

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

H.B. 1163
Apr 30, 2026
HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30578-NGa-140

Short Title: Workforce Act of 2026.

(Public)

Sponsors: Representative Blackwell.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE FOR THE CONTINUATION AND EXPANSION OF PROGRAMS
3 AND SERVICES PROVIDED BY THE STATE FOR WORKFORCE DEVELOPMENT
4 AND TO APPROPRIATE FUNDS FOR THOSE PURPOSES.

5 The General Assembly of North Carolina enacts:

6
7 **PART I. TITLE AND INTRODUCTION**

8 **SECTION 1.(a)** Title. – This act shall be known and may be cited as the "Workforce
9 Act of 2026."

10 **SECTION 1.(b)** Introduction. – The appropriations made in this act are for the
11 amounts necessary to modernize education-to-workforce pathways across the State, to improve
12 credit acquisition and transfer for students, strengthen career information sharing among
13 institutions of higher education and employers, and expand employer-recognized credentials to
14 provide faster, clearer routes to credential completion and career success.

15
16 **PART II. APPRENTICESHIP NC SUPPORT**

17 **SECTION 2.(a)** Findings. – The General Assembly finds that work-based learning
18 is of value to learners as well as employers; that apprenticeship is a highly effective work-based
19 learning model and provides a significant return on investment; that continued growth of
20 apprenticeship is important to the State's economy; that ApprenticeshipNC is critical to
21 increasing the number of employers participating in apprenticeships as well as the number of
22 registered apprentices in North Carolina; that continued growth of apprenticeship is at risk
23 without adequate support for ApprenticeshipNC; and that additional State support is necessary
24 to sustain apprenticeship growth.

25 **SECTION 2.(b)** Appropriation. – There is appropriated from the General Fund to
26 the Community Colleges System Office the sum of three million one hundred thousand dollars
27 (\$3,100,000) in recurring funds beginning with the 2026-2027 fiscal year for the administration
28 of the ApprenticeshipNC program.

29
30 **PART III. NC WORKFORCE CREDENTIALS**

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32 **NC WORKFORCE CREDENTIALS OPERATIONAL EXPENSES AND STAFFING**

33 **SECTION 3.1.(a)** Findings. – The General Assembly finds that, due to the critical
34 importance to the State of identifying industry-valued credentials, promoting programs of study
35 leading to industry-valued credentials, and aligning industry-valued credentials and programs of
36 study leading to those credentials with federal Workforce Pell Grant implementation, it is



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1 necessary that the State provide funds to the Department of Commerce (Department) to develop
2 and maintain a list of industry-valued credentials, to continually determine programs of study to
3 meet workforce needs, and to ensure alignment to federal Workforce Pell Grants.

4 **SECTION 3.1.(b)** Appropriation. – There is appropriated from the General Fund to
5 the Department the sum of three hundred fifty thousand dollars (\$350,000) in recurring funds,
6 beginning with the 2026-2027 fiscal year, for operational expenses and staffing to support NC
7 Workforce Credentials in accordance with this section and G.S. 143B-438.10.

8 **SECTION 3.1.(c)** Data Coordination. – The Department shall engage with
9 employers to provide workforce data and participate in efforts to link data on industry-valued
10 credentials to labor market outcomes, including:

- 11 (1) Labor market demand.
- 12 (2) Job placement and Standard Occupational Classification or similar data
13 reflecting employment-in-field.
- 14 (3) Wage outcomes.
- 15 (4) Stackability capacity for credentials to count toward and build into more
16 advanced career credentials.
- 17 (5) Work location, collected on a voluntary basis and in a manner consistent with
18 applicable State and federal privacy protections, to support aggregated
19 analysis of regional workforce outcomes, talent retention, and analysis of
20 education and career pathways alignment with local labor market demand.

21 **SECTION 3.1.(d)** Stakeholder Consultation. – As part of its efforts to link data on
22 industry-valued credentials to labor market outcomes, the Department shall consult with the
23 North Carolina Community Colleges System Office, The University of North Carolina System
24 Office, and other relevant interested parties to ensure alignment with rules and regulations
25 pertaining to federal Workforce Pell Grants and to take steps to institutionalize workforce data
26 sharing across State government.

