

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

HOUSE BILL 532  
RATIFIED BILL

AN ACT TO MODIFY THE GOVERNANCE AND OPERATION OF THE UNIVERSITY  
OF NORTH CAROLINA LABORATORY SCHOOLS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Article 29A of Chapter 116 of the General Statutes reads as rewritten:

"Article 29A.

"University of North Carolina Laboratory Schools.

**"§ 116-239.5. University of North Carolina laboratory schools; purpose.**

(a) The Board of Governors, ~~in consultation with~~ upon recommendation by the constituent institutions of The University of North Carolina with educator preparation programs, ~~President,~~ shall designate ~~eight~~ at least nine constituent institutions to submit proposals to establish laboratory schools to serve public school students in accordance with the provisions of this Article. The Board of Governors shall select ~~eight~~ constituent institutions with ~~quality~~ high-quality educator preparation programs as demonstrated by the annual performance measures reported by the constituent institutions in accordance with G.S. 115C-296.13. The Board of Governors' Subcommittee on Laboratory Schools established under G.S. 116-239.7 shall review the proposals and approve at least nine of the proposals to establish laboratory schools. The Subcommittee shall oversee the operations of those laboratory schools to meet the purposes set forth in this Article.

(b) The mission of a laboratory school shall be to improve student performance in local school administrative units with low-performing schools by providing an enhanced education program for students residing in those units and to provide exposure and training for teachers and principals to successfully address challenges existing in high-needs school settings. A laboratory school shall provide an opportunity for research, demonstration, student support, and expansion of the teaching experience and evaluation regarding management, teaching, and learning.

(c) Each laboratory school shall expand student opportunities for educational success through high-quality instructional programming and innovative instruction and research by using the resources available to the constituent institution. Each constituent institution operating a laboratory school shall incorporate best practices gained from State initiatives focused on leadership development for both teachers and principals in low-performing schools and local school administrative units.

(d) Except as otherwise provided in this Article, ~~at the Subcommittee, the chancellor of each constituent institution that operates a laboratory school, and the laboratory school is~~ are exempt from statutes and rules applicable to a local board of education or local school administrative unit.

**"§ 116-239.6. Definitions.**

The following definitions apply in this Article:

- (1) Advisory board. – An advisory board established by ~~the board of trustees~~ a chancellor under G.S. 116-239.8.



- (2) ~~Board of trustees. – The board of trustees of a constituent institution that is the governing body of the lab school established under this Article.~~ institution.
- (2a) Chancellor. – The chancellor of a constituent institution who operates a laboratory school approved by the Subcommittee on Laboratory Schools under G.S. 116-239.7 or the chancellor's designee.
- (3) ~~Constituent institution. – A constituent institution of The University of North Carolina with an educator preparation program that has been designated by the Board of Governors to establish a laboratory school under G.S. 116-239.5.~~ operated in accordance with this Article.
- (4) ~~Laboratory school or lab school. – A public school created under G.S. 116-239.7 that (i) except as otherwise provided in G.S. 116-239.7(a2), is located in a qualifying local school administrative unit that has twenty five percent (25%) or more of the schools located in the unit identified as low-performing under G.S. 115C-105.37 and (ii) serves students in at least three consecutive grade levels in the range of kindergarten through eighth grade.~~
- (4a) President. – The President of The University of North Carolina.
- (5) Principal. – The principal of a laboratory school.
- (6) Subcommittee. – The Subcommittee on Laboratory Schools.

**"§ 116-239.7. ~~Plan for the location lab~~The Board of Governors' Subcommittee on Laboratory Schools; selection of laboratory schools; creation of a laboratory school; dissolution.**

(a) The Board of Governors' Subcommittee on Laboratory Schools. – The Board of Governors shall establish the Subcommittee on Laboratory Schools to oversee the establishment and operation of laboratory schools in accordance with this Article. The President of The University of North Carolina shall serve on the Subcommittee. Within the funds appropriated each fiscal year to the Board of Governors to be used to support the operations of the Board, the Board may establish a full-time equivalent position to coordinate and support the work of the Subcommittee.

(a1) ~~Plan for the Location~~Approval of LabLaboratory Schools. – ~~The Board of Governors, in collaboration with the boards of trustees of the constituent institutions,~~ Governors, upon the recommendation of the President, shall designate at least nine constituent institutions to establish and operate laboratory schools. The chancellor of each constituent institution shall adopt and submit to the Subcommittee a plan ~~proposal for the location of the lab schools to operate a laboratory school in a local school administrative unit~~ unit that meets the minimum threshold for the number of low-performing schools located in the unit under G.S. 116-239.6(4). The plan ~~proposal shall include the governance structure of the laboratory school. The Subcommittee shall evaluate the proposals for approval or disapproval by considering the design components and the strategic focus of the laboratory school and any other standards developed by the Subcommittee to be applicable to all laboratory schools. The Subcommittee shall also consider the location of each laboratory school so that, to the extent possible, there is a geographically diverse distribution of the lab~~ laboratory schools throughout the State and a maximum of one laboratory school located in a qualifying local school administrative unit. ~~The Board of Governors shall update the plan as necessary to reflect any changes to the status of a constituent institution operating a lab school and the status of qualifying local school administrative units at the end of the term of operation of a lab school. A constituent institution shall not adopt a resolution to create a lab school under this section prior to receiving approval from the Board of Governors on the location of the lab school. At least 90 days prior to implementation, the Board of Governors shall submit the plan and any revisions to the plan to the Joint Legislative Commission on~~

~~Governmental Operations.~~ From the proposals submitted to the Subcommittee, the Subcommittee shall approve the establishment of at least nine laboratory schools.

