

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 462*

Education/Higher Education Committee Substitute Adopted 5/11/93

Short Title: Principal Fellows Program.

(Public)

Sponsors:

Referred to: Appropriations.

March 4, 1993

1 A BILL TO BE ENTITLED
2 AN ACT TO IMPLEMENT A RECOMMENDATION OF THE EDUCATIONAL
3 LEADERSHIP TASK FORCE AND THE JOINT LEGISLATIVE EDUCATION
4 OVERSIGHT COMMITTEE TO ESTABLISH A PRINCIPAL FELLOWS
5 PROGRAM TO ENCOURAGE EXCELLENCE IN THE RECRUITMENT OF
6 CANDIDATES FOR EDUCATIONAL LEADERSHIP PROGRAMS.

7 The General Assembly of North Carolina enacts:

8 Section 1. Chapter 116 of the General Statutes is amended by adding a new
9 Article to read:

10 **"ARTICLE 5C.**

11 **"NORTH CAROLINA PRINCIPAL FELLOWS PROGRAM.**

12 **"§ 116-74.41. North Carolina Principal Fellows Commission established;**
13 **membership.**

14 (a) There is established the North Carolina Principal Fellows Commission. The
15 Commission shall exercise its powers and duties independently of the Board of
16 Governors of The University of North Carolina. The director of the Principal Fellows
17 Program shall staff the Commission. The State Education Assistance Authority (SEAA)
18 as created in G.S. 116-203 shall be responsible for implementing scholarship loan
19 agreements, monitoring, cancelling through service, collecting and otherwise enforcing
20 the agreements for the Principal Fellows Program scholarship loans established in
21 accordance with G.S. 116-74.42.

22 (b) The Commission shall consist of 12 members appointed as follows:

- 1 (1) One member of the Board of Governors of The University of North
2 Carolina appointed by the chair of that board, notwithstanding G.S.
3 116-7(b).
- 4 (2) One member of the State Board of Education appointed by the State
5 Board chair.
- 6 (3) Two deans of schools of education appointed by the President of The
7 University of North Carolina.
- 8 (4) One public school teacher appointed by the General Assembly upon
9 the recommendation of the President Pro Tempore of the Senate.
- 10 (5) One public school principal appointed by the General Assembly upon
11 the recommendation of the Speaker of the House of Representatives.
- 12 (6) A local superintendent chosen by the State Superintendent of Public
13 Instruction.
- 14 (7) One member to represent business and industry appointed by the
15 Governor.
- 16 (8) One local school board member appointed by the chair of the State
17 Board of Education.
- 18 (9) One parent of a public school child appointed by the State
19 Superintendent of Public Instruction.
- 20 (10) The chairperson of the Board of the State Education Assistance
21 Authority.
- 22 (11) The director of the Principal Fellows Program. The director shall chair
23 the Commission.

24 (c) Initial appointments shall be made no later than September 15, 1993. Initial
25 terms of those members appointed to fill the teacher, principal, parent, superintendent,
26 and the local school board member seats shall expire July 1, 1995. Initial terms of those
27 members appointed to fill the Board of Governors of The University of North Carolina,
28 State Board of Education, deans of schools of education, and the member of business
29 and industry seats shall expire July 1, 1997. Thereafter, all appointments for these seats
30 shall be for four-year terms.

31 (d) Except as otherwise provided, if a vacancy occurs in the membership, the
32 appointing authority shall appoint another person to serve for the balance of the
33 unexpired term. In the discretion of the appointing authority, a State Board of
34 Education member or a member of the Board of Governors of The University of North
35 Carolina may complete a term on the Commission after the member's appointment from
36 the appointing board has expired.

37 (e) Commission members shall receive per diem, subsistence, and travel
38 allowances in accordance with G.S. 138-5 or G.S. 138-6, as appropriate.

39 (f) The Commission shall meet regularly, at times and places deemed necessary
40 by the chair.

41 **"§ 116-74.42. Principal Fellows Program established; administration.**

42 (a) A Principal Fellows Program shall be administered by the North Carolina
43 Principal Fellows Commission in collaboration with the State Education Assistance
44 Authority. The Principal Fellows Program shall provide up to a two-year scholarship

1 loan to selected recipients and shall provide extracurricular enhancement activities for
2 recipients. The North Carolina Principal Fellows Commission shall determine selection
3 criteria, methods of selection, and shall select recipients to receive scholarship loans
4 made under the Principal Fellows Program.

5 (b) The Board of Governors of The University of North Carolina shall appoint a
6 director of the Principal Fellows Program. The director shall chair and staff the
7 Principal Fellows Commission, and shall administer the extracurricular enhancement
8 activities of the program. The Board of Governors shall provide office space and
9 clerical support staff for the program.

