

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021**

H

1

HOUSE BILL 1136

Short Title: NC Working Families Act. (Public)

Sponsors: Representatives Reives, Adcock, and Lofton (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Appropriations, if favorable, Rules, Calendar, and Operations of the House

May 31, 2022

A BILL TO BE ENTITLED
AN ACT TO INVEST IN NORTH CAROLINA FAMILIES BY STRENGTHENING PUBLIC
EDUCATION, EXPANDING PHYSICAL AND MENTAL HEALTH RESOURCES,
INCREASING PAY FOR PUBLIC WORKERS AND INVESTING IN THE
ENVIRONMENT, CLEAN ENERGY AND CLEAN TRANSPORTATION.

The General Assembly of North Carolina enacts:

PART I. INVESTMENTS IN PUBLIC EDUCATION

TEACHER SALARY SCHEDULE

SECTION 1.1.(a) The following monthly teacher salary schedule shall apply for the
2022-2023 fiscal year to licensed personnel of the public schools who are classified as teachers.
The salary schedule is based on years of teaching experience.

2022-2023 Teacher Monthly Salary Schedule

Years of Experience	"A" Teachers
0	\$3,660
1	\$3,760
2	\$3,860
3	\$3,960
4	\$4,060
5	\$4,125
6	\$4,215
7	\$4,350
8	\$4,450
9	\$4,550
10	\$4,650
11	\$4,750
12	\$4,850
13	\$4,950
14	\$5,100
15	\$5,200
16	\$5,295
17-18	\$5,375
19-20	\$5,400
21-22	\$5,425



1	23-24	\$5,450
2	25-26	\$5,475
3	27-28	\$5,590
4	29-30	\$5,650.

SECTION 1.1.(b) Salary Supplements for Teachers Paid on This Salary Schedule.

- (1) Licensed teachers who have NBPTS certification shall receive a salary supplement each month of twelve percent (12%) of their monthly salary on the "A" salary schedule.
- (2) Licensed teachers who are classified as "M" teachers shall receive a salary supplement each month of ten percent (10%) of their monthly salary on the "A" salary schedule.
- (3) Licensed teachers with licensure based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars (\$126.00) per month in addition to the supplement provided to them as "M" teachers.
- (4) Licensed teachers with licensure based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars (\$253.00) per month in addition to the supplement provided to them as "M" teachers.
- (5) Certified school nurses shall receive a salary supplement each month of ten percent (10%) of their monthly salary on the "A" salary schedule.
- (6) School counselors who are licensed as counselors at the master's degree level or higher shall receive a salary supplement each month of one hundred dollars (\$100.00).

SECTION 1.1.(c) For school psychologists, school social workers who are licensed as social workers at the master's degree level or higher, school speech pathologists who are licensed as speech pathologists at the master's degree level or higher, and school audiologists who are licensed as audiologists at the master's degree level or higher, the following shall apply:

- (1) The first step of the salary schedule shall be equivalent to the sixth step of the "A" salary schedule.
- (2) These employees shall receive the following salary supplements each month:
 - a. Ten percent (10%) of their monthly salary, excluding the supplement provided pursuant to sub-subdivision b. of this subdivision.
 - b. Three hundred fifty dollars (\$350.00).
- (3) These employees are eligible to receive salary supplements equivalent to those of teachers for academic preparation at the six-year degree level or the doctoral degree level.
- (4) The twenty-sixth step of the salary schedule shall be seven and one-half percent (7.5%) higher than the salary received by these same employees on the twenty-fifth step of the salary schedule.

SECTION 1.1.(d) Beginning with the 2014-2015 fiscal year, in lieu of providing annual longevity payments to teachers paid on the teacher salary schedule, the amounts of those longevity payments are included in the monthly amounts under the teacher salary schedule.

SECTION 1.1.(e) A teacher compensated in accordance with this salary schedule for the 2022-2023 school year shall receive an amount equal to the greater of the following:

- (1) The applicable amount on the salary schedule for the applicable school year.
- (2) For teachers who were eligible for longevity for the 2013-2014 school year, the sum of the following:
 - a. The salary the teacher received in the 2013-2014 school year pursuant to Section 35.11 of S.L. 2013-360.

- b. The longevity that the teacher would have received under the longevity system in effect for the 2013-2014 school year provided in Section 35.11 of S.L. 2013-360 based on the teacher's current years of service.
- c. The annual bonus provided in Section 9.1(e) of S.L. 2014-100.
- (3) For teachers who were not eligible for longevity for the 2013-2014 school year, the sum of the salary and annual bonus the teacher received in the 2014-2015 school year pursuant to Section 9.1 of S.L. 2014-100.

SECTION 1.1.(f) As used in this section, the term "teacher" shall also include instructional support personnel.

SECTION 1.1.(g) Subsection (h) of Section 7A.1 of S.L. 2021-180 is repealed.

RESTORE MASTERS PAY

SECTION 1.2.(a) G.S. 115C-302.10, as amended by Section 7A.1(h) of S.L. 2021-180, is repealed.

SECTION 1.2.(b) Notwithstanding any other provision of law, for the 2022-2023 fiscal year, State Board of Education policy TCP-A-006, as it was in effect on June 30, 2013, shall be used to determine (i) whether teachers and instructional support personnel are paid on the "M" salary schedule and (ii) whether they receive a salary supplement for academic preparation at the six-year or doctoral degree level.

SUPPLEMENTAL FUNDS FOR TEACHER COMPENSATION

SECTION 1.3.(a) Section 7A.12.(b) of S.L. 2021-180 reads as rewritten:

"SECTION 7A.12.(b) Definitions. – As used in this section, the following definitions shall apply:

...

(5) Effective tax rate factor. – For each eligible county, the effective tax rate for that county divided by the median effective tax rate in the State.

(6) Eligible county. - ~~A county that meets the following criteria:~~

a. ~~For the 2021-2022 fiscal year, has an adjusted market value of taxable real property of less than forty billion dollars (\$40,000,000,000).~~

b. ~~For the 2022-2023 fiscal year, has an adjusted market value of taxable real property of less than fortyone billion four hundred million dollars (\$41,400,000,000). Any North Carolina county.~~

(7) Eligible local school administrative unit. – A local school administrative unit located in whole or in part in an eligible county.

...."

SECTION 1.3.(b) Section 7A.12.(c) of S.L. 2021-180 reads as rewritten:

"SECTION 7A.12.(c) Allocation of Funds. – The State Board of Education shall allocate funds for salary supplements to eligible local school administrative units according to the following procedure:

...

(4) Allocation and funding cap. – The State Board shall allocate the amount determined pursuant to subdivision (3) of this subsection, up to a maximum of ~~four thousand two hundred fifty dollars (\$4,250)~~ five thousand dollars (\$5,000) per State-funded teacher, to each eligible local school administrative unit for each applicable fiscal year."

BONUSES FOR TEACHERS AND SCHOOL-BASED ADMINISTRATORS

SECTION 1.4.(a) The Department of Public Instruction shall administer a bonus of five hundred dollars (\$500.00) to every teacher and school-based administrator regardless of funding source and who, as of October 31, 2022, is employed as a teacher or school-based

1 administrator in a qualifying public school unit and has been continuously employed by a public
2 school unit since September 1, 2022. This bonus shall be paid in November 2022 and may be
3 paid together with the bonus provided in Section 38.2 of this act.

4 **SECTION 1.4.(b)** The Department of Public Instruction shall administer a bonus of
5 five hundred dollars (\$500.00) to every teacher and school-based administrator regardless of
6 funding source and who, as of March 31, 2023, is employed as a teacher or school-based
7 administrator in a qualifying public school unit and has been continuously employed by a public
8 school unit since November 1, 2022. This bonus shall be paid in April 2023 and may be paid
9 together with the bonus provided in Section 38.2 of this act.

