Children and Families

See full summary documents for additional detail

Dissemination to Minors of Obscenity and Material Harmful to Minors – Revise Laws on Minors/Human Trafficking.

SL 2026-34 (H83), Sec. 1

Section 1 of S.L. 2026-34 (House Bill 83) does the following:

- Amends the statute governing dissemination of obscene material to minors under the age of 16 years to provide that disseminating obscenity to a minor of any age is a Class H felony if the offender is at least 4 years older than the minor, and requires the sentencing court to consider whether the person is a danger to the community and whether that person should be required to register as a sex offender.
- Amends the statute governing dissemination of obscene material to minors under the age of 13 years to require the sentencing court to consider whether the person is a danger to the community and whether that person should be required to register as a sex offender.
- Amends the statute governing dissemination of harmful material to minors and exhibiting harmful performances to minors to require the sentencing court to consider whether the person is a danger to the community and whether that person should be required to register as a sex offender.
- Amends the definition of "reportable conviction" to include convictions for violations of G.S. 14-190.7 (Dissemination to minors), 14-190.8 (Dissemination to minors under the age of 13 years), and 14-190.15 (Disseminating harmful material to minors; exhibiting harmful performances to minors) if the sentencing court orders the person to register as a sex offender.
- Provides that offenses committed prior to December 1, 2026, would not be affected by this section.

This section becomes effective December 1, 2026, and applies to offenses committed on or after that date.

NC Pre-K Programs/Standards for Four- and Five-Star Rated Facilities. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9D.1

Section 9D.1 of S.L. 2026-41 (Senate Bill 257) requires the prekindergarten programs (NC Pre-K) operating in four- and five-star rated facilities to meet the following requirements:

- Children must be 4 years of age on or before August 31 of the program year and meet one or more of the following additional eligibility criteria:
    - The family's income cannot exceed 75% of the State median income.
        - Up to 20% of enrolled children can exceed this income limitation if those children have other designated risk factors, like developmental disabilities

or other chronic health issues. Otherwise, health of the child cannot be considered by the Division in determining eligibility.
    - A child's parent is an active-duty member of the Armed Forces of the United States, including the North Carolina National Guard, State military forces, or a reserve component of the Armed Forces and was (i) ordered to active duty by the proper authority within the last 18 months or is expected to be ordered within the next 18 months, or (ii) was injured or killed while serving on active duty.
- The staff to child ratio cannot exceed 1 to 10 and classrooms cannot exceed 20 children. There must be at least one teacher and one teacher assistant per classroom. The Child Care Commission (Commission) must adopt any rules and the Department of Health and Human Services, Division of Child Development and Early Education (DCDEE) must revise any rules or policies necessary to implement these requirements.
- Multiyear contracts for licensed private child care centers providing NC Pre-K classrooms must be issued by the NC Pre-K contractor.
- Private child care facilities and public schools operating NC Pre-K classrooms must meet the building standards for preschool students instead of building standards for child care facilities.
- With the exception of building standards requirements, NC Pre-K operators must comply with all DCDEE policies regarding program standards and classroom requirements.
- Local NC Pre-K committees must use the process developed by DCDEE to award NC Pre-K classroom slots and student selection.
- DCDEE must submit an annual report no later than March 15 of each year to the Joint Legislative Oversight Committee on Health and Human Services, the Office of State Budget and Management, and the Fiscal Research Division which includes:
    - The number of children participating in the NC Pre-K program by county.
    - The number of children participating in the NC Pre-K program who have never been served in other early education programs such as child care, public or private preschool, Head Start, Early Head Start, or early intervention programs.
    - The expected NC Pre-K expenditures for the programs and the source of the local contributions.
    - The results of an annual evaluation of the NC Pre-K program.
- Administration of the NC Pre-K program by local partnerships is subject to financial and compliance audits authorized under State law.

DCDEE must continue implementing the NC Pre-K program. Eligibility determinations can continue through local education agencies and local North Carolina Partnership for Children, Inc., partnerships.

This section became effective July 1, 2026.

NC Pre-K Report on Reallocation of Unused Slots – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9D.2

Section 9D.2 of S.L. 2026-41 (Senate Bill 257) requires the Division of Child Development and Early Education of the Department of Health and Human Services to submit a report on how unused slots are reallocated in the NC Prekindergarten program to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. The report must be submitted by March 1, 2027.

