

1 Whereas, childhood food insecurity remains a crisis, with more than twenty percent
2 (20%) of North Carolina children living in households that cannot afford sufficient nutrition,
3 leading to lifelong negative health outcomes and academic struggles; and

4 Whereas, violent crime and exploitation targeting children are on the rise, with human
5 traffickers, gangs, and online predators increasingly preying on minors, requiring stronger law
6 enforcement collaboration and parental empowerment to protect our children; and

7 Whereas, every dollar invested in early childhood development, education, and safety
8 yields an estimated seven-dollar (\$7.00) return in long-term economic benefits, including higher
9 graduation rates, increased workforce productivity, and lower crime rates, proving that protecting
10 children is not just a moral obligation but an economic necessity; and

11 Whereas, North Carolina has an opportunity to be a national leader in child safety,
12 privacy protections, and family empowerment, ensuring that our State prioritizes parental rights,
13 safeguards children from corporate and government overreach, and builds a future where every
14 child can thrive; Now, therefore,

15 The General Assembly of North Carolina enacts:

16 17 **PART I. TITLE AND PURPOSE**

18 **SECTION 1.1.** This act shall be known as "The Children First Act."

19 **SECTION 1.2.** The purposes of this act are as follows:

- 20 (1) To expand child care affordability and access for North Carolina families.
- 21 (2) To increase child care workforce development activities and streamline the
22 licensing of child care workers.
- 23 (3) To strengthen child health and safety protections with respect to social media,
24 substance use, firearm safety, and access to early childhood mental health.
- 25 (4) To incentivize employer-sponsored child care initiatives.
- 26 (5) To reduce child care deserts in rural and underserved communities.
- 27 (6) To support public-private partnerships for sustainable child care solutions.

28 29 **PART II. EXPANSION OF CHILD CARE AFFORDABILITY AND ACCESS**

30 31 **EXPANSION OF CHILD CARE SUBSIDY ELIGIBILITY CRITERIA AND** 32 **ENHANCEMENT OF CHILD CARE SUBSIDY RATES**

33 **SECTION 2.1.** Effective July 1, 2025, there is appropriated from the General Fund
34 to the Department of Health and Human Services, Division of Child Development and Early
35 Education, the sum of fifty million dollars (\$50,000,000) in recurring funds for each year of the
36 2025-2027 fiscal biennium to be allocated to the North Carolina Child Care Subsidy Program to
37 do all of the following:

- 38 (1) To increase the maximum gross annual income for initial eligibility under the
39 Program to eighty-five percent (85%) of State Median Income (SMI).
- 40 (2) To adjust the sliding scale used to determine the percentage of child care costs
41 paid by families participating in the Program. Copayments on the sliding scale
42 shall be graduated based on family size and household income, starting from
43 two hundred percent (200%) of the federal poverty level and increasing
44 through eighty-five percent (85%) of SMI.
- 45 (3) To increase child care subsidy rates to reflect the true cost of providing quality
46 child care in North Carolina. The increase funded pursuant to this section shall
47 be based on the most recent North Carolina child care market rate survey
48 conducted in 2023.

49 50 **CHILD CARE FACILITY GRANTS**

1 **SECTION 2.2.(a)** There is appropriated from the General Fund to the Department
2 of Health and Human Services, Division of Child Development and Early Education (DCDEE),
3 the sum of fifteen million dollars (\$15,000,000) in nonrecurring funds for each year of the
4 2025-2027 fiscal biennium to be used to provide grants for start-up costs associated with the
5 establishment of new child care facilities in rural or underserved areas of the State, particularly
6 those areas within a child care desert or low performing and high poverty district. The DCDEE
7 shall establish an application process and eligibility criteria for awarding grants under this section
8 and shall award grants under this section pursuant to criteria established by the DCDEE.

9 **SECTION 2.2.(b)** By December 1, 2026, and by December 1, 2027, the DCDEE
10 shall report to the Joint Legislative Oversight Committee on Health and Human Services and the
11 Fiscal Research Division on any grants awarded pursuant to this section. The report shall include
12 at least all of the following information:

- 13 (1) The total number and amount of grants awarded under this section.
- 14 (2) For each grant, the identity and a brief description of the grantee, the amount
15 of the grant award, the grantee's stated purpose for the grant, and the location
16 of the new child care facility funded by the grant.
- 17 (3) A status report on the operational status of the child care facility funded by
18 the grant.

19 20 **CHILD CARE FACILITIES INVESTMENT FUND AND LOAN PROGRAM**

21 **SECTION 2.3.(a)** Fund Established; Purpose. – The Child Care Facilities
22 Investment Fund is created as a nonreverting special fund in the Department of Commerce. The
23 Fund shall operate as a revolving fund consisting of funds appropriated to, or otherwise received
24 by, the Child Care Facilities Investment Program created by subsection (b) of this section and all
25 funds received as repayment of the principal of or interest on a loan made from the Fund. The
26 State Treasurer is the custodian of the Fund and shall invest its assets in accordance with
27 G.S. 147-69.2 and G.S. 147-69.3. Moneys in the Fund shall not be used for any purpose other
28 than to finance the costs of expanding or upgrading existing child care facilities in rural or
29 underserved areas of the State, as provided in subsection (b) of this section.

30 **SECTION 2.3.(b)** Program Established; Purpose. – There is established the Child
31 Care Facilities Investment Program (Program) within the Department of Commerce. Within the
32 funds available in the Child Care Facilities Investment Fund created by subsection (a) of this
33 section, the Program shall provide for loans at below-market interest rates with structured
34 repayment terms to finance the costs of expanding or upgrading existing child care facilities in
35 rural or underserved areas of the State, particularly those areas in a child care desert or low
36 performing and high poverty district.

37 **SECTION 2.3.(c)** Administration. – The Department of Commerce shall administer
38 the Program and has the following duties and responsibilities:

- 39 (1) Establishing an application period and a process for submitting an application
40 for a loan under this Program.
- 41 (2) Assessing applications submitted by an applicant for a loan under the
42 Program.
- 43 (3) Evaluating an applicant's ability to repay the loan.
- 44 (4) Negotiating the terms of a proposed loan agreement.
- 45 (5) Determining the security interests necessary to enforce repayment of the loan.
- 46 (6) Implementing approved loan agreements, including monitoring repayment
47 and collection.
- 48 (7) Any other duties and responsibilities necessary to the implementation of the
49 Program and enforcement of the loan agreements under the Program.

50 **SECTION 2.3.(d)** Annually by December 1, beginning December 1, 2027, the
51 Department of Commerce shall report to the Joint Legislative Commission on Governmental

1 Operations, the Joint Legislative Oversight Committee on Health and Human Services, and the
2 Fiscal Research Division on any loans provided under the Child Care Facilities Investment
3 Program authorized by this section. The report shall include at least all of the following
4 information with respect to the preceding fiscal year:

- 5 (1) The total amount of loans approved under the Program.
- 6 (2) For each loan approved, the identity of the borrower, the amount of the loan,
7 and the borrower's stated purpose for the loan.
- 8 (3) A status report on the activities funded by the loan.

