

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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SENATE BILL 469  
Second Edition Engrossed 4/25/17  
House Committee Substitute Favorable 6/22/17  
House Committee Substitute #2 Favorable 6/27/17  
PROPOSED HOUSE COMMITTEE SUBSTITUTE S469-CSMLfa-25 [v.6]  
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Short Title: Technical Corrections.

(Public)

Sponsors:

Referred to:

March 30, 2017

A BILL TO BE ENTITLED

AN ACT TO MAKE VARIOUS TECHNICAL, CLARIFYING, AND CONFORMING  
CHANGES TO THE GENERAL STATUTES AND SESSION LAWS.

The General Assembly of North Carolina enacts:

**CABLE SERVICE FRANCHISES/REPEAL ANNUAL SERVICE REPORT**

**SECTION 1.(a)** G.S. 66-353 is repealed.

**SECTION 1.(b)** This section is effective when it becomes law, and applies to annual  
service reports required to be filed on or after that date.

**CLARIFY USE OF GRANT FUNDS**

**SECTION 2.(a)** Notwithstanding any provision of S.L. 2018-5 or the Committee  
Report described in Section 39.2 of that act to the contrary, the funds provided to Dragonfly  
House in Fund Code 1331 shall be allocated to the Davie County Sheriff's Office to be provided  
to Dragonfly House Children's Advocacy Center, Inc., in Mocksville, North Carolina.

**SECTION 2.(b)** Notwithstanding any provision of S.L. 2018-5 or the Committee  
Report described in Section 39.2 of that act to the contrary, the grant-in-aid provided to Patriot's  
Charity in Fund Code 1100 shall be provided to Patriot Military Family Foundation.

**SECTION 2.(c)** Section 26.3 of S.L. 2018-5, as amended by Section 6.1 of S.L.  
2018-97, reads as rewritten:

**"STATE BUDGET AND MANAGEMENT SPECIAL PROVISIONS**

**SECTION 26.3.** Of the funds appropriated in this act to the Office of State Budget and  
Management, Special Appropriations, the sum of three million one hundred sixty-five thousand  
three hundred seven dollars (\$3,165,307) in nonrecurring funds for the 2018-2019 fiscal year  
shall be allocated as follows:

...

(3) To provide law enforcement grants-in-aid to the following local governments:

...

b. \$15,000 to the Bryson City Police-Fire Department for a ~~K-9 transport~~  
~~unit~~ equipment upgrades.

...

...."



\* S 4 6 9 - C S M L F A - 2 5 \*



"(f) A Subject to the limitations provided in G.S. 160A-296(a)(6), a city may impose a technical consulting fee for each application, not to exceed five hundred dollars (\$500.00), to offset the cost of reviewing and processing applications required by this section. The fee must be based on the actual, direct, and reasonable administrative costs incurred for the review, processing, and approval of an application. A city may engage an outside consultant for technical consultation and the review of an application. The fee imposed by a city for the review of the application shall not be used for either of the following:

- (1) Travel expenses incurred in the review of a collocation application by an outside consultant or other third party.
- (2) Direct payment or reimbursement for an outside consultant or other third party based on a contingent fee basis or results-based arrangement.

In any dispute concerning the appropriateness of a fee, the city has the burden of proving that the fee meets the requirements of this subsection."

## **TECHNICAL CORRECTIONS/ASSISTANT DISTRICT ATTORNEY ALLOCATION AND NUMBER OF JUDICIAL DIVISIONS**

**SECTION 5.(a)** Section 3(c) of S.L. 2018-121 reads as rewritten:

"**SECTION 3.(c)** The merging of Montgomery County into Prosecutorial District 28, as enacted by this section, becomes effective January 1, 2019. All open investigations and pending cases in Montgomery County are transferred to Prosecutorial District 28, effective January 1, 2019. The total number of ADAs in District 28 is ~~nine~~six."

**SECTION 5.(b)** G.S. 1-267.1 reads as rewritten:

**"§ 1-267.1. Three-judge panel for actions challenging plans apportioning or redistricting State legislative or congressional districts; claims challenging the facial validity of an act of the General Assembly.**

...

(b) Whenever any person files in the Superior Court of Wake County any action challenging the validity of any act of the General Assembly that apportions or redistricts State legislative or congressional districts, a copy of the complaint shall be served upon the senior resident superior court judge of Wake County, who shall be the presiding judge of the three-judge panel required by subsection (a) of this section. Upon receipt of that complaint, the senior resident superior court judge of Wake County shall notify the Chief Justice, who shall appoint two additional resident superior court judges to the three-judge panel of the Superior Court of Wake County to hear and determine the action. Before making those appointments, the Chief Justice shall consult with the North Carolina Conference of Superior Court Judges, which shall provide the Chief Justice with a list of recommended appointments. To ensure that members of the three-judge panel are drawn from different regions of the State, the Chief Justice shall appoint to the three-judge panel one resident superior court judge from the First through ~~Fourth~~Third Judicial Divisions and one resident superior court judge from the ~~Fifth~~Fourth through ~~Eighth~~Fifth Judicial Divisions. In order to ensure fairness, to avoid the appearance of impropriety, and to avoid political bias, no member of the panel, including the senior resident superior court judge of Wake County, may be a former member of the General Assembly. Should the senior resident superior court judge of Wake County be disqualified or otherwise unable to serve on the three-judge panel, the Chief Justice shall appoint another resident superior court judge of Wake County as the presiding judge of the three-judge panel. Should any other member of the three-judge panel be disqualified or otherwise unable to serve on the three-judge panel, the Chief Justice shall appoint as a replacement another resident superior court judge from the same group of judicial divisions as the resident superior court judge being replaced.

...

(b2) For each challenge to the validity of statutes and acts subject to subsection (a1) of this section, the Chief Justice of the Supreme Court shall appoint three resident superior court judges

1 to a three-judge panel of the Superior Court of Wake County to hear the challenge. The Chief  
 2 Justice shall appoint a presiding judge of each three-judge panel. To ensure that members of each  
 3 three-judge panel are drawn from different regions of the State, the Chief Justice shall appoint to  
 4 each three-judge panel one resident superior court judge from the ~~First, Second, or Fourth~~First  
 5 or Second Judicial Division, one resident superior court judge from the ~~Seventh or Eighth~~Third  
 6 or Fourth Judicial Division, and one resident superior court judge from the ~~Third, Fifth, or~~  
 7 ~~Sixth~~Fifth Judicial Division. Should any member of a three-judge panel be disqualified or  
 8 otherwise unable to serve on the three-judge panel or be removed from the panel at the discretion  
 9 of the Chief Justice, the Chief Justice shall appoint as a replacement another resident superior  
 10 court judge from the same group of judicial divisions as the resident superior court judge being  
 11 replaced.