This section became effective July 7, 2026.

Subsidized Child Care/Increase Reimbursement Rates, Implement a Rate Floor, and Require Additional Reporting at the 50th Percentile for the Next Market Rate Study – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9D.4

Section 9D.4 of S.L. 2026-41 (Senate Bill 257), as amended by Section 3.2 of S.L. 2026-42, increases the child care subsidy market rates for children in three-, four-, and five-star rated centers to the seventy-fifth percentile as recommended by the 2023 Child Care Market Rate Study. Payment rates for child care providers in counties that have a county rate below the State rate for children in three-, four-, and five-star rated centers will also be set at the seventy-fifth percentile statewide market rate as recommended by the 2021 Child Care Market Rate Study. The new rates will be paid beginning October 1, 2026.

The Division of Child Development and Early Education must include in its next market rate study reporting of statewide rates at the fiftieth percentile in addition to reporting at the seventy-fifth percentile.

This section became effective July 1, 2026.

Smart Start Initiatives – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9D.6

Section 9D.6 of S.L. 2026-41 (Senate Bill 257) does the following regarding the North Carolina Partnership for Children, Inc. (Partnership for Children):

- Ensures funded activities include assisting child care facilities with improving quality and implementing prekindergarten programs. Funding must also be used for evidence-based or evidence-informed programs that follow specified goals for children from birth to 5 years of age.
- Directs administrative costs must be equivalent to, on an average statewide basis for all local partnerships, not more than 10% of the total statewide allocation to all local

partnerships and requires participation in a single statewide contract management system.
- Sets salary maximums and provides salary schedule criteria for the Executive Director of the Partnership for Children and the directors of the local partnerships.
- Requires the application of set match percentages to the total budgeted amount for program in the 2026-2027 fiscal year, establishes requirements to meet the private match, and creates a reduction in funds for failure to obtain the required match.
- Creates a prescribed competitive bidding process based on the amount of the bid.
- Prevents the reduction of the allocation below the 2012-2013 funding level for counties with less than 35,000 in population.
- Requires the Department of Health and Human Services to continue to implement the performance-based evaluation system.
- Ensures the allocation of funds for Early Childhood Education and Development Initiatives for 2026-2027 are administered and distributed in a specified manner.
- Allows up to 1% of State funds to be used for fundraising activities and requires the amount of State funds used for fundraising activities to be included in its annual report.

This section became effective July 1, 2026.

Smart Start Literacy Initiative/Dolly Parton's Imagination Library – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9D.7

Section 9D.7 of S.L. 2026-41 (Senate Bill 257), as amended by Section 4.2 of S.L. 2026-61 (House Bill 268), requires the North Carolina Partnership for Children, Inc. (NCPC) to continue to use a portion of the funds allocated to it by the Department of Health and Human Services (DHHS) to increase access to Dolly Parton's Imagination Library.

NCPC is allowed to use up to 1% of the allocated funding for statewide program management and up to 1% for program evaluation. Funding provided under this section is not subject other administrative costs and match requirements in this act, or the statutory requirements for child care services funding and child care subsidy expansion. Additionally, the funding provided for Dolly Parton's Imagination Library will not revert on June 30, 2027, but will remain available until June 30, 2032, when the funds will revert to the appropriate fund.

NCPC is required to submit a report based on the program evaluation to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division by December 1 of each even numbered year.

This section, as amended, became effective July 1, 2026.

Career-Ready Lead Teacher Academy Pilot Program. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9D.8

Section 9D.8 of S.L. 2026-41 (Senate Bill 257) appropriates to the Department of Health and Human Services, Division of Child Development and Early Education (DCDEE) $1.5 million in nonrecurring funds from the General Fund for the 2026-2027 fiscal year to be allocated to the North Carolina Partnership for Children, Inc. (NCPC) to provide the State match for implementing the career-ready lead teacher academy pilot program as follows: (i) $1 million for the 2026-2027 fiscal year for the State portion of tuition costs and (ii) $500,000 for the 2026-2027 fiscal year for the stipends described below.

