

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

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**SENATE DRS35170-LE-139 (3/8)**

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

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Sponsors: Senators Dalton, and Swindell.

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO ENACT THE EDUCATION IMPROVEMENT ACT OF 2005.

The General Assembly of North Carolina enacts:

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

**SECTION 1.1.** This act shall be known as the "Education Improvement Act of 2005".

**PART II. INVESTING MORE RESOURCES AND DEMANDING MORE ACCOUNTABILITY**

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

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

**SECTION 2.1.(b)** Use of Funds for Supplemental Funding. – It is the intent that the additional funds appropriated in 2005-2006 and 2006-2007 be used to recruit and retain high quality teachers. To that end, at least fifteen percent (15%) shall be used for: (i) bonuses to recruit and retain instructional personnel; and/or (ii) to provide full-time mentors for instructional personnel and instructional support personnel. All

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

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

17  
18 **CONTINUE DISADVANTAGED STUDENT SUPPLEMENTAL FUNDING AND**  
19 **EVALUATE THE EFFECTIVENESS OF IMPROVEMENT STRATEGIES**

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

29 **SECTION 2.2.(b)** The State Board of Education shall use funds appropriated  
30 in this section to annually evaluate the strategies local school administrative units have  
31 implemented and to assess their impact on student performance. The State Board of  
32 Education shall report the results of the evaluation to the Office of State Budget and  
33 Management, the Joint Legislative Education Oversight Committee, and the Fiscal  
34 Research Division, by February 15, 2006, and by January 15 of each subsequent year.

35 **SECTION 2.2.(c)** The State Board of Education shall incorporate into a new  
36 funding mechanism: (i) the results of the evaluation of strategies implemented in the  
37 2004-2005 and 2005-2006 school years; and (ii) its review of the variables that are most  
38 highly correlated with student academic achievement. The new funding mechanism  
39 shall consolidate the Improving Student Accountability allotment category, the  
40 At-Risk/Alternative Schools allotment category, and the Disadvantaged Student  
41 allotment category. The State Board of Education shall report on the new formula and  
42 funding mechanism to the Office of State Budget and Management, the Fiscal Research  
43 Division, and the Joint Legislative Education Oversight Committee by February 15,  
44 2006.

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

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

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

16 **SECTION 2.2.(f)** To remain eligible for the resources provided in this  
17 section, local school administrative units must submit a report to the State Board of  
18 Education by August 31 of each year detailing the expenditure of the funds and the  
19 impact of these funds on student achievement. The State Board of Education shall report  
20 this information annually by October 31 to the Office of State Budget and Management,  
21 the Joint Legislative Education Oversight Committee, and the Fiscal Research Division.  
22

## 23 **PROVIDE FOR NEW ACCOUNTABILITY FOR THE USE OF FUNDS IN THE** 24 **AT-RISK AND IMPROVING STUDENT ACCOUNTABILITY ALLOTMENTS**

25 **SECTION 2.3.(a)** Funds appropriated for the At-Risk/Alternative Schools  
26 allotment and the Improving Student Accountability allotment shall be used only (i) to  
27 provide instructional positions or instructional support positions and/or professional  
28 development; (ii) to provide intensive in-school and/or after-school remediation; and  
29 (iii) to purchase diagnostic software and progress monitoring tools.

30 **SECTION 2.3.(b)** To remain eligible for funds appropriated for the  
31 At-Risk/Alternative Schools allotment and the Improving Student Accountability  
32 allotment, local school administrative units must submit a report to the State Board of  
33 Education by October 31 of each year detailing the expenditure of the funds and the  
34 impact of these funds on student achievement. The State Board of Education shall report  
35 this information annually by October 31 to the Office of State Budget and Management,  
36 the Joint Legislative Education Oversight Committee, and the Fiscal Research Division.  
37

## 38 **LEA ASSISTANCE PROGRAM**

39 **SECTION 2.4.(a)** All assistance to local school administrative units that is  
40 provided on behalf of the State Board of Education by the Department of Public  
41 Instruction and its contractors shall be consolidated into the LEA Assistance Program  
42 (LEAAP) created in the 2003 Session of the General Assembly. The consolidated  
43 program shall reside in the School Improvement Division and shall provide assistance to  
44 the State's low-performing Local School Administrative Units (LEAs) and shall assist

1 schools in meeting adequate yearly progress in each subgroup identified in the No Child  
2 Left Behind Act of 2001.

