

## The Daily Bulletin: 2025-10-21

### PUBLIC/HOUSE BILLS

H 491 (2025-2026) [MEDICAID REBASE FUNDING. \(NEW\)](#) Filed Mar 24 2025, *AN ACT TO FUND THE MEDICAID REBASE.*

House committee substitute to the 1st edition removes the content of the previous edition and replaces it with the following. Makes conforming changes to the act's titles.

Appropriates \$190 million in nonrecurring funds and associated receipts for 2025-26 from the Medicaid Contingency Reserve to the Department of Health and Human Services, Division of Health Benefits (DHB), to adjust Medicaid funding to account for projected changes in enrollment, enrollment mix, service and capitation costs, and federal match rates, as well as implementation of the Children and Families Specialty Plan in December 2025.

Instructs the four listed 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.

Effective retroactively to July 1, 2025.

**Intro. by Lambeth, Rhyne, White, Dixon.**

**UNCODIFIED**

[View summary](#)

**Government, State Agencies, Department of Health and Human Services, Health and Human Services, Health, Health Insurance, Mental Health, Social Services, Public Assistance**

H 1016 (2025-2026) [AMEND ADJOURNMENT RESOLUTION.](#) Filed Oct 21 2025, *A JOINT RESOLUTION FURTHER AMENDING RESOLUTION 2025-8, AS AMENDED BY RESOLUTION 2025-11.*

Expands the matters that the General Assembly may consider during the regular session that convened on Monday, October 20, 2025, under Resolution 2025-8, as amended, to include matters related to funding the Medicaid rebase.

**Intro. by Rules, Calendar, and Operations of the House.**

**JOINT RES**

[View summary](#)

**Government, General Assembly**

### PUBLIC/SENATE BILLS

S 449 (2025-2026) [CONTINUING BUDGET OPERATIONS PART IV. \(NEW\)](#) Filed Mar 24 2025, *AN ACT TO IMPLEMENT ADDITIONAL BUDGETARY ADJUSTMENTS AND TO MAKE OTHER CHANGES.*

Conference report replaces the 3rd edition in its entirety with the following. Makes conforming changes to act's titles.

## Part I.

### Section 1.1.

Amends the Hurricane Helene Impacted Business Bridge Loans of the Disaster Recovery Act of 2024 – Part II (Section 4C.3 of SL 2024-53- “2024 Helene 2024 Relief II”), as follows. Extends (1) the maximum period of interest-only payments on a loan from 12 months to 24 months and (2) the cap on a loan term by 2 years to June 30, 2032. Limits loans to a qualifying business at \$150,000 (was, \$100,000 cap on loans provided under the program). Pushes the start-date back to March 15, 2026, (was, December 15, 2025) for the described reports due every 6 months to the NCGA. Applies retroactively to all loans made under the program.

### Section 1.2.

Removes requirements that capital projects be denied eligibility for FEMA Public Assistance reimbursement as one of the requirements under the Hurricane Helene Local Government Capital Grant Program of the Disaster Recovery Act of 2025 – Part II (Section 2B.1 of SL 2025-26). Now requires that these projects not be eligible for the FEMA assistance. Directs the Office of State Budget and Management (OBSM) to consult with the Department of Public Safety’s (DPS) Division of Emergency Management (DEM) to confirm each project’s ineligibility. Retroactively effective on June 27, 2025, and applies to grants applied for, disbursed, or obligated on or after that date under the capital grant program.

### Section 1.3.

Directs the Department of the State Treasurer to modify the Cashflow Program for Local Governments set forth in 2024 Helene Relief II, as amended, as follows. Extends the time when an eligible community must begin to repay a cashflow loan to the occurrence of the later of: (1) June 30, 2030, (2) the final declination of FEMA coverage or reimbursement, or (3) receipt of FEMA reimbursement funds (was, repayment to begin one year after the loan’s initiation date). Allows for applicants with existing loans to renegotiate their loan terms so that it benefits from the new repayment start-date. Incorporates requirements from SL 2024-57’s modification to the cashflow loan program that such loans are administered by the Department, not subject to approval by the Local Government Commission, and are interest-free. Requires that if a county applies for a cashflow loan for an unincorporated area, then funds only be spent in that area. Defines nine terms. Incorporates the allocation reporting requirements detailed in Section 4.1.(g) of SL 2025-2 into the cashflow program.

