elementary school schedules. The State  
6 Board shall submit its report to the Education Cabinet by December 31, 2005.

7           The State Board shall disseminate this information about best practices to  
8 schools and school systems across the State.

9  
10 **ONLINE PROFESSIONAL DEVELOPMENT RESOURCE CENTER FOR**  
11 **TEACHERS AND PRINCIPALS**

12           **SECTION 3.11.(a)** The State Board of Education and the Department of  
13 Public Instruction, in collaboration with the North Carolina Professional Teaching  
14 Standards Commission, shall develop a Web portal that catalogues high-quality  
15 professional development opportunities for teachers and principals.

16           **SECTION 3.11.(b)** Funds to implement the systems will be requested by the  
17 Department of Public Instruction based on the design. The State Budget Director and  
18 the Chief Information Officer shall release funding upon approval of the Information  
19 Technology project plan.

20  
21 **PART IV. TWENTY-FIRST- CENTURY HIGH SCHOOLS**

22  
23 **LEARN AND EARN HIGH SCHOOLS**

24           **SECTION 4.1.(a)** There is appropriated from the General Fund to the  
25 Department of Public Instruction the sum of three million two hundred forty-seven  
26 thousand four hundred twenty-six dollars (\$3,247,426) in recurring funds and nine  
27 hundred seventeen thousand five hundred dollars (\$917,500) in nonrecurring funds for  
28 the 2005-2006 fiscal year and the sum of nine million two hundred fifty-nine thousand  
29 four hundred forty dollars (\$9,259,440) in recurring funds and one million dollars  
30 (\$1,000,000) in nonrecurring funds for the 2006-2007 fiscal year for the Learn and Earn  
31 high school workforce development program. The purpose of the program shall be to  
32 create rigorous and relevant high school options that provide students with the  
33 opportunity and assistance to earn an associate degree or two years of college credit by  
34 the conclusion of the year after their senior year in high school. The State Board of  
35 Education shall work closely with the Education Cabinet and the New Schools Project  
36 in administering the program.

37           **SECTION 4.1.(b)** These funds shall be used to establish new high schools in  
38 which a local school administrative unit, two- and four-year colleges and universities,  
39 and local employers work together to ensure that high school and postsecondary college  
40 curricula operate seamlessly and meet the needs of participating employers. Funds shall  
41 not be allotted until Learn and Earn high schools are certified as operational.

42           **SECTION 4.1.(c)** The State Board of Education in consultation with the  
43 State Board of Community Colleges and The University of North Carolina Board of  
44 Governors, shall conduct an annual evaluation of this program. The evaluation shall

1 include measures as identified in G.S. 115C-238.55. It shall also include: (i) an  
2 accounting of how funds and personnel resources were utilized and their impact on  
3 student achievement, retention, and employability; (ii) recommended statutory and  
4 policy changes; and (iii) recommendations for improvement of the program. The State  
5 Board of Education shall report the results of this evaluation to the Office of State  
6 Budget and Management, the Joint Legislative Education Oversight Committee, and the  
7 Fiscal Research Division by September 15 of each year.

### 8 9 **SMALL SPECIALTY HIGH SCHOOLS PILOT PROGRAM**

10 **SECTION 4.2.(a)** There is appropriated from the General Fund to the  
11 Department of Public Instruction the sum of one million four hundred forty-six  
12 thousand eight hundred seventy-seven dollars (\$1,446,877) for the 2005-2006 fiscal  
13 year and the sum of one million four hundred forty-six thousand eight hundred  
14 seventy-seven dollars (\$1,446,877) for the 2006-2007 fiscal year for a pilot program to  
15 create 11 small specialty high schools within existing schools. The purpose of the  
16 program shall be to improve graduation rates and achieve higher student performance as  
17 measured by standard tests and postgraduate gainful employment or admission into an  
18 institution of higher education. The State Board of Education shall work closely with  
19 the Education Cabinet and the New Schools Project in administering the program.

20 **SECTION 4.2.(b)** The State Board of Education shall conduct an evaluation  
21 of this program. The evaluation shall include measures as identified in  
22 G.S. 115C-238.55. It shall also include: (i) an accounting of how funds and personnel  
23 resources were utilized and their impact on student achievement, retention, and  
24 employability; and (ii) recommendations for improvement of the program. The State  
25 Board of Education shall report the results of this evaluation to the Office of State  
26 Budget and Management, the Joint Legislative Education Oversight Committee, and the  
27 Fiscal Research Division by November 15, 2006.

### 28 29 **THE CENTER FOR TWENTY-FIRST-CENTURY SKILLS**

30 **SECTION 4.3.(a)** There is established the Center for 21<sup>st</sup>-Century Skills  
31 within the North Carolina Business Committee for Education. The purpose of the  
32 Center is to design curriculum, teacher training, and student assessment to support  
33 students acquiring the knowledge and skills needed for the emerging workforce of the  
34 21<sup>st</sup> century.

35 **SECTION 4.3.(b)** The North Carolina Business Committee for Education  
36 and the Center for 21<sup>st</sup>-Century Skills shall coordinate their efforts on high school  
37 reform with the North Carolina New Schools Project.

38 **SECTION 4.3.(c)** The North Carolina Business Committee for Education  
39 and the Center for 21<sup>st</sup>-Century Skills shall work with the North Carolina Science,  
40 Mathematics and Technology Education Center, the North Carolina School of Science  
41 and Mathematics, the North Carolina Board of Science and Technology, and the  
42 governing boards of education to research and propose options to create new or expand  
43 existing mathematics and science summer enrichment programs across the State and to  
44 establish nonresidential high schools focused on mathematics, science, and technology.

