

Summary SL2026-41 (SB 257)

SALARY AND PERSONNEL – Comparison file for details

Teachers and Instructional Support \$514,733,062 (R)

- Section 7A.1 Authorizes experience step increase for teachers and instructional support.
- Range of step on the teacher bachelor scale - \$2,940 to \$7,250 / 18% to 3.8%
- 7A.3. Modifies 115C-296.2 related to teachers eligible to receive the 12% NBPTS differential, modification adds teachers in advanced teaching roles.

7A.2 Assistant Principals \$11,457,978 (R)

Step increase plus schedule increase consistent with the teacher schedule

7A.7 Principals \$9,931,831 (R)

3% increase to certified monthly pay

Technical Corrections SL2026-42 Section 2.4

Effective Jan 1, 2027 modified the principal schedule

All principals shall be paid on the Base pay. Principals who are eligible to be paid on the “Met” or “Exceeded” schedule shall receive half the difference of the Base pay and the Met or Exceeded schedule, respectively by January 31st, 2026.

7A.12 Noncertified and Central Office

3% increase

BONUSES – See associated FAQ under “What’s New” on the [FBS website](#).

7A.4 Codifies the teacher performance bonus program at 115C-302.9 and the principal program at 115C-285.5.

Teacher, instructional support and assistant principals

0-15 years \$500

16+ years \$1,000

Step as of October 1, 2026

41.2 Principals, noncertified, central office (tech correct SL2026-42 section 8.1)

Greater than or equal to \$65,000 \$1,000

Less than \$65,000 \$1,750

7A.13 #43 Local School Nutrition and Custodial Staff Bonus \$17,020,811 (NR)

Provides State funds for locally and federally funded custodians and school nutrition employees of \$1,750 bonus.

7A.9 PRC 0028 Changes to the Principal Recruitment Bonus \$-

Eligible schools expanded to the bottom 10% of all schools in the State in the prior school year (previously the bottom 5%).

Adds a Retention component to the program

A qualifying retention principal who received a recruitment salary supplement for 36 months shall receive a subsequent annual salary supplement of twenty thousand dollars (\$20,000), paid on a monthly basis, as long as the principal remains employed as the principal of the same school, up to a maximum period of 36 months.

7A.4 Also see section 7A.4 for changes to PRC0071 Information in the Allotments section of this document.

41.25 Benefits

Retirement 26.10% **Health** \$8,925

7A.5 Report Local Salary Schedules \$-

(a) No later than November 15 of each year, every LEA shall report all variations of its experience-based salary schedules for teachers and instructional support personnel to the Department of State Auditor:

- (1) Base salary schedules for each class of teachers and instructional support personnel regardless of source of funds.
- (2) All supplementary salary amounts each class of teachers and instructional support personnel in the unit, delineated by source of funds.
- (3) Total salary amounts provided to each class of teachers and instructional support personnel.

No later than Feb 15, these schedules shall be published to the DPI website and report to JLEOC and FRD.

ALLOTMENTS

#49-53 Technical Adjustments

The funding of the following technical adjustments fully funds the planning allotments at the current year formulas. School Business has recalculated the planning allotments to reflect this additional funding. All amounts are recurring.

Average Salary Adjustment	\$(8,962,716)
Non ADM Adjustment	\$49,828,963
EC Headcount	\$4,980,728
Adm Adjustment	\$(104,570,906)
Low wealth	See next item

7.5 #51 PRC0031 Freeze Low Wealth Funds **\$21,259,750 (R)**

Technical Adjustment and adds a provision under G.S.115C-472.22 to minimize the financial impact of low wealth supplement funding from year to year.

Beginning 2027-28, freezes the total appropriation at the 2026-27 level, Low Wealth formula remains unchanged with the addition of the following provision.

A county that becomes ineligible for funding shall receive a 30% reduction for one year. For all other counties, no change in the total allotment shall be more than 30% reduction from the prior year.

#80 PRC0012 Driver Education **\$1,000,000 (R)**

Additional funding for the program. No other changes. Remains funded from Civil Fines and Penalties.

5.5 PRC0018 Redirect Investment Income from Certain Funds

115C-102.6D(b) PSUs shall no longer receive interest on the School Tech funds.