These funds must be used as follows:

- The funds must be allocated equally among the local partnerships selected to participate in the pilot program.
- Local partnerships must provide documentation of a 25% local match to receive State funds.
- Any unexpended and unencumbered funds at the end of the fiscal year from these funds will not revert to the General Fund but will remain available for use in accordance with these provisions.
- The funds cannot be used for administrative costs.
- The funds are not subject to the administrative cost and the match requirements under this act, or the statutory child care services funding and child care subsidy expansion requirements.

NCPC, in collaboration with the North Carolina Community College System Office (NC CCS), must develop a two-year pilot program expanding the child care academies currently operating in Johnston and Wayne counties. The academies must provide free, comprehensive training and support to individuals with no child care experience or education who are interested in a career in child care. They must ensure graduates are able to be credentialled as lead teachers or group leaders in a licensed child care program upon graduation and meet certain requirements regarding program size and length.

NCPC, in collaboration with the NC CCS, must select 10 local partnerships for the program, in addition to Johnston and Wayne counties. There must be at least one in each local partnership region of the statewide Smart Start network. The local partnerships can offer each graduate a one-time stipend of at least $150 for completing the course. Students are eligible to receive an additional $500 stipend if they begin full-time employment as a lead teacher in a licensed child care center or home in the State within three months of graduating from the academy, and complete 12 consecutive months of employment at the same child care program. NCPC and local partnerships must also collaborate with community colleges and make information about the academies available to the public.

NCPC, in collaboration with the local partnerships and community colleges participating in the pilot program, must submit a progress report on the pilot program to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division by March 31, 2027 which includes any concerns or recommendations for program expansion. A final report must be submitted by December 31, 2027, that includes, at a minimum, the following: (i) the local partnerships and community colleges participating in the pilot program; (ii) the number of students enrolled in each career-ready lead teacher academy (academy), by county; (iii) the number of students who successfully completed the academy, by county; (iv) the number of newly credentialed graduates employed as lead teachers in licensed child care programs, by county; (v) the outcomes achieved from the pilot program, including any recommendations for expanding the program statewide; (vi) the number of new child care slots available as a result of adding the new lead teachers; (vii) total program costs, including any administrative costs borne by the county; and (viii) the amount of funds needed to expand the program statewide.

DCDEE must establish a provisional early childhood credential for individuals who are 16 or 17 years old and are preparing to work in the child care field. The provisional credential will allow these individuals to work in certain out of school child care facilities and summer camps as a group leader when staff to child ratios and group size requirements are met. When the individual turns 18 and receives a high school diploma or its equivalent, the individual will be eligible to receive the full NC Early Childhood Credential and be employed as a lead teacher at any licensed child care program in the State. The NC CCS, the North Carolina Department of Public Instruction, the North Carolina Center for Afterschool Programs, and DCDEE must ensure the required trainings to earn the provisional credential are accessible to interested individuals no later than March 31, 2027.

This section became effective July 1, 2026.

Child Care Mental and Behavioral Health Services Funding/Smart Start Special Fund – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9D.9

Section 9D.9 of S.L. 2026-41 (Senate Bill 257) allocates $7.3 million in non-recurring funds to the North Carolina Partnership for Children, Inc. (NCPC). The allocation comes from the funds appropriated to the Division of Child Development and Early Education (Division) of the Department of Health and Human Services (Department).

The allocated funds are required to be distributed to local partnerships chosen by the NCPC and are to supplement existing Smart Start partnership behavioral health spending. The funds must be used to expand mental and behavioral health services for children, families, and staff in child care facility settings and out-of-school programs, including on-site services and behavioral health supports.

The NCPC is required to submit a progress report on the mental and behavioral health initiatives to the Joint Legislative Oversight Committee on Health and Human Services, the Secretary of the

Department, and the Fiscal Research Division by March 15, 2027. A final report is due by November 15, 2028.

The section also creates the North Carolina Partnership for Children, Inc., Special Fund (Fund), located in the Department. Funds appropriated from the General Fund to the Department for Smart Start and the NCPC are required to be deposited into the Fund and must be used by the NCPC and local partnerships for purposes laid out in statute. The NCPC is allowed to hold up to $5 million in cash that exceeds incurred expenditures at the end of each fiscal year. The NCPC is required to provide the Division with a financial status report for the preceding fiscal year no later than August 1 of each year.

