Education

See full summary documents for additional detail

North Carolina Blue Ribbon Commission on Public Education – Medicaid & Health and Human Services Adjustments/Other Critical Needs.

SL 2026-1 (H696), Sec. 2.1

Section 2.1 of S.L. 2026-1 (House Bill 696) establishes the North Carolina Blue Ribbon Commission on Public Education (Commission). The Commission has 29 members: 19 voting members, 5 nonvoting members of the Senate, and 5 nonvoting members of the House of Representatives, all jointly appointed by the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Governor. The Commission must study the structure and implementation of public education in the State. It will be administered by the Friday Institute for Educational Innovation at North Carolina State University. The Commission can submit interim reports and a final report on its work. The Commission expires March 1, 2027.

This section appropriates $300,000 in nonrecurring funds to the Board of Governors of the University of North Carolina for the 2025-2026 fiscal year, to be allocated to the Friday Institute for the administration of the Commission. These funds will remain available until June 30, 2027.

This section became effective April 30, 2026.

Conform Eligible Expenses for NC 529 Plan to Federal Law – Medicaid & Health and Human Services Adjustments/Other Critical Needs.

SL 2026-1 (H696), Sec. 2.2

Section 2.2 of S.L. 2026-1 (House Bill 696) permits NC 529 accounts to be used for additional qualifying educational expenses added to the Internal Revenue Code by the federal One Big Beautiful Bill Act in 2025.

This section became effective April 30, 2026.

Expand and Revise Existing Flexibility for the Children of Wartime Veterans Scholarship Funds Program to Include the 2026-2027 and 2027-2028 Academic Years – Medicaid & Health and Human Services Adjustments/Other Critical Needs.

SL 2026-1 (H696), Sec. 2.5

Section 2.5 of S.L. 2026-1 (House Bill 696) and Section 8A.6 of S.L. 2026-41 (Senate Bill 257) extend the flexibility provided for the administration of funds for the Children of Wartime Veterans Scholarship Program (Program) to include the 2026-2027 and 2027-2028 academic years. This flexibility was previously granted to the State Education Assistance Authority (SEAA)

and Secretary of the Department of Military and Veterans Affairs (Secretary) for the 2024-2025 and 2025-2026 academic years.

For the 2026-2027 academic year, all of the following apply to the administration of funds for the Program:

- The Secretary, after consulting with SEAA, must determine whether to prioritize applicants who meet the following criteria:
    - Apply as an undergraduate.
    - Qualify as a resident for tuition purposes.
    - Meet all other program requirements.
- The Secretary, after consultation with SEAA, can determine whether to establish a standardized payment schedule or formula for the efficient and effective administration of available scholarship funds.
- SEAA must place any unexpended and unencumbered appropriated funds in an institutional trust fund.

For the 2027-2028 school year, all the following apply to the administration of funds for the Program:

- SEAA, after consultation with the Secretary, must do the following:
    - Establish a formula and standardized payment schedule for maximum scholarship awards for students that reflects the cost of attendance for eligible students receiving scholarship funds who are enrolled at approved public and private institutions of higher education, including mandatory fees, room, and board, as applicable. If the Secretary determines that funds are insufficient to provide scholarships to all eligible students in accordance with the standardized payment schedule, SEAA can take necessary steps to adjust scholarship amounts, subject to the standardized payment schedule. If SEAA modifies scholarship amounts, the Secretary must notify eligible students of the adjustment.
    - Post the standardized payment schedule on its website.
    - Report the standardized payment schedule to the Joint Legislative Education Oversight Committee (JLEOC), Joint Legislative Oversight Committee on General Government (JLOCGG), and Fiscal Research Division by April 1, 2027.
- The Secretary must open applications for the Program to new applicants no later than April 1, 2027. The priority period for submission of applications must close by May 1, 2027. The Secretary can adjust or close the application period for new applicants depending on the number of new eligible applicants and the availability of funds for the 2027-2028 academic year.
- New applicants must (i) be enrolling as undergraduates and (ii) qualify as residents for tuition purposes to qualify for a scholarship in the 2027-2028 school year.
- SEAA, after consultation with the Secretary, must determine whether the funds available for the Program in the 2027-2028 academic year are sufficient to provide scholarships to all eligible students in accordance with the standardized payment schedule by July 1, 2027.

- The Department of Military and Veterans Affairs must submit a report to JLEOC and JLOCGG by March 15, 2028, on at least all of the following:
    - The number of applications from eligible students.
    - The funds needed to provide full scholarships to all applicants who are eligible students.
    - Projected applications from eligible students for subsequent academic years based on trends in prior years and population growth in the State.
    - Any adjustments made to the scholarship amounts under the standardized payment schedule for the 2027-2028 academic year.
    - Any other measures taken to provide meaningful scholarship awards.
    - Recommendations for legislative changes needed to ensure the efficient and effective administration of scholarships for all eligible students in future academic years, in recognition of the sacrifices made by veterans and their families for the State.
- SEAA must place any unexpended and unencumbered appropriated funds in an institutional trust fund.

These sections became effective June 30, 2025, and apply to awards granted for the 2026-2027 and 2027-2028 academic years.

Educational Choice for Children Act (ECCA).

SL 2026-6 (H87)

S.L. 2026-6 (House Bill 87) and Section 8A.19 of S.L. 2026-41 (Senate Bill 257) authorize the State Education Assistance Authority (SEAA) to certify and submit a list of qualifying scholarship granting organizations to the United States Secretary of the Treasury (Secretary). The act voluntarily elects the State to (i) participate in the federal tax credit program under § 25F of the Internal Revenue Code and (ii) identify scholarship granting organizations located in the State. The federal tax credit program provides tax credits for individual contributions to scholarship granting organizations that provide elementary and secondary education scholarships.

SEAA must submit to the Secretary and publish on its website a list of the scholarship granting organizations located in the State that meet the federal requirements. SEAA can establish rules governing the process and documentation necessary for an organization to be included on the list and enter into agreements with other State agencies to meet these requirements.

SEAA must comply with all federal regulations regarding the administration of the federal tax credit program set in federal law to ensure that the State can participate in taxable years beginning after December 31, 2026. SEAA must establish any necessary rules by the later of July 1, 2026, or within 120 days of federal regulations being published.

Scholarship granting organizations can provide scholarships for home school expenses to the extent allowed under federal law.

Section 8A.19 of S.L. 2026-41 authorizes SEAA to use up to $1 million for administering the federal tax credit for the 2026-2027 fiscal year. For any funds used to administer the federal tax credit, SEAA must report to the Joint Legislative Education Oversight Committee on all of the following:

- The source or sources of funds SEAA used and the amounts from every source.
- The funds needed to support administration of the federal tax credit in the 2027-2028 fiscal year and thereafter.

House Bill 87 was vetoed by the Governor on August 6, 2025, and that veto was overridden by the General Assembly on June 3, 2026. The election to have the State participate in the federal tax credit program became effective June 3, 2026. Section 8A.19 of S.L. 2026-41 became effective July 1, 2026.

Standardize the Residency Determination Process for Admission to the North Carolina School of Science and Mathematics – UNC Omnibus & Capital Contracting Law Changes.

SL 2026-9 (H1123), Part II

Part II of S.L. 2026-9 (House Bill 1123), as amended by Section 2.6 of S.L. 2026-42 (House Bill 56), requires an applicant to the North Carolina School of Science and Mathematics (NCSSM) to either (i) receive a determination by the Residency Determination Service that the applicant has established a domicile in North Carolina and maintained a domicile in North Carolina for at least 12 months, or (ii) be a child of an active duty member of the Armed Forces who is living in the State incident to active military duty. This change aligns the residency requirements for admission to NCSSM with the residency requirements to qualify as a resident for in-State tuition purposes.

This Part became effective June 19, 2026, and applies beginning with applications for admission to NCSSM for the 2028-2029 school year.

Revise Tuition Grants for NCSSM and UNCSA Graduates – UNC Omnibus & Capital Contracting Law Changes.

SL 2026-9 (H1123), Part III

Part III of S.L. 2026-9 (House Bill 1123) modifies the requirements to qualify for a tuition grant for attendance at a constituent institution of The University of North Carolina for high school graduates of the North Carolina School of Science and Mathematics (NCSSM) or University of North Carolina School of the Arts (UNCSA) by requiring the State Education Assistance Authority to accept other documentation instead of a completed Free Application for Federal Student Aid (FAFSA) form.

This section also clarifies that to be eligible for a tuition grant, a high school graduate of NCSSM or UNCSA must be a resident for tuition purposes at the time of application for the initial grant.

A student who remains continuously enrolled full-time at an undergraduate program at a constituent institution remains eligible for the tuition grant for subsequent academic terms.

This section became effective June 19, 2026, and applies beginning with the award of tuition grants for the 2026-2027 academic year.

UNC Board of Governors Approval/Capital Expenditures – UNC Omnibus & Capital Contracting Law Changes.

SL 2026-9 (H1123), Part IV

Part IV of S.L. 2026-9 (House Bill 1123) makes the Board of Governors of The University of North Carolina responsible for making the final determination on all expenditures and project scope for capital improvement projects at The University of North Carolina and its constituent institutions.

This section became effective June 19, 2026.

Capital Improvement Threshold Increases – UNC Omnibus & Capital Contracting Law Changes.

SL 2026-9 (H1123), Part V

Part V of S.L. 2026-9 (House Bill 1123) does the following:

- Modifies the definition of a "capital improvement" under the State Budget Act to include any repairs and renovations valued at $150,000 or more, instead of $100,000.
- Directs every officer, board, department, or commission charged with the duty of approving plans and specifications or awarding or entering into contracts involving the expenditure of public funds to require that plans and specifications be prepared by a registered architect, a registered engineer, or both, if the contract meets any of the following increased monetary thresholds:
    - $300,000 or more for the repairs of a public building that does not include major structural changes in framing or foundation support systems, instead of $300,000.
    - $150,000 or more for the repairs of a public building affecting life safety systems, instead of $100,000.
    - $150,000 or more for the repairs of a public building that include major structural changes in framing or foundations support systems, instead of $135,000.
    - $150,000 or more for the construction of, or additions to, public buildings or State-owned utilities, instead of $135,000.
- Clarifies that a State entity overseeing a project is exempt from requiring a certificate of compliance, if the project meets the following criteria:
    - Has a projected cost of less than $150,000, instead of $100,000.
    - Does not alter life safety systems.
    - Does not require a registered architect or engineer.
- Prohibits owners or prime contractors from requiring retainage on public construction contracts with an estimated cost of $150,000, instead of $100,000.

- Expands the authority for The University of North Carolina (UNC) and its constituent institutions to award contracts for construction or repair work that requires an estimated expenditure under $1.5 million instead of $500,000, without complying with the State law procedure for awarding public contracts.
- Modifies the exemption for capital improvement projects under the jurisdiction of the State Building Commission, UNC, or community colleges from State laws governing procurement of architecture, engineering, and surveying services to include projects with an estimated cost of $1.5 million instead of $500,000.
- Removes the following exemptions from the State law describing the requirements for certain State building contracts, which are now generally included above:
    - Contracts for the erection, construction, alteration or repair of a building with a cost of $300,000 or less.
    - Contracts for the erection, construction, alteration, or repair of a building owned by UNC or its constituent institutions with a cost of $500,000 or less.

This Part became effective June 19, 2026.

Use of Capital Funds for Public-Private Partnerships – UNC Omnibus & Capital Contracting Law Changes.

SL 2026-9 (H1123), Part VI

Part VI of S.L. 2026-9 (House Bill 1123) prohibits the use of State funds appropriated for a capital improvement project or self-liquidating project at a State agency either in conjunction with or for the benefit of a public-private partnership project without express authorization by an act of the General Assembly. A public-private partnership is defined as a "capital improvement project undertaken for the benefit of a government entity and a private entity that may involve a contract, a financing agreement, or other agreement, and includes construction of a public facility or other improvements, including paving, grading, utilities, infrastructure, reconstruction, or repair, and may include both public and private facilities." This requirement does not apply to the Department of Transportation or University of North Carolina Health Care System.

This Part became effective June 19, 2026.

Allow Excused School Absences for Equestrian Competitions and Other Agricultural Events. – NC Farm Act of 2025-2026.

SL 2026-11 (S401), Sec. 9

Section 9 of S.L. 2026-11 (Senate Bill 401), as amended by Section 7.54(a) of S.L. 2026-41 (Senate Bill 257), requires the State Board of Education (SBE) to adopt a rule requiring school officials to authorize at least two excused absences each academic year for participation in equestrian sporting events, livestock shows, or similar agricultural events. School officials must provide students with an opportunity to make up any tests or other academic work missed due to participation in equestrian sporting events, livestock shows, or similar agricultural events.

This section became effective June 22, 2026, and applies beginning with the 2026-2027 school year.

UNC Constituent Institutions to Comply with Laws Related to Immigration – North Carolina Border Protection Act.

SL 2026-19 (S153), Part VI

Part VI of S.L. 2026-19 (Senate Bill 153) prohibits constituent institutions of The University of North Carolina from having policies or regulations that limit the enforcement of federal immigration laws to less than the full extent permitted by federal law. Constituent institutions cannot (i) prevent law enforcement officials or agencies from gathering information on an individual's immigration status or (ii) prevent the communication of that information to federal law enforcement agencies.

Senate Bill 153 was vetoed by the Governor on June 20, 2025, and that veto was overridden by the General Assembly on June 24, 2026.

This Part became effective June 24, 2026.

Eliminating "DEI" in Public Education.

SL 2026-20 (S227)

S.L. 2026-20 (Senate Bill 227), as amended by Section 5.9(c1) of S.L. 2026-41 (Senate Bill 257), prohibits public school units (PSUs) and the State Board of Education (SBE) from taking certain actions related to divisive concepts and discriminatory practices.

Definitions – The following definitions apply to this act:

"Discriminatory practices" are any of the following based on an individual's protected classification under federal law:

- Treating an individual differently solely to advantage or disadvantage that individual as compared to other individuals or groups.
- Excluding an individual from employment, except as allowed under federal law.
- Excluding an individual from participation in an educational program or activity, except as allowed under federal law.

"Divisive concepts" are any of the following:

- One race or sex is inherently superior to another race or sex.
- An individual is inherently racist, sexist, or oppressive solely because of his or her race or sex.
- An individual should be discriminated against or receive adverse treatment solely or partly because of the individual's race or sex.

- Moral character is necessarily determined by an individual's race or sex.
- An individual solely by virtue of his or her race or sex bears responsibility for actions committed in the past by members of the same race or sex.
- An individual solely by virtue of his or her race or sex should feel discomfort, guilt, anguish or other psychological distress.
- A meritocracy is inherently racist or sexist.
- The United States was created by members of a particular race or sex for the purpose of oppressing members of another race or sex.
- Particular character traits, values, moral or ethical codes, privileges, or beliefs should be ascribed to a race or sex or to an individual because of the individual's race or sex.
- The rule of law does not exist but instead is a series of power relationships and struggles among racial or other groups.
- All Americans are not created equal and are not endowed by their Creator with certain unalienable rights, including life, liberty, and the pursuit of happiness.
- Governments should deny to any person within the government's jurisdiction the equal protection of the law.

Prohibitions – PSUs are prohibited from doing any of the following:

- Engaging in or advocating for discriminatory practices.
- Compelling students, teachers, administrators, or other school employees to affirm or profess belief in divisive concepts.
- Providing instruction to students on divisive concepts.
- Engaging in activities related to professional development that include or advocate for divisive concepts or discriminatory practices.
- Maintaining an office or other unit (i) promoting discriminatory practices or divisive concepts or (ii) referred to as or named diversity, equity, and inclusion.
- Employing or assigning an employee whose duties for a public school unit include promoting discriminatory practices or divisive concepts.

The SBE cannot approve, provide, recommend, or require professional development that includes or advocates for divisive concepts or discriminatory practices. The SBE is prohibited from awarding continuing education credit for professional educator license renewal for any professional development that includes or advocates for divisive concepts or discriminatory practices.

Exceptions – The following are not limited by this act:

- Speech protected by the First Amendment of the United States Constitution.
- Materials accessed on an individual basis for research or independent study.
- Policies, procedures, or professional development required by State or federal law.
- Instruction on divisive concepts in accordance with the North Carolina Standard Course of Study when it is made clear that the PSU does not sponsor, approve, or endorse any divisive concepts.

Employee Policies – Local boards of education must adopt policies governing the conduct of employees that prohibit discrimination on an individual's protected classification under federal law, including antisemitism.

Student Code of Conduct – Governing bodies of PSUs must adopt Codes of Student Conduct that prohibit discrimination based on an individual's protected classification under federal law, including antisemitism.

Report – By September 1 of each year, each PSU must certify in writing to the Department of Public Instruction (DPI) that it fully complies with the requirements of this section and include in its certification any actions taken to achieve compliance. DPI must summarize the certifications in a report to the Joint Legislative Commission on Governmental Operations and the Joint Legislative Education Oversight Committee by January 15 of each year. For the certifications due by September 1, 2026, each PSU is required to include information on the initial implementation of these requirements, including reductions in force and spending, changes to job titles and position descriptions, and how savings achieved from these actions have been directed.

This bill was vetoed by the Governor on July 3, 2025, and that veto was overridden by the General Assembly on June 24, 2026. This act became effective on June 24, 2026.

Eliminating "DEI" in Public Higher Education.

SL 2026-21 (S558)

S.L. 2026-21 (Senate Bill 558), as amended by Section 5.9(d1) of S.L. 2026-41 (Senate Bill 257), addresses discriminatory practices and divisive concepts at public institutions of higher education.

Discriminatory practices are defined as doing any of the following based on an individual's protected classification under federal law:

- Treating an individual differently solely to advantage or disadvantage that individual as compared to other individuals or groups.
- Excluding an individual from employment, except as allowed under federal law.
- Excluding an individual from participation in an educational program or activity, except as allowed under federal law.

Divisive concepts include any of the following concepts:

- One race or sex is inherently superior to another race or sex.
- An individual, solely by virtue of his or her race or sex, is inherently racist, sexist, or oppressive.
- An individual should be discriminated against or receive adverse treatment solely or partly because of his or her race or sex.
- An individual's moral character is necessarily determined by his or her race or sex.

- An individual, solely by virtue of his or her race or sex, bears responsibility for actions committed in the past by other members of the same race or sex.
- Any individual, solely by virtue of his or her race or sex, should feel discomfort, guilt, anguish, or any other form of psychological distress.
- A meritocracy is inherently racist or sexist.
- The United States was created by members of a particular race or sex for the purpose of oppressing members of another race or sex.
- Particular character traits, values, moral or ethical codes, privileges, or beliefs should be ascribed to a race or sex or to an individual because of the individual's race or sex.
- The rule of law does not exist but instead is a series of power relationships and struggles among racial or other groups.
- All Americans are not created equal and are not endowed by their Creator with certain unalienable rights, including life, liberty, and the pursuit of happiness.
- Governments should deny to any person within the government's jurisdiction the equal protection of the law.

Public institutions of higher education are prohibited from doing any of the following:

- Engaging in or advocating for discriminatory practices.
- Compelling students, professors, administrators, or other employees to affirm or profess belief in divisive concepts.
- Endorsing divisive concepts.
- Maintaining an office, division, or other unit (i) promoting discriminatory practices or divisive concepts or (ii) referred to as or named diversity, equity, and inclusion.
- Employing or assigning an employee whose duties include promoting discriminatory practices or divisive concepts.
- Requiring completion of a course related to divisive concepts for purposes of awarding a degree or completing a program, unless approved by the chancellor of the institution and reported to the governing board of the institution.

These prohibitions do not apply to any of the following:

- Speech protected by the First Amendment of the United States Constitution.
- Materials accessed on an individual basis for research or independent study that advocate for divisive concepts or discriminatory practices.
- Policies or procedures required by State or federal law.
- Instruction or discussion on divisive concepts that makes it clear the public institution of higher education does not endorse the divisive concepts.

Public institutions of higher education must certify annually in writing by September 1 to their applicable governing board that they fully comply with the act's requirements. The University of North Carolina Board of Governors and the State Board of Community Colleges must summarize the relevant certifications and submit a consolidated report by January 15 annually to the Joint Legislative Commission on Governmental Operations and the Joint Legislative Education Oversight Committee. For the first certifications due September 1, 2026, public institutions of

higher education must include information on the initial implementation of the requirements, including reductions in force and spending, changes to job titles and position descriptions, and how savings achieved from these actions have been directed.

The act also prohibits public institutions of higher education from establishing, maintaining, or otherwise implementing a process for reporting or investigating offensive or unwanted speech that is protected by the First Amendment, including satire or speech labeled as microaggression.

This bill was vetoed by the Governor on July 3, 2025, and that veto was overridden by the General Assembly on June 24, 2026. This act became effective on June 24, 2026.

Children's Hospital Antitrust/State Action Immunity. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 5.7

Section 5.7 of S.L. 2026-41 (Senate Bill 257) adds a definition of "North Carolina Children's Health" (NCC) to the list of definitions under Article 37A of Chapter 116 of the General Statutes, The University of North Carolina Health Care System. The NCC is defined as a pediatric health facility and associated sites that (i) receive State funding and (ii) are developed by the University of North Carolina Health Care System (System) in partnership with Duke University Health System (Duke University).

This section further provides that the Board of Directors (Board) of the System can enter into cooperative agreements with Duke University, any component of The University of North Carolina (UNC), NCC, or any combination thereof, to provide pediatric research, health care, and discovery, including the development and joint operation of NCC, without regard to the effect on market competition. Through these partnerships and for these purposes, the System acts according to State policy by ensuring (i) pediatric health care is made available to all parts of North Carolina and (ii) North Carolina is at the forefront of pediatric research, health care delivery, and innovation.

This section provides that these activities by the System constitute "State action" for purposes of antitrust law and that the General Assembly intends that these agreements are immune from the application of federal and State antitrust law.

This section became effective July 1, 2026.

Propel NC – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 6.2

Section 6.2 of S.L. 2026-41 (Senate Bill 257) authorizes the State Board of Community Colleges (SBCC) to revise its funding formula for community colleges and allocate funds under the revised formula beginning with the 2026-2027 fiscal year. The revised formula must contain the following:

- A base allocation for each community college.
- An amount in addition to the base allocation based on the number of full-time equivalent students enrolled in (i) curriculum, workforce continuing education, and Basic Skills courses and (ii) courses and programming conducted under the Customized Training Program and the Small Business Center Network. This amount must be weighted based on the workforce sector of each course based on salary data and labor market demand in the sector.

The SBCC must review and revise its workforce sector designations by July 15, 2029, and every three years thereafter.

This section also establishes the Enrollment Increase Reserve to allow the SBCC to fund community colleges in the event that enrollment increases beyond budgeted enrollment levels. The SBCC can allocate funds from the Reserve to a community college when the college's enrollment either (i) increases by more than 5% in curriculum, workforce continuing education, or basic skills courses, or (ii) increases by more than 325 students.

By April 1, 2028, the Community Colleges System Office must report to the Joint Legislative Education Oversight Committee on any revisions to its funding formula for community colleges, including the structure of the revised formula, the process for implementing the revised formula, and any recommended changes to the revised formula.

This section became effective July 1, 2026.

North Carolina Community College System Intellectual and Developmental Disabilities Workforce Training Expansion – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 6.3

Section 6.3 of S.L. 2026-41 (Senate Bill 257) expands from 15 to 25 the number of community colleges that can participate in the community college training program for individuals with intellectual and developmental disabilities (IDD). The program provides opportunities for micro-credentials or other credentials that lead to increased employment outcomes for individuals with IDD.

Additionally, the Community Colleges System Office (CCSO) must use appropriated funds for the following:

- Two positions for the training program.
- Career and College Promise high school pathways and pre-apprenticeships and work-based learning for individuals with IDD.
- A marketing evaluation, online resources, professional development, and infrastructure support.
- Program expansion.

The CCSO must continue to provide $194,000 per participating community college.

This section became effective July 1, 2026.

Seamless Skills Initiative – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 6.4

Sections 6.4 and 8.15 of S.L. 2026-41 (Senate Bill 257) establish the Community College Seamless Skills Initiative (Initiative) to create a competency-based education model that seamlessly connects high school and community college.

Participants and Design – Fayetteville Technical Community College (FTCC) and Wilkes Community College (WCC) must partner to implement the Initiative and do the following:

- Establish high-tech pathways that integrate high school and community college curricula for hands-on, project-based learning.
- Develop competency-based pathways that create cross-curricular maps for dual credit, fostering seamless transitions between secondary and postsecondary education.
- Scale and replicate to build a scalable framework for rapid implementation across North Carolina.
- Empower student ownership by enabling students to set long-term learning goals and to manage and own their credentials with a digital wallet.
- Facilitate student work experiences to accelerate learning and transition students into work through "learn & earn" work-based learning in partnership with public agencies and private employers.
- Address workforce needs by developing and sustaining a comprehensive talent pipeline of skilled workers for high-demand technology fields in occupations that depend upon informational technology and operational technology for operational success.
- Develop statewide resources, including a guidebook to facilitate model replication and a new talent development model to accelerate learning using competency-based education.