9 **SECTION 2.3.(e)** Effective July 1, 2025, there is appropriated from the General
10 Fund to the Department of Commerce the sum of twenty million dollars (\$20,000,000) in
11 recurring funds for each year of the 2025-2027 fiscal biennium to be allocated to the Child Care
12 Facilities Investment Fund created by subsection (a) of this section.

13 **EMPLOYER-PROVIDED CHILD CARE CREDIT**

14 **SECTION 2.4.(a)** Article 4 of Chapter 105 of the General Statutes is amended by
15 adding a new Part to read:

16 "Part 6. Employer-Provided Child Care Credit.

17 "§ 105-163.20. Employer-provided child care credit.

18 (a) Definitions. – The following definitions apply in this section:

19 (1) Code. – Defined in G.S. 105-228.90.

20 (2) Qualifying business. – A business subject to income tax under this Article.

21 (b) Credit. – A qualifying business that is allowed a credit against federal income tax for
22 qualified child care expenditures under section 45F of the Code shall be allowed as a credit
23 against the tax imposed by Part 1, Part 1A, or Part 2 of this Article, as appropriate, the amount
24 allowed under section 45F of the Code. In order to claim the credit allowed by this section, the
25 taxpayer must provide with the tax return the information required by the Secretary.

26 (c) Limitations. – A nonresident or part-year resident who claims the credit allowed by
27 this section shall reduce the amount of the credit by multiplying it by the fraction calculated under
28 G.S. 105-153.4(b) or (c), as appropriate. No credit shall be allowed under this section for amounts
29 deducted in calculating North Carolina taxable income. The credit allowed by this section may
30 not exceed the amount of tax imposed by Part 1, Part 1A, or Part 2 of this Article for the taxable
31 year reduced by the sum of all credits allowable, except for payments of tax made by or on behalf
32 of the taxpayer."

33 **SECTION 2.4.(b)** This section is effective for taxable years beginning on or after
34 January 1, 2026.

35 **PART III. CHILD HEALTH AND SAFETY PROTECTIONS**

36 **MEDICAID COVERAGE FOR DOULA SERVICES**

37 **SECTION 3.1.(a)** The Department of Health and Human Services, Division of
38 Health Benefits (DHB), shall seek approval from the Centers for Medicare and Medicaid Services
39 (CMS) to implement Medicaid coverage of certain healthcare services provided by a doula. DHB
40 shall develop the parameters of services to be covered, including updating applicable clinical
41 coverage policies, developing appropriate reimbursement for covered services provided by a
42 doula, and determining provider credentialing requirements for participation in the NC Medicaid
43 program. The coverage required by this section shall be implemented as soon as practicable upon
44 approval by CMS. DHB shall report to the Joint Legislative Oversight Committee on Medicaid
45 no later than March 1, 2026, regarding the details of the Medicaid coverage of healthcare services
46 provided by a doula, the specific reimbursement for these services, and the estimated recurring
47 cost to the State of providing this coverage.
48
49
50

1 **SECTION 3.1.(b)** There is appropriated from the General Fund to the Department
2 of Health and Human Services, Division of Health Benefits, the sum of one million dollars
3 (\$1,000,000) in recurring funds for each year of the 2025-2027 fiscal biennium to implement the
4 Medicaid-related changes outlined in this act. These funds shall provide a State match for one
5 million eight hundred twenty-six thousand dollars (\$1,826,000) in recurring federal funds for
6 each year of the 2025-2027 fiscal biennium, and those federal funds are appropriated to the
7 Division of Health Benefits to pay for costs associated with the Medicaid-related changes
8 outlined in this act.

9 **SECTION 3.1.(c)** There is appropriated from the General Fund to the Department
10 of Health and Human Services, Division of Public Health, the sum of five hundred thousand
11 dollars (\$500,000) in recurring funds for each year of the 2025-2027 fiscal biennium to be used
12 to provide training, support services, and technical assistance to the doula workforce.

13 **SECTION 3.1.(d)** Subsections (b) and (c) of this section are effective July 1, 2025.
14 The remainder of this section is effective when it becomes law.

15 16 **YOUTH MENTAL HEALTH AND SUICIDE PREVENTION**

17 **SECTION 3.2.(a)** There is appropriated from the General Fund to the Department
18 of Health and Human Services, Division of Child Development and Early Education, the sum of
19 one million dollars (\$1,000,000) in recurring funds for each year of the 2025-2027 fiscal
20 biennium to be used to provide mental health training for child care workers, including suicide
21 prevention strategies.

22 **SECTION 3.2.(b)** There is appropriated from the General Fund to the Department
23 of Health and Human Services, Division of Child Development and Early Education, the sum of
24 two million five hundred thousand dollars (\$2,500,000) in nonrecurring funds for each year of
25 the 2025-2027 fiscal biennium to be used to provide for telehealth services for mental health
26 screenings in child care centers.

27 **SECTION 3.2.(c)** There is appropriated from the General Fund to the Department
28 of Public Instruction the sum of sixty-five million four hundred ninety thousand seven hundred
29 six dollars (\$65,490,706) in recurring funds for the 2025-2026 fiscal year to increase the School
30 Health Personnel Allotment as established in G.S. 115C-316.5.

31 **SECTION 3.2.(d)** This section is effective July 1, 2025.

32 33 **CHILD PASSENGER SAFETY LAW REVISIONS**

34 **SECTION 3.3.(a)** G.S. 20-137.1 reads as rewritten:

35 **"§ 20-137.1. Child restraint systems required.**

36 (a) Every driver who is transporting one or more passengers of less than 16 years of age
37 shall have all such passengers properly secured in a child passenger restraint system or seat belt
38 which meets federal standards applicable at the time of its manufacture. For purposes of this
39 section, a "child passenger restraint system" means any device designed to restrain or position a
40 child in a motor vehicle, including a booster seat.

41 (a1) A child less than eight years of age and less than 80 pounds in weight 57 inches in
42 height shall be properly secured in a weight appropriate height and weight appropriate child
43 passenger restraint system. In vehicles equipped with an active passenger side front air bag, if
44 the vehicle has a rear seat, a child less than five years of age and less than 40 pounds in weight
45 shall be properly secured in a rear seat, unless the child restraint system is designed for use with
46 air bags. If system as follows:

47 (1) Beginning as a newborn, a child shall be properly secured in a rear-facing
48 child passenger restraint system with transition to a forward-facing system
49 according to the manufacturer's instructions related to the child's height and
50 weight requirements for use of the system as indicated by the federally
51 required label on the car seat which states those requirements.

