

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025**

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**SENATE BILL 1006  
PROPOSED COMMITTEE SUBSTITUTE S1006-PCS15479-RQa-21**

Short Title: K-12 Innovation and Transformation Act.

(Public)

Sponsors:

Referred to:

May 4, 2026

1 A BILL TO BE ENTITLED  
2 AN ACT TO APPROPRIATE FUNDS TO SUPPORT ELEMENTARY AND SECONDARY  
3 PUBLIC EDUCATION, TO MAKE VARIOUS CHANGES TO THE LAWS AFFECTING  
4 ELEMENTARY AND SECONDARY PUBLIC EDUCATION, AND TO ENACT  
5 PROVISIONS TO TRANSFORM THE HIGH SCHOOL EXPERIENCE.

6 The General Assembly of North Carolina enacts:

7  
8 **PART I. ELEMENTARY AND SECONDARY PUBLIC EDUCATION**

9  
10 **NORTH CAROLINA HIGH SCHOOL REDESIGN COMMISSION**

11 **SECTION 1.1.(a)** Commission Established. – There is established the North  
12 Carolina High School Redesign Commission (Commission). The Commission shall be located  
13 administratively in the Department of Public Instruction but shall exercise all of its prescribed  
14 powers independently of the Department. The purpose of the Commission is to explore and  
15 recommend changes to policies and systems governing high school and higher education that  
16 will better prepare North Carolina students for success as they transition to higher education or  
17 the workforce.

18 **SECTION 1.1.(b)** Commission Membership. – The Commission shall consist of 15  
19 members as follows:

- 20 (1) Two members appointed by the General Assembly upon recommendation of  
21 the Speaker of the House of Representatives.  
22 (2) Two members appointed by the General Assembly upon recommendation of  
23 the President Pro Tempore of the Senate.  
24 (3) One member appointed by the Governor.  
25 (4) The State Superintendent of Public Instruction or his or her designee.  
26 (5) The President of The University of North Carolina or his or her designee.  
27 (6) The President of North Carolina Independent Colleges and Universities or his  
28 or her designee.  
29 (7) The President of the North Carolina Community College System or his or her  
30 designee.  
31 (8) The chief executive officers of each of the following organizations, or their  
32 designees: MyFutureNC, the North Carolina Chamber of Commerce, BEST  
33 NC, and SparkNC.  
34 (9) One chief administrative officer or president of a community college  
35 participating in a program, project, or initiative developed pursuant to this act  
36 and one superintendent of a local school administrative unit participating in a



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1 program, project, or initiative developed pursuant to this act or their respective  
2 designees. These members shall be appointed by the chair of the Commission  
3 elected pursuant to subsection (c) of this section.

4 **SECTION 1.1.(c)** The Commission shall elect a chair from the members appointed  
5 by the General Assembly. Each member shall have one vote for the chair, except those members  
6 to be appointed by the chair pursuant to subdivision (9) of subsection (b) of this section who shall  
7 be appointed after a chair is elected. The Commission shall meet at least four times annually. The  
8 Commission shall meet on the call of the chair or as additionally provided by the Commission.  
9 A quorum is six members of the Commission. Members may not vote by proxy.

10 **SECTION 1.1.(d)** All members shall be appointed to terms for the entire duration of  
11 the Commission. Any vacancy in a term shall be filled by the appointing authority for the  
12 remainder of the unexpired term.

13 **SECTION 1.1.(e)** Commission Duties. – The Commission shall examine promising  
14 practices in North Carolina and nationally to inform the Commission's recommendations. At a  
15 minimum, the Commission shall consider the following:

- 16 (1) Flexible requirements for high school diplomas that are relevant to the  
17 knowledge, skills, and abilities students will need for success in the future  
18 workforce.
- 19 (2) Access to apprenticeships, internships, clinical experiences, and other  
20 high-quality, work-based learning experiences while in high school.
- 21 (3) Opportunities for students to earn industry recognized credentials while in  
22 high school.
- 23 (4) Partnerships between public school units and North Carolina Community  
24 Colleges, The University of North Carolina, and North Carolina Independent  
25 Colleges and Universities for the purposes of facilitating subdivisions (1)  
26 through (3) of this subsection.
- 27 (5) Personalized pathways for students to satisfy core graduation requirements.
- 28 (6) Modular credit-bearing alternatives to semester or yearlong courses.
- 29 (7) Competency-based alternatives to time bound courses.
- 30 (8) Strategies for extending learning beyond school walls at scale via community  
31 connected experiences, including incorporating incentives for local businesses  
32 to partner with schools.
- 33 (9) Uses of artificial intelligence to expand student opportunities to engage in  
34 career exploration and work-based learning experiences.
- 35 (10) Alternative funding models to enable the development of a statewide learning  
36 ecosystem that encourages subdivisions (1) through (9) of this subsection.
- 37 (11) Career exploration opportunities for students in middle school and the first  
38 two years of high school that prepare students to engage successfully in a  
39 redesigned high school experience.
- 40 (12) Evaluation of the programs, projects, and initiatives established by this act,  
41 and any other competency-based education (CBE) programs or high school  
42 redesign efforts taking place in the State. The Commission shall partner with  
43 the Office of Learning Research at the North Carolina Collaboratory to  
44 conduct these evaluations.

45 **SECTION 1.1.(f)** Meetings and Organization. – The chair shall designate one or  
46 more of the organizations identified in subdivision (8) of subsection (b) of this section to plan  
47 and manage Commission meetings and draft reports. Designated organizations shall provide  
48 administrative staff for meetings. Funds appropriated to the Department of Public Instruction to  
49 be used to contract with one or more organizations to plan and manage Commission meetings  
50 shall be divided equally among the organizations designated by the chair unless otherwise agreed  
51 by the chair and all designated organizations.

1           **SECTION 1.1.(g)** Report. – The Commission shall submit a report to the Joint  
2 Legislative Education Oversight Committee by April 30, 2027, and annually thereafter. The  
3 reports shall include all recommendations approved by a majority of Commission members and  
4 a summary of any evaluations of the efficacy of any CBE programs and high school redesign  
5 efforts implemented during the current school year.

6           **SECTION 1.1.(h)** The Commission shall terminate on June 30, 2031, or upon filing  
7 of its final annual report, whichever occurs first.

## 8 9 **SME EDUCATION FOUNDATION PILOT PROGRAM**

10           **SECTION 1.2.** There is appropriated from the General Fund to the Department of  
11 Public Instruction the sum of three million six hundred thousand dollars (\$3,600,000) in  
12 nonrecurring funds for the 2026-2027 fiscal year to be allocated as a directed grant to the SME  
13 Education Foundation. The SME Education Foundation shall create a pilot program for the  
14 2026-2027 and 2027-2028 school years for 10 high schools to receive equipment, curriculum,  
15 professional development, scholarships, and STEM-focused extracurricular activities for  
16 students and teachers that align with the SME PRIME (Partnership Response in Manufacturing  
17 Education) Program. Funds appropriated in this section shall not revert but shall remain available  
18 until the end of the 2027-2028 fiscal year.

## 19 20 **PROHIBITION ON EXCESSIVE EXPENDITURES**

21           **SECTION 1.3.** Part 3 of Article 31 of Chapter 115C of the General Statutes is  
22 amended by adding a new section to read:

### 23 **"§ 115C-438.1. Prohibition on excessive expenditures by local school administrative units.**

24           (a) The Department of Public Instruction shall establish a procedure for reviewing  
25 monthly expenditures by local school administrative units from specific State-funded dollar  
26 allotments beginning with October of each school year. If a local school administrative unit has  
27 expended more funds than allotted from a specific allotment, then the local school administrative  
28 unit shall remit payment of the amount overexpended to the Department consistent with rules  
29 and policies adopted by the State Board. If a local school administrative unit fails to remit  
30 payment to the Department for more than 60 days, the State Board of Education shall exercise  
31 its oversight authority pursuant to G.S. 115C-451.

32           (b) To the extent practicable, beginning with October of each school year, the Department  
33 of Public Instruction shall conduct monthly audits of local school administrative unit  
34 State-funded position allotments to ensure compliance with the requirements of this Chapter. If  
35 the Department determines that a local school administrative unit is not compliant with the  
36 requirements of this Chapter, the Department shall take action consistent with rules or policies  
37 adopted by the State Board of Education."

## 38 39 **RENEWAL SCHOOL SYSTEM MODIFICATIONS AND STUDY OF RENEWAL** 40 **SCHOOL SYSTEM**

41           **SECTION 1.4.(a)** Section 6(p) of S.L. 2018-32 reads as rewritten:

42           **"SECTION 6.(p)** State Board of Education Review; Termination of Plan. – The State Board  
43 shall conduct a review of the operation and student performance of the local school administrative  
44 unit operating under an approved renewal school system plan following the end of the ~~2022-2023~~  
45 ~~2028-2029~~ school year and, at least every ~~three~~-five years thereafter, to ensure that the unit is  
46 meeting the expected academic, financial, and governance strategic goals set forth in the local  
47 board of education's plan. The State Board may terminate the renewal school system plan after a  
48 review upon any of the following grounds:

- 49           (1) Failure to meet the requirements for student performance contained in the  
50 plan.

- 1 (2) The majority of schools in the local school administrative unit have been  
2 identified as low-performing schools in the two school years immediately  
3 preceding the review.

4 If the State Board determines that the local school administrative unit operating under an  
5 approved renewal school system plan has failed to meet generally accepted standards of fiscal  
6 management or violated State or federal law, the State Board may terminate the renewal school  
7 system plan prior to the end of ~~2022-2023~~ the 2028-2029 school year. In addition, if the State  
8 Superintendent finds that satisfactory progress is not being made after reviewing the reports  
9 required to be submitted under subsection (q) of this section, the State Superintendent shall  
10 recommend to the State Board that the renewal school system plan be terminated immediately.  
11 The State Board shall terminate the renewal school system plan if such a recommendation is  
12 made by the State Superintendent.

13 Upon termination of the renewal school system plan by the State Board, the State Board shall  
14 develop a transition plan for the local board of education to revert to operating the local school  
15 administrative unit in accordance with applicable State laws and regulations for other local school  
16 administrative units."

17 **SECTION 1.4.(b)** Section 6(q) of S.L. 2018-32 reads as rewritten:

18 "**SECTION 6.(q)** Reporting to State Superintendent. – The local school administrative unit  
19 operating under an approved renewal school system plan shall report to the State Superintendent  
20 of Public Instruction as follows:

- 21 ~~(1) An annual report on the assessment instruments used pursuant to~~  
22 ~~G.S. 115C-174.11(a) and the student outcomes based on those assessments.~~  
23 ~~(2) An annual report on the number of classroom teacher and school administrator~~  
24 ~~vacancies, turnover, and use of long-term substitutes in filling vacancies for~~  
25 ~~both classroom teachers and school administrators. This report shall also~~  
26 ~~provide comparisons with the statewide data on these items. In addition, the~~  
27 ~~report shall also provide comparisons with the previous year's data on these~~  
28 ~~items both at the local school administrative unit level and statewide.~~  
29 ~~(3) An annual report on student absences. This data shall provide comparisons~~  
30 ~~with the previous year's data on these items.~~  
31 ~~(4) Any other reporting requirements deemed necessary by the State~~  
32 ~~Superintendent of Public Instruction.~~  
33 (5) Proficiency data on each end-of-grade or end-of-course exam.  
34 (6) EVAAS growth data for the local school administrative unit.  
35 (7) The number of former students employed, enlisted in the Armed Forces of the  
36 United States, or enrolled in a postsecondary educational program.  
37 (8) The high school graduation rate for the local school administrative unit.  
38 (9) The rate of chronic absenteeism in the local school administrative unit, with  
39 chronic absenteeism being more than 10 absences within 90 instructional  
40 days."

41 **SECTION 1.4.(c)** S.L. 2018-32 is amended by adding a new subsection to read:

42 "**SECTION 6.(k1)** Teacher Evaluations. – Local school administrative units operating under  
43 a renewal school system plan may use an alternative evaluation model to the North Carolina  
44 Educator Evaluation System (NCEES) when evaluating teacher effectiveness."

45 **SECTION 1.4.(d)** The North Carolina Collaboratory shall conduct a study on the  
46 following topics:

- 47 (1) The effect of the Renewal School System on student outcomes.  
48 (2) An analysis of how financial and personnel flexibilities permitted under a  
49 renewal school system plan have been utilized.

1           **SECTION 1.4.(e)** The North Carolina Collaboratory shall report on the results of the  
2 study conducted pursuant to subsection (d) of this section to the Joint Legislative Education  
3 Oversight Committee by January 15, 2028.

4           **SECTION 1.4.(f)** This section is effective when it becomes law.

