

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023**

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**SENATE BILL 692  
Education/Higher Education Committee Substitute Adopted 4/19/23**

Short Title: Community College Governance.

(Public)

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Sponsors:

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Referred to:

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April 10, 2023

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY THE AUTHORITY OF THE PRESIDENT OF THE COMMUNITY  
3 COLLEGES SYSTEM, TO MAKE CHANGES TO THE APPOINTMENTS TO THE  
4 STATE BOARD OF COMMUNITY COLLEGES AND LOCAL BOARDS OF  
5 TRUSTEES, AND TO MAKE TECHNICAL CHANGES TO STATUTES GOVERNING  
6 COMMUNITY COLLEGES.

7 The General Assembly of North Carolina enacts:

8  
9 **PART I. CLARIFYING THE AUTHORITY OF THE PRESIDENT**

10 **SECTION 1.(a)** Chapter 115D of the General Statutes reads as rewritten:

11 "Chapter 115D.

12 "Community Colleges.

13 "Article 1.

14 "General Provisions for State Administration.

15 **"§ 115D-1. Statement of purpose.**

16 (a) The purposes of this Chapter are to provide for the establishment, organization, and  
17 administration of a system of educational institutions throughout the State offering courses of  
18 instruction in one or more of the general areas of two-year college parallel, technical, vocational,  
19 and adult education programs, to serve as a legislative charter for such institutions, and to  
20 authorize the levying of local taxes and the issuing of local bonds for the support thereof. The  
21 major purpose of each and every institution operating under the provisions of this Chapter shall  
22 be and shall continue to be the offering of vocational and technical education and training, and  
23 of basic, high school level, academic education needed in order to profit from vocational and  
24 technical education, for students who are high school graduates or who are beyond the  
25 compulsory age limit of the public school system and who have left the public schools, provided,  
26 juveniles of any age committed to the Division of Juvenile Justice of the Department of Public  
27 Safety by a court of competent jurisdiction may, if approved by the director of the youth  
28 development center to which they are assigned, take courses offered by institutions of the system  
29 if they are otherwise qualified for admission.

30 (b) The President of the North Carolina Community Colleges System shall be the chief  
31 administrative officer and have executive authority over the Community Colleges System Office.  
32 The Community Colleges System Office is designated as the primary lead agency for delivering  
33 workforce development training, adult literacy training, and adult education programs in the  
34 State.

35 ...

36 **"§ 115D-2. Definitions.**



1 As used in this Chapter:

- 2 (1) The "administrative area" of an institution comprises the county or counties  
3 directly responsible for the local financial support and local administration of  
4 such institution as provided in this Chapter.
- 5 (2) The term "community college" is defined as an educational institution  
6 operating under the provisions of this Chapter and dedicated primarily to the  
7 educational needs of the service area which it serves, and may offer the  
8 following:
- 9 a. The freshmen and sophomore courses of a college of arts and sciences,  
10 authorized by ~~G.S. 115D-4.1~~; G.S. 115D-4.1.
- 11 b. Organized credit curricula for the training of technicians; curricular  
12 courses may carry transfer credit to a senior college or university  
13 where the course is comparable in content and quality and is  
14 appropriate to a chosen course of ~~study~~; study.
- 15 c. Vocational, trade, and technical specialty courses and ~~programs~~,  
16 ~~and programs~~.
- 17 d. Courses in general adult education.
- 18 (3) The term "institution" refers to any institution established pursuant to this  
19 Chapter.
- 20 (3a) The term "President" refers to the President of the North Carolina Community  
21 Colleges System.
- 22 (4) The term "regional institution" means an institution whose service area as  
23 assigned by the State Board of Community Colleges includes three or more  
24 counties; provided, however, any institution receiving funds as a regional  
25 institution on May 1, 1987, shall continue to receive funds on that basis.
- 26 (5) The term "State Board" refers to the State Board of Community Colleges.
- 27 (6) The "tax-levying authority" of an institution is the board of commissioners of  
28 the county or all of the boards of commissioners of the counties, jointly, which  
29 constitute the administrative area of the institution.
- 30 (7) Repealed by Session Laws 1987, c. 564, s. 1.
- 31 (8) "Vending facilities" has the same meaning as it does in G.S. 111-42(d), but  
32 also means any mechanical or electronic device dispensing items or something  
33 of value or entertainment or services for a fee, regardless of the method of  
34 activation, and regardless of the means of payment, whether by coin, currency,  
35 tokens, or other means.

36 ...

37 **"§ 115D-3. President; Community Colleges System Office; ~~staff; reorganization~~**  
38 **authority. Office.**

39 (a) The Community Colleges System Office shall be a principal administrative  
40 department of State government under the direction of the ~~State Board of Community Colleges,~~  
41 President and shall be separate from the free public school system of the State, the State Board  
42 of Education, and the Department of Public Instruction. The State Board has authority to adopt  
43 and the President has the authority to administer all policies, regulations, and standards ~~which it~~  
44 ~~deems~~ necessary for the operation of the System Office.

45 (a1) The Subject to confirmation by the General Assembly in accordance with  
46 G.S. 115D-3.1, the State Board shall elect a President of the North Carolina System of  
47 Community Colleges System who shall serve as chief administrative officer of the Community  
48 Colleges System Office. The State Board shall use the following process to elect a President:

- 49 (1) At least three final candidates shall be submitted to the full State Board from  
50 which the full State Board shall make its election.

1           (2)    The State Board shall conduct a vote on the election of the President, and the  
2                    candidate who receives a majority of votes of the entire State Board shall be  
3                    elected President.

4           (a2)   The compensation of ~~this position~~ the President shall be fixed by the State Board from  
5 funds provided by the General Assembly in the Current Operations Appropriations Act.