### Section 1.4.

Creates an exception to the restrictions on local governments to regulate tree removal or maintenance in disaster declared counties set forth in Section 1D.8 of the Disaster Recovery Act of 2024 – III (SL 2024-57 – “2024 Helene Recovery III”) so that local governments may regulate trees on private property solely for the purpose of protecting life or property from damage resulting from natural hazards. Bars newly adopted ordinances from regulating trees aesthetic or general environmental purposes, except as required by State or federal law. Extends the expiration date of the restrictions in 1D.8 to October 1, 2026. Repeals provisions extending such restrictions to the expiration of the statewide declaration of emergency in Section 5.1 of SL 2025-2. Makes conforming changes. Applies only to local governments located in the affected area that qualify, in whole or in part, for FEMA Public Assistance Categories C through G.

### Section 1.5.

Makes the following changes to the extensions of certain government approvals pertaining to property development in the areas affected by Hurricane Helene set forth in Section 1D.3 of 2024 Helene Relief III. Broadens the definition of *development approval* to include local government approvals of special or conditional uses. Further extends the expiration dates for developments that were current and valid on September 25, 2024, for a period of 12 months beyond the date on which the approval would otherwise expire pursuant to the suspension of the running of time in the act (currently, that suspension ends on December 31, 2027). Allows a local government to modify or revoke a development approval automatically extended under the act due to changed site conditions as described. Provides for notice to the holder of the development approval in such cases. Clarifies that the act should not be construed to (1) revive a development approval that expired prior to September 25, 2024, or (2) affect any vested rights, in addition to other prongs of construction. Now specifies that the act cannot affect the ability of a government entity to revoke or modify a development approval pursuant to law, for reasons other than the running of time (previously, no reference to running of time). Makes clarifying, conforming, and technical changes. Effective retroactive to December 11, 2024, and applies only to development approvals issued by local governments located in the affected area that qualify, in whole or in part, for FEMA Public Assistance Categories C through G.

## Part II.

### Section 2.1.

Requires the Department of Public Instruction (DPI) to allocate \$200,000 in recurring funds to the local school administrative unit for virtual cooperative innovative high schools under GS 115C-238.54. Makes clarifying and organizational changes. Applies to funds allocated for cooperative innovative high schools beginning with the 2025-26 school year.

### Section 2.2.

Increases NC Promise Tuition at a NC Promise Institution (Elizabeth City State University, the University of North Carolina at Pembroke, Fayetteville State University, and Western Carolina University) for nonresidents from \$2,500 per semester to \$3,500 per semester under GS 116-143.11.

### Section 2.3.

Removes condition from SL 2025-46 that GS 116-11(9c) be repealed if Senate Bill 449, Regular Session becomes law.

## Part IV.

### Section 4.1.

Extends the expiration date of the listed permits/certificates of coverage under Section 5.1. of SL 2024-32 (swine, cattle, wet poultry, swine digester, cattle digester, and wet poultry digester) from September 30, 2026, to September 30, 2028.

### Section 4.2.

Directs that funds allocated to Henderson County under Section 12.13(f)(28) of SL 2021-180 for the improvement of wastewater treatment in the Edneyville area of the County will ("Edneyville allocation") instead be used for repairs and upgrades to the Etowah wastewater treatment system. Allows for any funds remaining after the completion of those repairs and upgrades to be used by Henderson County for purposes authorized by the Edneyville allocation.