(a2) Waiver for Certain Local School Administrative Units. – Notwithstanding subsection (a1) of this section, a chancellor may submit a proposal to the Subcommittee to locate a laboratory school in a local school administrative unit that does not meet the minimum threshold for the number of low-performing schools located in the unit under G.S. 116-239.6(4) if the proposal demonstrates that the laboratory school shall primarily serve students who did not meet expected growth in the prior school year in accordance with G.S. 116-239.9(c1). The Subcommittee may waive the requirement for the number of low-performing schools in a local school administrative unit for the location of a laboratory school, for up to a total of three laboratory schools established under this Article, only if both of the following conditions are met for the laboratory school:

- (1) The proposal has been submitted jointly by the chancellor and the local school administrative unit in which the laboratory school will be located.
- (2) The Subcommittee determines that the proposed location would satisfy the purposes set forth in G.S. 116-239.5.

~~(b) Resolution by the Subcommittee to Create~~Approve a ~~Lab~~Laboratory School. – The ~~board of trustees of a constituent institution~~Subcommittee shall adopt a resolution ~~stating its intent to create a lab~~upon the approval of each laboratory school, which shall include the following:

- (1) Name of the laboratory school.
- (2) The local school administrative unit in which the laboratory school shall be located. The local school administrative unit in which the lab school is located shall meet the requirement under G.S. 116-239.6(4) that twenty-five percent (25%) or more of the schools located in the unit are identified as low-performing under G.S. 115C-105.37 at the time the resolution is adopted. However, the board of trustees shall continue to operate the lab school within the local school administrative unit for at least five years as provided under subdivision (3) of this subsection regardless of whether the local school administrative unit continues to qualify under G.S. 116-239.6(4).
- (3) A term of operation for the laboratory school of five years from the date of initial operation. At the end of five years of operation, if the laboratory school is still located in a local school administrative unit that has twenty-five percent (25%) or more of the schools located in the unit identified as low-performing under G.S. 115C-105.37, or if the Subcommittee renews a waiver of this requirement under subsection (a2) of this section, the resolution may be renewed by the constituent institution Subcommittee at the end of the term for an additional five years. If the laboratory school is no longer (i) located in a qualifying local school administrative unit or (ii) meeting the purposes of this Article under a waiver at the end of five years, the board of trustees Subcommittee shall notify the Board of Governors of the end of the term of operation and to request consultation on determining the location of creating a new lab school in accordance with subsection (a) of this section and designation of additional constituent institutions with educator preparation programs to establish a laboratory school in accordance with the provisions of this Article.

(c) Recognition of a Laboratory School. – ~~Each board of trustees that adopts a resolution as provided in this section~~The Subcommittee shall file a copy of ~~the~~each resolution to approve a laboratory school with the ~~State Board of Education~~Department of Public Instruction. Upon receipt of a resolution from a ~~board of trustees for a named lab school,~~the

Subcommittee and upon the recommendation of the Superintendent of Public Instruction, the State Board of Education shall approve the creation of the ~~lab~~laboratory school.

(d) Dissolution or Assumption of a ~~Lab~~Laboratory School. – In the event of the potential dissolution of a ~~lab~~laboratory school at the end of the term of the school's operation or due to the termination of an educator preparation program at the constituent institution, ~~subject to approval by the Board of Governors, the board of trustees~~the chancellor shall adopt~~propose~~ a plan in conjunction with the local school administrative unit in which the laboratory school is located for the dissolution or the assumption of the ~~lab~~laboratory school by a new ~~entity~~entity and shall submit the plan to the Subcommittee for prior approval. ~~A local board of education of the local school administrative unit in which the lab school is located may transition the lab school to a public school under the governance of the local board or, if the local school administrative unit still qualifies under G.S. 116-239.6(4), the board of trustees of another constituent institution with an educator preparation program may assume operation of the lab school. If the lab school is dissolved or a local board of education assumes operation of the school, all net assets of the lab school purchased with public funds shall be deemed property of the local school administrative unit in which the lab school is located. The State Board of Education~~Board of Governors and the Department of Public Instruction shall be notified in the event of the dissolution or assumption of a ~~lab~~laboratory school, including the identity of the entity assuming operation of the school.

