

Education

See full summary documents for additional detail

Corrections Pertaining to the University of North Carolina Health Care System and East Carolina University – 2023 Budget Technical/Other Corrections.

SL 2024-1 (S508), Sec. 1.7

Section 1.7 of S.L. 2024-1 makes the following changes to the clarification of authority of the University of North Carolina Health Care System (UNC Health) and East Carolina University Health Care (ECU Health) operational and personnel flexibilities enacted in Section 4.10 of S.L. 2023-132:

- It clarifies that UNC Faculty Physicians and any entity that merges with UNC Health are component units of UNC Health, and that the UNC Health Board (Board) has authority over those component units.
- It requires the Board to meet four times each year, instead of every 60 days.
- It allows the Board to designate UNC Health's in-house counsel to represent UNC Health at commitment hearings.
- It authorizes the Board to establish a liability insurance program.
- For purposes of retirement, it clarifies that individuals who are hired by UNC Health on or after January 1, 2024, and who were members of the Teachers' and State Employees' Retirement System or the UNC Optional Retirement Program at the time of hire will be treated as if they were employed by UNC Health on December 31, 2023. This provision does not apply to law enforcement officers.
- For purposes of retirement, it clarifies that individuals who are hired by ECU Health on or after January 1, 2024, and who were members of the Teachers' and State Employees' Retirement System or the ECU Optional Retirement Program at the time of hire will be treated as if they were employed by ECU Health on December 31, 2023.
- It allows employees of UNC Health to participate in the Supplemental Retirement Income Plan.
- It allows the ECU chancellor to adopt policies governing property development for the ECU Medical Faculty Practice Plan and ECU Dental School Clinical Operations.

The provisions of the section dealing with the authority of the UNC Health Board and the ECU chancellor became effective May 15, 2024. The provisions dealing with retirement are effective retroactively to January 1, 2024.

Reinstate Reporting Requirement for Transportation Reserve Fund for Homeless and Foster Children – 2023 Budget Technical/Other Corrections.

SL 2024-1 (S508), Sec. 2.4

Section 2.4 of S.L. 2024-1 requires the Department of Public Instruction (DPI) to report annually by March 15 to the Joint Legislative Education Oversight Committee on the use of funds

appropriated to the Transportation Reserve Fund for Homeless and Foster Children (Fund). The Fund is the source of funds for a grant program covering extraordinary school transportation costs for homeless and foster students. The annual report must include information on the amount applied for and received by each local school administrative unit, as well as how the funds were spent.

This section became effective July 1, 2023.

School Resource Officers in Nonpublic Schools – 2023 Budget Technical/Other Corrections.

SL 2024-1 (S508), Sec. 2.8A

Section 2.8A of S.L. 2024-1 makes various clarifications regarding school resource officers. It does the following:

- Requires that initial and in-service educational and training standards for school resource officers be established by the North Carolina Criminal Justice Education and Training Standards Commission and the North Carolina Sheriffs' Education and Training Standards Commission, in consultation with the Center for Safer Schools and the Department of Health and Human Services.
- Defines "school" as a public school within a public school unit or nonpublic school as defined in Article 39 of Chapter 115C of the General Statutes.
- Defines "school resource officer" as any law enforcement officer assigned to one or more schools at least 20 hours per week for more than 12 weeks per calendar year, to assist with all of the following:
 - School safety and security.
 - Emergency preparedness and response.
 - Any additional responsibilities related to school safety or security assigned by the officer's employer while the officer is acting as a school resource officer.
- Mandates that all school resource officers must comply with the training requirements.

The section further provides that police chiefs of municipalities and sheriffs of counties can enter into agreements to provide school resource officers to schools. If the agreement is with a nonpublic school, the nonpublic school must provide funds at least equal to the compensation, benefits, and related expenses of any school resource officer assigned to the school. The governing board receiving funds from a nonpublic school pursuant to such an agreement must appropriate the funds to the police chief or sheriff for school resource officers.

This section became effective May 15, 2024, and applies to agreements entered into or renewed on or after that date.

Educational Opportunities Program – 2023 Budget Technical/Other Corrections.

SL 2024-1 (S508), Sec. 2.8B

Section 2.8B of S.L. 2024-1 amends the requirements for participation in the College of Educational Opportunities Program (Program) established by the Board of Governors of The University of North Carolina for students with intellectual and developmental disabilities. This section lowers the age to be eligible to participate in the Program from 22 to 18 years old beginning with the 2024-2025 fiscal year. Admissions priority will be given to students who are at least 22 years old.

This section also allows funds remaining at the end of the 2023-2024 fiscal year to remain available until the end of the 2024-2025 fiscal year.

This section became effective July 1, 2023.

Revise Career Development Plan Requirements – 2023 Budget Technical/Other Corrections.

SL 2024-1 (S508), Sec. 2.8C

Section 2.8C of S.L. 2024-1 modifies the career development plan requirements for middle and high school students by requiring students to have plans before being promoted from eighth grade, instead of before being promoted from seventh grade. High school students who have not already completed a career development plan must complete one within 90 days of enrollment in high school.

This section became effective July 1, 2024, and applies beginning with the 2024-2025 school year.

Clarify Forgiveness Criteria for Teaching Fellows Program – 2023 Budget Technical/Other Corrections.

SL 2024-1 (S508), Sec. 2.14

Section 2.14 of S.L. 2024-1 clarifies that a "qualifying teacher" for the North Carolina Teaching Fellows Program includes an individual who serves as a teacher in a qualifying licensure area.

This section became effective July 1, 2023, and applies to applications for the award of funds beginning in the 2024-2025 academic year.

Conform Need-Based Scholarship with Federal Law – 2023 Budget Technical/Other Corrections.

SL 2024-1 (S508), Sec. 2.16

Section 2.16 of S.L. 2024-1 removes references to "expected family contribution" in the eligibility requirements for a need-based scholarship at an eligible private postsecondary institution and instead requires that students meet the metric for demonstrated need as outlined in Title IV of the federal Higher Education Act of 1965.

This section became effective May 15, 2024, and applies beginning with scholarship awards for the 2024-2025 academic year.

Allow SEAA to Use Administrative Funds from Opportunity Scholarships for Personal Education Student Accounts – Adjustments to the 2023 Appropriations Act.

SL 2024-40 (S357), Sec. 4

Section 4 of S.L. 2024-40 increases the maximum amount of funding from \$2 million to \$3 million for Personal Education Student Accounts (PESAs), which provide scholarships for students with disabilities, that the State Education Assistance Authority (SEAA) can retain for administrative expenses. SEAA can now retain either 4% of the funds appropriated for PESAs or \$3 million, whichever is lesser. Additionally, if SEAA does not use all of the funds it is authorized to reserve for the administration of the Opportunity Scholarships Program, it can use those funds to cover any additional administrative costs of the PESAs beyond the \$3 million.

