

December Legislative Update and 2026 Short Session Planning

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NORTH CAROLINA
State Board of Education
Department of Public Instruction

Legislative Update

Recent Bill Action

- **NCGA was in session on October 20-23.**
- **Lawmakers passed three new bills, all of which have become law; S449, the latest "mini budget," directly impacts K-12 education:**
 - Senate Bill 249 (SL 2025-95): Realign Congressional Districts 2025
 - Senate Bill 777 (SL 2025-96): General Assembly Appointments
 - [Senate Bill 449 \(SL 2025-97\): Continuing Budget Operations Part IV](#)
- **House announced it is not expecting to hold any votes for the remainder of 2025; Senate later confirmed no votes expected in 2025**



Newly Enacted Bill Impacting K-12 Education

SB 449 (SL 2025-97): Continuing Budget Operations Part IV

- Includes technical change to codify that virtual cooperative innovative high schools receive \$200,000 in supplemental funding each fiscal year
- Includes technical correction to remove contingent school technology "break/fix rate" in SL 2025-46
- Appropriates \$25 million in recurring funding to the Pay Plan Reserve for the 2025-26 fiscal year; funding can be used to cover additional salary needs from teacher step increases



Education-Related Bills To Watch

- **HB 87: Educational Choice for Children Act (ECCA)***
 - *Placed on 11/17 House Calendar for potential veto override vote, but action TBD*
- **SB 227: Eliminating “DEI” in Public Education***
 - *Placed on 11/17 House Calendar for potential veto override vote, but action TBD*
- **SB 558: Eliminating “DEI” in Public Higher Ed***
 - *Placed on 11/17 House Calendar for potential veto override vote, but action TBD*
- **SB 257: 2025 Appropriations Act**
 - *In conference committee since 6/5*
- **HB 389: Continuing Budget Operations Part III**
 - *Latest version passed in Senate 9/22 and sent to House for further consideration*

**indicates previous gubernatorial veto*



Update on FY 2025-26 Legislative and Budget Requests



Discussion

1. Based on our 2025 budget requests and the Strategic Plan, what requests should we prioritize for the 2026 short session?
2. Are there other critical, “must have” budget requests we should add for the 2026 short session based on the Strategic Plan or other critical needs?
3. What additional non-budget/policy requests should we add for the 2026 short session?

Overall Priorities

Request	Governor's Budget (FY 2025-26)	Senate Budget (FY 2025-26)	House Budget (FY 2025-26)	Enacted
Funding for school facility needs in Helene-impacted districts (\$100 million)		\$39,600,000 (NR)		Total of \$64,300,000 (NR) across three programs (SL 2025-26)
Increase teacher and educator pay to highest in the Southeast	10.6% for teachers; 6% for principals; 3% for staff	2.3%/3.3% for teachers; 1.25% for principals and staff; \$1,500 bonus	8.7% for teachers; 2.5% for principals and staff	Salary step increases for FY 2025-26 (SL 2025-89)
Restore master's pay	\$10,000,000 (R)		\$8,000,000 (R)	
Reform the principal pay plan				
Address the nearly \$13 billion in school construction needs	\$4 billion school construction bond proposal	\$21,867,388 for NBPSCF; \$20,000,000 for R&R	\$21,867,388 for NBPSCF; \$20,000,000 for R&R	
Place a moratorium on Opportunity Scholarship program	Included			



Student and School Support

Request	DPI/SBE Request (FY 2025-26)	Governor's Budget (FY 2025-26)	Senate Budget (FY 2025-26)	House Budget (FY 2025-26)	Enacted
Increase in School Health Personnel Allotment	\$65,490,706 (R)	\$32,745,000 (R)	\$13,917,965 (R)		
Implement Exceptional Children Weighted Funding Formula	\$89,400,000 (R) \$109,200,000 (NR)	\$27,000,000 (R)		\$10,600,000 (R)	
Student Transportation Information Management (TIMS)	\$140,500 (R)	\$116,300 (R)			
New Cooperative Innovative High Schools (Martin County Schools, Moore County Schools, and Charlotte-Mecklenburg Schools)	\$635,000 (R)	\$635,000 (R)	\$1,110,000 (R)		\$1,110,000 (R) for five new CIHS (SL 2025-92)
School Breakfast and Lunch at No Cost to Students	\$377,000,000 (R)	\$85,300,000 (R)			
Convert SRO Grants into an Appropriation Based on Formula for Elementary and Middle Schools	\$120,000,000 (R)	\$63,000,000 (R)			
Charter School Review Board Operating, Travel Expenses, and Legal Counsel	\$82,100 (R)	\$82,100 (R)	\$82,100 (R)		SL 2025-80 directs DPI to use operating funds