10 **SECTION 1.4.(c)** As used in this section, the following definitions shall apply:

- 11 (1) Teacher. – Teachers and instructional support personnel.
- 12 (2) School-based Administrator. – Assistant principals and principals
- 13 (3) Qualifying public school unit. – Any of the following:
 - 14 a. A local school administrative unit.
 - 15 b. A charter school.
 - 16 c. A regional school.
 - 17 d. An innovative school.
 - 18 e. A laboratory school under Article 29A of Chapter 116 of the General
19 Statutes.

20 **SECTION 1.4.(d)** The bonuses awarded pursuant to this section shall be in addition
21 to any regular wage or other bonus the teacher or school-based administrator receives or is
22 scheduled to receive.

23 **SECTION 1.4.(e)** Notwithstanding G.S. 135-1(7a), the bonuses awarded pursuant
24 to this section are not compensation under Article 1 of Chapter 135 of the General Statutes,
25 Retirement System for Teachers and State Employees.

26 **SECTION 1.4.(f)** For charter schools, regional schools, innovative schools, and
27 laboratory schools, the Department of Public Instruction shall allocate funds for the bonuses
28 provided pursuant to this section on the basis of the funded average daily membership of each
29 school.
30

31 **PRINCIPAL SALARY SCHEDULE**

32 **SECTION 1.5.(a)** The following annual salary schedule for principals shall apply
33 for the 2022-2023 fiscal year, beginning July 1, 2022:

34 **2022-2023 Principal Annual Salary Schedule**

35 Avg. Daily Membership	36 Base	37 Met Growth	38 Exceeded Growth
39 0-200	\$73,319	\$80,652	\$87,984
40 201-400	\$76,985	\$84,684	\$92,382
41 401-700	\$80,652	\$88,717	\$96,782
42 701-1,000	\$84,917	\$92,749	\$101,180
43 1,001-1,600	\$87,984	\$96,782	\$105,581
44 1,601+	\$91,649	\$100,815	\$109,979

45 A principal's placement on the salary schedule shall be determined according to the
46 average daily membership of the school supervised by the principal, as described in subsection
47 (b) of this section, and the school growth scores, calculated pursuant to G.S. 115C-83.15(c), for
48 each school the principal supervised in at least two of the prior three school years, as described
49 in subsection (c) of this section, regardless of a break in service, and provided the principal
50 supervised each school as a principal for at least a majority of the school year, as follows:

- (1) A principal shall be paid according to the Exceeded Growth column of the
schedule if the school growth scores show the school or schools exceeded
expected growth in at least two of the prior three school years.

- (2) A principal shall be paid according to the Met Growth column of the schedule if any of the following apply:
- a. The school growth scores show the school or schools met expected growth in at least two of the prior three school years.
 - b. The school growth scores show the school or schools met expected growth in at least one of the prior three school years and exceeded expected growth in one of the prior three school years.
 - c. The principal supervised a school in at least two of the prior three school years that was not eligible to receive a school growth score.
- (3) A principal shall be paid according to the Base column if either of the following applies:
- a. The school growth scores show the school or schools did not meet expected growth in at least two of the prior three school years.
 - b. The principal has not supervised any school as a principal for a majority of the school year in at least two of the prior three school years.

SECTION 1.5.(b) For purposes of determining the average daily membership of a principal's school, the following amounts shall be used during the following time periods:

- (1) Between July 1, 2022, and December 31, 2022, the average daily membership for the school from the 2020-2021 school year. If the school did not have an average daily membership in the 2020-2021 school year, the projected average daily membership for the school for the 2022-2023 school year.
- (2) Between January 1, 2023, and June 30, 2023, the average daily membership for the school for the 2022-2023 school year.

SECTION 1.5.(c) For purposes of determining the school growth scores for each school the principal supervised in at least two of the prior three school years, school growth scores from the three most recent available school years, up to the 2018-2019 school year, shall be used.

SECTION 1.5.(d) Beginning with the 2017-2018 fiscal year, in lieu of providing annual longevity payments to principals paid on the principal salary schedule, the amounts of those longevity payments are included in the annual amounts under the principal salary schedule.

SECTION 1.5.(e) A principal compensated in accordance with this section for the 2022-2023 fiscal year shall receive an amount equal to the greater of the following:

- (1) The applicable amount on the salary schedule for the applicable year.
- (2) For principals who were eligible for longevity in the 2016-2017 fiscal year, the sum of the following:
 - a. The salary the principal received in the 2016-2017 fiscal year pursuant to Section 9.1 or Section 9.2 of S.L. 2016-94.
 - b. The longevity that the principal would have received as provided for State employees under the North Carolina Human Resources Act for the 2016-2017 fiscal year based on the principal's current years of service.
- (3) For principals who were not eligible for longevity in the 2016-2017 fiscal year, the salary the principal received in the 2016-2017 fiscal year pursuant to Section 9.1 or Section 9.2 of S.L. 2016-94.

ASSISTANT PRINCIPAL SALARIES

SECTION 1.6.(a) For the 2022-2023 fiscal year, beginning July 1, 2022, assistant principals shall receive a monthly salary based on the salary schedule for teachers who are classified as "A" teachers plus nineteen percent (19%). An assistant principal shall be placed on the step on the salary schedule that reflects the total number of years of experience as a certified

employee of the public schools. For purposes of this section, an administrator with a one-year provisional assistant principal's certificate shall be considered equivalent to an assistant principal.

SECTION 1.6.(b) Assistant principals with certification based on academic preparation at the six-year degree level shall be paid a salary supplement of one hundred twenty-six dollars (\$126.00) per month and at the doctoral degree level shall be paid a salary supplement of two hundred fifty-three dollars (\$253.00) per month.

SECTION 1.6.(c) Participants in an approved full-time master's in school administration program shall receive up to a 10-month stipend during the internship period of the master's program. The stipend shall be at the beginning salary of an assistant principal or, for a teacher who becomes an intern, at least as much as that person would earn as a teacher on the teacher salary schedule. The North Carolina Principal Fellows and Transforming Principal Preparation Program or the school of education where the intern participates in a full-time master's in school administration program shall supply the Department of Public Instruction with certification of eligible full-time interns.

SECTION 1.6.(d) Beginning with the 2017-2018 fiscal year, in lieu of providing annual longevity payments to assistant principals on the assistant principal salary schedule, the amounts of those longevity payments are included in the monthly amounts provided to assistant principals pursuant to subsection (a) of this section.

SECTION 1.6.(e) An assistant principal compensated in accordance with this section for the 2022-2023 fiscal year shall receive an amount equal to the greater of the following:

- (1) The applicable amount on the salary schedule for the applicable year.
- (2) For assistant principals who were eligible for longevity in the 2016-2017 fiscal year, the sum of the following:
 - a. The salary the assistant principal received in the 2016-2017 fiscal year pursuant to Section 9.1 or Section 9.2 of S.L. 2016-94.
 - b. The longevity that the assistant principal would have received as provided for State employees under the North Carolina Human Resources Act for the 2016-2017 fiscal year based on the assistant principal's current years of service.
- (3) For assistant principals who were not eligible for longevity in the 2016-2017 fiscal year, the salary the assistant principal received in the 2016-2017 fiscal year pursuant to Section 9.1 or Section 9.2 of S.L. 2016-94.

CENTRAL OFFICE SALARIES

SECTION 1.7.(a) For the 2022-2023 fiscal year, beginning July 1, 2022, the annual salary for superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers, whose salaries are supported from State funds, shall be increased by five percent (5.0%).