5  
6       **EXPAND AUTOMATIC ENROLLMENT IN ADVANCED COURSES IN K-12**  
7       **SCHOOLS TO INCLUDE ENGLISH LANGUAGE ARTS COURSES**

8           **SECTION 1.5.(a)** G.S. 115C-81.36 reads as rewritten:

9       "**§ 115C-81.36. Advanced courses in ~~mathematics~~mathematics and English Language**  
10       **Arts.**

11       (a) When practicable, local boards of education shall offer advanced learning  
12 opportunities ~~in mathematics~~ in grades three through five, and advanced courses ~~in mathematics~~  
13 in all grades six and higher. For the purposes of this section, advanced learning opportunities are  
14 those services and curricular modifications in mathematics and English Language Arts for  
15 academically or intellectually gifted students approved as part of the local plan, as required by  
16 ~~G.S. 115C-150.7~~G.S. 115C-150.7, and advanced courses are advanced courses in mathematics  
17 and English Language Arts.

18       (a1) When advanced learning opportunities are offered ~~in mathematics~~ in grades three  
19 through five, any student scoring at the highest level on the corresponding end-of-grade test shall,  
20 for the next school year, be provided advanced learning opportunities ~~in mathematics~~ approved  
21 for that student's grade level. ~~No student who qualifies under this subsection shall be removed~~  
22 ~~from the advanced learning opportunity provided to the student unless a parent or guardian of the~~  
23 ~~student provides written consent for the student to be excluded or removed after being adequately~~  
24 ~~informed that the student's placement was determined by the student's achievement on the~~  
25 ~~previous end-of-grade test.~~

26       (b) When advanced courses are offered ~~in mathematics~~ in grades six and higher, any  
27 student scoring at the highest level on the corresponding end-of-grade or end-of-course test for  
28 the ~~mathematics~~ course in which the student was most recently enrolled shall be enrolled in the  
29 advanced course for the next ~~mathematics~~ course in which the student is enrolled. ~~A student in~~  
30 ~~seventh grade scoring at the highest level on the seventh grade mathematics end-of-grade test~~  
31 ~~shall be enrolled in a high school level mathematics course in eighth grade. Local boards of~~  
32 ~~education may provide supplemental content enrichment, which may include the administration~~  
33 ~~of diagnostic assessments, to students enrolled in a high school level mathematics course. No~~  
34 ~~student who qualifies under this subsection shall be removed from the advanced or high school~~  
35 ~~mathematics course in which the student is enrolled unless a parent or guardian of the student~~  
36 ~~provides written consent for the student to be excluded or removed from that course after being~~  
37 ~~adequately informed that the student's placement was determined by the student's achievement~~  
38 ~~on the previous end-of-grade or end-of-course test.~~

39       **(b1)** When a high school mathematics course is offered in eighth grade, a student in  
40 seventh grade scoring at the highest level on the seventh grade mathematics end-of-grade test  
41 shall be enrolled in a high school level mathematics course in eighth grade.

42       (c) ~~By December 15, 2020, and annually thereafter, the~~ The Department of Public  
43 Instruction shall submit a report annually by December 15 to the Joint Legislative Education  
44 Oversight Committee containing data collected for the current school year on the ~~number and~~  
45 ~~demographics~~ number, demographics, and socioeconomic status of students who were eligible  
46 for advanced ~~mathematics~~ courses under this section, including high school level mathematics  
47 courses in eighth grade, and of those students, the ~~number and demographics~~ number,  
48 demographics, and socioeconomic status of those who were placed in advanced ~~mathematics~~  
49 courses and were not placed in advanced ~~mathematics~~ courses. The report shall include  
50 information on the type and format of advanced ~~mathematics~~ courses provided and shall also  
51 include any feedback provided by local boards of education on the implementation of this section.

1 (d) The Department of Public Instruction shall provide guidance to local boards of  
2 education on how to best develop programming and courses to ensure all impacted students  
3 receive rigorous, academically appropriate instruction in ~~mathematics~~-mathematics and English  
4 Language Arts.

5 (e) No student who qualifies for advanced learning opportunities or advanced courses  
6 under this section shall be removed from the advanced learning opportunity or advanced course  
7 provided to the student unless a parent or guardian of the student provides written consent for the  
8 student to be excluded or removed after being adequately informed that the student's placement  
9 was determined by the student's achievement on the previous end-of-grade or end-of-course test.  
10 Local boards of education may provide supplemental content enrichment, which may include the  
11 administration of diagnostic assessments, to students enrolled in advanced courses."

12 **SECTION 1.5.(b)** This section is effective when it becomes law and applies  
13 beginning with the 2026-2027 school year.

#### 14 SPARKNC EXPANSION

15 **SECTION 1.6.(a)** Article 16 of Chapter 115C of the General Statutes is amended by  
16 adding a new Part to read:

17 "Part 12. Experiential Learning.

#### 18 **"§ 115C-238.90. Learning accelerator programs.**

19 (a) Definitions. – The following definitions apply to this section:

20 (1) Eligible partner. – An entity that provides a menu of learning units and works  
21 with a public school unit to implement a learning accelerator program.

22 (2) Health science learning accelerator. – A learning accelerator focused on topics  
23 related to health science.

24 (3) High-tech learning accelerator. – A learning accelerator focused on topics  
25 related to science, technology, engineering, and mathematics (STEM),  
26 including any of the following:

27 a. Artificial Intelligence.

28 b. Computer Systems Engineering.

29 c. Cybersecurity.

30 d. Data Analytics.

31 e. Design UX/UI.

32 f. Software Development.

33 (4) Learning accelerator. – A student-selected combination of modular learning  
34 units offered as part of a learning accelerator program that, when aggregated,  
35 meets all of the following:

36 a. Is recognized by an eligible partner as the competency-based  
37 equivalent of a traditional elective course credit.

38 b. Includes opportunities for work-based learning.

39 (5) Learning accelerator program. – A nontraditional, student-driven pathway  
40 developed and offered by an eligible partner through which students may  
41 select and complete learning accelerators.

42 (6) Learning lab. – A physical site where collaborative learning and networking  
43 takes place for a learning accelerator program.

44 (7) Learning unit. – A modular learning experience provided to students in person  
45 or remotely, including asynchronously, that serves as an individual  
46 component of a learning accelerator.

47 (b) Learning Accelerator Program Authorization. – Public school units may work with  
48 eligible partners to implement learning accelerator programs that include high-tech learning  
49 accelerators, health science learning accelerators, or both, in compliance with this section. Public  
50 school units shall allow a student who participates in a learning accelerator to continue to  
51

1 aggregate learning units throughout the time the student is enrolled in the public school unit and  
2 shall not require the learning accelerator to be completed in a single semester or school year. For  
3 the purposes of student participation in a learning accelerator, the calendar requirements of Part  
4 2 of Article 8 of this Chapter do not apply.

5 (c) Memorandum of Understanding. – To implement a learning accelerator program,  
6 public school units shall enter into a memorandum of understanding with an eligible partner that  
7 addresses at least all of the following:

- 8 (1) The provision of a learning lab, including its operating schedule.
- 9 (2) The qualifications for learning lab facilitators.
- 10 (3) The learning lab facilitator's duties, including at least the following:
  - 11 a. Being the teacher of record for students enrolled in the learning
  - 12 accelerator program.
  - 13 b. Advising students.
  - 14 c. Designing learning experiences.
  - 15 d. Coordinating with industry partners.
  - 16 e. Validating student work.
  - 17 f. Networking with other learning lab facilitators to share best practices
  - 18 across public school units.

19 (d) Learning Lab Facilitators. – Notwithstanding G.S. 115C-295 and any other law or  
20 rule to the contrary, learning lab facilitators are not required to hold a teaching license but shall  
21 meet the qualifications established by the memorandum of understanding. Notwithstanding  
22 G.S. 115C-316 or any other law or rule to the contrary, public school units are not required to  
23 pay learning lab facilitators based on the teacher salary schedule. Learning lab facilitators are  
24 subject to the criminal history check requirements of Part 6 of Article 22 of this Chapter.

25 (e) Contractors. – Public school units and eligible partners may contract with additional  
26 nonlicensed personnel on a full- or part-time basis for the purpose of providing timely, real-world  
27 content, industry expertise, and student learning experiences as part of a learning accelerator  
28 program. Contract personnel are subject to the criminal history check requirements of Part 6 of  
29 Article 22 of this Chapter.

30 (f) Course Credit. – Public school units shall award an elective credit to a student who  
31 completes a high-tech learning accelerator or health science learning accelerator upon  
32 verification of successful completion of the learning units by the learning lab facilitator in  
33 accordance with all of the following:

- 34 (1) The public school unit may award a student up to four learning accelerator
- 35 credits but shall not award credit for a learning accelerator that includes a
- 36 learning unit that the student has already completed for credit.
- 37 (2) For a student who does not complete all of the learning units for a learning
- 38 accelerator, the public school unit shall not denote a fail on the student's
- 39 transcript.
- 40 (3) The public school unit shall denote the elective credit on the student's
- 41 transcript as achieved competency in either a high-tech learning accelerator or
- 42 a health science learning accelerator.

43 (g) Funding for Local School Administrative Units. – To the extent funds are made  
44 available for the purpose, the State Board of Education shall establish a funding allotment for  
45 learning lab facilitator positions. Any State funds provided to a local school administrative unit  
46 for a learning lab facilitator position may only be used to pay salaries and benefits of learning lab  
47 facilitators or hire contract personnel. Local school administrative units shall not convert these  
48 funds for any other purpose.

49 (h) Report. – No later than March 1 of each year, the Department of Public Instruction  
50 shall report to the Joint Legislative Education Oversight Committee on the following

1 information, disaggregated for each public school unit by grade level and school, when  
2 practicable:

- 3 (1) Number and percentage of students with access to a learning accelerator  
4 program.
- 5 (2) Student retention and persistence in learning accelerator programs.
- 6 (3) Student completion of learning accelerator elective credits and student  
7 achievement of personalized learning goals.
- 8 (4) Student evaluation of the learning accelerator programs.
- 9 (5) Student interest in STEM following participation in a learning accelerator  
10 program.
- 11 (6) Cost per student for learning accelerator programs.
- 12 (7) Number and percentage of students who have participated in a learning  
13 accelerator program who choose to pursue a career pathway or further study  
14 in a STEM field.
- 15 (8) Number and percentage of public school units that established a learning  
16 accelerator program and public school unit persistence in maintaining the  
17 program.
- 18 (9) Recommendations for program changes, including recommended legislative  
19 changes and changes needed to ensure that federal funding for career and  
20 technical education can be used for the learning accelerator programs.
- 21 (10) Recommendations on development of a competency transcript."

22 **SECTION 1.6.(b)** SparkNC is an eligible partner for learning accelerator programs,  
23 as authorized by this section. Successful completion of a high-tech learning accelerator offered  
24 by SparkNC satisfies the computer science graduation requirement pursuant to  
25 G.S. 115C-83.31(a)(3).

26 **SECTION 1.6.(c)** There is appropriated from the General Fund to the Department  
27 of Public Instruction the sum of eight million eight hundred fifty-five thousand dollars  
28 (\$8,855,000) in recurring funds beginning in the 2026-2027 fiscal year for the Department to  
29 administer the learning accelerator learning lab facilitator allotment, as established by this  
30 section.

31 **SECTION 1.6.(d)** There is appropriated from the General Fund to the Department  
32 of Public Instruction the sum of six million five hundred thousand dollars (\$6,500,000) in  
33 recurring funds beginning in the 2026-2027 fiscal year to be allocated as a grant to SparkNC for  
34 program and administrative costs associated with being an eligible partner for learning  
35 accelerator programs.

36 **SECTION 1.6.(e)** There is appropriated from the General Fund to the Department  
37 of Public Instruction the sum of five million seven hundred eighty thousand dollars (\$5,780,000)  
38 in nonrecurring funds for the 2026-2027 fiscal year to be allocated as a directed grant to SparkNC  
39 for start-up costs associated with expanding to provide services in additional public schools with  
40 the goal of providing services statewide. Funds appropriated pursuant to this subsection shall not  
41 revert at the end of the 2026-2027 fiscal year but instead shall remain available until June 30,  
42 2029.

43 **SECTION 1.6.(f)** This section becomes effective July 1, 2026, and applies beginning  
44 with the 2026-2027 school year.

#### 45 **EXTENDED LEARNING AND INTEGRATED STUDENT SUPPORTS COMPETITIVE** 46 **GRANT PROGRAM**

47 **SECTION 1.7.(a)** Article 16 of Chapter 115C of the General Statutes is amended by  
48 adding a new Part to read:

49 "Part 7A. Extended Learning and Integrated Student Supports Grant Program.  
50 "§ 115C-238.35. Program; purpose.  
51

1       (a) Program; Purpose. – There is established the Extended Learning and Integrated  
2 Student Supports Grant Program (Extended Learning Grant Program). The purpose of the  
3 Extended Learning Grant Program is to fund high-quality, independently validated extended  
4 learning and integrated student support service programs for at-risk students that raise standards  
5 for student academic outcomes. Nonprofit corporations and nonprofit corporations working in  
6 collaboration with local school administrative units may apply for grants from the Extended  
7 Learning Grant Program for the operation of student programs that focus on the following:

- 8           (1) Use of an evidence-based model with a proven track record of success.
- 9           (2) Inclusion of rigorous, quantitative performance measures to confirm  
10 effectiveness of the student program.
- 11           (3) Deployment of multitiered systems of support in schools to address student  
12 barriers to achievement, such as strategies to improve chronic absenteeism,  
13 antisocial behaviors, academic growth, and enhancement of parent and family  
14 engagement.
- 15           (4) Alignment with State performance measures, student academic goals, and the  
16 North Carolina Standard Course of Study.
- 17           (5) Prioritization of student programs that integrate clear academic content, in  
18 particular, science, technology, engineering, and mathematics (STEM)  
19 learning opportunities or reading development and proficiency instruction.
- 20           (6) Minimization of student class size when providing instruction or instructional  
21 supports and interventions.
- 22           (7) Expansion of student access to high-quality learning activities and academic  
23 support that strengthen student engagement and leverage community-based  
24 resources, which may include organizations that provide mentoring services  
25 and private-sector employer involvement.
- 26           (8) Utilization of digital content to expand learning time, when appropriate.