### Section 4.3.

Authorizes the chair of the Environmental Management Commission (EMC) to employ professional, administrative, technical, and clerical personnel as the chair may determine to be necessary for the EMC to discharge its duties under law. Provides for salaries and compensation, including travel, and related expenses for personnel while on official business. Appropriates \$700,000 from the General Fund to the Department of Environmental Quality (DEQ) in recurring funds beginning in 2025-26 for up to 5 full-time positions as dedicated staff for EMC, as described.

### Section 4.4.

Authorizes the nonprofit corporation with which the Department of Commerce (DOC) contracts under GS 143B-431.01(b) to use up to \$2 million for administrative expenses of the interest earned on monies previously appropriated for the Megasite Readiness Program. Effective when it becomes law and expires June 30, 2027.

### Section 4.5.

Repeals Article 21A of GS Chapter 113, pertaining to regulating hunting and fishing on the registered property of another. Effective when it becomes law. Specifies that prosecutions for offenses committed before the effective date are not abated or affected, and the statutes that would be applicable but for this section remain applicable to those prosecutions.

### Section 4.6.

Appropriates \$1.5 million from the General Fund to the Department of Agriculture and Consumer Services (DACS) in recurring funds for 2025-26 to support 10 full time positions and operating expenses for the Veterinary Division to support the response and monitoring of avian flu. Appropriates \$1.5 million from the General Fund to DACS for 2025-26 for laboratory expenses to support the response and monitoring of avian flu.

### Section 4.7.

Appropriates \$581,788 in recurring funds from the General Fund to DACS beginning in 2025-26 to provide additional support to the State Meat Inspection cost-share program.

#### Part V.

##### Section 5.1.

Appropriates \$2.1 million from the General Fund to the State Highway Patrol's (SHP) specified budget fund in recurring funds to be used to maintain and operate the VIPER network beginning in 2025-26.

##### Section 5.2.

Appropriates \$7.2 million from the IT Reserve to the Administrative Office of the Court's (AOC) specified budget fund to be used for costs related to information technology improvements in 2025-26.

##### Section 5.3.

Specifies that a defendant must have been convicted of 3 or more Class 1 misdemeanor or higher offenses in separate sessions of court during the described time period for the court to be required to impose the described appearance bond or house arrest as a condition of release under GS 15A-534 as modified by Section 1 of Iryna's Law (was, just three or more convictions of the described offenses). Changes the effective date of the changes to GS 15A-533 made under Iryna's Law from when the act became law to December 1, 2025. Changes the effective date to new GS 15A-533(b1) as enacted by Iryna's Law to December 1, 2026, and specifies it applies to persons appearing before a judicial official for the determination of pretrial release conditions on or after that date.

##### Section 5.4.

Extends the number of employees that SHP's commander may exempt from GS Chapter 126 under GS 126-5 from 10 to 17 employees.

##### Section 5.5.

Appropriates \$2 million from the General Fund to the State Bureau of Investigation (SBI) to be used by SBI for radios and other equipment for 2025-26.

##### Section 5.6.

Appropriates \$600,000 from the General Fund to AOC in recurring funds beginning in 2025-26 to be used for additional special assistant US attorneys. Increases the number of special assistant US attorneys appointed by the NC Conference of DA's under GS 7A-60 from no more than 6 to no more than 12.

##### Section 5.7.

Authorizes SBI to contract with third-party vendors for (1) fingerprinting; (2) background checks; or (3) both fingerprinting and background checks under GS 143B-1209.09. Allows for the vendor to charge a fee for such services and requires that any restrictions on the SBI in doing such services directly apply to the vendor as well. Applies to criminal record checks requested on or after the act becomes law.

#### Part VI.

##### Section 6.1.

Appropriates \$300,000 from the General Fund to the Office of the State Fire Marshal in recurring funds beginning in 2025-26 to provide funds for 3 administrative positions, including salaries and benefits, to support the Office of the State Fire Marshal's budgetary and human resources needs.

