



The Daily Bulletin: 2026-04-21

PUBLIC/HOUSE BILLS

H 696 (2025-2026) **MEDICAID & HHS ADJUST./OTHER CRITICAL NEEDS (NEW)**. Filed Apr 2 2025, *AN ACT MAKING VARIOUS CHANGES TO THE MEDICAID PROGRAM AND OTHER CHANGES RELATED TO HEALTH AND HUMAN SERVICES, IMPLEMENTING VARIOUS BUDGETARY ADJUSTMENTS, AND MAKING OTHER CHANGES IN THE BUDGET OPERATIONS OF THE STATE.*

Conference committee substitute replaces the 3rd edition in its entirety with the following. Makes conforming changes to the act's long and short titles.

Part I.

Section 1.1.

Extends the June 30, 2026, reversion date for those directed grants to non-state entities by one year in Section 5.3 of SL 2023-134, as amended. Makes conforming changes.

Extends the reversion date established in SL 2025-4 for certain grants to non-state entities appropriated in SL 2022-74 from the end of the 2025-26 year to the end of the 2026-27 year.

Effective June 30, 2026.

Part II.

Section 2.1.

Establishes the NC Blue Ribbon Commission on Public Education (Commission), consisting of 29 members (19 of whom are voting members and 10 of whom are non-voting members). Provides for joint appointment of membership by the President Pro Tempore of the Senate, the Speaker of the House of Representatives, and the Governor, as described. Provides terms, committee chairs, vacancies, and sets quorum. Tasks the Committee with studying the infrastructure and implementation of public education in the State, including examining the four matters listed. Requires the Friday Institute for Educational Innovation at NCSU (Friday Institute) to provide assistance to the Commission. Provides for other professional and clerical staff to be assigned by the Legislative Services Officer (LSO). Provides for compensation. Authorizes the Commission to submit interim and final reports on its work, including any proposed recommendations to the NCGA and the Governor. Terminates the Commission on March 1, 2027.

Appropriates \$300,000 from the General Fund to the UNC Board of Governors for 2025-26 to be allocated to the Friday Institute for the administration of the Commission. Specifies that the funds do not revert until June 30, 2027.

Section 2.2.

Changes the definition of *code* in GS 116-209.25(b) (concerning the parental education expenses trust fund) so that it aligns with the Internal Revenue Code as enacted as of July 4, 2025, including any provisions enacted as of that date that become effective either before or after that date (was, *code* meaning was as defined in GS 105-228.90).

Section 2.3.

Appropriates \$1 million from the General Fund to the UNC Board of Governors (BOG) for 2025-26 to be allocated to the State Education Assistance Authority (Authority) to increase award amounts for recipients of scholarships for the children of wartime veterans for the 2025-26 academic year up to the full amounts permitted, to the extent those awards were reduced by the Secretary of the Department of Military and Veterans Affairs (Secretary). Authorizes the Authority to use any remaining funds to award additional scholarships for the above qualifying children beginning in the 2026-27 academic year.

Section 2.4.

Effective July 1, 2026, authorizes the Secretary to increase the number of the described scholarship classes for new applications for children of wartime veterans from 100 to 200 children in each class for the 2026-27 academic year. Appropriates \$10 million from the Escheat Fund to the BOG in recurring funds beginning in 2026-27 to be allocated to the Authority to support the additional scholarships.

Section 2.5.

Extends the provisions of Section 6 of SL 2025-72, which allows for additional awards under the Children of Wartime Veterans Scholarship to those children notwithstanding existing provisions of GS Chapter 143B and any rules thereunder, so that it also applies in the 2026-27 academic year. For the 2026-27 academic year only, authorizes the Secretary to determine whether to prioritize awards of scholarships for new applicants who apply to receive scholarships as undergraduates, qualify as residents for tuition purposes, and are otherwise eligible to receive scholarships in line with Program requirements. For the 2026-27 academic year only, also authorizes the Secretary to determine whether to establish a standardized payment schedule or formula within available funds for the academic year to ensure the efficient and effective administration of the scholarships. Specifies that the authorization to the Secretary to consult with the Authority on whether to reduce the room and board allowance only applies for the 2025-26 academic year. Authorizes the Secretary to establish a lottery for selection of scholarship students, in addition to existing authorization of pro rata scholarship awards. Makes technical and conforming changes.

Part III.

Part III-A.

Section 3A.1.

Sets forth six definitions that apply in Part III, including *NC RHTP* (NC Carolina Rural Health Transformation Plan approved and funded by CMS as part of the Rural Health Transformation Program); *Public Law 119-21* (The Reconciliation Act of 2025, Public Law 119-21, 139 Stat. 72 (2025), also known as the "One Big Beautiful Bill Act"); *RHTP or Rural Health Transformation Program* (the Rural Health Transformation Program authorized by section 71401 of Public Law 119-21 and administered by CMS); and *subrecipient* (a nonfederal entity that receives a subaward from the North Carolina Department of Health and Human Services (DHHS) to carry out activities related to the NC Rural Health Transformation Plan).

Part III-B.

Section 3B.1.

Sets forth a schedule for DHHS to submit periodic progress reports to the specified NCGA commission on the implementation status of NC RHTP spanning from reports due on November 29, 2026, (for the August 1 through October 30, 2026 reporting period) until November 29, 2030 (for the August 1 through October 30, 2030 reporting period). Lists four required components for each report including the total amount of funds allocated to each initiative identified, the total amount of funds awarded to subrecipients by county, as described, as well the specified reports and updates.

Part III-C.

Section 3C.1.

Specifies that DHHS is not required to maintain, after June 30, 2027, any modifications to the Medicaid program required by Part III-C, except for statutory changes or where otherwise specified.

Section 3C.2.

Notwithstanding the limitations under GS 143C-4-11 on the use, allocation, and expenditure of funds reserved in the Medicaid Contingency Reserve (MCR), appropriates \$319 million from the MCR to DHHS's Division of Health Benefits (DHB) for the 2025-26 year to be used to adjust Medicaid funding to account for projected changes in enrollment, enrollment mix, service and capitation costs, and federal match rates, as well as the implementation of the Children and Families Specialty Plan in December 2025. Retroactive to July 1, 2025.

Section 3C.3.

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 retroactive to July 1, 2025.

Section 3C.4.

Clarifies that DHHS will provide Medicaid coverage in GS 108A-54.34(a)(24) for individuals who are in compliance with or exempt from applicable community engagement requirements (was, persons in compliance with any federally approved work requirements as described).

Further amends GS 108A-54.34, as amended above so that DHHS is no longer required to provide medical coverage to refugees, qualified aliens subject to the five-year bar for means tested public assistance, and emergency services to undocumented aliens under the specified federal laws. Instead, directs that Medicaid coverage for individuals who are not citizens of the United States are limited to coverage that is federally required for the State's participation in the Medicaid program. Removes qualified aliens subject to the five-year bar for means tested public assistance from those groups who are exempted from capitated Prepaid Health Program (PHP) contracts. Makes technical changes. Effective October 1, 2026.

Section 3C.5.

Adds new GS 108A-55.7, (community engagement requirements), requiring that at the time of initial application for medical assistance benefits, the applicant must provide satisfactory proof that the applicant has complied with any applicable community engagement requirements for the three consecutive months immediately preceding the month the applicant submits the application for medical assistance benefits. Imposes the same three-month requirement at the time of redetermination for eligibility of medical assistance benefits. Directs DHHS to take all actions necessary to implement and maintain those work requirements to the fullest extent allowed so long as they are authorized as a condition of participation in Medicaid by CMS. Effective January 1, 2027.

Section 3C.6.

Amends DHHS's eligibility monitoring for medical assistance under GS 108A-55.5 so that it includes gambling winnings and it occurs at least monthly (was, at least quarterly). Effective October 1, 2026.

Section 3C.7.

Adds new GS 108A-55.6 preventing DHHS or a county DSS from accepting self-attestation as the only evidence of eligibility requirements for Medicaid, except as required by federal law, regulation, or pursuant to a court order. Effective October 1, 2026.

Section 3C.8.

Adds new GS 108A-55.8 specifying that, except as otherwise provided by federal law or regulation, the income of a household member who is ineligible for medical assistance benefits due to the household member's immigration status must be counted when calculating and determining an individual's financial eligibility for medical assistance benefits. Effective October 1, 2026.

Section 3C.9.

Requires, in GS 108A-80, for DHHS to promptly refer any applicant or recipient for which citizenship or satisfactory immigration status could not be verified to the United States Department of Homeland Security or any other appropriate federal authority for investigation and enforcement under the circumstances described. Makes conforming changes. Effective October 1, 2026.

Section 3C.10.

Requires the Office of the State Auditor (Auditor) to conduct a performance audit of the administration of the North Carolina Medicaid program and the NCWorks Career Centers. Effective July 1, 2026, appropriates \$500,000 for 2026-27 from the General Fund to the Auditor for the audit.

Section 3C.11.

Adds new GS 108A-64.2, requiring DHHS to submit an annual report by October 1 to the specified NCGA committee and division containing an accounting of all improper Medicaid payments and expenditures, total amount of federal and State recovered funds, and aggregate data concerning improper payments as described.

Section 3C.12.

Authorizes a PHP to develop a closed network for a designated service category if an open network would jeopardize quality of care, program integrity, or cost-effective use of Medicaid fund in GS 108D-22 (PHP networks). Provides for DHHS approval before a PHP creates a closed network. Expands the reasons that a PHP can exclude an individual provider to include the clean claims rate deficiencies as set forth in new GS 108C-7(e3) (discussed below). Makes technical, conforming, and organizational changes. Removes provision from GS 108-23 (BH IDD tailored plan provider networks) specifying that with regard to services and supports that are covered benefits under both standard benefit plans and BH IDD tailored plans, each LME/MCO is subject to the same provider network requirements applicable to PHPs under GS 108D-22. Makes technical and conforming changes. Removes definition of closed network from GS 108D-24 (children and families specialty plan networks) and makes conforming changes.

Section 3C.13.

Adds defined term *prepaid health plan or PHP* to GS 108C-2. Makes the following changes to GS 108C-7 (prepayment claims review). Removes requirement that the prepayment claims review be instituted no less than 20 calendar days from the date of mailing the written notice and instead prevents it from beginning prior to the date of mailing that notice. Increases the provider's required clean claims rate from 70% to 80% for three consecutive months. Removes twenty-four month limit on prepayment claims review. Specifies that in any contract with a PHP in which DHHS authorizes a PHP to carry out its authority under to require a provider to undergo prepayment claims review:

1. DHHS won't require the PHP to obtain its approval before the prepayment claims review is instituted for a particular provider, unless the approval is required by federal law or regulation.
2. The PHP will send a copy of notice required by the statute to DHHS, when sending that notice.
3. The PHP can exclude a provider from its network if: (i) the provider does not meet the 80% clean claims rate minimum requirement for three consecutive months within six months of being placed on prepayment claims review 24 (ii) the PHP has received approval from DHHS of the PHP's written request to remove that provider from the PHP's network of providers. Specifies that if DHHS does not respond to a written request from a PHP for approval to remove a provider from the PHP's network of providers within 90 days after the request was submitted, the request is deemed approved.

Applies to prepayment claims reviews instituted and contracts entered into or amended on or after Section 3C.13 becomes law.

Section 3C.14.

Directs DHB to develop a plan for improved health outcomes, program integrity, cost-savings, and efficiency measures in the Medicaid program, covering at least the eight required prongs described. Requires DHB to submit a report on the plan to the specified NCGA committee and division by October 1, 2026.

Section 3C.15.

Prohibits, in GS 108D-65, DHHS from preventing PHP's from requiring itemized bills for inpatient hospital outlier claims that are greater than \$250,000 or more than standard deviations from the median claim amount of the applicable billing code. Applies to contracts entered into or amended after the section becomes law.

Section 3C.16.

Adds new GS 108A-58.3 requiring DHHS to annually establish all Medicaid copayments at the maximum rate allowed under federal law, effective July 1, 2027.

Section 3C.17.

Retroactive to July 1, 2025, amends Section 11 of SL 2020-88, as amended, so that the reimbursement for durable medical equipment and supplies, orthotics, and prosthetics under managed care continues to be set at 100% until June 30, 2027 (previously, 100% rate only for the first five years of the initial standard benefit plan). Makes a conforming change.

Section 3C.18.

Requires DHB to amend, and if necessary, seek approval from CMS, for the nine described changes to the NC Medicaid Clinical Coverage Policy 8F, Research-Based Behavioral Health Treatment (RB-BHT) For Autism Spectrum Disorder (CCP-8F), and adopt or amend any relevant rules that incorporate those changes. Those nine changes include limits on telehealth, as described. Authorizes DHB to develop exceptions to the telehealth limitations based upon documented medical necessity, as described. Requires DHB to submit a report to the specified NCGA committees identifying any proposed exception and providing details supporting the need for the exception.

Specifies in GS 108C-9 (provider enrollment criteria) that Board Certified Behavior Analysts and Qualified Autism Services Practitioner Supervisors are not permitted to enroll in the North Carolina Medicaid program as out-of-state providers. Applies to all applications for enrollment submitted on or after the section becomes law.

Authorizes DHB to adopt rules to either recoup payments or in certain instances suspend their eligibility to bill Medicaid for a provider's noncompliance with any of the requirements set forth in this section.

Part III-D.

Section 3D.1.

Declares the intent of the General Assembly to provide funding for the increased administrative costs of compliance with frequency of eligibility redeterminations requirements and community engagement requirements in the Medicaid program from a source that meets the limitations on funding sources in GS 108A-54.3B for NC Health Works.

Section 3D.2.

Amends GS 108A-146.1 (public hospital modernized assessment) so that starting July 1, 2026, the public hospital modernized assessment quarterly percentage will equal the modernized intergovernmental transfer (IGT) actual receipts adjustment component under GS 108A-146.14 divided by the total hospital costs for all public acute care hospitals holding a license on the first day of the assessment quarter. Specifies that the current percentage for each quarter set forth in GS 108A-146.1(c) only goes through June 30, 2026.

Adds new GS 108A-146.1A, specifying that the public hospital modernized presumptive IGT offset amount is the aggregate acute care hospital modernized assessment collection amount under GS 108A-146.5 multiplied by the public hospital historical assessment share. Modifies the calculation for the aggregate acute care hospital modernized assessment collection amount in GS 108A-146.5.

Specifies, in GS 108A-146.14 (modernized IGT actual receipts adjustment component) that the modernized IGT actual receipts adjustment component is a dollar amount (was, positive or negative dollar amount) equal to the amount of the modernized presumptive IGT adjustment component under GS 108A-146.13(c) for the previous quarter minus the amounts described. Directs that if this calculation results in a negative number, the modernized IGT actual receipts adjustment component is zero.

Effective October 1, 2026, directs that the modernized IGT actual receipts adjustment component under GS 108A-146.14 as amended above, is a dollar amount equal to the amount of the modernized presumptive IGT adjustment component under GS 108A-146.13(c) for the previous quarter plus the public hospital modernized presumptive IGT offset amount under GS 108A-146.1A for the previous quarter minus the amounts described. Applies to assessment imposed on or after October 1, 2026.

Amends GS 108A-147.1 (public health advancement assessment), as follows. Beginning July 1, 2026, specifies that the public hospital health advancement assessment quarterly percentage equals the health advancement IGT actual receipts adjustment component under GS 108A-147.10 divided by the total hospital costs for all public acute care hospitals holding a license on the first day of the assessment quarter. Specifies that the current percentage for each quarter set forth in GS 108A-147.1(c) only goes through June 30, 2026.

Adds GS 108A-147.1A specifying that the public hospital health advancement presumptive IGT offset amount is the aggregate acute care hospital health advancement assessment collection amount under GS 108A-147.3 multiplied by the public hospital

historical assessment share. Modifies the calculation for the aggregate health advancement assessment collection set forth in GS 108A-147.3(a).

Specifies, in GS 108A-147.10 (health advancement IGT actual receipts adjustment component), that the health advancement IGT actual receipts adjustment component is a dollar amount (was, positive or negative dollar amount) equal to the health advancement presumptive IGT adjustment component calculated under GS 108A-147.9 for the previous quarter, plus the positive or negative total IGT share of the reconciliation adjustment component calculated under GS 108A-147.11(e)(was, GS 108A-147.11(b)) for the previous quarter minus the amounts described. Directs that if this calculation results in a negative number, the health advancement IGT actual receipts adjustment component is zero.

Effective October 1, 2026, further modifies GS 108A-147.10, as amended above so that the that the health advancement IGT actual receipts adjustment component is a dollar amount equal to the health advancement presumptive IGT adjustment component calculated under GS 108A-147.9 for the previous quarter, plus the positive or negative total IGT share of the reconciliation adjustment component calculated under GS 108A-147.11(e) for the previous quarter plus the public hospital health advancement presumptive IGT offset amount for the previous quarter minus the amounts described. Applies to assessments imposed on or after October 1, 2026.

Amends GS 108A-147.11(a) and (b) so that existing references in the subsections to “IGT share” become “base IGT share.” Specifies that the “supplemental IGT share” of the reconciliation adjustment component is a positive or negative dollar amount that is calculated by subtracting the base IGT share of the reconciliation adjustment component from the health advancement reconciliation component. Instructs that the total IGT share of the reconciliation adjustment component is a positive or negative dollar amount that is the sum of the base IGT share of the reconciliation adjustment component calculated and the supplemental IGT share of the reconciliation adjustment component.

Effective July 1, 2026, and applies to assessments imposed on or after that date, except as otherwise provided.

Section 3D.3.

Makes each private and public acute care hospital subject to a 2026 one-time assessment that is a percentage of its hospital costs. Deposits the proceeds of the assessments and intergovernmental transfer receipts in the Health Advancement Receipts Special Fund to be used for the increased administrative costs described in Section 3D.1. Requires DHHS to use \$7.8 million from the proceeds for funding to county departments of social services to support them with increased administrative costs under Section 3D.1. Sets out the procedure under which the hospital assessments are to be imposed. Requires DHHS to report by February 1, 2027, to the specified committee and division on the amount of the proceeds from the assessments that DHHS provided to each county department of social services and the date that they were provided.

Section 3D.4.

Amends GS 108A-147.7 concerning the administration component of hospital assessments, to now refer to it as the base administration component. Removes outdated language.

Enacts new GS 108A-147.7A creating the supplemental administration component which is an amount calculated by adding the supplemental State administration subcomponent and the supplemental county administration subcomponent; sets out provisions for determining the amount of these components based on the fiscal year, with the amounts zeroing out for fiscal year beginning on or after July 1, 2036.

Amends GS 108A-147.3 by amending the calculation of the quarterly total nonfederal receipts for health advancement so that it also includes adding in the supplemental administration component.

Amends GS 108A-147.9 by also adding the supplemental administration component within the calculations of the public hospital health advancement IGT adjustment subcomponent, the UNC Health Care System health advancement IGT adjustment subcomponent, and the East Carolina University health advancement IGT adjustment subcomponent.

Amends GS 108A-147.13 to require the amount of the proceeds of the health advancement assessment that provides funding to county departments of social services to support counties in determining eligibility for newly eligible individuals, to be calculated so that the assessment is equal to the sum of the base county administration subcomponent and the supplemental county administration subcomponent. Makes conforming changes to cap on the amount of the proceeds that may be used for administrative expenses.

Applies to assessments imposed on or after July 1, 2026.

Section 3D.5.

Requires DHB to report by October 1, 2029, to the specified committees and division on: (1) estimated share of the actual administrative costs expended through June 30, 2029, by DHB that is attributable to compliance with the requirements in Section 3D.1 of this act; (2) description of any reduction to the administrative costs described in Section 19 3D.1 due to actions taken by DHB to achieve efficiencies or decreases in enrollment in NC Health Works; (3) total amount of assessment receipts and intergovernmental transfer receipts from April 1, 2026, through June 30, 2029, attributable to GS 108A-147.7A or Section 3D.31; (4) proposal for crediting against future assessments owed under Article 7B of GS Chapter 108A any amounts under (3) that exceed the amount under (1); and (5) proposed legislative changes to ensure that hospital assessment and intergovernmental transfer amounts attributable to GS 108A-147.7A do not exceed the administrative costs of complying with Section 3D.1 of this act.

Section 3D.6.

Requires DHB, if it determines that the requirements described in Section 3D.1 of this act as applied to NC Health Works will be modified or eliminated due to a change in federal or State law, rule, or regulation in a way that will reduce the administrative costs, to report on its determination to the specified committees and division. Requires the report to be made 60 days after DHB identifies the anticipated modification or elimination and for it to include four specified items, including a proposal for a decrease or elimination of the amounts included in the hospital assessments that corresponds to the anticipated reduction in administrative costs. Expires June 30, 2036.

Section 3D.7.

Requires the DHB, when developing the average commercial rate demonstration for the Healthcare Access and Stabilization Program (HASP), to use the payment method or approach with the maximum allowable level of HASP reimbursements to hospitals that receives federal approval. Requires DHB to report to the specified committees and division if it determines that many of the following have been met: (1) Centers for Medicare and Medicaid Services approved a HASP preprint that is less than 95% of the maximum allowable amount for HASP under federal law or regulation; (2) the gross HASP reimbursement to hospitals approved by CMS for a fiscal year are less than \$1.5 billion; (3) the gross HASP reimbursement paid to hospitals, on an accrual basis, for a fiscal year are less than \$1.5 billion; or (4) a change in federal law or regulation resulted in adjusted hospital intergovernmental transfers, in a quarter, that were at least 20% lower than the amount of base hospital intergovernmental transfers for that quarter. Makes the report due 120 days after DHB's determination that one of the conditions has been met. Requires DHB giving at least 30 days before submitting the report, for the North Carolina Healthcare Association to review the determination and provide confirmation or disagreement.

Amends GS 108A-147.7A, as enacted in Section 3D.4 of this act, as follows, effective on the first day of the next assessment quarter that is two years after the date the report is submitted. Removes the provisions setting out the amount of the supplemental State administration subcomponent and the supplemental county administration components for specified quarters and sets those quarterly amounts at zero.

Effective on the first day of the next assessment quarter that is two years after the date the report is submitted, repeals Section 3D.6 of this act.

Expires July 1, 2034, if no report has been submitted by that date.

Section 3D.8.

Requires the DHHS, DHB to report by October 1, 2031, to the specified committees and divisions outlining options for continued funding of the increased administrative costs discussed in Section 3D.1 after June 30, 2036.

Part III-E.

Section 3E.1.

Amends GS 131D-6.1 concerning rules for licensure of adult day care and adult day health facilities providing a program of overnight respite services by expanding upon the staffing requirements by setting out minimum staffing requirements, including requiring each facility to have staff on duty to meet each participant's needs, requirements for the number of staff that must be present and awake and qualified to administer medication and trained to provide personal care and supervision

based on the facility's census, and prohibiting these staff from performing housekeeping or food services during shifts when they are responsible for providing personal care and supervision (requires additional staff for those purposes). Prohibits bed capacity limitation from exceeding 12 beds in each facility licensed to provide a program of overnight respite services. Effective July 1, 2026.

Allows the Medical Care Commission to adopt emergency and temporary rules to implement these provisions.

Part III-F.

Section 3F.1.

Enacts new GS 108A-52.1 prohibiting using self-attestation as the only evidence that an applicant is eligible for the food and nutrition services program, unless otherwise required by federal law. Requires counting all of a person's income and financial resources determined to be ineligible to participate in the food and nutrition services program when determining eligibility and benefit allotment of the person's household.

Section 3F.2.

Requires OSBM to consult with the Department of Health and Human Services (DHHS) to develop and issue a request for proposal (RFP) by October 31, 2026, to contract with a third party to exam opportunities to improve the efficiency, accuracy, and cost-effectiveness of having DHHS administer all federally and State mandated social services. Sets out seven issues that must be considered in the study. Requires a report of the specified NCGA committees and division by June 30, 2027, on centralizing the administration of all federally and State mandated social services with DHHS based on the information compiled by the study and any other available information. Sets out other information that must include in the report. Effective July 1, 2026, appropriates \$1 million from the General Fund to OSBM for 2026-27 to contract for the study.

Part IV.

Section 4.1.

Amends Section 2C.2 of SL 2025-89 concerning the \$118.1 million appropriation from the Stabilization and Inflation Reserve to the Department of Commerce if the Economic Investment Committee (EIC) awarded a Job Development Investment Grant for a qualifying transformative project for an airplane manufacturer in Guilford County, to be used for site acquisitions and improvements, as follows. Amends the definition of a qualifying transformative project so that the \$4.5 billion that must be invested can be in private funds or funds provided by federal or foreign governments or their respective departments, agencies, divisions, or units, or both. Allows the business that is benefitted by the funds, with the EIC's approval, to encumber its interest, or grant security interest in its interest, in the land or improvements as collateral for financing obtained by the business to finance the project so long as the collateral does not include any interest of the business in the land or improvements for which funds were allocated for specified costs. Amends those specified costs as follows. Amends the conditions the \$10.2 million allocated for renovation costs of, and capital improvements to, an existing airport hub to render it suitable for the project and to make it owned by the Authority to provide that if these funds that are in excess may be allocated for the same purposes for which the \$35 million may be for costs related to construction of the facility for manufacturing, research, and development; amends the allowable uses of that \$35 million allocation to by expanding upon allowable uses to include demolition, infrastructure enhancement and upgrades, fees for insurance, and sidewalks and a pedestrian bridge and allows excess funds to be reallocated for the uses allocated for the \$10.2 million in funds.

Section 4.2.

Allows funds allocated to Hertford in SL 2023-134 for water capacity increase to be used by the Town for any water or wastewater infrastructure project.

Part V.

Section 5.1.

Appropriates \$80 million from the General Fund to the Department of Adult Correction for 2025-26 to be used to address a shortfall in operating funds for the Department.