Academic Support and Coaching

Request	DPI/SBE Request (FY 2025-26)	Governor's Budget (FY 2025-26)	Senate Budget (FY 2025-26)	House Budget (FY 2025-26)	Enacted
Support for Low Performing Districts	\$4,500,000 (R)	\$4,500,000 (R)			
Expand DIBELS Diagnostic to Grades 4-5	\$1,390,800 (R) \$966,508 (NR)	\$1,390,800 (R) \$967,000 (NR)	\$1,390,800 (R) \$966,508 (NR)	\$1,390,800 (R) \$966,508 (NR)	
Expand Literacy Professional Development and Support to Grades 6-8 (9 FTE)	\$14,000,000 (R) \$25,002,000 (NR)	\$14,000,000 (R) \$25,002,000 (NR)	\$110,000 (R) \$1,560,000 (NR)	\$10,000,000 (R)	
K-8 Math Screener	\$44,000,000 (R)				
High-Impact Tutoring Support for School Districts	\$23,200,000 (R) \$875,000 (NR)	\$6,000,000 (R)			
Beginning Teacher Support Program Regional Convenings	\$500,000 (R)				
Beginning Teacher Support Program Evaluation (FY27)	\$750,000 (NR)				
Professional Misconduct Investigator (1 FTE)	\$120,000 (R)	\$120,000 (R)			
Rulemaking Coordinator (1 FTE)	\$120,630 (R)	\$120,630 (R)			



Technology

Request	DPI/SBE Request (FY 2025-26)	Governor's Budget (FY 2025-26)	Senate Budget (FY 2025-26)	House Budget (FY 2025-26)	Enacted
One-to-One Device Refresh	\$152,620,000 (R)	\$100,000,000 (R) \$11,300,000 (NR)			
Additional State Funds for Federal E-Rate Match	\$2,500,000 (R)	\$2,500,000 (R)			
School Cybersecurity Support	\$6,910,000 (R)	\$6,910,000 (R)			
School Business Systems Modernization	\$45,000,000 (NR)	\$15,000,000 (NR)	\$45,000,000 (NR)	\$15,200,000 (NR)	
Uniform Education Reporting System (UERS)	\$17,500,000 (R)	\$16,400,000 (R) \$1,100,000 (NR)	\$12,711,233 (R – 2026-27)	\$15,000,000 (NR) \$12,711,233 (R – 2026-27)	\$9,400,000 (SL 2025-89)
State Dept. of Information Technology (DIT) Billing Requirements	\$1,140,000 (R)	\$1,140,000 (R)	\$303,142 (R)		
M365/Google Backup Server Requirements for State DIT Policy	\$720,000 (R)	\$720,000 (R)			

Compensation Pathways

Request	DPI/SBE Request (FY 2025-26)	Governor's Budget (FY 2025-26)	Senate Budget (FY 2025-26)	House Budget (FY 2025-26)	Enacted
Advanced Teaching Roles (ATR) Salary Supplements	\$14,100,000 (R)	\$14,100,000 (R)	\$16,200,000 (R)		
Advanced Teaching Roles (ATR) Grants Expansion	\$2,000,000 (R)	\$2,000,000 (R)	\$1,000,000 (R)		

*[SL 2025-94](#) Provides State Board of Education with authority to grant waivers for K-3 class size requirements to ATR schools whose grant funding ended in 2024-25

Non-Budget Legislative Requests

Request	House/Senate Bills	Enacted
School calendar flexibility	HB121 and SB 754	
PSU dollar allotment reversions for use in purchasing technology		
Clarify Portfolio requirement for individuals seeking principal licensure	Senate and House budgets and HB 832	
DPI flexibility for placement of early literacy specialists		
Eliminate Praxis Core requirement for admission to EPP		
ADM hold harmless for Helene-impacted PSUs		
Eliminate DPI/SBE school and district accreditation		
Revise provisions for the CEP Meal Program Incentive program	Senate and House budgets and HB 832	
Study how to eliminate or consolidate required DPI and State Board of Education legislative reports	Senate and House budgets and HB 832 eliminates or revises several required reports	
Sunset the Textbook Commission	Senate and House budgets	



2026 Short Session Legislative Requests

- DPI leadership and staff have begun a process to develop proposed 2026 short session budget and legislative requests
- Anticipate that agency budget requests will be due to OSBM by mid-February
- Plan is to bring proposed 2026 short session budget and legislative requests to SBE for discussion in February and approval in March
- Anticipate limited revenue for the 2026-27 fiscal year
- When possible, want to prioritize budget and legislative requests based on the Strategic Plan

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