

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H.B 1079
May 10, 2016
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40589-LRa-158D (04/26)

Short Title: Up Pay/State Employees/Teachers/Retirees. (Public)

Sponsors: Representatives Pendleton, Jordan, Malone, and Blackwell (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO AWARD A FOUR PERCENT SALARY INCREASE TO STATE EMPLOYEES AND PUBLIC SCHOOL PERSONNEL AND A TWO AND ONE-HALF PERCENT COST OF LIVING ADJUSTMENT FOR STATE RETIREES AND APPROPRIATE FUNDS FOR THOSE PURPOSES.

The General Assembly of North Carolina enacts:

PART I. STATE EMPLOYEE INCREASES

GOVERNOR AND COUNCIL OF STATE

SECTION 1.1.(a) Section 30.1 of S.L. 2015-241 reads as rewritten:

"**SECTION 30.1.(a)** The salary of the Governor as provided by G.S. 147-11(a) shall remain unchanged for the ~~2015-2017 fiscal biennium~~, 2015-2016 fiscal year.

"**SECTION 30.1.(a1)** Effective July 1, 2016, G.S. 147-11(a) reads as rewritten:

"(a) The salary of the Governor shall be ~~one hundred forty two thousand two hundred sixty five dollars (\$142,265)~~ one hundred forty seven thousand nine hundred fifty-six dollars (\$147,956) annually, payable monthly."

"**SECTION 30.1.(b)** The annual salaries for members of the Council of State, payable monthly, shall remain unchanged for the ~~2015-2017 fiscal biennium~~, 2015-2016 fiscal year, as follows:

<u>Council of State</u>	<u>Annual Salary</u>
Lieutenant Governor	\$125,676
Attorney General	125,676
Secretary of State	125,676
State Treasurer	125,676
State Auditor	125,676
Superintendent of Public Instruction	125,676
Agriculture Commissioner	125,676
Insurance Commissioner	125,676
Labor Commissioner	125,676

"**SECTION 30.1.(b1)** Effective July 1, 2016, the annual salaries for members of the Council of State, payable monthly, are increased by four percent (4%), as follows:

<u>Council of State</u>	<u>Annual Salary</u>
<u>Lieutenant Governor</u>	<u>\$130,703</u>
<u>Attorney General</u>	<u>130,703</u>
<u>Secretary of State</u>	<u>130,703</u>



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1	<u>State Treasurer</u>	<u>130,703</u>
2	<u>State Auditor</u>	<u>130,703</u>
3	<u>Superintendent of Public Instruction</u>	<u>130,703</u>
4	<u>Agriculture Commissioner</u>	<u>130,703</u>
5	<u>Insurance Commissioner</u>	<u>130,703</u>
6	<u>Labor Commissioner</u>	<u>130,703</u>

7"

8

9 CERTAIN EXECUTIVE BRANCH OFFICIALS

10 SECTION 1.2. Section 30.2 of S.L. 2015-241 reads as rewritten:

11 "SECTION 30.2.(a) The annual salaries, payable monthly, for the following executive branch
12 officials shall remain unchanged for the ~~2015-2017 fiscal biennium~~, 2015-2016 fiscal year, as
13 follows:

14	<u>Executive Branch Officials</u>	<u>Annual Salary</u>
15	Chairman, Alcoholic Beverage Control Commission	\$111,868
16	State Controller	156,159
17	Commissioner of Banks	125,676
18	Chair, Board of Review, Division of Employment Security	123,255
19	Members, Board of Review, Division of Employment Security	121,737
20	Chairman, Parole Commission	123,255
21	Members of the Parole Commission	113,887
22	Chairman, Utilities Commission	139,849
23	Members of the Utilities Commission	125,676
24	Executive Director, North Carolina	
25	Agricultural Finance Authority	108,915

26 "SECTION 30.2.(a1) The annual salaries, payable monthly, for the following executive
27 branch officials for the 2015-2017 fiscal biennium are increased by four percent (4%), as follows:

28	<u>Executive Branch Officials</u>	<u>Annual Salary</u>
29	<u>Chairman, Alcoholic Beverage Control Commission</u>	<u>\$116,343</u>
30	<u>State Controller</u>	<u>162,405</u>
31	<u>Commissioner of Banks</u>	<u>130,703</u>
32	<u>Chair, Board of Review, Division of Employment Security</u>	<u>128,185</u>
33	<u>Members, Board of Review, Division of Employment Security</u>	<u>126,606</u>
34	<u>Chairman, Parole Commission</u>	<u>128,185</u>
35	<u>Members of the Parole Commission</u>	<u>118,442</u>
36	<u>Chairman, Utilities Commission</u>	<u>145,443</u>
37	<u>Members of the Utilities Commission</u>	<u>130,703</u>
38	<u>Executive Director, North Carolina</u>	
39	<u>Agricultural Finance Authority</u>	<u>113,272"</u>

40

41 JUDICIAL BRANCH SALARIES

42 SECTION 1.3. Section 30.3 of S.L. 2015-241 reads as rewritten:

43 "SECTION 30.3.(a) Effective July 1, 2015, the annual salaries, payable monthly, for
44 specified judicial branch officials for the ~~2015-2017 fiscal biennium~~, 2015-2016 fiscal year, are as
45 follows:

46	<u>Judicial Branch Officials</u>	<u>Annual Salary</u>
47	Chief Justice, Supreme Court	\$143,623
48	Associate Justice, Supreme Court	139,896
49	Chief Judge, Court of Appeals	137,682
50	Judge, Court of Appeals	134,109
51	Judge, Senior Regular Resident Superior Court	130,492

1	Judge, Superior Court	126,875
2	Chief Judge, District Court	115,301
3	Judge, District Court	111,684
4	District Attorney	121,737
5	Assistant Administrative Officer of the Courts	118,152
6	Public Defender	121,737
7	Director of Indigent Defense Services	125,498
8	"SECTION 30.3.(a1) Effective July 1, 2016, the annual salaries, payable monthly, for	
9	specified judicial branch officials for the 2016-2017 fiscal year, are as follows:	
10	<u>Judicial Branch Officials</u>	<u>Annual Salary</u>
11	<u>Chief Justice, Supreme Court</u>	<u>\$149,368</u>
12	<u>Associate Justice, Supreme Court</u>	<u>145,492</u>
13	<u>Chief Judge, Court of Appeals</u>	<u>143,189</u>
14	<u>Judge, Court of Appeals</u>	<u>139,473</u>
15	<u>Judge, Senior Regular Resident Superior Court</u>	<u>135,712</u>
16	<u>Judge, Superior Court</u>	<u>131,950</u>
17	<u>Chief Judge, District Court</u>	<u>119,913</u>
18	<u>Judge, District Court</u>	<u>116,151</u>
19	<u>District Attorney</u>	<u>126,606</u>
20	<u>Public Defender</u>	<u>126,606</u>
21	<u>Director of Indigent Defense Services</u>	<u>130,518</u>

22 **"SECTION 30.3.(b)** The annual salaries of permanent full-time employees of the Judicial
 23 Department whose salaries are not itemized in this act shall not be legislatively increased for the
 24 ~~2015-2017 fiscal biennium,~~ 2015-2016 fiscal year, but may be increased as otherwise allowed by
 25 law.

26 **"SECTION 30.3.(c)** The district attorney or public defender of a judicial district, with the
 27 approval of the Administrative Officer of the Courts or the Commission on Indigent Defense
 28 Services, respectively, shall set the salaries of assistant district attorneys or assistant public
 29 defenders, respectively, in that district such that the average salaries of assistant district attorneys
 30 or assistant public defenders in that district do not exceed seventy-two thousand seven hundred
 31 ninety-seven dollars (\$72,797) and the minimum salary of any assistant district attorney or
 32 assistant public defender is at least thirty-eight thousand six hundred twenty-eight dollars
 33 (\$38,628), effective July 1, 2015.

34 **"SECTION 30.3.(c1)** The district attorney or public defender of a judicial district, with the
 35 approval of the Administrative Officer of the Courts or the Commission on Indigent Defense
 36 Services, respectively, shall set the salaries of assistant district attorneys or assistant public
 37 defenders, respectively, in that district such that the average salaries of assistant district attorneys
 38 or assistant public defenders in that district do not exceed seventy-five thousand seven hundred
 39 nine dollars (\$75,709) and the minimum salary of any assistant district attorney or assistant public
 40 defender is at least forty thousand one hundred seventy-three dollars (\$40,173) effective July 1,
 41 2016.

42"

43
 44 **CLERK OF SUPERIOR COURT**

45 **SECTION 1.3A.** Effective July 1, 2016, G.S. 7A-101(a) reads as rewritten:

46 "(a) The clerk of superior court is a full-time employee of the State and shall receive an
 47 annual salary, payable in equal monthly installments, based on the population of the county as
 48 determined in subsection (a1) of this section, according to the following schedule:

49	Population	Annual Salary
50	Less than 100,000	\$84,390 <u>\$87,766</u>
51	100,000 to 149,999	94,578 <u>98,361</u>

1	150,000 to 249,999	104,766 <u>108,957</u>
2	250,000 and above	114,958 <u>119,556</u>

3 When a county changes from one population group to another, the salary of the clerk shall be
 4 changed, on July 1 of the fiscal year for which the change is reported, to the salary appropriate for
 5 the new population group, except that the salary of an incumbent clerk shall not be decreased by
 6 any change in population group during his continuance in office."
 7

8 **ASSISTANT AND DEPUTY CLERKS OF COURT**

9 **SECTION 1.3B.** Effective July, 2016, G.S. 7A-102(c1) reads as rewritten:

10 "(c1) A full-time assistant clerk or a full-time deputy clerk, and up to one full-time deputy
 11 clerk serving as head bookkeeper per county, shall be paid an annual salary subject to the
 12 following minimum and maximum rates:

13	Assistant Clerks and Head Bookkeeper	Annual Salary
14	Minimum	\$32,609 <u>\$33,913</u>
15	Maximum	56,424 <u>58,681</u>
16	Deputy Clerks	Annual Salary
17	Minimum	\$28,223 <u>\$29,352</u>
18	Maximum	44,107 <u>45,871</u> ."

19
 20 **MAGISTRATES**

21 **SECTION 1.3C.** Effective July 1, 2016, G.S. 7A-171.1 reads as rewritten:

22 **"§ 7A-171.1. Duty hours, salary, and travel expenses within county.**

23 (a) The Administrative Officer of the Courts, after consultation with the chief district
 24 judge and pursuant to the following provisions, shall set an annual salary for each magistrate.

