

The Daily Bulletin: 2025-04-11

PUBLIC/HOUSE BILLS

H 926 (2025-2026) **REGULATORY REFORM ACT OF 2025**. Filed Apr 10 2025, *AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH CAROLINA*.

Section 1

Amends GS 90-624 (activities not requiring a license to practice Massage and Bodywork Therapy) to include a nationally certified reflexologist engaged in the practice of reflexology who has a current certification from the American Reflexology Certification Board (ARCB) or its successor entity, or an individual who is a reflexology student working to obtain certification from the ARCB or its successor entity under the supervision of an ARCB-certified reflexologist who obtains certification within 12 months of beginning the certification process. Defines reflexology.

Effective October 1, 2025.

Section 2

Amends GS 115C-407.57(b)(2) to allow a licensed physical therapist to evaluate a student athlete injured in an interscholastic athletic activity for a concussion and give written clearance for participation.

Section 3

Enacts new GS 103-19 making the week beginning on the second Sunday in November SUDEP Awareness Week.

Enacts GS 115C-375.7, cited as the "Shannon Leigh Adcock, Steven Anthony Christos, and Samantha Davis Memorial Act." Establishes a legislative goal to encourage local boards of education to develop and provide seizure awareness training for all teachers and school personnel who may be responsible for students with epilepsy or students that are otherwise predisposed to seizures.

Section 4

Amends GS 87-10.2 exempting members of the NCGA from continuing education requirements for building contractor, residential contractor, or unclassified contractor licensees, during a calendar year in where the member is serving a term or portion of a term.

Section 5

Amends GS 93D-14 exempting a person who holds a valid unrestricted license as an audiologist, audiology assistant, or certified technical from licensure under GS Chapter 93D (North Carolina State Hearing Aid Dealers and Fitters Board) (was, a person who has both a doctoral degree in audiology and holds a valid permanent license as an audiologist was exempt). Removes provisions: (1) requiring a person to become a registered apprentice or be licensed before fitting or selling hearing aids if they do not have both a doctoral degree in audiology and hold a valid permanent license a an audiologist; and (2) subjecting an audiology assistant or certified technical being supervised by a licensee or a person exempt from licensure to the provisions of GS Chapter 93D and requiring those persons to be registered as an apprentice or licensed before fitting or selling hearing aids.

Section 6

Enacts new GS 93D-7.1 requiring a licensed person who sells locked hearing aids to provide the purchaser with the specified written notice about who can service or program the hearing aid, before consummating the sale, and requires it to be signed by the purchaser and retained by the seller. Defines a locked hearing aid as a hearing aid that uses either proprietary programming software or locked, nonproprietary programming software that restricts programming or servicing of the device to specific

facilities or providers. Also requires giving the purchaser a written receipt signed by the licensee that contains specified information about the sale and the hearing aid, including specified information about the licensee and any terms of any guarantee or written warranty made to the purchaser with respect to the hearing aid. Requires the licensee to keep specified records for each hearing aid sold, for at least seven years.

Allows the North Carolina State Hearing Aid Dealers and Fitters Board to adopt rules to implement these requirements.

Effective October 1, 2025.

Section 7

Enacts new GS 90-308, requiring audiologists to meet the same requirements as those in GS 93D-7.1 when fitting or selling locked hearing aids to patients.

Allows the North Carolina State Hearing Aid Dealers and Fitters Board to adopt rules to implement these requirements.

Effective October 1, 2025.

Section 8

Amends GS 78A-36 to allow a securities salesman to be registered with more than one dealer if the dealers employing or associating with the salesman is under common ownership or control, or the registration is otherwise allowed.

Section 9

Subject to approval by the voters at the 2026 general election, amends Article I of the North Carolina Constitution by adding a new Section 39 to prohibit the taking by eminent domain of private property except for a public use only. Directs that just compensation be paid to the private property owner and provides that either party may request that the amount of just compensation be determined by a jury. Provides for method of voting pursuant to GS Chapter 163. Provides that if the majority of votes are in favor of the amendment, the State Board of Elections is to certify the amendment to the Secretary of State and the amendment will become effective upon certification and apply to takings of private property by eminent domain after the certification date.

Amends GS 40A-3(a), (b), and (b1) restricting private condemnors and local public condemnors to exercising the power of eminent domain for a public use only (was, for a public use or benefit). Amends the list of private condemnors permitted to exercise the power of eminent domain to also include corporations, bodies politic, or persons exercising eminent domain for communication facilities (previously, specified telegraphs and telephones), facilities related to the distribution of natural gas, and pipelines or mains for the transportation of natural gas (was, gas). Makes additional clarifying changes.

Also amends subsection (c) to limit takings by political entities (other public condemnors) to the exercise of eminent domain for public use only (was, public use or benefit).

Enacts a new subsection (d) to GS 40A-3 to provide that private condemnors, local public condemnors, and other public condemnors in subsections (a), (b), (b1), and (c) of this statute, for the public use, have the power of eminent domain and may acquire any property for the connection of any customer(s) via purchase, gift, or condemnation.

Changes to GS 40A-3 are effective when the act becomes law, applying to takings occurring on or after that date.

Section 10

Directs the Residential Code Council (Council) to amend the Residential Code (Code) in order to permit dimension lumber that has not been grade-stamped under the authority of a lumber grading bureau to be used in the construction of one-and two-family dwellings, so long as these criteria are met: (1) that the lumber is sold directly by the sawmill owner or employee to the dwelling owner or owner's authorized representative; (2) the dimension lumber meets or exceeds all other Code requirements; (3) the sawmill operator has a certificate from a state-approved lumber grading training program, certifying that the lumber conforms with product and inspection standards under American Softwood Lumber Standard PS20 and marks the lumber as required; (4) that the appropriate code enforcement official reviews the dwelling's framing to ensure it meets all other requirements, with immunity from civil and professional liability for structural failure resulting from the use of dimension lumber; and (5) the sawmill gives the purchaser a certificate that contains the specified information.

Also requires the Council to amend the Code and the North Carolina Building Code in order to permit dimension lumber that has not been grade-stamped under the authority of a lumber grading bureau to be used in the construction of one- and two-family dwellings and structures classified as Residential Group R-2 or R-3, when that use meets the same five requirements specified above, except allows the lumber to be sold directly by the owner or employee of a small mill or a mobile sawmill and makes conforming references to such a facility.

Requires the Council to issue temporary implementing rules no later than 180 days after the statute's effective date. Sunsets these provisions when the Council issues permanent rules substantially similar to the act's provisions and notifies the Codifier of Statutes.

Enacts new GS 143-138.2 requiring the NC Cooperative Extension Service to establish a basic lumber grading training program for individuals and establish the general requirements for successful completion of the program, including requirements for initial certification and for recertification. Requires the training to be offered at least annually. Requires the Extension Forestry staff, in cooperation with the staff of the North Carolina Forest Service, to develop and establish the content of the training program, determine the certification requirements for instructors, and determine the criteria for determining successful completion of the training program. Requires instructors to be approved by the North Carolina Cooperative Extension Service. Allows the North Carolina Cooperative Extension Service to allow one or more private lumber grading training programs, provided that the content of the private programs and certification requirements for instructors and criteria for successful completion of the training program are at least as stringent as the program offered by the North Carolina Cooperative Extension Service. Requires an individual holding an initial certification from the program established under this statute, from a private program, or from a state-approved lumber grading program in another state who mills lumber in the State to be recertified under the training program every five years. Requires certified individuals to register with the North Carolina Forest Service before selling lumber that has not been grade-stamped under the authority of a lumber grading bureau directly to the owner of a structure for use in construction of the structure.

Requires the basic lumber grading training program to be established no later than 180 days after the statute becomes law.

Amends GS 160D-110 by setting out information that a building permit applicant for a structure constructed with lumber that has not been grade-stamped under the authority of a lumber grading bureau must include with the application.

Effective on the date that the temporary rules required to be adopted by the Council become effective.

Section 14

Amends SL 2023-137 by delaying the effective date of the phasing in of the reporting of certain fish harvest by commercial and recreational fishermen, from December 1, 2025, to December 1, 2026, and delays in the increase in punishment for violations from December 1, 2026, to December 1, 2027.

Section 15

Amends GS 150B-23 to require parties to a contested case be given notice of hearing no less than 45 days (was, 15 days) before the hearing. Makes conforming changes to GS 150B-38.

Section 16

Enacts new GS 150B-35.1 and amends GS 150B-40 (concerning conducting contested case hearings) prohibiting an agency's lawyer from communicating about the subject of the representation with a person whom the lawyer knows is represented by another lawyer in the matter, unless they have consent of that person's lawyer or they are authorized to do so by law or court order. Specifies that it is not a violation for a lawyer to encourage their client to discuss the subject with the opposing party in a good-faith effort to resolve the matter. Violations are considered a violation of Rule 4.2 of the Rules of Professional Conduct, subject to discipline by the State Bar.

Amends GS 150B-22, encouraging settlement, by specifying that the statute applies to agencies covered by both Article 3 (Administrative Hearings) and Article 3A (Other Administrative Hearings).

[View summary](#)

Banking and Finance, Business and Commerce, Occupational Licensing, Constitution, Courts/Judiciary, Civil, Civil Law, Development, Land Use and Housing, Building and Construction, Land Use, Planning and Zoning, Property and Housing, Education, Elementary and Secondary Education, Government, APA/Rule Making, Cultural Resources and Museums, General Assembly, State Agencies, State Government, Health and Human Services, Health, Health Care Facilities and Providers

H 948 (2025-2026) **THE P.A.V.E. ACT**. Filed Apr 10 2025, *AN ACT TO ENACT THE PROJECTS FOR ADVANCING VEHICLE-INFRASTRUCTURE ENHANCEMENTS (PAVE) ACT*.

Part I.

(Reserved)

Part II.

Amends GS 105-506.1 by expanding upon the definition of *public transportation system* so that it also includes other forms of micro-transit and tunnels and other infrastructure designed to rapidly transport people, freight, or vehicles through automated means. Amends the definition of *transportation authority* in as it applies to Part 2 of the Article, which is applicable to an additional 1/2% local sales and use taxes for public transportation systems in Mecklenburg County, so that it is defined as a metropolitan public transportation authority.

Directs, in GS 105-507.2(b), that no action by Mecklenburg County to repeal a tax levied under Part 2 of Article 43 (Mecklenburg County taxes) of GS Chapter 105 can become effective while previously issued, or refinanced, bonds, notes, or other financing secured or payable by receipts derived from the tax allocated to a municipality or a transportation authority by the county remain outstanding. Specifies that if the county repeals a tax levied Part 2, a municipality or transportation authority may refinance previously issued bonds, notes, or other financing that are secured or payable by receipts for the tax revenue under Part 2 to reduce debt service as allowed under the law so long as the refinancing does not extend the date of maturity for the previously issued bonds, notes, or other financing. Makes organizational change and conforming change to the statute's title.

Amends GS 105-507.3 to allow the net proceeds of the additional tax for public transportation systems distributed to any local government, other than the county that levies the tax, to be included as revenues within the meaning of GS 159-81(4), which defines revenue for the purposes of the State and Local Government Revenue Bond Act.

Effective only if Mecklenburg County levies under Part IV, discussed below, amends the distribution and use of taxes under GS 105-507.3, as amended above, as follows. Directs the Secretary of Revenue (Secretary) to now distribute net proceeds of county taxes to the largest transportation authority that includes the county (was, on a per capita basis among the county and units of local government that operate public transportation systems). Bans any funds from being distributed to a transportation authority that does not include public transportation (was, ban on distribution of funds to counties or local governments that don't operate public transportation). Makes conforming changes. Effective on the same date the tax levied under Part IV becomes effective.

Part III.

Effective only if Mecklenburg County levies the tax under Part IV, discussed below, makes conforming change to Section 3.1 of SL 1997-417, as amended so that the proceeds of the regional transit authority vehicle rental tax regulated by that section are transferred to the largest metropolitan public transit authority instead of the largest city operating a public transportation system. Effective on the same date the tax levied under Part IV becomes effective.

Part IV

Entitles the part as the Mecklenburg County Roadway Systems and Public Transportation Systems Sales Tax Act (Tax Act). Declares that the Tax Act's purpose is to give Mecklenburg County an opportunity to obtain an additional source of revenue with which to meet its needs for financing roadway systems and public transportation systems through sales and use taxes as follows. Allows for a 1% sales and use tax to be levied by the Mecklenburg County Board of Commissioners (Board) in addition to any other State and local sales and use taxes levied pursuant to law only if all of the following conditions are satisfied:

- (1) The majority of those voting in a referendum vote for the levy of the tax.
- (2) The General Assembly has enacted authorizing legislation that would allow a public transportation authority (Authority) that includes Mecklenburg County to be established, and the Authority has been established.
- (3) At least one eligible municipality or an Authority maintains a public transportation system in the County.

Requires any such taxes to be adopted by Board resolution and then by referendum as discussed above. Defines *eligible municipality*, *Red Line*, and *roadway system*. Specifies that the food exempt from sales and use tax under GS 105-164.13B and the sales price of bundled transactions under GS 105-467 should not be taxed under any tax imposed by the Tax Act. Provides that the referendum be conducted by the Board and for ballot question language. Provides for administration of any taxes levied under the Tax Act.

Requires the Secretary to distribute monthly the net proceeds of the tax to Mecklenburg County, with 40% of the net proceeds to be distributed among the City of Charlotte and the Towns of Cornelius, Davidson, Huntersville, Matthews, Mint Hill, and Pineville (the *eligible municipalities* defined above) for roadway distribution and use using the procedures for allocation set forth in the Tax Act with the remaining 60% to be distributed to the Authority to be used only for costs associated with financing, acquiring, constructing, operating, and maintaining any combination of real and personal property for a public transportation system. Allows for the Authority to enter into an interlocal agreement with Mecklenburg County or an agreement with a private entity to accomplish its goals relating to the public transportation system. Lists four conditions that apply to the Authority's use of funds distributed under the Tax Act, including that no more than two-thirds of the funds be used for capital and operating costs of rail projects over any period of 30 calendar years combined, completion of at least 50% of the *Red Line* with input from the towns of Cornelius, Davidson, and Huntersville, and reimbursement to the City of Charlotte for the acquisition of the Norfolk Southern O-Line and related property. Provides a process to repeal the tax imposed herein if the County so desires.

If a referendum under Part IV fails, then requires the Charlotte Area Transit System to develop and publish a comprehensive, long-term public transportation plan that specifically includes frequent, express public transportation connections between the center of the City of Charlotte and Charlotte Douglas International Airport within one year after the failed referendum.

Part V.

Enacts new Article 34 of GS Chapter 160A, the "Metropolitan Public Transportation Authority Act," providing as follows.

Defines *unit of local government* as any county, city, town, or municipality of this state, and any other political subdivision, public corporation, authority, or district in this state, which is or may be authorized by law to acquire, establish, construct, enlarge, improve, maintain, own, and operate public transportation systems. Defines other terms used in the act.

Allows the creation of a metropolitan public transportation authority (authority) for any area of the state that, when it is created: (1) consists of a single county with a population greater than 1 million, (2) the county borders another state, and (3) the county includes at least one local government that operates a light rail system. Sets out the purpose of the authority as to finance, provide, operate, and maintain for a safe, clean, reliable, adequate, convenient, energy efficient, economically and environmentally sound public transportation system for the service area of the authority through the granting of franchises, ownership and leasing of terminals, buses and other transportation facilities and equipment, and otherwise through the exercise of the powers and duties conferred upon it, in order to enhance mobility in the region and encourage sound growth patterns. Such a service, facility, or function shall be financed, provided, operated, or maintained in the service area of the authority either in addition to or to a greater or lesser extent than services, facilities, or functions are financed, provided, operated, or maintained for the entirety of the respective units of local government. Allows the authority to take direct action to accomplish these purposes or to enter into agreements with another unit of local government in the service area of the authority or a private entity to accomplish these purposes.

Sets out the process under which a county's board of commissioners may create such an authority via resolution, including requirements for public hearings and notice. Sets out what must be included in the resolution, including that an affirmative vote equal to at least 75% of the membership of the board of trustees is required to amend the articles of incorporation or to adopt or amend the authority's bylaws.

Requires that the initial territorial jurisdiction of an authority be coterminous with the boundaries of the county that organized it; sets out additional parameters for the authority's jurisdiction over local public passenger transportation.

Makes the board of trustees the governing body of an authority. Requires that the initial board of trustees be made up of 27 members, with members appointed by the board of commissioners of the county that created the authority, the governing body of the largest municipality in the county that created the authority, by the NCGA upon recommendation of the Senate President Pro Tempore and Speaker of the House, and the Governor. Members serve for four years, with half of the initial members serving two-year terms. Provides for initial terms for members appointed by the General Assembly. Requires members to have experience or qualifications in the areas of law, finance, engineering, public transportation, urban planning, logistics, government, architecture, or economic development, and requires members to live within the authority's territorial jurisdiction. Provides for the election of officers. Prevents elected officials from serving concurrently as a member of the board of trustees. Bars lobbyists and their immediate family members from serving as members of the board of trustees. Prohibits members from serving more than two consecutive terms, but allows reappointment after being off of the board for at least two years.

Sets out the procedure under which the board of trustees and the board of commissioners of the affected county may expand the territorial jurisdiction and service area of an authority to include a whole county that is contiguous to the then-existing territorial jurisdiction of the authority. Sets out what must be included in the resolution authorizing the expansion.

