

## The Daily Bulletin: 2025-10-22

### PUBLIC/HOUSE BILLS

H 1016 (2025-2026) [AMEND ADJOURNMENT RESOLUTION](#). Filed Oct 21 2025, *A JOINT RESOLUTION FURTHER AMENDING RESOLUTION 2025-8, AS AMENDED BY RESOLUTION 2025-11.*

House amendment to the 1st edition further expands the matters that the General Assembly may consider during the regular session that convened on Monday, October 20, 2025, under Resolution 2025-8, as amended, to include matters pertaining to the State budget.

**Intro. by Rules, Calendar, and Operations of the House.**

[JOINT RES](#)

[View summary](#)

[Government, General Assembly](#)

### PUBLIC/SENATE BILLS

S 249 (2025-2026) [REALIGN CONGRESSIONAL DISTRICTS 2025. \(NEW\)](#) Filed Mar 6 2025, *AN ACT TO REALIGN THE NORTH CAROLINA CONGRESSIONAL DISTRICTS.*

AN ACT TO REALIGN THE NORTH CAROLINA CONGRESSIONAL DISTRICTS. SL 2025-95. Enacted October 22, 2025. Effective October 22, 2025.

**Intro. by Alexander, Daniel, Galey.**

[GS 163](#)

[View summary](#)

[Government, Elections](#)

S 378 (2025-2026) [ALIGN MEDICAID ELIGIBILITY WITH FEDERAL LAW. \(NEW\)](#) Filed Mar 20 2025, *AN ACT TO ALIGN MEDICAID ELIGIBILITY WITH FEDERAL LAW.*

House committee substitute to the 1st edition removes the content of the previous edition and replaces it with the following. Makes conforming changes to the act's titles.

Requires the Department of Health and Human Services, Division of Health Benefits to: (1) disenroll Planned Parenthood Federation of America, Inc. (Planned Parenthood), and associated entities as Medicaid providers; (2) discontinue any Medicaid contracts with Planned Parenthood and associated entities; and (3) engage other Medicaid providers to provide Medicaid services previously provided by Planned Parenthood and associated entities.

**Intro. by Sawrey, Johnson, Sawyer.**

[UNCODIFIED](#)

[View summary](#)

[Government, State Agencies, Department of Health and Human Services, Health and Human Services, Health, Health Care Facilities and Providers, Health Insurance, Social Services, Public Assistance](#)

S 405 (2025-2026) [HEALTHCARE INVESTMENT ACT. \(NEW\)](#) Filed Mar 24 2025, *AN ACT TO ADJUST MEDICAID FUNDING TO ACCOUNT FOR PROJECTED CHANGES AND MAKE OTHER REVISIONS TO LAWS GOVERNING THE DEPARTMENT OF HEALTH AND HUMAN SERVICES AND TO REDUCE FUNDING APPROPRIATED TO THE FUTURE BUILDING RESERVES AND THE STATE CAPITAL AND INFRASTRUCTURE FUND.*

House committee substitute replaces the content of the 1st edition in its entirety with the following. Changes the act's titles.

#### Part I.

Amends Section 2B.10 of SL 2025-89 (implementing various budgetary adjustments and making other changes in the budget operations of the state), as follows. Increases the recurring appropriation from the General Fund to the Department of Health and Human Services (DHHS), Division of Health Benefits (DHB), from \$600 million to \$690 million, now beginning with the 2025-26 year (was, for each year of the 2025-27 biennium). Removes the authorization to use those funds for contracts needed to operate the State's Medicaid managed care program. Instead, (1) appropriates \$49.2 million from the General Fund to DHB in recurring funds and associated receipts beginning with the 2025-26 year and (2) appropriates \$34.4 million from the ARPA Temporary Savings Fund to DHB in nonrecurring funds and associated receipts for the 2025-26 year, to be used for contracts needed to operate the State's Medicaid managed care program.

Instructs the local management entities/managed care organizations (LME/MCOs) to make intergovernmental transfers to DHB in an aggregate amount of \$18,028,217 for both the 2025-26 and 2026-27 years. Specifies that the due date and frequency of the intergovernmental transfer required by the act will be determined by DHB. Specifies the amounts that each of the four individual LME/MCOs is required to make in each fiscal year. Specifies that in the event that a county disengages from an LME/MCO and realigns with another LME/MCO during the 2025-27 biennium, DHB has the authority to reallocate the amount of the intergovernmental transfer that each affected LME/MCO is required to make under the act, taking into consideration the change in catchment area and covered population, provided that the aggregate amount of the transfers received from all LME/MCOs in each year of the fiscal biennium is achieved.

