

Government Affairs and Legislative Update

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July 10, 2025



NORTH CAROLINA
State Board of Education
Department of Public Instruction

2025 State Budget Timeline

2025 State Budget Timeline:

- ✓ Governor Stein will release his proposed FY 2025-27 biennial budget.
- ✓ Senate will propose and approve its budget proposal.
- ✓ Following Senate, House will propose and approve its budget proposal.
- ✓ Chambers appoint legislators to a conference committee to work out differences between proposed budgets with goal of sending a final budget to Governor by June/July.
- ☐ *If negotiations are successful*, final 2025 budget bill is voted upon by both chambers and sent to the Governor for final consideration.
 - *If negotiations are **not** successful*, NCGA may consider alternatives — “mini budgets,” pay raise bills, other appropriations bills, etc.



State Budget Update

- **NCGA went on temporary break on Thursday, June 26**, with state budget negotiations between the House and Senate still on hold (*but could resume later in the summer/early fall*).
- **Without a new state budget law, state will operate under a continuation budget** — *recurring funding generally continues at same levels as the previous fiscal year unless adjusted in separate legislation.*
- **Both House and Senate introduced “mini-budget” bills before going on break**, with none of those bills passing both chambers.



Recent Legislative Action

- **SB 254: Charter School Changes** — Amends various charter school laws, including to provide greater authority to the Charter School Review Board (CSRB); clarify that a change in the location or boundaries of charter school within a 10-mile radius is *not* a material charter revision; clarify a charter school is not required to list class rank on a student's official transcript or record; require DPI to continue to provide a charter school access to required financial data reporting platforms during the charter's first year of operation at no cost to the charter; and clarify laws regarding requirements for remote charter schools.
- **STATUS:** Conference report passed House and Senate on 6/25; **vetoed by Governor on 7/2**



Recent Legislative Action

➤ **[HB 832: Education Omnibus](#)** (formerly “*Revise School Safety Grant Program*”) — Incorporates various education bills/proposals as follows:

- **PART I.** Expand Automatic Enrollment In Advanced Courses In K-12 Schools To Include English Language Arts Courses (Senate Bill 507)
- **PART II.** Allow Parent Choice In Nursing Service Providers Required By An Individualized Education Program (Senate Bill 77)
- **PART III.** Charter School Review Board Amendments (Senate and House Budgets, Sec. 7.25)
- **PART IV.** DPI To Continue Providing Financial Data Reporting Platform To Charters For Initial Year Of Operation (House Budget, Sec. 7.60)
- **PART V.** CEP Meal Incentive Program (Senate and House Budgets, Sec. 7.32)
- **PART VI.** Allow Certain Nonpublic Schools To Request Residency Licenses For Teachers (House Budget, Sec. 7.43)
- **PART VII.** Converting A Limited License To A Continuing Professional License (Senate Bill 508)
- **PART VIII.** Technical Adjustments To Principal And Administrator Licenses (Senate and House Budget, Sec. 7.11)
- **PART IX.** Advanced Teaching Roles – Limited Class Size Exception And Track Roles In Student Information System (Senate Budget, Sec. 7.29)
- **PART X.** Local Boards Of Education To Publish Total Compensation And Position Information For Central Office Employees (House Bill 56)
- **PART XI.** Standards For Agreements Regarding Operation And Maintenance Of Laboratory Schools (Senate and House Budgets, Sec. 8.6)
- **PART XII.** Renewal System Modifications
- **PART XIII.** School Safety Grants (House Bill 832)
- **PART XIV.** Extend Reversion Date For School Safety Grant Funds (Senate and House Budgets, Sec. 20.5)
- **PART XV.** SparkNC Extension (Senate Budget, Sec. 7.33)
- **PART XVI.** Various Education Report Changes (Senate and House Budgets, Sec. 7.12)

➤ **[Full NCGA Summary of HB 832](#)** (6/17)

➤ **STATUS:** Passed in Senate 6/19 and sent to House



Concerns with SB 254 and HB 832

- Chair Davis and Superintendent Green shared constitutional concerns with legislators on Charter School Review Board provisions in SB 254 and HB 832
 - ❖ Rulemaking Authority
 - ❖ Oversight of Federal Funding
 - ❖ Management of the Office of Charter Schools
 - ❖ Support for Low-Performing Charter Schools