This section became effective July 8, 2024.

Conform In-State Tuition Requirements to Federal Law – Adjustments to the 2023 Appropriations Act.

SL 2024-40 (S357), Sec. 5

Section 5 of S.L. 2024-40 conforms to federal law by requiring any citizen of the Federated States of Micronesia, the Republic of the Marshall Islands, or the Republic of Palau who is not a resident of North Carolina to be eligible to be charged in-State tuition.

This section became effective July 1, 2024, and applies beginning with the 2024-2025 academic year.

Allow Sale of Beer and Wine at Community College Sporting Events – ABC Omnibus 2023-24.

SL 2024-41 (S527), Sec. 29

Section 29 of S.L. 2024-41 allows community colleges to be included in the definition of "public college or university," for purposes of ABC permitting, which will allow the sale of beer and wine at community college stadiums, athletic facilities, or arenas. This section also repeals a provision that narrowly allows the sale of alcoholic beverages at certain community colleges during professional sporting events, because those sales will be allowed under this more general provision.

This section became effective July 8, 2024.

Charter Schools/Pension/Employee Stock Ownership Plan.

SL 2024-42 (S559)

S.L. 2024-42 allows four specified charter school boards of directors to elect participation in the North Carolina State Health Plan for Teachers' and State Employees' (SHP); amends the law to create additional flexibility for charter schools to elect participation in the SHP; makes conforming and effective date changes for the North Carolina Firefighters' and Rescue Squad Workers' Pension Fund; addresses parental leave for charter school employees; and clarifies the definition of an historically underutilized business as it relates to an Employee Stock Ownership Plan. See below for additional information and effective dates.

- Section 1 of S.L. 2024-42 notwithstanding the time limitation in current law (G.S. 135-48.54) to allow the board of directors for the following charter schools to elect to participate in the N.C. State Health Plan: NC Leadership Academy in Forsyth County, Alpha Academy in Cumberland County, Durham Charter in Durham County, and United Community School in Mecklenburg County. This section became effective July 8, 2024.
- Section 2 of the act amends the law (G.S. 135-48.54) regarding the process for a charter school operated by a private nonprofit corporation or operated by a municipality to elect participation in the State Health Plan. These charter schools can elect to become a participating employer in the State Health Plan through the following two methods: (i) the board of directors of the charter school can elect to participate no later than two years from the date both parties have signed the written charter (under G.S. 115C-218.15); or (ii) the board of directors can elect to participate any time after that two-year mark if the board files an application with the Board of Trustees for participation in the Plan and the Board approves the application. The approval or denial of the application must be made within 180 days of receipt of a complete application and if approved the written notification of approval must provide the date for the charter school employees to be enrolled. This section became effective 30 days after the act became law on July 8, 2024.
- Section 3 of the act amends the North Carolina Firefighters' and Rescue Squad Workers' Pension Fund (FFRSWP Fund) as follows:

- Section 3(a) amends the retroactive membership law for the FFRSWP Fund effective January 1, 2025, to increase the membership dues from \$10 to \$15 per month for retroactive membership. This change conforms to the dues increase contained in S.L. 2024-29. This section became effective July 8, 2024.
- Section 3(b) of the act amends Section 11.3 of S.L. 2024-29, effective January 1, 2025, to change the date from July 1, 2024, to January 1, 2025, that an eligible retired firefighter or rescue squad worker receives a \$175 per month pension. This section became effective July 8, 2024.
- Section 3(c) of the act applies to Sections 11.1 through 11.3 of S.L. 2024-29, as amended by Section 3(b) and Section 3(a) of this act, to provide that these sections apply to membership contributions to the FFRSWP Fund on or after January 1, 2025. Any membership contribution payments made on or before March 31, 2025, for service in the 2024 calendar year, will be \$10 per month. These sections apply to pension benefit amounts payable from the FFRSWP Fund to a member or beneficiary on or after January 1, 2025. If a member or beneficiary becomes eligible to receive a pension benefit from the FFRSWP Fund on or before December 31, 2024, but the benefit amount is paid on or after January 1, 2025, the pension amount due to the member or beneficiary is the amount applicable to the pension benefit amount that was effective for each respective month to which the benefit applies. This section became effective July 8, 2024.
- Section 3(d) of the act changed the effective date to January 1, 2025, for Sections 11.1 through 11.3 of S.L. 2024-29. This section became effective July 8, 2024.
- Section 4 of the act allows boards of directors of charter schools that contract with education management organizations (EMOs) or charter management organizations (CMOs) to require the EMOs or CMOs to provide paid parental leave to the teachers they employ for the charter schools. This leave must be consistent with the parental leave provided to public school teachers employed by local boards of education. If a board of directors requires the EMO or CMO to provide the parental leave by contract, then the board of directors is eligible to receive funds for substitute teachers. This section became effective July 8, 2024, and applies beginning with the 2024-2025 school year.
- Section 5 of the act amends the term "historically underutilized business" (G.S. 143-128.4) regarding an Employee Stock Ownership Plan (ESOP). For an ESOP company to qualify for certification as an historically underutilized business, at least 51% of the company's plan participants must be members of at least one of the following groups listed and defined in G.S. 143-128.4(b): Black, Hispanic, Asian American, American Indian, Female, Disabled, Disadvantaged. Further, an ESOP company seeking to be certified as an historically underutilized business must provide an attestation that it meets the requirements for certification and provide supporting documentation as may be required by the Secretary of Administration. This section became effective July 1, 2024. (Note: The content of this section was also enacted in Section 5 of S.L. 2024-44 with the same effective date.)

Allow School Boards to Use Eminent Domain for Easements – Public Safety/Other Changes.

SL 2024-43 (H250), Sec. 5

Section 5 of S.L. 2024-43 authorizes local boards of education to use eminent domain to acquire property for utility easements necessary to support school facilities. Utility easements include easements for water, sanitary sewer, electric power, broadband, and telecommunication services.

This section became effective July 1, 2024.

Instructional Hours Flexibility and Compensation for Public School Employees – Disaster Recovery Act of 2024.

SL 2024-51 (H149), Sec. 8.1

Section 8.1 of S.L. 2024-51, as amended by Section 1B.1 of S.L. 2024-57, provides instructional hour flexibility and compensation for school employees affected by recent natural disasters.