12 ...."

#### 13 14 **LAW ENFORCEMENT OFFICERS/TECHNICAL CORRECTION TO RETIREMENT** 15 **DATES**

16 **SECTION 6.(a)** G.S. 135-5(b19), as amended by S.L. 2018-22, Section 3.(b), reads  
 17 as rewritten:

18 "(b19) Service Retirement Allowance of Members Retiring on or After July 1, 2002, but  
 19 Before July 1, ~~2018, 2019.~~ – Upon retirement from service in accordance with subsection (a) or  
 20 (a1) of this section, on or after July 1, 2002, but before July 1, ~~2018, 2019,~~ a member shall receive  
 21 the following service retirement allowance:

22 ...."

23 **SECTION 6.(b)** G.S. 135-5(b21), as enacted by S.L. 2018-22, Section 3.(c), reads  
 24 as rewritten:

25 "(b21) Service Retirement Allowance of Members Retiring on or After July 1, ~~2018, 2019.~~  
 26 – Upon retirement from service on or after July 1, ~~2018, 2019,~~ in accordance with subsection (a)  
 27 or (a1) of this section, a member shall receive the following service retirement allowance:

28 ...."

29 **SECTION 6.(c)** G.S. 128-27(b21), as amended by S.L. 2018-22, Section 3.(f), reads  
 30 as rewritten:

31 "(b21) Service Retirement Allowance of Member Retiring on or After July 1, 2003, but  
 32 Before July 1, ~~2018, 2019.~~ – Upon retirement from service in accordance with subsection (a) or  
 33 (a1) above, on or after July 1, 2003, but before July 1, ~~2018, 2019,~~ a member shall receive the  
 34 following service retirement allowance:

35 ...."

36 **SECTION 6.(d)** G.S. 128-27 as enacted by S.L. 2018-22, Section 3.(g), reads as  
 37 rewritten:

38 "(b22) Service Retirement Allowance of Member Retiring on or After July 1, ~~2018, 2019.~~ –  
 39 Upon retirement from service in accordance with subsection (a) or (a1) of this section, on or after  
 40 July 1, ~~2018, 2019,~~ a member shall receive the following service retirement allowance:

41 ...."

42 **SECTION 6.(e)** This section becomes effective July 1, 2019.

#### 43 44 **TECHNICAL CORRECTION/INCORRECT INTERNAL CROSS-REFERENCE**

45 **SECTION 7.** G.S. 58-51-37(*l*) reads as rewritten:

46 "*l*) An insurer's use of a lock-in program developed pursuant ~~G.S. 58-51-37~~to  
 47 G.S. 58-51-37.1 is not a violation of this section."

#### 48 49 **TECHNICAL CORRECTIONS/HUMAN TRAFFICKING RESTORATIVE JUSTICE** 50 **EFFECTIVE DATES**

51 **SECTION 8.(a)** Section 2(b) of S.L. 2018-75 reads as rewritten:

1 "SECTION 2.(b) This section becomes effective December 1, ~~2018,2018~~, and applies to  
2 offenses committed on or after that date."

3 SECTION 8.(b) Section 3(b) of S.L. 2018-75 reads as rewritten:

4 "SECTION 3.(b) This section becomes effective December 1, ~~2018,2018~~, and applies to  
5 offenses committed on or after that date."

6 SECTION 8.(c) Section 4(b) of S.L. 2018-75 reads as rewritten:

7 "SECTION 4.(b) ~~G.S. 14-43.20(b), as amended by subsection (a) of this section, becomes~~  
8 ~~effective December 1, 2018, and applies to offenses committed on or after that date.~~  
9 G.S. 14-43.20(f), as enacted by subsection (a) of this section, becomes effective December 1,  
10 2018, and applies to orders for restitution entered on or after that date. The remainder of this  
11 section becomes effective December 1, ~~2018,2018~~, and applies to offenses committed on or after  
12 that date."

13 SECTION 8.(d) Section 5 of S.L. 2018-75 is repealed.

14 SECTION 8.(e) Section 10 of S.L. 2018-75 reads as rewritten:

15 "SECTION 10. Section 1 of this act becomes effective December 1, 2018, and applies to  
16 offenses committed on or after that date. Except as otherwise provided, this act is effective when  
17 it becomes law."  
18

## 19 CLARIFY REQUIREMENTS FOR NON-STATE ENTITIES TO RECEIVE STATE 20 FUNDS UNDER CERTAIN APPROPRIATIONS ACTS

21 SECTION 9.(a) Section 6.2 of S.L. 2018-5 reads as rewritten:

22 "~~NON-STATE ENTITIES/REPORT AND REVERSION REQUIREMENTS FOR~~  
23 RECEIVING FUNDS

24 ...

25 SECTION 6.2.(d) No Certification Required. – Notwithstanding any rule or regulation to  
26 the contrary, a State agency administering funds appropriated in this act or S.L. 2017-57 for a  
27 non-State entity subject to the requirements of G.S. 143C-6-23 shall not require submission of  
28 any documentation attesting or certifying (i) that it is an organization that is exempt from taxation  
29 under Section 501(c)(3) of the Internal Revenue Code or (ii) that it is a nonprofit organization,  
30 unless State statute or federal law specifically requires such attestation or certification."

31 SECTION 9.(b) The Office of State Budget shall review its rules governing  
32 disbursement of State funds to non-State entities to determine if its rules are in compliance with  
33 the requirements set forth in G.S. 143C-6-23. By March 1, 2019, the Office of State Budget and  
34 Management shall submit the findings of the review required under this subsection to the Fiscal  
35 Research Division and the chairs of the House of Representatives Committee on Appropriations  
36 and the Senate Appropriations/Base Budget Committee.  
37

## 38 GRANT-IN-AID TO VETERANS LIFE HOME/CLARIFICATION

39 SECTION 10. Section 19.4 of S.L. 2018-5, as enacted by Section 6.5 of S.L.  
40 2018-97, reads as rewritten:

41 "**PROVIDE GRANT-IN-AID TO VETERANS LIFE HOME**

42 "SECTION 19.4. Notwithstanding ~~G.S. 143B-1293(b)~~, ~~G.S. 143B-1294(c)~~ or any other  
43 provision of law, the sum of five hundred thousand dollars (\$500,000) in nonrecurring funds for  
44 the 2018-2019 fiscal year is transferred from the North Carolina Veterans Home Trust Fund to  
45 the Office of State Budget and Management to provide a grant-in-aid to The Veterans Leadership  
46 Council of North Carolina-Cares to be used for the Veterans Life Center in Butner. To the extent  
47 any of the funds described in this section are deemed unappropriated, the funds are appropriated  
48 for the purpose set forth in this section. ~~The Office of State Budget and Management and the~~  
49 Office of State Controller shall take all steps necessary to effectuate the transfer required by this  
50 section."  
51

**SPECIAL ANNUAL LEAVE OFFSET CLARIFICATION**

**SECTION 11.(a)** Section 35.26 of S.L. 2018-5 reads as rewritten:

**"SECTION 35.26.(a)** Any person who is (i) a full-time permanent employee of the State or a community college institution on July 1, 2018, and (ii) eligible to earn annual leave shall have a one-time additional five days of annual leave credited on July 1, 2018.

