

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013**

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**HOUSE BILL 902  
Committee Substitute Favorable 5/14/13**

Short Title: Education and Workforce Innovation Act. (Public)

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Sponsors:

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Referred to:

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April 15, 2013

1 A BILL TO BE ENTITLED  
2 AN ACT TO CREATE THE EDUCATION AND WORKFORCE INNOVATION ACT.  
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** Legislative Findings and Purpose.

5 The General Assembly finds that:

- 6 (1) The Education and Workforce Innovation Act will accelerate progress  
7 toward high academic rigor and skills development with the goal of  
8 graduating every student both college and career ready.
- 9 (2) The increased demand for a highly educated workforce requires North  
10 Carolina to prepare students to compete in the global economy.
- 11 (3) It is the policy of the State to graduate all of its students ready for career and  
12 college.
- 13 (4) Educational outcomes improve when there is coordination among K-12  
14 schools, universities, and community colleges. In addition, industry  
15 partnerships with these public schools enrich student learning and better  
16 prepare students for careers and college.
- 17 (5) The increased cooperative or shared use of resources, personnel, and  
18 facilities among public schools, community colleges, and universities creates  
19 budget efficiencies.
- 20 (6) North Carolina's economy benefits when high school students are given the  
21 opportunity to take higher level education classes to develop skills in  
22 occupations with high employment potential.
- 23 (7) A skills gap exists in the State and is expected to exist in occupations relying  
24 on science, technology, engineering, and mathematics.
- 25 (8) It is the policy of the State to encourage businesses and business leaders to  
26 participate in the improvement of our public schools by forming long-term  
27 partnerships with local school administrative units to integrate career  
28 relevance training with academic curriculum.
- 29 (9) The Education and Workforce Innovation Act is designed to stimulate  
30 economic activity through quality education.
- 31 (10) It is the intent of the General Assembly that grants provided through this act  
32 be used to create innovative education programs that reshape classrooms,  
33 allow high school students to earn valued industry credentials or up to two  
34 years of college credit, provide comprehensive teacher professional  
35 development, and create scalable models of success in education.



1           **SECTION 2.** There is created the North Carolina Education and Workforce  
2 Innovation Commission.

3           **SECTION 3.** The Commission shall be located administratively in the Department  
4 of Public Instruction but shall exercise all its prescribed powers independently of the  
5 Department of Public Instruction. The Commission shall consist of the following 11 members:

- 6           (1) The Secretary of Commerce.
- 7           (2) The State Superintendent of Public Instruction.
- 8           (3) The Chair of the State Board of Education.
- 9           (4) The President of The University of North Carolina.
- 10          (5) The President of the North Carolina Community College System.
- 11          (6) Two members appointed by the Governor who have experience in education.
- 12          (7) Two members appointed by the General Assembly upon recommendation of  
13 the Speaker of the House of Representatives, as provided in G.S. 120-121  
14 who have experience in businesses operating in North Carolina.
- 15          (8) Two members appointed by the General Assembly upon the  
16 recommendation of the President Pro Tempore of the Senate, as provided in  
17 G.S. 120-121 who have experience in businesses operating in North  
18 Carolina.

19           **SECTION 4.** The Commission members shall elect a chair from the membership  
20 of the Commission. The Commission shall meet at least three times annually on the call of the  
21 Chair or as additionally provided by the Commission. A quorum is six members of the  
22 Commission. Members may not send designees to Commission meetings nor may they vote by  
23 proxy. Appointments to the Commission shall be made by the appointing entity no later than  
24 September 1, 2013. The Commission shall hold its first meeting no later than October 1, 2013.

25           **SECTION 5.** The Commission shall develop and administer the Education and  
26 Workforce Innovation Program created in Section 6 of this act and make awards of grants  
27 under the Program. The Commission shall work closely with the North Carolina New Schools  
28 in administering the program. In addition, the Commission shall publish a report on the  
29 Education and Workforce Innovation Grant Program on or before April 30 of each year. The  
30 report shall include: an accounting of how funds and personnel resources were utilized and  
31 their impact on student achievement, retention, and employability; recommended statutory and  
32 policy changes; and recommendations for improvement of the program. The report shall be  
33 submitted to the Joint Legislative Education Oversight Committee, the State Board of  
34 Education, the State Board of Community Colleges, and the Board of Governors of The  
35 University of North Carolina. The Commission shall also conduct a study to determine the  
36 most efficient way to fund dual enrollment for high school students in college coursework. The  
37 Commission shall report the results of this study to the Joint Legislative Education Oversight  
38 Committee by October 1, 2014.

39           **SECTION 6.** The Education and Workforce Innovation Program.