School Calendar Flexibility – Provides calendar flexibility to public school units that closed any school under their control due to Hurricane Helene or PTC8 from September 2024 to November 2024. For schools located in a county designated under a major disaster declaration by the President of the United States as a result of Hurricane Helene, the public school unit can deem complete up to 20 days. For other schools affected by Hurricane Helene or PTC8, the public school unit can deem complete up to two days.

Additional Remote Instruction – Public school units in a county designated under a major disaster declaration by the President of the United States as a result of Hurricane Helene can use additional remote instruction days or equivalent hours up to a total of 30 remote instruction days or 180 remote instruction hours. Public school units located in a county affected by PTC8 can use additional remote instruction days or equivalent hours up to a total of 10 remote instruction days or 60 remote instruction hours.

Employee Compensation – Except for charter schools, all employees and contractors are deemed to have worked on any scheduled instructional days missed due to Hurricane Helene that a public school unit has deemed completed. The board of directors of a charter school can, but is not required to, provide this compensation for its employees and contractors. Additionally, this section provides \$16 million for compensation to the employees and contractors of schools participating in the National School Lunch Program or School Breakfast Program who would have been compensated by school meal receipts or by federal funds.

Reporting Requirement – The Department of Public Instruction (DPI) must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the implementation of these provisions by March 15, 2025. Public school units must provide information on implementation of these provisions to DPI by February 15, 2025.

Section 8.1 of S.L. 2024-51 became effective October 10, 2024, and subsequent changes in Section 1B.1 of S.L. 2024-57 became effective December 11, 2024.

Completion of the EPP Clinical Internship Requirement for Certain Students Impacted by Hurricane Helene or PTC8 – Disaster Recovery Act of 2024.

SL 2024-51 (H149), Sec. 8.3

Section 8.3 of S.L. 2024-51 exempts certain students from completion of the clinical internship requirement for education preparation programs (EPPs) if the students were impacted by Hurricane Helene or Potential Tropical Cyclone #8 (PTC8). A student can have their clinical internship requirement deemed completed if all of the following are met:

- One of the following applies to the student:
 - The student is enrolled in an EPP that is located in a county (i) declared a major disaster by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Helene or (ii) Brunswick or New Hanover Counties.
 - Has been placed with an elementary or secondary partner school that is located in a county (i) declared a major disaster by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Helene or (ii) Brunswick or New Hanover Counties.
- The student has completed as much time in a clinical internship as practicable during the 2024 fall academic semester.
- The student cannot graduate in December 2024 from the EPP without the clinical internship requirement being deemed completed.

By February 1, 2025, any EPP with an enrolled student who has his or her clinical internship requirement deemed completed must report to the State Board of Education (SBE) with the following information:

- Number of students who had their clinical internship requirement deemed completed.
- Reasons for a clinical internship requirement being deemed completed.
- Amount of time completed for a clinical internship.
- Any other information required by the SBE.

By March 15, 2025, the SBE must report to the Joint Legislative Education Oversight Committee on the information reported to the SBE by EPPs.

This section became effective October 10, 2024.

Additional School Calendar Flexibility – The Disaster Recovery Act of 2024 - Part II.

SL 2024-53 (S743), Sec. 4A.1

Section 4A.1 of S.L. 2024-53 grants additional calendar flexibility for missed instructional time from September 2024 through November 2024. A public school unit can request that the Superintendent of Public Instruction deem up to an additional 20 instructional days, or equivalent hours, complete. The Superintendent will authorize the additional days to the extent necessary to address the extreme extenuating circumstances of the requesting public school unit.

This section became effective October 25, 2024.

Readmission of Displaced Charter School Students – The Disaster Recovery Act of 2024 - Part II.

SL 2024-53 (S743), Sec. 4A.2

Section 4A.2 of S.L. 2024-53 allows a student to enroll in a charter school located in an area affected by Hurricane Helene for the 2025-2026 school year without reapplying to the school if the student was enrolled at the charter school during the 2024-2025 school year but withdrew due to the impacts of the hurricane.

This section became effective October 25, 2024.

Tuition and Registration Fee Grants for Spring Semester of 2025 at Community Colleges Designated Most or Medium Impacted – The Disaster Recovery Act of 2024 - Part II.

SL 2024-53 (S743), Sec. 4A.3

Section 4A.3 of S.L. 2024-53 directs that \$5 million in nonrecurring funds from the monies appropriated to the Community College System Office (System Office) must be used to administer a tuition grant program (Program) to award tuition grants to eligible students attending eligible colleges for the cost of tuition and registration fees for the spring semester of the 2024-2025 academic year. The eligible colleges are the following: (i) Asheville-Buncombe Technical Community College; (ii) Blue Ridge Community College; (iii) Haywood Community College; (iv) Mayland Community College; (v) McDowell Technical Community College; and (vi) Western Piedmont Community College. Eligible students are those students enrolled in a curriculum or continuing education course at an eligible college for the spring semester of the 2024-2025 academic year.

Tuition grants awarded under the Program must cover (i) the registration fees of eligible students enrolled in continuing education courses at eligible colleges up to an amount of courses determined by the System Office to be a typical number of courses for an individual student, or (ii) tuition for eligible students up to the maximum tuition rate for in-State residents at eligible

colleges. If an eligible student also receives a scholarship or other grant covering the tuition or registration fees at the eligible college for which a tuition grant is awarded, then the amount of the tuition grant awarded under this section must be reduced by an appropriate amount determined by the System Office so that the total amount of scholarships and grants received by the student does not exceed the cost of tuition and registration. Grants from the Emergency Hurricane Helene Emergency Grant Program for Postsecondary Students are not to be considered in calculating the total amount of aid for a student under this section.

The System Office must administer the Program and can add requirements for application for grant funds at the discretion of the System Office. If there are not sufficient funds to provide the full tuition grant amount to all eligible students, each eligible student must receive a tuition grant equal to the pro rata share of funds available.

This section became effective October 25, 2024.

Tuition Grants for Spring Semester of 2025 at University of North Carolina at Asheville – The Disaster Recovery Act of 2024 - Part II.

SL 2024-53 (S743), Sec. 4A.4

Section 4A.4 of S.L. 2024-53, as amended by Section 1B.2 of S.L. 2024-57, creates a tuition grant program (Program) for students enrolled at the University of North Carolina at Asheville (UNC-Asheville) for the spring semester of the 2024-2025 academic year. Grants awarded under the Program must cover tuition up to the in-State tuition rate at UNC-Asheville. If a student receives a scholarship or grant covering tuition other than additional Helene-related emergency scholarship or grant funds, the grant awarded under this Program must be reduced by an appropriate amount so that no student receives scholarship or grant funds in excess of the cost of tuition.