Digital Wallet – The participants in the Initiative must contract with a third-party entity to create a secure, interoperable digital wallet platform that is subject to specific requirements.

Technical Support – The North Carolina Community Colleges System Office must provide ongoing technical support to community colleges participating in the Initiative. FTCC must enter into a memorandum of understanding with WCC to jointly co-design the Initiative and they must engage an organization with demonstrated expertise in designing and implementing learner-centered, modular, and competency-based high school programs aligned with emerging and high-tech career pathways. The selected organization must have a history of co-designing stackable credentials with public school units and postsecondary institutions and a proven track record of building digital infrastructure that supports student-paced progression, interdisciplinary instruction, and authentic skill development. The organization must assist in the development of a comprehensive framework for the Initiative, including course design, sequencing, credentialing structure, and related elements necessary to support personalized student progression during the 2026-2027 school year.

Funding – Of the funds appropriated for the Initiative, $2.75 million must be allocated to FTCC and $1 million must be allocated WCC. Funds allocated to FTCC and WCC will not revert and will remain available until the end of the 2029-2030 fiscal year.

Section 8.15 of S.L. 2026-41 requires the Office of Learning Research (OLR) at the North Carolina Collaboratory to study and evaluate the Initiative. OLR must submit a report on the Initiative to the Joint Legislative Education Oversight Committee (JLEOC) by March 15, 2028, and annually thereafter, culminating in a final report on March 15, 2030. All reports to JLEOC must include (i) the total number of students engaging in the Initiative, (ii) the total amount of funds expended to implement, design, and operate the Initiative, and (iii) the effects on student achievement and learning outcomes.

These sections became effective July 1, 2026.

Apprenticeship Studies – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 6.5

Section 6.5 of S.L. 2026-41 (Senate Bill 257), as amended by Section 3.6 of S.L. 2026-61 (House Bill 268), directs ApprenticeshipNC to study and report on the feasibility of designing and implementing State funding incentives for employers and other apprenticeship sponsors to increase the availability of registered apprenticeship programs and improving apprentice enrollment, completion, post-completion education and labor market outcomes. The study must include the following:

- Alternative incentive structures and design considerations to identify avenues to increase apprenticeship starts, completions, positive post-completion outcomes, and to ensure efficient use of State funds.
- Types of incentives that could be offered including grants, wage subsidies, and tax credits.
- Payment structures tied to apprentice hiring, wage progression, credential attainment completion, and post-completion outcomes.
- Eligibility criteria, including occupations and industries.
- Quality and accountability thresholds, such as minimum wage thresholds.
- Review of academic policy literature on apprenticeship incentives in other states.
- All of the following items:
    - A proposed structure or set of options for State apprenticeship incentives.
    - Identification of statutory, administrative, or implementation barriers.
    - Estimated fiscal impacts and recommended appropriations, including identification of existing or complementary State, federal, and private funding streams that could be leveraged to offset or reduce the need for additional State appropriations.
    - Strategies to balance up-front and early implementation costs of apprenticeship program management with an emphasis on increasing apprenticeship completion and post-completion education and labor market outcomes.

- A proposed policy for ongoing evaluation of any incentive adopted, including approaches to program monitoring, data collection, and assessment of impacts on participation and outcomes.

The study must be submitted to the Joint Legislative Education Oversight Committee (JLEOC) by March 15, 2027.

This section also directs ApprenticeshipNC to develop a plan to facilitate one or more expedited pathways for apprenticeship candidates to enter the teaching profession. This plan must be developed in collaboration with the Board of Governors of The University of North Carolina, the State Board of Community Colleges, the Department of Public Instruction, and TeachNC. ApprenticeshipNC can also collaborate with representatives of approved educator preparation programs, local school administrative units, and existing apprenticeship programs. The plan must include at least the following components:

- Options for an accelerated transition pathway to allow high school students to earn college credits leading to a teaching license while participating in structured, paid, or other experiential learning in the classroom.
- Maximize usage and transferability of the following coursework completion opportunities:
  - College transfer pathways provided through the Career and College Promise Program that support entry into a recognized educator preparation program.
  - Community college coursework leading to completion of an associate degree related to teacher preparation.
  - Online or asynchronous coursework provided at a constituent institution of The University of North Carolina leading to a bachelor's degree.
  - Enrollment in an associate degree program or a bachelor's degree program while serving (i) as a full-time employee in a public school unit and (ii) as an apprentice teacher in a registered apprenticeship program.
- Any legislative changes or appropriations needed to implement the plan.

This plan must be developed and submitted to JLEOC by March 15, 2027.

This section became effective July 1, 2026.

High-Cost Workforce Programs Start-Up Funds – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 6.6

Section 6.6 of S.L. 2026-41 (Senate Bill 257) requires the Community Colleges System Office (CCSO) to establish a Fund for High-Cost Workforce Programs (Fund) to assist community colleges in starting new programs in high-demand career fields that require significant start-up funds. Programs offered at community colleges aligned with high-salary and high-demand workforce sectors are eligible for funds from the Fund.

The CCSO must develop an application process for community colleges to apply for awards from the Fund by the beginning of the 2026-2027 academic year, which must include (i) a description of the proposed new program requiring start-up funds, (ii) documentation of industry demand for the program or documentation of local, regional, or statewide employment needs that will be met by the program, (iii) total cash costs to start and maintain the program over two fiscal years, and (iv) a plan for the fiscal sustainability of the new program.

Each college can only apply for one award in a fiscal year and can use the funds received over two fiscal years. A college receiving funds must provide a match with non-State funds, as follows:

- Community colleges with a total of more than 6,500 full-time equivalents must match 15%.
- Community colleges with a total between 2,500 and 6,500 full-time equivalents must match 10%.
- Community colleges with a total of fewer than 2,500 full-time equivalents must match 5%.

The CCSO can adopt policies regarding the administration of the Fund and can use up to $100,000 for the administrative costs for the 2026-2027 fiscal year.

By December 1 after each year funds are provided to a college from the Fund, the CCSO must report to the Joint Legislative Education Oversight Committee on (i) the colleges that received the funds, the amount of funds, and the types of programs started, (ii) the use of funds, including costs associated with student instruction, faculty salaries, instructional supplies, related instructional equipment, and accreditation costs, and (iii) evaluation of the success of the new programs. The first report is due December 1, 2027.

This section became effective July 1, 2026.

No Financial Benefit for Community College Students Convicted of Assaulting Officers or Employees of the State – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 6.7

Section 6.7 of S.L. 2026-41 (Senate Bill 257) requires the State Board of Community Colleges to adopt a policy prohibiting the Community Colleges System Office and community colleges from providing a State-funded scholarship or grant to a student who has been convicted of assaulting any of the following while enrolled as a student:

- An officer or employee of the State.
- An officer or employee of a political subdivision of the State.

The prohibition begins with the semester or academic term following the conviction.

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

Workforce Diploma Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 6.8

Section 6.8 of S.L. 2026-41 (Senate Bill 257), as amended by Section 3.5 of S.L. 2026-61 (House Bill 268), requires the Community Colleges System Office (CCSO) to establish a Workforce Diploma Program (Program) for the 2026-2027 fiscal year. The Program will serve students who are 21 years of age or older who are North Carolina residents and have not earned a high school diploma or its equivalent. The CCSO must contract with qualifying third-party entities to provide courses to help students earn a high school diploma. To qualify, the third-party entity must meet the following criteria:

- Have administered at least three statewide adult high school diploma programs outside of the State in the past five years and maintained at least a 50% graduation rate beginning with the second cohort of students.
- Be accredited by an external regional accrediting agency.
- Offer a course catalog that aligns with curriculum requirements for a North Carolina high school diploma.

Program Requirements – The Program must (i) provide competency-based courses to help students earn a high school diploma, (ii) assist students in obtaining employment, including resumé development and mock interviews, and (iii) provide at least the following:

- Proactive communication regarding pace and progress.
- Course and credit plans aligned with graduation requirements and career goals.
- Mentoring services.
- Milestone tracking.
- Academic skill intake assessments and transcript evaluations.
- Catalog of courses necessary to meet graduation requirements.
- Remediation opportunities in literacy and numeracy.
- Employability skills certifications.
- Preparation for workforce credentials.
- Career advising services.
- Access to online tutoring services at any time.

Allocation of Funds – Funds must be provided to each third-party entity on a per-participant basis, as follows:

- $275 for completion of each half credit.
- $275 for completion of an employability skills certification equivalent to one credit.
- $275 for attainment of an industry-recognized credential that requires up to 50 hours of training.
- $550 for attainment of an industry-recognized credential that requires 51-100 hours of training.
- $825 for attainment of an industry-recognized credential that requires more than 100 hours of training.

- $1,100 for attainment of a high school diploma.

Follow-Up – The CCSO must attempt to collect data on employment outcomes for students who participated in the Program. The CCSO must submit any data collected to the Joint Legislative Education Oversight Committee (JLEOC) by July 15 of the year in which it was collected.

Report – The State Board of Community Colleges, in consultation with each third-party entity, must submit a report by August 15, 2028, to the JLEOC and the Fiscal Research Division on the impact of the Program. The report must include the following information:

- The number of participants.
- The number of credits earned by participants.
- The number of employability skills certifications issued to participants.
- The number and type of workforce credentials earned by participants.
- The number of participants who received a high school diploma.
- The average funding provided per participant who received a high school diploma.
- The percentage of participants who received a high school diploma.

Administration – The CCSO must use $100,000 of funds appropriated for the Program to hire one full-time equivalent position to administer the Program.

This section became effective July 1, 2026.

Digital Credential Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 6.9

Section 6.9 of S.L. 2026-41 (Senate Bill 257) establishes the Digital Credential Program for the 2026-2027 fiscal year to evaluate the effectiveness of digital credential services for use by community college students. The Community Colleges System Office must contract with a vendor to provide digital credentialing services to all community colleges in the State. The vendor must provide a Credential Management System that meets the following criteria:

- Provides the capability to issue, manage, and verify digital credentials across multiple widely adopted open standards, including World Wide Web Consortium Verifiable Credentials, OpenBadges, and AnonCreds, within a single platform.
- Supports secure, persistent communication channels that enable authenticated, peer-to-peer interactions between parties.
- Meets or exceeds National Institute of Standards and Technology Identity Assurance Level 3 standards for identity proofing to ensure high confidence identity verification.
- Is designed as a decentralized deployment operating as a network appliance within the State's controlled cloud environment rather than as a multi-tenant Software as a Service offering to ensure data sovereignty, reduce long term operational costs, and eliminate dependency on third party hosted infrastructure.
- Includes a noncustodial mobile digital wallet that allows individuals to maintain sole control of their credentials.

- Includes configurable, standards-based workflows that extend agency processes directly to credential holders.
- Incorporates advanced capabilities for workforce matching, including artificial intelligence driven analysis that aligns verified credentials with employment opportunities.
- Includes trust and verification systems anchored using blockchain based mechanisms solely for publishing tamper resistant public keys and service endpoints, without storing any personally identifiable information or credential data-on-chain.

This section became effective July 1, 2026.

North Carolina Student Lifeline Information for Community College Students – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 6.10

Section 6.10 of S.L. 2026-41 (Senate Bill 257) requires the State Board of Community Colleges to adopt a policy requiring all community colleges to provide students with the phone numbers for the Suicide and Crisis Lifeline and the NC Peer Warmline. Each community college must provide the information in the following places:

- Newly issued student identifications.
- The college's website.
- The home screen of any electronic device issued to students.
- Each school agenda or calendar, digital or printed.
- On a document during any suicide awareness activity.
- On a document when the student registers for attendance.

This section became effective July 7, 2026, and applies beginning with the 2026-2027 academic year.

Reduction of Performance Funding Except Basic Skills – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 6.11

Section 6.11 of S.L. 2026-41 (Senate Bill 257), as amended by Section 3.4 of S.L. 2026-61 (House Bill 268), removes various performance measures on which the State Board of Community Colleges (SBCC) must evaluate community colleges. The SBCC must allocate performance-based funds to community colleges that have successful institutional performance on the progress of basic skills students.

Section 6.11 of S.L. 2026-41 became effective July 1, 2026, and Section 3.4 of S.L. 2026-61 became effective August 11, 2026.

Repeal TeachNC Initiative – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.1

Section 7.1 of S.L. 2026-41 (Senate Bill 257) repeals the requirements that the Department of Public Instruction (i) adopt the TeachNC recruitment initiative as a comprehensive web platform for future teachers and (ii) produce an annual report on the implementation of the initiative.

This section becomes effective July 1, 2027.

Clarify Learning.com Funding. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.2

Section 7.2 of S.L. 2026-41 (Senate Bill 257) removes the requirement that local boards of education of local school administrative units (LEAs) located within counties determined to be the most economically distressed by the Department of Commerce have to collaborate with the State Board of Education, the Department of Public Instruction (DPI), the Friday Institute, and The University of North Carolina educator preparation programs on assessment of efforts to provide student digital literacy instruction in kindergarten through eighth grade in those LEAs. The remaining entities must continue to assess these efforts in all LEAs. In addition, the section clarifies that DPI is prohibited from taking any action to impede public school units from accessing Learning.com.

This section became effective July 1, 2026..

Streamline Limited English Proficient Allotment – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.3

Section 7.3 of S.L. 2026-41 (Senate Bill 257) codifies the Limited English Proficient allotment and requires that the State Board of Education allocate any funds made available for this purpose on the basis of the average number of students with limited English proficiency over the past three years in each local school administrative unit, charter school, regional school, and laboratory school. Local school administrative units must use the funds to pay for classroom teachers, teacher assistants, tutors, instructional materials, transportation costs, and professional development for teachers for students with limited English proficiency. Counties that have local school administrative units receiving these funds must use the funds to supplement and not supplant local current expense funds.

This section became effective July 1, 2026.

Repeal Textbook Commission – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.4

Section 7.4 of S.L. 2026-41 (Senate Bill 257), as amended by Section 2.3 of S.L. 2026-42 (House Bill 56), repeals the Textbook Commission and authorizes local boards of education to select and procure instructional materials, including textbooks, in accordance with rules adopted by the State Board of Education. The Department of Public Instruction, in coordination with the Office of State Budget and Management, must dissolve the State Textbook Fund once all funds are expended. In its place, this section creates the Instructional Materials funding allotment within the State Public School Fund for the purchase and maintenance of instructional materials and supplementary materials. Funds allocated for the Instructional Materials funding allotment in fiscal years 2026-2027, 2027-2028, and 2028-2029 do not revert at the end of the fiscal year and will remain available until expended.

Additionally, this section requires local boards of education (local boards) to establish community media advisory committees to investigate challenges to instructional materials and supplementary materials on the basis that the materials are one or more of the following:

- Obscene.
- Inappropriate to the age, maturity, or grade level of the students.
- Except for library books, not aligned with the standard course of study.

These committees must include at least the following:

- Three principals, including a principal from a high school, a middle school, and an elementary school.
- Three teachers, including a teacher from a high school, a middle school, and an elementary school.
- A parent of a student in high school or middle school and a parent of a student in elementary school.
- Three school library media coordinators, including one from a high school, a middle school, and an elementary school.

Challenges can be brought by a parent of a student enrolled in a school governed by the local board, a teacher employed by the local board, or a resident of the area of assignment for the local board. The community media advisory committee must hold a hearing within two weeks of a challenge. Within two weeks of the hearing, the committee must make a recommendation to the local board on whether the challenge has merit. At the next meeting of the local board following the committee's recommendation, the local board must determine whether the challenge has merit. The final decision on whether a challenge has merit is up to the local board and is not appealable.

Section 7.4 of S.L. 2026-41 became effective July 1, 2026, and applies beginning with the 2026-2027 school year. Section 2.3 of S.L. 2026-42 became effective July 7, 2026.

Freeze Low-Wealth Allotment Funds – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.5

Section 7.5 of S.L. 2026-41 (Senate Bill 257) makes the following modifications to the low-wealth counties supplemental funding allotment:

- For a county that was ineligible for low-wealth supplemental funding in the prior year, the State Board of Education (SBE) must allocate the full amount of funding calculated by the Department of Public Instruction (DPI).
- For a county that received low-wealth supplemental funding in the prior year but is no longer eligible, the SBE must allocate funding equal to 70% of the low-wealth supplemental funds the county received in the prior school year.
- For a county that was ineligible for low-wealth supplemental funding for the prior year and continues to be ineligible, the SBE is prohibited from allocating low-wealth supplemental funds to the county.
- For an eligible county that qualifies for an increase or decrease in low-wealth supplemental funding, DPI is prohibited from increasing or decreasing the amount of funding provided to a qualifying county by greater than 30%.

Beginning with the 2027-2028 school year, DPI must calculate and allocate supplemental funding for low-wealth counties in accordance with this section using an amount of funds not to exceed the amount of funds appropriated for that purpose by the General Assembly for the 2026-2027 fiscal year. This limitation does not apply to additional funds appropriated by the General Assembly for salary and benefit increases.

This section became effective July 7, 2026, and applies to allocations of low-wealth supplemental funds beginning with the 2027-2028 school year.

Adjustment to Principal Licensure Requirements. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.6

Section 7.6 of S.L. 2026-41 (Senate Bill 257) provides the State Board of Education (SBE) with flexibility to adopt the requirements for administrator licenses by creating a new principal license distinct from the administrator license. The requirements for the principal license are defined in statute, but the requirements for the administrator license are left up to the SBE.

The requirements for the principal license are identical to the previous requirements for administrator licenses, including that the individual must meet all of the following criteria:

- Hold a bachelor's degree.
- Have successfully completed an approved principal preparation program.
- Have at least four years of experience as a licensed professional educator.
- Have submitted a portfolio to the State Board of Education (SBE) for approval that meets criteria adopted by the SBE.

Additionally, this section makes various conforming changes to account for the new principal license.

This section became effective July 7, 2026, and applies to applicants for licensure on or after that date.

Various Education Report Changes – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.7

Section 7.7 of S.L. 2026-41 (Senate Bill 257) makes the following changes to reports submitted to the Joint Legislative Education Oversight Committee (JLEOC):

- Requires the Superintendent of Public Instruction, rather than the State Board of Education (SBE), to submit various reports to JLEOC. By March 15 of each year, the Superintendent must submit reports on low-performing schools, school improvement plans found to improve student performance, personnel actions taken in low-performing schools, and recommendations for additional legislation to improve student performance and increase local flexibility.
- Repeals the biennial report on the implementation of the requirement to provide the Founding Principles of the United States of America and North Carolina: Civic Literacy course.
- Repeals an annual report from the North Carolina Hospitality Education Foundation on how it uses funds to provide nationally certified programs in hospitality.
- Repeals an annual report on the Financial Literacy Elective Course Pilot Program.
- Moves the due date of the annual report on computer science participation from November 15 to March 15.
- Repeals an annual report on the difference in the number of school mental health support personnel funded exclusively from the instructional support allotment in each local school administrative unit each year.
- Renames the State of the Teaching Profession report to the Teacher Attrition and Mobility Report and changes the due date from December 15 to February 15 annually.
- Requires the SBE to make the annual report cards for educator preparation programs available on its website by February 15, rather than December 15, of each year. The Department of Public Instruction, instead of the SBE, must annually submit the report to the JLEOC.
- Changes the due dates of the school nutrition services report from May 15 and November 15 of each year to February 15 of each year.
- Changes the due date of the charter school transportation grant program report from March 15 to August 15 of each year funds are awarded.
- Changes the due date of the report on the educational effectiveness of charter schools and the effect of charter schools on local school administrative units from June 15 to August 15 of each year.

- Requires the SBE to submit to JLEOC a copy of the annual report on compliance with the federal Individuals with Disabilities Education Act submitted to the U.S. Department of Education by no later than October 15 of each year.

This section became effective July 1, 2026.

Elementary and Middle School Literacy Improvement – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.8

Section 7.8 of S.L. 2026-41 (Senate Bill 257) requires local school administrative units (LEAs) to assess students in kindergarten through fifth grade with valid, reliable, formative, and diagnostic reading assessments provided by the State Board of Education (SBE). Previously, only students in kindergarten through third grade were required to complete these assessments.

Similar to students in kindergarten through third grade, students in fourth and fifth grade who demonstrate difficulty with reading development based on the results of the assessments must receive an Individual Reading Plan. LEAs must provide notice to parents or guardians of students in fourth or fifth grade who are demonstrating difficulty with reading development or are not reading on grade level.

Additionally, the Department of Public Instruction (DPI) must contract with Lexia Learning Systems, LLC, to provide Lexia Aspire Professional Learning to middle school teachers during the 2026-2027 school year. DPI must prioritize participation by teachers whose students would receive the most benefit from the training, including English Language Arts and Exceptional Children teachers. Any remaining funds can be used to provide additional Lexia Aspire Professional Learning to teachers or other educational personnel at the State or local level. The SBE must develop literacy standards for grades six through eight to align with Lexia Aspire Professional Learning.

This section became effective July 1, 2026.

Automatic Enrollment in Advanced English Language Arts Courses – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.9

Section 7.9 of S.L. 2026-41 (Senate Bill 257) requires, when practicable, local boards of education to offer advanced learning opportunities in English Language Arts in grades three through five and advanced courses in English Language Arts in grades six and higher.

If local boards provide advanced learning opportunities in grades three through five, then the local boards must provide the advanced learning opportunity in the next school year to students who score at the highest level on an end-of-grade (EOG) test. If advanced courses are offered in

grades six and higher, then local boards must enroll students who score at the highest level on an EOG or end-of-course (EOC) test in an advanced course the next school year.

A school cannot remove a qualifying student from an advanced learning opportunity or course unless the qualifying student's parent or guardian provides written consent for the removal.

The Department of Public Instruction must annually report to the Joint Legislative Education Oversight Committee on the number, demographics, and socioeconomic status of students who were eligible for advanced courses, including information on the eligible students who were placed or not placed in the advanced courses.

This section became effective July 7, 2026, and applies beginning with the 2027-2028 school year.

Highly Effective Limited License Teachers. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.10

Section 7.10 of S.L. 2026-41 (Senate Bill 257) eliminates:

- The testing requirements for admission to an educator preparation program.
- The requirement that a teacher must attempt to pass certain licensure examinations during the first year of licensure.

This section also allows a teacher with a limited license who has available growth data under the Education Value-Added Assessment System to convert the license to a continuing professional license if the teacher has a positive average growth score for two of the three most recent years.

Finally, the State Board of Education (SBE) must grant a continuing professional license to a teacher licensed or otherwise authorized to teach in a jurisdiction outside of the State if the teacher meets one of the following requirements:

- If the teacher is licensed in another state and meets both of the following criteria:
    - Has at least three years of teaching experience.
    - Is in good standing with the other state.
- If the teacher previously worked as a teacher in a foreign country and meets one of the following requirements:
    - Is licensed in a foreign country and is in good standing with that jurisdiction.
    - If license and good standing cannot be verified, then the teacher must have either (i) at least three years of teaching experience or (ii) been authorized to teach in a foreign country in the previous five years.

Local school administrative units can convert positions to dollar equivalents for visiting international faculty that are awarded continuing professional licenses if they meet these requirements. The SBE must adopt rules to recognize teachers licensed outside of the State.

The granting of continuing professional licenses to teachers licensed outside of the State became effective July 7, 2026, and applies to applications for continuing professional licenses on or after that date. The remainder of this section became effective July 1, 2026.

Competency-Based High School/Healthcare and High-Tech Pathways Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.11

Section 7.11 of S.L. 2026-41 (Senate Bill 257) establishes the Competency-Based High School and Healthcare and High-Tech Pathways Program (Program) for the 2026-2027, 2027-2028, and 2028-2029 school years in Mooresville Graded School District in partnership with Mitchell Community College. The Program will create pathways that use competency-based education to result in an associate degree or industry-recognized credential with an emphasis on healthcare preparation. An organization with demonstrated expertise in designing and implementing these types of programs will assist with developing the Program framework during the 2026-2027 school year. Students will be able to participate in the Program by no later than the 2028-2029 school year.

In implementing the Program, Mooresville Graded School District and Mitchell Community College can use the following flexibilities:

- Offering Credit by Demonstrated Mastery assessments and CTE Proof of Learning assessments outside of the State testing windows.
- Enrolling students in community college courses prior to 11th grade without meeting the requirements for 9th or 10th grade enrollment.
- Allowing participating students access to all community college courses, regardless of pathway selection.
- Replacing any high school graduation credit requirement with community college courses or locally developed credit by mastery course consistent with the student's pathway, except those in the core subjects of English, Mathematics, Science, and Social Studies.
- Operating any high school in the district under a restart model which grants charter-like flexibility, allowing for calendar flexibility.

