

The Daily Bulletin: 2025-09-23

PUBLIC/HOUSE BILLS

H 13 (2025-2026) **CHARGES FOR CREDIT & CHARGE CARDS. (NEW)** Filed Jan 29 2025, *AN ACT TO REGULATE THE AMOUNT A MERCHANT MAY CHARGE CUSTOMERS FOR PAYMENTS BY CREDIT CARD OR CHARGE CARD AND TO INCREASE THE FEE PAID TO THE SECRETARY OF STATE FOR FILING ARTICLES OF INCORPORATION UNDER THE NORTH CAROLINA NONPROFIT CORPORATION ACT.*

House committee substitute to the 3rd edition makes the following changes.

Amends new GS 66-67.10 by changing the cap on how much a merchant can charge for payment by credit or charge card, to now prohibit charging more than 2% of the total transaction (was, prohibited from charging more than 3% of the total transaction or the charge that the merchant pays to a payment card entity to facilitate or process the payments, whichever is greater). Changes the effective date of the statute so that it is applicable to payments made on or after January 1, 2026 (was, October 1, 2025).

Intro. by Warren, Ross, Setzer, Tyson.

GS 55A, GS 66

[View summary](#)

Business and Commerce

H 118 (2025-2026) **DISABLED VETERANS TAX RELIEF BILL.** Filed Feb 11 2025, *AN ACT TO INCREASE THE DISABLED VETERAN PROPERTY TAX HOMESTEAD EXCLUSION AMOUNT AND TO PROVIDE LOCAL GOVERNMENTS WITH A PARTIAL REIMBURSEMENT FOR THE LOSS OF REVENUE.*

House committee substitute to the 2nd edition makes the following changes.

Amends GS 105-277.1C, the property tax homestead exclusion for disabled veterans, by requiring the State to reimburse each count and city for one-half of the taxes lost because of the increase in the maximum exclusion amount under the statute from the first \$45,000 of appraised value to the first \$61,000 of appraised value, effective for taxable years beginning on or after July 1, 2026. Requires county and city tax collectors to give the Secretary of Revenue (Secretary) a list of people who have qualified for the exclusion, as well as the total appraised value of the eligible property, the tax rate on the property, and the reduction in taxes due (to be calculated as specified). Requires the Secretary to distribute to each city and county, by April 15, 2207, and annually thereafter, an amount equal to 50% of the sum of the calculated amounts. Requires that the funds a county or city receives because it was collecting taxes for another unit of government or special district to be credited to the funds of that other unit or district. Requires the Secretary, in order to pay for the reimbursements and the cost of administering the reimbursement, to draw from collections under Part 2 (Individual Income Tax) of Article 4 of GS Chapter 105 an amount equal to the reimbursement and administration.

Changes the effective date of the act so that it is now effective for taxes imposed for taxable years beginning on or after July 1, 2026 (was, July 1, 2025).

Makes conforming changes to the act's long title.

Intro. by Campbell, Loftis, Schietzelt, Chesser.

GS 105

[View summary](#)

**Development, Land Use and Housing, Property and Housing,
Government, Tax, Military and Veteran's Affairs**

H 775 (2025-2026) [CRIMINAL HISTORY CHECKS FOR SCHOOL POSITIONS](#). Filed Apr 3 2025, *AN ACT TO REQUIRE CRIMINAL HISTORY CHECKS FOR THE INITIAL MEMBERS OF A CHARTER SCHOOL BOARD OF DIRECTORS AND APPLICANTS FOR EMPLOYMENT WITH A PUBLIC SCHOOL UNIT; TO MODIFY REPORTING REQUIREMENTS FOR MISCONDUCT BY SCHOOL EMPLOYEES; TO STRENGTHEN REPORTING REQUIREMENTS FOR THREATS AND ASSAULTS ON TEACHERS; AND TO ENCOURAGE THE STATE BOARD OF EDUCATION TO ALIGN ITS LICENSURE SYSTEM WITH THE MULTISTATE EDUCATOR LOOKUP SYSTEM.*

House committee substitute to the 4th edition makes the following changes.

