

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023**

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**SENATE BILL 692
Education/Higher Education Committee Substitute Adopted 4/19/23**

Short Title: Community College Governance.

(Public)

Sponsors:

Referred to:

April 10, 2023

A BILL TO BE ENTITLED
AN ACT TO CLARIFY THE AUTHORITY OF THE PRESIDENT OF THE COMMUNITY
COLLEGES SYSTEM, TO MAKE CHANGES TO THE APPOINTMENTS TO THE
STATE BOARD OF COMMUNITY COLLEGES AND LOCAL BOARDS OF
TRUSTEES, AND TO MAKE TECHNICAL CHANGES TO STATUTES GOVERNING
COMMUNITY COLLEGES.

The General Assembly of North Carolina enacts:

PART I. CLARIFYING THE AUTHORITY OF THE PRESIDENT

SECTION 1.(a) Chapter 115D of the General Statutes reads as rewritten:

"Chapter 115D.

"Community Colleges.

"Article 1.

"General Provisions for State Administration.

"§ 115D-1. Statement of purpose.

(a) The purposes of this Chapter are to provide for the establishment, organization, and administration of a system of educational institutions throughout the State offering courses of instruction in one or more of the general areas of two-year college parallel, technical, vocational, and adult education programs, to serve as a legislative charter for such institutions, and to authorize the levying of local taxes and the issuing of local bonds for the support thereof. The major purpose of each and every institution operating under the provisions of this Chapter shall be and shall continue to be the offering of vocational and technical education and training, and of basic, high school level, academic education needed in order to profit from vocational and technical education, for students who are high school graduates or who are beyond the compulsory age limit of the public school system and who have left the public schools, provided, juveniles of any age committed to the Division of Juvenile Justice of the Department of Public Safety by a court of competent jurisdiction may, if approved by the director of the youth development center to which they are assigned, take courses offered by institutions of the system if they are otherwise qualified for admission.

(b) The President of the North Carolina Community Colleges System shall be the chief administrative officer and have executive authority over the Community Colleges System Office. The Community Colleges System Office is designated as the primary lead agency for delivering workforce development training, adult literacy training, and adult education programs in the State.

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"§ 115D-2. Definitions.



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As used in this Chapter:

- (1) The "administrative area" of an institution comprises the county or counties directly responsible for the local financial support and local administration of such institution as provided in this Chapter.
- (2) The term "community college" is defined as an educational institution operating under the provisions of this Chapter and dedicated primarily to the educational needs of the service area which it serves, and may offer the following:
 - a. The freshmen and sophomore courses of a college of arts and sciences, authorized by ~~G.S. 115D-4.1;~~ G.S. 115D-4.1.
 - b. Organized credit curricula for the training of technicians; curricular courses may carry transfer credit to a senior college or university where the course is comparable in content and quality and is appropriate to a chosen course of ~~study;~~ study.
 - c. Vocational, trade, and technical specialty courses and ~~programs,~~ and programs.
 - d. Courses in general adult education.
- (3) The term "institution" refers to any institution established pursuant to this Chapter.
- (3a) The term "President" refers to the President of the North Carolina Community Colleges System.
- (4) The term "regional institution" means an institution whose service area as assigned by the State Board of Community Colleges includes three or more counties; provided, however, any institution receiving funds as a regional institution on May 1, 1987, shall continue to receive funds on that basis.
- (5) The term "State Board" refers to the State Board of Community Colleges.
- (6) The "tax-levying authority" of an institution is the board of commissioners of the county or all of the boards of commissioners of the counties, jointly, which constitute the administrative area of the institution.
- (7) Repealed by Session Laws 1987, c. 564, s. 1.
- (8) "Vending facilities" has the same meaning as it does in G.S. 111-42(d), but also means any mechanical or electronic device dispensing items or something of value or entertainment or services for a fee, regardless of the method of activation, and regardless of the means of payment, whether by coin, currency, tokens, or other means.

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"§ 115D-3. President; Community Colleges System Office; ~~staff; reorganization authority.~~

(a) The Community Colleges System Office shall be a principal administrative department of State government under the direction of the ~~State Board of Community Colleges,~~ President and shall be separate from the free public school system of the State, the State Board of Education, and the Department of Public Instruction. The State Board has authority to adopt and the President has the authority to administer all policies, regulations, and standards ~~which it deems~~ necessary for the operation of the System Office.

(a1) The Subject to confirmation by the General Assembly in accordance with G.S. 115D-3.1, the State Board shall elect a President of the North Carolina System of Community Colleges System who shall serve as chief administrative officer of the Community Colleges System Office. The State Board shall use the following process to elect a President:

- (1) At least three final candidates shall be submitted to the full State Board from which the full State Board shall make its election.

(2) The State Board shall conduct a vote on the election of the President, and the candidate who receives a majority of votes of the entire State Board shall be elected President.

(a2) The compensation of this position the President shall be fixed by the State Board from funds provided by the General Assembly in the Current Operations Appropriations Act.