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

10 **SECTION 2.4.(c)** The State Board of Education shall develop: (i) the  
11 criteria for LEA Assistance Teams; (ii) the criteria for selecting LEAs and schools to  
12 receive assistance; (iii) measurable goals and objectives for the assistance program; and  
13 (iv) an explanation of the type of assistance to be provided with these combined  
14 resources. The Department shall develop a revised organizational structure and budget  
15 for providing assistance services to LEAs to ensure the department can meet the needs  
16 of the LEAs. This structure and budget must be approved by the State Board of  
17 Education.

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

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

29 The State Board shall report on the prior year's expenditure of these funds by  
30 August 31 of each year. This report shall contain: (i) the criteria for selecting LEAs and  
31 schools to receive assistance; (ii) measurable goals and objectives for the assistance  
32 program; (iii) an explanation of the assistance provided; (iv) findings from the  
33 assistance program; (v) actual expenditures by category; (vi) recommendations  
34 regarding the continuation of this program; and (vii) any other information the State  
35 Board deems necessary.

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

38  
39 **PART III. RECRUITING AND RETAINING QUALITY TEACHERS AND**  
40 **PRINCIPALS ACROSS THE STATE**

41  
42 **UNC-NCCCS JOINT INITIATIVE FOR TEACHER EDUCATION AND**  
43 **RECRUITMENT**

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

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

- 12           (1) Resolve curriculum issues between The University of North Carolina  
13           and the community colleges within each region to ensure seamless  
14           articulation;
- 15           (2) Serve as licensure advisors to prospective teachers and assist with  
16           individual reviews for lateral entry candidates;
- 17           (3) Offer admissions advice to community college students seeking to  
18           transfer to four-year institutions; and
- 19           (4) Recruit prospective teachers on community college campuses.

20 These funds shall also be used to ensure that these staff members can travel routinely  
21 among all of the University of North Carolina and community college sites within a  
22 region.

23           **SECTION 3.1.(c)** The UNC-NCCCS Joint Initiative for Teacher Education  
24 and Recruitment shall report on the results of this initiative by September 1, 2006, and  
25 annually thereafter to the State Board of Education, the Board of Governors, the State  
26 Board of Community Colleges, the Education Cabinet, the Joint Legislative Education  
27 Oversight Committee, and the Office of State Budget and Management. The report shall  
28 include at a minimum, the following performance outcomes by region in which the  
29 advisors are working:

- 30           (1) The number of community college students articulated and working  
31           toward teacher licensure, their base community college, and The  
32           University of North Carolina institution to which they have moved;
- 33           (2) The number of lateral entry teachers that these advisors worked with  
34           who are actively pursuing certification and the number licensed;
- 35           (3) A headcount of the number of students in the process of receiving  
36           courses towards certification, their home county, the institutions at  
37           which they are taking courses, and whether they are taking courses by  
38           regular attendance, via distance education, or both. If both methods are  
39           being employed, the report shall contain the percentage of courses  
40           taken by each method;
- 41           (4) The total FTE and SCH that the headcount represents;
- 42           (5) Articulation issues and/or curriculum changes effectively made as a  
43           result of these advisors; and

- 1 (6) Articulation issues that are under discussion but have not been  
2 satisfactorily resolved.

3  
4 **UNC-NCCCS 2+2 E-LEARNING INITIATIVE**

5 **SECTION 3.2.(a)** There is appropriated from the General Fund to the Board  
6 of Governors of The University of North Carolina the sum of one million dollars  
7 (\$1,000,000) for the 2005-2006 fiscal year and the sum of one million dollars  
8 (\$1,000,000) for the 2006-2007 fiscal year for the UNC-NCCCS 2+2 E-Learning  
9 Initiative.