Amends GS 115C-77 (formerly GS 115C-332), by updating it to reflect changes that were made to the statute by SL 2025-47, including amending new subsection (j), which concerns criminal history checks that apply when a governing body contacts for transportation services and new subsection (k), which concerns when a governing body may ask another governing body that has already conducted a criminal history check to confirm whether any disqualifying offenses were reported, by changing references in those subsections to local boards of education to governing bodies, conforming with changes made in this act to other parts of the statute.

Intro. by Biggs, N. Jackson, Cotham, Willis.

[GS 14, GS 115C, GS 116, GS 143B](#)

[View summary](#)

[Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Education, Elementary and Secondary Education, Government, State Agencies, State Board of Education](#)

H 775 (2025-2026) [CRIMINAL HISTORY CHECKS FOR SCHOOL POSITIONS](#). Filed Apr 3 2025, *AN ACT TO REQUIRE CRIMINAL HISTORY CHECKS FOR THE INITIAL MEMBERS OF A CHARTER SCHOOL BOARD OF DIRECTORS AND APPLICANTS FOR EMPLOYMENT WITH A PUBLIC SCHOOL UNIT; TO MODIFY REPORTING REQUIREMENTS FOR MISCONDUCT BY SCHOOL EMPLOYEES; TO STRENGTHEN REPORTING REQUIREMENTS FOR THREATS AND ASSAULTS ON TEACHERS; AND TO ENCOURAGE THE STATE BOARD OF EDUCATION TO ALIGN ITS LICENSURE SYSTEM WITH THE MULTISTATE EDUCATOR LOOKUP SYSTEM.*

House amendment to the 5th edition makes the following changes.

Amends GS 115C-288(g) (school principal's reporting requirements to law enforcement) to change the diagnoses that fall under the definition *child with a relevant disability* so that in addition to intellectual disability, serious emotional disturbance, and developmental delay, adds two other triggering conditions: autism spectrum disorder, or other health impairment.

Intro. by Biggs, N. Jackson, Cotham, Willis.

[GS 14, GS 115C, GS 116, GS 143B](#)

[View summary](#)

[Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Education, Elementary and Secondary Education, Government, State Agencies, State Board of Education](#)

PUBLIC/SENATE BILLS

S 13 (2025-2026) [POLITICAL TERRORISM PREVENTION ACT. \(NEW\)](#) Filed Jan 29 2025, *AN ACT TO ENHANCE CRIMINAL PENALTIES FOR POLITICALLY MOTIVATED ACTS OF VIOLENCE.*

House committee substitute to the 2nd edition replaces the prior edition in its entirety with the following. Makes conforming changes to act's long and short titles.

Contains whereas clauses.

Amends GS 15A-101 to define *politically motivated act of violence* as any act that constitutes a criminal offense under North Carolina law in which the offender intentionally targets, harms, threatens, or attempts to harm another person, in whole or in part, because of the victim's real or perceived political beliefs, viewpoints, affiliations, party membership, advocacy, candidacy for public office, voting history, participation in lawful political demonstrations, or public expression on political issues. Adds politically motivated acts of violence as an aggravating factor in felony sentencing in GS 15A-1340.16.

Enacts GS 15A-1340.16H, outlining politically motivated violence sentence enhancement, directing that if a person is convicted of a felony offense, and the court or trier of fact finds that the offense was a politically motivated act of violence, then all of the following apply: (1) person must be sentenced at a felony class level one class higher than the principal felony for which the person was convicted and (2) the offender is ineligible for parole, early release or other form of sentencing reduction. Provides for establishing the existence of politically motivated violence to the factfinder, for pleading the allegations constituting politically motivated violence, burdens of proof, and separate pleas for underlying felony and sentence enhancement by the defendant. Provides for a jury trial on the issue of politically motivated violence.

Expands capital sentencing aggravators under GS 15A-2000 to include when the capital felony was committed against a victim because of the victim's political beliefs, public political activity, candidacy for office, or affiliation with a political movement, and the act was committed to silence, intimidate, or retaliate against political expression. Requires notice of the aggravator to be included in the intent to seek the death penalty under GS 15A-2004. Allows the aggravator to be considered during capital sentencing even if the defendant pleads guilty.