Section 5.2.

Appropriates from the General Fund to the State Bureau of Investigation (1) \$2.5 million in recurring funds beginning in the 2025-26 fiscal year and (2) \$1.2 million in nonrecurring funds for 2025-26 to be used to address a shortfall in operating funds for the Bureau.

Section 5.3.

Appropriates \$165,000 from the General Fund to the Administrative Office of the Courts, Budget Fund 100064, for 2025-26 to be used to extend the case-management software used by the North Carolina Business Court that is in addition to the eCourts system.

Part VI.

Section 6.1.

Amends the following directed grants allocated by OSBM for the 2023-24 fiscal year. Grants any remaining funds from the \$2 million grant to the Mayland Community College Foundation, Inc., for the Avery-Mitchell animal shelter, to Avery and Mitchell counties for any public purpose. Reallocates the \$800,000 grant to Selma for economic development project recruitment to Johnston County Economic Development Corporation for the same purpose. Reallocates the \$5 million grant to Iredell County for capital improvements or equipment at the fairgrounds to the Iredell County Sheriff's office for a new safety building on Lake Norman to the Statesville for water and wastewater projects pertaining to the specified economic development, in the specified amounts. Requires that the \$1.6 million grant to Harnett County for land or capital improvements related to Johnson Farm be used instead for renovations of existing parks, improvements in park safety and accessibility, and development of green spaces, trails, and greenways. Reallocates the funds for a grant to the Burke Partnership for Economic Development, Inc., for water and wastewater at the Western NC Megasite that are unspent and unencumbered be reallocated to Burke County for water and wastewater projects in the County.

Part VII.

Section 7.1.

Appropriates \$13.1 million in recurring funds beginning with the 2025-26 fiscal year and \$8.5 million in nonrecurring funds in the 2025-26 fiscal year from the Highway Fund to the Department of Transportation, Division of Motor Vehicles (DMV), to address a shortfall in operating funds. Also requires the OSBM to consult with the DMV to align credit card receipt line items with actual collections and make necessary adjustments to collection projections and Base Budget requirements.

Part VIII.

Section 8.1.

Specifies that if the act and GS 143C-5-4 conflict, then this act prevails. Makes the appropriations and authorization to allocate and spend funds in this act effective until the Current Operations Appropriations Act for the application fiscal year becomes law, at which time it will govern.

Part IX.

Section 9.1.

Specifies that the act is effective when it becomes law, except as otherwise provided.

Intro. by Potts, Reeder, Campbell.

[APPROP, STUDY, Avery, Burke, Harnett, Iredell, Johnston, Mitchell, Perquimans, GS 90, GS 108A, GS 108C, GS 108D, GS 116, GS 131D](#)

[View summary](#)

[Courts/Judiciary, Court System, Administrative Office of the Courts, Development, Land Use and Housing, Community and Economic Development, Education, Elementary and Secondary Education, Higher Education, Government, Budget/Appropriations, General Assembly, Public Records and Open Meetings, Public Safety and Emergency](#)

Management, State Agencies, UNC System, Department of Adult Correction, Department of Commerce, Department of Health and Human Services, Department of Military & Veterans Affairs, Department of Transportation, Office of State Auditor, Office of State Budget and Management, Local Government, Health and Human Services, Health, Health Care Facilities and Providers, Health Insurance, Social Services, Adult Services, Public Assistance, Military and Veteran's Affairs, Transportation

H 1017 (2025-2026) **SOUND BASIC EDUCATION FOR EVERY CHILD**. Filed Apr 21 2026, *AN ACT TO PROVIDE FOR A SOUND BASIC EDUCATION FOR EVERY CHILD IN NORTH CAROLINA*.

Part I.

Appropriates \$200,000 in recurring funds from the General Fund to the Department of Public Instruction (DPI) for 2026-27 for two additional positions for the Professional Educator Preparation and Standards Commission to increase the Commission's capacity to coordinate efforts to recruit, prepare, retain, and support the State's teaching workforce.

Requires the State Board of Education (State Board) to develop a plan for implementing a teacher licensure and compensation reform model designed to meet the specified objectives. Requires the plan to, at least: (1) offer early, inclusive, and clear pathways into the profession; (2) reward excellence and advancement among teachers; and (3) encourage retention in the profession. Requires the State Board to provide plan details and recommended legislative changes to the specified NCGA committee and division and the Office of State Budget and Management (OSBM) by March 15, 2027. Appropriates \$50,000 for 2026-27 from the General Fund to the Department of Public Instruction to develop the plan.

Requires the State Board, in consultation with UNC System Office, to identify the resources and structures that educator preparation programs at UNC constituent institutions need in order to increase capacity in educator preparation programs to recruit, prepare, support, and graduate annually (1) at least 5,000 in-State trained teachers annually; and (2) more educators of color. Requires the State Board to report on the findings to the specified NCGA committee, division, and the OSBM by March 15, 2027. Appropriates \$25,000 for 2026-27 from the General Fund to DPI to conduct this study.

Appropriates \$5.8 million in recurring funds for 2026-27 from the General Fund to DPI to support the Grow-Your-Own and 2+2 teacher recruitment education programs. Appropriates \$1 million in recurring funds for 2026-27 from the General Fund to DPI to establish new Grow-Your-Own and 2+2 teacher recruitment education programs in high-need public school units.

Requires the State Board to develop a plan to implement and fund a statewide system or entity to coordinate, enhance, and evaluate efforts to recruit, place, and retain teacher candidates and beginning teachers between institutions of higher education and local school administrative units. Sets out issues the study is to focus on. Requires the State Board to submit plan details and recommended legislation to the specified NCGA committee and division and the OSBM by March 15, 2027. Appropriates \$25,000 for 2026-27 from the General Fund to DPI to support the development of the plan.

Removes the terms qualifying licensure area and STEM from the definitions under GS 116-209.60, which defines terms for use in Part 3 of Article 23 of GS Chapter 116, which governs the North Carolina Teaching Fellows Program (Program). No longer limits the Program to providing loans to individuals interested in preparing to teach in the State's public schools in those previously specified qualifying licensure areas, instead opening it more broadly to those preparing to teach in the State's public schools; makes conforming changes to the definition of qualifying teacher. Makes changes throughout the Part by removing references to "STEM" and "qualifying licensure area." Requires Program recruitment efforts to include identifying and encouraging students of color and students who may not otherwise consider a teaching career to enter the program. Requires the recruitment activities to include a strategy that attracts a diverse pool of applicants. Removes the cap on the number of participating institutions and specifies that the diverse selection of participating programs is to include minority-serving institutions. Adds the requirement that the Program provide planning, training, and ongoing support for Program leaders and recipients, including training on culturally responsive teaching, teaching students with disabilities, and trauma-informed teaching. Applies beginning with the 2026-27 academic year. Appropriates \$37 million in recurring funds for 2026-27 from the

General Fund to the North Carolina Teaching Fellows Program Trust Fund to revise and expand the Program in accordance with the above.

Requires the State Board to establish a grant program to assist local school administrative units in providing multiyear recruitment bonuses to certified teachers who commit to teach multiple years in a low-performing or high-need school. Requires bonuses to include at least: (1) awards over multiple years with a requirement that teachers remain in the school over multiple years to receive the bonus; (2) awards to licensed teachers who commit to teach in a school identified as low-performing, a school identified as continually low-performing, or a school where 75% or more of students qualify for free or reduced-price lunch. Requires the State Board annually, by September 1, 2026, to issue a Request for Proposal (RFP) for the grant program. Requires local boards of education to submit their proposals by December 1, 2026. Requires that the RFP require proposals to include specified information, including plans for financial sustainability once grant money is no longer available. Requires the State Board, by February 15, 2027, to review the proposal and select up to 10 local school administrative units for grants. Allows making grant awards for up to three years. Caps the grant amount to a local school administrative unit at \$500,000 in a single fiscal year. Allows the State Board to use up to \$300,000 to contract with an independent research organization to evaluate the impact of this grant program and then report to the specified NCGA committee and division and the OSBM by September 1, 2029. Requires DPI to report annually on program implementation, beginning March 15, 2027. Appropriates \$7.7 million in recurring funds for 2026-27 from the General Fund to DPI for the grant program; allows unexpended funds to remain available for these purposes instead of reverting back to the General Fund.

Requires the State Board to establish a grant program to assist local school administrative units in the development of teacher preparation residency pilot programs. Requires teacher preparation residency programs eligible to receive grant funding through this program to include at least: (1) coursework in the candidate's area of licensure; (2) tuition and stipends; (3) faculty advising; (4) clinical training experiences; and (5) ongoing induction support. Allows programs to include partnerships between local school administrative units, educator preparation programs, local community colleges or universities, and other community organizations. Requires grant funds to be matched by the local school administrative units on the basis of \$1 in nongrant funds for every \$1 in grant funds. Requires the State Board, by October 1, 2026, to issue a Request for Proposal (RFP) for the grant program and requires local boards of education to submit their proposals by January 15, 2027. Requires the RFP to require that proposals include specified information, including plans for financial sustainability once grant money is no longer available. Requires the State board to review proposals and select up 10 local school administrative units as grant recipients by April 15, 2027. Allows making grant awards for up to three years. Caps the grant amount to a local school administrative unit at \$500,000 in a single fiscal year. Allows the State Board to use up to \$300,000 to contract with an independent research organization to evaluate the impact of this grant program and then report to the specified NCGA committee and division and the OSBM by September 1, 2030. Requires DPI to report annually on program implementation, beginning March 15, 2027. Appropriates \$25 million in recurring funds for 2026-27 from the General Fund to DPI to implement the grant program; allows unexpended funds to remain available for these purposes instead of reverting back to the General Fund.

Appropriates \$200,000 in recurring funds for 2026-27 from the General Fund to the UNC Board of Governors (BOG) to expand Partnership Teach to up to two additional hub sites.

Requires the State Board, in consultation with the Office of the Governor, The University of North Carolina System Office, and the Community College System Office, to establish a grant program to support strategic partnerships committed to increasing the pipeline of educators of color across the State. Requires the grants to be provided to local school administrative units, institutions of higher education, and community organizations to implement innovative initiatives that support the recruitment, preparation, support, and retention of racially, ethnically, and linguistically diverse educators. Sets out the purpose of the program. Requires grant applicants to demonstrate at least: (1) a partnership between at least two of the following: local school administrative units, Historically Black Colleges and Universities, Historically Minority-Serving Institutions, educator preparation programs, alternative certification programs, public and private colleges and universities, community colleges, and community or nonprofit organizations; (2) proposals for strategies that address one or more of the specified components of the educator development continuum as highlighted by the DRIVE Task Force's 2021 Report to the Governor. Allows grant funds to be used for: (1) strengthening existing high school dual enrollment programs to offer education-based college credit or honors courses as streamlined pathways for future careers in education; (2) implementing targeted school system-level and community-based recruitment programs for aspiring educators of color interested in traditional and alternative educator preparation programs; (3) using and leveraging existing financial aid programs that reduce the disproportionate financial burden incurred by aspiring candidates of color; (4) increasing preparation and supporting preservice educators of color through paid clinical learning experiences, with a commitment to teaching in North Carolina public schools; (5) offering

support for job placement and licensure for candidates of color after completing their educator preparation program; (6) providing induction and mentoring programs that address the needs of educators of color that include sustaining networking and professional learning communities or affinity groups; and (7) encouraging and financially supporting educators of color interested in joining national professional organizations or attending national conferences. Requires the State Board, by October 1, 2026, to issue a Request for Proposal (RFP) for the grant program and for applicants to submit proposals by December 1, 2026. Requires that the RFP require proposals to include specified information, including plans for financial sustainability once grant money is no longer available. Requires a selection committee, by February 1, 2027, to select up to five grantees. Allows grants to be spent over a five-year period. Requires grant recipients to report annually to the State Board on the implementation of the program. Allows the State Board to use up to \$300,000 to contract with an independent research organization to evaluate the impact of this grant program and then report to the specified NCGA committee and division and the OSBM by September 1, 2028. Requires DPI to report annually on program implementation, beginning January 1, 2028. Appropriates \$2 million in recurring funds for 2026-27 from the General Fund to the DPI to implement the grant program. Allows unexpended funds to remain available instead of reverting to the General Fund.

Enacts new GS 115C-299.7, providing as follows. Requires education entities (public school units and educator preparation programs) to annually, beginning July 30, 2027, report to DPI on the following regarding diversity of educators and future educators in the entity from the previous school year: (1) total number of educators and future educators; (2) the number of persons who apply to work in or attend the education entity as an educator or future educator; (3) the number of educators and future educators who are employed by or enrolled in an education entity; (4) retention rates of educators; (5) mobility rates of educators between schools in a public school unit; (6) the number of future educators who complete an educator preparation program, become licensed in North Carolina, and become employed in a public school unit; (7) qualitative data from educators and future educators on the diversity and inclusiveness of the education entity; and (8) recommendations from the entity to improve diversity of educators and future educators. Requires DPI to report annually, beginning October 15, 2027, on the information collected above to the specified NCGA committee, including the specified information. Requires DPI to include the collected information in the statistical profile of public schools on its website. Specifies that this statute does not require an education entity or DPI to report any data that reveals confidential or personally identifiable information about an educator or future educator. Makes conforming changes to GS 115C-12 by requiring the State Board to compile a report on the diversity of educators as provided in GS 115C-299.7; makes conforming changes.

Enacts new Article 6E, Office of Equity Affairs in GS Chapter 115C, providing as follows. Establishes the Office of Equity Affairs (Office) within DPI to provide internal oversight within DPI and the State Board specific to compliance with the State's constitutional role to provide each child the opportunity to receive a sound basic education and to direct the recruitment and retention of a diverse educator workforce. Requires the Office to review educational policies, programs, and initiatives and to provide an independent, objective source of information to be used in evaluating substantial compliance with sound basic education standards and the goal of recruiting and retaining a diverse educator workforce, with special attention and consideration to outcomes for at-risk students. Allows the Office to suggest adjustments to the content and delivery of educational policies, programs, and initiatives. Gives the Office authority to obtain full and unrestricted access to all records, information, and data available to DPI or the State Board. Requires a semi-annual report, beginning no later than January 15, 2027, to the specified NCGA committee on the implementation of the Article, DPI's and the State Board's progress in effectively providing each child the opportunity to receive a sound basic education, and the diversity of the educator workforce. Requires giving DPI and the State Board notice before the reporting of deficiencies and an opportunity to correct or improve them; requires reporting any efforts to do so. Creates the Deputy Superintendent of Equity Affairs to serve as the chief officer of the Office. Requires the Superintendent of Public Instruction to recommend the individual to be appointed as the Deputy with the recommended appointee appointed upon approval by the State Board. Sets out who the Deputy reports to and provides the process for removal. Appropriates \$400,000 in recurring funds for 2026-27 from the General Fund to DPI to permit the Deputy Superintendent of Equity Affairs to appoint up to four full-time staff to assist in the administration of the Deputy Superintendent's duties. Requires one of the positions to be an administrative assistant position and at least one to be an attorney position.

Appropriates \$48.5 million in recurring funds for 2026-27 from the General Fund to the UNC BOG for the New Teacher Support Program to provide mentoring and coaching support to beginning teachers employed in low-performing or high-poverty public schools at no cost to the local school administrative units.

Amends GS 115C-310.7 to allow, with the State Board's approval, Advanced Teaching Roles schools to exceed the maximum class size requirements for grades K-3 (exceeding the limit was previously limited to up to three years in which State funds are

awarded to the local school administrative unit where the school is located, with class size flexibility expiring at the conclusion of the term). Effective July 1, 2026, and applies beginning with the 2026-27 school year.

Establishes the Educator Professional Development Allotment in the State Public School Fund, effective July 1, 2026. Requires the State Board to establish the purposes for which the funds may be used, including at least: (1) educator professional development for targeted public school units and school requiring multitiered support for Pre-K through 3rd grade; (2) implementation of literacy training; and (3) mentoring programs for beginning educators. Appropriates \$128,450,000 in recurring funds for 2026-27 from the General Fund to DPI to fund the Educator Professional Development Allotment.

Requires DPI to report to the specified NCGA committee and division and OSBM by March 1, 2027, on the findings of its study on alternative teacher compensation models and advanced teaching rules using funds awarded by OSBM for the NC Evaluation Fund.

Sets a monthly teacher salary schedule for "A" teachers for 2026-27 for licensed public school personnel classified as teachers, based on years of experience, ranging from \$5,120 for teachers with 0 years of experience to \$5,920 for 25 or more years of experience. Provides for a 12% salary supplement for licensed teachers who have National Board for Professional Teaching Standards certification; a 10% salary supplement for licensed teachers classified as "M" teachers; a \$126 salary supplement for licensed teachers with licensure based on academic preparation at the six-year degree level, in addition to the "M" teachers salary supplement; a \$253 salary supplement for licensed teachers with licensure based on academic preparation at the doctoral degree level, in addition to the "M" teachers salary supplement; a 10% salary supplement for certified school nurses; and monthly salary supplement of \$100 for school counselors licensed at the master's degree level or higher. Requires that the first step of the salary schedule for school psychologists, school speech pathologists licensed at the master's degree level or higher, and school audiologists licensed at the master's degree level or higher, must be equivalent to the sixth step of the "A" salary schedule. Provides for a salary supplement of the higher of \$500 or 10%. Deems these employees eligible to receive salary supplements equivalent to those of teachers for academic preparation at the six-year degree level or the doctoral degree level. Requires that the twenty-sixth step of the salary schedule for school psychologists, school speech pathologists licensed at the master's degree level or higher, and school audiologists licensed at the master's degree level or higher must be 7.5% higher than the salary received by these same employees on the twenty-fifth step of the salary schedule. Provides that in lieu of the amounts of annual longevity payments to teachers paid on the teacher salary schedule, beginning with the 2014-15 fiscal year, the amounts of those longevity payments are included in the monthly amounts under the teacher salary schedule. Details teacher compensation for the 2026-27 school year based on either (1) the applicable salary schedule; (2) the sum of the salary the teacher received in 2013-14, longevity pay for the 2013-14 school year, and annual bonus provided in SL 2014-100; or (3) the sum of the salary and annual bonus the teacher received in the 2014-15 school year, with the compensation amount determined to be equal to the greater of those amounts. Provides that teacher includes instructional support personnel. Appropriates \$731.8 million in recurring funds for 2026-27 from the General Fund to DPI for the teacher raises. States the NCGA's intent to adjust compensation for teachers in 2027-28 and subsequent fiscal years according to information provided by DPI in March 2027 under the compensation study.

Appropriates \$900,000 in recurring funds for 2026-27 from the General Fund to DPI to provide additional grants for reimbursement of the cost of the participation fee for National Board for Professional Teaching Standards certification.

Part II.

Appropriates \$13.2 million in recurring funds from the General Fund to the North Carolina Principal Fellows Trust Fund for the 2026-27 fiscal year to provide forgivable loans to an additional 189 new principal candidates through principal preparation program provided grants under the North Carolina Principal Fellows and Transforming Principal Preparation Program (Program) (see GS Chapter 116, Article 5C).

Directs the State Board to develop a plan for the creation of a School Leadership Academy that supports local school administrative units and school leaders that includes: (1) equity training for all local school administrative units and school leaders; (2) training and ongoing support for local board of education members focused on the needs of successful and turn-around schools; (3) mentorship and support for novice principals and for experienced principals in high needs schools focused on dismantling impediments to student success; (4) peer support networks such as facilitated partnership networks and rapid response hotlines to provide immediate assistance; and (5) aligned, ongoing, research-driven professional learning. Requires considering existing school administrator leadership training opportunities in creating the plan. Directs the State Board to report to the specified NCGA committee and division and the OSBM by February 15, 2027, on its proposal for the School

Leadership Academy, including the plan for implementation and estimated costs. Requires DPI, beginning with the 2027-28 school year, to operate and support the Academy according to the plan developed by the State Board.

Sets an annual principal salary schedule, applicable to the 2026-27 fiscal year beginning July 1, 2026. Sets out the schedule based on average daily membership (ADM) with amounts increasing from the base amount for meeting and then for exceeding growth; sets out provisions for determining which category to use. Amounts range from \$84,934 for an ADM of 0-200 base salary to \$127,399 for an ADM of 1,601 or more that exceeds growth. Sets out provisions governing placement on the salary scale. Sets out provisions governing the calculations of average daily membership and school growth scores for the principal's school. Provides that in lieu of the amounts of annual longevity payments, beginning with the 2017-18 fiscal year, the amounts of those longevity payments are included in the salary. Details principal compensation for the applicable school year based on (1) the applicable salary schedule, (2) the sum of the salary received in 2016-17 and longevity pay for the 2016-17 school year, or (3) the salary received in 2016-17 if not eligible for longevity at that time. Appropriates \$30.5 million in recurring funds for 2026-27 from the General Fund to DPI for the salary increases. States the NCGA's intent to adjust compensation for principals in 2027-28 and subsequent fiscal years according to the DPI's wage compensation study.

Provides that for 2026-27, beginning July 1, 2026, assistant principals are to receive a monthly salary based on the "A" teacher salary schedule plus 19%, with placement based on total years the assistant principal has spent as a certified employee. Requires assistant principals with certification based on academic preparation at the six-year degree level to be paid a salary supplement of \$126 per month, and at the doctoral degree level to be paid a salary supplement of \$253 per month. Provides for a 10-month stipend for participants in an approved full-time master's in-school administration program. Details limitations and required certification. Provides that in lieu of the amounts of annual longevity payments to assistant principals paid on the assistant principal salary schedule, beginning with the 2017-18 fiscal year, the amounts of those longevity payments are included in the monthly amounts provided to assistant principals pursuant to the act. Requires assistant principals paid under the salary schedule provided for the 2026-27 fiscal year to receive the greater amount of (1) the applicable amount provided in the salary schedule by the act, (2) the salary the assistant principal received in the 2016-17 school year under Sections 9.1 or 9.2 of SL 2016-94 plus the longevity that would have been received, or (3) the salary received in 2016-17 if not eligible for longevity at that time. Appropriates \$14.3 million for 2026-27 from the General Fund to DPI for the salary increases. States the NCGA's intent to adjust compensation for assistant principals in 2027-28 and subsequent fiscal years according to DPI's compensation study.

Requires the State Board, by March 15, 2027, to develop and report to the specified NCGA committee and division on a plan to implement and evaluate the effectiveness of incentive programs to encourage well-qualified principals and assistant principals to work in high-need schools. Sets out components that may be included in the plan. States the NCGA's intent to implement advisable components of the plan. Appropriates \$50,000 from the General Fund to the Department of Public Instruction for 2026-27 for the study and report.

Requires DPI, by November 15, 2027, to survey local school administrative units on recommendations to increase autonomy and resources for principals and superintendents and report responses by February 15, 2028, to the specified NCGA committee and division. States the NCGA's intent to implement advisable recommendations in the 2028-29 fiscal year and subsequent fiscal years.

Part III.

Amends GS 115C-105.25 to no longer prohibit local boards of education from transferring funds out of the: (1) children with disabilities allotment, (2) out of the academically or intellectually gifted child allotment category, or (3) limited English proficiency allotment category. No longer prohibits positions from being transferred out of the allocation for classroom teachers for K-12 grades; makes conforming changes. No longer prohibits positions from being transferred out of the allocation for program enhancement teachers for kindergarten through fifth grade. No longer limits the use of funds allotted for textbooks and digital resources to being used to purchase textbook and digital resources and no longer prohibits transferring those funds out of the allotment for other purposes. Applies beginning with the 2026-27 school year.

Amends GS 115C-111.05 by requiring the State Board, to the extent funds are available for this purpose, to allocate funds for child with disabilities to each local school administrative unit on the basis of reported cost of the services provided instead of on a per child basis. Appropriates \$450,324,273 in recurring funds for 2026-27 from the General Fund to DPI to implement the plan for weighted funding for children with disabilities on the basis of the reported cost of service. Requires that DPI begin distributing funds based on this model beginning with the 2026-27 school year.

Amends GS 115C-472.22 concerning funds for local school administrative units located in whole or in part in counties in which the county wealth as a percentage of the State average wealth is less than 100%. Provides that the amount received per average daily membership for a county will be the difference between 110% of the State average current expense appropriations per student and the current expense appropriations per student that the county could provide given the county's wealth and an average effort to fund public schools. Removes the provisions stating that the formula for distributing supplemental funding is not intended to reflect (1) any measure of the adequacy of the educational program or funding for public schools and (2) any commitment by the NCGA to appropriate any additional supplemental funds for low-wealth counties. Adds instead that it is the NCGA's intent to incrementally increase appropriations for the low-wealth allotment to provide eligible counties supplemental funding equal to 110% of the statewide local revenue per student by fiscal year 2027-28. Requires the State Board to adjust the formula to ensure each local school administrative unit receives a pro rata share of the additional funds appropriated for the low-wealth allotment. Appropriates for \$154.1 million in recurring funds for 2026-27 from the General Fund to DPI to implement the changes to the low-wealth allotment.

Requires the State Board to allocate additional funds for services to students with limited English language proficiency to local school administrative units and charter schools based on the three-year weighted headcount of students with limited English proficiency. Requires the adoption of a formula to compute the allotments that does not put a cap on the funds. Appropriates \$140.7 million in recurring funds for 2025-26 and \$181 million in recurring funds from the General Fund to DPI to implement this section.

Repeals Section 8.47(b) of SL 2015-241, which provided local school administrative units the dollar equivalent of teacher assistant positions based on specified ratios. Enacts new GS 115C-316.6 to require the State Board to establish a funding allotment for teacher assistant positions. Requires funds to be distributed based on: (1) an estimated statewide average salary and benefits per teacher assistant position and (2) the requirements of (d) of the statute, which requires funds to be allocated to increase positions for teacher assistants according to the specified schedule setting out the ratio of teacher assistant to students in grades K-3 for fiscal years 2026-27 and 2027-28 and thereafter.