SECTION 1.7.(b) The monthly salary maximums that follow apply to assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers for the 2022-2023 fiscal year, beginning July 1, 2022:

2022-2023 Fiscal Year

Maximum

School Administrator I	\$7,137
School Administrator II	\$7,562
School Administrator III	\$8,014
School Administrator IV	\$8,327
School Administrator V	\$8,658
School Administrator VI	\$9,173
School Administrator VII	\$9,538.

The local board of education shall determine the appropriate category and placement for each assistant superintendent, associate superintendent, director/coordinator, supervisor, or finance officer within the maximums and within funds appropriated by the General Assembly for central office administrators and superintendents. The category in which an employee is placed shall be included in the contract of any employee.

SECTION 1.7.(c) The monthly salary maximums that follow apply to superintendents for the 2022-2023 fiscal year, beginning July 1, 2022:

2022-2023 Fiscal Year

Maximum

Superintendent I	\$10,110
Superintendent II	\$10,713
Superintendent III	\$11,356
Superintendent IV	\$12,038
Superintendent V	\$12,763.

The local board of education shall determine the appropriate category and placement for the superintendent based on the average daily membership of the local school administrative unit and within funds appropriated by the General Assembly for central office administrators and superintendents.

SECTION 1.7.(d) Longevity pay for superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers shall be as provided for State employees under the North Carolina Human Resources Act.

SECTION 1.7.(e) Superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the six-year degree level shall receive a salary supplement of one hundred twenty-six dollars (\$126.00) per month in addition to the compensation provided pursuant to this section. Superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers with certification based on academic preparation at the doctoral degree level shall receive a salary supplement of two hundred fifty-three dollars (\$253.00) per month in addition to the compensation provided for under this section.

SECTION 1.7.(f) The State Board of Education shall not permit local school administrative units to transfer State funds from other funding categories for salaries for public school central office administrators.

NONCERTIFIED PERSONNEL SALARIES

SECTION 1.8. For the 2022-2023 fiscal year, beginning July 1, 2022, the annual salary for noncertified public school employees whose salaries are supported from State funds shall be increased as follows:

- (1) For permanent, fulltime employees on a 12-month contract, by the greater of the following:
 - a. Five percent (5.0%).
 - b. An amount necessary to increase the minimum hourly compensation rate of the employee to fifteen dollars (\$15.00) per hour.
- (2) For the following employees, by an equitable amount based on the amounts specified in subdivision (1) of this subsection:
 - a. Permanent, fulltime employees on a contract for fewer than 12 months.
 - b. Permanent, part-time employees.
 - c. Temporary and permanent hourly employees.

ADDITIONAL APPROPRIATION FOR SCHOOL EMPLOYEE COMPENSATION INCREASES PURSUANT TO THIS PART

SECTION 1.9. There is appropriated from the General Fund to the Department of Public Instruction for the 2022-2023 fiscal year the sum of three hundred fifty million eight thousand dollars (\$350,008,000) in additional recurring funds and one hundred twenty-two million dollars (\$122,000,000) in additional nonrecurring funds to increase compensation for public school employees pursuant to Sections 1.1, 1.2, 1.3, 1.4, 1.5, 1.6, 1.7, and 1.8 of this Part.

INCREASE BEHAVIORAL HEALTH SUPPORT STAFF IN PUBLIC SCHOOL UNITS

SECTION 1.10.(a) There is appropriated from the General Fund to the Department of Public Instruction the sum of fifty-two million six hundred fifty thousand dollars (\$52,650,000) in recurring funds for the 2022-2023 fiscal year to be allocated to the instructional support allotment. It is the intent of the General Assembly that these funds shall be used to improve student mental health by increasing the number of school mental health support personnel, as defined in G.S. 115C-316.2(a), in each public school unit.

SECTION 1.10.(b) There is appropriated from the General Fund to the Department of Public Instruction the sum of seventeen million five hundred fifty thousand dollars (\$17,550,000) in recurring funds for the 2022-2023 fiscal year to be allocated to the school psychologist allotment established by G.S. 115C-316.5. This appropriation to the school psychologist allotment shall be used to satisfy or exceed the requirements of G.S. 115C-47(67).

FUNDS TO SUPPORT THE WAGES PROGRAM

SECTION 1.11. There is appropriated from the General Fund to the Department of Health and Human Services, Division of Child Development and Early Education, the sum of ten million dollars (\$10,000,000) in recurring funds for the 2022-2023 fiscal year to expand the Child Care WAGES program, which provides salary supplements for early childhood educators. The funds shall be used to provide education-based supplements to low-wage educators and expand the program to all 100 counties in this State.

PART II. INVESTMENTS IN HEALTHCARE

REDUCE INNOVATIONS WAIVER WAITLIST

SECTION 2.1.(a) In order to eliminate the North Carolina Innovations waiver waitlist, the Department of Health and Human Services, Division of Health Benefits (DHB), shall amend the North Carolina Innovations waiver to increase the number of slots by 5,000.

SECTION 2.1.(b) There is appropriated from the General Fund to DHB the sum of thirty-nine million dollars (\$39,000,000) in recurring funds, and all federal matching funds, for the 2022-2023 fiscal year for implementation of this section.

RESIDENTIAL ADDICTION TREATMENT FUNDING

SECTION 2.2. There is appropriated from the General Fund to the Department of Health and Human Services, Division of State Operated Healthcare Facilities, the sum of nineteen million dollars (\$19,000,000) in nonrecurring funds for the 2022-2023 to be used to support the State-operated alcohol and drug abuse treatment centers (ADATCs).

FUNDING FOR MENTAL HEALTH PROFESSIONALS TO ASSIST LAW ENFORCEMENT OFFICERS

SECTION 2.3.(a) There is appropriated from the General Fund to the Governor's Crime Commission within the Department of Public Safety the sum of ten million dollars (\$10,000,000) in nonrecurring funds for the 2022-2023 fiscal year to provide competitive grants to North Carolina municipal police departments for the purpose of funding permanent or contracted mental health professional positions for the utilization of mental health professionals to assist law enforcement officers in responding to criminal and noncriminal incidents when such

assistance is deemed appropriate by the municipal police department. These mental health professionals should utilize a "care and safety first, enforcement last" approach; should respond with kindness, compassion, equity, and cultural competency; and should not be deployed to active scenes where armed persons are present. These mental health professionals should also, at a minimum, provide one or more of the following services:

- (1) Field services for individuals requesting services or experiencing crisis.
- (2) Nonemergency transportation for individuals experiencing crisis.
- (3) Response to referrals for service.
- (4) Field support to Crisis Intervention Team law enforcement officers responding to incidents involving a behavioral crisis or substance abuse crisis, or both.
- (5) Proactive follow up and referrals involving persons with a history of behavioral health issues resulting in police response.
- (6) Referral, educational, and support services information for family, friends, and members of the consumer's support network.
- (7) Collaborative responses to calls for service concerning community members experiencing a behavioral health crisis.

SECTION 2.3.(b) It is the intent of the General Assembly that any permanent or contracted municipal mental health professional positions funded in whole or in part from grant funds distributed pursuant to this section rely upon municipality funding once awarded grant funds have been expended.

SECTION 2.3.(c) The Governor's Crime Commission shall develop guidelines and procedures for the administration and distribution of grants under this section. The Commission may use no more than three percent (3%) of the funds appropriated in this section toward costs associated with administering and distributing grants funded by this section.

SECTION 2.3.(d) No municipal police department shall receive more than three hundred thousand dollars (\$300,000) in grant funds distributed pursuant to this section.