25 (1) A full-time magistrate shall be paid the annual salary indicated in the table set
 26 out in this subdivision. A full-time magistrate is a magistrate who is assigned to
 27 work an average of not less than 40 hours a week during the term of office. The
 28 Administrative Officer of the Courts shall designate whether a magistrate is
 29 full-time. Initial appointment shall be at the entry rate. A magistrate's salary
 30 shall increase to the next step every two years on the anniversary of the date the
 31 magistrate was originally appointed for increases to Steps 1 through 3, and
 32 every four years on the anniversary of the date the magistrate was originally
 33 appointed for increases to Steps 4 through 6.

34 Table of Salaries of Full-Time Magistrates

35	Step Level	Annual Salary
36	Entry Rate	\$35,275 <u>\$36,686</u>
37	Step 1	37,950 <u>39,468</u>
38	Step 2	40,835 <u>42,468</u>
39	Step 3	43,890 <u>45,646</u>
40	Step 4	47,550 <u>49,452</u>
41	Step 5	51,960 <u>54,038</u>
42	Step 6	56,900 <u>59,176</u> .

43 ...

44 (a1) Notwithstanding subsection (a) of this section, the following salary provisions apply to
 45 individuals who were serving as magistrates on June 30, 1994:

46 (1) ~~The minimum and maximum salaries of magistrates who on June 30, 1994,~~
 47 ~~were paid at a salary level of less than five years of service under the table in~~
 48 ~~effect that date shall be as follows:~~

49		Minimum	Maximum
50	Less than 1 year of service		\$27,846
51	1 or more but less than 3 years of service	28,027	– 29,027

~~3 or more but less than 5 years of service 30,405 – 31,405~~

~~Upon completion of five years of service, those magistrates shall receive the salary set as the Entry Rate in the table in subsection (a).~~

(1) The minimum and maximum salaries of magistrates who on June 30, 1994, were paid at a salary level of less than five years of service under the table in effect that date shall be as follows:

	<u>Minimum</u>	<u>Maximum</u>
<u>Less than 1 year of service</u>		<u>\$28,960</u>
<u>1 or more but less than 3 years of service</u>	<u>29,148</u>	<u>– 30,188</u>
<u>3 or more but less than 5 years of service</u>	<u>31,621</u>	<u>– 32,661</u>

Upon completion of five years of service, those magistrates shall receive the salary set as the Entry Rate in the table in subsection (a) of this section.

...."

LEGISLATIVE BRANCH SALARIES

SECTION 1.4. Section 30.4 of S.L. 2015-241 reads as rewritten:

"**SECTION 30.4.(a)** For the 2015-2017 fiscal biennium, the salaries of members and officers of the General Assembly shall remain unchanged at the amounts set under G.S. 120-3, as provided in 1994 by the 1993 General Assembly.

"**SECTION 30.4.(b)** The annual salaries of the Legislative Services Officer and of nonelected employees of the General Assembly in effect on June 30, 2015, shall not be legislatively increased for the ~~2015-2017 fiscal biennium, 2015-2016 fiscal year~~, but may be increased as otherwise allowed by law.

"**SECTION 30.4.(b1)** The annual salaries of the Legislative Services Officer and of nonelected employees of the General Assembly in effect on June 30, 2016, are increased by four percent (4%).

"**SECTION 30.4.(c)** Legislative employees paid pursuant to subsection (b) of this section shall receive the compensation bonus awarded by this act."

SERGEANT-AT-ARMS AND READING CLERKS

SECTION 1.5. Effective July 1, 2016, G.S. 120-37(b) reads as rewritten:

"(b) The sergeant-at-arms and the reading clerk in each house shall be paid a salary of four hundred twenty dollars (\$420.00) per week plus subsistence at the same daily rate provided for members of the General Assembly, plus mileage at the rate provided for members of the General Assembly for one round trip only from their homes to Raleigh and return. The sergeants-at-arms shall serve during sessions of the General Assembly and at such time prior to the convening of, and subsequent to adjournment or recess of, sessions as may be authorized by the Legislative Services Commission. The reading clerks shall serve during sessions only."

GENERAL ASSEMBLY PRINCIPAL CLERKS

SECTION 1.6. Effective July 1, 2016, G.S. 120-37(c) reads as rewritten:

"(c) The principal clerks shall be full-time officers. Each principal clerk shall be entitled to other benefits available to permanent legislative employees and shall be paid an annual salary of one hundred ten thousand five hundred eighty-six dollars (\$110,586), payable monthly. Each principal clerk shall also receive such additional compensation as approved by the Speaker of the House of Representatives or the President Pro Tempore of the Senate, respectively, for additional employment duties beyond those provided by the rules of their House. The Legislative Services Commission shall review the salary of the principal clerks prior to submission of the proposed operating budget of the General Assembly to the Governor and shall make appropriate recommendations for changes in those salaries. Any changes enacted by the General Assembly shall be by amendment to this paragraph."

1
2 **COMMUNITY COLLEGES PERSONNEL**

3 **SECTION 1.7.** Section 30.5 of S.L. 2015-241 reads as rewritten:

4 "**SECTION 30.5.** The minimum salaries for nine-month, full-time curriculum community
5 college faculty for the ~~2015-2017 fiscal biennium~~ 2015-2016 fiscal year shall remain unchanged
6 as follows:

<u>Education Level</u>	<u>Minimum Salary</u>
Vocational Diploma/Certificate or Less	\$35,314
Associate Degree or Equivalent	35,819
Bachelor's Degree	38,009
Master's Degree or Education Specialist	39,952
Doctoral Degree	42,753

13 No full-time faculty member shall earn less than the minimum salary for his or her
14 education level.

15 The pro rata hourly rate of the minimum salary for each education level shall be used to
16 determine the minimum salary for part-time faculty members.

