

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025**

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SENATE BILL 986

Short Title: Workforce Act of 2026. (Public)

Sponsors: Senators Settle, Hise, and Corbin (Primary Sponsors).

Referred to: Rules and Operations of the Senate

May 4, 2026

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR THE CONTINUATION AND EXPANSION OF PROGRAMS AND SERVICES PROVIDED BY THE STATE FOR WORKFORCE DEVELOPMENT AND TO APPROPRIATE FUNDS FOR THOSE PURPOSES.

The General Assembly of North Carolina enacts:

PART I. TITLE AND INTRODUCTION

SECTION 1.(a) Title. – This act shall be known and may be cited as the Workforce Act of 2026.

SECTION 1.(b) Introduction. – The appropriations made in this act are for the amounts necessary to modernize education-to-workforce pathways across the State, to improve credit acquisition and transfer for students, strengthen career information sharing among institutions of higher education and employers, and expand employer-recognized credentials to provide faster, clearer routes to credential completion and career success.

PART II. APPRENTICESHIP NC SUPPORT

SECTION 2.(a) Findings. – The General Assembly finds that work-based learning is of value to learners as well as employers; that apprenticeship is a highly effective work-based learning model and provides a significant return on investment; that continued growth of apprenticeship is important to the State's economy; that ApprenticeshipNC is critical to increasing the number of employers participating in apprenticeships as well as the number of registered apprentices in North Carolina; that continued growth of apprenticeship is at risk without adequate support for ApprenticeshipNC; and that additional State support is necessary to sustain apprenticeship growth.

SECTION 2.(b) Appropriation. – There is appropriated from the General Fund to the Community Colleges System Office the sum of three million one hundred thousand dollars (\$3,100,000) in recurring funds beginning with the 2026-2027 fiscal year for the administration of the ApprenticeshipNC program.

PART III. NC WORKFORCE CREDENTIALS

NC WORKFORCE CREDENTIALS OPERATIONAL EXPENSES AND STAFFING

SECTION 3.1.(a) Findings. – The General Assembly finds that, due to the critical importance to the State of identifying industry-valued credentials, promoting programs of study leading to industry-valued credentials, and aligning industry-valued credentials and programs of study leading to those credentials with federal Workforce Pell Grant implementation, it is



1 necessary that the State provide funds to the Department of Commerce (Department) to develop
2 and maintain a list of industry-valued credentials, to continually determine programs of study to
3 meet workforce needs, and to ensure alignment to federal Workforce Pell Grants.

4 **SECTION 3.1.(b)** Appropriation. – There is appropriated from the General Fund to
5 the Department the sum of three hundred fifty thousand dollars (\$350,000) in recurring funds,
6 beginning with the 2026-2027 fiscal year, for operational expenses and staffing to support NC
7 Workforce Credentials in accordance with this section and G.S. 143B-438.10.

8 **SECTION 3.1.(c)** Data Coordination. – The Department shall engage with
9 employers to provide workforce data and participate in efforts to link data on industry-valued
10 credentials to labor market outcomes, including:

- 11 (1) Labor market demand.
- 12 (2) Job placement and Standard Occupational Classification or similar data
13 reflecting employment-in-field.
- 14 (3) Wage outcomes.
- 15 (4) Stackability-capacity for credentials to count toward and build into more
16 advanced career credentials.
- 17 (5) Work location, collected on a voluntary basis and in a manner consistent with
18 applicable State and federal privacy protections, to support aggregated
19 analysis of regional workforce outcomes, talent retention, and analysis of
20 education and career pathways alignment with local labor market demand.

21 **SECTION 3.1.(d)** Stakeholder Consultation. – As part of its efforts to link data on
22 industry-valued credentials to labor market outcomes, the Department shall consult with the
23 North Carolina Community Colleges System Office, The University of North Carolina System
24 Office, and other relevant stakeholders to ensure alignment with rules and regulations pertaining
25 to federal Workforce Pell Grants and to take steps to institutionalize workforce data sharing
26 across State government.

27 **SECTION 3.1.(e)** Longitudinal Data. – As part of its efforts to link data on
28 industry-valued credentials to labor market outcomes, the Department shall encourage issuers of
29 those credentials to submit data pertaining to credentials issued to the North Carolina
30 Longitudinal Data System for inclusion in the System's Licenses and Credentials Data
31 Warehouse to enhance the State's ability to retrieve and link those data to labor market outcomes.