Amends GS 115C-316.5 by appropriating specified amounts from fiscal year 2026-27 and fiscal year 2027-28 and subsequent years from the General Fund to DPI for the funding allotment for school health personnel positions. Requires local school administrative units to increase school health personnel positions each fiscal year until 2028-29 at the specified position-to-student ratios for nurses, counselors, social workers, and psychologists. Makes conforming changes.

Enacts new GS 115C-316.7 appropriating specified amounts from fiscal year 2026-27 through fiscal year 2027-28 and subsequent years from the General Fund to DPI to increase instruction support personnel positions. Requires these positions to be increased each fiscal year until the 2028-29 fiscal year at the specified position-to-student ratios for media coordinators.

Requires DPI to report no later than February 15, 2027, to the Joint Legislative Oversight Committee on a method to combine all dollar allotments distributed on the basis of ADM into a single allotment.

Appropriates \$24.8 million in recurring funds for 2026-27 to DPI from the General Fund to increase the school building administration allotment and to increase the ratio of assistant principals to students in all local school administrative units.

Appropriates \$29,355,355 in recurring funds for 2026-27 to DPI from the General Fund to support additional personnel and services provided by central office staff in local school administrative units.

Sets out the monthly salary maximums for assistant superintendents, associate superintendents, directors/coordinators, supervisors, and finance officers for 2026-27, beginning July 1, 2026. Set the monthly salary maximums for superintendents for 2026-27, beginning July 1, 2026. Specifies that longevity pay for superintendents and central office administrators is as provided for state employees under the North Carolina Human Resources Act. Provides a salary supplement of \$126 for central office administrators and superintendents who have certification based on a six-year degree level. Provides a salary supplement of \$253 per month to central office administrators and superintendents with certification based on a doctoral degree. Directs the State Board of Education to prevent local school administrative units from transferring state funds from other funding categories to salaries for central office administrators.

Requires the DPI to include budget adjustments for inflation and other rising costs of providing a Sound Basic Education when submitting budget adjustment requests to the NCGA.

Amends GS 115C-218.105 (State and local funds for a charter school) as follows. Specifies that counties may provide direct capital funds (was, provide funds) to charter school by direct appropriation and makes conforming changes. Requires that for

each child attending a charter school, the county in which the child resides must allocated to the charter school an amount equal to the average per pupil allocation for average daily membership. Requires counties to allocate funds to charter schools under GS 115C-437(Allocation of revenues to the local school administrative unit by the county). Eliminates the previous language requiring transfers from the local school administrative unit to the charter school for every student that attends the charter school and the previous system of allocating finances to charter schools in subsections (c) through (e). Defines local schools as it is used under Article 31, The School Budget and Fiscal Control Act, as all local school administrative units located in a county, plus any charter schools that are attended by children residing in the county. Amends GS 115C-430 by requiring all appropriations by the county to the local schools to be apportioned to the average daily membership; specified that county appropriations are properly apportioned when the dollar amount obtained by dividing the amount appropriated to each unit and each charter school a resident child is attending by the total membership of the unit or number of resident charter school attendees is the same. Amends GS 115C-431 to require a joint meeting of the tow boards when the governing body of a local school determines that the amount of money appropriated to a local school administrative unit or charters school is not sufficient to support a system of free public schools. Makes conforming changes. Makes changes to the amount that is to be appropriated for a budget year in dispute when an agreement is not reached in mediation, by specifying provisions that related to calculations of a charter school's amount. Amends GS 115C-437 by making conforming changes. Amends GS 115C-448(d) by prohibiting special funds of individual schools from being included in determining the per pupil amount to be appropriated from the county to a charter school. Amends GS 153A-461 to require each county to appropriate to a charter school the average per pupil allocation for each child that resides in the county and attends that charter school. Authorizes each count to appropriate direct capital funds and lease real property to charter schools; makes conforming changes.

Provides for the issuance of \$4 billion in general obligation bonds for public school facilities through grants to counties for public school capital outlay projects, repairs, and renovations, subject to a vote of the majority of qualified voters in the state at the election in 2028 for the presidential primary. Outlines applicable definitions for the section regarding the capital bonds. Authorizes the State Treasurer, with consent of the Council of State, to issue and sell State of North Carolina Education Bonds if approved by the voters in the election held on the issue. Specifies restrictions on the use of funds from the bonds, and permits the combination of funds received from the federal government with the funds received from the sale of bonds in the Education Bonds Fund. Directs the State Board of Education to require counties to report annually on the impact of the funds on the property tax rate for that year, and makes the reports public records. Directs the State Treasurer to establish a system for tracking bond proceeds to properly account for the use of the proceeds for compliance with applicable requirements of the federal tax law or otherwise, and requires all recipients to comply with the tracking system. Provides for a statewide election to approve the \$4 billion of education bonds during the statewide presidential election in 2028. Makes the election subject to the general election laws of the state, and provides required ballot language. Provides for the manner of issuing the education bonds, and limits maturity to 40 years or less. Outlines requirements for signatures, manner of sale, notes in anticipation of the bond sale, refunding procedures, exemption from state and local taxation, investment eligibility, and full faith and credit support for the bonds. Allows the State Treasurer to provide that any bonds have variable interest rates, and provides other flexibilities in issuance to the State Treasurer based around the redemption and requirements for credit facilities. Includes an interpretation section, specifying that the language in the section regarding the sale of bonds is in addition and alternative to any other applicable method of providing for the sale of the bonds under applicable law. Outlines statutory reference provisions, construction of the section regarding bond sales, makes the provisions of the act regarding the sale of bonds controlling over any inconsistent provisions in general law, and contains a severability clause. Permits the State Treasurer to enter into other agreements around the sale of the bonds as the Treasurer deems desirable. Establishes requirements for each entity receiving funds from the sale of bonds. Requires each local school administrative unit and corresponding board of county commissioners to jointly submit a plan to the State Board of Education outlining a plan for the use of funds in accordance with the requirements of the act. Allows the State Board of Education to disburse funds after determining the plans comply with the requirements of the act. Requires quarterly reports from each entity receiving funds beginning on January 1, 2027. Requires the State Board of Education to combine the reports and submit them to the Joint Legislative Capital Improvement Oversight Committee, the House Appropriations Committee, and the Senate Committee on Appropriations/Base Budget. Establishes requirements for the OSBM to retain a portion of the funds for escalation of costs, and to release funds for unforeseen contingencies and inflation costs. Requires the OSBM to report on any funds retained after a project's completion. Directs any funds from the education bonds spent on school technology for public schools to be credited against the judgment in N.C. Sch. Bds. Ass'n. v. Moore.

Requires beginning with the 2026-27 fiscal year that State Board transfer the At-Risk Student Services/Alternative school allotment into the DSSF allotment and allocated the funds to local school administrative units under a formula the provides that no local school administrative until receives a decrease in combined funding. Amends GS 115-472.24 to allow supplemental

funds appropriated to both disadvantaged or at risk students (was, disadvantaged students only) to be used for the specified purposes and expands upon those purposes to include providing funds for alternative learning and at-risk student programs. Appropriates \$944.3 million in recurring funds for 2026-27 from the General Fund to DPI to implement this provision.

Appropriates \$96.7 million in recurring funds for 2026-27 from the General Fund to DPI to increase the Classroom Materials/Instructional Supplies/Equipment Allotment.

Requires the Department of Instruction to study methods of implementing a weighted student funding formula that retains existing guaranteed position allotments; allows contracting with a third party to conduct the study. Requires a report to the specified NCGA committee by March 15, 2027. Appropriates \$500,000 for 2026-27 from the General Fund to DPI to perform the study.

Part IV.

Amends GS 115C-83.15(d), which sets out guidelines to calculate overall school performance scores and grades, by requiring that the school achievement score account for 51% (was, 80%) and the school growth score account for 49% (was, 20%) of the total sum. Requires DPI to amend the State plan to reflect this change. Applies beginning with school performance scores issued based on data from the 2026-27 school year.

Requires the State Board, in consultation with DPI, to study methods of adding to the State school accountability system indicators that provide information on the opportunity of students to access a sound basic education. Requires a report with recommended changes to the specified NCGA committee by June 15, 2027.

Part V.

Appropriates \$19 million in recurring funds for 2026-27 from the General Fund to DPI to continue to implement the District and Regional Support Model developed by the State Board to support the improvement of low-performing and high-poverty schools. Sets out further requirements for implementation.

Requires the State Board, by March 15, 2027, to review, update, and strengthen the state-level process for reviewing and adopting core curriculum resources. Requires providing support, resources, and professional learning opportunities to assist schools and districts in selecting and employing the specified types of resources and practices to assist educators in applying innovative practices promoting continuous improvement. Requires DPI, by June 30, 2027, to provide a model implementation plan. Appropriates \$250,000 for 2026-27 from the General Fund to DPI to implement these provisions.

Enacts new GS 115C-209.2 requiring DPI to establish a program to support high-poverty schools that adopt a community school model or other evidence-based models to address out-of-school barriers to learning. Sets out deadlines for distributing an application form, for schools that use a community school model or other evidence based model, to address out-of-school barriers to learning to apply to participate, and for selecting participants. Gives priority to schools with high rates of student poverty. Requires each participating local school administrative unit to hire one full-time school-based coordinator per participating school. Sets out assessments the coordinator must make and requires the coordinator to submit to DPI a funding request for goods or services beneficial to meeting the goals of the community school model or other evidence-based model. Sets out the deadline by which DPI must evaluate the request and allocate funds. Requires DPI, in consultation with the coordinators, to report annually to the specified NCGA committee on six specified items, including the amount of funds allocated to each school and the use of those funds, and any effects of the model on school outcomes. Appropriates \$65,513,621 in recurring funds for 2026-27 from the General Fund to DPI to implement the program. Applies beginning with the 2026-27 school year.

Enacts new GS 115C-264.6 requiring the State Board to report annually, beginning in 2026, to the specified NCGA committee on unpaid meal charges in local school administrative units; sets out what must be included in the report.

Enacts new GS 115C-264.15 requiring to any public school unit or school within a unit that is operating a school nutrition program that is eligible for the federal Community Eligibility Provision (CEP) to participate in CEP. Requires DPI, to the extent funds are made available, to reimburse participating public school units and school to supplement federal reimbursements of school meals, to be calculated as specified. Require DPI to report annually to the specified NCGA committee on the specified information about the CEP program participation, amount of money participating schools received, and any noted changes in student performance due to the increased availability of nutrition services. Appropriates \$92.5 million in recurring

funds for 2026-27 from the General Fund to DPI to implement this provision. Effective July 1, 2026, and applies beginning with the 2026-27 school year.

Part VI.

Appropriates \$333.4 million in recurring funds for 2026-27 from the General Fund to the Department of Health and Human Services, Division of Child Development and Early Education (Division), to expand the NC Prekindergarten (NC Pre-K) program for eligible children who are 4 years old by allocating funds to: (1) begin incrementally increasing State funding for each NC Pre-K slot with the goal of paying 100% of the actual cost by the end of the 2027-28 fiscal year; (2) gradually increasing the number of eligible children with the goal of reaching at least 75% of eligible children in each county by the end of the 2027-28 fiscal year; (3) raising the rate for the county administrator to provide oversight, monitoring, enrollment, and support by 10% by the end of the 2024-25 fiscal year; and (4) phasing-in extension of the NC Pre-K program year from 10 to 12 months in accordance with this section. Amends Section 9D.1 of SL 2023-134 requiring the Division to develop and implement a plan that includes a pilot program to extend the NC Pre-K program year from 10 to 12 months and is based on county capacity to implement the extension. Sets out requirements for selecting three counties to participate in the pilot. Requires a report to the specified NCGA committee and division by December 31, 2027, and sets out required report content. Appropriates \$300,000 in recurring funds for 2026-27 from the General Fund to the Department of Health and Human Services, Division of Child Development and Early Education, to increase State-level NC Pre-K staffing to manage the planned expansion of the NC Pre-K program, provide policy development and program oversight, ensure program quality, and manage any new, required studies. Appropriates \$48.4 million in recurring funds for 2026-27 from the General Fund to the Department of Health and Human Services, Division of Child Development and Early Education, for transportation to all participants enrolled in the NC Pre-K program.

Appropriates \$10 million in recurring funds for 2026-27 from the General Fund to the Division to increase funds for the child care subsidy program and provide for program improvements. Appropriates \$78.7 million in recurring funds for 2026-27 from the General Fund to the Department of Health and Human Services, Division of Child Development and Early Education, to expand the Family Connects universal home visiting model to local agencies statewide that choose to implement the program for their community through local health departments or local Smart Start partnerships. Appropriates \$40 million in recurring funds for 2026-27 from the General Fund to the Department of Health and Human Services, Division of Child Development and Early Education for a pilot program of a State model for high-quality early learning programs for eligible children from birth to 3 years of age, for 1,000 children each year, with the intent to expand the program to additional locations. Requires the program to focus on high-poverty school districts across the State.

Appropriates \$20 million in recurring funds for 2026-27 from the General Fund to the Division of Child Family Well-Being, Early Intervention Section, for the North Carolina Infant-Toddler Program to take steps toward: (1) increasing State and local staffing in the provision of services to families with infants and toddlers with developmental delays and established medical conditions who are eligible for the NC Infant-Toddler Program, (2) expanding funding for interpreter services, (3) establishing a centralized provider network system, (4) providing professional development focused on early childhood mental health, and (5) addressing salary inequities affecting provider retention and recruitment. Appropriates \$250,000 for 2026-27 from the General Fund to the Division of Public Health to be allocated in the specified amounts to: (1) conduct a feasibility study to examine eligibility criteria and cost implications for expansion of the NC Infant-Toddler Program and (2) conduct a system and infrastructure readiness assessment to determine areas of need and system challenges that need to be addressed before expanding the NC Infant-Toddler Program. Appropriates \$162.5 million in recurring funds for 2026-27 from the General Fund to the Division of Child Family Well-Being, Early Intervention Section, for high-quality early intervention services and supports for up to an additional 10,000 children from birth to 3 years of age, who meet expanded eligibility criteria for the Infant and Toddler Program implemented as a result of the study. Allows 5% of the funds to be used for a public awareness campaign regarding expansion of eligibility for the NC Infant and Toddler Program, increase efforts to identify children eligible to receive services under the expanded program, and to create partnerships with family support agencies.

Appropriates \$419.6 million in recurring funds for 2026-27 from the General Fund to the Division of Child Development and Early Education to gradually increase funding for the North Carolina Partnership for Children Inc. (Smart Start), with the goal of full funding by the end of the 2027-28 fiscal year. Sets out provisions governing the allocation of the funds.

Appropriates \$32 million in recurring funds for 2026-27 from the General Fund to the Division of Child Development and Early Education to increase funding for and expand participation in the Child Care WAGES program and the Infant-Toddler

education AWARDS\$ program. Appropriates \$7.3 million in recurring funds for 2026-27 from the General Fund to the Division to implement strategies to recruit early childhood educators and provide ongoing professional development.

Appropriates \$500,000 in recurring funds for 2026-27 from the General Fund to the Division of Child Development and Early Education to develop and implement a real-time workforce data system that supports building a pipeline of early childhood educators. Requires the Division to use \$500,000, to expand and improve the North Carolina Early Childhood Integrated Data System (NC ECIDS) and the North Carolina Early Childhood Action plan data dashboards to track child outcomes and provide access to State data for users and researchers with the goal of connecting this data to the NC Longitudinal Data System (NCLDS). Appropriates \$150,000 in recurring funds for 2026-27 from the General Fund to the Division for collaboration with the Divisions of Social Services and Public Health in developing and implementing a plan to provide technical assistance to build local capacity to use quality early childhood data across child health, child welfare, and early childhood education for local planning. Appropriates \$500,000 for 2026-27 and \$250,000 in recurring funds for 2026-27 from the General Fund to the Division of Child Development and Early Education to develop and implement a real-time data collection and sharing process to identify children eligible for early childhood programs, that allows for: (1) the disaggregation along multiple variables, such as race, ethnicity, and geography; and (2) helps identify the children most vulnerable to build a more equitable early learning system.

Appropriates \$5 million in recurring funds for 2026-27 from the General Fund to the Division of Child Development and Early Education to scale up the Pre-K to K Transitions Program.

Appropriates \$320,00 in recurring funds for 2026-27 from the General Fund to the Division of Child Development and Early Education for ongoing support and technical assistance for local collaborative family engagement plans for birth to third grade.

Requires the Division of Child Development and Early Education, to implement by July 1, 2027, a policy requiring all NC Pre-K lead teachers to hold an appropriate state teaching license as specified in the NC Pre-K policy; requires that these teachers be paid according to the public school salary schedule by the 2027-28 fiscal year.

Part VII.

Appropriates \$16.7 million for 2026-27 from the General Fund to DPI to offset the costs for local administrative units and charter schools to remove barriers to student participation in North Carolina Virtual Public Schools. Gives priority to covering the costs of courses for students enrolled in public schools in low-wealth counties.

Amends GS 115C-84.2 by allowing a local board of education to align the calendar of schools in the local school administrative unit with the calendar of a community college serving the city or county where the unit is located. Applies beginning with the 2026-27 school year.

Requires that from the funds appropriated in this section, that the UNC Board of Governors make funds available to the National College Advising Corps Inc. (CAC) to support an expansion of the placement of college advisers in North Carolina public schools through its program over a three-year period. Provides more information about CAC. Appropriates \$3 million in recurring funds for 2026-27 from the General Fund to the UNC BOG to be provided to CAC to expand the placement of college advisers. Requires CAC to focus the first two years of the expansion by placing college advisers in counties designated as tier one and tier two. For the third year of the expansion, requires CAC to use the funds provided to it to place college advisers in the remaining counties designated as tier three. Also requires CAC to select at least three additional postsecondary institutions to partner with in order to increase the number of recent graduates working as near-peer college advisers to meet the needs of the program expansion. Requires CAC to report in each year in which CAC spends State funds made available to it under this section to the specified NCGA committee and division on the progress of expanding the placement of college advisers, data on the effectiveness of the program in increasing access for students to postsecondary education, and the use of State funds.

Appropriates \$100,000 in recurring funds for 2026-27 from the General Fund to DPI for a Career and Postsecondary Planning Director position to focus on career planning in grades 5-12 and \$87 million in recurring funds for 2026-27 to increase the number of school-based career development coordinators for grades 6-12.

Appropriates \$5 million in recurring funds for 2026-27 from the General Fund to DPI for additional costs for all economically disadvantaged students enrolled in the Career and College Promise Transfer Pathway Program in each year, including at least the full costs of textbooks, transportation, meals on college campuses, fees, and technology. Allows, if these funds are insufficient, DPI to use additional unspent funds in the State Public School Fund for this purpose.

Part VIII.

Reenacts the provisions of the State Budget Act, GS Chapter 143C, and incorporates them into this act by reference.

Explains the effect of the act's headings.

Includes a severability clause.

Effective July 1, 2026.

Intro. by von Haefen, Ball, Hawkins, Prather.

[APPROP, STUDY, GS 115C, GS 116](#)

[Education, Elementary and Secondary Education, Higher Education, Government, Budget/Appropriations, State Agencies, Community Colleges System Office, UNC System, Department of Public Instruction, State Government, State Personnel, Local Government](#)

[View summary](#)

H 1019 (2025-2026) [MIKE CLAMPITT 1ST RESPONDER TAX FAIRNESS ACT](#). Filed Apr 21 2026, *AN ACT TO BROADEN THE EXEMPTION FROM HIGHWAY USE TAX FOR VOLUNTEER FIRE DEPARTMENTS AND RESCUE SQUADS*.

Amends GS 105-187.6 to exempt volunteer fire departments and volunteer rescue squads that are not part of a local government and that are exempt from State income tax from highway use taxes when a certificate of title is issued due to the transfer of a motor vehicle (previously this exemption was limited to those departments and squads that had no more than two paid employees and the motor vehicle met specified criteria). Effective for taxes imposed for taxable years beginning on or after July 1, 2026, and applies to certificates of title issued on or after that date.

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

[GS 105](#)

[View summary](#)

[Government, Public Safety and Emergency Management, Tax](#)

H 1020 (2025-2026) [PESA CLASS AIDES & AMP CHILD. WARTIME VETS FUNDS](#). Filed Apr 21 2026, *AN ACT TO AUTHORIZE THE USE OF PERSONAL EDUCATION STUDENT ACCOUNT FUNDS FOR EDUCATION-RELATED SUPPORT SERVICES PROVIDED BY A ONE-TO-ONE CLASSROOM AIDE AND TO APPROPRIATE FUNDS TO SUPPORT THE CHILDREN OF WARTIME VETERANS SCHOLARSHIP PROGRAM*.

Part I.

Amends GS 115C-595 to allow using scholarship funds from the State Education Assistance Authority (Authority) that have been deposited into a personal education student account for a student with disabilities enrolled in a Part 1 (Private Church Schools and Schools of Religious Charter) or 2 (Qualified Nonpublic Schools) nonpublic school to be used for education-related support services provided by a one-to-one classroom aide (as now defined in GS 115C-591). Sets out documentation requirements and prohibits the one-to-one classroom aide from providing services to other students during the instructional day. The funds cannot be used for services provide by a one-to-one aid who is a parent, guardian, legal custodian, sibling, or grandparent of the student, or who is an employee or independent contractor of the school where the student is enrolled. Applies beginning with the 2026-27 school year.

Part II.

Appropriates \$1 million from the General Fund to the UNC Board of Governors (BOG) to be allocated to the Authority to increase the amounts of scholarships for the children of wartime veterans for the 2025-26 academic year up to the full amount allowed by law to the extent those awards were reduced by the Secretary of the Department of Military and Veterans Affairs under the award flexibility allowed in Part VI of SL 2025-72. Allows any remaining funds to be used to award additional scholarships to children of wartime veterans beginning in the 2026-27 academic year.

Appropriates \$7 million from the General Fund to the UNC BOG in recurring funds for 2026-27 to support additional scholarships for children of wartime veterans beginning in the 2026-27 academic year.

Effective July 1, 2027.

Intro. by Paré, Blackwell, Chesser, Loftis.

APPROP, GS 115C

[View summary](#)

Education, Elementary and Secondary Education, Higher Education, Government, Budget/Appropriations, State Agencies, UNC System, Military and Veteran's Affairs

H 1021 (2025-2026) **FUNDS FOR FACILITIES OF DAV ORGANIZATIONS.** Filed Apr 21 2026, *AN ACT TO APPROPRIATE FUNDS TO REPAIR AND ENHANCE DISABLED AMERICAN VETERANS (DAV) ORGANIZATION FACILITIES.*

Appropriates \$10 million in recurring funds for 2026-27 from the General Fund to the Department of Military and Veterans Affairs (Department) for a grant program for eligible nonprofit Disabled American Veterans chapters to renovate and expand their facilities, and provide additional resources to disabled veterans. Limits awards to one grant in each fiscal year of up to \$1 million. Sets out parameters for the Department to follow in awarding the grants. Allows the funds to remain available for grants instead of reverting to the General Fund. Requires a report in even-numbered years, beginning in 2027, on the total number of grants awarded, by county, and name of each eligible chapter to which a grant was awarded, by county, and award amount to the specified NCGA committees and division. Effective July 1, 2026.

Intro. by Roberson, Price, Jeffers, R. Pierce.

APPROP

[View summary](#)

Government, Budget/Appropriations, State Agencies, Department of Military & Veterans Affairs, Military and Veteran's Affairs

H 1022 (2025-2026) **PICKLEBALL WELLNESS INITIATIVE: HEALTH EQUITY.** Filed Apr 21 2026, *AN ACT TO PROVIDE FUNDS TO NORTH CAROLINA STATE UNIVERSITY FOR A PILOT PROGRAM IN THE STATE TO INCREASE DIVERSITY IN THE GAME OF PICKLEBALL.*

Appropriates \$197,760 for 2026-27 from the General Fund to the UNC Board of Governors (BOG) to be allocated to the Department of Parks, Recreation, and Tourism Management in the College of Natural Resources at NC State University to create and evaluate a community-based wellness initiative in eastern Wake, Halifax, and Lenoir counties that uses pickle ball to engage participants and encourage physical activity and social interaction at public recreational facilities in communities with limited access to recreational resources. Specifies that these funds do not revert.

Sets out responsibilities and qualifications for the program Leader and faculty members, who must collaborate with the North Carolina Cooperative Extension County Agents in Halifax and Lenoir counties. Requires the initiative to be implemented and evaluated using a delayed treatment design that includes community input, program development, marketing and outreach, three months of weekly pickleball instruction and play, an evaluation, and toolkit development, as discussed in the act.

Effective July 1, 2026.

Intro. by Roberson, R. Pierce, Logan.

APPROP

[View summary](#)

Government, Budget/Appropriations, State Agencies, UNC System, Health and Human Services, Health

H 1023 (2025-2026) [DIVINE NINE SPECIAL REGISTRATION PLATE ACT](#). Filed Apr 21 2026, *AN ACT ENACTING THE DIVINE NINE SPECIAL REGISTRATION PLATE ACT BY ESTABLISHING A SIGMA GAMMA RHO SORORITY SPECIAL REGISTRATION PLATE AND ADJUSTING THE FEES AND DISTRIBUTION OF FEES FOR VARIOUS OTHER SPECIAL REGISTRATION PLATES RELATED TO DIVINE NINE FRATERNITIES AND SORORITIES.*

Amends GS 20-79.4(b) as title indicates. Amends GS 20-79.7 and GS 20-81.12 to establish a special plate fee of \$20 for the Alpha Kappa Alpha Sorority Plate; \$20 for the Delta Sigma Theta Sorority plate; \$20 for the Kappa Alpha Psi Fraternity; \$20 for the Phi Beta Sigma Fraternity plate; and \$20 for the Sigma Gamma Rho Sorority plate and requires that \$10 of each of those fees be transferred quarterly to the Alpha Kappa Alpha Educational Advancement Foundation Inc., the Delta Research and Educational Foundation, the Kappa Alpha Psi Foundation, the PBS Impact Foundation, and the Sigma Gamma Rho Sorority National Education Fund Inc., as appropriate. Makes technical changes. Authorizes the Revisor of Statutes to make necessary changes to ensure that the plates are listed in alphabetical order and numbered accordingly.