Sets out provisions governing the board of trustees voting, removal from the board, and filling of vacancies. Allows the board of trustees to select advisory committees.

Set out limits on the service area of the authority, which is to be set by the board of trustees. Lists 27 general powers of the authority, including: (1) to purchase or finance real or personal property in the manner provided for cities and counties; (2) to surrender to the State or a unit of local government any property no longer required by the authority; (3) to make, enter into, and perform contracts with private parties and public transportation companies with respect to the management and operation of public passenger transportation; (4) to operate public transportation systems extending service into another state, but only if the extension of service is authorized by any applicable State or federal agency; and (5) to issue bonds or other obligations of the authority as provided by law and apply the proceeds thereof to the financing of any public transportation system or any part thereof and to refund, whether or not in advance of maturity or the earliest redemption date, any such bonds or other obligations of the authority or another municipality that financed or refinanced real and personal property for a public transportation system to be owned or operated by the authority.

Specifies that the Utilities Commission does not have jurisdiction over rates, fees, charges, routes, and schedules of an authority for service within its territorial jurisdiction. Makes an authority subject to GS Chapter 159 (Local Government Finance). Allows the state and local governments to appropriate funds to support the establishment and operation of the authority, and to dedicate, sell, convey, donate, or lease any of their property interests to the authority. Prohibits using the authority's equipment from being used for charter, tour, or sight-seeing services except as allowed under regulations adopted by the Federal Transit Administration.

Specifies that the authority does not impact any existing franchises granted by a local government and that all ordinances and resolutions of the unit of local government regulating local public transportation systems, bus operations, and taxicabs continue in full force and effect unless superseded by regulations of the authority.

Sets out the process under which the board of trustees may terminate the authority. Allows the authority to issue bonds and notes under The State and Local Government Revenue Bond Act to finance public transportation systems and to refund such bonds and notes and to refund any bonds, notes, or other obligations of another municipality used to finance or refinance real and personal property for a public transportation system to be owned or operated by the authority.

Gives the authority the power to purchase equipment and execute agreements, leases, or equipment trust certificates. Sets out provisions governing the payment of such agreements, leases, or equipment trust certificates. Gives the authority power to acquire, by gift, grant, devise, exchange, purchase, lease with or without option to purchase, or any other lawful method, including the power of eminent domain, the fee or any lesser interest in real or personal property for use by the authority.

Exempts the authority's real and personal property from taxation. Also exempts the interest on bonds or obligations issued by the authority from state taxation.

Gives the authority the power to require any public utility, railroad, or other public service corporation owning or operating any installations, structures, equipment, apparatus, appliances, or facilities in, upon, under, over, across, or along any ways on which the authority has the right to own, construct, operate, or maintain its public transportation system, to relocate such installations, structures, equipment, apparatus, appliances, or facilities, or, in the sole discretion of the affected public utility, railroad, or other public service corporation, to remove them. Sets out additional requirements when relocating these items. Requires compensation for any real estate taken, subject to a reduction in compensation due by the value of the property exchanged, and requires reimbursement for relocation or removal costs, according to the specified calculation.

Requires the authority to annually submit an operating report to the NCGA, including a report of its administrative expenditures and its audited financial reports. Alternates who is to receive the report.

Allows the authority to contract with a railroad to allocate financial responsibility for passenger rail services claims. Defines *claim* as a claim, action, suit, or request for damages, whether compensatory, punitive, or otherwise, made by any person or entity against: a. the authority, a railroad, or an operating rights railroad or b. an officer, director, trustee, employee, parent, subsidiary, or affiliated corporation as defined in GS 105-130.2, or agent of: the authority, a railroad, or an operating rights railroad. Requires when such a contract is entered to that the authority secure and maintain a liability insurance policy covering the liability of the parties to the contract, a State-Owned Railroad Company that owns or claims an interest in any real property subject to the contract, and any operating rights railroad for all claims for property damage, personal injury, bodily injury, and death arising out of or relating to passenger rail services. Requires the policy to have limits of no less than \$200 million per single accident or incident, and the policy may include a self-insured retention in an amount of no more than \$5 million. Defines *operating rights railroad* as a railroad corporation or railroad company that, prior to January 1, 2001, was granted operating rights by a State-Owned Railroad Company or operated over the property of a State-Owned Railroad Company under a claim of right over or adjacent to facilities used by or on behalf of the authority. If such a contract is not entered into, requires the authority to maintain a liability insurance policy with policy limits and a self-insured retention consistent with the above, for all claims for property damage, personal injury, bodily injury, and death arising out of or related to passenger rail services. Deems the authority a city for purposes of civil liability and waives governmental immunity to a minimum of \$20 million per single accident or incident and requires the authority to maintain a minimum of \$20 million per single accident or incident of liability insurance.

Part VI.

Provides that if Mecklenburg County creates a metropolitan public transportation authority, then the authority is subject to the following. Requires the authority to study: (1) legal and financial considerations with respect to the transfer or use of assets from Charlotte or the Charlotte Area Transportation System (CATS) to the authority; (2) legal and financial considerations with respect to outstanding indebtedness issued by Charlotte with respect to CATS to ensure no adverse impacts in relation to the outstanding indebtedness; (3) legal and financial considerations with respect to agreements and recognitions by Charlotte or CATS with respect to the public transportation system with any federal, State, regional, or local governmental entities; (4) legal and financial considerations with respect to human resources of a transfer of assets, liabilities, and operations of the public transportation system from Charlotte or CATS to the authority, including issues related, but not limited, to employee pensions, retirement plans, and benefits; (5) a recommendation as to whether the transfer of assets, liabilities, and operations of the existing public transportation system to the authority is feasible and advisable; and (6) any other issue determined to be relevant by the authority. Requires the completion of the study and publication of a report by July 1, 2025; lists recipients of a copy of the report. Requires the authority to take specified actions no later than one year after the enactment of this act, related to: (1) adoption of bylaws; (2) establishing policies for Board governance; (3) creating a human resources plan; (4) developing financial policies; (5) developing operation policies; (6) developing an information technology plan; (7) creating a plan and timeline for acquiring the assets of CATS from Charlotte; (8) ensuring approval for the use, control, and acquisition of CATS assets; (9) drafting amendments to the interlocal agreement between the specified local governments, as specified; (10) drafting agreements or amendments to agreements with third parties that substitute the Authority for Charlotte as a party to ongoing contracts, agreements, rights, responsibilities, or liabilities; and (11) completing a value engineering study with respect to the Silver Line East (defined) mass transit light rail line. Specifies that the Authority is responsible for conducting or completing in a timely manner all environmental and economic studies required by State or federal law for public transportation projects.

Provides that if Mecklenburg enacts the tax under Part IV, discussed above, if that act becomes law, then the Authority and Charlotte must take the specified actions concerning receiving the tax proceeds, handling assets, handing of the existing CATS Revenue Reserve Fund, requiring the authority to make payments to Charlotte, and for the transfer of employees. Also sets out conditions under which specified interlocal agreement with respect to taxes would be terminated.

Provides that if Mecklenburg County creates a metropolitan public transportation authority under this act, then any service outside of the territorial jurisdiction of the authority offered as of the date that the authority assumes operational control of the assets of CATS may continue without the governing bodies of the applicable political subdivisions granting approval by majority vote for the continuation of the service.

If Mecklenburg County creates a metropolitan public transportation, as enacted by Part V of this act, then directs for two of the appointments made to be made upon the recommendation of the named the named tax exempt organizations.

Part VII.

Allows a municipality to include as revenues the receipts from any sales tax or other local tax received by a municipality in connection with its ownership and operation of a revenue bond project or a utility or public service enterprise facility or system of which a revenue bond project is a part as long as the pledge of such receipts does not constitute a pledge of the municipality's taxing power. Gives a municipality the authority to finance and refinance the cost of public transportation systems, facilities, or equipment with bonds or notes secured: (1) by the revenues of the public transportation systems, facilities, or equipment; (2) by pledge, mortgage, or grant of a security interest in all or a portion of the real and personal property, whether owned or leased, comprising the public transportation systems, facilities, or equipment; and (3) as otherwise provided in Article 5 of GS Chapter 159. Allows each municipality to secure bonds or notes by a pledge of all or any portion of the revenues of public transportation systems, facilities, or equipment without regard to meeting the expense and maintenance and operation of and renewals and replacements with respect to the revenue bond project. Limits the applicability of the provisions of this Part to cities with a population of greater than 870,000 according to the 2020 federal decennial census or any subsequent federal decennial census and metropolitan public transportation authorities created under Article 34 of GS Chapter 20, as created in this act.

Part VIII.

Amends GS 40A-3 by adding a metropolitan public transportation authority to those that have the power of eminent domain. Amends GS 105-164.14 by allowing a metropolitan public transportation authority an annual refund of sales tax paid on direct purchases of items. Amends GS 136-44.20 to include a metropolitan public transportation authority under provisions related to a State Full Funding Grant Agreement and the use of State funds for fixed guideway projects. Amends GS 136-44.27 by amending the use of funds in the Elderly and Disabled Transportation Assistance Program to include metropolitan public transportation authorities. Amends GS 143-129, concerning transportation authority purchases, to incorporate metropolitan public transportation authorities. Amends GS 143-157.1 to require appointments to metropolitan public transport authorities to be reported to the Secretary of State. Amends GS 153A-148.1 to allow disclosures of a taxpayer's income to exchange information with a metropolitan public transportation authority. Amends GS 159-48 to allow metropolitan public transportation authorities to borrow money and issue bonds. Amends GS 159-81 by including metropolitan public transportation authority under the definition of *municipality* for Article 5, Revenue Bonds. Amends GS 160A-20, concerning security interests, to include a metropolitan public transportation authority under the statute's definition of *unit of local government*.

Part IX.

States that it is the NCGA's intent not to reduce transportation funding allocations for any municipality in Mecklenburg County as a result of this act or the levy of a tax under the act; and not to reduce State transportation funding for State projects located in Mecklenburg County as a result of the enactment of this act. Prohibits the Department of Transportation, without NCGA authorization, from reducing funding for any transportation projects as a result of this act, including the levy of any tax under the act.

Intro. by Cotham.

[Mecklenburg, GS 40A, GS 105, GS 136, GS 143, GS 153A, GS 159, GS 160A](#)

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[Government, Tax, Local Government](#)

H 957 (2025-2026) [HBCU/HMSI OMNIBUS](#). Filed Apr 10 2025, *AN ACT TO APPROPRIATE FUNDS AND MAKE VARIOUS CHANGES TO THE LAWS TO SUPPORT PUBLIC AND PRIVATE HISTORICALLY BLACK COLLEGES AND UNIVERSITIES AND HISTORICALLY MINORITY-SERVING INSTITUTIONS IN NORTH CAROLINA.*

Part I.

Creates the Joint Legislative Study Committee on Infrastructure at Historically Black Colleges and Universities (Committee), consisting of nine Senators and nine Representatives, with appointments made by September 1, 2025. Requires the Committee to consult with the BOG and the president or equivalent at each of the Historically Black Colleges and Universities (HBCUs) in the state, in studying 9 specified topics related to building on HBCU campuses, including threats posed to HBCUs by the proximity to certain facilities to toxic sites, student enrollment in relation to classroom capacity, and facilities in significant disrepair and any deferred maintenance on those facilities. Sets out requirements for meetings and staffing. Requires Committee meetings to begin by August 15, 2025. Requires a final report to the specified NCGA committee by January 1, 2026, and terminates the Committee upon the earlier of the filing of the final report or January 1, 2026.

Part II.

Enacts new GS 116-44.9 requiring the UNC Board of Governors (BOG) to establish, to the extent funds are provided, a Completion Assistance Program (Program) at each eligible constituent institution, defined as: Elizabeth City State University, North Carolina Agricultural and Technical State University, The University of North Carolina at Asheville, The University of North Carolina at Greensboro, The University of North Carolina at Pembroke, and Winston-Salem State University. Gives students enrolled in the Program up to \$1,000 per academic year to pay for the cost of continuing attendance and earning necessary credit hours. Sets out student eligibility requirements, including needing financial assistance to remain enrolled at the eligible institution and earn credits necessary to graduate on time, being an in-state resident, and making satisfactory academic progress. Requires the UNC BOG to report annually on each Program to the specified NCGA committee, with the report including specified information. Requires that funds be distributed to each eligible constituent institution proportional to the number of undergrads enrolled at the institution who are state residents and recipients of a federal Pell Grant.

Appropriates \$5 million in recurring funds for 2025-26 from the General Fund to the BOG for the Programs, as established in this act.

Part III.

Appropriates specified amounts from the General Fund to BOG for 2025-26 to be used for the specified infrastructure improvements at the following universities: Winston-Salem State University and Elizabeth City State University.

Part IV.

Adds new Part 3A, North Carolina Nursing Fellows Program, under Article 23 of GS Chapter 116, as follows. Establishes the 14-member North Carolina Nursing Fellows Commission (Fellows Commission) to determine program and forgivable loan recipient selection criteria and selection procedures and requires it to select the recipients under the new North Carolina Nursing Fellows Program (Fellows Program). Sets out membership requirements and appointment authority, with terms set for two years.

Establishes the Fellows Program with the purpose of recruiting, preparing, and supporting students enrolled in an eligible nursing program for preparation as highly effective registered nurses in the State by providing forgivable loans to those interested in preparing to become a registered nurse in this State. Defines an *eligible nursing program* as any educational program in North Carolina leading to a bachelor of science in nursing that is offered by Winston-Salem State University and meant to prepare a person to meet the educational requirements for licensure under GS Chapter 90, Article 9A. Also establishes the North Carolina Nursing Fellows Program Trust Fund (Fund) to provide the financial assistance. Allows money in the Trust Fund to be used only for forgivable loans under the Fellows Program, administrative costs of the Fellows Program, mentoring and coaching support for loan recipients, and extracurricular enhancement activities. Specifies provisions related to these uses of the funds. Sets out provisions governing the appointment of a Fellows Program Director and appointment of staff. Requires the Fellows Commission to adopt standards for awarding the loan, including specified measures. Sets the amount of the forgivable loans as \$5,000 per semester with the number of semesters dependent upon whether the recipient is a high school senior, a student applying to transfer to Winston-Salem State University, an individual with a bachelor's degree seeking

preparation to become a nurse, or student matriculating at Winston-Salem State University who is changing to a program of study leading to a bachelor of science in nursing. Sets out provisions governing the administration of the loans and establishes reporting requirements, with annual reports due to the specified NCGA committee.

Sets out the terms of the forgivable loans with the loan amount received over one year of enrollment and any interest that has accrued forgiven for every year a nurse remains a *qualifying nurse* (defined as a nurse who received a forgivable loan, graduated within 10 years from an eligible nursing program, and is licensed and employed as a registered nurse in this State).

Makes conforming changes to GS 116-204.

Requires initial appointments to be made to the Fellows Commission by August 15, 2026, to expire on July 1, 2028.

Requires recipients to be selected and initial awards to be made by April 1, 2026.

Appropriates \$2.5 million in recurring funds for 2025-26 from the General Fund to the BOG to be allocated to the State Education Assistance Authority to develop and administer the Fellows Program.

Effective July 1, 2025, and applies beginning with applications for enrollment in the Fellows Program in the 2026-27 academic year.

Part V.

Amends GS 116-290 by expanding upon the institutions participating in the Cheatham-White Scholarships to also include Winston-Salem State University. Allows up to 40 scholarships for resident students and 10 for nonresident students to be awarded each year to students at Winston-Salem State University. Makes conforming changes to GS 116-292 and GS 116-294.

Appropriates \$3.15 million in recurring funds for 2025-26 from the Education Lottery Fund to the BOG to make these changes.

Part VI.

Appropriates the specified amounts from the General Fund to BOG for 2025-26 to be allocated to Elizabeth City State University to expand the aviation science program, renovate Roebuck Stadium, and build a residence hall.

Part VII.

Appropriates specified amounts from the General Fund to the Office of State Budget and Management (OSBM) for 2025-26 to be allocated to Johnson C. Smith University for capital improvements; academic program support, including health professional preparedness programs; and specified transformative initiatives.

Part VIII.

Appropriates specified amounts from the General Fund to the OSBM for 2025-26 to be allocated to Shaw University for capital improvements and support of the teacher preparation program.

Part IX.

Appropriates specified amounts from the General Fund to the OSBM for 2025-26 to be allocated to Barba-Scotia College for capital improvements and for workforce development initiatives.

Part X.

Appropriates \$5 million in recurring funds for 2025-26 from the General Fund to BOG to be allocated to the State Education Assistance Authority to increase need-based scholarships for students attending private institutions of higher learning in accordance with Article 34 of GS Chapter 116 (Need-Based Scholarships for Students Attending Private Institutions of Higher Education).

Part XI.

Appropriates specified amounts from the General Fund to the OSBM for 2025-26 to be allocated to Bennet College for facility maintenance needs and to support the education degree program.

Part XII.

Appropriates specified amounts from the General Fund to the OSBM for 2025-26 to be allocated to Livingstone College to support the College and for the Livingstone College Center for Aging Out to support students aging out of foster care.

Part XIII.

Appropriates specified amounts from the General Fund to the OSBM for 2025-26 to be allocated to Saint Augustine's University for a completion assistance grant program to address gaps in degree completion rates, and construction of a new academic building. States the NCGA's intent to annually appropriate a portion of funds in the Education Lottery Fund to support scholarships for needy students at Saint Augustine's University.

Part XIV.

Effective July 1, 2025, except as otherwise provided by the act.