Mooresville Graded School District must select a vendor with demonstrated experience to develop standards-aligned proficiency scales for all content areas in grades 9-12 to ensure that educators have the necessary tools to use competency-based education. The vendor will provide professional development and coaching in the use of competency-based education and the proficiency scales.

This section appropriates $4 million in nonrecurring funds to Mooresville Graded School District to contract with an organization to design the framework, to contract with a vendor to provide proficiency scales and professional development, and to hire an additional staff person to oversee the Program. The funds will remain available until the end of the 2028-2029 school year.

Section 8.15 of S.L. 2026-41 (Senate Bill 257) requires the Office of Learning Research at the North Carolina Collaboratory to study and evaluate the Program and report to the Joint Legislative Education Oversight Committee by March 15 in 2028, 2029, and 2030, on the total number of students engaging with the Program, the amount of funds expended to implement, design, and operate the Program, and the Program's effects on student achievement and learning outcomes.

These sections became effective July 1, 2026.

Lighthouse Math Project – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.12

Sections 6.13, 7.12, and 8.15 of S.L. 2026-41 (Senate Bill 257) establish the Lighthouse Math Project (Project) for Wake Technical Community College (Wake Tech) and the Wake County Public School System (WCPSS) during the 2026-2027 through 2029-2030 school years. The purpose of the Project is to increase the percentage of high school students who are (i) eligible to complete college-level mathematics upon graduation from high school and (ii) able to complete college-level math either through dual enrollment while in high school or within the first year of college enrollment.

High school students at East Wake High School and Knightdale High School can participate in the Project at the Wake Tech East campus of Wake Tech. WCPSS must partner with SparkNC to align the Project participants' ongoing efforts at the Wake Tech East campus with the design and implementation of the Project.

WCPSS, in collaboration with Wake Tech, must contract with Khan Academy, Inc. (Khan), for the use of the artificial intelligence tutoring program, Khanmigo. Students at participating high schools must have access to Khanmigo from the time of enrollment in high school through attendance at Wake Tech East. Wake Tech must collaborate with Khan to do all of the following:

- Develop and deliver at least one Khanmigo-centered gateway college math course to be offered to high school students at participating high schools and graduates of participating high schools who attend Wake Tech East.
- Develop a Khanmigo-centered developmental math course sequence that will be provided by Wake Tech faculty to students from participating high schools in one of the following formats:
    - As part of a Career and College Promise Career Ready Pathway.
    - As supplement to a Career and College Promise Pathway.
    - As a summer bridge program available to students prior to or subsequent to their junior and senior years of high school.
    - As a community college course during the first semester of enrollment at Wake Tech.

As part of the Project, Khan must develop a self-paced, competency-based modular math course with appropriate student diagnostics and student assessments based on the college readiness math competencies provided as part of the Project.

The Department of Public Instruction must use $500,000 in nonrecurring funds for the 2026-2027 fiscal year to contract with Khan for the purposes of the Project. These funds do not revert and will remain available until the end of the 2027-2028 fiscal year.

The Community Colleges System Office must use up to $1 million in nonrecurring funds for the 2026-2027 fiscal year to establish time-limited positions at Wake Tech to work in participating high schools and assist with the implementation of the courses offered by the Project. These funds do not revert and will remain available until the end of the 2029-2030 fiscal year.

The Office of Learning Research at the North Carolina Collaboratory must study and evaluate the Project and report to the Joint Legislative Education Oversight Committee by March 15, 2028, and annually thereafter until March 15, 2030. The reports must include all of the following:

- The total number of students engaging with this program.
- The total amount of funds expended to implement, design, and operate the program.
- Effects on student achievement and learning outcomes.

These sections became effective July 1, 2026.

Competency-Based Education and High School Redesign Strategic Network – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.13

Sections 7.13 and 8.15 of S.L. 2026-41 (Senate Bill 257) direct Mooresville Graded School District, Mitchell Community College, Wake Technical Community College, Wake County Public School System, Fayetteville Technical Community College, Wilkes Community College, and SparkNC to collaborate to create the Competency-Based Education and High School Redesign Strategic Network (Strategic Network). The president of SparkNC, or the president's designee, is the chair of the Strategic Network. The chair must coordinate the operations of the Strategic Network and provide administrative and technical support for the Strategic Network.

The Strategic Network will provide a forum for each entity to share what it has learned and developed regarding competency-based education and high school redesign with the goal to advance a competency-based approach to education across the State.

The Office of Learning Research (OLR) at the North Carolina Collaboratory must study and evaluate the Strategic Network. OLR must submit a report on the Strategic Network to the Joint Legislative Education Oversight Committee (JLEOC) by March 15, 2028, and annually thereafter, culminating in a final report by March 15, 2030. All reports to JLEOC must include (i) the total number of students engaging with the Strategic Network, (ii) the total amount of funds expended to implement, design, and operate the Strategic Network, and (iii) the effects of the Strategic Network on student achievement and learning outcomes.

These sections became effective July 1, 2026.

North Carolina Competency-Based Education Innovation Grant Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.14

Section 7.14 of S.L. 2026-41 (Senate Bill 257) creates the North Carolina Competency-Based Education Innovation Grant and Network Program (Program) to provide funding and support to schools and school systems to assist in the transition to competency-based education models that focus on the mastery of learning rather than instructional time.

The objectives of the Program are as follows:

- Redesign Learning Pathways – Support schools and school systems in developing personalized competency-based education models that allow students to progress at their own pace.
- Assessment Innovation – Use formative and performance-based assessments that measure student mastery of skills and knowledge including the use of artificial intelligence tools.
- Educator Capacity Building – Provide professional development for educators on instructional strategies and assessment practices aligned with transitioning to competency-based education.
- Develop Strategies for Statewide Scaling and Best Practices – Develop and share resources, implementation strategies, and learned lessons to expand competency-based education across the State.

The first phase of the Program begins with the 2026-2027 school year and continues until the end of the 2029-2030 school year. Public school units must submit applications for grants and complete planning duties during the 2026-2027 school year and implement competency-based education in participating schools starting with the 2027-2028 school year.

The application for the Program requires applicants to show: (i) a comprehensive plan outlining the school's vision for competency-based education; (ii) a description of instructional and assessment shifts to be implemented; (iii) a budget for use of grant funds and a sustainability plan; and (iv) commitments from stakeholders. The Department of Public Instruction (DPI) must select 10 schools to participate and must prioritize schools that show a strong commitment to implementing competency-based education and innovation in assessments.

Selected schools are eligible for a grant award in the amount of $330,000 dollars with $95,000 dollars to be used for receiving training on competency-based education implementation in the school. The remaining grant funds are to be used for costs associated with the transition to competency-based education. The funds remain available until the end of the 2029-2030 fiscal year.

DPI must select a third-party vendor (Vendor) that is an educational support provider that has an extensive track record of working directly with schools across multiple states. DPI and the Vendor must develop standards-aligned proficiency scales for all content areas and grade levels to ensure

successful transitions to competency-based education and provide professional development events to educators.

DPI must do the following for the Program:

- Develop, in collaboration with the Vendor, a Competency-Based Education Network (CBE Network) that: (i) provides guidance and policy recommendations for statewide scaling; (ii) facilitates collaboration among grant recipients, educators, policymakers, and competency-based education industrial leaders; (iii) develops a roadmap for statewide implementation; (iv) offers professional learning communities and online resources; (v) develops ways to measure proficiency for courses offered as part of the standard course of study; (vi) disseminates proficiency measures to schools and post standards developed to align with proficiency measures; and (vii) conducts research and evaluation to inform best practices and continuous improvement in participating schools.
- Provide support and technical assistance, professional learning opportunities, and access to the CBE Network for all grant recipients.

Each participating school must submit a quarterly progress report to DPI detailing the implementation of competency-based education in the school, including available student learning outcome data such as evidence of progress toward content mastery. DPI must then submit a final report on the outcomes of the first phase of the Program to the Joint Legislative Education Oversight Committee (JLEOC) by December 1, 2030, with the following information:

- A summary of student outcomes.
- Challenges experienced by the schools or DPI with the implementation of the Program.
- Recommendations for statewide scaling.
- Any other information deemed relevant by DPI and any other information requested by JLEOC.

DPI was appropriated $5.3 million dollars in nonrecurring funds to implement the Program with the funds remaining available until the end of the 2029-2030 fiscal year.

Section 8.15 of S.L. 2026-41 (Senate Bill 257) requires the Office of Learning Research at the North Carolina Collaboratory at the University of North Carolina at Chapel Hill to study and evaluate the Program and report to JLEOC by March 15, 2028, and annually thereafter with a final report due by March 15, 2030. The report must include:

- The total number of students engaging with the Program.
- The total amount of funds expended to implement, design, and operate the Program.
- Effects on student achievement and learning outcomes.

These sections became effective July 1, 2026.

Khan Academic Support Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.15

Section 7.15 of S.L. 2026-41 (Senate Bill 257) establishes the Khan Academic Support Program (Program) where public school units (PSUs) would contract with Khan Academy, Inc. for the use of its application, Khanmigo, in grades 6-12. PSUs electing to participate in the Program will receive funding to contract for Khanmigo based on the average daily membership of grades 6-12 and the number of teachers and administrators for students in grades 6-12. The contracts will be for a term of one year and each participating PSU will evaluate the use of the application before contracting for any additional one-year terms. The evaluation must be provided to the Department of Public Instruction (DPI) by July 15 following each year funds are used.

DPI must contract with Khan Academy, Inc. for 500 Khanmigo licenses for use in schools operated by the Division of Juvenile Justice.

The Office of Learning Research at the North Carolina Collaboratory must report to the Joint Legislative Education Oversight Committee (JLEOC) on the effectiveness of Khanmigo by April 1, 2028.

DPI must report to JLEOC on at least the following information by no later than October 15 following each year funds are made available for the Program:

- The number of PSUs that contracted with Khan Academy, Inc.
- The number of students using the Khanmigo application, including the average number of minutes and interactions students had with the application weekly.
- The number of teachers using the Khanmigo application, including the average number of minutes and interactions teachers had with the application weekly.
- Any identified impact on student outcomes and teacher performance.
- The number of moderation flags generated by the application.

This section became effective July 1, 2026.

Magic School Academic Support Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.16

Section 7.16 of S.L. 2026-41 (Senate Bill 257) establishes the Magic School Academic Support Program (Program) that allows public school units (PSUs) to contract with MagicSchool, Inc. for use of the academic support service MagicSchool in grades 6 through 12. MagicSchool is an application that uses artificial intelligence to (i) support teachers with lesson plan development and (ii) support students with lesson comprehension.

The Department of Public Instruction (DPI) must establish a process for PSUs to elect to participate in the Program. PSUs can request licenses up to the total of both (i) the average daily membership in grades 6 through 12 enrolled in the public school unit and (ii) teachers and administrators for students in grades 6 through 12 enrolled in the PSU. DPI must allocate funds

to PSUs based on the amount of funds requested. If there are insufficient funds, DPI must allocate funds to PSUs that elect to participate on a pro rata basis.

PSUs that receive Program funds must use the funds to contract with MagicSchool, provide associated professional development, or purchase rostering programs required as part of the Program.

PSUs can contract with MagicSchool for one year terms. By July 15 following each year in which Program funds are used and prior to contracting with Magic School for the subsequent school year, PSUs must submit an evaluation to DPI on the use of MagicSchool in the unit. The evaluation must include all of the following:

- The number of students using the MagicSchool application.
- The average number of artificial intelligence generation outputs students had with the MagicSchool application monthly.
- The number of teachers using the application.
- The average number of artificial intelligence generation outputs teachers had with the MagicSchool application monthly.
- Any identified impact on student outcomes.
- Any identified impact on teacher satisfaction.
- The number of moderation flags generated by the application.

PSUs that participate in the Program must use a secure, cloud-based, single sign-on and class rostering platform approved by DPI to manage access to digital instructional resources and student information systems and to facilitate automated data integration between educational applications and PSU systems.

DPI must contract with MagicSchool for up to 500 MagicSchool licenses for use in schools operated by the Division of Juvenile Justice of the Department of Public Safety (DPS). DPI must provide technical support to DPS. DPS must comply with the same evaluation requirements as PSUs participating in the Program.

By April 1, 2028, the Office of Learning Research at the North Carolina Collaboratory (OLR) must study and report on the effectiveness of using MagicSchool, including any impact on student performance and growth. OLR must submit the report to the Joint Legislative Education Oversight Committee (JLEOC).

By October 15 following each year funds are provided for the Program, DPI must report to JLEOC on the following:

- The number of PSUs that contracted with MagicSchool as part of the Program.
- The number of students using the MagicSchool application.
- The average number of artificial intelligence generation outputs students had with the MagicSchool application monthly.
- The number of teachers using the application.

- The average number of artificial intelligence generation outputs teachers had with the MagicSchool application monthly.
- Any identified impact on student outcomes.
- Any identified impact on teacher satisfaction.
- The number of moderation flags generated by the application.

This section became effective July 1, 2026.

Repeal Coding and Mobile App Development Grant Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.17

Section 7.17 of S.L. 2026-41 (Senate Bill 257) repeals the Coding and Mobile Application Grant Program, a competitive grant program administered by the Department of Public Instruction.

This section became effective July 1, 2026.

Formalize the Diaper Bank of North Carolina's Role as Provider of Feminine Hygiene Products for Public Schools. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.18

Section 7.18 of S.L. 2026-41 (Senate Bill 257) directs the Department of Public Instruction (DPI) to administer the Feminine Hygiene Products Program (Program) in each year that funds are made available for the Program. DPI must develop a process through which public school units can elect to participate in the Program for each school year. In addition, DPI must contract with the Diaper Bank of North Carolina to provide feminine hygiene products to participating public school units on a pro rata basis based on the number of female students in grades 6-12 in the participating public school units.

DPI must report to the Joint Legislative Education Oversight Committee by March 15 of each year of the Program on the public school units receiving feminine hygiene products under the Program, the number of feminine hygiene products provided through the Program, and the number of students served by the Program.

This section became effective July 1, 2026.

Advanced Teaching Roles Amendments – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.19

Section 7.19 of S.L. 2026-41 (Senate Bill 257) makes the following adjustments to the Advanced Teaching Roles (ATR) program:

- Repeals "adult leadership teachers" and "classroom excellence teachers" as advanced teaching roles and instead defines the following as advanced teaching roles:
    - Teacher of distinction: a classroom teacher in an advanced teaching role who is responsible for 20% more students than the average number of students taught by other teachers on the teacher's ATR team.
    - Collaborative impact teacher: an ATR team lead who leads a team of four to eight teachers, is not the teacher of record, provides instruction for at least 30% of the instructional day, and is not a school administrator.
    - Partial-release collaborative impact teacher: an ATR team lead who leads a team of two to three teachers, is the teacher of record for at least one class of students, and is not a school administrator.
- Clarifies that ATR team leads are responsible for student performance of all students taught by teachers on the lead teacher's team in addition to the student's classroom teacher.
- Allows ATR units to designate additional schools as ATR schools more quickly, as follows:
    - For the first year, up to the lesser of five schools or 40% of the unit's schools.
    - For any year after the first, up to the greater of 3 schools or 25% of the unit's schools, up to a maximum of 10 schools per year.
- Requires the State Board of Education (SBE) to adopt a rule by January 1, 2027, that describes the process and criteria for the review of ATR schools that must occur every five years. The SBE must also publish a timetable of these reviews.
- Requires the SBE to place an ATR unit or school on probation following a five-year review that shows that the unit or school failed to meet criteria adopted by the SBE, rather than immediately terminating the unit or school. If placed on probation, the unit or school has one year to remedy the concerns identified by the SBE. Following the one-year probation, if a unit or school does not remedy the concerns, the SBE must terminate the ATR status of the unit or school.
- Allows the SBE to terminate the ATR status of a unit or school outside of the five-year review period if the SBE finds that the unit or school is not following the approved ATR plan.
- Specifies that ATR grants include (i) one-time planning funds and (ii) up to six years of implementation funds (as two grants with up to three-year terms). The SBE can grant a second term of implementation funds in its discretion. The SBE must allocate the funds as follows:
    - $150,000 in one-time planning funds prior to or during the first year of the ATR unit's initial grant term.
    - $15,000 per ATR school in implementation funds for each year the ATR unit receives grant funds. The ATR unit can receive up to three years of implementation funding for each ATR school.
- Clarifies that grant funds can only be used for the stated purposes.
- Allows ATR units to designate up to 15% of the teachers in each ATR school as collaborative impact teachers and up to 5% as teachers of distinction. When calculating the number of allowed positions, the ATR unit must round to the nearest whole position. Two partial-release collaborative impact leaders count as one collaborative impact leader position.

- Establishes the following supplements for teachers in advanced teaching roles:
    - $10,000 for collaborative impact leaders.
    - $5,000 for partial-release collaborative impact leaders.
    - $3,000 for teachers of distinction.
- Encourages ATR units to use funding from other sources to provide salary supplements in addition to the State-funded supplements.
- Allows the Department of Public Instruction (DPI) to use up to $300,000 in each fiscal year to evaluate the ATR program and the compensation plans.
- Requires DPI to issue guidance to ATR units on how to effectively develop staffing plans and budgets, including how to maximize resources across multiple funding sources and the reach of teachers in advanced teaching roles to a greater number of students by February 1, 2027.

This section also requires the SBE to authorize Johnston County Schools to participate in the ATR program beginning in the 2026-2027 school year and to award a grant to Johnston County Schools for an initial term if it submits a qualifying proposal to participate no later than August 6, 2026.

For the 2026-2027 school year, the SBE must award funds to ATR units for salary supplements for teachers in advanced teaching roles as follows:

- $10,000 for (i) collaborative impact leaders and (ii) teachers who agreed to serve as adult leadership teachers for the 2026-2027 school year prior to June 30, 2026.
- $5,000 for partial-release collaborative impact leaders.
- $3,000 for teachers of distinction.

Teachers serving in an advanced teaching role for the 2026-2027 school year can only receive one salary supplement for that service.

This section became effective July 7, 2026, and applies beginning with the 2026-2027 school year.

Community Eligibility Provision Timeline Shift and Clarify Breakfast Location – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.21

Section 7.21 of S.L. 2026-41 (Senate Bill 257) codifies the CEP Meal Incentive Program (Program) which expands public school participation in the federal Community Eligibility Provision (CEP) program by providing grants to supplement federal funds.

This section adjusts the timeline for eligible public school units (PSUs) to apply for the Program from March 1 to June 1 of each year. This section also requires participating PSUs to make an innovative breakfast option available that allows students to access and consume breakfast in the classroom.

In each year where funds are available, the Department of Public Instruction (DPI) must administer the Program as follows:

- Application – DPI must develop and make an application for the Program available by April 15 of each year of the Program to eligible PSUs. Eligible PSUs must submit applications by June 1. The application must include (i) the school or schools that will participate in the federal CEP program; (ii) the Identified Student Percentage (ISP) for the current school year; (iii) the number of students enrolled for the current school year; and (iv) the participation rates in the National School Breakfast and Lunch programs for the current school year for the schools requesting to receive the incentive.
- Selection – By July 15 of each year of the Program, DPI must determine applicant eligibility for participation and award grants to eligible PSUs. If funds are insufficient to award grants to all eligible PSUs, DPI must award grants in accordance with the following priorities: (i) first, DPI must award grants to PSUs with an ISP of greater than or equal to 55%, and (ii) second, DPI must award grants to the schools that will draw the greatest federal match.
- Grants – DPI must issue State reimbursements to participating units equal to the difference between the federal free rate and the federal paid rate for the number of meals served at the participating schools equal to a 0.2 multiplier of the ISP for participating schools. State and federal reimbursements cannot exceed 100% of the federal free rate of meals served.
- Breakfast Location – Schools receiving grant funds must make an innovative breakfast option available that allows students to access and consume breakfast in the classroom.
- Nonsupplant Requirement – Incentive funds must be used to supplement and not supplant local current expense funds.
- Report – By January 1 of each year of the Program, DPI must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the following information:

    - The number of participating schools.
    - The number of students who received free meals who would not have otherwise received free meals.
    - The amount of federal and State money received by the participating units.
    - Any increase in student success due to the school's participation in the Program.

- Administration – DPI can use up to $500,000 of the funds appropriated for the Program for administrative costs.

This section became effective July 1, 2026.

SparkNC Expansion. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.22

Section 7.22 of S.L. 2026-41 (Senate Bill 257) expands and codifies the SparkNC Pilot Program into various learning accelerator programs that are student-driven and modular learning

experiences focused on science, technology, engineering, and mathematics (STEM) that, when aggregated, provide a competency-based equivalency to a traditional elective course credit.

Learning Accelerator Program Authorization – This section gives public school units (PSUs) the authority to partner with SparkNC to implement learning accelerator programs that include high-tech learning accelerators, health science learning accelerators, or both. Students who are participating in a learning accelerator can continue to aggregate learning units throughout their enrollment in a public school unit and are not required to complete the learning accelerator in a single semester or school year.

Memorandum of Understanding and Learning Lab Facilitators – PSUs must enter into a memorandum of understanding (MOU) with SparkNC to implement a learning accelerator. The MOU must address the following:

- The provision of a learning lab, including its operating schedule.
- The qualifications for learning lab facilitators.
- The learning lab facilitator's duties, including at least the following:
    - Being the teacher of record for students enrolled in the learning accelerator program.
    - Advising students.
    - Designing learning experiences.
    - Coordinating with industry partners.
    - Validating student work.
    - Networking with other learning lab facilitators to share best practices across PSUs.

Learning lab facilitators are not required to hold a teaching license but must meet the qualifications established by the MOU and are subject to criminal history check requirements. PSUs are also not required to pay learning lab facilitators based on the teacher salary schedule. PSUs and SparkNC can contract with additional nonlicensed personnel on a full or part-time basis for the purpose of providing timely, real world content, industry expertise, and student learning experiences as part of a learning accelerator program.

Course Credit – PSUs are required to award an elective credit to a student who completes a high- tech learning accelerator or health science learning accelerator upon verification of successful completion of the learning units by the learning lab facilitator in accordance with the following:

- The PSU can award a student up to four learning accelerator credits but cannot award credit for a learning accelerator that includes a learning unit that the student has already completed for credit.
- For a student who does not complete all of the learning units for a learning accelerator, the PSU is prohibited from denoting a "fail" on the student's transcript.
- The PSU must denote the elective credit on the student's transcript as achieved competency in either a high-tech learning accelerator or a health science learning accelerator.

- Successful completion of a high-tech learning accelerator satisfies the State's computer science graduation requirement.

Report – No later than March 1 of each year, SparkNC, in consultation with participating PSUs and the Department of Public Instruction, must report to the Joint Legislative Education Oversight Committee on the following information, disaggregated for each PSU by grade level and school, when practicable:

- Number and percentage of students with access to a learning accelerator program.
- Student retention and persistence in learning accelerator programs.
- Student completion of learning accelerator elective credits and student achievement of personalized learning goals.
- Student evaluation of the learning accelerator programs.
- Student interest in STEM following participation in a learning accelerator program.
- Cost per student for learning accelerator programs.
- Number and percentage of students who have participated in a learning accelerator program who choose to pursue a career pathway or further study in a STEM field.
- Number and percentage of PSUs that established a learning accelerator program and public school unit persistence in maintaining the program.
- Recommendations for program changes, including recommended legislative changes and changes needed to ensure that federal funding for career and technical education can be used for the learning accelerator programs.
- Recommendations on development of a competency transcript.

This section became effective July 1, 2026.

Extended Learning and Integrated Student Supports Competitive Grant Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.23

Section 7.23 of S.L. 2026-41 (Senate Bill 257) establishes the Extended Learning and Integrated Student Supports Grant Program (ELISS) to fund high-quality, independently validated extending learning and integrated student support service programs for at-risk students. Nonprofit corporations and nonprofit corporations collaborating with local school administrative units can apply for an ELISS grant for the operation of student programs that focus on the following:

- Use of an evidence-based model with a proven track record of success.
- Inclusion of rigorous, quantitative performance measures to confirm effectiveness.
- Deployment of multitiered systems of support to address student barriers to achievement.
- Alignment with State performance measures, academic goals, and the North Carolina Standard Course of Study.
- Prioritization of programs that integrate clear academic content with a focus on STEM or reading development and proficiency.

- Minimization of class size when providing instruction or instructional support and interventions.
- Expansion of access to high-quality learning activities and academic support that strengthen student engagement and leverage community-based resources, such as mentoring services and private-sector employer involvement.
- Utilization of digital content to expand learning time, when appropriate.