**SECTION 35.26.(b)** Except as provided by subsection (c) of this section, the additional leave shall be accounted for separately with the leave provided by Section 28.3A of S.L. 2002-126, by Section 30.12B(a) of S.L. 2003-284, by Section 29.14A of S.L. 2005-276, by Section 35.10A of S.L. 2014-100, and by Section 35.18A of S.L. 2017-57 and shall remain available during the length of the employee's employment, notwithstanding any other limitation on the total number of days of annual leave that may be carried forward. Part-time permanent employees shall receive a pro rata amount of the five days awarded by this section.

**SECTION 35.26.(c)** The additional leave awarded under this section has no cash value and is not eligible for cash in. If not used prior to the time of separation or retirement, the bonus leave cannot be paid out and is lost.

**SECTION 35.26.(d)** Notwithstanding any provision of G.S. 126-8 to the contrary, any vacation leave remaining on December 31 of each year in excess of 30 days shall be reduced by the number of days awarded in this section that were actually used by the employee during the year such that the calculation of vacation leave days that would convert to sick leave shall reflect a deduction of those days of special annual leave awarded in this section that were used by the employee during the year.

**SECTION 35.26.(e)** The number of days awarded by this section that carry forward to each following year shall equal the number of days awarded in this section remaining on December 31 of each year plus the number of days awarded in this section that were deducted from vacation leave in excess of 30 days for the calculation of sick leave.

**SECTION 35.26.(f)** No employee may be required to take the additional leave awarded by this section."

**SECTION 11.(b)** This section is effective when it becomes law, and applies retroactively to July 1, 2018.

**SPECIAL EVENT ONE-TIME PERMIT**

**SECTION 12.(a)** G.S. 18B-1002(a) is amended by adding a new subdivision to read:

**"(6)** A permit may be issued to a professional sports organization to allow the retail sale of malt beverages, unfortified wine, fortified wine, or mixed beverages for consumption on the premises at a professional sporting event held at a stadium (i) with a seating capacity of at least 40,000 people and (ii) that is owned or leased by a constituent institution of The University of North Carolina located in a county with a population of at least 900,000 people according to the most recent federal decennial census. The issuance of this permit also allows the issuance of a purchase-transportation permit under G.S. 18B-403 and G.S. 18B-404. For purposes of this subdivision, the term "professional sports organization" means an organization that is a member of an association or league of professional sports organizations that (i) has 6 or more members, (ii) has total combined revenues from all members that exceeds ten million dollars (\$10,000,000) per year, and (iii) governs the conduct of its members and regulates the contests and exhibitions in which its member organizations regularly engage."

**SECTION 12.(b)** G.S. 18B-1006(a) is amended by adding a new subdivision to read:

**"(9)** Special one-time permits described in G.S. 18B-1002(a)(6)."

**INDUSTRIAL COMMISSION CASE MANAGEMENT SYSTEMS FUNDS**

1           **SECTION 13.** Section 15.19(b) of S.L. 2017-57 reads as rewritten:

2           "**SECTION 15.19.(b)** The Industrial Commission may retain the additional revenue up to  
3 one million two hundred thousand dollars (\$1,200,000) of the ~~fee charged to parties for the filing~~  
4 ~~of compromise settlement agreements~~ receipts collected by the Industrial Commission to be used  
5 for the purpose of replacing and maintaining the Industrial Commission's case management  
6 systems and related expenditures. To the extent the funds described in this subsection are deemed  
7 unappropriated, the funds are appropriated for the purpose set forth in this subsection."

8  
9           **TECHNICAL CORRECTION/INCORRECT FACILITY NAME**

10           **SECTION 14.** G.S. 131E-184(h) reads as rewritten:

11           "(h) The Department shall exempt from certificate of need review the acquisition or  
12 reopening of a Legacy Medical Care Facility. The person seeking to operate a Legacy Medical  
13 Care Facility shall give the Department written notice of all of the following:

- 14           (1) Its intention to acquire or reopen a Legacy Medical Care Facility within the  
15 same county and the same service area as the facility that ceased continuous  
16 operations. If the Legacy Medical Care Facility will become operational in a  
17 new location within the same county and the same service area as the facility  
18 that ceased continuous operations, then the person responsible for giving the  
19 written notice required by this section shall notify the Department, as soon as  
20 reasonably practicable and prior to becoming operational, of the new location  
21 of the Legacy Medical Care Facility. For purposes of this subdivision, "service  
22 area" means the service area identified in the North Carolina State Medical  
23 Facilities Plan in effect at the time the written notice required by this section  
24 is given to the Department."  
25

26           **OUTDOOR HERITAGE SALARY AUTHORIZATION**

27           **SECTION 15.** G.S. 143B-344.62 reads as rewritten:

28           "**§ 143B-344.62. Outdoor Heritage Advisory Council – executive director; staff.**

29           The Council may, subject to appropriations or other funds that accrue to it, employ an  
30 executive director to carry out the day-to-day responsibilities and business of the Council. The  
31 executive director shall serve at the pleasure of the ~~Council.~~ Council, and the director's salary  
32 shall be fixed by the Council. The executive director, also subject to appropriations or other funds  
33 that accrue to the Council, may hire additional staff and consultants to assist in the discharge of  
34 the executive director's responsibilities, as determined by the Council."  
35

36           **SALES UNDER POWER OF SALE/POSTPONEMENT OF SALE NOTICE**  
37           **TECHNICAL CORRECTION**

38           **SECTION 16.** G.S. 45-21.21 reads as rewritten:

39           "**§ 45-21.21. Postponement of sale; notice of cancellation.**

40           ...