Intro. by Hawkins, Ward, Baker.

[APPROP, GS 116](#)

[View summary](#)

[Education, Higher Education, Government, Budget/Appropriations, General Assembly, State Agencies, UNC System, Office of State Budget and Management, Health and Human Services, Health, Health Care Facilities and Providers](#)

H 958 (2025-2026) [ELECTION LAW CHANGES](#). Filed Apr 10 2025, *AN ACT TO MAKE VARIOUS CHANGES TO ELECTION ADMINISTRATION LAWS AND CAMPAIGN FINANCE LAWS*.

Amends GS 163-22 adding new subsection (u) prohibiting the State Board, in educating voters, from using its role to recruit or encourage voters to associate with any political party over another or to influence voter turnout for a particular political party.

Amends GS 163-90.2(a) clarifying that the county board (was, board) must maintain a record of any cancellation or correction to voter registration of a voter following a sustained challenge for any cause under GS 163-85(c) for at least six months and during pendency of appeal. Adds exception to the general rule that a challenged ballot is to be treated as a provisional official that will still be counted for any ballot items the challenged voter is eligible to vote for a sustained challenge under GS 163-85(c)(6) that a person is dead. Declares that for challenges sustained under GS 163-85(c)(6) the ballot will not be counted if the voter died between the time the ballot was cast and 6:30 am on election day.

Amends GS 163-165.5(a)(4) adding that party designations must be printed in the same font type and size as the name of the candidate. Effective January 1, 2026, and applies to elections held on or after that date.

Amends GS 163-166.35(a) making technical changes by removing "of elections" following "county board" throughout. Adds requirement that each county board open at least one early voting site for every 30,000 registered voters, or any portion thereof, registered as of July 1st of the previous calendar year. Mandates the county board seek to provide geographic diversity when selecting site locations.

Amends GS 163-182.1(b)(1) making it the State Auditor's responsibility to provide a process for selecting district or local ballot items to adequately sample the electorate when there is no statewide ballot item (was, the State Board). Removes the requirement that the State Board approve the procedure for randomly selecting the sample precincts for each election. Makes conforming changes.

Amends GS 163-182.2(a), as amended by Section 3A.4(e) of SL 2024-57, subdivision (4) adding a provision that counties with over 250,000 registered voters in an election have until no later than 5:00 pm on the fifth business day after the election to count provisional official ballots (was, the third business day as required for all other counties). Makes the technical changes to subdivision (5) including removing "of elections" following "county board" and formatting changes.

Amends GS 163-234, as amended by Section 3A.4(g) of SL 2024-57, subdivision (2) adding a reference to new subdivision (13). Adds those absentee ballots subject to new subdivision (13) to ballots exempted from the requirement that the tally of all absentee ballots be announced no later than 5:00 pm on the third business day after the election. Adds subdivision (13), which

sets out the timeline for counting absentee ballots for counties with over 250,000 registered voters in an election as follows: (1) all absentee ballots received by the county board on the Monday before election day must be processed by 7:30 pm the day before election day; (2) the county board must count and report the results of all absentee ballots received before election day by 7:30 pm on election day; (3) the county board must report the number of absentee ballots received on election day by 7:30 pm on election day; and (4) for absentee ballots received on election day, the county board must count and report the results of those ballots no later than 5:00 pm on the fifth business day after the election.

Amends GS 163-230.1(e1), as amended by Section 3A.4(f) of SL 2024-57, requiring any container-return envelope with a curable deficiency transmitted to the county board to be considered timely if the cure documentation is received no later than 5:00 pm (was, 12:00 pm) on the fifth (was, third) business day after the election.

Amends GS 163-278.9 changing the title to include "State" so that it reads "Statements filed with State Board." Requires a political committee, political party or affiliated party committee that receives a contribution or transfer of funds of \$2,000 (was, \$1,000) or more before an election but after the period covered by the last report due before that election to disclose within 48 hours. Adds a requirement that the State Board increase the dollar amount of the reporting threshold effective each election cycle beginning the period from January 1st of an odd-numbered year through December 31st of the next even-numbered year based on the Consumer Price Index in GS 163-278.13(b) and set the revised threshold in October of that even-numbered year. Sets additional publication and notice requirement of the revisions. Adds subsection (a1) prohibiting subdivision (a)(2), requiring the 48-hour report, from applying to any candidate campaign committee in a primary election in which the candidate is unopposed on the ballot.

Amends GS 163-278.9A concerning the 48-hour report requirement for treasurers of referendum committees by raising the contribution or transfer amount that must be reported within 48 hours of receipt from \$1,000 or more to \$2,000 or more when received during the period before a referendum but after the period covered by the last report due before that referendum. Adds the same requirement that State Board increase the dollar amount of the reporting amount as detailed above for the change in GS 163-278.9. Adds subsection (a1) prohibiting subdivision (a)(3), requiring the 48-hour report, from applying to any candidate campaign committee in a primary election in which the candidate is unopposed on the ballot.

Requires the State Board of Elections to adjust the thresholds imposed by GS 163-278.9(a)(2) and GS 163-278.9A(a)(3), as enacted, no earlier than October 1, 2025, effective for the election cycle beginning January 1, 2027.

Except as otherwise provided, act effective when it becomes law and applies to elections held on or after that date.

Intro. by Blackwell, Stevens.

GS 163

[View summary](#)

Government, Elections

H 959 (2025-2026) **SOCIAL MEDIA LITERACY IN SCHOOLS**. Filed Apr 10 2025, *AN ACT TO PROMOTE INTERNET SAFETY AND TO PROVIDE SOCIAL MEDIA LITERACY INSTRUCTION IN SCHOOLS*.

Amends GS 115C-47 to require local boards of education to adopt policies for student access to internet provided by the school district. Policies must:

1. Limit access by students to only age-appropriate subject matter and materials.
2. Protect the safety and security of students when accessing email, chat rooms, and other forms of electronic communication.
3. Prohibit access by students to data or information by "hacking" and other unlawful online activities.
4. Prevent access to websites, web applications, or software that does not protect against the disclosure, use, or dissemination of a student's personal information.
5. Prohibit and prevent students from accessing social media platforms through the use of internet access provided by the local school administrative unit, except when expressly directed by a teacher solely for educational purposes.
6. Prohibit the use of the TikTok platform or any successor platform on devices owned or provided by the local school administrative unit, through internet access provided by the unit, or as a platform to communicate or promote any unit or school sponsored club, extracurricular organization, or athletic team.

Creates new GS 115C-81.26 to require each local board of education to provide instruction—once in elementary school, once in middle school, and twice during high school—on social media and its effects on health, including social, emotional, and physical health. Enumerates specific content that must be included in the instruction.

Applies to the 2025-2026 school year.

Intro. by Blackwell, K. Hall, Biggs.

GS 115C

[View summary](#)

Education, Elementary and Secondary Education

H 963 (2025-2026) [CODE ENFORCEMENT PATHWAYS & AMP PROCEDURES ACT](#). Filed Apr 10 2025, *AN ACT TO AMEND THE GENERAL STATUTES RELATED TO BUILDING CODE ENFORCEMENT; TO ESTABLISH A BUILDING INSPECTOR APPRENTICESHIP PROGRAM AND A PROGRAM FOR GENERAL CONTRACTORS TO BECOME CODE-ENFORCEMENT OFFICIALS; TO REQUIRE JUST CAUSE AND DUE PROCESS PROTECTIONS FOR DISCIPLINARY ACTIONS AGAINST COUNTY AND MUNICIPAL BUILDING INSPECTORS; TO PROVIDE FINALITY FOR APPROVED STAGES OF BUILDING INSPECTIONS UNDER SPECIFIED CONDITIONS; TO ESTABLISH THE DISASTER BUILDING INSPECTION RELIEF FUND; AND TO PRESERVE CERTAIN CODE OFFICIALS' AUTHORITY TO INSPECT CERTAIN NONRESIDENTIAL BUILDINGS.*

Section 1.

Enacts GS 143-151.22, which requires the NC Code Officials Qualification Board (Board) to consult with the Office of State Fire Marshal (Office) to develop and implement a Building Inspector Apprenticeship Program. Provides intentions of program and requirements for its structure.

Allows local government inspection departments to employ apprentice Code-enforcement officials that do not yet have standard certification to perform inspections under the direct supervision of a fully certified Code-enforcement official with a standard certificate of the appropriate type and level. Requires the Board to adopt rules to establish the terms of the apprenticeship. Provides list of the minimum terms that should be included. Permits the Board to issue apprenticeship certificates to those employed as an apprentice if the employing jurisdiction applies for it and the apprentice actively participates in required training and continues to make satisfactory progress in the program. Provides details for renewal or reissuing the certificate. Provides curriculum requirements. Allows an apprentice to sit for the appropriate State examination for standard certification or to qualify certification once the individual has completed the approved curriculum and meets any experience requirements set by the Board.

Permits the Office to provide financial assistance to encourage participation in the apprenticeship program. Subject to the availability of funds appropriated for this purpose, the Office may award local governments grants to support a portion of apprentice salary and training expenses with details on eligible expenses. Requires the Office to establish grant application guidelines with priority given to jurisdictions demonstrating significant inspector staffing needs. Requires the Board to review rules and criteria for issuance of standard certificates at levels II and III to eliminate or modify requirements that unnecessarily impede progression of Code-enforcement officials to higher levels; provides list of considerations for the Board as part of this review. Requires the Board to report findings and recommended statutory or rule changes to the Joint Legislative Oversight Committee on General Government and the Fiscal Research Division by July 1, 2026. Clarifies that nothing in the statute will compromise State Building Code enforcement integrity and that apprentices cannot independently approve or sign off on Code compliance. Requires a supervising certified inspector to review and approve all inspections performed by an apprentice and places responsibility of decision on that supervisor.

Amends GS 143-151.13 adding an apprenticeship certificate issued pursuant to new GS 143-151.22 to the list of certificates that will permit a person to engage in Code enforcement. Adds new subsection (c1), to allow the Board to grant a standard certificate after successful completion of the Building Inspector Apprenticeship Program in lieu of the standard examination requirement so long as the individual also successfully completes a Board-approved competency evaluation. Requires the Board to establish rules governing the development, administration, and standards for passing such competency evaluation.

Appropriates \$750,000 for 2025-26 from the General Fund to the Office of State Fire Marshal in the Department of Insurance, to establish and administer the Building Inspector Apprenticeship Program. Requires funds be used for program administration, coordination, and provision of training resources and local grant funds as described in GS 143-151.22(c) and (d). Requires the

Department of Insurance to include an evaluation of program's effectiveness, participation rates, impact on inspector availability, and recommendations for future funding needs in its annual budget request submitted to the Office of State Budget and Management and in any relevant reports to the Joint Legislative Oversight committee on General Government and the Fiscal Research Division. Effective July 1, 2025.

Permits Board, Office, and Department of Insurance to adopt rules necessary to implement the statute's provisions.

Except as indicated above, effective October 1, 2025.

Section 2.

Enacts GS 143-151.23 requiring the Board to consult with the NC Licensing Board for General Contractors and the Office to develop and implement the General Contractor to Inspector Transition Incentive Program. Provides purpose of the program. Requires an individual to, at a minimum, (1) hold a current, valid license in good standing issued by the NC Licensing Board for General Contractors and any specific license classifications or experience levels suitable for transition as the Board may define in rules; (2) satisfy all general eligibility requirements for employment as a Code-enforcement official established by the employing jurisdiction and the Board; and (3) meet all prerequisites for obtaining certification as required by the Board, except as specifically modified for program participants to participate in the program.

Requires the program to incorporate incentives to facilitate the transition of eligible general contractors and provides a list of suggested incentives that includes recognition of experience, tailored training and assessment, direct eligibility for level II certification, expedited progression from level II to level III, and maintains competency standards. Provides details on each incentive listed and clarifies that the incentives provided are not limited to those listed. Requires the Board and Office to collaborate with the NC Licensing Board for General Contractors and relevant construction industry associations to promote awareness of the program and opportunities in Code enforcement among licensed general contractors. Mandates that the Board adopt rules necessary to implement these statutory provisions. Clarifies that nothing in this statute lowers the standards of competency required for Code-enforcement officials and that every program participant must meet qualification standards set by the Board for the applicable level of certification prior to independently performing Code enforcement duties that require it. Effective October 1, 2025.

Section 3.

Enacts GS 153A-100 which provides building inspector disciplinary procedures. Defines "building inspector" as any individual employed or contracted by the county who holds a valid certification issued by the Board and who is authorized by the county to enforce at least one provision of the State Building Code. Requires just cause finding to discharge, suspend, or demote a building inspector employed by a county pursuant to GS 153A-351 for disciplinary reasons. Requires the county to adopt rules or personnel policies defining "just cause." Provides an emergency suspension exception where conduct presents an imminent threat to public safety or property, or results in significant disruption to county operations that align with the county's definition of just cause. Provides procedural details to implement the immediate suspension. Provides procedural safeguards that a county's personnel policy or procedure must include, at minimum, for any disciplinary dismissal, demotion, or suspension of a building inspector aside from the emergency suspension. Permits each county to adopt supplementary personnel policies and procedures governing the discipline and removal of building inspectors beyond the minimum requirements of this statute.

Enacts GS 160A-170 which provides building inspector disciplinary procedures for inspectors employed by the city. Identical to those definitions, requirements, exceptions, procedures, and local flexibility preservation detailed above for counties.

Effective July 1, 2026, and applies to disciplinary actions initiated on or after that date.

Section 4.

Amends GS 160D-1113 making technical changes to provide formatting for subsections' structure. Adds new subsection (b), which makes approval of any component or element of construction after inspection by a local inspector as compliant with State Building Code and applicable law binding and final as to the Code requirements for that stage of construction. Any subsequent inspections cannot require uncovered re-inspection, alteration, dismantling, or removal of the approved component or element and an inspector or inspection department cannot rescind or withhold approval for the component or element, unless one of the excepted conditions applies, which includes a material change in code requirements requiring retroactive compliance; discovery that approval was issued on the basis of false or misleading information, misrepresentation, or fraud

that, if known at the time, would have led to withholding of approval; discovery of a concealed defect that results in noncompliance or presents a safety hazard; or subsequent damage or alteration to the approved component or element.

Effective October 1, 2025, and applies to building permits applied for on or after that date.

Section 5.

Provides purpose of this statute to create a dedicated fund to support Tier 1 and Tier 2 counties in increasing building code inspection capacity after a disaster.

Defines seven terms for the purposes of this statute, which include: (1) county tier system; (2) disaster; (3) eligible county (county designated as a tier 1 or tier 2 county at the time of the disaster declaration); (4) eligible costs; (5) OSFM (Office of State Fire Marshal); (6) Tier 1 county; and (7) Tier 2 county.

Establishes the Disaster Inspection Relief Fund (Relief Fund) as a special fund in the Department of Insurance administered by OSFM to provide financial assistance grants to eligible counties for the purpose of hiring additional building code inspectors to support disaster recovery efforts.

Permits funds in the Relief Fund to become available for application by eligible counties upon Governor's declaration of a state of emergency or disaster pursuant to Chapter 166A impacting one or more eligible counties.

Permits use of funds only for eligible costs incurred to increase building code inspection capacity in response to the declared disaster and prohibits use of the fund to supplant existing local funding for Code enforcement activities that were budgeted prior to the disaster.

Details county match requirements and percentages for funds disbursed from the Relief Fund.

Details the OSFM application and award process. Requires OSFM to prescribe the application form and sets minimum requirements for the application information and documentation. Requires OSFM to review applications based on demonstrated need, severity of disaster impact on the county, feasibility of the county's plan, and compliance with this statute. Permits awards to be given on an expedited basis to ensure timely inspection services are available. Sets out prioritization parameters in the event that available funds are insufficient to meet needs of all qualified applicants.

Requires OSFM to report on administration and use of the Relief Fund to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division with an initial report no later than 90 days after the first grant is awarded from the Relief Fund following a disaster declaration and subsequent reports annually by November 1st. Sets out information to be provided in each report.

Authorizes OSFM to develop guidelines, procedures, and application forms to implement the statute's provisions.

Section 6.

Authorizes an individual with a standard certificate as a Code-enforcement official with level I building qualification to conduct inspections on small residential buildings (up to three stories high with no more than four dwelling units) and small nonresidential buildings (one story high and not exceeding 20,000 square feet in gross floor area that are classified under the state building code as Business, Mercantile, Factory-Industrial, Storage or Utility/Miscellaneous occupancies).

Requires the Board to adopt rules substantively identical to the above. These rules are not subject to Part 3 of Article 2A of Chapter 150B and will become effective as though 10 or more written objections had been received under GS 150B-21.3(b2). Mandates that the Board and local governments follow the provisions above until the effective date of the rules the Board is required to adopt pursuant to this statute.

Expires when the permanent rules become effective.

Intro. by Adams.

[APPROP, GS 143, GS 153A, GS 160A, GS 160D](#)

[View summary](#)

[Development, Land Use and Housing, Building and Construction, Government, Budget/Appropriations, State Agencies, Department of Insurance, Local Government](#)

H 971 (2025-2026) [CAREER DEVELOPMENT ADJUSTMENT](#). Filed Apr 10 2025, *AN ACT TO ESTABLISH A PILOT PROGRAM FOR GRADUATION PLANS IN SELECT SCHOOLS*.