Grants must be used for new or exiting programs that focus on serving (i) at-risk students not performing at grade level, (ii) students at risk of dropping out, and (iii) students at risk of displacement due to suspension or expulsion as a result of antisocial behaviors. Priority consideration must be given to applications demonstrating models that focus services and programs in low-performing schools. Grant recipients can receive up to $500,000 for up to two years. Recipients must match grant funds at a rate of $3 in grant funds to $1 in nongrant funds, which must not include any other State funds. Priority must be given to any nonprofit organization collaborating with a local school administrative unit allowing the use of federal funds or local funds to match grant funds. Matching funds can include in-kind contributions for up to half of the required match.

The Department of Public Instruction (DPI) must use up to $7 million from the At-Risk Student Services Alternative School Allotment each fiscal year to fund the ELISS program, of which $200,000 can be used to administer the program.

No later than July 15 of each year in which a grant recipient participates in ELISS, the recipient must report to DPI on the use of the funds. Recipients cannot receive a second year of grant funding until they have submitted their reports to DPI. Recipients must also submit a final report on key performance data.

No later than September 15 of each year of the program, DPI must submit to the Joint Legislative Education Oversight Committee a report on ELISS, including recommendations regarding effective program models, standards, and performance measures based on student performance, leveraging of community-based resources to expand student access to learning activities, academic and behavioral support services, and potential opportunities for the State to invest in proven models for future grant programs for at-risk students.

This section becomes effective July 1, 2027, and applies beginning with the 2027-2028 school year.

TeachReadyNC Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.24

Section 7.24 of S.L. 2026-41 (Senate Bill 257), as amended by Section 3.9 of S.L. 2026-61 (House Bill 268), establishes the TeachReadyNC Program (TeachReadyNC) for participating local school administrative units (LEAs) to allow individuals to enter the teaching profession by first working as an apprentice under the supervision of an experienced teacher. To be eligible to participate,

an LEA must be an Advanced Teaching Roles LEA. The Department of Public Instruction (DPI) will administer TeachReadyNC in collaboration with ApprenticeshipNC.

Application, Selection, and Renewal: DPI must issue an initial request for applications from eligible LEAs by October 1, 2026, to participate in TeachReadyNC beginning as soon as practicable and no later than the 2027-2028 school year. Each year thereafter, DPI must issue a request for applications from eligible LEAs by November 1. DPI must review applications every three months following the request for applications and approve them on a rolling basis. DPI must approve applications for a three-year term as long as the application meets statutory requirements. A participating LEA can be renewed for additional three-year terms following an evaluation by DPI.

Program Requirements: Participating LEAs will be required to:

- Obtain recognition as a registered teacher apprenticeship program by the United States Department of Labor.
- Require apprentices to work full-time in classrooms with an apprentice supervisor.
- Ensure that apprentices meet certain minimum requirements.
- Provide apprentices with (i) annual compensation that is greater than the average teacher assistant salary in the participating LEA and (ii) financial support for the cost of attendance at an eligible educator preparation program (EPP).
- Provide salary supplements to apprentice supervisors and teachers who agree to be the teacher of record for additional students as a result of an emergency position conversion.

Emergency Position Conversions: Participating LEAs can convert one classroom teacher position allocated to the LEA to its dollar equivalent for each apprentice employed by the LEA. Funds from position conversions can only be used for the following:

- Salaries for apprentices.
- Annual salary supplements for teachers that agree to be the teacher of record for additional students as a result of an emergency position conversion, up to $5,000.
- For any of the purposes that grant funds allocated by DPI for TeachReadyNC can be used.

Report: Beginning March 15, 2028, and annually thereafter, DPI must submit a report to the Joint Legislative Education Oversight Committee on the current state of the TeachReadyNC Program that includes the following information:

- The impact of TeachReady NC on (i) the number of teachers, (ii) student outcomes, and (iii) teacher retention in participating LEAs.
- Any non-State funds used to support TeachReadyNC.
- The number of participating LEAs that converted a teaching position to support TeachReadyNC and the use of position conversion funds by those LEAs.
- Successful strategies and best practices for participating LEAs.
- Barriers to the expansion of TeachReadyNC.

TeachReadyNC Grants: To the extent funds are appropriated by the General Assembly, DPI must allocate funds to participating LEAs for each apprentice position based on the grant funding requested by the LEA in its application. Grant funds can only be used for the following:

- Annual salary supplements for each apprentice of up to $7,500.
- Annual payments for the cost of attendance at an eligible EPP for each apprentice of up to $5,000.
- Annual salary supplements for each apprentice supervisor of up to $5,000.

If funds appropriated by the General Assembly are insufficient to fund all apprentice positions identified in a participating LEA's application, DPI can reduce the number of apprentice positions provided to each participating LEA. However, DPI cannot reduce the amount of funds provided to participating LEAs for an apprentice.

Appropriation: This section repeals the Teacher Apprentice Grant Program and directs that program's $1 million in recurring funds to TeachReadyNC instead. Up to $150,000 per year must be provided to LEAs that participated in the Teacher Apprentice Grant Program for individuals who already began receiving funds under the program before it was repealed.

This section became effective July 1, 2026.

Principal Internship Stipends – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.25

Section 7.25 of S.L. 2026-41 (Senate Bill 257) codifies the principal internship stipend program that provides 10-month stipends to participants in a Principal Preparation Program (PPP) who are completing a full-time internship.

Stipends – When funds are made available for principal internship stipends, the Department of Public Instruction (DPI) must provide principal interns with a stipend equal to the higher of the following:

- The beginning salary of an assistant principal.
- For a teacher who becomes a principal intern, the salary the person would earn as a teacher on the teacher salary schedule.

Fiscal Flexibility – If funds made available for principal internship stipends are insufficient to fund all stipends, DPI can use funds appropriated to the State Public School fund to provide stipends to principal interns.

Certification of Qualifying Principal Interns – The North Carolina Principal Fellows Program or the PPP in which a principal intern is enrolled must provide DPI with certification of the principal interns' eligibility to receive a stipend.

Report – No later than February 15 annually, DPI must submit a report to the Joint Legislative Education Oversight Committee on the principal internship stipends provided. The report must include the following information:

- Demographic information of principal interns.
- Total number of principal interns.
- Number of principal interns who are participating in the North Carolina Principal Fellows Program.
- Number of principal interns by PPP.
- Number of principal interns who serve as an assistant principal or principal in a public school unit within five years of completing an internship, disaggregated based on whether the intern participated in the North Carolina Principal Fellows Program.

This section became effective July 1, 2026.

CTE Modernization – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.26

Section 7.26 of S.L. 2026-41 (Senate Bill 257) directs the Department of Public Instruction (DPI) to use up to $2 million dollars in nonrecurring funds for the 2026-2027 fiscal year to create a grant program for modernization of Career and Technical Education (CTE) programming, materials, training, and professional development for courses in grades 6-12. DPI must establish the grant program and allow public school units or regional partnerships of more than one public school unit to apply to receive grant funds, if a school within the unit or partnership has an existing CTE program.

Grant recipients must use the grant funds to procure and implement an online digital CTE learning platform containing comprehensive courses with lesson plans, content and activities, and interactive assessments that align with the North Carolina CTE Standards. The platform must have modules that assist teachers in preparing students for high-wage, high-growth career areas. By October 1, 2026, DPI must select digital CTE learning providers to guarantee consistency throughout the State. Any selected digital CTE learning platform must include at least all of the following components:

- Instructional strategies and guided lesson plans to assist teachers with classroom implementation and instructional differentiation.
- Media-based instructional content for providing demonstrations and instruction on skills required for applicable career areas.
- Multiple methods of delivery of instruction, including at least face-to-face, self-paced, and distance or hybrid learning.
- Guided projects and activities to incorporate hands-on application of skills.
- A focus on mastery-based learning.
- Reporting features to provide data on student progress.
- Guidance for students to obtain industry-recognized certifications.

- Career connections to provide examples of career opportunities following graduation from high school.

This section became effective July 1, 2026.

Early Learning Program/Dyslexia – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.27

Section 7.27 of S.L. 2026-41 (Senate Bill 257) requires that the Department of Public Instruction (DPI) ensure that a dyslexia screening instrument is administered to every child participating in the NC Pre-K program. The results of these screenings must be shared with the child's kindergarten teacher at the beginning of the following school year. DPI must also provide training to educators and administrators working with children in the NC Pre-K program to ensure appropriate instruction and intervention strategies are used with children who exhibit potential indicators of dyslexia.

This section became effective July 1, 2026, and applies beginning with the 2026-2027 school year.

Modify CTE Grants for Homebuilding Programs – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.28

Section 7.28 of S.L. 2026-41 (Senate Bill 257) establishes the CTE Homebuilding Grant Program (Grant Program) to provide grants to assist public school units (PSUs) with curriculum costs associated with CTE programs related to the U.S. Department of Labor approved Pre-Apprenticeship Certificate Training (PACT) program developed by the Home Builders Institute. A PSU or a regional partnership of more than one PSU can apply for funds from the Grant Program. When awarding grants, the Department of Public Instruction (DPI) must prioritize PSUs that meet both of the following:

- Are located, in whole or in part, in a county with at least one local school administrative unit that received low-wealth supplemental funding in the previous fiscal year.
- Have a high population of at-risk students or students with disabilities.

DPI must make grant applications available to all PSUs by July 15 of each year in which funds are available. To receive grant funds, applicants must submit applications no later than 60 days after the application is made available. DPI must approve or deny applications within 30 days of receipt.

Grant recipients must report on Grant Program outcomes to DPI by October 15 of each year funds are received. DPI must submit a report on overall Grant Program outcomes to the Joint Legislative Education Oversight Committee and the Fiscal Research Division by December 15 of each year funds are received.

This section repeals Section 7.19 of S.L. 2023-134, which established a similar program for the 2023-2025 fiscal biennium.

DPI must permit high schools within PSUs to use the PACT program as an approved curriculum for CTE programs.

This section became effective July 1, 2026.

Career Development Adjustment – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.29

Section 7.29 of S.L. 2026-41 (Senate Bill 257) requires the Superintendent of Public Instruction (Superintendent) to create an Annual Career Development Plan Pilot Program (Program) for students entering seventh grade at select schools during the 2026-2027 and 2027-2028 school years. For these students, the Program will continue through the students' graduation from high school.

The purpose of the Program is to evaluate the efficacy of reviewing students' Career Development Plans (Plans) annually to better align students for on-time graduation and achievement of college and career goals, and to ensure that all students graduate from high school college or career ready.

The Superintendent must establish a process for schools to apply to participate and must select 12 partnered schools to participate in the Program. The Superintendent must select schools that are proportionally representative of the population size and geographic distribution of public high schools in the State.

Partnered Schools – Partnered schools must require each student entering the seventh grade during the 2026-2027 and 2027-2028 school years to complete an annual review of the student's Plan until graduation.

Local boards of education governing the partnered schools must annually provide the students with the assistance of a school counselor and planning time during the instructional day to update the student's Plans prior to scheduling courses for the next school year. Local boards of education must ensure that Plans are accessible to parents and students and provide parents annual written notice of the creation or revision of a Plan, information on how to access a Plan, a list of course offerings for the next school year, and high school graduation requirements where appropriate.

School Counselors – School counselors in partnered schools must do the following:

- Attempt to meet with parents prior to creating or updating a student's Plan.
- Beginning in tenth grade, provide each student and parent information regarding State and federal need-based and merit-based financial aid programs and the federal Free Application for Federal Student Aid (FAFSA).

- Notify parents that information included in the FAFSA is confidential and not accessible by the school.

Annual Plan Update – Partnered schools must provide the following information to all participating students prior to updating their Plans:

- For eighth grade students, by the end of the school year, a list of the required core courses to be taken in ninth and tenth grade.
- For tenth grade students, an identification of the graduation requirements relevant to each student's chosen postsecondary goals based on the student's career development planning.
- For any eleventh grade student not meeting the career and college readiness standards established by the State Board of Community Colleges, a plan for enrolling in remedial coursework for his or her senior year.
- Any other minimum requirements established by the Superintendent.

Report – The Superintendent or a local board of education must develop reporting requirements for partnered schools. By August 15, 2027, and each year thereafter until all students in partnered schools who entered seventh grade during the 2027-2028 or 2028-2029 school year have graduated, the Superintendent must submit a report to the Joint Legislative Education Oversight Committee on the progress of the Program, including any logistical issues that have been identified.

This section became effective July 1, 2026.

After-School Robotics Grant Program. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.30

Section 7.30 of S.L. 2026-41 (Senate Bill 257) establishes the Educational and Competitive After-School Robotics Grant Program (Robotics Program) for the 2026-2027 fiscal year to (i) promote evidence-based, after-school programs for robotics education and competition and (ii) motivate students to pursue education and career opportunities in science, technology, engineering, and mathematics.

School Eligibility – Any public school unit (PSU) is eligible to apply to the Robotics Program to develop an after school robotics program with a robotics partner in any high school within the PSU. A "robotics partner" is a third-party entity, such as a nonprofit organization or institution of higher education, that is approved by the Department of Public Instruction (DPI) and is able to provide adequate support for an after-school robotics program. To provide adequate support, a robotics partner must meet at least all of the following criteria:

- Have a national presence in robotics education and competition.
- Provide adequate instruction and programming for students and adult volunteers in (i) robotics education, (ii) project based learning, and (iii) competitive robotics.
- Promote a safe and equitable social environment.

Applications for the Grant Program – DPI must develop application materials and selection criteria for the Robotics Program. Applications must include (i) evidence that the applicant has or will be able to establish a relationship with a robotics partner and (ii) a proposed budget for the after-school robotics program.

Award and Use of Funds – DPI must prioritize awarding grants to PSUs that had an after-school robotics program in the prior school year. Grant awards are capped at $15,000 dollars per participating high school in the PSU. The grants can be used for any of the following purposes:

- Establishing a relationship with a robotics partner.
- Purchasing robotics kits.
- Providing stipends for coaches.
- Making payments associated with participation in a robotics league or robotics competition.
- Paying fees incurred as part of the administration of a robotics team.
- Providing transportation to after-school robotics program meetings for certain participating students.

Student Eligibility – If a student is enrolled in a school that does not offer an after-school robotics program, that student is eligible to participate in the after-school robotics program of the school located geographically closest to where the student resides that does have a program. A school can set guidelines for student participation in extracurricular activities, such as academic performance requirements, and it can also conduct a selection process for student participation.

Reporting – By April 1, 2027, DPI must report the following information to the Joint Legislative Education Oversight Committee and the Fiscal Research Division:

- The PSUs receiving grants and the amount of the grant.
- A description of how the grants were used.
- The PSUs that applied for grants but did not receive one.
- The extent to which students participating in after-school robotics programs funded by the Robotics Program experienced measurable improvement in academic performance.
- Any other information DPI deems relevant to evaluation of the Robotics Program.

This section became effective July 1, 2026.

Northeast Regional School of Biotechnology and Agriscience – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.31

Section 7.31 of S.L. 2026-41 (Senate Bill 257) repeals the statutes governing regional schools (Part 10 of Article 16 of Chapter 115C of the General Statutes) and replaces them with Article 15A of Chapter 115C of the General Statutes governing the Northeast Regional School of Biotechnology and Agriscience (NERSBA), including making conforming changes to references throughout the statutes. This section makes the following changes to the regional school structure:

- Creates NERSBA as a public school unit with charter-like flexibility serving grades 7-12 governed by a board of directors.
- Establishes the region served by NERSBA as Beaufort, Bertie, Camden, Chowan, Currituck, Dare, Edgecombe, Gates, Halifax, Hertford, Hyde, Martin, Northampton, Pasquotank, Perquimans, Pitt, Tyrrell, and Washington Counties.
- Requires the board of directors to consist of the following members:
    - Three members appointed by the Superintendent of Public Instruction (Superintendent) who are members of a local board of education or superintendents of a local school administrative unit in counties where at least 5% of the students enrolled in NERSBA reside.
    - Five members appointed by the State Board of Education (SBE) who are representatives of the business community, upon the recommendation of the North Carolina Economic Developers Association, who reside in a county where at least 5% of the students enrolled in NERSBA reside. At least one must be a resident of the county where NERSBA is located.
    - One member of the Parent Advisory Council appointed by the Council. The Parent Advisory Council is made up of parents of students attending NERSBA appointed by the Superintendent from each county where at least 5% of the students enrolled in NERSBA reside.
    - Representatives of any partner institution of higher education can serve as ex officio members.
- Establishes that students domiciled in a county served by NERSBA are eligible to attend the school and allows the board of directors to set admission criteria, standards, and procedures.

The terms of members currently serving on a regional school board of directors terminate on June 30, 2027. Initial appointments to the board of directors of NERSBA begin July 1, 2027. To establish a stagger of terms on the board, the Superintendent must appoint two members to two-year terms and one member to a four-year term; the SBE must appoint two members to two-year terms and three members to four-year terms. After the initial terms, all members will be appointed to four-year terms.

The (i) title and ownership of all property of the regional school established under Part 10 of Article 16 of Chapter 115C of the General Statutes, (ii) all claims and demands against the school, and (iii) all obligations and liabilities against the school will be vested in and transferred to NERSBA, as established by Article 15A of Chapter 115C of the General Statutes, by July 1, 2027.

This section became effective July 1, 2026.

Diabetes Education for Parents – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.32

Section 7.32 of S.L. 2026-41 (Senate Bill 257) requires all public school units (PSUs) to implement the guidelines adopted by the State Board of Education (SBE) for developing and implementing an individual diabetes care plan for a student with diabetes and make information and

professional development resources available to all school personnel to appropriately support a student with diabetes and implement a student's individual diabetes care plan.

Additionally, PSUs must annually provide parents and guardians with the following information:

- A description of Type 1 and Type 2 diabetes.
- A description of the risk factors and warning signs associated with Type 1 and Type 2 diabetes.
- A recommendation that parents or guardians consult with a student's primary care provider if the student displays the warning signs associated with Type 1 or Type 2 diabetes.
- A description of the screening process for diagnosing Type 1 and Type 2 diabetes.
- A description of the stages of Type 1 and Type 2 diabetes.
- A recommendation that the parent or guardian of a student receiving a diabetes diagnosis consult with the student's primary care provider to develop an appropriate treatment plan.
- A notification that the student's school is required to assist students with diabetes by implementing the SBE's guidelines for developing and implementing individual diabetes care plans.

This section became effective July 1, 2026.

North Carolina Student Lifeline Information for K-12 Students – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.33

Section 7.33 of S.L. 2025-41 (Senate Bill 257) requires public school units and nonpublic schools to do the following:

- Provide students with the phone numbers for the Suicide and Crisis Lifeline (Lifeline) and NC Peer Warmline (Warmline).
- Annually verify that the phone numbers for the Lifeline and Warmline are current and accurate.
- If the phone numbers for the Lifeline and Warmline are current and accurate, place the phrases "To reach the Suicide and Crisis Lifeline, call 988 or text HOME to 741741" and "To reach the NC Peer Warmline, call 855-733-7762" in all of the following places:
    - On any new student identification issued to a student in grades 6 through 12 in a conspicuous location on the student ID. This section does not require a school to issue a student identification.
    - On the school website.
    - On the home screen of any electronic device issued to students.
    - On any school agenda or calendar, whether digital or printed.
    - On a document during any suicide awareness activity.
    - On a document when the student registers to attend the school.

This section became effective July 7, 2026, and applies beginning with the 2026-2027 school year.

School Planning Section Data Sharing Platform. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.34

Section 7.34 of S.L. 2026-41 (Senate Bill 257) directs the School Planning Section of the Department of Public Instruction to contract with a third-party entity to maintain a digital platform to facilitate data sharing among local school administrative units (LEAs) and county governments regarding products and services purchased for elementary and secondary education, including capital improvement projects. All LEAs and county governments must participate in the digital platform and share relevant information regarding educational expenses. The digital platform must include at least the following components:

- A consolidated information database regarding all of the following education-related expenses:
    - Status and details of expected, proposed, and issued local bonds.
    - Interactive listings, ratings, reviews, and contract costs of vendors providing products and services, including heating, ventilation, and air conditioning and other services related to the maintenance of public school buildings.
    - Document-sharing functionality related to purchased products and services, including capital improvement projects.
- The ability to advertise nationwide requests for proposals from LEAs and county governments for education-related products and services, including capital improvement projects.

LEAs must also use the digital platform to report their long range-facility plans.

This section became effective July 1, 2026.

Expand K-6 License to Include Grades 7 and 8 – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.35

Section 7.35 of S.L. 2026-41 (Senate Bill 257) requires the State Board of Education to adopt rules expanding elementary education licenses to include teachers of grades seven and eight.

This section became effective July 1, 2026.

Foundational Mathematics Instruction and High Quality Instructional Materials – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.36

Section 7.36 of S.L. 2026-41 (Senate Bill 257) establishes various requirements for mathematics instruction, assessment, and intervention, in low-performing elementary and middle schools.

Additionally, it requires the Office of Learning Research at the North Carolina Collaboratory (OLR) to develop a series of mathematics pilots.

Instruction: Low-performing schools must provide at least 60 minutes of mathematics instruction per day in kindergarten through eighth grade that is on or above grade level.

Mathematics Screening Assessments: Low-performing schools must administer a mathematics screening assessment adopted and provided by the State Board of Education (SBE) to students in kindergarten through eighth grade at least three times a year. The Department of Public Instruction (DPI) must develop and issue a request for proposals for the mathematics screening assessment that requires a vendor to do all of the following:

- Provide an assessment that is aligned with the North Carolina Standard Course of Study and the requirements of this section.
- Provide an assessment that is valid and reliable.
- Provide teachers and administrators with access to progress monitoring tools to track student progress.
- Provide assessment results to teachers and parents no later than 15 calendar days after the assessment is administered.
- Identify students in need of intervention.
- Report results of assessments to DPI.

DPI must ensure that mathematics screening assessment data is used to meaningfully inform instruction by providing guidance and professional development.

DPI must select a vendor for the mathematics screening assessments by January 15, 2028. The SBE must make the assessments available to low-performing schools for use beginning with the 2028-2029 school year.

Mathematics Success Plans: Low-performing schools must provide a Mathematics Success Plan (MSP) to students who demonstrate substantial difficulty developing mathematics skills based on the mathematics screening assessments. The MSPs must identify (i) specific skill deficiencies, (ii) goals and benchmarks for growth, (iii) how progress will be monitored, (iv) interventions that will be used, and (v) any additional services appropriate to improving the student's mathematics skills.

High-Quality Instructional Materials: OLR must identify vendors that (i) offer high-quality instructional materials in kindergarten through eighth grade mathematics, (ii) include intervention materials with the purchase of mathematics instructional materials, and (iii) provide professional development on the mathematics instructional materials. OLR must provide a list of these approved vendors to DPI by April 30, 2027. DPI must distribute the list to public school units by June 1, 2027.

Low-performing schools must include in MSPs a list of any high-quality instructional materials approved by OLR that were used in the implementation of the MSP. Low-performing schools must report to DPI on any high-quality instructional materials used for that year by June 15. DPI

must aggregate the responses from the low-performing schools and provide the list of high-quality instructional materials to the Joint Legislative Education Oversight Committee by August 15 of each year.

Mathematics Pilots: OLR must develop a series of mathematics pilots for students of all grade levels. OLR must compare the results of the pilots, including existing high-intensity tutoring programs, to evaluate the efficacy of the various pilots and programs. For the pilots, at a minimum, OLR must contract with the following vendors:

- Accelerate Learning, Inc.
- Carnegie Learning, Inc.
- Curriculum Associates, LLC.
- Zearn.

Additionally, OLR must consider, but is not required to include, the following vendors:

- Amplify Education, Inc.
- MIND Education.
- Other vendors identified as worthy of inclusion.

OLR must develop guidelines for the pilots and conduct as many different pilots as OLR deems feasible.

Evaluation: The North Carolina Collaboratory must evaluate the effects of the requirements of this section on instructional quality, teacher practice, and student outcomes. The Collaboratory must report to the Joint Legislative Education Oversight Committee on the results of the evaluation by December 15, 2031.

This section became effective July 1, 2026. The requirements for low-performing schools apply beginning with the 2028-2029 school year.

Repeal Requirement to Contract with the NROC Project – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.37

Section 7.37 of S.L. 2026-41 (Senate Bill 257) repeals the requirement that the Department of Public Instruction contract with the NROC Project (formerly known as the National Repository of Online Courses) to utilize the NROC Project's adaptive learning platforms.

This section became effective July 1, 2026.