Also see notes on Capital Fund in the “Capital” Section

7.3 #86 PRC0054 Streamline Limited English Proficient Allotment **\$142,000 (NR)**

Modifies the allotment formula to allocate based on headcount.

Specifies the use of the funds for classroom teachers, teacher assistants, tutors, instructional materials, transportation and professional development

Non supplant clause for LEAs

Non recurring funding is to ensure that LEAs with less than 20,000 do not have a reduction of more than \$50,000 from the 2025-26 allotment.

7.4 #63 PRC00133 Instructional Materials

\$10,000,000 (R)

No change in total appropriation.

Textbooks and Digital Resources allotment terminated. Funds shall remain in PRC131 until expended. Effective July 1, 2026, there is established the Instructional Materials funding allotment (new PRC 133) within the State Public School Fund. SBE shall establish the purposes for which the funds within the Instructional Materials funding allotment may be used for the purchase and maintenance of instructional materials and supplementary materials. Funds allocated to the Instructional Materials funding allotment in fiscal years 2026-2027, 2027-2028, and 2028-2029 shall not revert to the General Fund at the end of the fiscal year but shall remain available until expended.

See also Sunset of Textbook Commission and Warehouse.

7.57 PRC0032 Transfer of Supplemental Exceptional Children Funding

\$-

Modifies G.S.115C-111.05

All PSUs shall receive supplemental funding based on growth of EC students in current year. Previously, only for charter to LEA and vice versa.

7.25 PRC0067 Master of School Administration Intern Stipend

Amends G.S. 115C-284.2

To the extent funds are made available for this purpose, DPI shall provide principal interns with a 10-month stipend during the internship. Previously, the requirement was “up to 10 month stipend” allowing for a proration within available funding.

No additional funding but DPI may use available reversion funds in the State Public School Fund to cover any shortfall.

Report Feb 15

7.A.5 #44PRC0071 Supplemental Funds for Teacher Compensation

\$29,000,000 (NR)

Modifies the formula for the market value of taxable real property to less than \$80 billion. All PSUs are eligible with the exception of those in Wake and Mecklenburg counties.

7.56 PRC0036 Charter School Exceptional Children Funding

\$4,100,000 (NR)

Funds from 2025-26 SPSF reversion.

For any charter school that did not receive an additional pro rata allocation for each child attending the charter school who was a child with disabilities that enrolled in the school during the first 60 days of the 2025-2026 school year, DPI shall allocate the additional pro rata amount. Provided for charter schools that did not provide the required report in 2026 and therefore did not receive the funds.

Report required.

7.59 PRC0036 Adjust Statewide Remote Charter Academy per Pupil Allotment to Statewide Average

Effective 2027-28. Changes the funding for Remote Charter Academies to the average State per pupil allocation for average daily membership for each child attending the charter school except for the allocation for children with disabilities and for the allocation for children with limited English proficiency. Previously, funding was at the \$ per ADM of the LEA in which it was located.

7.31 #84 PRC0038 NERSBA

\$450,000 (R)

New General Statute 115C Article 15A 115C-229

Modifies the governance.

G.S.115C-229.55(4) directs the SBE to allocate the local funds from State appropriations.

Previously LEAs in which the students reside, were required to provide the funds to NERSBA in the same way they are required to do for charter schools.

8.4 #81 PRC00XX Supplemental Funds for LEAs who Support Lab Schools

\$650,000 (R)

Funds to LEAs that support Lab schools. These funds are intended to offset costs the district may incur in providing transportation, nutrition, and other services to the laboratory schools. DPI shall distribute the funds between the eligible districts on the basis of the allotted ADM of students in the laboratory school within each district.

Also see Section 8.4 Establish Standards for Agreements between UNC and LEA for the Operation and Maintenance of Lab Schools

Rewrites 116-239.8

GRANTS

7.19 PRC0022 #66 & 0025 #65 Advanced Teaching Roles **\$2,000,000 (R)** **\$30,000,000 (R)**

\$2m in funds to expand the grant program. Total program \$7.5m.

\$30m for salary supplements in ATR approved schools

Modifies G.S.115C-310.3. to change the roles eliminates Adult Leadership and Classroom Excellence Teacher.