Directs the Superintendent of Public Instruction to create the Annual Career Development Plan Pilot Program, for students entering seventh grade at select schools in the 2025-26 and 2026-27 school years, continuing through high school graduation, to review career development plans GS 115C-158.10 to better align students for on-time graduation and achievement of college and career goals. Requires the Superintendent to select 12 partnered schools (as defined) representative of public schools in the state for the pilot program, and each student entering the seventh grade will be a part of the annual review pilot program.

Specifies that local boards of education must ensure students in the pilot program have assistance from a school counselor and planning time during the school day to update plans. Requires plans to be updated prior to students scheduling courses for the next school year.

Requires partnered schools to encourage parental involvement for development of the plans. Specifies that a local board of education must provide updates on the plans and information related to the plans to parents, and school counselors are to attempt to schedule meetings with parents prior to updating the plans. Directs that parents and students must be provided with information about state and federal financial aid for postsecondary education beginning in tenth grade.

Specifies that the initial career development plans will be created in seventh grade, and students in the pilot program will update annually, along with information that must be provided, including core courses, graduation requirements, and other minimum requirements established by the Superintendent.

Requires the Superintendent or local boards of education to develop reporting requirements and the Superintendent to report to the Joint Legislative Education Oversight Committee by August 15, 2026, and annually thereafter on the pilot program.

Intro. by Blackwell, Torbett, Willis, Reeder.

STUDY

[View summary](#)

Education, Elementary and Secondary Education

H 976 (2025-2026) [UNIFORM PARTITION OF HEIRS PROPERTY ACT](#). Filed Apr 10 2025, *AN ACT TO ENACT THE UNIFORM PARTITION OF HEIRS PROPERTY ACT*.

Adds new Part 4, Uniform Partition of Heirs Property Act, to Article 2 of GS Chapter 46A, providing as follows. Defines heirs property as real property held in tenancy in common that satisfies all of the following as of the filing of a partition proceeding: (1) there is no agreement in a record binding all the cotenants which governs the partition of the property; (2) one or more of the cotenants acquired title from a relative, whether living or deceased; and (3) 20% or more of the interests are held by cotenants who are relatives, 20% or more of the interests are held by an individual who acquired title from a relative, or 20% or more of the cotenants are relatives.

Requires a court, in a proceeding to partition real property under Article 2 of GS Chapter 46A to determine whether the property is heirs property; if such a determination is made, then the property must be partitioned under this Part unless all of the cotenants agree otherwise in a record. Sets out the procedure for notice by posting when a petitioner in a partition proceeding seeks authorization for notice by publication and the court decides that the property may be heirs property. Requires any commissioners appointed to partition the property by the court to be disinterested and impartial and not a party to or a participant in the proceeding.

Requires the court, if it determines that the property that is the subject of a partition proceeding is heirs property, to determine the fair market value of the property by ordering an appraisal. Requires the court, however, to adopt a valuation or use another method of valuation when it has been agreed to by all cotenants. Provides that if the court determines that the evidentiary value of an appraisal is outweighed by the cost of the appraisal, the court must determine the fair market value of the property, after an evidentiary hearing, and order the petitioner to send notice to the parties. Sets out the procedure to be followed when an appraisal is conducted.

Requires the court, when any cotenant requested partition by sale, after the determination of value, to send notice that any cotenant except one requesting partition by sale, may buy all of the interests of the cotenants making the request. Allows any cotenant, except the one requesting partition by sale, to give notice to the court no later than 45 days after the notice is sent stating that they elect to buy all interest of the cotenant requesting partition by sale. Sets out the process for determining the purchase price. Sets out procedures that apply at the end of the 45 days, varying based on how many of the cotenants (including, none) elect to buy the interests of the cotenant requesting partition by sale, including setting deadlines by which the electing cotenants must pay their apportioned price. Allows a cotenant who is entitled to buy an interest to request, no later than 45 days after the court sends notice to the parties, that the court authorize the sale as part of the pending proceeding of the interests of cotenants named as respondents and served with the complaint but that did not appear in the proceeding; allows the court to deny the request or authorize the requested additional sale on fair and reasonable terms, subject to the stated limitations.

Provides that when all the interests of all cotenants that requested partition by sale are not purchased by other cotenants, or if, after conclusion of the buyout, a cotenant remains that has requested partition in kind, the court must order partition in kind unless the court, after consideration of all seven listed factors, finds that partition in kind will result in substantial injury to the cotenants as a group. Requires that when the court does not order partition in kind, the court must order partition by sale or, if no cotenant requested partition by sale, the court is required to dismiss the proceeding. Sets out the processes to be followed when the court orders partition in kind.

Requires that when the court orders a sale of heirs property, the sale must be an open-market sale unless the court finds that a sale by sealed bids or an auction would be more economically advantageous and in the best interest of the cotenants as a group. Sets out the procedures to be followed for an open-market sale, including the appointment of a real estate broker when one is not agreed upon; procedures to be followed depending on whether or not the broker receives an offer to purchase in a reasonable time; and requirements for the broker to report to the court. Sets out requirements for when the court orders a sale by sealed bids or an auction.

Provides that in applying and construing this uniform act, consideration must be given to the need to promote uniformity of the law with respect to its subject matter among states that enact it. Sets out how this new Part relates to the Electronic Signatures in Global and National Commerce Act.

Makes conforming changes to GS 46A-26.

Applies to petitions for partition filed on or after January 1, 2026.

Intro. by K. Hall, Reives, Schietzelt, Turner.

[GS 46A](#)

[View summary](#)

[Courts/Judiciary, Civil, Civil Law, Development, Land Use and Housing, Property and Housing](#)

H 977 (2025-2026) [DEFEND NC](#). Filed Apr 10 2025, *AN ACT TO DEFEND THE PEOPLE OF NORTH CAROLINA*.

Creates new GS 17F-15 to prohibit any sheriff's office; criminal justice agency or criminal justice officer, as defined by GS 17C-2; or any justice officer, as defined by GS 17E-2, from assisting United States Immigration and Customs Enforcement in the (1) apprehension or arrest of persons for alleged or suspected immigration violations or (2) service of warrants for removal from the United States. Prohibits any criminal justice officer, as defined by GS 17C-2, or any justice officer, as defined by GS 17E-2, from being deputized by ICE for these purposes. Provides that any current or future memorandum, agreement, or contract between ICE and a criminal justice agency or sheriff's office shall be void to the extent it violates these prohibitions. Requires the Criminal Justice Education and Training Standards Commission and the Sheriff's Education and Training Standards Commission to promulgate rules consistent with GS 17F-15.

Amends GS 105-164.3 to define *tariff-affected goods of 2025* as any item subject to NC sales tax that has increased in price in 2025 by more than 50% due to federal tariff modifications made and implemented in 2025, as determined, announced, and made publicly available by the NC Department of Commerce. Amends GS 105-164.13 to exempt from retail sales and use tax, during fiscal year 2025-26, the sale of tariff-affected goods.

Directs the NC Department of Health and Human Services to consider alternatives to decreased or terminated federal funding related to state biomedical initiatives, state health initiatives, and state biomedical and health-related research. Directs NC DHHS to report any findings and recommendations made pursuant to this directive to the Joint Legislative Oversight Committee on Health and Human Services no later than March 1, 2026.

Directs the State Board of Education, the UNC Board of Governors, and the State Board of Community Colleges to report to the Joint Legislative Oversight Committee by March 15, 2026, on federal education funds eliminated by the federal Department of Government Efficiency and any actions taken or that need to be taken to replace those funds, or if the funds cannot be replaced, to achieve the purposes for which the funds were intended. The report must include (1) an estimate of the total cost of the reduced, suspended, or cancelled grants from the National Institutes of Health to the in-state operations of entities registered, headquartered, or doing business in the state and (2) a proposal to appropriate 50% the total value of the identified loss in NIH funding to create the NC Institute of Health to grant funds for biomedical and health research and innovation in North Carolina. Provides that the NC NIH be housed within the NC Department of Health and Human Services with a fund operated at the discretion of the NC Secretary of HHS. Requires the Secretary to distribute funds according to an open grant application process that considers the geographic distribution of awardees, to draw funds from the value of funding lost in the current fiscal year only, and to fully distribute the fund by the end of fiscal year 2027.

Expresses the intent of the General Assembly to take every action necessary to keep the promises of federal agencies working in North Carolina and to ensure that benefits through the NC Medicaid Program remain available to eligible North Carolinians regardless of any federal action.

Includes a severability clause.

Intro. by Hawkins.

[STUDY, GS 17F, GS 105](#)

[View summary](#)

[Government, Public Safety and Emergency Management, State Agencies, Community Colleges System Office, UNC System, State Board of Education, Tax, Health and Human Services, Health, Health Care Facilities and Providers, Health Insurance, Social Services, Public Assistance](#)

H 979 (2025-2026) [UPDATE VOLUNTEER SYSTEM/LTC OMBUDSMAN PROGRAM](#). Filed Apr 10 2025, *AN ACT UPDATING AND STRENGTHENING THE SYSTEM OF VOLUNTEERS SUPPORTING THE OFFICE OF STATE LONG-TERM CARE OMBUDSMAN PROGRAM*.

Amends GS 131E-101 by deleting the definition for *community advisory committee* and adding a new definition for *volunteer nursing home ombudsman representative* (a volunteer designated by the Office of the State Long-Term Ombudsman in accordance with GS 131E-128 to work toward maintaining the intent of the Nursing Home Patients' Bill of Rights within the nursing homes in North Carolina, including nursing homes operated by hospitals licensed under Article 5 of Chapter 131E).

Amends GS 131E-102(e), GS 131E-117(12), GS 131D-2.4(e) to replace references to “community advisory committee” with references to “volunteer nursing home ombudsman representative.”

Amends GS 131E-128 by changing the title to “Volunteer nursing home ombudsman representatives” (was, “Nursing home advisory committees”) and makes other changes to the statute to remove references to nursing home advisory committees and replace them with requirements regarding volunteer nursing home ombudsman representatives.

- Encourages each board of county commissioners with at least one nursing home operating in the county to nominate volunteer ombudsman representatives. Provides that designation as a volunteer ombudsman representative is contingent upon designation of the nominee by the Office of the State Long-Term Care Ombudsman (the “State Office”) in accordance with GS 143B-181.18.
- Provides that a volunteer ombudsman representative serves for as long as he or she remains in compliance with training, certification, and other applicable requirements of the State Office, unless the representative’s designation is removed by the State Office. Requires a list of names of all designated volunteer ombudsman representatives and expiration dates of their terms to be filed with the State Office, which must provide the Division of Health Service Regulation with a copy of such names.

- Establishes minimum qualifications that a nominee must meet to be designated as a volunteer ombudsman representative by the State Office.
- Provides that any county commissioner serving as a volunteer ombudsman representative shall be deemed to be serving in an ex officio capacity.
- Requires that volunteer ombudsman representatives serve without compensation, but allows them to be reimbursed for actual expenses incurred in the performance of their duties.
- Requires the State Office to develop training requirements for certification and designation of volunteer ombudsman representatives in accordance with 45 C.F.R. 1324.13(c)(2). Requires each volunteer ombudsman representative to complete such training prior to exercising statutory powers and duties.
- Establishes powers, duties, and responsibilities for volunteer ombudsman representatives (reflecting the powers, duties, and responsibilities previously assigned to community advisory committees and their members under this subsection, except removes the responsibility to quarterly visit nursing homes).
- Revises subsections regarding privilege for written communications and waiver of qualified immunity that previously applied to nursing home advisory committee members to now apply to volunteer ombudsman representatives.

Amends GS 131D-31 by changing the title to “Volunteer adult care home ombudsman representatives” (was, “Adult care home community advisory committees”) and makes other changes to the statute to remove references to adult care home community advisory committees and replace them with requirements regarding volunteer adult care home ombudsman representatives.

- Encourages each board of county commissioners with at least one licensed adult care home operating in the county to nominate volunteer ombudsman representatives. Provides that designation as a volunteer ombudsman representative is contingent upon designation of the nominee by the State Office in accordance with GS 143B-181.18.
- Prohibits dual designation of an individual as a volunteer ombudsman representative under GS 131E-128 (nursing homes) and a volunteer ombudsman representative under this section (adult care homes) unless the State Office provides written approval to combine these functions.
- Provides that a volunteer ombudsman representative serves for as long as he or she remains in compliance with training, certification, and other applicable requirements of the State Office, unless the representative’s designation is removed by the State Office.
- Requires a list of names of all designated volunteer ombudsman representatives and joint nursing and adult care home volunteer ombudsman representatives, along with expiration dates of their terms, to be filed with the State Office, which must provide the Division of Health Service Regulation with a copy of such names.
- Establishes minimum qualifications that a nominee must meet to be designated as a volunteer ombudsman representative by the State Office.
- Provides that any county commissioner serving as a volunteer ombudsman representative shall be deemed to be serving in an ex officio capacity.
- Requires that volunteer ombudsman representatives serve without compensation, but allows them to be reimbursed for actual expenses incurred in the performance of their duties.
- Requires the State Office to develop training requirements for certification and designation of volunteer ombudsman representatives in accordance with 45 C.F.R. 1324.13(c)(2). Requires each volunteer ombudsman representative to complete such training prior to exercising statutory powers and duties.
- Revises subsections regarding privilege for written communications and waiver of qualified immunity that previously applied to adult care home advisory committee members to now apply to volunteer ombudsman representatives.

Amends GS 131D-32 to establish the powers and duties of volunteer adult care home ombudsman representatives. Reflects the same powers and duties previously assigned to adult care home advisory committees and their members under GS 131D-32, but removes the responsibility to quarterly visit certain adult care homes and to develop and recruit volunteer resources. Requires that volunteer adult care home ombudsman representatives must give notice to the administrator of an adult care home prior to entering the home. Clarifies that when a volunteer ombudsman representative visits a group home for developmentally disabled adults, rules concerning confidentiality as adopted by the Commission for Mental Health, Developmental Disabilities, and Substance Abuse Services apply.

Makes conforming changes to GS 131D-2.4, concerning licensure, GS 143B-181.18, regarding the duties of the State Ombudsman, to include designation, suspension, and removal of volunteer ombudsman representatives. Makes conforming changes to GS 143-157.1(d) by repealing (2) and (21), which refer to adult care home community advisory committees.

Effective October 1, 2025.

Intro. by Ball, Colvin, Greenfield, G. Brown.

[GS 131D, GS 131E, GS 143, GS 143B](#)

[View summary](#)

Health and Human Services, Health, Health Care Facilities and Providers, Social Services, Adult Services

H 980 (2025-2026) [REMOVE BARRIERS TO EMPLOYMENT FROM COURT DEBT](#). Filed Apr 10 2025, *AN ACT TO REMOVE BARRIERS TO EMPLOYMENT DUE TO COURT DEBT AND TO APPROPRIATE FUNDS TO IMPLEMENT A TEXT REMINDER SYSTEM FOR COURT DATES*.

Eliminates the state government's authority to suspend a driver's license for nonpayment of fines or penalties or nonappearance in court by repealing GS 20-24.1 and GS 20-24.2. Makes a corresponding change to GS 15A-1116(a), removing language requiring a court to report failure to pay penalties and costs to the Division of Motor Vehicles (DMV).

Enacts GS 20-24.3, which prohibits the DMV from revoking a driver's license solely for failure to appear or pay costs or fines ordered by a court. Requires the DMV to terminate all suspensions of drivers' licenses imposed under GS 20-24.1 and GS 20-24.2, waive all fees associated with the suspensions, and reinstate the license with no action on the driver's part, within three months of the effective date of the new GS 20-24.3. Directs the DMV to provide notice to each person whose suspension is lifted under this provision and post information on the DMV website related to the termination of suspensions.

Requires the DMV to collect data and publish a report by October 1, 2025, showing the number of suspensions terminated, fees waived, and disaggregated data about the race, ethnicity, gender, and zip code of residence of the person with the suspension.

Enacts GS 20-24.4, which requires the Administrative Office of the Courts to collect data and publish a report by March 31, 2025, and each year thereafter, on compliance, collections, and appearance rates in courts that adjudicate motor vehicle offenses. Specifies the minimum data that must be provided in the report, including disaggregated demographic data.

Amends GS 20-28 adding new subsection (a4) making unpaid fines and fees unenforceable if they are based solely on a suspension under GS 20-24.1.

Makes conforming amendments to GS 20-13.2, GS 20-19, GS 20-28.1, GS 20-217, and GS 110-142.2(f).

Makes changes effective October 1, 2025, except that prosecutions for offenses under GS 20-24.1 in effect before the termination under this act are not abated or affected, and statutes remain in effect for these purposes.

Effective July 1, 2025, directs that \$250,000 of the recurring funds appropriated to the Administrative Office of the Courts for the 2025-2026 fiscal year be used to implement a text message reminder system for upcoming court appearances.

Intro. by Chesser.

[GS 15A, GS 20, GS 110](#)

[View summary](#)

Courts/Judiciary, Motor Vehicle, Court System, Administrative Office of the Courts, Criminal Justice, Criminal Law and Procedure

H 981 (2025-2026) [LSAU OPEN ENROLLMENT](#). Filed Apr 10 2025, *AN ACT TO ALLOW STUDENTS TO ATTEND ANY SCHOOL WITHIN THE LOCAL SCHOOL ADMINISTRATIVE UNIT IN WHICH THE STUDENT IS DOMICILED*.

Amends GS 115C-366 to include reference to a student attending public schools where a student is accepted, in addition to assigned. Includes a reference to the requirements of new GS 115C-366.5.