**"§ 116-239.8. ~~Board of trustees;~~Chancellor; powers and duties.**

(a) The chancellor of a constituent institution designated by the Board of Governors to establish a laboratory school shall submit a proposal in accordance with G.S. 116-239.7 that is consistent with any requirements established by the Subcommittee on Laboratory Schools in accordance with this Article.

(b) The chancellor shall be the administrative head of a laboratory school approved by the Subcommittee and shall provide general direction for the establishment and operation of a laboratory school. The chancellor, with advice and input from the advisory board established in subdivision (1) of this subsection, shall adopt policies, operating procedures, and the courses of study to govern the operation of the laboratory school. The chancellor may designate the duties required by this Article to other personnel as necessary. The ~~board of trustees~~chancellor shall also have the following powers and duties:

(1) Advisory board. – ~~A board of trustees~~The chancellor shall appoint~~establish~~ an advisory board to provide ~~general oversight~~advice and guidance to the ~~board of trustees of the lab school~~chancellor as follows:

a. Composition of the advisory board. – The advisory board shall consist of up to 10 members who shall be appointed by the chancellor or serve ex officio as follows:

1. The dean of the constituent institution's educator preparation program shall be a standing member of the advisory board and the board of trustees, upon recommendation of the president of the constituent institution, program.

2. A member of the board of trustees of the constituent institution shall appoint four

3. Two faculty members from the institution, at least two of whom are from the educator preparation program, one public member who resides in the local school administrative unit in which the lab school is located, two parents or guardians of students who attend the lab school, and one lab school student appointed by the principal to serve on the advisory board. institution. At least one of the faculty members shall be

- faculty from the constituent institution's educator preparation program.
4. The superintendent of the local school administrative unit in which the laboratory school is located.
  5. A member of the community who resides in the local school administrative unit in which the laboratory school is located.
  6. Up to four other members that the chancellor deems necessary.
- a1. Terms of members. – The term of each member shall be for ~~two~~four years, and any vacancy shall be filled with a person of the same classification as his or her predecessor for the balance of the unexpired term. No advisory board member shall serve more than two complete consecutive terms. The ~~board of trustees~~chancellor shall stagger the terms of the initial appointees in a manner that results in the expiration of terms of no more than ~~two~~three members in any year.
  - a2. Organization; meetings; expenses. – The ~~board of trustees~~chancellor shall call the organizational meeting of the advisory board. The advisory board shall meet at least quarterly. The advisory board shall annually elect a chair and a vice-chair. There shall be no limitation on ~~successive appointments to the advisory board or~~ successive terms that may be served by a chair or vice-chair. The advisory board shall adopt internal organizational procedures or bylaws necessary for efficient operation. Advisory board members shall not receive per diem or travel expenses for the performance of their duties.
  - b. Duties. – The advisory board ~~shall meet at least quarterly and~~ shall have the following duties:
    1. Monitor the operations of the ~~lab~~laboratory school and the distribution of moneys allocated for such operations.
    2. Recommend to the ~~board of trustees~~chancellor necessary policy, program, and administration modifications.
    3. Evaluate biennially the performance of the principal and recommend corresponding action to the ~~board of trustees~~chancellor.
    4. Annually review evaluations of the ~~lab~~laboratory school's operation and research findings.
- (2) Academic program. – Laboratory school course of study. –
- a. The ~~board of trustees~~chancellor shall establish the standard course of study for the ~~lab~~laboratory school. This course of study shall set forth the subjects to be taught in each grade and the texts and other educational materials on each subject to be used in each grade. The ~~board of trustees~~chancellor shall design its programs to meet at least the student performance standards adopted by the State Board of Education and the student performance standards contained in Chapter 115C of the General Statutes.
  - b. The ~~board of trustees~~chancellor shall conduct student assessments required by the State Board of Education.
  - c. The ~~board of trustees~~chancellor shall adopt a school calendar consisting of a minimum of 185 days or 1,025 hours of instruction covering at least nine calendar months.