- 40          (1) Program. – There is established the Education and Workforce Innovation  
41 Program, to foster innovation in education that will lead to more students  
42 graduating career and college ready. Funds appropriated to the Program shall  
43 be used to award competitive grants to an individual school, a local school  
44 administrative unit, or a regional partnership of more than one local school  
45 administrative unit to advance comprehensive, high-quality education that  
46 equips teachers with the knowledge and skill required to succeed with all  
47 students. Before receiving a grant, all applicants must meet all of the  
48 following conditions:
  - 49           a. Form a partnership, for the purposes of the grant, with either a public  
50 or private university or a community college.

- 1                   b.       Form a partnership, for the purposes of the grant, with regional  
2                   businesses and business leaders.
- 3                   c.       Demonstrate the ability to sustain innovation once grant funding  
4                   ends.
- 5           (2)   Applicant categories and specific requirements.
- 6           a.       Individual schools. – Individual public schools must demonstrate all  
7           of the following in their applications:
- 8                   1.       Partnerships with business and industry to determine the  
9                   skills and competencies needed for students' transition into  
10                   growth sectors of the regional economy.
- 11                   2.       Aligned pathways to employment, including students'  
12                   acquisition of college credit or industry recognized  
13                   credentials.
- 14                   3.       Development of systems, infrastructure, capacity, and culture  
15                   to enable teachers and school leaders to continuously focus  
16                   on improving individual student achievement.
- 17           b.       Local school administrative units. – Local school administrative units  
18           must demonstrate all of the following in their applications:
- 19                   1.       Implementation of comprehensive reform and innovation.
- 20                   2.       Appointment of a senior leader to manage and sustain the  
21                   change process with a specific focus on providing parents  
22                   with a portfolio of meaningful options among schools.
- 23           c.       Regional partnerships of two or more local school administrative  
24           units. – Partnerships of two or more local school administrative units  
25           must demonstrate all of the following in their applications:
- 26                   1.       Implementation of resources of partnered local school  
27                   administrative units in creating a tailored workforce  
28                   development system for the regional economy and seed  
29                   innovation in each of the partnered local school  
30                   administrative units.
- 31                   2.       Promotion of the development of knowledge and skills in  
32                   career clusters of critical importance to the region.
- 33                   3.       Capitalization on the shared strengths of local businesses and  
34                   higher education.
- 35                   4.       Usage of technology to deliver instruction over large  
36                   geographic regions and build networks with industry.
- 37                   5.       Implementation of comprehensive reform and innovation that  
38                   can be replicated in other local school administrative units.
- 39           (3)   General factors considered in awarding of grants. – All applications must do  
40           all of the following in order to be considered for a grant:
- 41           a.       Describe the aligned pathways from school to high-growth careers in  
42           regional economies.
- 43           b.       Leverage technology to efficiently and effectively drive teacher and  
44           principal development, connect students and teachers to online  
45           courses and resources, and foster virtual learning communities  
46           among faculty, higher education partners, and business partners.
- 47           c.       Establish a comprehensive approach to enhancing the knowledge and  
48           skills of teachers and administrators to successfully implement the  
49           proposed innovative program and to graduate all students ready for  
50           work and college.

- 1 d. Link to a proven provider of professional development services for  
2 teachers and administrators capable of providing evidence-based  
3 training and tools aligned with the goals of the proposed innovative  
4 program.
- 5 e. Form explicit partnerships with businesses and industry, which may  
6 include business advisory councils, internship programs, and other  
7 customized projects aligned with relevant workforce skills.
- 8 f. Partner with community colleges or public or private universities to  
9 enable communities to challenge every student to graduate with  
10 workplace credentials or college credit.
- 11 g. Align K-12 and post-secondary instruction and performance  
12 expectations to reduce the need for college remediation courses.
- 13 h. Secure input from parents to foster broad ownership for school  
14 choice options and to foster greater understanding of the need for  
15 continued education beyond high school.
- 16 i. Provide a description of the funds that will be used and a proposed  
17 budget for five years.
- 18 j. A description of the matching funds required in subdivision (4) of  
19 this section.
- 20 (4) Matching private and local funds. – All funds appropriated by the State must  
21 be matched by a combination of private and local funds. All grant applicants  
22 must fund twenty-five percent (25%) of program costs through local funds.  
23 An additional twenty-five percent (25%) of program costs must be raised by  
24 private funds statewide.
- 25 (5) Grants. – Any grants awarded by the Commission may be spent over a five-  
26 year period from the initial award.
- 27 (6) Reporting requirements. – No later than March 1 of each year, a grant  
28 recipient shall submit to the Commission an annual report for the preceding  
29 grant year that describes the academic progress made by the students.
- 30 **SECTION 7.** This act is effective when it becomes law.