

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

H.B. 426  
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH40144-NGa-13

Short Title: Workforce Diploma Program. (Public)

Sponsors: Representative Cotham.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO ESTABLISH THE WORKFORCE DIPLOMA PROGRAM AND TO  
3 APPROPRIATE FUNDS FOR THAT PURPOSE.

4 The General Assembly of North Carolina enacts:

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6 **PART I. WORKFORCE DIPLOMA PROGRAM**

7 **SECTION 1.(a)** Program; Purpose. – The Community Colleges System Office shall  
8 establish the Workforce Diploma Program (Program) for the 2025-2026 and the 2026-2027 fiscal  
9 years. The purpose of the Program is to assist eligible students to obtain a high school diploma  
10 and develop employability and career and technical skills. The System Office shall contract with  
11 each qualifying third-party entity to separately administer a statewide version of the Program.

12 **SECTION 1.(b)** Definitions. – For purposes of this section, the following definitions  
13 shall apply:

- 14 (1) Eligible student. – Any adult who meets the following criteria:  
15 a. Is 21 years of age or older.  
16 b. Is a resident of North Carolina.  
17 c. Has not earned a high school diploma or its equivalent.  
18 (2) Employability skills certification. – A certificate earned by demonstrating  
19 professional nontechnical skills through assessment and must include the  
20 program standards of the United States Department of Labor's "Skills to Pay  
21 the Bills: Mastering Soft Skills for Workplace Success."  
22 (3) Half credit. – Equivalent to one course or a semester of study.  
23 (4) Participant. – An eligible student who is participating in the Program.  
24 (5) Qualifying third-party entity. – An entity that meets all of the following  
25 requirements:  
26 a. Did the following in the past five years:  
27 1. Administered at least three statewide adult high school  
28 diploma programs outside of the State.  
29 2. For any program described in sub-sub-subdivision 1. of this  
30 sub-subdivision, maintained a graduation rate of at least fifty  
31 percent (50%) based on a two-year cohort beginning with the  
32 second cohort of the program.  
33 b. Is accredited by an external, regional accrediting agency.  
34 c. Offers a course catalog that aligns with curriculum requirements for a  
35 high school diploma in the State.



1           **SECTION 1.(c)** Program Requirements. – The Program shall do at least the  
2 following:

- 3           (1) Provide one or more courses that help participants obtain a high school  
4 diploma and enter or advance within a specific occupation or occupational  
5 cluster. Course completion shall be competency-based.
- 6           (2) Assist participants in obtaining employment, including resume development  
7 and mock interviews.
- 8           (3) Include at least the following:
  - 9           a. Proactive communication with participants regarding their pace and  
10 progress through learning plans.
  - 11           b. A plan for courses and credits needed for each participant that  
12 integrates graduation requirements and career goals.
  - 13           c. Mentoring services.
  - 14           d. Milestone tracking.
  - 15           e. Academic skill intake assessments and transcript evaluations.
  - 16           f. A catalog of courses necessary to meet graduation requirements.
  - 17           g. Remediation opportunities in literacy and numeracy.
  - 18           h. Employability skills certifications.
  - 19           i. Preparation for workforce credentials.
  - 20           j. Career advising services.
  - 21           k. Access to online tutoring services at any time.

22           **SECTION 1.(d)** Allocation of Funds. – Funds shall be provided to each qualifying  
23 third-party entity on a per participant basis, up to seven thousand five hundred dollars (\$7,500)  
24 per participant, based on the completion of milestones, as follows:

- 25           (1) Two hundred seventy-five dollars (\$275.00) for the completion of each half  
26 credit.
- 27           (2) Two hundred seventy-five dollars (\$275.00) for the completion of an  
28 employability skills certification program equivalent to one credit.
- 29           (3) Two hundred seventy-five dollars (\$275.00) for the attainment of an  
30 industry-recognized credential requiring up to 50 hours of training.
- 31           (4) Five hundred fifty dollars (\$550.00) for the attainment of an  
32 industry-recognized credential requiring between 51 and 100 hours of  
33 training.
- 34           (5) Eight hundred twenty-five dollars (\$825.00) for the attainment of an  
35 industry-recognized credential requiring more than 100 hours of training.
- 36           (6) One thousand one hundred dollars (\$1,100) for the attainment of a high school  
37 diploma.

38           **SECTION 1.(e)** Report. – The State Board of Community Colleges, in consultation  
39 with each qualifying third-party entity, shall submit an interim report by August 15, 2026, and a  
40 final report by August 15, 2027, to the Joint Legislative Education Oversight Committee and the  
41 Fiscal Research Division on the impact of the Program, including at least the following  
42 information:

- 43           (1) The number of participants.
- 44           (2) The number of credits earned by participants.
- 45           (3) The number of employability skills certifications issued to participants.
- 46           (4) The number and type of workforce credentials earned by participants.
- 47           (5) The number of participants who received a high school diploma.
- 48           (6) The average funding provided per participant who received a high school  
49 diploma.
- 50           (7) The percentage of participants who received a high school diploma.

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1 **PART II. APPROPRIATION**

2           **SECTION 2.(a)** There is appropriated from the General Fund to the Community  
3 Colleges System Office the sum of five million dollars (\$5,000,000) in nonrecurring funds for  
4 the 2025-2026 fiscal year to establish and implement the Workforce Diploma Program described  
5 in Section 1 of this act. These funds shall not revert at the end of the 2025-2026 fiscal year but  
6 shall remain available until the end of the 2026-2027 fiscal year.

7           **SECTION 2.(b)** Of the funds appropriated in subsection (a) of this section, the  
8 System Office shall use up to one hundred thousand dollars (\$100,000) to hire one full-time  
9 equivalent position to administer the Program.

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11 **PART III. EFFECTIVE DATE**

12           **SECTION 3.** This act becomes effective July 1, 2025.