Adds

- Collaborative impact leaders - up to 15% of teachers - \$10k supplement
- Partial release collaborative impact leaders - \$5k supplement
- Teacher of distinction 5% of teachers – 43k supplement

Amends G.S.115C-310.11 to direct DPI to provide \$150,000 in the planning year to the LEA.

And \$15,000 per school per year for implementation up to 3 years.

Other non fiscal changes.

7.17 #64 PRC0065 Eliminate Coding & Mobile App. Dev. Grant Programs **(\$800,000) (NR)**

17 LEAs and one charter school received this grant in 2024-25. Individual grants range from \$13,819 to \$80,000.

7.45 #85 PRC0055 CIHS **\$380,000 (R)**

Effective July 1, 2027 - supplemental funding for Asheville City School of Inquiry and Life Sciences (previously a special school 700, and transfers the funding to CIHS) and Durham Early College of Health Sciences. Does not fund the Hertford County ECHS.

7.23 PRC0052/PRC0069 Extended Learning and Integrated Student Support **\$7,000,000 (R)** **(ELISS)**

Effective 2027-28, reduces At Risk Allotment (PRC0069) by \$7m to fund the ELISS grants (PRC0052). This is not reflected in the money report.

Nonprofit corporations and nonprofit corporations working in collaboration with local school administrative units may apply for grants from the ELISS Program. Codifies the program at G.S.115C-238.35.

7.18 Previous PRC0088 Formalize the Diaper Bank of NC as the Provider for the Feminine Hygiene Products.

Moves the program from a grant program and allotments to the PSUs to an election to participate. DPI shall contract with the provider, and the provider shall allocate to those PSUs that elected to participate based on a 6-12 ADM. Removes the maximum amount for \$5,000 per PSU. Continues the reporting requirement. Total appropriation remains unchanged at \$500,000.

#78 PRC251 Economically Disadvantaged School Bonus**\$2,000,000(NR)**

Provides additional funds to allot performance-based incentive funding to schools in which more than 80% of students are economically disadvantaged and that exceed growth on school-wide EVAAS scores. The revised net appropriation for this purpose is \$6.0 million in FY 2026-27. 17 schools received a share of these funds in 2025-26.

7.24 PRC252 TeachReadyNC Program

Modifies general statute Article 17D

Pertains to education prep programs

G.S. 115C-269.65

Rewrites the current apprentice program and grants, currently funded at \$1,000,000

Requires DPI to administer TeachReadyNC in collaboration with ApprenticeshipNC.

Permits the conversion of a classroom teacher position (PRC0001) at the 1st step of the A schedule for each apprentice employed by a LE.

DPI may retain the greater of 15% or \$300,000 each year for administration of TeachReadyNC.

DPI shall allocate grant funds each fiscal year for each apprentice position. The cost of an apprentice position is the amount identified by a participating unit in its TeachReadyNC application under G.S. 115C-269.67(b) and constitutes the salary supplement for an apprentice, the cost of attendance payment for an apprentice, and the salary supplement for the apprentice supervisor of an apprentice, up to the maximums of

- \$7,500 for supplement to the apprentice
- \$5,000 for education prep program
- \$5,000 for each apprentice supervisor

If there are TeachReadyNC funds remaining after funds have been allocated, DPI may allocate the remaining funds to participating units according to a process developed by DPI to optimize the success of TeachReadyNC in those units.

Funds do not revert until October 1 of the next fiscal year.

LEAs who participated in the program in 2025-26 may continue until the apprentices are no longer eligible. These LEAs include Union, Wayne, Mount Airy, Yadkin and Surry for a total of \$150,000.

7.26 #77 PRC0023 CTE Modernization**\$2,000,000 (NR)**

Grant program continued.

7.28 PRC0256 Modify Grants for CTE Homebuilding Programs

Repeals previous grant program in SL2023-134 Section 7.19

New General Statute 115C-173.20

To provide grants to assist PSU with curriculum costs associated with CTE programs related to the U.S. Department of Labor approved Pre-Apprenticeship Certificate Training (PACT) program developed by the Home Builders Institute. DPI shall permit high schools within PSUs to use the PACT program as an approved curriculum for CTE programs.

A PSU or a regional partnership of more than one PSU may apply to receive funds.

DPI shall prioritize PSUs (i) located, in whole or in part, in a county with at least one LEA that received low-wealth supplemental funding in the previous fiscal year and (ii) that have a high population of at-risk students or students with disabilities.