- 1 (2) The child shall be properly secured in a child passenger restraint system in a
 2 rear seat unless at least one of the following exceptions applies:
 3 a. The vehicle does not have a rear seat. This exception shall not apply
 4 to a rear-facing child passenger restraint system being used in the front
 5 seat of a motor vehicle that has an active front air bag.
 6 b. The vehicle is not equipped with an active passenger-side front air bag.
 7 c. The child passenger restraint system is designed for use with front air
 8 bags.
- 9 (a2) A driver may satisfy the requirements of this this section by properly securing a child
 10 passenger with a seat belt as follows:
- 11 (1) Notwithstanding subsection (a1) of this section, if no seating position
 12 equipped with a lap and shoulder belt to properly secure the
 13 weight-appropriate child passenger restraint system is available, a child less
 14 than eight years of age and ~~between at least 40 and 80~~ pounds may be
 15 restrained by a properly fitted lap belt only.
- 16 (2) A child who is at least 8 years of age or 57 inches in height may be restrained
 17 by a properly secured lap and shoulder belt. For purposes of this subdivision,
 18 a lap and shoulder belt are properly secured if, when fastened, all of the
 19 following apply:
- 20 a. The lap belt fits across the child's thighs and hips and not across the
 21 child's abdomen.
- 22 b. The shoulder belt crosses the child's body diagonally at approximately
 23 the mid-point of the child's shoulder and the center of the child's chest.
- 24 c. The child is able to sit with the child's back straight against the
 25 vehicle's seat back cushion and with the child's knees bent over the
 26 vehicle's seat edge without slouching.

27 "

28 **SECTION 3.3.(b)** This act becomes effective December 1, 2025, and applies to
 29 offenses committed on or after that date.

30 **FIREARM SAFE STORAGE AWARENESS**

31 **SECTION 3.4.(a)** G.S. 14-315.1 reads as rewritten:

32 **"§ 14-315.1. Storage of firearms to protect minors.**

33 (a) Any person who resides in the same premises as a minor, owns or possesses a firearm,
 34 and stores or leaves the firearm ~~(i) in a condition that the firearm can be discharged and (ii) in a~~
 35 manner that the person knew or should have known that an unsupervised minor would be able to
 36 gain access to the firearm, is guilty of a Class 1 misdemeanor if a minor gains access to the
 37 firearm without the lawful permission of the minor's parents or a person having charge of the
 38 minor and the ~~minor~~ minor does any of the following:

- 39 (1) Possesses it in violation of ~~G.S. 14-269.2(b);~~ G.S. 14-269.2(b).
- 40 (2) Exhibits it in a public place in a careless, angry, or threatening
 41 ~~manner;~~ manner.
- 42 (3) Causes personal injury or death with it not in self ~~defense;~~ or defense.
- 43 (4) Uses it in the commission of a crime.

44 "

45 **SECTION 3.4.(b)** G.S. 110-102 reads as rewritten:

46 **"§ 110-102. Information for parents.**

47 The Secretary shall provide to each operator of a child care facility a summary of this Article
 48 and G.S. 14-315.1 for the parents, guardian, or full-time custodian of each child receiving child
 49 care in the facility to be distributed by the operator. Operators of child care facilities shall provide
 50 a copy of the summary to each child's parent, guardian, or full-time custodian before the child is
 51

1 enrolled in the child care facility. The child's parent, guardian, or full-time custodian shall sign a
 2 statement attesting that he or she received a copy of the summary before the child's enrollment.
 3 The summary shall include the name and address of the Secretary and the address of the
 4 Commission. The summary shall explain how parents may obtain information on individual child
 5 care facilities maintained in public files by the Division of Child Development. The summary
 6 shall also include a statement regarding the mandatory duty prescribed in G.S. 7B-301 of any
 7 person suspecting child abuse or neglect has taken place in child care, or elsewhere, to report to
 8 the county Department of Social Services. The statement shall include the definitions of child
 9 abuse and neglect described in the Juvenile Code in G.S. 7B-101 and of child abuse described in
 10 the Criminal Code in G.S. 14-318.2 and G.S. 14-318.4. The statement shall stress that this
 11 reporting law does not require that the person reporting reveal the person's identity. The summary
 12 shall also include a statement that the Department of Public Safety has additional resources on
 13 best practices for firearm storage and safety.

14 The summary of this Article and G.S. 14-315.1 shall be posted with the facility's license in
 15 accordance with G.S. 110-99. Religious-sponsored programs operating pursuant to G.S. 110-106
 16 shall post the summary in a prominent place at all times so that it is easily reviewed by parents."

17 **SECTION 3.4.(c)** There is appropriated from the General Fund to the Department
 18 of Public Safety the sum of two million one hundred sixty thousand dollars (\$2,160,000) in
 19 recurring funds for the 2025-2026 fiscal year to be used for costs associated with maintaining the
 20 NC SAFE (Secure All Firearms Effectively) initiative.

21 **SECTION 3.4.(d)** Subsection (a) of this section becomes effective December 1,
 22 2025, and applies to offenses committed on or after that date. Subsection (b) of this section
 23 becomes effective December 1, 2025. The remainder of this section becomes effective July 1,
 24 2025.

25 26 **RAISING OF MINIMUM AGE TO ACCESS TOBACCO AND VAPOR PRODUCTS TO** 27 **ALIGN WITH FEDERAL LAW**

28 **SECTION 3.5.(a)** G.S. 14-313 reads as rewritten:

29 "**§ 14-313. Youth access to tobacco products, alternative nicotine products, vapor products,**
 30 **and cigarette wrapping papers.**

31 (a) Definitions. – The following definitions apply in this section:

32 ...

33 (2) Proof of age. – A drivers license or other photographic identification that
 34 includes the bearer's date of birth that purports to establish that the person is
 35 ~~18-21~~ years of age or older.

36 ...

37 (b) Sale or Distribution to Persons Under the Age of ~~18-21~~ Years. – If any person shall
 38 distribute, or aid, assist, or abet any other person in distributing tobacco products or cigarette
 39 wrapping papers to any person under the age of ~~18-21~~ years, or if any person shall purchase
 40 tobacco products or cigarette wrapping papers on behalf of a person under the age of ~~18-21~~ years,
 41 the person shall be guilty of a Class 2 misdemeanor; provided, however, that it shall not be
 42 unlawful to distribute tobacco products or cigarette wrapping papers to an employee when
 43 required in the performance of the employee's duties. Retail distributors of tobacco products shall
 44 prominently display near the point of sale a sign in letters at least five-eighths of an inch high
 45 which states the following:

46 N.C. LAW STRICTLY PROHIBITS
 47 THE PURCHASE OF TOBACCO PRODUCTS, ALTERNATIVE NICOTINE PRODUCTS,
 48 VAPOR PRODUCTS, AND CIGARETTE WRAPPING PAPERS
 49 BY PERSONS UNDER THE AGE OF ~~18-21~~.
 50 PROOF OF AGE REQUIRED.

1 Failure to post the required sign shall be an infraction punishable by a fine of twenty-five dollars
2 (\$25.00) for the first offense and seventy-five dollars (\$75.00) for each succeeding offense.

3 A person engaged in the sale of tobacco products or cigarette wrapping papers shall demand
4 proof of age from a prospective purchaser if the person has reasonable grounds to believe that
5 the prospective purchaser is under ~~18~~21 years of age. Failure to demand proof of age as required
6 by this subsection is a Class 2 misdemeanor if in fact the prospective purchaser is under ~~18~~21
7 years of age. Retail distributors of tobacco products or cigarette wrapping papers shall train their
8 sales employees in the requirements of this law. Proof of any of the following shall be a defense
9 to any action brought under this subsection:

10 (1) The defendant demanded, was shown, and reasonably relied upon proof of age
11 in the case of a retailer, or any other documentary or written evidence of age
12 in the case of a nonretailer.

13 (2) The defendant relied on the electronic system established and operated by the
14 Division of Motor Vehicles pursuant to G.S. 20-37.02.