10 (c) The Principal Fellows Program shall provide a two-year scholarship loan in
11 the amount of twenty thousand dollars (\$20,000) per year, per recipient, to persons who
12 may be eligible to be selected as school administrators in the public schools of the State
13 by completing a full-time program in school administration in an approved program.
14 Approved programs are those chosen by the Commission from among school
15 administrator programs within the State. No more than 200 principal fellow scholarship
16 loan awards shall be made in each year. The final number of scholarship loan awards
17 per year shall be made in accordance with the Board of Governors' findings concerning
18 the supply and demand of administrators, the State's need for school administrator
19 candidates and within funds appropriated for the scholarship loans. Effective
20 September 1, 1995, and in accordance with school administrator training programs
21 established by the Board of Governors of The University of North Carolina, recipients
22 shall be required to complete an approved full-time academic program during the first
23 year of the scholarship loan program and a full-time internship during the second year
24 of the program. In order to attract fellows as interns, local school administrative units
25 may use all or part of the funds allotted for an assistant principal salary for each intern
26 accepted by the local school administrative unit; however, interns shall not serve as
27 assistant principals.

28 (d) The Commission shall adopt stringent standards, which may include
29 standardized test scores, undergraduate performance, job experience and performance,
30 leadership and management abilities, and other standards deemed appropriate by the
31 Commission, to ensure that only the best potential students receive scholarship loans
32 under the Principal Fellows Program. The Commission shall consider the qualifications
33 of all applicants fairly, regardless of gender or race, and shall consider the geographic
34 diversity of the State. Scholarship loans under the Principal Fellows Program shall be
35 awarded only to applicants who meet the standards set by the Commission, are
36 domiciled in North Carolina, and who agree to work as school administrators in a North
37 Carolina public school or at a school operated by the United States government in North
38 Carolina upon completion of the two-year school administrator program supported by
39 the loan.

40 (e) State employees or employees of local school administrative units chosen to
41 receive scholarship loans shall be eligible for coverage under the Teachers' and State
42 Employees' Comprehensive Major Medical Plan.

43 (f) The Commission shall develop and administer the Principal Fellows Program
44 in cooperation with school administrator programs at institutions approved by the

1 Commission. The Commission shall develop criteria and a process for the approval of
2 campus program sites. Extracurricular enhancement activities shall be coordinated with
3 each fellow's campus program and shall focus on the leadership development of
4 program fellows.

5 (g) The Commission may form regional review committees to assist it in
6 identifying the best applicants for the program. The Commission and the review
7 committees shall make an effort to identify and encourage women and minorities and
8 others who may not otherwise consider a career in school administration to apply for the
9 Principal Fellows Program.

10 (h) Upon the naming of recipients of the scholarship loans by the Principal
11 Fellows Commission, the Commission shall transfer to the State Education Assistance
12 Authority (SEAA) its decisions. The SEAA shall perform all of the administrative
13 functions necessary to implement this Article, which functions shall include: rule
14 making, dissemination of information, disbursement, receipt, liaison with participating
15 educational institutions, determination of the acceptability of service repayment
16 agreements, and all other functions necessary for the execution, payment, and
17 enforcement of promissory notes required under this Article.

18 **"§ 116-74.43. Terms of loans; receipt and disbursement of funds.**

19 (a) All scholarship loans shall be evidenced by notes made payable to the State
20 Education Assistance Authority that bear interest at the rate of ten percent (10%) per
21 year beginning 90 days after completion of the school administrator program, or 90 days
22 after termination of the scholarship loan, whichever is earlier. The scholarship loan
23 may be terminated upon the recipient's withdrawal from school or by the recipient's
24 failure to meet the standards set by the Commission.

25 (b) The State Education Assistance Authority shall forgive the loan if, within six
26 years after graduation from a school administrator program, the recipient serves for four
27 years as a school administrator at a North Carolina public school or at a school operated
28 by the United States government in North Carolina. The SEAA shall also forgive the
29 loan if it finds that it is impossible for the recipient to work for four years, within 10
30 years after completion of the two-year school administrator program supported by the
31 scholarship loan at a North Carolina public school, or at a school operated by the United
32 States government in North Carolina, because of the death or permanent disability of the
33 recipient. If the recipient repays the scholarship loan by cash payments, all
34 indebtedness shall be repaid within 10 years after completion of the two-year school
35 administrator program supported by the scholarship loan.

36 (c) All funds appropriated to, or otherwise received by, the Principal Fellows
37 Program for scholarships, all funds received as repayment of scholarship loans, and all
38 interest earned on these funds, shall be placed in a university trust fund. This university
39 trust fund may be used only for scholarship loans granted under the Principal Fellows
40 Program and administrative costs associated with the recovery of funds advanced under
41 the program."

42 Sec. 2. The Commission may grant up to 100 scholarship loans during the
43 1994-95 fiscal year to recipients enrolled in school administrator programs approved by
44 the Commission.

1 Sec. 3. Nothing contained in this act shall be construed as obligating the
2 General Assembly to appropriate funds. Sections of this act requiring State funding for
3 implementation shall not become effective until such funds are appropriated.

4 Sec. 4. Nothing in this act shall be construed as obligating the Board of
5 Governors of The University of North Carolina to allocate funds for the program
6 established under this act unless additional appropriations for the program are made by
7 the General Assembly.

8 Sec. 5. This act becomes effective July 1, 1993.