6           (a3)   The President shall be assisted by such professional staff members as may be deemed  
7 necessary to carry out the provisions of this Chapter, who shall be elected by the State Board on  
8 nomination of the President. The compensation of the staff members elected by the Board shall  
9 be fixed by the State Board of Community Colleges, upon recommendation of the President of  
10 the Community College System, from funds provided in the Current Operations Appropriations  
11 Act. These staff members shall include such officers as may be deemed desirable by the President  
12 and State Board. Provision shall be made for persons of high competence and strong professional  
13 experience in such areas as academic affairs, public service programs, business and financial  
14 affairs, institutional studies and long-range planning, student affairs, research, legal affairs,  
15 health affairs and institutional development, and for State and federal programs administered by  
16 the State Board. In addition, the President shall be assisted by such other employees as may be  
17 needed to carry out the provisions of this Chapter, who shall be subject to the provisions of  
18 Chapter 126 of the General Statutes. The staff complement shall be established by the State Board  
19 on recommendation of the President to insure that there are persons on the staff who have the  
20 professional competence and experience to carry out the duties assigned and to insure that there  
21 are persons on the staff who are familiar with the problems and capabilities of all of the principal  
22 types of institutions represented in the system. ~~The State Board of Community Colleges shall~~  
23 ~~have all other powers, duties, and responsibilities delegated to the State Board of Education~~  
24 ~~affecting the Community Colleges System Office not otherwise stated in this Chapter.~~

25           (b)   Notwithstanding any other provision of law, the President may reorganize the System  
26 Office in accordance with recommendations and plans submitted to ~~and approved by~~ the State  
27 Board of Community Colleges. If a reorganization is implemented pursuant to this subsection,  
28 including any movement of positions and funds between fund codes on a recurring basis, the  
29 President shall report by June 30 of the fiscal year in which the reorganization occurred to the  
30 Joint Legislative Education Oversight Committee and the Fiscal Research Division of the  
31 General Assembly.

32           (c)   The President may expend General Fund appropriations made by the General  
33 Assembly for continuing operations of the North Carolina System of Community Colleges in  
34 Budget Code 16800, Fund Codes 1100, 1200, 1300, 1400, and 1500, in the manner deemed to  
35 be calculated to maintain and advance the programs and services of the Community College  
36 System Office, consistent with the directives and policies of the State Board.

37           (d)   The President, with the approval of the State Board, may appoint advisory committees  
38 as are deemed necessary or desirable.

39           (e)   The President is encouraged to meet with the Superintendent of Public Instruction and  
40 the President of The University of North Carolina at least once a year to discuss educational  
41 matters of mutual interest and to recommend to the respective Boards policies to encourage the  
42 improvement of public education at every level in the State.

43           (f)   Any report established pursuant to this Chapter or any other law enacted by the  
44 General Assembly required to be submitted by the Community College System Office shall be  
45 approved by the President. Any report approved by the President shall not be subject to the  
46 approval of the State Board.

47    **"§ 115D-3.1. General Assembly confirmation of the President.**

48           (a)   The State Board shall submit the name of the person elected as President for  
49 confirmation to the presiding officers of the Senate and the House of Representatives of the  
50 General Assembly on or before the fifteenth day following the election. The General Assembly

1 shall adopt a joint resolution to either (i) confirm or (ii) deny confirmation, subject to the  
2 following:

3 (1) The person elected by the State Board shall not serve as President but may  
4 serve as interim-President until the General Assembly adopts a joint  
5 resolution.

6 (2) If the General Assembly fails to adopt a joint resolution confirming the person  
7 by the date that either chamber reaches the thirtieth legislative day following  
8 the receipt of the name by the presiding officers, it shall be deemed that the  
9 General Assembly has denied confirmation.

10 (b) A person denied confirmation shall not serve as President or interim-President.

11 ...

12 **"§ 115D-4.1. College transfer program approval; standards for programs; annual**  
13 **reporting requirements.**

14 (a) Repealed by Session Laws 1995, c. 288, s. 1, effective September 1, 1995.

15 (b) The State Board of Community Colleges may approve the addition of the college  
16 transfer program to a community college. If addition of the college transfer program to an  
17 institution would require a substantial increase in funds, State Board approval shall be subject to  
18 appropriation of funds by the General Assembly for this purpose.

19 (c) Addition of the college transfer program shall not decrease an institution's ability to  
20 provide programs within its basic mission of vocational and technical training and basic academic  
21 education.

22 (d) The State Board of Community Colleges shall develop appropriate criteria and  
23 standards to regulate the addition of the college transfer program to institutions.

24 (e) The State Board of Community Colleges shall develop appropriate criteria and  
25 standards to regulate the operation of college transfer programs.

26 (f) The Board of Governors of The University of North Carolina shall report to each  
27 community college and to the ~~State Board of Community Colleges~~ Community College System  
28 Office in accordance with G.S. 116-11(10b) on the academic performance of that community  
29 college's transfer students. ~~If the State Board of Community Colleges finds that~~ The President  
30 shall review the reports and determine if college transfer students from a community college are  
31 not consistently performing adequately at a four-year college, ~~the Board~~ college. The President  
32 shall review the community college's program and determine what steps are necessary to remedy  
33 the problem. The President shall report to the State Board on the reports received and the steps  
34 recommended to remedy the problems. The State Board shall ensure that the community college  
35 takes the steps recommended by the President to remedy the problems. The State Board shall  
36 report annually to the General Assembly on the reports it receives received and on what the steps  
37 it each college is taking to remedy problems that it finds identified by the President.

38 ...

39 **"§ 115D-5. Administration of institutions by State Board of Community Colleges;**  
40 **personnel exempt from North Carolina Human Resources Act; extension**  
41 **courses; tuition waiver; in-plant training; contracting, etc., for establishment**  
42 **and operation of extension units of the community college system; use of existing**  
43 **public school facilities.**

44 (a) The State Board of Community Colleges may adopt and the President shall execute  
45 such policies, regulations and standards concerning the establishment, administration, and  
46 operation of institutions as the State Board may deem necessary to insure the quality of  
47 educational programs, to promote the systematic meeting of educational needs of the State, and  
48 to provide for the equitable distribution of State and federal funds to the several institutions.

49 The State Board of Community Colleges shall establish standards and scales for salaries and  
50 allotments paid from funds administered by the State Board, and all employees of the institutions  
51 shall be exempt from the provisions of the North Carolina Human Resources Act. Any and all

1 salary caps set by the State Board for community college presidents shall apply only to the  
2 State-paid portion of the salary. Except as otherwise provided by law, the employer contribution  
3 rate on the local-paid portion of the salary, to be paid from local funds, shall be set by the State  
4 Treasurer based on actuarial recommendations. The State Board shall have authority with respect  
5 to individual institutions: to approve sites, capital improvement projects, budgets; to approve the  
6 selection of the chief administrative ~~officer~~; officer upon recommendation of the President in  
7 accordance with G.S. 115D-6.1; to establish and administer standards for professional personnel,  
8 curricula, admissions, and graduation; to regulate the awarding of degrees, diplomas, and  
9 certificates; to establish and regulate student tuition and fees within policies for tuition and fees  
10 established by the General Assembly; and to establish and regulate financial accounting  
11 procedures.