##### Section 6.2.

Appropriates \$20.85 million from the IT Reserve to OSBM for 2025-26 and \$850,000 for 2026-27 to be used for the replacement and stabilization of the IBIS system.

##### Section 6.3.

Specifies that the funds appropriated to the Town of Granite Falls as a directed grant in the 2023 budget (SL 2023-134) to be used for a fire station do not revert until June 30, 2027.

#### Section 6.4.

Requires the Department of Administration (DOA) to identify and select a suitable location for relocation of the Division of Employment Security (DES) by April 1, 2026, and complete the relocation of all staff and property to the new location by April 1, 2027. Provides for DOA to seek proposals for the redevelopment of the property described in the City of Raleigh by April 15, 2026, and for a redevelopment plan, as described. Sets the following priority for the proceeds from the transaction: (1) in accordance with the provisions of any trust or other instrument of title whereby title to the subject real property was acquired by the State; (2) to reimburse DOA for any funds expended in connection with the transaction; and (3) to be deposited into the State Capital and Infrastructure Fund. Specifies that Section 6.4 is not subject to the provisions of Article 7 of GS Chapter 146 (pertaining to dispositions of State lands).

#### Section 6.5.

Extends the America's Semiquincentennial Committee (ASC)'s termination date under SL 2023-134 from January 15, 2026, to August 1, 2026. Makes conforming changes to SAC reporting deadlines to the NCGA. Makes organizational changes.

#### Section 6.6.

Exempts health benefit plans offered by a multiple employer welfare arrangement licensed under GS Chapter 58, Article 50A from the premium rates governing small employer health benefit plans (both those that are and aren't grandfathered health plans) under GS 58-50-130. Makes a technical change. Effective when it becomes law and applies to health benefit plans offered by a multiple employer welfare arrangement licensed under GS Chapter 58, Article 50A.

#### Section 6.7.

Appropriates \$2.5 million from the General Fund in recurring funds beginning in 2025-26 to the NCGA for the NCGA Special Police as described and NCGA general operations. Broadens the types of threats that will trigger an NCGA Special Police Officer's general police power under GS 120-32.2(a)(2)e to when the officer is providing executive protection to a member of the NCGA in response to any type of threat (currently, just threat of physical violence).

#### Section 6.8.

Appropriates \$1.18 million from the IT Reserve to the Office of State Human Resources (OSHR) for 2025-26 to support implementation of the Human Capital Management (HCM) System and \$2,691,000 million in 2026-27 for vendor subscription and maintenance costs for the HCM system and for the time-limited positions authorized by this section to perform duties necessary to implement and support the HCM system. Authorizes OSHR to establish one or more time-limited positions funded by the section as described which must expire by June 30, 2027.

#### Section 6.9.

Authorizes State Fiscal Recovery Funds (SFRF) appropriated in 2021-180, as amended, that are categorized as revenue loss by the NC Pandemic Recovery Office (Office) to be used to support government services (defined) as authorized under federal law. Requires OSBM in consultation with the Office to identify all SFRF projects with remaining unexpended balances that were categorized as revenue loss and used for government services. Allows OSBM's to reclassify such projects as described. Requires the Director of the Budget to make four nonrecurring, budget neutral adjustments, as described, to implement the reclassifications authorized under the act. Provides for adjustments of SFRF project allocations by up to \$10 per project to reconcile project level allocations with available SFRF balances, as described. Directs OSBM and the Office to jointly report to the specified NCGA committee and division on all actions taken under Section 6.9 of the act, as described by April 15, 2026. Provides for certification as part of the NCGA report. Requires the Director the Budget to ensure that the implementation of Section 6.9 results in no change to the net General Fun appropriations for 2025-26.

#### Section 6.10.

Authorizes the Retirement Systems Division of the Department of State Treasurer to increase receipts from the assets of the Retirement Systems or pay costs associated with the transition of retirement system data directly from the Retirement Systems' assets in order to provide funds for the transition of retirement system data from on-premises servers to cloud-based storage.

