



2016 Enacted Laws Affecting Public Schools

The following is the North Carolina Association of School Administrators’ summary of the major law changes the 2016 General Assembly approved to affect the funding and operations of public schools. The following legislation impacts public schools statewide and does not include legislation considered to be local bills, which is legislation that impacts a specific local school district. The legislation is listed in numeric order in the Table of Contents and by subject matter on the pages that follow. To view the full text of the enacted law, press control and click on the blue bill number listed with each summary.

Table of Contents

| House Bills | Page Number |
|--|--------------------|
| HB 2, Public Facilities Privacy & Security Act | 8 |
| HB 169, Restore State Claim For Wrongful Discharge | 10 |
| HB 242, Various Charter School Law Changes | 6 |
| HB 474, Exclude Yr-Round Track Out Program/Child Care | 8 |
| HB 561, School System Auth. Re: Legal Proceedings | 9 |
| HB 632, Student Online Protection Act | 12 |
| HB 742, PE Licensure/Allow School Maint. Plumbers | 9 |
| HB 805, Measurability Assessments/Budget Tech. Corr. | 3 |
| HB 959, DOT Proposed Legislative Changes | 13 |
| HB 960, Retirement Creditable Service Charter Schools | 11 |
| HB 1011, Retirement Technical Corrections Act of 2016 | 11 |
| HB 1014, NC Pre-K Conforming Change/Taylor’s Law | 8 |
| HB 1030, Appropriations Act of 2016 | 3 |
| HB 1080, Achievement School District | 3 |

| Senate Bills | Page Number |
|--|--------------------|
| SB 330, <i>Change Orders On School Construction Projects</i>..... | 9 |
| SB 575, <i>NC/SC Original Boundary Confirmation</i> | 10 |
| SB 726, <i>IRC Update</i> | 13 |
| SB 770, <i>NC Farm Act</i> | 10 |
| SB 865, <i>State Health Plan/Admin Changes/Local Govts.</i> | 11 |
| SB 886, <i>Retirement Amendments</i> | 11 |
| SB 902, <i>SBE Confirmation</i> | 10 |

APPROPRIATIONS/BUDGET

H805 (Session Law 2016-123), Measurability Assessments/Budget Tech. Corr.

- Amends the enacted state budget law, House Bill 1030, including changes to public school provisions as follows:
- Adds the percentage of program completers that are school leaders who have remained employed in a North Carolina public school for two or more years of initial placement to the prescribed information the principal preparation grantees must provide the non-profit corporation awarding the principal preparation grants. Directs the non-profit to provide the State Board of Education and Joint Legislative Education Oversight Committee with data collected from the grantees on an annual basis. Reduces funds appropriated for the administration of the Transforming Principal Preparation Program from \$500,000 to \$300,000.
- Effective July 1, 2016.

H1030 (Session Law 2016-94), Appropriations Act of 2016

- Please see NCASA's analysis and summary article of H1030 [here](#).
- A budget comparison chart compiled by NCASA can be found [here](#).
- The money report as published by the General Assembly can be found [here](#).
- A budget comparison chart compiled by the Department of Public Instruction can be found [here](#).
- A summary of special provisions and money report compiled by the Department of Public Instruction can be found [here](#).

ACCOUNTABILITY

H1080 (Session Law 2016-110), Achievement School District

- Establishes the Achievement School District (ASD) under the administration of the State Board of Education (SBE). Creates ASD Superintendent Selection Advisory Committee to make a recommendation to the SBE on appointment of a superintendent to serve as the executive officer of the ASD. ASD superintendent will serve at the pleasure of the SBE.
- Provides for the process of selecting schools for the ASD. ASD Superintendent to recommend to SBE no more than five qualifying schools to transfer to the ASD. Provides those schools should represent geographic diversity, and no more than one school should be selected per LEA, without LEA consent. To qualify for consideration for placement in the ASD, a school must meet one of the following: (1) Receive a school performance score in the lowest 5% of all schools in the prior year that meets the following requirements: (a) includes all or part of grades K-5, (b) did not exceed growth in at least one of the prior three school years and did not meet growth in at least one of the prior three school years, (c) has not adopted a reform model in the prior school year, (2) Receive a school performance score in the lowest 10% of all schools that include all or part of grades K-5 in the prior school year and is designated by the LEA for consideration as an achievement school. Once notified that a school within the LEA has been selected for the ASD, the LEA must determine whether to close the school or transfer it to the ASD. Directs that a list of qualifying schools and selected schools be made publicly available online. Allows the ASD superintendent to waive SBE