27 **SECTION 3.1.(e)** Longitudinal Data. – As part of its efforts to link data on
28 industry-valued credentials to labor market outcomes, the Department shall require issuers of
29 those credentials to submit data pertaining to credentials issued to the North Carolina
30 Collaboratory and the North Carolina Longitudinal Data System for inclusion in the System's
31 Licenses and Credentials Data Warehouse to enhance the State's ability to retrieve and link those
32 data to labor market outcomes.

33 **SECTION 3.1.(f)** Wage-Outcome Prioritization. – In developing and maintaining
34 the list of industry-valued credentials, the Department shall give substantial weight to
35 demonstrated wage outcomes and evidence that credential attainment provides a positive return
36 on investment for students.

37 **SECTION 3.1.(g)** Outreach. – Of the funds appropriated to the Department under
38 subsection (b) of this section, the Department may use up to fifty thousand dollars (\$50,000) each
39 fiscal year for outreach and communications consistent with the purposes of this section,
40 including to contract with non-State entities for outreach and communications.

41 42 **ADDITIONAL FUNDS FOR SHORT-TERM WORKFORCE DEVELOPMENT** 43 **GRANTS**

44 **SECTION 3.2.(a)** Findings. – The General Assembly finds that, due to the critical
45 need in this State to provide financial aid for students pursuing industry-valued credentials,
46 including in programs of study that are not eligible for federal Workforce Pell Grants, it is in the
47 State's interest to provide an increase of funds to the North Carolina Community College
48 Short-Term Workforce Development Grant Program.

49 **SECTION 3.2.(b)** G.S. 115D-10.19 is amended by adding a new subsection to read:

1 "(e) Administrative Costs. – The North Carolina Community Colleges System Office may
2 use up to four percent (4%) of the funds appropriated for the Program for administrative costs
3 associated with administration of the Program."

4 **SECTION 3.2.(c) Appropriation.** – There is appropriated from the General Fund to
5 the Community Colleges System Office the sum of one million dollars (\$1,000,000) in recurring
6 funds beginning with the 2026-2027 fiscal year for the Short-Term Workforce Development
7 Grant Program.

8 9 **PART IV. SEAMLESS POSTSECONDARY TRANSFER**

10 11 **INCLUDE NORTH CAROLINA INDEPENDENT COLLEGES AND UNIVERSITIES IN** 12 **COMMON DIGITAL TRANSCRIPT**

13 **SECTION 4.1.** The State Education Assistance Authority, in consultation with the
14 Department of Public Instruction, the Community Colleges System Office, The University of
15 North Carolina System Office, the North Carolina Independent Colleges and Universities, the
16 College Foundation, Inc., and the Department of Information Technology, shall incorporate the
17 private colleges and universities located in this State into the common digital transcript developed
18 pursuant to Section 8A.15 of S.L. 2023-134. No later than March 15, 2027, the Authority shall
19 report to the Joint Legislative Education Oversight Committee on the progress made toward this
20 goal, including at least the following information:

- 21 (1) Any additional steps to be taken for this purpose and a time line for completing
22 those steps and publishing the transcript to students enrolled at private
23 colleges and universities in this State.
- 24 (2) Estimates of any additional costs needed to expand the common digital
25 transcript to private colleges and universities.

26 27 **EXPANSION OF POSTSECONDARY TRANSFER TECHNOLOGY**

28 **SECTION 4.2.(a) Findings.** – The General Assembly makes the following findings
29 regarding the current state of postsecondary transfer technology at institutions of higher
30 education in North Carolina:

- 31 (1) Seamless postsecondary transfer and reverse transfer reduces barriers for
32 learners and aligns to statewide economic and workforce goals.
- 33 (2) The Current Operations Appropriations Act of 2023, S.L. 2023-134,
34 authorized and supported statewide postsecondary data and technology
35 initiatives to improve student outcomes, including transfer efficiency.
- 36 (3) Expanding technology to support the transfer of student credits among and
37 between institutions of higher education will reduce the time it takes for
38 students to earn a degree and reduce costs.
- 39 (4) Successful postsecondary transfer and reverse transfer is necessary to achieve
40 the postsecondary attainment goal established in G.S. 116C-10.
- 41 (5) Additional investment is necessary to scale and integrate technology
42 supporting seamless postsecondary transfer and reverse transfer.