27       (b) Extended Learning Grant Program Requirements. – In each year in which sufficient  
28 funds are available, the Department of Public Instruction (Department) shall administer the  
29 Extended Learning Grant Program in accordance with this Part.

30       (c) Program Funding. – The Department shall use up to seven million dollars  
31 (\$7,000,000) from the At-Risk Student Services Alternative School Allotment each fiscal year  
32 to fund the Extended Learning Grant Program. Of the funds allocated for the Extended Learning  
33 Grant Program, the Department may use up to two hundred thousand dollars (\$200,000) for each  
34 fiscal year for expenses of administering the Extended Learning Grant Program.

35 **"§ 115C-238.36. Awards; eligible uses.**

36       (a) Eligible Uses. – Grants shall be used to award funds for new or existing eligible  
37 student programs for at-risk students operated by nonprofit corporations and nonprofit  
38 corporations working in collaboration with local school administrative units. The student  
39 programs shall focus on serving (i) at-risk students not performing at grade level as demonstrated  
40 by statewide assessments, (ii) students at risk of dropout, and (iii) students at risk of school  
41 displacement due to suspension or expulsion as a result of antisocial behaviors. Priority  
42 consideration shall be given to applications demonstrating models that focus services and  
43 programs in schools that are identified as low-performing pursuant to G.S. 115C-105.37.

44       (b) Awards; Required Match. – Grant recipients are eligible to receive grants for up to  
45 two years in an amount of up to five hundred thousand dollars (\$500,000) each year. Grant  
46 recipients shall provide certification to the Department that the grants received under the  
47 Extended Learning Grant Program shall be matched on the basis of three dollars (\$3.00) in grant  
48 funds for every one dollar (\$1.00) in nongrant funds. Matching funds shall not include other State  
49 funds. The Department shall also give priority consideration to an applicant that is a nonprofit  
50 corporation working in partnership with a local school administrative unit resulting in a match  
51 utilizing federal funds under Part A of Title I of the Elementary and Secondary Education Act of

1 1965, as amended, or Title IV of the Higher Education Act of 1965, as amended, and other federal  
2 or local funds. Matching funds may include in-kind contributions for up to fifty percent (50%)  
3 of the required match.

4 (c) Fiscal Agent. – A nonprofit corporation may act as its own fiscal agent for the  
5 purposes of the Extended Learning Grant Program.

6 **"§ 115C-238.37. Reporting requirements.**

7 (a) Recipient Reporting. – No later than July 15 of each year in which a grant recipient  
8 is participating in the Extended Learning Grant Program, the recipient shall report to the  
9 Department on the expenditure of grant funds and the progress of the student program being  
10 funded by the Extended Learning Grant Program, including alignment with State academic  
11 standards, data collection for reporting student progress, the source and amount of matching  
12 funds, and other measures, before receiving grant funds for the next fiscal year. Grant recipients  
13 shall also submit a final report on key performance data, including statewide test results,  
14 attendance rates, graduation rates, and promotion rates, and financial sustainability of the student  
15 program being funded by the Extended Learning Grant Program.

16 (b) Department Reporting. – No later than September 15 of each year of the Extended  
17 Learning Grant Program, the Department shall report to the Joint Legislative Education  
18 Oversight Committee on the Extended Learning Grant Program, including recommendations  
19 regarding effective student program models, standards, and performance measures based on  
20 student performance, leveraging of community-based resources to expand student access to  
21 learning activities, academic and behavioral support services, and potential opportunities for the  
22 State to invest in proven models for future grant programs for at-risk students."

23 **SECTION 1.7.(b)** This section becomes effective July 1, 2026, and applies  
24 beginning with the 2027-2028 school year.  
25

26 **SCHOOLS IN COMMERCIAL ZONES**

27 **SECTION 1.8.(a)** Part 1 of Article 9 of Chapter 160D of the General Statutes is  
28 amended by adding a new section to read:

29 **"§ 160D-917. Public school sites in commercial zones.**

30 In areas zoned for commercial use, zoning regulations shall permit, by right or by special use,  
31 the siting of a school building that is primarily used for the instruction of students and is under  
32 the control of a public school unit as defined in G.S. 115C-5."

33 **SECTION 1.8.(b)** This section is effective when it becomes law.  
34

35 **INCREASE FUNDING FOR ADVANCED TEACHING ROLES SALARY**  
36 **SUPPLEMENTS AND GRANTS**

37 **SECTION 1.9.(a)** There is appropriated from the General Fund to the Department  
38 of Public Instruction an additional forty-three million three hundred thousand dollars  
39 (\$43,300,000) in recurring funds beginning in the 2026-2027 fiscal year to bring the total revised  
40 net appropriation to the Department to fifty-four million two hundred thousand dollars  
41 (\$54,200,000) in recurring funds beginning in the 2026-2027 fiscal year for the Department to  
42 allocate to public school units participating in the Advanced Teaching Roles program to provide  
43 salary supplements under G.S. 115C-310.13.

44 **SECTION 1.9.(b)** There is appropriated from the General Fund to the Department  
45 of Public Instruction an additional four million dollars (\$4,000,000) in recurring funds beginning  
46 in the 2026-2027 fiscal year to bring the total revised net appropriation to the Department to nine  
47 million five hundred forty thousand dollars (\$9,540,000) in recurring funds beginning in the  
48 2026-2027 fiscal year for the Department to expand the Advanced Teaching Roles grant program  
49 in accordance with Article 20A of Chapter 115C of the General Statutes. For the 2026-2027 fiscal  
50 year only, the Department shall prioritize awarding Advanced Teaching Roles grants to public

1 school units that qualified for a grant in the 2025-2026 fiscal year but did not receive the grant  
2 due to insufficient funding.

3 **SECTION 1.9.(c)** This section becomes effective July 1, 2026.  
4

#### 5 **TEACHER EVALUATION PILOT PROGRAM**

6 **SECTION 1.10.(a)** Program Established; Purpose. – The State Board of Education  
7 shall establish the Teacher Evaluation Pilot Program (Program) for the 2026-2027 school year  
8 through the 2029-2030 school year. The purpose of the Program is to establish a robust set of  
9 meaningful teacher professional evaluation tools that do the following:

- 10 (1) Support improved teacher professional development.
- 11 (2) Provide opportunities for career advancement for teachers.
- 12 (3) Provide additional insights for accountability for educator preparation  
13 programs.
- 14 (4) Facilitate licensure renewal.

15 **SECTION 1.10.(b)** Professional Evaluation Tools Selection. – No later than March  
16 15, 2027, the State Board of Education, in consultation with the Professional Educator  
17 Preparation Standards Commission, The University of North Carolina Board of Governors, the  
18 State Board of Community Colleges, and educator preparation programs, shall select at least  
19 three professional evaluation tools for use by local school administrative units in accordance with  
20 this section. The professional evaluation tools selected by the State Board shall meet at least the  
21 following requirements:

- 22 (1) Be evidence-based and replicable.
- 23 (2) Provide feedback that supports each teacher's professional development and  
24 career experience, which may include evidence of student outcomes, student  
25 surveys, or independent evaluations.
- 26 (3) Be designed to provide all of the following:
  - 27 a. Improved professional development for all teachers.
  - 28 b. Improved licensure criteria and multiple tools for teachers to provide  
29 real, student-focused evidence for a continuing professional license.
  - 30 c. Reduce the administrative burden on principals who are required to  
31 conduct teacher evaluations multiple times per year.
  - 32 d. Additional insights for the selection of advanced teaching roles and  
33 mentorship positions, for licensure renewal, and for other  
34 accountability metrics for educator preparation programs.
- 35 (4) To the extent possible, at least two of the professional evaluation tools selected  
36 by the State Board shall meet the following additional requirements:
  - 37 a. Be available to all teachers in the local school administrative unit.
  - 38 b. Include student surveys and independent performance evaluations.

39 **SECTION 1.10.(c)** Participation. – Local school administrative units may apply to  
40 the State Board of Education to participate in the Program. The State Board shall select units to  
41 participate in the Program each year, beginning in the 2027-2028 school year and ending in the  
42 2029-2030 school year. At the discretion of the State Board, a local school administrative unit  
43 may participate in the Program for one or more school years over the duration of the Program.

44 **SECTION 1.10.(d)** Licensure Renewal Flexibility. – Notwithstanding  
45 G.S. 115C-270.30(b)(4), at the direction of the State Board, local school administrative units that  
46 are participating in the Program may use one or more of the Professional Evaluation Tools  
47 selected by the State Board pursuant to subsection (b) of this section to determine proficiency for  
48 a teacher to maintain his or her current license status under G.S. 115C-270.30(b)(4).

49 **SECTION 1.10.(e)** Report. – No later than March 15, 2029, the State Board of  
50 Education shall report to the Joint Legislative Education Oversight Committee with the following  
51 information:

- 1 (1) The local school administrative units selected to participate in the Program.
- 2 (2) The impact of the Program on teacher evaluation in the participating local
- 3 school administrative units.
- 4 (3) The professional evaluation tools selected for the Program.
- 5 (4) The impact of the Program on teacher licensure renewal, including differences
- 6 in renewal rates in local school administrative units participating in the
- 7 Program and all other local school administrative units.
- 8 (5) A plan to implement the Program on a statewide basis beginning in the
- 9 2030-2031 school year, including any waivers of existing law that may be
- 10 needed to facilitate the transition.

11 **SECTION 1.10.(f)** Funds. – There is appropriated from the General Fund to the  
 12 Department of Public Instruction for the 2026-2027 fiscal year the sum of six million dollars  
 13 (\$6,000,000) in nonrecurring funds to implement the Program described in this section. These  
 14 funds shall not revert at the end of the 2026-2027 fiscal year but shall remain available until June  
 15 30, 2030.

## 17 REVISION OF HEALTHY LIVING STANDARD COURSE OF STUDY

18 **SECTION 1.11.(a)** Notwithstanding any other provision of law to the contrary, the  
 19 State Board of Education shall conduct an expedited revision of the NC Standard Course of Study  
 20 for Healthful Living, Grades K-12 standards to be adopted and implemented beginning with the  
 21 2028-2029 school year. The revised standards shall include standards on the following:

- 22 (1) Mental health awareness.
- 23 (2) Common mental health conditions, such as anxiety, depression, and trauma,
- 24 and their warning signs.
- 25 (3) Help-seeking strategies for self and peers, including school and community
- 26 resources.
- 27 (4) The neurological basis of addiction.
- 28 (5) The risks of alcohol, nicotine and vaping, cannabis, opioids, misuse of
- 29 prescription drugs, and other illicit substances.
- 30 (6) The relationship between mental health and substance abuse.
- 31 (7) Treatment, recovery, and prevention of mental health disorders, including
- 32 reducing the stigma surrounding mental health disorders.
- 33 (8) The effects of social media and other environmental influences on mental
- 34 health and addictive behavior.
- 35 (9) Protective factors, coping skills, and sound decision making.

36 **SECTION 1.11.(b)** The Department of Public Instruction shall report to the Joint  
 37 Legislative Education Oversight Committee by December 15, 2028, on the following:

- 38 (1) Adoption and implementation status of the NC Standard Course of Study for
- 39 Healthful Living, Grades K-12 standards required by subsection (a) of this
- 40 section.
- 41 (2) Early implementation feedback from local school administrative units.
- 42 (3) Recommended technical changes to the standards.

## 44 AI ACADEMIC SUPPORT PROGRAM

45 **SECTION 1.12.(a)** Chapter 115C of the General Statutes is amended by adding a  
 46 new Article to read:

47 "Article 42.

48 "Academic Support Programs.

### 49 **"§ 115C-650. Establish AI Academic Support Program.**

50 (a) Purpose; Program. – There is established the AI Academic Support Program  
 51 (Program) to allow public school units to contract with Khan Academy, Inc., (Khan Academy)

1 for use of the academic support service Khanmigo, in grades six through 12. Khanmigo is an  
2 application that uses artificial intelligence to support teachers with lesson plan development and  
3 to support students with lesson comprehension.

4 (b) Funding. – Funds shall be allocated to each public school unit that elects to participate  
5 in the program on the basis of average daily membership (ADM) in grades six through 12 in the  
6 public school unit for the purposes set out in this section.

7 (c) Funding Use. – Public school units that utilize funds pursuant to this section shall use  
8 all funds to contract with Khan Academy for use of the Khanmigo service, any associated  
9 professional development, and the rostering programs required pursuant to subsection (e) of this  
10 section.