15 (3) The defendant relied on a biometric identification system that demonstrated
16 (i) the purchaser's age to be at least the required age for the purchase and (ii)
17 the purchaser had previously registered with the seller or seller's agent a
18 drivers license, a special identification card issued under G.S. 20-37.7, a
19 military identification card, or a passport showing the purchaser's date of birth
20 and bearing a physical description of the person named on the card.

21 (b1) Distribution of Tobacco Products. – Tobacco products shall not be distributed in
22 vending machines; provided, however, vending machines distributing tobacco products are
23 permitted (i) in any establishment which is open only to persons ~~18~~21 years of age and older; or
24 (ii) in any establishment if the vending machine is under the continuous control of the owner or
25 licensee of the premises or an employee thereof and can be operated only upon activation by the
26 owner, licensee, or employee prior to each purchase and the vending machine is not accessible
27 to the public when the establishment is closed. The owner, licensee, or employee shall demand
28 proof of age from a prospective purchaser if the person has reasonable grounds to believe that
29 the prospective purchaser is under ~~18~~21 years of age. Failure to demand proof of age as required
30 by this subsection is a Class 2 misdemeanor if in fact the prospective purchaser is under ~~18~~21
31 years of age. Proof that the defendant demanded, was shown, and reasonably relied upon proof
32 of age shall be a defense to any action brought under this subsection. Any person distributing
33 tobacco products through vending machines in violation of this subsection shall be guilty of a
34 Class 2 misdemeanor.

35 (b2) Internet Distribution of Tobacco Products. – A person engaged in the distribution of
36 tobacco products through the Internet or other remote sales methods shall perform an age
37 verification through an independent, third-party age verification service that compares
38 information available from public records to the personal information entered by the individual
39 during the ordering process to establish that the individual ordering the tobacco products is ~~18~~
40 21 years of age or older.

41 (c) Purchase By Persons Under the Age of ~~18~~21 Years. – If any person under the age of
42 ~~18~~21 years purchases or accepts receipt, or attempts to purchase or accept receipt, of tobacco
43 products or cigarette wrapping papers, or presents or offers to any person any purported proof of
44 age which is false, fraudulent, or not actually his or her own, for the purpose of purchasing or
45 receiving any tobacco product or cigarette wrapping papers, the person shall be guilty of a Class
46 2 misdemeanor; provided, however, that it shall not be unlawful for an employee to purchase or
47 accept receipt of tobacco products or cigarette wrapping papers when required in the performance
48 of the employee's duties.

49 (d) Sending or Assisting a Person [Less Than] ~~18~~21 Years to Purchase or Receive
50 Tobacco Products or Cigarette Wrapping Papers. – If any person shall send a person less than ~~18~~
51 21 years of age to purchase, acquire, receive, or attempt to purchase, acquire, or receive tobacco

1 products or cigarette wrapping papers, or if any person shall aid or abet a person who is less than
2 ~~18-21~~ years of age in purchasing, acquiring, or receiving or attempting to purchase, acquire, or
3 receive tobacco products or cigarette wrapping papers, the person shall be guilty of a Class 2
4 misdemeanor; provided, however, persons under the age of ~~18-21~~ may be enlisted by police or
5 local sheriffs' departments to test compliance if the testing is under the direct supervision of that
6 law enforcement department and written parental consent is provided; provided further, that the
7 Department of Health and Human Services shall have the authority, pursuant to a written plan
8 prepared by the Secretary of Health and Human Services, to use persons under ~~18-21~~ years of
9 age in annual, random, unannounced inspections, provided that prior written parental consent is
10 given for the involvement of these persons and that the inspections are conducted for the sole
11 purpose of preparing a scientifically and methodologically valid statistical study of the extent of
12 success the State has achieved in reducing the availability of tobacco products to persons under
13 the age of ~~18-21~~, and preparing any report to the extent required by section 1926 of the federal
14 Public Health Service Act (42 USC § 300x-26).

15"

16 **SECTION 3.5.(b)** This section becomes effective December 1, 2025, and applies to
17 offenses committed on or after that date.

18 **LICENSING REQUIREMENT FOR RETAIL DEALERS OF VAPOR PRODUCTS**

19 **SECTION 3.6.(a)** G.S. 105-113.39A(a2) reads as rewritten:

20 "(a2) Vapor Products License. – A wholesale dealer or a retail dealer must obtain a vapor
21 products license for all of the following locations:

- 22 (1) Each location where a wholesale dealer makes vapor products.
- 23 (2) Each location where a wholesale dealer or a retail dealer receives or stores
24 non-tax-paid vapor products.
- 25 (3) Each location from where a retail dealer that is a delivery seller or a remote
26 seller receives or stores non-tax-paid vapor products for delivery sales if the
27 location is a location other than the location described in subdivision (2) of
28 this subsection.
- 29 (4) Each location from where a retail dealer receives or stores tax-paid vapor
30 products if the location is a location other than the location described in
31 subdivision (2) of this subsection.

32 **SECTION 3.6.(b)** This section becomes effective December 1, 2025.

33 **REGULATION OF INTOXICATING CANNABIS PRODUCT SALES**

34 **SECTION 3.7.(a)** Article 39 of Chapter 14 of the General Statutes is amended by
35 adding a new section to read:

36 **§ 14-313.5. Youth access to cannabis products.**

37 (a) Definitions. – The following definitions apply in this section:

- 38 (1) Cannabis product. – Hemp, hemp products, or marijuana, as defined in
39 G.S. 90-87, legal to be sold or distributed in this State.
- 40 (2) Distribute. – To sell, furnish, give, or provide cannabis products to the
41 ultimate consumer.
- 42 (3) Proof of age. – A drivers license or other photographic identification that
43 includes the bearer's date of birth that purports to establish that the person is
44 21 years of age or older.

45 (b) Sale or Distribution to Persons Under the Age of 21 Years. – If any person shall
46 distribute, or aid, assist, or abet any other person in distributing cannabis products to any person
47 under the age of 21 years, or if any person shall purchase cannabis products on behalf of a person
48 under the age of 21 years, the person shall be guilty of a Class 2 misdemeanor. Retail distributors
49 under the age of 21 years, the person shall be guilty of a Class 2 misdemeanor. Retail distributors
50

1 of cannabis products shall prominently display near the point of sale a sign in letters at least
2 five-eighths of an inch which states the following:

3 "N.C. LAW STRICTLY PROHIBITS
4 THE PURCHASE OF CANNABIS PRODUCTS
5 BY PERSONS UNDER THE AGE OF 21.
6 PROOF OF AGE REQUIRED."

7 Failure to post the required sign shall be an infraction punishable by a fine of twenty-five dollars
8 (\$25.00) for the first offense and seventy-five dollars (\$75.00) for each succeeding offense.

9 (c) A person engaged in the sale of cannabis products shall demand proof of age from a
10 prospective purchaser if the person has reasonable grounds to believe that the prospective
11 purchaser is under 21 years of age. Failure to demand proof of age as required by this subsection
12 is a Class 2 misdemeanor if in fact the prospective purchaser is under 21 years of age. Retail
13 distributors of cannabis products shall train their sales employees in the requirements of this law.
14 Proof of any of the following shall be a defense to any action brought under this subsection:

15 (1) The defendant demanded, was shown, and reasonably relied upon proof of age
16 in the case of a retailer, or any other documentary or written evidence of age
17 in the case of a nonretailer.