Cardiac Emergency Response Plans and One AED Per School. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.38

Section 7.38 of S.L. 2026-41 (Senate Bill 257), as amended by Section 3.10 of S.L. 2026-61 (House Bill 268) directs the governing body of each public school unit (PSU) to develop a cardiac emergency response plan (CERP) that addresses the appropriate response of school personnel to incidents involving individuals experiencing sudden cardiac arrest or a similar life-threatening emergency while on school grounds. The CERP must integrate evidence-based core elements, including those recommended by the American Heart Association, or other nationally recognized recommendations.

CERP – The CERP must be reviewed and updated annually and must do at least the following:

- Establish a cardiac emergency response team.
- Describe how the response team will be activated in response to a cardiac emergency.
- Identify the school staff who will receive annual training on cardiopulmonary resuscitation (CPR) and use of automatic external defibrillators (AEDs). School nurses and any staff with supervisory responsibility over students participating in physical activity must complete this training.
- Plan annual practice drills for the response team.
- Describe how local emergency service providers will be integrated into the plan.

School officials must work directly with local emergency service providers to integrate the CERP into the community's emergency medical service responder protocols.

Rules – The State Board of Education (SBE) must adopt rules for the installation, use, and maintenance of AEDs in PSUs that include provisions for the following:

- Installation and placement of at least one AED in each school in a PSU with appropriate AED placement being determined from guidelines set by the American Heart Association or an organization focused on emergency cardiovascular care.
- Implementation of an appropriate training course for public school personnel in the use of AEDs, including the role of CPR and first aid.
- Proper maintenance and testing of the AEDs.
- Coordination with appropriate licensed professionals in the oversight of training on the AEDs.

Funding – Funds allocated under this section can only be used for AED purchase and installation or training on cardiac emergency response. Of the $4 million dollars in nonrecurring funds appropriated to the Department of Public Instruction (DPI) for the 2026-2027 fiscal year to ensure there is at least one AED installed in each public school and for training on cardiac emergency response, DPI must do the following:

- Allocate to PSUs $2,000 dollars per school in the unit that does not have at least one AED installed on school grounds. If funds are insufficient to provide this amount per school, DPI must distribute the funds pro rata.
- If funds remain after the initial distribution, DPI can establish a process to distribute the remaining funds for replacement of existing AEDs or to support training required under a school's CERP.

Report – By December 1, 2027, DPI must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the number of public schools that have at least one AED installed, an overview of cardiac emergency training provided with funds allocated under this section, and any measurable impact on public school medical emergency readiness.

Limitation on Liability –Section 3.10 of S.L. 2026-61 states that a governing body of a PSU, its members, designees, agents, volunteers, or employees are not liable in civil damages for any authorized act or for any omission relating to that act unless the act or omission amounts to gross negligence, wanton conduct, or intentional wrongdoing. Any person, serving in a voluntary position at the request of or with the permission or consent of the governing body of a PSU who has been given the authority by the PSU to give emergency health care when reasonably apparent circumstances indicate that any delay would seriously worsen the physical condition or endanger the life of a person experiencing a medical emergency on school grounds is not liable in civil damages for any authorized act or for any omission relating to the act unless the act amounts to gross negligence, wanton conduct, or intentional wrongdoing.

Section 7.38 of S.L. 2026-41 became effective July 7, 2026, and applies beginning with the 2026-2027 school year. Section 3.10 of S.L. 2026-61 became effective July 1, 2026.

Safe and Responsible Artificial Intelligence in Schools – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.39

Section 7.39 of S.L. 2026-41 (Senate Bill 257), as amended by Sec. 3.13 of S.L. 2026-61 (House Bill 268), requires the State Board of Education (SBE) to update the standard course of study for computer science by adopting content standards for instruction on artificial intelligence (AI) that address AI literacy, including best practices for using AI tools responsibly. The SBE must implement the revised computer science standards by the 2028-2029 school year and update the AI standards every two years to keep up with advancements in AI.

Additionally, this section requires the SBE to update the list of approved introductory computer science courses for middle school students and the list of approved courses that fulfill the computer science graduation requirement to reflect course alignment with the revised standards for use during the 2028-2029 school year. By December 15, 2028, the Department of Public Instruction (DPI) must submit a report to the Joint Legislative Education Oversight Committee (JLEOC) on the adoption of the revised standards by the SBE and on the implementation of those standards in schools.

This section also requires DPI to develop a model policy on AI to serve as guidance for public school units (PSUs) by December 31, 2026. The model policy must (i) include definitions of AI, generative AI, and AI tools, and (ii) provide guidance on developing student and staff AI literacy, including best practices for using AI tools safely, ethically, and responsibly. The Superintendent of Public Instruction must ensure that PSUs have access to the model policy by January 15, 2027. After reviewing the model policy developed by DPI, all PSUs must adopt a policy on the use of AI by students and staff for educational purposes by June 30, 2027.

DPI must also establish an evaluation framework for assessing the suitability of generative AI-powered educational tools for use in schools that addresses the following: (i) student data privacy, security and transparency, (ii) alignment with the standard course of study, and (iii) accessibility. DPI must update the framework at least every two years to reflect changes in technology, evidence, and education practice. Additionally, DPI must maintain a publicly available list of AI tools that have been reviewed with the evaluation framework, and develop procurement guidance, qualified vendor lists, and other mechanisms to encourage the adoption of generative AI-powered education tools that have been reviewed with DPI's AI evaluation framework. Finally, DPI must maintain a publicly available list of all generative AI-powered education tools that are being used in PSUs.

This section also requires DPI to partner with the Friday Institute for Educational Innovation at North Carolina State University to produce online professional development resources that train teachers on the use of AI by June 30, 2027. The Friday Institute would be required to provide 10 hours of self-paced modules that address the use of AI for educational purposes safely, ethically, and responsibly. All teachers employed by local school administrative units, charter schools, and laboratory schools are required to complete the professional development by June 30, 2028. By December 15, 2028, DPI must submit a report to JLEOC on the delivery of the professional development to teachers.

The $400,000 nonrecurring funds appropriated to the Board of Governors of The University of North Carolina for the Friday Institute to develop professional development resources will not revert at the end of the 2026-2027 fiscal year but will remain available until the end of the 2027-2028 fiscal year.

This section became effective July 1, 2026.

Just Right Reader Pilot Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.40

Section 7.40 of S.L. 2026-41 (Senate Bill 257) requires the Department of Public Instruction (DPI) to allocate $500,000 in nonrecurring funds to certain public school units (PSUs) to purchase literacy packets from Just Right Reader, Inc. The literacy packets must be provided to low-performing schools in the PSU for use in first grade classrooms. The identified public school units include:

- Burke County Schools.

- Gaston County Schools.
- Johnston County Schools.
- New Hanover County Schools.
- Randolph County Schools.
- Union County Schools.

The Office of Learning Research at the North Carolina Collaboratory must evaluate the effects of the literacy packets on student outcomes and report the results of the evaluation to the Joint Legislative Education Oversight Committee by October 15, 2027.

This section became effective July 1, 2026.

Carnegie Math Professional Development – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.41

Section 7.41 of S.L. 2026-41 (Senate Bill 257) requires the Department of Public Instruction to use $4 million of appropriated funds to contract with Carnegie Learning, Inc., to develop a mathematics professional development pilot program for mathematics instructors teaching students in grades six through eight, and public school unit and building-level instructional leaders.

This section became effective July 1, 2026.

Conforming Change for Updated Funding Source for Charter Schools Review Board – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.42

Section 7.42 of S.L. 2026-41 (Senate Bill 257) repeals the requirement that the Department of Public Instruction use $82,100 dollars per fiscal year of lapsed salary funds for the 2025-2027 fiscal biennium to provide dedicated operating funds for the Charter Schools Review Board, including funds for meeting expenses, non-employee travel and subsistence reimbursement, and legal services.

This section became effective July 1, 2026.

NCCAT Adjustments – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.43

Section 7.43 of S.L. 2026-41 (Senate Bill 257) modifies the statutes on the North Carolina Center for the Advancement of Teaching (NCCAT) to allow professional development to be provided for all teachers regardless of years of professional experience. This section also grants an Umstead Act exemption so that NCCAT can provide professional development materials and work products

to private and out-of-state educational entities, with the proceeds being used to further NCCAT's statutory purposes.

This section became effective July 1, 2026.

Year13 Support for Career Development Plans – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.44

Section 7.44 of S.L. 2026-41 (Senate Bill 257) requires the Department of Public Instruction (DPI), in consultation with the Department of Commerce (DOC), to use $1,370,000 in nonrecurring funds to contract with Year13, Inc. to license, host, and maintain the career development planning component accessed via the NC Careers website and operated by the DOC. The DOC must collaborate with Year13 to integrate the Year13 system into the NC Careers website. As part of the contract, Year13 must do all of the following:

- Partner with the DOC to operationalize its platform to serve as the career development planning component of NC Careers, prioritizing functionality that supports all of the following:
    - Individualized career planning.
    - Integration with programs of study and industry-related credentials.
    - Information on licensure requirements as applicable.
    - Use by career counselors, advisors, and coaches embedded throughout a learner's experience across education and workforce systems.
- Collaborate with DPI to provide data, access, and integration as necessary for the career development planning requirements in State law.

This section became effective July 1, 2026.

Authorize New Cooperative Innovative High Schools – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.45

Section 7.45 of S.L. 2026-41 (Senate Bill 257) requires the Department of Public Instruction to annually allocate $350,000 to the local school administrative units that operate the following cooperative innovative high schools:

- The School of Inquiry and Life Sciences at Asheville.
- The Durham Early College of Health Sciences.

This section became effective July 1, 2026.

School Business Systems Modernization. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.46

Section 7.46 of S.L. 2026-41 (Senate Bill 257) directs the Department of Public Instruction (DPI), by November 1, 2026, to develop a plan to transition all public school units (PSUs) to using a single enterprise resource planning (ERP) platform under a statewide contract. The "Statewide Platform Provider" is the ERP platform provider selected for the statewide contract.

Transition Plan – The plan to transition PSUs to using a single ERP platform must provide for the following:

- Selection criteria for the Statewide Platform Provider.
- A timeline for the plan, from generating requests for proposals to complete plan implementation. Except for PSUs granted a delay, the plan must have all PSUs transitioned to the Statewide Platform Provider's ERP platform by June 30, 2031.
- A process for PSUs to request a delay in transitioning to the Statewide Platform Provider's ERP platform. DPI can only grant a delay to a PSU until the end of an existing contract if it can show that, as of July 1, 2026, the PSU met one of the following conditions:
    - The PSU was operating under an existing contract with an ERP platform provider.
    - The PSU had engaged extensively with an ERP platform provider and entered into a contract with that provider within seven months.
- Prioritization of transitioning PSUs by the date the PSU's contract with its current ERP platform provider expires.

Funding – Of the nonrecurring funds appropriated to DPI for the purpose of school business systems modernization in the 2021 Appropriations Act, DPI can use up to $300,000 dollars of the remaining funds in the 2026-2027 fiscal year to contract with a third party to assist in developing and implementing the transition plan, including consultation on plan requirements, developing requests for proposals, or evaluating response proposals. Any funds that have been appropriated to DPI for the purpose of school business systems modernization that have not been obligated by June 30, 2031, will revert to the General Fund.

Report – DPI must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division the following information by the following dates:

- By November 15, 2026, a copy of the transition plan and the name of any third parties with which DPI contracted.
- By April 15, 2027, and annually thereafter until April 15, 2031, a progress report on the transition plan, including the following:
    - A copy of the transition plan, including any updates or amendments to the plan.
    - Any third parties with which DPI has contracted.
    - The Statewide Platform Provider, once selected.
    - The number of PSUs that have been transitioned to the Statewide Platform Provider's ERP platform and the number of PSUs remaining to be transitioned.

    - The status of any delays granted, including the date those PSUs will be transitioned to the Statewide Platform Provider's ERP platform.
- By April 15, 2032, a final report on school business systems modernization, including the following:
    - An accounting of any reverting funds.
    - Any anticipated future costs associated with the transition.
    - The status of any remaining delayed transitions.
    - Any information DPI deems relevant to evaluation of the modernization process, including suggested legislative changes to assist with similar future processes.

This section became effective July 1, 2026.

Muddy Sneakers Prohibition on Legal Fees – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.47

Section 7.47 of S.L. 2026-41 (Senate Bill 257) prohibits Muddy Sneakers, Inc., from using the State funds provided in support of experiential learning programs to be used for legal fees or any costs associated with litigation.

This section became effective July 1, 2026.

Student Attendance Early Intervention Pilot Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.48

Section 7.48 of S.L. 2026-41 (Senate Bill 257) requires the Department of Public Instruction (DPI) to establish the Student Attendance Early Intervention Pilot Program (Pilot Program) to implement a data-driven attendance intervention system in select public schools in the State to reduce chronic absenteeism. The Pilot Program must prioritize implementation within a single public school unit (PSU) to ensure fidelity of implementation, accountability, and operational efficiency. The Pilot Program will operate during the 2026-2027 and 2027-2028 fiscal years.

School Selection: All PSUs can apply to participate in the Pilot Program and DPI must select one PSU and the schools within that PSU by September 1, 2026. The selection criteria are as follows:

- No more than 15,000 students can be covered across all the selected schools.
- The selected schools must demonstrate diversity in student demographics, including socioeconomic status, geography, and school-level characteristics to support a representative pilot program.
- Schools with a chronic absenteeism rate above the State average must be prioritized.
- Consideration must be given to the technical readiness, staffing capacity, and ability of the PSU and the school to meet implementation timelines.

Vendor Selection: DPI must select a vendor by September 15, 2026, to work with the schools in the Pilot Program. The vendor must offer a research-proven attendance intervention solution that includes tiered evidenced-based workflows, automated bidirectional family engagement, longitudinal documentation of outreach and supports, and statewide reporting and monitoring across the schools.

Implementation Requirements: Implementation of the Pilot Program must begin by January 1, 2027, and the selected PSU, schools, and vendor must work together to do the following:

- Designate a local program coordinator.
- Implement an attendance system that includes the following:
    - Real-time attendance monitoring and early warning indicators and automated, two-way communication with families, including multilingual capability.
    - Intervention protocols aligned with a multitiered system of support including intervention workflows for at-risk students.
    - Data dashboards for educators and administrators.
    - Documentation and compliance tracking aligned with State attendance rules and policies.
    - Safeguards for data privacy in compliance with State and federal laws.
    - Prohibits rewarding attendance by excusing students from examinations.
- Provide training to staff.

Contracts; Nonrevert: DPI can either contract with a selected vendor directly or allocate funds to the selected PSU for that PSU or schools in the PSU to contract with the selected vendor. Funds appropriated for the Pilot Program do not revert at the end of the 2026-2027 fiscal year and will instead remain available until June 30, 2028.

Use of Funds: The appropriated funds can be used for the following: (i) technology acquisition and licensing; (ii) implementation and integration services; (iii) training and professional development; and (iv) program administration and evaluation.

Reporting: Reporting must be conducted at the PSU and school level with DPI aggregating results across the participating schools for evaluation purposes. By February 1, 2028, DPI must report to the Joint Legislative Education Oversight Committee on the following:

- Measurable reductions in chronic absenteeism resulting from the Pilot Program.
- Improved student engagement and attendance consistency while participating in the Pilot Program.
- Operational efficiencies provided by the Pilot Program for school staff.
- Any recommendations on Statewide Expansion of the Pilot Program, long-term funding strategies, and integrating statewide data systems and longitudinal data initiatives into the Pilot Program.
- Any other information DPI finds to be relevant in evaluating the effectiveness of the Pilot Program.

This section became effective July 1, 2026.

Prohibition on Excessive Expenditures – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.49

Section 7.49 of S.L. 2026-41 (Senate Bill 257) directs the Department of Public Instruction (DPI) to establish a procedure for reviewing monthly expenditures by local school administrative units (LEAs) from State-funded dollar allotments each school year, beginning in October of each school year. If an LEA expends more funds than allotted from a State-funded dollar allotment, the LEA must remit payment of the over-expended amount to DPI consistent with rules and policies adopted by the State Board of Education (SBE). If an LEA fails to remit a payment for more than 60 days, the SBE must exercise its oversight authority over the LEA, which could include assuming the financial affairs of the LEA.

This section also directs DPI to the extent practicable, to conduct monthly audits of LEAs State-funded position allotments beginning in October of each year. If an LEA is not compliant with the statutory requirements for State-funded position allotments, DPI must take actions consistent with rules adopted by the SBE.

This section became effective July 1, 2026.

Amend School Safety Artificial Intelligence Pilot Program. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.50

Section 7.50 of S.L. 2026-41 (Senate Bill 257) amends the Artificial Intelligence (AI) Pilot Program created in the 2023 Appropriations Act by requiring the Department of Public Instruction to provide a directed grant to Alamance-Burlington Schools of the unexpended and unencumbered portion of the $3.2 million dollars previously directed to New Hanover County Schools for an AI School Safety Pilot Program.

This section became effective July 1, 2026.

Renewal School System Modifications and Study of Renewal School System – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.51

Section 7.51 of S.L. 2026-41 (Senate Bill 257) requires that the State Board of Education review the Renewal School System following the end of the 2028-2029 school year and every five years thereafter. The Renewal School System must annually report to the Superintendent of Public Instruction on the following information:

- Proficiency data on each end-of-grade or end-of-course exam.
- EVAAS growth data.

- The number of former students employed, enlisted in the Armed Forces, or enrolled in a postsecondary educational program.
- The high school graduation rate.
- The chronic absenteeism rate. Chronic absenteeism is defined as more than 10 absences within 90 instructional days.

This section authorizes the Renewal School System to use an alternative evaluation model for evaluating teacher effectiveness rather than using the North Carolina Educator Evaluation System.

The North Carolina Collaboratory must study the effect of the Renewal School System on student outcomes and how its financial and personnel flexibilities have been utilized and report on the results of this study to the Joint Legislative Education Oversight Committee by January 15, 2028.

This section became effective July 7, 2026.

Expansion of Healthy Living Standard Course of Study – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.52

Section 7.52 of S.L. 2026-41 (Senate Bill 257) requires the State Board of Education to revise the Healthful Living Standard Course of Study by the 2028-2029 school year to add the following topics:

- Mental health awareness.
- Common mental health conditions, such as anxiety, depression, and trauma, and their warning signs.
- Help-seeking strategies for self and peers, including school and community resources.
- The neurological basis of addiction.
- The risks of alcohol, nicotine and vaping, cannabis, opioids, misuse of prescription drugs, and other illicit substances.
- The relationship between mental health and substance abuse.
- Treatment, recovery, and prevention of mental health disorders, including reducing the stigma surrounding mental health disorders.
- The effects of social media and other environmental influences on mental health and addictive behavior.
- Protective factors, coping skills, and sound decision making.

The Department of Public Instruction must report to the Joint Legislative Education Oversight Committee by December 15, 2028, on the adoption and implementation status of the revised standards, as well as any feedback from local school administrative units and recommended changes to the standards.

This section became effective July 1, 2026.

Computer Science Graduation Requirement Delay – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.53

Section 7.53 of S.L. 2026-41 (Senate Bill 257) allows public school units in Wake County and Johnston County to receive a waiver of the computer science graduation requirement for students entering the ninth grade in the 2026-2027 school year by submitting a signed notification to the Department of Public Instruction (DPI) stating that no computer science course fulfilling the computer science graduation requirement is available to students.

Public school units that receive a waiver for the 2026-2027 school year must submit a plan to DPI by January 1, 2027, specifying the approved computer science course that will be available to students to fulfill the graduation requirement beginning in the 2027-2028 school year.

This section became effective July 7, 2026.

Released Time Religious Instruction. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.54

Section 7.54 of S.L. 2026-41 (Senate Bill 257), as amended by Section 3.11 of S.L. 2026-61 (House Bill 268), adds absences for released time religious instruction as a new category of excused absences. School officials must excuse absences for released time religious instruction pursuant to a policy adopted by the student's public school unit (PSU).

All PSUs must adopt a policy that requires school principals to excuse a student's absence from school to attend released time religious instruction. "Released time religious instruction" means religious instruction offered by a private entity during the school day. The policy must provide for the following:

- A standard written consent form for the student's parents to sign and return to the school. The consent form must provide parents with notice that the parent is responsible for arranging transportation for the student to attend released time religious instruction.
- A requirement that parents provide the school with documentation affirming that the parent's child attended released time religious instruction.
- A requirement that students attending released time religious instruction make up any missed work.
- That the PSU will not use State or local funds to facilitate a student's attendance at released time religious instruction.
- That the PSU will not allow a private entity to access school facilities to conduct released time religious instruction, unless otherwise permitted by a neutral facility use policy.
- That the PSU must authorize excused absences for at least one, but no more than four, hours of released time religious instruction per calendar week.

This section allows the State Board of Education (SBE) to adopt a rule that requires a student's parent to give the principal written notice of the request for an excused absence a reasonable time before the released time religious instruction. The SBE must adopt a rule that requires that

students be given the opportunity to make up any tests or other work missed because of released time religious instruction.

This section became effective July 7, 2026, and applies beginning with the 2026-2027 school year.

Repeal B-3 Interagency Council – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.55

Section 7.55 of S.L. 2026-41 (Senate Bill 257) repeals the B-3 Interagency Council.

This section became effective July 7, 2026.

Adjustment to 2025-2026 Charter School Exceptional Children Funding – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.56

Section 7.56 of S.L. 2026-41 (Senate Bill 257) requires the Department of Public Instruction (DPI) to provide funds to charter schools that did not receive the additional pro rata allocation for children with disabilities who attended the charter school during the 2025-2026 school year as required by law. By October 1, 2026, DPI must develop and publish a process to determine the amount owed to each charter school. Charter schools must be given at least 30 days to submit any required information.

By January 15, 2027, DPI must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the following:

- The process used to identify the charter schools and number of students that did not receive additional funding for children with disabilities during the 2025-2026 school year.
- Each school that received additional funds pursuant to this section and the amount each school received.
- A list of schools that did not respond to DPI's request for information to verify student enrollment.
- Any changes made to the process to determine the number of children attending charter schools that are children with disabilities for subsequent school years.
- Any suggested legislative changes that would improve the process of allocating funds for children with disabilities.

This section became effective June 30, 2026.

Shift Transfer of Supplemental Exceptional Children Funding to Align with Federal Recording Requirements – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.57

Section 7.57 of S.L. 2026-41 (Senate Bill 257), as amended by Section 3.7 of S.L. 2026-61 (House Bill 268), requires the State Board of Education to adjust the amount of funding provided to local school administrative units, charter schools, the regional school, and laboratory schools for students with disabilities during the fiscal year based on the headcount of students with disabilities enrolled in the public school unit conducted in accordance with federal law.

This section became effective July 1, 2026.

Extend Charter School Financial Audits Deadlines. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.58

Section 7.58 of S.L. 2026-41 (Senate Bill 257) provides that charter schools must be given a minimum of six months from the end date of the fiscal year to submit any required financial audits for that fiscal year unless required earlier as a part of a charter renewal application. The Charter Schools Review Board can extend the due date for any audit.

This section became effective July 1, 2026.

Adjust Statewide Remote Charter Academy Per Pupil Allotment to Statewide Average – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.59

Section 7.59 of S.L. 2026-41 (Senate Bill 257) adjusts the per pupil allotment for charter schools so that a remote charter school receives the average State per pupil allocation for each child attending the charter school rather than the average per pupil allocation for the local school administrative unit in which the charter school is located.

This section became effective July 7, 2026, and applies beginning with the 2027-2028 school year.

Prohibit Appointed State Board of Education Members from Beginning Temporary or Interim Employment in a Public School Unit While Serving as a Member of the State Board of Education – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.61

Section 7.61 of S.L. 2026-41 (Senate Bill 257) prohibits a member of the State Board of Education (SBE) from beginning employment by a public school unit (PSU) on a temporary or interim basis during the term of the board member's appointment to the SBE. Board members who are

employed by a PSU on a temporary or interim basis at the time of appointment to the SBE can continue the existing term of employment.

This section became effective July 7, 2026. Members of the SBE who were employed by a PSU on a temporary or interim basis on this date can complete the term of that employment but cannot begin a new term of employment by a PSU.

Schools for the Deaf and Blind Amendments – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.62

Section 7.62 of S.L. 2026-41 (Senate Bill 257) transfers the Early Learning Sensory Support Program for Vision from the Department of Public Instruction (DPI) to the Governor Morehead School for the Blind as a Type I transfer. This section also transfers the Early Learning Sensory Support Program for Hearing from DPI to the Eastern North Carolina School for the Deaf (ENCSD) and the North Carolina School for the Deaf (NCSD) as a Type I transfer.