PART III. INVESTMENTS IN PUBLIC WORKERS

ELIGIBLE STATE-FUNDED EMPLOYEES AWARDED LEGISLATIVE SALARY INCREASE/EFFECTIVE JULY 1, 2022

SECTION 3.1. Subsection (a1) of Section 39.1 of S.L. 2021-180 reads as rewritten:

"SECTION 39.1.(a1) Effective July 1, 2022, except as provided by subsection (b) of this section, a person (i) whose salary is set by this Part, pursuant to the North Carolina Human Resources Act, or as otherwise authorized in this act and (ii) who is employed in a State funded position on June 30, 2022, is awarded:

- (1) A legislative salary increase in the amount of ~~two and one half percent (2.5%)~~ five percent (5%) of annual salary in the 2022-2023 fiscal year.
- (2) Any salary adjustment otherwise allowed or provided by law."

ADDITIONAL LEGISLATIVE SALARY INCREASE AWARDED TO STATE LAW ENFORCEMENT OFFICERS AND HEALTHCARE PROFESSIONALS

SECTION 3.2. In addition to the compensation increase provided in Section 1 of this act, a person (i) whose salary is set by this Part, pursuant to the North Carolina Human Resources Act, or as otherwise authorized in this act and (ii) who is employed in a State funded position on June 30, 2022, shall receive an additional legislative salary increase in the amount of two and one half percent (2.5%) in the 2022-2023 fiscal year if they meet at least one of the following eligibility criteria:

- (1) The employee is employed as a law enforcement officer.
- (2) The employee is employed as a healthcare professional.

ASSISTANT AND DEPUTY CLERKS OF SUPERIOR COURT

SECTION 3.7. Subsection (a1) of Section 39.7 of S.L. 2021-180 reads as rewritten:
"SECTION 39.7.(a1) Effective July 1, 2022, G.S. 7A-102(c1), as amended by subsection (a) of this section, reads as rewritten:

"(c1) A full-time assistant clerk or a full-time deputy clerk, and up to one full-time deputy clerk serving as head bookkeeper per county, shall be paid an annual salary subject to the following minimum and maximum rates:

Assistant Clerks and Head Bookkeeper	Annual Salary
Minimum	<u>\$35,650</u> <u>36,519</u>
Maximum	<u>65,864</u> <u>69,157</u>

Deputy Clerks	Annual Salary
Minimum	<u>\$31,980</u> <u>32,760</u>
Maximum	<u>51,728</u> <u>54,314</u> "

MAGISTRATES

SECTION 3.8. Subsection (a1) of Section 39.8 of S.L. 2021-180 reads as rewritten:
"SECTION 39.8.(a1) Effective July 1, 2022, G.S. 7A-171.1(a)(1), as amended by subsection (a) of this section, reads as rewritten:

"(a) The Administrative Officer of the Courts, after consultation with the chief district judge and pursuant to the following provisions, shall set an annual salary for each magistrate:

- (1) A full-time magistrate shall be paid the annual salary indicated in the table set out in this subdivision. A full-time magistrate is a magistrate who is assigned to work an average of not less than 40 hours a week during the term of office. The Administrative Officer of the Courts shall designate whether a magistrate is full-time. Initial appointment shall be at the entry rate. A magistrate's salary shall increase to the next step every two years on the anniversary of the date the magistrate was originally appointed for increases to Steps 1 through 3, and every four years on the anniversary of the date the magistrate was originally appointed for increases to Steps 4 through 6.

Table of Salaries of Full-Time Magistrates	
Step Level	Annual Salary
Entry Rate	<u>\$41,590</u> <u>43,670</u>
Step 1	<u>\$44,660</u> <u>46,893</u>
Step 2	<u>\$47,972</u> <u>50,371</u>
Step 3	<u>\$51,478</u> <u>54,052</u>
Step 4	<u>\$55,680</u> <u>58,464</u>
Step 5	<u>\$60,740</u> <u>63,777</u>
Step 6	<u>\$66,412</u> <u>69,733</u> "

LEGISLATIVE EMPLOYEES

SECTION 3.9. Subsection (a1) of Section 39.9 of S.L. 2021-180 reads as rewritten:
"SECTION 39.9.(a1) Effective July 1, 2022, the annual salaries of the Legislative Services Officer and of nonelected employees of the General Assembly in effect on June 30, 2022, shall be legislatively increased by ~~two and one-half percent (2.5%)~~ five percent (5%)."

GENERAL ASSEMBLY PRINCIPAL CLERKS

SECTION 3.10. Subsection (b) of Section 39.10 of S.L. 2021-180 reads as rewritten:

"SECTION 39.10.(b) Effective July 1, 2022, G.S. 120-37(c), as amended by subsection (a) of this section, reads as rewritten:

"(c) The principal clerks shall be full-time officers. Each principal clerk shall be entitled to other benefits available to permanent legislative employees and shall be paid an annual salary of ~~one hundred nineteen thousand six hundred fifty dollars (\$119,650)~~, one hundred twenty five thousand six hundred thirty three dollars (\$125,633), payable monthly. Each principal clerk shall also receive such additional compensation as approved by the Speaker of the House of Representatives or the President Pro Tempore of the Senate, respectively, for additional employment duties beyond those provided by the rules of their House. The Legislative Services Commission shall review the salary of the principal clerks prior to submission of the proposed operating budget of the General Assembly to the Governor and shall make appropriate recommendations for changes in those salaries. Any changes enacted by the General Assembly shall be by amendment to this paragraph."

SERGEANTS-AT-ARMS/READING CLERKS

SECTION 3.11. Subsection (b) of Section 39.11 of S.L. 2021-180 reads as rewritten:
 "SECTION 39.11.(b) Effective July 1, 2022, G.S. 120-37(b), as amended by subsection (a) of this section, reads as rewritten:

"(b) The sergeant at arms and the reading clerk in each house shall be paid a salary of ~~four hundred seventy-two dollars (\$472.00)~~ four hundred ninety-five dollars (\$495.00) per week plus subsistence at the same daily rate provided for members of the General Assembly, plus mileage at the rate provided for members of the General Assembly for one round trip only from their homes to Raleigh and return. The sergeants at arms shall serve during sessions of the General Assembly and at such time prior to the convening of, and subsequent to adjournment or recess of, sessions as may be authorized by the Legislative Services Commission. The reading clerks shall serve during sessions only."

COMMUNITY COLLEGES

SECTION 3.12.(a) Subsection (a) of Section 39.12 of S.L. 2021-180 reads as rewritten:

"SECTION 39.12.(a) Community college personnel shall receive the following legislative salary increases:

- (1) Effective July 1, 2021, the State Board of Community Colleges shall provide community college faculty and non-faculty personnel with an across-the-board salary increase in the amount of two and one-half percent (2.5%).
- (2) Effective July 1, 2022, the State Board of Community Colleges shall provide community college faculty and non-faculty personnel with an across-the-board salary increase in the amount of ~~two and one-half percent (2.5%)~~ five percent (5.0%)."

