

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021**

**HOUSE BILL 91
RATIFIED BILL**

AN ACT TO RESTRUCTURE OVERSIGHT OF PUBLIC HIGH SCHOOL
INTERSCHOLASTIC ATHLETIC ACTIVITIES TO ENSURE ACCOUNTABILITY AND
FAIR PLAY.

The General Assembly of North Carolina enacts:

**PART I. REGULATION OF HIGH SCHOOL INTERSCHOLASTIC ATHLETIC
ACTIVITIES**

SECTION 1.(a) Chapter 115C of the General Statutes is amended by adding a new
Article to read:

"Article 29E.

"High School Interscholastic Athletic Activities.

"§ 115C-407.50. Definitions.

The following definitions apply in this Article:

- (1) Administering organization. – A nonprofit organization that has entered into and is in compliance with a memorandum of understanding with the State Board of Education to administer and enforce the adopted rules and requirements of this Article for interscholastic athletic activities at the high school level.
- (2) – (5) Reserved for future codification purposes.
- (6) Parent. – The parent or legal guardian of a student participating or seeking to participate in interscholastic athletic activities.
- (7) Participating school. – A high school that elects to offer interscholastic athletic activities.

"§ 115C-407.55. Rules for high school interscholastic athletic activities.

The State Board of Education shall adopt rules governing high school interscholastic athletic activities conducted by public school units that include the following:

- (1) Student participation rules. – These rules shall govern student eligibility to participate in interscholastic athletic activities and shall include, at a minimum, academic standards, enrollment and transfer requirements, attendance requirements, medical eligibility requirements, recruiting limitations, and hardship exceptions.
- (2) Student health and safety rules. – These rules shall govern requirements to ensure student health and safety during participation in interscholastic athletic activities, including rules related to concussions and emergency action plans as required by G.S. 115C-12(23).
- (3) Penalty rules. – These rules shall establish a system of demerits for infractions of rules which may result in reprimands, probations, suspensions, forfeitures of contests, forfeitures of titles, and disqualifications. The State Board may by rule delegate the authority to establish all or a portion of the penalty rules to an administering organization.



- (4) Appeals rules. – These rules shall establish an appeals process for enforcement of rules that provides for an independent appeals board, notice of the infraction and the appeals process to the party that receives the penalty, and an opportunity to be heard before the independent appeals board.
- (5) Administrative rules. – These rules shall govern classifications of schools into divisions and conferences, administration of games, and requirements for coaching, officiating, sportsmanship, and scheduling of seasons. The State Board may by rule delegate the authority to establish all or a portion of the administrative rules to an administering organization.
- (6) Gameplay rules. – These rules shall be adopted in accordance with the requirements of the governing organization for each sport, including the requirements of the National Federation of State High School Associations. The State Board may by rule delegate the authority to establish all or a portion of the gameplay rules to an administering organization.
- (7) Fees. – These rules shall establish the fees and other amounts that may be charged to a participating school for participation in interscholastic athletic activities. The State Board may by rule delegate the authority to establish all or a portion of the fees to an administering organization.
- (8) Administering organization rules. – These rules shall require that to be designated as an administering organization, a nonprofit must enter into and remain compliant with a memorandum of understanding with the State Board. The rules shall also require the following:
 - a. The State Board may, by majority vote, invalidate any rule or regulation adopted by the administering organization.
 - b. The administering organization be audited annually by a reputable independent auditing firm, engage in open meetings as set out in the memorandum of understanding, and provide the State Board access to records of the administering organization, including financial information, annual audit reports, and any matters related to or impacting participating schools.
 - c. The administering organization shall enter into written agreements with each participating school.
 - d. The memorandum of understanding shall incorporate by reference any subsequent changes to rules or statutes made after the parties enter into the memorandum.
- (9) Reporting rules. – These rules shall establish a process for reporting issues or concerns related to the administration of interscholastic athletic activities.

"§ 115C-407.60. Administration and enforcement of high school interscholastic athletic activity rules.

(a) The State Board of Education may enter into a memorandum of understanding for a term of four years with one or more nonprofit organizations to administer and enforce the requirements of this Article and the rules adopted by the State Board for interscholastic athletic activities at the high school level. A memorandum of understanding shall comply with the requirements of this Article. If the State Board by rule delegates the authority to establish certain rules to an administering organization, as provided in G.S. 115C-407.55, the administering organization shall not be required to comply with the requirements of Chapter 150B of the General Statutes in establishing those rules.

The State Auditor is authorized to conduct audits of any administering organization in the same manner as for State agencies in accordance with Article 5A of Chapter 147 of the General Statutes, if the State Auditor deems an audit necessary.

(b) If the State Board is unable to enter into a memorandum of understanding, the State Board shall assign the administration of high school interscholastic athletic activities to the Department of Public Instruction and establish fees sufficient to support the administration of the program.

"§ 115C-407.65. Conduct of high school interscholastic athletic activities by public school units.

(a) All public school units with participating schools shall conduct high school interscholastic athletic activities in accordance with the rules adopted by the State Board of Education and as administered and enforced by either an administering organization that is in compliance with the memorandum of understanding or the Department of Public Instruction. Public school units shall not be regulated by any other entities for regular and postseason high school interscholastic athletics.