Intro. by Roberson, Hawkins, Dahle.

[GS 20](#)

[View summary](#)

[Courts/Judiciary, Motor Vehicle, Government, State Agencies, Department of Transportation](#)

H 1024 (2025-2026) [REVISE NC 529 PROGRAM](#). Filed Apr 21 2026, *AN ACT TO ESTABLISH A MATCHING PROGRAM FOR CONTRIBUTIONS TO THE PARENTAL SAVINGS TRUST FUND AND TO CREATE A TAX DEDUCTION FOR CERTAIN CONTRIBUTIONS TO QUALIFIED TUITION PROGRAMS.*

Amends GS 116-209.25 establishing a matching program (the Program) by the State Education Assistance Authority (the Authority) for contributions to the Parental Savings Trust Fund (the Fund) for accounts opened under section 529 of the Internal Revenue Code (new subsection (e1)). The Authority will provide matching contributions of \$100 for every \$50 contributed by an eligible person, up to \$500 per year, with a maximum of \$1,500 per qualifying student. Defines eligible person (a qualified parent or interested party who is a resident of North Carolina and has a household income not exceeding 250% of the federal poverty guidelines) and qualifying student (resident of North Carolina who is 14 years of age or younger). Appropriates \$180,000 in recurring funds from the General Fund to the Board of Governors of the University of North Carolina for 2026-27 to be allocated to the Authority to fund the Program. Effective July 1, 2026.

Amends GS 105-153.5(b) creating a new tax deduction of up to \$2,000 for individuals who file as single and up to \$4,000 for a couple filing a joint return (new subsection (12a)), for contributions to an account in the Parental Savings Trust Fund. Requires adding back to adjusted gross income any amounts previously deducted from the Fund if not used for qualified higher education expenses, unless withdrawn due to the death or permanent disability of the beneficiary. Applies to taxable years beginning on or after January 1, 2027.

Intro. by Roberson, Price, T. Brown.

[APPROP, GS 105, GS 116](#)

[View summary](#)

[Banking and Finance, Education, Higher Education, Government, Budget/Appropriations, State Agencies, UNC System, Tax](#)

H 1026 (2025-2026) [REMOTE INSTRUCTION FOR EXCESS EMERGENCIES](#). Filed Apr 21 2026, *AN ACT TO ALLOW PUBLIC SCHOOLS TO USE AN ADDITIONAL THREE DAYS OF REMOTE INSTRUCTION FOR EXCESS EMERGENCIES.*

Allows in GS 115C-84.3, a public school that has used all remote instruction time and experiences another emergency or is still experience an ongoing emergency, and it has not received a good cause waiver to use up to an additional three remote instruction days or 15 remote instruction hours so long as it complies with reporting requirements about that time in its remote instruction plan. Expands information to be included in a school's remote instruction plan to include information about the remote instruction in prior school year, as described. Makes conforming changes.

Appropriates \$5,000 from the General Fund to the Department of Public Instruction in recurring funds beginning in the 2026-27 year for increased administrative costs and providing technical assistance associated with enforcing the act.

Effective July 1, 2026, and applies beginning with the 2026-27 school year.

Intro. by Lambeth, Potts, Biggs.

APPROP, GS 115C

[View summary](#)

Education, Preschool, Elementary and Secondary Education, Government, Budget/Appropriations, Public Safety and Emergency Management, State Agencies, Department of Public Instruction

H 1029 (2025-2026) **NC DIGITAL ASSET AND STABLECOIN ACT**. Filed Apr 21 2026, *AN ACT TO ENACT THE NORTH CAROLINA DIGITAL ASSET AND STABLECOIN ACT, AS RECOMMENDED BY THE HOUSE SELECT COMMITTEE ON BLOCKCHAIN AND DIGITAL ASSETS.*

Part I.

Enacts Article 26, the “Digital Asset Financial Act” (DAFA), to GS Chapter 53. Sets forth sixteen definitions in new GS 53-441 (terms pertaining to DAFA), including *digital asset custody services* (the safekeeping or custody of digital assets on behalf of customers by a financial institution, including maintaining control over the digital assets and any associated cryptographic keys), *staking* (committing digital assets to a blockchain network to participate in the network's operations by validating transactions, proposing and attesting to blocks, and securing the network), *staking rewards* (any interest, yield, or other compensation earned by a customer through staking digital assets on a blockchain network), *digital asset transaction services* (services that facilitate the execution of digital asset purchase or sale transactions on behalf of a customer), and *regulating authority* (either, in the case of a State-chartered bank, the Commissioner of Banks or in the case of a State-organized credit union, the Administrator of Credit Unions).

Requires, in new GS 53-442, for financial institutions intending to offer digital asset custody services (Services) to notify the regulating authority in writing as described, at least 60 days prior to the financial institution's commencement of custody services. Prevents a financial institution from offering Services in a fiduciary capacity unless it is authorized to exercise trust powers under State law. Direct the institution to exercise its fiduciary authority in line with all applicable fiduciary duties and standards, including those governing custodians, trustees, and agents under State law. Requires the regulating authority's approval before the financial institution begins offering Services in a fiduciary capacity. Requires the financial institution to establish it has satisfied all requirements to exercise trust powers and that it has the necessary expertise, policies, and procedures in place to safely conduct Services as part of its applications and allows the regulating authority to condition or limit the scope of a financial institution's authority to engage in Services, including by imposing supervisory conditions as described. Requires a financial institution that provides Services in a fiduciary capacity using a sub-custodian to provide notice to the regulating authority.

Directs that when a financial institution provides Services in a non-fiduciary capacity, it acts solely as a custodian for safekeeping purposes and does not exercise discretionary authority over the customer's digital assets. Instructs the financial institution that it may act only upon the written instructions of the customer, and cannot independently manage, transfer or dispose of the digital assets.

Requires entering into a customer agreement with disclosures, including that digital assets are not insured by the FDIC or the NCUA or any other federal or State deposit insurance or share insurance pool. Allows for digital assets to be pooled so long as the financial institution maintains accurate records identifying each customer's interest in the digital assets. Requires a financial institution providing Services to at all times maintain control over a quantity of each type of digital asset in its custody that equals or exceeds the total quantity of that digital asset owed to customers or required to be held on behalf of customer. Clarifies that pooled assets do not relieve the financial institution of the requirement to individually account for and fully reserve each type of digital asset for the benefit of customers. Requires independent annual audits, as described.

Authorizes subcustody of digital assets in new GS 53-443, limited to one of the following three entities: (1) a bank chartered under the laws of the State, another state, or the United States; (2) a special purpose depository institution chartered under the

laws of another state; or (3) a money transmitter licensed under Article 16B of GS Chapter 53. Specifies that a customer does not have to separately consent to engagement of a subcustodian so long as it is disclosed in the customer's custodial agreement. Instructs that use of a subcustodian does not relieve the financial institution of its custodial duties. Requires written subcustodial agreement between the financial institution and subcustodian delineating the rights and responsibilities of the financial institution and the subcustodian and requires compliance with GS 53-443. Requires the financial institution to ensure that the subcustodian maintains at least 100% of reserve of each digital asset type held in subcustody, as described. Limits the types of subcustodians that a financial institution can use to one that maintains insurance coverage sufficient to protect against the loss of digital assets due to cybersecurity breaches, theft, or other similar events. Requires the financial institution to ensure that the subcustodian's insurance remains in effect and adequate to cover the value of assets held in subcustody. Specifies that a financial institution must retain control and custody of the assets placed in subcustody and that those assets are included in the scope of the financial audit described in GS 53-442.

Requires, in new GS 53-444 (staking of digital assets) for financial institutions intending to offer staking to notify the regulating authority in writing as described, at least 60 days prior to the financial institution's initiation of services. Directs a financial institution to provide a customer with a clear and conspicuous written disclosure of the terms and conditions of the staking program before initiating staking services, including the five listed disclosures pertaining to automatic staking and opt-outs, risks of staking, lockup periods, customer rights, and fees. Authorizes a financial institution to stake digital assets held in custody on its customers' behalf, as described. Provides for staking in both a fiduciary and non-fiduciary capacity. Specifies that a digital asset that a financial institution stakes on behalf of a customer remains the property of the customer. Prohibits staked customer assets, and any staking rewards associated with those assets from being recorded as assets or liabilities on the financial institution's balance sheet. Requires the financial institution to ensure that staked assets are safeguarded and not subject to any lien, security interest, or claim of the financial institution's creditors. Prohibits a financial institution from acting to encumber, hypothecate, or otherwise use a customer's staked assets for any purpose except for facilitating staking on the relevant blockchain or distributed ledger and from exposing the assets to risk of loss except to the extent inherent in the normal operation of the staking process. Authorizes use of subcustodians to facilitate the staking of digital assets on behalf of its customers, as described. In addition to complying with the reserve requirements, requires a financial institution to ensure that a sufficient portion of each digital asset type remains unstaked or otherwise available to promptly meet customer withdrawal requests, subject to any staking lock-up or unbonding periods disclosed to the customer under the section's disclosure requirement. Provides for staking rewards, yields, or other benefits earned directly from the staking of a customer's digital assets to be provided directly to the customer, as described. Instructs that the financial institution's staking activities must be included within the scope of its independent annual audits under new GS 53-442. Requires the institution to maintain insurance, as described.

Requires, in new GS 53-445 (digital asset transaction (DAT) services [DATS]) for financial institutions intending to offer DATS to notify the regulating authority in writing as described, at least 60 days prior to the financial institution's initiation of services. Authorizes a financial institution to engage in DATS in a fiduciary capacity, as described. Directs a financial institution to provide a customer with a clear and conspicuous written disclosure of the terms and conditions of its DATS, before or at the time of a digital asset transaction, including the methodology or basis used to determine the execution price of the DAT, any spreads, fees, commissions, or other charges applicable to the transaction, and the expected timeline. Only authorizes DAT if the DAT is executed pursuant to the express instruction of the customer and the DAT is executed in the exercise of discretionary investment authority granted to the financial institution under the governing fiduciary instrument or other law. Requires a financial institution to only facilitate DATS with counterparties with are also authorized to engage in DATS. Authorizes financial institutions engaging in DATS to use subcustodians or third-party execution agents to execute transactions on behalf of its customers, as described. Requires a financial institution that purchases a digital asset to ensure that the asset is transferred into its custody as soon as commercially practicable after execution of the transaction and held in custody in accordance with the fiduciary standards established by the act. Provides for recordkeeping and oversight.

Requires a financial institution to comply with State and federal laws governing its digital asset services, including those listed, in GS 53-446. Requires the financial institution to establish and maintain an anti-money laundering program and cybersecurity program, as described. Provides for notice to regulating authorities of any cybersecurity incidents as soon as possible, as described. Requires detailed recordkeeping of the institution's compliance efforts and for the institution to designate individuals responsible for overseeing these programs.

Prevents rehypothecation of digital assets in new GS 53-447. Makes unclaimed digital assets subject to the Unclaimed Property Act in new GS 53-448. Authorizes the State Banking Commission and Credit Union Commission (Commission) to adopt rules to implement, clarify, and enforce the requirements of the new article, as described, in new GS 53-449.

Authorizes, in new GS 53-450, the regulating authority to exercise its enforcement powers (including, corrective action orders, temporary emergency orders, cease and desist orders, suspension or revocation of digital asset service authority, or civil penalties) if it determines that the financial institution has done any of the following:

- Violated any provision of the article or rule adopted or order issued under it.
- Engaged in any unsafe or unsound practice in connection with its digital asset services.
- Operated in a manner that threatens the safety or security of a customer's digital assets.

Provides for hearing and appeal rights.

Effective when the act becomes law.

Adds *digital asset*, *digital asset account*, *exercise of an act of ownership interest*, *keys*, and *qualified custodian* to GS 116B-52 (definitions pertaining to escheats and abandoned property).

Specifies, in GS 116B-53, that the presumption of abandonment of digital of property applies, five years after the earliest of the following dates: the last exercise of an act of ownership interest by the apparent owner, a second consecutive communication from the holder to the apparent owner is returned to the holder as undeliverable to the apparent owner, or the holder discontinued communications to the apparent owner. Provides for tolling, as described.

Requires, in GS 116B-59, the holder of property held in a digital asset account presumed abandoned with a value of \$25 or more to send notice as described to the apparent owner not more than 120 days or less than 60 days before filing the report required by law. Authorizes a holder to authorize a third party to perform the duties required by GS 116B-59, but that the holder bears responsibility for failure to comply with the statute.

Makes conforming changes to GS 116B-60 (report of abandoned property).

Enacts GS 116B-61.1 (delivery of abandoned digital assets), requiring holders of property held in a digital asset account presumed abandoned to report the property to the State Treasurer, and to either transfer such assets to the State Treasurer or maintain the assets until they can be transferred under the conditions described. Authorizes the Treasurer to determine if the asset should be liquidated. Specifies that a holder that delivers digital assets or pays proceeds to the Treasurer in good faith is relieved of all liability arising after the delivery or payment with respect to the digital assets delivered or proceeds paid.

Provides for a minimum three-year holding period by the Treasurer or qualified custodian designated by the Treasurer in GS 116B-65 (public sale of abandoned property). Provides for claims by the apparent owner of the digital assets. Prevents the Treasurer from selling a digital asset for less than the prevailing market price or if it doesn't have a prevailing market price, by any commercially reasonable method. Directs that, after the expiration of the three-year holding period, a person making a claim is entitled to receive the digital assets, if they still remain in the custody of the Treasurer, or the net proceeds received from a sale, less any fees and expenses incurred in the sale.

Effective on or after 18 months after the act becomes law.

Directs that holders are not required to report or deliver digital assets under Article 4 of GS Chapter 116B until the first reporting cycle beginning on or after 18 months after this act becomes law. Requires the Treasurer to designate a qualified custodian and issue reporting instructions for digital assets before this reporting cycle.

The initial report filed under GS 116B-60 for digital assets subject to GS 116B-53(c)(15a) must include all digital assets that would have been presumed abandoned during the 10-year period immediately preceding the effective date of the above changes to GS Chapter 116B, as if GS 116B-53(c)(15a) had been in effect during that period.

Part II.

Enacts Article 27, the "NC Stablecoin Act", to GS Chapter 53. Sets forth thirteen definitions pertaining to new Article 27 in GS 53-462, including *payment stablecoin* (digital asset (i) that is designed or marketed to be used as a means of payment or settlement, (ii) the issuer of which undertakes to convert, redeem, or repurchase for a fixed amount of monetary value, and (iii) that is not legal tender, a deposit, or a security registered under federal securities laws), *permitted payment stablecoin issuer* (licensed stablecoin issuer that is licensed or authorized under new Article 27, or a federally qualified payment stablecoin issuer chartered or licensed pursuant to the GENIUS Act), *GENIUS Act* (The Guiding and Establishing National Innovation for U.S. Stablecoins Act, Pub. L. No. 119-27, as amended).

Prohibits a person from issuing, circulating, offering or redeeming a payment stablecoin in the State unless the person is a permitted stablecoin issuer in new GS 53-463. Requires a person with a consolidated total outstanding issuance of payment stablecoins of not more than \$10 billion who seeks to issue a payment stablecoin in this State to obtain a license as a stablecoin issuer from the NC Commissioner of Banks (Commissioner) unless the person is otherwise authorized to issue a payment stablecoin. Allows the Commissioner to authorize a trust company chartered in this State to issue payment stablecoins without obtaining a license under new Article 27 if the trust company submits an application to expand its business activities to include the issuance of payment stablecoins. Requires a State trust company to comply, on a continuing basis, with every operational, reserve, disclosure, redemption, and consumer protection requirement and the rules adopted under new Article 27 as though it were a licensed stablecoin issuer. Provides for periodic reporting to the Commissioner and for examinations issued by the Commissioner.

Authorizes a State qualified payment stablecoin issuer licensed by and subject to supervision of another state payment stablecoin regulator that has filed a current certification of substantial similarity under the GENIUS Act to issue payment stablecoins in this State without obtaining a separate license, so long as the issuer gives written notice to the Commissioner and complies with new Article 27 and with the State consumer protection laws.

Provides for reciprocity for state qualified insurers licensed by and subject to supervision of another state payment stablecoin regulator, as described.

Specifies that a State chartered insured depository institution or State chartered insured credit union may issue payment stablecoins only through a subsidiary that is a licensed stablecoin issuer under new Article 27 unless the institution obtains direct issuance approval, as described. Clarifies that GS 53-463 does not relieve an institution or its subsidiary of any requirement imposed by its primary federal banking regulator or limits the Commissioner's authority to enforce State consumer protection laws pursuant to the GENIUS Act.

Prohibits an entity organized under the laws of a foreign country ("foreign entity") from offering or issuing payment stablecoins to persons in this State unless either of the following two things apply: (1) the foreign entity has incorporated or organized a subsidiary or affiliate in the United States and that subsidiary or affiliate has obtained either a provisional license issued under GS 53-463 or a full license as a licensed stablecoin issuer under new Article 26 and has a principal office in the United States; or (2) the entity is registered with the Office of the Comptroller of the Currency pursuant to the GENIUS Act and the Secretary of the Treasury has determined that the entity's home country regulatory framework is comparable. Clarifies that the principal office cannot be located at an individual's home or residence. Provides for a provisional license with expedited review, as described. Requires the Commission to provide technical assistance, including pre-filing meetings and published guidance to assist foreign entities in understanding new Article 27. Authorizes the Commission to grant a transitional exemption from this subsection to a foreign entity, not exceeding 12 months, solely to facilitate orderly compliance or to wind down.

Requires the Commissioner, in new GS 53-464 to (1) administer a licensing program for payment stablecoin issuers, including conducting oversight and issuing orders to implement the article and (2) to file an annual certification similarity required by the GENIUS Act and maintain objective criteria for that certification. Creates three categories of eligible licensure applicants: (1) a corporation or limited liability company organized under the laws of any state or of the United States that is neither an insured depository institution nor an insured credit union, (2) an insured depository institution or insured credit union chartered in this State, and (3) a US subsidiary or affiliate of a foreign organized entity that meets the requires pertaining to foreign entities, set forth above. Authorizes the Commissioner to participate in the Nationwide Mortgage Licensing System and Registry also known as the Nationwide Multistate Licensing System and Registry, including the State Examination System and any other electronic or successor systems developed and maintained by the Conference of State Bank Supervisors for the licensing, registration, and supervision of persons under new Article 27. Specifies that an application can only be approved by the Commission if it finds that all of the listed six standards for approval have been met by the applicant, including capital and liquidity requirements, reserve requirements, the applicant's personnel have the described competence and integrity and are not on the US's Specially Designated Nationals and Blocked Persons List or subject to Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, and the licensure will not adversely affect the safety and soundness of the financial system of this State. Lists seven ongoing obligations of licensees including continuous compliance with new Article 27 and its rules, monthly certificates as described, described notice to the Commissioner, and an annual examination of reserves by a registered public accounting firm and provide the report to the Commissioner within 10 days of receipt. Provides for licensing application, fees, quarterly reports by licensees, annual renewals, late renewals, and annual assessments under the fee schedule provided.

Limits the activities of a licensed stablecoin issuer to the following six things:

1. Issuing payment stablecoins in exchange for United States dollars or other eligible reserve assets.
2. Redeeming payment stablecoins.
3. Purchasing, selling, holding, and safeguarding eligible reserve assets backing the payment stablecoins.
4. Providing custodial or safekeeping services for payment stablecoins or the associated cryptographic keys.
5. If the issuer is a subsidiary of an insured depository institution or insured credit union, providing custodial or safekeeping services for reserve assets on behalf of the parent institution in connection with the stablecoin program.
6. Any other activity the Commissioner expressly authorizes in writing as directly incidental to the issuance or redemption of payment stablecoins.

Prevents a licensed stablecoin issuer from doing any of the following four things:

- Engage in commercial lending, securities dealing, or derivatives dealing using any reserve asset or the proceeds thereof.
- Engage in proprietary trading of any asset that is not an eligible reserve asset.
- Purchase or hold, for its own account, any security or instrument issued by an affiliate except on market terms permitted by the Commissioner.
- Condition the availability of any product or service on a customer's purchase, holding, or use of a payment stablecoin.

Sets forth reserve requirements. Requires the licensee to monitor its assets daily. Provides for notice to the Commissioner if the assets fall below the minimum requires and requires the licensee to restore full coverage without delay. Prohibits a licensee from pledging, hypothecating, lending, or otherwise encumbering any reserve asset, except as provided in new Article 27. Sets forth five redemption obligations, including public and conspicuous disclosure of the licensee's redemption policy and fees, a bar on imposing a minimum redemption threshold, and authorization for the licensee to request that the Commissioner authorize a temporary extension to the redemption period to facilitate orderly liquidation if a significant market stress or a redemption spike, as defined by rule, occurs.

Provides for custody, segregation and priority of reserves as described. Provides for monthly reports by licensee, certifications attesting to the sufficiency of its reserve assets filed with the Commissioner, annual examinations conducted by licensee, as described. Authorizes the Commission to require additional reports.

Requires licensees to comply with any applicable federal laws under GS 53-466. Requires a licensee to comply with federal laws listed in GS 53-467 pertaining to money laundering and the Bank Secrecy Act. Requires the financial institution to establish and maintain an anti-money laundering program and customer identification program, as described. Provides for notice to the Commissioner of any federal enforcement action not later than five business days after the licensee receives the notice of enforcement, as described. Requires detailed recordkeeping of the institution's compliance efforts as described. Specifies that a licensed stablecoin issuer is not required to obtain a State money transmitter license with respect to activities conducted in compliance with new Article 27.

Requires, in new GS 53-468, for the Commission to conduct a full scope examination of a licensee at least once every 24 months. Authorizes the Commission to examine any licensee at any time but cannot conduct more than two examinations in any 12-month period. Requires the examinations to address seven issues, including the licensee's financial condition, compliance with Article 27 and federal law, corporate governance and internal controls, IT and cyber security safeguards, anti-money laundering, sanctions, and consumer protection programs, and any other factor addressing safety, soundness, or consumer protection. Designates applications, information, reports, and other confidential supervisory information as nonpublic records and that are required to be kept confidential, except as provided by Article 27. Provides for an annual Commissioner certification under the GENIUS Act to the Secretary of the Treasury and the Comptroller of the Currency. Requires a licensee to maintain complete books, records, and digital asset logs of its payment stablecoin business for not less than five years, or for a longer period if required by federal regulation, and to produce those records to the Commissioner upon request, as described. Specifies that licenses issued under Article 27 are not assignable without the Commissioner's approval, as described. Provides for joint or coordinated Commissioner examinations.

Authorizes, in new GS 53-469, for the Commissioner to exercise its enforcement powers (including, cease and desist orders, licenses suspension or revocation, restitution or disgorgement, removal and prohibition of individuals, imposing a receivership or conservatorship or civil penalties, criminal penalties for unlicensed activities, injunctive relief) to protect payment stablecoin holders and the public. Provides for notice of enforcement, except for summary cease and desist orders. Provides judicial

enforcement, as described. Provides for hearing and appeal rights, consent orders and criminal referrals. Clarifies that these provisions do not create a private right of action or limit any existing right of action under other laws.

Authorizes the Commissioner to enter into memoranda of understanding with any federal agency and conduct joint, alternate, or coordinated examinations and enforcement actions pursuant to Article 27. Requires licensees to also comply with federal interoperability standards. Directs that if a conflict arises between Article 27 and federal law, the federal law prevails to the minimum extent of the conflict. Instructs the Commission to apply and interpret Article 27 so that its requirements meet or exceed the minimum standards established under federal law for payment stablecoin issuers at all times.

Provides the Commission with rulemaking authority in new GS 53-471. Allows the Commission to temporarily waive or suspend its requirements if a national disaster or other national, regional, State, or local emergency occurs. Requires the Commissioner to provide a semi-annual report to the Commission on the status of all licenses issued, examinations conducted, and enforcement actions taken under new Article 27 during the reporting period.

Effective the earlier of January 18, 2027, or 120 days after the date on which the primary federal payment stablecoin regulators issue any final regulations implementing the GENIUS Act. Directs the Commissioner to notify the Revisor of the issuance date of those regulations.

Specifies that not less than six months after the effective date of this Part, the Commission must upon the recommendation of the Commissioner of Banks, adopt rules addressing at a minimum the following: application procedures, capital and liquidity standards, detailed reserve asset requirements, reporting formats, and any other matter that this act assigns to the Commission for specification. Directs the Commissioner to file its first certification within twelve months after Part II’s effective date. Instructs a foreign entity that, on the effective date of this Part, issues a payment stablecoin accessible by residents of this State and that does not meet the requirements of GS 53-463 to, not later than 12 months after that date, become a permitted payment stablecoin issuer or to cease offering its payment stablecoin in this State and shall provide holders of the payment stablecoin notice of their redemption rights.

Part III.

Contains a severability clause.

Intro. by Chesser, Willis, Ross, Schietzelt.

GS 53, GS 116B

[View summary](#)

Banking and Finance, Business and Commerce, Occupational Licensing

H 1030 (2025-2026) **US DEPARTMENT OF EDU.** Filed Apr 21 2026, *A JOINT RESOLUTION URGING MEMBERS OF THE UNITED STATES CONGRESS TO SUPPORT THE DEVOLUTION OF POWER FROM THE U.S. DEPARTMENT OF EDUCATION TO THE STATES.*

Contains whereas clauses. Expresses support for federal efforts to eliminate the US Department of Education and urges the US Congress to fully cooperate with those efforts.

