

## Highlights of the Education Budget

The Conference Budget for Education in FY 2023-24 includes net appropriations of \$17.3 billion, which is \$1.0 billion above the base budget, a 6.1% increase. FY 2024-25 includes net appropriations of \$17.9 billion, which is \$566.7 million more than FY 2023-24, a 3.3% increase. The highlights of the Education adjustments follow below.

### Executive Summary

Major highlights of the Education budget include the addition of school nurses, school social workers, and school counselors to the allotment funding school psychologists and an additional \$10.0 million for the combined school health positions. Additionally, the Education budget expands the number of students who would be eligible for free school meals by covering copays for students eligible for reduced-priced meals and creating a new program to incentivize schools to participate in the federal Community Eligibility Provision (CEP). The budget also continues the School Safety Grants program and provides new salary supplements for teachers in the Advanced Teaching Roles program.

For students attending private K-12 schools, the budget expands Opportunity Scholarship Program eligibility, allowing any student in the State to be eligible for the grant program, with award amounts determined by family income.

In the Community College section, the budget provides \$55.0 million over the biennium to increase the number of health-related courses and allocates \$12.5 million recurring to increase student financial aid. In the University of North Carolina section, the budget makes investments in educational programs related to health and medicine, agriculture, engineering, and computer science.

### NC Community College System (NCCCS)

#### NCCCS Committee Report Items

- Allocates \$14.2 million in FY 2023-24 for the completion of the Rural Broadband Initiative to improve broadband access at all 47 rural colleges. (Page B7, Item 14)
- Provides \$4.0 million in recurring funds to develop career pathways for community college students with intellectual disabilities. (Page B9, Item 19)
- Budgets, over the biennium, \$55.0 million in receipts from the ARPA Temporary Savings Fund to support courses that lead to a degree or credential in nursing and other health-related fields. (Page B10, Items 22 and 23)
- Provides an additional \$1.2 million recurring to the Child Care Grant Program, which allows community colleges to provide childcare services to parents while they attend college courses. (Page B10, Item 26)

- Budgets \$12.5 million in recurring funds from the Escheat Fund to the Longleaf Commitment Program, which provides additional financial aid to community college students who graduated high school in 2023. (Page B45, Item 145)

### **NCCCS Special Provisions**

- Restructures the governance of the Community College System by requiring the President be confirmed by the General Assembly, modifying the appointments to the State Board of Community Colleges, and changing the appointments to the local boards of trustees of community colleges, among other changes. (Section 6.10)

### **Department of Public Instruction (DPI)**

#### **DPI Committee Report Items**

- Transfers 3,241 school nurse, school counselor, and school social worker positions from the Instructional Support allotment to the School Psychologist Allotment, which will be redesignated as the School Health Personnel Allotment and provides an additional \$10.0 million to support those positions. The \$10.0 million expansion is funded with ARPA funds in the first year. (Page B23, Items 56 and 57)
- Provides \$35.0 million in each year of the biennium to fund school safety grants. (Page B23, Item 58)
- Provides \$10.9 million in recurring funds for salary supplements of up to \$10,000 for teachers currently serving in advanced roles in the Advanced Teaching Roles program. An additional \$2 million recurring is provided to expand the Advanced Teaching Roles program. (Page B24, Items 59 and 65)
- Provides funds to cover school lunch copays for students eligible for reduced-price lunches (\$6.0 million in the first year and \$3.0 million in the second year) and creates a new program to incentivize schools to participate in the federal Community Eligibility Provision (CEP) program, which provides free meals for all students in enrolled schools (\$500,000 in the first year and \$6.3 million in the second year). A provision also prohibits school districts from imposing administrative penalties on students with school meal debt. (Pages B24 and B29, Items 62 and 102; Section 7.60)
- Allocates an additional \$4.8 million recurring to the Small County allotment and an additional \$1.0 million recurring and \$10.0 million nonrecurring in FY 2023-24 to the Classroom Materials/Instructional Supplies/Equipment allotment. (Page B24, Items 61 and 60, respectively)