11 (d) Contract Term. – Public school units entering into contracts with Khan Academy shall  
12 contract for a term of one year. At the end of each school year, each public school unit shall  
13 evaluate the use of Khanmigo services in the public school unit prior to contracting with Khan  
14 Academy for the subsequent school year. The evaluation shall include all of the information  
15 required to be reported on by the Department of Public Instruction in subdivisions (2) through  
16 (7) of subsection (h) of this section. Public school units shall submit their evaluations to the  
17 Department of Public Instruction by July 15 following each year that funds are used pursuant to  
18 this section.

19 (e) Class Rostering for Khanmigo. – All public school units that contract with Khan  
20 Academy pursuant to this section shall use a secure, cloud-based, single sign-on and class  
21 rostering platform to manage access to digital instructional resources and student information  
22 systems and to facilitate automated data integration between educational applications and school  
23 district systems. Class rostering products used pursuant to this section must be approved by the  
24 Department of Public Instruction.

25 (f) Juvenile Justice. – The Department of Public Instruction shall contract with Khan  
26 Academy for 500 Khanmigo licenses for use in schools operated by the Division of Juvenile  
27 Justice of the Department of Public Safety. The Department of Public Instruction shall provide  
28 technical support to the Division of Juvenile Justice for the use of Khanmigo. The Division of  
29 Juvenile Justice shall comply with evaluation requirements pursuant to subsection (d) of this  
30 section.

31 (g) Study. – The Office of Learning Research at the North Carolina Collaboratory (OLR)  
32 shall design and conduct a study to measure the effectiveness of using Khanmigo, including any  
33 impact on student performance and growth. As part of the study, the Department of Public  
34 Instruction shall aggregate and report to OLR on the evaluations submitted by public school units  
35 pursuant to subsection (d) of this section. OLR shall collaborate with Khan Academy to aggregate  
36 data on student performance by teacher and by subgroup, to the extent allowed by law. OLR shall  
37 provide the results of this study to the Joint Legislative Education Oversight Committee no later  
38 than April 1, 2028.

39 (h) Report. – No later than October 15 following each year that funds are made available  
40 for the Program, the Department of Public Instruction shall report to the Joint Legislative  
41 Education Oversight Committee at least the following information:

42 (1) The number of public school units that contracted with Khan Academy  
43 pursuant to this section.

44 (2) The number of students using the Khanmigo application.

45 (3) The average number of minutes and interactions students had with the  
46 Khanmigo application weekly.

47 (4) The number of teachers using the application.

48 (5) The average number of minutes and interactions teachers had with the  
49 Khanmigo application weekly.

50 (6) Any identified impact on student outcomes.

51 (7) Any identified impact on teacher performance.

(8) The number of moderation flags generated by the application."

**SECTION 1.12.(b)** There is appropriated from the General Fund to the Department of Public Instruction the sum of ten million sixty thousand five hundred sixty dollars (\$10,060,560) in recurring funds beginning with the 2026-2027 fiscal year to allocate funds pursuant to G.S. 115C-650, as enacted by this act.

## **TEACHREADYNC PROGRAM**

**SECTION 1.13.(a)** The title of Article 17D of Chapter 115C of the General Statutes reads as rewritten:

"Educator Preparation Programs-Preparation."

**SECTION 1.13.(b)** Article 17D of Chapter 115C of the General Statutes is amended to add the following new Parts:

- (1) Part 1, to be entitled "Educator Preparation Programs" and consisting of G.S. 115C-269.1 through G.S. 115C-269.30 and G.S. 115C-269.35 through G.S. 115C-269.55.
- (2) Part 2, to be entitled "Teacher Pipeline Support Programs" and consisting of the below provisions to be recodified as follows:

<u>Former Citation</u>	<u>Recodified Citation</u>
115C-269.31	115C-269.75
115C-269.32	115C-269.77

**SECTION 1.13.(c)** G.S. 115C-269.5 reads as rewritten:

### **"§ 115C-269.5. Educator preparation programs.**

(a) Role of EPPs. – An EPP shall prepare students for educator licensure and meet the standards and requirements set forth in this ~~Article-Part~~. To recommend students for licensure, an EPP shall be recognized by the State Board.

(b) State Board Authority. – The State Board shall initially authorize and recognize an EPP as required by this ~~Article-Part~~. The State Board shall have authority to regulate EPPs in accordance with this ~~Article-Part~~.

...."

**SECTION 1.13.(d)** G.S. 115C-269.10(b) reads as rewritten:

"(b) Rules for Granting State Approval. – The State Board shall adopt rules for granting approval to EPPs in accordance with this ~~Article-Part~~. The rules shall ensure the following:

- (1) A rigorous approval process that requires that the criteria in this ~~Article-Part~~ are met.
- (2) An application process, peer review, and technical assistance provided by the State Board.
- (3) An approval period of five years and process for renewal of approval."

**SECTION 1.13.(e)** G.S. 115C-269.45(a)(3) reads as rewritten:

"(3) Revoked. – An EPP shall be assigned revoked status and its approval to recommend students for educator licensure revoked if it meets any of the following criteria:

- a. Is assigned probation status for three consecutively measured years.
- b. Has been on probation status for one year and the State Board determines that revoking the program's approval is reasonably necessary to achieve the purposes of this ~~Article-Part~~."

**SECTION 1.13.(f)** G.S. 115C-269.55(a) reads as rewritten:

"(a) Authority. – The State Board shall adopt rules necessary to establish a process for a student to report a violation of this ~~Article-Part~~ to the State Board."

**SECTION 1.13.(g)** Part 2 of Article 17D of Chapter 115C of the General Statutes, as enacted by subsection (b) of this section, reads as rewritten:

"Part 2. Teacher Pipeline Support Programs.

**"§ 115C-269.65. Definitions.**

Definitions. – Except as otherwise provided, the following definitions apply in this Part:

- (1) Apprentice. – An individual employed as an apprentice teacher by a participating unit.
- (2) Apprentice supervisor. – An experienced teacher employed by a participating unit who mentors an apprentice and is a member of a team of teachers that is led by a teacher with an advanced teaching role, as defined in G.S. 115C-310.3.
- (3) Department. – The Department of Public Instruction.
- (4) Eligible educator preparation program. – A recognized educator preparation program that meets all of the following criteria:
  - a. Is either an institution of higher education or a public school unit.
  - b. Is selected by a participating unit to enroll apprentices employed by that unit.
- (5) Eligible unit. – A local school administrative unit that is an Advanced Teaching Roles unit, as defined in G.S. 115C-310.3(6).
- (6) Participating unit. – An eligible unit selected by the Department to participate in TeachReadyNC.
- (7) TeachReadyNC. – The TeachReadyNC Program established pursuant to G.S. 115C-269.67.

**"§ 115C-269.67. TeachReadyNC Program.**

(a) Program Established; Purpose. – There is established the TeachReadyNC Program to increase the number of professionally licensed teachers in the State and improve teacher competency, student outcomes, and teacher retention in the State. The Department shall administer TeachReadyNC, in collaboration with ApprenticeshipNC, as set forth in this Part.

(b) Applications. – No later than November 1 of each year, the Department shall issue a request for applications from eligible units to participate in TeachReadyNC, beginning in the subsequent school year. Applications shall include at least the following information:

- (1) A plan to obtain recognition by the United States Department of Labor as a registered teacher apprenticeship program in collaboration with ApprenticeshipNC, including at least the following information:
  - a. The number of apprentices the unit intends to employ.
  - b. The total grant funds the unit requests for each apprentice position in accordance with the requirements of G.S. 115C-269.69.
  - c. Specific subject areas and grade levels in the local school administrative unit with teacher shortages.
- (2) A system of supports that would be provided for apprentices, including (i) apprentice supervisors and their qualifications and (ii) a schedule of supervision.
- (3) Alternative sources of funding, including federal workforce development funds, to support apprenticeships that could be paired with any State funds that could be used for TeachReadyNC pursuant to subsection (f) of this section or G.S. 115C-269.69.
- (4) An explanation of how the unit would incorporate its teacher apprenticeship program with its advanced teaching roles program to enhance the learning environment for apprentices.
- (5) Strategies to encourage candidates to accept an apprenticeship before directly entering the teaching profession.
- (6) A list of eligible educator preparation programs.

(c) Selection of Participants; Initial Term. – The Department shall review applications for participation in TeachReadyNC every three months of each school year following the

1 issuance of the request for applications. The Department shall approve applications on a rolling  
2 basis and shall approve every application from an eligible unit for a term of three years as long  
3 as the application includes a clear strategy to support apprenticeships that complies with the  
4 requirements of subsection (b) of this section.

5 (d) Program Requirements. – All participating units shall meet the following  
6 requirements:

- 7 (1) Obtain recognition as a registered teacher apprenticeship program under  
8 requirements established by the United States Department of Labor.
- 9 (2) Require each apprentice to work full-time in a classroom with an apprentice  
10 supervisor.
- 11 (3) Ensure that each apprentice meets all of the following requirements:
  - 12 a. Holds a bachelor's degree.
  - 13 b. Is not eligible to hold an initial professional license or continuing  
14 professional license.
  - 15 c. Does not serve as a teacher of record for any students.
  - 16 d. Is enrolled in an eligible educator preparation program.
  - 17 e. Submits a Free Application for Federal Student Aid (FAFSA) for each  
18 year in which the individual is employed as an apprentice.
  - 19 f. Does not engage in substitute teaching for more than eight hours per  
20 week.
  - 21 g. Does not work as an apprentice for more than three years.
- 22 (4) Provide each apprentice with the following:
  - 23 a. Annual compensation that is greater than the average salary provided  
24 to a teacher assistant employed in the participating unit.
  - 25 b. Financial support for the cost of attendance at an eligible educator  
26 preparation program, including subject-specific content courses  
27 required for licensure at the associated institution of higher education.
- 28 (5) Provide salary supplements for the following persons:
  - 29 a. Each apprentice supervisor.
  - 30 b. Each teacher who agrees to become a teacher of record for additional  
31 students as a result of the emergency position conversion permitted  
32 under subsection (f) of this section.

33 (e) Term Renewal. – Prior to the conclusion of a three-year term in TeachReadyNC, a  
34 participating unit may apply to the Department to renew its term. The Department shall evaluate  
35 the success of TeachReadyNC at the participating unit and the compliance of the participating  
36 unit with the requirements of this Part. At the conclusion of the evaluation, the Department may,  
37 in its discretion, renew the participating unit for an additional term. Participating units shall  
38 provide any information or access requested by the Department for the evaluation required by  
39 this section or G.S. 115C-269.35.

40 (f) Emergency Position Conversion. – Notwithstanding G.S. 115C-105.25(b), a  
41 participating unit may convert one position allocated to the participating unit for classroom  
42 teachers to its dollar equivalent at the salary on the first step of the "A" Teachers Salary Schedule,  
43 including benefits, for each apprentice employed by the unit. Funds made available pursuant to  
44 this subsection may only be used for the following purposes:

- 45 (1) Salaries for apprentices.
- 46 (2) Annual salary supplements of up to five thousand dollars (\$5,000) for each  
47 teacher accepting additional students as a result of an emergency position  
48 conversion occurring pursuant to this subsection.
- 49 (3) The permitted purposes and maximum amounts identified in  
50 G.S. 115C-269.69(b).

1       (g) Administration. – To the extent funds are appropriated for TeachReadyNC, including  
2 TeachReadyNC grants under G.S. 115C-269.69, the Department may retain the greater of fifteen  
3 percent (15%) or three hundred thousand dollars (\$300,000) each year for administration of  
4 TeachReadyNC. As part of the administration of TeachReadyNC, the Department may establish  
5 one or more new full-time employment positions to support the Program and shall do at least all  
6 of the following:

7           (1) Collaborate with ApprenticeshipNC to do all of the following:

- 8           a. Outline the duties and responsibilities of apprentices, including  
9 on-the-job training requirements.  
10           b. Create minimum competencies for apprentices that reflect the  
11 progressive acquisition of ability.  
12           c. Develop a process to monitor apprentices in their first years of  
13 teaching after successful completion of TeachReadyNC to evaluate the  
14 qualities of teacher candidates that correlate to successful outcomes  
15 and lower teacher turnover rates.  
16           d. Create resources that can be used by participating units to select and  
17 train apprentice supervisors, including the responsibilities of an  
18 apprentice supervisor and background information on teacher  
19 apprenticeship programs.  
20           e. Develop a training module for apprentice supervisors that establishes  
21 standards for apprentice supervisors under TeachReadyNC and  
22 incorporates, where applicable, any preexisting standards for  
23 apprentice supervisors.

24           (2) Collaborate with eligible educator preparation programs and  
25 ApprenticeshipNC to establish education requirements for apprentices and  
26 revise curriculum requirements for clinical internships to include  
27 apprenticeships under TeachReadyNC.

28           (3) Assist participating units with the following:

- 29           a. Combining State, federal, and other funds to maximize the number of  
30 apprentices.  
31           b. Complying with applicable State and federal law.

32           (4) Allocate any grant funds pursuant to G.S. 115C-269.69.