rules, regulations, policies, and procedures for ASD schools. ASD schools are required to comply with charter school stator requirements.

- Provides for the selection of Achievement School Operators (AS operators). To be considered for a contract, AS operators must demonstrate that the entity has results in improving performance of persistently low-performing schools in North Carolina or another state, or that the entity has a credible and specific plan to dramatically improve student achievement in a low-performing school and provides evidence that the entity is currently operating a school or schools in the state that either provide a sound, basic education or have demonstrated consistent and substantial growth towards providing a sound basic education in the prior three school years. Encourages the AS operator to hold public informational sessions and other outreach to the community, prospective ASD school, and LEA. Directs that the contract with the AS operator meet same requirements as those established for charter schools.
- Provides that ASD schools are subject to direct management of the AS operator under a 5-year contract. Authorizes the AS operator to have a direct role in making decisions about school finance, human capital, curriculum and instruction for the ASD schools. Provides that ASD schools remain open to enrollment in the same manner and same attendance zone as prior to becoming an ASD school.
- Provides that the LEA is responsible for all facility and capital expenditures at an ASD school. Directs AS operators and LEAS to enter into an occupancy agreement and directs that if the parties cannot reach an agreement, either party may petition the SBE to resolve the differences. Provides that the AS operator has first priority in the use of the facility for a purpose related to the operation of an ASD school. Directs LEAs to provide transportation to students assigned to the ASD.
- Provides that facilities, capital, transportation, and services for children with disabilities may be addressed in a different manner than as provided by statute through a memorandum of understanding which must be finalized within 30 days of the request of the AS operator. Authorizes the SBE to resolve any disputes concerning the memorandum of understanding. Provides that LEAs must make student records available to the ASD schools at no cost. Directs the AS operator to select and hire the school principal for an ASD school. Directs AS operator to select staff for the ASD schools with guidance from ASD superintendent.
- Directs that all employees be interviewed and growth and performance data for those staff members be reviewed before final staffing recommendations are made. Provides AS operator has authority to decide whether any administrator, teacher, or staff member previously assigned to an ASD school continues as an employee of that school. Any employee hired to work in an ASD school is an employee of, and under exclusive control, of the ASD. ASD employees are eligible for enrollment in the Teachers' and State Employees' Retirement System, the State Health Plan, and other benefits available to State employees. Mandates that applicants for employment with the ASD must have a criminal record check conducted through the SBE. Provides that transfer of a school to the ASD would be considered a reorganization of the LEA resulting in a reduction of force. If an employee is not hired by the ASD, the LEA may: (1) continue the employee's employment with the LEA, (2) dismiss the employee due to a reduction in force, or (3) dismiss the employee on either ground. Directs the AS operator to maintain liability insurance as established by the SBE with no civil liability attaching to the LEA for acts or omission of the AS operators.
- Directs that ASD schools must participate in the National School Lunch Program.
- Provides that AS operators must choose between (1) designated funding or (2) Funding Memorandum of Understanding. Under designated funding, the SBE would allocate to the ASD for each school the following: (1) An amount equal to the average per pupil allocation for average

daily membership from the LEA allotments in which the ASD school is located for each child at the school except for children with disabilities, children with limited English proficiency, and transportation; (2) An additional amount for each child that is a child with a disability; and (3) An additional amount for each child with limited English proficiency. The transportation allocation will be given to the LEA in which the ASD school is located. Directs the LEA to transfer an amount equal to the per pupil share of the local current expense fund.