17 "**SECTION 30.5.(a1)** The minimum salaries for nine-month, full-time curriculum community
18 college faculty for the 2016-2017 fiscal year are as follows:

<u>Education Level</u>	<u>Minimum Salary</u>
<u>Vocational Diploma/Certificate or Less</u>	<u>\$36,727</u>
<u>Associate Degree or Equivalent</u>	<u>37,252</u>
<u>Bachelor's Degree</u>	<u>39,529</u>
<u>Master's Degree or Education Specialist</u>	<u>41,550</u>
<u>Doctoral Degree</u>	<u>44,463</u>

25 No full-time faculty member shall earn less than the minimum salary for his or her
26 education level.

27 The pro rata hourly rate of the minimum salary for each education level shall be used to
28 determine the minimum salary for part-time faculty members.

29 "**SECTION 30.5.(b)** For the 2015-2017 fiscal biennium, the community college boards of
30 trustees may provide personnel a salary increase pursuant to the policies adopted by the State
31 Board of Community Colleges. Funds for compensation increases may be used for any one or
32 more of the following purposes: (i) merit pay, (ii) across-the-board increases, (iii) recruitment
33 bonuses, (iv) retention increases, and (v) any other compensation increase pursuant to policies
34 adopted by the State Board of Community Colleges. The State Board of Community Colleges
35 shall make a report on the use of these funds to the 2016 Regular Session of the 2015 General
36 Assembly no later than ~~March 1, 2016~~ March 1, 2016, and to the 2017 General Assembly by no
37 later than March 1, 2017."

38
39 **UNIVERSITY OF NORTH CAROLINA SYSTEM**

40 **SECTION 1.8.** Section 30.6 of S.L. 2015-241 reads as rewritten:

41 "**SECTION 30.6.(a)** Effective for the ~~2015-2017 fiscal biennium~~ 2015-2016 fiscal year, the
42 annual compensation of all full-time University of North Carolina SHRA and EHRA employees
43 shall not be legislatively increased for the 2015-2017 fiscal biennium, but may be increased as
44 otherwise allowed by law.

45 "**SECTION 30.6.(a1)** Effective for the 2016-2017 fiscal year, the annual compensation of all
46 full-time University of North Carolina SHRA and EHRA employees shall be increased by four
47 percent (4%)."

48
49 **STATE AGENCY TEACHERS**

50 **SECTION 1.9.** Section 30.7 of S.L. 2015-241 reads as rewritten:

1 "SECTION 30.7.(a) Employees of schools operated by the Department of Health and Human
2 Services, the Department of Public Safety, and the State Board of Education who are paid on the
3 Teacher Salary Schedule shall receive any experience step increases authorized in Section 9.1 of
4 this act.

5 "SECTION 30.7.(a1) Employees of schools operated by the Department of Health and
6 Human Services, the Department of Public Safety, and the State Board of Education who are paid
7 on the Teacher Salary Schedule shall receive the increases authorized in Section 2.1 of this act."

9 ALL STATE-SUPPORTED PERSONNEL

10 SECTION 1.10. Section 30.8 of S.L. 2015-241 reads as rewritten:

11 "SECTION 30.8.(a) For the 2015-2017 fiscal biennium;2015-2016 fiscal year:

- 12 (1) Except as provided by Part 9, Section 30.5, Section 30.7, and Section 30.15 of
13 this act, the annual salaries of all employees subject to or exempt from the
14 North Carolina Human Resources Act shall be increased by three percent (3%).
- 15 (2) All eligible State-supported personnel shall receive a compensation bonus as
16 authorized by this Part.

17 "SECTION 30.8.(a1) For the 2016-2017 fiscal year:

- 18 (1) Unless otherwise specifically provided, the annual salaries of all employees
19 subject to or exempt from the North Carolina Human Resources Act are
20 increased by four percent (4%).

21 "SECTION 30.8.(b) Salaries and Related Benefits for Positions That Are Funded. –

- 22 (1) Partially from the General Fund or Highway Fund and partially from sources
23 other than the General Fund or Highway Fund shall be increased from the
24 General Fund or Highway Fund appropriation only to the extent of the
25 proportionate part of the salaries paid from the General Fund or Highway Fund.
- 26 (2) Fully from sources other than the General Fund or Highway Fund shall be
27 increased as provided by this act. The Director of the Budget may increase
28 expenditures of receipts from these sources by the amount necessary to provide
29 the legislative increase to receipt-supported personnel in the certified budget.

30 "SECTION 30.8.(c) ~~Except~~ For the 2015-2016 fiscal year, except as otherwise provided, the
31 salary increases provided in this act do not apply to persons separated from State service due to
32 resignation, dismissal, reduction in force, death, or retirement, or whose last workday is prior to
33 July 1, 2015.

34 "SECTION 30.8.(c1) For the 2016-2017 fiscal year, except as otherwise provided, the salary
35 increases provided in this act do not apply to persons separated from State service due to
36 resignation, dismissal, reduction in force, death, or retirement, or whose last workday is prior to
37 July 1, 2016.