(a3) The President shall be assisted by such professional staff members as may be deemed necessary to carry out the provisions of this Chapter, who shall be elected by the State Board on nomination of the President. The compensation of the staff members elected by the Board shall be fixed by the State Board of Community Colleges, upon recommendation of the President of the Community College System, from funds provided in the Current Operations Appropriations Act. These staff members shall include such officers as may be deemed desirable by the President and State Board. Provision shall be made for persons of high competence and strong professional experience in such areas as academic affairs, public service programs, business and financial affairs, institutional studies and long-range planning, student affairs, research, legal affairs, health affairs and institutional development, and for State and federal programs administered by the State Board. In addition, the President shall be assisted by such other employees as may be needed to carry out the provisions of this Chapter, who shall be subject to the provisions of Chapter 126 of the General Statutes. The staff complement shall be established by the State Board on recommendation of the President to insure that there are persons on the staff who have the professional competence and experience to carry out the duties assigned and to insure that there are persons on the staff who are familiar with the problems and capabilities of all of the principal types of institutions represented in the system. ~~The State Board of Community Colleges shall have all other powers, duties, and responsibilities delegated to the State Board of Education affecting the Community Colleges System Office not otherwise stated in this Chapter.~~

(b) Notwithstanding any other provision of law, the President may reorganize the System Office in accordance with recommendations and plans submitted to and approved by the State Board of Community Colleges. If a reorganization is implemented pursuant to this subsection, including any movement of positions and funds between fund codes on a recurring basis, the President shall report by June 30 of the fiscal year in which the reorganization occurred to the Joint Legislative Education Oversight Committee and the Fiscal Research Division of the General Assembly.

(c) The President may expend General Fund appropriations made by the General Assembly for continuing operations of the North Carolina System of Community Colleges in Budget Code 16800, Fund Codes 1100, 1200, 1300, 1400, and 1500, in the manner deemed to be calculated to maintain and advance the programs and services of the Community College System Office, consistent with the directives and policies of the State Board.

(d) The President, with the approval of the State Board, may appoint advisory committees as are deemed necessary or desirable.

(e) The President is encouraged to meet with the Superintendent of Public Instruction and the President of The University of North Carolina at least once a year to discuss educational matters of mutual interest and to recommend to the respective Boards policies to encourage the improvement of public education at every level in the State.

(f) Any report established pursuant to this Chapter or any other law enacted by the General Assembly required to be submitted by the Community College System Office shall be approved by the President. Any report approved by the President shall not be subject to the approval of the State Board.

"§ 115D-3.1. General Assembly confirmation of the President.

(a) The State Board shall submit the name of the person elected as President for confirmation to the presiding officers of the Senate and the House of Representatives of the General Assembly on or before the fifteenth day following the election. The General Assembly

shall adopt a joint resolution to either (i) confirm or (ii) deny confirmation, subject to the following:

(1) The person elected by the State Board shall not serve as President but may serve as interim-President until the General Assembly adopts a joint resolution.

(2) If the General Assembly fails to adopt a joint resolution confirming the person by the date that either chamber reaches the thirtieth legislative day following the receipt of the name by the presiding officers, it shall be deemed that the General Assembly has denied confirmation.

(b) A person denied confirmation shall not serve as President or interim-President.

...

"§ 115D-4.1. College transfer program approval; standards for programs; annual reporting requirements.

(a) Repealed by Session Laws 1995, c. 288, s. 1, effective September 1, 1995.

(b) The State Board of Community Colleges may approve the addition of the college transfer program to a community college. If addition of the college transfer program to an institution would require a substantial increase in funds, State Board approval shall be subject to appropriation of funds by the General Assembly for this purpose.

(c) Addition of the college transfer program shall not decrease an institution's ability to provide programs within its basic mission of vocational and technical training and basic academic education.

(d) The State Board of Community Colleges shall develop appropriate criteria and standards to regulate the addition of the college transfer program to institutions.

(e) The State Board of Community Colleges shall develop appropriate criteria and standards to regulate the operation of college transfer programs.

(f) The Board of Governors of The University of North Carolina shall report to each community college and to the ~~State Board of Community Colleges~~ Community College System Office in accordance with G.S. 116-11(10b) on the academic performance of that community college's transfer students. ~~If the State Board of Community Colleges finds that~~ The President shall review the reports and determine if college transfer students from a community college are not consistently performing adequately at a four-year college, the Board college. The President shall review the community college's program and determine what steps are necessary to remedy the problem. The President shall report to the State Board on the reports received and the steps recommended to remedy the problems. The State Board shall ensure that the community college takes the steps recommended by the President to remedy the problems. The State Board shall report annually to the General Assembly on the reports it receives received and on what the steps it each college is taking to remedy problems that it finds identified by the President.

...

"§ 115D-5. Administration of institutions by State Board of Community Colleges; personnel exempt from North Carolina Human Resources Act; extension courses; tuition waiver; in-plant training; contracting, etc., for establishment and operation of extension units of the community college system; use of existing public school facilities.

(a) The State Board of Community Colleges may adopt and the President shall execute such policies, regulations and standards concerning the establishment, administration, and operation of institutions as the State Board may deem necessary to insure the quality of educational programs, to promote the systematic meeting of educational needs of the State, and to provide for the equitable distribution of State and federal funds to the several institutions.

The State Board of Community Colleges shall establish standards and scales for salaries and allotments paid from funds administered by the State Board, and all employees of the institutions shall be exempt from the provisions of the North Carolina Human Resources Act. Any and all

salary caps set by the State Board for community college presidents shall apply only to the State-paid portion of the salary. Except as otherwise provided by law, the employer contribution rate on the local-paid portion of the salary, to be paid from local funds, shall be set by the State Treasurer based on actuarial recommendations. The State Board shall have authority with respect to individual institutions: to approve sites, capital improvement projects, budgets; to approve the selection of the chief administrative ~~officer~~; officer upon recommendation of the President in accordance with G.S. 115D-6.1; to establish and administer standards for professional personnel, curricula, admissions, and graduation; to regulate the awarding of degrees, diplomas, and certificates; to establish and regulate student tuition and fees within policies for tuition and fees established by the General Assembly; and to establish and regulate financial accounting procedures.

The State Board of Community Colleges shall require all community colleges to meet the faculty credential requirements of the Southern Association of Colleges and Schools for all community college programs.

...

(b3) No course of instruction shall be offered by any community college at State expense or partial State expense without the approval of the State Board of Community Colleges upon recommendation of the President.