SECTION 3.12.(b) Subsection (b1) of Section 39.12 of S.L. 2021-180 reads as rewritten:

"SECTION 39.12.(b1) The minimum salaries for nine-month, full-time curriculum community college faculty for the 2022-2023 fiscal year are as follows:

	Minimum Salary
Education Level	2022-2023
Vocational Diploma/Certificate or Less	<u>\$39,48440,447</u>
Associate Degree or Equivalent	<u>40,03241,008</u>
Bachelor's Degree	<u>42,41543,449</u>
Master's Degree or Education Specialist	<u>44,52845,614</u>
Doctoral Degree	<u>47,57448,735"</u>

THE UNIVERSITY OF NORTH CAROLINA**SECTION 3.13.** Section 39.13 of S.L. 2021-180 reads as rewritten:**"SECTION 39.13.** The University of North Carolina shall receive the following legislative salary increases:

- (1) Effective July 1, 2021, the Board of Governors of The University of North Carolina shall provide SHRA employees, EHRA employees, and teachers employed by the North Carolina School of Science and Mathematics with an across-the-board salary increase in the amount of two and one half percent (2.5%).
- (2) Effective July 1, 2022, the Board of Governors of The University of North Carolina shall provide SHRA employees, EHRA employees, and teachers employed by the North Carolina School of Science and Mathematics with an across-the-board salary increase in the amount of ~~two and one half percent (2.5%)~~, five percent (5.0%)."

CORRECTIONAL OFFICER SALARY SCHEDULE**SECTION 3.14.** Subsection (b) of Section 39.14 of S.L. 2021-180 reads as rewritten:**"SECTION 39.14.(b)** The following annual salary schedule applies under subsection (a) of this section for the 2021-2023 fiscal biennium, effective for each year on July 1, 2021, and July 1, 2022, respectively:**FY 2021-22**

Experience	COI	COII	COIII
0	\$33,130	\$34,220	\$36,598
1	\$35,449	\$36,615	\$39,160
2	\$37,576	\$38,812	\$41,510
3	\$39,455	\$40,753	\$43,586
4	\$41,033	\$42,383	\$45,329
5	\$42,264	\$43,654	\$46,689
6+	\$43,109	\$44,527	\$47,623

FY 2022-23

Experience	COI	COII	COIII	COI	COII	COIII
0	\$33,958	\$35,076	\$37,513	<u>\$34,787</u>	<u>\$35,931</u>	<u>\$38,428</u>
1	\$36,335	\$37,530	\$40,139	<u>\$37,221</u>	<u>\$38,446</u>	<u>\$41,118</u>
2	\$38,515	\$39,782	\$42,548	<u>\$39,455</u>	<u>\$40,753</u>	<u>\$43,586</u>
3	\$40,441	\$41,772	\$44,676	<u>\$41,428</u>	<u>\$42,791</u>	<u>\$45,765</u>
4	\$42,059	\$43,443	\$46,462	<u>\$43,085</u>	<u>\$44,502</u>	<u>\$47,595</u>
5	\$43,321	\$44,745	\$47,856	<u>\$44,377</u>	<u>\$45,837</u>	<u>\$49,023</u>
6+	\$44,187	\$45,640	\$48,814	<u>\$45,264</u>	<u>\$46,753</u>	<u>\$50,004"</u>

STATE LAW ENFORCEMENT OFFICER SALARY SCHEDULE**SECTION 3.15.** Subsection (b) of Section 39.15 of S.L. 2021-180 reads as rewritten:**"SECTION 39.15.(b)** The following annual salary schedule applies under subsection (a) of this section for the 2021-2023 fiscal biennium, effective July 1, 2021, and July 1, 2022, for each respective fiscal year:**Years of Experience****FY 2021-22****FY 2022-23**

0

47,384

~~48,569~~50,938

1	1	50,464	51,726
2	2	53,744	55,088
3	3	57,237	58,669
4	4	60,957	62,482
5	5	64,919	66,543
6	6+	69,139	70,868

PROBATION AND PAROLE OFFICER SALARY SCHEDULE

SECTION 3.16 Section 39.15A of S.L. 2021-180 reads as rewritten:

"...

SECTION 39.15A.(b) The following annual salary schedule applies under subsection (a) of this section for the 2021-2023 fiscal biennium, effective July 1, 2021, and July 1, 2022, for each respective fiscal year:

Years of Experience	FY 2021-22	FY 2022-23
0	40,000	41,000
1	42,600	43,665
2	45,369	46,503
3	48,318	49,526
4	51,549	52,745
5	54,804	56,513
6+	58,366	59,824

SECTION 39.15A.(c) Effective for the 2022-2023 fiscal year, employees of the Division of Juvenile Justice and Delinquency Prevention may receive the greater of their current pay level or the pay level reflected in the schedule set forth in subsection (b) of this section."

APPROPRIATION FOR SALARY ADJUSTMENTS

SECTION 3.17 There is appropriated from the General Fund to the Reserve for Salary Adjustments the sum of two hundred eighteen million five hundred five thousand five hundred dollars (\$218,505,500) in recurring funds for the 2022-2023 fiscal year to implement the salary adjustments authorized by Sections 3.1 through 3.16 of this act.

COST OF LIVING ADJUSTMENT FOR STATE RETIREES

SECTION 3.18.(a) G.S. 135-5 is amended by adding a new subsection to read:

"(zzz) From and after July 1, 2022, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 2021, shall be increased by three percent (3%) of the allowance payable on June 1, 2022, in accordance with subsection (o) of this section. Furthermore, from and after July 1, 2022, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 2021, but before June 30, 2022, shall be increased by a prorated amount of three percent (3%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 2021, and June 30, 2022."

SECTION 3.18.(b) G.S. 135-65 is amended by adding a new subsection to read:

"(kk) From and after July 1, 2022, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before July 1, 2021, shall be increased by three percent (3%) of the allowance payable on June 1, 2022. Furthermore, from and after July 1, 2022, the retirement allowance to or on account of beneficiaries whose retirement commenced after July 1, 2021, but before June 30, 2022, shall be increased by a prorated amount of three percent (3%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between July 1, 2021, and June 30, 2022."

SECTION 3.18.(c) G.S. 120-4.22A is amended by adding a new subsection to read:

"(ee) In accordance with subsection (a) of this section, from and after July 1, 2022, the retirement allowance to or on account of beneficiaries whose retirement commenced on or before January 1, 2022, shall be increased by three percent (3%) of the allowance payable on June 1, 2022. Furthermore, from and after July 1, 2022, the retirement allowance to or on account of beneficiaries whose retirement commenced after January 1, 2022, but before June 30, 2022, shall be increased by a prorated amount of three percent (3%) of the allowance payable as determined by the Board of Trustees based upon the number of months that a retirement allowance was paid between January 1, 2022, and June 30, 2022."

SECTION 3.18.(d) There is appropriated from the General Fund to the Reserve for Retiree Cost-of-Living Adjustments the sum of one hundred fifty-three million dollars (\$153,000,000) in recurring funds for the 2022-2023 fiscal year to implement the cost-of-living adjustments authorized by this act.

PAID PARENTAL LEAVE FOR STATE EMPLOYEES AND STATE-SUPPORTED PERSONNEL

SECTION 3.19.(a) Article 2 of Chapter 126 of the General Statutes is amended by adding a new section to read:

"§ 126-8.6. Paid parental leave for State employees and State-supported personnel.

(a) Full-Time Employees. – The State Human Resources Commission shall adopt rules and policies to provide that a permanent, full-time State employee may take up to twelve weeks of paid parental leave in addition to any other leave available to the employee. The employee must have been continuously employed by the State for at least 12 months immediately preceding the first request for paid parental leave.

(b) Part-Time Employees. – The State Human Resources Commission shall adopt rules and policies to provide that a permanent, part-time State employee may take a prorated amount of up to six weeks of paid parental leave in addition to any other leave available to the employee. The employee must have been continuously employed by the State for at least 12 months immediately preceding the first request for paid parental leave.

(c) Program Requirements. – The paid parental leave authorized by this section:

- (1) Is provided (i) for the birth of the parent's child and to care for the newborn or (ii) for placement and adoption of a child and time for bonding.
- (2) Is available without exhaustion of the employee's sick and vacation leave.
- (3) Is in addition to, and not in lieu of, shared leave under G.S. 126-8.3, or other leave authorized by federal or State law.
- (4) May not be used for retirement purposes.
- (5) Has no cash value upon termination from employment.