41           (h) If the notice required by subsection ~~(b)~~(g) of this section is not received by the Clerk  
42 prior to the scheduled time of the sale, then the person exercising the power of sale shall  
43 personally, or through his or her agent or attorney, do all of the following:

- 44           (1) At the time and place advertised for the sale, publicly announce the  
45 cancellation thereof;  
46           (2) On the same day, attach to or enter on the original notice of sale or a copy  
47 thereof, posted at the courthouse door, as provided by G.S. 45-21.17, a notice  
48 of the cancellation;  
49           (3) Give written or oral notice of cancellation to each party entitled to notice of  
50 sale under G.S. 45-21.17; and

1 (4) Hand-deliver the written notice required under subdivision (2) of this  
2 subsection to the Clerk's office.  
3 (i) So that the ~~notices~~notice required by subsection ~~(b)~~(g) of this section may be delivered  
4 in the time frame required therein, the Clerk's office shall, upon request, provide to the person  
5 exercising the power of sale an e-mail address and/or fax telephone number to use for delivery  
6 of said notices.  
7 ...."

## 9 DERELICT AND ABANDONED VESSELS STUDY/REVISE DATE FOR SUBMISSION 10 OF RECOMMENDATIONS

11 SECTION 17. Section 2.8 of S.L. 2018-138 reads as rewritten:

12 "SECTION 2.8. The Wildlife Resources Commission shall recommend legislation,  
13 including appropriate funding levels, needed (i) to facilitate the identification of owners or other  
14 responsible persons for abandoned or derelict vessels for the purpose of requiring those persons  
15 to take responsibility for their vessels and (ii) in cases where no responsible owner may be found,  
16 to provide the State with the authority to expeditiously remove or otherwise dispose of the  
17 abandoned and derelict vessels. In developing its recommendations, the Commission shall  
18 consult with a technical working group that includes the Division of Coastal Management of the  
19 Department of Environmental Quality, the North Carolina Coastal Federation, the National  
20 Oceanic and Atmospheric Administration Marine Debris program, marine salvage industry  
21 experts, commercial and recreational boat owners, and other interested stakeholders. The  
22 Commission shall provide its recommendations no later than ~~March 1,~~April 30, 2019, to the  
23 chairs of the House Environment Committee; the House Appropriations, Agriculture and Natural  
24 and Economic Resources Committee; the Senate Agriculture/Environment/Natural Resources  
25 Committee; the Senate Appropriations Committee on Agriculture, Natural, and Economic  
26 Resources; and the Fiscal Research Division."  
27

## 28 EXPAND PRINCIPAL ADM HOLD HARMLESS ELIGIBILITY/CERTAIN SCHOOLS 29 AFFECTED BY HURRICANE FLORENCE

30 SECTION 18. Section 2.2(b) of S.L. 2018-138 reads as rewritten:

31 "SECTION 2.2.(b) This act applies only to principals supervising schools that meet both  
32 of the following requirements:

- 33 (1) The school is located in a county designated under a major disaster declaration  
34 by the President of the United States under the Stafford Act (P.L. 93-288) as  
35 a result of Hurricane Florence.
- 36 (2) The school was closed for at least ~~15-10~~ school days during the months of  
37 September 2018, October 2018, and November 2018 as a result of Hurricane  
38 Florence."  
39

## 40 PUBLIC SCHOOL BUSES/TRAVEL OUTSIDE OF STATE

41 SECTION 19. G.S. 115C-242 reads as rewritten:

42 "§ 115C-242. Use and operation of school buses.

43 Public school buses may be used for the following purposes only, and it shall be the duty of  
44 the superintendent of the school of each local school administrative unit to supervise the use of  
45 all school buses operated by such local school administrative unit so as to assure and require  
46 compliance with this section:

- 47 (1) A school bus may be used for the transportation of pupils enrolled in and  
48 employees in the operation of the school to which such bus is assigned by the  
49 superintendent of the local school administrative unit. Except as otherwise  
50 ~~herein provided,~~ provided in this section, such transportation shall be limited  
51 to transportation to and from such school for the regularly organized school



day, and from and to the points designated by the principal of the school to which such bus is assigned, for the receiving and discharging of passengers. Transportation may be outside of the State when the superintendent determines travel outside of the State provides the most direct route to and from the school.

(1a) No pupil or employee shall be so transported upon any bus other than the bus to which such pupil or employee has been assigned pursuant to the provisions of this ~~Article~~:Article, except for the following:

a. ~~Provided, that children~~Children enrolled in a Headstart program or any NC Pre-K program may be transported on public school buses, and any additional costs associated with such contractual arrangements shall be incurred by the benefitting Head Start or NC Pre-K ~~program~~:program.

b. ~~Provided further, that children~~Children with disabilities may be transported to and from the nearest appropriate private school having a special education program approved by the State Board of Education if the children to be transported are or have been placed in that program by a local school administrative unit as a result of the State or the unit's duty to provide such children with a free appropriate public education.

...."

**INNOVATIVE SCHOOL DISTRICT REVISIONS**

**SECTION 20.(a)** Article 7A of Chapter 115C of the General Statutes reads as rewritten:

"Article 7A.

"North Carolina Innovative School District and Innovation Zones.

**"§ 115C-75.5. Definitions.**

The following definitions apply in this Article:

- (1) Innovative school. – A qualifying school selected by the State Board of Education under the supervision of the North Carolina Innovative School District.
- (2) Reserved.
- (3) Innovative school operator or IS operator. – An entity selected by the State Board of Education upon the recommendation of the ISD Superintendent to operate an innovative school. Entities selected may include public or private institutions of higher education, nonprofit or for-profit corporations, partnerships, limited liability companies, or, as provided in G.S. 115C-75.7(c1), local boards of education. Except as otherwise provided in this Article, the Department of Public Instruction may not be selected as an IS operator.

...

...

**"§ 115C-75.7. Selection of innovative schools.**

...

(c1) Local Board Plan. – If a local board of education consents to transfer the selected qualifying school to the ISD as an innovative school, no later than January 1, the local board may submit to the ISD Superintendent a well-defined, credible, and specific five-year plan to dramatically improve student achievement. Any plan submitted shall include an implementation timeline supported by rigorous measurable benchmarks. If recommended by the ISD

1 Superintendent, and in accordance with G.S. 115C-75.8(b)(3), the State Board of Education may  
2 approve the plan and select the local board of education as IS operator of the qualifying school.  
3 The State Board may impose additional requirements as a condition of approving a plan.

4 ...