43 **SECTION 4.2.(b) Initiative; Administration.** – For the 2026-2027 academic year,
44 The University of North Carolina System Office, in collaboration with the Community Colleges
45 System Office and the Department of Information Technology, shall expand the current initiative
46 (Initiative) to accelerate the transfer of course credits among postsecondary institutions of higher
47 education using postsecondary transfer technology. This expanded Initiative shall provide and
48 improve technology at participating institutions of higher education that will simplify the credit
49 transfer process for students, advisors, and the participating institutions. The expanded Initiative
50 shall allow students to easily compare credit transfer options, speed up student decision making,

1 and streamline transfer planning and progress toward degrees in a manner that reduces overall
2 costs for students in the State.

3 **SECTION 4.2.(c)** Appropriation. – There is appropriated from the Information
4 Technology Reserve to the Board of Governors of The University of North Carolina the sum of
5 two million five hundred thousand dollars (\$2,500,000) in nonrecurring funds for the 2026-2027
6 fiscal year for the expanded Initiative described in subsection (b) of this section. The University
7 of North Carolina System Office shall use these funds to identify and develop programs to
8 accelerate the transfer of course credits among postsecondary institutions of higher education in
9 accordance with this section.

10 **SECTION 4.2.(d)** Report. – No later than March 15, 2027, The University of North
11 Carolina System Office shall report to the Joint Legislative Education Oversight Committee on
12 the Initiative, including at least the following information:

- 13 (1) The number and identity of institutions participating in the Initiative.
- 14 (2) The progress of each participating institution in the following areas, with data
15 disaggregated on the basis of income, race, ethnicity, and other demographic
16 characteristics, where available:
 - 17 a. Enrollments upon transfer.
 - 18 b. Credentials attained as a result of the successful transfer of credits.
- 19 (3) Recommendations to scale credit mobility and transfer technology statewide,
20 including identification of data system needs and opportunities to further
21 reduce the time it takes for a student to receive a degree and any other student
22 costs.

23 24 **PART V. NC CAREERS ENHANCEMENT**

25 **SECTION 5.(a)** Findings. – The General Assembly finds that (i) maintaining a
26 high-quality, up-to-date central platform to disseminate information on career exploration, career
27 planning, and alignment of education to career pathways to meet workforce needs is a statewide
28 priority, (ii) NC Careers provides such a platform, (iii) enhancing NC Careers is essential to the
29 effective implementation of the provisions of G.S. 115C-158.10, and (iv) it is necessary that the
30 State provide funds to the Department of Commerce to enhance NC Careers and its ability to
31 serve as North Carolina's premier workforce information and career navigation resource for
32 students, parents, educators, jobseekers, and career counselors in accordance with this section.

33 **SECTION 5.(b)** Appropriation. – There is appropriated from the Information
34 Technology Reserve to the Department of Commerce the nonrecurring sum of two hundred
35 thousand dollars (\$200,000) and the recurring sum of five hundred eighty-five thousand dollars
36 (\$585,000), beginning in the 2026-2027 fiscal year, to contract with Year13, Inc. (Year13), to
37 replatform, host, and maintain the NC Careers website, utilizing the Year13 proprietary system.
38 The contract shall, at a minimum, require Year13 to operationalize its platform to serve as the
39 unified infrastructure for NC Careers, with build-outs prioritizing functionality that supports
40 individualized career planning, integration with programs of study and industry-related
41 credentials, information on licensure requirements as applicable, and use by career counselors,
42 advisors, and coaches embedded throughout a learner's experience across education and
43 workforce systems.

44 45 **PART VI. NORTH CAROLINA COLLABORATORY TO EVALUATE AND REPORT** 46 **ON THE WORKFORCE ACT OF 2026**

47 **SECTION 6.(a)** The North Carolina Collaboratory (Collaboratory) shall evaluate
48 the programs and initiatives established in Parts I through V of this act each academic year
49 through the 2029-2030 academic year. The Collaboratory shall report the results of its evaluation
50 to the Joint Legislative Education Oversight Committee by March 15 of each year through March
51 15, 2030. Each report shall include the following information:

- 1 (1) The total number of students and adult learners engaging with each program
- 2 or initiative established in this act.
- 3 (2) The total funds expended to implement, design, and operate each program or
- 4 initiative.
- 5 (3) The effects of the programs and initiatives in this act on achieving
- 6 postsecondary attainment and workforce outcomes.

7 **SECTION 6.(b)** There is appropriated from the General Fund to the Board of
8 Governors of The University of North Carolina for the 2026-2027 fiscal year the sum of six
9 hundred thousand dollars (\$600,000) in nonrecurring funds to be allocated to the North Carolina
10 Collaboratory to conduct the evaluation and report described in this section.