In the event that the \$5.5 million in appropriated funds is insufficient to provide for a full tuition grant for each student, the grants must be equal to a pro rata share of the funds available.

In the event that there are funds remaining in the 2024-2025 fiscal year after providing tuition grants to all students, the Chancellor of UNC-Asheville can use the remaining funds in the Chancellor's discretion to help the university.

This section became effective October 25, 2024. The Chancellor's authority to spend excess funds became effective December 11, 2024.

Educator Preparation Program Testing Admissions Waiver – The Disaster Recovery Act of 2024 - Part II.

SL 2024-53 (S743), Sec. 4A.5

Section 4A.5 of S.L. 2024-53 waives the educator preparation program testing admissions requirements for the spring semester of the 2024-2025 academic year at the following institutions of higher education:

- Brevard College
- Gardner-Webb University
- Lenoir-Rhyne University
- Lees-McRae College
- Mars Hill University
- Montreat College
- Appalachian State University
- The University of North Carolina at Asheville
- Western Carolina University

This section became effective October 25, 2024.

Emergency Scholarship Grants for Postsecondary Students – The Disaster Recovery Act of 2024 - Part II.

SL 2024-53 (S743), Sec. 4A.6

Section 4A.6 of S.L. 2024-53 establishes the Hurricane Helene Emergency Grant Program for Postsecondary Students (Program) to provide emergency scholarship grants in an amount up to \$2,500 per student to eligible postsecondary students who have suffered financial hardship due to the damage and destruction from Hurricane Helene. These grants can be used to cover any expenses that support a student's continued enrollment, including costs related to transportation, textbooks, tuition, fees, and living expenses. Affected institutions of higher education are any of the following:

- Brevard College
- Gardner-Webb University
- Lenoir-Rhyne University
- Lees-McRae College
- Mars Hill University
- Montreat College
- Warren Wilson College
- Appalachian State University
- The University of North Carolina at Asheville
- Western Carolina University
- Asheville-Buncombe Technical Community College
- Blue Ridge Community College

- Caldwell Community College and Technical Institute
- Catawba Valley Community College
- Cleveland Community College
- Gaston College
- Haywood Community College
- Isothermal Community College
- Mayland Community College
- McDowell Technical Community College
- Southwestern Community College
- Tri-County Community College
- Western Piedmont Community College
- Wilkes Community College

By November 15, 2024, institutions of higher education must begin accepting applications from eligible postsecondary students. An application for an emergency scholarship grant must demonstrate that the student is an eligible postsecondary student by including documentation that the student meets all of the following criteria:

- The student has a financial need related to the impact of Hurricane Helene.
- The student meets one of the following criteria at the time of the application:
 - Is enrolled in an affected institution of higher education.
 - Resides, temporarily or permanently, in the affected area.

Within the funds available to an institution of higher education, an institution must award an emergency scholarship grant to an eligible postsecondary student within two weeks of the receipt of the application, or as soon as otherwise practicable, in an amount of up to \$2,500 based on the information provided in the student's application. An institution of higher education can establish priority in the award of emergency scholarship grants to eligible postsecondary students based on the funds available and the pool of applicants, including giving priority to students who have demonstrated the greatest financial need. If no priority is established, the emergency scholarship grants must be awarded in the order in which applications are received. If the institution of higher education has unexpended funds remaining after the award of the initial emergency scholarship grants, the institution can increase the award to an eligible postsecondary student who previously received funds or solicit additional applications from eligible postsecondary students, provided that the award to an individual student does not exceed \$2,500 for each academic semester in which funds are awarded.

Funds for UNC Constituent Institutions:

Of the funds appropriated from the Helene Fund to the Board of Governors of The University of North Carolina (BOG) for the 2024-2025 fiscal year, the sum of \$5 million in nonrecurring funds

must be allocated by the BOG to constituent institutions of The University of North Carolina for the purpose of providing emergency scholarship grants to eligible postsecondary students in accordance with the Program. The BOG must prioritize the allocation of funds based on the impact of Hurricane Helene on enrolled students to the following constituent institutions:

- Appalachian State University, the University of North Carolina at Asheville, and Western Carolina University.
- Other constituent institutions that have an eligible postsecondary student enrolled at the institution who (i) resides, temporarily or permanently, in the affected area or (ii) has transferred to the institution due to the damage and destruction caused by Hurricane Helene.

Constituent institutions allocated funds under the Program have the discretion to establish criteria for the eligibility of postsecondary students in addition to the criteria required by this section. However, the BOG is prohibited from establishing additional eligibility requirements for the administration of the Program other than those set forth in this section.

Funds for Community Colleges:

Of the funds appropriated from the Helene Fund to the Community Colleges System Office (System Office) for the 2024-2025 fiscal year, the sum of \$10.5 million in nonrecurring funds must be allocated by the State Board of Community Colleges (SBCC) to community colleges for the purpose of providing emergency scholarship grants to eligible postsecondary students in accordance with the Program. The SBCC must prioritize the allocation of funds based on the impacts of Hurricane Helene on enrolled students to the following community colleges:

- Asheville-Buncombe Technical Community College
- Blue Ridge Community College
- Caldwell Community College and Technical Institute
- Catawba Valley Community College
- Cleveland Community College
- Gaston College
- Haywood Community College
- Isothermal Community College
- Mayland Community College
- McDowell Technical Community College
- Southwestern Community College
- Tri-County Community College
- Western Piedmont Community College
- Wilkes Community College
- Other community colleges that have an eligible postsecondary student enrolled at the community college who (i) resides, temporarily or permanently, in the affected area or (ii) has transferred to the community college due to the damage and destruction caused by Hurricane Helene.

Community colleges allocated funds under the Program have discretion to establish criteria for the eligibility of postsecondary students in addition to the criteria required by this section. However, the SBCC is prohibited from establishing additional eligibility requirements for the administration of the Program to those set forth in this section.

Funds for Private Postsecondary Institutions:

Of the funds appropriated from the Helene Fund to the BOG for the 2024-2025 fiscal year, in addition to the \$5 million allocated to constituent institutions, the sum of \$1 million in nonrecurring funds must be allocated by the BOG to the State Education Assistance Authority (SEAA) to provide funds to eligible private postsecondary institutions for the purpose of providing emergency scholarship grants to eligible postsecondary students in accordance with the Program. SEAA must prioritize the allocation of funds based on the impact of Hurricane Helene on enrolled students to the following eligible private postsecondary institutions:

- Brevard College
- Gardner-Webb University
- Lenoir-Rhyne University
- Lees-McRae College
- Mars Hill University
- Montreat College
- Warren Wilson College
- A campus of a private postsecondary institution that has an eligible postsecondary student enrolled at the private postsecondary institution who (i) resides, temporarily or permanently, in the affected area or (ii) has transferred to the private postsecondary institution due to the damage and destruction caused by Hurricane Helene.