5 **"§ 115C-75.8. Selection of IS operators.**

6 (a) The State Board of Education may select an IS operator for a prospective innovative  
7 school by January 15 and shall select an IS operator for a prospective school no later than  
8 February 15.

9 (b) Upon the recommendation of the ISD Superintendent, the State Board of Education  
10 shall only select an entity to ~~contract-operate~~ as an IS operator if that entity demonstrates one of  
11 the following:

12 (1) The entity has a record of results in improving performance of persistently  
13 low-performing schools or improving performance of a substantial number of  
14 persistently low-performing students within a school or schools operated by  
15 the entity in this State or other states. An entity selected under this subdivision  
16 shall contract as an IS operator.

17 (2) The entity has a credible and specific plan for dramatically improving student  
18 achievement in a low-performing school and provides evidence that the entity,  
19 or a contractual affiliate of such an entity, is either currently operating a school  
20 or schools in this State that provide students a sound, basic education or  
21 demonstrating consistent and substantial growth toward providing students a  
22 sound, basic education in the prior three school years. An entity selected under  
23 this subdivision shall contract as an IS operator.

24 (3) The entity is the local board of education of the prospective innovative school  
25 and has a well-defined, credible, and specific plan for dramatically improving  
26 student performance in the school in accordance with G.S. 115C-75.7(c1).  
27 The State Board may impose additional requirements as a condition of  
28 approving the plan, and a local board selected as IS operator under this  
29 subdivision shall be subject to the conditions and requirements of the plan as  
30 approved by the State Board of Education. If a plan is not agreed to and  
31 approved by January 15, the State Board shall select another entity as IS  
32 operator in accordance with this Article.

33 ...

34 (c) ~~The~~ When practicable, the selected IS operator is encouraged to hold public  
35 informational sessions and other outreach to the community, prospective innovative school, and  
36 local board of education of a prospective innovative school prior to a local board's adoption of  
37 the resolution required by G.S. 115C-75.7(c).

38 (d) ~~The contract between the State Board of Education and IS operator shall require, as a~~  
39 minimum, that the IS operator meet the same requirements as established for charter schools in  
40 the following statutes:

41 ...

42 **"§ 115C-75.9. Management of innovative schools.**

43 (a) Direct Management by IS Operator. – An innovative school shall be subject to direct  
44 management by an IS operator selected by the State Board of Education, upon the  
45 recommendation of the ISD Superintendent, for a five-year ~~contract~~ contract, or, if the IS  
46 operator is a local board of education, according to the requirements of a five-year approved plan.  
47 In the event that temporary management is necessary due to contract termination, lack of a  
48 qualified IS operator under G.S. 115C-75.8(b1), failure to comply with the requirements of an  
49 approved plan, or other unforeseen emergency, the ISD is authorized to act as an IS operator.

50 (b) Role of IS Operator. – ~~The~~ Except as otherwise provided in this Article, the IS  
51 operator shall be authorized to have a direct role in making decisions about school finance, human

1 capital, and curriculum and instruction for the innovative school while developing the leadership  
2 capacity in such schools.

3 (c) Assignment to Innovative Schools. – All innovative schools shall remain open to  
4 enrollment in the same manner with the same attendance zone as prior to becoming an innovative  
5 school. If a local board of education's reassignment of students within the local school  
6 administrative unit due to student population changes or openings or closures of other schools  
7 impacts the innovative school, the IS operator may appeal to the ISD Superintendent and request  
8 a hearing before the State Board of Education regarding the reassignment. Notwithstanding  
9 G.S. 115C-366, the State Board of Education shall, after hearing from both the local board of  
10 education and IS operator, determine whether the reassignment of students impacting the  
11 innovative school may proceed. If the IS operator is a local board of education, the ISD  
12 Superintendent may review the potential impact of any changes regarding student enrollment at  
13 an innovative school and may request a hearing before the State Board of Education regarding  
14 any proposed assignments.

15 (d) Facility and Capital Expenditures. – Facility and capital expenditures shall be  
16 provided as follows:

17 (1) In addition to the transfer of funds as provided in G.S. 115C-75.10, the local  
18 board of education shall be responsible for facility and capital expenditures at  
19 the qualifying school.

20 (2) All IS operators other than ~~and~~ local boards of education shall enter into an  
21 occupancy agreement with local boards of education establishing the terms of  
22 occupancy for the IS operator not otherwise addressed in statute. If the parties  
23 are unable to reach agreement, either party may petition the State Board of  
24 Education to resolve any issues in dispute.

25 ...

26 ...

27 (f) Memorandums of Understanding for Alternate Arrangements. – Notwithstanding this  
28 section, the IS ~~operator, operator,~~ operator, if other than a local board of education, in consultation with the  
29 ISD Superintendent, may elect to enter into a memorandum of understanding for alternate  
30 arrangements with the local board of education to address any of the following:

31 (1) Facility and capital expenditures.

32 (2) Transportation services.

33 (3) Services for Children with Disabilities.

34 If the IS operator elects to use a memorandum of understanding for alternate arrangements,  
35 the IS operator and local board of education shall finalize the memorandum of understanding  
36 within 30 days of the initial request by the IS operator. If the parties have not completed the  
37 memorandum of understanding within 30 days, the State Board of Education shall resolve any  
38 issues in dispute. An IS operator that is a local board of education shall provide facility and  
39 capital expenditures, transportation services, and services for children with disabilities in the  
40 same manner as provided for other schools in the local school administrative unit in that school  
41 year.

42 (g) Student Records. – The local board of education shall make available in a timely  
43 fashion all student records to the innovative school at no cost for all students of that school.

44 (h) Innovative School Employees. – The IS operator shall select and hire the school  
45 principal for an innovative school. Within the limits of the school budget, the IS operator or its  
46 designee shall select staff members in accordance with guidance from the ISD Superintendent.  
47 Before finalizing staffing recommendations, the IS operator and the ISD Superintendent or the  
48 Superintendent's designee shall interview all existing staff members at the qualifying school and  
49 review student growth and performance data for those staff members for whom it is available.  
50 Notwithstanding Article 21A of this Chapter, the IS operator and the ISD Superintendent shall

1 be permitted to examine personnel files of existing staff members for the qualifying school. The  
2 following requirements shall apply to employees of a school that is transferring to the ISD:

3 (1) The-If the IS operator is not a local board of education, the following shall  
4 apply:

5 a. The IS operator shall have the authority to decide whether any  
6 administrator, teacher, or staff member previously assigned to a  
7 qualifying school selected to become an innovative school shall  
8 continue as an employee of the innovative school.

