



HOUSE BILL 426: Workforce Diploma Program.

2025-2026 General Assembly

Committee:	House Education - K-12. If favorable, re-refer to Appropriations. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	April 1, 2025
Introduced by:	Reps. Cotham, Stevens	Prepared by:	Samantha Yarborough Committee Counsel
Analysis of:	First Edition		

OVERVIEW: House Bill 426 would require the North Carolina Community Colleges System Office (CCSO) to establish a Workforce Diploma Program for the 2025-2026 and 2026-2027 fiscal years by contracting with qualifying third-party entities that provide courses to help students 21 years of age or older earn a high school diploma and develop employability and career and technical skills.

CURRENT LAW: The CCSO partners with local school administrative units to offer the Adult High School (AHS) program for adults and certain minors at least 16 years of age who would like an AHS diploma. Course and graduation standards for the AHS are aligned with the requirements of the State Board of Education. Courses are competency-based. Community colleges offering an AHS program are required to offer at least the minimum number of credits required for high school graduation.

BILL ANALYSIS: House Bill 426 would require the CCSO to establish a Workforce Diploma Program (Program) for the 2025-2026 and the 2026-2027 fiscal years. The Program would serve students who are 21 years of age or older who are North Carolina residents and have not earned a high school diploma or equivalent. The CCSO would contract with qualifying third-party entities to provide courses to help students earn a high school diploma. To qualify, the third-party entity must do at least the following:

- Have administered at least three statewide adult high school diploma programs outside of the State in the past five years and maintained at least a 50% graduation rate beginning with the second cohort of students.
- Be accredited by an external regional accrediting agency.
- Offer a course catalog that aligns with curriculum requirements for a North Carolina high school diploma.

The Program would (i) provide competency-based courses to help students earn a high school diploma, (ii) assist students in obtaining employment, including résumé development and mock interviews, and (iii) provide at least the following:

- Proactive communication regarding pace and progress.
- Course and credit plans aligned with graduation requirements and career goals.
- Mentoring services.
- Milestone tracking.
- Academic skill intake assessments and transcript evaluations.
- Catalog of courses necessary to meet graduation requirements.
- Remediation opportunities in literacy and numeracy.
- Employability skills certifications.
- Preparation for workforce credentials.
- Career advising services.
- Access to online tutoring services at any time.

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House Bill 426

Page 2

Funds would be provided to each third-party entity on a per-participant basis, as follows:

- \$275 for each half credit.
- \$275 for completion of an employability skills certification equivalent to one credit.
- \$275 for attainment of an industry-recognized credential that requires up to 50 hours of training.
- \$550 for attainment of an industry-recognized credential that requires 51-100 hours of training.
- \$825 for attainment of an industry-recognized credential that requires more than 100 hours of training.
- \$1,100 for attainment of a high school diploma.

The State Board of Community Colleges, in consultation with each third-party entity, would be required to submit an interim report by August 15, 2026, and a final report by August 15, 2027, to the Joint Legislative Education Oversight Committee and the Fiscal Research Division on the impact of the program.

House Bill 426 would appropriate \$5,000,000 in nonrecurring funds from the General Fund to the CCSO for the Program. Up to \$100,000 would be used to hire one position to administer the Program.

EFFECTIVE DATE: House Bill 426 would become effective July 1, 2025.