Private postsecondary institutions allocated funds under the Program must have discretion to establish criteria for the eligibility of postsecondary students in addition to the criteria required by this section. However, SEAA is prohibited from establishing additional eligibility requirements for the administration of the Program to those set forth in this section. A private postsecondary institution receiving funds pursuant to this subsection must report to SEAA on the implementation of the Program, including the number of emergency scholarship grants awarded to students and the amount of those grants, the use of emergency scholarship grant funds by eligible postsecondary students, any funds reimbursed to institutions due to coverage of losses by alternative funds, and any remaining funds available for awards in subsequent semesters.

By March 15, 2025, the BOG, the SBCC, and SEAA must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division of the General Assembly on the implementation of the Program at the institutions of higher education that received funds, including the number and type of institutions of higher education that were allocated funds, the amount of funds allocated to each institution, the number of emergency scholarship grants awarded to students and the amount of those grants, the use of emergency scholarship grant funds by eligible postsecondary students, any funds reimbursed to institutions due to coverage

of losses by alternative funds, and any remaining funds available for awards in subsequent semesters.

This section became effective October 25, 2024.

Additional Need-Based Scholarship Awards for Eligible Students – The Disaster Recovery Act of 2024 - Part II.

SL 2024-53 (S743), Sec. 4A.7

Section 4A.7 of S.L. 2024-53 requires the North Carolina State Education Assistance Authority (SEAA) to award scholarship grants for each semester of the 2024-2025 academic year to eligible students who (i) received a need-based scholarship for the 2024-2025 academic year; (ii) demonstrates financial need in a manner determined by SEAA; and (iii) is enrolled in an institution of higher education in the disaster affected area or resides in the disaster affected area.

No later than March 15, 2025, SEAA must report to the Joint Legislative Education Oversight Committee on the dollar amount of awards disbursed, the number of eligible students receiving funds, and a breakdown of the eligible postsecondary institutions that received the funds.

This section became effective October 25, 2024.

Increased School Mental Health Support – The Disaster Recovery Act of 2024 - Part II.

SL 2024-53 (S743), Sec. 4A.8

Section 4A.8 of S.L. 2024-53 provides funds to certain public school units affected by Hurricane Helene for increased mental health services to students, families, and school personnel to assist with the recovery process, trauma care, and reintegration into academic life following the impacts of the hurricane. Eligible public school units can use the funds to provide access to mental health services by (i) contracting with community partners, (ii) hiring or contracting for the services of licensed school health personnel, or (iii) hiring or contracting for the services of licensed mental health professionals who are not currently employed by a public school unit and who are not school health personnel. Mental health services covered by this section can be provided in person or via telehealth. When services are provided to students, public school units must ensure compliance with other provisions of law, including consent and notice requirements. By March 15, 2025, the Department of Public Instruction must report to the Joint Legislative Education Oversight Committee on the amount of funds received by each eligible public school unit and a description of how the funds were used.

This section became effective October 25, 2024.

Statutory Changes for Department of Public Instruction Funding in Arrears – Require ICE Cooperation & Budget Adjustments.

SL 2024-55 (H10), Sec. 6.2

Section 6.2 of S.L. 2024-55 removes statutory language that directed the State Board of Education (SBE) to allocate funds for the purpose of operating kindergarten in each local school administrative unit (LEA) based on the average daily membership for the best continuous three out of the first four school months of students in kindergarten during the last school year in the LEA. In addition, the section removes statutory language that states that an LEA would not become ineligible for funding if either the highest of the first two months' total projected average daily membership for the current year or the higher of the first two months' total prior year average daily membership would have otherwise made the LEA eligible for a small county allotment.

This section further provides that eligibility for funding is based on the allotted average daily membership of the LEA and that the initial allocation is based on the allotted daily membership of the LEA and cannot be adjusted for current year actual average daily membership.

Finally, the section makes appropriations changes for the 2024-2025 fiscal year to accommodate the transition to an arrears-based funding model, as well as changes in average salaries, special population headcounts, and other technical adjustments.

This bill was vetoed by the Governor on September 20, 2024, and that veto was overridden by the General Assembly on November 20, 2024. This section of the act became effective July 1, 2024.

Retroactive Payments for Scholarship Funds – Require ICE Cooperation & Budget Adjustments.

SL 2024-55 (H10), Sec. 6.5A

Section 6.5A of S.L. 2024-55 directs the North Carolina State Education Assistance Authority (SEAA) to distribute additional funds for Opportunity Scholarship and Personal Education Student Account for Children with Disabilities (PESA) awards as soon as practicable. To be eligible for an award, a student must meet the following criteria:

- Have submitted an application for the 2024-2025 school year by March 1, 2024.
- Be otherwise eligible to receive a scholarship award but have not yet received an award. A student who received a PESA award for the fall semester and is also eligible to receive an Opportunity Scholarship award would receive an Opportunity Scholarship award for the spring semester only.
- Be enrolled in an eligible nonpublic school by October 1, 2024, and remain continuously enrolled in the same school for the spring semester.

The section requires nonpublic schools receiving scholarship funds from SEAA on behalf of an eligible student to directly reimburse any tuition and fees paid by the student's parent or guardian, up to the amount disbursed by SEAA, within 60 days of receiving the scholarship funds. The nonpublic school is responsible for arranging the method of reimbursement with the parent or guardian.

The section also makes the following changes to the reporting requirements:

- For the 2024-2025 fiscal year, SEAA must report the nonpublic schools in which scholarship grant recipients are enrolled and award amounts per recipient to the Department of Public Instruction (DPI) by April 1, 2025.
- For the 2024-2025 fiscal year, DPI must report to the Joint Legislative Education Oversight Committee (JLEOC) on the cumulative difference between the scholarship grant award amount for each prior public school attendee enrolled in a nonpublic school and the average State per pupil allocation by June 1, 2025.
- No later than April 1, 2025, SEAA must report to JLEOC on any reasons eligible students did not receive an award of scholarship funds for the fall semester of the 2024-2025 school year and the number of students impacted by each reason.

This bill was vetoed by the Governor on September 20, 2024, and that veto was overridden by the General Assembly on November 20, 2024. This section of the act became effective July 1, 2024.