This section makes the following modifications to the laws governing the schools for the deaf and blind (specialty schools):

- Includes the Early Learning Sensory Support Program for Vision as a part of the Governor Morehead School for the Blind.
- Includes the Early Learning Sensory Support Program for Hearing (Program for Hearing) as part of the ENCSD and NCSD. The ENCSD and NCSD must enter into a memorandum of understanding that allows the schools to do all the following:
    - Divide the administrative responsibilities for the Program for Hearing between the schools based on the geographic boundaries for enrollment in the schools.
    - Facilitate the provision of Program for Hearing services to individuals, groups, municipalities, and counties.
    - Enter into and manage contracts for goods and services for the Program for Hearing under a single contract.
- Removes the requirement that the Department of Administration provide support for information technology to the specialty schools.
- Allows the board of trustees of a specialty school to conduct remote meetings without a declaration of emergency.
- Clarifies that the superintendent of a specialty school is not required to reside in the county in which the school is located, unless required by the board of trustees of the specialty school.

The transfers of the Early Learning Sensory Support Program for Vision and the Early Learning Sensory Support Program for Hearing become effective December 1, 2026.

The remainder of this section became effective July 1, 2026.

Require Schools for the Deaf to Provide Early Intervention Services. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.63

Section 7.63 of S.L. 2026-41 (Senate Bill 257) directs the North Carolina School for the Deaf and the Eastern North Carolina School for the Deaf to provide support and early intervention services to families with children who are deaf or hard of hearing. Each school must provide services to families within the geographical boundaries of enrollment for the school. The schools can provide early intervention services directly or contract with a vendor to provide the services. The schools can enter a memorandum of understanding to grant one school the authority to enter and manage a contract for the provision of early intervention services on behalf of both schools.

This section also provides that of the $750,000 dollars in nonrecurring funds appropriated to the North Carolina School for the Deaf for the 2026-2027 fiscal year and the $750,000 dollars in nonrecurring funds appropriated to the Eastern North Carolina School for the Deaf for the 2026-2027 fiscal year to provide the required early intervention services, both schools must, either individually or jointly, contract with Beginnings for Parents of Hearing Impaired Children, Inc., (Beginnings) to provide support and early intervention services to families with children who are deaf or hard of hearing.

By April 1, 2027, Beginnings must report to the Joint Legislative Education Oversight Committee at least the following information:

- A detailed accounting of how State funds were spent by Beginnings.
- An accounting of any other funding received from other sources.
- The number of students served, including generalized data on the age, grade level, and location of students served.
- A description of how Beginnings evaluates the effectiveness and outcomes of its services.
- Outcomes achieved.
- Any other information Beginnings deems relevant to an evaluation of its provision of services.

This section became effective July 1, 2026.

Competitive Speech and Debate Grant Program. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7.64

Section 7.64 of S.L. 2026-41 (Senate Bill 257), as enacted by Section 3.26 of S.L. 2026-61 (House Bill 268), establishes the Competitive Speech and Debate Team Grant Program (Grant Program) for the 2026-2027 school year to allow public schools serving students in grades 9 through 12 to form competitive speech and debate teams to participate in speech and debate competitions. Any public school unit that has a school that serves students in grades 9 through 12 is eligible to apply for a grant to develop, maintain, or expand a competitive speech and debate team.

The Department of Public Instruction (DPI) must administer the Grant Program by developing and publishing an application process. Applications must contain a proposed budget for the speech and debate team. DPI is directed to determine the amount of each award up to a maximum of $10,000 dollars per team per school year and must award grants to the selected applicants by October 31, 2026.

Awarded grants can be used for any of the following purposes:

- To provide stipends for coaches. However, each team award can only include two stipends, one lead team coach stipend of up to $2,500 dollars, and one assistant team coach stipend of $1,500 dollars.
- To make payments associated with participation in a speech and debate league or competition.
- To travel to and from speech and debate competitions.

Speech and debate teams receiving funds through the Grant Program are required to participate in the Tarheel Forensic League and the National Speech and Debate Association.

If a student is enrolled in a school that does not offer a speech and debate team, the student is eligible to participate on the speech and debate team at the public school located geographically closest to where the student resides that has a team and is participating in the Grant Program. A student joining a team under this provision is responsible for transportation to and from the school where the team meets.

A school can enforce guidelines for student participation on the speech and debate team, such as academic performance requirements. Furthermore, a speech and debate team can conduct a selection process for the team as long as the student is able to participate in the selection process as if the student were enrolled in that school.

By May 15, 2027, DPI must report the following information to the Joint Legislative Education Oversight Committee and the Fiscal Research Division:

- The public school units that received grants and the amount of each grant.
- A description of how the grants were used.
- The public school units that applied for grants but did not receive one.
- The extent to which students participating in speech and debate programs funded by the Grant Program experienced measurable improvement in academic performance.
- Any other information DPI deems relevant to evaluating the impact and effectiveness of the Grant Program.

This section became effective July 1, 2026.

Permit Advanced Teaching Roles Teachers with National Board for Professional Teaching Standards Certification to Receive Applicable Salary Supplements – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7A.3

Section 7A.3 of S.L. 2026-41 (Senate Bill 257) allows a teacher working in an advanced teaching role to qualify for a salary supplement if the teacher has national certification from the National Board for Professional Teaching Standards.

This section became effective July 1, 2026.

Consolidated Teacher Bonus Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7A.4

Section 7A.4 of S.L. 2026-41 (Senate Bill 257) codifies a consolidated teacher bonus program to reward teacher performance and encourage student learning and improvement. The Department of Public Instruction (DPI) must administer bonuses to qualifying teachers in January of each year, based on data from the prior school year.

Advanced Course Bonuses: Qualifying advanced course teachers will receive a bonus of $50 for each student who meets the required score on the relevant advanced course examination.

CTE Bonuses: Qualifying CTE teachers who provide instruction in a course leading to attainment of an industry certification or credential will receive a bonus of either $25 or $50 for each student who attains the certification or credential. The amount per student of the bonus will be determined by the Department of Commerce's assigned value ranking for each industry certification and credential based on academic rigor and employment value.

Statewide Growth Bonuses: Qualifying teachers who meet statewide growth requirements will receive bonuses as follows:

- $5 million will be distributed equally among teachers who were in the top 25% of teachers in the State according to the EVAAS student growth index score for third grade reading.
- Teachers in the top 25% of teachers in the State according to the EVAAS student growth index score for fourth or fifth grade reading receive $2,000.
- Teachers in the top 25% of teachers in the State according to the EVAAS student growth index score for fourth, fifth, sixth, seventh, or eighth grade mathematics receive $2,000.

Local Growth Bonuses: Qualifying teachers who meet local growth requirements will receive bonuses as follows:

- $5 million will be distributed equally among teachers who were in the top 25% of teachers in the local school administrative unit according to the EVAAS student growth index score for third grade reading.

- Teachers in the top 25% of teachers in the local school administrative unit according to the EVAAS student growth index score for fourth or fifth grade reading receive $2,000.
- Teachers in the top 25% of teachers in the local school administrative unit according to the EVAAS student growth index score for fourth, fifth, sixth, seventh, or eighth grade mathematics receive $2,000.
- Teachers with three or fewer total teachers in that teacher's grade level who had an EVAAS student growth index of exceeded expected growth in either (i) third grade reading, (ii) fourth or fifth grade reading, or (iii) fourth, fifth, sixth, seventh, or eighth grade mathematics.

Other Requirements: All of the following additional requirements apply to the bonuses:

- The following bonuses cannot exceed $3,500 in any given year:
    - Advanced course bonus.
    - CTE bonus.
    - Statewide growth bonus for teachers in the top 25% in 3rd grade reading.
    - Local growth bonus for teachers in the top 25% in 3rd grade reading.
- A teacher can receive both a statewide growth bonus and a local growth bonus based on third grade reading EVAAS results, but the combined total of both bonuses cannot exceed $7,000 in any given year.
- A teacher can receive both a statewide growth bonus and a local growth bonus based on fourth or fifth grade reading EVAAS results, but cannot receive more than two of these bonuses in any given school year.
- A teacher can receive both a statewide growth bonus and a local growth bonus based on fourth, fifth, sixth, seventh, or eighth grade mathematics EVAAS results, but cannot receive more than two of these bonuses in any given school year.

Additionally, the bonuses are not considered compensation under the Retirement System for Teachers and State Employees.

Study and Report: The State Board of Education (SBE) must study the effect of the bonus program on teacher performance and retention. By March 15 of each year, the SBE must report to the President Pro Tempore of the Senate, the Speaker of the House of Representatives, the Joint Legislative Education Oversight Committee, and the Fiscal Research Division on the results of the study and the amount of bonuses awarded.

This section became effective July 1, 2026, and applies beginning with bonuses awarded in January of 2027 based on data from the 2025-2026 school year.

Supplemental Funds for Teacher Compensation – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7A.5

Section 7A.5 of S.L. 2026-41 (Senate Bill 257) requires the State Board of Education (SBE) to allocate funds for the 2026-2027 school year to local school administrative units (LEAs) that are located in a county that has an adjusted market value of taxable real property of less than $80

billion to provide salary supplements to teachers, support personnel, qualifying assistant principals, and qualifying principals in the LEA.

Allocation of Funds by Qualifying LEAs – Local boards of education that receive these funds have the discretion to determine how to allocate the funds for salary supplements amongst teachers and qualifying school administrators, except that no individual salary supplement can exceed the per-teacher funding amount for the LEA set by the Department of Public Instruction (DPI) according to the formula prescribed by this section.

Charter Schools – DPI must include salary supplement funds provided to qualifying LEAs when calculating the average per pupil allocation to charter schools located in qualifying LEAs. Charter schools receiving additional funds are encouraged to provide salary supplements to teachers and qualifying administrator with the additional funds.

Nonsupplant Requirement – LEAs can only use the funds to supplement, but not supplant, non-State funds provided for salary supplements for teachers and qualifying school administrators.

Report – The SBE must submit a report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division by April 15, 2027, that includes the following:

- A list of all eligible counties and eligible LEAs.
- Funds allocated to each eligible LEA.
- The percentage and number of teachers and qualifying school administrators in each eligible LEA receiving salary supplements.
- The average salary supplement amount in each eligible LEA.
- The range of salary supplement amounts in each eligible LEA.
- The effect of salary supplements on the retention of teachers and qualifying school administrators in each eligible LEA.
- The identity of any LEA that the SBE determines has supplanted funds.

This section became effective July 1, 2026.

Report Local Salary Schedules – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7A.6

Section 7A.6 of S.L. 2026-41 (Senate Bill 257) requires each local school administrative unit (LEA) to report all variations of its experience-based salary schedules for teachers and instructional support personnel to the Department of State Auditor (State Auditor) by November 15 of each year. The reported salary schedules must include all of the following information:

- Base salary schedules for each class of teachers and instructional support personnel in the LEA, regardless of source of funds.
- All supplementary salary amounts provided to each class of teachers and instructional support personnel in the LEA, delineated by source of funds.

- Total salary amounts provided to each class of teachers and instructional support personnel in the LEA.

By January 15 of each year, the State Auditor, in consultation with the Department of Public Instruction (DPI), must submit the salary schedules provided by the LEAs to DPI. By February 15 of each year, DPI must do the following:

- Publish on its website the local salary schedules provided by the State Auditor.
- Report the local salary schedules to the Joint Legislative Education Oversight Committee and the Fiscal Research Division.

By September 15, 2026, the State Auditor, in consultation with DPI, must publish guidelines to all LEAs on the salary data required to be submitted.

This section became effective July 1, 2026.

Bonuses for Principals – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 7A.8

Section 7A.8 of S.L. 2026-41 (Senate Bill 257) codifies a bonus program for principals who supervise schools that were in the top 50% of school growth in the State during the previous school year as calculated by the State Board of Education, as follows:

Growth Percentage	Bonus
Top 5%	$15,000
Top 10%	$10,000
Top 15%	$5,000
Top 20%	$2,500
Top 50%	$1,000

Principals will receive one bonus of the highest amount for which the principal qualifies. Bonuses are paid in addition to regular wages by no later than October 31 of each year.

This section became effective July 1, 2026.

Revise Principal Recruitment and Retention Supplement and Require North Carolina Collaboratory to Study Principal Recruitment – 2026 Appropriations Act.

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

Section 7A.9 of S.L. 2026-41 (Senate Bill 257) establishes a principal retention salary supplement in addition to the existing principal recruitment salary supplement for principals of certain

schools in the lowest 10% of all schools in the State. A principal is eligible for the retention supplement of $20,000 annually if the principal (i) received a recruitment salary supplement for 36 months and (ii) receives a salary supplement according to the Met Growth or Exceeded Growth column of the Principal Salary Supplement Schedule. The retention supplement must be paid on a monthly basis and continues as long as the principal remains employed as the principal of the same school, up to a maximum of 36 months.

By March 15, 2027, the North Carolina Collaboratory must study and report to (i) the Joint Legislative Education Oversight Committee and (ii) local boards of education with an eligible school on the following:

- The benefits of recruiting high-performing principals to low-performing schools, including the benefits of the principal recruitment and retention supplements.
- Strategies to facilitate the recruitment and retention of qualifying principals to eligible schools.

This section became effective July 1, 2026.

University of North Carolina/Escheat Fund for Student Financial Aid Programs – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.1

Section 8.1 of S.L. 2026-41 (Senate Bill 257) makes the following changes to laws governing the Escheat Fund and related State law governing student financial aid programs:

- Requires the State Education Assistance Authority (SEAA) to make grants and loans from the Escheat Fund in accordance with the Current Operations Appropriations Act for the current fiscal year, in addition to statutory requirements.
- If income derived from the Escheat Fund is less than the amount referenced in the Current Operations Appropriations Act in a fiscal year, allows the State Treasurer (Treasurer) to use the principal from the Escheat Fund to make up the difference. The Treasurer cannot reduce the Escheat Fund's principal below the greater of the following:
    - $5 million.
    - A sum equal to the total value of escheated or abandoned property received in the preceding fiscal year.
- Requires SEAA to return uncommitted funds that were distributed from the Escheat Fund by the Current Operations Appropriations Act at the end of that fiscal year, unless otherwise provided by law.
- Requires SEAA to conduct periodic evaluations of expenditures for student financial aid programs administered by SEAA to determine if allocations are utilized to ensure access to institutions of higher education and to meet the goals of the respective programs, except for grants or loans for student financial aid programs where a specific evaluation is required by law. SEAA can make recommendations for redistributing student financial aid program funds to the President of The University of North Carolina and to the

President of the Community College System. The Presidents can authorize the redistribution of unutilized funds for a particular fiscal year.

This section became effective July 1, 2026.

Establish School of Civic Life and Leadership – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.2

Section 8.2 of S.L. 2026-41 (Senate Bill 257) establishes the School of Civic Life and Leadership (School). The Board of Trustees of the University of North Carolina at Chapel Hill (UNC-CH) in consultation with the Board of Governors of The University of North Carolina (BOG), the Provost of UNC-CH, and faculty and administration officials at UNC-CH must establish and maintain the School as a separate reporting unit of UNC-CH.

The School is directed to do the following:

- Provide course opportunities for students that focus on the development of democratic competencies informed by American history, the American political tradition, and the study of texts and traditions of Western civilization that form the foundation of the American republic.
- Develop programming to address these topics and provide resources to students, faculty, and the general public.

The Chancellor of UNC-CH must appoint the Dean of the School with the consent of the Board of Trustees of UNC-CH. Neither the Chancellor nor the Board of Trustees can delegate this responsibility to another party. All faculty hired by or appointed to the School are subject to the approval of the Dean of the School. Faculty members are allowed to hold joint or courtesy appointments with other reporting units of UNC-CH with all joint and courtesy appointments made at the discretion of the Dean of the School.

For the 2026-2027 academic year, the School must employ at least 20 faculty members hired from outside UNC-CH. These faculty members must be hired with permanent tenure or be eligible to receive permanent tenure in accordance with policies adopted by the BOG and UNC-CH. The School is prohibited from employing any additional faculty by joint or courtesy appointment with other reporting units of UNC-CH unless the School has employed at least 20 faculty members hired from outside UNC-CH.

The recurring funds allocated to the School beginning in the 2026-2027 fiscal year can only be used to support the School and cannot be redirected for any other purpose. In addition, these funds must be used to supplement and not supplant any funds the School would otherwise receive, including funds received by the School based on enrollment.

By November 15, 2027, the Board of Trustees of UNC-CH must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the progress made toward establishing the School including the following information:

- Courses and other programming provided by the School, including the extent to which those courses or programs fulfill curriculum requirements at UNC-CH.
- Faculty hired by the School, including the number of faculty members hired from outside UNC-CH.
- Uses of funds specifically appropriated to the School.
- Progress made toward establishing an honors program at the School.
- Additional degree programs established at the School, including baccalaureate, doctoral, and minor concentration programs, in areas including government, history, literature, and economics.
- Progress made toward establishing a Board of Visitors at the School.
- Any other matter the Board of Trustees deems relevant to the progress of establishing the School.

This section became effective July 1, 2026.

Repeal Future Teachers of North Carolina Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.3

Section 8.3 of S.L. 2026-41 (Senate Bill 257) repeals the Future Teachers of North Carolina Program.

This section became effective July 1, 2026.

Establish Standards for Agreements Between Constituent Institutions of The University of North Carolina and Local School Administrative Units for the Operation and Maintenance of Laboratory Schools – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.4

Section 8.4 of S.L. 2026-41 (Senate Bill 257) makes changes to the requirements for laboratory schools (lab schools), which are public schools operated by a constituent institution of The University of North Carolina in local school administrative units (LEAs) with low-performing schools. The changes to the requirements include all of the following:

- Memorandum of Understanding (MOU): Directs the chancellor of the constituent institution and the LEA to adopt an MOU for the operation and maintenance of the lab school that includes facilities and leases; transportation services; food services; and student support services. The chancellor and the LEA must review and update the MOU at least every three years and any updated MOU can take effect no earlier than the next school year. For proposals to amend a term regarding facilities, services, or operations of the lab school, the proposing party must provide at least six months' notice and the amendment cannot take effect earlier than the next school year.

- School Lunch Program – Clarifies that unless the lab school agrees in the MOU to administer the National School Lunch Program as the school food authority for its students, the LEA in which the lab school is located must administer the National School Lunch Program for the lab school as the school food authority. The LEA must:
    - Purchase, prepare, deliver, and serve food and drink for the lab school students.
    - Engage in any contracts or other actions needed to provide the food services, including procuring federal reimbursement funds.
- The LEA can charge the costs of the facilities and student support services provided to the lab school. The charges cannot exceed the standards determined jointly by the Board of Governors of The University of North Carolina (BOG) and the State Board of Education (SBE). If the LEA fails to provide any of the required services, the lab school can provide those services on its own and can charge the LEA for the actual costs of those services even if the costs exceed the standards agreed upon by the BOG and SBE. The LEA must reimburse the lab school for those services from non-State funds.

This section became effective July 1, 2026.

Require Reevaluation of Teaching Fellows Programs – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.5

Section 8.5 of S.L. 2026-41 (Senate Bill 257) requires the North Carolina Teaching Fellows Commission (Commission), in conjunction with the System Office of The University of North Carolina and the State Education Assistance Authority (SEAA), to develop a process to reevaluate all educator preparation programs (EPPs) participating in the Teaching Fellows Program (Program) at least every six years. The Commission can remove an EPP from the Program after a reevaluation.

The Commission must include information about the reevaluation of EPPs participating in the Program in its annual report to the Joint Legislative Education Oversight Committee.

Section 3.24 of S.L. 2026-61 (House Bill 268) requires, if an EPP is removed from the Program, the Director of the Teaching Fellows Program (Director) to notify SEAA of the removal by February 1 of the academic year prior to removal. Selected students eligible to receive a forgivable loan from the Program for the next academic year who are enrolled in an EPP that will be removed in the next academic year can do either of the following:

- Continue to receive forgivable loans to complete the Program leading to initial teacher licensure while enrolled in the EPP being removed.
- Transfer to another participating EPP, upon the approval of the Director.

These sections became effective July 1, 2026. The Commission must conclude its initial reevaluation of all EPPs participating in the Program by no later than July 1, 2032.

Prior Teaching Fellows Program Revisions Apply to All Current Program Participants. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.6

Section 8.6 of S.L. 2026-41 (Senate Bill 257) does the following:

- Clarifies that all students enrolled in an approved educator preparation program and participating in the North Carolina Teaching Fellows Program (Teaching Fellows Program) are eligible to receive a forgivable loan for up to $5,000 dollars per semester.
- Allows individuals who are pursuing loan forgiveness under the Teaching Fellows Program to be subject to the expanded definition of "qualifying teacher" and expanded loan forgiveness criteria enacted by the Geneal Assembly in 2023, even if the individuals have already graduated from the education preparation program and the Teaching Fellows Program.

This section became effective July 1, 2026.

UNC Plan to Incorporate Position Information into BEACON/HR Payroll System – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.7

Section 8.7 of S.L. 2026-41 (Senate Bill 257) requires the Board of Governors of The University of North Carolina (BOG) to collaborate with the Office of State Controller and the State Chief Information Officer to develop a plan to incorporate all position and salary information for employees of (i) constituent institutions of The University of North Carolina (UNC), (ii) the UNC System Office, (iii) the State Education Assistance Authority, (iv) and any other entity under the purview of the BOG into the Building Enterprise Access for North Carolina's Core Operation Needs (BEACON) human resources payroll system. The BOG must report the plan to the Joint Legislative Education Oversight Committee and the Fiscal Research Division by April 15, 2027.

This section became effective July 1, 2026.

Add Winston Salem State University to Cheatham White Scholarship – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.8

Section 8.8 of S.L. 2026-41 (Senate Bill 257) adds Winston-Salem State University as an eligible institution for the Cheatham-White Scholarship. Previously, Cheatham-White Scholarships were limited to students attending North Carolina Agricultural and Technical State University and North Carolina Central University.

Additionally, this section expands the total number of scholarships that can be awarded from 50 to 150, with at least 120 scholarships for resident students and no more than 30 scholarships for

nonresident students. Up to 50 scholarships can be awarded to students admitted to Winston-Salem State University and up to 100 scholarships can be awarded to students admitted to North Carolina Central University.

This section became effective July 7, 2026, and applies beginning with the award of scholarship funds in the 2027-2028 academic year so that students can be nominated for receipt of the scholarship at Winston-Salem State University during the 2026-2027 school year.

Revise Powers and Duties of the North Carolina Collaboratory – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.9

Section 8.9 of S.L. 2026-41 (Senate Bill 257) makes the following modifications to the laws governing the North Carolina Collaboratory (Collaboratory):

- Requires the Collaboratory to support research and development programs, research administration capacity building, and intra- and inter-campus collaborations at institutions of higher education.
- Eliminates the requirement that the Collaboratory assist the Office of State Fire Marshal in the maintenance of the online reporting portal on the storage and deployment of Aqueous Film Forming Foams.
- Empowers the Collaboratory to teach and train staff and postdoctoral researchers, in addition to students and faculty, to engage in and administer neutral and unbiased research and advise on science policy through (i) informal workshops and similar events, and (ii) formal delivery of curriculum and other information.
- Prohibits the Collaboratory from using funds appropriated by the General Assembly and used by the Collaboratory for indirect overhead costs at any entity, including a constituent institution, that is partnering with and funded by the Collaboratory.
- Modifies the Collaboratory's existing exemption from State purchasing and contracting laws to clarify that the Collaboratory is exempt from certain State purchasing and contracting laws for projects addressing either of the following:
    - A perceived, potential, or real concern regarding public health, safety or welfare.
    - Time-sensitive opportunities that have the potential to benefit the State.
- Requires the Collaboratory to provide a justification in writing that cites the specific concern or opportunity that prompted the utilization of an exemption from State purchasing and contracting laws, post the written justification on its website for the duration of the project, and report the written justification to the Joint Legislative Oversight Committee on Agriculture and Natural Economic Resources, the Joint Legislative Oversight Committee on Health and Human Services, the Joint Legislative Education Oversight Committee, and the Fiscal Research Division within 30 days of posting the justification on its website.
- Requires units of State and local government to cooperate and assist the Collaboratory within 30 calendar days of the Collaboratory making a request.

- Prohibits the Collaboratory, or a research team at an institution of higher education funded by the Collaboratory, from publishing or releasing any information received from a unit of State or local government that is not a public record or that is otherwise confidential. The Collaboratory can release de-identified, aggregated information or data based on any information or data received from a unit of State and local government if the release contains no personally identifiable information.
- Authorizes the Collaboratory to negotiate and impose publication, data use, and data management terms and conditions for projects funded by the Collaboratory.
- Allows the Collaboratory to retain unexpended funds appropriated from any source of funds and used by the Collaboratory to carry out its powers and duties, to the extent permitted by federal law.
- Authorizes any entity to provide funds, including grant funds, directly to the Collaboratory if the funds are (i) a donation or (ii) for research projects to be conducted at one or more constituent institutions of The University of North Carolina in which the Collaboratory provides those funds to support the research project. If an entity provides funds as a grant to the Collaboratory, the Collaboratory can manage the grant and determine the terms and conditions of the grant and related subawards, including rates, if any, of indirect overhead related to those funds.
- Exempts records associated with a project or study of the Collaboratory from State public records requirements if the project or study is associated with any of the following:
    - Specific engineering, vulnerability, or detailed design information about proposed or existing critical infrastructure.
    - Vulnerability and risk assessments.
    - Information relating to construction, renovation, or repair of public buildings and facilities.
    - Confidential information under the State public records laws.
    - Personal identifying information.