32 **SECTION 3.1.(f)** Wage-Outcome Prioritization. – In developing and maintaining
33 the list of industry-valued credentials, the Department shall give substantial weight to
34 demonstrated wage outcomes and evidence that credential attainment provides a positive return
35 on investment for students.

36 **SECTION 3.1.(g)** Outreach. – Of the funds appropriated to the Department under
37 subsection (b) of this section, the Department may use up to fifty thousand dollars (\$50,000) each
38 fiscal year for outreach and communications consistent with the purposes of this section,
39 including to contract with non-State entities for outreach and communications.

40 **ADDITIONAL FUNDS FOR SHORT-TERM WORKFORCE DEVELOPMENT** 41 **GRANTS**

42 **SECTION 3.2.(a)** Findings. – The General Assembly finds that, due to the critical
43 need in this State to provide financial aid for students pursuing industry-valued credentials,
44 including in programs of study that are not eligible for federal Workforce Pell Grants, it is in the
45 State's interest to provide an increase of funds to the North Carolina Community College
46 Short-Term Workforce Development Grant Program.

47 **SECTION 3.2.(b)** G.S. 115D-10.19 is amended by adding a new subsection to read:

48 "(e) Administrative Costs. – The North Carolina Community Colleges System Office may
49 use up to four percent (4%) of the funds appropriated for the Program for administrative costs
50 associated with administration of the Program."
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1 **SECTION 3.2.(c)** Appropriation. – There is appropriated from the General Fund to
2 the Community Colleges System Office the sum of one million dollars (\$1,000,000) in recurring
3 funds beginning with the 2026-2027 fiscal year for the Short-Term Workforce Development
4 Grant Program.

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6 **PART IV. SEAMLESS POSTSECONDARY TRANSFER**

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8 **INCLUDE NORTH CAROLINA INDEPENDENT COLLEGES AND UNIVERSITIES IN**
9 **COMMON DIGITAL TRANSCRIPT**

10 **SECTION 4.1.** The State Education Assistance Authority, in consultation with the
11 Department of Public Instruction, the Community Colleges System Office, The University of
12 North Carolina System Office, the North Carolina Independent Colleges and Universities, and
13 the College Foundation, Inc., shall incorporate the private colleges and universities located in
14 this State into the common digital transcript developed pursuant to Section 8A.15 of S.L.
15 2023-134. No later than March 15, 2027, the Authority shall report to the Joint Legislative
16 Education Oversight Committee on the progress made toward this goal, including at least the
17 following information:

- 18 (1) Any additional steps to be taken for this purpose and a time line for completing
19 those steps and publishing the transcript to students enrolled at private
20 colleges and universities in this State.
21 (2) Estimates of any additional costs needed to expand the common digital
22 transcript to private colleges and universities.

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24 **EXPANSION OF POSTSECONDARY TRANSFER TECHNOLOGY**

25 **SECTION 4.2.(a)** Findings. – The General Assembly makes the following findings
26 regarding the current state of postsecondary transfer technology at institutions of higher
27 education in North Carolina:

- 28 (1) Seamless postsecondary transfer and reverse transfer reduces barriers for
29 learners and aligns to statewide economic and workforce goals.
30 (2) The Current Operations Appropriations Act of 2023, S.L. 2023-134,
31 authorized and supported statewide postsecondary data and technology
32 initiatives to improve student outcomes, including transfer efficiency.
33 (3) Expanding technology to support the transfer of student credits among and
34 between institutions of higher education will reduce the time it takes for
35 students to earn a degree and reduce costs.
36 (4) Successful postsecondary transfer and reverse transfer is necessary to achieve
37 the postsecondary attainment goal established in G.S. 116C-10.
38 (5) Additional investment is necessary to scale and integrate technology
39 supporting seamless postsecondary transfer and reverse transfer.