9 b. Any such employees retained shall become employees of the ISD. An  
10 employee hired to work in an innovative school shall be an employee  
11 of the ISD, and the employees shall be under the exclusive control of  
12 the ISD.

13 c. All employees of the ISD shall be eligible for enrollment in the  
14 Teachers' and State Employees' Retirement System of North Carolina,  
15 the State Health Plan, and other benefits available to State employees.

16 d. The IS operator shall provide funds to the ISD in an amount sufficient  
17 to provide salary and benefits for employees of the ISD working in the  
18 innovative school based on the terms of employment established by  
19 the IS operator.

20 (2) If the IS operator is a local board of education, the following shall apply:

21 a. The ISD Superintendent shall have authority to direct the local board  
22 of education, in its capacity as IS operator, as to whether any  
23 administrator, teacher, or staff member previously assigned to a  
24 qualifying school selected to become an innovative school shall  
25 continue as an employee of the innovative school. If an employee is  
26 not given the option to continue as an employee for the innovative  
27 school, the local board may exercise its discretion pursuant to  
28 subsection (j) of this section.

29 b. Any employees retained at the innovative school shall remain  
30 employees of the local board of education, and shall be under the  
31 control of the local board of education acting in its capacity as the IS  
32 operator under the direction of the ISD Superintendent. The ISD  
33 Superintendent shall have the authority to direct the local board of  
34 education, in its capacity as the IS operator, to remove an employee  
35 from assignment to the innovative school.

36 ...  
37 **"§ 115C-75.10. Innovative schools funds.**

38 (a) Funding Allocation. – The State Board of Education shall allocate the following to  
39 the ISD for each innovative school:

40 (1) An amount equal to the average per pupil allocation for average daily  
41 membership from the local school administrative unit allotments in which the  
42 innovative school was located for each child attending the innovative school  
43 except for the allocations for (i) children with disabilities, (ii) children with  
44 limited English proficiency, and (iii) transportation. The State Board of  
45 Education shall provide the allocation for transportation to the local school  
46 administrative unit in which the innovative school is located.

47 (2) An additional amount for each child attending the innovative school who is a  
48 child with disabilities.

49 (3) An additional amount for children with limited English proficiency attending  
50 the innovative school, based on a formula adopted by the State Board of  
51 Education.

1        (a1) Student Support Services. – If the IS operator is a local board of education, funding  
2 for student support and operational services shall be provided in the same manner and degree as  
3 in the prior school year. For the purposes of this subsection, student support and operational  
4 services include cafeteria services, custodial services, broadband and utilities, and student  
5 information services, and instructional services include alternative education, special education  
6 services, test administration services, textbooks, technology, media resources, instructional  
7 equipment, and other resources.

8        (b) Local Funding Allocation Selection. – ~~State and~~ For an innovative school with an IS  
9 operator other than a local board of education, local funding for an innovative school shall be  
10 allocated as provided in subsection (b) subdivision (1) or subsection (e) subdivision (2) of this  
11 section-subsection. The IS operator shall select one of the allocation methods as the method to  
12 be used for the innovative school.

13        ~~(b) Designated Funding.~~ ~~Funding shall be allocated to the ISD for the innovative school~~  
14 ~~by the State Board of Education and local board of education as follows:~~

15            (1) ~~The State Board of Education shall allocate the following to the ISD for each~~  
16 ~~innovative school:~~

17            a. ~~An amount equal to the average per pupil allocation for average daily~~  
18 ~~membership from the local school administrative unit allotments in~~  
19 ~~which the innovative school was located for each child attending the~~  
20 ~~innovative school except for the allocations for (i) children with~~  
21 ~~disabilities, (ii) children with limited English proficiency, and (iii)~~  
22 ~~transportation. The State Board of Education shall provide the~~  
23 ~~allocation for transportation to the local school administrative unit in~~  
24 ~~which the innovative school is located.~~

25            b. ~~An additional amount for each child attending the innovative school~~  
26 ~~who is a child with disabilities.~~

27            e. ~~An additional amount for children with limited English proficiency~~  
28 ~~attending the innovative school, based on a formula adopted by the~~  
29 ~~State Board of Education.~~

30            (2) Designated Funding. – The local school administrative unit in which the  
31 innovative school is located shall transfer to the ISD for the innovative school  
32 an amount equal to the per pupil share of the local current expense fund of the  
33 local school administrative unit for the fiscal year. The per pupil share of the  
34 local current expense fund shall be transferred to the ISD for the innovative  
35 school within 30 days of the receipt of monies into the local current expense  
36 fund. The local school administrative unit and ISD may use the process for  
37 mediation of differences between the State Board of Education and a charter  
38 school provided in G.S. 115C-218.95(d) to resolve differences on calculation  
39 and transference of the per pupil share of the local current expense fund. The  
40 amount transferred under this subsection that consists of revenue derived from  
41 supplemental taxes shall be transferred only to an innovative school located  
42 in the tax district for which these taxes are levied and in which the student  
43 resides. The local school administrative unit shall also provide the ISD with  
44 all of the following information within the 30-day time period provided in this  
45 subsection:

46            a. The total amount of monies the local school administrative unit has in  
47 each of the funds listed in G.S. 115C-426(c).

48            b. The student membership numbers used to calculate the per pupil share  
49 of the local current expense fund.

50            c. How the per pupil share of the local current expense fund was  
51 calculated.

d. Any additional records requested by the ISD from the local school administrative unit in order for the ISD to audit and verify the calculation and transfer of the per pupil share of the local current expense fund.

(e)(2) Funding Memorandum of Understanding. – The IS operator, in consultation with the ISD Superintendent, may enter into a funding memorandum of understanding with the local board of education of the local school administrative unit where the innovative school is located for all student support and operational services and instructional services to be provided by the local board of education in the same manner and degree as in the prior school year or funding in an amount equivalent to the amount the local board of education would have expended on those services if provided. For the purposes of this subsection, student support and operational services include cafeteria services, custodial services, broadband and utilities, and student information services, and instructional services include alternative education, special education services, test administration services, textbooks, technology, media resources, instructional equipment, and other resources. The IS operator and local board of education shall finalize the funding memorandum of understanding within 30 days of the initial request for the memorandum by the IS operator. If the parties have not completed the funding memorandum of understanding within 30 days, the State Board of Education shall resolve any issues in dispute.

(d) ISD Funding Management. – The ISD may seek, manage, and expend federal money and grants, State funding, and other funding with the same authority as a local school administrative unit, including decisions related to allocation of State funds among innovative schools, and shall be considered a local school administrative unit for all federal funding purposes.