33       (h) Report. – No later than March 15 of each year, the Department, in consultation with  
34 ApprenticeshipNC, shall report to the Joint Legislative Education Oversight Committee on the  
35 current state of TeachReadyNC, including at least all of the following information:

36           (1) The impact of TeachReadyNC in each participating unit on the following:

- 37           a. The number of teachers, disaggregated by licensure type.  
38           b. Student outcomes.  
39           c. Teacher retention.

40           (2) Any non-State funds used to support TeachReadyNC, including the sources  
41 and amounts of those funds.

42           (3) The number of participating units that converted a teaching position in order  
43 to support the Program and the use or uses of those funds.

44           (4) Successful strategies and best practices used by participating units.

45           (5) Any barriers to expanding TeachReadyNC.

46 **"§ 115C-269.69. TeachReadyNC grants.**

47       (a) Grant Allocation. – To the extent funds are appropriated by the General Assembly for  
48 TeachReadyNC, the Department shall allocate grant funds to participating units each fiscal year  
49 for each apprentice position. For purposes of this section, the cost of an apprentice position is the  
50 amount identified by a participating unit in its TeachReadyNC application under  
51 G.S. 115C-269.67(b) and constitutes the salary supplement for an apprentice, the cost of

1 attendance payment for an apprentice, and the salary supplement for the apprentice supervisor of  
 2 an apprentice, up to the maximum amounts provided in subsection (b) of this section. In addition,  
 3 the Department shall comply with the following requirements when allocating funds pursuant to  
 4 this section:

5 (1) If the TeachReadyNC funds are insufficient to fund all apprentice positions  
 6 identified in the applications of the participating units at the amounts provided  
 7 in those applications, the Department shall reduce the number of apprentice  
 8 positions provided to the participating units but shall not reduce the funding  
 9 amounts provided for each position below the amounts identified in the  
 10 applications.

11 (2) If there are TeachReadyNC funds remaining after funds have been allocated  
 12 pursuant to the requirements of this section, the Department may allocate the  
 13 remaining funds to participating units according to a process developed by the  
 14 Department to optimize the success of TeachReadyNC in those units.

15 (b) Use of Funds; Maximum Amounts. – Grant funds received by a participating unit  
 16 pursuant to this section may only be used for the following:

17 (1) Annual salary supplements of up to seven thousand five hundred dollars  
 18 (\$7,500) for each apprentice.

19 (2) Annual payments of up to five thousand dollars (\$5,000) for each apprentice  
 20 for the cost of attendance at an eligible educator preparation program,  
 21 including subject-specific content courses required for licensure at the  
 22 associated institution of higher education. Grant funds may only be used for  
 23 this purpose after the apprentice has exhausted all other scholarships or grants  
 24 available for these purposes, including federal Pell Grants.

25 (3) Annual salary supplements of up to five thousand dollars (\$5,000) for each  
 26 apprentice supervisor.

27 (c) Carryforward. – Funds awarded to a participating unit under this section shall not  
 28 revert at the end of each fiscal year but shall remain available until October 1 of the subsequent  
 29 fiscal year.

30 ...."

31 **SECTION 1.13.(h)** G.S. 115C-269.35(b) reads as rewritten:

32 "(b) Annual Performance Reports. – The State Board shall require all recognized EPPs to  
 33 submit annual performance reports. The performance reports shall provide the State Board with  
 34 a focused review of the EPPs and the current authorization process in order to ensure that the  
 35 programs produce graduates that are well prepared to teach. At a minimum, the annual report  
 36 shall contain the following indicators:

37 (1) Performance data from subsection (a) of this section.

38 (2) Data related to the EPP's compliance with requirements for field supervision  
 39 of students during their ~~internship and~~ internship, apprenticeship, and  
 40 residency experiences.

41 (3) The following information, disaggregated by race, sex, and ethnicity:

42 a. The number of students who apply to candidacy of the EPP.

43 b. The number of students admitted as candidates of the EPP.

44 b1. The number of students working as apprentices pursuant to  
 45 G.S. 115C-269.67.

46 c. The number of students completing the program.

47 d. The number of graduates of the EPP licensed in North Carolina.

48 e. The number of graduates of the EPP employed in North Carolina.

49 f. The number and percentage of students who convert from a residency  
 50 license to either an initial professional license or a continuing  
 51 professional license.

g. Any other information required by federal law.

...

(8) Percentage of graduates receiving initial professional licenses.

(8a) Percentage of graduates who worked as apprentices pursuant to G.S. 115C-269.67 and received an initial professional license.

...

(11) The retention of beginning educators in the profession for at least two years after licensure in North Carolina.

(11a) The retention of beginning educators who also served as apprentices pursuant to G.S. 115C-269.67 in the profession for at least two years after licensure in North Carolina.

(12) The results of surveys given to school principals that involve evaluation of the program's effectiveness in preparing participants to succeed in the classroom, based on experience with employed program participants.

(13) Any other information necessary to enable the State Board to assess the effectiveness of the program on the basis of educator retention and success criteria adopted by the State Board."

**SECTION 1.13.(i)** There is appropriated from the General Fund to the Department of Public Instruction beginning in the 2026-2027 fiscal year the sum of one million dollars (\$1,000,000) in recurring funds to be awarded as grants under the TeachReadyNC program pursuant to G.S. 115C-269.69, as enacted by subsection (g) of this section.

**SECTION 1.13.(j)** This section becomes effective July 1, 2026. The Department of Public Instruction shall issue the initial request for applications for the TeachReadyNC Program pursuant to G.S. 115C-269.67, as enacted by subsection (g) of this section, by November 1, 2026, for applications to establish registered teacher apprenticeship programs beginning in the 2027-2028 school year. Notwithstanding G.S. 115C-269.67(h), as enacted by subsection (g) of this section, the Department shall provide its initial report on the impact of the TeachReadyNC Program by March 15, 2028.

**RELEASED TIME RELIGIOUS INSTRUCTION**

**SECTION 1.14.(a)** G.S. 115C-379 reads as rewritten:

**"§ 115C-379. Method of ~~enforcement~~.enforcement and excused and unexcused absences.**

(a) ~~It shall be the duty of the State Board of Education to formulate the rules that may be necessary for the proper enforcement of the provisions of this Part. The Board shall prescribe (i) what shall constitute unlawful absence, (ii) what causes may constitute legitimate excuses for temporary nonattendance due to a student's physical or mental inability to attend or a student's participation in a valid educational opportunity such as service as a legislative page or a Governor's page, and (iii) under what circumstances teachers, principals, or superintendents may excuse pupils for nonattendance due to immediate demands of the farm or the home in certain seasons of the year in the several sections of the State.~~Adoption of Rules. – The State Board of Education shall adopt rules to enforce the provisions of this Part, including rules that define unexcused absences and excused absences.

(a1) Excused Absences. – The State Board shall require school officials to excuse absences for all of the following:

(1) Illness. – Physical or mental illness.

(2) Educational opportunities. – Participation in a valid educational opportunity, including service as a legislative page or a Governor's page.

(3) Needs of family. – Immediate demands of the farm or the home in certain seasons of the year if determined appropriate by a teacher, principal, or superintendent based on guidelines set by the State Board.

- 1           (4) Religious observance. – A minimum of two excused absences each academic  
 2 year for religious observances required by the faith of a student or the student's  
 3 parent or legal guardian.
- 4           (5) Military leave. – A minimum of two excused absences each academic year, if  
 5 all of the following conditions are met:
- 6           a. The student's parent or legal guardian is an active duty member of the  
 7 uniformed services, as defined by Article 29B of this Chapter, the  
 8 Interstate Compact on Educational Opportunity for Military Children.
- 9           b. The student's parent or legal guardian has been called to duty for, is on  
 10 leave from, or has immediately returned from deployment to a combat  
 11 zone or combat support posting.
- 12           c. The student is not identified by the public school unit as at risk of  
 13 academic failure because of unexcused absences.
- 14           (6) Released time religious instruction. – Released time religious instruction as  
 15 allowed under a policy adopted pursuant to G.S. 115C-407.45.
- 16       (b) ~~In addition to any excused absences authorized pursuant to subsection (a) of this~~  
 17 ~~section, the rules shall require school principals to authorize the following excused absences:~~
- 18           (1) ~~Religious observance. – A minimum of two excused absences each academic~~  
 19 ~~year for religious observances required by the faith of a student or the student's~~  
 20 ~~parent or legal guardian.~~
- 21           (2) ~~Military leave. – A minimum of two excused absences each academic year, if~~  
 22 ~~all of the following conditions are met:~~
- 23           a. ~~The student's parent or legal guardian is an active duty member of the~~  
 24 ~~uniformed services, as defined by Article 29B of this Chapter, the~~  
 25 ~~Interstate Compact on Educational Opportunity for Military Children.~~
- 26           b. ~~The student's parent or legal guardian has been called to duty for, is on~~  
 27 ~~leave from, or has immediately returned from deployment to a combat~~  
 28 ~~zone or combat support posting.~~
- 29           e. ~~The student is not identified by the local school administrative unit as~~  
 30 ~~at risk of academic failure because of unexcused absences.~~
- 31       (b1) Notice of Request for Certain Excused Absences and Opportunity to Make Up Work.  
 32 – The rules may require that the student's parent or legal guardian give the principal written notice  
 33 of the request for an excused absence a reasonable time prior to the ~~religious observance or~~  
 34 ~~military leave.~~ religious observance, military leave, or released time religious instruction. The  
 35 student shall be given the opportunity to make up any tests or other work missed due to an  
 36 excused absence for a ~~religious observance or military leave.~~ religious observance, military leave,  
 37 or released time religious instruction.
- 38       (c) ~~It shall be the duty of all School Officials' Duties. – All school officials to carry out~~  
 39 ~~such instructions from shall follow the rules adopted by the State Board of Education, and any~~  
 40 ~~school official failing to carry out such instructions shall be follow the rules is guilty of a Class~~  
 41 ~~3 misdemeanor: Provided, that the compulsory attendance law herein prescribed shall not be in~~  
 42 ~~force in any local school administrative unit that misdemeanor. However, this section does not~~  
 43 ~~apply if a public school unit has a higher compulsory attendance feature than that provided~~  
 44 ~~herein in this section."~~
- 45       **SECTION 1.14.(b)** Article 29D of Chapter 115C of the General Statutes is amended  
 46 by adding a new section to read:  
 47 **"§ 115C-407.45. Released time religious instruction.**
- 48       (a) Definition. – For the purposes of this section, "released time religious instruction"  
 49 means religious instruction offered by a private entity during the school day.

1       **(b) Policy Required.** – The governing body of a public school unit shall adopt a policy  
2 that requires a school principal to excuse a student's absence from school to attend released time  
3 religious instruction. At a minimum, the policy shall provide for the following:

4           **(1) Consent form.** – Public school units shall adopt a standard written consent  
5 form that provides parents with notice that the parent or guardian is  
6 responsible for arranging transportation to and from any location where  
7 released time religious instruction occurs. The parent or guardian of a student  
8 attending released time religious instruction shall provide the school with a  
9 signed copy of the standard consent form.

10          **(2) Documentation required.** – The parent or guardian of a student shall provide  
11 the school with written documentation affirming that the student attended  
12 released time religious instruction for each day that the student is absent.

13          **(3) Make up work.** – A student attending released time religious instruction shall  
14 make up all school work that is missed.

15          **(4) Prohibition on use of State and local funds.** – The public school unit shall  
16 prohibit all schools from expending State or local funds, excluding any de  
17 minimis costs of administering the policy adopted pursuant to this subsection,  
18 to facilitate a student attending released time religious instruction.

19          **(5) Use of school facilities.** – The public school unit shall prohibit any private  
20 entity from offering released time religious instruction on school property,  
21 unless otherwise permitted by a neutral facility use policy.

22          **(6) Time limitations.** – The public school unit shall excuse one hour of released  
23 time religious instruction at a minimum. A school principal shall not authorize  
24 excused absences totaling more than four hours of released time religious  
25 instruction in a single calendar week."

26       **SECTION 1.14.(c)** G.S. 115C-47 is amended by adding a new subdivision to read:

27 "(33d) To Adopt Policies on Released Time Religious Instruction. – Local boards of  
28 education shall adopt a policy that requires a school principal to excuse a  
29 student's absence to attend released time religious instruction pursuant to  
30 G.S. 115C-407.45."

31       **SECTION 1.14.(d)** G.S. 115C-218.75 is amended by adding a new subsection to

32 read:

33 "(p) Released Time Religious Instruction. – A charter school shall adopt a policy that  
34 requires a school principal to excuse a student's absence to attend released time religious  
35 instruction pursuant to G.S. 115C-407.45."

36       **SECTION 1.14.(e)** G.S. 115C-238.66 is amended by adding a new subdivision to

37 read:

38 "(23) Released time religious instruction. – The board of directors shall adopt a  
39 policy that requires a school principal to excuse a student's absence to attend  
40 released time religious instruction pursuant to G.S. 115C-407.45."

41       **SECTION 1.14.(f)** G.S. 116-239.8(b) is amended by adding a new subdivision to

42 read:

43 "(26) Released time religious instruction. – A laboratory school shall adopt a policy  
44 that requires a school principal to excuse a student's absence to attend released  
45 time religious instruction pursuant to G.S. 115C-407.45."