(b) Participating schools shall purchase catastrophic insurance for high school interscholastic athletic activities as provided in Part 2 of Article 31A of Chapter 58 of the General Statutes."

SECTION 1.(b) Notwithstanding G.S. 150B-21.1(a2), for 180 days following the effective date of this act, the State Board of Education is authorized to submit temporary rules for high school interscholastic athletic activities to the Rules Review Commission. Notwithstanding G.S. 150B-21.1(a4), the State Board of Education shall not be required to submit a written statement of its findings of need with its submission of temporary rules for high school interscholastic athletic activities during this period. Except as otherwise provided in this subsection, the requirements of Article 2A of Chapter 150B of the General Statutes shall apply.

SECTION 1.(c) The State Board of Education shall negotiate an initial memorandum of understanding to be in effect for four years. The initial memorandum may be renewed for a term of four years. If the State Board of Education has not entered into such a memorandum of understanding by March 15, 2022, the State Board of Education may designate governance of high school interscholastic athletic activities to the Department of Public Instruction for the 2022-2023 school year.

SECTION 1.(d) This section is effective when it becomes law and applies to public school units beginning with the 2022-2023 school year. Rules adopted by the State Board of Education as provided in Article 29E of Chapter 115C of the General Statutes, as enacted by this section, shall apply to public school units no earlier than July 1, 2022.

PART II. CONFORMING CHANGES

SECTION 2.(a) G.S. 115C-12(23) reads as rewritten:

"(23) ~~Power to Adopt Eligibility Rules for Interscholastic Athletic Competition.~~ Activities. – The State Board of Education shall adopt rules governing interscholastic athletic activities conducted by local boards of education, including eligibility for student ~~participation~~ participation, in accordance with this subdivision and Article 29E of this Chapter. With regard to middle schools and high schools, the rules shall provide for the following:

...

~~The State Board of Education may authorize a designated organization to apply and enforce the Board's rules governing participation in interscholastic athletic activities at the high school level."~~

SECTION 2.(b) G.S. 115C-47(4) reads as rewritten:

"(4) To Regulate Extracurricular Activities. – Local boards of education shall make all rules and regulations necessary for the conducting of extracurricular activities in the schools under their supervision, including a program of athletics, where desired, without assuming liability therefor; provided, that all interscholastic athletic activities shall be conducted in accordance with rules

~~and regulations prescribed adopted~~ by the State Board of Education. Education, in accordance with G.S. 115C-12(23) and Article 29E of this Chapter."

SECTION 2.(c) G.S. 115C-366(f) reads as rewritten:

"(f) This section shall not be construed to allow students to transfer from one local school administrative unit to another for athletic participation purposes in violation of eligibility requirements ~~established adopted~~ by the State Board of Education ~~and the North Carolina High School Athletic Association.~~ Education."

SECTION 2.(d) G.S. 116-235(b) is amended by adding a new subdivision to read:

"(4) Interscholastic Athletics. – If the Board of Trustees elects to provide a program of interscholastic athletics, that program shall be conducted in accordance with rules adopted by the State Board of Education, in accordance with Article 29E of Chapter 115C of the General Statutes."

SECTION 2.(e) G.S. 143-291(c) is repealed.

SECTION 2.(f) This section becomes effective July 1, 2022.

PART III. STUDENT-ATHLETIC CATASTROPHIC INSURANCE COVERAGE PROVIDED THROUGH THE DEPARTMENT OF INSURANCE

SECTION 3.(a) Article 31A of Chapter 58 of the General Statutes reads as rewritten:

"Article 31A.

"State Insurance ~~of for~~ Public ~~Education Property.~~ Education.

"Part 1. Public Education Property.

"§ 58-31A-1. Definitions.

The following definitions shall apply in this ~~Article:~~Part:

...

"Part 2. Student-Athletic Catastrophic Insurance.

"§ 58-31A-60. Catastrophic insurance for covered activities.

(a) For the purposes of this section, the following definitions shall apply:

(1) Administering organization. – As defined in G.S. 115C-407.50.

(2) Covered activities. – Interscholastic athletic activities that are authorized, sanctioned, or scheduled by a participating school or by an administering organization, including school-supervised practice, game-related activity, and related travel.

(3) Covered persons. – Students or school personnel participating in or responsible for supervising covered activities.

(4) Participating school. – As defined in G.S. 115C-407.50.

(b) The Commissioner of Insurance shall have the duty to offer catastrophic insurance coverage for covered persons to participating schools for covered activities.

(c) Premiums for catastrophic insurance for covered activities shall be paid by each participating school in accordance with rates fixed by the Commissioner, and the Commissioner may purchase from insurers admitted to do business in North Carolina such insurance as may be necessary."

SECTION 3.(b) This section is effective when it becomes law and applies to catastrophic insurance coverage beginning with the 2022-2023 school year.

PART IV. EFFECTIVE DATE

SECTION 4. Except as otherwise provided herein, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 18th day of November, 2021.

s/ Phil Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

Roy Cooper
Governor

Approved _____m. this _____ day of _____, 2021