12 The State Board of Community Colleges shall require all community colleges to meet the  
13 faculty credential requirements of the Southern Association of Colleges and Schools for all  
14 community college programs.

15 ...

16 (b3) No course of instruction shall be offered by any community college at State expense  
17 or partial State expense without the approval of the State Board of Community Colleges upon  
18 recommendation of the President.

19 (c) No course of instruction shall be offered by any community college at State expense  
20 or partial State expense to any captive or co-opted group of students, as defined by the State  
21 Board of Community Colleges, without prior approval of the State Board of Community  
22 Colleges. All course offerings approved for State prison inmates or prisoners in local jails must  
23 be tied to clearly identified job skills, transition needs, or both. Approval by the State Board of  
24 Community Colleges shall be presumed to constitute approval of both the course and the group  
25 served by that institution. ~~The State Board of Community Colleges may delegate to the President~~  
26 ~~the power to~~ shall make an initial approval, with final approval to be made by the State Board of  
27 Community Colleges. A course taught without such approval will not yield any full-time  
28 equivalent students, as defined by the State Board of Community Colleges.

29 ...

30 (f) A community college ~~may~~ shall not offer a new program without the approval of the  
31 State Board of Community Colleges ~~except that approval shall not be required if upon~~  
32 recommendation of the President unless the tuition for the program will fully cover the cost of  
33 the program. If at any time tuition fails to fully cover the cost of a program that falls under the  
34 exception, the program shall be discontinued unless approved by the State Board of Community  
35 ~~Colleges. Colleges upon recommendation of the President.~~ If a proposed new program would  
36 serve more than one community college, the ~~State Board of Community Colleges~~ President shall  
37 perform a feasibility study prior to the State Board acting on the proposal. ~~The State Board of~~  
38 ~~Community Colleges~~ President shall consider whether a regional approach can be used when  
39 developing new programs and, to the extent possible, shall recommend that the State Board  
40 initiate new programs on a regional basis.

41 ~~The State Board of Community Colleges~~ President shall collect data and report to the State  
42 Board on an annual basis on all new programs and program terminations ~~it~~ approved and any  
43 regionalization of programs during the year, including the specific reasons for which each  
44 program was terminated or approved.

45 ...

46 (j) ~~The State Board of Community Colleges shall use its~~ Board Reserve Fund shall be  
47 used for feasibility studies, pilot projects, start-up of new programs, and innovative ideas.

48 ...

49 (m) The State Board of Community Colleges shall maintain an accountability function  
50 ~~that conducts~~ and shall require the President to conduct periodic reviews of each community  
51 college operating under the provisions of this Chapter. The purpose of the compliance review

1 shall be to ensure that (i) data used to allocate State funds among community colleges is reported  
 2 accurately to the System Office and (ii) community colleges are charging and waiving tuition  
 3 and registration fees consistent with law. The State Board of Community Colleges shall require  
 4 the use of a statistically valid sample size in performing compliance reviews of community  
 5 colleges. All compliance review findings that are determined to be material shall be forwarded  
 6 to the college president, local college board of trustees, the State Board of Community Colleges,  
 7 and the State Auditor. The State Board of Community Colleges shall adopt rules governing the  
 8 frequency, scope, and standard of materiality for compliance reviews.

9 ...

10 ~~(p) The North Carolina Community College System may offer courses, in accordance~~  
 11 ~~with Article 17D of Subchapter V of Chapter 115C of the General Statutes, to individuals who~~  
 12 ~~choose to enter the teaching profession through residency licensure.~~

13 ...

14 ~~(v) Community colleges may teach curriculum courses at any time during the year,~~  
 15 ~~including the summer term. Student membership hours from these courses shall be counted when~~  
 16 ~~computing full-time equivalent students (FTE) for use in budget funding formulas at the State~~  
 17 ~~level.~~

18 ~~(w) The State Board of Community Colleges President shall review, at least every five~~  
 19 ~~years, service areas that include counties assigned to more than one community college to~~  
 20 ~~determine the feasibility of continuing to assign those counties to more than one community~~  
 21 ~~college. The President shall recommend to the State Board any revisions and the State Board~~  
 22 ~~shall revise service areas as needed to ensure that counties are served effectively. The first review~~  
 23 ~~and any revisions shall be completed no later than March 1, 2016, and the State Board~~  
 24 ~~Community College System Office shall report its the findings and any revisions to the Joint~~  
 25 ~~Legislative Education Oversight Committee no later than March 1, 2016. All subsequent reviews~~  
 26 ~~and revisions shall also be submitted to the Committee. 1 in any year revisions are made.~~

27 ...

28 **"§ 115D-5.3. Courses offered by colleges.**

29 (a) Community colleges may offer courses, in accordance with Article 17D of  
 30 Subchapter V of Chapter 115C of the General Statutes, to individuals who choose to enter the  
 31 teaching profession through residency licensure.

32 (b) Community colleges may offer the Motorcycle Safety Instruction Program  
 33 established by Article 6A of this Chapter.

34 (c) Community colleges may teach curriculum courses at any time during the year,  
 35 including the summer term. Student membership hours from these courses shall be counted when  
 36 computing full-time equivalent students (FTE) for use in budget funding formulas at the State  
 37 level.

38 **"§ 115D-6. Withdrawal of State support.**

39 The State Board of Community Colleges may withdraw or withhold State financial and  
 40 administrative support of any institutions subject to the provisions of this Chapter in the event  
 41 ~~that~~ that the President finds that any of the following conditions are met:

- 42 (1) The required local financial support of an institution is not ~~provided~~; provided.
- 43 (2) Sufficient State funds are not ~~available~~; available.
- 44 (3) The officials of an institution refuse or are unable to maintain prescribed  
 45 standards of administration or ~~instruction~~; or instruction.
- 46 (4) Local educational needs for such an institution cease to exist.