(c) No course of instruction shall be offered by any community college at State expense or partial State expense to any captive or co-opted group of students, as defined by the State Board of Community Colleges, without prior approval of the State Board of Community Colleges. All course offerings approved for State prison inmates or prisoners in local jails must be tied to clearly identified job skills, transition needs, or both. Approval by the State Board of Community Colleges shall be presumed to constitute approval of both the course and the group served by that institution. ~~The State Board of Community Colleges may delegate to the President the power to shall~~ make an initial approval, with final approval to be made by the State Board of Community Colleges. A course taught without such approval will not yield any full-time equivalent students, as defined by the State Board of Community Colleges.

...

(f) A community college ~~may shall~~ not offer a new program without the approval of the State Board of Community Colleges ~~except that approval shall not be required if upon recommendation of the President unless~~ the tuition for the program will fully cover the cost of the program. If at any time tuition fails to fully cover the cost of a program that falls under the exception, the program shall be discontinued unless approved by the State Board of Community Colleges. ~~Colleges upon recommendation of the President.~~ If a proposed new program would serve more than one community college, the ~~State Board of Community Colleges President~~ shall perform a feasibility study prior to ~~the State Board~~ acting on the proposal. ~~The State Board of Community Colleges President~~ shall consider whether a regional approach can be used when developing new programs and, to the extent possible, shall recommend that the State Board initiate new programs on a regional basis.

~~The State Board of Community Colleges President~~ shall collect data and report to the State Board on an annual basis on all new programs and program terminations ~~it approved~~ and any regionalization of programs during the year, including the specific reasons for which each program was terminated or approved.

...

(j) ~~The State Board of Community Colleges shall use its~~ Board Reserve Fund shall be used for feasibility studies, pilot projects, start-up of new programs, and innovative ideas.

...

(m) The State Board of Community Colleges shall maintain an accountability function ~~that conducts~~ and shall require the President to conduct periodic reviews of each community college operating under the provisions of this Chapter. The purpose of the compliance review

shall be to ensure that (i) data used to allocate State funds among community colleges is reported accurately to the System Office and (ii) community colleges are charging and waiving tuition and registration fees consistent with law. The State Board of Community Colleges shall require the use of a statistically valid sample size in performing compliance reviews of community colleges. All compliance review findings that are determined to be material shall be forwarded to the college president, local college board of trustees, the State Board of Community Colleges, and the State Auditor. The State Board of Community Colleges shall adopt rules governing the frequency, scope, and standard of materiality for compliance reviews.

~~(p) The North Carolina Community College System may offer courses, in accordance with Article 17D of Subchapter V of Chapter 115C of the General Statutes, to individuals who choose to enter the teaching profession through residency licensure.~~

~~(v) Community colleges may teach curriculum courses at any time during the year, including the summer term. Student membership hours from these courses shall be counted when computing full-time equivalent students (FTE) for use in budget funding formulas at the State level.~~

~~(w) The State Board of Community Colleges President shall review, at least every five years, service areas that include counties assigned to more than one community college to determine the feasibility of continuing to assign those counties to more than one community college. The President shall recommend to the State Board any revisions and the State Board shall revise service areas as needed to ensure that counties are served effectively. The first review and any revisions shall be completed no later than March 1, 2016, and the State Board Community College System Office shall report its findings and any revisions to the Joint Legislative Education Oversight Committee no later than March 1, 2016. All subsequent reviews and revisions shall also be submitted to the Committee. 1 in any year revisions are made.~~

"§ 115D-5.3. Courses offered by colleges.

(a) Community colleges may offer courses, in accordance with Article 17D of Subchapter V of Chapter 115C of the General Statutes, to individuals who choose to enter the teaching profession through residency licensure.

(b) Community colleges may offer the Motorcycle Safety Instruction Program established by Article 6A of this Chapter.

(c) Community colleges may teach curriculum courses at any time during the year, including the summer term. Student membership hours from these courses shall be counted when computing full-time equivalent students (FTE) for use in budget funding formulas at the State level.

"§ 115D-6. Withdrawal of State support.

The State Board of Community Colleges may withdraw or withhold State financial and administrative support of any institutions subject to the provisions of this Chapter in the event ~~that~~ that the President finds that any of the following conditions are met:

- ~~(1) The required local financial support of an institution is not provided;~~provided.
- ~~(2) Sufficient State funds are not available;~~available.
- ~~(3) The officials of an institution refuse or are unable to maintain prescribed standards of administration or instruction;~~or instruction.
- ~~(4) Local educational needs for such an institution cease to exist.~~

"§ 115D-6.1. College president contracts and approval.

(a) The State Board shall develop mandatory contract terms that boards of trustees of community colleges shall use when electing a president or chief administrative officer pursuant to G.S. 115D-20. The contract terms shall include the following:

- (1) A contract term of between one and four years.

- (2) A requirement that the President review each contract or contract renewal and make a recommendation to the State Board for approval or disapproval.
- (3) A requirement that the contract or contract renewal is unenforceable unless it is approved by the State Board.
- (4) A list of causes for dismissal and termination of the contract. This shall include a provision allowing for the President to dismiss the president or chief administrative officer for any of the causes listed in the contract.
- (5) A prohibition on additional financial compensation to the president or chief administrative officer when dismissed for causes included in the contracts, as required by subdivision (4) of this subsection.
- (6) Any other provisions deemed necessary by the State Board.

(b) Each local board of trustees shall submit the name of the person elected as president or chief administrative officer of the institution under G.S. 115D-20(1) to the State Board for approval. The President shall conduct a review of the person elected and the local board shall submit any information requested by the President about the person's qualifications. The President shall make a recommendation to approve or deny approval to the State Board within 30 days of receipt of the name. The State Board shall act upon the recommendation of the President at the next meeting of the Board following receipt of the recommendation. A person denied approval shall not serve as president of the institution.