Amends Section 2B.5 of SL 2025-89 so that the reduction in funds appropriated to DHHS's Division of Mental Health, Developmental Disabilities and Substance Use Services (Division) are changed from \$18,562,645 to \$30 million now beginning in the 2025-26 year (was, for each year of the 2025-27 biennium). During each year of the 2025-2027 fiscal biennium, directs each LME/MCO to offer at least the same level of service utilization as during the 2024-2025 fiscal year across the LME/MCO's catchment area. Specifies that the requirement should not be construed to require LME/MCOs to authorize or maintain the same level of services for any specific individual whose services were paid for with single-stream funding or be construed to create a private right of action for any person or entity against the State of North Carolina or DHHS or any of its divisions, agents, or contractors and cannot be used as authority in any contested case brought pursuant to GS Chapters 108C or 108D.

Reduces the funds appropriated from the General Fund to the Division for each year of the 2025-27 biennium for Single Stream Funding by \$14 million in recurring funds. Repeals the Prescription Digital Therapeutics Pilot Program authorized by Section 9F.2 of SL 2022-74. Instructs the State Controller to transfer \$1.85 million for 2025-26 from funds available in the Opioid Abatement Fund (as a result of the repeal of the Prescription Digital Therapeutics Pilot Program) to the Opioid Abatement Reserve. Directs the State Controller to transfer \$14 million in recurring funds for each year of the 2025-27 biennium from funds available in the Opioid Abatement Reserve to the Division. Instructs the Division to use those funds to offset the reduction in Single Stream Funding authorized by the act. Specifies that the funds transferred are appropriated for the fiscal year when they are transferred.

Reduces the funds appropriated from the General Fund for each year of the 2025-27 biennium to DHHS by \$33,986,530 in recurring funds. Requires DHHS to eliminate vacant positions to achieve net General Fund savings in the amount of \$33,986,530 in recurring funds for each year of the 2025-27 biennium by January 1, 2026. Provides a schedule setting forth the budgeting reductions to be achieved by each DHHS division. Requires DHHS to report to the specified NCGA division by April 1st of each of the 2025-27 biennium on the actions taken to achieve the budgeted reductions described.

Reduces the funds appropriated from the General Fund to DHHS's Division of Child and Family Well-Being, beginning with the 2025-26 fiscal year, for the Whole Child Health Section, by \$100,000 in recurring funds.

Reduces the funds appropriated from the General Fund for each year of the 2025-27 fiscal biennium to DHHS's Division of Services for the Blind, for the Medical Eye Care Program by \$110,000 in recurring funds.

Directs DHHS, in consultation with relevant stakeholders, to develop a plan for improved health outcomes, program integrity, cost-savings, and efficiency measures in the Medicaid program, as described. Requires DHHS to submit the plan to the specified NCGA committee and division by no later than November 11, 2025, with monthly updates.

Instructs the Office of the State Auditor to examine the Medicaid eligibility redetermination efforts of all county departments of social services in the State, as described and conduct a performance audit of a sample of county departments of social services modeled after the specified audit. Requires the State Auditor to report its findings to the specified NCGA committee and division by April 1, 2026. Retroactive to July 1, 2025, appropriates \$1 million from the General Fund to DHB in nonrecurring funds and associated receipts to be transferred to the State Auditor to be used for the examination and audit.

Part II.

Reduces the funds appropriated for the 2025-27 biennium to Future Building Reserves for the building and operating expenses of State agencies by \$42,206,909 in recurring funds.

Part III.

Specifies that the headings of the parts of the act are a convenience to the act and are for reference only. Instructs that the headings do not limit or define the text of the act. Directs that, except where expressly repealed or amended by the act, any legislation enacted during the 2025 Regular Session expressly appropriating funds to an agency, a department, or an institution covered under this act, remains in effect. Specifies that if any of the act's provisions are in conflict with GS 143C-5-4 are in conflict, the act's provisions prevail. Instructs that the appropriations and the authorizations to allocate and spend funds which are set out in the act remain in effect until the Current Operations Appropriations Act for the applicable fiscal year becomes law, at which time that act will become effective and govern appropriations and expenditures. When the Current Operations Appropriations Act for that fiscal year becomes law, directs the Director of the Budget to adjust allotments to give effect to that act from July 1st of the fiscal year.

Contains a severability clause.

Specifies that the act is effective retroactive to July 1, 2025, except as otherwise provided.