18 (2) The defendant relied on the electronic system established and operated by the
19 Division of Motor Vehicles pursuant to G.S. 20-37.02.

20 (3) The defendant relied on a biometric identification system that demonstrated
21 (i) the purchaser's age to be at least the required age for the purchase and (ii)
22 the purchaser had previously registered with the seller or seller's agent a
23 drivers license, a special identification card issued under G.S. 20-37.7, a
24 military identification card, or a passport showing the purchaser's date of birth
25 and bearing a physical description of the person named on the card.

26 (d) Distribution of Cannabis Products. – Cannabis products shall not be distributed in
27 vending machines; provided, however, vending machines distributing cannabis products are
28 permitted (i) in any establishment which is open only to persons 21 years of age and older or (ii)
29 in any establishment if the vending machine is under the continuous control of the owner or
30 licensee of the premises or an employee thereof and can be operated only upon activation by the
31 owner, licensee, or employee prior to each purchase and the vending machine is not accessible
32 to the public when the establishment is closed. The owner, licensee, or employee shall demand
33 proof of age from a prospective purchaser if the person has reasonable grounds to believe that
34 the prospective purchaser is under 21 years of age. Failure to demand proof of age as required by
35 this subsection is a Class 2 misdemeanor if in fact the prospective purchaser is under 21 years of
36 age. Proof that the defendant demanded, was shown, and reasonably relied upon proof of age
37 shall be a defense to any action brought under this subsection. Any person distributing cannabis
38 products through vending machines in violation of this subsection shall be guilty of a Class 2
39 misdemeanor.

40 (e) Internet Distribution of Cannabis Products. – A person engaged in the distribution of
41 cannabis products through the internet or other remote sales methods shall perform an age
42 verification through an independent, third-party age verification service that compares
43 information available from public records to the personal information entered by the individual
44 during the ordering process to establish that the individual ordering the cannabis products is 21
45 years of age or older.

46 (f) Purchase By Persons Under the Age of 21 Years. – If any person under the age of 21
47 years purchases or accepts receipt, or attempts to purchase or accept receipt, of cannabis products,
48 or presents or offers to any person any purported proof of age which is false, fraudulent, or not
49 actually his or her own, for the purpose of purchasing or receiving any cannabis product, the
50 person shall be guilty of a Class 2 misdemeanor; provided, however, that it shall not be unlawful

1 for an employee to purchase or accept receipt of cannabis products when required in the
2 performance of the employee's duties.

3 (g) Deferred Prosecution or Conditional Discharge. – Notwithstanding
4 G.S. 15A-1341(a1) or G.S. 15A-1341(a4), any person charged with a misdemeanor under this
5 section shall be qualified for deferred prosecution or a conditional discharge pursuant to Article
6 82 of Chapter 15A of the General Statutes provided the defendant has not previously been placed
7 on probation for a violation of this section and so states under oath."

8 **SECTION 3.7.(b)** Subsection (a) of this section is effective December 1, 2025, and
9 applies to offenses committed on or after that date.

10 **SECTION 3.8.(a)** Article 39 of Chapter 14 of the General Statutes is amended by
11 adding a new section to read:

12 **"§ 14-313.6. Special packaging of cannabis products.**

13 Cannabis products, as defined in G.S. 14-314, sold or distributed in this State must be sold or
14 distributed in child-resistant packaging, which must be designed or constructed to be significantly
15 difficult for children under 5 years of age to open and not difficult for normal adults to use
16 properly as defined by 16 C.F.R. § 1700.20."

17 **SECTION 3.8.(b)** Subsection (a) of this section is effective October 1, 2025, and
18 applies to products sold on or after that date.

19 **SECTION 3.9.(a)** Article 39 of Chapter 14 of the General Statutes is amended by
20 adding a new section to read:

21 **"§ 14-313.7. Sale of cannabis products near schools or child care centers.**

22 No retail store selling cannabis products may operate within 1,000 yards of a public school
23 or a nonpublic school as defined in Part 1 or Part 2 of Article 39 of Chapter 115C of the General
24 Statutes or a child care center as defined in G.S. 110-86."

25 **SECTION 3.9.(b)** Subsection (a) of this section is effective when it becomes law
26 and applies to retail stores that open on or after that date.

27
28 **ONLINE CHILD SAFETY PROTECTIONS**

29 **SECTION 3.10.(a)** Chapter 66 of the General Statutes is amended by adding a new
30 Article to read:

31 "Article 51A.

32 "Child Safety Online.

33 **"§ 66-504. Definition; findings.**

34 (a) For the purposes of this Article, "social media platform" means an online service or
35 website with users in this State that enables users to create, share, and interact with content and
36 to participate in social networking by connecting with other users.

37 (b) The General Assembly finds that:

38 (1) Predatory social media platforms and digital corporations are deliberately
39 targeting children with addictive algorithms, manipulative content, and
40 intrusive data collection, exposing them to mental health crises, identity theft,
41 and exploitation without parental consent or oversight.

42 (2) Children are being tracked, monetized, and manipulated online, leading to
43 increased rates of anxiety, depression, self-harm, and social isolation, creating
44 the urgent need for strict digital privacy protections, algorithm regulations,
45 and a ban on data mining of minors.

46 **"§ 66-505. Online child safety protections.**

47 (a) No person operating a social media platform shall knowingly employ or implement
48 algorithmic features, notification systems, or interface designs specifically engineered to promote
49 compulsive usage patterns among users in this State who are under 18 years of age.

50 (b) All of the following are unlawful when employed or implemented by a person
51 operating a social media platform for any user in this State under 18 years of age:

- 1 (1) Infinite scroll mechanisms that continuously load content without
2 user-initiated action.
- 3 (2) Autoplay features that present successive content without explicit user
4 request.
- 5 (3) Variable reward mechanisms designed to increase engagement through
6 unpredictable content delivery.
- 7 (4) Quantified social validation indicators that encourage compulsive checking
8 behaviors.
- 9 (c) It is unlawful for a social media platform to do any of the following to any user in this
10 State under 18 years of age:
- 11 (1) Collect, process, or store personal data of users under 18 years of age for
12 behavioral profiling, targeted advertising, or commercial purposes without
13 express, informed parental consent.
- 14 (2) Transfer or sell such data to third parties without explicit disclosure of the
15 specific purposes and recipients or retain such data beyond the period
16 necessary for the explicitly authorized purpose.
- 17 (3) Publish an annual Child Safety Transparency Report detailing the following:
18 a. Measures implemented to protect minors from harmful content.
19 b. Statistics on content moderation actions related to child safety.
20 c. Resources allocated to child protection efforts.
21 d. Response metrics for reports of harmful content targeting minors.
22 e. Independent audit results of child safety measures.
- 23 (4) Submit such reports to the Department of Justice by January 31 of each year.
- 24 (5) Make such reports publicly accessible in a clear, conspicuous manner on the
25 platform's website.
- 26 (d) Every social media platform shall do all of the following:
- 27 (1) Implement robust, age-appropriate parental control systems allowing parents
28 or legal guardians to monitor and limit screen time, restrict access during
29 specified hours, review connections and communications, and receive regular
30 activity reports. These controls must be clearly accessible, understandable,
31 and enabled by default for accounts of users under 18 years of age.
- 32 (2) Publish an annual Child Safety Transparency Report containing details on the
33 following:
34 a. Measures implemented to protect minors from harmful content.
35 b. Statistics on content moderation actions related to child safety.
36 c. Resources allocated to child protection efforts.
37 d. Response metrics for reports of harmful content targeting minors.
38 e. Independent audit results of child safety measures.
- 39 (3) Beginning January 1, 2027, submit these reports to the Department of Justice
40 by January 31 of each year.
- 41 (4) Make such reports publicly accessible in a clear, conspicuous manner on the
42 platform's website.