This section became effective on July 7, 2026.

Child Care Reforms/Expand Career Pathways for Child Care Center Administrators – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9D.10

Section 9D.10 of S.L. 2026-41 (Senate Bill 257) allows licensed child care centers to use the combined education and work experience of two staff members to meet the requirements for Level II and Level III certificates or designations and receive the same star rating in the same manner as if the requirements were met by one person, provided the following apply:

- One individual must (i) complete EDU 261 and EDU 262 as set out in the Child Care Rules in the Administrative Code, (ii) hold an associate degree or higher in business administration or a related field, or (iii) have at least two years of verifiable business or administrative work experience.
- One individual must (i) hold an associate degree or bachelor's of science degree in early childhood education or child development, (ii) be responsible for the center's curriculum, program delivery, and compliance practices, and (iii) be physically on-site for at least the minimum number of hours required by the child care staffing requirements.

The Department of Health and Human Services must allow an individual to earn the minimum mandatory North Carolina Early Childhood Administration Credential without completing coursework in EDU 261 and EDU 262 when the individual has (i) an associate degree or higher in business administration or a related field or (ii) two years of verifiable business or administrative work experience.

This section became effective July 1, 2026.

Local Health Departments/Competitive Grant Process to Improve Maternal and Child Health – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9H.1

Section 9H.1 of S.L. 2026-41 (Senate Bill 257) requires funds allocated to the Department of Health and Human Services (DHHS) to be used to continue funding competitive grants to local health departments to improve maternal and child health, with the following goals:

- Improving birth outcomes.
- Improving the overall status of children's health from birth to age five.
- Lowering infant mortality.

Administration of the grant process must include the following:

- A request for application allowing local health departments to apply for and receive funds on a competitive basis.
- A requirement that the applications of local health departments who can leverage non-State funds be prioritized.
- Ensuring that funds received by DHHS to implement the grant program do not supplant existing funds.
- Allowing the grants to be awarded for up to three years.

DHHS must award the grants by July 1 of each year. After the grants have been awarded, DHHS must submit a report to the Joint Legislative Oversight Committee on Health and Human Services containing the following:

- The identity and a brief description of each grantee and each program or initiative offered by the grantee.
- The amount of funding awarded to each grantee.
- The number of persons served by each grantee, broken down by program or initiative.

No later than February 1 of each fiscal year, each local health department receiving funds must submit the following to the Division of Public Health:

- A description of the types of programs, services, and activities funded by the grant.
- Statistical and demographical information on the number of persons served by the programs.
- Outcome measures that demonstrate the impact and effectiveness of the programs.
- A detailed program budget and list of expenditures.

This section became effective July 1, 2026.

Report on Recommendations for a Plan to Improve Maternal and Infant Levels of Care in North Carolina – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9H.2

Section 9H.2 of S.L. 2026-41 (Senate Bill 257) requires the Division of Public Health (DPH), Department of Health and Human Services to report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on recommendations for a plan to establish maternal levels of care and to update neonatal levels of care to reduce maternal and infant mortality rates within the State by April 1, 2027. The plan must be consistent with guidelines of specified organizations, and DPH must consult with specified maternal and infant health stakeholders in the State in developing plan recommendations.

This section became effective July 1, 2026.

Carolina Pregnancy Care Fellowship. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9H.6

Section 9H.6 of S.L. 2026-41 (Senate Bill 257) allocates the funds appropriated to the Division of Public Health (Division) of the Department of Health and Human Services (Department) for Carolina Pregnancy Fellowship (CPCF), a non-profit organization, as follows:

- $3,950,000 for grants for services to pregnancy centers in North Carolina.
- $1 million to pregnancy centers in North Carolina as grants for the purchase of durable medical equipment, training on the use of durable medical equipment, and pregnancy care training.
- $1 million to fund the CPCF Circle of Care Program.

CPCF is required to establish an application process for the grants and any pregnancy center in the State is eligible for them. CPCF is not allowed to use more than 10% of the total funds for administrative purposes, nor can it use them for sectarian or religious purposes.