11

12 **PART VII. CAREER DEVELOPMENT PILOT PROGRAM**

13 **SECTION 7.(a)** Pilot Program Established; Purpose. – The Superintendent of Public
14 Instruction shall create an Annual Career Development Plan Pilot Program (Program) for
15 students entering the seventh grade at select schools during the 2026-2027 and 2027-2028 school
16 years and continuing through the students' graduation from high school. The purpose of the
17 Program shall be to evaluate the efficacy of reviewing Career Development Plans (Plans)
18 annually to better align students for on-time graduation and achievement of college and career
19 goals and to ensure that all students graduate from high school college or career ready.

20 **SECTION 7.(b)** Definitions. – The following definitions apply to this section:

- 21 (1) Career Development Plan. – An individual plan created by each student that
- 22 establishes the student's plan throughout middle and high school for
- 23 graduation and career development pursuant to G.S. 115C-158.10.
- 24 (2) Local board of education. – A local board of education governing a partnered
- 25 school.
- 26 (3) Parent. – Defined in G.S. 115C-76.1.
- 27 (4) Partnered school. – A middle school and high school governed by a local
- 28 board of education where at least half of the student population of the middle
- 29 school is assigned to attend the associated high school.

30 **SECTION 7.(c)** Partnered Schools. – The Superintendent shall select 12 partnered
31 schools that are proportionally representative of the population size and geographic distribution
32 of public high schools in the State. The Superintendent shall provide a process for schools to
33 apply to participate in the Program as partnered schools. The Superintendent shall be responsible
34 for the final selection of partnered schools. If there are fewer than 12 applicants, the
35 Superintendent shall collaborate with local superintendents to select schools to be partnered
36 schools. Partnered schools shall have each student entering the seventh grade during the
37 2026-2027 and 2027-2028 school years complete a review of Plans each year until graduating
38 from high school.

39 **SECTION 7.(d)** Local Board of Education and IEP Support. – The local board of
40 education shall ensure that students in partnered schools are provided assistance by a school
41 counselor and planning time during the instructional day each school year to update their Plans.
42 For students with disabilities, the student's IEP team, if applicable, may assist the student in
43 completing and updating the Plan. Updates to Plans shall be made prior to student scheduling of
44 courses for the next school year.

45 **SECTION 7.(e)** Parental Involvement. – Partnered schools shall encourage parents
46 to participate in development of Plans with their students and to sign a form provided by the
47 school acknowledging the annual revisions of the Plans. Local boards of education shall ensure
48 that Plans are easily accessible to students and parents and shall provide parents (i) annual written
49 notice of the creation or revision of a Plan, (ii) information on how to access the Plan, (iii) a
50 listing of course offerings for the next school year with a description of the content of each course,
51 and (iv) high school graduation requirements where appropriate. Prior to creating or updating a

1 student's Plan, a school counselor shall attempt to meet with the student's parent, either in person
2 or virtually, to explain the possible effects that the Plan might have on the student's graduation
3 requirements and career development planning. Beginning in the tenth grade and continuing
4 throughout the student's high school enrollment, a school counselor shall provide each student
5 and parent information regarding State and federal need-based and merit-based financial aid
6 programs to support postsecondary education and training using information provided by the
7 State Education Assistance Authority and College Foundation of North Carolina. The school
8 counselor shall also provide information on the Federal Free Application for Federal Student Aid
9 (FAFSA) and its use and notify the parent that information included in the FAFSA is confidential
10 and not accessible by the school.

11 **SECTION 7.(f) Initial Career Development Plans.** – Students entering seventh grade
12 in partnered schools shall develop an initial Career Development Plan which will provide
13 guidance as students develop Plans.

14 **SECTION 7.(g) Annual Career Development Plan Updates.** – In partnered schools,
15 Plans shall be updated annually in addition to the following information being provided to
16 students:

- 17 (1) For eighth grade students, by the end of the school year, a list of the required
18 core courses to be taken in ninth and tenth grade.
- 19 (2) For tenth grade students, an identification of the graduation requirements
20 relevant to the student's chosen postsecondary goals based on the student's
21 career development planning.
- 22 (3) For eleventh grade students not meeting the career and college readiness
23 standards established by the State Board of Community Colleges, a plan for
24 enrolling in remedial coursework for his or her senior year.
- 25 (4) Any other minimum requirements established by the Superintendent.