43 **"§ 66-507. Protection from artificial intelligence and deep fakes for exploitative purposes.**

44 No person shall knowingly do any of the following:

- 45 (1) Create, produce, or generate using artificial intelligence or digital
46 manipulation technologies any image, video, or audio recording that depicts a
47 person under 18 years of age in a sexually explicit manner, a violent or abusive
48 context, or in any situation intended to cause reputational harm.
- 49 (2) Distribute, publish, share, or transfer such content through any medium or
50 platform.

- 1 (3) Modify existing content depicting an actual minor through artificial
2 intelligence or digital manipulation to create a substantially altered
3 representation of that minor.

4 **"§ 66-508. Violations of this Article.**

5 (a) Any who person violates G.S. 66-505 or G.S. 66-506 shall be guilty of a Class 1
6 misdemeanor.

7 (b) Any person who violates G.S. 66-507 shall be guilty of a:

8 (1) Class H felony, if the violation involves creation or distribution of sexually
9 explicit deep fake content depicting a minor.

10 (2) Class I felony, if the violation involves possession of such content with intent
11 to distribute.

12 (c) Each item of prohibited content shall constitute a separate violation under this section.

13 (d) The penalties under this Article shall be in addition to any remedies available under
14 federal law or other provisions of State law.

15 **"§ 66-509. Severability.**

16 If any provision of this Article is held to be invalid or unenforceable, the validity and
17 enforceability of the remaining provisions shall remain valid and enforceable."

18 SECTION 3.10.(b) This section becomes effective December 1, 2025, and applies
19 to acts and omissions committed on or after that date.

20
21 **PART IV. FETAL & INFANT MORTALITY PREVENTION**

22
23 **CREATION OF FETAL AND INFANT MORTALITY REVIEW TEAM**

24 SECTION 4.1.(a) Article 5 of Chapter 130A of the General Statutes is amended by
25 adding a new Part to read:

26 "Part 2A. Fetal and Infant Mortality Review Team.

27 **"§ 130A-128.5. Scope.**

28 This part does not apply to the review of a fetal death that is the result of a voluntary or
29 therapeutic termination of pregnancy.

30 **"§ 130A-128.6. Definitions.**

31 The following definitions apply in this Part:

32 (1) Fetal death. – Death prior to the complete expulsion or extraction from its
33 mother of a product of human conception, regardless of the duration of
34 pregnancy. Death is indicated by the fact that after expulsion or extraction the
35 fetus does not breathe or show any other evidence of life such as beating of
36 the heart, pulsation of the umbilical cord, or definite movement of voluntary
37 muscles.

38 (2) Infant. – Any child under the age of 18 months.

39 (3) Team. – The Fetal and Infant Mortality Review Team created by
40 G.S. 130A-128.7.

41 **"§ 130A-128.7. Statewide Fetal and Infant Mortality Review Team; creation; purpose;**
42 **composition.**

43 (a) There is established a statewide Fetal and Infant Mortality Review Team within the
44 Department of Health and Human Services, Division of Public Health. The purpose of the Team
45 is to ensure that certain fetal and infant deaths occurring in the State are analyzed in a systematic
46 way, with the specific goal of decreasing the incidence of preventable fetal and infant deaths.

47 (b) The Team shall consist of the following persons or their designees:

48 (1) The Chief Medical Examiner.

49 (2) The Director of the Division of Child and Family Well-Being.

50 (3) The Director of the Division of Mental Health, Developmental Disabilities,
51 and Substance Use Services.

- 1 (4) The Director of the Division of Public Health.
2 (5) The Director of the Division of Social Services.
3 (6) The State Registrar of Vital Records.
4 (7) The following seven members appointed by the Speaker of the House of
5 Representatives:

- 6 a. A representative of local law enforcement officers.
7 b. A representative of local fire departments.
8 c. A representative of local emergency medical services providers.
9 d. A representative of county departments of social services.
10 e. A representative of the North Carolina Medical Society.
11 f. A representative of the North Carolina Hospital Association.
12 g. A public member.

- 13 (8) The following seven members appointed by the President Pro Tempore of the
14 Senate:

- 15 a. A representative of the North Carolina College of Emergency
16 Physicians.
17 b. A representative of the North Carolina Section of the American
18 College of Obstetricians and Gynecologists.
19 c. A representative of the North Carolina Affiliate of the American
20 College of Nurse-Midwives.
21 d. A representative of the North Carolina Chapter of the Association of
22 Women's Health.
23 e. A representative of Obstetric and Neonatal Nurses.
24 f. A representative of the North Carolina Neonatal Perinatal
25 Collaborative.
26 g. A public member.

- 27 (9) The following seven members appointed by the Governor:

- 28 a. A representative of the North Carolina Midwives Alliance.
29 b. A representative of the North Carolina Academy of Nutrition and
30 Dietetics.
31 c. Four members representing community-based organizations or
32 nonprofit organizations that work directly with marginalized
33 communities and communities of color on issues of fetal and infant
34 mortality, at least one of whom shall be a doula and at least one of
35 whom shall be a midwife.
36 d. One member of the public.

37 (c) The Chief Medical Examiner and the Director of the Division of Public Health shall
38 serve as cochairs of the Team and a majority of the Team members specified in subsection (b) of
39 this section may invite additional individuals to serve on the Team.

40 (d) Ex officio members shall serve terms coincident with their terms of office. After the
41 initial staggering of terms, other members shall be appointed for a term of four years.

42 (e) Appointments to fill vacancies, other than by expiration of a term, shall be for the
43 unexpired terms. Vacancies shall be filled in the same manner as the original appointments. All
44 members except the eight community representatives may be reappointed.

45 "**§ 130A-128.8. Statewide Fetal and Infant Mortality Review Team; powers and duties.**"

46 The Team has the following powers and duties:

- 47 (1) To develop or revise as necessary operating procedures for fetal and infant
48 death reviews conducted under this Part, including procedures for identifying
49 appropriate cases to be reviewed and procedures for ensuring coordination
50 among the State agencies and professionals involved in the review.