Intro. by Biggs, Potts, K. Hall, Carver.

JOINT RES, UNCODIFIED

[View summary](#)

Education, Preschool, Elementary and Secondary Education, Higher Education

H 1031 (2025-2026) **UNIVERSAL FREE BREAKFAST AND LUNCH.** Filed Apr 21 2026, *AN ACT TO PROVIDE BREAKFAST AND LUNCH IN PUBLIC SCHOOLS AT NO COST TO STUDENTS.*

Amends GS 115C-263 to require public school units to have a school food authority to provide school nutrition services in the schools under their jurisdiction by offering students two meals per day, breakfast and lunch (was, local boards of education

must provide to the extent practicable school nutrition services in the schools under their jurisdiction). Requires the State Board of Education, to the extent funds are available for this purpose, to allocate funds to school food authorities at public school units to provide students with free healthy nutrition services. Requires, in issuing the allocation, that the amount be determined based on an evaluation of the authority's nutrition services (sets out minimum requirements for the method and criteria used for the evaluation), that funds be distributed on a fair and equitable basis, and the allocation be issued at the beginning of the fiscal year, with the Board allowed to reserve for future allocation an amount not to exceed 10%. Specifies that funds allocated under this statute supplement and do not supplant funds from other sources for the same purpose.

Amends GS 115C-218.75 by requiring charter schools, GS 115C-238.72 by requiring regional schools, GS 115C-150.14 by requiring schools for students with visual and hearing impairments, and GS 116-239.8 requiring laboratory schools, to provide school nutrition services according to GS 115C-263 and GS 115C-264 (setting out requirements for school nutrition programs, including that they participate in the National School Lunch Program). Makes conforming changes.

Amends GS 115C-264 requiring local boards of education operating school nutrition programs to also participate, if eligible in the Community Eligibility Provision Program.

Appropriates \$116 million in recurring funds for 2026-27 from the General Fund to the Department of Public Instruction to provide nutrition services to students in public school units at no cost to the students. Allows the use of funds appropriated to State Aid for Public Schools for this purpose if this funding is insufficient for 2026-27.

Effective July 1, 2026. Applies beginning with the 2026-27 school year.

Intro. by Quick, Buansi, Johnson-Hostler, Roberson.

APPROP, GS 115, GS 116

[View summary](#)

Education, Elementary and Secondary Education, Government, Budget/Appropriations, State Agencies, Department of Public Instruction, Health and Human Services, Health

H 1032 (2025-2026) **REPEAL TWO PERCENT LOCAL GROCERY TAX.** Filed Apr 21 2026, *AN ACT TO EXEMPT GROCERIES FROM THE LOCAL SALES TAX.*

Removes provisions in GS 105-467 that authorized sales taxes limited to 1% on the sales price of the described food and bundled transactions that include food. Makes conforming changes to GS 105-465 (county election as to adoption of local sales and use tax), GS 105-469 (secretary to collect and administer local sales and use tax), GS 105-506.2 (exemption of food), and GS 105-538 (administration of taxes). Repeals GS 105-164.13B (directing the Secretary to administer local sales and use taxes imposed on food, as described). Applies to sales made on or after October 1, 2026.

Intro. by Chesser, Paré, Reeder, Schietzelt.

GS 105

[View summary](#)

Government, Tax

H 1033 (2025-2026) **DENTAL BOARD REFORM.** Filed Apr 21 2026, *AN ACT TO MAKE CHANGES TO THE NORTH CAROLINA BOARD OF DENTAL EXAMINERS AND TO RESPOND TO THE HOLDING IN NORTH CAROLINA STATE BOARD OF DENTAL EXAMINERS V. FEDERAL TRADE COMMISSION, AS RECOMMENDED BY THE JOINT LEGISLATIVE ADMINISTRATIVE PROCEDURE OVERSIGHT COMMITTEE.*

Expands number of members on the NC State Board of Dental Examiners (Dental Board) from six to ten members under GS 90-22, as follows: (1) six dentist members licensed in the State (was, four); (2) two State-licensed dental hygienists; and (3) two public consumer members who are citizens of, and reside in the State (was, one). Now requires that dentists and dental hygienists members be actively engaged in the practice of dentistry in the State for at least five years immediately prior to their appointment to the Dental Board. Adds eight new requirements for the public consumer members, including that they not be licensed to practice in any dental profession (currently, just can't be licensed dentists or dental hygienists); that they have no

financial interest in the provision of dental services, that they not be affiliated with or employed by the Dental Board or any Dental Board member, and that they are not the spouse of a dentist or dental hygienist. Limits member terms to two three-year terms (was, limit on no more than two consecutive terms). Adds statement of public interest that includes how State officials must possess and exercise power to review the acts of private parties and disapprove those that fail to accord with State policy. Makes clarifying, conforming, and technical changes.

No longer allows for Dental Board members to be elected to the board. Instead, provides for an appointment process in new GS 90-22A, with four members appointed by the Governor (two dentists, one dental hygienist, and one public consumer); four members appointed by the General Assembly (two dentists by the Speaker of the House and two by the President Pro Tempore of the Senate); and two members appointed by the Commissioner of Labor (one dental hygienist and one public consumer). Provides for per diem compensation and reimbursement for travel and subsistence under GS 93B-5, for vacancies, and removal by the appointing authority for neglect of duty, incompetence, or unprofessional conduct. Sets forth officers of the Dental Board, including the chair (a licensed dentist), a vice-chair, and other officers deemed necessary by the Dental Board. Requires annual officer elections by the Dental Board. Repeals provisions pertaining to the Board of Dental Elections (GS 90-22(c) through (e)).

Makes conforming changes to GS 90-43 (Dental Board expenses) removing provisions pertaining to per diem expenses not to exceed \$100 per day.

Provides for transition of Dental Board members after the current members finish their terms. Sets forth order of appointment for (1) the licensed dentist seats, with the Governor appointing the first two seats, the Speaker of the House appointing the next two seats, and the President Pro Tempore of the Senate appointing the final seats; (2) the dental hygienist seats with the Commissioner of Labor appointing the first seat and the Governor appointing the second open seat; and (3) the public member seats, with the Governor appointing the first seat and the Commissioner of Labor appointing the next seat.

Requires the Dental Board to adopt temporary rules to implement the new membership, appointment, and compensation provisions set forth above and then permanent rules to replace those rules.

Effective October 1, 2026, expands the training requirements for occupational licensing boards under GS 93B-5(g) to include training on antitrust law and State action immunity. Makes a conforming change.

Enacts GS 93B-17 requiring all occupational boards to adopt rules pertaining to complaints, including taking disciplinary or enforcement actions against its licensees, and taking enforcement actions against persons not licensed by the board. Grants occupational licensing boards the authority to investigate unlicensed activity in new GS 93B-18. Provides for notice.

Establishes venue for occupational licensing boards seeking court orders for injunctive relief or to show cause for failure to comply with a subpoena lawfully issued by the board in new GS 93B-19. Authorizes those boards to seek injunctive relief or a restraining order for violations of its administrating statute in new GS 93B-20. Establish process for resolution of jurisdictional disputes between licensing boards in new GS 93B-21. Requires, in new GS 93B-22, that each occupational licensing board's to develop a complaint process that includes the following: (1) a description of the complaint process on the board's website, including the types of violations under its authority; (2) a way to submit an electronic complaint on the board's website; and (3) the ability to provide complainants with a written description of the final disposition of each complaint. Effective October 1, 2026, and applies to actions arising on or after that date.

Intro. by Stevens.

GS 90, GS 93B

[View summary](#)

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

PUBLIC/SENATE BILLS

S 779 (2025-2026) [MEDICAID REBASE](#). Filed Apr 21 2026, *AN ACT TO ADJUST MEDICAID FUNDING TO ACCOUNT FOR PROJECTED HEALTH CARE CHANGES*.

Appropriates \$319 million in recurring funds and associated receipts, beginning with each year of the 2025-27 biennium, from the General Fund to the Department of Health and Human Services, Division of Health Benefits, for projected changes in Medicaid enrollment, enrollment mix, service and capitation costs, and federal match rates. Effective retroactively to July 1, 2025.

Intro. by Adcock, Blue, Smith.

APPROP

[View summary](#)

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

S 780 (2025-2026) **MODERNIZE MEDICAID PRIMARY CARE RATES**. Filed Apr 21 2026, *AN ACT TO MAKE MEDICAID PRIMARY CARE RATES EQUIVALENT TO MEDICARE*.

Includes whereas clauses.

Appropriates \$48 million in recurring funds as associated receipts beginning with the 2026-27 fiscal year from the General Fund to the Department of Health and Human Services, Division of Health Benefits, to increase Medicaid rates paid for primary care. Requires the increases to be implemented as soon as practicable after July 1, 2026, and makes the increases applicable to primary care services as defined in the specified report. Effective July 1, 2026.

Intro. by Adcock, Burgin, Corbin.

APPROP

[View summary](#)

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

S 781 (2025-2026) **HEALTH INSURANCE PREMIUM TAX CREDIT**. Filed Apr 21 2026, *AN ACT TO CREATE A TAX CREDIT FOR BUSINESSES THAT PROVIDE WAGES FOR EMPLOYEE HEALTH INSURANCE PREMIUMS*.

Adds new GS 105-153.13, creating a tax credit for businesses in the state that provide wages for employee health insurance premiums, as follows. Caps the credit at \$400 per eligible employee (defined) with an aggregate annual limitation of \$5 million for all taxpayers. Provides for an application. Requires the Department of Revenue to annually report to the specified joint NCGA committee by county, the number of eligible business tax credit applications the Department has received, the number of tax credit applications approved, and the tax credits approved by March 31 each year and to publish that information on its website.

Effective for taxable years beginning on or after January 1, 2026.

Intro. by Bradley.

GS 105

[View summary](#)

Business and Commerce, Employment and Retirement, Government, Tax, Health and Human Services, Health, Health Insurance

S 782 (2025-2026) **SAFE SCHOOLS TRANSPARENCY ACT**. Filed Apr 21 2026, *AN ACT TO REQUIRE PARENTAL NOTIFICATION OF SCHOOL THREATS AND SAFETY PLANS, TO CREATE PENALTIES FOR FAILURE TO NOTIFY PARENTS OF SCHOOL THREATS, TO REINSTATE THE TASK FORCE FOR SAFER SCHOOLS, AND TO ESTABLISH THE SCHOOL SAFETY FUND*.

Includes whereas clauses.

Part I.

Enacts Part 3, Article 8C, GS Chapter 115C, as follows. Requires that the parent or legal guardian of a public school student to be immediately notified of any credible threat that meets any of four described situations, including when the threat involves a student bringing a weapon to school or a student causing other security risks. Requires public school governing bodies to adopt a policy for the provision of required notices which identify the school employees or administrators responsible for providing the notices and defines high-level emergency. Requires each notice be made through at least two of the five means identified, and requires at least one notice to be by phone for high-level emergencies. Details required content of the notice, including providing updates as new information becomes available. Requires the initial notice be provided within one hour of law enforcement confirmation of a credible threat with an exception for interference with an active law enforcement investigation, whereby notice must be made one hour after arrest or resolution of investigation.

Allows parents to file complaints with the Department of Public Instruction (DPI) for allegations of a school's failure to notify the parent of a threat as required by the act. Details the complaint procedure, including an investigation by the Center for Safer Schools and consideration of the Center's findings report by the State Board of Education (State Board). Requires the State Board to instruct DPI to reduce the public school unit's central office administration allotment by up to \$5,000 if the State Board finds by majority vote that the school has not complied with the notice requirements. Authorizes the State Board to take any of three actions if it finds that a school has failed to comply with the notice requirements for more than one threat, including withholding additional administrative funds. Further authorizes action for specific school administrators found to be responsible for the violation, including requiring school safety training and ordering termination if the administrator has been identified as involved in a violation for more than one threat. Makes knowing concealment of a threat by a school administrator from a parent a Class A1 misdemeanor if the threat results in injury. Directs the State Board to report any action taken to the specified NCGA committee within 60 days, and requires the NCGA to consider the future governance of the identified unit no later than the next NCGA session.

Directs public school governing bodies to ensure each school publishes an annual safety transparency report and school safety policies on its website and notify parents of the report and policies' availability. Details required content of the report and policies. Requires governing boards to annually provide a copy of the school safety report to DPI, and requires DPI to report to the specified NCGA committee a summary of the reports and rate of compliance.

Part II.

Reenacts GS 115C-105.55 and GS 115C-105.56 (establishing the Task Force for Safer Schools; Task Force) as each existed immediately prior to its repeal. Adds to the duties of the Task Force the duty to collect and analyze data to monitor public school unit compliance under new GS 115C-105.70 (mandatory notice of threat, as enacted).

Requires offering the members of the Task Force at the time of its dissolution the opportunity to return to serve their remaining terms. Provides for filling vacancies by the member's original appointing authority.

Part III.

Enacts GS 115C-105.69, establishing the School Safety Fund (Fund) under the direction and control of the State Board. Credits withheld administrative funds to the Fund pursuant to GS 115C-105.71 and GS 115C-105.70. Directs that funds be allocated to units based on average daily membership and lists authorized uses of the funds relating to services for students in crises and the purchase of safety equipment.

Appropriates \$25 million for 2026-27 from the General Fund to DPI for the Fund.

Effective July 1, 2026.

Part IV.

Makes Parts I through II of the act apply beginning with the 2026-27 school year.

Intro. by Bradley.

APPROP, GS 115C

[View summary](#)

**Education, Elementary and Secondary Education,
Government, Budget/Appropriations, Public Safety and
Emergency Management, State Agencies, Department of**

**Public Instruction, State Board of Education, Local
Government**

S 783 (2025-2026) **SCHOOL MENTAL HEALTH SUPPORT ACT**. Filed Apr 21 2026, *AN ACT TO APPROPRIATE FUNDS FOR A SCHOOL-BASED MENTAL HEALTH GRANT PROGRAM AND TO ESTABLISH A MENTAL HEALTH WORKER LOAN REPAYMENT PROGRAM.*

Enacts new GS 115C-376.6, the School-Based Mental Health Grant Program (Program), to be established by the Department of Public Instruction (DPI). Specifies that the Program's purpose is to increase student access to mental health support personnel in public school units. Specifies that the program is to be administered to the extent funds are made available for the Program. Defines mental health support personnel. Sets forth an application process, and authorizes DPI to set deadlines and application information. Requires DPI to award funds to selected public school units based on the need of the public school unit. In evaluating the need of the unit, DPI must prioritize the award of funds to units with a greater proportion of students who have limited or no access to mental health services, including students who do not have health insurance and students with disabilities. Requires public school units that receive Program funds to contract with mental health support personnel to provide mental health services in one or more schools in the unit. Specifies that the Program grants must supplement, not supplant, existing funds for mental health services. Starting on March 15 of each year of the Program, sets annual reporting requirements to the specified NCGA committees on the Program, with four required prongs of information. Appropriates \$50 million from the General Fund to DPI in recurring funds for 2026-27 to provide grants for school mental health services in public school units. Allows DPI to use up to \$75,000 of the funds each year for Program administrative costs.

Enacts GS 116-209.47, the School Mental Health Worker Loan Repayment Program (Repayment Program) to be administered by the State Education Assistance Authority (Authority). Specifies that the purpose of the Repayment Program is to provide loan repayment grants to eligible school mental health workers to repay student debt held by the worker. Defines authority, eligible school mental health worker, high-need public school unit, program, and student debt. To the extent funds provided are insufficient to award forgivable loans to all interested applicants, authorizes the Authority to establish a lottery process for selection of grant recipients from among qualified applicants. Sets the award amount at 20% of each eligible school mental health worker's student debt as of the date of his or her initial award, capped at \$15,000 per worker. Provides for a distribution date. To the extent funds are appropriated for the Program, allows the Authority to use up to 4% each year for administration and specifies that remaining funds remain available for the award of loan repayment grants in the subsequent fiscal year.

Authorizes the Authority to adopt rules to implement the Repayment Program. Requires the Authority to submit a report to the specified NCGA committee by December 1 of each year on grants awarded under the Repayment Program and recommendations to improve the Repayment Program and increase the number of eligible mental health workers in high need areas. Appropriates \$19 million in recurring funds from the General Fund to the UNC Board of Governors to allocate to the Authority for the 2026-27 fiscal year to establish the Repayment Program. Effective July 1, 2026, and applies to applications for the disbursement of funds beginning in the 2027-28 fiscal year.

Effective July 1, 2026.

Intro. by Bradley.

[APPROP, GS 115C, GS 116](#)

[View summary](#)

[Education, Elementary and Secondary Education, Higher Education, Government, Budget/Appropriations, Health and Human Services, Mental Health](#)

S 784 (2025-2026) **ENSURE SAME-SEX DOMESTIC VIOLENCE PROT. ORDER**. Filed Apr 21 2026, *AN ACT TO ENSURE DOMESTIC VIOLENCE PROTECTIVE ORDERS ARE AVAILABLE FOR SAME-SEX COUPLES.*

Current law allows persons in a personal relationship to obtain a protective order on the grounds of domestic violence if certain types of injuries occurred. GS 50B-1 defines personal relationship as including persons who either live together or who have lived together or who are in a current or former dating relationship as "persons of the opposite sex." The act amends GS 50B-1

to remove references to persons of the opposite sex from those instances so that the law would enable couples of any sex to obtain a protective order if all other grounds for the order were present.

Appropriates \$500,000 from the General Fund to the Administrative Office of the Courts to establish a public awareness and prevention campaign regarding domestic violence in same-sex relationships.

Intro. by Bradley.

[APPROP, GS 50B](#)

[View summary](#)

[Courts/Judiciary, Civil, Family Law, Court System, Administrative Office of the Courts, Government, Budget/Appropriations, Health and Human Services, Health, Public Health](#)

S 785 (2025-2026) [OPT-IN TO STUDENT HEALTH](#). Filed Apr 21 2026, *AN ACT TO CLARIFY REQUIREMENTS FOR HEALTH SCREENINGS IN SCHOOLS*.

Enacts new GS 115C-76.46 defining a health care screen as a vision screening, hearing screening, dental screening, or developmental screening for cognition, language, and motor function. Allows a public school unit to conduct a health care screening without parental consent, but requires providing notice at the beginning of the school year on all screenings that will be conducted, and requires providing parents the results of their child's screenings.

Amends GS 115C-76.45 by amending the provisions under which the governing body of a public school unit must adopt procedures to notify parents of specified items, as follows. Concerning the notice of each health care service offered at the school and the ways for the parent to consent for specific services, adds that health care services does not include a health care screening and adds a separate requirement to adopt procedures to notify parents of health care screenings provided in new GS 115C-76.46. Removes requirements for notice before changes in the name or pronoun used for a student in school records.

Appropriates \$25,000 in recurring funds for 2026-27 from the General Fund to the Department of Public Instruction to develop an awareness campaign and canvassing initiative to address declines in student health and parental awareness of student health options.

Effective July 1, 2026.

Intro. by Bradley.

[APPROP, GS 115C](#)

[View summary](#)

[Education, Elementary and Secondary Education, Government, Budget/Appropriations, State Agencies, Department of Public Instruction, Health and Human Services, Health](#)

S 786 (2025-2026) [PROTECT NC PROSPERITY & HEALTH](#). Filed Apr 21 2026, *AN ACT TO LAUNCH STATEWIDE INITIATIVES TO PROTECT NORTH CAROLINA PROSPERITY AND HEALTH*.

Establishes the Consumer Finance Awareness Initiative, a statewide initiative by the Department of Justice (DOJ) to educate the public about various financial fraud risks including phishing, identity theft, and money transfer fraud and others. Requires the DOJ to establish a website, a toolkit, and conduct outreach to the public as outlined in the act.

Requires the DOJ website to outline the financial risks, provide links to resources on consumer finance and fraudulent activities, and allow access to a toolkit for local communities to launch consumer finance awareness initiatives at the local level. Requires the website and toolkit to be developed by September 1, 2026.

Specifies that after development of the website and toolkit, DOJ must implement an outreach program for disseminating the information and a toolkit to the public and local communities, and provide technical assistance to local communities to assist in

using the toolkit. Allows DOJ to contract with a third party to launch the outreach program.

Prohibits the use of the outreach program or any state funds for advocacy, promotion, or lobbying for the creation of new or the revision of existing laws regulating consumer finance.

Appropriates \$3 million in recurring funds from the General Fund to the Department of Justice beginning in 2026-27 to cover costs of this initiative.

Requires DOJ to provide a progress report to the Joint Legislative Oversight Committee on Justice and Public Safety by September 1, 2027.

Establishes the Health and Civil Rights Awareness Initiative, a statewide initiative by the Department of Health and Human Services (DHHS) to educate the public about the risks to public health and civil rights issues including reproductive, LGBTQIA+, gender, and racial health issues. Requires the DHHS to establish a website and toolkit and conduct outreach to the public as outlined in the act.

Requires the DHHS website to outline the public health information, provide links to resources, and allow access to a toolkit for local communities to launch public health and civil rights initiatives at the local level. Requires the website and toolkit to be developed by September 1, 2026.

Specifies that after development of the website and toolkit, DHHS must implement an outreach program for disseminating the information and toolkit to the public and local communities and provide technical assistance to local communities to assist in using the toolkit. Allows DHHS to contract with a third party to launch the outreach program.

Prohibits the use of the outreach program or any state funds for advocacy, promotion, or lobbying for the creation of new or the revision of existing laws regulating public health or civil rights.

Appropriates \$4 million in recurring funds beginning in 2026-27 from the General Fund to DHHS to cover the costs of this initiative.

Requires the DHHS to provide a progress report to the Joint Legislative Oversight Committee on Health and Human Services by September 1, 2027.

Effective July 1, 2026.

Intro. by Bradley.

APPROP

Business and Commerce, Consumer Protection, Government, Budget/Appropriations, State Agencies, Department of Health and Human Services, Department of Justice, Health and Human Services, Health, Public Health

[View summary](#)

S 787 (2025-2026) **AI ETHICS AND LITERACY ACROSS EDUCATION**. Filed Apr 21 2026, *AN ACT TO REQUIRE INSTRUCTION ON ARTIFICIAL INTELLIGENCE IN SCHOOLS*.

Enacts new GS 115C-81.66 requiring the State Board of Education to adopt standards for age-appropriate instruction on artificial intelligence for grades K-12. Requires the standards include basic concepts of artificial intelligence (AI), real work applications, economic, legal, and social issues surrounding the use of information provided by AI, and responsible, ethical use of AI. Requires that these standards allow for AI instruction to be included in the standards for computer science courses offered in middle and high schools.

Appropriates \$100,000 in recurring funds for 2026-27 from the General Fund to the Department of Public Instruction to support schools in implementing this act. Funds are to be distributed on the basis of average daily membership.

Effective July 1, 2026, and applies beginning with the 2026-27 school year.

Intro. by Bradley.

APPROP, GS 115C

[View summary](#)

**Education, Elementary and Secondary Education,
Government, Budget/Appropriations, State Agencies,
Department of Public Instruction, State Board of Education**

S 788 (2025-2026) **GUARDING FREEDOMS & PUBLIC SAFETY ACT**. Filed Apr 21 2026, *AN ACT TO PROHIBIT A PERSON CONVICTED OF A MISDEMEANOR CRIME OF DOMESTIC VIOLENCE OFFENSE FROM PURCHASING OR POSSESSING A FIREARM; TO REQUIRE A UNIVERSAL BACKGROUND CHECK FOR THE SALE OF A FIREARM; TO REENACT THE PISTOL PURCHASE PERMIT LAW; TO REQUIRE CERTIFICATION OF THE SAFE STORAGE BY PARENTS OR GUARDIANS OF STUDENTS IN PUBLIC SCHOOLS; AND TO PROVIDE FUNDING FOR THE DEPARTMENT OF PUBLIC SAFETY.*

Section 1

Enacts GS 14-269.9 making it a Class A1 misdemeanor for a person to possess, purchase, or receive or attempt to do so, a firearm, machine gun, ammunition, or permits to purchase or carry concealed firearms if the person has been adjudicated guilty of or received a prayer for judgment continued or a suspended sentence for an offense under GS 14-32.5 (misdemeanor crime of domestic violence), or an offense in another state, that if committed here, is substantially similar to an offense under GS 14-32.5. Applies to offenses committed on or after December 1, 2026.

Section 2

Adds new Article 53D, Universal Background Check, to GS Chapter 14, providing as follows. Prohibits a federally licensed firearm dealer from selling, transferring, or delivering a firearm to a private person without conducting a background check that includes verifying the private person's identity by examining a government-issued identification card and conducting a check through the National Instant Criminal Background Check System. Makes it illegal for the following person to possess a firearm: (1) under an indictment or information for, or has been convicted in any state or in any court of the United States of, a felony (other than an offense pertaining to antitrust violations, unfair trade practices, or restraints of trade); (2) fugitive from justice; (3) unlawful user of or addicted to marijuana or any depressant, stimulant, or narcotic drug; (4) adjudicated mentally incompetent or has been committed to any mental institution; (5) alien illegally or unlawfully in the United States; (6) discharged from the US Armed Forces under dishonorable conditions; (7) has renounced his or her US citizenship; (8) subject to a court order that was issued after a hearing of which the person received actual notice, and at which the person had an opportunity to participate, that restrains the person from harassing, stalking, or threatening an intimate partner or child of the intimate partner, or engaging in other conduct that would place an intimate partner in reasonable fear of bodily injury to the partner or child, and that includes a finding that the person represents a credible threat to the physical safety of the intimate partner or child, or by its terms explicitly prohibits the use, attempted use, or threatened use of physical force against the intimate partner or child that would reasonably be expected to cause bodily injury. Makes it illegal for a federally licensed firearm dealer to sell, transfer, or deliver a firearm to another person if the background check reveals that possession by the person would violate the law or if the dealer knows or has reason to know that the person is prohibited from possessing a firearm. Makes it a Class F felony for a federally licensed firearm dealer to sell, transfer, or deliver a firearm to a person in violation of this Article, or any person to provide materially false information to the dealer with the intent of illegally obtaining a firearm.