26 **SECTION 7.(h) Reporting Requirement.** – The North Carolina Collaboratory
27 (Collaboratory), in collaboration with the superintendent of a local school administrative unit that
28 has a partnered school participating in the Program, shall develop reporting requirements for
29 partnered schools participating in the Program to provide information on the effectiveness of the
30 annual review of the Plans. The Collaboratory shall report to the Joint Legislative Education
31 Oversight Committee by August 15, 2027, and each year thereafter on the progress of the
32 Program, including any logistical issues that have arisen with the Program. A final report on the
33 Program shall be submitted by August 15, 2033.

34 **SECTION 7.(i)** This section is effective when it becomes law and applies beginning
35 with the 2026-2027 school year.

36 37 **PART VIII. CONSOLIDATED TEACHER BONUS PROGRAM AND REVISE CTE** 38 **BONUSES**

39 **SECTION 8.(a)** Article 20 of Chapter 115C of the General Statutes is amended by
40 adding the following new section to read:

41 **"§ 115C-302.9. Teacher bonuses.**

42 (a) Program. – The State Board of Education shall establish a consolidated teacher bonus
43 program to reward teacher performance and encourage student learning and improvement. To
44 attain this goal, to the extent funds are made available for this purpose, the Department of Public
45 Instruction shall administer bonus pay to qualifying teachers whose salaries are supported from
46 State funds in January of each year, based on data from the prior school year, in accordance with
47 this section.

48 (b) Definitions. – For purposes of this section, the following definitions shall apply:

- 49 (1) Eligible advanced course teacher. – A teacher of Advanced Placement
50 courses, International Baccalaureate Diploma Programme courses, or the

- 1 Cambridge Advanced International Certificate of Education (AICE) program
2 who meets the following criteria:
- 3 a. Is employed by, or retired having last held a position at, one or more
4 of the following:
- 5 1. A qualifying public school unit.
6 2. The North Carolina Virtual Public School program.
- 7 b. Taught one or more students who received a score listed in subsection
8 (c) of this section.
- 9 (2) Eligible career and technical education (CTE) teacher. – A teacher who meets
10 the following criteria:
- 11 a. Is employed by, or retired having last held a position at, a qualifying
12 public school unit.
- 13 b. Taught one or more students who attained industry certifications or
14 credentials that are approved by the North Carolina Workforce
15 Credentials Advisory Council.
- 16 (3) Eligible growth teacher. – A teacher who meets at least one of the following
17 criteria:
- 18 a. Is employed by, or retired having last held a position at, a qualifying
19 public school unit and meets one of the following criteria:
- 20 1. Is in the top twenty-five percent (25%) of teachers in the State
21 according to the EVAAS student growth index score for third
22 grade reading from the previous school year.
- 23 2. Is in the top twenty-five percent (25%) of teachers in the State
24 according to the EVAAS student growth index score for fourth
25 or fifth grade reading from the previous school year.
- 26 3. Is in the top twenty-five percent (25%) of teachers in the State
27 according to the EVAAS student growth index score for fourth,
28 fifth, sixth, seventh, or eighth grade mathematics from the
29 previous school year.
- 30 b. Is employed by, or retired having last held a position at, a local school
31 administrative unit and meets one of the following criteria:
- 32 1. Is in the top twenty-five percent (25%) of teachers in the
33 teacher's respective local school administrative unit according
34 to the EVAAS student growth index score for third grade
35 reading from the previous school year.
- 36 2. Is in the top twenty-five percent (25%) of teachers in the
37 teacher's respective local school administrative unit according
38 to the EVAAS student growth index score for fourth or fifth
39 grade reading from the previous school year.
- 40 3. Is in the top twenty-five percent (25%) of teachers in the
41 teacher's respective local school administrative unit according
42 to the EVAAS student growth index score for fourth, fifth,
43 sixth, seventh, or eighth grade mathematics from the previous
44 school year.
- 45 c. Was employed by a local school administrative unit that employed in
46 the previous school year three or fewer total teachers in that teacher's
47 grade level as long as the teacher has an EVAAS student growth index
48 score from the previous school year of exceeded expected growth in
49 one of the following subject areas:
- 50 1. Third grade reading.
51 2. Fourth or fifth grade reading.