"§ 115D-6.5. Notice of noncompliance; appointment of an interim board of trustees.

(a) Notice. – The State Board of Community Colleges is responsible for assuring that boards of trustees of the community colleges comply with applicable State laws, rules, and sound fiscal and management practices, as defined in State Board policy. In addition to any actions taken by the State Board under ~~G.S. 115D-6(3),~~ G.S. 115D-6, if the ~~State Board President~~ finds that a board of trustees of a community college has ~~willfully, or as a result of gross negligence,~~ failed to or refused to comply with applicable State laws, rules, and sound fiscal and management practices, ~~the~~ the President shall report those findings to the State Board. The State Board shall review the President's findings and may issue a written notice to the board of trustees of its the findings and direct the board of trustees to take remedial action immediately to address those findings upon receipt of the notice. If the State Board finds the college needs assistance with taking remedial action, the State Board may also appoint an advisory committee to provide support and recommendations to the college. At a minimum, the advisory committee shall consist of representatives of the State Board of Community Colleges, ~~the President,~~ the North Carolina Association of Community College Trustees, the North Carolina Association of Community College Presidents, and the System Office, and each party shall appoint its representative to the advisory committee. The President, or his or her representative, shall be the chair of the advisory committee.

(b) Resolution. – If, after receipt of the notice issued under subsection (a) of this section, ~~the President finds that~~ a board of trustees ~~willfully, or as a result of gross negligence,~~ persists in refusing or failing to comply with the State laws, rules, or sound fiscal and management practices identified in the notice, the State Board of Community Colleges may adopt a resolution, upon approval of at least two-thirds of the members of the State Board attending the meeting in which the resolution is considered, to vacate the terms of the leadership of the board of trustees to include, but not limited to, chair and vice-chair. The respective appointing authorities shall appoint trustees to fulfill the vacated terms and shall not appoint members whose terms were vacated pursuant to this section. If, after the removal of the leadership of the board of trustees, ~~the President finds that~~ a board of trustees ~~willfully, or as a result of gross negligence,~~ persists in refusing or failing to comply with the State laws, rules, or sound fiscal and management practices identified in the notice, the State Board of Community Colleges may adopt a resolution, upon approval of at least two-thirds of the members of the State Board attending the meeting in which the resolution is considered to vacate the terms of the full board of trustees. Prior to adopting

1 either resolution, the State Board shall consult with the appointing authorities of the board of
2 ~~trustees and trustees,~~ representatives of the North Carolina Association of Community College
3 Trustees and the North Carolina Association of Community College ~~Presidents~~ ~~Presidents, and~~
4 ~~the President~~ regarding the proposed resolution. The State Board shall only exercise this authority
5 as an extraordinary remedy utilized in the most extreme circumstances and after all of the
6 following remediation actions have been taken without correction of the identified problems:

- 7 (1) The State Board has clearly delineated the failures to comply with applicable
8 State laws, rules, or sound fiscal and management practices.
- 9 (2) The advisory committee appointed consistent with subsection (a) of this
10 section has met with the ~~President~~ president of the college and the local board
11 of trustees to discuss the problems in question and to assist the community
12 college in question to resolve them.
- 13 (3) The State Board has vacated the terms of the leadership of the board of
14 trustees, but the identified problems continue to persist.
- 15 (4) The State Board has issued a final warning providing the college with a
16 deadline to resolve the identified problems.

17 ...
18 **"§ 115D-9. Powers of State Board and President regarding certain fee negotiations,**
19 **contracts, and capital improvements.**

20 (a) The expenditures of any State funds for any capital improvements of existing
21 institutions shall be subject to the prior approval of the State Board of Community Colleges and
22 the Governor. The expenditure of State funds at any institution herein authorized to be approved
23 by the State Board under G.S. 115D-4 shall be subject to the terms of the State Budget Act unless
24 specifically otherwise provided in this Chapter.

25 (b) Notwithstanding G.S. 143-341(3), the ~~State Board of Community Colleges~~ President
26 may, with respect to design, construction, repair, or renovation of buildings, utilities, and other
27 State-funded property developments of the North Carolina Community College System requiring
28 the estimated expenditure of public money of four million dollars (\$4,000,000) or less:

- 29 (1) Conduct the fee negotiations for all design contracts and supervise the letting
30 of all construction and design contracts.
- 31 (2) Develop procedures governing the responsibilities of the North Carolina
32 Community College System and its community colleges to perform the duties
33 of the Department of Administration and the Director or Office of State
34 Construction under G.S. 133-1.1(d) and G.S. 143-341(3).
- 35 (3) Use existing plans and specifications for construction projects, where feasible.
36 Prior to designing a project, the ~~State Board~~ President shall consult with the
37 Department of Administration on the availability of existing plans and
38 specifications and the feasibility of using them for a project.

39 (c) The ~~State Board~~ President may delegate its authority under subsection (b) of this
40 section to a community college if the community college is qualified under guidelines adopted
41 by the State Board.

42 ...
43 (h) The provisions of G.S. 143-341(3) shall not apply to a capital improvement project
44 funded with non-State funds or for projects less than two million dollars (\$2,000,000) that have
45 been delegated pursuant to subsection (c) of this section if the ~~State Board of Community~~
46 ~~Colleges~~ President determines that the college has the expertise necessary to manage the project
47 unless the assistance of the Office of State Construction is requested.

48 **"§ 115D-10. Limitation on judicial review of State Board and President actions.**

49 State Board and President actions affecting a local board of trustees or president of an
50 institution under any of the following statutes are not subject to judicial review:

- 51 (1) G.S. 115D-6.

(2) G.S. 115D-6.1.

(3) G.S. 115D-6.5.

(4) G.S. 115D-19.