Enacts GS 115C-366.5 (Open enrollment), which outlines the procedure for a parent or guardian to request their student be enrolled in any school in the local school unit where they are domiciled. Requires local boards of education to adopt open enrollment plans, and sets minimum requirements for the plans, including an application process with two periods of

enrollment, a process for declaring school preferences, a lottery procedure for schools that are beyond capacity, and availability of transportation. Specifies that if a student is registered at a school under the statute, they are allowed to continue attending the school without participating in open enrollment unless voluntarily unenrolled from the school. Requires local school administrators to publish the capacity of each school and maintain a waitlist. Clarifies that a local board of education is not required to establish or offer programs at schools where they are not currently offered or alter or waive eligibility criteria for existing schools. Permits local school administrators to deny enrollment under certain circumstances, including if the school does not offer appropriate programs, the student does not meet the criteria for enrollment, the school is subject to a desegregation plan, or the student has been suspended or expelled. Outlines an appeal process for denied enrollment, including appeal to the local board of education, and a subsequent appeal to the State Board of Education.

Directs the State Board of Education to adopt rules implementing the open enrollment appeals process.

Effective and applicable beginning with the 2025-2026 school year.

Intro. by Schietzelt, Rhyne, Willis.

GS 115C

[View summary](#)

**Education, Elementary and Secondary Education,
Government, State Agencies, State Board of Education**

H 982 (2025-2026) [NC HIGHWAY SAFETY ACT OF 2025](#). Filed Apr 10 2025, *AN ACT TO ESTABLISH A PILOT PROGRAM TO IMPROVE PUBLIC SAFETY BY AUTHORIZING THE USE OF ELECTRONIC SPEED-MEASURING SYSTEMS BY THE DEPARTMENT OF TRANSPORTATION TO DETECT SPEED LIMIT VIOLATIONS IN HIGHWAY WORK ZONES; TO ESTABLISH STANDARDS FOR THE APPROVAL, USE, AND CALIBRATION OF ELECTRONIC SPEED-MEASURING SYSTEMS; TO ESTABLISH A CIVIL PENALTY FOR SPEED VIOLATIONS IN HIGHWAY WORK ZONES THAT ARE DETECTED BY THOSE SYSTEMS; TO CREATE A NEW SPECIAL FUND WITHIN THE STATE CIVIL PENALTY AND FORFEITURE FUND; AND TO PROVIDE FOR THE PAYMENT OF THE PENALTIES INTO THE DESIGNATED SPECIAL FUND.*

Enacts new GS 20-141.7 authorizing the use of electronic speed-measuring systems to detect speeding violations for State-maintained highways in work zones. Defines an *electronic speed-measuring system* as a mobile or fixed device that consists of an automated traffic camera and sensor and is capable of measuring the speed and producing one or more digital photographs of a motor vehicle violating a speed limit.

Sets information and photograph requirements these systems must produce per violation. Requires the Department of Transportation (DOT) to place notice within 1,000 feet of a system. Prohibits local governments from operating an electronic speed-measuring system. Makes violations captured by systems subject to a \$250 civil penalty. Bars assigning points to the owner or driver of the vehicle and specifies that violations are noncriminal. Details notice requirements for violations detected by systems, including that the notice must be delivered by first-class mail. Deems registered owners served five days after mailing, whereby owners have 30 days to remit payment or respond before becoming subject to an additional \$125 civil penalty. Allows for owners to contest responsibility within 30 days of service by providing a sworn affidavit stating the name and address of the person who had physical control of the vehicle at violation, or that the vehicle was stolen or lost at the time of violation, subject to specified content requirements; failure to respond within 30 days of service waives the right to contest responsibility. Requires law enforcement to notify DOT when citations or arrests are made where systems are in use; bars the DOT from issuing a notice of violation or imposing penalties under the act. Requires DOT to establish an administrative nonjudicial hearing process to review challenges and provides for appeal of final decisions to district court, with appeal of the district court's decision to the Court of Appeals.

Enacts new GS 8-54.1 making the results of the use of an electronic speed-measuring system if it meets the requirement above as well as calibration and testing requirements admissible as prima facie evidence for the purpose of establishing the vehicle's speed. Requires electronic speed-measuring systems to be calibrated and tested at regular intervals pursuant to DOT standards. Makes a written certificate by a certified technician showing that a test was made within the required period and that the system was accurate competent and prima facie evidence of those facts. Requires notice to be taken, in every proceeding in which the results of an electronic speed-measuring system are sought to be admitted for the purpose of enforcement, of the rules approving the electronic speed-measuring system and the procedures for calibration or testing for accuracy of the system.

Enacts new GS 115C-457.4 establishing within the Civil Penalty and Forfeiture Fund a special fund entitled the Civil Penalty Litigation Fund that includes 75% of civil penalties paid under GS 20-141.7 and any other moneys appropriated or otherwise directed by the NCGA. Requires allocating funds in the Civil Penalty Litigation Fund to local school administrative units on a per-pupil basis and allows funds to be expended in accordance with the provisions of the State School Technology Fund. Requires that 75% of the total amount collected in fines and penalties under this act be paid into the Civil Penalty Litigation Fund and 25% be paid to the State Public School Fund. Specifies that payments to the Civil Penalty Litigation Fund are intended to satisfy the judgment entered on August 8, 2008, in *North Carolina School Boards Association, et al., v. Moore, et al.*, Wake County Superior Court, No. 98-CVS-14158.

Appropriates \$100,000 for 2025-26 from the General Fund to the Office of State Budget and Management to be allocated to the Civil Penalty Litigation Fund to implement this act.

Allows the Secretary of Transportation, or the Secretary's designee, to designate no more than 25 work zones on State-maintained highways at one time throughout the State to pilot this program. Requires a report to the specified NCGA committees on the program, including recommendations for extension, alteration, or continuance of the program. Specifies additional items that must be included in the report. Requires the report to be made annually beginning May 1, 2026.

Effective October 1, 2025, and applies to all civil penalties assessed for speeding violations in school zones on State-maintained highways on or after that date. Sets the act to expire on October 1, 2030.

Intro. by Cervania, Budd.

[APPROP, GS 8, GS 20, GS 115C](#)

[View summary](#)

Courts/Judiciary, Evidence, Motor Vehicle, Court System, Government, Budget/Appropriations, State Agencies, Department of Transportation, Office of State Budget and Management, Transportation

H 984 (2025-2026) [REGULATE RESEARCH OF MEDICAL CANNABIS](#). Filed Apr 10 2025, *AN ACT PERMITTING CANNABIS MEDICAL RESEARCH STUDIES*.

Section 1

Amends GS 90-94.1 changing "hemp extract" to "cannabis" throughout, including in the statute's title. Removes subsection (a), which provided a definition of "hemp extract." Adds subsection (a1) defining cannabis so that it has the same meaning as marijuana. Permits an individual to possess or use cannabis with no penalties if the individual satisfies all of the following: (1) possesses or uses it as a registered research study participant, as defined in GS 90-113.161, provided the quantity of usable cannabis possessed does not exceed an adequate supply; (2) possesses a written certification, as defined in GS 90-113.161, close to the cannabis; and (3) is a caregiver, as defined in GS 90-113.161 (was, permission for a caregiver to possess or use hemp extract to treat intractable epilepsy with a certificate of analysis indicating the ingredients with percentages as listed). Permits a caregiver as defined in GS 90-113.161 (was, GS 90-113.101), in lawful possession of cannabis (was, hemp extract), to administer it to another person under their care without penalty. Requires an individual possessing cannabis (was, hemp extract) under this statute to dispose of any unused portions (was, all residual oil from the hemp extract) at a secure collection box.

Section 2

Adds new article, Article 5I, to Chapter 90, the North Carolina Cannabis Treatment Research Act. Gives purpose of act.

Enacts GS 90-113.161, which defines the following: (1) cannabis; (2) caregiver; (3) database; (4) Department (Department of Health and Human Services); (5) patient; (6) Physician; (7) registered research study; (8) research institution; and (9) written certification.

Enacts GS 90-113.162, which requires the Department to create a secure and electronic Cannabis Treatment Research database registry for registration of research institutions, physicians, caregivers, and patients. Requires caregivers to register with the Department. Authorizes law enforcement agencies to contact the Department to confirm a caregiver's registration. Lists the

caregiver information the caregivers must supply for the database. Makes it a research institution's responsibility to update the Department if caregiver or patient contact information changes for studies they are conducting.

Enacts GS 90-113.163, which permits research institutions to approve dispensing cannabis acquired from another jurisdiction to a registered caregiver on a case-by-case basis. Requires institutions that approve of dispensation to a caregiver to inform them of the disposal requirements detailed above. Provides immunity for research institutions and employees for the use of cannabis pursuant to this article. Mandates that identities of caregivers, patients, and research institutions reported to the Department are confidential, except that information may be provided to law enforcement agencies under GS 90-113.162.

Enacts GS 90-113.164, titled the NC Cannabis Research Program. Provides intent of NCGA to allow any physician providing written certification to a patient to participate in objective scientific research with registered persons regarding the administration of cannabis as part of medical treatment. Lists possible scientific research to be conducted under this Article. Provides immunity for research institutions, physicians, and registered persons to conduct research.

Section 3

Contains a severability clause.

Section 4

Effective July 1, 2025, and applies to offenses committed on or after that date.

Intro. by Belk, Reives, Cervania, Greenfield.

[GS 90](#)

[View summary](#)

[Health and Human Services, Health](#)

H 985 (2025-2026) [INCREASE PUNISHMENT FOR ASSAULTING TEACHERS](#). Filed Apr 10 2025, *AN ACT TO INCREASE THE PUNISHMENT FOR ASSAULTING A SCHOOL EMPLOYEE OR SCHOOL VOLUNTEER*.

Amends GS 14-33 by adding a new subsection (c2), making it a Class 1 felony for a person to commit an assault, assault and battery, or affray if, in the course of the assault, assault and battery, or affray, the person assaults a school employee or school volunteer when the employee or volunteer is discharging or attempting to discharge his or her duties as an employee or volunteer, or assaults a school employee or school volunteer as a result of the discharge or attempt to discharge that individual's duties as a school employee or school volunteer. Specifies that no school personnel who takes reasonable actions in good faith to end a fight or altercation between students shall incur any civil or criminal liability as the result of those actions. Provides definitions for the terms *duties* and *employee or volunteer*.

Makes conforming changes to GS 14-33(c) by deleting subsection (6) (under which an assault on a school employee or volunteer is currently a Class A1 misdemeanor).

Makes conforming changes to GS 115C-289.1 (supervisor's duty to report assault on a school employee by a student to the principal) by deleting all references to GS 14-33(c)(6) and replacing them with GS 14-33(c2).

Effective December 1, 2025, and applies to offenses committed on or after that date.

Intro. by Cotham, Biggs, Bell.

[GS 14, GS 115C](#)

[View summary](#)

[Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Education, Elementary and Secondary Education](#)

H 987 (2025-2026) [CREATE POLICE LEADERSHIP FELLOWS PROGRAM](#). Filed Apr 10 2025, *AN ACT TO CREATE THE POLICE LEADERSHIP FELLOWS PROGRAM*.

Enacts GS Chapter 17C, Article 3 (North Carolina Police Leadership Fellows Program), and provides definitions for the Article. Establishes the 10-member North Carolina Police Leadership Fellows Committee as a special committee of the North Carolina Criminal Justice Education and Training Standards Commission in GS 17C-31. Outlines the membership of the committee, terms of office, meeting schedule and vacancy procedures.

Establishes the Police Leadership Fellows Program goal of increasing criminal justice professionals by providing forgivable loans for bachelor's degrees from constituent institutions of the UNC System in criminal justice and related fields selected by the committee in GS 17C-32. Outlines the administration of the program and the procedure for awarding forgivable loans, up to a maximum of \$20,000 per recipient. Requires at least 50 recipients each year, with a cap of 100. Creates eligibility criteria, including residency in the state and lack of criminal history, and an application process. Specifies that the committee must adopt standards for awarding the loans based on scholastic profiles and potential for excellence in criminal justice provisions. Provides the obligations for recipients, including maintaining enrollment and a minimum 2.0 GPA in appropriate credit hours for the required degree. Requires the program administrator and committee to report to the Joint Legislative Oversight Committee on Justice and Public Safety no later than January 1, 2027, and annually thereafter on the number of loans awarded, student performance, employment, forgiveness and termination of loans, and retention rates of recipients in the criminal justice profession.

Specifies the terms of the forgivable loans in GS 17C-33. Caps interest rates for loans at 10%. Provides that loans and interest will be forgiven if the recipient is employed on a full-time basis for a period of at least eight years in an eligible criminal justice profession. Allows for extensions and conditions of repayment if the recipient decides to forego criminal justice employment. Provides default terms and procedures if the recipient does not comply with the terms of the program.

Effective July 1, 2025.

Intro. by Longest.

GS 17C

[View summary](#)

**Education, Higher Education, Government, Public Safety and
Emergency Management, State Agencies, UNC System**

H 989 (2025-2026) **BUILD SAFER COMMUNITIES AND SCHOOLS ACT**. Filed Apr 10 2025, *AN ACT TO CODIFY SCHOOL SAFETY GRANTS*.

Effective July 1, 2025, creates new GS 143B-1209.61 to establish the School Safety Grants Program. Appropriates from the ARPA Temporary Savings Fund to the State Bureau of Investigation \$20 million for each year of the 2025-27 biennium to fund the School Safety Grants Program and states NCGA intent to fund the Program on a recurring basis beginning with 2027-29. Directs the Executive Director of the Center for Safer Schools to establish the School Safety Grants Program to improve safety in public school units by providing grants for (i) services for students in crisis, (ii) school safety training, and (iii) safety equipment in schools. Requires the Executive Director to develop criteria and guidelines for the administration and use of the grants. Authorizes public schools to apply for grant funding. Applications must include an assessment, to be carried out in conjunction with a local law enforcement agency, of the need for improving school safety within the public school unit that would receive the funding or services. The application must identify current and ongoing needs and estimated costs associated with those needs.

Grants for Students in Crisis.

Directs the Executive Director, in consultation with the Department of Health and Human Services, to use the funds appropriated by the act, not to exceed \$350,000 per fiscal year, to award grants to public school units for contracting with *community partners*, defined in the act, to provide or pay for the provision of the following crisis services:

- (1) Crisis respite services for parents or guardians of an individual student to prevent more intensive or costly levels of care.
- (2) Training and expanded services for therapeutic foster care families and licensed child placement agencies that provide services to students who (i) need support to manage their health, welfare, and safety and (ii) have cognitive or behavioral problems, developmental delays, or aggressive behavior.

(3) Evidence-based therapy services aligned with targeted training for students and their parents or guardians.

(4) Any other crisis service, including peer-to-peer mentoring, that is likely to increase school safety.

Grants for Training to Increase School Safety.

Directs the Executive Director, in consultation with the Department of Health and Human Services, to use the funds appropriated by the act, not to exceed \$350,000 per fiscal year, to award grants to public school units to contract with community partners to address school safety by providing training to help students develop healthy responses to trauma and stress, to include:

(1) Counseling on Access to Lethal Means (CALM) training for school health personnel, first responders, and teachers on suicide prevention and reducing stress.

(2) Training for school health personnel on evidence-based clinical treatments for students and parents.

(3) Training for students and school employees on community resilience models to improve understanding and response to trauma and stress.

(4) Training for school health support personnel on Modular Approach to Therapy for Children with Anxiety, Depression, Trauma, or Conduct Problems (MATCH-ADTC).

Grants for Safety Equipment.

Directs the Executive Director to use the funds appropriated by the act to award grants to public school units for the purchase of safety equipment for school buildings and training associated with the use of the equipment. Authorizes charter schools to receive grant awards for school safety equipment. Lists the kinds of equipment that may be purchased with grant funds.

Directs that school safety grants may not be used to supplant other state or non-state funds already provided for the services described in the act. Provides that the Executive Director may retain as much as \$100,000 per fiscal year for administrative costs associated with the program. Authorizes the Executive Director to enter into a memorandum of agreement with the Department of Public Instruction to disburse grants. Requires the Executive Director to report on the Program, no later than April 1 of each fiscal year, to the Joint Legislative Oversight Committee on Health and Human Services, the Joint Legislative Oversight Committee on Justice and Public Safety, the Joint Legislative Oversight Committee on Governmental Operations, the Senate Appropriations/Base Budget Committee, the House Committee on Appropriations, and the Fiscal Research Division.

Requires the application for the School Safety Grants Program to be available by April 1, 2025.

Includes a severability clause.

Intro. by Clark, Logan, F. Jackson, Budd.

APPROP, GS 143B

[View summary](#)

**Education, Elementary and Secondary Education,
Government, Budget/Appropriations, Public Safety and
Emergency Management**

H 990 (2025-2026) [NOTICE REQUIREMENTS FOR LANDLORD FEES](#). Filed Apr 10 2025, *AN ACT TO REQUIRE LANDLORDS TO PROVIDE NOTICE BEFORE IMPOSING CERTAIN FEES ON TENANTS*.

Amends GS 42-46 by adding a new subsection (b1), requiring landlords (lessors) to provide written notice to tenants (lessees) prior to collecting a late fee authorized under GS 42-46(a). Specifies requirements for the method of delivery and contents of the late fee notice. Becomes effective October 1, 2025, and applies to late fees imposed on or after that date.

Intro. by Longest, Clark, Johnson-Hostler.

