

TABLED



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 959

AMENDMENT NO. A2
(to be filled in by
Principal Clerk)

H959-ABEa-25 [v.3]

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Amends Title [YES]
Third Edition

Date _____, 2025

Senator Smith

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moves to amend the bill on page 1, line 4, by inserting the following at the end of the line before the period:

"AND TO APPROPRIATE FUNDS FOR A SCHOOL MENTAL HEALTH GRANT PROGRAM AND TO ESTABLISH A MENTAL HEALTH WORKER LOAN REPAYMENT PROGRAM";

On page 3, lines 7-8, by rewriting the lines to read:

"SECTION 4.(a) Article 25B of Chapter 115C of the General Statutes is amended by adding a new section to read:

"§ 115C-376.6. Mental Health Grant Program.

(a) Definitions. – For purposes of this section, the term "mental health support personnel" refers to any of the following:

- (1) School counselors, school psychologists, and school social workers.
- (2) Psychiatrists licensed in accordance with Article 1 of Chapter 90 of the General Statutes.
- (3) Psychologists, as defined in G.S. 90-270.136(6).
- (4) Licensed psychological associates, as defined in G.S. 90-270.136(7).
- (5) Licensed clinical mental health counselors, as defined in G.S. 90-330(a).
- (6) Substance use disorder professionals, as defined in G.S. 90-113.31A(26).
- (7) Social workers engaged in clinical social work practice, as defined in G.S. 90B-3(6).

(b) Program; Purpose. – The Department of Public Instruction shall establish the School Mental Health Grant Program (Program). To the extent funds are made available for the Program, its purpose is to increase student access to mental health support personnel in public school units.



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1 (c) Applications. – The Department shall make grant applications available to public
2 school units pursuant to this section. The Department shall establish (i) deadlines for receipt of
3 applications and the award of funds and (ii) any information to be included in the applications.

4 (d) Award of Funds. – The Department shall award funds to selected public school units
5 based on the need of the public school unit. In evaluating the need of the unit, the Department
6 shall prioritize the award of funds to units with a greater proportion of students who have limited
7 or no access to mental health services, including students who do not have health insurance and
8 students with disabilities.

9 (e) Use of Funds. – A public school unit shall use funds received pursuant to the Program
10 to contract with mental health support personnel to provide mental health services in one or more
11 schools in the public school unit.

12 (f) Supplement Not Supplant. – Grants provided to public school units pursuant to the
13 Program shall be used to supplement and not supplant funds from any other source already
14 provided for mental health services in schools.

15 (g) Report. – No later than March 15 of each year in which funds are provided for the
16 Program, the Department shall report to the Joint Legislative Education Oversight Committee
17 and the Joint Legislative Oversight Committee on Health and Human Services at least the
18 following information:

- 19 (1) The public school units that received a grant through the Program.
20 (2) The amount of funding received by each public school unit.
21 (3) The services purchased with grant funds by each public school unit.
22 (4) Recommendations for the implementation of additional measures to improve
23 student mental health, especially among students with limited or no access to
24 mental health services."

25 **SECTION 4.(b)** There is appropriated from the General Fund to the Department of
26 Public Instruction for the 2025-2026 fiscal year the sum of fifty million dollars (\$50,000,000) in
27 recurring funds to provide grants for school mental health services in public school units in
28 accordance with G.S. 115C-376.6, as enacted by this act. The Department may use up to
29 seventy-five thousand dollars (\$75,000) of these funds each year for administrative costs related
30 to the Program.

31 **SECTION 5.(a)** Part 1 of Article 23 of Chapter 116 of the General Statutes is
32 amended by adding the following new section to read:

33 **"§ 116-209.47. Mental Health Worker Loan Repayment Program.**

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

- 35 (1) Authority. – The State Education Assistance Authority.
36 (2) Eligible mental health worker. – A psychologist, psychiatrist, counselor,
37 social worker, or nurse who meets all of the following requirements:
38 a. Is employed full time in a high-need area in the State.
39 b. Graduated from a postsecondary constituent institution of The
40 University of North Carolina.
41 c. Has student debt.
42 (3) High-need area. – A development tier one or tier two area, as defined in
43 G.S. 143B-437.08.

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1 (4) Program. – The Mental Health Worker Loan Repayment Program.

2 (5) Student debt. – The total outstanding federal, State, and private student debt
3 held by an eligible mental health worker for his or her own education.

4 (b) Program; Purpose. – There is established the Mental Health Worker Loan Repayment
5 Program to be administered by the Authority. The purpose of the Program is to provide loan
6 repayment grants to eligible mental health workers to repay student debt held by the worker to
7 the extent funds are made available for this purpose.

8 (c) Eligibility. – The Authority shall establish the criteria for initial and continuing
9 eligibility to participate in the Program, as follows:

10 (1) All grant recipients shall be residents of North Carolina and be graduates of a
11 postsecondary constituent institution of The University of North Carolina.

12 (2) The Authority shall adopt standards deemed appropriate by the Authority to
13 ensure that only qualified, potential recipients receive a grant under the
14 Program.

15 (3) To the extent funds provided pursuant to this section are insufficient to award
16 forgivable loans to all interested eligible mental health workers, the Authority
17 may establish a lottery process for selection of grant recipients from among
18 qualified applicants within criteria established by this section.

19 (d) Award of Funds. – The Authority shall award funds to eligible mental health workers
20 in an amount of twenty percent (20%) of each eligible mental health worker's student debt as of
21 the date of his or her initial award. Funds shall be awarded no later than October 1 of each year,
22 and no award recipient shall receive an award of funds for more than five years.

23 (e) Rulemaking Authority. – The Authority may adopt rules necessary to implement,
24 administer, market, and enforce the provisions of this section.

25 (f) Report to the General Assembly. – The Authority shall report no later than December
26 1, 2025, and annually thereafter while grants are awarded by the Authority, to the Joint
27 Legislative Education Oversight Committee regarding the Program and grants awarded pursuant
28 to the Program, including at least the following information:

29 (1) Grants awarded under the Program, including the following:

30 a. Demographic information for grant recipients.

31 b. Number of grant recipients by constituent institution of graduation,
32 field of employment, and high-need area.

33 (2) Recommendations to improve the Program and increase the number of
34 eligible mental health workers in high-need areas."

35 **SECTION 5.(b)** There is appropriated from the General Fund to the Board of
36 Governors of The University of North Carolina the sum of fifty million dollars (\$50,000,000) in
37 recurring funds to be allocated to the State Education Assistance Authority for the 2025-2026
38 fiscal year to establish the Mental Health Worker Loan Repayment Program pursuant to
39 subsection (a) of this section. Of the recurring funds appropriated in this act for the Program,
40 beginning in the 2025-2026 fiscal year, the Authority may retain up to five hundred thousand
41 dollars (\$500,000) each fiscal year to administer the Program.

42 **SECTION 5.(c)** This section becomes effective July 1, 2025, and applies to
43 applications for the disbursement of funds beginning in the 2025-2026 fiscal year.

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1 **SECTION 6.** Except as otherwise provided, this act becomes effective July 1, 2025.
2 Sections 1, 2, 3, and 6 are effective when they become law. Sections 1 and 3 apply beginning
3 with the 2025-2026 school year.";
4
5 and by rewriting the short title to read: "Protecting Students."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____