- Provides that the AS operator may enter into a funding memorandum of understanding with the LEA for all student support and operational and instructional services to be provided by the LEA in the same manner and degree as the prior school year or funding in an amount equal to what the LEA would have spent on those services. Provides that the ASD may seek federal, state, and other funds in the same manner as an LEA, including decisions related to allocation of state funds among ASD schools.
- Provides that the AS operator must set clear goals related to higher academic outcomes for students. Authorizes the AS operator to select, approve, or remove the school principal. Directs the AS operator to enter into an agreement with the school principal regarding specific goals for the ASD school related to higher academic outcomes, which should be made available on the ASD website. Provides that ASD school outcomes will not be included in evaluation models for LEAs.
- Provides that an ASD school remain under the supervision of the ASD for a minimum of five consecutive years through a contract with an AS operator. Provides that SBE may terminate a contract with an AS operator, and award the remaining contract to another AS operator, if a school's annual percentage growth does not exceed the average annual percentage growth of other qualifying schools for three consecutive years. Directs the SBE not to renew a contract with an AS operator if the school does not exceed the average annual percentage growth of other qualifying schools during the same term. SBE may extend the contract for an additional three years if the school remains a qualifying school but has exceeded the average annual percentage growth of other qualifying schools and has shown growth over the term of the contract.
- Provides that the AS operator may extend the contract for three years if the ASD schools receives a school performance grade of "C" or higher. At the end of the contract a school may be converted to a charter or be returned to the LEA.
- Provides that, upon recommendation of the ASD superintendent, the SBE can terminate a contract with an AS operator at any time during the contract for financial mismanagement, noncompliance with law, failure to comply with the contract, or criminal activity.
- Directs that an ASD school remain under the supervision of the ASD for no more than 8 years.
- Provides that if an LEA transfers a qualifying school to the ASD, the LEA may ask the SBE to be allowed to create an innovation zone for up to three continually low-performing schools. The SBE must grant this request and authorize the LEA to use the flexibility to operate the schools within the innovation zone with the same exemptions from statutes and rules as a charter school and with exemptions from LEA policies as needed to ensure autonomy under the guidance of the innovation zone office for financial, programmatic, staffing, and time allocation decisions. Directs that the innovation zone created by the LEA must include the following: (1) A clear and specific plan for improving schools, (2) Establishment of an innovation zone office with a leader appointed by the LEA, and approved by the SBE, to govern and lead the schools, (3) Attraction of high-quality staff at the schools, (4) Accountability based on established benchmarks and goals for student achievement and for support services provided by the LEA based on metrics established by the innovation zone office for effective and efficient delivery, (5) Support for those schools to ensure priority in services from the LEA, pursuit of outside funding, and technical support.

- Provides that an LEA may maintain the innovation zone for three years. Provides that SBE may terminate the innovation zone if the innovation zone schools' annual percentage growth does not exceed the average annual percentage growth of other continually low-performing schools for three consecutive years. Directs the SBE not to renew an innovation zone if the innovation zone schools do not exceed the average annual percentage growth of other continually low-performing schools during the same term. SBE may extend the innovation zone for an additional three years if the schools remain continually low-performing schools but have exceeded the average annual percentage growth of other low-performing schools.
- Provides that the LEA may extend the innovation zone period for three years if the schools within the innovation zone receive a school performance grade of "C" or higher.
- Directs the SBE to report annually to the ASD superintendent on schools identified as qualifying schools for consideration to be selected as achievement schools.
- Directs the SBE to contract with an independent research organization to evaluate the implementation and effectiveness of the ASD and innovation zones.
- Directs the SBE to authorize the Charlotte-Mecklenburg Schools to create an innovation zone among Project Lift Schools and Beacon Initiative Schools that may include up to five low-performing schools.
- Appropriates \$400,000 in recurring funds for the ASD program in 2016-2017 and \$500,000 in 2016-2017 for the contract for the required evaluation.
- Expresses the intent of the General Assembly to appropriate \$450,000 for the 2017-2018 fiscal year and annually thereafter for innovation zone model grants. Directs the SBE to award innovation zone model grants up to \$150,000 per fiscal year for 5 years to LEAs who have been authorized to adopt the innovation zone model and have provided a dollar for dollar match with non-state funding for the requested grant amount.
- Effective July 22, 2016, when signed in to law, and applies beginning with the 2017-2018 school year. In the discretion of the SBE (i) the ASD superintendent may not be required during the 2016-2017 school year to recommend qualifying schools for inclusion in the ASD for the 2017-2018 school year and (ii) the timeline for selection of achievement schools for the 2016-2017 school year may be varied, but in no event should the LEA's decision occur later than April 1, 2017. The SBE may select up to five qualifying schools to transfer to the ASD beginning with the 2017-2018 school year, but must select at least two qualifying schools to transfer to the ASD no later than the 2018-2019 school year and shall have selected five qualifying schools for transfer to the ASD no later than the 2019-2020 school year.