- (3) Standards of performance and conduct. – The ~~board of trustees~~chancellor shall establish policies and standards for academic performance, attendance, and conduct for students of the ~~lab~~laboratory school. The policies of the ~~board of trustees~~chancellor shall comply with Article 27 of Chapter 115C of the General Statutes.
- (4) Food and transportation services. – The local school administrative unit in which the ~~lab~~laboratory school is located shall continue to provide food services and transportation to students attending the ~~lab~~laboratory school. The ~~board of trustees~~chancellor shall arrange for the provision of these services from the local school administrative unit.
- (5) School attendance. – Every parent, guardian, or other person in this State having charge or control of a child who is enrolled in the ~~lab~~laboratory school and who is less than 16 years of age shall cause such child to attend school continuously for a period equal to the time that the ~~lab~~laboratory school shall be in session. No person shall encourage, entice, or counsel any child to be unlawfully absent from the ~~lab~~laboratory school. Any person who aids or abets a student's unlawful absence from the ~~lab~~laboratory school shall, upon conviction, be guilty of a Class 1 misdemeanor. The principal shall be responsible for implementing such additional policies concerning compulsory attendance as shall be adopted by the ~~board of trustees, chancellor,~~ including regulations concerning lawful and unlawful absences, permissible excuses for temporary absences, maintenance of attendance records, and attendance counseling.
- (6) Reporting. – The ~~board of trustees~~chancellor shall comply with the reporting requirements established by the State Board of Education in the Uniform Education Reporting System.
- (7) Assessment results. – The ~~board of trustees~~chancellor shall provide data to the local school administrative unit on the performance of ~~that~~ students on any testing required by the State Board of Education.
- (8) Education of children with disabilities. – The ~~board of trustees~~chancellor shall require compliance with laws and policies relating to the education of children with disabilities.
- (9) Health and safety. – The ~~board of trustees~~chancellor shall require that the ~~lab~~laboratory school meet the same health and safety standards required of a local school administrative unit. The Department of Public Instruction shall ensure that ~~lab~~laboratory schools comply with G.S. 115C-375.2A. The ~~board of trustees of a lab school~~chancellor shall provide the laboratory school with a supply of emergency epinephrine auto-injectors necessary to carry out the provisions of G.S. 115C-375.2A.
- (10) School Risk Management Plan. – Each ~~lab~~laboratory school, in coordination with local law enforcement agencies, is encouraged to adopt a School Risk Management Plan (SRMP) relating to incidents of school violence. In constructing and maintaining these plans, a ~~lab~~laboratory school may utilize the School Risk and Response Management System (SRRMS) established pursuant to G.S. 115C-105.49A. These plans are not considered a public record as the term "public record" is defined under G.S. 132-1 and shall not be subject to inspection and examination under G.S. 132-6.
- (11) Schematic diagrams and school crisis kits. – ~~Lab~~Laboratory schools are encouraged to provide schematic diagrams and keys to the main entrance of school facilities to local law enforcement agencies, in addition to implementing the provisions in G.S. 115C-105.52.

- (12) School safety exercises. – At least once a year, a ~~lab~~laboratory school is encouraged to hold a full schoolwide lockdown exercise with local law enforcement and emergency management agencies that are part of the ~~lab~~laboratory school's SRMP.
- (13) Safety information provided to the Department of Public Safety, Division of Emergency Management. – A ~~lab~~laboratory school is encouraged to provide the following: (i) schematic diagrams, including digital schematic diagrams and (ii) emergency response information requested by the Division for the SRMP. The schematic diagrams and emergency response information are not considered public records as the term "public record" is defined under G.S. 132-1 and shall not be subject to inspection and examination under G.S. 132-6.
- (14) North Carolina school report cards. – A ~~lab~~laboratory school shall ensure that the report card issued for it by the State Board of Education receives wide distribution to the local press or is otherwise provided to the public. A ~~lab~~laboratory school shall ensure that the overall school performance score and grade earned by the ~~lab~~laboratory school for the current and previous four school years is prominently displayed on the school Web site. If a ~~lab~~laboratory school is awarded a grade of D or F, the ~~lab~~laboratory school shall provide notice of the grade in writing to the parent or guardian of all students enrolled in that school.
- (15) Policy against bullying. – A ~~lab~~laboratory school is encouraged to adopt a policy against bullying or harassing behavior, including cyberbullying, that is consistent with the provisions of Article 29C of Chapter 115C of the General Statutes. If a ~~lab~~laboratory school adopts a policy to prohibit bullying and harassing behavior, the ~~lab~~laboratory school shall, at the beginning of each school year, provide the policy to staff, students, and parents as defined in G.S. 115C-390.1(b)(8).
- (16) Access for youth groups. – ~~Lab~~Laboratory schools are encouraged to facilitate access for students to participate in activities provided by any youth group listed in Title 36 of the United States Code as a patriotic society, such as the Boy Scouts of America, and its affiliated North Carolina groups and councils, and the Girl Scouts of the United States of America, and its affiliated North Carolina groups and councils. Student participation in any activities offered by these organizations shall not interfere with instructional time during the school day for the purposes of encouraging civic education.

**"§ 116-239.9. Student admissions and assignment.**

(a) Any child who is residing in a local school administrative unit in which a ~~lab~~laboratory school is located and (i) is enrolled in a low-performing school, as defined by G.S. 115C-105.37 at the time of the student's application, or (ii) did not meet expected growth in the prior school year based on one or more indicators listed in subsection (c1) of this section is eligible to~~may~~ attend the ~~lab~~laboratory school.

(b) No local board of education shall require any student enrolled in the local school administrative unit to attend a ~~lab~~laboratory school.

(c) During each period of enrollment, the ~~lab~~laboratory school shall enroll an eligible student under subsection (a) of this section who submits a timely application, with priority enrollment given in the order in which applications are received to up to the capacity of a program, class, grade level, or building, in the order in which applications are received. Once enrolled, students are not required to reapply in subsequent enrollment periods.