**"§ 115C-75.11. Accountability and governance for innovative schools.**

...  
 (b) The IS operator operator, if not a local board of education, shall select, approve, or remove the school principal of an innovative school that it is managing in accordance with this Article. If the IS operator is a local board of education, the ISD Superintendent shall have authority to select, approve, or remove the school principal of the innovative school.

...  
**"§ 115C-75.12. Term of supervision for an innovative school.**

(a) An innovative school shall remain under the supervision of the ISD for a minimum of five consecutive years through a contract with an IS ~~operator~~ operator, or an approved plan if the IS operator is a local board of education. The following shall apply to the term of a contract with an IS operator of an innovative school:

...  
 (2) Nonrenewal of contract based on performance. – If, by the end of the five-year contract, the innovative school's average annual percentage growth during the term of the contract does not exceed the average annual percentage growth of other qualifying schools during the same term, the State Board of Education shall not renew the contract of the IS operator and ~~develop a transition plan to return the school to the local school administrative unit.~~ shall close the school.

...  
 (a1) The following shall apply to the period of an approved plan for an IS operator that is a local board of education:

(1) Revocation of approval of the plan based on performance. – If, during the five-year plan, the innovative school's annual percentage growth does not

- 1 exceed the average annual percentage growth of other qualifying schools for  
2 three consecutive years, the State Board of Education, upon the  
3 recommendation of the ISD Superintendent, may revoke approval of the plan  
4 previously approved under 115C-75.7(c1) at the conclusion of the academic  
5 year and contract with an IS operator in accordance with G.S. 115C-75.8(b)(1)  
6 or G.S. 115C-75.8(b)(2) to assume the remainder of the five-year period.  
7 (2) Nonrenewal of the approved plan based on performance. – If, by the end of  
8 the five-year period, the innovative school's average annual percentage growth  
9 over the period during which the approved plan has been implemented does  
10 not exceed the average annual percentage growth of other qualifying schools  
11 during the same period, the State Board of Education shall not renew the  
12 approved plan and shall close the school.  
13 (3) State Board of Education optional extension of approved plan for three years.  
14 – If, by the end of the five-year period, the innovative school remains a  
15 qualifying school but has exceeded the average annual percentage growth of  
16 other qualifying schools and has shown growth over the period during which  
17 the approved plan has been implemented, the State Board of Education, upon  
18 the recommendation of the ISD Superintendent in his or her discretion, may  
19 continue the approved plan for an additional three-year period. The ISD  
20 Superintendent and IS operator shall engage the school and the school  
21 community in developing a transition plan for the school to leave the  
22 supervision of the ISD at the conclusion of the three-year extension of the  
23 approved plan. If the State Board of Education does not elect to continue the  
24 approved plan, the State Board of Education may do any of the following:  
25 a. Select another IS operator for a three-year contract.  
26 b. Close the school as provided in subdivision (2) of this subsection.  
27 c. Develop a transition plan to return the school to the local school  
28 administrative unit for the next school year.  
29 (4) IS operator option to extend approved plan for three years. – If, by the end of  
30 the five-year period, the innovative school receives a grade of C or higher  
31 under G.S. 115C-12(9)c1., the IS operator shall have the option to extend the  
32 approved plan for another three-year period. The ISD Superintendent and IS  
33 operator shall engage the school and the school community in developing a  
34 transition plan for the school to leave the supervision of the ISD at the  
35 conclusion of the three-year extension of the approved plan. If the IS operator  
36 does not elect to continue the approved plan, the State Board of Education  
37 may select another IS operator for a three-year contract or may develop a  
38 transition plan to return the school to the local school administrative unit for  
39 the next school year.  
40 (5) Revocation of approved plan on other grounds. – The State Board of  
41 Education, upon the recommendation of the ISD Superintendent, may revoke  
42 an approved plan at any time during the plan period for failure to comply with  
43 the requirements of the approved plan. The State Board of Education shall  
44 select another IS operator in accordance with this Article for the remaining  
45 period of the plan. The ISD is authorized to act as a temporary IS operator  
46 during the transition period, if necessary.  
47 (6) In the event that approval is revoked and another IS operator must be selected,  
48 the local board of education shall continue to be responsible for providing  
49 student services as specified in the approved plan.  
50 (b) An innovative school shall remain under the supervision of the ISD for no more than  
51 eight years.

1 (c) The State Board of Education shall make all decisions related to contracts or approved  
2 plans for IS operators no later than May 1, except as provided in subdivision (5) of subsection  
3 (a) of this ~~section~~section and subdivision (5) of subsection (a1) of this section.

4 .... "

5 **SECTION 20.(b)** This section is effective when it becomes law and applies  
6 beginning with the 2019-2020 school year.

#### 7 8 **EXTEND AGRICULTURAL DISASTER PROGRAM DEADLINE**

9 **SECTION 21.(a)** Section 5.11(e) of S.L. 2018-136 reads as rewritten:

10 **"SECTION 5.11.(e)** A person seeking financial assistance for losses of agricultural  
11 commodities shall submit to the Department a Form 578 on file with the USDA Farm Service  
12 Agency or a form provided by the Department for reporting acreage or plantings of crops not  
13 typically reported on Form 578, along with any other documentation deemed appropriate by the  
14 Department, on or before ~~December 10, 2018.~~December 20, 2018. For nursery crops,  
15 fruit-bearing trees and bushes, and specialty crops where the survival level is not immediately  
16 known, the Department may extend this deadline to May 1, 2019, upon written request by the  
17 person received on or before ~~December 10, 2018.~~December 20, 2018, and upon approval by the  
18 Department. A person receiving assistance under this program must provide a signed affidavit,  
19 under penalty of perjury, certifying that each fact of the loss presented by the person is accurate."

20 **SECTION 21.(b)** Section 5.11(g) of S.L. 2018-136 reads as rewritten:

21 **"SECTION 5.11.(g)** A person seeking financial assistance for losses of livestock or poultry  
22 shall submit documentation of loss and indemnity received from the USDA Livestock Indemnity  
23 Program, along with any other documentation deemed appropriate by the Department, to the  
24 Department on or before ~~December 10, 2018.~~December 20, 2018. The Department may extend  
25 this deadline to March 1, 2019, upon written request by the person received on or before  
26 ~~December 10, 2018.~~December 20, 2018, and upon approval by the Department. A person  
27 receiving assistance under this program must provide a signed affidavit, under penalty of perjury,  
28 certifying that each fact of the loss presented by the person is accurate."

