

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003**

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**SENATE DRS35231-LE-107B (3/5)**

Short Title: Link Principal's Bonus to 4-year Grad. Rate. (Public)

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Sponsors: Senator Lucas.

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Referred to:

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A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE AN ANNUAL BONUS TO HIGH SCHOOL PRINCIPALS IF  
2 THE FOUR-YEAR GRADUATION RATE INCREASES BY MORE THAN TEN  
3 PERCENT FROM THE PREVIOUS SCHOOL YEAR OR IF THE FOUR-YEAR  
4 GRADUATION RATE EXCEEDS EIGHTY PERCENT.  
5

6 Whereas, during the 2000-2001 school year, nearly forty-three percent (43%)  
7 of North Carolina's high school graduation-aged students did not graduate from their  
8 high schools within four years; and

9 Whereas, eighteen counties across North Carolina had four-year high school  
10 graduation rates below fifty percent (50%) in the 2000-2001 school year, and only one  
11 county exceeded an eighty percent (80%) high school graduation rate; and

12 Whereas, approximately fourteen percent (14%) of young North Carolinians  
13 between the ages of 18 and 24 still had not completed high school as of school year  
14 2000-2001; and

15 Whereas, economic well-being and employment prospects are profoundly  
16 diminished for young adults who have not completed high school, and their economic,  
17 social and employment status predictably will become worse in the years ahead; and

18 Whereas, the federal No Child Left Behind Education Act requires four-year  
19 graduation rates far above those presently achieved across North Carolina; and

20 Whereas, the current statewide four-year graduation rate is so low as to  
21 undermine the right of every young North Carolinian to a sound basic education; and

22 Whereas, those youth and young adults who have not graduated from high  
23 school in four years are more likely to be involved in the juvenile justice system or adult  
24 criminal justice system and to disproportionately need and use public social, health, and  
25 mental health services, institutions, and assistance; and

1           Whereas, it is in the best interests of the young people themselves, their  
2 communities, the State's economy, and the taxpayers of North Carolina to encourage  
3 high school graduation in four years; and

4           Whereas, effective high school principals play a key role in the four-year high  
5 school graduation rate and would give this outcome greater priority were there to be an  
6 incentive bonus for significantly improving this rate; Now, therefore,

7 The General Assembly of North Carolina enacts:

8           **SECTION 1.** For the 2003-2004 State fiscal year and/or for the 2004-2005  
9 state fiscal year, any North Carolina public high school principal shall receive a  
10 one-time bonus payment equal to:

11           (1) One percent (1%) of her/his State-paid salary for the prior school year  
12 if the four-year graduation rate at the principal's high school has  
13 increased by more than ten percent (10%) during that prior school year  
14 or

15           (2) One percent (1%) of her/his State-paid salary for the prior school year  
16 if the four-year graduation rate continues to exceed (eighty percent)  
17 80% during that prior school year.

18           The definition of "four-year graduation rate" shall conform entirely with the  
19 "complex" definition established in the No Child Left Behind Education Act of 2001  
20 and regulations adopted pursuant to that act.

21           The annual lump sum bonus shall be paid in accordance with the guidelines  
22 and procedures established by the State Board of Education.

23           **SECTION 2.** This act becomes effective July 1, 2003.