(c1) For the purposes of this Article, any of the following shall serve as indicators that a student who did not meet expected student growth in the prior school year based on any of the following year: (i) grades, (ii) observations, (iii) diagnostic and formative assessments, (iv) State assessments, or (v) other factors, including reading on grade level. ~~If the number of applications from other eligible students exceeds the capacity of a program, class, grade level, or building, those students shall be accepted by lot. Once enrolled, students are not required to reapply in subsequent enrollment periods.~~

(d) Notwithstanding any law to the contrary, a ~~lab~~laboratory school may refuse admission to any student who has been expelled or suspended from a public school under G.S. 115C-390.5 through G.S. 115C-390.11 until the period of suspension or expulsion has expired.

**"§ 116-239.10. Employees.**

The ~~board of trustees~~chancellor shall appoint all licensed and nonlicensed staff in accordance with the following:

- (1) Principal. – The constituent institution shall employ and contract with a principal for a term not to exceed three years. The principal shall meet the requirements for licensure set out in G.S. 115C-284, unless ~~waived~~waived, upon the recommendation of the Superintendent of Public Instruction, by the State Board of Education upon submission of a request by the ~~board of trustees~~chancellor that is approved by the Subcommittee. The principal shall be responsible for school operations and shall exercise those duties and powers delegated by the ~~board of trustees~~chancellor.
- (2) Faculty members. – Faculty members may serve simultaneously as instructional personnel for the ~~lab~~laboratory school and ~~the~~a constituent institution.
- (3) Teachers. – The constituent institution shall employ and contract with necessary teachers to perform the particular service for which they are employed in the school. At least fifty percent (50%) of teachers employed by the constituent institution shall hold teacher licenses, unless ~~waived~~waived, upon the recommendation of the Superintendent of Public Instruction, by the State Board of Education upon submission of a request by the ~~board of trustees~~chancellor that is approved by the Subcommittee.
- (4) Leave of absence from local school administrative unit. – If a teacher employed by a local school administrative unit makes a written request for a leave of absence to teach at the ~~lab~~laboratory school, the local school administrative unit shall grant the leave for one year. For the initial year of the ~~lab~~laboratory school's operation, the local school administrative unit may require that the request for a leave of absence be made up to 45 days before the teacher would otherwise have to report for duty. After the initial year of the ~~lab~~laboratory school's operation, the local school administrative unit may require that the request for a leave of absence be made up to 90 days before the teacher would otherwise have to report for duty. A local board of education is not required to grant a request for a leave of absence or a request to extend or renew a leave of absence for a teacher who previously has received a leave of absence from that local board under this subdivision. A teacher who has career status under G.S. 115C-325 prior to receiving a leave of absence to teach at the ~~lab~~laboratory school may return to a public school in the local school administrative unit with career status at the end of the leave of absence or upon the end of employment at the ~~lab~~laboratory school if an appropriate position is available. If an appropriate position is



unavailable, the teacher's name shall be placed on a list of available teachers in accordance with G.S. 115C-325(e)(2).

- (5) Nonlicensed employees. – The constituent institution also may employ necessary employees who are not required to hold teacher licenses to perform duties other than teaching and may contract for other services.
- (6) Employment dismissal. – An employee of the constituent institution is not an employee of the local school administrative unit in which the ~~lab~~laboratory school is located. The constituent institution may discharge licensed and nonlicensed employees according to the terms of the employment contract.
- (7) Employee benefits. – Employees of the constituent institution who work in laboratory schools shall be considered State employees and shall participate in the Teachers' and State Employees' Retirement System and the State Health Plan on the same terms as other State employees employed by the constituent institution.
- (8) Exemptions. – Employees of the constituent institution shall be exempt from Chapter 126 of the General Statutes, except Articles 6 and 7.

**"§ 116-239.11. State and local funds.**

- (a) The State Board of Education shall allocate to a ~~lab~~laboratory school the following:
  - (1) An amount equal to the average per pupil allocation for average daily membership from the local school administrative unit allotments in which the school is located for each child attending the ~~lab~~laboratory school, except for the allocation for children with disabilities, for the allocation for children with limited English proficiency, and for the allocation for transportation services.
  - (2) An additional amount for each child attending the ~~lab~~laboratory school who is a child with disabilities. In the event a child with disabilities leaves the ~~lab~~laboratory school and enrolls in a public school during the first 60 school days in the school year, the ~~lab~~laboratory school shall return a pro rata amount of funds allocated for that child to the State Board, and the State Board shall reallocate those funds to the local school administrative unit in which the public school is located. In the event a child with disabilities enrolls in the ~~lab~~laboratory school during the first 60 school days in the school year, the State Board shall allocate to the ~~lab~~laboratory school the pro rata amount of additional funds for children with disabilities.
  - (3) An additional amount for children with limited English proficiency attending the ~~lab~~laboratory school, based on a formula adopted by the State Board.
- (b) The State Board shall allow for annual adjustments to the amount allocated to the ~~lab~~laboratory school based on its enrollment growth in school years subsequent to the initial year of operation.
- (c) Funds allocated by the State Board of Education may be used to enter into operational and financing leases for real property or mobile classroom units for use as school facilities for ~~lab~~laboratory schools and may be used for payments on loans made to ~~lab~~laboratory schools for facilities, equipment, or operations. However, State funds allocated under this section shall not be used to obtain any other interest in real property or mobile classroom units.
- (d) If a student attends a ~~lab~~laboratory school, the local school administrative unit in which the child resides shall transfer to the ~~lab~~laboratory school an amount equal to the per pupil share of the local current expense fund of the local school administrative unit for the fiscal year. The per pupil share of the local current expense fund shall be transferred to the ~~lab~~laboratory school within 30 days of the receipt of monies into the local current expense fund. The local school administrative unit and ~~lab~~laboratory school may use the process for