Additionally, this section requires employees of the Collaboratory to maintain legislative confidentiality for documents or reports produced at the request of a legislator.

This section became effective July 7, 2026.

Establish Office of Learning Research – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.10

Section 8.10 of S.L. 2026-41 (Senate Bill 257) codifies the Office of Learning Research (OLR) which is housed within the North Carolina Collaboratory at the University of North Carolina at Chapel Hill. The purpose of OLR is to identify and evaluate the efficacy and efficiency of programs, activities, initiatives, procedures, and any other factors related to elementary and secondary education in the State.

This section also codifies that funding appropriated to the OLR must be used to do the following:

- Provide information and support needed by elementary and secondary public schools, university leaders, and elected officials to make evidence-based decisions.
- Collaborate with constituent institutions of The University of North Carolina and other stakeholders to implement innovative policies and programs to accelerate learning for all students.
- Work with external research resources and partners to evaluate local, State, and federal programs to establish metrics and assess return on investment.
- Support the operations of the OLR.

This section repeals the authority of the North Carolina Collaboratory to relocate OLR within the University of North Carolina at Chapel Hill.

This section became effective July 7, 2026.

University of North Carolina System Faculty Realignment Incentive Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.11

Section 8.11 of S.L. 2026-41 (Senate Bill 257) establishes the Faculty Realignment Incentive Program to allow the Board of Governors of The University of North Carolina (BOG) to permit constituent institutions of The University of North Carolina (UNC) to award severance payments to full-time tenured faculty members who are (i) at least 55 years old, (ii) eligible to retire under the Teacher's and State Employees' Retirement System (TSERS) or vested in the Optional Retirement Program (ORP) for UNC, and (iii) not receiving disability or workers' compensation benefits.

Constituent institutions can provide severance payments within funds available based on criteria established by the President of UNC and as follows:

- An identified faculty member must be selected in the discretion of the employing constituent institution, with priority for faculty members in academic programs that are low-performing, redundant, underenrolled, provide insufficient return on investment, or are otherwise in conflict with the policies of the BOG or the purpose of UNC.
- Severance payments are equivalent to the identified faculty member's prior year base salary. Severance payments are exempt from retirement contribution payroll deductions and are not considered compensation for supplemental retirement plans.
- If an identified faculty member does not qualify for the full employer premium contribution for retiree health coverage provided under TSERS or ORP, the employing constituent institution can provide the member an additional amount equivalent to 12 months of the full employer contribution to the employee health insurance premium.

By December 1 annually, the BOG must report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division at least the following information, disaggregated by constituent institution:

- The number of identified faculty members who received severance payments.
- The total amount of severance payments made.

This section became effective July 1, 2026.

Increase NC Promise Tuition for Nonresidents – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.12

Section 8.12 of S.L. 2026-41 (Senate Bill 257) increases the rate of tuition for nonresident students at NC Promise institutions from $3,500 to $4,000 per academic semester. NC Promise institutions include all of the following:

- Elizabeth City State University
- The University of North Carolina at Pembroke
- Fayetteville State University
- Western Carolina University

This section applies beginning in the 2027-2028 academic year to nonresident students matriculating at NC Promise institutions. Nonresident students enrolled in the 2026-2027 academic year who remain continuously enrolled in a NC Promise institution can continue to receive that student's prior rate of tuition.

This section became effective July 1, 2026.

NCSSM-Morganton Expansion Studies – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.13

Section 8.13 of S.L. 2026-41 (Senate Bill 257) requires the Board of Governors of The University of North Carolina (BOG), in consultation with the Chancellor of the North Carolina School of Science and Mathematics (NCSSM), to do the following:

- Study the feasibility of increasing the size of the NCSSM-Morganton campus.
- Develop a plan to accommodate at least twice as many students enrolled for in-person instruction at NCSSM-Morganton. The plan must address:
    - Information about the number of students who apply and would be accepted to NCSSM but for a lack of physical space or other resources.
    - Resources needed to accommodate additional in-person students, including any (i) improvements to physical spaces, (ii) additional faculty and staff, (iii) instructional materials, and (iv) other costs, as determined by the BOG.
- Study increasing the number of students enrolled for remote instruction at NCSSM-Morganton.
- Develop a plan for increasing the number of students enrolled in NCSSM-Morganton for remote instruction.

The BOG must submit its plans for increasing in-person and remote enrollment in NCSSM-Morganton to the Joint Legislative Education Oversight Committee by February 15, 2027.

This section became effective July 7, 2026.

Protect Campus Survivors Act. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.14

Section 8.14 of S.L. 2026-41 (Senate Bill 257) exempts disciplinary records that contain personally identifiable information about a student held by the System Office of The University of North Carolina (UNC), constituent institutions of UNC, the Community College System Office, and community colleges (public institutions of higher education) from the definition of a public record under Chapter 132 of the General Statutes. This section provides that disciplinary records that contain personally identifiable information about a student are not a public record, even if disclosure of the record would be allowed under the federal Family Educational Rights and Privacy Act.

Disciplinary records that contain personally identifiable information about a student include any materials that meet all of the following:

- Are made or received by a public institution of higher education.
- Contain personally identifiable information of or about a student enrolled in the public institution of higher education.
- Are related to a complaint, investigation, or resolution of an alleged violation of or noncompliance with the disciplinary or conduct rules or other policy of a public institution of higher education.

This section became effective July 7, 2026, and applies to requests for disciplinary records that contain personally identifiable student information made on or after that date.

Office of Learning Research Evaluation of Competency-Based Learning Programs – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.15

Section 8.15 of S.L. 2026-41 (Senate Bill 257) requires the Office of Learning Research at the North Carolina Collaboratory to study and evaluate the following programs:

- Community College Seamless Skills Initiative.
- Competency-Based High School/Healthcare and High-Tech Pathways Program.
- Lighthouse Math Project.
- Competency-Based Education and High School Redesign Strategic Network.
- North Carolina Competency-Based Education Innovation Grant Program.

The Office of Learning Research must report to the Joint Legislative Education Oversight Committee by March 15 in 2028, 2029, and 2030 on (i) the number of students engaging with the programs, (ii) the total amount of funds expended to implement, design, and operate the programs, and (iii) the effects on student achievement and learning outcomes.

This section became effective July 1, 2026.

Office of Learning Research to Study Literacy Professional Development – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.16

Section 8.16 of S.L. 2026-41 (Senate Bill 257) requires the Office of Learning Research at the North Carolina Collaboratory (OLR) to evaluate providers of professional development for teachers teaching students in grades 9 through 12 who are not reading at grade level. OLR must provide recommendations for any professional development providers that align with existing literacy standards in the State to the Joint Legislative Education Oversight Committee (JLEOC) by April 15, 2027.

Additionally, OLR must conduct a study on the effectiveness of Lexia Aspire Professional Learning on literacy outcomes for students in grades six through eight. OLR must provide an interim report on the results of the study to the JLEOC by October 15, 2028, and a final report by October 15, 2029.

This section became effective July 1, 2026.

No Financial Assistance for UNC Students Convicted of Assaulting Officers or Employees of the State – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.17

Section 8.17 of S.L. 2026-41 (Senate Bill 257) eliminates certain financial benefits for students at institutions of higher education in the State who are convicted of assaulting an officer or employee of the State or an officer or employee of any political subdivision of the State while enrolled as a student.

The Board of Governors of The University of North Carolina (BOG) must adopt a policy prohibiting The University of North Carolina and its constituent institutions from providing State funded scholarships or grants to any student who is convicted of assaulting an officer or employee of the State or an officer or employee of any political subdivision of the State while enrolled as a student. The prohibition must begin with the semester or academic term following a conviction.

The State Education Assistance Authority must adopt a rule prohibiting any student who is convicted of assaulting an officer or employee of the State or an officer or employee of any political subdivision of the State while enrolled as a student from receiving a State-funded

scholarship or grant. The prohibition must begin with the semester or academic term following a conviction.

Additionally, a student who is convicted of assaulting an officer or employee of the State or an officer or employee of any political subdivision of the State while enrolled as a student is disqualified from receiving the in-State tuition rate at any institution of higher education in the State, beginning with the semester or academic term following the conviction.

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

Preservation of Student Records Held by Licensed Nonpublic Postsecondary Educational Institutions. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.18

Section 8.18 of S.L. 2026-41 (Senate Bill 257) provides that if a nonpublic post-secondary educational institution licensed by The University of North Carolina ceases to operate in the State, the owner of the institution must ensure that the records required to be maintained by the institution regarding the performance or grading standards for each enrolled student are transferred to the North Carolina State Archives.

If the Board of Governors of The University of North Carolina (BOG) determines that these student academic records are in danger of being made unavailable to the North Carolina State Archives for any reason, including refusal by the institution to transfer those records, the BOG must notify the Attorney General of the State. The Attorney General must then take appropriate action to ensure the records are retrieved and preserved at the North Carolina State Archives.

This section became effective July 1, 2026.

North Carolina Student Lifeline Information for University Students – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.19

Section 8.19 of S.L. 2026-41 (Senate Bill 257) requires the Board of Governors of The University of North Carolina to adopt a policy requiring all constituent institutions to provide students with the phone numbers for the Suicide and Crisis Lifeline and the NC Peer Warmline. Each constituent institution must provide the information in the following places:

- Newly issued student identifications.
- The institution's website.
- The home screen of any electronic device issued to students.
- Each school agenda or calendar, digital or printed.
- On a document during any suicide awareness activity.
- On a document when the student registers for attendance.

This section became effective July 7, 2026, and applies beginning with the 2026-2027 academic year.

UNC System Health Care Access Fund – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.20

Section 8.20 of S.L. 2026-41 (Senate Bill 257), as amended by Section 3.16 of S.L. 2026-61 (House Bill 268), establishes the UNC System Health Care Access Fund (Fund) to support expenses for all of the following:

- Training, residency programs, and associated capital improvement projects for (i) medical schools and health affairs programs operated by constituent institutions of The University of North Carolina (UNC) and (ii) private and public health care entities in the State.
- Development and expansion of courses at constituent institutions of UNC that lead to a degree in a field related to health care.

The UNC System Office (System Office) must ensure that each entity receiving monies from the Fund expend no more than $200,000 per fiscal year on capital improvement projects. The System Office must administer the Fund and can use up to 5% of the monies in the Fund each fiscal year for administration of the Fund. Monies allocated to entities from the Fund do not revert and remain available until expended.

Additionally, the System Office must allocate to the Fund all of the following:

- Funds that were appropriated to the Board of Governors of The University of North Carolina (BOG) pursuant to the 2023 Appropriations Act for the Rural Residency Medical Education and Training Fund.
- $4,898,216 in recurring funds that were appropriated to the BOG pursuant to the 2026 Appropriations Act.
- $4.5 million in nonrecurring funds in receipts budgeted from the Rural Health Care Stabilization fund pursuant to the 2026 Appropriations Act.
- $9 million in recurring funds and the $9.5 million in nonrecurring funds that were appropriated to the Board of Governors for Healthcare Workforce Programs Expansion pursuant to the 2026 Appropriations Act, as amended by S.L. 2026-42.

Section 8.20 of S.L. 2026-41 became effective June 30, 2026. Section 3.16 of S.L. 2026-61 became effective July 1, 2026.

Expansion of Postsecondary Transfer Technology – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.21

Section 8.21 of S.L. 2026-41 (Senate Bill 257) requires The University of North Carolina System Office (System Office), in collaboration with the Community Colleges System Office and the

Department of Information Technology, to expand the postsecondary data and technology initiatives (Initiative) established by the 2023 Appropriations Act to do the following:

- Identify and develop programs to accelerate the transfer of course credits among postsecondary institutions of higher education using postsecondary transfer technology.
- Provide and improve technology at participating institutions of higher education that will simplify the credit transfer process for students, advisors, and the participating institutions.
- Allow students to easily compare credit transfer options, speed up student decision making, and streamline transfer planning and progress toward degrees in a manner that reduces overall costs of higher education for students in the State.

The System Office must submit a report on the Initiative to the Joint Legislative Education Oversight Committee by March 15, 2027, that addresses at least the following:

- The number and identity of postsecondary institutions participating in the Initiative.
- The progress of participating postsecondary institutions in (i) enrollments upon transfer, and (ii) credentials attained after a successful transfer of credits. If available, data must be disaggregated by income, race, ethnicity, and other demographic characteristics.
- Recommendations to scale credit mobility and credit transfer technology statewide.

This section became effective July 1, 2026.

Weighted Student Funding Formula Work Group. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.22

Section 8.22 of S.L. 2026-41 (Senate Bill 257) directs that of the funds appropriated to the Board of Governors of The University of North Carolina to be allocated to the North Carolina Collaboratory, $300,000 dollars in nonrecurring funds for the 2026-2027 fiscal year must be used for the Office of Learning Research at the North Carolina Collaboratory to establish a work group (Work Group) of experts in public education finance, including the Department of Public Instruction (DPI), North Carolina Business Leaders for Education (BEST NC), and other relevant stakeholders. The Work Group is directed to study and develop a strategy to transition the State to a weighted student funding model for kindergarten through 12th grade public education.

By July 15, 2027, the Work Group must report to the Joint Legislative Education Oversight Committee on a three-year strategy to transition from the current-allotment based funding model to a weighted student funding formula model, including policy, funding, messaging, and technical assistance needed for leaders of local school administrative units (LEAs) and schools within LEAs. The strategy must include an examination of the following:

- Options to do the following under the new funding formula:
    - Consolidate nonteaching support funds into a per- pupil based allotment with significant flexibility.

    - Transition teacher pay from a position allotment to a dollar allotment based on average daily membership to maintain student-based funding with greater average teacher pay transparency and flexibility.
    - Reassign all project or resource-based funding into a set of designated line items.
    - Determine whether need-based funds can be consolidated and transitioned into a per pupil figure.
    - Report on spending and provide any other needed accountability for the use of State funds.
- Whether to transition the responsibility of disbursing any funds to LEAs from DPI to the State Education Assistance Authority.

This section became effective July 1, 2026.

Public Schools Open Enrollment Study – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.23

Section 8.23 of S.L. 2026-41 (Senate Bill 257), as amended by Sec. 3.17 of S.L. 2026-61 (House Bill 268), requires the North Carolina Collaboratory to study how local school administrative units can allow students to attend any school within the local school administrative unit in which the student is domiciled, other than the assigned base school. The study must include the following:

- A review of existing voluntary open enrollment and freedom of choice plans.
- Considerations for implementing mandatory open enrollment plans including the following:
    - The number of enrollment periods a mandatory open enrollment plan should have in a year.
    - Types of application processes.
    - How school capacity issues should be addressed and communicated to parents, including waitlist options.
    - Transportation options for students when they choose a school other than their assigned base school.
    - Reasons a local school administrative unit could deny a request under a mandatory open enrollment plan.
    - Any appeals processes that would be available for denials of requests of school assignment under a mandatory open enrollment plan.

The North Carolina Collaboratory must report its findings, including any recommended legislation, to the Joint Legislative Education Oversight Committee by June 1, 2027.

This section became effective July 1, 2026.

Establish NC Promise Tuition Plan Reserve – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.25

Section 8.25 of S.L. 2026-41 (Senate Bill 257) establishes the NC Promise Tuition Plan Reserve (Reserve) to allocate additional funds to constituent institutions of The University of North Carolina that are participating in the NC Promise Tuition Plan. Funds allocated from the Reserve must be used to "buy down" any financial obligations resulting from the NC Promise tuition rate that are not available to be paid from existing NC Promise Tuition Plan funds. The Reserve will be administered by the Board of Governors of The University of North Carolina (BOG).

To the extent funds are made available for this purpose, the BOG must ensure that the Reserve has a minimum balance of at least $3 million at the beginning of each fiscal year. As part of its recommended budget that must be submitted to the Governor and the General Assembly each year, the BOG must include any nonrecurring funds needed to meet the minimum starting balance for the upcoming fiscal year. Any unexpended, unencumbered funds in the Reserve at the end of each fiscal year do not revert to the General Fund and will remain available until expended.

Additionally, this section modifies the annual report by the BOG and chancellors of the NC Promise institutions by (i) changing the reporting deadline from October 1 to February 1 and (ii) requiring the report to include the current balance of the Reserve.

This section became effective July 1, 2026.

North Carolina Economic Forecasting Initiative – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.29

Section 8.29 of S.L. 2026-41 (Senate Bill 257) establishes the North Carolina Economic Forecasting Initiative (Initiative) for the 2026-2027 and 2027-2028 fiscal years at the Kenan Institute of Private Enterprise at the Kenan-Flagler Business School at the University of North Carolina at Chapel Hill.

The Initiative must collect the State's nowcast, a prediction of current and near-future economic conditions, and forecast county-level economic data for policymakers, businesses, community colleges, economic developers, and other stakeholders. Additionally, the Initiative must provide relevant and translational economic data to stakeholders to do the following: (i) foster sustainable and broad-based growth in local economies, (ii) attract new industries and businesses, and (iii) create opportunities for all North Carolina residents.

All units of State and local government must cooperate with the Initiative and provide relevant data for accurate forecasting. All data requests by the Initiative must be reasonable in scope and allow for a reasonable period for compliance.

The $3 million appropriated to the Initiative will not revert at the end of the 2026-2027 fiscal year and will remain available until the end of the 2027-2028 fiscal year.

The Kenan-Flagler Business School must submit detailed reports on the use of funds for the Initiative to the Joint Legislative Education Oversight Committee and the Fiscal Research Division no later than December 1, 2026, and December 1, 2027.

This section became effective July 1, 2026.

Office of Learning Research to Develop Mathematics Curriculum. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8.30

Section 8.30 of S.L. 2026-41 (Senate Bill 257) directs the Office of Learning Research at the North Carolina Collaboratory at the University of North Carolina at Chapel Hill (OLR) to acquire a mathematics curriculum for use in kindergarten through eighth grade developed by another state and adapt and align it to the North Carolina Standard Course of Study (Standard Course of Study). In addition, OLR must produce training materials to train teachers in the implementation of the curriculum and instructional materials developed.

During the 2026-2027 fiscal year, OLR must do the following:

- Acquire curriculum developed by another state for use in kindergarten through eighth grade mathematics instruction and adapt it to align with the Standard Course of Study.
- Produce any curriculum and instructional materials needed for implementation in classrooms in the State.
- Produce training materials for use by teachers in public school units (PSUs) in the State.
- Contract with third parties to assist in completion of these requirements.
- During the 2027-2028 fiscal year, OLR must do the following:
- Continue to align the acquired curriculum with the Standard Course of Study and develop instructional materials and training materials.
- Provide professional development on the implementation of curriculum and instructional materials to teachers in the PSUs, as practicable.
- Develop an online open educational resource hub for providing access to teacher guides, curriculum and instructional materials, pacing guides, formative assessments, and notes on revisions made to the adapted curriculum and instructional materials.

By June 15, 2028, OLR must report to the Joint Legislative Education Oversight Committee on the following:

- The process of the acquisition, adaptation, and production of the curriculum and materials.
- The progress of developing the online open educational resource hub.
- A plan to develop a pilot program for the implementation of the use of the curriculum and instructional materials in a select number of PSUs beginning with the 2028-2029 school year, if funds are made available for that purpose.

Of the funds appropriated to the Board of Governors of The University of North Carolina to be allocated to the North Carolina Collaboratory at the University of North Carolina at Chapel Hill for the 2026-2027 fiscal year, OLR must use up to $10 million dollars in nonrecurring funds to acquire, adapt, and produce the curriculum, instructional materials, and training materials as required by this section.

This section became effective July 1, 2026.

Student-Based Educational Wallet Pilot Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.1

Section 8A.1 of S.L. 2026-41 (Senate Bill 257) establishes the Student-Based Educational Wallet Pilot Program (Program) for the 2027-2028 fiscal year that grants funds to high school students to participate in eligible educational activities outside of the classroom, which can earn the student academic credit. The Program must be administered by the State Education Assistance Authority (SEAA) in coordination with a public school unit selected by SEAA to participate no later than August 1, 2026. The participating unit must select one high school to participate in the Program and enter into a data-sharing agreement with SEAA. By January 1, 2027, the unit must share a list of eligible students, eligible activities, and approved providers with SEAA. By February 2, 2027, SEAA must provide an application for students to opt-in to using a student-based educational wallet. By April 15, 2027, SEAA must enroll all students who applied and have parental permission into the Program and can use a lottery if the number of applications exceeds the amount of funds available.

Parents of participating students must sign a parental agreement to use the funds deposited into the student-based electronic wallet only for qualifying educational expenses, which does not include personal items or travel. SEAA must award funds up to $395 per student whose parent has signed the parental agreement.

Students can use the funds in the student-based educational wallet to participate in eligible activities and the participating unit will determine whether the eligible activity will be awarded academic credit. Students can submit information to the unit to demonstrate the student's proficiency in the subject area, including portfolios, performance assessments, and competency-based evaluations.

When administering the Program, SEAA must establish an online portal for students and parents to track account balances, review eligible activities, and submit reimbursement requests. SEAA can contract with a private financial management firm or institution to manage the student-based educational wallets. SEAA can also conduct random audits of a sampling of participants and can contract with an independent entity to conduct these audits. SEAA can close a student-based educational wallet account for failure to comply with the terms of the parental agreement or applicable laws or if a student is no longer eligible to participate in the Program. SEAA can use up to $50,000 for administrative costs associated with the Program, including contracting with entities for management of the student-based educational wallets and performing audits.

Information shared with SEAA on an application and personally identifiable information related to eligible students receiving funds in the Program is not a public record. Providers of eligible activities are prohibited from refunding or rebating parents or students participating in the Program in any manner.

By February 15, 2028, the North Carolina Collaboratory, in consultation with SEAA and the participating public school unit, must study and report to the Joint Legislative Education Oversight Committee on the implementation of the Program and the impact of the Program on student success. The report must include information on (i) the number of students who used the student-based educational wallet and the amount of funds used, (ii) the credit-bearing opportunities purchased with Program funds and the number of credits earned, and (iii) the approved providers receiving Program funds and the amount of funding each provider received.

Funds provided for this Program do not revert until the end of the 2027-2028 fiscal year.

This section became effective July 1, 2026.

Revise Certain Opportunity Scholarship Domicile Verification Requirements – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.2

Section 8A.2 of S.L. 2026-41 (Senate Bill 257) requires household members of applicants for Opportunity Scholarships or Personal Education Student Accounts to authorize the State Education Assistance Authority (SEAA) to access social security numbers and other unique verifiers that are needed to verify the applicant's domicile. Additionally, SEAA can adopt rules for contracting with a third-party vendor to facilitate the verification of an applicant's domicile or other application information.

This section became effective July 1, 2026.

Clarify Application Date for Opportunity Scholarship and PESA Programs – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.3

Section 8A.3 of S.L. 2026-41 (Senate Bill 257) requires the State Education Assistance Authority (SEAA) to make applications for the Opportunity Scholarship and Personal Education Savings Account for Children with Disabilities programs available to eligible students no later than the first Monday in February each year. Additionally, SEAA must begin awarding scholarships for each program by the first Monday in March each year.

This section became effective July 1, 2026.

Permit SEAA to Provide Payments for Tests for Opportunity Scholarship Recipients Using Alternative Methods. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.4

Section 8A.4 of S.L. 2026-41 (Senate Bill 257) allows the State Education Assistance Authority (SEAA) to provide payment of the cost of a nationally standardized test for students receiving an opportunity scholarship grant who must take the nationally standardized tests administered to students in grades 3, 8, and 11. This payment can be included in the opportunity scholarship grant award.

This section became effective July 1, 2026.

Clarify Opportunity Scholarship Residency Requirements – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.5

Section 8A.5 of S.L. 2026-41 (Senate Bill 257) requires that a student receiving an Opportunity Scholarship be a resident of North Carolina who is eligible to attend a North Carolina public school both (i) at the time the student applies for a scholarship grant and (ii) at the beginning of each school year in which the student is eligible to receive a scholarship grant, unless the student is military-connected.

If the student is military-connected, the following applies:

- A military-connected student who is not a resident due to the military orders at the time of application can apply for an Opportunity Scholarship and the State Education Assistance Authority (SEAA) must still accept the application.
- A military-connected student who is not a resident due to military orders at the time of initial enrollment in a nonpublic school can still receive a scholarship grant for the first semester of the school year, but must provide proof of residency before receiving any additional scholarship grant funds.