38 "SECTION 30.8.(d) ~~Employees~~ For the 2015-2016 fiscal year, employees shall receive the
39 statutory increases provided by G.S. 20-187.3, 7A-102, and 7A-171.1. Notwithstanding
40 G.S. 20-187.3, the increases authorized by that statute for members of the State Highway Patrol
41 become effective January 1, 2016. Notwithstanding any provision of law to the contrary, the salary
42 increases authorized on the employee anniversary date by G.S. 7A-171.1 for magistrates and
43 G.S. 7A-102 for assistant and deputy clerks of superior court shall become effective January 1,
44 2016.

45 "SECTION 30.8.(e) ~~Payroll~~ For the 2015-2016 fiscal year, payroll checks issued to
46 employees after July 1, 2015, that represent payment of services provided prior to July 1, 2015,
47 shall not be eligible for salary increases provided for in this act. This subsection applies to all
48 employees paid from State funds, whether or not subject to or exempt from the North Carolina
49 Human Resources Act, including employees of public schools, community colleges, and The
50 University of North Carolina.

1 "SECTION 30.8.(e1) For the 2016-2017 fiscal year, payroll checks issued to employees after
 2 July 1, 2016, that represent payment of services provided prior to July 1, 2016, shall not be
 3 eligible for salary increases provided for in this act. This subsection applies to all employees paid
 4 from State funds, whether or not subject to or exempt from the North Carolina Human Resources
 5 Act, including employees of public schools, community colleges, and The University of North
 6 Carolina.

7 "SECTION 30.8.(f) Nothing in this act authorizes the transfer of funds between the General
 8 Fund and the Highway Fund for salary increases."
 9

10 **MOST STATE EMPLOYEES**

11 **SECTION 1.11.** Section 30.9 of S.L. 2015-241 reads as rewritten:

12 "**SECTION 30.9.(a)** For the ~~2015-2017 fiscal biennium~~, 2015-2016 fiscal year, except as
 13 otherwise provided by this Part, the annual salaries in effect June 30, 2015, for the following
 14 employees shall not be legislatively increased, but may be increased as otherwise allowed by law:

- 15 (1) Permanent full-time State officials and persons whose salaries are set in
 16 accordance with the State Human Resources Act.
- 17 (2) Permanent full-time State officials and persons in positions exempt from the
 18 State Human Resources Act.
- 19 (3) Permanent part-time State employees.
- 20 (4) Temporary and permanent hourly State employees.

21 "**SECTION 30.9.(a1)** For the 2016-2017 fiscal year, except as otherwise specifically
 22 provided, the annual salaries in effect June 30, 2016, for the following employees are increased by
 23 four percent (4%):

- 24 (1) Permanent full-time State officials and persons whose salaries are set in
 25 accordance with the State Human Resources Act.
- 26 (2) Permanent full-time State officials and persons in positions exempt from the
 27 State Human Resources Act.
- 28 (3) Permanent part-time State employees.
- 29 (4) Temporary and permanent hourly State employees."
 30

31 **PART II. PUBLIC SCHOOL EMPLOYEE INCREASES**

32 **TEACHER SALARY SCHEDULE**

33 **SECTION 2.1.(a)** The following monthly teacher salary schedule shall apply for the
 34 2016-2017 fiscal year to licensed personnel of the public schools who are classified as teachers.
 35 The salary schedule is based on years of teaching experience.
 36

37 **2016-2017 Teacher Monthly Salary Schedule**

38 Years of Experience	"A" Teachers
39 0-4	\$3,640
40 5-9	3,796
41 10-14	4,160
42 15-19	4,524
43 20-24	4,836
44 25+	5,200.

45 **SECTION 2.1.(b)** Salary Supplements for Teachers Paid on This Salary Schedule. –

- 46 (1) Licensed teachers who have NBPTS certification shall receive a salary
 47 supplement each month of twelve percent (12%) of their monthly salary on the
 48 "A" salary schedule.
- 49 (2) Licensed teachers who are classified as "M" teachers shall receive a salary
 50 supplement each month of ten percent (10%) of their monthly salary on the "A"
 51 salary schedule.

- (3) Licensed teachers with licensure based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars (\$126.00) per month in addition to the supplement provided to them as "M" teachers.
- (4) Licensed teachers with licensure based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars (\$253.00) per month in addition to the supplement provided to them as "M" teachers.
- (5) Certified school nurses shall receive a salary supplement each month of ten percent (10%) of their monthly salary on the "A" salary schedule.

SECTION 2.1.(c) The first step of the salary schedule for (i) school psychologists, (ii) school speech pathologists who are licensed as speech pathologists at the master's degree level or higher, and (iii) school audiologists who are licensed as audiologists at the master's degree level or higher shall be equivalent to Step 5 of the "A" salary schedule. These employees shall receive a salary supplement each month of ten percent (10%) of their monthly salary and are eligible to receive salary supplements equivalent to those of teachers for academic preparation at the six-year degree level or the doctoral degree level.

SECTION 2.1.(d) The twenty-sixth step of the salary schedule for (i) school psychologists, (ii) school speech pathologists who are licensed as speech pathologists at the master's degree level or higher, and (iii) school audiologists who are licensed as audiologists at the master's degree level or higher shall be seven and one-half percent (7.5%) higher than the salary received by these same employees on the twenty-fifth step of the salary schedule.