mediation of differences provided in G.S. 115C-218.95(d) to resolve differences on calculation and transference of the per pupil share of the local current expense fund. The amount transferred under this subsection that consists of revenue derived from supplemental taxes shall be transferred only to a ~~lab~~laboratory school located in the tax district for which these taxes are levied and in which the student resides.

(e) The local school administrative unit shall also provide each ~~lab~~laboratory school to which it transfers a per pupil share of its local current expense fund with all of the following information within the 30-day time period provided in subsection (d) of this section:

- (1) The total amount of monies the local school administrative unit has in each of the funds listed in G.S. 115C-426(c).
- (2) The student membership numbers used to calculate the per pupil share of the local current expense fund.
- (3) How the per pupil share of the local current expense fund was calculated.
- (4) Any additional records requested by a ~~lab~~laboratory school from the local school administrative unit in order for the ~~lab~~laboratory school to audit and verify the calculation and transfer of the per pupil share of the local current expense fund.

(f) Prior to commencing an action under subsection (d) of this section, the complaining party shall give the other party 15 days' written notice of the alleged violation. The court shall award the prevailing party reasonable attorneys' fees and costs incurred in an action under subsection (d) of this section. The court shall order any delinquent funds, costs, fees, and interest to be paid in equal monthly installments and shall establish a time for payment in full that shall be no later than one year from the entry of any judgment.

**"§ 116-239.12. Criminal history record checks.**

(a) As used in this section:

- (1) "Criminal history" means a county, state, or federal criminal history of conviction of a crime, whether a misdemeanor or a felony, that indicates an individual (i) poses a threat to the physical safety of students or personnel or (ii) has demonstrated that he or she does not have the integrity or honesty to fulfill his or her duties as school personnel. These crimes include the following North Carolina crimes contained in any of the following Articles of Chapter 14 of the General Statutes: Article 5A, Endangering Executive and Legislative, and Court Officers; Article 6, Homicide; Article 7B, Rape and Other Sex Offenses; Article 8, Assaults; Article 10, Kidnapping and Abduction; Article 13, Malicious Injury or Damage by Use of Explosive or Incendiary Device or Material; Article 14, Burglary and Other Housebreakings; Article 15, Arson and Other Burnings; Article 16, Larceny; Article 17, Robbery; Article 18, Embezzlement; Article 19, False Pretense and Cheats; Article 19A, Obtaining Property or Services by False or Fraudulent Use of Credit Device or Other Means; Article 20, Frauds; Article 21, Forgery; Article 26, Offenses Against Public Morality and Decency; Article 26A, Adult Establishments; Article 27, Prostitution; Article 28, Perjury; Article 29, Bribery; Article 31, Misconduct in Public Office; Article 35, Offenses Against the Public Peace; Article 36A, Riots and Civil Disorders; Article 39, Protection of Minors; and Article 60, Computer-Related Crime. These crimes also include possession or sale of drugs in violation of the North Carolina Controlled Substances Act, Article 5 of Chapter 90 of the General Statutes, and alcohol-related offenses such as sale to underage persons in violation of G.S. 18B-302 or driving while impaired in violation of G.S. 20-138.1 through G.S. 20-138.5. In addition to

the North Carolina crimes listed in this subdivision, such crimes also include similar crimes under federal law or under the laws of other states.

- (2) "School personnel" means any of the following:
- a. Member of ~~the board of trustees or the~~ advisory board.
  - b. ~~Employee~~Staff of the ~~lab~~laboratory school.
  - c. Independent contractor or employee of an independent contractor of the ~~lab~~laboratory school if the independent contractor carries out duties customarily performed by school personnel, whether paid with federal, State, local, or other funds, who has significant access to students or who has responsibility for the fiscal management of the ~~lab~~laboratory school.

(b) The ~~board of trustees~~chancellor shall adopt a ~~policy~~policy, with advice and input from the advisory board, that requires an applicant for a school personnel position to be checked for a criminal history as provided in subsection (c) of this section. The ~~board of trustees~~chancellor shall apply ~~it~~the policy uniformly in requiring applicants for school personnel positions to be checked for a criminal history. The ~~board of trustees~~chancellor may grant conditional approval of an application while the ~~board of trustees~~chancellor is checking a person's criminal history and making a decision based on the results of the check. An applicant for a school personnel position shall not be required to be checked for a criminal history if he or she has received a license within six months of employment that required a criminal history check equivalent to the criminal history check required in subsection (c) of this section.