47 **"§ 115D-6.1. College president contracts and approval.**

48 (a) The State Board shall develop mandatory contract terms that boards of trustees of  
 49 community colleges shall use when electing a president or chief administrative officer pursuant  
 50 to G.S. 115D-20. The contract terms shall include the following:

- 51 (1) A contract term of between one and four years.

- 1           (2)    A requirement that the President review each contract or contract renewal and  
2           make a recommendation to the State Board for approval or disapproval.  
3           (3)    A requirement that the contract or contract renewal is unenforceable unless it  
4           is approved by the State Board.  
5           (4)    A list of causes for dismissal and termination of the contract. This shall  
6           include a provision allowing for the President to dismiss the president or chief  
7           administrative officer for any of the causes listed in the contract.  
8           (5)    A prohibition on additional financial compensation to the president or chief  
9           administrative officer when dismissed for causes included in the contracts, as  
10          required by subdivision (4) of this subsection.  
11          (6)    Any other provisions deemed necessary by the State Board.

12          (b)    Each local board of trustees shall submit the name of the person elected as president  
13          or chief administrative officer of the institution under G.S. 115D-20(1) to the State Board for  
14          approval. The President shall conduct a review of the person elected and the local board shall  
15          submit any information requested by the President about the person's qualifications. The  
16          President shall make a recommendation to approve or deny approval to the State Board within  
17          30 days of receipt of the name. The State Board shall act upon the recommendation of the  
18          President at the next meeting of the Board following receipt of the recommendation. A person  
19          denied approval shall not serve as president of the institution.

20          **"§ 115D-6.5. Notice of noncompliance; appointment of an interim board of trustees.**

21          (a)    Notice. – The State Board of Community Colleges is responsible for assuring that  
22          boards of trustees of the community colleges comply with applicable State laws, rules, and sound  
23          fiscal and management practices, as defined in State Board policy. In addition to any actions  
24          taken by the State Board under ~~G.S. 115D-6(3)~~, G.S. 115D-6, if the ~~State Board President~~ finds  
25          that a board of trustees of a community college has ~~willfully, or as a result of gross negligence,~~  
26          failed to or refused to comply with applicable State laws, rules, and sound fiscal and management  
27          practices, ~~the~~ the President shall report those findings to the State Board. The State Board shall  
28          review the President's findings and may issue a written notice to the board of trustees of its ~~the~~  
29          findings and direct the board of trustees to take remedial action immediately to address those  
30          findings upon receipt of the notice. If the State Board finds the college needs assistance with  
31          taking remedial action, the State Board may also appoint an advisory committee to provide  
32          support and recommendations to the college. At a minimum, the advisory committee shall consist  
33          of representatives of the State Board of Community Colleges, ~~the President~~, the North Carolina  
34          Association of Community College Trustees, the North Carolina Association of Community  
35          College Presidents, and the System Office, and each party shall appoint its representative to the  
36          advisory committee. The President, or his or her representative, shall be the chair of the advisory  
37          committee.

38          (b)    Resolution. – If, after receipt of the notice issued under subsection (a) of this section,  
39          the President finds that a board of trustees ~~willfully, or as a result of gross negligence,~~ persists in  
40          refusing or failing to comply with the State laws, rules, or sound fiscal and management practices  
41          identified in the notice, the State Board of Community Colleges may adopt a resolution, upon  
42          approval of at least two-thirds of the members of the State Board attending the meeting in which  
43          the resolution is considered, to vacate the terms of the leadership of the board of trustees to  
44          include, but not limited to, chair and vice-chair. The respective appointing authorities shall  
45          appoint trustees to fulfill the vacated terms and shall not appoint members whose terms were  
46          vacated pursuant to this section. If, after the removal of the leadership of the board of trustees,  
47          the President finds that a board of trustees ~~willfully, or as a result of gross negligence,~~ persists in  
48          refusing or failing to comply with the State laws, rules, or sound fiscal and management practices  
49          identified in the notice, the State Board of Community Colleges may adopt a resolution, upon  
50          approval of at least two-thirds of the members of the State Board attending the meeting in which  
51          the resolution is considered to vacate the terms of the full board of trustees. Prior to adopting

1 either resolution, the State Board shall consult with the appointing authorities of the board of  
2 ~~trustees and trustees,~~ representatives of the North Carolina Association of Community College  
3 Trustees and the North Carolina Association of Community College ~~Presidents~~ Presidents, and  
4 the President regarding the proposed resolution. The State Board shall only exercise this authority  
5 as an extraordinary remedy utilized in the most extreme circumstances and after all of the  
6 following remediation actions have been taken without correction of the identified problems:

- 7 (1) The State Board has clearly delineated the failures to comply with applicable  
8 State laws, rules, or sound fiscal and management practices.
- 9 (2) The advisory committee appointed consistent with subsection (a) of this  
10 section has met with the ~~President~~ president of the college and the local board  
11 of trustees to discuss the problems in question and to assist the community  
12 college in question to resolve them.
- 13 (3) The State Board has vacated the terms of the leadership of the board of  
14 trustees, but the identified problems continue to persist.
- 15 (4) The State Board has issued a final warning providing the college with a  
16 deadline to resolve the identified problems.

17 ...

18 **"§ 115D-9. Powers of State Board and President regarding certain fee negotiations,**  
19 **contracts, and capital improvements.**

20 (a) The expenditures of any State funds for any capital improvements of existing  
21 institutions shall be subject to the prior approval of the State Board of Community Colleges and  
22 the Governor. The expenditure of State funds at any institution herein authorized to be approved  
23 by the State Board under G.S. 115D-4 shall be subject to the terms of the State Budget Act unless  
24 specifically otherwise provided in this Chapter.

25 (b) Notwithstanding G.S. 143-341(3), the ~~State Board of Community Colleges~~ President  
26 may, with respect to design, construction, repair, or renovation of buildings, utilities, and other  
27 State-funded property developments of the North Carolina Community College System requiring  
28 the estimated expenditure of public money of four million dollars (\$4,000,000) or less:

- 29 (1) Conduct the fee negotiations for all design contracts and supervise the letting  
30 of all construction and design contracts.
- 31 (2) Develop procedures governing the responsibilities of the North Carolina  
32 Community College System and its community colleges to perform the duties  
33 of the Department of Administration and the Director or Office of State  
34 Construction under G.S. 133-1.1(d) and G.S. 143-341(3).
- 35 (3) Use existing plans and specifications for construction projects, where feasible.  
36 Prior to designing a project, the ~~State Board~~ President shall consult with the  
37 Department of Administration on the availability of existing plans and  
38 specifications and the feasibility of using them for a project.