7.30 #76 New PRC After-School Robotics Grant Program

\$2,000,000(NR)

Any PSU may apply. To develop a program with a robotics partner in any high school

DPI shall prioritize awarding grants to PSUs that had an after-school robotics program in the prior school year. Grant awards shall not exceed \$15,000 per participating high school in the PSU.

Reporting requirement.

7.38 #71 New PRC Cardiac Emergency Response Plans and One AED per School

\$4,000,000(NR)

New General Statute 115C-375.6

Requires all PSUs to develop a cardiac emergency response plan.

Funds to ensure that there is at least one AED in each public school and for training on cardiac emergency response. \$2,000 per public school that does not have at least one AED.

DPI will need to survey the PSUs to obtain the data on existing AEDs by school.

Any remaining funds shall be used to replace existing AEDs.

Required report by December 1, 2027.

7.40 #82 New Just Right Reader Pilot Program

\$500,000 (NR)

New allotment to named LEAs only. To purchase literacy packets from Just Right Reader, Inc., to be provided to low-performing schools in the units for use in first grade classrooms.

Funds shall be distributed to the following PSUs on the basis of first grade average daily membership: Burke, Gaston, Johnston, New Hanover, Randolph and Union County Schools.

OLR report required.

7.14 #70 New Competency-Based Education Innovation Grant Program **\$5,300,000 (NR)**

Funds for a grant program for FY2027 through FY2030. The program shall provide funding and support to districts to support the transition to competency-based education models.

The grant funds shall be \$300,000 to each participating school.

- \$95,000 for training on implementation of CBE.
- The remaining for transition costs including travel and CBE resources.

Funds do not revert until June 30, 2030.

7.11 #72 Competency-Based Education & HS Redesign Strategic Network **\$4,000,000 (NR)**

Funds for Mooresville Graded School District to partner with Mitchell Community College.

MGSD shall contract with a vendor. *Directed grant*

7.13 Competency-Based Education & HS Redesign Strategic Network **\$ -**

Mooresville Graded School District, Mitchell Community College, Wake Technical Community College, Wake County Public School System, Fayetteville Technical Community College, Wilkes Community College, and SparkNC shall collaborate to create a Competency-Based Education and High School Redesign Strategic Network (Network) for the 2026-2027 through 2029-2030 fiscal years.

#75 Farm to School Program **\$2,500,000 (NR)**

Provides funds to distribute reimbursements to eligible elementary schools that serve fresh fruits, vegetables, and other local agricultural products to children through the North Carolina Farm to School Program.

7.12 #73 & B9 #29 Lighthouse Math Project **\$500,000 (NR)**

Funds for Wake Tech (see community College section) to partner with Wake County Public Schools

Partnership with SparkNC.

DPI shall use \$500,000 to contract with Khan for licenses for Khanmigo

Funds shall not revert until June 30, 2028.

7.15 #73 Khan Academic Support Program **\$2,500,000 (R)**

New G.S.115C-238.90

To allow PSUs to contract with Khan Academy to use the Khanmigo in grades 6-12.

PSUs may elect to participate. The number of licenses shall not exceed the total ADM in 6-12 and the total teachers and administrators for students in 6-12.

DPI shall contract with Khan Academy for 500 licenses for Division of Juvenile Justice of DPS.

7.16 #74 MagicSchool Academic Support Program **\$2,500,000 (R)**

New G.S.115C-238.95

To allow PSUs to contract with MagicSchool, Inc to use the MagicSchool in grades 6-12.

PSUs may elect to participate. PSUs enter into the one-year contract. The number of licenses shall not exceed the total ADM in 6-12 and the total teachers and administrators for students in 6-12.

DPI shall contract with MagicSchool for 500 licenses for Division of Juvenile Justice of DPS.

CAPITAL

4.2 Capital Lottery Funds

Needs Based Public School Capital Fund	\$100,000,000
Needs Based Public School Capital	\$258,252,612
Public School Repair and Renovation	\$50,000,000

4.3 Needs Based Public School Capital Fund Grant Prioritization

Modifies 115C-546.10 to add:

If a county has multiple local school administrative units, nothing in this section shall prohibit the eligibility for a grant under this Article if the county received a grant for a different LEA in a prior year.