**Intro. by Hise, Sawrey, Burgin.**

**APPROP**

**Government, Budget/Appropriations, State Agencies, Office of State Auditor, Office of State Budget and Management, State Government, State Property, Health and Human Services, Health, Health Care Facilities and Providers, Health Insurance, Social Services, Public Assistance**

[View summary](#)

S 599 (2025-2026) **STATE TEACHER/EMPLOYEE PAY & LOCAL LEO BONUS. (NEW)** Filed Mar 25 2025, *AN ACT APPROPRIATING FUNDS TO AWARD LEGISLATIVELY MANDATED SALARY INCREASES TO STATE EMPLOYEES, TEACHERS, AND OTHER PUBLIC SCHOOL EMPLOYEES AND PROVIDING FOR A ONE TIME, COST OF LIVING SUPPLEMENT PAYMENT FOR LOCAL LAW ENFORCEMENT OFFICERS AND RETIREES OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, AND THE LEGISLATIVE RETIREMENT SYSTEM.*

House committee substitute to the 3rd edition replaces the previous edition in its entirety with the following. Makes conforming changes to the act's titles.

Part I.

Section 1.1.

Effective July 1, 2025, appropriates \$881,262,599 in recurring funds from the General Fund for 2025-26 and \$1,021,070,241 in recurring funds for 2026-27 for the costs associated with implementing the act, to be allocated to the 43 listed government

agencies and entities, in the amounts specified.

Effective July 1, 2025, appropriates \$24,884,648 in recurring funds for each year of the 2025-27 biennium from the Highway Fund to the Department of Transportation (DOT) for the costs associated with implementing the act.

Effective July 1, 2025, appropriates \$40,075,000 million for each year of the 2025-27 biennium from the General Fund to a Reserve for Local Law Enforcement Officer Bonuses for the costs associated with awarding bonuses to local sworn law enforcement officers under the act.

Appropriates department receipts (defined) for each year of the 2025-27 biennium up to the amounts needed to implement the legislatively mandated salary increases and employee benefit increases provided for by the act in the biennium.

## Part II.

### Section 2.1.

Sets a monthly teacher salary schedule for "A" teachers for 2025-26 for licensed public school personnel classified as teachers, based on years of experience, ranging from \$4,800 for teachers with 0 years of experience to \$5,711 for 25 or more years of experience. Provides for a 12% salary supplement for licensed teachers who have National Board for Professional Teaching Standards certification; a 10% salary supplement for licensed teachers classified as "M" teachers; a \$126 salary supplement for licensed teachers with licensure based on academic preparation at the six-year degree level, in addition to the "M" teachers salary supplement; a \$253 salary supplement for licensed teachers with licensure based on academic preparation at the doctoral degree level, in addition to the "M" teachers salary supplement; a 10% salary supplement for certified school nurses; and monthly salary supplement of \$100 for school counselors licensed at the master's degree level or higher. Requires that the first step of the salary schedule for school psychologists, school speech pathologists licensed at the master's degree level or higher, and school audiologists licensed at the master's degree level or higher, must be equivalent to the sixth step of the "A" salary schedule. Provides for a salary supplement of the \$350 and 10% of their salary. Deems these employees eligible to receive salary supplements equivalent to those of teachers for academic preparation at the six-year degree level or the doctoral degree level. Requires that the twenty-sixth step of the salary schedule for school psychologists, school speech pathologists licensed at the master's degree level or higher, and school audiologists licensed at the master's degree level or higher must be 7.5% higher than the salary received by these same employees on the twenty-fifth step of the salary schedule. Provides that in lieu of the amounts of annual longevity payments to teachers paid on the teacher salary schedule, beginning with the 2014-15 fiscal year, the amounts of those longevity payments are included in the monthly amounts under the teacher salary schedule. Details teacher compensation for the 2025-26 school year based on either (1) the applicable salary schedule; (2) the sum of the salary the teacher received in 2013-14, longevity pay for the 2013-14 school year, and annual bonus provided in SL 2014-100; or (3) the sum of the salary and annual bonus the teacher received in the 2014-15 school year, with the compensation amount determined to be equal to the greater of those amounts. Provides that teacher includes instructional support personnel.

### Section 2.2.

Repeals GS 115C-302.10, which set out qualifications to be met in order for certified school nurses, teachers, and instructional support personnel to receive certain education-based salary supplements. Requires that for 2025-26, the State Board of Education policy TCP-A-006, as it was in effect on June 30, 2013, be used to determine if teachers and instructional personnel are paid on the "M" schedule and whether they receive a salary supplement for academic preparation at the six-year or doctoral degree level.