39 (c) The ~~State Board~~ President may delegate its authority under subsection (b) of this  
40 section to a community college if the community college is qualified under guidelines adopted  
41 by the State Board.

42 ...

43 (h) The provisions of G.S. 143-341(3) shall not apply to a capital improvement project  
44 funded with non-State funds or for projects less than two million dollars (\$2,000,000) that have  
45 been delegated pursuant to subsection (c) of this section if the ~~State Board of Community~~  
46 ~~Colleges~~ President determines that the college has the expertise necessary to manage the project  
47 unless the assistance of the Office of State Construction is requested.

48 **"§ 115D-10. Limitation on judicial review of State Board and President actions.**

49 State Board and President actions affecting a local board of trustees or president of an  
50 institution under any of the following statutes are not subject to judicial review:

- 51 (1) G.S. 115D-6.

(2) G.S. 115D-6.1.

(3) G.S. 115D-6.5.

(4) G.S. 115D-19.

"Article 1A.

"ApprenticeshipNC.

...

**"§ 115D-11.6. Apprenticeship Council.**

The State Board of Community Colleges shall appoint an Apprenticeship Council composed of four representatives each from employer and employee organizations respectively and three representatives from the public at large. One State official designated by the Department of Public Instruction and one State official designated by the Department of Commerce shall be a member ex officio of the council, without vote. The terms of office of the members of the Apprenticeship Council shall be designated by the State Board. Any member appointed to fill a vacancy occurring prior to the expiration of the term of his or her predecessor shall be appointed for the remainder of the term. Each member of the Council not otherwise compensated by public moneys, shall be reimbursed for transportation and shall receive such per diem compensation as is provided generally for boards and commissions under the biennial maintenance appropriation acts for each day spent in attendance at meetings of the Apprenticeship Council. The State Board of Community Colleges shall annually appoint one member of the Council to act as its chair.

The Apprenticeship Council shall meet at the call of the State Board of Community Colleges and shall aid the State Board and the ~~Community Colleges System Office~~ President in formulating policies for the effective administration of this Article. The Apprenticeship Council shall establish standards for apprentice agreements which in no case shall be lower than those prescribed by this Article, shall recommend rules and regulations to the State Board of Community Colleges as may be necessary to carry out the intent and purposes of this Article, and shall perform other functions as the State Board of Community Colleges may direct. No later than September 1 of each year the Apprenticeship Council shall make a report through the Community Colleges System Office of its activities and findings to the public and to the Joint Legislative Education Oversight Committee, the chairs of the Senate Appropriations Committee on Education/Higher Education, and the chairs of the House of Representatives Appropriations Committee on Education.

...

"Article 2.

"Local Administration.

...

**"§ 115D-15. Sale, exchange or lease of property; use of proceeds from donated property.**

(a) The board of trustees of any institution organized under this Chapter may, with the prior approval of the ~~North Carolina Community Colleges System Office, President,~~ convey a right-of-way or easement for highway construction or for utility installations or modifications. When in the opinion of the board of trustees the use of any other real property owned or held by the board of trustees is unnecessary or undesirable for the purposes of the institution, the board of trustees, subject to prior approval of the State Board of Community Colleges, may sell or dispose of the property. For purposes of this section, "dispose" means "lease, exchange, or demolish." The board of trustees may dispose of any personal property owned or held by the board of trustees without approval of the State Board of Community Colleges. Personal property titled to the State Board of Community Colleges consistent with G.S. 115D-14 and G.S. 115D-58.5 may be transferred to another community college at no cost and without the approval of the Department of Administration, Division of Surplus Property.

Article 12 of Chapter 160A of the General Statutes shall apply to the disposal or sale of any real or personal property under this subsection. Personal property also may be disposed of under procedures adopted by the North Carolina Department of Administration. The proceeds of any

1 sale or lease shall be used for capital outlay purposes, except as provided in subsection (b) of this  
2 section.

3 ...  
4 **"§ 115D-19. Removal of trustees.**

5 (a) Any of the following conduct may result in the removal of a member of a board of  
6 trustees of an institution:

7 (1) The member is not capable of discharging, or is not discharging, the duties of  
8 his or her office as required by law or regulation.

9 (2) The member is guilty of immoral or disreputable conduct.

10 (a1) The President shall have the duty to investigate any allegation that a member of the  
11 board of trustees of an institution is engaging in conduct for which a member may be removed  
12 under subsection (a) of this section. If the President determines that there is sufficient evidence  
13 that the member has engaged in such conduct, the President shall report his or her findings to the  
14 State Board.

15 (a2) ~~Should the State Board of Community Colleges have sufficient evidence that any~~  
16 ~~member of the board of trustees of an institution is not capable of discharging, or is not~~  
17 ~~discharging, the duties of his office as required by law or lawful regulation, or is guilty of immoral~~  
18 ~~or disreputable conduct, After receipt of a report from the President that a member of a board of~~  
19 ~~trustees of an institution is engaging in conduct for which a member may be removed, if the State~~  
20 ~~Board concurs in the President's findings, the State Board shall notify the chairman chair of such~~  
21 ~~the board of trustees, unless the chairman chair is the offending member, in which case the other~~  
22 ~~members of the board shall be notified-notified, that the board shall meet for the purpose of~~  
23 ~~investigating the charges in accordance with subsection (a3) of this section.~~

24 (a3) ~~Upon receipt of such notice there shall be a meeting of from the State Board, the board~~  
25 ~~of trustees shall meet for the purpose of investigating the charges, at charges. At that meeting~~  
26 ~~meeting, a representative of the State Board of Community Colleges President may appear to~~  
27 ~~present evidence of the charges. The allegedly offending member shall be given proper and~~  
28 ~~adequate notice of the meeting and the meeting. The findings of the other members of the board~~  
29 ~~of trustees shall be recorded, along with the action taken, in the minutes of the board of trustees.~~  
30 ~~If the charges against a member are, by an affirmative vote of two-thirds of the members of the~~  
31 ~~board, found to be true, the board of trustees shall declare the office of the offending member to~~  
32 ~~be vacant.~~

33 (a4) ~~Nothing in this section shall be construed to limit the authority of a board of trustees~~  
34 ~~to hold a hearing as provided herein and remove a member upon evidence known or presented~~  
35 ~~to it.~~

36 (b) A board of trustees may declare vacant the office of a member who does not attend  
37 three consecutive, scheduled meetings without justifiable excuse. A board of trustees may also  
38 declare vacant the office of a member who, without justifiable excuse, does not participate within  
39 six months of appointment in a trustee orientation and education session sponsored by the North  
40 Carolina Association of Community College Trustees. The board of trustees shall notify the  
41 appropriate appointing authority of any vacancy.