5.5 Redirect Investment Income from Certain Funds

Rewrites 115C-546.10 to place the Needs Based Public School Capital Fund in a nonreverting special fund at DPI, and not in an interest bearing account invested by the State Treasurer. DPI will no longer receive the interest or investment proceeds of this fund to benefit LEA capital.

115C-102.6D(b) PSUs shall no longer receive interest on the School Tech fund

OTHER

5A.2 PRC 0162 Disaster Recovery Appropriations/Allocations **(\$21,152,762)**

Reverts unexpended funds #115 to #118

\$8,000,000 capital funds

\$4,395,165 SELREP

\$4,170,000 Technology

\$3,644,290 School nutrition equipment loss

\$943,307 school nutrition compensation

7.1 #89 TeachNC initiative

(\$980,000) (R)

\$800,000 (NR)

Eliminates effective July 1, 2027. Provides nonrecurring funds for DPI to continue its contract with Teach.org Inc. to maintain the TeachNC platform for one year .

Eliminates 1 FTE at DPI.

7.2 Clarify Learning.com Funding

DPI shall continue to contract with Learning.com for \$4m and shall not impede the PSUs access to Learning.com.

7.4 #61-63, 102,103,120,121,124,125 Repeal Textbook Commission

7.4 Repeal Textbook Commission

(\$138,000) (\$775,097) (\$61,497) (R)

#125,102,103,62,61

Textbook fund balance has been transferred out. Other Funding has not been adjusted.

#124 H56 2.3 Eliminates State Textbook Fund and Commission (Tech correct)

(\$59,409,859)

(\$836,594)

7.22 #105 SparkNC

\$4,500,000 (R)

Funds are provided as a pass through grant

New general statute 115C-238.90

PSUs may partner with SparkNC, a nonprofit corporation, to implement learning accelerator programs that include high-tech learning accelerators, health science learning accelerators, or both, in compliance with this section.

PSUs shall enter into a MOU with SparkNC.

Learning lab facilitators are not required to hold a teaching license and are not required to be paid on the teacher salary schedule.

7.21 CEP Time Line Shift and Clarify Breakfast Location

New general statute. G.S. 264.6

DPI shall establish the Program to expand public school participation in the federal CEP program to increase the number of students with access to healthy, cost-free school breakfast and lunch.

DPI shall issue State reimbursements to participating units to supplement federal reimbursements of school meals. State reimbursement shall equal the difference between the federal free rate and the federal paid rate for the number of meals served at the participating schools equal to a 0.2 multiplier of the ISP for the participating schools and federal reimbursements shall not exceed 100% of the federal free rate of meals served. Participating schools shall have an innovative breakfast option available where students have access to breakfast and are allowed to consume breakfast in the classroom.

\$500K may be used for DPI administration of the program.

7.36 #69 Foundational Mathematics Instruction and High Quality Instructional Materials \$6,000,000 (R)

Materials

New general statute. G.S. 115C-105.42A

Curriculum requirement changes.

Provides funds for a math diagnostic screener in grades K-8 in low-performing schools.

Requires DPI to select a vendor by January 15, 2028, and the State Board of Education shall make assessments available to low-performing schools for use beginning with the 2028-2029 school year.

7.8 #67 Elementary and Middle School Literacy Improvement \$13,800,800 (NR)

Policy changes

DPI shall use funds appropriated to contract with Lexia Learning Systems, LLC, to provide Lexia Aspire Professional Learning to all English Language Arts, math, science, social studies, teachers of students who are English language learners, and Exceptional Children teachers who teach students in grades 6 through 8.

#79 Diagnostic Reading Assessment Grades 4 &5 \$1,427,000 (R)

Provides funds to expand the Dynamic Indicators of Basic Early Literacy Skills (DIBELS) reading diagnostic to 4th and 5th grade. The funds also may be used to support initial implementation costs.

7.41 #90 Carnegie Math Professional Development \$4,000,000 (NR)

To contract with Carnegie Learning, Inc., to develop a mathematics professional development pilot program for mathematics teachers teaching students in grades six through eight, as well as public school unit and building-level instructional leaders.

7.44 #92 Year13 Contract \$1,370,000 (NR)

To contract with Year13 to license, host, and maintain the career development planning component accessed via the NC Careers website operated by the Department of Commerce, utilizing the Year13 proprietary system.

