



Senate Education Committee Approves Education Omnibus Bill, Charter School Payment Process Changes

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Members of the Senate Education/Higher Education Committee approved on Wednesday several House bills, including an education omnibus bill that sparked lengthy debate regarding proposed changes to school nutrition programs. The revised version of [H159: Education Law Changes](#) limits public school units from assessing indirect costs to a school nutrition program unless the program has an operating balance of at least two months, rather than the current one month limit. Another provision also limits the ability of PSUs to assess indirect costs that are more than 8% of a school nutrition program's annual budget. H159 also includes provisions for teachers and school employees to be paid annual salaries in 12 monthly installments, a provision temporarily extending the waiver of the CPR graduation requirement, revisions to charter school application fees, and a provision creating eligibility for certain professional educators to receive lifetime licenses. Sen. Don Davis (D-Greene) ultimately made the motion to approve the bill and send it to the Senate Finance Committee, while acknowledging the bill would need additional changes.

Senate Education Committee members also approved a revised version of [H335: Timely Local Payments to Charter Schools](#), a bill which NCASA and other groups worked to revise in the House. As currently written, the bill would require charter schools to provide LEAs with specific student enrollment information and require LEAs to pay certain penalties if the per pupil share of the local current expense fund to charters schools is not transferred within the statutory timeframe. The bill would also direct the Superintendent of Public Instruction (Superintendent) to create standardized procedures for the requests and transfers of the per pupil share of the local current expense fund. Other bills passed during Wednesday's committee meeting include [H38 \(=S128\): Bd. of Trustees/Isothermal CC.](#) and [H602: UNC Legislative Priorities/HR/Reports.](#) All of these bills have been sent to the Senate Rules Committee for additional consideration.

On The Governor's Desk — The following bills were sent to the Governor's desk for action this week:

[S582: High School Adjunct Instructors/CC Prep.](#)

- *Allows individuals employed at an institution of higher education to also qualify as an adjunct instructor for courses in fine and performing arts and foreign languages if the person meets the criteria set forth by the State Board of Education; allows an individual who (i) holds a related bachelor's degree or graduate degree; and (ii) attends a community college or educator preparation program and completes courses concentrating in teacher preparation for at least one semester to be eligible to be an adjunct instructor for high school level courses in academic subjects, fine and performing arts, and foreign language in the individual's area of specialized knowledge or work experience. This bill is effective when signed and would apply to the 2021-2022 school year.*

- **STATUS: Submitted to the Governor on 6/11**

[S277 \(=H175\): Ret. & Treasury Tech. Corrections Act of 2021. -AB](#)

- *Makes various technical and clarifying changes to the statutes governing the Teachers' and State Employees' Retirement System (TSERS) and clarifies the process for allowing a County Commission to certify the amounts submitted to the Register of Deeds' Supplemental Pension Fund.*

- **STATUS: Scheduled to be presented to the Governor on 6/18**

[H160 \(=S275\): Retirement Service Purchase Rewrite Part II. -AB](#)

- *For TSERS and other systems, amends and clarifies various service purchase requirements, such as: credit for prior temporary state employment; the process for purchasing service at various time periods; credit for certain charter school employment; and credit for service as a member of the NCGA or judiciary.*

- **STATUS: Scheduled to be presented to the Governor on 6/18**

[H163: Treasury Administrative Changes. -AB](#)

- *Makes clarifying and administrative changes to statutes pertaining to the State Treasurer's Investment Programs, to the Local Government Commission, and to reports submitted to the Council of State.*

- **STATUS: Scheduled to be presented to the Governor on 6/18**

Retirement Bills

[H168 \(=S276\): Retirement Administrative Changes Act of 2021. -AB](#)

- *Amends TSERS and other systems regarding contribution-based benefit cap liabilities, a clarification of withdrawal liabilities, terminology standardization, and the requirement to adopt written policies on special separation buyouts; provides authorization for the State Treasurer and the Supplemental Retirement Board to adopt fees; amends the Optional Retirement Program with regard to Disability Income Plan overpayments; and addresses the process for the special retirement allowance payments upon the death of a beneficiary.*
- **STATUS: Passed Senate on Wednesday; sent to House on Thursday for concurrence vote.**

[S668: Anti-Pension Spiking Amendments & Litigation Moratorium](#)

- *Authorizes an additional payment option for a contribution-based benefit cap (CBBC) liability; outlines responsibilities for CBBC liabilities when the final employer of a member is not the member's employer for average final compensation calculations; provides an adjustment to the formula for reduced retirements with CBBC liabilities; provides for a litigation pause and establish a workgroup that may provide a report on the anti-pension spiking contribution-based benefit cap to the Joint Legislative Oversight Committee on General Government; and provides early notification to the Local Government Commission on proposed financing arrangements.*
- **STATUS: Passed House on Thursday; sent to Senate for concurrence vote.**

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