CPCF is required to submit a report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on the use of the allocated funds. The report is due by July 1, 2027, and July 1 of each odd-numbered year thereafter.

This section became effective July 7, 2026.

Alignment of State and Federal Childhood Lead Dust Standards – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9H.9

Section 9H.9 of S.L. 2026-41 (Senate Bill 257) aligns the State childhood lead dust standards with the Federal standards in the State's definition of "lead poisoning hazard" and the State's requirements for lead poisoning hazard remediation plans. For the definition and remediation

plans, the lead dust level is reduced to five micrograms per square foot for floors and 40 micrograms per square foot for interior windowsills. For remediation plans, lead dust on windowsill troughs is reduced to 100 micrograms per square foot.

This section becomes effective January 1, 2027.

Intensive Family Preservation Services Funding, Performance Enhancements, and Report – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9J.2

Section 9J.2 of S.L. 2026-41 (Senate Bill 257), notwithstanding the provisions of the North Carolina Family Services Prevention Act, requires the Intensive Family Preservation Services (IFPS) Program to provide intensive services to children and families in cases of abuse, neglect, and dependency where a child is at imminent risk of removal from the home and to children and families in cases of abuse where a child is not at imminent risk of removal. The IFPS Program must be implemented statewide on a regional basis. Standardized assessment criteria for determining imminent risk and clear criteria for determining out-of-home placement must be applied.

Any program or entity receiving State, federal, or other funding for the purpose of IFPS must provide the following information and data to the Department Health and Human Services (DHHS): (i) an established follow-up system with a minimum of six months of follow-up services; (ii) detailed information on the specific interventions applied, including utilization indicators and performance measurements; (iii) cost-benefit data; (iv) data on long-term benefits associated with IFPS which will be obtained by tracking families through the intervention process; (v) the number of families remaining intact and the associated interventions while in IFPS and 12 months after release from the IFPS; and (vi) the number and percentage, by race, of children who received IFPS compared to the ratio of their distribution in the general population involved with Child Protective Services.

DHHS must continue implementation of a performance-based funding protocol and only provide funding to those programs and entities providing the required information. DHHS must submit an annual report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division by December 1 of each year that provides this information and data.

This section became effective July 1, 2026.

Federal Child Support Incentive Payments – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9J.6

Section 9J.6 of S.L. 2026-41 (Senate Bill 257) allows the North Carolina Child Support Services Section (NCCSS) of the Division of Social Services of the Department of Health and Human Services to retain up to 15% of the annual federal incentive payments it receives for the purpose of enhancing centralized child support services in specified ways.

NCCSS is required to allocate at least 85% of the annual federal incentives payments it receives to county child support services programs to improve effectiveness and efficiency using the federal performance measures. NCCSS is required to examine its methodology for distributing federal incentive funding to county programs and, if it adopts an alternative formula, develop a process to phase in the alternative formula for distributing federal incentive funding over a four-year period.

NCCSS is required to mandate the submission of an annual plan and report from county child support services programs, to ensure that those programs are following NCCSS' guidelines on the appropriate use of the funding.

NCCSS is required to submit a report on federal child support incentive funding to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division by November 1 of each year.

This section became effective on July 1, 2026.

Report on Certain SNAP and TANF Expenditures – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9J.8

Section 9J.8 of S.L. 2026-41 (Senate Bill 257) requires funds allocated to the Department of Health and Human Services for the 2026-27 fiscal year for a report on certain Supplemental Nutrition Assistance Program (SNAP) and Temporary Assistance for Needy Families (TANF) expenditures to be used to pay vendors for generating the data regarding the expenditures of those programs. The vendor data must be submitted to the Division of Social Services (Division) and include at least the following:

- The dollar amount and number of transactions accessed or expended out-of-state for both SNAP benefits and TANF benefits.
- The amount of benefits expended out-of-state from active cases for both SNAP and TANF.
- The dollar amount and number of transactions of benefits accessed or expended in this State, by types of retailers or institutions, for both SNAP and TANF.

The Division must review the data and submit an analysis of the data to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division. The first analysis must report how this data is used to investigate fraud and abuse in both SNAP and TANF. The analysis must also be posted on the Division's website. The analysis must be submitted to Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division and posted on the website by June 30 and December 31 of each year. All confidential information must be redacted from any public reports.