### Section 2.3.

Directs the State Board of Education (SBE) to establish a consolidated teacher bonus program for 2025-26 and directs the Department of Public Instruction (DPI) to administer bonus pay to qualifying teachers whose salaries are supported from State funds in January of 2026, based on data from school year 2024-25. Sets forth defined terms. Defines *qualifying teacher* based on whether the teacher remains in the qualifying public school unit (or a Virtual Public School program) or retired after the last school day of the relevant school year. Defines *qualifying public school unit* to include local school administrative units, charter schools, regional schools, and elementary or secondary schools operated by UNC.

Grants \$50 to qualifying advanced course teachers, as defined, for each student taught in each advanced course who meet or exceeds specified scores on College Board Advanced Placement Exams, International Baccalaureate course exams, or Cambridge AICE program exams.

Directs the Department of Commerce (DOC) to consult with SBE to assign a value ranking of either \$25 or \$50 for each industry certification and credential based equally on academic rigor and employment value. Describes required elements of both academic rigor and employment value. Grants qualifying career and technical education teachers, as defined, a \$25 or \$50 bonus for each student taught by a teacher who provided instruction in a course that led to the attainment of the industry certification or credential as ranked by the Department.

Allocates specified sums for bonuses to eligible growth teachers based on employment status, EVAAS (Education Value-Added Assessment System) student growth index score percentage rank for third grade reading, divided as specified. Grants \$2,000 bonuses to qualifying teachers (1) meeting the threshold EVAAS student growth index score for fourth or fifth grade reading, or fourth through eighth grade math, at qualifying public school units or local school administrative units; or (2) when employed at a local school administrative unit that employed three or fewer total teachers in that teacher's grade level, with EVAAS student growth scores that exceeded expected growth in third grade reading, fourth or fifth grade reading, or fourth through eighth grade math. Sets limitations on the quantity and amount awarded for qualifying teachers eligible to receive grants under multiple provisions of the act. Specifies that bonuses awarded are not compensation for retirement purposes.

Directs SBE to study the effect of the program on teacher performance and retention. Requires SBE report its findings to the specified NCGA leadership, committees, and division by March 15, 2026.

#### Section 2.4.

Instructs SBE to allocate funds to eligible local school administrative units for 25-26 to provide salary supplements to teachers and qualifying school administrators in those units as described. Defines seventeen terms, including *eligible county* (a county that has an adjusted market value of taxable real property of less than \$63 billion). Provides a process with formulae for allocation of the funds for salary supplements to eligible local school administrative units in eligible counties. Caps salary supplements at \$5,000 per State-funded teacher. Clarifies that the appropriated funds are subject to the allocation of funds for charter schools described in GS 115C-218.105 and encourages use of funds for salary supplements. Clarifies that the formula set forth in the act is solely a basis for distribution of supplemental funding to eligible local school administrative units, with no other purpose. Prevents local school administrative units from using funds received under the act to supplant (defined) non-State funds provided for salary supplements for teachers and qualifying school administrators. Prevents SBE from allocating any funds under this section to a local school administrative unit if it determines that the unit has supplanted non-State funds in violation of the act. Requires SBE to submit a report on the described matters for each year of the 2025-27 biennium to the named NCGA committee and the Fiscal Research Division by April 15, 2026.

#### Section 2.5.

Sets an annual principal salary schedule, applicable to the 2025-26 fiscal year beginning July 1, 2025. Sets out the schedule based on average daily membership (ADM) with amounts increasing from the base amount for meeting and then for exceeding growth; sets out provisions for determining which category to use. Amounts range from \$79,737 for an ADM of 0-200 base salary to \$119,604 for an ADM of 1,601 or more that exceeds growth. Sets out provisions governing placement on the salary scale. Provides that in lieu of the amounts of annual longevity payments, beginning with the 2017-18 fiscal year, the amounts of those longevity payments are included in the salary. Details principal compensation for the applicable school year based on (1) the applicable salary schedule, (2) the sum of the salary received in 2016-17 and longevity pay for the 2016-17 school year, or (3) the salary received in 2016-17 if not eligible for longevity at that time. Defines six terms.

#### Section 2.6.

Requires DPI to administer a bonus in 2025-26 to any principal who supervised a school as a principal for a majority of the previous school year if that school was in the top 50% of school growth in the State during the previous school year. Sets out the amount of the bonus, ranging from \$15,000 for those with a statewide growth percentage in the top 5%, down to \$1,000 for those with a statewide growth percentage in the top 50%. Specifies that the bonuses are in addition to any regular wage or other bonus and are not considered compensation under the Teachers and State Employees' Retirement System (TSERS). States the NCGA's intent that funds provided pursuant to this section will supplement principal compensation and not supplant local funds. Requires the bonus to be paid by October 31, 2025, to qualifying principals employed as of October 1, 2025.