10 There is appropriated from the General Fund to the North Carolina  
11 Community Colleges System Office the sum of one million dollars (\$1,000,000) for the  
12 2005-2006 fiscal year and the sum of one million dollars (\$1,000,000) for the  
13 2006-2007 fiscal year for the UNC-NCCCS 2+2 E-Learning Initiative.

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

21  
22 **TWO-YEAR TEACHING FELLOWS PROGRAM FOR SCIENCE AND**  
23 **MATHEMATICS**

24 **SECTION 3.3.(a)** There is appropriated from the General Fund to the  
25 Department of Public Instruction the sum of three hundred thirty thousand dollars  
26 (\$330,000) for the 2006-2007 fiscal year for the administration of a Two-Year Teaching  
27 Fellows Program focused on preparing math and science teachers for public middle and  
28 high schools.

29 **SECTION 3.3.(b)** G.S. 115C-363.23A reads as rewritten:

30 **"§ 115C-363.23A. Teaching Fellows Program established; administration.**

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

42 ...

43 (c) The Commission shall form regional review committees to assist it in  
44 identifying the best high school seniors or college juniors for the program. The

1 Commission and the review committees shall make an effort to identify and encourage  
2 minority students and students who may not otherwise consider a career in teaching to  
3 enter the program.

4 ...

5 (e) The Commission shall forgive ~~the a four-year~~ loan if, within seven years after  
6 graduation, the recipient teaches for four years at a North Carolina public school or at a  
7 school operated by the United States government in North Carolina. The Commission  
8 shall forgive a two-year loan if, within five years after graduation, the recipient teaches  
9 for two years at a North Carolina public school or at a school operated by the United  
10 States government in North Carolina. The Commission shall also forgive ~~the a two-year~~  
11 ~~or a four-year~~ loan if it finds that it is impossible for the recipient to ~~teach for four years,~~  
12 ~~within seven years after graduation, at a North Carolina public school or at a school~~  
13 ~~operated by the United States government in North Carolina, because of fulfill the~~  
14 teaching requirement due to the death or permanent disability of the recipient.

15 ...."

#### 16 17 **INCREASE FUNDS FOR THE PROSPECTIVE TEACHER SCHOLARSHIP** 18 **LOAN PROGRAM**

19 **SECTION 3.4.(a)** There is appropriated from the General Fund to the  
20 Department of Public Instruction the sum of one million dollars (\$1,000,000) for the  
21 2005-2006 fiscal year and the sum of one million dollars (\$1,000,000) for the  
22 2006-2007 fiscal year for the Prospective Teacher Scholarship Loan Program.

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

#### 26 27 **PRINCIPALS EXECUTIVE PROGRAM FOR NEW PRINCIPALS**

28 **SECTION 3.5.** There is appropriated from the General Fund to the Board of  
29 Governors of The University of North Carolina the sum of one hundred twenty-five  
30 thousand dollars (\$125,000) for the 2005-2006 fiscal year and the sum of one hundred  
31 twenty-five thousand dollars (\$125,000) for the 2006-2007 fiscal year to support the  
32 development and implementation of a new program for all new public school principals.  
33 The program shall include a focus on the principal's responsibility for instructional  
34 leadership, data-driven decision making, and positive teacher working conditions.

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

#### 38 39 **TEACHER WORKING CONDITIONS INITIATIVE**

40 **SECTION 3.6.(a)** There is appropriated from the General Fund to the  
41 Department of Public Instruction the sum of two hundred fifteen thousand dollars  
42 (\$215,000) for the 2005-2006 fiscal year and the sum of two hundred fifteen thousand  
43 dollars (\$215,000) for the 2006-2007 fiscal year to continue the Governor's Teacher  
44 Working Conditions Survey. These funds shall be used by the Professional Teaching

1 Standards Commission to administer the survey on a biennial basis, establish an  
2 advisory board to oversee implementation of recommendations from the survey, and  
3 support the NC Network in providing customized analysis for school improvement  
4 teams.