CHARTER SCHOOLS & HOME SCHOOLS

H242 (Session Law 2016-79), Various Charter School Law Changes

- Deletes previous provisions on the process for charter reviews and renewals, material revisions of charters, and non-material revisions of charters.
- Requires the State Board of Education (SBE) to review the operations of each charter school at least once prior to the expiration of its charter.
- Provides that it is the intent of the General Assembly to study and revise the standards for identifying low-performing charter schools. Directs the SBE to renew a charter for 10 years unless one of the following is met: (1) the charter school has not provided financially sound audits for the

immediately preceding three years, (2) the charter school's student academic outcomes for the immediately preceding three years have not been comparable to the academic outcomes of students in the LEA in which the charter school is located, (3) at the time of renewal the charter school is not in compliance with state law, federal law, the school's bylaws, or the provisions set forth in its charter. Provides the SBE may renew a charter if one of the provisions above applies for a period less than 10 years, or not renew the charter.

- Provides that material provisions of a charter must be made only upon approval of the SBE. Provides that enrollment growth greater than 20% is a material revision. Provides for circumstances in which the SBE may approve enrollment growth greater than 20%. Provides the means for calculating actual enrollment and maximum authorized enrollment. Provides that if a charter school presents evidence of a proposed capital expansion as part of a request for a material provision of enrollment growth and the charter school is not able to realize that capital expansion within two years of the grant of the material revision, the charter must reflect the maximum authorized enrollment immediately preceding that material revision.
- Provides that the following is not considered a material revision of a charter and does not require prior approval by the SBE: (1) an increase in enrollment by up to 20% of the school's previous year's enrollment, (2) increase its enrollment in accordance with planned growth as authorized in its charter, (3) expand to offer one grade higher or lower than it currently offers if the charter school has operated for at least three years, has not been identified as having inadequate performance, and has been in financial compliance.
- Amends G.S. 115C-218.45(f) to provide for the following additional enrollment priorities: (1) students who were enrolled in another charter school in the state in the previous year that does not offer the students' next grade level, (2) students who were enrolled in another charter school in the state in the previous year that does not offer the students' next grade levels and both schools have enrollment articulation agreements to accept students or are governed by the same board of directors.
- Directs LEAs to provide the SBE, by November 1 each year, all the information that it provides to charter schools to which it transfers a per pupil share of its local expense fund. Directs the SBE to adopt a policy to govern the collection of this information and directs the SBE to issue a letter of noncompliance to an LEA that does not provide this information to the SBE.
- Directs the SBE to identify low-performing and continually low-performing charter schools on an annual basis. Defines a low-performing school as one that receives a school performance grade of "D" or "F" and a school growth score of "met expected growth" or "not met expected growth". Defines a continually low-performing charter school as one that has been designated as low-performing for at least 2 of 3 consecutive years. Authorizes the SBE to terminate, not renew, or seek applicants to assume the charter through an established competitive bid process if a charter school is continually low-performing. Prohibits the SBE from terminating or not renewing the charter of a continually low-performing charter school if the charter school has met growth in each of the immediately preceding three school years, or if the charter school has implemented a strategic improvement plan approved by the SBE and is making measurable progress toward student performance goals.
- Provides that a building or land owned by an LEA is considered available, and thus must be leased to a charter upon request, if it is closed, vacant, or otherwise unused for classrooms, administrative offices, or extracurricular activities. Directs LEAs to make a decision on a charter's request to lease within 90 days of the request.

