

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL 987

Short Title: Lower Healthcare Costs. (Public)

Sponsors: Senators Batch, Grafstein, and Bradley (Primary Sponsors).

Referred to: Rules and Operations of the Senate

May 4, 2026

A BILL TO BE ENTITLED

AN ACT TO PREVENT REDUCTIONS IN TAKE-HOME PAY FOR STATE EMPLOYEES
DUE TO INCREASES IN THE NORTH CAROLINA STATE HEALTH PLAN FOR
TEACHERS AND STATE EMPLOYEES PLAN PREMIUMS.

The General Assembly of North Carolina enacts:

SECTION 1. Article 9 of Chapter 143C of the General Statutes is amended by adding
a new section to read:

"§ 143C-9-11. Fund for State Employee Premium Stabilization.

(a) Intent. – It is the intent of the General Assembly to prevent reductions in the net
income of State employees due to increases in the North Carolina State Health Plan for Teachers
and State Employees premiums.

(b) Creation. – The Fund for State Employee Premium Stabilization is established as a
special fund in the Department of State Treasurer.

(c) Use of Funds. – The State Treasurer, in consultation with the Director of the Office
of State Human Resources, shall administer the Fund for State Employee Premium Stabilization.
These funds shall be used to supplement State employee compensation in a manner that
maintains, or seeks to maintain, the net income of State employees in the event of an increase in
the monthly premiums required for participation in the North Carolina State Health Plan for
Teachers and State Employees.

(d) Rules for Administration of Fund. – The State Treasurer, after consultation with the
Director of the Office of State Human Resources, shall adopt rules regarding the administration
of the Fund for State Employee Premium Stabilization."

SECTION 2. Notwithstanding G.S. 115C-562.8 and any other provision of law to
the contrary, the State Education Assistance Authority shall transfer to the Fund for State
Employee Premium Stabilization the sum of one hundred fifty million dollars (\$150,000,000) in
nonrecurring funds that were appropriated to the Opportunity Scholarship Grant Fund Reserve
for the 2025-2026 fiscal year to be used for the award of scholarships in the 2026-2027 fiscal
year.

SECTION 3. This act becomes effective July 1, 2026.