- 1 (2) To improve the identification of, and data collection and recordkeeping related
2 to, causes of fetal and infant deaths.
- 3 (3) To recommend components of programs to increase awareness and prevention
4 of and education about fetal and infant deaths.
- 5 (4) To recommend training to improve the review of fetal and infant deaths.
- 6 (5) To develop recommendations to assess the service systems and community
7 resources that support and promote the health and well-being of women,
8 infants, and families.
- 9 (6) To provide technical support to any established local fetal and infant mortality
10 review teams and local child fatality review teams.
- 11 (7) To develop and recommend plans for implementing changes to existing State
12 services, State programs, and organizations that serve families, children, and
13 pregnant women.
- 14 (8) To select a number of cases for in-depth review and interviews of parents,
15 families, and medical personnel to develop a full picture of the causes of fetal
16 or infant death, to evaluate gaps in services or access that may have played a
17 part in the death, and to evaluate the supports available to families before and
18 after the death.
- 19 (9) To provide evidence-based policy recommendations to both reduce the rate of
20 preventable fetal and infant deaths and to ensure that families receive
21 necessary support pre-fetal or infant death and post-fetal or infant death.
- 22 (10) In cases where the Team conducts in-depth interviews and reviews of specific
23 cases, to ensure that the families involved in these cases have access to grief
24 counseling and other necessary resources to be determined by the Team.

25 **"§ 130A-128.9. Statewide Fetal and Infant Mortality Review Team; case reviews;**
26 **coordination with Local Teams.**

- 27 (a) In conducting case reviews, the statewide Fetal and Infant Mortality Review Team
28 shall coordinate with the Local Teams described in G.S. 7B-1406.5 to avoid duplicative work.
- 29 (b) The Team shall review every reported fetal and infant death in the State, excluding
30 those resulting from a voluntary or therapeutic termination of pregnancy.
- 31 (c) The Team shall not initiate a fetal or infant death review until the conclusion of any
32 law enforcement investigation or criminal prosecution.
- 33 (d) Upon the request of the Chief Medical Examiner in his or her capacity as a cochair of
34 the Team, made after the conclusion of any law enforcement investigation or prosecution, the
35 Chief Medical Examiner or a designee may inspect and copy information and records regarding
36 a fetal or infant death, including (i) any report of the circumstances of the death maintained by
37 any State or local law enforcement agency or medical examiner and (ii) information or records
38 about the mother and family maintained by any county department of social services or court.

39 **"§ 130A-128.10. Statewide Fetal and Infant Mortality Review Team; access to confidential**
40 **records.**

- 41 (a) Information, records, or reports maintained by any district attorney shall be made
42 available for inspection and copying by the Chief Medical Examiner or the Chief Medical
43 Examiner's designee.
- 44 (b) Any presentence report prepared pursuant to G.S. 15A-1332 for any person convicted
45 of a crime that led to the death of a fetus or infant shall be made available for inspection and
46 copying by the Chief Medical Examiner or the Chief Medical Examiner's designee. In addition,
47 the Chief Medical Examiner or the Chief Medical Examiner's designee may inspect and copy
48 from any healthcare provider licensed to practice in North Carolina, on behalf of the Team, the
49 following information:
- 50 (1) Without obtaining consent, subject to any limitations on disclosure under
51 applicable federal and State law, the health and mental health records of the

1 fetus or infant and mother and those prenatal medical records regarding the
2 infant or fetus.

3 (2) Upon obtaining consent, from each adult regarding that adult's records. With
4 the consent of the mother and other relevant adults, when deemed appropriate,
5 designated members of the Team or Team designees may conduct interviews
6 of any person deemed necessary to the investigative work of the Team. Any
7 record of the interview or interviews shall be treated the same as any other
8 record related to the work of the Team.

9 (c) The Commission for Public Health and the Attorney General shall adopt rules to
10 implement this subsection.

11 **"§ 130A-128.11. Statewide Fetal and Infant Mortality Review Team; confidentiality of**
12 **information and records obtained or created by or on behalf of the Team.**

13 (a) All information and records obtained or created by or on behalf of the Team regarding
14 a review are confidential and shall be excluded from the North Carolina Freedom of Information
15 Act. All such information and records shall be used by the Team only in the exercise of its proper
16 purpose and function and shall not be disclosed. In preparing information and records for review
17 by the Team, the Department shall remove any individually identifiable information or
18 information identifying a healthcare provider. Such information shall not be subject to subpoena,
19 subpoena duces tecum, or discovery; be admissible in any civil or criminal proceeding; or be
20 used as evidence in any disciplinary proceeding or regulatory or licensure action of the
21 Department of Health Professions or any health regulatory board. If available from other sources,
22 however, such information and records shall not be immune from subpoena, discovery, or
23 introduction into evidence when obtained through such other sources solely because the
24 information and records were presented to the Team during a fetal or infant death review.

25 (b) The findings of the Team may be disclosed or published in statistical or other form
26 but shall not identify any individual.

27 (c) Upon conclusion of the fetal or infant death review, all information and records
28 concerning the family shall be shredded or otherwise destroyed by the Office of the Chief
29 Medical Examiner in order to ensure confidentiality.

30 (d) The portions of meetings in which individual fetal or infant deaths are discussed by
31 the Team are not subject to Article 33C of Chapter 143 of the General Statutes. In addition, all
32 Team members and other persons attending closed Team meetings, including any persons
33 presenting information or records on specific fetal or infant deaths to the Team during closed
34 meetings, shall execute a sworn statement to (i) honor the confidentiality of the information,
35 records, discussions, and opinions disclosed during meetings at which the Team reviews a
36 specific fetal or infant death and (ii) not use any such information, records, discussions, or
37 opinions disclosed during meetings at which the Team reviews a specific fetal or infant death for
38 any purpose other than the exercise of the proper purpose and function of the Team. Violations
39 of this subsection are punishable as a Class 3 misdemeanor.

40 **"§ 130A-128.12. Statewide Fetal and Infant Mortality Review Team; preservation of**
41 **records related to fetal or infant death.**

42 Upon notification of a fetal or infant death, any State or local government agency maintaining
43 records on the fetus or infant or the fetus or infant's family that are periodically purged shall
44 retain the records for the longer of 12 months or until the Team has completed its review of the
45 case.

46 **"§ 130A-128.13. Statewide Fetal and Infant Mortality Review Team; triennial statistical**
47 **data collection; considered a public record.**

48 (a) The Team shall compile triennial statistical data on fetal or infant death and make it
49 available to the General Assembly, the Governor, and divisions of the Department of Health and
50 Human Services. Prior to sharing any statistical data compiled pursuant to this section, the Team
51 shall redact any personal identifying information in a manner consistent with the standards

1 specified for de-identification of health information under the HIPAA Privacy Rule, 45 C.F.R. §
2 164.514, as amended. The Team shall include policy recommendations with the statistical data
3 compilations to fulfill the purpose of the Team as specified in G.S. 130A-128.7.

4 (b) Any statistical compilations or policy recommendations prepared by the Team
5 pursuant to this section shall be considered a public record as that term is defined in G.S. 132-1.
6 **"§ 130A-128.14. Statewide Fetal and Infant Mortality Review Team; immunity from civil**
7 **liability.**

8 (a) Members of the statewide Fetal and Infant Mortality Review Team, as well as their
9 agents and employees, are immune from civil liability for any act or omission made in connection
10 with their participation in a review conducted under this Part, unless that act or omission was the
11 result of gross negligence or willful misconduct.