46       **SECTION 1.14.(g)** This section is effective when it becomes law and applies  
47 beginning with the 2026-2027 school year.

#### 49 LOCAL SCHOOLS OPEN ENROLLMENT STUDY

50       **SECTION 1.15.(a)** The North Carolina Collaboratory (Collaboratory) shall study  
51 how local school administrative units can allow students to attend any school within the local

1 school administrative unit in which the student is domiciled, other than the assigned base school.

2 The study shall include, at a minimum, the following:

- 3 (1) A review of existing voluntary open enrollment and freedom of choice plans.
- 4 (2) Considerations for implementing mandatory open enrollment plans,  
5 including:
  - 6 a. The number of enrollment periods a mandatory open enrollment plan  
7 should have in a year.
  - 8 b. Types of application processes for mandatory open enrollment plans.
  - 9 c. How school capacity issues should be addressed and communicated to  
10 parents, including waitlist options.
  - 11 d. Transportation options for students when they choose a school other  
12 than their assigned base school.
  - 13 e. Reasons that would let a local school administrative unit deny a  
14 request under a mandatory open enrollment plan.
  - 15 f. Any appeals processes that would be available for denials of requests  
16 of school assignment under a mandatory open enrollment plan.
- 17 (3) Any other information deemed relevant by the Collaboratory.

18 **SECTION 1.15.(b)** The Collaboratory shall report its findings, including any  
19 recommended legislation, to the Joint Legislative Education Oversight Committee, by April 15,  
20 2027.

21 **SECTION 1.15.(c)** This section is effective when it becomes law.

## 22 **ADVANCED TEACHING ROLES AMENDMENTS**

23 **SECTION 1.16.(a)** Article 20A of Chapter 115C of the General Statutes reads as  
24 rewritten:

25 "Article 20A.

26 "Advanced Teaching Roles.

27 "...

### 28 **"§ 115C-310.3. Definitions.**

29 The following definitions apply to this Article:

- 30 (1) ~~Adult leadership teacher. — An ATR team lead who meets the following~~  
31 ~~criteria:~~  
32 ~~a. Works in the classroom providing instruction for at least thirty percent~~  
33 ~~(30%) of the instructional day.~~  
34 ~~b. Leads a team of between three and eight teachers.~~  
35 ~~c. Shares responsibility for the performance of the students of all teachers~~  
36 ~~on the adult leadership teacher's team.~~  
37 ~~d. Is not a school administrator.~~
- 38 (2) Advanced teaching role. — A teaching assignment that includes either (i)  
39 teaching an increased number of students or (ii) becoming an ATR team lead.
- 40 (3) ATR plan. — A local board of education's plan to implement advanced teaching  
41 roles under this Article.
- 42 (4) ATR school. — A school that is included in an ATR unit's ATR plan.
- 43 (5) ATR team lead. — A teaching assignment that includes leading one or more  
44 teachers and being ~~responsible~~ responsible, in addition to the teacher of  
45 record, for the student performance of all students taught by teachers on that  
46 lead teacher's team.
- 47 (6) ATR unit. — A local school administrative unit operating under an ATR plan  
48 approved by the State Board of Education.
- 49 (7) ~~Classroom excellence teacher. — A classroom teacher serving in an advanced~~  
50 ~~teaching role who assumes and maintains responsibility for at least twenty~~  
51

1 percent (20%) of additional students as compared to the most recent prior  
2 school year in which the teacher did not receive a salary supplement pursuant  
3 to this section.

4 (8) Classroom teacher. – A teacher who works in the classroom providing  
5 instruction to students at least seventy percent (70%) of the instructional day  
6 and who is not instructional support personnel.

7 (9) Collaborative impact leader. – An ATR team lead who meets all of the  
8 following criteria:

9 a. Leads a team of between four and eight teachers.

10 b. Does not serve as the teacher of record for any students.

11 c. Provides instruction, including co-teaching, for at least thirty percent  
12 (30%) of the instructional day to students taught by teachers on the  
13 ATR team lead's team.

14 d. Is not a school administrator.

15 (10) Partial-release collaborative impact leader. – An ATR team lead who meets  
16 the following criteria:

17 a. Serves as the teacher of record for at least one class of students.

18 b. Leads a team of two or three teachers.

19 c. Is not a school administrator.

20 (11) Teacher of distinction. – A classroom teacher serving in an advanced teaching  
21 role who is the teacher of record for at least twenty percent (20%) more  
22 students than the average number of students taught by other teachers on the  
23 teacher's ATR team.

24 (12) Teacher of record. – The classroom teacher who is responsible for a student's  
25 performance. The term does not include a classroom teacher who is only  
26 responsible for a student's performance by virtue of being an ATR team lead.

27 **"§ 115C-310.5. Advanced teaching roles plan approval.**

28 ...  
29 (d) Implementation Limitations. – ~~The following limitations apply to the implementation~~  
30 ~~of advanced teaching roles in an ATR unit:~~ For each year an ATR unit operates under an ATR  
31 plan, the ATR unit may designate additional schools as ATR schools as follows:

32 (1) For the first year of implementation, the ATR unit may include in its ATR  
33 plan at least one school up to the lesser of (i) five of the ATR unit's schools or  
34 (ii) ~~twenty-five percent (25%)~~ forty percent (40%) of the ATR unit's schools.

35 (2) ~~For the second and third years of implementation, the ATR unit may include~~  
36 ~~in its ATR plan at least one school up to the lesser of (i) 10 of the ATR unit's~~  
37 ~~schools or (ii) fifty percent (50%) of the ATR unit's schools.~~ For any years  
38 following the first year of implementation, the ATR unit may designate as  
39 ATR schools up to the greater of (i) three schools or (ii) twenty-five percent  
40 (25%) of the total number of schools in the ATR unit, not to exceed 10 schools  
41 per year.

42 (3) ~~For any years following the third year of implementation, the ATR unit's plan~~  
43 ~~may include any number of the unit's schools.~~

44 ...  
45 **"§ 115C-310.9. Renewal, probation, and termination of program participation.**

46 (a) ATR Unit Review. – The State Board of Education shall review each ATR unit once  
47 every five years based on a publicly available timetable to ensure the unit is complying with the  
48 approved ATR plan. The State Board of Education shall adopt a rule describing the process and  
49 criteria for this review. As part of the review, the State Board of Education shall consider at least  
50 the following information:

- 1 (1) The total number of teachers in advanced teaching roles in the unit, the number  
2 of teachers in each advanced teaching role identified in the unit's ATR plan,  
3 and the number of students receiving instruction from those teachers.
- 4 (2) For each ATR school in the ATR unit, the total number of teachers in  
5 advanced teaching roles in the school, the number of teachers in each  
6 advanced teaching role identified in the unit's ATR plan in the school, the  
7 number of students receiving instruction from those teachers, and the number  
8 of teachers led by each ATR team lead.
- 9 (3) Growth scores for students calculated pursuant to G.S. 115C-83.15.
- 10 (4) Achievement scores for students calculated pursuant to G.S. 115C-83.15.
- 11 (5) Retention of effective teachers.
- 12 (6) Results of the Teacher Working Conditions Survey.
- 13 (7) Ratings of teachers through the North Carolina Teacher Evaluation System.
- 14 (8) Evidence that higher performing teachers have been selected to serve in an  
15 advanced teaching role.
- 16 (9) A description of the activities undertaken by ATR team leads to (i) support  
17 the professional development of teachers on their team and (ii) enhance  
18 instruction by better aligning teachers' strengths with student needs.
- 19 (10) The amount and funding source for any salary supplement received by  
20 teachers in advanced teaching roles in the unit.
- 21 (11) A description of the amount of release time given to each ATR team lead, how  
22 the release time is spent, and how the school facilitates providing that release  
23 time.

24 (b) ~~Renewal or Termination.~~ Renewal, Probation, and Termination. – Following the  
25 five-year review, the State Board of Education ~~may, in its discretion, may renew or terminate the~~  
26 ~~plan of any ATR unit or any ATR school within the ATR unit that fails to meet criteria established~~  
27 ~~by the State Board of Education.~~ the plan of any ATR unit that meets the criteria established by  
28 the State Board of Education. For any ATR unit or ATR school that fails to meet the criteria  
29 adopted by the State Board of Education following the five-year review, the State Board shall  
30 place the ATR unit or ATR school on probation. If placed on probation, the ATR unit or ATR  
31 school will have up to one year to remedy any concerns identified by the State Board.

32 (b1) Termination. – For an ATR unit or ATR school that is on probation, the State Board  
33 of Education shall terminate the ATR status of the unit or school if it does not remedy concerns  
34 identified by the State Board within one year. For an ATR unit or ATR school that is not on  
35 probation, the State Board may terminate the ATR status of the unit or school outside of the  
36 five-year period if the State Board finds that it is not following its approved ATR plan.

37 (c) Annual Report. – No later than October 15 of each year, the State Board of Education  
38 shall report the results of any review conducted pursuant to this section and a copy of the  
39 information listed in subsection (a) of this section to the Fiscal Research Division and the Joint  
40 Legislative Education Oversight Committee.

41 ...

#### 42 "**§ 115C-310.11. Advanced teaching roles grants.**

43 (a) ~~Term.~~ Award of Grants. – Any funds awarded to an ATR unit pursuant to this section  
44 ~~shall be are~~ subject to availability and awarded for a term of up to three years, in the discretion  
45 ~~of the State Board of Education. An ATR unit shall not be eligible to receive funding for more~~  
46 ~~than two terms. The State Board of Education shall authorize a second term of State funds in~~  
47 ~~accordance with subsection (c) of this section.~~ availability. Any funds awarded to an ATR unit  
48 pursuant to this section are subject to availability. Grants include (i) one-time planning funds and  
49 (ii) implementation funds for a term of up to three years, renewable once. The State Board of  
50 Education shall authorize a second term of grant funds in accordance with subsection (c) of this

1 section. The State Board of Education shall allocate funds to each ATR unit receiving funds  
 2 pursuant to this section as follows:

3 (1) One hundred fifty thousand dollars (\$150,000) in one-time planning funds  
 4 prior to or during the first year of the ATR unit's initial grant term.

5 (2) Fifteen thousand dollars (\$15,000) per ATR school in implementation funds  
 6 for each year the ATR unit receives grant funds, for no more than three years  
 7 per ATR school.

8 (b) Use of ~~State Grant Funds~~. – ~~State Grant~~ funds shall only be used for any of the  
 9 following purposes, as defined by the State Board of Education:

10 (1) Development of ATR plans.

11 (2) Development of professional development courses for teachers in advanced  
 12 teaching roles that lead to improved student outcomes.

13 (3) Transition costs associated with designing and implementing ATR plans.  
 14 Transition costs may include employing staff members or contractors to assist  
 15 with design and implementation of the plan.

16 (4) Development of the design and implementation of compensation plans that  
 17 focus on teacher professional growth and student outcomes and the transition  
 18 costs associated with designing and implementing new compensation plans,  
 19 including employing staff members or contractors to assist with design and  
 20 implementation of the plan.

21 (c) Renewal of Award of ~~State Grant Funds~~. – An ATR unit that received an initial award  
 22 of ~~State grant~~ funds pursuant to this section may apply for a second term of funding for up to  
 23 three years. Renewal of an award of ~~State grant~~ funds is in the discretion of the State Board of  
 24 Education. The ATR unit may apply at any time (i) after the initial award of ~~State grant~~ funds  
 25 expires or (ii) within 90 days prior to the date the initial award of ~~State grant~~ funds is set to expire.  
 26 Upon receipt of an application for renewal, the State Board of Education shall do the following:

27 (1) Review the unit to ensure the unit is complying with the approved ATR plan  
 28 and criteria established by the State Board of Education.

29 (2) Grant or deny the application within 60 days of its receipt.

30 ...

31 **"§ 115C-310.13. Advanced teaching roles salary supplements.**

32 (a) ATR units may designate up to fifteen percent (15%) of the teachers in each ATR  
 33 school as ~~adult leadership teachers~~ collaborative impact leaders and five percent (5%) of the  
 34 teachers in each ATR school as ~~classroom excellence teachers~~. ~~To the extent funds are made~~  
 35 ~~available for the purpose, teachers serving in an advanced teaching role are eligible to receive~~  
 36 ~~salary supplements as follows:~~ teachers of distinction. For the purposes of calculating the number  
 37 of teachers who are eligible to be designated as either collaborative impact leaders or teachers of  
 38 distinction, all of the following apply:

39 (1) ~~Ten thousand dollars (\$10,000) for adult leadership teachers.~~

40 (2) ~~Three thousand dollars (\$3,000) for classroom excellence teachers.~~

41 (1) If the number of allowable designated positions includes a fractional position  
 42 that is greater than or equal to one-half, an ATR unit shall round the partial  
 43 position to a full position.

44 (2) An ATR unit shall count two partial-release collaborative impact leaders as  
 45 one collaborative impact leader.