42 **"§ 115D-19.1. Removal of president.**

43 (a) For the purposes of this section, the term "president" means a president or chief  
44 administrative officer elected pursuant to G.S. 115D-20.

45 (b) A president may be dismissed for any of the causes outlined in the mandatory contract  
46 terms adopted by the State Board in accordance with G.S. 115D-6.1.

47 (c) The President shall have the duty to investigate any allegation that a president of an  
48 institution is engaging in conduct for which a president may be dismissed under subsection (b)  
49 of this section. If the President determines that there is sufficient evidence that the president has  
50 engaged in such conduct, the President shall notify the chair of the board of trustees of the  
51 institution and the president that the president shall be dismissed.

1 (d) The president may appeal the decision of the President to the State Board. The State  
 2 Board shall make a final decision regarding the dismissal.

3 (e) Nothing in this section shall be construed to limit the authority of a board of trustees  
 4 to hold a hearing and dismiss a president upon evidence known or presented to it.

5 **"§ 115D-20. Powers and duties of trustees.**

6 The trustees of each institution shall constitute the local administrative board of such  
 7 institution, with such powers and duties as are provided in this Chapter and as are delegated to it  
 8 by the State Board of Community Colleges. The powers and duties of trustees shall include the  
 9 following:

- 10 (1) To elect a president or chief administrative officer of the institution ~~for such~~  
 11 ~~term and under such conditions as the trustees may fix.~~ in accordance with  
 12 G.S. 115D-6.1. If the board of trustees chooses to use a search consultant to  
 13 assist with the election process, the board of trustees shall select the search  
 14 consultant through a competitive request for proposals process. A search  
 15 consultant selected pursuant to this subdivision who is collecting a fee for the  
 16 consultant's services shall not be (i) an employee of a State agency,  
 17 department, or institution, an appointed member of a State commission or  
 18 board, or an elected official whose responsibilities include oversight or  
 19 budgetary aspects of the Community College System, (ii) a lobbyist or  
 20 lobbyist principal as defined in G.S. 120C-100, or (iii) a State-level  
 21 community college board of trustees association or organization. A contract  
 22 with a search consultant pursuant to this subdivision shall not be subject to  
 23 Article 3C of Chapter 143 of the General Statutes. The election and reelection  
 24 of a president or chief administrative officer shall be subject to the approval  
 25 of the State Board of Community Colleges. No person shall serve as a  
 26 president or chief administrative officer until and unless he or she is approved  
 27 by the State Board of Community Colleges upon the recommendation of the  
 28 President as provided in G.S. 115D-6.1.

29 ...  
 30 "Article 3.  
 31 "Financial Support.

32 ...  
 33 **"§ 115D-33. Providing local public funds for institutions established under this Chapter;**  
 34 **elections.**

35 ...  
 36 (e) ~~The State Board of Community Colleges President~~ shall ascertain that authority to  
 37 provide adequate funds for the establishment and operation of an institution has been approved  
 38 by the voters of a proposed administrative area before favorably recommending approval of the  
 39 establishment of an ~~institution.~~ institution and report this information to the State Board.

40 ...  
 41 "Article 5.  
 42 "Special Provisions.

43 ...  
 44 ~~"§ 115D-62. Trustee Association Regions.~~

45 ~~The State is divided into six Trustee Association Regions as follows:~~  
 46 ~~Region 1: The counties of Buncombe, Cherokee, Clay, Cleveland, Gaston, Graham,~~  
 47 ~~Haywood, Henderson, Jackson, Lincoln, Macon, Madison, McDowell, Polk, Rutherford, Swain,~~  
 48 ~~and Transylvania.~~  
 49 ~~Region 2: The counties of Alexander, Alleghany, Ashe, Avery, Burke, Cabarrus, Caldwell,~~  
 50 ~~Catawba, Iredell, Mitchell, Rowan, Surry, Watauga, Wilkes, Yadkin, and Yancey.~~



1           (4)    ~~The Governor shall appoint to the State Board four members from the State at~~  
 2           ~~large and one member from each of the six Trustee Association Regions~~  
 3           ~~defined in G.S. 115D-62. Each appointment by the Governor shall be for a~~  
 4           ~~term of four years and until a successor is appointed and qualifies. Any~~  
 5           ~~vacancy occurring among the Governor's appointees before the expiration of~~  
 6           ~~term shall be filled by appointment of the Governor. The member appointed~~  
 7           ~~to fill a vacancy shall meet the same residential qualification, if any, as the~~  
 8           ~~vacating member and shall serve for the remainder of the unexpired term of~~  
 9           ~~that member.~~

10          (5)    The General Assembly shall elect ~~eight~~18 members of the State Board from  
 11          the State at large to a term of four years beginning July 1 of an odd-numbered  
 12          year and until a successor is elected and qualifies. The Senate shall elect ~~four~~  
 13          nine members and the House of Representatives shall elect ~~four~~nine members  
 14          in accordance with subsection (c) of this section.

15          (6)    ~~The person serving as president of the North Carolina Comprehensive~~  
 16          ~~Community College Student Government Association shall be an ex officio~~  
 17          ~~member of the State Board. If the president of the Association is unable for~~  
 18          ~~any reason to serve as the student member of the State Board, then pursuant~~  
 19          ~~to the constitution of the Association, the vice president of the Association~~  
 20          ~~shall serve as the student member of the State Board. Any person serving as~~  
 21          ~~the student member of the State Board must be a student in good standing at~~  
 22          ~~a North Carolina community college. The student member of the State Board~~  
 23          ~~shall have all the rights and privileges of membership, except that the student~~  
 24          ~~member shall not have a vote.~~

25          ...