This section became effective July 1, 2026.

Inclusion of Eastern Band of Cherokee Indians in Child Advocacy Centers – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9J.10

Section 9J.10 of S.L. 2026-41 (Senate Bill 257) makes the following changes to the statutes governing Child Advocacy Centers:

- Amends the definition of "Department" to include the Eastern Band of Cherokee Indians Department of Public Health and Human Services.
- Expands the definition of "Multidisciplinary team" to include a tribal prosecutor for the Eastern Band of Cherokee Indians.
- Adds a tribal prosecutor for the Eastern Band of Cherokee Indians to the list of individuals to which disclosure of information and records is allowed.

This section became effective July 7, 2026.

Require Status Report on Foster Care Trauma-Informed Assessment – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9J.11

Section 9J.11 of S.L. 2026-41 (Senate Bill 257) requires the Department of Health and Human Services, Division of Social Services, to provide a report to the Joint Legislative Oversight Committee on Health and Human Services and the Fiscal Research Division on the status of the foster care trauma-informed assessment (assessment) required by State law by September 1, 2026, and continuing every six months until the assessment is fully implemented Statewide.

This section became effective July 1, 2026.

Responsible Fatherhood NC Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9J.13

Section 9J.13 of S.L. 2026-41 (Senate Bill 257), as amended by Section 4.10 of Session Law 2026-61 (House Bill 268), creates the "Responsible Fatherhood NC Program" (Program).

Of the funds appropriated from the General Fund to the Department of Health and Human Services, Division of Social Services (DSS), the sum of $2,750,000 in nonrecurring funds for the 2026-2027 fiscal year must be used to implement the Program as follows: (i) up to $2 million must be used to contract for the Program Manager; and (ii) the remainder of the funds must be used for the authorized grants.

DSS must contract with a nonprofit organization to serve as the Program Manager. The nonprofit must have the following: (i) a history of focusing on responsible fatherhood; and (ii) the organizational capacity to manage a statewide initiative and successfully carry out the Program requirements.

The Program Manager has the sole responsibility for developing, implementing, and managing the Program which, at a minimum, must: (i) establish a statewide media campaign that increases the awareness and importance of fathers' involvement in their children's lives; (ii) provide resources and information to increase fathers' and father figures' engagement and involvement in their children's lives; and (iii) promote fatherhood programs provided by the Department of Public Instruction, the Community College System, or The University of North Carolina System. To effectively use the appropriated funds, the Program Manager must identify and use existing media assets, content, and online resources deemed appropriate.

DSS must establish a process to award the following two types of grants to nonprofit community-based organizations to address the needs of fathers: (i) grants that comprehensively address the needs of fathers by providing tailored services and case management services; and (ii) grants that provide evidence-based parenting education specifically for fathers.

DSS must prioritize these grant applicants based on the following: (i) the need in a geographic area and the population to be served by the grant as indicated by certain required data points; (ii) whether an applicant has a primary mission or history of significant and effective work addressing the needs of fathers; (iii) an applicant's involvement in the community being served; (iv) an applicant's commitment and capability to employ competent staff who can effectively engage with the fathers being served, including staff who share a similar background as the fathers; (v) the number of individuals the applicant plans to serve through the grant and the projected costs for the program; and (vi) an applicant's organizational capacity to effectively meet the grant requirements and deliver the programs proposed by the applicant. DSS can offer technical assistance to applicants and grant recipients that have lower organizational capacity as long as those organizations or its leadership have significant experience serving fathers. The grant recipients must submit reports to DSS as prescribed by DSS.

DSS must implement these requirements no later January 1, 2027.

This section became effective July 1, 2026.

SNAP Benefit Cost-Sharing – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9J.14

Section 9J.14 of S.L. 2026-41 (Senate Bill 257), provides a mechanism to fund the State's fiscal obligation to the federal government for Supplemental Nutrition Assistance Program (SNAP) benefits costs, as required by federal law. It requires the Secretary of Revenue (Secretary) to withhold a portion of each county's monthly sales tax allocations.

