

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2001**

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**SENATE BILL 98\***  
**Children & Human Resources Committee Substitute Adopted 3/19/01**  
**Third Edition Engrossed 3/21/01**

Short Title: Meeting the Needs of Students with Disabilities.

(Public)

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Sponsors:

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Referred to:

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February 7, 2001

A BILL TO BE ENTITLED

AN ACT TO IMPLEMENT THE RECOMMENDATIONS OF THE STUDY  
COMMISSION ON CHILDREN WITH SPECIAL NEEDS.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** There is established the Commission on Students With Disabilities. The Commission shall consist of 18 members, appointed as follows:

(1) Seven persons appointed by the Speaker of the House of Representatives, four of whom shall be members of the House of Representatives, and three of whom shall be public members.

(2) Seven persons appointed by the President Pro Tempore of the Senate, four of whom shall be members of the Senate, and three of whom shall be public members.

(3) Four persons appointed by the Governor.

Each appointing authority shall assure insofar as possible that its appointees to the Commission reflect the composition of the North Carolina population with regard to ethnic, racial, age, and gender composition.

The Speaker of the House of Representatives and the President Pro Tempore of the Senate shall each designate a cochair of the Commission. The Commission shall meet upon the call of the cochairs. A quorum of the Commission is 10 members. While in the discharge of its official duties, the Commission has the powers of a joint committee under G.S. 120-19 and G.S. 120-19.1. Members of the Commission shall receive per diem, subsistence, and travel allowances in accordance with G.S. 120-3.1, 138-5, or 138-6, as appropriate.

**SECTION 1.(b)** The Commission shall study the following issues:

(1) The numbers of children receiving or needing services and the cost of educating students in State residential institutions compared to community-based programs.

- 1 (2) The effect of testing students with disabilities for accountability  
2 purposes versus the federal mandate for inclusion of these students in  
3 testing.
- 4 (3) The effect of the possible tension between the State's preference for  
5 safe schools and the federal preference for keeping students with  
6 disabilities in school if the discipline problem is related to their  
7 disability.
- 8 (4) The extent to which the frequency of expulsion or suspension of  
9 students with disabilities has increased in the past five years, and the  
10 extent to whether there is an increase of these disciplinary actions  
11 around the time of year when end-of-grade or end-of-course tests are  
12 administered.
- 13 (5) The financial cost of increasing the current funding cap of twelve and  
14 one-half percent (12.5%) to thirteen percent (13%) or thirteen and  
15 one-half percent (13.5%).
- 16 (6) Determination of whether special education services are being  
17 distributed equitably statewide (spending between rural and urban  
18 schools, rich and poor school districts).
- 19 (7) Determination of whether the State Board of Education has a neutral  
20 and clear appeal process for the exit exam, and how that process is  
21 working for students with disabilities.
- 22 (8) Determination of whether the State Board of Education has made the  
23 alternative assessment portfolio available to all students whose  
24 Individual Education Plan (IEP) or Section 504 Plan documents the  
25 need.
- 26 (9) The severity of the problems with training, recruiting, and retaining  
27 special education teachers.
- 28 (10) The State law regarding time limits in resolving disputes involving the  
29 educational placement of students with disabilities.
- 30 (11) Any other issue the Commission determines is appropriate.

31 **SECTION 1.(c)** Upon approval of the Legislative Services Commission, the  
32 Legislative Services Officer shall assign appropriate professional staff from the  
33 Legislative Services Office of the General Assembly to assist with the study. The House  
34 of Representatives' and the Senate's Supervisors of Clerks shall assign clerical staff to  
35 the Commission, upon the direction of the Legislative Services Commission. The  
36 Commission may meet in the Legislative Building or the Legislative Office Building  
37 upon the approval of the Legislative Services Commission. The Commission may  
38 contract for professional or consultant services as provided under G.S. 120-32.02 to  
39 assist with the study under subdivision (b)(1) of this section.

40 **SECTION 1.(d)** The Commission may make an interim report to the 2001  
41 General Assembly, Regular Session 2002, upon its convening, and shall make its final  
42 report to the 2003 General Assembly upon its convening, and to the Governor. Upon  
43 submitting its final report, the Commission shall expire.