Clarify Employee Compensation During Instructional Days Deemed Completed in November – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1B.1

Please see the summary of Section 8.1. of S.L. 2024-51.

Allow Chancellor of the University of North Carolina at Asheville to Use Remaining Tuition Grant Funds to Help UNCA – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1B.2

Please see the summary for Section 4A.4 of S.L. 2024-53.

Permit Chair of Board of Governors to Designate a Member of the Board of Directors for Project Kitty Hawk – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2A.6

Section 2A.6 of S.L. 2024-57 allows the Chair of the Board of Governors of the University of North Carolina (BOG) to designate another individual to be an ex officio voting member of the board of directors for Project Kitty Hawk instead of the Chair of the BOG serving in that role.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective December 11, 2024.

Campus Law Enforcement Teaching Hospital Clarification – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2A.7

Section 2A.7 of S.L. 2024-57 clarifies that teaching hospitals are allowed to establish their own law enforcement agencies.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024.

North Carolina Collaboratory to Establish and Operate the Office of Learning Research – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2A.8

Section 2A.8 of S.L. 2024-57 establishes the Office of Learning Research (OLR) within the North Carolina Collaboratory (Collaboratory).

OLR Established – Provides \$1.5 million in recurring funds to the Collaboratory to establish and operate the OLR, beginning in the 2024-2025 fiscal year. The purpose of OLR is to identify and evaluate the efficacy and efficiency of programs, activities, initiatives, procedures, and any other factors related to elementary and secondary education in the State.

Funding and Duties of OLR – Funds provided to the Collaboratory for OLR must be used to at least do the following:

- Provide information and support needed by elementary and secondary public schools, university leaders, and elected officials to make evidence-based decisions.
- Collaborate with constituent institutions of The University of North Carolina and other stakeholders to implement innovative policies and programs to accelerate learning for all students.

- Work with external research resources and partners to evaluate local, State, and federal programs in order to establish metrics and assess return on investment.
- Support the operations of OLR.

Collaboratory May Relocate OLR – The Collaboratory can, in consultation with The University of North Carolina System Office and the Provost at the University of North Carolina at Chapel Hill (UNC-CH), relocate OLR within UNC-CH. If the Collaboratory relocates OLR, it must do the following:

- Continue to administer funds appropriated for OLR for the operations of OLR.
- Continue to determine, fund, manage, and oversee the research portfolio of OLR. The entity to which OLR is relocated must otherwise oversee the operations of OLR.
- Within 60 days of the relocation, report to the Joint Legislative Education Oversight Committee (JLEOC) on where OLR was relocated and any other information the Collaboratory deems relevant to the relocation.

Access to Information – All units of State and local government, including the State Board of Education, Department of Public Instruction, and public school units, must provide reasonable access to records, data, processes, personnel, and any other relevant information otherwise permitted under State and federal law.

Report – The Collaboratory must report by July 1, 2025, to the JLEOC on the progress made in establishing and operating OLR. For each fiscal year OLR is in operation, the Collaboratory must include in its annual report information on the activities of OLR from the prior fiscal year.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024.

Revise State Education Assistance Authority Board of Directors Member Requirements – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2A.9

Section 2A.9 of S.L. 2024-57 broadens the pool of potential appointees to the board of directors of the State Education Assistance Authority to include those individuals who have experience as a chief financial officer or chief administrative officer of a nonpublic school that enrolls students receiving opportunity scholarship funds, rather than only those individuals who serve as a chief financial officer or chief administrative officer of such a school at the time of appointment.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective July 1, 2024.

Extend Certain Opportunity Scholarship Domicile Verification Requirements – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2A.10

Section 2A.10 of S.L. 2024-57 grants an additional year for the North Carolina State Education Assistance Authority (SEAA) to establish a domicile determination system for all Opportunity Scholarship recipients by allowing the parents of recipients to certify that they meet the domicile requirements for the 2025-2026 school year, with 6% of those certifications being verified by SEAA.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective December 11, 2024.

Modifications to the Schools for the Deaf and Blind – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Secs. 3J.1 - 3J.9

Sections 3J.1 – 3J.9 of S.L. 2024-57 make additional changes to support the transition of the Schools for the Deaf and Blind (Schools) to being independent State agencies.

Clarify Independence of Schools – Clarifies that each of the Schools is an independent State agency and requires the Department of Administration (DOA) to provide support to the Schools for certain administrative matters, including finance, human resources, and procurement, through a memorandum of understanding, beginning July 1, 2025. The Department of Public Instruction (DPI) must include the Schools in the same insurance coverage purchased for DPI and its employees. The Schools are granted the same immunities provided to other educational entities such as the State Board of Education (SBE) and local boards of education, but these immunities are waived to the extent the Schools are indemnified by insurance or covered by the State Tort Claims Act. The Schools are also eligible to receive regional or statewide systems of support from DPI and can apply for grants available to public school units, but are not eligible to receive local school administrative unit funding allotments. DPI must not remit any funds to the Pay Plan Reserve before distributing funds to the Schools for automatic step increases authorized by law.

Clarify Quorum Requirements and Qualifications of Board Members of the Schools – Prohibits employees of the Schools from serving on the board of trustees and clarifies that only voting members count towards establishment of a quorum.

Clarify Authority of School Leaders for Schools for the Deaf and Blind – Changes the nomenclature of the chief administrator from "director" to "superintendent" and establish that the superintendent must meet the same qualifications as superintendents of local boards of education. Also clarifies that the superintendent is subject to all lawful actions of the board of

trustees and must carry out the board's rules and regulations. This section becomes effective July 1, 2025.

Authority for Schools for the Deaf and Blind to Purchase Liability Insurance – Identifies the Schools as State agencies for coverage under the State Tort Claims Act and authorizes representation by the Attorney General's Office for litigation. This section also authorizes the Schools to purchase directors and officers insurance and liability insurance.

Appeals of Admissions Eligibility to Schools for the Deaf and Blind Boards of Trustees – Clarifies that the obligation of the Schools to provide a free appropriate public education to students begins upon a student's enrollment. This section also allows a parent to appeal a superintendent's admission decision to the board of trustees but does not allow due process hearings on enrollment decisions.

Transition Support and Type I-Like Transfer for Schools for the Deaf and Blind – Directs DPI to administratively house the Schools for the 2024-2025 school year. DPI, the SBE, and the Superintendent of Public Instruction have immunity for civil liability in carrying out these functions. Beginning July 1, 2024, the powers, duties, and functions of the Schools transfer from DPI to the Schools.