#### **DPI Special Provisions**

- Directs DPI to develop a funding model for children with disabilities based on the costs of services provided and report their recommendations to the General Assembly. (Section 7.7)

- Directs the State Board of Education to develop a career pathways course for all seventh graders to take and requires all students to complete a career development plan before being promoted from seventh grade. (Section 7.13)
- Directs DPI to develop a model of funding schools based on prior year actual average daily membership and directs DPI to distribute funding based on that model in FY 2024-25. (Section 7.20)
- Prohibits the use of “three cueing” in reading instruction in public school units, educator preparation programs, and pre-k classrooms. (Section 7.64)
- Creates a new requirement that traditional public schools offer a sequence of courses to allow students to complete the credits required for graduation within a 3-year period. Students who graduate in this period will be eligible for an Early Graduate Scholarship for 2 semesters of higher education. (Section 8A.6)

## **University of North Carolina System (UNC System)**

### **UNC System Committee Report Items**

- Budgets, over the biennium, \$40.0 million in receipts from the ARPA Temporary Savings Fund to expand the number of health-related courses at UNC constituent institutions. (Page B42, Item 128)
- Provides \$87.0 million in FY 2023-24 and \$163.0 million recurring in FY 2024-25 to provide additional awards for the Opportunity Scholarship Program. (Page B45, Item 141)
- Provides funds to the North Carolina Collaboratory to study State research priorities, including \$6.0 million recurring and \$20.0 million nonrecurring in FY 2023-24 to study water safety issues, and \$15.0 million nonrecurring in FY 2023-24 for research partnerships with next-generation energy businesses. (Page B48, Items 154 and 155)
- Provides \$7.5 million recurring and \$2.5 million nonrecurring in FY 2023-24 to expand the computer science program at UNC Chapel Hill. (Page B48, Item 156)
- Provides funds to boost university research capacity, including \$8.0 million recurring to enhance research at UNC Wilmington, \$10.0 million recurring and \$5.0 million nonrecurring in FY 2023-24 to assist NC A&T University attain R1 research institution status, and \$10.6 million recurring to NC A&T University for agriculture research and extension activities. (Pages B58 and B61, Items 181, 187 and 188)
- Provides \$10.0 million recurring to NC State University, \$5.0 million recurring to UNC Charlotte, \$5.0 million recurring to NC A&T University, and \$3.5 million recurring to Western Carolina University to support an expansion of their respective engineering colleges. (Pages B52, B56, B61, and B63, Items 166, 177, 189, and 193)
- Provides \$5.5 million recurring to NC State University to increase the College of Veterinary Medicine class size. (Page B52, Item 167)

- Provides \$6.1 million in FY 2023-24 and \$10.1 million in FY 2024-25 for primary care programs at East Carolina University. Of these funds, \$6.8 million is funded by receipts from the ARPA Temporary Savings Fund. (Page B60, Item 185)
- Budgets \$20.0 million in receipts transferred from the ARPA Temporary Savings Fund to support health sciences programs at UNC Pembroke. (Page B65, Item 199)

### **UNC System Special Provisions**

- Establishes the UNC Faculty Realignment Program to assist UNC institutions with cost adjustments, with priority given to institutions most impacted by changing enrollment patterns. (Section 8.14)
- Modifies Opportunity Scholarship Program eligibility and award values. Starting in the 2024-25 academic year, all North Carolina private school students are eligible to receive an Opportunity Scholarship award, with the award amounts determined by household income level. (Section 8A.6)
- Revises requirements for private schools that accept Opportunity Scholarship students to require they administer at least one national standardized test in grades 3, 8, and 11, which will be compared against national outcomes. (Section 8A.6)
- Establishes the Early Graduate Scholarship Program, which will be a higher education grant available to students who graduate high school within 3 years of entering the ninth grade. The program will first be available to the high school graduating class of 2025. (Section 8A.6)