GS 42

[View summary](#)

Development, Land Use and Housing, Property and Housing

Creates new Article 7, GS Chapter 166A, to establish the Disaster Mortuary Operational Response Team (DMORT) within the Division of Emergency Management of the Department of Public Safety to assist local mortuary services with emergency response and recovery operations after declared disasters. The Director of Emergency Management (Director) shall oversee DMORT, which shall consist of several licensed and trained professionals whose primary objectives are to respond to disaster areas or mass fatality incidents by identifying victims; reuniting families; recovering, decontaminating, and examining victims, and transporting deceased individuals to families and counties of residence. Specifies the ten kinds of professionals who must be members of the DMORT team.

Requires the Director to develop a response plan utilizing DMORT objectives and to integrate DMORT into the NC Emergency Operations Plan for disaster response and recovery. Requires the Division, within available appropriations, to (1) expend the necessary funds for training, equipment, and other items necessary to support DMORT operations, (2) to coordinate with DMORT for periodic training for DMORT members, and (3) to coordinate with appropriate state agencies and organizations, including the NC Board of Funeral Service, the Medical Care Commission, the Department of Health and Human Services, local emergency management departments, first responder associations and organizations, and any other state agency or organization the Division deems appropriate.

Requires DMORT to provide transportation services for the return of victims to counties of residence and family members for proper burial or cremation. Directs DMORT to specialize in the following operations:

- (1) Tracking and documenting human remains and personal effects.
- (2) Establishing temporary morgue facilities.
- (3) Assisting in the determination of cause and manner of death.
- (4) Collecting ante-mortem data.
- (5) Collection of medical records, dental records, or DNA of victims from next of kin to assist in victim identification.
- (6) Performing postmortem data collection.
- (7) Documentation during field retrieval and morgue operations.
- (8) Performing forensic dental pathology and forensic anthropology methods.
- (9) Preparing, processing, and returning human remains and personal effects to appropriate recipients.
- (10) Processing and re-interment of disinterred remains.
- (11) Providing technical assistance and consultation on fatality management and mortuary affairs.

Grants DMORT members immunity from liability while on DMORT missions by applying the provisions GS 166A-19.60(a).

Effective October 1, 2025.

Authorizes the Department of Public Safety, Division of Emergency Management, and the NC Board of Funeral Service to adopt rules implementing the act.

Intro. by B. Jones, Colvin.

[GS 166A](#)

[View summary](#)

**Government, Public Safety and Emergency Management,
State Agencies, Department of Public Safety, Health and
Human Services, Health, Public Health**

Amends GS 93A-62 (concerning delinquent assessments of timeshares), as follows. Expands the events tolling the time upon which a lien against a timeshare expires to include filing a foreclosure action. Makes clarifying changes. Specifies that for a timeshare trustee foreclosure brought pursuant to GS 93A-62, the managing entity or the holder of the lien is entitled to recover its costs, including reasonable attorney's fees and trustee's fees. Instructs that in the event of a timeshare trustee foreclosure, owners who do not object to use of the timeshare trustee foreclosure procedure are not subject to a deficiency judgment even if the proceeds from the sale of the timeshare are insufficient to offset the amounts secured by the lien, and any successor to the owner that acquires title to a timeshare as a result of a timeshare trustee foreclosure under GS 93A-62.1 are exempt from liability for all unpaid assessments attributable to the timeshare or chargeable to the previous owner that came due prior to acquisition of title by the successor. Makes conforming changes to account for new GS 93A-62.1, discussed below.

Enacts GS 93A-62.1, providing, as an alternative to judicial foreclosure, a simple and inexpensive method of enforcing payment of assessments, to the knowledge of all persons, based upon the General Assembly's recognition, that in authorizing this timeshare trustee foreclosure proceeding, that all persons owning a timeshare know or should know that the assessment lien on their timeshare may be foreclosed and the timeshare sold for failure to pay assessments. Provides for a notice of lien and trustee foreclosure to be attached to a lien under GS 93A-62 and for the filing of that lien with the clerk of superior court. Requires, by no less than fifteen days prior to filing a claim of lien, for the managing entity or the holder of the lien to mail a statement of the assessment amount due by first-class mail to the owner's address as recorded in the books and records of the timeshare program. Provides for mailing to a corporation or LLC. Requires the managing entity or the holder of the lien to make diligent efforts to ensure that its records contain the unit owner's mailing address.

Allows for foreclosure no sooner than two years since the indebtedness described in the claim became due and after filing the claim of lien by having the managing entity, holder of the lien, or designated trustee file a certificate, that has been signed and sworn to or affirmed before a notary public, with the clerk of the superior court, showing the following: (i) the record owner of the timeshare on which there is a lien for unpaid assessments, together with the amount of assessments, including taxes, penalties, interest, and costs that are covered by the lien, (ii) the year or years for which the assessments are due, (iii) a description of the timeshare sufficient to permit its identification by parol testimony, and (iv) the filing information for the claim of lien if previously filed with the clerk of the superior court. The fees for docketing and indexing of the certificate assessed are payable to the clerk of the superior court at the time the assessments are collected or the timeshare is sold.

Requires the managing entity, holder of the lien, or designated trustee filing the certificate to, at least 30 days prior to docketing the judgment, send notice of the assessment lien foreclosure to the owner in the same manner as a claim of lien to the owner at the owner's known address as recorded in the books and records of the timeshare program and to all lienholders with liens that have attached after the effective date of the timeshare claim of lien, as described. Provides for notice by publication if no return receipt or delivery confirmation is received after the mailing of the notice of foreclosure. Provides for assessment of costs of mailing and publication plus an additional \$250 charge to be added to the amount of assessments that are a lien on the timeshare.

Specifies that immediately upon the docketing and indexing of a certificate, the assessments, including taxes, penalties, interest, and costs, constitute a valid judgment against the timeshare described in the judgment with the priority provided for claims of lien in GS 93A-62, with the same force and effect as a duly rendered judgment of the superior court directing sale of the timeshare for the satisfaction of the assessment lien bearing interest at an annual rate of 8%. Provides certification to the clerk if the judgment is paid.

Requires sale of the timeshare at public auction, as described, at any time after 30 days and before one year from the indexing of the judgment at the request of the managing entity or holder of the lien. Instructs that a sale conducted under this statute releases the owner from liability for all amounts secured by the lien. Clarifies that the managing entity or holder of the lien have no right to a deficiency judgment against the owner after a sale of the owner's timeshare under this statute. Provides for a certificate of compliance, as described, to be executed and filed with the clerk within 10 days after the trustee sells the timeshare as described above. At least 10 calendar days after a sale conducted under this statute, absent the prior filing and service on the trustee of a judicial action to enjoin issuance of the trustee's deed to the highest bidder, requires the trustee to issue a trustee's deed to the highest bidder and record the trustee's deed in the public records of the county in which the timeshare is located. Directs the trustee to distribute the sale proceeds in four areas, including the amount owed and set forth in the notice of sale.

Specifies that the certificate of compliance and the trustee's deed together are presumptive evidence of the truth of the matters set forth in them, and action to set aside the sale and void the trustee's deed may not be filed or otherwise pursued against any person acquiring the timeshare interest for value. The issuance and recording of the trustee's deed is presumed valid and may be relied upon by third parties without actual knowledge of irregularities in the foreclosure proceedings.

Authorizes a managing entity, holder of the lien, or designated trustee may combine the claim of lien, certificate, notice of sale, certificate of compliance, published notices and other documents part of the timeshare trustee foreclosure procedure against timeshares of different owners if specified criteria are met.

Specifies that a claim of lien securing a debt consisting solely of fines imposed by the managing entity, interest on unpaid fines, or attorneys' fees incurred by the managing entity solely associated with fines imposed by the managing entity may be enforced by judicial foreclosure, as provided in Article 29A of GS Chapter 1 of the General Statutes. In addition, directs that any claim of lien securing a debt consisting solely of service, collection, consulting, or administration fees may only be enforced by judicial foreclosure, as provided in Article 29A of GS Chapter 1.

Specifies that all foreclosure proceedings commenced by a managing entity or holder of the lien before October 1, 2025, and all sales and transfers of real property as part of those proceedings pursuant to this GS Chapter, GS Chapter 47A, or provisions in a timeshare declaration are declared to be valid unless an action to set aside the foreclosure is started by October 1, 2025, or within one year after the date of the foreclosure sale, whichever occurs last.

Applies to claims of lien filed on or after the act becomes law.

Intro. by Cairns, Tyson, Ross, Winslow.

[GS 93A](#)

[View summary](#)

[Courts/Judiciary, Civil, Civil Law, Development, Land Use and Housing, Property and Housing](#)

H 993 (2025-2026) [HOA ORGANIZATION AND REPORTING ACT](#). Filed Apr 10 2025, *AN ACT TO REQUIRE LOT OWNERS' ASSOCIATIONS AND UNIT OWNERS' ASSOCIATIONS TO INCORPORATE OR ORGANIZE AS CORPORATIONS OR LIMITED LIABILITY COMPANIES AND SUBMIT ANNUAL REPORTS TO THE NORTH CAROLINA SECRETARY OF STATE.*

Amends GS 47C-1-102, concerning applicability of the Chapter, to include reference to articles of organization. Amends GS 47C-2-120 to make the statute applicable to business corporations, nonprofit corporations, or limited liability companies exercising powers under the declaration of a condominium. Amends GS 47C-3-101 to also allow unit owners' associations to be organized as a limited liability company.

Enacts GS 47C-3-101.1, which establishes annual reporting requirements for unit owners' associations organized as nonprofits, if the association collects annual assessments, imposes fines, charges or other fees, or enforces architectural guidelines. Directs the Secretary of State to prescribe requirements for an annual report in electronic form, with requirements for information regarding the association as specified. Requires the information to be current as of the date the report is executed. Makes reports due April 15 of the year following creation of the association and every year thereafter unless the association is terminated. Allows for updates to incomplete information or amendments to correct or update the required information. Sets out the process for filing amendments. Specifies penalties for delinquency, including suspension of the ability to collect assessments from owners and imposition of fees under GS 47C-3-102. Provides a notice and cure process for delinquencies. Specifies a filing fee of \$200 under GS 57D-1-22(a)(28). Authorizes the Attorney General to bring an action to restrain an association from violating the section.

Enacts GS 47C-3-101.2, which establishes the same annual reporting requirements for unit owners' associations organized as business corporations, except that the information regarding the association requires business corporation specific requirements in addition to the report already required under GS 55-16-22.

Enacts GS 47C-3-101.3, which establishes the same annual reporting requirements for unit owners' associations organized as limited liability companies, except that the information regarding the association requires limited liability company specific requirements in addition to the report already required under GS 57D-2-24. Does not provide for a filing fee, unlike the sections for nonprofit and business corporations.

Amends GS 47C-3-102 to include a reference to articles of incorporation or organization and to remove a reference to an unincorporated association.

Amends GS 47F-1-102 to include reference to articles of incorporation or organization.

Amends GS 47F-1-104 to include reference to articles of incorporation or organization.

Amends GS 47F-2-103 to include reference to articles of incorporation or organization.

Amends GS 47F-3-101 to include reference to lot owners' associations organized as nonprofit or business corporations or limited liability companies.

Enacts GS 47F-3-101.1, which establishes annual reporting requirements for lot owners' associations organized as nonprofits, with substantially identical requirements to the new GS 47C-3-101.1 above.

Enacts GS 47F-3-101.2, which establishes annual reporting requirements for lot owners' associations organized as business corporations, with substantially identical requirements to GS 47C-3-101.2 above.

Enacts GS 47F-3-101.3, which establishes annual reporting requirements for lot owners' associations organized as limited liability companies, with substantially identical requirements to GS 47C-3-101.3 above. Does not provide for a filing fee, unlike the sections for nonprofit and business corporations.

Amends GS 47F-3-102 to include reference to articles of incorporation or organization.

Amends GS 47-3-120 to include reference to articles of incorporation or organization.

Effective October 1, 2026, and applicable to reports due beginning in 2027.

Intro. by Budd, Iler, Liu.

[GS 47C, GS 47F](#)

[View summary](#)

[Development, Land Use and Housing, Property and Housing, Government, State Agencies, Secretary of State](#)

H 996 (2025-2026) [FURTHER LIMIT GENERAL FUND OPERATING BUDGET](#). Filed Apr 10 2025, *AN ACT TO REDUCE THE INCREASE IN THE STATE GENERAL FUND OPERATING BUDGET BY REDUCING THE STATUTORY CAP ON THE OPERATING BUDGET AS A PERCENTAGE OF TOTAL STATE PERSONAL INCOME TO SIX PERCENT.*

Amends GS 143C-4-6 to lower the cap on the General Fund operating budget each fiscal year from 7% to 6% of the projected total State personal income for that fiscal year. Adds new GS 143C-4-6(a1) to provide that funds in excess of the budget size limitation may be expended upon a two-thirds vote of the members of the Senate and House present and voting. Effective July 1, 2025, and applicable to budgets adopted on or after that date.

Intro. by Riddell, Schietzelt, Pickett, Brody.

[GS 143C](#)

[View summary](#)

[Government, Budget/Appropriations, General Assembly](#)

H 997 (2025-2026) [CERTIFY READING OF NC CONSTITUTION](#). Filed Apr 10 2025, *AN ACT TO REQUIRE EACH MEMBER OF THE GENERAL ASSEMBLY TO CERTIFY WHETHER OR NOT THAT MEMBER HAS REVIEWED THE CONTENTS OF THE UNITED STATES CONSTITUTION AND THE NORTH CAROLINA CONSTITUTION PRIOR TO TAKING THE OATH OF OFFICE.*

Amends GS 11-7 to require every member of the General Assembly, prior to taking the oath of office, to certify to the Principal Clerk of the house to which the member has been elected whether or not that member has read, listened to, or otherwise reviewed a copy of the Constitutions of the United States and the State of North Carolina within the previous two years.

Effective January 1, 2027.

[View summary](#)[Constitution, Government, General Assembly](#)

H 999 (2025-2026) [REGULATION OF VIDEO GAMING TERMINALS](#). Filed Apr 10 2025, *AN ACT TO AUTHORIZE REGULATED PLAY OF VIDEO GAMING TERMINALS IN THIS STATE*.

Section 1.

Enacts new Article 11, Video Gaming Terminals in GS Chapter 18C, providing as follows.

Part 1, General Provisions

Sets out and defines terms as they are used in Article 9. Defines video gaming terminal as a device operated under the authority of the North Carolina State Lottery Commission (Commission) that is exempt under GS 14-306.1A (setting out the types of machines and devices prohibited by law) and is any electronic computerized video game machine that, upon the insertion of cash or a lottery share, is available to play a video gaming game authorized by the Commission and which uses a video display and microprocessors in which, by chance, the player may receive free games or credits that can be redeemed for cash; excludes a device that directly dispenses coins, cash, or tokens. Defines *video gaming games* as electronically simulated games of chance that are displayed and played on permitted video gaming terminals and approved by the Commission. Defines *Operator* as a person licensed by the Commission who owns, leases, or otherwise controls a video gaming terminal for which a video gaming terminal permit has been issued by the Commission. Defines *video gaming merchant* (Merchant) as a person licensed by the Commission who also holds a valid ABC permit (as described), is not primarily in the business of offering video gaming terminals and with whom an operator has contracted to allow placement of video gaming terminals for wagering and payment of winnings and payment of cash prizes for video gaming games in accordance with this Article.

Requires, in GS 18C-1102 the Commission to determine that video gaming games are a type of lottery game in this State and requires licensing Operators and Merchants to operate video gaming games for play by the public. Deems the playing of video gaming games a share (any method of participation in a lottery game, other than by a ticket purchased on an equivalent basis with a ticket) for the purposes of GS Chapter 18C, exempt from GS 18C-131(c), which sets the minimum retail price of each ticket or share in any lottery game at 50¢. Requires playing to be only on video gaming terminals that have a valid video gaming terminal permit. Prevents video gaming terminals (Terminals) from being placed on property owned or controlled by a governmental entity. Requires Terminals and associated equipment to be connected to a central monitoring system at all times during play, and as otherwise determined by the Commission.

Authorizes each Operator to operate up to three Terminals per location, with the possibility of licensure for an additional three Terminals if benchmarks established by the Commission are met. Specifies that Terminals must comply with the four listed criteria, including that it be located in a building that is more than 1,000 feet away from a church, public school, and nonpublic school, unless the church or school locates within 1,000 feet of the merchant after it began using the premises for Terminals. Requires Operators to do the following in relation to their Terminals; (1) acquire Terminals and associated equipment from licensed Manufacturers and (2) contract with Merchants for placement of Terminals for play by the public, on a contract form prescribed by the Commission.

Requires the Commission, in GS 18C-1103, to determine play of video gaming games that address procedures for monitoring, collection, and remittance of net machine revenue from the games, in conformity with the following: (1) transfers no less than 32% of the total net machine revenues to the North Carolina Video Gaming Fund (Fund); (2) allocates 8% of the total net revenues for the Commission's listed annual administrative and enforcement expenses; and (3) allocates 30% of the net machine revenues to operators and 30% to video gaming merchants.

Establishes the Fund in the State treasury in GS 18C-1104 that consists of the transfer of net machine revenues as described above, unclaimed prizes, licensing fees collected by the Commission, and any interest earned on those funds. Requires the NCGA to appropriate money in the Fund annually in the Appropriations Act based on estimates of net machine revenue from video gaming terminals to the Fund. Specifies that a security interest is not granted in any funds appropriated under GS 18C-1104.