#### Section 2.7.

Provides that for 2025-26, starting on July 1, 2025, assistant principals are to receive a monthly salary based on the "A" teacher salary schedule plus 19%, with placement based on total years the assistant principal has spent as a certified employee.

Requires assistant principals with certification based on academic preparation at the six-year degree level to be paid a salary supplement of \$126 per month, and at the doctoral degree level to be paid a salary supplement of \$253 per month. Provides for a 10-month stipend for participants in an approved full-time master's in-school administration program. Details limitations and required certification. Provides that in lieu of the amounts of annual longevity payments to assistant principals paid on the assistant principal salary schedule, beginning with the 2017-18 fiscal year, the amounts of those longevity payments are included in the monthly amounts provided to assistant principals pursuant to the act. Requires assistant principals paid under the salary schedule provided for 25-26 to receive the greater amount of (1) the applicable amount on the salary schedule for the applicable year, (2) the salary the assistant principal received in the 2016-17 school year under Sections 9.1 or 9.2 of SL 2016-94 plus the longevity that would have been received, or (3) the salary received in 2016-17 if not eligible for longevity at that time.

#### Section 2.8.

Provides that for 2025-26, starting on July 1, 2025, increases the annual salaries of central office employees (superintendents, assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers) whose salaries are supported by State fund by 2.5%. Sets monthly salary maximums for 2025-26 for those employees, ranging from \$7,762 for School Administrator I to \$10,373 to School Administrator VII, beginning July 1, 2025. Sets monthly salary maximums for 2025-26 for superintendents, ranging from \$10,995 for Superintendent I to \$13,882 to Superintendent V, beginning July 1, 2025. Authorizes the local board of education to determine the appropriate category and placement for the superintendent based on the average daily membership of the local school administrative unit and within funds appropriated by the General Assembly for central office administrators and superintendents. Provides a salary supplement of \$126 for central office administrators and superintendents who have certification based on a six-year degree level. Provides a salary supplement of \$253 per month to central office administrators and superintendents with certification based on a doctoral degree. Provides for longevity pay under the State Human Resources Act. Directs the State Board of Education to prevent local school administrative units from transferring state funds from other funding categories to salaries for central office employees.

#### Section 2.9.

Provides that for 2025-26, starting on July 1, 2025, increases the annual salaries for noncertified public school employees whose salaries are supported from State funds as follows: (1) by 2.5% for permanent, full-time employees; (2) by equitable amount based on the 2.5% increase for permanent, full-time employees on a contract less than 12 months, part-time employees, and temporary/permanent hourly employees.

#### Part III.

#### Section 3.3.

Provides that for 2025-26, starting on July 1, 2025, increases the annual salaries for persons who are not one of the eight listed categories of employees exempted from the increase and whose (1) salary is set by Part III of the act under the SHRA and (2) who is employed in a State-funded position on June 30, 2025 by:

- 2.5% cost of living adjustment for State employees;
- An additional 10.5% cost of living adjustment for sworn State law enforcement officers (including officers serving in the executive, legislative, or judicial branches, or employed by The University of North Carolina or its constituent institutions); and
- Any other salary adjustment otherwise allowed or provided by law.

Provides for prorated, equitable salary increases for eligible part-time employees. Specifies that no eligible State-funded employee will be prohibited from receiving the full salary increases solely because the employee's salary after applying the legislative salary increase is above the maximum of the salary range prescribed by the State Human Resources Commission.

#### Section 3.4.-Section 3.12.

Increases the Governor's annual salary under GS 147-11 from \$203,073 to \$208,150. Provides for annual salaries for the members of the Council of State. Effective July 1, 2025.

Lists annual salaries for the eleven listed Executive Branch Members and the thirteen listed Judicial Branch Officials. Authorizes the district attorneys and public defenders to set salaries of assistant district attorneys and public defenders, as described, ranging from \$55,728 to \$103,831. Effective July 1, 2025.

Increases the compensation of the clerks of superior court in GS 7A-101, the assistant and deputy clerks of court in GS 7A-102, and full-time magistrates in GS 7A-171.1, effective July 1, 2025.