SECTION 2.1.(e) Beginning with the 2014-2015 fiscal year, in lieu of providing annual longevity payments to teachers paid on the teacher salary schedule, the amounts of those longevity payments are included in the monthly amounts under the teacher salary schedule.

SECTION 2.1.(f) A teacher compensated in accordance with this salary schedule for the 2016-2017 school year shall receive an amount equal to the greater of the following:

- (1) The applicable amount on the salary schedule for the applicable school year.
- (2) For teachers who were eligible for longevity for the 2013-2014 school year, the sum of the following:
 - a. The teacher's salary provided in S.L. 2013-360, Sec. 35.11.
 - b. The longevity that the teacher would have received under the longevity system in effect for the 2013-2014 school year provided in S.L. 2013-360, Sec. 35.11, based on the teacher's current years of service.
 - c. The annual bonus provided in S.L. 2014-100, Sec. 9.1(e).
- (3) For teachers who were not eligible for longevity for the 2013-2014 school year, the sum of the teacher's salary and annual bonus provided in S.L. 2014-100, Sec. 9.1.

SECTION 2.1.(g) As used in this section, the term "teacher" shall also include instructional support personnel.

SCHOOL-BASED ADMINISTRATOR SALARY SCHEDULE

SECTION 2.2.(a) The following monthly base salary schedule for school-based administrators shall apply only to principals and assistant principals. This base salary schedule shall apply for the 2016-2017 fiscal year commencing July 1, 2016.

2016-2017 Principal and Assistant Principal Salary Schedules

Classification

Years of Exp	Assistant Principal	Prin I (0-10)	Prin II (11-21)	Prin III (22-32)	Prin IV (33-43)
0-9	\$4,133	-	-	-	-
10	\$4,136	-	-	-	-

1	11	\$4,288	-	-	-	-
2	12	\$4,410	-	-	-	-
3	13	\$4,496	\$4,496	-	-	-
4	14	\$4,552	\$4,552	-	-	-
5	15	\$4,611	\$4,611	\$4,669	-	-
6	16	\$4,669	\$4,669	\$4,729	-	-
7	17	\$4,729	\$4,729	\$4,790	\$4,852	-
8	18	\$4,790	\$4,790	\$4,852	\$4,915	\$4,980
9	19	\$4,852	\$4,852	\$4,915	\$4,980	\$5,045
10	20	\$4,915	\$4,915	\$4,980	\$5,045	\$5,115
11	21	\$4,980	\$4,980	\$5,045	\$5,115	\$5,182
12	22	\$5,045	\$5,045	\$5,115	\$5,182	\$5,252
13	23	\$5,115	\$5,115	\$5,182	\$5,252	\$5,324
14	24	\$5,182	\$5,182	\$5,252	\$5,324	\$5,396
15	25	\$5,252	\$5,252	\$5,324	\$5,396	\$5,474
16	26	\$5,324	\$5,324	\$5,396	\$5,474	\$5,548
17	27	\$5,396	\$5,396	\$5,474	\$5,548	\$5,625
18	28	\$5,474	\$5,474	\$5,548	\$5,625	\$5,702
19	29	\$5,548	\$5,548	\$5,625	\$5,702	\$5,783
20	30	\$5,625	\$5,625	\$5,702	\$5,783	\$5,867
21	31	\$5,702	\$5,702	\$5,783	\$5,867	\$5,951
22	32	\$5,783	\$5,783	\$5,867	\$5,951	\$6,026
23	33	\$5,867	\$5,867	\$5,951	\$6,026	\$6,145
24	34	\$5,951	\$5,951	\$6,026	\$6,145	\$6,268
25	35	\$6,026	\$6,026	\$6,145	\$6,268	\$6,394
26	36	\$6,145	\$6,145	\$6,268	\$6,394	\$6,522
27	37	-	\$6,268	\$6,394	\$6,522	\$6,652
28	38	-	-	\$6,522	\$6,652	\$6,785
29	39	-	-	\$6,652	\$6,785	\$6,920
30	40	-	-	-	\$6,920	\$7,058
31	41	-	-	-	\$7,058	\$7,200
32	42	-	-	-	-	\$7,343

**2016-2017 Principal and Assistant Principal Salary Schedules
Classification**

Years of Exp	Prin V (44-54)	Prin VI (55-65)	Prin VII (66-100)	Prin VIII (101+)
37	0-19	\$5,115	-	-
38	20	\$5,182	-	-
39	21	\$5,252	\$5,324	-
40	22	\$5,324	\$5,396	\$5,548
41	23	\$5,396	\$5,474	\$5,625
42	24	\$5,474	\$5,548	\$5,702
43	25	\$5,548	\$5,625	\$5,783
44	26	\$5,625	\$5,702	\$5,867
45	27	\$5,702	\$5,783	\$5,951
46	28	\$5,783	\$5,867	\$6,026
47	29	\$5,867	\$5,951	\$6,145
48	30	\$5,951	\$6,026	\$6,268
49	31	\$6,026	\$6,145	\$6,394
50	32	\$6,145	\$6,268	\$6,522
51	33	\$6,268	\$6,394	\$6,652