- 1 (1) For Advanced Placement courses, a score of three or higher on the College
2 Board Advanced Placement Examination.
- 3 (2) For International Baccalaureate Diploma Programme courses, a score of four
4 or higher on the International Baccalaureate course examination.
- 5 (3) For the Cambridge AICE program, a score of "E" or higher on the Cambridge
6 AICE program examinations.
- 7 (d) CTE Bonuses. – For qualifying career and technical education teachers, bonuses shall
8 be provided in the following amounts:
- 9 (1) A bonus in the amount of twenty-five dollars (\$25.00) for each student taught
10 by a teacher who provided instruction in a course that led to the attainment of
11 an industry certification or credential with a twenty-five dollar (\$25.00) value
12 ranking as determined under subsection (e) of this section.
- 13 (2) A bonus in the amount of fifty dollars (\$50.00) for each student taught by a
14 teacher who provided instruction in a course that led to the attainment of an
15 industry certification or credential with a fifty dollar (\$50.00) value ranking
16 as determined under subsection (e) of this section.
- 17 (e) CTE Course Value Ranking. – The Department of Commerce, in consultation with
18 the North Carolina Workforce Credentials Advisory Council, shall assign a value ranking for
19 each industry certification and credential based on academic rigor and employment value in
20 accordance with this subsection. Fifty percent (50%) of the ranking shall be based on academic
21 rigor and the remaining fifty percent (50%) on employment value. Academic rigor and
22 employment value shall be based on the following elements:
- 23 (1) Academic rigor shall be based on the number of instructional hours, including
24 work experience or internship hours, required to earn the industry certification
25 or credential, with extra weight given for coursework that also provides
26 community college credit.
- 27 (2) Employment value shall be based on the entry wage, growth rate in
28 employment for each occupational category, and average annual openings for
29 the primary occupation linked with the industry certification or credential.
- 30 (f) Statewide Growth Bonuses. – The Department shall provide bonuses to qualifying
31 teachers who are eligible teachers under sub-subdivision a. of subdivision (3) of subsection (b)
32 of this section, as follows:
- 33 (1) The sum of five million dollars (\$5,000,000) shall be allocated for bonuses to
34 eligible teachers under sub-sub-subdivision a.1. of subdivision (3) of
35 subsection (b) of this section. These funds shall be distributed equally among
36 qualifying teachers.
- 37 (2) A bonus in the amount of two thousand dollars (\$2,000) shall be awarded to
38 each qualifying teacher who is an eligible teacher under sub-sub-subdivision
39 a.2. of subdivision (3) of subsection (b) of this section.
- 40 (3) A bonus in the amount of two thousand dollars (\$2,000) shall be awarded to
41 each qualifying teacher who is an eligible teacher under sub-sub-subdivision
42 a.3. of subdivision (3) of subsection (b) of this section.
- 43 (g) Local Growth Bonuses. – The Department shall provide bonuses to eligible teachers
44 under sub-subdivisions b. and c. of subdivision (3) of subsection (b) of this section, as follows:
- 45 (1) The sum of five million dollars (\$5,000,000) shall be allocated for bonuses to
46 eligible EVAAS teachers under sub-sub-subdivisions b.1. and c.1. of
47 subdivision (3) of subsection (b) of this section. These funds shall be divided
48 proportionally based on average daily membership in third grade for each
49 local school administrative unit and then distributed equally among qualifying
50 third grade reading teachers in each local school administrative unit.