"Article 1A.

"ApprenticeshipNC.

...

"§ 115D-11.6. Apprenticeship Council.

The State Board of Community Colleges shall appoint an Apprenticeship Council composed of four representatives each from employer and employee organizations respectively and three representatives from the public at large. One State official designated by the Department of Public Instruction and one State official designated by the Department of Commerce shall be a member ex officio of the council, without vote. The terms of office of the members of the Apprenticeship Council shall be designated by the State Board. Any member appointed to fill a vacancy occurring prior to the expiration of the term of his or her predecessor shall be appointed for the remainder of the term. Each member of the Council not otherwise compensated by public moneys, shall be reimbursed for transportation and shall receive such per diem compensation as is provided generally for boards and commissions under the biennial maintenance appropriation acts for each day spent in attendance at meetings of the Apprenticeship Council. The State Board of Community Colleges shall annually appoint one member of the Council to act as its chair.

The Apprenticeship Council shall meet at the call of the State Board of Community Colleges and shall aid the State Board and the ~~Community Colleges System Office President~~ in formulating policies for the effective administration of this Article. The Apprenticeship Council shall establish standards for apprentice agreements which in no case shall be lower than those prescribed by this Article, shall recommend rules and regulations to the State Board of Community Colleges as may be necessary to carry out the intent and purposes of this Article, and shall perform other functions as the State Board of Community Colleges may direct. No later than September 1 of each year the Apprenticeship Council shall make a report through the Community Colleges System Office of its activities and findings to the public and to the Joint Legislative Education Oversight Committee, the chairs of the Senate Appropriations Committee on Education/Higher Education, and the chairs of the House of Representatives Appropriations Committee on Education.

...

"Article 2.

"Local Administration.

...

"§ 115D-15. Sale, exchange or lease of property; use of proceeds from donated property.

(a) The board of trustees of any institution organized under this Chapter may, with the prior approval of the ~~North Carolina Community Colleges System Office, President,~~ convey a right-of-way or easement for highway construction or for utility installations or modifications. When in the opinion of the board of trustees the use of any other real property owned or held by the board of trustees is unnecessary or undesirable for the purposes of the institution, the board of trustees, subject to prior approval of the State Board of Community Colleges, may sell or dispose of the property. For purposes of this section, "dispose" means "lease, exchange, or demolish." The board of trustees may dispose of any personal property owned or held by the board of trustees without approval of the State Board of Community Colleges. Personal property titled to the State Board of Community Colleges consistent with G.S. 115D-14 and G.S. 115D-58.5 may be transferred to another community college at no cost and without the approval of the Department of Administration, Division of Surplus Property.

Article 12 of Chapter 160A of the General Statutes shall apply to the disposal or sale of any real or personal property under this subsection. Personal property also may be disposed of under procedures adopted by the North Carolina Department of Administration. The proceeds of any

sale or lease shall be used for capital outlay purposes, except as provided in subsection (b) of this section.

...
"§ 115D-19. Removal of trustees.

(a) Any of the following conduct may result in the removal of a member of a board of trustees of an institution:

(1) The member is not capable of discharging, or is not discharging, the duties of his or her office as required by law or regulation.

(2) The member is guilty of immoral or disreputable conduct.

(a1) The President shall have the duty to investigate any allegation that a member of the board of trustees of an institution is engaging in conduct for which a member may be removed under subsection (a) of this section. If the President determines that there is sufficient evidence that the member has engaged in such conduct, the President shall report his or her findings to the State Board.

~~(a2) Should the State Board of Community Colleges have sufficient evidence that any member of the board of trustees of an institution is not capable of discharging, or is not discharging, the duties of his office as required by law or lawful regulation, or is guilty of immoral or disreputable conduct, After receipt of a report from the President that a member of a board of trustees of an institution is engaging in conduct for which a member may be removed, if the State Board concurs in the President's findings, the State Board shall notify the chairman-chair of such the board of trustees, unless the chairman-chair is the offending member, in which case the other members of the board shall be notified-notified, that the board shall meet for the purpose of investigating the charges in accordance with subsection (a3) of this section.~~

(a3) Upon receipt of such notice there shall be a meeting of from the State Board, the board of trustees shall meet for the purpose of investigating the charges, at charges. At that meeting meeting, a representative of the State Board of Community Colleges-President may appear to present evidence of the charges. The allegedly offending member shall be given proper and adequate notice of the meeting-and the meeting. The findings of the other-members of the board of trustees shall be recorded, along with the action taken, in the minutes of the board of trustees. If the charges against a member are, by an affirmative vote of two-thirds of the members of the board, found to be true, the board of trustees shall declare the office of the offending member to be vacant.

(a4) Nothing in this section shall be construed to limit the authority of a board of trustees to hold a hearing as provided herein-and remove a member upon evidence known or presented to it.

(b) A board of trustees may declare vacant the office of a member who does not attend three consecutive, scheduled meetings without justifiable excuse. A board of trustees may also declare vacant the office of a member who, without justifiable excuse, does not participate within six months of appointment in a trustee orientation and education session sponsored by the North Carolina Association of Community College Trustees. The board of trustees shall notify the appropriate appointing authority of any vacancy.

"§ 115D-19.1. Removal of president.

(a) For the purposes of this section, the term "president" means a president or chief administrative officer elected pursuant to G.S. 115D-20.

(b) A president may be dismissed for any of the causes outlined in the mandatory contract terms adopted by the State Board in accordance with G.S. 115D-6.1.

(c) The President shall have the duty to investigate any allegation that a president of an institution is engaging in conduct for which a president may be dismissed under subsection (b) of this section. If the President determines that there is sufficient evidence that the president has engaged in such conduct, the President shall notify the chair of the board of trustees of the institution and the president that the president shall be dismissed.