7.48 #101 Student Attendance Early Intervention Pilot Program \$75,000 (NR)

A one year program to reduce chronic absenteeism

DPI shall select a vendor by Sept 1, 2026.

No more than 15,000 students shall be included in the program.

DPI may either contract with a selected vendor to provide services to the selected PSU or allocate funds to the selected PSU for that unit or schools in the unit to contract with the selected vendor.

Report Requirement.

PASS THROUGH and Directed Grants

Also see SparkNC above

#107 NCASBO **(\$2,225,000) (R)**

Eliminates the funding for the contract which provides technical assistance to finance offices in the PSUs.

#108 Schools that Lead **(\$350,000) (R)**

Eliminates funds for contract with Schools that Lead to provide professional development.

7.47 #114 Muddy Sneakers **\$250,000 (NR)**

to support experiential learning programs that aim to improve the scientific aptitude of fifth graders through supplemental, hands-on field instruction of the State science standards, no portion of the funds may be used for legal fees or any costs associated with litigation

#111 All Pro Dad **\$2,000,000 (NR)**

To Family First, Inc. to expand its All Pro Dad program to promote fatherhood and strengthen family bonds through resources, support, and events. See Section 9J.13(c)

#112 North Carolina Restaurant and Lodging Foundation **\$500,000 (NR)**

To improve and support hospitality training programs, including internships, pre-apprenticeships, apprenticeships, and other learning and training opportunities for high school students.

#113 Clarence Henderson Education Foundation **\$450,000 (NR)**

To provide programming for public school students regarding leadership and character development.

#110 North Carolina Community Schools Coalition **\$3,000,000 (NR)**

To establish or expand community schools programs across the State to increase academic achievement, improve school culture, and provide enhanced health and social support to students and families.

F50 #281 Council on the Holocaust (directed grant through OSBM) **\$25,000 (NR)**

#98 **\$150,000 (NR)**

DPI

5.4 105, #88 DPI Personnel Reduction **(\$1,128,176) (R)** **(154,052) (R)**

FTE of state appropriated positions at DPI eliminated.

Eliminate filled position currently used for public school athletics

No elimination of the Accounting Manager or the Early Learning Sensory positions.

Shall report to FRD by December 1 on the positions eliminated by position number, title, amount of salary and fringe.

7.34 #95 School Planning Section Data Sharing Platform **\$500,000 (NR)**

DPI shall contract with a third-party entity to maintain a digital platform to facilitate data sharing among local school administrative units and county governments regarding products and services purchased for elementary and secondary education, including capital improvement projects.

All LEAs and county governments shall participate in the platform and share relevant information

7.37#87 Repeal Requirement to Contract with NROC Project **(\$412,000) (R)**

Repeals SL2021-180 Section 7.18

7.42 #100 Modifies Source of Funds for Charter School Review Board **\$82,100 (R)**

Previously, DPI was required to use lapse salary. Funds appropriated for this purpose.

7.43 #104 NCCAT **\$4,166,000 (NR)**

Changes to 115C-296.5

Additional Funds for operating and start up costs with the expansion of Cullowhee campus.

7.46 School Business Systems Modernization

By November 1, 2026, DPI shall develop a plan to transition all public school units to using a single ERP platform under a statewide contract.

DPI may utilize \$300,000 of existing SBSM funds for this purpose.

SBSM funds shall revert on June 30, 2031. Reporting requirement.

#96 IT Subscription Support **\$303,142 (R)**

Adjusts funding based on the DIT rate changes effective July 1, 2026.

#94 DIT Technology Infrastructure **\$925,876 (R)**

Provides funds for DPI to cover increased costs associated with an increase in DIT billing rates.

DPI has moved lapsed salary to cover these expenses for the last three years.

#99 TIMS System **\$120,000 (R)**

Provides additional funds to maintain the TIMS system that coordinates efficient school bus routing for PSUs.

#68 UERS Modernization Classlink **\$7,000,000 (NR)**
 Provides funds for DPI to contract with Classlink, Inc. to implement and maintain the Launchpad Single Sign-On and Identity Access Management System.