Part 2. Licenses and Permits

Enacts GS 18C-1110, requiring a video gaming permit to be affixed to every Terminal prior to play, representing that the machine has been registered, inspected, and approved for operation. Requires the Commission to issue video gaming terminal permits based on the number of approved Terminals registered with the Commission, with the initial permit valid for two years, and each successive permit annually renewed thereafter. Makes it illegal for anyone other than authorized Commission personnel to affix or remove a permit. Requires the terminal and associated equipment's software and hardware to be compatible with the Commission's central monitoring system and requires the games installed on the video gaming terminal to be approved by the Commission before a permit may be issued. Terminals that do not display the permit are illegal and subject to confiscation.

Requires a license under GS 18C-1114 to manufacture, operate or serve, or place for play by the public any video gaming terminal. Sets out qualifications for licensure as well as disqualifications for licensure. Requires a background check of the applicant, including each partner, director, officer, and all stockholders of 5% or more of any business entity, except for institutional investors. Prohibits an Operator from giving anything of value, including a loan or a financing arrangement, to any Merchant as an incentive or inducement to locate video gaming terminals in a specific location. Requires the Commission to adopt additional rules governing the exchange of gifts, loans and other financing arrangements, gratuities, special discounts, favors, hospitality, or service between licensees. Allows licenses to be revoked for cause.

Prohibits advertising of video gaming games and Terminals, as specified in GS 18C-1115. Limits cash awards on individual wagers to \$1,199. Provides signage and notice at each Terminal location, including information on gambling addiction. Specifies that all winnings are subject to State income tax.

Caps the fee that may be charged for a license application for renewal at \$250 and allows charging the cost of the criminal and financial record check in GS 18C-1120. Sets the fee schedule for the actual licenses as follows: \$150,000 for Manufacturers (\$100,000 to renew); \$250,000 for Operators, plus \$150 per Terminal in each location (\$100,000 to renew, plus the same Terminal fee); and \$1,500 per retail location for Merchants (\$1,000 per location to renew). Allows license to be transferred or assigned. Initial licenses are good for two years, renewals for one year.

Specifies, in GS 18C-1122, that a Manufacturer, Merchant, or Operator or any affiliate company, employee, beneficiary, stockholder, officer, director, member, partner, or immediate family member of a manufacturer, is ineligible for a license under the Article other than the one held. Sets out requirements to be met when contracting for a central monitoring system. Requires the Commission to strive to have no less than five manufacturers licensed and no less than 12 operators licensed in the State at all times.

Sets out duties of video gaming license holders including reporting and recording keeping requirements in GS 18C-1124.

Part 3. Video Gaming Terminals

Requires Terminals to have a terminal permit and be placed with a video gaming merchant for play in GS 18C-1130. Requires Operators to provide the Commission with the location of each Terminal and information on the merchants where the Terminals are located. Requires game software to be certified by an independent testing lab. Prohibits the Commission from limiting licensure or connection to the central monitoring system to one type of gaming Terminal, one manufacturer, or one operator.

Requires the Commission to contract for a central monitoring system from a supplier of central monitoring systems in GS 18C-1132. Sets out requirements for the central monitoring system.

Specifies that no person can sell a share for play of a Terminal to a person under the age 21 nor can a person under age 21 purchase a share for play of a Terminal or otherwise play a Terminal in GS 18C-1134. Prohibits Terminals from allowing more than the amount set by the Commission to be played in a single wager. Requires the odds of winning to be posted on or near each terminal. Requires the Commission to establish a voluntary exclusion program for any individual to voluntarily exclude themselves from playing video gaming games in GS 18C-1135. Specifies that the voluntary exclusion program is confidential and exempt from State public records law. Only authorizes licensees to share such information with its agents and affiliates in other states to exclude individuals participating in the voluntary exclusion program.

Requires a person transporting a Terminal from one gaming merchant's establishment to another location, to give written notice to the Commission before transporting the Terminal in GS 18C-1136.

Part 4. Enforcement

Gives the Commission sole regulatory and administrative authority of this Article. Tasks the Department of Public Safety (DPS), Alcohol Law Enforcement Division (ALE), and local law enforcement (collectively, the enforcing agencies) with providing criminal enforcement. Provides for coordination and notice to the other enforcing agencies by the Commission. Gives the Commission and other enforcing agencies authority to investigate the establishment of a video gaming merchant, operator, or a manufacturer to make inspections in GS 18C-1141. Provides for inspection reports. Makes refusal by a licensee, or their employee, to permit officers to enter the premises to make an inspection a cause for action against the licensee, including license revocation or suspension. Requires access to surveillance footage upon request, Authorizes inspections at any time it reasonably appears someone is on premises.

Sets forth several criminal offenses for violations of the act in GS 18C-1142, including providing that unless a different punishment is expressly stated elsewhere, a violation of the Article is a Class 1 misdemeanor. Authorizes the Commission to terminate any licenses issued under GS Chapter 18C upon conviction of any crime under the Chapter or GS Chapter 14. Makes it unlawful under GS 18C-1143 for a licensee or any employee of the licensee to knowingly allow any of the following conduct to occur on the premises: (1) any violation of GS Chapter 18C; (2) any violation GS Chapter 14 or 90; or (3) any other unlawful act. Also makes it unlawful for a licensee to fail to superintend the business for which a license is issued in person or through an employee of the licensee.

Effective December 1, 2025.

Section 2.

Makes conforming changes to GS 18C-103, GS 18C-113, GS 18C-114, GS 18C-120, and GS 18C-161.

Effective December 1, 2025.

Section 3.

Prohibits a lottery retailer, licensee or applicant to be a licensee under GS Chapter 18C, a lottery contractor or potential contractor, or lottery supplier (the Gifters) from paying, giving, or making any economic opportunity, gift, loan, gratuity, special discount, favor, hospitality, or service, having an aggregate value not exceeding \$100 to the Director of the North Carolina State Lottery (Director), to any Commission member or employee, or to any member of the immediate family residing in the same household as one of these individuals (collectively the Recipients); prevents the Receivers from taking any gifts having an aggregate value not exceeding \$100 from a Gifter. Repeals GS 18C-143(e) (gift giving prohibitions-licensees) and GS 18C-151(f)(gift giving prohibitions-contractors).

Effective December 1, 2025.

Section 4.

Enacts Article 2F to GS Chapter 105, enacting an unauthorized gaming machine tax, to levy an excise tax to generate revenue for State and local law enforcement agencies and for the General Fund. Specifies that nothing in the new article may in any manner provide immunity from criminal prosecution for a person who possess an illegal gaming machine. Defines *operator* and *unauthorized gaming machine*. Levies an excise tax on each unauthorized gaming machine at a rate of \$10,000 per machine in GS 105-113.152. Provides for a process for payment of taxes by Operators. Directs the Secretary of Revenue (Secretary) to affix unauthorized gaming machines to indicate payment of the tax. Provides for Operators to report taxes payable to the Secretary as provided. Upon payment of the tax, directs the Secretary to issue stamps in an amount equal to the amount of the tax paid. Specifies that taxes may be paid, and stamps may be issued either by mail or in person. Provides for a process for the Secretary to impose assessments against an Operator to which a stamp has not been affixed, including notices, interest, and penalties in GS 105-113.154. Specifies, in GS 105-113.155, that information obtained by the Department of Revenue (DOR) in the course of administering the tax imposed by this Article, including information on whether DOR has issued a revenue stamp to a person, is confidential tax information. Prevents the information obtained by DOR from being used as evidence by a prosecutor in a criminal prosecution of the taxpayer for an offense related to the possession or operation of the unauthorized gaming machine.

Establishes the Unauthorized Gaming Machine Tax Account (Account) as a special nonreverting account under GS 105-113.156 with the proceeds of the tax levied under the Article to the Account. Directs the Secretary to distribute 75% of the unencumbered tax proceeds in the Account that were collected by assessment to the State or local law enforcement agency that

conducted the investigation of an operator that led to the assessment and to credit the remainder to the General Fund. Directs that if more than one State or local law enforcement agency conducted the investigation, the Secretary must determine the equitable share for each agency based on the contribution each agency made to the investigation. Directs that refunds for taxes already be paid be drawn from the Account. Requires that funds provided for State and local law enforcement agencies under GS 105-113.153 should be used for expenses incurred by the agency for enforcing the laws of this State and carrying out other duties set by law. Specifies that those funds supplement and do not supplant local or State funding received by the law enforcement agency. Effective December 1, 2025, and applies to taxes due on unauthorized gaming machines on or after that date.

Section 5.-Section 7.

Amends GS 14-306.1A (types of machines and devices prohibited by law) to specify that it should not be construed to make illegal any activity conducted pursuant to GS Chapter 18's Article 11. Amends GS 14-306.4 (electronic machines and devices for sweepstakes) to specify that it should not be construed to make illegal any activity conducted pursuant to GS Chapter 18's Article 11. Makes conforming change to GS 105-259(b)(33)(secrecy required of officials). Effective December 1, 2025.

Section 8.

Requires the court to order that an order pay reasonable costs of storage and disposal incurred by the seizing law enforcement agency when illegal gaming items are validly seized under GS 14-298. Specifies that if the item was seized for use as evidence in a criminal action or proceeding against the owner of the item, upon any plea of guilty or nolo contendere in that action or proceeding by the owner of the item, the court must order the owner to pay the reasonable costs of storage and disposal incurred by the seizing law enforcement agency. Subjects any motor vehicle used to transport any video game machine prohibited by GS 14-306 or GS 14-306.1A, or any electronic machine or device prohibited by GS 14-306.4 to seizure under GS 14-299. Specifies that each game console, play station, or other access point allowing a person to operate a slot machine constitutes a separate machine or device under GS 14-306 (definition of slot machine or device). Effective December 1, 2025, and applies to offenses committed on or after that date.

Section 9.

Directs the Commission to use sufficient funds from the Fund to cover its initial operating expenses to implement Article 9 of GS Chapter 18C, as enacted by the act, except that the total amount borrowed by the Commission cannot exceed \$14 million. Provides for transfer of specified amounts of the funds for grants to local law enforcement agencies to combat illegal gaming, to be awarded upon recommendation by the Governor's Crime Commission; and the remainder to be available for expenditure for the purposes set forth in this act without further action by the General Assembly. Requires repayment of the funds within 24 months after the act's effective date.

Section 10.

Provides for allocation of \$2 million in each fiscal year from machine revenue to the specified six institutions of higher education for improving graduation rates and student success or sustainability in GS 18C-1103. Requires each institution to submit an annual report to the specified NCGA committee on its use of funds, as specified. Effective July 1, 2027, and applies to transfers made on or after that date.

Section 11.

Requires the Commission to identify a date upon which video gaming terminal play is authorized in this State and do all of the following at least 90 days in advance of that date: (1) publish that date in the North Carolina Registry and (2) report that date to the Joint Lottery Oversight Committee. Authorizes the Commission to (1) adopt rules that facilitate the licensure authorized in this act and (2) accept and issue applications for licensure prior to the date published in the North Carolina Registry of the date identified by the Commission.

Section 12.

Authorizes the Commission to initiate requests for proposal for the central monitoring system prior to December 1, 2025, but cannot award contracts prior to that date.

[View summary](#)

Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Government, Budget/Appropriations, State Agencies, Department of State Treasurer, Tax, Military and Veteran's Affairs

H 1000 (2025-2026) **DETRANSITIONERS BILL OF RIGHTS**. Filed Apr 10 2025, *AN ACT TO ESTABLISH THE DETRANSITIONER BILL OF RIGHTS*.

Amends Article 1N of GS Chapter 90 by changing its title to “Gender Transition Procedures on Minors and Detransitioner Bill of Rights” (was, Gender Transition Procedures on Minors).

Amends GS 90-21.150 by adding definitions for the terms *department*, *detransitioner*, *detransition procedure*, *female*, *gender clinic*, and *male*. Defines *detransition procedure* as any treatment, including mental health treatment, medical interventions, and surgeries that (i) stop or reverse the effects of a prior surgical gender transition procedure or regimen of cross-sex hormones or puberty-blocking drugs due to the resolution of any inconsistency between the individual's sex and the individual's perceived sex or perceived gender or (ii) help an individual cope with the effects of a prior surgical gender transition procedure or regimen of cross-sex hormones or puberty-blocking drugs after the resolution of any inconsistency between the individual's sex and the individual's perceived sex or perceived gender.

Amends GS 90-21.151 making it unlawful for a medical professional to perform a detransition procedure. Amends GS 90-21.152(a) to add *detransition procedure* to the list of procedures a medical professional may provide if the minor's parents or guardians give informed consent.

Amends GS 90-21.153(a) stating that a violation of any of the provisions of Article 1N by a medical professional shall result in the revocation of the medical professional's license to practice for a minimum of one year. Adds a new subsection (b) stating that an entity that employs or contracts with a medical professional who violates Article 1N shall be liable for a civil penalty of up to \$250,000.

Amends 90-21.154 clarifying that the liability to a minor for any medical professional who performs a surgical gender transition procedure on a minor or who prescribes, provides, or dispenses puberty-blocking drugs or cross-sex hormones to a minor or any entity who contracts with such medical professional shall be strict liability. Adds a new subsection (a1), allowing any individual who undergoes a detransition procedure to bring a civil action against a medical professional, either within 10 years from the day the person reaches 18 years of age or within four years from the time the cost of a detransition procedure is incurred, whichever date is later. Makes conforming changes to subsection (b) by adding injury caused by a detransition procedure under (a1) as grounds for a civil action. Changes the time limit for civil actions under subsection (b) to within the latter of 10 years (was, 25) from the day the minor reaches 18 years of age or four years from the time of discovery by the injured party of both the injury and the causal relationship between the treatment and the injury against the offending medical professional or entity. Adds “Costs associated with a subsequent detransition procedure” to the types of relief an individual may seek in a civil action under 90-21.154.

Enacts GS 90-21.155, which requires any gender clinic operating in the State to provide a report of statistics regarding all surgical gender transition procedures and prescribed regimens of cross-sex hormones or puberty-blocking drugs to patients to the Department of Health and Human Services (DHHS). Requires DHHS to develop a form for this report and determine the statistics that must be reported. Lists seven different types of information regarding patients, procedures, and medical providers that must be included in the report to DHHS. Requires each gender clinic to (i) complete a form to be signed by the medical professional who prescribes the surgical gender transition procedure or regimen of cross-sex hormones or puberty-blocking drugs or makes a referral for either, and (ii) transmit such form to DHHS within a prescribed amount of time.

Enacts GS 90-21.156, which prohibits cities and counties from (i) prohibiting the provision of mental health services or therapy to help a minor address an inconsistency between the minor's biological sex and the minor's perceived gender or perceived biological sex, or (ii) prohibiting a parent or legal guardian from consenting to, or withholding consent from, the provision of mental health services or therapy to help a minor address an inconsistency between the minor's biological sex and the minor's perceived gender or perceived biological sex.

Enacts GS 90-21.157, authorizing the Attorney General to investigate any complaints received alleging violation of Article 1N, to impose civil penalties for violations, and seek other appropriate relief under the Article. Enacts GS 90-21.158, requiring DHHS to submit an annual report on November 1st of each year to the Joint Legislative Oversight Committee on Health and Human Services that compiles the data required to be collected under this Article 1N. Specifies that the information in the report shall not disclose the identity of any person or entity that is the subject of any report. Requires DHHS to also publish the annual report on a publicly available website.

Enacts GS 58-3-257, requiring all health benefit plans that provide coverage for one or more gender transition procedures for insureds who are minors to also provide coverage for (i) all possible adverse consequences related to the gender transition procedure, (ii) testing and screening necessary to monitor the mental health and physical health of any insured on no less than an annual basis and without regard to the sex designation on the insured's medical record, and (iii) any procedure or treatment, including therapy, necessary to manage, reverse, or recover from the insured's previous gender transition procedure. Requires such coverage to be provided to all insureds that underwent a gender transition procedure as a minor regardless of whether that gender transition procedure occurred when the individual was not insured under the current health benefit plan. Clarifies that this statute does not require an insurer to provide any coverage for gender transition procedures. Requires an insurer offering a health benefit plan that provides coverage for gender transition or detransition procedures to report certain information regarding insurance claims and claimants to the Commissioner of Insurance of North Carolina and the Secretary of DHHS. Provides definitions that apply in the section. Becomes effective October 1, 2025, and applies to insurance contracts issued, renewed, or amended on or after that date.

Amends GS 130A-118, regarding amendment of birth and death certificates, clarifying that a new certificate of birth must be made by the State Registrar if any of the conditions specified in the statutes is met. Adds a new condition requiring the State Registrar to issue a new birth certificate upon written request from an individual to change the sex on that individual's birth record because the person is a destransitioner, if the request is accompanied by a notarized statement from a licensed physician certifying that the person has undergone a detransition procedure.

Enacts GS 90-21.5A, prohibiting any medical professional from denying a parent or legal guardian access to the medical records or medical information of the parent's or legal guardian's minor, except in the following circumstances: (1) the medical records or medical information relate to harm resulting from abuse, neglect, or domestic violence; (2) the person denying access reasonably believes (i) the parent or legal guardian is responsible for the abuse, neglect, or other injury resulting from domestic violence or (ii) that informing the parent or legal guardian would not be in the best interest of the minor. Clarifies that for purposes of this statute, the term "abuse, neglect, or domestic violence" does not include a parent's or legal guardian's refusal to permit the minor to seek a surgical gender transition procedure or regimen of cross-sex hormones or puberty-blocking drugs or a parent's or legal guardian's refusal to address the minor using pronouns that are inconsistent with the minor's sex. Creates a private right of action for any parent or legal guardian who is denied access to medical records or medical information in violation of this new statute, including availability of damages, equitable relief, and reasonable attorneys' fees and court costs. Authorizes the Attorney General to investigate a potential violation of this new statute, seek production of documentation or testimony through a civil investigative demand, and bring an action to enforce compliance. Effective when it becomes law.

