

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025**

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HOUSE BILL 1096

Short Title: First in Flight Act. (Public)

Sponsors: Representatives Reives, Ross, Loftis, and Cervania (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Appropriations, if favorable, Rules, Calendar, and Operations of the House

April 30, 2026

A BILL TO BE ENTITLED

1
2 AN ACT TO CREATE THE AVIATION CAPITAL PROJECT ACCOUNT AND THE ONE
3 NORTH CAROLINA CAPITAL PROJECT PROGRAM, TO CREATE THE AEROSPACE
4 APPRENTICESHIP PROGRAM AND AEROSPACE DUAL ENROLLMENT
5 PROGRAMS, TO PROVIDE VARIOUS STATE AGENCIES WITH FUNDING TO
6 SUPPORT THE AEROSPACE INDUSTRY AND AIRPORT INFRASTRUCTURE, AND
7 TO APPROPRIATE FUNDS FOR THOSE PURPOSES.

8 Whereas, North Carolina holds a singular place in the history of aviation as First in
9 Flight, when Wilbur and Orville Wright launched the first controlled, sustained flight of a
10 powered, heavier-than-air aircraft at Kill Devil Hills near Kitty Hawk, North Carolina, and that
11 legacy remains a source of pride, economic strength, and technological leadership for the State;
12 and

13 Whereas, the aerospace industry offers high-wage employment opportunities across
14 manufacturing, maintenance, repair, overhaul, avionics, research, logistics, and related fields;
15 and

16 Whereas, continued growth in the aerospace sector depends upon modern airport
17 infrastructure, ready industrial sites, efficient supply chains, and strong partnerships among
18 employers, airports, community colleges, and institutions of higher education; and

19 Whereas, North Carolina is well-positioned to compete for additional aerospace
20 investment by aligning workforce training, apprenticeship opportunities, dual-enrollment
21 pathways, university research capacity, and targeted infrastructure improvements; and

22 Whereas, supporting airport authorities and aerospace businesses can strengthen
23 regional economies, expand opportunities in both urban and rural communities, and promote
24 long-term job creation throughout the State; and

25 Whereas, investments in aerospace education and applied research will help ensure
26 that North Carolina develops the skilled workforce and innovation ecosystem necessary to
27 remain competitive in a rapidly evolving industry; and

28 Whereas, it is in the best interest of the State to make strategic investments that
29 reinforce North Carolina's historic leadership in aviation and position the State for continued
30 success in aerospace manufacturing, aerospace research, and related economic development;

31 Now, therefore,

32 The General Assembly of North Carolina enacts:

33
34 **PART I. AVIATION INVESTMENT GRANT**



1 **SECTION 1.(a)** There is appropriated from the General Fund to the Department of
2 Commerce the sum of five million dollars (\$5,000,000) in nonrecurring funds for the 2026-2027
3 fiscal year to be allocated to the One North Carolina Aviation Capital Project Account under
4 G.S. 143B-437.71(d), as created by subsection (b) of this section.

5 **SECTION 1.(b)** G.S. 143B-437.71 is amended by adding a new subsection to read:
6 "(d) One North Carolina Aviation Capital Project Account. – There is created in the One
7 North Carolina Fund a special account, the One North Carolina Aviation Capital Project Account,
8 to be used for the One North Carolina Aviation Capital Project Program, as specified in Part 2K
9 of Article 10 of Chapter 143B of the General Statutes."

10 **SECTION 1.(c)** Article 10 of Chapter 143B of the General Statutes is amended by
11 adding a new Part to read:

12 "Part 2K. One North Carolina Aviation Capital Project Program.
13 **§ 143B-437.125. One North Carolina Aviation Capital Project Program.**

14 (a) Program. – There is established the One North Carolina Aviation Capital Project
15 Program to be administered by the Department in consultation with the North Carolina
16 Department of Transportation, Division of Aviation. In order to modernize the State's airport
17 infrastructure and improve capacity for aerospace manufacturing, maintenance, repair, overhaul,
18 and advanced aerospace research and design, the Department may provide grants to airports to
19 offset costs incurred for airport projects in accordance with this section. Grants under this section
20 shall be paid from the One North Carolina Aviation Capital Project Account established in
21 G.S. 143B-437.71.

22 (b) Definitions. – The following definitions apply in this section:

23 (1) Airport. – As defined in G.S. 63-1.