Makes it illegal for a private person to transfer a firearm to another without conducting a background check through a federally licensed firearm dealer and the firearm dealer verifying that the transfer is not illegal. Defines transfer. Requires a private person who transfers any firearm in a transaction subject to these requirements to keep a record of the transfer that includes specified information about the person to whom the transfer is made; specifies that the records are not public record but must be made avail to law enforcement agencies upon request. Sets out exceptions for transactions involving specified family members and guardians. Violations are a Class F felony. Applies to transfers of firearms occurring on or after December 1, 2026.

Section 3

Reenacts the following as they existed immediately prior to their repeal: (1) GS 14-402 (Sale of certain weapons without permit forbidden); (2) GS 14-403 (Permit issued by sheriff; form of permit; expiration of permit); (3) GS 14-404 (Issuance or

refusal of permit; appeal from refusal; grounds for refusal; sheriff's fee); (4) GS 14-405 (Record of permits kept by sheriff; confidentiality of permit information); (5) GS 14-407.1 (Sale of blank cartridge pistols); (6) GS 14-408.1 (Solicit unlawful purchase of firearm; unlawful to provide materially false information regarding legality of firearm or ammunition transfer); (7) GS 14-315(b1)(1) (includes as a defense to the prohibition on selling or giving a firearm to a minor that the person shows that the minor produced an apparently valid permit to receive the weapon); and (8) GS 122C-54(d2) (giving sheriffs access to the record of involuntary commitment for inpatient or outpatient mental health treatment or for substance abuse treatment required to be reported to the National Instant Criminal Background Check System). Applies to pistols sold, given away, transferred, purchased, or received on or after December 1, 2026.

Section 4

Enacts new GS 115C-76.37 requiring the governing bodies of public school units to create a policy requiring parents or guardians of students to submit a form before the start of each school year certifying that any firearms in their home are safely stored. Applies beginning with the 2025-26 school year.

Section 5

Appropriates \$3 million in recurring funds from the General Fund to the Department of Public Safety beginning in 2026-27 to support firearm safety and conduct a public awareness campaign about the requirements and impact of this act.

Section 6

Includes a savings clause.

Intro. by Bradley.

APPROP, GS 14, GS 115C

[View summary](#)

Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Education, Elementary and Secondary Education, Government, Budget/Appropriations, Public Safety and Emergency Management, State Agencies, Department of Public Safety

S 789 (2025-2026) **HOMES FOR HEROES**. Filed Apr 21 2026, *AN ACT TO CREATE A HOMEBUYERS' ASSISTANCE PROGRAM WITH THE NORTH CAROLINA HOUSING FINANCE AGENCY FOR FIRST-TIME HOMEBUYERS WHO WORK AS PUBLIC SERVANTS AND TO ALLOW AN INCOME TAX CREDIT TO CERTAIN VOLUNTEER WORKERS FOR UNREIMBURSED BUSINESS EXPENSES*.

Part I.

Directs the Housing Finance Agency (Agency) to establish a program under the Homeownership Fund to provide assistance, in the form of reimbursement or direct payment, to first-time homebuyers that are employed full-time as public servants in the State. Defines public servant as an active duty member or veteran, law enforcement officer, teacher, firefighter, or EMS personnel employed in the State. Defines first-time homebuyer. Provides for the lesser of \$25,000 or 10% of the purchase price for down payment assistance, mortgage insurance premium assistance, and closing costs. Allows for monthly mortgage insurance payment assistance for up to 60 months for any single first-time homebuyer. Authorizes the Agency to adopt, modify, or repeal rules and regulations to implement the act. Includes other defined terms.

Appropriates \$200 million in recurring funds from the General Fund to the Homeownership Assistance Fund for 2026-27 to be used to implement the act.

Effective July 1, 2026.

Part II.

Enacts GS 105-153.12 to create an income tax credit of up to \$5,000, or the amount of tax imposed for the taxable year calculated as described, for eligible firefighters and rescue squad workers for the amount of ordinary, reasonable business expenses related to their rescue work for which they are not reimbursed by the department or squad. Bars claiming the credit as

both an eligible firefighter and an eligible rescue squad worker, defined to mean unpaid members of a volunteer fire department or rescue or emergency medical services squad who attended at least 36 hours of drills or training and meetings, as specified. Effective for taxable years beginning January 1, 2026.

Intro. by Bradley.

[APPROP, GS 105](#)

[View summary](#)

[Development, Land Use and Housing, Property and Housing, Government, Budget/Appropriations, Public Records and Open Meetings, Public Safety and Emergency Management, Tax, Military and Veteran's Affairs](#)

S 790 (2025-2026) [SMALL BUSINESS CAPITAL IMPROVEMENT ACCOUNT](#). Filed Apr 21 2026, *AN ACT TO ALLOW SMALL BUSINESSES TO ELIMINATE STATE INCOME TAXES ON A PORTION OF REVENUE IF USED FOR CAPITAL EXPENDITURES*.

Amends GS 105-153.5 (modifications to adjusted gross income) as title indicates. Adds to subsection (b) (other deductions) new subdivision (7a) allowing small businesses, as defined, to deduct a percentage of revenue used for capital expenditures, also defined, the percentage of which is determined by the amount of adjusted gross income. Adds to subsection (c) (additions to adjusted gross income) new subdivision (7a) requiring a taxpayer to include the amount deducted in a prior taxable year pursuant to (b)(7a) if the amount was withdrawn and not used to pay for capital improvements.

Effective for taxable years beginning on or after January 1, 2026.

Intro. by Bradley.

[GS 105](#)

[View summary](#)

[Business and Commerce, Government, Tax](#)

S 791 (2025-2026) [ENHANCED PENALTY/DOM. VIOLENCE STRANGULATION](#). Filed Apr 21 2026, *AN ACT TO INCREASE THE PUNISHMENT FOR COMMITTING ASSAULT BY STRANGULATION*.

Amends GS 14-32.4, increasing the offense of assault inflicting serious bodily injury from a Class F to a Class E felony, and the offense of assault inflicting physical injury by strangulation from a Class H to a Class G felony. Adds a new offense, assault by strangulation, classified as a Class H felony. Makes organizational changes. Defines "strangulation" to mean impeding the normal breathing or circulation of blood of another person by applying pressure to the throat or neck of the person or by obstructing the nose and mouth of the person.

Appropriates from the General Fund to the Department of Justice \$3 million in recurring funds beginning in 2026-27 to establish a public awareness campaign regarding these increased punishments.

Applies to offenses committed on or after December 1, 2026.

Intro. by Bradley.

[APPROP, GS 14](#)

[View summary](#)

[Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Government, Budget/Appropriations, State Agencies, Department of Justice](#)

S 792 (2025-2026) [KAYLA'S ACT: PROTECTING DOM. VIOLENCE VICTIMS](#). Filed Apr 21 2026, *AN ACT TO MODIFY LAWS PERTAINING TO DOMESTIC VIOLENCE, TO BE KNOWN AS KAYLA'S ACT: PROTECTING VICTIMS OF DOMESTIC VIOLENCE*.

Section 1

Amends GS 8C-1, Rule 804(b) of the North Carolina Code of Evidence, to add a hearsay exception for when an out-of-court statement is offered against a party who either wrongfully caused the declarant's (i.e., the speaker's) unavailability as a witness or acquiesced in wrongfully causing the declarant's unavailability as a witness and did so intending that result.

Section 2

Amends GS 15-1 (listing the statutes of limitations for misdemeanors) by adding those misdemeanor domestic violence crimes that require a judge to determine conditions of pre-trial release under GS 15A-534.1 to the list of crimes falling under the 10-year statute of limitations. The section becomes effective to (1) acts committed either on or after the date the act becomes law or (2) acts committed before the act's effective date, so long as the statute of limitations for the act did not expire prior to the enactment of the act.

Section 3

Enacts new GS 15A-1225.4 to allow a domestic violence victim witness in a criminal proceeding who has been found competent to testify, under oath or affirmation, other than in an open forum if: (1) the defendant does not object or (2) the court determines that remote testimony is appropriate, under this statute. Allows, in a criminal proceeding, the testimony of a domestic violence victim witness to be permitted by remote testimony if: (1) the State provides notice to the attorney of record for the defendant, or the defendant if that person has no attorney, at least 15 business days before the proceeding at which the remote testimony would be used and (2) the defendant's attorney of record, or the defendant if that person has no attorney, does not file a written objection with the court, with a copy to the State, at least five business days before the proceeding at which the remote testimony will be used that the defendant objects to the domestic violence victim witness testifying remotely. Provides that if a written objection is not filed, the objection is deemed waived and the domestic violence victim witness must be allowed to testify remotely. Requires the court to make written findings of any waiver, including specified findings. Allows the court to authorize remote testimony over an objection if the court determines that: (1) the domestic violence victim witness would suffer serious emotional distress, not by the open forum in general, but by testifying in the defendant's presence and (2) that the domestic violence victim witness's ability to communicate with the trier of fact would be impaired. Sets out the procedure for an evidentiary hearing to determine whether to allow remote testimony, upon motion by a party or the court. Sets out the requirements for an order allowing or disallowing the use of remote testimony. Sets out requirements for the method used for remote testimony. Requires that the physical location where the domestic violence victim witness testifies be mutually agreed to by both the defendant and the State or approved by the court. Requires that both the defendant and the State be allowed to have at least two representatives approved by the court, in addition to the prosecutor and defense counsel, present at the location where the domestic violence victim witness is testifying. Also requires the court to ensure that the defense counsel, except a pro se defendant, is physically present where the domestic violence victim witness testifies, has a full and fair opportunity for cross-examination of the domestic violence victim witness, and has the ability to communicate privately with the defendant during the remote testimony; requires that the court ensure that a defendant who is an attorney pro se has a full and fair opportunity for cross-examination of the domestic violence victim witness. Specifies that the statute: (1) does not prohibit using or applying any other method or procedure authorized or required by statute, common law, or rule for the introduction into evidence of the statements or testimony of a domestic violence victim witness in a criminal or noncriminal proceeding; (2) must not be construed to require a court, in noncriminal proceedings, to apply the standard set forth in subsection (g) for remote testimony or to deviate from standards authorized by statute, common law, or rule for allowing the use of remote testimony in noncriminal proceedings; and (3) does not limit the provisions of GS 15A-1225 (exclusion of witnesses). Makes conforming changes to GS 7A-49.6.

Appropriates \$2 million for 2026-27 from the General Fund to the Administrative Office of the Courts to implement the act and to conduct a public awareness campaign regarding the act's expanded protections.

Intro. by Bradley.

[APPROP, GS 7A, GS 8C, GS 15, GS 15A](#)

[View summary](#)

[Courts/Judiciary, Civil, Civil Procedure, Family Law, Evidence, Court System, Administrative Office of the Courts, Government, Budget/Appropriations](#)

S 793 (2025-2026) [RIGHT TO IVF](#). Filed Apr 21 2026, *AN ACT PROTECTING THE RIGHT TO ACCESS ASSISTED REPRODUCTIVE TECHNOLOGY; AND APPROPRIATING FUNDS TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES, DIVISION OF HEALTH BENEFITS, TO INCREASE FUNDING FOR MEDICAID MATERNAL SUPPORT SERVICES.*

Enacts Article 10 to GS Chapter 90, titled Assisted Reproductive Technology. Bars the State or any political subdivision thereof from prohibiting, unreasonably limiting, or interfering with: (1) a patient's right to access assisted reproductive technology; (2) a health care provider's right to provide or assist with the provision of evidence-based information related to assisted reproductive technology; and (3) a health care provider's right to perform or assist with the performance of assisted reproductive technology. Prohibits a fertilized human egg or human embryo that exists outside of the uterus from being considered an unborn fetus, an unborn child, a minor child, a natural person, or any other term that connotes a human being for any purpose under State law. Defines "assisted reproductive technology" to mean all treatments or procedures that include the handling of human oocytes or human embryos, including in vitro fertilization, gamete intrafallopian transfer, and zygote intrafallopian transfer. Also defines "health care provider" and "health care service." Specifies that the new Article does not prohibit the enforcement of health and safety laws related to the operation of health care facilities or the provision of health care services by health care providers.

Appropriates \$500,000 in recurring funds for beginning with the 2026-27 fiscal year from the General Fund to the Department of Health and Human Services, Division of Health Benefits, to increase funding for Medicaid maternal support services, aka the Baby Love Program, effective July 1, 2026. Specifies that these funds provide a state match for federal funds and appropriates the federal funds for these purposes.

Intro. by Bradley.

[APPROP, GS 90](#)

[View summary](#)

[Government, Budget/Appropriations, State Agencies, Department of Health and Human Services, Health and Human Services, Health, Health Care Facilities and Providers](#)

S 794 (2025-2026) [NC VICTIMS OF CRIME ASSISTANCE ACT](#). Filed Apr 21 2026, *AN ACT TO CREATE THE NORTH CAROLINA VICTIMS OF CRIME ASSISTANCE ACT, FUND, AND COMPETITIVE GRANT PROGRAM.*

Enacts Article 3, the NC Victims of Crime Assistance Act, to GS Chapter 15B, as follows. Defines assistance fund, Commission (the Governor's Crime Commission), grant program, victim a person who suffered physical, sexual, financial, or emotional harm as a result of the commission of a crime), and victim assistance program. Creates the NC Victims of Crime Assistance Fund (Fund) as a special fund with the Department of Public Safety (DPS) in GS 15B-52 to distribute grants under the NC Victims of Crime Assistance Competitive Grant Program (Program), discussed below. Tasks the Commission with administering the Fund. Establishes the Program in GS 15B-53 to award and distribute grants to public or nonprofit organizations serving residents of the State through victim assistance programs. Requires the Commission to develop guidelines and procedures for the administration of the Program, including at a minimum, the four requirements and limitations specified. Caps grant amounts at \$1 million and specifies that the maximum total award amount to a grantee during a single fiscal year cannot exceed \$1 million. Provides for grant application and grantee reports to the Commission as specified. Requires the Commission to annually report to the specified NCGA committee by March 1 on the Program, including the three specified matters. Specifies that if grant funds awarded cannot be paid due to insufficient funds in the Fund, payment will be delayed until sufficient funds are available and no further grant awards will be made until then.

Increases criminal court costs imposed on a defendant who is convicted, or who enters a plea of guilty or nolo contendere from \$147.50 to \$151 in the district court and \$154.50 to \$158 in the superior court, with \$3.50 of each fee to be remitted by the State Treasurer to the Fund in GS 7A-304. Effective December 1, 2026, and applies to court costs assessed on or after that date.

Increases marriage license fees in GS 161-10 from \$60 to \$65, with the additional five dollars to be credited to the Fund. Effective December 1, 2026, and applies to marriage licenses issued on or after that date.

Contains severability clause.

Intro. by Bradley.

[GS 7A, GS 15B, GS 161](#)

[View summary](#)

Courts/Judiciary, Civil, Family Law, Court System, Criminal Justice, Criminal Law and Procedure, Government, Public Safety and Emergency Management, State Government, Executive

S 795 (2025-2026) **MODIFY TAXATION OF 1031 EXCHANGES**. Filed Apr 21 2026, *AN ACT TO MODIFY THE TAXATION OF CERTAIN AMOUNTS OF GAIN IN A 1031 EXCHANGE*.

Amends GS 105-130.5 (applicable to corporate income tax) and GS 105-153.5 (applicable to individual income tax) to allow a deduction from income, any amount included in federal income tax income as non-like-kind property received in exchange under section 1031 of the IRS Code to the extent that it does not exceed the taxpayer's basis in the property sold. Effective for taxable years beginning on or after January 1, 2026.

Intro. by Burgin.

[GS 105](#)

[View summary](#)

Business and Commerce, Corporation and Partnerships, Government, Tax

S 796 (2025-2026) **COMPACT TO AWARD PRIZES FOR CURING DISEASE**. Filed Apr 21 2026, *AN ACT ENACTING A COMPACT TO AWARD PRIZES FOR CURING DISEASES*.

Enacts Article 23B, Compact to Award Prizes for the Cure of Diseases, to GS Chapter 90, as follows. Sets forth defined terms. Establishes the Solemn Covenant of States Commission (Commission) upon the enactment of the Solemn Covenant of the States to Award Prizes for Curing Diseases (Compact) by six states. Provides for each compacting state to be represented by one member whose qualification, selection and service is determined by each compacting state. Establishes the Commission as a body corporate and politic. Enumerates 23 powers of the Commission, including (1) to receive and review treatments and therapeutic protocols for the cure of diseases submitted to the Commission and to award prizes for submission that meet the Commission's standards for a successful cure treatment or therapeutic protocol, (2) to make successful cure treatments and therapeutic protocols widely available upon prizes claimed by transferring intellectual property necessary for the manufacture and distribution of the cure, and setting a selling price for the cure, (3) to collect royalty fees, (4) to acquire and dispose of property, (5) to monitor and enforce compliance of compacting states, and (6) to take on debt obligations.

Provides for Commission meetings; voting; bylaws; rulemaking; financing; recordkeeping; qualified immunity, defense, and indemnification; and compacting state withdrawal, default, expulsion, and reinstatement.

Sets forth extensive rulemaking requirements and parameters. Requires the Commission to establish at least 10 major diseases for which to create prizes, determined based on the severity, survival rate, and public health and treatment expense of the disease. Directs the Commission to establish qualifying criteria for treatments and protocol to be deemed a cure, including approval by the FDA, a significant increase in survival, with treatment term requiring less than a year to cure. Among other rules the Commission is required to adopt, requires adoption of parameters for defining and classifying diseases; treatment and protocol submission and evaluation; prize amounts for each disease; prize distribution procedures; dispute resolution process; and ethical standards. Provides for rulemaking procedure, amendments, and overreach. Allows for awards on a pro rata basis when awarding for a survival rate that is less than what is established in the cure criteria.

Authorizes the Commission to establish a management committee, and sets forth its membership and authorities. Authorizes the Commission to appoint an advisory committee to advise the Commission prior to approving cure criteria, taking action regarding bylaws or rules, adopting the annual budget, or other significant matters.

Sets forth notice and default procedures for noncompliance of compacting states. Establishes venue for proceedings by or against the Commission in the jurisdiction in which the Commission's principal office is located.

Deems the Compact effective upon legislative enactment by two compacting states, provided that the Commission cannot be established until six states have adopted the Compact. Provides for Compact amendment and funding. Details Compact

dissolution procedures and effect.

Appropriates \$100,000 from the General Fund to the Department of Health and Human Services, Division of Public Health, for 2026-2027. Stipulates that funds are not to be used for any purpose other than to cover the costs of implementing the the compact. These funds will not be available for expenditure unless the compact becomes effective in North Carolina on or before June 30, 2027. Effective July 1, 2026.

Effective upon the enactment of the compact into law by at least two compacting states.

Intro. by Burgin.

APPROP, GS 90

[View summary](#)

Government, Budget/Appropriations, Health and Human Services, Health, Public Health

S 797 (2025-2026) **HANDS FREE NC**. Filed Apr 21 2026, *AN ACT MAKING IT UNLAWFUL TO USE A WIRELESS COMMUNICATION DEVICE WHILE OPERATING A MOTOR VEHICLE ON A PUBLIC STREET, HIGHWAY, OR PUBLIC VEHICULAR AREA.*

Titles the act "The Hands Free NC Act."

Repeals GS 20-137.3 (pertaining to unlawful use of a mobile phone while operating a vehicle by persons under 18 years of age), GS 20-137.4 (pertaining to unlawful use of a mobile phone while operating a school bus), and GS 20-137.4A (pertaining to unlawful use of mobile telephone for text messaging or electronic mail while operating a vehicle).

Enacts new GS 20-137.3A as follows. Prohibits operating a motor vehicle (1) with a wireless communication device in the person's hand, (2) while watching a video or movie or communicating by video on a wireless communication device, or (3) while texting on a wireless communication device. Defines wireless communication device as (1) a cell phone, personal digital assistant, electronic device with mobile data access, laptop computer, pager, smartwatch, broadband personal communication device, electronic game, and portable computing device or (2) a device through which personal wireless services, as defined in specified federal law, are transmitted. Defines operating a motor vehicle as operating a motor vehicle on a public street, highway, or public vehicular area, excluding where vehicle is off, or to the side of, a public street, highway, or public vehicular area in a location where the motor vehicle can safely remain stationary. Defines texting to mean entering text into, or reading text from, a wireless communication device. Sets out exceptions to the prohibition when (1) the device is used to communicate an emergency to one of the specified public safety entities; (2) the device is used in the performance of official duties by one of seven specified classes of public safety officers, public utilities vehicle operators, and radio response operators; or (3) an operator of a commercial motor vehicle who is using the two-way radio device or its equivalent. Prohibits persons under 18 from operating a motor vehicle while using a wireless communication device unless for following the recommended route by an electronic navigation system or communicating in an emergency situation, as specified. Specifies that the statute does not prohibit the use of equipment installed by the manufacturer and integrated into the vehicle by any person while operating a motor vehicle. First offenses (for a person with no prior or no offense in the prior 36 months) are an infraction punishable by a \$100 fee with no insurance points. Second offenses (where a person is guilty of a first offense within the previous 36 months) are an infraction with a \$150 fine and insurance points. Third and subsequent offenses (where a person is guilty of two or more offenses within the previous 36 months) are an infraction with a \$200 fine and insurance points. Violations by school bus operators are subject to the penalties above but the person will be guilty of a Class 2 misdemeanor instead of an infraction. Clarifies that the statute does not authorize seizure of a wireless communication device. Prohibits local governments from passing ordinances regulating this topic. Directs the Commissioner of Motor Vehicles and the Superintendent of Public Instruction to incorporate in its driver education and licensing programs instructions designed to encourage compliance with the statute and requirements and penalties specified by law.

Amends GS 58-36-75 to require the North Carolina Rate Bureau to assign one insurance point under the Safe Drive Incentive Plan for a person convicted for a second offense and two insurance points for a person convicted for a third or subsequent offense.

Amends GS 20-11 as follows. Prohibits limited learner's permit holders and limited provisional license holders from using a wireless communication device while operating a motor vehicle (was, prohibits the use of a mobile telephone or other

additional technology associated with a mobile telephone). Amends the criteria to be met in order to obtain such permits and licenses to require that the individual have not been convicted of a violation of new GS 20-137.3A (was, a violation of GS 20-137.3, which makes it unlawful for a person under age 18 to use a mobile phone while driving). Makes additional conforming changes. Makes the failure to comply with restrictions regarding the use of a wireless communication device while operating a motor vehicle an infraction punishable under GS 20-137.3A (was, failure to comply with the restriction regarding the use of a mobile phone while operating a motor vehicle in an infraction punishable by a \$25 fine). Makes unlawful use of a mobile telephone under GS 20-137.3A a conviction under the definition of serious traffic violation in GS 20-4.01 (definitions provision pertaining to the Division of Motor Vehicles).

Appropriates \$100,000 for 2026-27 from the Highway Fund to the Department of Transportation, Division of Motor Vehicles, for a public awareness campaign regarding the changes in this act.

Applies to offenses committed on or after December 1, 2026. Requires issuing only warning tickets for the first six months. Provides a savings clause for offenses committed before the effective date of the act.

Intro. by Burgin, Corbin, Chaudhuri.

[APPROP, GS 20, GS 58A](#)

[View summary](#)

[Business and Commerce, Insurance, Courts/Judiciary, Motor Vehicle, Criminal Justice, Criminal Law and Procedure, Government, Budget/Appropriations, State Agencies, Department of Transportation, Transportation](#)

S 798 (2025-2026) [ELDERLY PROP. TAX APPRECIATION EXCLUSION](#). Filed Apr 21 2026, *AN ACT TO PROVIDE ADDITIONAL PROPERTY TAX RELIEF TO NORTH CAROLINA RESIDENTS WHO ARE SIXTY-FIVE YEARS OF AGE OR OLDER*.

Enacts new GS 105-277.1G, creating a process where a qualifying elderly homeowner may defer increases on property taxes due for their primary residence. Defines “qualifying owner” as a NC resident at least age 65 who has owned the property as a permanent residence for at least five consecutive years and occupied the primary residence for at least five years. Assesses the taxable value of a qualifying owner’s primary residence at the lower of either the true value or the assessed value in the first year the qualifying owner's application for property tax relief is accepted. Permits the qualifying owner to defer the portion of property taxes due on any increase in assessed value. Provides that a husband and wife may share the deferral benefit on a primary residence if one is a qualifying owner, but denies this benefit to other primary residences owned by two or more persons unless all owners are qualifying owners under the section.

Mandates that each taxing unit record and carry forward the deferred taxes. Establishes disqualifying events and the amount of taxes due and payable upon the loss of eligibility for a deferral. Prevents any mortgagee or trustee who elects to pay the deferred portion of the property taxes from foreclosing on the property as a result of that election. Makes void any provision in a deed of trust or mortgage forbidding an owner from deferring property taxes as permitted under the section. Requires the county tax assessor to notify qualifying owners of their eligibility no later than January 15 preceding the tax year for the owner’s eligibility.

Makes conforming changes to GS 107-277.1 (concerning the elderly or disabled property tax homestead exclusion) and GS 105-282.1 (a)(2)c (concerning the application for special classes of property classified for taxation at a reduced valuation).

Effective for taxes imposed for taxable years beginning on or after July 1, 2027.