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

7  
8 **TEACH FOR AMERICA**

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

14  
15 **STANDARDS REVIEW OF MSA PROGRAMS**

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

21  
22 **EVALUATION OF SCHOOL PRINCIPALS**

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

28  
29 **PLANNING TIME FOR TEACHERS**

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

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

38  
39 **ONLINE PROFESSIONAL DEVELOPMENT RESOURCE CENTER FOR**  
40 **TEACHERS AND PRINCIPALS**

41 **SECTION 3.11.(a)** There is appropriated from the General Fund to the  
42 Office of State Budget and Management the sum of one hundred thousand dollars  
43 (\$100,000) for the 2005-2006 fiscal year for a reserve to support the development of a

1 Web portal that catalogues high-quality professional development opportunities for  
2 teachers and principals.

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

## 7 8 **PART IV. TWENTY-FIRST- CENTURY HIGH SCHOOLS**

### 9 10 **LEARN AND EARN HIGH SCHOOLS**

11 **SECTION 4.1.(a)** There is appropriated from the General Fund to the  
12 Department of Public Instruction the sum of three million two hundred forty-seven  
13 thousand four hundred twenty-six dollars (\$3,247,426) in recurring funds and nine  
14 hundred seventeen thousand five hundred dollars (\$917,500) in nonrecurring funds for  
15 the 2005-2006 fiscal year and the sum of nine million two hundred fifty-nine thousand  
16 four hundred forty dollars (\$9,259,440) in recurring funds and one million dollars  
17 (\$1,000,000) for the 2006-2007 fiscal year for the Learn and Earn high school  
18 workforce development program. The purpose of the program shall be to identify  
19 students who may not plan to attend or be adequately prepared to attend a two- or  
20 four-year degree program and to provide the assistance those students need to earn an  
21 associate degree or two years of college credit by the conclusion of the year after their  
22 senior year in high school. The State Board of Education shall work closely with the  
23 Education Cabinet and the New Schools Project in administering the program.

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

29 **SECTION 4.1.(c)** The State Board of Education in consultation with the  
30 State Board of Community Colleges and The University of North Carolina Board of  
31 Governors, shall conduct an annual evaluation of this program. The evaluation shall  
32 include measures as identified in G.S. 115C-238.55. It shall also include: (i) an  
33 accounting of how funds and personnel resources were utilized and their impact on  
34 student achievement, retention, and employability; (ii) recommended statutory and  
35 policy changes; and (iii) recommendations for improvement of the program. The State  
36 Board of Education shall report the results of this evaluation to the Office of State  
37 Budget and Management, the Joint Legislative Education Oversight Committee, and the  
38 Fiscal Research Division by September 15 of each year.

### 39 40 **SMALL SPECIALTY HIGH SCHOOLS PILOT PROGRAM**

41 **SECTION 4.2.(a)** There is appropriated from the General Fund to the  
42 Department of Public Instruction the sum of one million four hundred forty-six  
43 thousand eight hundred seventy-seven dollars (\$1,446,877) for the 2005-2006 fiscal  
44 year and the sum of one million four hundred forty-six thousand eight hundred

1 seventy-seven dollars (\$1,446,877) for the 2006-2007 fiscal year for a pilot program to  
2 create 11 small specialty high schools within existing schools. The purpose of the  
3 program shall be to improve graduation rates and achieve higher student performance as  
4 measured by standard tests and postgraduate gainful employment or admission into an  
5 institution of higher education. The State Board of Education shall work closely with  
6 the Education Cabinet and the New Schools Project in administering the program.