Enacts GS 114-11.7 requiring a district attorney to notify the Attorney General (AG) in any case involving a politically motivated act of violence. Authorizes the AG to assign a special prosecutor to the case upon the request of the district attorney. Permits the victim or next of kin to present an impact statement during any phase of a criminal proceeding based on a politically motivated act of violence.

Contains a severability clause.

Applies to offenses committed on or after December 1, 2025.

Intro. by Johnson.

GS 15A, GS 58, GS 114

[View summary](#)

Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Government, State Agencies, Department of Justice

S 403 ADDITIONAL MEDICAID FUNDS AND REQUIREMENTS. (NEW) Filed Mar 24 2025, *AN ACT TO ADJUST MEDICAID FUNDING TO ACCOUNT FOR PROJECTED HEALTH CARE CHANGES, TO MAKE REDUCTIONS TO VACANT POSITIONS ACROSS STATE AGENCIES, AND TO REDUCE FUNDING APPROPRIATED TO FUTURE BUILDING RESERVES AND THE STATE CAPITAL AND INFRASTRUCTURE FUND.*

House committee substitute to the 1st edition replaces the prior edition in its entirety with the following. Makes conforming changes to the act's titles.

Part I.

Requires the Governor and the Office of State Budget and Management (OSBM) to eliminate vacant positions in State agencies (defined) to achieve a total reduction of not less than \$19,742,243 in recurring funds, starting with the 2025-26 year, by October 1, 2025. Excludes the State Bureau of Investigation (SBI) and the State Highway Patrol (SHP) from required cuts. Instructs OSBM to prepare a report on its cuts to the specified NCGA division with the information described by no later than December 1, 2025.

Part II.

Requires the Department of Health and Human Services (DHHS) to eliminate vacant positions to achieve net General Fund savings in the amount of \$32,613,493 in recurring funds, starting with the 2025-26 year.

Amends Section 2B.10 of SL 2025-89 (implementing various budgetary adjustments and making other changes in the budget operations of the state), as follows. Increases the recurring appropriation from the General Fund to DHHS's Division of Health Benefits (DHB) to adjust Medicaid funding, from \$600 million to \$690 million, now beginning with the 2025-26 year (was, for each year of the 2025-27 biennium). Removes the authorization to use those funds for contracts needed to operate the State's Medicaid managed care program. Instead, (1) appropriates \$38,562,645 from the General Fund to DHB in recurring funds and associated receipts beginning with the 2025-26 year; (2) appropriates \$45,437,355 to DHB in nonrecurring funds and associated receipts for 2025-26; and (3) appropriates \$11,437,355 in nonrecurring funds for 2026-27 to be used for contracts needed to operate the State's Medicaid managed care program.

Discontinues Medicaid coverage of obesity management medications that became effective August 1, 2024, effective October 1, 2025. Clarifies that this has no effect on the coverage of GLP-1 medications for beneficiaries managing diabetes.

Reduces funds appropriated pursuant to SL 2025-89 to DHB for Medicaid by \$34 million in recurring funds and associated receipts beginning with 2025-26.

Instructs the local management entities/managed care organizations (LME/MCOs) to make intergovernmental transfers to DHB in an aggregate amount of \$18,028,217 for both the 2025-26 and 2026-27 years. Specifies that the due date and frequency of the intergovernmental transfer required by the act will be determined by DHB. Specifies the amounts that each of the four individual LME/MCOs is required to make in each fiscal year. Specifies that in the event that a county disengages from an LME/MCO and realigns with another LME/MCO during the 2025-27 biennium, DHB has the authority to reallocate the amount of the intergovernmental transfer that each affected LME/MCO is required to make under the act, taking into consideration the change in catchment area and covered population, provided that the aggregate amount of the transfers received from all LME/MCOs in each year of the fiscal biennium is achieved.