24 (2) Airport facility. – As defined in G.S. 143-215.57A.

25 (3) Airport project. – As defined in G.S. 143-215.57A.

26 (4) Department. – The Department of Commerce.

27 (5) Eligible aerospace business. – A business that (i) designs, manufactures,
28 repairs, or operates aircraft and (ii) has entered into a company performance
29 agreement approved by the Department in accordance with this section.

30 (6) Program. – The One North Carolina Aviation Capital Project Program created
31 by this section.

32 (c) Eligible Recipient; Allowable Uses. – Airports may receive funding under the
33 Program. Funding may be disbursed to airport authorities only for airport projects.

34 (d) Agreements Required. – Prior to the disbursement of funds under this section, the
35 airport shall (i) enter into a grant agreement with the State, in substantially the same manner
36 provided by, and except to the extent inconsistent with, G.S. 143B-437.72(c), regarding local
37 government grant agreements, and (ii) enter into a company performance agreement with an
38 eligible aerospace business, in substantially the same manner provided by, and except to the
39 extent inconsistent with, G.S. 143B-437.72(b), regarding company performance agreements.
40 Funds may only be disbursed under the Program to the airport after the airport has demonstrated
41 that the eligible aerospace business has complied with the terms of the company performance
42 agreement. The State shall disburse funds under the Program in accordance with the disbursement
43 schedule established in the grant agreement with the State.

44 (e) Program Guidelines. – The Department shall develop guidelines related to the
45 administration of the Program which shall include, at a minimum, a provision or provisions
46 requiring that grants under the Program shall be awarded on a competitive basis based upon, at a
47 minimum, the projected economic impact of the airport project. At least 20 days before the
48 effective date of any guidelines or nontechnical amendments to guidelines, the Department must
49 publish the proposed guidelines on the Department's website and provide notice to persons who
50 have requested notice of proposed guidelines. In addition, the Department must accept oral and
51 written comments on the proposed guidelines during the 15 business days beginning on the first

1 day that the Department has completed these notifications. For the purpose of this section, a
2 technical amendment is either of the following:

- 3 (1) An amendment that corrects a spelling or grammatical error.
- 4 (2) An amendment that makes a clarification based on public comment and could
5 have been anticipated by the public notice that immediately preceded the
6 public comment."

7 8 **PART II. AEROSPACE WORKFORCE DEVELOPMENT PROGRAM**

9 10 **COMMUNITY COLLEGE AEROSPACE PROGRAM**

11 **SECTION 2.1.** There is appropriated from the General Fund to the Community
12 Colleges System Office the sum of twenty-five million dollars (\$25,000,000) in nonrecurring
13 funds for the 2026-2027 fiscal year to be allocated to community colleges to be used to create or
14 expand training programs for careers in the aerospace workforce. The System Office may use up
15 to five percent (5%) of funds appropriated in this section for administrative costs associated with
16 creating or expanding training programs pursuant to this section, including marketing campaigns
17 to spread awareness of programs created or expanded pursuant to this section.

18 19 **AEROSPACE APPRENTICESHIP PROGRAM**

20 **SECTION 2.2.(a)** Program Established. – There is established the Aerospace
21 Apprenticeship Program (Program). The purpose of the Program is to provide grants to
22 employers in the aerospace sector to incentivize the formation of partnerships with local
23 community colleges for apprenticeship opportunities.

24 **SECTION 2.2.(b)** Application; Selection of Partners. – The Community Colleges
25 System Office shall make an application publicly available by August 1, 2026, to be completed
26 by employers seeking to participate in the Program. Applications shall be submitted by
27 September 1, 2026. Incentive grants shall be awarded to employers to the extent funds are
28 available for that purpose. The System Office shall prioritize applications that include a higher
29 percentage of employer matching funds, apprenticeship programs that culminate in a credential
30 or job offer, and programs that lead to stackable credentials that build off existing programs in
31 the State and align with existing career pathways and nationally recognized aviation standards.
32 Applications for participation in the Program shall include at least the following:

- 33 (1) Employers provide at least fifty percent (50%) of the value of the grant award
34 as matching funds to support the apprenticeship.
- 35 (2) Structured apprenticeships lasting at least six months in duration.
- 36 (3) Apprenticeships aligning with high-demand aerospace fields, including
37 airframe and powerplant mechanics, avionics technicians, composites, and
38 precision machining.
- 39 (4) Commitment to offer interviews or hiring preference to graduates who
40 successfully complete the apprenticeship.