The ~~board of trustees~~chancellor shall not require an applicant to pay for the criminal history record check authorized under this section.

(c) The ~~board of trustees~~chancellor shall require the person to be checked by the Department of Public Safety (i) to be fingerprinted and to provide any additional information required by the Department of Public Safety to a person designated by the ~~board of trustees~~chancellor or to the local sheriff or the municipal police, whichever is more convenient for the person and (ii) to sign a form consenting to the check of the criminal record and to the use of fingerprints and other identifying information required by the repositories. The ~~board of trustees~~chancellor shall consider refusal to consent when making employment decisions and decisions with regard to independent contractors. The fingerprints of the individual shall be forwarded to the State Bureau of Investigation for a search of the State criminal history record file, and the State Bureau of Investigation shall forward a set of fingerprints to the Federal Bureau of Investigation for a national criminal history record check. The Department of Public Safety shall provide to the ~~board of trustees~~chancellor the criminal history from the State and National Repositories of Criminal Histories of any school personnel for which the ~~board of trustees~~chancellor requires a criminal history record check.

The ~~board of trustees~~chancellor shall not require school personnel to pay for fingerprints authorized under this section.

(d) The ~~board of trustees~~chancellor shall review the criminal history it receives on an individual. The ~~board of trustees~~chancellor shall determine whether the results of the review indicate that the individual (i) poses a threat to the physical safety of students or personnel or (ii) has demonstrated that he or she does not have the integrity or honesty to fulfill his or her duties as school personnel and shall use the information when making employment decisions and decisions with regard to independent contractors. The ~~board of trustees~~chancellor shall make written findings with regard to how it used the information when making employment decisions and decisions with regard to independent contractors. The ~~board of trustees~~chancellor may delegate any of the duties in this subsection to the principal.

(e) The ~~board of trustees, or the principal if designated by the board of trustees,~~ chancellor shall provide to the State Board of Education the criminal history it receives on a person who is certificated, certified, or licensed by the State Board of Education. The State

Board of Education shall review the criminal history and determine whether the person's certificate or license should be revoked in accordance with State laws and rules regarding revocation.

(f) All the information received by the ~~board of trustees~~ chancellor through the checking of the criminal history or by the State Board of Education in accordance with this section is privileged information and is not a public record but is for the exclusive use of the ~~board of trustees~~ chancellor or the State Board of Education. The ~~board of trustees~~ chancellor or the State Board of Education may destroy the information after it is used for the purposes authorized by this section after one calendar year.

(g) There shall be no liability for negligence on the part of the ~~board of trustees, or its employees, chancellor, the constituent institution, the advisory board, the Subcommittee, the Department of Public Instruction,~~ or the State Board of Education, or ~~its~~ their employees, arising from any act taken or omission by any of them in carrying out the provisions of this section. The immunity established by this subsection shall not extend to gross negligence, wanton conduct, or intentional wrongdoing that would otherwise be actionable. The immunity established by this subsection shall be deemed to have been waived to the extent of indemnification by insurance, indemnification under Articles 31A and 31B of Chapter 143 of the General Statutes, and to the extent sovereign immunity is waived under the Tort Claims Act, as set forth in Article 31 of Chapter 143 of the General Statutes.

(h) Any applicant for employment who willfully furnishes, supplies, or otherwise gives false information on an employment application that is the basis for a criminal history record check under this section shall be guilty of a Class A1 misdemeanor.

**"§ 116-239.13. Review of ~~lab~~laboratory schools.**

The ~~Board of Governors of The University of North Carolina, in conjunction with the constituent institutions operating lab schools and the State Board of Education,~~ Subcommittee on Laboratory Schools shall review and evaluate the educational effectiveness of the ~~lab~~laboratory schools authorized under this Article for both public school students and students enrolled in educator preparation ~~programs.~~ programs according to standards and protocols established by the Subcommittee. The ~~Board of Governors,~~ Subcommittee shall report by November 15 of each year to the Joint Legislative Education Oversight Committee on the following:

- (1) Information on public school student enrollment in each ~~lab~~laboratory school, including student demographics.
- (2) The public school student admissions process and the number of students enrolled ~~under the priority admissions~~ under the category of (i) students who were previously enrolled in a low-performing school and (ii) students who did not meet expected student growth in the school year prior to enrollment at each ~~lab~~laboratory school.
- (3) Public school student achievement data, including school performance grades and student achievement scores and student growth, at each ~~lab~~laboratory school.
- (4) Public school student academic progress in each ~~lab~~laboratory school as measured against the previous school year and against other schools located in the local school administrative unit and statewide.
- (5) Information on the student outcomes for students who are enrolled in each educator preparation program who obtained clinical experience in school leadership and teaching in the ~~lab~~laboratory schools, including the performance elements reported under G.S. 115C-296.13(b).
- (6) Best practices resulting from ~~lab~~laboratory school operations.
- (7) Other information the ~~Board~~ Subcommittee considers appropriate."