During the 2024-2025 school year, the following are required:

- The schools must report to the Joint Legislative Education Oversight Committee (JLEOC) by January 15, 2025, on the implementation of statutory requirements.
- DOA must study the costs and positions needed to support the Schools and report to the Fiscal Research Division and JLEOC by May 1, 2025.
- The Office of State Budget and Management (OSBM) and the Office of the State Controller (OSC) must establish the Schools as State agencies before July 1, 2025.
- OSBM, OSC, DOA, and DPI must provide a liaison to the Schools during this transition period to assist with questions.
- The North Carolina Collaboratory must study the administrative structure, operations, and policies of the Schools and how to optimize operation to ensure success for each School and its students. The Collaboratory must report its findings to the Fiscal Research Division and Joint Legislative Education Oversight Committee by May 1, 2025.

Governor Morehead School Facilities – Reallocates certain properties to the Governor Morehead School for the Blind (GMS) that were previously reallocated to the Department of Health and Human Services (DHHS) by DPI. This section also requires GMS and DHHS to enter into memorandums of understanding for shared use of those facilities.

Schools for the Deaf and Blind Technical Corrections – Makes conforming changes to statutes related to cyberbullying and digital learning dashboards to reflect updated terminology used to refer to the Schools.

The changes clarifying the independence of the schools, clarifying quorum requirements, and purchasing liability insurance became effective July 1, 2024. The changes related to the

superintendent of the Schools becomes effective July 1, 2025. The remainder of the changes became effective December 11, 2024. This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

Charter School Appeal Changes – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.10

Section 3J.10 of S.L. 2024-57 repeals the State Superintendent's ability to appeal a final decision of the Charter School Review Board related to grants, renewals, revocations, or amendments of a charter to the State Board of Education.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective December 11, 2024.

New Cooperative Innovative High Schools – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.11

Section 3J.11 of S.L. 2024-57 permits Dare Early College High School and Rockingham County CTE Innovation High School to operate as cooperative innovative high schools beginning with the 2024-2025 school year.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective December 11, 2024.

Changes to the AI School Safety Pilot Program – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.12

Section 3J.12 of S.L. 2024-57, as amended by Section 3J.17(h) of S.L. 2024-57, requires the public school units participating in the AI Safety Pilot Program (Pilot Program), New Hanover County Schools and Davidson County Schools, to contract with the same vendor for a system that offers threatening object detection, intruder detection, person down detection, door open detection, tag and track, facial recognition, forensic face search, and a license plate reader. The vendor will be determined by the first public school unit to enter into a contract for a school safety solution. Funds for the Pilot Program must be spent on integrating AI technology into existing cameras, video management systems, and alerting protocols. Additionally, the participating public school units, in coordination with the Center for Safer Schools rather than the Department of Public Instruction, receive a one-year extension to report on the Pilot Program to the Joint Legislative Education Oversight Committee.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024.

Changes to the Special Needs Pilot Program – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.13

Section 3J.13 of S.L. 2024-57 changes the participating local school administrative units in the pilot program for the special education digital intervention software platform to be Cabarrus County Schools, Union County Schools, and Vance County Schools. The Department of Public Instruction must submit an interim report for the pilot program to the Joint Legislative Education Oversight Committee and the Fiscal Research Division of the General Assembly by June 30, 2025, with a final report due October 15, 2027.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective December 11, 2024.

Expand Availability and Eligible Credits of SparkNC Pilot – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.14

Section 3J.14 of S.L. 2024-57 expands the credits a student can earn in the SparkNC Pilot Program (Program) to now include both, High-Tech credits and Health Science credits. Additionally, a student can earn up to four credits, but cannot complete the same learning experience more than once for credit. A High-Tech credit will be deemed to satisfy the computer science requirement for high school graduation. This section also expands eligibility for the Program to include all public school units. The Department of Public Instruction will provide a directed grant to SparkNC to be used to partner with and provide services to the maximum number of public school units possible. This section also changes the final report date for the Program from March 1, 2026, to February 15, 2027.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective December 11, 2024.

Principal Licensure Portfolio Waiver – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.15

Section 3J.15 of S.L. 2024-57 waives the portfolio requirement for an administrator license for any individual who meets the following criteria:

- Completed at least one course as part of an approved administrator preparation program before August 31, 2025.
- Meets all other licensure requirements.
- Does not otherwise qualify for a waiver of administrator licensure requirements.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024.

Update Advanced Teaching Roles Program – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.16

Section 3J.16 of S.L. 2024-57 modifies and recodifies the Advanced Teaching Roles (ATR) program. The ATR program develops advanced teaching roles and organizational models that link teacher performance and professional development to salary increases for classroom teachers in selected local school administrative units (LEAs). LEAs can submit proposals to the State Board of Education (SBE) to participate in the ATR program and receive budget flexibility. Participating LEAs (ATR units) can receive grants to support the implementation of the program for up to two three-year terms, during which time the units also receive class size flexibility. Additionally, ATR units can receive funding for ATR salary supplements for certain designated teachers.

This section includes the following changes to the ATR program:

- Limits advanced teaching roles to teachers who provide instruction directly to students or are otherwise accountable for student performance.
- Establishes earlier Request for Proposal (RFP), submission, and selection deadlines for new LEAs to participate in the ATR program.
- Removes the 30% cap on salary supplements provided to ATR teachers.
- Limits how fast an ATR unit can expand to (i) no more than 5% of teachers or 25% of schools within the first year and (ii) no more than 10% of teachers or 50% of schools in years two and three.
- Modifies the requirements related to how the SBE must review ATR units every five years.
- Requires the Department of Public Instruction (DPI) to provide guidance and support to ATR units when needed.
- Allows ATR grant funds to not revert until October 1 of the subsequent fiscal year.
- Clarifies that if State funds are insufficient to cover the full amount of ATR salary supplements designated by law, the SBE and ATR unit must disburse any supplement funds pro rata. If those funds have been disbursed pro rata, the ATR units are encouraged but not required to fund the remainder of the supplement from alternate funding sources.

Additionally, this section requires DPI to study the feasibility of measuring class size by student-to-teacher ratio and report to the Joint Legislative Education Oversight Committee no later than March 15, 2025.

The current ATR statutes are repealed effective July 1, 2025. The remainder of the provisions became effective December 11, 2024, and the modifications apply beginning with the 2025-2026 school year. This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

Transfer Center for Safer Schools to the State Bureau of Investigation and Repeal the Task Force for Safer Schools – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.17

Section 3J.17 of S.L. 2024-57 transfers the Center for Safer Schools (Center) from the Department of Public Instruction (DPI) to the State Bureau of Investigation (SBI) as a Type I transfer with a new budget fund created for the Center where all funds supporting the Center will be transferred and be administered by the Executive Director of the Center. The Executive Director must be appointed by the Director of the SBI. Various school safety grant programs will be overseen by the Executive Director instead of the Superintendent of Public Instruction. An additional \$370,000 is appropriated to create four full-time criminal justice specialist positions for the Center. Position number 60009394 is also transferred from DPI to the SBI.