41 **SECTION 2.2.(c)** There is appropriated from the General Fund to the Community
42 Colleges System Office the sum of fifteen million dollars (\$15,000,000) in nonrecurring funds
43 for the 2026-2027 fiscal year to be used to provide grants pursuant to this section. The System
44 Office may use up to five percent (5%) of funds appropriated in this section for administrative
45 costs associated with administering the Program, including marketing campaigns to spread
46 awareness of the Program.

47 48 **AEROSPACE DUAL-ENROLLMENT PROGRAMS**

49 **SECTION 2.3.(a)** The Community Colleges System Office shall use up to five
50 million dollars (\$5,000,000) of the funds appropriated in this section to develop a dual enrollment
51 pilot program to enable high school students to begin coursework toward completion of a

1 certification in the aerospace sector. The System Office may use up to five percent (5%) of funds
2 allocated pursuant to this subsection for administrative costs, including marketing campaigns to
3 spread awareness of the pilot program created pursuant to this section.

4 **SECTION 2.3.(b)** The Community Colleges System Office shall use up to five
5 million dollars (\$5,000,000) of the funds appropriated in this section to provide grants to
6 community colleges that partner with high schools to offer career and technical education
7 pathways aligned with aerospace training to cover the cost of expenses associated with
8 establishing those programs. The System Office may use up to five percent (5%) of funds
9 allocated pursuant to this subsection for administrative costs, including marketing campaigns to
10 spread awareness of pathways offered pursuant to this section.

11 **SECTION 2.3.(c)** There is appropriated from the General Fund to the Community
12 Colleges System Office the sum of ten million dollars (\$10,000,000) in nonrecurring funds for
13 the 2026-2027 fiscal year for the purposes established pursuant to this section.
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15 **PART III. AEROSPACE HUB PROGRAM**

16 **SECTION 3.1.** There is appropriated from the Economic Development Project
17 Reserve established in Section 2.2 of S.L. 2021-180 to the Department of Transportation,
18 Aviation Division, for the 2026-2027 fiscal year the sum of one hundred million dollars
19 (\$100,000,000) in nonrecurring funds to support airport infrastructure modernization geared
20 toward incentivizing aerospace manufacturing projects. Up to five percent (5%) of the funds
21 appropriated by this section may be used for administrative and marketing expenses consistent
22 with the purposes for which the funds were appropriated.

23 **SECTION 3.2.** The Department of Commerce shall develop a program to certify
24 sites in the State as aerospace innovation zones using, at a minimum, infrastructure and embedded
25 university partnerships as criteria for certification. For purposes of this section, "aerospace
26 innovation zone" refers to geographically concentrated areas designed to foster collaboration and
27 innovation within the aerospace industry.
28

29 **PART IV. AEROSPACE RESEARCH GRANTS**

30 **SECTION 4.** There is appropriated from the General Fund to the Board of Governors
31 of The University of North Carolina the sum of thirty million dollars (\$30,000,000) in
32 nonrecurring funds for the 2026-2027 fiscal year to provide grants to postsecondary constituent
33 institutions of The University of North Carolina to research aerospace flight. In awarding these
34 grants, the Board shall prioritize the award of funds to constituent institutions that (i) conduct
35 research in partnership with third-party industry leaders in the field of aerospace flight or (ii)
36 secure matching funds for aerospace research from one or more non-State sources. Up to five
37 percent (5%) of the funds appropriated by this section may be used for administrative and
38 marketing expenses consistent with the purposes for which the funds were appropriated.
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40 **PART V. SUPPLY CHAIN SUPPORT**

41 **SECTION 5.** There is appropriated from the General Fund to the nonprofit
42 corporation with which the Department of Commerce contracts pursuant to G.S. 143B-431.01
43 the sum of one hundred thousand dollars (\$100,000) in nonrecurring funds for the 2026-2027
44 fiscal year to establish a program for helping North Carolina-based aerospace companies with
45 export assistance and Federal Aviation Administration certification.
46

47 **PART VI. EFFECTIVE DATE**

48 **SECTION 6.** This act becomes effective July 1, 2026.