- Directs the SBE to decide whether to grant a charter through the fast-track replication process by October 15 of the year immediately preceding the year of the proposed school opening.
- Effective June 30, 2016, when signed in to law.

EARLY CHILDHOOD EDUCATION/CHILD CARE

H474 (Session Law 2016-7), Exclude Yr-Round Track Out Program/Child Care

- Amends G.S. 110-86(2) to exclude track-out programs that are provided for school-aged children when they are out of school on a year-round calendar from the definition of child care.
- Effective May 25, 2016, when signed in to law.

H1014 (Session Law 2016-30), NC Pre-K Conforming Change/Taylor's Law

- Makes technical and conforming changes to replace references to "More at Four" with NC Pre-K" in the General Statutes.
- Effective June 22, 2016, when signed in to law.

FACILITIES/PURCHASING

H2 (Session Law 2016-3), Public Facilities Privacy & Security Act

- Requires LEAs to designate and require use of single sex multiple occupancy bathroom and changing facilities based on a person's biological sex, as stated on a person's birth certificate. Permits LEAs to provide accommodations upon request so long as the accommodation does not permit the use of a single sex multiple occupancy bathroom or changing facility designated for the opposite sex. Provides exceptions to the above include custodial use, maintenance or inspection, medical assistance, assistance in the use of the facility, and the use of a facility temporarily designated for the use by that biological sex.
- Defines sex as "biological sex" in the Equal Employment Practices Article, providing the public policy of the State to protect and safeguard the right and opportunities of all persons to employment without discrimination on the basis of race, religion, color, national origin, age, sex, or handicap.
- States that neither statutory nor common law private rights of action are created by the Equal Employment Practices Article, and no person may bring a civil action based on the public policy expressed in the Article. *(This provision removed from law by enacted H169, Restore State Claim for Wrongful Discharge. See that summary under "Personnel" on Page 10.)*
- Effective March 23, 2016, when signed in to law.

H742 (Session Law 2016-105), PE Licensure/Allow School Maint. Plumbers

- Permits a school board to hire plumbing and heating contractors full-time to do repairs at schools, and would allow plumbing and heating contractors employed full-time by a local school board to contract or perform work during the hours the licensee is off duty from the regular employer.

- Effective October 1, 2016.

S330 (Session Law 2016-58), Change Orders On School Construction Projects

- Requires every LEA to adopt a policy governing change orders to any construction or repair work. Directs the policy to include: (1) How proposed change orders are submitted by the contractor for approval, including any request for expedited review. (2) Identifying who the individual, or individuals, with responsible authority for approving change orders of a particular category of work or amount. (3) Identifying the corresponding descriptions and dollar limits for any particular category of work or amount that those individual(s) may approve. (4) How a change order that must be approved by the local board is submitted to the local board. (5) How the local board is notified of all change orders submitted for approval, and the resulting actions taken.
- Effective October 1, 2016.

GOVERNANCE

H561 (Session Law 2016-116), School System Auth. Re: Legal Proceedings

- Permits inspection and examination of personnel records to any state or federal administrative agency that has a quasi-judicial function or any court of law, when disclosure is necessary in the discretion of the superintendent or superintendent's designee to adequately defend against a claim filed by a current or former employee against the LEA or a school official or employee for any alleged act or omission arising during the course and scope of his or her official duties or employment. Limits disclosure to those confidential portions of the personnel file of the employee who filed the claim and only to the extent necessary for the defense of the LEA. Effective October 1, 2016.
- Provides that LEAs can request the chief district court judge or the judge's designee to grant approval for the LEA to issue subpoenas for the production of all tangible items in matters where an employee is suspected of committing job-related misconduct and which, in the discretion of the LEA, requires investigation. Effective October 1, 2016.
- Directs the Program Evaluation Division of the General Assembly to study the statutory procedures for resolving education funding disputes between LEAs and boards of county commissioners and report its findings to the Joint Legislative Oversight Committee no later than May 1, 2017.
- Except as provided above, effective July 28, 2016, when signed in to law.