Intro. by Waddell.

[GS 105](#)

[View summary](#)

[Development, Land Use and Housing, Property and Housing, Government, Tax](#)

S 799 (2025-2026) [RESTORE STATE EMP/TEACHER RETIREE MED BENEFIT](#). Filed Apr 21 2026, *AN ACT TO PREVENT THE ELIMINATION OF RETIREE MEDICAL BENEFITS FOR MEMBERS FIRST EARNING SERVICE ON OR AFTER JANUARY 1, 2021*,

UNDER THE NORTH CAROLINA TEACHERS' AND STATE EMPLOYEES' RETIREMENT SYSTEM, THE CONSOLIDATED JUDICIAL RETIREMENT SYSTEM, THE LEGISLATIVE RETIREMENT SYSTEM, OR THE OPTIONAL RETIREMENT PROGRAMS.

Repeals subsections (c) and (d) of Section 35.21 of SL 2017-57, as title indicates. Effective retroactively to December 31, 2020.

Effective July 1, 2026, appropriates \$2 million in recurring funds for 2026-27 from the General Fund to the Department of State Treasurer to address the increased cost to the North Carolina State Health Plan for Teachers and State Employees as a result of the continuation of retiree medical members under this act.

Intro. by Waddell.

APPROP

[View summary](#)

**Employment and Retirement, Government,
Budget/Appropriations, State Agencies, Department of State
Treasurer, State Government, State Personnel**

S 800 (2025-2026) **ZERO-BASED BUDGETING**. Filed Apr 21 2026, *AN ACT TO REQUIRE THE USE OF ZERO-BASED BUDGETING FOR STATE AGENCIES ON A ROTATING BASIS.*

Enacts new GS 143C-3-3.1 (zero-based budgeting estimates) providing, as follows. Defines zero-based budget as a budget that reflects the amount of funding deemed necessary to achieve the most cost-effective performance of a State agency pursuant to an accompanying narrative delineating the tasks to be performed by the State agency together with the goals and objectives for the State agency for a period not to exceed two years. The budget must have a zero dollar amount as its basis and cannot not reflect any prior appropriation amount, adjusted or otherwise. Starting with the fiscal year beginning July 1, 2026, and each even-numbered year thereafter, requires that each State agency of the executive branch designated in a scheduled year prepare and submit to the Office of State Budget and Management (OSBM) a zero-budget plan for the fiscal biennium beginning July 1 of the following fiscal year. Sets forth a submission schedule that divides agencies or specified agency divisions into four groups with submission dates of 2026, 2028, 2030, and 2032 respectively, with subsequent submissions every eight years after each initial submission date. Lists six required pieces of information that each agency's zero-budget plan must contain, including descriptions and justifications for agency activities; quantifiable program outcomes; an accounting of expenditures required to maintain the activity at minimum levels of service/current levels of service and adverse impacts for each activity; and a ranking of all activities. Excludes statutory appropriations under GS 143C-1-1(d) from zero-based budgeting plans.

Effective July 1, 2026, appropriates \$10,000 in recurring funds from the General Fund to the OSBM for 2026-27 to assist with administering zero-based budgeting as required by this act.

Intro. by Burgin, McInnis.

APPROP, GS 143

[View summary](#)

**Government, Budget/Appropriations, State Agencies, Office of
State Budget and Management**

S 801 (2025-2026) **PROTECT SPECIAL OPS FORCES/NO DOXING/FUNDS**. Filed Apr 21 2026, *AN ACT TO EXEMPT FROM PUBLIC RECORDS REQUIREMENTS THE DISCLOSURE OF IDENTIFICATION AND LOCATION INFORMATION OF CURRENT AND FORMER SPECIAL OPERATIONS FORCES PERSONNEL AND THEIR DEPENDENTS, TO EXPAND THE ADDRESS CONFIDENTIALITY PROGRAM TO COVER THOSE PERSONS, TO ENACT THE CIVIL LIABILITY FOR DOXING ACT, AND TO APPROPRIATE FUNDS TO EFFECTUATE THE PURPOSES OF THIS ACT.*

Section 1.

Enacts GS 132-1.15, exempting the identification and location information held by a state agency of current or former special operations personnel (protected person) from disclosure when the protected person submits: a written request to exempt the member's identification and location information from public disclosure to the State agency that has custody of the identification and location and a written statement that they have made reasonable efforts to protect the identification and

location information from being accessible through other means available to the public. Directs the heads of each State agency to ensure that current and archived and location information is removed as soon as practicable from the State agency website in conforming with new GS 132-1.15. Contains findings and five defined terms, including *special operations personnel* and *identification and location information or information* (home addresses, telephone numbers and birth dates of protected persons, their spouses and dependents, and the names and locations of schools attended by the spouses of current and former special operations personnel and schools or daycare facilities attended by dependents of current and former special operations personnel). Specifies that the provisions of Section 1 apply to identification and location information as defined in new GS 132-1.15, as enacted by the act, held by a custodian before, on, or after the effective date of the act.

Section 2.

Enacts Article 11, "Address Confidentiality Program," (Program) to GS Chapter 114, which establishes the Program in the Office of the Attorney General (OAG) to protect program participants from disclosure of certain publicly available information as provided in GS Chapter 15C (the address confidentiality program under that GS chapter). Contains nine definitions in new GS 114-75. Provides for Program application and Program authorization card. Instructs the Attorney General (AG) to certify the applicant as a program participant upon the filing of a properly completed application. Allows for renewal of a certification, as described in new GS 114-76. Provides for notice to the AG when a program participant changes their name, address or phone number in GS 114-77. Provides for civil penalties not exceeding \$500 and for loss of certification in the Program if an applicant provides false information when applying for certification or renewal in GS 114-78.

Requires the AG to cancel the certification of a program participant under the four described circumstances in new GS 114-79, including when the participant files a request for withdrawal, or mail sent to the program participant by the AG is returned as undeliverable. Exempts cancellations from the provisions of Article 3 of the APA. Provides for notice of cancellation and the maintenance of document records of program participants. Specifies that a person that ceases to be a program participant is responsible for notifying persons who use the substitute address designated by the AG as the program participant's address that the designated substitute address is no longer the individual's address.

Instructs that the program participant, not the AG, is responsible for requesting that State agencies use the address designated by the AG as the participant's substitute address in new GS 114-80. Requires State agencies to accept the substitute address on the Program authorization card when presented with a current and valid card. Provides for agency waivers. Requires boards of elections to use a program participant's actual address for election purposes but to keep the address confidential from the public. Directs the AG to issue a list to the county, city, or town assessor or tax collector a list containing the names and actual addresses of program participants residing in that county, city, or town. Instructs that the list can be used only for the purposes of listing, appraising, or assessing taxes on motor vehicles and collecting property taxes on motor vehicles in the county, city, or town. Provides confidentiality of the list as described. Prohibits the AG's substitute list from being used for (1) listing, appraising, or assessing taxes on property and collecting taxes on property or (2) as an address by any register of deeds on recorded documents or for the purpose of indexing land. Instructs local school administrative units to use a program participant's actual address for purposes related to school admission or assignment. Specifies that a program participant's actual address or phone number is not a public record.

Prohibits the AG from disclosing a program participant's address or telephone number in GS 114-81 except under the four described circumstances, including for law enforcement purposes, direction of a court order, or agency request under GS 15C-8 or agency program verification. Provides for immediate notice to the program participant if disclosure is made pursuant to court order or by agency request. If, at the time of application, the applicant is either subject to a court order or actively involved in a legal proceeding pertaining to divorce, child support or child custody, requires the AG to notify the issuing or presiding court of the substitute address. Prohibits a person from knowingly obtaining a program participant's actual address from the AG and an employee of the OAG from knowingly disclosing a program participant's actual address under the circumstances described. Makes either of these violations a Class 1 misdemeanor with a fine not to exceed \$2,500. Provides for limitation of liability for liability in any action brought by or on behalf of any person injured or harmed by the actions or inactions of these entities and individuals in implementing Chapter GS 114 (appears to intend to refer to new Article 11), except of their actions resulting in harm were not within the course and scope of their duties. Authorizes the AG to adopt rules implementing same. Creates five-day mailbox rule in new GS 114-84 for notices or papers served upon program participants by mail whenever State laws provide a program participant a legal right to act within a prescribed period of days or less.

Section 3.

Effective October 1, 2026, enacts new Article 54, "Civil Liability for Doxing" to GS Chapter 1, making doxing special operations personnel unlawful. Sets forth eleven defined terms in new GS 1-670. Specifies, in new GS 1-671, circumstances in which a person may be held civilly liable for publishing an individual's identification and location information: (1) the individual publishes the information without the express consent of the special operations personnel with intent or knowledge that the information will be used to harm that person or that they do so with reckless disregard that the publication of that information will cause harm and (2) the publication causes the individual to suffer injury, as described. Lists ten instances where a person is not civilly liable for reporting such information including, reporting criminal activity, in connection with the exercise of the freedom of speech or the press, when required to do so by court order, in compliance with the listed federal laws, in a consumer alert or public notice, within a government agency or other government entity under the circumstances described, and on behalf of a State agency under exigent circumstances if the information was provided in a manner legally permitted under federal or State law.

Specifies that it is not a defense that the identification and location information at issue was voluntarily given to the publisher, has been previously publicly disclosed, or is readily discoverable through research or investigation. Clarifies that new GS 1-671 is not intended to allow actions to be brought for constitutionally protected activity or to conflict with the described federal civil rights and common carrier laws. Provides for standing, damages, temporary restraining orders, and venue. Authorizes suit against the publisher of the personal identifying information and any person who knowingly benefits, financially or by receiving anything of value, from participation in a venture that the person knew or should have known has engaged in an act in violation of new Article 54. Contains a severability clause.

Section 4.

Effective July 1, 2026, appropriates \$150,000 from the General Fund to DOJ for the 2026-27 year to extend coverage under GS Chapter 15C to special operations personnel under GS 132-1.15, as enacted by the act. Requires the AG to provide annual reports to the specified NCGA committee and division starting on or before March 1, 2027.

Section 5.

Effective July 1, 2026, appropriates \$150,000 from the General Fund to the Department of Military and Veterans' Affairs for the 2026-27 year to inform servicemembers, veterans, and the general public about the protections available under the act.

Section 6.

Effective July 1, 2026, appropriates \$250,000 from the General Fund to the Department of Information Technology for the 2026-27 year to provide technical assistance to State agencies and local political subdivisions of the State that may be required for their compliance with the provisions of the act.

Intro. by McInnis, Lazzara, Britt.

[APPROP, GS 1, GS 114, GS 132](#)

[View summary](#)

[Courts/Judiciary, Criminal Justice, Criminal Law and Procedure, Government, Budget/Appropriations, Public Records and Open Meetings, State Agencies, Department of Information Technology, Department of Justice, Department of Military & Veterans Affairs, Military and Veteran's Affairs](#)

S 802 (2025-2026) [AGENCY VACANT PROPERTY](#). Filed Apr 21 2026, *AN ACT TO REQUIRE THE DEPARTMENT OF ADMINISTRATION TO ASSESS, CATALOG, REPORT, AND DISPOSE OF CERTAIN VACANT STATE PROPERTY.*

Amends GS 143-341 regarding the duties of the Department of Administration (Department) in preparing and keeping a database of all buildings owned or leased by the State or State agency. Modifies the required information of each building to include (1) the current occupant of the building, or if the building is vacant, the current period of vacancy (was, the agency or agencies that occupy the building); and (2) the total potential liability to the State for the building and the land where the building is situated.

Amends GS 143-341.2 regarding the State facilities plan developed and implemented by the Department. Adds that the plan now include the occupancy status of existing State-owned facilities and identify potential facilities eligible for surplus disposal

under state law. Moves the provisions directing the Department to establish a surplus real property disposal system to new GS 143-341.3 and expands the scope of the system to include limiting the duration that vacant property is retained by the State (was, limited to unneeded property). Specifies that the Department must adopt rules pursuant to the statute and establish a system for continuously identifying and disposing of surplus State-owned real property defined therein. Adds to the existing six factors to consider in establishing this system (1) whether the property has been vacant for one year or longer, and (2) as assessment of private or public interest in the property. Adds the following new provisions. Requires the Department to dispose of properties identified as surplus by sale, subject to GS Chapter 146 required approvals, and if the property has not been disposed of within six months, directs the Department to dispose of the property by auction or by transfer of title to a city or county in the State which produced satisfactory evidence of an economic development use for the property. Lists priority for the gross proceeds of any sale under the statute, with expenses incident to the sale receiving first priority and the proceeds remaining after those described for priority deposited equally between the General Fund and the Department of Administration to be used for repair and renovation projects.

Directs the Department to report to the specified NCGA committee and division within three months of the date the act becomes law with the vacant building data required under GS 143-341, as amended.

Appropriates from the General Fund to the Department of Administration \$100,000 in recurring funds beginning in 2026-27 to implement this act.

Effective July 1, 2026.

Intro. by Burgin, Chaudhuri.

[APPROP, GS 143](#)

[View summary](#)

[Government, Budget/Appropriations, State Agencies, Department of Administration, State Government, State Property](#)

S 804 (2025-2026) [FAIR MAPS ACT](#). Filed Apr 21 2026, *AN ACT TO AMEND THE NORTH CAROLINA CONSTITUTION TO PROVIDE FOR AN INDEPENDENT REDISTRICTING PROCESS, TO ESTABLISH THE NORTH CAROLINA CITIZENS REDISTRICTING COMMISSION, AND TO MAKE CONFORMING CHANGES TO THE GENERAL STATUTES.*

Identical to [H 20](#), filed 1/29/25 and [S 638](#), filed 3/25/25.

Part I.

Subject to voter approval at the November 2026 general election, enacts Section 25 to Article II of the NC Constitution to charge the NCGA with establishing by law an independent process to revise the electoral districts for Congress and the NCGA after return of the decennial census, subject to the following limitations. Prohibits NCGA or gubernatorial involvement in revising electoral districts. Requires each NCGA member and US House member to represent equal numbers of inhabitants, as possible. Mandates districts to consist of contiguous territory. Mandates that the districts remain unaltered until the return of another decennial census. Grants adopted electoral districts legislative force and effect. Makes conforming changes to Sections 3, 5, and 22 of Article II to charge the NCGA with establishing an independent process to revise legislative districts and the apportionment of legislators among those districts. Makes these constitutional amendments effective upon certification.

Enacts Article 1B, Redistricting, to GS Chapter 120 as follows. Sets forth 15 defined terms. Establishes the NC Citizen Redistricting Commission (Commission), charged with preparing preliminary, proposed, and alternative plans for legislative and congressional apportionment and to adopt final plans for the purpose of nominating and electing legislative and congressional members. Details Commission member eligibility, including residency and voter registration requirements, and a number of disqualifications, among them: contributing more than \$2,000 to any candidate for public office during one election cycle, having been a staff member or legal counsel to the NCGA, having served in the NCGA or Congress at the time of or during the eight years preceding their application, having served in any other public office at the time of or for any period in the four years preceding their application, having held any political appointment, and having been convicted of listed crimes against a governmental body of the US or a crime with a direct connection to the listed crimes. Details member application procedures, including applying to the State Auditor with relevant information and disclosures for eligibility review, and publication of the application process. Directs the Auditor to submit all eligible applications to the State Ethics Commission for

review and submission of a diverse group of up to 60 applicants to the NCGA, as specified. Allows the President Pro Tempore of the Senate and the Speaker of the House, and the minority leaders in both chambers to each strike up to six candidates from that list. Directs that the Commission will consist of 15 members appointed from the remaining pool of candidates. Allows the State Ethics Commission to appoint the first six members, as follows: (1) two members affiliated with the political party with the highest number of registered affiliates, (2) two members affiliated with the political party with the second-highest number of registered affiliates, and (3) two members that are not affiliated with either of those two parties. Directs the initial six members appointed by the State Ethics Commission to appoint the remaining nine members, three from each of the previously specified categories. Directs all appointing authorities to consider the importance of diversity (defined) in their appointments. Sets terms at 10 years. Details other parameters of the Commission, including appointment of a chair, removal from office, vacancies, and reimbursement of member expenses. Provides for a \$1,200 stipend for each month the Commission meets. Starting July 1, 2040, and every ten years after provides for adjustment of stipend by the Legislative Services Officer for inflation, based on the Employment Cost Index reported to the US Bureau of Labor Statistics or an equivalent measure of inflation. Details Commission staffing and the application of open meetings and public records laws.

Enumerates eight criteria that all redistricting plans must meet, including minimization of the number of split communities of interest, as defined, and excluding favoritism or disfavoritism of an incumbent or consideration of member residency in preparation of a plan. Provides for Commission adoption of preliminary, proposed, alternative, and final plans depending on appointed member affiliations. Directs the State Ethics Commission to submit to the Commission a list of qualified persons who can serve as a special master and meets the requirements of a Commission member, who must draw and submit a plan which the Commission must adopt in the event a plan cannot be adopted pursuant to the statute. Provides for appointment of the special master by the Commission, depending on appointed member affiliations. Requires adoption of all plans by October 1 following each federal census. Details the maximum timeline the Commission must follow in adoption of a plan, which provides for public hearings following receipt of data from the Census Bureau; release of preliminary plans to the public and further public hearings; release of proposed plans, alternative plans and summaries; and the Commission holding a vote to adopt final plans, or selection of a special master to prepare, release and present a plan to the Commission that the Commission must adopt. Provides for extensions for good cause, as specified.

Mandates the Commission hold a minimum of 25 public hearings across the State, requiring providing the public with the seven enumerated resources for public input, including sufficient time to review the plan, and access to demographic data and mapping software.

Authorizes the NCGA to assign to the Commission the duty to prepare district plans for local governments if their governing board or an appropriate court so requests.

Provides for Commission member terms to begin on January 1, 2027, and conclude on June 30, 2030, for any redistricting that might occur prior to the return of the 2030 federal census.

Makes the above statutory and uncodified provisions effective January 1, 2027, subject to voter approval of the constitutional amendments set forth in this Part.

Part II.

Makes conforming changes to GS 120-2.3 regarding judgments invalidating apportionment or redistricting acts.

Makes conforming changes to GS 120-2.4, requiring a court to grant the Commission two weeks' time to remedy any defects a court has identified in a plan apportioning or redistricting legislative or congressional districts prior to the court imposing its own substitute plan. Makes further conforming changes.

Intro. by Bradley.

[CONST, GS 120](#)

[View summary](#)

[Constitution, Government, Elections, General Assembly](#)

S 805 (2025-2026) [INCREASE ORAL HEALTH CARE ACCESS IN NC](#). Filed Apr 21 2026, *AN ACT TO INCREASE THE MEDICAID REIMBURSEMENT RATE FOR DENTAL SERVICES*.

Includes whereas clauses.

Appropriates \$80 million in recurring funds and associated receipts beginning in 2026-27 from the General Fund to the Department of Health and Human Services, Division of Health Benefits (DHB), to increase the Medicaid rate paid for dental services.

Effective July 1, 2026.

Intro. by Adcock, Burgin, Corbin.

APPROP

[View summary](#)

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

S 806 (2025-2026) **NO BUDGET, NO PAY ACT**. Filed Apr 21 2026, *AN ACT TO PROVIDE THAT THE SALARIES OF MEMBERS OF THE GENERAL ASSEMBLY SHALL BE HELD IN ESCROW IF THE GENERAL ASSEMBLY HAS NOT PASSED A BUDGET FOR THE 2026-2027 FISCAL YEAR BY JUNE 30, 2026.*

If by midnight on June 30, 2026, the presiding officers of the Senate and the House of Representatives have not ratified a Current Operations Appropriations Act for the 2026-2027 fiscal year, instructs the Legislative Services Officer to require that the General Assembly Controller deposit in an escrow account all compensation and allowances earned by or accruing to each member of the General Assembly on or after July 1, 2026. Authorizes the Controller to release the funds held in escrow upon the earlier of the following: (1) presiding officers of the Senate and the House of Representatives ratify a Current Operations Appropriations Act for the 2026-2027 fiscal year, or (2) adjournment sine die of the 2025 NCGA. Appropriates \$10,000 from the General Fund to the NCGA for 2026-27 for costs associated with implementing the act.

Intro. by Grafstein, Bradley, Everitt.

APPROP, UNCODIFIED

[View summary](#)

Government, Budget/Appropriations, General Assembly

S 808 (2025-2026) **BOARD OF COSMETIC ART EXAMINERS AMENDMENTS**. Filed Apr 21 2026, *AN ACT TO DEREGULATE NATURAL HAIR CARE; TO LICENSE HAIR DESIGNERS; TO REDUCE THE AMOUNT OF TRAINING REQUIRED FOR COSMETOLOGISTS; AND TO ELIMINATE LICENSURE AS AN APPRENTICE, AS RECOMMENDED BY THE JOINT LEGISLATIVE ADMINISTRATIVE PROCEDURE OVERSIGHT COMMITTEE.*

Makes the following changes to the NC Cosmetic Art Act (GS Chapter 88B), as amended by SL 2025-20 (adding references to “Space Force” in the described General Statute Provisions).

Removes the term apprentice, cosmetology, natural hair care teacher, and adds hair design, hair design teacher, hair designer, and licensee to the act’s definitions (GS 88B-2). Makes conforming changes to natural hair specialist.

Requires, in GS 88B-4, for the NC Board of Cosmetic Art Examiners (Board) to offer or approve a ten-hour course in infection control for natural hair specialists, at least one of which must be available free of charge on its website. Reduces the curriculum hours for obtaining a license to practice cosmetology from 1,500 to 1,200 hours of a cosmetology curriculum in GS 88B-7. Removes option to obtain a cosmetologist license upon completion of 1,200 hours and a six-month apprenticeship. Makes additional conforming changes.

Enacts GS 88B-8.1, creating a license for hair designers, by meeting the following three qualifications: (1) successful completion of at least 900 hours of a hair design curriculum in an approved cosmetic art school, (2) passage of an exam conducted by the Board, and (3) payment of the required fees.

Removes licenses for apprentices, previously under GS 88-B8.

Removes option to obtain license as a natural hair care specialist under GS 88B-10.1 and replaces it with option to obtain an infection control certification for a natural hair care specialist upon completion of a 10-hour course, passage of an exam on infection control and payment of fees.

Allows licensed hair designers to qualify for the following licensures by meeting the following curriculum-hour requirements, in addition to meeting other listed qualifications: (1) an esthetician license under GS 88B-9 by completing at least 300 hours of an esthetics curriculum in an approved cosmetic art school for licensed hair designers; (2) a manicurist license under GS 88B-10 by completing at least 100 hours of a manicurist curriculum in an approved cosmetic art school.

Creates a license to practice as a hair design teacher under GS 88B-11 for any individual who meets the described requirements including holding in good standing a cosmetologist or hair design license issued by the Board, either the requisite practice of hair design or completion of 500 hours of teacher curriculum, and passage of a teacher exam conducted by the Board. Removes provisions pertaining to licensure as a natural hair care teacher. Reduces the hours that can be met for a license as a cosmetology teacher from 800 to 500 hours of a teacher curriculum.

Adds hair designers and removes apprentices and natural hair care specialists from those persons who may qualify (1) for a temporary employment permit under GS 88B-12 and (2) comity under GS 88B-13 (applicants from other states) so long as they meet the listed requirements. Authorizes persons certified under GS 88B-10.1 to practice in the places described in GS 88B-15 (practice outside cosmetic art shops). Sets forth a \$10 annual fee and late fee for hair designers in the schedule of fees in GS 88B-20.

Reduces the annual continuing education (CE) requirements for renewal of a teacher, cosmetologist, hair designer, esthetician, natural hair care specialist, or manicurist license from eight to four hours. Reduces the three-year CE requirement for a cosmetologist from twenty-four hours to twelve hours. Adds hair designers to those licensees over sixty years of age who have practiced for at least ten consecutive years who are exempt from GS 88B-21's CE requirements. Adds hair designers, estheticians, natural hair care specialists, and manicurists to those persons with at least twenty consecutive years of experience as a cosmetologist who are also exempt from the CE requirements. Includes hair designers as those person subject to reexamination if they fail to renew their license within five years following the expiration date.

Requires, in GS 88B-23 every natural hair care specialist to conspicuously display the infection control certification issued by the Board at any place where the natural hair care specialist is practicing natural hair care.

Makes conforming, technical, and clarifying changes to GS 88B-2, GS 88B-4 (powers and duties of the Board), GS 88B-12 (temporary employee permits), GS 88B-13 (applicants licensed in other states), GS 88B-15, GS 88B-18B (exams), GS 88B-20, GS 88B-21 (license renewal, expiration and inactive status); GS 88B-22 (licenses and now certifications required), GS 88B-23, GS 88B-24 (revocation of licenses), and GS 86B-32 (persons exempt from the provisions of the article on barbers under the Barber and Electrolysis Practice Act).

Effective October 1, 2026

Provides for the following transitions from natural hair care specialist licenses to infection control certifications: (1) automatically converts those license holders to certificate holders as of October 1, 2026, free of charge; (2) specifies that applicants for natural hair care specialist licenses whose applications were submitted prior to October 1, 2026, and that are pending on that date will be granted as an infection control certification so long as the applicant has successfully completed at least 300 hours of a natural hair care curriculum in an approved school and paid the required fees. Provides for the following transitions from apprentices to cosmetologists: (1) automatically converts apprentice license holders to cosmetologist license holders as of October 1, 2026, free of charge; (2) specifies that applicants for apprentice licenses whose applications were submitted prior to October 1, 2026, and that are pending on that date will be granted as an infection control certification so long as the applicant has successfully completed at least 1000 hours of a cosmetology curriculum in an approved school, passed an exam conducted by the Board, and paid the required fees. Requires the Board to renew an expired apprentice license as a cosmetologist license without resubmission or additional qualifications.