46 (b) Notwithstanding G.S. 115C-310.5, to the extent funds are made available for this  
 47 purpose, the State Board of Education shall award funds to ATR units for annual salary  
 48 supplements for ~~teachers~~, teachers serving in advanced teaching roles, and the receiving ATR  
 49 units shall provide the salary ~~supplement~~ supplements to participating teachers in accordance  
 50 with this ~~section~~ section and in the following amounts:

51 (1) Ten thousand dollars (\$10,000) for collaborative impact leaders.

1           (2)     Five thousand dollars (\$5,000) for partial-release collaborative impact leaders.

2           (3)     Three thousand dollars (\$3,000) for teachers of distinction.

3       (b1)    If State funds are insufficient to cover the full amount of ~~supplement~~ the supplements  
4 identified in subsection ~~(a)~~ (b) of this section, the State Board of Education and the ATR unit  
5 shall disburse any supplement funds pro rata. If funds have been disbursed pro rata, ATR units  
6 are encouraged but not required to fund the remainder of the supplement from alternate funding  
7 sources.

8       (c)     The following additional requirements apply to salary supplements received pursuant  
9 to this section:

10       (1)     Loss of a salary supplement received pursuant to this section for any reason  
11 ~~shall not be considered~~ is not a demotion under Part 3 of Article 22 of Chapter  
12 115C of the General Statutes.

13       (2)     A teacher is eligible to continue receiving a salary supplement pursuant to this  
14 section as long as he or she remains ~~an adult leadership teacher~~ a collaborative  
15 impact leader or a ~~classroom excellence teacher~~ teacher of distinction.

16       (3)     A teacher is eligible to receive no more than one annual salary supplement  
17 pursuant to this section at any time.

18       (c1)    ATR units are encouraged to use funding from other sources to provide salary  
19 supplements in addition to the State-funded salary supplements awarded pursuant to this section.

20       (d)     The Department of Public Instruction shall issue guidance to ATR units on how to  
21 effectively develop staffing plans and budgets, including how to maximize resources across  
22 multiple funding sources and the reach of teachers in advanced teaching roles to a greater number  
23 of students.

24 **"§ 115C-310.15. Program evaluation.**

25       (a)     Evaluation. – The State Board of Education shall evaluate how the advanced teaching  
26 roles program and new compensation plans have accomplished, at a minimum, the following:

27       (1)     Improvement in the quality of classroom instruction and increases in  
28 school-wide growth or the growth of teachers who are mentored or impacted  
29 by a teacher in an advanced teaching role.

30       (2)     An increase in the attractiveness of teaching.

31       (3)     Recognition, impact, and retention of high-quality classroom teachers.

32       (4)     Assistance to and retention of beginning classroom teachers.

33       (5)     Improvement in and expansion of the use of technology and digital learning.

34       (6)     Improvement in school culture based on school climate survey results.

35       (b)     Annual Report. – No later than October 15 of each year, the State Board of Education  
36 shall report the results of the evaluation conducted pursuant to this section to the Fiscal Research  
37 Division and the Joint Legislative Education Oversight Committee.

38       (c)     Access to Review Information. – An ATR unit shall provide any information or  
39 access needed to review the advanced teaching roles program that is requested by (i) the State  
40 Board of Education or (ii) an independent research organization selected by the State Board of  
41 Education to evaluate the program pursuant to this section.

42       (d)     Identifying Advanced Teaching Roles Designations. – The Department of Public  
43 Instruction shall create designations for teachers serving in advanced teaching roles in the student  
44 information system.

45       (e)     Of the funds appropriated to the Department of Public Instruction for the Advanced  
46 Teaching Roles Program established pursuant to this Article, the Department of Public  
47 Instruction may use up to three hundred thousand dollars (\$300,000) in each fiscal year for the  
48 evaluation required by this section.

49       ...."

1           **SECTION 1.16.(b)** The State Board of Education shall adopt a rule describing the  
2 process and criteria for the review pursuant to G.S. 115C-310.9(a), as amended by this section,  
3 by January 1, 2027.

4           **SECTION 1.16.(c)** The Department of Public Instruction shall issue the guidance to  
5 ATR units as required by G.S. 115C-310.13(d) by February 1, 2027.

6           **SECTION 1.16.(d)** G.S. 115C-310.11(a), as amended by this section, is effective  
7 when it becomes law and applies to grant terms, including grant renewals, beginning with or  
8 following the 2026-2027 school year. The remainder of this section is effective when it becomes  
9 law and applies beginning with the 2026-2027 school year.

## 10 **PART II. TRANSFORMING THE HIGH SCHOOL EXPERIENCE**

### 11 **COMMUNITY COLLEGE SEAMLESS SKILLS INITIATIVE**

12  
13           **SECTION 2.1.(a)** Initiative Established; Purpose. – There is established the  
14 Community College Seamless Skills Initiative (Initiative). The purpose of the Initiative is to  
15 create a competency-based education (CBE) model that seamlessly connects high school and  
16 community college. By aligning learning experiences from high school with college-level  
17 competencies, the Initiative shall enable students to explore career pathways, earn dual credit,  
18 and fulfill computer science requirements while gaining credentials of value in high-demand  
19 technology employment sectors through college credit.

20  
21           **SECTION 2.1.(b)** Initiative Participants. – Fayetteville Technical Community  
22 College (FTCC) and Wilkes Community College (WCC) shall partner to fulfill the commitments  
23 of the Initiative.

24           **SECTION 2.1.(c)** Initiative Commitments. – The Initiative shall commit to  
25 accomplishing each of the following:

- 26           (1) Establish high-tech pathways that will integrate high school and community  
27 college curricula for hands-on, project-based learning.
- 28           (2) Develop competency-based pathways that will create cross-curricular maps  
29 for dual credit, fostering seamless transitions between secondary and  
30 postsecondary education.
- 31           (3) Scale and replicate to be able to build a scalable framework for rapid  
32 implementation across North Carolina.
- 33           (4) Empower student ownership by enabling students to set long-term learning  
34 goals and to manage and own their credentials with a digital wallet.
- 35           (5) Facilitate student work experiences to accelerate learning and transition  
36 students into work through "learn & earn" work-based learning in partnership  
37 with public agencies and private employers.
- 38           (6) Address workforce needs by developing and sustaining a comprehensive  
39 talent pipeline of skilled workers for high-demand technology fields in  
40 occupations that depend upon informational technology and operational  
41 technology for operational success.
- 42           (7) Develop statewide resources, including a guidebook to facilitate model  
43 replication and a new talent development model to accelerate learning using  
44 CBE.

45           **SECTION 2.1.(d)** Digital Wallet. – The participants in the Initiative shall contract  
46 with a vendor to provide a Credential Management System (CrMS) that meets the following  
47 criteria:

- 48           (1) Provides the capability to issue, manage, and verify digital credentials across  
49 multiple widely adopted open standards, including World Wide Web  
50 Consortium (W3C) Verifiable Credentials, OpenBadges, and AnonCredits,  
51 within a single platform.

- 1 (2) Supports secure, persistent communication channels that enable  
2 authenticated, peer-to-peer interactions between parties.
- 3 (3) Meets or exceeds National Institute of Standards and Technology (NIST)  
4 Identity Assurance Level (IAL) 3 standards for identity proofing to ensure  
5 high-confidence identity verification.
- 6 (4) Is designed as a decentralized deployment operating as a network appliance  
7 within the State's controlled cloud environment rather than as a multi-tenant  
8 Software as a Service (SaaS) offering in order to ensure data sovereignty,  
9 reduce long-term operational costs, and eliminate dependency on third-party  
10 hosted infrastructure.
- 11 (5) Includes a noncustodial mobile digital wallet that enables individuals to  
12 maintain sole control of their credentials.
- 13 (6) Includes configurable, standards-based workflows that extend agency  
14 processes directly to credential holders.
- 15 (7) Incorporates advanced capabilities for workforce matching, including  
16 artificial intelligence driven analysis that aligns verified credentials with  
17 employment opportunities.
- 18 (8) Includes trust and verification systems anchored using blockchain-based  
19 mechanisms solely for publishing tamper-resistant public keys and service  
20 endpoints, without storing any personally identifiable information or  
21 credential data on-chain.

22 **SECTION 2.1.(e)** Support. – The North Carolina Community Colleges System  
23 Office shall provide ongoing technical support to community colleges participating in the  
24 Initiative. FTCC shall enter into a memorandum of understanding with WCC to jointly co-design  
25 the Initiative. As part of this effort, the colleges shall engage an organization with demonstrated  
26 expertise in designing and implementing learner-centered, modular, and competency-based high  
27 school programs aligned with emerging and high-tech career pathways. The selected  
28 organization shall have a history of co-designing stackable credentials with public school units  
29 and postsecondary institutions and a proven track record of building digital infrastructure that  
30 supports student-paced progression, interdisciplinary instruction, and authentic skill  
31 development. The organization shall assist in the development of a comprehensive framework  
32 for the Initiative, including course design, sequencing, credentialing structure, and related  
33 elements necessary to support personalized student progression during the 2026-2027 school  
34 year.

35 **SECTION 2.1.(f)** Funding. – There is appropriated from the General Fund to the  
36 North Carolina Community Colleges System Office the sum of three million seven hundred fifty  
37 thousand dollars (\$3,750,000) in nonrecurring funds for the 2026-2027 fiscal year to be allocated  
38 to FTCC and WCC for the purposes outlined in this section. Of the funds appropriated in this  
39 section, the sum of up to two million seven hundred fifty thousand dollars (\$2,750,000) shall be  
40 allocated to FTCC and the sum of one million dollars (\$1,000,000) shall be allocated to WCC.  
41 Funds allocated for the purposes outlined in this section shall not revert but shall remain available  
42 until the end of the 2029-2030 fiscal year.

## 43 44 **COMPETENCY-BASED HIGH SCHOOL AND HEALTHCARE AND HIGH-TECH** 45 **PATHWAYS PROGRAM**

46 **SECTION 2.2.(a)** Program Established; Purpose. – There is established the  
47 Competency-Based High School and Healthcare and High-Tech Pathways Program (Program).  
48 The purpose of the Program is to create pathways that will utilize competency-based education  
49 (CBE). Pathways will result in obtaining either an associate degree or an industry-recognized  
50 credential/certification/licensure based on the student's goal of employment or enrollment.

1 Students will decide their college or career track at the end of their junior year with an initial  
2 emphasis on healthcare preparation.

3 **SECTION 2.2.(b) Participants.** – Mooresville Graded School District (MGSD) shall  
4 partner with Mitchell Community College (MCC) to implement the Program.

5 **SECTION 2.2.(c) Program Time Line.** – MGSD, in collaboration with MCC, shall  
6 contract with an organization with demonstrated expertise in designing and implementing  
7 learner-centered, modular, and competency-based high school programs that align with emerging  
8 healthcare and high-tech career pathways. The organization shall have experience in  
9 co-designing stackable credentials with public school units and higher education partners and a  
10 documented track record of developing digital infrastructure that supports student-paced  
11 progression, interdisciplinary learning, and real-world skill acquisition. This organization shall  
12 assist in developing a framework for the Program, including course design, sequencing,  
13 credentialing structure, and other elements necessary for personalized student progression during  
14 the 2026-2027 school year. Students will have the opportunity to participate in a pathway  
15 provided by the Program by the 2028-2029 school year at the latest.

16 **SECTION 2.2.(d) Program Flexibilities.** – Notwithstanding any provision of law to  
17 the contrary, the following flexibilities shall be available to Program participants:

- 18 (1) MGSD may offer Credit by Demonstrated Mastery assessments and CTE  
19 Proof of Learning assessments outside of existing State testing windows.
- 20 (2) MCC may enroll MGSD students in community college courses prior to their  
21 eleventh grade year without the student meeting the requirements for ninth  
22 and tenth grade students pursuant to subdivision (4) of G.S. 115D-20.
- 23 (3) Students participating in the Program shall have access to all community  
24 college courses at MCC, regardless of pathway selection.
- 25 (4) MGSD may replace any high school graduation credit requirement, except  
26 those outlined in this subdivision, with either community college courses  
27 offered by MCC or locally developed CBE courses that are consistent with  
28 the student's pathway. MGSD shall not replace any graduation credit  
29 requirements in the following subject areas:
  - 30 a. English.
  - 31 b. Mathematics.
  - 32 c. Science.
  - 33 d. Social Studies.
- 34 (5) MGSD may operate any high school in the local school administrative unit  
35 consistent with the flexibilities of a school operating under a restart model  
36 pursuant to G.S. 115C-105.37B(a)(2).

37 **SECTION 2.2.(e) Selection of Third-Party Vendor.** – MGSD shall select a  
38 third-party vendor (Vendor) that is an educational support provider with a nationally recognized,  
39 research-based instructional and leadership framework, including a High Reliability School  
40 model, a taxonomy of educational objectives aligned to classroom strategies, and a system for  
41 implementing personalized competency-based education. The Vendor shall have published  
42 extensively in peer-reviewed and practitioner literature, have an established track record of  
43 working directly with K-12 schools and districts across multiple states, and offer professional  
44 development services, implementation support, and instructional resources developed and led by  
45 a founding education researcher with over four decades of influence in curriculum, instruction,  
46 and assessment.