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

### 15 16 **THE CENTER FOR TWENTY-FIRST-CENTURY SKILLS**

17 **SECTION 4.3.(a)** There is appropriated from the General Fund to the Office  
18 of the Governor the sum of two hundred fifty thousand dollars (\$250,000) for the  
19 2005-2006 fiscal year and the sum of two hundred fifty thousand dollars (\$250,000) for  
20 the 2006-2007 fiscal year to establish the Center for 21<sup>st</sup>-Century Skills within the North  
21 Carolina Business Committee for Education. The purpose of the Center is to design  
22 curriculum, teacher training, and student assessment to support students acquiring the  
23 knowledge and skills needed for the emerging workforce of the 21<sup>st</sup> century.

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

27 **SECTION 4.3.(c)** The North Carolina Business Committee for Education  
28 and the Center for 21<sup>st</sup>-Century Skills shall work with the North Carolina Science,  
29 Mathematics and Technology Education Center, the North Carolina School of Science  
30 and Mathematics, the North Carolina Board of Science and Technology, and the  
31 governing boards of education to research and propose options to create new or expand  
32 existing mathematics and science summer enrichment programs across the State and to  
33 establish regional mathematics and science high schools. The Center shall also support  
34 efforts of the Futures for Kids Program to connect students with the workforce needs of  
35 their home communities.

### 36 37 **FLEXIBILITY FOR HIGH SCHOOL INNOVATION**

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

39 "(d) The State Board of Education and the State Board of Community Colleges  
40 ~~shall approve two cooperative innovative high school programs in each of the State's~~  
41 ~~economic development regions. The State Boards may approve cooperative innovative~~  
42 high school programs recommended by the joint advisory committee or may approve  
43 other programs that were not recommended. The State Boards shall approve all  
44 applications by March 15 of each year. No application shall be approved unless the

1 State Boards find that the application meets the requirements set out in this Part and that  
2 granting the application would achieve the purposes set out in G.S. 115C-238.50.  
3 Priority shall be given to applications that are most likely to further State education  
4 policies, to address the economic development needs of the economic development  
5 regions in which they are located, and to strengthen the educational programs offered in  
6 the local school administrative units in which they are located."

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

8 **"§ 116C-4. First in America Innovative Education Initiatives Act.**

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

- 17 (1) Support cooperative innovative high school programs developed under  
18 Part 9 of Article 16 of Chapter 115C of the General Statutes.
- 19 (2) Improve high school completion rates and reduce high school dropout  
20 rates.
- 21 (3) Close the achievement gap.
- 22 (4) Create redesigned middle schools or high schools.
- 23 (5) Provide flexible, customized programs of learning for high school  
24 students who would benefit from accelerated, higher-level coursework  
25 or early graduation.
- 26 (6) Establish high quality alternative learning programs.
- 27 (7) Establish a virtual high school.
- 28 (8) Implement other innovative education initiatives designed to advance  
29 the State's system of education.

30 Small specialty high schools within existing schools, high school programs that are a  
31 cooperative effort between public secondary schools and a constituent institution of The  
32 University of North Carolina, and high school programs that are a cooperative effort  
33 between public secondary schools and a private college or university, are exempt from  
34 laws and rules applicable to local boards of education, local school administrative units,  
35 community colleges, and constituent institutions of The University of North Carolina.

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

39 (c) The Cabinet shall report by January 15, 2004, and annually thereafter, to the  
40 Joint Legislative Education Oversight Committee on its activities under this section.  
41 The annual reports may include recommendations for statutory changes needed to  
42 support cooperative innovative initiatives, including programs approved under Part 9 of  
43 Article 16 of Chapter 115C of the General Statutes."  
44

1 **PART V. SUPPORTING FAMILIES AND CHILDREN FOR SCHOOL**  
2 **SUCCESS**

3  
4 **SCHOOL-BASED CHILD AND FAMILY SUPPORT TEAMS**

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

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

18  
19 **COMMUNITIES IN SCHOOLS SUPPORT AND EXPANSION**

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

28  
29 **PART VI. EFFECTIVE DATE**

30  
31 **SECTION 6.1.** This act becomes effective July 1, 2005.