Provides that, starting on July 1, 2025, increases the annual salaries of the Legislative Services Officer and of nonelected employees of the General Assembly in effect on June 30, 2025, by 2.5%. Specifies that the act does not limit the provisions of GS 120-32. Increases the salaries of the General Assembly principal clerks under GS 120-37 and the Sergeants-at-arms and readings clerks under GS 120-37.

#### Section 3.13.

Provides that for, starting on July 1, 2025, directs the State Board of Community Colleges to increase the annual salaries of community college faculty and non-faculty personnel by 2.5%. Sets minimum salaries for month, full-time curriculum community college faculty, effective July 1, 2025. Specifies that full-time faculty member cannot earn less than the minimum salary for the faculty member's education level. Provides for determination of minimum salary for part-time faculty members.

#### Section 3.14.

Directs the UNC Board of Governors, effective July 1, 2025, to provide SHRA and EHRA employees and teachers employed by the North Carolina School of Science and Mathematics with a 2.5% salary increase.

#### Section 3.15.

Requires correctional officers in the Department of Adult Correction to be compensated at a specific pay rate on the basis of a salary schedule based on years of experience, based on the specified salary schedule. Also requires employees in the Department of Adult Correction, Division of Juvenile Justice and Delinquency Prevention, to be compensated at a specific pay rate based on years of experience; sets out the salary schedule to be used based on type of position. Sets out the annual salary schedule for correctional officers, based on experience and job class, for 2025-27 ranging from \$42,512 for correctional officers classified as COI with 0 years of experience to \$61,108 for correctional officers classified as COIII with 6 or more years of experience. Effective July 1, 2025. Allows raises equal to the amount of the across-the-board legislative salary increase under this Part for employees who would not receive a raise because their salary exceeds the scheduled salary level. Provides flexibility in these salary funds, regarding the Department of Adult Correction and Division of Juvenile Justice, necessary to address salary compression and related issues connected to the increases.

#### Section 3.16.

Sets an annual salary schedule, effective July 1, 2025, based on the officer's respective work experience and job classification, for law enforcement officers of the State Highway Patrol, Alcohol Beverage Control, and the State Bureau of Investigation for 2025-27 ranging from \$62,150 for those with 0 years experience and \$90,685 for those with 6 years or more of experience. Allows raises equal to the amount of the across-the-board legislative salary increase under this Part for employees who would not receive a raise because their salary exceeds the scheduled salary level.

#### Section 3.18.

Sets an annual salary schedule for probation and parole officers, based on experience, for 2025-26 ranging from \$48,374 for officers with 0 years of experience to \$70,586 for officers with 6 years or more of experience. Requires Juvenile Court Counselors working in the Division of Juvenile Justice and Delinquency Prevention to also be paid on this salary schedule. Effective July 1, 2025. Allows raises equal to the amount of the across-the-board legislative salary increase under this Part for employees who would not receive a raise because their salary exceeds the scheduled salary level.

#### Section 3.19.

Specifies that employees of the schools operated by DHHS, DPS, Department of Adult Correction, Governor Morehead School for the Blind, Eastern North Carolina School for the Deaf, North Carolina School for the Deaf, and the State Board of Education who are paid on the Teacher Salary Schedule will be paid as authorized by the act. Effective July 1, 2025.

#### Section 3.20.

Legislatively increases the annual salaries for the following, effective July 1, 2025, for the following persons for salaries in effect on June 30, 2025: (1) permanent, full-time State officials and persons whose salaries are set in accordance with the State

Human Resources Act; (2) permanent, full-time State officials and persons in positions exempt from the State Human Resources Act; (3) permanent, part-time State employees; and (4) temporary and permanent hourly State employees.

#### Section 3.21.

Requires the legislative salary increases to be paid effective on July 1, 2025, and specifies that they do not apply to persons separated from service due to resignation, dismissal, reduction in force, death, or retirement or whose last workday is before June 30, 2025. Gives the Director of the Budget flexibility in administering the compensation increases. Allows deeming the State employer contribution rates for retirement and related benefits to become effective, for administrative purposes, after July 1st to provide flexibility in the collection and reconciliation of salary-related contributions as required by law, so long as the estimated amount contributed to any affected employee benefit trust equals the amount that would have been contributed to the employee benefit trust if the enacted employer contribution rates had been effective on July 1st. Specifies that this applies to all employees paid from State funds.