26          (h)    At its first meeting after July 1 of each odd-numbered year, the State Board shall elect  
 27          from its membership a ~~chair~~chair, vice-chair, and such other officers as it may deem necessary.

28          (i)    The State Board of Community Colleges shall meet at stated times established by the  
 29          State Board, but not less frequently than ~~10~~eight times a year. The State Board of Community  
 30          Colleges shall also meet with the State Board of Education and the Board of Governors of The  
 31          University of North Carolina at least once a year to discuss educational matters of mutual interest  
 32          and to recommend to the General Assembly such policies as are appropriate to encourage the  
 33          improvement of public education at every level in this State; these joint meetings shall be hosted  
 34          by the three Boards according to the schedule set out in G.S. 115C-11(b1). Special meetings of  
 35          the State Board may be set at any regular meeting or may be called by the chair. A majority of  
 36          the qualified members of the State Board shall constitute a quorum for the transaction of business.

37          ...."

38               **SECTION 2.(b)** G.S. 115D-2.2, as amended by this act, reads as rewritten:

39       **"§ 115D-2.2. State Board of Community Colleges.**

40          ...

41          (b)    The State Board of Community Colleges shall consist of ~~21 members, as follows:~~18  
 42          members elected by the General Assembly from the State at large to a term of four years  
 43          beginning July 1 of an odd-numbered year until a successor is elected and qualified. The Senate  
 44          shall elect nine members and the House of Representatives shall elect nine members in  
 45          accordance with subsection (c) of this section.

46               (1)    ~~The Lieutenant Governor or the Lieutenant Governor's designee shall be a~~  
 47               ~~member ex officio.~~

48               (2)    ~~The Treasurer of North Carolina or the Treasurer's designee shall be a member~~  
 49               ~~ex officio.~~

50               (3)    ~~The Commissioner of Labor or the Commissioner's designee shall be a~~  
 51               ~~member ex officio.~~

1           (5) ~~The General Assembly shall elect eight members of the State Board from the~~  
2           ~~State at large to a term of four years and until a successor is elected and~~  
3           ~~qualifies. The Senate shall elect four members and the House of~~  
4           ~~Representatives shall elect four members in accordance with subsection (e) of~~  
5           ~~this section.~~

6           (c) At each session of the General Assembly held in an odd-numbered year, the Senate  
7           and the House of Representatives shall elect from a slate of candidates made in each chamber.  
8           The slate shall be prepared as provided by resolution in each chamber. If a sufficient number of  
9           nominees who are legally qualified are submitted, then the slate of candidates shall list at least  
10          twice the number of candidates for the total seats open. All qualified candidates shall compete  
11          against all other qualified candidates. All candidates shall submit a statement of economic interest  
12          to the State Ethics Commission for review under G.S. 138A-24.

13          (d) ~~When a vacancy occurs among the members elected by the two chambers of the~~  
14          ~~General Assembly, occurs, the chair of the State Board shall inform the chamber that originally~~  
15          ~~elected the vacating member member. The chamber shall elect a person to fill the vacancy in the~~  
16          ~~same manner as required for election under subsection (c) of this section when the General~~  
17          ~~Assembly next convenes. The election shall be for the remainder of the unexpired term.~~

18          ...

19          (j) ~~Whenever any vacancy shall occur in the appointed or elected membership of the~~  
20          ~~State Board, the chair shall inform the appropriate appointing or electing authority of the vacancy.~~

21          (k) The State Board of Community Colleges may declare vacant the office of an  
22          ~~appointed or elected member~~ who does not attend three consecutive scheduled meetings without  
23          justifiable excuse. The chair of the State Board shall notify the ~~appropriate appointing or electing~~  
24          ~~authority chamber that elected the member~~ of any vacancy."

25          **SECTION 2.(c)** Notwithstanding G.S. 115D-2.2, as amended by this act, the current  
26          members serving on the State Board as of the effective date of this act shall serve the remainder  
27          of their terms.

28          **SECTION 2.(d)** Notwithstanding G.S. 115D-2.2, as amended by this act, the  
29          following shall be the terms of office for members elected to terms beginning July 1, 2023:

30               (1) The House of Representatives shall elect two members to two-year terms.

31               (2) The Senate shall elect three members to two-year terms.

32          **SECTION 2.(e)** For elections to terms beginning July 1, 2025, and every four years  
33          thereafter, the following applies:

34               (1) The House of Representatives shall elect five members to four-year terms.

35               (2) The Senate shall elect five members to four-year terms.

36          **SECTION 2.(f)** For elections to terms beginning July 1, 2027, and every four years  
37          thereafter, the following applies:

38               (1) The House of Representatives shall elect four members to four-year terms.

39               (2) The Senate shall elect four members to four-year terms.

40          **SECTION 2.(g)** Subsection (b) of this section becomes effective July 1, 2027. The  
41          remainder of this section is effective when it becomes law.

### 42 43 **PART III. CHANGES TO THE MAKEUP OF THE LOCAL BOARDS OF TRUSTEES**

44          **SECTION 3.(a)** G.S. 115D-12 reads as rewritten:

45          "**§ 115D-12. Each institution to have board of trustees; selection of trustees.**

46               (a) Each community college established or operated pursuant to this Chapter shall be  
47               governed by a board of trustees ~~consisting of 13 members, or of additional members if selected~~  
48               ~~according to the special procedure prescribed by the third paragraph of this subsection, who shall~~  
49               ~~be selected by the following agencies. No member of the General Assembly may be appointed~~  
50               ~~to a local board of trustees for a community college composed as follows:~~

1           (1) Eight trustees appointed by the General Assembly under G.S. 120-121. The  
2 General Assembly shall appoint two members annually. One member shall be  
3 appointed upon the recommendation of the Speaker of the House of  
4 Representatives and one member shall be appointed upon the recommendation  
5 of the President Pro Tempore of the Senate.