Specifies that increased or costs paid directly from Retirement Systems' assets cannot exceed \$1,022,000 in recurring funds beginning 2025-26 and an additional \$1.26 million in nonrecurring funds in 2025-26.

#### Section 6.11.

Extends the January 1, 2027, effective date, to the entirety of the substantive changes made to GS Chapter 58 under Section 6 of SL 2025-45 (was, just changes to GS 58-63-15 under the act). Makes conforming changes.

#### Section 6.12.

Authorizes the Financial Operations Division of the Department of State Treasurer to charge to the income or assets of the funds and programs using the banking operations of the Department of State Treasurer the costs of upgrading software for and supporting ongoing maintenance of the State banking system. Limits the amount of those costs to \$3 million in recurring funds beginning in 2025-26 and \$4.3 million for 2025-26.

### Part VII.

#### Section 7.1.

Directs the Department of Information Technology (DIT) to allocate \$12 million to MCNC, a nonprofit organization from funds available in the Stopgap Solutions–Federal Broadband Funds (Federal Broadband Funds). Requires MCNC to use the funds for projects or project phases that (1) rebuild and reinforce fiber networks impacted by Hurricane Helene in the statutorily defined affected area and (2) can be completed and closed out before December 31, 2026. Directs DIT to consult with the Office to ensure that only federal funds received from the Coronavirus Capital Projects Fund are used for the grants and that the funds are used in compliance with federal law.

Requires DIT to use funds available in the Federal Broadband Funds to provide grants to eligible entities to purchase installation materials for satellite internet service or for the described emergency funding described in Sections 4.3(c)-(e) of SL 2025-89.

#### Section 7.2.

Expands the exemptions to GS 143B-1320's DIT procurement requirements to also include the Department of the State Treasurer. Allows the State Treasurer to elect to participate in DIT technology services for the Department, except for the Investment Authority. Authorizes the Board of Directors of the Investment Authority to elect to participate in DIT technology services, as described.

### Part VIII.

#### Section 8.1.

Amends Section 3.6 of SL 2025-89 as follows. For 2025-26 only, directs the Treasurer to waive 2.4% of the relevant salaries when calculating the required employer contribution for the Public Employee Health Benefit Fund (Employee Health Fund) for the three listed entities (the described local governments or charter schools). Sunsets such waivers on June 30, 2026, with payment in full due by those entities for 2026-27.

#### Section 8.2.

Appropriates \$25 million from the General Fund to the Pay Plan Reserve in recurring funds beginning in 2025-26.

### Part IX.

#### Section 9.1.

Authorizes funds appropriated to the City of Asheboro to be used to renovate the Acme-McCrary Textile Mill that remain unexpended and unencumbered to instead be used by the City for the Trade Street Infrastructure Project.

#### Section 9.2.

Authorizes DACS to use up to \$7.5 million in available receipts from the North Carolina State Fair for repair and renovation projects at the State Fairgrounds.

### Section 9.3.

Directs DOA to sell the described property in Raleigh commonly known as 304 N. Dawson Street, for fair market value. Specifies that service charges should not be deducted from the sale. Sets priority of the sale proceeds as follows: (1) in accordance with the provisions of any trust or other instrument of title whereby title to the subject real property was acquired by the State; (2) to reimburse DOA for any funds expended in connection with the transaction; and (3) to be deposited into the State Capital and Infrastructure Fund. Provides for an appraisal to determine fair market value. Tasks DOA with preparing a plan that within eighteen months of Section 9.3 becoming law, would consolidate and move the offices of the State Records Center and any storage or satellite facilities related to the State Records Center to another location outside of the downtown government complex, as described. Requires DOA to submit its plan and cost estimates to the specified NCGA committee and division by June 1, 2026.