#### Section 3.22.

Requires the Office of State Budget and Management (OSBM) to ensure the appropriations are being used appropriately. Specifies that funds appropriated for salaries and employee benefit increases cannot be used to adjust the budgeted salaries of vacant positions, to provide salary increases in excess of those required by the General Assembly, or to increase the budgeted salary of filled positions to the minimum of the positions salary range. Specifies that the funds appropriated for salaries and employee benefit increases in excess of the amounts required will be credited to the Pay Plan Reserve. Requires OSBM to report to the specified NCGA committee and division by May 1, 2026, on the expenditure of funds for legislatively mandated salary increases and employee benefits with four specified matters that must be addressed.

#### Section 3.23.

Provides bonuses in the amount of \$1,750 for the 2025-2026 and 2026-2027 fiscal years, for a sworn local law enforcement officer. Reverts funds appropriated for bonuses in excess of the amounts required to implement these bonuses to the General Fund. Awards the bonuses without regard to an officer's placement within the salary range, with pro rata adjustments made for permanent part-time employees. Requires the State Bureau of Investigation to award these law enforcement compensation bonuses and report on the administration of the awards to the Fiscal Research Division annually by March 15, 2026, and March 15, 2027.

### Part IV.

#### Section 4.1.

Provides that if any provision of this act and SL 2025-89 or GS 143C-5-4 are in conflict, then this act prevails. Keeps the appropriations and the authorizations to allocate and spend funds under this act in effect until the Current Operations Appropriations Act for the applicable fiscal year becomes law. Also requires when the Current Operations Appropriations Act for that fiscal year becomes law, that the Director of the Budget adjust allotments to give effect to that act from July 1st of the fiscal year.

#### Section 4.2.

Makes the act effective July 1, 2025, upon enactment of a bill denominated a "Current Operations Appropriations Act," meeting the definition of that term for the 2025-26 fiscal year.

**Intro. by Galey, Sawrey, Burgin.**

[APPROP, GS 7A, GS 115C, GS 120, GS 147](#)

[View summary](#)

[Alcoholic Beverage Control, Courts/Judiciary, Juvenile Law, Delinquency, Court System, Administrative Office of the Courts, Criminal Justice, Corrections \(Sentencing/Probation\), Education, Elementary and Secondary Education, Higher Education, Government, Budget/Appropriations, General Assembly, Public Safety and Emergency Management, State Agencies, Community Colleges System Office, UNC System, Department of Administration, Department of Adult](#)



Correction, Department of Agriculture and Consumer Services, Department of Commerce, Department of Natural and Cultural Resources (formerly Dept. of Cultural Resources), Department of Environmental Quality (formerly DENR), Department of Health and Human Services, Department of Information Technology, Department of Insurance, Department of Justice, Department of Labor, Department of Military & Veterans Affairs, Department of Public Instruction, Department of Public Safety, Department of Revenue, Department of Transportation, Office of State Budget and Management, Secretary of State, State Board of Education, State Board of Elections, State Highway Patrol, Office of State Human Resources (formerly Office of State Personnel), State Government, Executive, State Personnel

S 599 (2025-2026) [STATE TEACHER/EMPLOYEE PAY & LOCAL LEO BONUS. \(NEW\)](#) Filed Mar 25 2025, *AN ACT APPROPRIATING FUNDS TO AWARD LEGISLATIVELY MANDATED SALARY INCREASES TO STATE EMPLOYEES, TEACHERS, AND OTHER PUBLIC SCHOOL EMPLOYEES AND PROVIDING FOR A ONE TIME, COST OF LIVING SUPPLEMENT PAYMENT FOR LOCAL LAW ENFORCEMENT OFFICERS AND RETIREES OF THE TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, AND THE LEGISLATIVE RETIREMENT SYSTEM.*

House amendments to the 4th edition make the following changes.

Section 3.16.

Amendment #1 refers to law enforcement officers of the Alcohol Law Enforcement instead of Alcohol Beverage Control.

House Amendment #2 adds the following content.

Section 3.24.

Amends GS 135-5 (pertaining to benefits under TSERS), GS 135-65 (post-retirement increases under Consolidated Judicial Retirement System -CJRS), and GS 120-4.22A (post-retirement increases under the Legislative Retirement System - LRS) as follows. After October 1, 2025, but on or before November 30, 2025, provides for a 1% COLA for certain beneficiaries who retired on or before October 1, 2025. After September 1, 2026, but on or before October 31, 2026, provides that a one-time 2% COLA supplement payment will be paid on or behalf of living beneficiaries whose retirement began on or before September 1, 2026. Does not allow for proration.

Does not allow for proration. Sets forth provisions related to payment if the beneficiary dies before payment is made. Specifies that no beneficiary will be deemed to have acquired a vested right to any future supplemental payments.