**SECTION 2.** G.S. 14-458.2(a) reads as rewritten:

- "(a) The following definitions apply in this section:
- (1) School employee. – The term means any of the following:
    - a. An employee of a local board of education, a charter school authorized under G.S. 115C-218.5, a regional school created under G.S. 115C-238.62, a ~~lab~~laboratory school created under G.S. 116-239.7, or a nonpublic school which has filed intent to operate under Part 1 or Part 2 of Article 39 of Chapter 115C of the General Statutes.
    - b. An independent contractor or an employee of an independent contractor of a local board of education, a charter school authorized under G.S. 115C-218.5, a regional school created under G.S. 115C-238.62, a ~~lab~~laboratory school created under G.S. 116-239.7, or a nonpublic school which has filed intent to operate under Part 1 or Part 2 of Article 39 of Chapter 115C of the General Statutes, if the independent contractor carries out duties customarily performed by employees of the school.
  - (2) Student. – A person who has been assigned to a school by a local board of education as provided in G.S. 115C-366 or has enrolled in a charter school authorized under G.S. 115C-218.5, a regional school created under G.S. 115C-238.62, a ~~lab~~laboratory school created under G.S. 116-239.7, or a nonpublic school which has filed intent to operate under Part 1 or Part 2 of Article 39 of Chapter 115C of the General Statutes, or a person who has been suspended or expelled from any of those schools within the last year."

**SECTION 3.** G.S. 143B-931 is amended by adding a new subsection to read:

"(b1) The Department of Public Safety may provide a criminal history record check to the chancellor operating a University of North Carolina laboratory school of a person who is employed at a laboratory school or of a person who has applied for employment at a laboratory school if the employee or applicant consents to the record check. The Department may also provide a criminal history record check of school personnel, as defined in G.S. 116-239.12, by fingerprint card to the chancellor operating the laboratory school from the National Repositories of Criminal Histories, in accordance with G.S. 116-239.12. The information shall be kept confidential by the chancellor operating the laboratory school as provided in G.S. 116-239.12."

**SECTION 4.** Section 11.6 of S.L. 2016-94 reads as rewritten:

**"UNC TEACHER AND PRINCIPAL PREPARATION PROGRAM  
LABLABORATORY SCHOOL FOR K-8 STUDENTS**

...  
**"SECTION 11.6.(d)** Notwithstanding G.S. 116-239.5, ~~four lab~~at least nine laboratory schools shall be established pursuant to Article 29A of Chapter 116 of the General Statutes, as enacted by this section, ~~to begin operation in~~and in operation by the beginning of the ~~2017-2018~~2019-2020 school year. ~~Four additional lab schools shall be established to begin operation in the 2018-2019 school year.~~

~~"SECTION 11.6.(e) Notwithstanding G.S. 116-239.7(a), as enacted by this section, by November 1, 2016, the Board of Governors of The University of North Carolina shall submit the plan for the location of the eight lab schools, including identifying the constituent institutions that will be operating the lab schools, to the Joint Legislative Commission on Governmental Operations in accordance with G.S. 116-239.7(a).~~

~~Notwithstanding Article 29A of Chapter 116 of the General Statutes, as enacted by this section, no earlier than April 1, 2017, a constituent institution of The University of North Carolina with an educator preparation program that has been designated by the Board of~~

~~Governors to establish a lab school shall adopt a resolution to create the lab school under G.S. 116-239.7 and in accordance with subsection (d) of this section.~~

**"SECTION 11.6.(f)** The nonrecurring funds in the amount of one million dollars (\$1,000,000) appropriated by this act to the Board of Governors for the UNC Teacher and Principal Preparation Laboratory School Program for the 2016-2017 fiscal year shall be allocated to The University of North Carolina General Administration used for the work of the Board of Governors' Subcommittee on Laboratory Schools, including to provide administrative and technical assistance to constituent institutions with educator preparation programs to support the establishment of ~~lab~~laboratory schools in accordance with this section.

**"SECTION 11.6.(g)** By November 15, 2017, the ~~Board of Governors~~Subcommittee shall submit a report to the Joint Legislative Education Oversight Committee on the progress of establishing the ~~lab~~laboratory schools, including information on student enrollment numbers and the admissions ~~process~~process, if applicable, and any other information the ~~Board~~Subcommittee deems relevant. By November 15, 2018, the ~~Board of Governors~~Subcommittee shall submit the initial report required by G.S. 116-239.13 to the Joint Legislative Education Oversight Committee."

**SECTION 5.** This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 27<sup>th</sup> day of June, 2017.

s/ Daniel J. Forest  
President of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

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Roy Cooper  
Governor

Approved \_\_\_\_\_, m. this \_\_\_\_\_ day of \_\_\_\_\_, 201