#91 Gaggle Contract **\$2,000,000 (NR)**
 Provides additional funds for DPI to expand its contract with Gaggle.Net, Inc. to provide technology and services to mitigate cyberbullying, monitor student internet activity, and assist with suicide prevention services. The revised net appropriation for this purpose is \$6.4 million in FY 2026-27.

#97 Learn Platform Contract **\$250,000 (NR)**
 Provides funds for DPI to contract with Instructure Holdings, Inc. for services related to the LearnPlatform, including providing selected PSUs with access to a system that supports the organization, streamlining, and analysis of education technology.

#93 Scholar Education AI Initiative Contract **\$1,00,000 (NR)**
 Provides funds for DPI to contract with Scholar Education, Inc. to provide AI-powered learning and teaching resources.

Budget Transfers and Adjustments – does not impact allocations.

7.60 #106 Public School Reinvestment from Opportunity Scholarship Savings
 A statement that savings were realized from the expansion of eligibility in the Opportunity Scholarship. These items are included in the document above.
 The funds were appropriated under this provision as follows:

Bonuses for locally funded custodians and school nutrition	\$17,020,811
Middle school literacy	\$13,800,000
Collaboratory for math curriculum	\$10,000,000

4.2 Lottery Funds (non capital)

Transportation - (increase in receipts from \$186K)	\$257,311,891
Non Instructional Support- (no change)	\$385,914,455

4.4 Indian Gaming
 Instructional Materials \$10,000,000
 Classroom Materials increase receipts to \$9,000,000

4.5 Civil Penalty and Forfeiture
 Drivers Education increase \$1,000,000 and increase in allocation
 School Tech No change \$18m

#58 Low wealth and Small County Signing Bonus for Teachers **(\$2,000,000) (R)**

Reduces budget to be in line with expenditures. No impact on the program.

Non Money items

6.5 Apprenticeship Studies

No later than March 15, 2027, a plan to facilitate one or more expedited pathways for apprenticeship candidates to enter the teaching profession. ApprenticeshipNC shall develop the plan in collaboration with the Board of Governors of The University of North Carolina, the State Board of Community Colleges, the Department of Public Instruction, and Teach NC.

7.6 Adjustment to Principal Licensure Requirements

7.7 Various Education Report Changes

2018-5 Section 7.17 Report on hospitality jobs repealed.
2017-57 Section 7.32 Report on financial literacy repealed
115C-12(48) Computer science report changed to March 15
115C-316.2 School health personnel reports repealed
115C-299.5 changes the teacher attrition and mobility report to Feb 15
115C-269.50 EPP report cards changed to Feb 15
115C-450 changes the school nutrition operating balance and indirect cost report to Feb 15
115C-218.42 changes the charter transportation grant report to August 15
115C-218-110 changes charter report to August 15
115C-107.5 modifies the EC report

7.9 Automatic Enrollment In Advanced English Language Arts Courses

7.10 Highly Effective Limited License Teachers

7.20 No Alternate School Meals Based on Student Pay Status

Amends G.S.115C-264 and 115C-218.75(n) LEAs, charter schools and regional school shall offer the same meal selections to all students regardless of pay status for the nutrition program..
Charter schools may not impose administrative penalties for unpaid meal debt.

7.27 Early Learning Program/Dyslexia

Rewrites G.S.115C-83.4B(b) to Add

(4)Ensure administration of a dyslexia screening instrument to every student participating in the NC Pre-K program. The Department shall ensure that the results of each child's screening are shared with the child's kindergarten teacher at the beginning of the next school year.

(5) Provide training to educators and administrators working with children in the NC Pre-K program to ensure appropriate instruction and intervention strategies are used with students who exhibit potential indicators of dyslexia.

7.32 Diabetes Education for Parents

PSUs shall ensure that each school provides parents and legal guardians with information from Type I and Type 2 diabetes at the beginning of every year.

7.33 NC Student Lifeline Information for K-12 Students

Provide students with the suicide and crisis lifeline phone number and the NC Peer warmline phone number.

7.29 Career Development Adjustment

Pilot program for 12 schools. The Superintendent of Public Instruction shall create an Annual Career Development Plan Pilot Program for students entering the seventh grade at select schools during the 2026-2027 and 2027-2028 school years and continuing through graduation from high school. The purpose of the Program shall be to evaluate the efficacy of reviewing Career Development Plans annually to better align students for on-time graduation and achievement of college and career goals and to ensure that all students graduate from high school college or career ready.