1	34	\$6,394	\$6,522	\$6,785	\$6,920
2	35	\$6,522	\$6,652	\$6,920	\$7,058
3	36	\$6,652	\$6,785	\$7,058	\$7,200
4	37	\$6,785	\$6,920	\$7,200	\$7,343
5	38	\$6,920	\$7,058	\$7,343	\$7,490
6	39	\$7,058	\$7,200	\$7,490	\$7,640
7	40	\$7,200	\$7,343	\$7,640	\$7,793
8	41	\$7,343	\$7,490	\$7,793	\$7,949
9	42	\$7,490	\$7,640	\$7,949	\$8,108
10	43	\$7,640	\$7,793	\$8,108	\$8,270
11	44	-	\$7,949	\$8,270	\$8,435
12	45	-	\$8,108	\$8,435	\$8,604
13	46+	-	-	\$8,604	\$8,776

SECTION 2.2.(b) The appropriate classification for placement of principals and assistant principals on the salary schedule, except for principals in alternative schools and in cooperative innovative high schools, shall be determined in accordance with the following schedule:

Classification	Number of Teachers Supervised
Assistant Principal	
Principal I	Fewer than 11 Teachers
Principal II	11-21 Teachers
Principal III	22-32 Teachers
Principal IV	33-43 Teachers
Principal V	44-54 Teachers
Principal VI	55-65 Teachers
Principal VII	66-100 Teachers
Principal VIII	More than 100 Teachers

The number of teachers supervised includes teachers and assistant principals paid from State funds only; it does not include teachers or assistant principals paid from non-State funds or the principal or teacher assistants.

The beginning classification for principals in alternative schools and in cooperative innovative high school programs shall be the Principal III level. Principals in alternative schools who supervise 33 or more teachers shall be classified according to the number of teachers supervised.

SECTION 2.2.(c) A principal shall be placed on the step on the salary schedule that reflects the total number of years of experience as a certified employee of the public schools and an additional step for every three years of experience serving as a principal on or before June 30, 2009. A principal or assistant principal shall also continue to receive any additional State-funded percentage increases earned for the 1997-1998, 1998-1999, and 1999-2000 school years for improvement in student performance or maintaining a safe and orderly school.

SECTION 2.2.(d) Principals and assistant principals with certification based on academic preparation at the six-year degree level shall be paid a salary supplement of one hundred twenty-six dollars (\$126.00) per month and at the doctoral degree level shall be paid a salary supplement of two hundred fifty-three dollars (\$253.00) per month.

SECTION 2.2.(e) Longevity pay for principals and assistant principals shall be as provided for State employees under the North Carolina Human Resources Act.

SECTION 2.2.(f) If a principal is reassigned to a higher job classification because the principal is transferred to a school within a local school administrative unit with a larger number of State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had served the principal's entire career as a principal at the higher job classification.

1 If a principal is reassigned to a lower job classification because the principal is
 2 transferred to a school within a local school administrative unit with a smaller number of
 3 State-allotted teachers, the principal shall be placed on the salary schedule as if the principal had
 4 served the principal's entire career as a principal at the lower job classification.

5 This subsection applies to all transfers on or after the effective date of this section,
 6 except transfers in school systems that have been created, or will be created, by merging two or
 7 more school systems. Transfers in these merged systems are exempt from the provisions of this
 8 subsection for one calendar year following the date of the merger.

9 **SECTION 2.2.(g)** Participants in an approved full-time master's in-school
 10 administration program shall receive up to a 10-month stipend at the beginning salary of an
 11 assistant principal during the internship period of the master's program. The stipend shall not
 12 exceed the difference between the beginning salary of an assistant principal plus the cost of
 13 tuition, fees, and books and any fellowship funds received by the intern as a full-time student,
 14 including awards of the Principal Fellows Program. The Principal Fellows Program or the school
 15 of education where the intern participates in a full-time master's in-school administration program
 16 shall supply the Department of Public Instruction with certification of eligible full-time interns.

17 **SECTION 2.2.(h)** During the 2016-2017 fiscal year, the placement on the salary
 18 schedule of an administrator with a one-year provisional assistant principal's certificate shall be at
 19 the entry-level salary for an assistant principal or the appropriate step on the teacher salary
 20 schedule, whichever is higher.

21
 22 **CENTRAL OFFICE SALARIES**

23 **SECTION 2.3.(a)** The monthly salary ranges that follow apply to assistant
 24 superintendents, associate superintendents, directors/coordinators, supervisors, and finance
 25 officers for the 2016-2017 fiscal year, beginning July 1, 2016.

26	School Administrator I	\$ 3,527	\$ 6,576
27	School Administrator II	\$ 3,736	\$ 6,972
28	School Administrator III	\$ 3,963	\$ 7,394
29	School Administrator IV	\$ 4,120	\$ 7,687
30	School Administrator V	\$ 4,285	\$ 7,997
31	School Administrator VI	\$ 4,543	\$ 8,477
32	School Administrator VII	\$ 4,724	\$ 8,817

33 The local board of education shall determine the appropriate category and placement
 34 for each assistant superintendent, associate superintendent, director/coordinator, supervisor, or
 35 finance officer within the salary ranges and within funds appropriated by the General Assembly
 36 for central office administrators and superintendents. The category in which an employee is placed
 37 shall be included in the contract of any employee.

38 **SECTION 2.3.(b)** The monthly salary ranges that follow apply to public school
 39 superintendents for the 2016-2017 fiscal year, beginning July 1, 2016.