Recent Legislative Action

- [HB 378: Various Ed Law/Tax Acct/NIL Changes](#) (formerly “Leon’s Law (Dual Enrollment Info Parents)”) — Incorporates provisions from various bills as follows:
 - **Part I.** [Technology Cost Considerations and Reports on Break/Fix Rates](#) (SB 449: Fiscal Responsibility and K-12 Tech Planning);
 - **Part II.** [Leon’s Law](#) — **section amended 6/19 on Senate floor to also authorize “school administrators” and “counselors” to access educational records** of dually-enrolled high school students who are minors.
 - **Part III.** [Expand Academic Transition Pathways for Sophomore High School Students](#) (SB 223)
 - **Part IV.** [Nondiscriminatory Admission Evaluations and Military Deferment](#) (Part I of HB 69)
 - **Part V.** [UNC Self-Liquidating Capital Projects](#) (HB 268)
 - **Part VI.** [Protect Certain Tax-Advantaged Accounts](#) (SB 101)
 - **Part VII.** [Authorization For Name, Image, and Likeness Agency Contracts](#) (SB 229)
 - **Part VIII.** [Public Records Exemption For Certain NIL Contracts](#)
- [Full NCGA Summary of HB 378](#) (6/17)
- **STATUS:** Passed in Senate 6/19 and House 6/24; **signed by Governor 7/1**



Recent Legislative Action

- **HB 959: Various Education Changes** – Requires local boards of education to adopt an internet safety policy; requires the standard course of study to include instruction regarding social media and its effects on health; requires PSUs to adopt wireless communication policies that prohibit students from using, displaying, or having a wireless communication device turned on during instructional time except in certain situations; and allows certain nonpublic schools to request residency licenses for teachers.
 - **STATUS:** Conference report passed by House 6/24 and Senate 6/25; **signed by Governor 7/1**

- **SB 77: School Contracted Health Services** — Requires local education agencies to utilize parent’s choice of nursing services provider if certain conditions are met, such as child’s IEP requires nursing services, and provider agrees to rate that does not exceed other providers contracting with the district.
 - **STATUS:** Passed House 6/18 and Senate 6/23; **signed by Governor 7/1**



Recent Legislative Action

- **SB 600: Improve Health and Human Services** - Provides that a licensed registered nurse with at least two years of experience in a hospital or health clinic would be required to be paid on the certified school nurse pay scale; clarifies that the State Board of Education would not be authorized to require a four-year degree to be hired or contracted for as a school nurse; gives State Board authority to adopt temporary rules to enact the provisions until permanent rules can be adopted; DPI also instructed to conform any salary manuals with the provisions.
 - **STATUS:** Passed House 6/24; passed Senate 6/25; **signed by Governor 7/3**
- **SB 227: Eliminating “DEI” in Public Education** — Prohibits “discriminatory practices” and “divisive concepts” in public school units with notable exceptions (*First Amendment, impartial classroom discussion, etc.*); prohibits the State Board of Education from “approving providing, recommending, or requiring professional development that includes or advocates for divisive concepts or discriminatory practices”; and requires each PSU to certify in writing to DPI by Sept. 1 of each year that it fully complies with the requirements of the bill, including any actions taken to achieve compliance.
 - **STATUS:** Passed in Senate 3/11; passed House 6/25; **vetoed by Governor 7/3**



Recent Legislative Action

- **HB 775: Criminal History Checks for School Positions** — Requires criminal history checks for initial members of a charter school board of directors, ~~applicants for educator licensure~~, and applicants for employment with a public school unit; and consolidates the statutes regulating criminal history checks for school personnel.
 - **STATUS:** Passed with revisions in 6/17 House Judiciary 2 Committee; **passed with revisions House Finance 6/24**
- **SB 449: Fisc Resp & K-20 Tech Plan/Centr Offic Salary** — Requires all public schools, community colleges, and UNC constituent institutions to evaluate certain considerations on technology costs; and requires public schools to report on break/fix rate; *Later amended* to add provision requiring local boards of education to publish total compensation and position information for central office employees.
 - **STATUS:** Passed in House 6/17; Senate did not concur 6/24; **conference committee appointed**



HB 1012: Disaster Recovery Act of 2025 – Part II.

- Latest [Hurricane Helene relief bill](#) passed the House and Senate on 6/26 and was signed by the Governor on 6/27
- Includes:
 - Reversion of \$12.5 million in unused funds appropriated to DPI for lost employee compensation due to school closures.
 - Appropriates **\$8 million** to disburse as a competitive grant program to PSUs for school building repairs with a max grant award of \$500,000 (applicants must have been denied insurance coverage and federal aid).
 - Directs the transfer of **\$56,300,000** of interest from the Needs-Based Public School Capital Fund to DPI to be allocated as follows:
 - **\$25 million** to disburse to Yancey County for total rebuilds of destroyed public school infrastructure and buildings damaged by Hurricane Helene.
 - **\$31,300,000** for Capital Recovery Funds for the Public School Facilities Program, established in S.L. 2024-53, for public school capital recovery needs
 - Directs that applications from Helene-impacted counties for funding from the Needs-Based Public School Capital Fund for the 2025-27 biennium be prioritized and waives the match requirement for those counties.
- Other notable appropriations include funds for: *road repairs and renovation; debris and sedimentation removal; repair and renovation of parks, libraries, and museums; community college tuition and fees for impacted students; and repairs and renovation of affected higher education facilities.*



Questions and Discussion

Access full 2025-2026 Bill Tracking Document (updated daily and shared in weekly newsletter)

[**HERE**](#)





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