Effective October 1, 2025, except enactment of GS 90-21.5A (regarding access to medical records) is effective when bill becomes law.

Includes a severability clause.

Intro. by Johnson, N. Jackson.

[GS 58, GS 90, GS 130A](#)

[View summary](#)

[Health and Human Services, Health, Health Care Facilities and Providers, Health Insurance](#)

Enacts GS 90-171.38A, requiring programs approved by the North Carolina Board of Nursing (“Board”) under GS 90-171.38 to train, educate, and credential sexual assault nurse examiners to make an annual report to the Board including the number of total graduates from each program, the county of employment of each graduate, and, if known, where each graduate plans to work or is employed. Authorizes the Board to adopt rules to implement this requirement.

Effective August 1, 2025.

Intro. by Johnson-Hostler, Campbell.

[GS 90](#)

[View summary](#)

[Business and Commerce, Occupational Licensing, Health and Human Services, Health, Health Care Facilities and Providers](#)

H 1002 (2025-2026) [RATE PAYER PROTECTION ACT](#). Filed Apr 10 2025, *AN ACT PROHIBITING PASSING ANY GRID OR ENERGY COSTS INCURRED SOLELY FOR SERVING DATA CENTERS TO RATE PAYERS AND CREATING A SPECIAL COMMISSION FOR DATA CENTER PLANNING.*

Part I

Enacts GS 62-159.3 (Prohibit cost recovery for data centers), which prohibits public utilities from passing on costs incurred for electric service to commercial data centers to ratepayers. Allows public utilities to make rates or charges solely applicable to commercial data centers for the costs that are not permitted in general rates. Defines *commercial data center* as a facility, campus of facilities, or array of interconnected facilities in this state that is used by an entity or other business enterprise to operate, manage, or maintain a computer, group of computers, or other organized assembly of hardware and software for the primary purpose of processing, storing, retrieving, or transmitting data and has a peak demand of 100 megawatts or greater.

Part II

Creates a 14-member Special Commission for Data Center Planning and provides for appointment of members by the Governor, legislative leaders, and ex-officio members. Directs the commission to review electricity supply and grid conditions and make recommendations on expanding capacity and generation to serve data center needs. Also directs the commission to consider future trends and corporate needs, and propose legislation and budget recommendations as necessary. Directs state agencies to cooperate with the commission’s requests for information. Permits the commission to enter into contracts, establish rules and procedures, hold public hearings, and request public testimony and production of documents as necessary for its duties.

Directs that the commission submit a written report to the Governor, legislative leadership, and the North Carolina Utilities Commission no later than three months after the date of the last meeting.

Specifies that Part II expires June 30, 2027, and the commission is abolished on that date.

Intro. by Harrison, Cervania.

[STUDY, GS 62](#)

[View summary](#)

[Environment, Energy, Public Enterprises and Utilities](#)

H 1003 (2025-2026) [BOARD OF FUNERAL SERVICE MODIFICATIONS](#). Filed Apr 10 2025, *AN ACT TO MODIFY THE LAWS OF FUNERAL SERVICE AND CREMATION.*

Part I.

Reorganizes specified portions of GS 90-210.121 and recodifies portions of GS 90-210.136 under GS 90-210.121 (definitions for Article 13F of GS Chapter 90). Renames Article 13F as Cremations and Alkaline Hydrolysis.

Further amends GS 90-210.121 as follows. Adds and defines reduction as alkaline hydrolysis, cremation, and any other method of final disposition of human remains authorized by the board. Makes conforming changes to the definition of authorizing

agent. Also adds and defines reduced human remains, and reduction containers. Makes additional clarifying and technical changes to the statute.

Repeals GS 90-210.122 (establishing the Crematory Authority), effective October 1, 2025. Requires members to serve out their terms until that date and makes members eligible for per diem and travel and subsistence expenses for expenses incurred up to that date. Requires the North Carolina Board of Funeral Services (Board) to ensure that any unpaid, eligible expenses are paid to members.

Amends GS 90-210.123 by requiring a crematory to have a crematory manager. Allows the manager to manage multiple crematories within a 50-mile radius of each other. Allows a crematory to operate for 30 days without a manager due to the manager's cessation of employment if the specified criteria are met, inking that the crematory licensee retains on or more technicians to perform cremations. No longer requires applications for license renewal to include the technician's educational certificates, just requiring it for licensure applications. Allows a crematory in the process of replacing its only technical at the time of licensure renewal to continue operating for up to 30 days (was, 180 days). Requires a new application for a crematory license or permit if: (1) there is a change to the legal structure of the crematory resulting in change of majority of the licensee's owners, partners, managers, members, operators, or officers; or (2) a crematory licensee's owner, partner, manager, member, operator, or officer holding a majority of the crematory's interest dies (allows their estate to apply for a permit within 180 days of the date of death).

Amends the circumstances under which a license may be suspended, revoked, or refused, to now include (1) conviction of or a plea of guilty or nolo contendere to a felony or misdemeanor indicating that the individual is unfit or incompetent to engage in cremations or that they have deceived or defrauded the public (was, conviction of a felony or a crime involving fraud or moral turpitude); (2) acts or omissions indicating that the licensee is unable to engage in cremations with reasonable skill and safety due to illness, excessive use of alcohol, drugs, chemicals, or any other type of substance, or by reason of any physical or mental abnormality (was, gross immorality, including being under the influence of alcohol or drugs while performing cremation services); and (3) adds violating or cooperating with others to violate provisions of Articles 13A (practice of funeral service), 13D (preneed funeral funds), or 13E (mutual burial associations). Also adds the following circumstances: (1) failure to refund any insurance proceeds received as consideration in excess of the funeral contract purchase price within 30 days of receipt; (2) failure to provide, within a reasonable time, either the goods and services contracted for or a refund for the price of goods and services paid for but not fulfilled; (3) violation of GS 58-58-97 (provision of life insurance information upon notification of insured's death); (4) failure to respond to the Board's inquiries in a reasonable manner or time regarding any matter affecting the individual's performance of cremations; (5) failure to adequately supervise or oversee auxiliary licensed or unlicensed staff, employees, agents, or contractors, as required by this Article and Article 13D, 13E, or 13F of this Chapter, any rules of the Board, or the standards set forth in Funeral Industry Practices, 16 C.F.R. § 453 (1984), as amended; and (6) knowingly failing to follow the lawful direction of a person with the right to authorize disposition of human remains in accordance with GS 130A-420.

Allows the Board to apply for injunctive relief in the superior county of (1) where an act is alleged to have taken place, (2) where the defendant resides, or (3) Wake County, if any person, firm, corporation, or other entity has committed an act allegedly violating any provision of this Article. Requires when a violation is found that the court issue an order enjoining and restraining the acts constituting violations. Entitles the Board to reimbursement of costs and attorneys' fees.

Repeals GS 90-210.124 (authorizing agent). Enacts new GS 90-210.124A requiring crematory licensees to comply with GS 130A-420 (authority to dispose of body or body parts) when acting under their respective scope of practice for disposition of reduced human remains or body parts.

Amends GS 90-210.125, concerning the information that must be included on the cremation authorization form to require: (1) a representation that the authorizing agent has the right to authorize the cremation of the decedent and that the authorizing agent is not aware of any living person who has a superior priority right to that of the authorizing agent, as set forth in GS 130A-420 (was, GS 90-210.124); and (2) that the authorizing agent may specify in writing religious practices that conflict with Articles 13A, 13D or 13F (was, Article 13).

Amends GS 90-210.126 requiring the witnessing of the cremation authorization form on a preneed basis be in accordance with GS 130A-420. Makes additional clarifying changes.

Amends GS 90-210.217 requiring providing a receipt upon the release of reduced human remains (was, release of cremated remains) and makes conforming changes. Requires a funeral establishment to keep business records of all forms it generates or

that are provided to it, for three years. Requires keeping records of the disposal of reduced human remains (was, cremated remains) for three years.

Amends GS 90-210.128 prohibiting rules requiring that any cremated remains be placed in an urn or receptacle designed to permanently encase the reduced human remains (was, cremated remains) after the cremation process has been performed.

Amends GS 90-210.129, concerning the cremation procedure, to refer to reduced human remains instead of cremated remains. Adds the requirement that a crematory refrigerate human remains at a temperature no greater than 40 degrees unless cremation will begin within 24 hours of the time in which the crematory takes custody of the remains.

Amends GS 90-210.130, concerning the final disposition of remains, by referring to reduced human remains instead of cremated remains throughout. Requires that if the authorizing agent or their representative has not specified the final disposition or claimed the reduced remain within 30 days after the crematory licensee provides written notice delivered by certified mail to the authorizing agent's last known address that the reduced human remains are available for retrieval, then the crematory licensee or person in possess of the reduced human remains may release those remains to another family member or dispose of the remains only in the manner allowed by the Article.

Amends GS 90-210.131 concerning liability, by referring to reduced human remains instead of cremated remains.

Amends GS 90-210.132 by changing the hydrolysis fees to reduction fees. Adds that by the 10th of the month, every crematory licensee and hydrolysis licensee must remit to the Board the per cremation or reduction fees for the cremations or reductions which the crematory licensee performed during the immediately preceding calendar month, along with a signed statement containing specified information.

Amends GS 90-210.136 requiring applications for a license to hydrolyze human remains to be on a form provided by the Board. Requires a license to comply with this Article, including GS 90-210.127 (record keeping) and GS 90-210.130 (final disposition of cremated remains).

Amends GS 130A-415 by making conforming changes.

Effective October 1, 2025.

Part II.

Adds *transportation protection agreement* (an agreement that primarily provides for the coordination and arranging of all professional services related to the preparation of human remains or cremated remains for the purpose of initial and subsequent transportation of those remains) to the list of defined terms in GS 90-210.60 (definitions concerning preneed funeral funds governed under Article 13D of GS Chapter 90). Excludes transportation protection agreements from the scope of Article 13D. Allows the Board to adopt rules to implement these provisions.

Further excludes transportation protection agreements from: (1) the definition of a *preneed funeral contract* under GS 90-210.60, (2) the business of life insurance under GS 58-7-15(1), (3) solicitations or sales for contracts used to fund transportation protection agreements under GS 58-58-330(a) (listing sales or solicitations exempt from regulation under Part 6 of Article 58 of GS Chapter 58, concerning dishonest and predatory sales to military personnel), (4) the definition of *prearrangement* under GS 58-60-35 (concerning disclosure of prearrangement insurance policy provisions).

Broadens the statutory provisions under GS Chapter 58 that apply to the insurance described in GS 58-7-15 (kinds of insurance authorized) to include every article in the chapter (currently, just Articles 1 through 64). Excludes a preneed licensee under Article 13D of GS Chapter 90 and fund transportation protection agreements from GS 58-58-1 (kinds of contract under the life insurance and viatical settlements article of GS Chapter 58).

Makes conforming change to GS 58-58-335, reflecting exclusion of fund transportation protection agreements from definition of business of life insurance under GS 58-7-15(1). Makes technical changes, including updating statutory references to reflect recodifications.

Applies to preneed funeral contracts and transportation protection agreements entered into on or after October 1, 2025.

Amends GS 58-58-97 allowing a licensed funeral director or an employee of a funeral establishment to request from a life insurance carrier, information regarding the contract for a prospective policy beneficiary when they are requesting the use of a life insurance policy for the fulfilment of funeral services; makes conforming changes. Requires the life insurance company to

provide the specified information within one business day (was, as soon as possible). Adds that failure to meet this deadline may subject the insurer to penalty. Makes conforming changes to GS 58-39-75. Effective 30 days after becoming law and applies to inquiries made to life insurance carriers doing business in this State on or after that date.

Part III.

Allows the Board to adopt temporary rules to implement this act, which will remain in effect until replacement permanent rules are effective.

Intro. by B. Jones, Miller, Pyrtle, Colvin.

GS 58, GS 90

[View summary](#)

Business and Commerce, Insurance, Occupational Licensing, Health and Human Services, Health, Public Health

H 1004 (2025-2026) **UNC AI & AMP TECHNOLOGY HUBS**. Filed Apr 10 2025, *AN ACT TO APPROPRIATE FUNDS TO ESTABLISH ARTIFICIAL INTELLIGENCE HUBS AT SELECT CONSTITUENT INSTITUTIONS OF THE UNIVERSITY OF NORTH CAROLINA AND TO APPROPRIATE FUNDS TO ESTABLISH TECHNOLOGY HUBS AT EACH CONSTITUENT INSTITUTION OF THE UNIVERSITY OF NORTH CAROLINA AND FOR THE NORTH CAROLINA COLLABORATORY TO ESTABLISH A GRANT PROGRAM FOR RESEARCH PROJECTS ON ARTIFICIAL INTELLIGENCE.*

Directs the Board of Governors of The University of North Carolina, no later than December 1, 2026, to select up to eight constituent institutions of The University of North Carolina to serve as Artificial Intelligence Hubs (AI Hubs). At least one AI Hub must be in one of North Carolina's Public Historically Black Colleges and Universities or North Carolina's Historically American Indian University, the University of North Carolina at Pembroke. Each AI Hub must convene industry and academia to ensure that artificial intelligence (i) generates economic growth for the State of North Carolina and (ii) protects the rights and liberties of the citizens of the State.

Appropriates from the General Fund to the UNC Board of Governors

- \$16 million for 2025-2026 to establish AI Hubs, including necessary infrastructure. Funds must be allocated equally among constituent institutions selected for an AI Hub. To receive funds, an institution must provide a 10% match using non-state funds.
- \$8 million in recurring funds for operational support and personnel, to be allocated equally among the constituent institutions selected for an AI Hub.

Appropriates from the General Fund to the UNC Board of Governors of \$70 million for the 2025-2026 fiscal year to be allocated to each constituent institution to establish a technology hub or support a previously designated AI Hub at the institution to encourage (i) technology innovation, (ii) workforce upskilling, (iii) entrepreneurship, and (iv) advanced manufacturing. The funds may be used for capital needs, marketing, personnel, programming, support services, local partnerships, and any other purpose necessary to establish the technology hub. Constituent institutions must report to the Board of Governors on the departments, units, and schools included in the technology hub, and the Board of Governors must report this information to the Joint Legislative Education Oversight Committee no later than February 15, 2026.

Appropriates from the General Fund to the UNC Board of Governors for allocation to the North Carolina Collaboratory established by GS 116-255, \$30 million for the 2025-2026 fiscal year to establish a grant fund for research projects on AI. To qualify for grant funding, a research project must focus on one of the following areas of scope:

- (1) AI research to develop an application in one of the following priority areas: education, workforce development, healthcare, or government.
- (2) AI fundamentals and infrastructure by addressing core AI technologies (including, but not limited to, machine learning, natural language processing, and computer vision) and how the technologies contribute to advancing AI infrastructure.
- (3) AI ethics and governance by addressing ethical considerations related to the use of AI and consideration of relevant AI risks and governance frameworks.

Effective July 1, 2025.

Intro. by Hawkins, Johnson, Lowery, Reives.

APPROP, STUDY

[View summary](#)

Government, Budget/Appropriations, State Agencies, UNC System

H 1005 (2025-2026) [CLARIFY BALLOT LANGUAGE FOR ART. 46 TAX](#). Filed Apr 10 2025, *AN ACT TO MODIFY THE BALLOT LANGUAGE FOR THE REFERENDUM REQUIRED TO LEVY THE ONE-QUARTER CENT COUNTY SALES AND USE TAX AND TO MODIFY THE ALLOWABLE USES OF THE PROCEEDS DERIVED FROM THE TAX.*

Amends GS 105-537(c) to change the ballot question language for a special election concerning the levy of a local sales and use tax. Changes reference to rate from “one quarter percent” to “a fraction of a penny (one penny for every four dollars (\$4.00) spent).” Modifies allowable uses for proceeds derived from the tax by providing that the tax can be used to increase the pay for teachers and other education employees. Requires the ballot language to express the same and to say that the tax will not apply to gas, groceries, motor vehicles, or prescription drugs.

Effective upon becoming law and applicable to advisory referendums under Article 46, GS Chapter 105, conducted on or after that date.

Intro. by Clark, Quick.

GS 105

[View summary](#)

Government, Tax, Local Government

H 1006 (2025-2026) [CONST. AMEND. SINGLE SUBJECT BILLS](#). Filed Apr 10 2025, *AN ACT TO AMEND THE CONSTITUTION OF THE STATE TO PROVIDE THAT ALL ACTS SHALL HAVE ONE SUBJECT.*

Subject to approval by voters at the statewide election on November 3, 2026, amends Section 21 to Article II of the North Carolina Constitution changing the title of the section to “Style and content of the acts.” (was, “Style of the acts.”) and adding new requirement that each act by the NCGA contain only one subject that is clearly expressed in its title with exception for general appropriation acts, revenue acts, and acts containing only technical corrections. Details the question to be used in the voting systems and ballots. If approved, effective upon certification from the State Board of Elections reflecting that a majority of votes cast on the question are in favor of the amendment.

Intro. by Blust.

CONST

[View summary](#)

Constitution, Government, General Assembly

ACTIONS ON BILLS

No public actions on bills

No local actions on bills

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