(d) Applicability. – This section applies to all (i) State employees and (ii) State-supported personnel with the appropriate governing board adopting rules and policies to provide paid parental leave to its employees as provided by this section.

(e) Reporting. – By May 1, 2023, and then annually thereafter, the State Human Resources Commission, the State Board of Education, the State Board of Community Colleges, and all State agencies, departments, and institutions shall annually report to the Office of State Human Resources on the paid parental leave program."

SECTION 3.19.(b) G.S. 126-5 is amended by adding a new subsection to read:

"(c17) The provisions of G.S. 126-8.6 shall apply to all State employees in the judicial, legislative, and executive branches."

SECTION 3.19.(c) There is appropriated from the General Fund to a Reserve for Compensation the sum of fifteen million dollars (\$15,000,000) in recurring funds for the 2022-2023 fiscal year to fund the paid parental leave authorized by G.S. 126-8.6, as enacted by this section.

RETENTION BONUSES AWARDED FOR FISCAL YEAR

SECTION 3.20.(a) Any person (i) whose salary is set by this act in Part 7A or this Part, pursuant to the North Carolina Human Resources Act, or as otherwise authorized in this act and (ii) who is continuously employed by the State or a public school unit from July 1, 2022 to October 31, 2022 shall be awarded a retention bonus for the 2022-23 fiscal year in the amount of seven hundred fifty dollars (\$750.00), payable during the month of November 2022. For otherwise eligible local education employees, eligibility for the bonus shall be measured beginning not on July 1, 2022, but on the first day when staff report for the 2022-2023 school year.

SECTION 3.20.(b) Any person (i) whose salary is set by this act in Part 7A or this Part, pursuant to the North Carolina Human Resources Act, or as otherwise authorized in this act and (ii) who is continuously employed by the State or a public school unit from November 1, 2022, to March 31, 2023, shall be awarded an additional retention bonus for the 2022-23 fiscal year in the amount of seven hundred fifty dollars (\$750.00), payable during the month of April 2023.

SECTION 3.20.(c) Employers of State employees and local education employees shall provide an additional retention bonus of two hundred fifty dollars (\$250.00) to all permanent full-time State employees and local education employees who are continuously employed by the State or a public school unit from July 1, 2022, to October 31, 2022, and who meet at least one of the following eligibility criteria for the additional bonus:

- (1) The employee earns an annual salary that does not exceed seventy-five thousand dollars (\$75,000).
- (2) The employee is employed as a law enforcement officer.
- (3) The employee is an employee in the Division of Adult Correction and Juvenile Justice of the Department of Public Safety with job duties requiring frequent in-person contact.
- (4) The employee is employed in a position at a 24-hour residential or treatment facility operated by the Department of Health and Human Services.

SECTION 30.20.(d) Employers of State employees and local education employees shall provide an additional retention bonus of two hundred fifty dollars (\$250.00) to all permanent full-time State employees and local education employees who are employed by the State or a public school unit from November 1, 2022, to March 31, 2023, and who meet at least one of the following eligibility criteria for the additional bonus:

- (1) The employee earns an annual salary that does not exceed seventy-five thousand dollars (\$75,000).
- (2) The employee is employed as a law enforcement officer.
- (3) The employee is an employee in the Division of Adult Correction and Juvenile Justice of the Department of Public Safety with job duties requiring frequent in-person contact.
- (4) The employee is employed in a position at a 24-hour residential or treatment facility operated by the Department of Health and Human Services.

SECTION 3.20.(e) For purposes of Section 38.2 of this Act only:

- (1) "Continuously employed by the State or a public school unit" means either (i) being employed for the entire listed time by one or more State, University, or Community College employers, without a break in service of at least one business day if the employee transfers between one or more such employers, or (ii) being employed by one or more public school units for the entire listed time.
- (2) "State, university, or community college employer" means State agencies, boards, commissions, institutions, or bureaus, the University of North Carolina System Office, the University of North Carolina Health Care System,

institutions established under Chapter 116 of the General Statutes, the North Carolina Community Colleges System Office, or community colleges established under Chapter 115D of the General Statutes. For avoidance of doubt, "State, university, or community college employer" shall not include independent entities such as the Golden LEAF Foundation or any nonprofit corporation that assists the Department of Commerce under G.S. 143B-431.01.

SECTION 3.20.(f) Notwithstanding Subsection (d) of Section 39.18 of SL 2021-180, any funds appropriated for retention bonuses in excess of the amounts required to implement the bonuses shall revert and not be credited to the Pay Plan Reserve.

SECTION 3.20.(g) Notwithstanding G.S. 135-1(7a), the compensation bonuses awarded by this section are not compensation under Article 1 of Chapter 135 of the General Statutes, the Teachers' and State Employees' Retirement System.

SECTION 3.20.(h) The compensation bonuses awarded by this section are not part of annual salary and shall be paid out separately. The compensation bonus shall be awarded to eligible permanent employees without regard to an employee's placement within the salary range, including employees at the top of the salary range. The compensation bonus shall be adjusted pro rata for otherwise eligible part-time employees.

SECTION 3.20.(i) There is appropriated from the General Fund to a Reserve for Bonuses the sum of seven hundred five million dollars (\$705,000,000) in nonrecurring funds for the 2022-2023 fiscal year to fund the paid parental leave authorized by G.S. 126-8.6, as enacted by this section.

PART IV. INVESTMENTS IN THE ENVIRONMENT, CLEAN ENERGY, AND CLEAN TRANSPORTATION

SWINE FLOODPLAIN BUYOUT PROGRAM

SECTION 4.1. The sum of eighteen million dollars (\$18,000,000) in nonrecurring funds for the 2022-2023 fiscal year is appropriated to the Department of Agriculture and Consumer Services. The Department shall use these funds to purchase permanent conservation easements on properties currently used for swine production that are within the 100-year floodplain. These funds leverage \$5 million of state and federal funds already committed to a regional partnership. As used in this section, "100-year floodplain" means any area subject to inundation by the one percent (1%) annual chance flood event, as indicated on the most recent Flood Insurance Rate Map prepared by the Federal Emergency Management Agency under the National Flood Insurance Program.

DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES ENERGY EFFICIENCY AND EMERGENCY RESPONSE POSITIONS

SECTION 4.2. There is appropriated the sum of five hundred forty-three thousand seven hundred fifty dollars (\$543,750) in recurring funds for the 2022-2023 fiscal year from the General Fund to the Department of Agriculture and Consumer Services to establish five positions, to be allocated as follows: three positions for infrastructure and energy efficiency staff to enhance the department's capital planning, ensure more timely building maintenance and repairs, and improve energy efficiency in state building, and two positions to support emergency response, including preparation for and response to emergencies such as natural disasters and animal diseases that impact the state's agriculture industry.

PROVIDE FUNDING FOR EMERGING COMPOUNDS

SECTION 4.3.(a) The sum of two million four hundred ninety-two thousand two hundred fifty-nine dollars (\$2,492,259) in recurring funds and four hundred eighty-three

thousand three hundred sixty dollars (\$483,360) in nonrecurring funds for the 2022-2023 fiscal year is appropriated to the Department of Environmental Quality to fund the agency's work with emerging compounds in permitting activities, meet additional demand for technical support related to emerging compounds at regional offices, and support the growing need for groundwater testing capability. These funds may be used to establish up to nineteen full time equivalent positions for highly skilled staff, including chemists, hydrogeologists, engineers, and environmental specialists.