1 The Center shall also support efforts of the Futures for Kids Program to connect  
2 students with the workforce needs of their home communities.

#### 3 4 **FLEXIBILITY FOR HIGH SCHOOL INNOVATION**

5 **SECTION 4.4.(a)** G.S. 115C-238.51 reads as rewritten:

6 "(d) The State Board of Education and the State Board of Community Colleges  
7 ~~shall approve two cooperative innovative high school programs in each of the State's~~  
8 ~~economic development regions. The State Boards may approve cooperative innovative~~  
9 high school programs recommended by the joint advisory committee or may approve  
10 other programs that were not recommended. The State Boards shall approve all  
11 applications by March 15 of each year. No application shall be approved unless the  
12 State Boards find that the application meets the requirements set out in this Part and that  
13 granting the application would achieve the purposes set out in G.S. 115C-238.50.  
14 Priority shall be given to applications that are most likely to further State education  
15 policies, to address the economic development needs of the economic development  
16 regions in which they are located, and to strengthen the educational programs offered in  
17 the local school administrative units in which they are located."

18 **SECTION 4.4.(b)** G.S. 116C-4 reads as rewritten:

#### 19 **"§ 116C-4. First in America Innovative Education Initiatives Act.**

20 (a) The General Assembly strongly endorses the Governor's goal of making  
21 North Carolina's system of education first in America by 2010. With that as the goal, the  
22 Education Cabinet shall set as a priority cooperative efforts between secondary schools  
23 and institutions of higher education so as to reduce the high school dropout rate,  
24 increase high school and college graduation rates, decrease the need for remediation in  
25 institutions of higher education, and raise certificate, associate, and bachelor degree  
26 completion rates. The Cabinet shall identify and support efforts that achieve the  
27 following purposes:

- 28 (1) Support cooperative innovative high school programs developed under  
29 Part 9 of Article 16 of Chapter 115C of the General Statutes.
- 30 (2) Improve high school completion rates and reduce high school dropout  
31 rates.
- 32 (3) Close the achievement gap.
- 33 (4) Create redesigned middle schools or high schools.
- 34 (5) Provide flexible, customized programs of learning for high school  
35 students who would benefit from accelerated, higher-level coursework  
36 or early graduation.
- 37 (6) Establish high quality alternative learning programs.
- 38 (7) Establish a virtual high school.
- 39 (8) Implement other innovative education initiatives designed to advance  
40 the State's system of education.

41 Small specialty high schools within existing schools, high school programs that are a  
42 cooperative effort between public secondary schools and a constituent institution of The  
43 University of North Carolina, and high school programs that are a cooperative effort  
44 between public secondary schools and a private college or university are exempt from

1 laws and rules applicable to local boards of education, local school administrative units,  
2 community colleges, and constituent institutions of The University of North Carolina.

3 (b) The Education Cabinet shall identify federal, State, and local funds that may  
4 be used to support these initiatives. In addition, the Cabinet is strongly encouraged to  
5 pursue private funds that could be used to support these initiatives.

6 (c) The Cabinet shall report by January 15, 2004, and annually thereafter, to the  
7 Joint Legislative Education Oversight Committee on its activities under this section.  
8 The annual reports may include recommendations for statutory changes needed to  
9 support cooperative innovative initiatives, including programs approved under Part 9 of  
10 Article 16 of Chapter 115C of the General Statutes."

## 11 12 **PART V. SUPPORTING FAMILIES AND CHILDREN FOR SCHOOL** 13 **SUCCESS**

### 14 15 **SCHOOL-BASED CHILD AND FAMILY SUPPORT TEAMS**

16 **SECTION 5.1.(a)** There is appropriated from the General Fund to the  
17 Department of Public Instruction the sum of ten million six hundred sixty-five thousand  
18 seven hundred fifty-four dollars (\$10,665,754) in recurring funds and five hundred  
19 thousand dollars (\$500,000) in nonrecurring funds for the 2005-2006 fiscal year and the  
20 sum of thirteen million three hundred eighty-two thousand one hundred ninety-two  
21 dollars (\$13,382,192) for the 2006-2007 fiscal year to establish 100 school-based child  
22 and family support teams to support the educational achievement of at-risk children.  
23 The purpose of the program is to better connect public schools with the health, mental  
24 health, and social services needed by their students and families.

25 **SECTION 5.1.(b)** These funds shall be used to support 100 school nurses  
26 and 100 school social workers responsible for multidisciplinary assessments and for  
27 referral and care coordination for at-risk students and their families at 100 public  
28 schools in North Carolina.

### 29 30 **COMMUNITIES IN SCHOOLS SUPPORT AND EXPANSION**

31 **SECTION 5.2.** There is appropriated from the General Fund to the  
32 Department of Public Instruction the sum of five hundred thousand dollars (\$500,000)  
33 for the 2005-2006 fiscal year and the sum of five hundred thousand dollars (\$500,000)  
34 for the 2006-2007 fiscal year to support the Communities in Schools of North Carolina  
35 program. These funds shall be used to establish an 18-county Communities in Schools  
36 partnership in the northeast, help new and existing local Communities in Schools  
37 programs obtain federal and private grants, and otherwise support the educational  
38 achievement of at-risk students.

## 39 40 **PART VI. EFFECTIVE DATE**

41  
42 **SECTION 6.1.** This act becomes effective July 1, 2005.