40 **SECTION 4.2.(b)** Initiative; Administration. – For the 2026-2027 academic year,
41 The University of North Carolina System Office, in collaboration with the Community Colleges
42 System Office, shall expand the current initiative (Initiative) to accelerate the transfer of course
43 credits among postsecondary institutions of higher education using postsecondary transfer
44 technology. This expanded Initiative shall provide and improve technology at participating
45 institutions of higher education that will simplify the credit transfer process for students, advisors,
46 and the participating institutions. The expanded Initiative shall allow students to easily compare
47 credit transfer options, speed up student decision making, and streamline transfer planning and
48 progress toward degrees in a manner that reduces overall costs for students in the State.

49 **SECTION 4.2.(c)** Appropriation. – There is appropriated from the General Fund to
50 the Board of Governors of The University of North Carolina the sum of two million five hundred
51 thousand dollars (\$2,500,000) in nonrecurring funds for the 2026-2027 fiscal year for the

1 expanded Initiative described in subsection (a) of this section. The University of North Carolina
2 System Office shall use these funds to identify and develop programs to accelerate the transfer
3 of course credits among postsecondary institutions of higher education in accordance with this
4 section.

5 **SECTION 4.2.(d)** Report. – No later than March 15, 2027, The University of North
6 Carolina System Office shall report to the Joint Legislative Education Oversight Committee on
7 the Initiative, including at least the following information:

- 8 (1) The number and identity of institutions participating in the Initiative.
- 9 (2) The progress of each participating institution in the following areas, with data
10 disaggregated on the basis of income, race, ethnicity, and other demographic
11 characteristics, where available:
 - 12 a. Enrollments upon transfer.
 - 13 b. Credentials attained as a result of the successful transfer of credits.
- 14 (3) Recommendations to scale credit mobility and transfer technology statewide,
15 including identification of data system needs and opportunities to further
16 reduce the time it takes for a student to receive a degree and any other student
17 costs.

18 **PART V. NC CAREERS ENHANCEMENT**

19 **SECTION 5.(a)** Findings. – The General Assembly finds that (i) maintaining a
20 high-quality, up-to-date central platform to disseminate information on career exploration, career
21 planning, and alignment of education to career pathways to meet workforce needs is a statewide
22 priority, (ii) NC Careers provides such a platform, (iii) enhancing NC Careers is essential to the
23 effective implementation of the provisions of G.S. 115C-158.10, and (iv) it is necessary that the
24 State provide funds to the Department of Commerce to enhance NC Careers and its ability to
25 serve as North Carolina's premier workforce information and career navigation resource for
26 students, parents, educators, jobseekers, and career counselors.

27 **SECTION 5.(b)** Appropriation. – There is appropriated from the Information
28 Technology Reserve to the Department of Commerce the sum of one million five hundred
29 thousand dollars (\$1,500,000) in nonrecurring funds for the 2026-2027 fiscal year to enhance NC
30 Careers in accordance with this subsection. Enhancements shall prioritize functionality that
31 supports individualized career planning, integration with programs of study and industry-related
32 credentials, information on licensure requirements as applicable, and use by career counselors,
33 advisors, and coaches embedded throughout a learner's experience across education and
34 workforce systems.
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36 **PART VI. NORTH CAROLINA COLLABORATORY TO EVALUATE AND REPORT 37 ON THE WORKFORCE ACT OF 2026**

38 **SECTION 6.(a)** The North Carolina Collaboratory (Collaboratory) shall evaluate
39 the programs and initiatives established in Parts I through V of this act each academic year
40 through the 2029-2030 academic year. The Collaboratory shall report the results of its evaluation
41 to the Joint Legislative Education Oversight Committee by March 15 of each year through March
42 15, 2030. Each report shall include the following information:

- 43 (1) The total number of students and adult learners engaging with each program
44 or initiative established in this act.
- 45 (2) The total funds expended to implement, design, and operate each program or
46 initiative.
- 47 (3) The effects of the programs and initiatives in this act on achieving
48 postsecondary attainment and workforce outcomes.

49 **SECTION 6.(b)** There is appropriated from the General Fund to the Board of
50 Governors of The University of North Carolina for the 2026-2027 fiscal year the sum of six
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1 hundred thousand dollars (\$600,000) in nonrecurring funds to be allocated to the North Carolina
2 Collaboratory to conduct the evaluation and report described in this section.

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4 **PART VII. EFFECTIVE DATE**

5 **SECTION 7.** Except as otherwise provided, this act becomes effective July 1, 2026.