(d) The president may appeal the decision of the President to the State Board. The State Board shall make a final decision regarding the dismissal.

(e) Nothing in this section shall be construed to limit the authority of a board of trustees to hold a hearing and dismiss a president upon evidence known or presented to it.

"§ 115D-20. Powers and duties of trustees.

The trustees of each institution shall constitute the local administrative board of such institution, with such powers and duties as are provided in this Chapter and as are delegated to it by the State Board of Community Colleges. The powers and duties of trustees shall include the following:

- (1) To elect a president or chief administrative officer of the institution ~~for such term and under such conditions as the trustees may fix.~~ in accordance with G.S. 115D-6.1. If the board of trustees chooses to use a search consultant to assist with the election process, the board of trustees shall select the search consultant through a competitive request for proposals process. A search consultant selected pursuant to this subdivision who is collecting a fee for the consultant's services shall not be (i) an employee of a State agency, department, or institution, an appointed member of a State commission or board, or an elected official whose responsibilities include oversight or budgetary aspects of the Community College System, (ii) a lobbyist or lobbyist principal as defined in G.S. 120C-100, or (iii) a State-level community college board of trustees association or organization. A contract with a search consultant pursuant to this subdivision shall not be subject to Article 3C of Chapter 143 of the General Statutes. The election and reelection of a president or chief administrative officer shall be subject to the approval of the State Board of Community Colleges. No person shall serve as a president or chief administrative officer until and unless he or she is approved by the State Board of Community Colleges upon the recommendation of the President as provided in G.S. 115D-6.1.

...

"Article 3.

"Financial Support.

...

"§ 115D-33. Providing local public funds for institutions established under this Chapter; elections.

...

(e) ~~The State Board of Community Colleges President~~ shall ascertain that authority to provide adequate funds for the establishment and operation of an institution has been approved by the voters of a proposed administrative area before favorably recommending approval of the establishment of an ~~institution.~~ institution and report this information to the State Board.

...

"Article 5.

"Special Provisions.

...

~~"§ 115D-62. Trustee Association Regions.~~

~~The State is divided into six Trustee Association Regions as follows:~~

~~Region 1: The counties of Buncombe, Cherokee, Clay, Cleveland, Gaston, Graham, Haywood, Henderson, Jackson, Lincoln, Macon, Madison, McDowell, Polk, Rutherford, Swain, and Transylvania.~~

~~Region 2: The counties of Alexander, Alleghany, Ashe, Avery, Burke, Cabarrus, Caldwell, Catawba, Iredell, Mitchell, Rowan, Surry, Watauga, Wilkes, Yadkin, and Yancey.~~

~~Region 3: The counties of Alamance, Davidson, Caswell, Davie, Durham, Forsyth, Franklin, Granville, Guilford, Orange, Person, Randolph, Rockingham, Stokes, Vance, Warren, and Wake.~~

~~Region 4: The counties of Anson, Chatham, Cumberland, Harnett, Hoke, Johnston, Lee, Mecklenburg, Montgomery, Moore, Richmond, Robeson, Scotland, Stanly, and Union.~~

~~Region 5: The counties of Bladen, Brunswick, Carteret, Craven, Columbus, Duplin, Greene, Jones, Lenoir, New Hanover, Onslow, Pamlico, Pender, Sampson, and Wayne.~~

~~Region 6: The counties of Beaufort, Bertie, Camden, Chowan, Currituck, Dare, Edgecombe, Gates, Halifax, Hertford, Hyde, Martin, Nash, Northampton, Pasquotank, Perquimans, Pitt, Tyrrell, Washington, and Wilson.~~

...

"Article 6A.

"Motorcycle Safety Instruction.

"§ 115D-72. Motorcycle Safety Instruction Program.

(a) There is created a Motorcycle Safety Instruction Program for the purpose of establishing statewide motorcycle safety instruction to be delivered through the Community Colleges System Office. The Program may be administered by a motorcycle safety coordinator who shall be responsible for the planning, curriculum, and completion requirements of the Program. The State Board of Community Colleges may elect a motorcycle safety coordinator upon nomination of the President of the Community College System, and the compensation of the motorcycle safety coordinator shall be fixed by the State Board upon recommendation of the President of the Community College System pursuant to G.S. 115D-3. The State Board of Community Colleges may contract with an appropriate public or private agency or person to carry out the duties of the motorcycle safety coordinator.

~~(b) The Motorcycle Safety Instruction Program shall be implemented through the Community Colleges System Office at institutions which choose to provide the Program. The motorcycle safety coordinator shall select and facilitate the training and certification of instructors who will implement the Program.~~

"Article 7.

"Miscellaneous Provisions.

...

"§ 115D-79. Open meetings.

All official meetings of the State Board of Community Colleges and of local boards of trustees shall be open to the public in accordance with the provisions of ~~G.S. 143-318.1 through 143-318.7.~~G.S. 143-318.9.

...."

SECTION 1.(b) G.S. 115D-6.1, as enacted by this section, applies to contracts entered into or renewed on or after the effective date of this act.

PART II. CHANGES TO THE MAKEUP OF THE STATE BOARD OF COMMUNITY COLLEGES

SECTION 2.(a) G.S. 115D-2.2 reads as rewritten:

"§ 115D-2.2. State Board of Community Colleges.

(a) The State Board of Community Colleges is established.

(b) The State Board of Community Colleges shall consist of ~~22~~21 members, as follows:

(1) The Lieutenant Governor or the Lieutenant Governor's designee shall be a member ex officio.

(2) The Treasurer of North Carolina or the Treasurer's designee shall be a member ex officio.

(3) The Commissioner of Labor or the Commissioner's designee shall be a member ex officio.