47 **SECTION 2.2.(f) MGSD Partnership with Vendor.** – MGSD shall partner with the  
48 Vendor selected pursuant to subsection (e) of this section to develop standards-aligned  
49 proficiency scales for all content areas in grades nine through 12 to ensure educators in the  
50 participating schools have the tools necessary to successfully transition to CBE approaches. The  
51 Vendor shall provide professional development and coaching to the schools in MGSD to ensure

1 educators can engage in learning about CBE approaches, including implementation of the  
2 proficiency scales developed by MGSD.

3 **SECTION 2.2.(g) Funding.** – There is appropriated from the General Fund to the  
4 Department of Public Instruction the sum of four million dollars (\$4,000,000) in nonrecurring  
5 funds for the 2026-2027 fiscal year. These funds shall not revert but shall remain available until  
6 the end of the 2028-2029 fiscal year. These funds shall be allocated to MGSD for the following  
7 purposes:

- 8 (1) To contract with experts in CBE and designing stackable credentials pursuant  
9 to subsection (c) of this section.
- 10 (2) To hire one additional staff member at MGSD to oversee implementation of  
11 the Program.
- 12 (3) To partner with a Vendor pursuant to subsection (f) of this section.

### 13 **LIGHTHOUSE MATH PROJECT**

14 **SECTION 2.3.(a) Project Established; Purpose.** – There is established the  
15 Lighthouse Math Project (Project). The purpose of the Project is to increase the percentage of  
16 high school students who are (i) eligible to complete college level mathematics upon graduation  
17 from high school and (ii) able to complete college level math either through dual enrollment  
18 while in high school or within the first year of college enrollment.

19 **SECTION 2.3.(b) Project Participants.** – Wake Technical Community College  
20 (Wake Tech) shall partner with Wake County Public School System (WCPSS) for high school  
21 students at East Wake High School and Knightdale High School to be eligible to participate in  
22 the Project at the Wake Tech East campus of Wake Tech. Wake Tech and WCPSS shall partner  
23 with SparkNC to align the Project participants' ongoing efforts at the Wake Tech East campus  
24 with the design and implementation of the Project.

25 **SECTION 2.3.(c) Project Commitments.** – WCPSS, in collaboration with Wake  
26 Tech, shall contract with Khan Academy, Inc., (Khan) for use of the artificial intelligence student  
27 tutoring program, Khanmigo. Students enrolling at participating high schools shall have access  
28 to Khanmigo from the time of enrollment in the high school and continuing through their  
29 attendance at Wake Tech if the student chooses to enroll at Wake Tech East. Wake Tech shall  
30 collaborate with Khan to do the following:

- 31 (1) Develop and deliver at least one Khanmigo-centered gateway college math  
32 course to be offered to high school students at participating high schools to be  
33 completed as a college level math course. This course shall also be available  
34 to students who graduate from participating high schools and enroll in the  
35 courses at Wake Tech East.
- 36 (2) Develop a Khanmigo-centered developmental math course sequence that will  
37 be provided by Wake Tech faculty to students from participating high schools  
38 in one of the following formats:
  - 39 a. As part of a Career and College Promise Career Ready Pathway.
  - 40 b. As supplement to a Career and College Promise Pathway.
  - 41 c. As a summer bridge program available to students prior to or  
42 subsequent to their junior and senior years of high school.
  - 43 d. As a community college course during the first semester of enrollment  
44 at Wake Tech.

45 **SECTION 2.3.(d) Modular Math Course.** – As part of the Project, Khan, in  
46 consultation with Wake Tech and WCPSS, shall work to develop a self-paced, competency-based  
47 modular math course with appropriate student diagnostics and student assessments based on the  
48 college readiness math competencies provided as part of the Project. It is the intent that students  
49 successfully demonstrating college readiness math competencies will be eligible to enroll in  
50 college level math courses.  
51

1           **SECTION 2.3.(e)** Funding; DPI. – There is appropriated from the General Fund to  
2 the Department of Public Instruction the sum of five hundred thousand dollars (\$500,000) in  
3 nonrecurring funds for the 2026-2027 fiscal year to contract with Khan for licenses for the  
4 Khanmigo application and to create the course developed pursuant to subdivision (1) of  
5 subsection (c) of this section. Funds appropriated for the purposes laid out in this section shall  
6 not revert but shall remain available to accomplish the purposes of this section until the end of  
7 the 2027-2028 fiscal year.

8           **SECTION 2.3.(f)** Funding; NCCCS. – There is appropriated from the General Fund  
9 to the Community Colleges System Office the sum of up to one million dollars (\$1,000,000) in  
10 nonrecurring funds for the 2026-2027 fiscal year to be used to establish time-limited positions at  
11 Wake Tech. Two positions shall be assigned to work in each participating high school to assist  
12 in the implementation of the courses offered by the Project. Funds appropriated for the purposes  
13 laid out in this section shall not revert but shall remain available to accomplish the purposes of  
14 this section until the end of the 2029-2030 fiscal year.

## 15 16 **COMPETENCY-BASED EDUCATION AND HIGH SCHOOL REDESIGN** 17 **STRATEGIC NETWORK**

18           **SECTION 2.4.** Mooresville Graded School District, Mitchell Community College,  
19 Wake Technical Community College, Wake County Public School System, Fayetteville  
20 Technical Community College, Wilkes Community College, and SparkNC shall collaborate to  
21 create a Competency-Based Education and High School Redesign Strategic Network (Network).  
22 The president of SparkNC, or the president's designee, shall serve as the chair of the Network.  
23 The chair shall coordinate the operations of the Network and provide administrative and technical  
24 support for the Network to the extent such support is necessary. The Network shall provide a  
25 means for each entity to share what it has learned and developed regarding CBE and high school  
26 redesign. The goals of the Network shall be to advance the goals of developing a CBE approach  
27 to education across the State.

## 28 29 **COMPETENCY-BASED INNOVATION GRANT PROGRAM**

30           **SECTION 2.5.(a)** Program Established; Purpose. – There is established the North  
31 Carolina Competency-Based Education Innovation Grant and Network Program (Program). The  
32 purpose of the Program is to provide funding and support to schools and districts to support the  
33 transition to competency-based education (CBE) models that focus on mastery of learning rather  
34 than instructional time. The grant aims to promote innovative instructional practices, flexible  
35 assessment models, and systemic shifts to ensure all students progress based on demonstrated  
36 proficiency.

37           **SECTION 2.5.(b)** Program Objectives. – The objectives of the Program are as  
38 follows:

- 39           (1) Redesign learning pathways. – Support schools and districts in developing  
40 personalized CBE models that allow students to progress at their own pace.
- 41           (2) Assessment innovation. – Utilize formative and performance-based  
42 assessments that measure student mastery of skills and knowledge, including  
43 the use of AI learning tools.
- 44           (3) Educator capacity building. – Provide common professional development for  
45 educators on instructional strategies and assessment practices aligned with  
46 transitioning to CBE.
- 47           (4) Develop strategies for statewide scaling and best practices. – Develop and  
48 share resources, implementation strategies, and lessons learned to expand  
49 CBE across North Carolina.

50           **SECTION 2.5.(c)** Phase One. – The first phase of the Program shall begin with the  
51 2026-2027 school year and continue until the conclusion of the 2029-2030 school year. Public

1 school units shall submit applications and complete any planning or organizational duties during  
2 the 2026-2027 school year with implementation of CBE in participating schools beginning with  
3 the 2027-2028 school year.

4 **SECTION 2.5.(d) Application.** – The Department of Public Instruction shall create  
5 an application for the Program and make the application available to all public school units no  
6 later than 60 days after this act becomes law. Public school units shall submit their applications  
7 to the Department no later than 60 days after the application becomes available. The Department  
8 shall select 10 schools to participate in the Program no later than 60 days after the close of the  
9 application period. When selecting schools to participate in the Program, the Department shall  
10 prioritize schools that show a strong commitment to implementing CBE and innovation in  
11 assessment. The Department shall develop criteria to determine which schools are most ready to  
12 transition to CBE. The application shall include at least the following:

- 13 (1) A comprehensive plan outlining the school's vision for competency-based  
14 education.
- 15 (2) A description of instructional and assessment shifts to be implemented.
- 16 (3) A budget for use of grant funds and a sustainability plan to continue utilizing  
17 CBE after the conclusion of Phase One.
- 18 (4) Commitments from public school units leadership and stakeholders.

19 **SECTION 2.5.(e) Grant Funds; Use; Training.** – Grant awards shall be in the amount  
20 of three hundred thirty thousand dollars (\$330,000) to each participating school. Participating  
21 schools shall use the sum of ninety-five thousand dollars (\$95,000) each school year to receive  
22 training on the implementation of CBE in the school. The remaining grant funds shall be used  
23 for costs associated with the transition to CBE, including travel costs and CBE resources. Grant  
24 funds shall remain available until the end of the 2029-2030 fiscal year.

25 **SECTION 2.5.(f) Selection of Third-Party Vendor.** – The Department shall select a  
26 third-party vendor (Vendor) that is an educational support provider with a nationally recognized,  
27 research-based instructional and leadership framework, including a High Reliability School  
28 model, a taxonomy of educational objectives aligned to classroom strategies, and a system for  
29 implementing personalized competency-based education. The provider must have published  
30 extensively in peer-reviewed and practitioner literature, have an established track record of  
31 working directly with K-12 schools and districts across multiple states, and offer professional  
32 development services, implementation support, and instructional resources developed and led by  
33 a founding education researcher with over four decades of influence in curriculum, instruction,  
34 and assessment.

35 **SECTION 2.5.(g) Department Partnership with Vendor.** – The Department shall  
36 partner with the Vendor selected pursuant to subsection (f) of this section to develop publicly  
37 available, standards-aligned proficiency scales for all content areas and grade levels to ensure  
38 educators in the participating schools have the tools necessary to successfully transition to CBE  
39 approaches. The Vendor shall provide annual professional development events throughout the  
40 regions of the State to ensure educators can engage in learning about CBE approaches, including  
41 implementation of the proficiency scales developed by the Department.

42 **SECTION 2.5.(h) Department Duties.** – The Department of Public Instruction shall  
43 do the following as part of the Program:

- 44 (1) Develop, in collaboration with the Vendor, a CBE Network to support the  
45 long-term transition to CBE. The CBE Network shall do the following:
  - 46 a. Provide strategic guidance and policy recommendations for scaling  
47 CBE statewide.
  - 48 b. Facilitate collaboration among grant recipients, educators,  
49 policymakers, and CBE industrial leaders.
  - 50 c. Develop a long-term roadmap for CBE implementation statewide.

- d. Offer professional learning communities and shared online resources to support ongoing innovation and capacity building.
- e. Develop methods of measuring proficiency for all courses offered as part of the standard course of study in kindergarten through grade 12, with support from the Vendor.
- f. Disseminate developed proficiency measures to all public school units and post standards developed to align with the proficiency measures online on a publicly accessible website.
- g. Conduct research and evaluation to inform best practices and continuous improvement in participating schools.

- (2) Provide support and technical assistance, professional learning opportunities, and access to the CBE Network for all grant recipients.

**SECTION 2.5.(i) Reporting; Participants.** – Each participating school shall submit a quarterly progress report to the Department detailing implementation of CBE in the school. The Department shall establish the due dates and mechanism for the submission of the progress reports. Progress shall include available student learning outcome data, including evidence of progress toward content mastery.

**SECTION 2.5.(j) Reporting; Department.** – The Department of Public Instruction shall submit a final report on the outcomes of Phase One of the Program to the Joint Legislative Education Oversight Committee by December 1, 2030. The report shall include the following:

- (1) A summary of student outcomes reported by participating schools.
- (2) Any challenges experienced by participating schools or the Department with implementation of the Program.
- (3) Recommendations for scaling the Program statewide.
- (4) Any other information the Department deems relevant.
- (5) Any information requested by the Committee.

**SECTION 2.5.(k) Appropriation.** – There is appropriated from the General Fund to the Department of Public Instruction the sum of five million three hundred thousand dollars (\$5,300,000) in nonrecurring funds to implement the provisions of this section. Funds appropriated in this section shall not revert but shall remain available until the end of the 2029-2030 fiscal year.

## **OFFICE OF LEARNING RESEARCH EVALUATION**

**SECTION 2.6.(a) Study and Evaluation.** – The Office of Learning Research at the North Carolina Collaboratory shall study and evaluate the programs and initiatives established pursuant to this Part and report to the Joint Legislative Education Oversight Committee by March 15, 2028, and annually thereafter, culminating in a final report on March 15, 2031. Reports shall include at least the following:

- (1) The total number of students engaging with these programs.
- (2) The total amount of funds expended to implement, design, and operate the programs.
- (3) Effects on student achievement and learning outcomes.

**SECTION 2.6.(b) Funding.** – There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of four hundred fifty thousand dollars (\$450,000) in nonrecurring funds for the 2026-2027 fiscal year to be allocated to the North Carolina Collaboratory for the Office of Learning Research to conduct the study and evaluation required by this section.

## **PART III. EFFECTIVE DATE**

**SECTION 3.** Except as otherwise provided, this act becomes effective July 1, 2026.