6           (2) Four trustees elected by the board of commissioners of the county in which  
7 the institution is located. If the administrative area of the institution is  
8 composed of two or more counties, the trustees shall be elected jointly by the  
9 boards of commissioners of all of those counties, each board having one vote  
10 in the election of each trustee. The county commissioners of the county in  
11 which the community college has established a satellite campus may elect an  
12 additional two members if the board of trustees of the community college  
13 agrees. No more than one trustee elected under this subdivision shall be a  
14 member of a board of county commissioners. If the boards of commissioners  
15 are unable to agree on one or more trustees, the senior resident superior court  
16 judge in the superior court district or set of districts defined in G.S. 7A-41.1  
17 where the institution is located shall fill the position or positions by  
18 appointment.

19           (3) The president of the student government or the chair of the executive board of  
20 the student body of each community college may be an ex officio nonvoting  
21 member if the board of trustees of the community college agrees.

22           (a1) No member of the General Assembly shall be a trustee of a local board of trustees.

23           ~~Group One—four trustees, elected by the board of education of the public school~~  
24 ~~administrative unit located in the administrative area of the institution. If there are two or more~~  
25 ~~public school administrative units, whether city or county units, or both, located within the~~  
26 ~~administrative area, the trustees shall be elected jointly by all of the boards of education of those~~  
27 ~~units, each board having one vote in the election of each trustee, except as provided in~~  
28 ~~G.S. 115D 59. No board of education shall elect a member of the board of education or any~~  
29 ~~person employed by the board of education to serve as a trustee, however, any such person~~  
30 ~~currently serving on a board of trustees shall be permitted to fulfill the unexpired portion of the~~  
31 ~~trustee's current term.~~

32           ~~Group Two—four trustees, elected by the board of commissioners of the county in which the~~  
33 ~~institution is located. Provided, however, if the administrative area of the institution is composed~~  
34 ~~of two or more counties, the trustees shall be elected jointly by the boards of commissioners of~~  
35 ~~all those counties, each board having one vote in the election of each trustee. Provided, also, the~~  
36 ~~county commissioners of the county in which the community college has established a satellite~~  
37 ~~campus may elect an additional two members if the board of trustees of the community college~~  
38 ~~agrees. No more than one trustee from Group Two may be a member of a board of county~~  
39 ~~commissioners. Should the boards of education or the boards of commissioners involved be~~  
40 ~~unable to agree on one or more trustees the senior resident superior court judge in the superior~~  
41 ~~court district or set of districts as defined in G.S. 7A-41.1 where the institution is located shall~~  
42 ~~fill the position or positions by appointment.~~

43           ~~Group Three—four trustees, appointed by the Governor.~~

44           ~~Group Four—the president of the student government or the chairman of the executive board~~  
45 ~~of the student body of each community college established pursuant to this Chapter shall be an~~  
46 ~~ex officio nonvoting member of the board of trustees of each said institution.~~

47           (b) All trustees shall be residents of the administrative area of the institution for which  
48 they are selected or of counties contiguous thereto with the exception of members provided for  
49 in subsection (a) of this section, ~~Group Four~~ to the administrative area.

1 (b1) No person who has been employed full time by the community college within the  
2 prior 5 years and no spouse or child of a person currently employed full time by the community  
3 college shall serve on the board of trustees of that college.

4 (c) Vacancies occurring in a seat appointed by the General Assembly shall be filled as  
5 provided in G.S. 120-122. Vacancies occurring in any group for whatever reason a seat elected  
6 by the board of county commissioners shall be filled for the remainder of the unexpired term by  
7 the agency or agencies authorized to select trustees of that group and in the manner in which  
8 regular selections are made. Should the selection of a trustee not be made by the agency or  
9 agencies having the authority to do so within 60 days after the date on which a vacancy occurs,  
10 whether by creation or expiration of a term or for any other reason, the Governor shall fill the  
11 vacancy by appointment for the remainder of the unexpired term."

12 **SECTION 3.(b)** Notwithstanding G.S. 115D-12, as amended by this section, the  
13 current members serving on a board of trustees of a community college as of the effective date  
14 of this act shall serve the remainder of their terms. Thereafter, as terms expire, the members shall  
15 be appointed or elected in accordance with G.S. 115D-12, as amended by this section. When a  
16 vacancy occurs in a seat that was elected by a local board of education or appointed by the  
17 Governor, the vacancy shall be filled as provided in G.S. 120-122 and as follows:

- 18 (1) If the vacancy occurs in a term expiring in an odd-numbered year, and the  
19 General Assembly is not in a regular or extra session at the time of the  
20 vacancy, the Governor shall consult with the Speaker of the House of  
21 Representatives before making the appointment as required by G.S. 120-122.
- 22 (2) If the vacancy occurs in a term expiring in an even-numbered year, and the  
23 General Assembly is not in a regular or extra session at the time of the  
24 vacancy, the Governor shall consult with the President Pro Tempore of the  
25 Senate before making the appointment as required by G.S. 120-122.
- 26 (3) Notwithstanding G.S. 120-122, after receiving the written recommendation  
27 for the appointment to fill the vacancy, the Governor shall appoint the person  
28 recommended within 30 days and shall not reject the recommendation. Upon  
29 the expiration of the term, the seat shall be filled in accordance with  
30 G.S. 115D-12, as amended by this section.

31 **SECTION 3.(c)** The following are repealed:

- 32 (1) S.L. 1997-12.
- 33 (2) Section 2 of S.L. 1999-60.
- 34 (3) Section 2 of S.L. 2011-175.
- 35 (4) S.L. 2015-12.
- 36 (5) Section 1 of S.L. 2015-167.
- 37 (6) S.L. 2015-243.
- 38 (7) S.L. 2015-252.
- 39 (8) S.L. 2018-15.
- 40 (9) S.L. 2020-20.
- 41 (10) Section 1 of S.L. 2021-52.
- 42 (11) Section 5 of S.L. 2021-102.
- 43 (12) S.L. 2022-10.

#### 44 45 **PART IV. CONFORMING CHANGES**

46 **SECTION 4.** G.S. 116-11(10b) reads as rewritten:

47 "(10b) The Board of Governors of The University of North Carolina shall report to  
48 each community college and to the ~~State Board of Community Colleges~~  
49 President of the North Carolina Community Colleges System on the academic  
50 performance of that community college's transfer students."  
51

1 **PART V. EFFECTIVE DATE**

2           **SECTION 5.** Except as otherwise provided, this act is effective when it becomes  
3 law.