1           **SECTION 2.** G.S. 115C-105.35 reads as rewritten:

2   "**§ 115C-105.35. Annual performance goals.**

3       The School-Based Management and Accountability Program shall (i) focus on  
4 student performance in the basics of reading, mathematics, and communications skills  
5 in elementary and middle schools, (ii) focus on student performance in courses required  
6 for graduation and on other measures required by the State Board in the high schools,  
7 and (iii) hold schools accountable for the educational growth of their ~~students~~-students,  
8 including students with disabilities. To those ends, the State Board shall design and  
9 implement an accountability system that sets annual performance standards for each  
10 school in the State in order to measure the growth in performance of the students in each  
11 individual school. "

12           **SECTION 3.** G.S. 115C-12(9) reads as rewritten:

13       "(9) Miscellaneous Powers and Duties. – All the powers and duties  
14 exercised by the State Board of Education shall be in conformity with  
15 the Constitution and subject to such laws as may be enacted from time  
16 to time by the General Assembly. Among such duties are:  
17       a. To certify and regulate the grade and salary of teachers and  
18 other school employees.  
19       b. To adopt and supply textbooks.  
20       c. To adopt rules requiring all local boards of education to  
21 implement the Basic Education Program on an incremental  
22 basis within funds appropriated for that purpose by the General  
23 Assembly and by units of local government. Beginning with the  
24 1991-92 school year, the rules shall require each local school  
25 administrative unit to implement fully the standard course of  
26 study in every school in the State in accordance with the Basic  
27 Education Program so that every student in the State shall have  
28 equal access to the curriculum as provided in the Basic  
29 Education Program and the standard course of study.

30           The Board shall establish benchmarks by which to measure  
31 the progress that each local board of education has made in  
32 implementing the Basic Education Program.

33           The Board shall develop a State accreditation program that  
34 meets or exceeds the standards and requirements of the Basic  
35 Education Program. The Board shall require each local school  
36 administrative unit to comply with the State accreditation  
37 program to the extent that funds have been made available to  
38 the local school administrative unit for implementation of the  
39 Basic Education Program.

40           The Board shall use the State accreditation program to  
41 monitor the implementation of the Basic Education Program.

42       c1. To issue an annual 'report card' for the State and for each local  
43 school administrative unit, assessing each unit's efforts to

1 improve student performance based on the growth in  
2 performance of the students in each school and taking into  
3 account progress over the previous years' level of performance  
4 and the State's performance in comparison with other states.  
5 This assessment shall take into account factors that have been  
6 shown to affect student performance and that the State Board  
7 considers relevant to assess the State's efforts to improve  
8 student performance. This assessment shall include  
9 disaggregated data on students, including those with disabilities.

- 10 c2. Repealed by Session Laws 1995 (Regular Session, 1996), c.  
11 716, s. 1.
- 12 c3. To develop a system of school building improvement reports  
13 for each school building. The purpose of school building  
14 improvement reports is to measure improvement in the growth  
15 in student performance at each school building from year to  
16 year, not to compare school buildings. The Board shall include  
17 in the building reports any factors shown to affect student  
18 performance that the Board considers relevant to assess a  
19 school's efforts to improve student performance. Local school  
20 administrative units shall produce and make public their school  
21 building improvement reports by ~~March 15, 1997, for the 1995-~~  
22 ~~96 school year, by October 15, 1997, for the 1996-97 school~~  
23 ~~year, and annually thereafter. October 15 each year.~~ Each report  
24 shall be based on building-level data for the prior school year.
- 25 c4. To develop guidelines, procedures, and rules to establish,  
26 implement, and enforce the School-Based Management and  
27 Accountability Program under Article 8B of this Chapter in  
28 order to improve student performance, increase local flexibility  
29 and control, and promote economy and efficiency.
- 30 d. To formulate rules and regulations for the enforcement of the  
31 compulsory attendance law.
- 32 e. To manage and operate a system of insurance for public school  
33 property, as provided in Article 38 of this Chapter.

34 In making substantial policy changes in administration,  
35 curriculum, or programs the Board should conduct hearings  
36 throughout the regions of the State, whenever feasible, in order  
37 that the public may be heard regarding these matters."

38 **SECTION 4.** The State Board of Education shall post on its web site  
39 information regarding the education of students with disabilities. This web page shall  
40 include information about the ABCs, testing procedures, testing results,  
41 accommodations, complaint procedures, and procedures regarding reviews. The web  
42 page shall be easily accessible to parents and updated as often as necessary to keep the  
43 information current.

1           **SECTION 5.** The State Board of Education shall collect information to  
2 document how local school administrative units are funding the provision of special  
3 education to more students with disabilities than are covered by the State funding cap of  
4 twelve and one-half percent (12.5%).

5           **SECTION 6.** From funds appropriated to the General Assembly, the  
6 Legislative Services Commission shall allocate funds for the expenses of the  
7 Commission on Students with Disabilities established in Section 1 of this act.

8           **SECTION 7.** Sections 1 and 6 of this act become effective July 1, 2001.  
9 Section 3 of this act becomes effective July 1, 2002. The remainder of this act is  
10 effective when it becomes law.