This section also repeals the Task Force for Safer Schools.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective December 11, 2024.

Proprietary Schools Changes – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.18

Section 3J.18 of S.L. 2024-57 makes the following changes related to proprietary schools:

- Adjusts the qualifying criteria for members of the State Board of Proprietary Schools (State Board) appointed by the General Assembly.
- Clarifies that a proprietary school that receives federal funds must have a policy that complies with federal requirements for refunds. Other proprietary schools must provide a student with (i) a full refund, including any nonrefundable fees, if the school cancels class or a student withdraws before the first day of class, and (ii) a 75% refund, not including any nonrefundable fees, if the student withdraws before completing 25% of the period of enrollment.
- Requires all proprietary schools, regardless of the number of years of operation, to hold a bond equal to the greatest amount of unearned paid tuition in the school's position during the prior fiscal year. Bonds for proprietary schools in operation for fewer than six

years are subject to quarterly evaluations; bonds for schools in operation for six or more years are subject to quarterly evaluations if the State Board deems it necessary.

- Increases the catastrophic loss amount of the Student Protection Fund (Fund) from \$1 million to \$1.5 million and the cap amount from \$1.5 million to \$2 million. The State Board would be required to suspend payments to the Fund as follows:
 - For currently licensed proprietary schools, if the Fund balance equals or exceeds \$1.5 million.
 - For schools applying for initial licensure, if the Fund balance equals or exceeds \$2 million.
 - If the Fund balance decreases below \$1.5 million, all schools must make payments.

The modifications to the criteria for membership of the State Board became effective December 11, 2024, and apply to appointments made on or after that date. The remaining provisions become effective July 1, 2025, and apply to licenses issued or renewed on or after that date. This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

Expand Career and College Ready Graduate Program – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.19

Section 3J.19 of S.L. 2024-57 allows college developmental mathematics and developmental reading and English curriculums in the immediate preceding summer of the high school senior year, as well as the senior year, to provide for opportunities for college remediation for students prior to high school graduation.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. The section of the act became effective December 11, 2024.

Permit UNC to Enter into Agreements with Vendors to Buy Back or Trade In Technological Equipment – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.20

Section 3J.20 of S.L. 2024-57 allows The University of North Carolina to enter into agreements with one or more vendors to trade in any technological equipment purchased from the vendor or allow a vendor to buy back any technological equipment even if it was not purchased from the vendor. When distributing surplus computer equipment or entering into a trade-in or buyback agreement, The University of North Carolina must keep records on the type of computer equipment, the quantity of equipment, and the name of the vendor subject to the agreement. This section adjusts the reporting date for information related to the disposition of computer equipment from December 1 to March 1 of each year.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective December 11, 2024.

Common Digital Credential Pilot – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.21

Section 3J.21 of S.L. 2024-57 requires the State Education Assistance Authority (SEAA) to transfer up to \$1 million to the Community Colleges System Office (System Office) to conduct a digital credential pilot program with a digital credential provider. The Community Colleges System Office must select at least one community college that is currently enrolling students in a digital credential program for the fall semester of the 2024-2025 academic year to participate in the pilot program. By June 15, 2025, the community college, in consultation with the System Office, the digital credential provider, and any other participating educational institution, must report to the Joint Legislative Education Oversight Committee on the implementation and outcomes of the digital credential pilot program.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024.

Data Sharing for Children of Wartime Veterans Scholarships – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.22

Section 3J.22 of S.L. 2024-57 directs The Department of Military and Veterans Affairs (Department) and the State Education Assistance Authority (SEAA) to enter into a data sharing agreement for the protection of student data related to scholarships by December 2, 2024. The agreement must address the disclosure, sharing, and use of student data for recipients of scholarships and the protection of records maintained by the Department regarding the eligibility of recipients and the records maintained by SEAA as the fiscal agent in disbursing funds for the scholarships. The agreement must require compliance with all applicable State and federal laws governing student data, including the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g.

No later than 10 business days after the execution of the data sharing agreement, the Department must provide SEAA with all of the following for the 2024-2025 academic year:

- The list of recipients of a scholarship deemed eligible by the Veterans' Affairs Commission, the amount of each recipient's scholarship, and a certification by the Secretary of the Department that the information for recipients of a scholarship is true and accurate.
- Any student data SEAA requests from the Department, in the manner and format requested by SEAA that SEAA deems necessary to administer the scholarship.

- The recipients who qualify for a scholarship to be funded with monies from the Escheat Fund and any supporting documentation requested by SEAA that was used by the Department for making that determination for an eligible student.
- Any additional information SEAA deems necessary for its disbursement of scholarships.

SEAA must use the information provided by the Department to acquire certification of the enrollment of eligible recipients and any other necessary information directly from the enrolling institutions in the manner deemed necessary by SEAA for the disbursement of funds, including administering funds through the electronic grant disbursement system utilized by SEAA in a manner consistent with other State funded financial assistance programs administered by SEAA. If SEAA determines that an enrolling institution has not certified the enrollment and eligibility of a recipient consistent with the scholarship requirements and this section, SEAA must notify the Department within 30 days of the determination. The Department must also provide SEAA with any additional information SEAA deems necessary for its disbursement of scholarships within 10 business days of the Department obtaining the information.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective July 1, 2024, and applies to the 2024-2025 academic year.

Reports on Opportunity Scholarship Testing – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.23

Section 3J.23 of S.L. 2024-57 repeals the requirement that the Superintendent of Public Instruction recommend tests for use with the Opportunity Scholarship program and instead requires the Office of Learning Research at The University of North Carolina (OLR) to make the recommendations. OLR must make its recommendations on nationally standardized tests for use in third and eighth grades that would be appropriate for administering to Opportunity Scholarship recipients and students in public school units by no later than December 31, 2025. To the extent practicable, OLR should recommend only one test for use in each grade.

This section requires the North Carolina State Education Assistance Authority (SEAA) to designate the recommended tests as the nationally standardized assessments to be administered by nonpublic schools participating in the Opportunity Scholarship program beginning with the 2026-2027 school year.

This section also waives the requirement that SEAA submit its report on the results of the required testing until December 1, 2027.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective December 11, 2024.