The amount to be withheld (SNAP benefit cost-share amount) is equal to the sum of a flat assessment, which is applicable to every county, plus a proportional assessment, which applies to every county for which a payment error rate (PER) dollar amount is attributable. Using this formula, the Department of Health and Human Services (DHHS) must, on or before October 1 of each year, calculate and notify the Secretary of each county's SNAP benefit cost-share amount,

which will be withheld from sales tax allocations in equal monthly installments and remitted to DHHS to pay the State's fiscal obligation.

DHHS must submit a report on the assessment amounts, by county, to the Joint Legislative Oversight Committee on Health and Human Services (JLOC HHS) by February 1 of each year.

DHHS is required to use the State PER for the 2024-2025 federal fiscal year for the first federal fiscal year that the cost-sharing is implemented, unless the 2025-2026 federal fiscal year results in a lesser cost-sharing fiscal obligation for the State, in which case the PER for the 2025-2026 federal fiscal year must be used. DHHS is required to submit, by February 1, 2027, an initial report to JLOC HHS and the Fiscal Research Division that includes the status of the implementation of this provision, the assessment amounts by county, and any recommendations.

The provisions requiring the county sales tax withholdings and the annual reporting requirement, other than the initial report, and specifying the applicable State PER for the first federal fiscal year the cost-sharing obligation is in place, become effective October 1, 2027. The provision requiring the initial report due February 1, 2027, became effective July 1, 2026.

Dominique Moody Safety Act – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9J.15

Section 9J.15 of S.L. 2026-41 (Senate Bill 257) requires the Division of Social Services to create a child welfare escalation team (Team) to conduct escalation assessments of children who have a history of child protective services attention because of safety and risk factors. The team will (i) support county departments of social services, (ii) provide an additional level of review to ensure child safety statewide, and (iii) provide quality assurance of the child protective services history of a family who has returned to the attention of child protective services. Additionally, the section creates definitions necessary to implement its provisions.

A county director of social services will send an escalation notice to the Team upon receiving a report of abuse or neglect of a child residing in a high-risk home. The county department of social services must assist the Team in getting access to the entire case file for the child and forward any records in its possession on request of the Team.

Once all necessary information is received, the Team will do the following:

- Assess child welfare history.
- Identify gaps in services and other areas that impact safety of the child.
- Review the overall safety planning for the child.
- Create a chronological time line of child protective services intervention to understand the maltreatment factors of concern related to the family to aid in decision making.

The Team will be involved in determining case decisions for the child and services needed for the child and will be required to discuss any concerns with the involvement of child welfare services related to the child and family with the director and the assigned regional child welfare team.

A combination of State and federal funding is appropriated for the creation of six full time positions for the creation of the Child Welfare Escalation Team to include five hundred fifty thousand dollars ($550,000) in recurring funds beginning in the 2026-2027. $100,000 in nonrecurring funds allocated to DHHS for the 2026-27 fiscal year must be spent on training county social service employees to recognize abuse and neglect.

The Division of Social Services must explore means and resources needed to for counties to alert the Team.

The Division of Social Services must amend protocols and rules necessary for the Team's entry into a private residence.

The appropriation provisions became effective July 1, 2026. The provisions creating the Team and its procedures become effective October 1, 2026. The remaining provisions became effective July 7, 2026.

Family Child Care Home Direct Support Pilot. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 9M.2

Section 9M.2 of S.L. 2026-41 (Senate Bill 257) creates the Family Child Care Home Direct Support Pilot Program (the Pilot), a two-year program coordinated by the Pilot participants to build child care capacity in their respective counties. The Pilot is funded through funds appropriated from the federal Child Care and Development Block Grant to the Department of Health and Human Services, Division of Child Development and Early Education (DCDEE), for quality and availability initiatives, in the amount of $3,250,000 for the 2026-2027 fiscal year. These funds are allocated in equal amounts to three councils of governments (councils) located in one county from the following: (i) Coastal Plain Region, (ii) Mountain Region, and (iii) Piedmont Region.

A request for application must be issued by each council for a vendor to contract with to administer the Pilot. To receive funds, the vendor must partner with the council to (i) increase the number of child care programs by recruiting and coaching prospective providers through the planning and implementation stages, and (ii) ensure sustainability of the new programs by providing a two-year mentorship. A participating council can use (i) a portion of its funds to provide additional solutions through the vendor to meet local early childhood education needs within their member communities, and (ii) up to 5% of its funds for administrative costs.