29 **SECTION 21.(c)** Section 5.11(h) of S.L. 2018-136 reads as rewritten:

30 **"SECTION 5.11.(h)** The Department shall administer the financial assistance program  
31 authorized by this section in accordance with the following criteria:

32 ...

33 (3) The Department shall gather all claim information, except from those  
34 applicants granted a deadline extension, no later than ~~December 10,~~  
35 ~~2018.~~December 20, 2018. The Department shall, as closely as possible,  
36 estimate the amount of the appropriation needed to be held in reserve for  
37 payments related to losses of livestock, poultry, nursery, bush, tree, and  
38 specialty crops for which losses will not be fully known or calculated. The  
39 Department shall set aside funds as it deems appropriate based on the  
40 estimated percentage of these losses.

41 .... "

#### 42 43 **MODIFY DISABILITY SCHOLARSHIP APPLICATION REQUIREMENTS AND** 44 **TECHNICAL CHANGES FOR THE OPPORTUNITY SCHOLARSHIP PROGRAM**

45 **SECTION 22.(a)** G.S. 115C-112.5(2) reads as rewritten:

46 "(2) Eligible student. – A child under the age of 22 who resides in North Carolina  
47 and meets all of the following criteria:

48 ...

49 f. Meets at least one of the following requirements:

- 50 1. Was enrolled in a North Carolina public school or a  
51 Department of Defense Elementary and Secondary School,



- 1 established pursuant to 10 U.S.C. § 2164 and located in North  
 2 Carolina, during the ~~previous semester~~ spring semester prior to  
 3 the school year for which the student is applying. The  
 4 Authority shall not count actual days of attendance to  
 5 determine whether a child was enrolled in a qualifying school  
 6 for ~~the previous that~~ semester for the purposes of eligibility  
 7 under this sub-sub-subdivision.
- 8 2. Received special education or related services through the  
 9 North Carolina public schools as a preschool child with a  
 10 disability during the ~~previous semester~~ spring semester prior to  
 11 the school year for which the student is applying.
- 12 3. ~~Was approved for~~ Received a scholarship for the ~~previous~~  
 13 ~~semester~~ school year prior to the school year for which the  
 14 student is applying.
- 15 4. Is a child who is identified as a child with a disability prior to  
 16 the end of the year of initial enrollment in kindergarten or first  
 17 grade. An award by the Authority based on eligibility under  
 18 this sub-sub-subdivision shall be conditional. If documentation  
 19 is not provided to the Authority that the child is a child with a  
 20 disability prior to the end of the year of initial enrollment, (i)  
 21 no reimbursement shall be awarded and (ii) the child shall not  
 22 qualify the following year as an eligible student under  
 23 sub-sub-subdivision 3. of this section.
- 24 5. Is a child whose parent or legal guardian is on full-time duty  
 25 status in the active uniformed service of the United States,  
 26 including members of the National Guard and Reserve on  
 27 active duty orders pursuant to 10 U.S.C. § 12301, et seq., and  
 28 10 U.S.C. § 12401, et seq.
- 29 6. Is a child who has been domiciled in the State for at least six  
 30 months.
- 31 7. Is a child in foster care as defined in G.S. 131D-10.2(9).
- 32 8. Is a child whose adoption decree was entered not more than  
 33 one year prior to submission of the scholarship application.
- 34 9. Is a child that meets both of the following:
- 35 I. Was enrolled in a nonpublic school that meets the  
 36 requirements of Article 39 of this Chapter during the  
 37 spring semester prior to the school year for which the  
 38 student is applying.
- 39 II. Was enrolled for the entire school year immediately  
 40 prior to the school year in which the student enrolled in  
 41 the nonpublic school in one of the following:
- 42 A. A North Carolina public school.
- 43 B. A Department of Defense Elementary and  
 44 Secondary School, established pursuant to 10  
 45 U.S.C. § 2164 and located in North Carolina."

46 **SECTION 22.(b)** G.S. 115C-112.6(a2) reads as rewritten:

47 "(a2) Priority of Awards. – The Authority shall award scholarships according to the  
 48 following criteria for applications received by March 15 each year:

- 49 (1) First priority shall be given to eligible students who received a scholarship  
 50 during for the previous school year-year prior to the school year for which  
 51 students are applying.

1 (2) After scholarships have been awarded under subdivision (1) of this subsection,  
2 scholarships shall be awarded to students who are eligible under  
3 G.S. 115C-112.5(2)f.1., 2., 4., 5., 7., ~~and 8-8., and 9.~~

4 (3) After scholarships have been awarded under subdivision (2) of this subsection,  
5 scholarships shall be awarded to students who are eligible under  
6 G.S. 115C-112.5(2)f.6."

7 **SECTION 22.(c)** Any student who meets the following requirements shall qualify  
8 as an eligible student and shall be eligible to receive a scholarship pursuant to Part 1H of Article  
9 9 of Chapter 115C of the General Statutes:

10 (a) Was enrolled in a North Carolina public school or a Department of Defense  
11 Elementary and Secondary School for the entire 2016-2017 school year.

12 (b) Was enrolled in a nonpublic school that meets the requirements of Article 39  
13 of this Chapter in the 2017-2018 and 2018-2019 school years.

14 (c) Meets the eligibility requirements of G.S. 115C-112.5(2)a. through e.

15 (d) Submits a scholarship application for the 2019-2020 school year.

16 A student who becomes eligible for a scholarship in the 2019-2020 school year solely due  
17 to this section shall receive priority in award of scholarships over all applicants except those  
18 previously awarded scholarships.

19 **SECTION 22.(d)** G.S. 115C-562.1(3)a. reads as rewritten:

20 "a. Meets one of the following criteria:

21 1. Was a full-time student (i) assigned to and attending a public  
22 school pursuant to G.S. 115C-366 or (ii) enrolled in a  
23 Department of Defense Elementary and Secondary School,  
24 established pursuant to 10 U.S.C. § 2164 and located in North  
25 Carolina, during the ~~previous semester.~~spring semester prior to  
26 the school year for which the student is applying.

27 2. Received a scholarship grant ~~during for the previous~~ school  
28 year-year prior to the school year for which the student is  
29 applying.

30 ...."

31 **SECTION 22.(e)** G.S. 115C-562.2(a)(1) reads as rewritten:

32 "(1) First priority shall be given to eligible students who received a scholarship  
33 grant ~~during for the previous~~ school year prior to the school year for which the  
34 students are applying if those students have applied by March 1."

35  
36 **EFFECTIVE DATE**

37 **SECTION 23.** Except as otherwise provided, this act is effective when it becomes  
38 law.