### Part X.

#### Section 10.1.

Appropriates \$4 million for 2025-26 from the Highway Fund to the DOT's Ferry Division to meet US Coast Guard dry dock requirements at external shipyards. Appropriates \$3 million from the Highway Fund to DOT's Ferry Division's described budget fund for 2025-26 to provide funds for marine vessel maintenance and operations. Requires DOT's Ferry Division to submit a report to the specified NCGA committee and division on the use of the funds including the three specified matters, quarterly, beginning January 1, 2026.

#### Section 10.2.

Modifies the specifications of the special registration license plate in GS 20-79.4 featuring the NC School of Science and Mathematics so that it can feature another available two-letter combination beyond SM.

### Part XI.

Directs that, except where expressly repealed or amended by the act, any legislation enacted during the 2025 Regular Session expressly appropriating funds to an agency, a department, or an institution covered under this act, remains in effect.

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 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.

Specifies that the act is effective retroactive to July 1, 2025, except as otherwise provided.

**Intro. by Lee, Corbin, Overcash.**

[APPROP, Caldwell, Henderson, Randolph, GS 7A, GS 15A, GS 58, GS 113, GS 120, GS 126, GS 143B](#)

[View summary](#)

**[Business and Commerce, Insurance, Courts/Judiciary, Motor Vehicle, Court System, Administrative Office of the Courts, Development, Land Use and Housing, Building and Construction, Community and Economic Development, Land Use, Planning and Zoning, Education, Elementary and Secondary Education, Higher Education, Environment, Environment/Natural Resources, Government, Budget/Appropriations, General Assembly, Public Safety and Emergency Management, State Agencies, Department of Agriculture and Consumer Services, Department of Commerce, Department of Environmental Quality \(formerly DENR\), Department of Information Technology, Department of Public Instruction, Department of Public Safety, Department of State Treasurer, State Highway Patrol, Office of State Human Resources \(formerly Office of State](#)**

## ACTIONS ON BILLS

### PUBLIC BILLS

#### **H 491: MEDICAID REBASE FUNDING. (NEW)**

*House: Reptd Fav Com Substitute*

*House: Cal Pursuant Rule 36(b)*

*House: Placed On Cal For 10/22/2025*

#### **H 1016: AMEND ADJOURNMENT RESOLUTION.**

*House: Reptd Fav. For Introduction*

*House: Filed*

#### **S 249: REALIGN CONGRESSIONAL DISTRICTS 2025. (NEW)**

*Senate: Amend Tabled A6*

*Senate: Passed 3rd Reading*

*Senate: Special Message Sent To House*

*House: Special Message Received From Senate*

*House: Passed 1st Reading*

*House: Ref to the Com on House Select Committee on Redistricting, if favorable, Rules, Calendar, and Operations of the House*

*House: Reptd Fav*

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

*House: Reptd Fav*

*House: Cal Pursuant Rule 36(b)*

*House: Placed On Cal For 10/22/2025*

#### **S 449: CONTINUING BUDGET OPERATIONS PART IV. (NEW)**

*House: Conf Com Dismissed*

*House: Conferees Reappointed*

*Senate: Conf Com Reported*

*Senate: Placed on Today's Calendar*

*House: Conf Com Reported*

*Senate: Conf Report Adopted*

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

*House: Withdrawn From Com*

*House: Added to Calendar*

*House: Conf Report Adopted*

*Senate: Ordered Enrolled*

#### **S 777: GENERAL ASSEMBLY APPOINTMENTS.**

*Senate: Passed 1st Reading*

*Senate: Placed on Today's Calendar*

*Senate: Passed 2nd Reading*

*Senate: Passed 3rd Reading*

*Senate: Special Message Sent To House*

*House: Special Message Received From Senate*

*House: Passed 1st Reading*

*House: Ref To Com On Rules, Calendar, and Operations of the House*



*House: Reptd Fav*

*House: Cal Pursuant Rule 36(b)*

*House: Placed On Cal For 10/22/2025*

**S 778: AMEND ADJOURNMENT RESOLUTION.**

*Senate: Passed 1st Reading*

*Senate: Ref To Com On Rules and Operations of the Senate*

**No local actions on bills**

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