12 (b) Any organization, institution, or person that furnishes information, data, testimony,
13 reports, or records to the Team as part of a review conducted under this Part is immune from civil
14 liability for any act or omission in furnishing that information, unless the act or omission was the
15 result of gross negligence or willful misconduct."

16 **SECTION 4.1.(b)** This section becomes effective December 1, 2025.

17

18 STATEWIDE ADOPTION OF INFANT SAFE SLEEP PRACTICES

19 **SECTION 4.2.** Effective July 1, 2025, there is appropriated from the General Fund
20 to the Department of Health and Human Services, Division of Public Health, the sum of two
21 hundred fifty thousand dollars (\$250,000) in nonrecurring funds for each year of the 2025-2027
22 fiscal biennium to fund expansion of the Safe Sleep North Carolina Campaign administered by
23 the University of North Carolina Collaborative for Maternal and Infant Health, with the goal of
24 strengthening the adoption of infant safe sleep practices across the State that reduce the risk of
25 Sudden Infant Death Syndrome (SIDS) and other infant sleep-related deaths.

26

27 PART V. WORKFORCE DEVELOPMENT & LICENSING REFORMS

28

29 FAST-TRACK LICENSING FOR EXPERIENCED CHILD CARE WORKERS &

30 STATEWIDE EXPANSION OF THE BUILDING BRIGHT FUTURES

31 APPRENTICESHIP PILOT PROGRAM

32 **SECTION 5.1.** Effective July 1, 2025, there is appropriated from the General Fund
33 to the Department of Health and Human Services the sum of five million dollars (\$5,000,000) in
34 recurring funds for each year of the 2025-2027 fiscal biennium to be used as follows:

- 35 (1) To establish and administer a fast-track licensing program for experienced
36 child care workers that utilizes competency-based assessments for accelerated
37 certification. To increase the number of licensed child care workers in the
38 State, the Department shall offer this program free of charge to experienced
39 child care workers regardless of whether they are residents of North Carolina.
- 40 (2) To fund statewide expansion of the Building Bright Futures Apprenticeship
41 Pilot Program, a pilot program designed to strengthen the early child care
42 workforce through pre-apprenticeships and apprenticeships. In expanding this
43 pilot program statewide, the Department of Health and Human Services shall
44 partner with the North Carolina Business Committee for Education, a
45 nonprofit corporation operating out of the Governor's Office, to continue to
46 work towards the primary purpose of creating supportive pathways for high
47 school and postsecondary students to enter the early childhood workforce by
48 allowing them to earn credentials, while also obtaining hands-on, work-based
49 learning experiences, in the early childhood education field.

50

51 CHILD CARE WORKFORCE APPRENTICESHIP PROGRAM

1 **SECTION 5.2.** Article 3 of Chapter 115D of the General Statutes is amended by
2 adding a new section to read:

3 **"§ 115D-40.7. Child Care Workforce Apprenticeship Program.**

4 The Community Colleges System Office shall establish and administer a program to provide
5 stipends to any student attending a community college who is participating in an apprenticeship
6 related to child care. The purpose of the program is to provide financial assistance to allow high
7 school and college students to gain hands-on training in child care. The System Office shall
8 develop an application for students to apply for stipends pursuant to this section. When selecting
9 students to receive stipends, the System Office shall prioritize those applications demonstrating
10 the most need. To the extent funds are made available for this purpose, the System Office shall
11 provide tuition stipends of up to two thousand five hundred dollars (\$2,500) to students for a
12 single academic year. Students may receive a stipend pursuant to this section for up to two years
13 but no more."

14
15 **PART VI. PUBLIC-PRIVATE PARTNERSHIPS**

16 **SECTION 6.1.** To the greatest extent feasible, the Department of Health and Human
17 Services and the Department of Public Instruction shall establish and utilize public-private
18 partnerships to implement the programs and activities authorized by this act.

19
20 **PART VII. OVERSIGHT AND REPORTING**

21
22 **CHILD CARE INNOVATION TASK FORCE**

23 **SECTION 7.1.(a)** There is established the Child Care Innovation Task Force (Task
24 Force) within the Department of Health and Human Services, Division of Child Development
25 and Early Education, for budgetary purposes only. The purpose of the Task Force is to monitor
26 the State's progress in implementing the programs, strategies, and initiatives authorized and
27 funded by this act and to advise the General Assembly on strategies for improving the child care
28 landscape in North Carolina. The Task Force shall be composed of the following 11 members:

- 29 (1) The Director of the Division of Child Development and Early Education or
30 the Director's designee.
31 (2) The Superintendent of Public Instruction or the Superintendent's designee.
32 (3) Three members appointed by the President Pro Tempore of the Senate, one of
33 whom shall be a representative of the NC Licensed Child Care Association;
34 one of whom shall be a representative of Early Years, formerly Child Care
35 Services Association; and one of whom shall be an expert in the child care
36 industry.
37 (4) Three members appointed by the Speaker of the House of Representatives,
38 one of whom shall be a representative of the North Carolina Child Care
39 Resource and Referral Council; one of whom shall be a representative of Child
40 Care for NC; and one of whom shall be an expert in the child care industry.
41 (5) Three public members, one each appointed by the President Pro Tempore of
42 the Senate, the Speaker of the House of Representatives, and the Governor.

43 In making appointments or designating representatives, appointing authorities shall
44 use best efforts to select members or representatives with sufficient knowledge and experience
45 to effectively contribute to the issues examined by the Task Force. All members of the Task
46 Force are voting members. Any vacancies that occur for any membership positions that are not
47 held as a function of office shall be filled by the appointing authority upon vacancy. The Director
48 of the Division of Child Development and Early Education, or the Director's designee, shall serve
49 as the chair of the Task Force.

50 **SECTION 7.1.(b)** The Task Force established under subsection (a) of this section
51 has the following powers and duties:

- 1 (1) To examine the State's progress in implementing the programs, strategies, and
2 initiatives authorized and funded by this act.
- 3 (2) To study and make recommendations for reducing child care deserts,
4 eliminating the child care workforce shortage, increasing the number of child
5 care facilities and child care workers, and improving the quality of child care.
- 6 (3) To review innovative child care strategies in other states and make
7 recommendations about which strategies North Carolina should consider
8 implementing.
- 9 (4) To collect and summarize data on employer-sponsored child care and the rates
10 of participation by employees.
- 11 (5) To perform any other studies, evaluations, or determinations the Task Force
12 considers necessary in improving the child care landscape in North Carolina.

13 **SECTION 7.1.(c)** Annually by April 1, beginning April 1, 2027, the Task Force shall
14 submit a written report of its activities, findings, and recommendations to the Joint Legislative
15 Oversight Committee on Health and Human Services, the Joint Legislative Education Oversight
16 Committee, and the Fiscal Research Division.

17
18 **PART VIII. SEVERABILITY**

19 **SECTION 8.1.** If any section or provision of this act is declared unconstitutional or
20 invalid by the courts, it does not affect the validity of this act as a whole or any part other than
21 the part declared to be unconstitutional or invalid.

22
23 **PART IX. EFFECTIVE DATE**

24 **SECTION 9.1.** Except as otherwise provided, this act is effective when it becomes
25 law.