(4) ~~The Governor shall appoint to the State Board four members from the State at large and one member from each of the six Trustee Association Regions defined in G.S. 115D-62. Each appointment by the Governor shall be for a term of four years and until a successor is appointed and qualifies. Any vacancy occurring among the Governor's appointees before the expiration of term shall be filled by appointment of the Governor. The member appointed to fill a vacancy shall meet the same residential qualification, if any, as the vacating member and shall serve for the remainder of the unexpired term of that member.~~

(5) The General Assembly shall elect ~~eight~~ 18 members of the State Board from the State at large to a term of four years beginning July 1 of an odd-numbered year and until a successor is elected and qualifies. The Senate shall elect ~~four~~ nine members and the House of Representatives shall elect ~~four~~ nine members in accordance with subsection (c) of this section.

(6) ~~The person serving as president of the North Carolina Comprehensive Community College Student Government Association shall be an ex-officio member of the State Board. If the president of the Association is unable for any reason to serve as the student member of the State Board, then pursuant to the constitution of the Association, the vice president of the Association shall serve as the student member of the State Board. Any person serving as the student member of the State Board must be a student in good standing at a North Carolina community college. The student member of the State Board shall have all the rights and privileges of membership, except that the student member shall not have a vote.~~

...

(h) At its first meeting after July 1 of each odd-numbered year, the State Board shall elect from its membership a ~~chair~~ chair, vice-chair, and such other officers as it may deem necessary.

(i) The State Board of Community Colleges shall meet at stated times established by the State Board, but not less frequently than ~~10~~ eight times a year. The State Board of Community Colleges shall also meet with the State Board of Education and the Board of Governors of The University of North Carolina at least once a year to discuss educational matters of mutual interest and to recommend to the General Assembly such policies as are appropriate to encourage the improvement of public education at every level in this State; these joint meetings shall be hosted by the three Boards according to the schedule set out in G.S. 115C-11(b1). Special meetings of the State Board may be set at any regular meeting or may be called by the chair. A majority of the qualified members of the State Board shall constitute a quorum for the transaction of business.

...."

SECTION 2.(b) G.S. 115D-2.2, as amended by this act, reads as rewritten:

"§ 115D-2.2. State Board of Community Colleges.

...

(b) The State Board of Community Colleges shall consist of ~~21 members, as follows:~~ 18 members elected by the General Assembly from the State at large to a term of four years beginning July 1 of an odd-numbered year until a successor is elected and qualified. The Senate shall elect nine members and the House of Representatives shall elect nine members in accordance with subsection (c) of this section.

(1) ~~The Lieutenant Governor or the Lieutenant Governor's designee shall be a member ex-officio.~~

(2) ~~The Treasurer of North Carolina or the Treasurer's designee shall be a member ex-officio.~~

(3) ~~The Commissioner of Labor or the Commissioner's designee shall be a member ex-officio.~~

~~(5) The General Assembly shall elect eight members of the State Board from the State at large to a term of four years and until a successor is elected and qualifies. The Senate shall elect four members and the House of Representatives shall elect four members in accordance with subsection (c) of this section.~~

(c) At each session of the General Assembly held in an odd-numbered year, the Senate and the House of Representatives shall elect from a slate of candidates made in each chamber. The slate shall be prepared as provided by resolution in each chamber. If a sufficient number of nominees who are legally qualified are submitted, then the slate of candidates shall list at least twice the number of candidates for the total seats open. All qualified candidates shall compete against all other qualified candidates. All candidates shall submit a statement of economic interest to the State Ethics Commission for review under G.S. 138A-24.

(d) ~~When a vacancy occurs among the members elected by the two chambers of the General Assembly,~~ occurs, the chair of the State Board shall inform the chamber that originally elected the vacating ~~member~~ member. The chamber shall elect a person to fill the vacancy in the same manner as required for election under subsection (c) of this section when the General Assembly next convenes. The election shall be for the remainder of the unexpired term.

...

~~(j) Whenever any vacancy shall occur in the appointed or elected membership of the State Board, the chair shall inform the appropriate appointing or electing authority of the vacancy.~~

(k) The State Board of Community Colleges may declare vacant the office of an appointed or elected member who does not attend three consecutive scheduled meetings without justifiable excuse. The chair of the State Board shall notify the ~~appropriate appointing or electing authority~~ chamber that elected the member of any vacancy."

SECTION 2.(c) Notwithstanding G.S. 115D-2.2, as amended by this act, the current members serving on the State Board as of the effective date of this act shall serve the remainder of their terms.

SECTION 2.(d) Notwithstanding G.S. 115D-2.2, as amended by this act, the following shall be the terms of office for members elected to terms beginning July 1, 2023:

(1) The House of Representatives shall elect two members to two-year terms.

(2) The Senate shall elect three members to two-year terms.

SECTION 2.(e) For elections to terms beginning July 1, 2025, and every four years thereafter, the following applies:

(1) The House of Representatives shall elect five members to four-year terms.

(2) The Senate shall elect five members to four-year terms.

SECTION 2.(f) For elections to terms beginning July 1, 2027, and every four years thereafter, the following applies:

(1) The House of Representatives shall elect four members to four-year terms.

(2) The Senate shall elect four members to four-year terms.

SECTION 2.(g) Subsection (b) of this section becomes effective July 1, 2027. The remainder of this section is effective when it becomes law.

PART III. CHANGES TO THE MAKEUP OF THE LOCAL BOARDS OF TRUSTEES

SECTION 3.(a) G.S. 115D-12 reads as rewritten:

"§ 115D-12. Each institution to have board of trustees; selection of trustees.

