



SENATE BILL 195: UNC Omnibus.

2023-2024 General Assembly

Committee:		Date:	November 16, 2023
Introduced by:		Prepared by:	Drupti Chauhan
Analysis of:	S.L. 2023-102		Staff Attorney

OVERVIEW: *S.L. 2023-102 makes various changes to the laws concerning The University of North Carolina.*

- *Distinguished Professors Endowment Trust Fund (Trust Fund) – The North Carolina School of Science and Mathematics is added to the list of "special needs institutions" and thereby eligible for grants from the Trust Fund if it can raise funds through private sources and match the grants as directed by the statutes.*
- *Staggered Terms for North Carolina Teaching Fellows Commission (Commission) Members – The Board of Governors of The University of North Carolina (UNC BOG) must make appointments to the Teaching Fellows Commission in even-numbered years and the General Assembly must make its appointments in odd-numbered years with terms expiring June 30. These changes apply to terms beginning July 1, 2023.*
- *Tuition Grants for North Carolina School of Science and Mathematics (NCSSM) and the University of North Carolina School of the Arts (UNCSA) – High school graduates of NCSSM and UNCSA can postpone enrollment in a constituent institution of The University of North Carolina (UNC) for one year and still receive a tuition grant if any of the hardships already applicable to continuing eligibility have substantially disrupted or interrupted the student's pursuit of a degree, including: (i) a military service obligation; (ii) serious medical debilitation; (iii) a short term or long-term disability; (iv) other extraordinary hardship. This Part is effective May 1, 2022.*
- *Institutional Neutrality – The constituent institutions of UNC must remain neutral on political controversies of the day.*
- *Exemption of Certain Fair Labor Standards Act (FLSA) Exempt Employees of UNC from the State Human Resources Act (Act) – Employees of UNC who are pilots, and all other UNC employees who are exempt from the FLSA are exempt from the Act. The UNC BOG can establish positions that would be exempt from the Act without further review or approval by any other State agency.*
 - *Employees of UNC who are exempt from the FLSA and have attained career status before September 1, 2023, have the option of one of the following:*
 - *Continuing employment with career State employee status as part of the Act if the employee remains in the position the employee occupied on August 31, 2023; or*
 - *Waiving career State employee status and continuing employment as a State employee exempt from the Act.*

Jeffrey Hudson
Director



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- *Additionally, probationary State employees of UNC who are exempt from the FLSA and were hired before September 1, 2023, have the option of one of the following:*
 - *Continuing employment for the required time period and earning career State employee status; or*
 - *Continuing employment as a State employee exempt from the Act.*
- *Each affected employee must be provided with a written explanation of the impact of an election to waive or decline career State employee status. The employee's election to waive or decline career State employee status must be acknowledged through the employee's written or electronic signature within 60 days.*
- *Exemption of Certain Employees of North Carolina Agricultural & Technical State University (NC A&T) Designated as County Operations Support Staff from the Act – Employees of NC A&T Cooperative Extension Service who are employed in county operations are exempt from the Act in the same manner as the North Carolina State University (NCSU) Extension Service employees. The Board of Trustees of NC A&T can adopt policies to govern the employment of these employees.*

Except as otherwise provided, this act became effective July 14, 2023.

PART I. INCLUDE NCSSM IN THE DISTINGUISHED PROFESSORS ENDOWMENT FUND

ANALYSIS: Part I makes technical changes to the Trust Fund statutes and adds the NCSSM to the list of "special needs institutions" and thereby eligible for grants from the Trust Fund if it can raise funds through private sources and match the grants as directed by the statutes. For example, for one \$500,000 challenge grant, the special needs institution must raise \$500,000 from private sources.

PART II. CREATE STAGGERED TERMS FOR MEMBERS OF THE NORTH CAROLINA TEACHING FELLOWS COMMISSION

ANALYSIS: Part II requires appointments to the Commission by the UNC BOG to be made in even-numbered years and appointments by the General Assembly to be made in odd-numbered years. Terms expire June 30 rather than July 1. This Part became effective July 14, 2023, and applies to terms beginning July 1, 2023.

PART III. MAKE CHANGES TO TUITION GRANTS FOR NCSSM AND UNCSCA

ANALYSIS: Part III allows a high school graduate of NCSSM and UNCSCA to postpone enrollment in a constituent institution for one year and still receive a tuition grant if any of the hardships already applicable to continuing eligibility have substantially disrupted or interrupted the student's pursuit of a degree, including:

- A military service obligation.
- Serious medical debilitation.
- A short term or long-term disability.
- Other extraordinary hardship.

This Part became effective May 1, 2022.

PART IV. REQUIRE INSTITUTIONAL NEUTRALITY

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ANALYSIS: Part IV requires constituent institutions of UNC to remain neutral on political controversies of the day. Additionally, it makes conforming and clarifying changes.

PART V. EXEMPT CERTAIN FLSA-EXEMPT EMPLOYEES OF THE UNIVERSITY OF NORTH CAROLINA FROM THE STATE HUMAN RESOURCES ACT

ANALYSIS: Part V exempts the following employees of UNC from the Act: (i) pilots, and (ii) all other employees who are exempt from the FLSA. The UNC BOG is given the authority to establish the positions that are exempt from the Act without further review or approval by any other State agency.

Employees of UNC who are exempt from the FLSA and have attained career status before September 1, 2023, have the option of **one** of the following:

- Continuing employment with career State employee status if the employee remains in the position the employee occupied on June 30, 2023; OR
- Waiving career State employee status and continuing employment as a State employee exempt from the Act.

Additionally, probationary State employees of UNC who are exempt from the FLSA and were hired before September 1, 2023, have the option of **one** of the following:

- Continuing employment for the required time period and earning career State employee status; OR
- Continuing employment as a State employee exempt from the Act.

Each affected employee is required to be provided with a written explanation of the impact of an election to waive or decline career State employee status. The employee's election to waive or decline career State employee status must be acknowledged through the employee's written or electronic signature within 60 days.

PART VI. EXEMPT FROM THE STATE HUMAN RESOURCES ACT CERTAIN EMPLOYEES OF NORTH CAROLINA AGRICULTURAL AND TECHNICAL STATE UNIVERSITY DESIGNATED AS COUNTY OPERATIONS SUPPORT STAFF

ANALYSIS: Part VI adds employees of NC A&T Cooperative Extension Service who are employed in county operations to the exemption from the Act in the same manner as the NCSU Extension Service employees. This Part further allows the Board of Trustees of NC A&T to adopt policies to govern the employment of these employees.

EFFECTIVE DATE: Except as otherwise provided, this act became effective July 14, 2023.