To be chosen, a vendor must have several qualifications, including: (i) experience establishing new family child care homes in at least three other states; (ii) technology which meets certain required criteria; (iii) experience successfully establishing family child care homes in rural communities and addressing child care access in underserved areas; and (iv) demonstrated success in establishing new family child care homes at scale on time lines of six months or less.

Selected vendors must: (i) determine where child care providers and substitute teachers are needed, and recruit new potential child care providers and substitutes; (ii) implement the technology requirements above; (iii) develop informational materials for in-home family child

care providers to assist with marketing, advertising, and parental outreach; (iv) create child care slots and implement a substitute teacher pool; (v) craft an implementation strategy to meet community and workforce needs, including care during nontraditional hours and days; (vi) provide a dashboard that allows for government leaders to track vendor progress, get feedback from child care providers, and obtain real-time reporting; (vii) provide support, resources, coaching, and training for in-home family child care providers for a minimum of two years; and (viii) report all information required by this section.

Participating councils must submit an initial progress report by March 1, 2027, and additional progress reports every six months thereafter for the duration of the Pilot, to the Joint Legislative Oversight Committee on Health and Human Services, the Fiscal Research Division, and DCDEE. At a minimum, the reports must include the following Program data: (i) the number of programs created by county; (ii) the number of child care centers and family child care homes created; (iii) the number of new child care slots; and (iv) the costs associated with creating the child care programs, including any administrative costs.

This section became effective July 1, 2026.

Additional Support for Domestic Violence Center Grants – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 22.1

Section 22.1 of S.L. 2026-41 (Senate Bill 257) increases the fee assessed against a person filing for absolute divorce from $75.00 to $125.00 and provides that those funds are deposited to the Domestic Violence Center Fund.

This section becomes effective December 1, 2026, and applies to fees assessed on or after that date.

Study Insurance Program For Child Care Providers – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 32.2

Section 32.2 of S.L. 2026-41 (Senate Bill 257) requires the Department of Insurance (DOI) to study the feasibility of establishing liability insurance coverage for North Carolina child care providers and, no later than May 1, 2027, report to the Joint Legislative Oversight Committee on General Government with the findings of the study. Of the funds appropriated in the act from the General Fund to DOI, $350,000 in nonrecurring funds for the 2026-2027 fiscal year must be used to conduct the study. In conducting the study, DOI must do the following:

- Collect loss data and operational information from child care providers statewide.
- Evaluate the viability of a program that is designed primarily to provide general liability coverage, including a focus on sexual abuse and molestation coverage.

- Determine the amount of public funding needed to initially capitalize the insurer and explore potential alternative solutions to that funding.
- Analyze the conditions in traditional, excess and surplus, and unauthorized foreign reinsurance markets.
- Determine whether commercial insurance carriers would be willing to participate in this program.
- Recommend a design for the most viable program for North Carolina child care providers.
- Identify any legislative changes necessary to implement any recommendations contained within the report.

The Department of Health and Human Services must cooperate with DOI, and any entity that DOI has contracted with, to supply any information necessary to do the study.

This section became effective July 1, 2026.

Make Certain Changes Related to Juvenile Court Records. – 2026 Court Changes.

Ratified (H377), Sec. 15

Section 15 of House Bill 377 would have done the following:

- Clarified that in an abuse, neglect, or dependency action:
  - A presiding district court judge and designated court staff can inspect confidential juvenile court records.
  - The recording of a hearing in the action can only be copied by order of the court.
  - A person not authorized to examine the juvenile's court record without a court order could file a written motion setting out why the information is needed. A district court judge would have been authorized to issue an order to disclose the information upon finding that the order is appropriate under the circumstances and in the best interest of the juvenile or necessary for the protection of the public.
- Clarified that in a proceeding for emancipation:
  - Court records in the action are confidential, except the certificate of emancipation.
  - A party, required participants, or their attorneys can access written records in the file without a court order.

House Bill 377 was ratified by the General Assembly on August 6, 2026, and was vetoed by the Governor on August 17, 2026.