S575 (Session Law 2016-23), NC/SC Original Boundary Confirmation

- Reestablishes the original boundary line between North Carolina and South Carolina.
- Allows students impacted by the boundary shift to continue to attend North Carolina public schools free of charge. Directs that these students are to be included in calculating ADM. Provides that a student violating compulsory attendance laws may no longer attend a North Carolina public school and directs the LEA to notify the appropriate juvenile court and attendance supervisor.

- Allows a student who attends a North Carolina public school and obtains a beginner's driving permit in South Carolina to be eligible to participate in behind-the-wheel instruction as part of a driver education course offered by the school in which the student is enrolled. Provides that a student who becomes a legal resident of North Carolina because of the boundary change and who attends a South Carolina public school may obtain a North Carolina limited learner's permit if the student passes a course of driver education offered by the South Carolina school in which the student is enrolled.
- Effective June 22, 2016, when signed in to law.

S770 (Session Law 2016-113), NC Farm Act

- Authorizes LEAs to develop and implement policies and procedures to facilitate and maximize purchases of food grown or raised in North Carolina including policies that permit a percentage price preference for the purpose of procuring food grown or raised in North Carolina. Defines price percentage as the percent by which a responsible bid from a responsible bidder whose product is grown or raised in North Carolina may not exceed the lowest responsive bid submitted by a responsible bidder whose product is not grown or raised in North Carolina.
- Effective July 26, 2016, when signed in to law.

S902 (Resolution 2016-22), SBE Confirmation

- Confirms James Todd Christian (Northwest) and Amy Bannister White (North Central) to the State Board of Education with terms expiring March 31, 2023.

PERSONNEL

H169 (Session Law 2016-99), Restore State Claim For Wrongful Discharge

- Amends G.S. 143-422.3 by removing language previously enacted in House Bill 2 (Session Law 2016-3) which provided that neither statutory nor common law private rights of action are created by the Equal Employment Practices Article, and that no person may bring a civil action based on the public policy expressed in that Article. Effective March 23, 2016.
- Provides for a one-year statute of limitations for wrongful discharge under the Equal Employment Practices Article.
- Except as provided above, effective July 18, 2016, when signed in to law.

RETIREMENT

H960 (Session Law 2016-82), Retirement Credible Service Charter Schools

- Allows members of the Teachers' and State Employees' Retirement System (TSERS) to purchase up to five years of creditable service for employment in a charter school operated by a private nonprofit corporation.
- Effective June 30, 2016, when signed into law.

H1011 (Session Law 2016-56), Retirement Technical Corrections Act of 2016

- Amends G.S. 135-5(g) pertaining to Teachers' and State Employees' Retirement System (TSERS) to provide that if a member dies after filing an application for retirement, but prior to selecting payment options and selecting a beneficiary, the administrator or executor of the member's estate will select an option and name the beneficiary or beneficiaries.
- Clarifies that the election to transfer any portion of a member's accumulated contributions from the Supplemental Retirement Income Plan or NC Public Employee Deferred Compensation Plan to the Retirement System is irrevocable.
- Amends language for the TSERS collection of contributions to clarify that funds collected under the anti-pension spiking contribution-based benefit cap will be included in the Pension Accumulation Fund, and to specify that in the event the employee or employer contributions required are not received by the date set by the Board of Trustees and provided that a one-time exception has not been agreed upon in advance due to exigent circumstances, the Board will assess the employer with a penalty, in lieu of interest, of 1% per month with a minimum penalty of \$25.00.
- Effective June 30, 2016, when signed into law.