40	Superintendent I	\$ 5,012	\$ 9,351
41	Superintendent II	\$ 5,318	\$ 9,913
42	Superintendent III	\$ 5,639	\$ 10,513
43	Superintendent IV	\$ 5,982	\$ 11,150
44	Superintendent V	\$ 6,346	\$ 11,827

45 The local board of education shall determine the appropriate category and placement
 46 for the superintendent based on the average daily membership of the local school administrative
 47 unit and within funds appropriated by the General Assembly for central office administrators and
 48 superintendents.

49 **SECTION 2.3.(c)** Longevity pay for superintendents, assistant superintendents,
 50 associate superintendents, directors/coordinators, supervisors, and finance officers shall be as
 51 provided for State employees under the State Personnel Act.

1 **SECTION 2.3.(d)** Superintendents, assistant superintendents, associate
2 superintendents, directors/coordinators, supervisors, and finance officers with certification based
3 on academic preparation at the six-year degree level shall receive a salary supplement of one
4 hundred twenty-six dollars (\$126.00) per month in addition to the compensation provided pursuant
5 to this section. Superintendents, assistant superintendents, associate superintendents,
6 directors/coordinators, supervisors, and finance officers with certification based on academic
7 preparation at the doctoral degree level shall receive a salary supplement of two hundred
8 fifty-three dollars (\$253.00) per month in addition to the compensation provided for under this
9 section.

10 **SECTION 2.3.(e)** The State Board of Education shall not permit local school
11 administrative units to transfer State funds from other funding categories for salaries for public
12 school central office administrators.

13 14 **NONCERTIFIED PERSONNEL SALARIES**

15 **SECTION 2.4.** Effective July 1, 2016, the annual salary for permanent full-time and
16 part-time noncertified public school employees whose salaries are supported from the State's
17 General Fund shall be increased by four percent (4%).

18 19 **PART III. STATE RETIREES INCREASES**

20 **SECTION 3.1.(a)** G.S. 135-5 is amended by adding a new subsection to read:

21 "(uuu) From and after July 1, 2016, the retirement allowance to or on account of beneficiaries
22 whose retirement commenced on or before July 1, 2015, shall be increased by two and one-half
23 percent (2.5%) of the allowance payable on June 1, 2016, in accordance with G.S. 135-5(o).
24 Furthermore, from and after July 1, 2016, the retirement allowance to or on account of
25 beneficiaries whose retirement commenced after July 1, 2015, but before June 30, 2016, shall be
26 increased by a prorated amount of two and one-half percent (2.5%) of the allowance payable as
27 determined by the Board of Trustees based upon the number of months that a retirement allowance
28 was paid between July 1, 2015, and June 30, 2016."

29 **SECTION 3.1.(b)** G.S. 135-65 is amended by adding a new subsection to read:

30 "(ff) From and after July 1, 2016, the retirement allowance to or on account of beneficiaries
31 whose retirement commenced on or before July 1, 2015, shall be increased by two and one-half
32 percent (2.5%) of the allowance payable on June 1, 2016. Furthermore, from and after July 1,
33 2016, the retirement allowance to or on account of beneficiaries whose retirement commenced
34 after July 1, 2015, but before June 30, 2016, shall be increased by a prorated amount of two and
35 one-half percent (2.5%) of the allowance payable as determined by the Board of Trustees based
36 upon the number of months that a retirement allowance was paid between July 1, 2015, and June
37 30, 2016."

38 **SECTION 3.1.(c)** G.S. 120-4.22A is amended by adding a new subsection to read:

39 "(z) In accordance with subsection (a) of this section, from and after July 1, 2016, the
40 retirement allowance to or on account of beneficiaries whose retirement commenced on or before
41 January 1, 2016, shall be increased by two and one-half percent (2.5%) of the allowance payable
42 on June 1, 2016. Furthermore, from and after July 1, 2016, the retirement allowance to or on
43 account of beneficiaries whose retirement commenced after January 1, 2016, but before June 30,
44 2016, shall be increased by a prorated amount of two and one-half percent (2.5%) of the allowance
45 payable as determined by the Board of Trustees based upon the number of months that a
46 retirement allowance was paid between January 1, 2016, and June 30, 2016."

47 48 **PART IV. APPROPRIATIONS**

49 **SECTION 4.1.(a)** There is appropriated from the General Fund to the Reserve for
50 Compensation Increases the sum of five hundred forty-four million five hundred eleven thousand

1 two hundred nine dollars (\$544,511,209) funds for the 2016-2017 fiscal year to implement the
2 legislative increases authorized by this act.

3 **SECTION 4.1.(b)** There is appropriated from the Highway Fund to the Reserve for
4 Compensation Increases the sum of fourteen million eight hundred eighty-three thousand three
5 hundred twenty-six dollars (\$14,883,326) funds for the 2016-2017 fiscal year to implement the
6 legislative increases authorized by this act.

7 **SECTION 4.2.(a)** There is appropriated from the General Fund to the Reserve for
8 Retiree Cost-of-Living Adjustments the sum of one hundred five million dollars (\$105,000,000)
9 for the 2016-2017 fiscal year to implement the cost-of-living adjustment authorized by this act.

10 **SECTION 4.2.(b)** There is appropriated from the Highway Fund to the Reserve for
11 Retiree Cost-of-Living Adjustments the sum three million two hundred thousand dollars
12 (\$3,200,000) for the 2016-2017 fiscal year to implement the cost-of-living adjustment authorized
13 by this act.

14

15 **PART V. EFFECTIVE DATE**

16 **SECTION 5.1.** This act becomes effective July 1, 2016.