- 1 (2) A bonus in the amount of two thousand dollars (\$2,000) shall be awarded to
2 each qualifying teacher who is an eligible teacher under sub-sub-subdivision
3 b.2. or c.2. of subdivision (3) of subsection (b) of this section.
- 4 (3) A bonus in the amount of two thousand dollars (\$2,000) shall be awarded to
5 each qualifying teacher who is an eligible teacher under sub-sub-subdivision
6 b.3. or c.3. of subdivision (3) of subsection (b) of this section.
- 7 (h) Limitations and Other Criteria. – The following additional limitations and other
8 criteria shall apply to the program:
- 9 (1) Bonus funds awarded to a teacher pursuant to subsection (c), subsection (d),
10 subdivision (1) of subsection (f), and subdivision (1) of subsection (g) of this
11 section shall not exceed four thousand dollars (\$4,000) per subsection or
12 subdivision in any given school year.
- 13 (2) A qualifying teacher who is an eligible teacher under sub-sub-subdivision a.1.,
14 b.1., or c.1. of subdivision (3) of subsection (b) of this section may receive a
15 bonus under both subdivision (1) of subsection (f) and subdivision (1) of
16 subsection (g) of this section but shall not receive more than seven thousand
17 dollars (\$7,000) pursuant to subdivision (1) of subsection (f) and subdivision
18 (1) of subsection (g) of this section in any given school year.
- 19 (3) A qualifying teacher who is an eligible teacher under sub-sub-subdivision a.2.,
20 b.2., or c.2. of subdivision (3) of subsection (b) of this section may receive a
21 bonus under both subdivision (2) of subsection (f) and subdivision (2) of
22 subsection (g) of this section but shall not receive more than two bonuses
23 pursuant to subdivision (2) of subsection (f) and subdivision (2) of subsection
24 (g) of this section in any given school year.
- 25 (4) A qualifying teacher who is an eligible teacher under sub-sub-subdivision a.3.,
26 b.3., or c.3. of subdivision (3) of subsection (b) of this section may receive a
27 bonus under both subdivision (3) of subsection (f) and subdivision (3) of
28 subsection (g) of this section but shall not receive more than two bonuses
29 pursuant to subdivision (3) of subsection (f) and subdivision (3) of subsection
30 (g) of this section in any given school year.
- 31 (i) Bonuses Not Compensation. – Bonuses awarded to a teacher pursuant to this section
32 shall be in addition to any regular wage or other bonus the teacher receives or is scheduled to
33 receive. Notwithstanding G.S. 135-1(7a), the bonuses awarded under this section are not
34 compensation under Article 1 of Chapter 135 of the General Statutes, Retirement System for
35 Teachers and State Employees.
- 36 (j) Study and Report. – The North Carolina Collaboratory (Collaboratory) shall study the
37 effect of the program on teacher performance and retention. The Collaboratory shall report the
38 results of its findings and the amount of bonuses awarded to the President Pro Tempore of the
39 Senate, the Speaker of the House of Representatives, the Joint Legislative Education Oversight
40 Committee, and the Fiscal Research Division by March 15 of each year. The report shall include,
41 at a minimum, the following information:
- 42 (1) Number of students enrolled and taking examinations in each of the following
43 categories of courses:
- 44 a. Advanced Placement.
- 45 b. International Baccalaureate Diploma Programme.
- 46 c. Cambridge AICE program.
- 47 d. Courses needed for the attainment of an industry certification or
48 credential.
- 49 (2) Number of students receiving outcomes on examinations resulting in the
50 award of a bonus for a teacher in each category of courses identified in
51 subdivision (1) of this subsection.

- 1 (3) Number of teachers receiving a bonus in each category of courses identified
2 in subdivision (1) of this subsection.
- 3 (4) The amounts awarded to teachers for each category of courses identified in
4 subdivision (1) of this subsection.
- 5 (5) The type of industry certifications and credentials earned by the students, the
6 value ranking for each certification and credential, the number of bonuses
7 earned for each certification or credential, and the total bonus amount awarded
8 for each certification or credential.
- 9 (6) Average bonus amount awarded to each qualifying teacher who is an eligible
10 teacher under sub-sub-subdivision a.1., b.1., or c.1. of subdivision (3) of
11 subsection (b) of this section.
- 12 (7) The percentage of teachers who received a bonus pursuant to this section and
13 were eligible to receive a bonus for teaching in the same grade level or course
14 in either or both of the prior two school years pursuant to this section or a
15 predecessor bonus program.
- 16 (8) The percentage of teachers who received a bonus pursuant to this section and
17 received a bonus for teaching in the same grade level or course in either or
18 both of the prior two school years pursuant to this section or a predecessor
19 bonus program.
- 20 (9) The statistical relationship between a teacher receiving a bonus pursuant to
21 this section and receiving a bonus for teaching in the same grade level or
22 course in one or more prior school years pursuant to this section or a
23 predecessor bonus program.
- 24 (10) The distribution of statewide and local growth bonuses awarded pursuant to
25 this section as among qualifying public school units and, where applicable,
26 schools within those units."

27 **SECTION 8.(b)** This section becomes effective July 1, 2026, and applies beginning
28 with bonuses awarded in January of 2028 based on data from the 2026-2027 school year.

29
30 **PART IX. EFFECTIVE DATE**

31 **SECTION 9.** Except as otherwise provided, this act becomes effective July 1, 2026.