

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025**

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SENATE BILL 865

Short Title: Restore Benefits to Educators/State Employees. (Public)

Sponsors: Senators Mohammed and Waddell (Primary Sponsors).

Referred to: Rules and Operations of the Senate

April 29, 2026

A BILL TO BE ENTITLED
AN ACT TO MAKE CHANGES TO PROVISIONS OF LAW RELATED TO THE
COMPENSATION OF EDUCATORS, TO RESTORE CERTAIN RETIREE MEDICAL
BENEFITS, AND TO EXPAND THE TEACHING FELLOWS PROGRAM.

The General Assembly of North Carolina enacts:

**PART I. REINSTATE EDUCATION-BASED SALARY SUPPLEMENTS FOR
TEACHERS AND INSTRUCTIONAL SUPPORT PERSONNEL**

SECTION 1.(a) G.S. 115C-302.10 is repealed.

SECTION 1.(b) Notwithstanding any other provision of law, for the 2026-2027 fiscal year, State Board of Education policy TCP-A-006, as it was in effect on June 30, 2013, shall be used to determine (i) whether teachers and instructional support personnel are paid on the "M" salary schedule and (ii) whether they receive a salary supplement for academic preparation at the six-year or doctoral degree level.

SECTION 1.(c) There is appropriated from the General Fund to the Department of Public Instruction the sum of eight million dollars (\$8,000,000) in recurring funds beginning in the 2026-2027 fiscal year to reinstate education-based salary supplements for teachers and instructional support personnel in accordance with this act.

SECTION 1.(d) This section becomes effective July 1, 2026.

PART II. RESTORE LONGEVITY PAYMENTS FOR EDUCATORS

SECTION 2.(a) Section 9.1(d) of S.L. 2014-100 is repealed.

SECTION 2.(b) For the 2026-2027 fiscal year, annual longevity payments for teachers and instructional support personnel shall be at the rate of one and one-half percent (1.5%) of base salary for 10 to 14 years of State service, two and twenty-five hundredths percent (2.25%) of base salary for 15 to 19 years of State service, three and twenty-five hundredths percent (3.25%) of base salary for 20 to 24 years of State service, and four and one-half percent (4.5%) of base salary for 25 or more years of State service. The longevity payment shall be paid in a lump sum once per year.

SECTION 2.(c) For the 2026-2027 fiscal year, longevity payments for principals and assistant principals shall be as provided for State employees under the North Carolina Human Resources Act.

SECTION 2.(d) There is appropriated from the General Fund to the Department of Public Instruction beginning in the 2026-2027 fiscal year the sum of one hundred forty million three hundred thousand dollars (\$140,300,000) in recurring funds to restore longevity payments for educators pursuant to this act.



1 SECTION 2.(e) This section becomes effective July 1, 2026.

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3 **PART III. PREVENT THE ELIMINATION OF RETIREE MEDICAL BENEFITS FOR**
4 **MEMBERS FIRST EARNING SERVICE ON OR AFTER JANUARY 1, 2021, UNDER**
5 **THE NORTH CAROLINA TEACHERS' AND STATE EMPLOYEES' RETIREMENT**
6 **SYSTEM, THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, THE**
7 **LEGISLATIVE RETIREMENT SYSTEM, OR THE OPTIONAL RETIREMENT**
8 **PROGRAMS**

9 SECTION 3.1.(a) Subsections (c) and (d) of Section 35.21 of S.L. 2017-57 are
10 repealed.

11 SECTION 3.1.(b) This section is effective retroactively to December 31, 2020.

12 SECTION 3.2.(a) There is appropriated from the General Fund to the Department
13 of State Treasurer the sum of two million dollars (\$2,000,000) in recurring funds for the
14 2026-2027 fiscal year to be used to address the increased cost to the North Carolina State Health
15 Plan for Teachers and State Employees as a result of the continuation of retiree medical benefits
16 under this act.

17 SECTION 3.2.(b) Subsection (a) of this section becomes effective July 1, 2026.

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19 **PART IV. EXPAND NC TEACHING FELLOWS PROGRAM**

20 SECTION 4.(a) G.S. 116-209.62 reads as rewritten:

21 "**§ 116-209.62. North Carolina Teaching Fellows Program established; administration.**

22 ...

23 (f) Program Selection Criteria. – The Authority shall administer the Program in
24 cooperation with up to ~~40~~11 institutions of higher education with approved educator preparation
25 programs selected by the Commission that represent a diverse selection of both postsecondary
26 constituent institutions o The University of North Carolina and private postsecondary institutions
27 operating in the State. At a minimum, the Commission shall select North Carolina Agricultural
28 and Technical State University, a designated historically black college and university (HBCU),
29 to participate in the Program. The Commission shall adopt stringent standards for selection of
30 the other institutions for the most effective educator preparation programs, including the
31 following:

- 32 (1) Demonstrates high rates of educator effectiveness on value-added models and
33 teacher evaluations, including using performance-based, subject-specific
34 assessment and support systems, such as edTPA or other metrics of evaluating
35 candidate effectiveness that have predictive validity.
- 36 (2) Demonstrates measurable impact of prior graduates on student learning,
37 including impact of graduates teaching in qualifying licensure areas.
- 38 (3) Demonstrates high rates of graduates passing exams required for teacher
39 licensure.
- 40 (4) Provides curricular and co-curricular enhancements in leadership, facilitates
41 learning for diverse learners, and promotes community engagement,
42 classroom management, and reflection and assessment.
- 43 (5) Requires at least a minor concentration of study in the subject area that the
44 candidate may teach.
- 45 (6) Provides early and frequent internship or practical experiences, including the
46 opportunity for participants to perform practicums in diverse school
47 environments.
- 48 (7) Is approved by the State Board of Education as an educator preparation
49 program.
- 50 (8) For an educator preparation program enrolling loan recipients in a program of
51 study leading to licensure in elementary education (K-6), provides training

1 that is aligned with the Science of Reading in accordance with
2 G.S. 115C-269.20. The Commission shall contract with a third-party entity to
3 biennially evaluate whether a program identified in this subdivision is
4 providing training that is aligned with the Science of Reading.

5 (g) Awards of Forgivable Loans. – The Program shall provide forgivable loans to selected
6 students to be used at ~~up to 10 selected~~ the participating institutions for completion of a program
7 leading to initial teacher licensure as follows:

8 (1) North Carolina high school seniors. – Forgivable loans of up to five thousand
9 dollars (\$5,000) per semester for up to eight semesters.

10 (2) Students applying for transfer to a selected educator preparation program at
11 an institution of higher education. – Forgivable loans of up to five thousand
12 dollars (\$5,000) per semester for up to six semesters.

13 (3) Individuals currently holding a bachelor's degree seeking preparation for
14 teacher licensure. – Forgivable loans of up to five thousand dollars (\$5,000)
15 per semester for up to four semesters.

16 (4) Students matriculating at institutions of higher education who are changing to
17 an approved program of study at a selected educator preparation program. –
18 Forgivable loans of up to five thousand dollars (\$5,000) per semester for up
19 to four semesters.

20 Forgivable loans may be used for tuition, fees, the cost of books, and expenses related to
21 obtaining licensure.

22"

23 **SECTION 4.(b)** This section becomes effective July 1, 2026, and applies beginning
24 with the 2026-2027 academic year.

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26 **PART V. EFFECTIVE DATE**

27 **SECTION 5.** Except as otherwise provided, this act is effective when it becomes
28 law.