If the funds required to award scholarship grants to military-connected students exceed the funds available for distribution, SEAA can allocate the necessary funds from the unencumbered balance of the Opportunity Scholarship Grant Fund reserve and report on the use of those funds to the Joint Legislative Education Oversight Committee and the Fiscal Research Division of the General Assembly by April 1 of the fiscal year.

This section became effective July 7, 2026, and applies beginning with applications for the award of scholarship grants in the 2026-2027 school year.

Require the State Education Assistance Authority to Provide Testing Costs for Certain Personal Education Student Account Recipients and Permit Parents of Those Personal Education Student Account Recipients to Opt Out of Testing – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.7

Section 8A.7 of S.L. 2026-41 (Senate Bill 257) requires the State Education Assistance Authority (SEAA) to pay the cost of nationally standardized tests in grades 3, 8, and 11 that are required for Personal Education Student Account (PESA) recipients who attend a nonpublic school that qualifies for direct disbursement of PESA funds.

Additionally, parents of students who receive a PESA due to any of the following disabilities can opt out of the nationally standardized tests in grades 3 through 12 that are required for PESA recipients who attend a nonpublic school that qualifies for the direct disbursement of PESA funds:

- Autism.
- Hearing impairment.
- Moderate or severe intellectual disability.
- Orthopedic impairment.
- Visual impairment.

SEAA is not required to pay the cost of any standardized tests for which a parent has opted the PESA recipient out.

This section became effective July 1, 2026.

Codify North Carolina Patriot Star Family Scholarship Program. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.8

Section 8A.8 of S.L. 2026-41 (Senate Bill 257) codifies the existing North Carolina Patriot Star Family Scholarship Program (Program) which provides funds to the Patriot Foundation and the Marine Corps Scholarship Foundation. The Patriot Foundation and the Marine Corps Scholarship Foundation provide scholarships to (i) eligible children and eligible spouses of certain veterans, (ii) eligible children of certain currently serving members of the Armed Forces, and (iii) eligible disabled veterans to attend eligible postsecondary institutions in the State when certain requirements have been met.

The Patriot Foundation and the Marine Corps Scholarship Foundation must submit a report to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on activities related to the Program and the use of State funds by April 1 of each year that State funds available to the foundations are spent.

This section became effective July 7, 2026.

Revise Eligibility Requirements for Need-Based Scholarship for Private Colleges and Universities – 2026 Appropriations Act.

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

Section 8A.9 of S.L. 2026-41 (Senate Bill 257) expands the eligibility for private colleges and universities for Need-Based Scholarships and Early Graduate Scholarships to include postsecondary educational institutions that are not owned or operated by the State or any political subdivision of the State with physical locations in North Carolina where postsecondary degree activity occurs. These postsecondary educational institutions must (i) be accredited by the Southern Association of Colleges and Schools Commission on Colleges (SACSCOC), (ii) be designated by SACSCOC as a level VI degree-granting institution, and (iii) award a postsecondary degree.

By April 15 of each year, every eligible private postsecondary institution meeting the criteria above must report to the Joint Legislative Education Oversight Committee on all degree programs offered by the institution that enroll at least one student receiving a scholarship in the academic year and the number of students receiving scholarships in each of the identified degree programs.

This section became effective July 7, 2026, and applies beginning with scholarship awarded in the 2026-2027 academic year.

Nursing Fellows Pilot Program – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.10

Section 8A.10 of S.L. 2026-41 (Senate Bill 257), as amended by Section 3.25 of S.L. 2026-61 (House Bill 268), establishes a Nursing Fellows Pilot Program (Pilot Program) to provide forgivable loans to eligible nursing students who are (i) enrolled in and admitted to a qualifying degree program and (ii) interested in preparing to become nurses in the State or nurse instructors in qualifying instruction programs. To be eligible, a nursing student must begin enrollment in either the 2027-2028 or the 2028-2029 academic year.

Program Directors: The State Education Assistance Authority (SEAA) must administer the Pilot Program in cooperation with the Chief Academic Officer at the Community Colleges System Office (CCSO) and the Dean of the School of Health Sciences at Winston-Salem State University (Dean), who will serve as program directors. Program directors must do all of the following:

- Determine forgivable loan recipient selection criteria and selection procedures at qualifying community colleges and Winston-Salem State University (WSSU). Initial selection criteria must be established by November 15, 2026, and applications must be made available by December 31, 2026.
- Select the recipients to receive forgivable loans under the Pilot Program. Initial recipients for the 2027-2028 academic year must be selected by April 1, 2027.
- Appoint needed staff at their respective qualifying institutions of higher education.

- Be responsible for recruitment and coordination of the Pilot Program at their respective institutions.
- Coordinate with one another, as necessary, to ensure the efficient and effective operation of the Pilot Program without duplicating efforts.

Funding: SEAA must transfer 5% of the Pilot Program's funds to the CCSO and 5% to the Dean for Program expenses. SEAA must use up to 4% of the Pilot Program's funds for other administrative costs associated with the Pilot Program. From the remaining funds, SEAA must award forgivable loans according to the following distribution of funds:

- 30% to the CCSO to be divided equally between qualifying community colleges.
- 70% to WSSU.

Beginning in the 2027-2028 fiscal year, SEAA can use funds for the Forgivable Education Loans for Service Fund that remain available at the end of the fiscal year to administer the Pilot Program.

Forgivable Loans: The program directors must adopt stringent standards for awarding forgivable loans based on multiple measures, including:

- Grade point averages.
- Performance on relevant assessments.
- Experience, accomplishments, and other criteria demonstrating qualities positively correlated with highly effective nurses and instructors in qualifying instruction programs, including excellent verbal and communication skills.
- Demonstrated commitment to serve in North Carolina.

Forgivable loans must be awarded in the following amounts per academic term:

$2,500 per semester or $1,250 per summer session for students enrolled in and admitted to an associate degree in nursing program at a qualifying community college for up to four academic terms.

$5,000 per semester or $2,500 per summer session for students enrolled in and admitted to a qualifying Bachelor of Science in nursing degree program at WSSU for up to five academic terms.

$5,000 per semester or $2,500 per summer session for students enrolled in and admitted to a qualifying Master of Science in nursing degree program at WSSU for up to four additional academic terms.

Forgivable loans can be used for tuition, fees, the cost of books, and expenses related to obtaining licensure as a registered nurse.

Forgivable loans must be evidenced by notes made payable to SEAA and bear an interest rate no higher than 10% per year.

For every year within 10 years of graduation that a forgivable loan recipient is employed as a qualifying nurse or as a qualifying nurse instructor, SEAA must forgive the loan amount received under the Pilot Program over one year of enrollment in the qualifying degree program or programs, including interest. SEAA must also forgive the loan if it finds that it is impossible for the recipient to meet the loan forgiveness requirements because of the death or permanent disability of the recipient.

If the loan recipient repays the forgivable loan by cash payments, all indebtedness must be repaid within 10 years after completion of the latest applicable qualifying degree program supported by the forgivable loan.

Report: By January 1, 2028, and annually thereafter, the North Carolina Collaboratory must report to the Joint Legislative Education Oversight Committee on the Pilot Program.

This section became effective July 1, 2026, and applies beginning with applications for enrollment in the Nursing Fellows Pilot Program in the 2027-2028 academic year.

Extend Carryforward and Expand Uses for Institutional Trust Fund for Personal Education Student Accounts for Children with Disabilities – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.11

Section 8A.11 of S.L. 2026-41 (Senate Bill 257) authorizes the State Education Assistance Authority (SEAA) to place up $15 million in unexpended funds appropriated for the Personal Education Student Accounts for Children with Disabilities (PESA) into an institutional trust fund, instead of $10 million.

Additionally, this section authorizes SEAA to use funds held in the PESA institutional trust fund to award scholarships when either of the following are met:

- The funds required to award scholarships to eligible students for a school year exceed the funds available for the distribution of awards.
- The funds appropriated for the PESA program in a fiscal year are insufficient to award scholarships to all eligible students.

This section became effective June 30, 2026.

Require Nonpublic Schools Receiving Opportunity Scholarship Funds to Retain Certain Testing Records and Verify Compliance. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.12

Section 8A.12 of S.L. 2026-41 (Senate Bill 257), as amended by Section 2.8 of S.L. 2026-42 (House Bill 56) and Section 3.22 of S.L. 2026-61 (House Bill 268), requires nonpublic schools that accept

students receiving opportunity scholarship grants to annually certify compliance with the testing requirements for the Opportunity Scholarship Grant Program instead of annually submitting test performance data to the State Education Assistance Authority (SEAA). Individual test data is still subject to collection by SEAA and the nonpublic schools must retain records of test administration for a period of four years.

This section further directs SEAA to select at least 4% of nonpublic schools accepting students receiving opportunity scholarship grants to verify compliance with the required testing administration each year. Test performance data collected by SEAA is not considered a public record.

This section became effective July 1, 2026, and applies beginning with the 2026-2027 school year.

Early Graduate Scholarship Program Funds – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.13

Section 8A.13 of S.L. 2026-41 (Senate Bill 257), as amended by Sec. 3.21 of S.L. 2026-61 (House Bill 268), authorizes the State Education Assistance Authority to use $1 million in nonrecurring funds to award Early Graduate Scholarships for students who (i) graduate early from a North Carolina high school in the 2025-2026 school year and thereafter and (ii) attend an eligible postsecondary institution. Scholarships will be awarded beginning in the 2027-2028 academic year.

These sections became effective July 1, 2026.

Advise NC – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.14

Section 8A.14 of S.L. 2026-41 (Senate Bill 257), as amended by Section 3.23 of S.L. 2026-61 (House Bill 268), requires the State Education Assistance Authority (SEAA) to establish the Advise NC College Access Initiative (Initiative). To implement the Initiative, SEAA will coordinate with education partners and other stakeholders to place college access advisors in high-need or underserved regions of the State. Education partners are entities providing college access and advising information in this State, including constituent institutions of The University of North Carolina, community colleges, and private postsecondary institutions of higher education.

SEAA must provide matching State funds to education partners to place college access advisors in high-need or underserved regions of the State. SEAA can only allocate State funds to education partners when coupled with matching non-State funds from non-State entities. In allocating State and non-State funds to education partners, SEAA must match $1 in State funds for every $1 in non-State funds.

SEAA can use a portion of the State and non-State funds for actual administrative costs associated with the Initiative. These costs can include one or more full-time positions to coordinate the Initiative, information technology upgrades, maintenance, and other costs.

By February 15 of each year, SEAA must report to the Joint Legislative Education Oversight Committee on at least the following information from the prior fiscal year:

- Non-State funds received and allocated pursuant to this section and the identity of the non-State entities providing those funds.
- The identity of each education partner and the amount of State and non-State funds received by that education partner.
- The number of college advisors in the State supported by the Initiative and the region of the State in which each college advisor is placed.
- The total funds expended for administration of the Initiative, disaggregated on the basis of State and non-State funds.
- Funds used by SEAA for administrative costs, the specific administrative uses of those funds, and the source of those funds.

SEAA must submit an interim report for the 2026-2027 fiscal year by April 15, 2027.

For the 2026-2027 fiscal year, the Board of Governors of The University of North Carolina must allocate $2.5 million in nonrecurring funds to SEAA for the Initiative. These funds do not revert at the end of the 2026-2027 fiscal year and remain available until the end of the 2027-2028 fiscal year.

This section became effective July 1, 2026.

Authorize Use of Personal Education Student Accounts for One-to-One Classroom Aides – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.16

Section 8A.16 of S.L. 2026-41 (Senate Bill 257) allows the parents of a student receiving a Personal Education Student Account for Children with Disabilities to use scholarship funds for education-related support services provided by a one-to-one classroom aide who holds at least a high school diploma or its equivalent. To use scholarship funds for the services of a one-to-one classroom aide, the scholarship recipient's nonpublic school must submit documentation to the State Education Assistance Authority describing the education-related support services needed each semester.

A parent cannot use scholarship funds for a one-to-one classroom aide who is (i) an immediate relative of the student or (ii) an employee or independent contractor of the student's nonpublic school.

This section became effective July 7, 2026, and applies beginning with the 2026-2027 school year.

Revise Primary Care Physician and Psychiatrist Targeted Assistance Loan Forgiveness Program. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.17

Section 8A.17 of S.L. 2026-41 (Senate Bill 257) raises the amount of the forgivable loan for which a student enrolled in a medical school at an eligible institution of higher education would be eligible if the student intends to practice either primary care medicine or psychiatry in certain counties of the State. Eligible students would qualify for awards of forgivable loans in amounts up to $50,000 dollars per academic year with a total amount of up to $200,000 dollars per student.

This section became effective July 1, 2026, and applies beginning with forgivable loans awarded in the 2026-2027 academic year.

Reorganize Exemptions from the Administrative Procedure Act for Certain Education Entities and Clarify that These Exemptions Include the State Education Assistance Authority. – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 8A.18

Section 8A.18 of S.L. 2026-41 (Senate Bill 257) clarifies that the State Education Assistance Authority is not subject to the rulemaking and administrative hearing requirements of the Administrative Procedure Act.

This section became effective July 1, 2026.

School Safety Grants – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 20.9

Section 20.9 of S.L. 2026-41 (Senate Bill 257) directs the Executive Director of the Center for Safer Schools to establish the School Safety Grants Program (Program) for the 2026-2027 fiscal year. The purpose of the program is to improve safety in public school units by providing grants for (i) services for students in crisis, (ii) school safety training, (iii) safety equipment in schools, and (iv) subsidizing the School Resource Officer Grants Program.

This section sets out the grant application process and criteria and guidelines for the administration and use of the grants. The program provides for grants for (i) students in crisis, (ii) training to increase school safety, and (iii) safety equipment. Additionally, funds may be used to cover applications received for funding for school resource officers if applications exceed the funding appropriated for school resource officer funding.

The Executive Director of the Center for Safer Schools shall report on the program to the General Assembly not later than April 1, 2027.

This section became effective July 1, 2026.

Critical Incident School Mapping Data – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 20.10

Section 20.10 of S.L. 2026-41 (Senate Bill 257) creates a new requirement that each public school be mapped for the purpose of providing digital mapping information to first responders who respond to emergencies at the schools. The Center for Safer Schools (Center) is required to establish a Critical Incident School Mapping Program (Program). The Center is required to work with governing bodies of public school units to produce accurate mapping data for each public school unit in North Carolina. The State Bureau of Investigation in consultation with the Center is authorized to enter into contracts with vendors to provide the mapping services. There are certain guidelines that require electronic access for first responders by keeping the data in certain accessible formats and otherwise create limitations on the storage and access of the mapping data.

This section became effective July 1, 2026, and the contracting and procurement required by this section must be completed by January 31, 2027.

State Public Education Property Insurance Fund Modification – 2026 Appropriations Act.

SL 2026-41 (S257), Sec. 32A.4

Section 32A.4 of S.L. 2026-41 (Senate Bill 257) extends the authority of public education boards to insure public education property titled to the board by also authorizing boards to insure public education property titled to the county or unit of local government where the board is located.

This section became effective July 1, 2026.

Waive Tuition for Survivors of Fallen Probation Officers – Support the Department of Adult Correction.

SL 2026-44 (S355), Sec. 1.1

Section 1.1 of S.L. 2026-44 (Senate Bill 355) requires constituent institutions of The University of North Carolina and community colleges to waive tuition for the following relatives of a probation officer who sustains a traumatic injury in the line of duty:

- Survivors, if the officer is killed as a direct result of the injury.
- Spouse, if the officer is permanently and totally disabled as a direct result of the injury.
- Children between the ages of 17 and 24, if the officer is permanently and totally disabled as a direct result of the injury. Each child's eligibility is limited to (i) 54 months for a baccalaureate degree or (ii) the number of months required to complete the educational program.

This section became effective July 7, 2026, and applies to waivers of tuition granted on or after that date.

Eliminate Driving Eligibility Certificate Requirement for the Issuance of Learner's Permits and Provisional Drivers Licenses – Ferry Division Audit/Department of Transportation Omnibus.

SL 2026-46 (H1094), Sec. 9

Section 9 of S.L. 2026-46 (House Bill 1094) eliminates the requirement that drivers subject to graduated drivers licensing obtain and maintain driving eligibility certificates, which are signed by an appropriate school official and indicate that the student is making appropriate academic progress and is not subject to disciplinary action for certain conduct. This section also repeals statutes that relate to school authorities issuing certificates and notifying the Division of Motor Vehicles when a student becomes ineligible, repeals provisions related to the Division revoking permits and licenses for ineligibility, and further directs the Division to restore licenses revoked due to ineligibility.

This section becomes effective October 1, 2026.

North Carolina Capital Facilities Finance Agency Changes – 2026 Department of State Treasurer Administrative/Technical/Clarifying Changes.

SL 2026-50 (H1126), Part VII

Part VII of S.L. 2026-50 (House Bill 1126) makes the following changes to the North Carolina Capital Facilities Finance Agency:

- Adds charter and religious schools as participating institutions.
- Provides that the Treasurer serves as the chair of the board of directors.
- Removes the Governor's authority to designate a chair and vice-chair of the board of directors.
- Provides that public hearings for the issuance of bonds must follow requirements in federal law.

This Part became effective July 7, 2026.

Remove Deadline for Educator Preparation Program Rule Adoption. – Regulatory Reform Act of 2026.

SL 2026-59 (S445), Sec. 3

The State Board of Education (State Board) is required to adopt rules related to educator preparation programs (EPPs), including approval standards, accountability measures, and sanctions for EPPs not meeting expectations. Additionally, the General Assembly enacted the following implementation timelines:

- Section 7(b) of S.L. 2017-189 required EPP rules to be adopted by February 1, 2018.
- Section 7(f) of S.L. 2017-189 prohibited EPPs from receiving any sanction status prior to the 2021-2022 school year.
- Section 4 of S.L. 2019-149 required further accountability rules to be adopted by October 1, 2019.

Section 3 of S.L. 2026-59 (Senate Bill 445) removes the deadlines by which the State Board should have adopted rules related to EPPs. Additionally, it requires the State Board, in consultation with other stakeholders, to report to the Joint Legislative Education Oversight Committee by October 15, 2026, on recommendations for an EPP accountability model.

This section became effective August 11, 2026.

No Schools Near Gun Ranges in Brunswick County. – Regulatory Reform Act of 2026.

SL 2026-59 (S445), Sec. 24

Section 24 of S.L. 2026-59 (Senate Bill 445) prohibits any new school building from being built within one mile, measured in a straight line from property line to property line, of any existing sport shooting range. This section applies only in Brunswick County.

This section became effective August 11, 2026, and applies only to school buildings constructed in Brunswick County on or after that date.

North Carolina High School Redesign Commission – 2026 Budget Technical Corrections - II.

SL 2026-61 (H268), Sec. 3.12

Section 3.12 of S.L. 2026-61 (House Bill 268) establishes the North Carolina High School Redesign Commission (Redesign Commission) to study and recommend changes to policies and systems governing high school and higher education to better prepare the State's students for success as they transition to higher education or the workforce. The Redesign Commission will have 15 members appointed by different entities to terms lasting until the Commission terminates. The Redesign Commission will be located administratively in the Department of Public Instruction (DPI) but be independent of DPI.

The Redesign Commission must study promising practices in North Carolina and nationally, including the following:

- Flexible requirements for high school diplomas that are relevant to skills needed for the workforce.
- Access to work-based learning experiences and opportunities to earn industry-recognized credentials in high school.
- Personalized pathways to satisfy core graduation requirements.

- Competency-based alternatives to time-bound courses, including modular credit-bearing alternatives to semester or yearlong courses and strategies for extended learning via community connected experiences.
- Uses of artificial intelligence to expand opportunities for career exploration and work-based learning experiences.
- Alternative funding models.
- Career exploration opportunities for middle school students and students in the first two years of high school.
- In partnership with the Office of Learning Research at the North Carolina Collaboratory, the evaluation of programs and initiatives that are redesigning high school in the State.

The Redesign Commission must submit a report to the Joint Legislative Education Oversight Committee by April 30, 2027, and annually thereafter, with recommendations and a summary of any evaluations of high school redesign efforts and competency-based programs implemented during that school year. The Redesign Commission terminates on June 30, 2031, or upon the filing of its final annual report, whichever occurs first.

This section became effective July 1, 2026.

Remove Deadline for Educator Preparation Program Rule Adoption – 2026 Budget Technical Corrections - II.

SL 2026-61 (H268), Sec. 3.15

Section 3 of S.L. 2026-59 (Senate Bill 445) and Section 3.15 of S.L. 2026-61 (House Bill 268) are identical. The provisions eliminate several deadlines for adopting rules governing accountability for the performance of educator preparation programs (EPPs).

Additionally, the provisions require the State Board of Education, in consultation with the Department of Public Instruction, The University of North Carolina System Office, the Community Colleges System Office, and the North Carolina Independent Colleges and Universities, to submit a report to the Joint Legislative Education Oversight Committee on recommendations for an EPP accountability model by October 15, 2026. The report must address any necessary changes to State law to implement the recommended accountability model.

These sections became effective August 11, 2026.

Collaboratory Report on Recovery Court Study Results – 2026 Budget Technical Corrections - II.

SL 2026-61 (H268), Sec. 3.19

Section 3.19 of S.L. 2026-61 (House Bill 268) directs the North Carolina Collaboratory to expand its study of judicially managed accountability and recovery courts (JMARCs) from the 2023 Appropriations Act, Section 8.11 of S.L. 2023-134. Phase I of the study includes programmatic aspects of JMARCs. Under Phase II of the study, the Collaboratory will evaluate processes and

intended outcomes for each type of JMARC, including adult drug treatment, impaired driving, family treatment, adult mental health, veterans, and juvenile drug treatment. Phase II will include comparisons of outcomes between JMARC participants and appropriate comparison groups, as well as a cost-benefit evaluation of the different types of JMARCs. JMARCs are authorized to share participant information with the Collaboratory and the University of North Carolina at Wilmington for purposes of this study, but information or data about individual JMARC participants is confidential and not a public record.

The Collaboratory must report on the results of Phase II of the study to various legislative committees no later than March 15, 2028. The report must include at least the following:

- Executive summary of the study and its findings.
- Evaluation of processes and intended outcomes for the different types of JMARCs.
- Deidentified and aggregated results of the comparisons of outcomes between JMARC participants and appropriate comparison groups for the different types of JMARCs.
- A cost-benefit evaluation of the different types of JMARCs.

This section is effective retroactively to October 3, 2023.

Competitive Speech Debate and Grant Program – 2026 Budget Technical Corrections - II.

SL 2026-61 (H268), Sec. 3.26

Section 3.26 of S.L. 2026-61 (House Bill 268) enacts Section 7.64 of S.L. 2026-41 (Senate Bill 257) and establishes the Competitive Speech and Debate Team Grant Program (Grant Program) for the 2026-2027 school year to allow public schools serving students in grades 9 through 12 to form competitive speech and debate teams to participate in speech and debate competitions. Any public school unit that has a school that serves students in grades 9 through 12 is eligible to apply for a grant to develop, maintain, or expand a competitive speech and debate team.

The Department of Public Instruction (DPI) must administer the Grant Program by developing and publishing an application process. Applications must contain a proposed budget for the speech and debate team. DPI is directed to determine the amount of each award up to a maximum of $10,000 per team per school year and must award grants to the selected applicants by October 31, 2026.

Awarded grants can be used for any of the following purposes:

- To provide stipends for coaches. However, each team award can only include two stipends, one lead team coach stipend of up to $2,500 and one assistant team coach stipend of $1,500.
- To make payments associated with participation in a speech and debate league or competition.
- To travel to and from speech and debate competitions.

Speech and debate teams receiving funds through the Grant Program are required to participate in the Tarheel Forensic League and the National Speech and Debate Association.

If a student is enrolled in a school that does not offer a speech and debate team, the student is eligible to participate on the speech and debate team at the public school located geographically closest to where the student resides that has a team and is participating in the Grant Program. A student joining a team under this provision is responsible for transportation to and from the school where the team meets.

A school can enforce guidelines for student participation on the speech and debate team, such as academic performance requirements. Furthermore, a speech and debate team can conduct a selection process for the team as long as the student is able to participate in the selection process as if the student were enrolled in that school.

By May 15, 2027, DPI must report the following information to the Joint Legislative Education Oversight Committee and the Fiscal Research Division:

- The public school units that received grants and the amount of each grant.
- A description of how the grants were used.
- The public school units that applied for grants but did not receive one.
- The extent to which students participating in speech and debate programs funded by the Grant Program experienced measurable improvement in academic performance.
- Any other information DPI deems relevant to evaluating the impact and effectiveness of the Grant Program.

This section became effective July 1, 2026.