PROVIDE INCREASED FUNDING TO SUPPORT ENVIRONMENTAL PERMIT AND APPROVAL PROGRAMS

SECTION 4.4. There is appropriated to the Department of Environmental Quality the sum of four million three hundred thousand dollars (\$4,300,000) in recurring funds for the 2022-2023 fiscal year. These funds will hold the Department harmless with respect to the fee increases requested by the Department in the Department's report to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources required by Section 12.2 of S.L. 2021-180. These funds will fund additional permitting staff to provide better customer service, expand express permit options, and allow faster turnaround times for various permits and approvals. The Department is authorized to create up to 35 full-time equivalent positions with the funds appropriated by this section.

DRY CLEANING SOLVENT CLEAN UP FUND CHANGES

SECTION 4.5.(a) G.S. 143-215.104C(d) reads as rewritten:

"§ 143-215.104C. Dry-Cleaning Solvent Cleanup Fund.

(d) Up to ~~one percent (1%)~~ three percent (3%) of the amount of the Fund balance may be used by the Department in each fiscal year for investigation of inactive hazardous substance disposal sites that the Department reasonably believes to be contaminated by dry-cleaning solvent. If the contamination is determined to originate from a dry-cleaning facility, a potentially responsible party may petition for certification of the facility or abandoned facility site. Acceptance of a petition shall be conditioned upon the written acceptance by the petitioner of responsibility for the costs of investigation incurred by the Department pursuant to this subsection. Costs of investigation that are recovered pursuant to this subsection shall not exceed, and shall be credited toward, the financial responsibility of the petitioner pursuant to G.S. 143-215.104F(f). If a potentially responsible party does not petition for certification of the facility or abandoned facility site, the Commission may request the Attorney General to commence a civil action to secure reimbursement of costs incurred under this subsection."

SECTION 4.5.(b) G.S. 143-215.104P reads as rewritten:

"§ 143-215.104P. Enforcement procedures; civil penalties.

(a) The Secretary may assess a civil penalty of not more than ten thousand dollars (\$10,000) or, if the violation involves a hazardous ~~waste, as defined in G.S. 130-290,~~ waste of not more than ~~twenty-five thousand dollars (\$25,000)~~ thirty-two thousand five hundred dollars (\$32,500) against any person who:

...

(b) If any action or failure to act for which a penalty may be assessed under subsection (a) of this section is continuous, the Secretary may assess a penalty not to exceed ten thousand dollars (\$10,000) per day or, if the violation involves a hazardous ~~waste, as defined in G.S. 130-290,~~ waste ~~not to exceed twenty-five thousand dollars (\$25,000)~~ not to exceed thirty-two thousand five hundred dollars (\$32,500) per day. A penalty for a continuous violation shall not exceed two hundred thousand dollars (\$200,000) for each period of 30 days during which the violation continues."

1 **SECTION 4.5.(c)** The funds generated by the statutory changes in this section will
2 address increased demand for dry-cleaning contamination cleanup, identify contamination
3 sources, and support site redevelopment.
4

5 **PROJECT LIAISON POSITION**

6 **SECTION 4.6.** There is appropriated the sum of one hundred sixty thousand dollars
7 (\$160,000) in recurring funds for the 2022-2023 fiscal year from the General Fund to the
8 Department of Environmental Quality to create a dedicated Project Liaison at the Department of
9 Environmental Quality (DEQ) to work in collaboration with the Department of Commerce and
10 the Economic Development Partnership of North Carolina to ensure efficient communication and
11 coordination on site development related to DEQ's environmental programs and permitting
12 requirements.
13

14 **COASTAL HABITAT ASSESSMENT PROGRAM**

15 **SECTION 4.7.** There is appropriated the sum of seven hundred twenty thousand five
16 hundred twenty-six dollars (\$720,526) in recurring funds and one hundred twenty-two thousand
17 five hundred dollars (\$122,500) in nonrecurring funds for the 2022-2023 fiscal year from the
18 General Fund to the Department of Environmental Quality to establish the Coastal Habitat
19 Assessment Program within the Division of Coastal Management. This program will assess
20 coastal habitats through site mapping, vegetation assessments, and observation of wetlands.
21

22 **RESILIENT COMMUNITIES PROGRAM**

23 **SECTION 4.8.** There is appropriated the sum of four million dollars (\$4,000,000) in
24 nonrecurring funds for the 2022-2023 fiscal year from the General Fund to the Department of
25 Environmental Quality for the Resilient Communities Program. These funds will be used to
26 expand the program to additional communities, enabling regions and local governments to reduce
27 flood risk and promote long-term resilience.
28

29 **CLEAN ENERGY GRANTS**

30 **SECTION 4.9.(a)** There is appropriated from the General Fund to the Department
31 of Commerce the sum of fifteen million dollars (\$15,000,000) in nonrecurring funds for the
32 2022-2023 fiscal year to be allocated to the NC Clean Energy Innovation and Research Fund
33 established by G.S. 143B-437.105, as enacted by subsection (c) of this subsection, for clean
34 energy innovation and research grants.

35 **SECTION 4.9.(b)** There is appropriated from the General Fund to the Department
36 of Commerce the sum of four million five hundred thousand dollars (\$4,500,000) in nonrecurring
37 funds for the 2022-2023 fiscal year for the One North Carolina Fund established in PartArticle
38 10 of Chapter 143B of the General Statutes to provide competitive grants in the manner set forth
39 in that Part for support of clean energy and energy efficiency innovation, entrepreneurship, and
40 small business development in the clean energy sector.

41 **SECTION 4.9.(c)** Article 10 of Chapter 143B of the General Statutes is amended by
42 adding a new Part to read:

43 "Part 2L. Clean Energy Innovation and Research Fund.
44 **§ 143B-437.105. NC Clean Energy Innovation and Research (CLEIR) fund and grant**
45 **program.**

46 (a) Fund. – The NC Clean Energy Innovation and Research Fund is established as a
47 special revenue fund in the Department of Commerce, and the Office of Science, Technology
48 and Innovation in the Department shall be responsible for administering the Fund.

49 (b) Purposes. – Moneys in the NC Clean Energy Innovation and Research Fund shall be
50 allocated pursuant to this subsection. The Department of Commerce shall make grants from the
51 Fund to private businesses with fewer than 100 employees, nonprofit organizations, local

governments, and State agencies to encourage the expansion of small to medium size businesses with fewer than 100 employees that will help grow a green economy in the State. The NC Clean Energy Innovation and Research Fund shall be used for clean energy and energy efficiency innovations and research and for the development of small businesses and encouragement of entrepreneurship in these areas.

The priority areas are:

- (1) To encourage the development and deployment of renewable energy and energy efficient and environmentally conscious clean technologies and products in the State. The Department of Commerce may make grants available to maximize development, production, distribution, retail infrastructure, deployment, and consumer purchase of such technologies and products in North Carolina, including grants to enhance related workforce development.
- (2) To encourage the development of the clean energy industry in the State. The Department of Commerce may make grants available to assist in the development and growth of a market for environmentally conscious and energy efficient green building processes.
- (3) To attract and leverage private-sector investments and entrepreneurial growth in renewable energy and energy efficient and environmentally conscious clean technologies, products, and businesses, including grants to enhance workforce development in such businesses.

(c) Cap and Matching Funds. – The Department of Commerce, Office of Science, Technology and Innovation, may set a cap on a grant from the NC Clean Energy Innovation and Research Fund and may require a private business to provide matching funds for a grant from the Fund.

(d) Administration and Expenses. – The Department of Commerce may adopt rules providing for the administration of the Fund. Of the funds appropriated to the Fund, the Department may use up to one hundred thousand dollars (\$100,000) or five percent (5%) annually, whichever is greater, to administer the Fund."