Appropriates from the General Fund to the Retiree Supplement Reserve in the Office of State Budget and Management: (1) \$41,038,783 for 2025-26, and (2) \$82,077,566 for 2026-27.

Section 3.25.

Increases the State employer contribution rates budgeted for retirement, health, and related benefits as a percentage of covered salaries for teachers and State employees, State law enforcement officers, the University and Community Colleges Optional Retirement Programs (ORPs), CJRS, and LRS in 2025-26 under Section 3.6 of SL 2025-89 effective July 1, 2025. Specifies the General Assembly's intent to incorporate the appropriate contribution rate for the one-time supplement provided for that fiscal year.

Makes conforming changes to act's long title.

[View summary](#)

Alcoholic Beverage Control, Courts/Judiciary, Juvenile Law, Delinquency, Court System, Administrative Office of the Courts, Criminal Justice, Corrections (Sentencing/Probation), Education, Elementary and Secondary Education, Higher Education, Employment and Retirement, Government, Budget/Appropriations, General Assembly, Public Safety and Emergency Management, State Agencies, Community Colleges System Office, UNC System, Department of Administration, Department of Adult Correction, Department of Agriculture and Consumer Services, Department of Commerce, Department of Natural and Cultural Resources (formerly Dept. of Cultural Resources), Department of Environmental Quality (formerly DENR), Department of Health and Human Services, Department of Information Technology, Department of Insurance, Department of Justice, Department of Labor, Department of Military & Veterans Affairs, Department of Public Instruction, Department of Public Safety, Department of Revenue, Department of Transportation, Office of State Budget and Management, Secretary of State, State Board of Education, State Board of Elections, State Highway Patrol, Office of State Human Resources (formerly Office of State Personnel), State Government, Executive, State Personnel

## ACTIONS ON BILLS

### PUBLIC BILLS

#### **H 87: EDUCATIONAL CHOICE FOR CHILDREN ACT (ECCA). (NEW)**

*House: Withdrawn From Cal*

*House: Placed On Cal For 11/17/2025*

#### **H 171: EQUALITY IN STATE AGENCIES/PROHIBITION ON DEL.**

*House: Withdrawn From Cal*

*House: Placed On Cal For 11/17/2025*

#### **H 491: MEDICAID REBASE FUNDING. (NEW)**

*House: Passed 2nd Reading*

*House: Passed 3rd Reading*

#### **H 1016: AMEND ADJOURNMENT RESOLUTION.**

*House: Rules Suspended*

*House: Passed 1st Reading*

*House: Added to Calendar*

*House: Amend Adopted A1*

*House: Passed 2nd Reading*

*House: Passed 3rd Reading*

*House: Ordered Engrossed*

#### **S 50: FREEDOM TO CARRY NC.**

*House: Withdrawn From Cal*

*House: Placed On Cal For 11/17/2025*

**S 153: NORTH CAROLINA BORDER PROTECTION ACT.**

*House: Withdrawn From Cal*

*House: Placed On Cal For 11/17/2025*

**S 227: ELIMINATING "DEI" IN PUBLIC EDUCATION.**

*House: Withdrawn From Cal*

*House: Placed On Cal For 11/17/2025*

**S 249: REALIGN CONGRESSIONAL DISTRICTS 2025. (NEW)**

*House: Amend Failed A1*

*House: Passed 2nd Reading*

*House: Passed 3rd Reading*

*House: Ordered Enrolled*

*Senate: Ratified*

*Senate: Ch. SL 2025-95*

**S 378: ALIGN MEDICAID ELIGIBILITY WITH FEDERAL LAW. (NEW)**

*House: Reptd Fav Com Substitute*

*House: Cal Pursuant Rule 36(b)*

*House: Added to Calendar*

*House: Passed 2nd Reading*

*House: Passed 3rd Reading*

**S 405: HEALTHCARE INVESTMENT ACT. (NEW)**

*House: Reptd Fav Com Substitute*

*House: Cal Pursuant Rule 36(b)*

*House: Added to Calendar*

*House: Passed 2nd Reading*

*House: Passed 3rd Reading*

**S 599: STATE TEACHER/EMPLOYEE PAY & LOCAL LEO BONUS. (NEW)**

*House: Reptd Fav Com Substitute*

*House: Cal Pursuant Rule 36(b)*

*House: Added to Calendar*

**S 777: GENERAL ASSEMBLY APPOINTMENTS.**

*House: Passed 2nd Reading*

*House: Passed 3rd Reading*

*House: Ordered Enrolled*

**No local actions on bills**

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