Requires, in GS 108A-70.37 county departments of social services to comply with any deadline imposed by law governing the redetermination of a beneficiary's Medicaid eligibility.

Creates a metric, "percentage of redeterminations processed timely," in GS 108A-70.40, which is the percentage of cases, out of the total number of cases in a given month for which a redetermination of Medicaid eligibility was required to be completed for a given month as required by federal or State law, regulation, or rule, that were completed by the required deadline. Narrows the focus of the metric pertaining to percentage processed timely so that it focuses on applications. Makes conforming changes. Authorizes DHSS to adopt rules establish a percentage standard for each county department of social services (county DSS) that will be the percentage of redeterminations processed timely for that county DSS. If no rule establishing a percentage standard is in effect, then the percentage of redeterminations processed timely standard 95%. Expands the grounds for a corrective action agreement to improve Medicaid application processing under GS 108A-70.41 to also include when a county DSS fails to meet the percentage of redeterminations processed timely standard during the specified time period (was, just averaging processing time or percentage processed timely standard, or both). Makes conforming and organizational changes. Makes clarifying change to GS 108A-70.42 (temporary assumption of Medicaid eligibility administration). Makes conforming change to the reporting requirements set forth in GS 108A-70.43 to account for new metrics. Effective January 1, 2027.

Requires DHHS to adopt temporary rules to implement the percentage standard provisions by January 1, 2027, or as soon as practicable, and shall concurrently begin adopting permanent rules to replace temporary rules. Specifies that the temporary and permanent rules are not subject to the financial limitations on rules in GS 150B-21.3(b1),(b2), and (b3) and GS 150B-19.4, as enacted by SL 2025-82.

Changes the names of the county DSS Medicaid eligibility determination audits that are the focus of GS 108A-70.46 to (i) Medicaid applicant eligibility audits (was, audits for initial Medicaid eligibility determination) and (ii) Medicaid beneficiary eligibility redeterminations (was, Medicaid reenrollment determinations). Makes conforming and technical changes to the reporting requirements on those audits under GS 108A-70.51, applicable to reporting for calendar years beginning with 2025.

Instructs the Office of the State Auditor (Auditor) to conduct performance audits of a sample of county DSS's on the following matters:

- Administration of the federal Supplemental Nutrition Assistance Program (SNAP), also known statewide as the food and nutrition services (FNS) program, including accuracy in determining eligibility and benefit amounts for SNAP, as described.
- Administration of the North Carolina Medicaid program, including accuracy and timeliness in determining and redetermining eligibility for Medicaid.

Requires DHHS and county DSS's to provide the Auditor with the described information that the Auditor deems necessary to conduct the audits within 30 days of the request. Requires a report to the specified NCGA committees and division by May 1, 2026. Appropriates \$1.5 million from the General Fund to DHHS to be transferred to the Auditor for the SNAP/FNS audits. Appropriates \$1.5 million from the General Fund to DHB to be transferred to the Auditor for the Medicaid audits. Both appropriations are retroactive to July 1, 2025.

Part III.

Reduces the funds appropriated beginning with the 2025-26 year to the Future Building Reserves by \$42,206,909 in recurring funds. Reduces the amount transferred from the General Fund to the State Capital and Infrastructure Fund by \$34 million for the 2025-26 year. Specifies that the amount transferred from the General Fund to the State Capital and Infrastructure Fund for 2026-27 will be governed by GS 143C-4-3.4, as described.

Specifies that unexpended bond proceeds comprise the following five sources:

1. Any funds obtained from issuing General Obligation bonds authorized pursuant to SL 1998-132.
2. Any funds obtained from issuing indebtedness authorized pursuant to SL 2006-146, Section 19.13 of SL 2007-323, or Section 27.8 of SL 2008-107.
3. Any funds obtained from issuing General Obligation bonds authorized pursuant to SL 2014-100.
4. Any funds obtained from issuing General Obligation bonds authorized pursuant to SL 2015-280.
5. Interest earned on any indebtedness authorized by any of the above funds.