7.35 Expand K-6 License to Include Grades 7 and 8

The State Board of Education shall adopt rules expanding elementary licenses to include teachers of grades seven and eight.

7.39 Safe and Responsible AI in Schools

Modifies GS 115C-81.90 to required instruction to students on AI.

Add new section G.S.115C-102.13 Artificial Intelligence policies for PSUs.

Modifies 115C-102.14 related to DPIs responsibilities regarding AI tools.

Required report.

7.49 Prohibition on Excessive Expenditures

New GS 115C-438.1 to require DPI to review LEA expenditures for dollar allotments starting in October of each year to eliminate PRC overdraft. (DPI implemented a procedure in January 2026 to meet this).

DPI shall audit position allotments.

7.52 Expansion of Healthy Living Standard Course of Study

Rewrites GS 115C-81.25 re: Health Education

7.53 Computer Science Graduation Requirement Delay

7.54 Released Time Religious Instruction

Rewrites G.S. 115C-379 and 115C-407.45

Modifies excused absence to include equestrian and agricultural events, and for religious instruction

7.58 Extend Charter School Financial Audit Deadlines

Rewrites 115C-218.30

A charter school shall have a minimum of six months from the end date of the fiscal year (ie. Until December 31st) to submit any required financial audits for that fiscal year, unless required earlier as part of a charter renewal application. The Review Board may extend the due date for any audit.

7.61 Prohibit SBE members from Temporary or Interim employment at a PSU

Modifies 115C-10.1

RESIDENTIAL SCHOOLS (No longer under DPI)

7.62 Schools for the Deaf and Blind Amendments

Effective December 1, 2026, the Governor Morehead Preschool and the Early Learning Sensory Program for Vision is transferred from DPI to the Governor Morehead School for the Blind.

Effective December 1, 2026, the Early Learning Sensory Support Program for Hearing is transferred from DPI to the North Carolina School for the Deaf and the Eastern North Carolina School for the Deaf.

7.63 Schools for the Deaf to Provide Early Intervention

#60 Transfer Transportation Funds from DPI to 3 Residential Schools (\$900,000) (R)

These funds were previously transferred by the DPI to support transportation costs at the 3 schools. This is a permanent transfer.

OTHER SECTIONS IN THE BILL OF INTEREST

20.10 Critical Incident school Mapping Data

The Division of Emergency Management shall ensure that the diagrams and emergency response information are securely stored and distributed as provided in the SRMP to first responders, emergency personnel, and school personnel and approved by DPI.

9M.1 (y) Maternal and Child Health Block Grant

If federal funds are received under the Maternal and Child Health Block Grant for abstinence education, for the 2026-2027 fiscal year, then those funds shall be transferred to the SBE to be administered by the DPI. DPI shall use the funds to administer an abstinence until marriage education program consistent with G.S. 115C-81.30. DPI shall carefully and strictly follow federal guidelines in implementing and administering the abstinence education grant funds.

9D.8 Career -ready Lead Teacher Academy Pilot Program

By March 31, 2027, the Community College System, DPI, the North Carolina Center for Afterschool Programs (NC CAP), and DCDEE shall collaborate to ensure the required child care health and safety trainings are embedded in each of the courses in subsection (l) of this section so that individuals who are working to obtain the Provisional Early Childhood Credential can access the required trainings through structured micro credentials, and, through this collaboration, DCDEE shall ensure its trainings are available in the Moodle platform.

8A.2 Revise Certain Opportunity Scholarship Domicile Verification

8.22 Weighted Student Funding Formula Workgroup

\$300,000 is allocated to UNC NC Collaboratory to establish a work group of experts in public education finance, including the DPI, BEST NC and relevant stakeholders, to study and develop a strategy to transition North Carolina to a weighted student funding model for kindergarten through twelfth grade public education.

Report by July 15, 2027 on a 3 year transition.

Also to examine whether to transition from the DPI to the State Education Assistance Authority the responsibility of disbursing any funds to local school administrative units.

8.5 Require Reevaluation of Teaching Fellow Programs

8.23 Public Schools Open Enrollment Study

NC Collaboratory shall study how local school administrative units can allow students to attend any school within the local school administrative unit in which the student is domiciled, other than the assigned base school.