S886 (Session Law 2016-108), Retirement Amendments

- Creates new consolidated statutes defining how the public records law relates to retirement records. Does not may any information that is currently public into private or vice versa.
- Allows the Retirement System to notify a member of the cancellation of a retirement application due to failure to provide necessary information by electronic means.
- Amends the Board of Trustees for the Teachers' and State Employees' Retirement System to add the Director of the Office of State Human Resources as an ex officio member and removes a representative of higher education. Provides that the State Treasurer appoints the director of the Retirement System.
- Effective July XX, 2016, when signed into law.

STATE HEALTH PLAN

S865 (Session Law 2016-104), State Health Plan/Admin Changes/Local Govts.

- Provides that Claims Payment Data and materials derived from Claims Payment Data are confidential.
- Requires claims processors to provide the Claims Data Feed and all available claims data elements, including the identification of providers and the allowed amounts paid, to the State Health Plan (the Plan). Allows for the withholding of information that reflects rates negotiated with or agreed to by a third party. Directs that the Plan may only use the Claims Payment Data for purposes of administering the Plan, and specifically forbids the Plan from using this information to negotiate rates, fee schedules, or master charges with any medical provider.
- Prohibits local government units that participate in the Plan from charging employees more for their coverage than allowed under the Plan. Prohibits local governments from charging more for premiums for employees' dependents than those set by the Plan. Effective January 1, 2017.
- Increases enrollment limitations to the Plan on the number of employees and dependents of local governments from 10,000 to 16,000, and sets forth a schedule for this increase.

- Allows local governments to withdraw from the Plan effective January 1, 2017, so long as notice is given to the plan no later than September 15, 2016.
- Clarifies that the Plan is responsible for federal filing requirements under sections 6055 and 6056 of the Internal Revenue Code, those sections relating to the “individual mandate” and “employer mandate” under the federal Affordable Care Act, for retirees and direct bill members. Provides that employing units are responsible for those filings for all other individuals. Directs the Plan to provide employing units with access to Plan data necessary for the employing unit to meet the filing requirements. Provides the Plan may facilitate the availability of a reporting solution; however, employing units are responsible for paying all costs associated with the use of any reporting solution made available by the Plan.
- Except as provided above, effective July XX, 2016, when signed in to law.

STUDENT SAFETY

H632 (Session Law 2016-11), Student Online Protection Act

- Creates new statute governing data privacy requirements for operators of third-party online educational applications for K-12 students.
- Prohibits operators from engaging in targeted advertising based on any information acquired because of the use of the operator’s site, service, or application. Prohibits operators from using information to create a profile about a student except in furtherance of a K-12 school purpose. Prohibits operators from renting or selling information, except to national assessment providers that have received written consent from the parent or child who is at least 13 to provide access to certain scholarships, financial aid, or postsecondary educational opportunities. Prohibits the disclosure of certain covered information, including name, address, email address, social security number, grades, or medical records, except under specified conditions.
- Requires operators to implement and maintain reasonable security procedures and practices appropriate to the nature of the covered information and protect the covered information from unauthorized access, destruction, use, modification, or disclosure. Directs operators to delete a student’s covered information within 45 days at the school’s or LEA’s request.
- Provides specific permissible actions by operators and permissible use of information by operators.
- Provides that alleged violations may be reported to the Attorney General.
- Effective October 1, 2016.

TAX & REVENUE

S726 (Session Law 2016-6), IRC Update

- For the 2016 tax year, allows primary and secondary education professionals to take an above-the-line deduction for qualified expenses up to \$250 paid out-of-pocket during the year.
- Effective June 1, 2016, when signed into law.

TRANSPORTATION

H959 (Session Law 2016-90), DOT Proposed Legislative Changes

- Deletes a provision allowing the Division of Motor Vehicles to issue a restricted instruction permit to an applicant for certification as a school bus driver.
- Provides that a commercial learner's permit is valid for 180 days with no limit on renewals.
- Increases commercial driver's license disqualification periods for convictions of violating out-of-service orders, and require violations to be committed in a commercial motor vehicle.
- Authorizes the Division of Motor Vehicles to issue intrastate medical waivers to individuals not able to meet federal medical qualification standards for commercial driver's license holders.
- Effective January 1, 2017.