To the extent action can be taken without (1) resulting in adverse tax consequences to the State or (2) violating, where applicable, the categories of uses contained in the bond question approved, authorizes OSBM to use unexpended bond proceeds not reasonably anticipated to be needed for completion of the projects and purposes for which they were issued:

- Redeem or otherwise retire certain bonds, as described;
- Reimburse the State Capital and Infrastructure Fund (SCIF) for expenditures incurred for a State agency capital improvement project so long as the amount of unexpended bond proceeds used does not exceed expenditures incurred; or
- Pay expenditures authorized but not incurred for a State agency capital improvement project so long as the amount of unexpended bond proceeds used does not exceed the difference between the maximum amount authorized for the project minus the expenditures incurred. Clarifies that these are not an appropriation made by law under the State constitution.

For the described proceeds of public improvement bonds and notes, including premium thereon authorized in SL 2015-280 and allocated to the Department of Environmental Quality (DEQ) for the described grants or low-interest loans, authorizes DEQ to repurpose repaid loan funds as grants that are deemed to comply with SL 2015-250.

Part IV.

Specifies that if any of the act's provisions are in conflict with GS 143C-5-4, the act's provisions prevail. Instructs that the appropriations and the authorizations to allocate and spend funds which are set out in the act remain in effect until the Current Operations Appropriations Act for the applicable fiscal year becomes law, at which time that act will become effective and govern appropriations and expenditures. When the Current Operations Appropriations Act for that fiscal year becomes law, directs the Director of the Budget to adjust allotments to give effect to that act from July 1st of the fiscal year.

Contains a severability clause.

Part V.

Effective retroactive to July 1, 2025, unless otherwise specified.

[View summary](#)

Government, Budget/Appropriations, State Agencies,
Department of Health and Human Services, Office of State
Auditor, Office of State Budget and Management, State
Government, Executive, Health and Human Services, Health,
Health Insurance, Social Services, Public Assistance

ACTIONS ON BILLS

PUBLIC BILLS

H 13: CHARGES FOR CREDIT & CHARGE CARDS. (NEW)

House: Reptd Fav Com Sub 3

House: Re-ref Com On Rules, Calendar, and Operations of the House

H 118: DISABLED VETERANS TAX RELIEF BILL.

House: Reptd Fav Com Sub 2

House: Re-ref Com On Rules, Calendar, and Operations of the House

H 307: IRYNA'S LAW. (NEW)

House: Concurred In S Com Sub

House: Ordered Enrolled

H 358: CONTINUING BUDGET OPERATIONS PART II. (NEW)

House: Concurred In S Com Sub

House: Ordered Enrolled

H 693: INTERSTATE MESSAGE COMPACT.

House: Reptd Fav

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Passed 2nd Reading

House: Passed 3rd Reading

H 775: CRIMINAL HISTORY CHECKS FOR SCHOOL POSITIONS.

House: Reptd Fav Com Sub 4

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Amend Adopted A1

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Ordered Engrossed

H 926: REGULATORY REFORM ACT OF 2025.

House: Concurred In S Com Sub

House: Ordered Enrolled

S 13: POLITICAL TERRORISM PREVENTION ACT. (NEW)

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Passed 2nd Reading

House: Passed 3rd Reading

S 403: ADDITIONAL MEDICAID FUNDS AND REQUIREMENTS. (NEW)

House: Reptd Fav Com Substitute

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Passed 2nd Reading

House: Passed 3rd Reading

S 773: CONFIRM GOVERNOR'S APPT/INVESTMENT AUTHORITY.

House: Reptd Fav

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Ordered Enrolled

S 774: CONFIRM STEPHANIE LYNCH, INVESTMENT AUTHORITY.

House: Reptd Fav

House: Cal Pursuant Rule 36(b)

House: Added to Calendar

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Ordered Enrolled

S 775: GENERAL ASSEMBLY APPOINTMENTS.

House: Added to Calendar

House: Passed 2nd Reading

House: Passed 3rd Reading

House: Ordered Enrolled

S 776: ADJOURNMENT RESOLUTION CHANGES.

House: Passed 3rd Reading

House: Ordered Enrolled

No local actions on bills

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