(a) Each community college established or operated pursuant to this Chapter shall be governed by a board of trustees ~~consisting of 13 members, or of additional members if selected according to the special procedure prescribed by the third paragraph of this subsection, who shall be selected by the following agencies. No member of the General Assembly may be appointed to a local board of trustees for a community college composed as follows:~~

- (1) Eight trustees appointed by the General Assembly under G.S. 120-121. The General Assembly shall appoint two members annually. One member shall be appointed upon the recommendation of the Speaker of the House of Representatives and one member shall be appointed upon the recommendation of the President Pro Tempore of the Senate.
- (2) Four trustees elected by the board of commissioners of the county in which the institution is located. If the administrative area of the institution is composed of two or more counties, the trustees shall be elected jointly by the boards of commissioners of all of those counties, each board having one vote in the election of each trustee. The county commissioners of the county in which the community college has established a satellite campus may elect an additional two members if the board of trustees of the community college agrees. No more than one trustee elected under this subdivision shall be a member of a board of county commissioners. If the boards of commissioners are unable to agree on one or more trustees, the senior resident superior court judge in the superior court district or set of districts defined in G.S. 7A-41.1 where the institution is located shall fill the position or positions by appointment.
- (3) The president of the student government or the chair of the executive board of the student body of each community college may be an ex officio nonvoting member if the board of trustees of the community college agrees.
- (a1) No member of the General Assembly shall be a trustee of a local board of trustees.
- ~~Group One—four trustees, elected by the board of education of the public school administrative unit located in the administrative area of the institution. If there are two or more public school administrative units, whether city or county units, or both, located within the administrative area, the trustees shall be elected jointly by all of the boards of education of those units, each board having one vote in the election of each trustee, except as provided in G.S. 115D-59. No board of education shall elect a member of the board of education or any person employed by the board of education to serve as a trustee, however, any such person currently serving on a board of trustees shall be permitted to fulfill the unexpired portion of the trustee's current term.~~
- ~~Group Two—four trustees, elected by the board of commissioners of the county in which the institution is located. Provided, however, if the administrative area of the institution is composed of two or more counties, the trustees shall be elected jointly by the boards of commissioners of all those counties, each board having one vote in the election of each trustee. Provided, also, the county commissioners of the county in which the community college has established a satellite campus may elect an additional two members if the board of trustees of the community college agrees. No more than one trustee from Group Two may be a member of a board of county commissioners. Should the boards of education or the boards of commissioners involved be unable to agree on one or more trustees the senior resident superior court judge in the superior court district or set of districts as defined in G.S. 7A-41.1 where the institution is located shall fill the position or positions by appointment.~~
- ~~Group Three—four trustees, appointed by the Governor.~~
- ~~Group Four—the president of the student government or the chairman of the executive board of the student body of each community college established pursuant to this Chapter shall be an ex officio nonvoting member of the board of trustees of each said institution.~~
- (b) All trustees shall be residents of the administrative area of the institution for which they are selected or of counties contiguous thereto with the exception of members provided for in subsection (a) of this section, Group Four.to the administrative area.

(b1) No person who has been employed full time by the community college within the prior 5 years and no spouse or child of a person currently employed full time by the community college shall serve on the board of trustees of that college.

(c) Vacancies occurring in a seat appointed by the General Assembly shall be filled as provided in G.S. 120-122. Vacancies occurring in any group for whatever reason a seat elected by the board of county commissioners shall be filled for the remainder of the unexpired term by the agency or agencies authorized to select trustees of that group and in the manner in which regular selections are made. Should the selection of a trustee not be made by the agency or agencies having the authority to do so within 60 days after the date on which a vacancy occurs, whether by creation or expiration of a term or for any other reason, the Governor shall fill the vacancy by appointment for the remainder of the unexpired term."

SECTION 3.(b) Notwithstanding G.S. 115D-12, as amended by this section, the current members serving on a board of trustees of a community college as of the effective date of this act shall serve the remainder of their terms. Thereafter, as terms expire, the members shall be appointed or elected in accordance with G.S. 115D-12, as amended by this section. When a vacancy occurs in a seat that was elected by a local board of education or appointed by the Governor, the vacancy shall be filled as provided in G.S. 120-122 and as follows:

- (1) If the vacancy occurs in a term expiring in an odd-numbered year, and the General Assembly is not in a regular or extra session at the time of the vacancy, the Governor shall consult with the Speaker of the House of Representatives before making the appointment as required by G.S. 120-122.
- (2) If the vacancy occurs in a term expiring in an even-numbered year, and the General Assembly is not in a regular or extra session at the time of the vacancy, the Governor shall consult with the President Pro Tempore of the Senate before making the appointment as required by G.S. 120-122.
- (3) Notwithstanding G.S. 120-122, after receiving the written recommendation for the appointment to fill the vacancy, the Governor shall appoint the person recommended within 30 days and shall not reject the recommendation. Upon the expiration of the term, the seat shall be filled in accordance with G.S. 115D-12, as amended by this section.

SECTION 3.(c) The following are repealed:

- (1) S.L. 1997-12.
- (2) Section 2 of S.L. 1999-60.
- (3) Section 2 of S.L. 2011-175.
- (4) S.L. 2015-12.
- (5) Section 1 of S.L. 2015-167.
- (6) S.L. 2015-243.
- (7) S.L. 2015-252.
- (8) S.L. 2018-15.
- (9) S.L. 2020-20.
- (10) Section 1 of S.L. 2021-52.
- (11) Section 5 of S.L. 2021-102.
- (12) S.L. 2022-10.

PART IV. CONFORMING CHANGES

SECTION 4. G.S. 116-11(10b) reads as rewritten:

"(10b) The Board of Governors of The University of North Carolina shall report to each community college and to the ~~State Board of Community Colleges~~ President of the North Carolina Community Colleges System on the academic performance of that community college's transfer students."

PART V. EFFECTIVE DATE

SECTION 5. Except as otherwise provided, this act is effective when it becomes law.