SECTION 4.9.(d) Funds appropriated by this section that are not spent or encumbered by June 30, 2026, shall revert to the General Fund.

ENERGY EFFICIENCY IN SCHOOLS AND BUSES

SECTION 4.10. There is appropriated from the General Fund to the Department of Public Instruction for the 2022-2023 fiscal year the sum of two billion dollars (\$2,000,000,000) in nonrecurring funds, to be allocated to local school administrative units on the basis of average daily membership to make improvements to public school buildings as follows:

- (1) \$1,000,000,000 to make needed improvements to all school buildings for energy efficiency, including the following:
 - a. Installing high-efficiency lighting.
 - b. Replacing pipe insulation.
 - c. Weatherizing doors, windows, and other internal and external openings.
 - d. Repairing, replacing, and upgrading heating, ventilation, and air conditioning systems, including programmable thermostats, chillers, boilers, and fuel-switching systems.
 - e. Upgrading plug load management systems.
 - f. Repairing, replacing, and upgrading water and wastewater systems and controls.
 - g. Upgrading electric water coolers.

- h. Installing open-platform, internet-based controls for building management systems.
- (2) \$500,000,000 to install solar photovoltaic panels on each school building that would benefit from solar photovoltaic panels and to make necessary roof repairs to support the installation of solar photovoltaic panels.
- (3) \$500,000,000 to replace all qualifying school buses with new school buses that are operated exclusively on electric fuel and assembled in the State. For purposes of this subdivision, a qualifying school bus is a school bus owned by a local school administrative unit that meets all of the following criteria:
- a. Is more than 10 years old by model year as of the effective date of this act.
- b. Is operated in whole or in part on motor fuel, as defined in G.S. 105-449.60(31).

DEPARTMENT OF NATURAL AND CULTURAL RESOURCES ENERGY EFFICIENCY POSITIONS

SECTION 4.11. There is appropriated the sum of three hundred fifty-three thousand seven hundred fifty dollars (\$353,750) in recurring funds for the 2022-2023 fiscal year from the General Fund to the Department of Natural and Cultural Resources to establish three positions for infrastructure and energy efficiency staff to enhance the department's capital planning, ensure more timely building maintenance and repairs, and improve energy efficiency in state buildings. Funds will also be used for utility monitoring software, enabling the department to conserve energy, reduce consumption and cost, and support the state's energy efficiency goals.

DEPARTMENT OF NATURAL AND CULTURAL RESOURCES NATURAL HERITAGE AND HISTORIC PRESERVATION POSITIONS

SECTION 4.12. There is appropriated the sum of one hundred seventy thousand dollars (\$170,000) in recurring funds for the 2022-2023 fiscal year from the General Fund to the Department of Natural and Cultural Resources to establish two positions, to be allocated as follows: one position in the Natural Heritage program and one in the State Historic Preservation Office. The Natural Heritage position will update and maintain the state's inventory of natural resources and will work with partners to establish nature preserves to protect vital natural areas. The State Historic Preservation Office Environmental Review Specialist will conduct environmental reviews and provide technical assistance to constituents for disaster planning, recovery, response, and mitigation.

DEPARTMENT OF NATURAL AND CULTURAL RESOURCES PRESCRIBED FIRE CREW POSITIONS

SECTION 4.13. There is appropriated the sum of three hundred thousand dollars (\$170,000) in recurring funds and four hundred thousand dollars (\$400,000) in nonrecurring funds for the 2022-2023 fiscal year from the General Fund to the Department of Natural and Cultural Resources to establish four positions to the Division of Parks and Recreation to conduct prescribed fires and to respond to wildfires in state parks. Nonrecurring funds will be used for supplies and equipment to support the work of the crew, including personal protective equipment, chainsaws, and vehicles. Prescribed fires are essential to maintain healthy ecosystems that support habitats for rare, threatened, and endangered species; reduce risk of future fires; and protect both parks and neighboring structures.

INCREASE FUNDING FOR PARKS AND RECREATION TRUST FUND

SECTION 4.14 There is appropriated the sum of three million seven hundred fifty-seven thousand one hundred and sixteen dollars (\$3,757,116) in recurring funds and twenty

million dollars (\$20,000,000) in nonrecurring funds for the 2022-2023 fiscal year from the General Fund to the Department of Natural and Cultural Resources for the Parks and Recreation Trust Fund, which provides grants to support projects in state parks, the development and renovation of local parks, and beach access. This funding increases the recurring support of PARTF to \$20 million and provides a total of \$40 million in funding in the 2022-2023 fiscal year.

INCREASE FUNDING FOR NORTH CAROLINA LAND AND WATER FUND

SECTION 4.15 There is appropriated the sum of six million eight hundred forty-two thousand four hundred and seventy dollars (\$6,842,470) in recurring funds and twenty million dollars (\$20,000,000) in nonrecurring funds for the 2022-2023 fiscal year from the General Fund to the Department of Natural and Cultural Resources for the North Carolina Land and Water Fund, which funds grants to protect and restore the state's land and water resources, preserve military buffers, restore degraded streams, and develop and improve stormwater treatment. This funding increases the recurring support of the Fund to \$20 million annually and provides a total of \$40 million in funding in the 2022-2023 fiscal year.

PEATLANDS AND POCOSINS CONSERVATION AND INVENTORY

SECTION 4.16 There is appropriated the sum of ten million dollars (\$10,000,000) in nonrecurring funds for the 2022-2023 fiscal year from the General Fund to the Department of Natural and Cultural Resources, to be allocated to the North Carolina Land and Water Fund for peatlands and pocosins acquisition and restoration to reduce carbon emissions and wildfire risk, provide flood resilience, and improve water quality.

INTEGRATED MOBILITY FUNDS FOR INNOVATIVE TECHNOLOGIES AND INITIATIVES

SECTION 4.17. There is appropriated the sum of two million dollars (\$2,000,000) in recurring funds from the Highway Fund to the Department of Transportation for integrated mobility initiatives within the Department. These funds will enable the Department to respond to new technologies to provide affordable and equitable access to transportation, and may also be used to support pilot programs and match Federal grants, including grants to increase access to on-demand transit in rural areas.

S-LINE FEDERAL GRANT MATCH

SECTION 4.18. There is appropriated the sum of ten million dollars (\$10,000,000) in recurring funds from the Highway Fund to the Department of Transportation for the Department's Rail Division. The funds will provide matching funds to leverage federal grants available under the bipartisan Infrastructure Investment and Jobs Act (IIJA) to fund the first portion of the S-Line, connecting Wake, Franklin, Vance and Warren Counties, increasing rail capacity and resilience and creating economic development and environmental benefits.

BICYCLE AND PEDESTRIAN FUNDS

SECTION 4.19.(a) G.S. 136-189.11(d)(3)(c) is repealed.

SECTION 4.19.(b) There is appropriated the sum of ten million dollars (\$10,000,000) in recurring funds from the Highway Fund to the Department of Transportation to establish a local government grant program to match federal funds for bicycle and pedestrian projects, such as shared use paths, bicycle lanes, integrated mobility, and bicycle and pedestrian bridges.

PART V. GENERAL PROVISIONS

1 **SEVERABILITY CLAUSE**

2 **SECTION 5.1.** If any section or provision of this act is declared unconstitutional or
3 invalid by the courts, it does not affect the validity of this act as a whole or any part other than
4 the part so declared to be unconstitutional or invalid.
5

6 **EFFECTIVE DATE**

7 **SECTION 5.2.** Except as otherwise provided, this act is effective July 1, 2022.