Requires the Board to adopt rules to implement the act. Requires the Board to prominently post the following information on its website: (1) elimination of the apprentice license and transition to cosmetologist license; (2) the elimination of the natural hair care specialist license and transition to certification; (3) the requirement for the completion of the infection control course for newly certified natural hair care specialists; and (4) clear instructions to access the free Board-approved course that satisfies the requirements for infection control certification for natural hair care specialists.

Authorizes the NC Board of Barber and Electrolysis Examiners to adopt rules to implement the changes to GS Chapter 88B.

Intro. by Galey, Moffitt, Sanderson.

[GS 86B, GS 88B](#)

[View summary](#)

[Business and Commerce, Occupational Licensing](#)

S 812 (2025-2026) [TAX FRAUD ANALYTICS FUNDING](#). Filed Apr 21 2026, *AN ACT TO APPROPRIATE FUNDS FOR TAX FRAUD ANALYTICS*.

Appropriates \$4.4 million in recurring funds beginning in 2026-27 from the General Fund to the Department of Revenue to be used to continue and expand the Department's tax fraud analysis contract through the Government Data Analytics Center (GDAC). These funds are to be used to fund detection analytics, software, information reporting, collections case management, collections optimization, managed services, and technical infrastructure. The Department is to continue to coordinate with GDAC and utilize the subject matter expertise and technical infrastructure available through existing GDAC public-private partnerships for fraud detection and analytics infrastructure.

Effective July 1, 2026.

Intro. by Hise.

[APPROP](#)

[View summary](#)

[Government, Budget/Appropriations, State Agencies, Department of Revenue, Tax](#)

S 813 (2025-2026) [NC ECONOMIC FORECASTING INITIATIVE](#). Filed Apr 21 2026, *AN ACT TO CREATE THE NORTH CAROLINA ECONOMIC FORECASTING INITIATIVE AND TO APPROPRIATE MONEY FOR PURPOSES CONSISTENT WITH THAT INITIATIVE*.

Appropriates \$3 million in recurring funds from the General Fund to the UNC Board of Governors (BOG) beginning with 2026-2027 to be allocated to the Kenan-Flagler Business School at UNC-Chapel Hill (Kenan-Flagler) for the North Carolina Economic Forecasting Initiative (Initiative). Establishes the Initiative within the Kenan Institute of Private Enterprise at the Kenan-Flagler Business School to: (1) collect the State's nowcast and forecast county-level economic data and provide the data to the state's policymakers, businesses, community colleges, economic developers, and other stakeholders; and (2) provide relevant and translational economic data to relevant stakeholders to foster sustainable and broad-based growth in local economies, attract new industry and businesses, and create opportunities for all residents. Requires State and local governments to cooperate and assist the Initiative with data and requires requests for data to be reasonable in scope and allow reasonable time for compliance.

Requires the Kenan-Flagler Business School to report beginning December 1, 2026, and by December 1 of every year thereafter when funds are appropriated in accordance with this at, on the use of the funds to the specified NCGA committee and Division.

Effective July 1, 2026.

Intro. by Hise.

[APPROP](#)

[View summary](#)

[Business and Commerce, Government, Budget/Appropriations, State Agencies, UNC System](#)

S 814 (2025-2026) [NATHANIEL DENNY; NC DEPT I.T.](#) Filed Apr 21 2026, *A SENATE RESOLUTION RELATING TO THE APPOINTMENT, NOMINATION, AND CONFIRMATION OF NATHANIEL DENNY AS THE SECRETARY OF THE DEPARTMENT OF INFORMATION TECHNOLOGY*.

Includes whereas clauses. Requires the Senate to consider whether to confirm Nathaniel Denny as Secretary of the Department of Information Technology.

Intro. by Rabon.

SENATE RES

[View summary](#)

Government, General Assembly, State Agencies, Department of Information Technology

S 815 (2025-2026) **CONST. AMEND./PERMITLESS CARRY**. Filed Apr 21 2026, *AN ACT TO EQUALIZE OPEN CARRY AND CONCEALED CARRY OF DEFENSIVE WEAPONS BY REMOVING THE PROHIBITION OF CONCEALED CARRY AND TO UPHOLD THE RIGHT TO KEEP AND BEAR ARMS FOR SELF-DEFENSE*.

Subject to approval by a majority of voters at the general election on November 3, 2026, amends Section 30 of Article I of the North Carolina Constitution which previously stated that nothing in the Section justifies the practice of carrying concealed weapons and that the General Assembly was not prevented from enactment penal statutes against that practice, to instead provide as follows. Now allows a US citizen to carry a weapon, openly or concealed, for self-defense, with or without a permit, except on property posted against it, if they (1) have not been indicted or convicted of a violent crime or felony possession or distribution of a controlled substance, and (2) have not been adjudicated mentally incompetent. Requires maintaining a system of concealed carry permits for the purposes of reciprocity with other states and ease of purchase, but prohibits requiring a person from obtaining a concealed carry permit. If approved, the amendment is effective upon certification.

Intro. by Moffitt, Lazzara, Britt.

CONST

[View summary](#)

Constitution

S 816 (2025-2026) **CHILD. OF WARTIME VETS SCH'SHIP FUNDS & FLEX**. Filed Apr 21 2026, *AN ACT TO APPROPRIATE FUNDS FOR THE CHILDREN OF WARTIME VETERANS SCHOLARSHIP PROGRAM AND TO EXPAND FLEXIBILITY PROVIDED FOR THE CHILDREN OF WARTIME VETERANS SCHOLARSHIP FUNDS PROGRAM TO INCLUDE THE 2026-2027 ACADEMIC YEAR*.

Part I.

Appropriates \$1 million from the General Fund to the UNC Board of Governors (BOG) for 2025-26 to be allocated to the State Education Assistance Authority (Authority) to increase award amounts for recipients of scholarships for the children of wartime veterans for the 2025-26 academic year up to the full amounts permitted, to the extent those awards were reduced by the Secretary of the Department of Military and Veterans Affairs (Secretary). Authorizes the Authority to use any remaining funds to award additional scholarships for the above qualifying children beginning in the 2026-27 academic year.

Part II.

Effective July 1, 2026, authorizes the Secretary to increase the number of the described scholarship classes for new applications for children of wartime veterans from 100 to 200 children in each class for the 2026-27 academic year. Appropriates \$10 million from the Escheat Fund to the BOG in recurring funds beginning in 2026-27 to be allocated to the Authority to support the additional scholarships.

Part III.

Extends the provisions of Section 6 of SL 2025-72, which allows for additional awards under the Children of Wartime Veterans Scholarship to those children notwithstanding existing provisions of GS Chapter 143B and any rules thereunder, so that it also applies in the 2026-27 academic year. For the 2026-27 academic year only, authorizes the Secretary to determine whether to prioritize awards of scholarships for new applicants who apply to receive scholarships as undergraduates, qualify as residents for tuition purposes, and are otherwise eligible to receive scholarships in line with Program requirements. For the 2026-27 academic year only, also authorizes the Secretary to determine whether to establish a standardized payment schedule or

formula within available funds for the academic year to ensure the efficient and effective administration of the scholarships. Specifies that the authorization to the Secretary to consult with the Authority on whether to reduce the room and board allowance only applies for the 2025-26 academic year. Authorizes the Secretary to establish a lottery for selection of scholarship students, in addition to existing authorization of pro rata scholarship awards. Makes technical and conforming changes.

Part IV.

Effective when it becomes law, except as otherwise provided.

Intro. by Brinson, McInnis, Ford.

[APPROP](#)

[View summary](#)

[Education, Higher Education, Government, Budget/Appropriations, State Agencies, UNC System, Department of Military & Veterans Affairs, Military and Veteran's Affairs](#)

LOCAL/HOUSE BILLS

H 1018 (2025-2026) [EAST SPENCER/REMOVE CAP:SATELLITE ANNEXATIONS](#). Filed Apr 21 2026, *AN ACT REMOVING THE CAP ON SATELLITE ANNEXATIONS FOR THE TOWN OF EAST SPENCER*.

Amends GS 160A-58.1, as the title indicates.

Intro. by Warren.

[Rowan, GS 160A](#)

[View summary](#)

H 1025 (2025-2026) [CONETOE MAYOR VOTING AUTHORITY](#). Filed Apr 21 2026, *AN ACT TO ALLOW THE MAYOR OF CONETOE TO VOTE IN ALL MATTERS BEFORE THE BOARD*.

Amends the Conetoe Town Charter (SL 1887-154), Section 3.3.6 to allow the Mayor of Conetoe to vote on any question before the Board instead of only when there was a tie in the Board's vote.

Intro. by Willingham.

[UNCODIFIED, Edgecombe](#)

[View summary](#)

H 1027 (2025-2026) [DUNN/REMOVE CAP ON SATELLITE ANNEXATIONS](#). Filed Apr 21 2026, *AN ACT REMOVING THE CAP ON SATELLITE ANNEXATIONS FOR THE CITY OF DUNN*.

Amends GS 160A-58.1 as title indicates.

Intro. by Penny.

[Harnett, GS 160A](#)

[View summary](#)

H 1028 (2025-2026) [HARNETT COUNTY JETPORT](#). Filed Apr 21 2026, *AN ACT TO PROVIDE FOR ADOPTION OF LAND-USE PLANNING OVERLAYS FOR THE HARNETT COUNTY JETPORT.*

Applicable only to Harnett County, exempts its airport zoning regulations from the down-zoning provisions set forth in GS 160D-601(d). Makes organizational changes.

Intro. by Penny.

[Harnett, GS 160D](#)

[View summary](#)

[Development, Land Use and Housing, Land Use, Planning and Zoning, Transportation](#)

H 1034 (2025-2026) [TOWN OF STANLEY CHARTER AMEND./MANAGER](#). Filed Apr 21 2026, *AN ACT TO AMEND THE CHARTER OF THE TOWN OF STANLEY TO ALLOW THE TOWN MANAGER TO APPOINT TOWN EMPLOYEES OTHER THAN THE TOWN ATTORNEY.*

Amends Section 9 of Stanly's Town Charter, SL 1911-233, as amended, as follows. Gives the Stanly Town Council the power, when necessary, to appoint or remove the Town Attorney. Expands upon whom the Town Manager may hire, suspend, or remove to now include all City employees, including the previously excluded City Tax Collector, and City Clerk (now only excludes the City Attorney).

Intro. by Torbett.

[UNCODIFIED, Gaston](#)

[View summary](#)

[Employment and Retirement](#)

H 1035 (2025-2026) [EVEN-YR ELECTIONS/VOTING/PINK HILL](#). Filed Apr 21 2026, *AN ACT RESTORING CERTAIN VOTING METHODS IN ELECTIONS IN THE TOWN OF PINK HILL AND REQUIRING THAT MUNICIPAL ELECTIONS IN THE TOWN OF PINK HILL BE HELD IN EVEN-NUMBERED YEARS.*

Makes the following changes to Section 3 and Section 3.1 of the Charter of the Town of Pink Hill (SL 1915-31, as amended). Directs that regular municipal elections will be held at the time of the general election in each even-numbered year (was, odd-numbered years). Specifies that the elections are conducted on a nonpartisan plurality basis and the result determined in line with GS 163-292. Specifies that the mayor is elected for a four-year term and that the three town commissioners are elected for four-year staggered terms. Removes outdated language.

Instructs that no municipal elections will occur in Pink Hill in 2027. Extends the terms of the mayor and one commissioner expiring in 2027 by one year and the terms of the other two commissioners whose terms expire in 2029 by one year. Resumes elections in 2028, with the same staggering of terms as when elections were conducted in odd-numbered years.

Applies to elections held after the act becomes law.

Intro. by Humphrey.

[UNCODIFIED, Lenoir](#)

[View summary](#)

[Government, Elections, Local Government](#)

LOCAL/SENATE BILLS

S 214 (2025-2026) [VARIOUS LOCAL PROVISIONS VII. \(NEW\)](#) Filed Feb 27 2025, *AN ACT REMOVING CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE LIMITS OF THE CITY OF SOUTHPORT, REMOVING CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE LIMITS AND THE EXTRATERRITORIAL JURISDICTION OF THE TOWN OF YADKINVILLE, REMOVING*

CERTAIN DESCRIBED PROPERTY FROM THE CORPORATE LIMITS OF THE CITY OF KANNAPOLIS, REMOVING CERTAIN DESCRIBED PROPERTY FROM THE EXTRATERRITORIAL JURISDICTION OF THE TOWN OF SUNSET BEACH, AUTHORIZING FRANKLIN COUNTY TO ACQUIRE PROPERTY IN CERTAIN ADJACENT COUNTIES WITHOUT THE CONSENT OF THE OTHER COUNTY'S BOARD OF COMMISSIONERS, REMOVING THE CAP ON SATELLITE ANNEXATIONS FOR THE TOWN OF EAST SPENCER, AND PROVIDING THAT MEMBERS OF THE FORSYTH COUNTY BOARD OF COMMISSIONERS AND THE WINSTON-SALEM/FORSYTH COUNTY BOARD OF EDUCATION ELECTED IN 2026 SHALL SERVE A TWO-YEAR TERM.

Conference committee substitute to the 4th edition makes the following changes. Organizes the act into parts. Makes conforming changes to the act's titles.

Makes the following changes.

Part I.

Sets the effective date of the act's provisions pertaining to the City of Southport deannexation as June 30, 2026 (was, when the act became law). Deems property in the described territory as of January 1, 2026, no longer subject to municipal taxes for taxable years beginning on or after July 1, 2026.

Part II.

Sets the effective date of the act's provisions pertaining to the Town of Yadkinville deannexation as June 30, 2026 (was, when the act became law). Deems property in the described territory as of January 1, 2026, no longer subject to municipal taxes for taxable years beginning on or after July 1, 2026.

Part III.

Sets the effective date of the act's provisions pertaining to the City of Kannapolis deannexation as June 30, 2026 (was, when the act became law). Deems property in the described territory as of January 1, 2026, no longer subject to municipal taxes for taxable years beginning on or after July 1, 2026.

Adds the following content.

Part IV.

Prohibits Sunset Beach from exercising any powers of extraterritorial jurisdiction granted to cities in GS Chapter 160D (Local Planning and Development Regulation) or its predecessor over the territory identified by the specified Brunswick County Parcel. Makes Sunset Beach's relinquishment of jurisdiction over the area beyond its contiguous corporate limits effective on the date this act becomes law but leaves Sunset Beach's development regulations and powers of enforcement in effect in that area until the time provided in the specified statute.

Part V.

Authorizes Franklin County to acquire, including by condemnation, real property or an interest in real property located in Halifax, Vance, or Warren County, without the consent or approval of the other county's Board of Commissioners.

Part VI.

Amends GS 160A-58.1 as amended, to remove the cap on satellite annexations for the Town of East Spencer.

Part VII.

Instructs that any member of the Forsyth County Board of Commissioner and all nine members of the Winston-Salem/Forsyth County Board of Education receiving a certificate of election in 2026 will serve a two-year term.

Amends Section 1(c) of SL 2023-31 (staggering the terms of the Winston-Salem/Forsyth County Board of Education) to extend the start-date that implements the staggering of terms by two years, from 2026 to 2028. Makes conforming changes to the election years in the individual candidate districts. Effective the first Monday in December 2026.

Part VIII.

Effective when the act becomes law, except as otherwise provided.

Intro. by Sawrey.

UNCODIFIED, Brunswick, Cabarrus, Forsyth, Franklin, Halifax, Rowan, Vance, Warren, Yadkin, GS 160A

[View summary](#)**Government, Local Government**

S 803 (2025-2026) [BEAUFORT DIST. B OCCUPANCY TAX](#). Filed Apr 21 2026, *AN ACT TO AUTHORIZE BEAUFORT COUNTY TO LEVY AN OCCUPANCY TAX IN A TAX DISTRICT COMPRISING ALL AREAS OF THE COUNTY OTHER THAN THE INCORPORATED AREA IN THE CITY OF WASHINGTON.*

Creates the Beaufort County District B Taxing District, with its jurisdiction being in that part of the county located outside of the incorporated area of the City of Washington. Makes the Beaufort County Board of Commissioners the governing body of the District. Authorizes the governing body of the taxing district to levy a room occupancy tax of up to 6%. Provides that the tax must be levied, administered, collected, and repealed as provided in GS 153A-155 (uniform provisions for room occupancy taxes). Requires the Beaufort County District B Tourism Development Authority (TDA) to use at least two-thirds of the occupancy tax proceeds to promote travel and tourism in the county and the remainder for tourism-related expenditures. Mandates that at least one-third of the members of the TDA must be affiliated with businesses that collect the tax in the county and at least one-half must be currently active in the county's travel and tourism promotion. Makes conforming changes.

Intro. by Brinson.

Beaufort, GS 153A

[View summary](#)**Government, Tax, Local Government**

S 807 (2025-2026) [RESTORE DOWN-ZONING AUTH./WOODFIN](#). Filed Apr 21 2026, *AN ACT TO RESTORE THE AUTHORITY TO INITIATE DOWN-ZONING IN THE TOWN OF WOODFIN.*

Amends GS 160D-601(d), as amended by Section 3K.1 of SL 2024-57, as follows. Allows down-zoning amendments to be initiated by a local government without the written consent of all property owners whose property is the subject of the amendment. Removes prohibition on enacting such amendments without the written consent of the property owners whose property owners are subject to the amendment, but specifies that such amendments cannot be initiated or enforced without such written consent. Narrows the list of what is considered down-zoning under the statute by removing a zoning ordinance that affects an area of land by creating any type of nonconformity on land not in a residential zoning district, including a nonconforming use, nonconforming lot, nonconforming structure, nonconforming improvement, or nonconforming site element. Applicable only to to the Town of Woodfin. Effective when the act becomes law and applies retroactively to December 11, 2024. Directs that any adopted ordinance affected by Section 3K.1 of SL 2024-57 will be in effect as it was on or before December 11, 2024.

Intro. by Mayfield.

Buncombe, GS 160D

[View summary](#)**Development, Land Use and Housing, Land Use, Planning and Zoning**

S 809 (2025-2026) [REMOVE SATELLITE ANNEXATION CAP/SPRUCE PINE](#). Filed Apr 21 2026, *AN ACT TO REMOVE THE CAP ON SATELLITE ANNEXATION FROM THE TOWN OF SPRUCE PINE.*

Amends GS 160A-58.1(b) as title indicates.

Intro. by Hise.

Mitchell, GS 160A

[View summary](#)

S 810 (2025-2026) [EVEN-YEAR MUNICIPAL ELECTIONS/CATAWBA CO.](#) Filed Apr 21 2026, *AN ACT TO REQUIRE THAT REGULAR MUNICIPAL ELECTIONS FOR ALL MUNICIPALITIES IN CATAWBA COUNTY BE HELD IN EVEN-NUMBERED YEARS.*

Section 1.

Amends Section 3 and Section 4 (SL 1907-230, as amended) of the Town of Brookford's Charter as follows. Lists the officers of the Town of Brookford as the mayor and four aldermen (was, initially mayor and three commissioners, and other appointed officers and agents). Specifies that the mayor's term is four years and the terms of office for the aldermen are four years, staggered. Directs that the town officers are to be elected at the time of the general election in each even-numbered year on a nonpartisan plurality basis. Removes outdated language and makes technical changes.

Specifies that no municipal elections will be conducted in 2027 and that the terms of office for the two aldermen serving on the effective date of this section whose terms are set to expire in 2027 will be extended by one year. The terms of office for the mayor and two aldermen serving on the effective date of this section whose terms are set to expire in 2029 will be extended by one year. Regular municipal elections will resume in even-numbered years beginning in 2028 with the same staggering of terms as when elections were conducted in the odd-numbered years.

Section 2.

Amends Section 4 (SL 1893-274, as amended), of the Charter of the Town of Catawba so that elections are conducted in even-numbered years (was, odd-numbered years). Removes outdated language.

Specifies that no municipal elections will be conducted in 2027 and that the terms of office for the mayor and two council members serving on the effective date of this section whose terms are set to expire in 2027 will be extended by one year. The terms of office for the two council members serving on the effective date of this section whose terms are set to expire in 2029 will be extended by one year. Regular municipal elections will resume in even-numbered years beginning in 2028 with the same staggering of terms as when elections were conducted in the odd-numbered years.

Section 3.

Amends Section 3 of the Charter (SL 1893-11, as amended) of the City of Claremont as follows. Directs that regular municipal elections will be held at the time of the general election on even-numbered years. Specifies that the elections are to be conducted on a nonpartisan plurality basis. Makes technical and conforming changes, including to section title. Removes outdated language. Makes organizational changes.

Specifies that no municipal elections will be conducted in 2027 and that the terms of office for the three council members serving on the effective date of this section whose terms are set to expire in 2027 will be extended by one year. The terms of office for the mayor and two council members serving on the effective date of this section whose terms are set to expire in 2029 will be extended by one year. Regular municipal elections will resume in even-numbered years beginning in 2028 with the same staggering of terms as when elections were conducted in the odd-numbered years.

Section 4.

Amends Section 4.01 of the Charter of the City of Conover (SL 1977-78, as amended), as follows. Directs that regular municipal elections will be held at the time of the general election in even-numbered years. Makes technical and conforming changes. Removes outdated language.

Specifies that no municipal elections will be conducted in 2027 and that the terms of office for the three council members serving on the effective date of this section whose terms are set to expire in 2027 will be extended by one year. The terms of office for the mayor and two council members serving on the effective date of this section whose terms are set to expire in 2029 will be extended by one year. Regular municipal elections will resume in even-numbered years beginning in 2028 with the same staggering of terms as when elections were conducted in the odd-numbered years.

Section 5.

Amends Section 2.01 of the City of Hickory (SL 1961-323, as amended), as follows. Replaces references to “aldermen” with “council members.” Directs that regular municipal elections will be held at the time of the general election on even-numbered years. Makes technical and conforming changes. Removes outdated language.

Specifies that no municipal elections will be conducted in 2027 and that the terms of office for the three council members serving on the effective date of this section whose terms are set to expire in 2027 will be extended by one year. The terms of office for the mayor and three council members serving on the effective date of this section whose terms are set to expire in 2029 will be extended by one year. Regular municipal elections will resume in even-numbered years beginning in 2028 with the same staggering of terms as when elections were conducted in the odd-numbered years.

Section 6.

Amends Section 3 (SL 1907-430, as amended) of the Charter of the Town of Long View as follows. Specifies that the town’s governing body consists of a mayor and six aldermen, who each represent and are elected by a ward of the town. Specifies that the mayor serves for a four-year term, and that the aldermen serve for four-year terms, staggered. Requires aldermen to be a resident of the ward in which they’re elected. Directs that regular municipal elections will be held at the time of the general election on even-numbered years. Makes technical changes.

Specifies that no municipal elections will be conducted in 2027 and that the terms of office for the three aldermen serving on the effective date of this section whose terms are set to expire in 2027 will be extended by one year. The terms of office for the mayor and three aldermen serving on the effective date of this section whose terms are set to expire in 2029 will be extended by one year. Regular municipal elections will resume in even-numbered years beginning in 2028 with the same staggering of terms as when elections were conducted in the odd-numbered years.

Section 7.

Makes the following changes to Section 4 of the Town of Maiden (SL 1883-103, as amended). Directs that regular municipal elections will be held in the first Tuesday in November on even-numbered years (was, odd-numbered years). Removes town specific rules for electing the mayor and town council. Instead directs that the results be determined in accordance with GS 163-292 (election results using the plurality method). Specifies that Town elections will be conducted in line with uniform municipal election laws in GS Chapter 163 except as otherwise provided. Makes technical and conforming changes. Removes outdated language.

Specifies that no municipal elections will be conducted in 2027 and that the terms of office for the mayor and two council members serving on the effective date of this section whose terms are set to expire in 2027 will be extended by one year. The terms of office for the two council members serving on the effective date of this section whose terms are set to expire in 2029 will be extended by one year. Regular municipal elections will resume in even-numbered years beginning in 2028 with the same staggering of terms as when elections were conducted in the odd-numbered years.

Section 8.

Amends Article III of the City of Newton’s Charter (SL 1989-1042, as amended) as follows. Replaces references to the “Board of Aldermen” with “City Council.” Extends the mayor’s term to four (was, two) years. Directs that regular municipal elections will be held at the time of the general election on even-numbered years. Makes technical and conforming changes, including to section title. Removes outdated language.

Specifies that no municipal elections will be conducted in 2027 and that the terms of office for the mayor and three council members serving on the effective date of this section whose terms are set to expire in 2027 will be extended by one year. The terms of office for the three council members serving on the effective date of this section whose terms are set to expire in 2029 will be extended by one year. Regular municipal elections will resume in even-numbered years beginning in 2028 with the same staggering of terms as when elections were conducted in the odd-numbered years.

Section 9.

Applies to elections held on or after the act becomes law.

[View summary](#)**Government, Elections, Local Government**

S 811 (2025-2026) **WEAVERVILLE/REMOVE CAP: SATELLITE ANNEXATIONS**. Filed Apr 21 2026, *AN ACT REMOVING THE CAP ON SATELLITE ANNEXATIONS FOR THE TOWN OF WEAVERVILLE*.

Amends GS 160A-58.1(b) as title indicates.

Intro. by Daniel, Moffitt, Mayfield.

Buncombe, GS 160A

[View summary](#)

S 817 (2025-2026) **ANNEX VARIOUS MILITARY PROPERTY/JACKSONVILLE**. Filed Apr 21 2026, *AN ACT TO ANNEX INTO THE CITY OF JACKSONVILLE CERTAIN PORTIONS OF MARINE CORPS BASE CAMP LEJEUNE, MARINE CORPS AIR STATION NEW RIVER, AND MARINE CORPS SPECIAL OPERATIONS COMMAND AT STONES BAY AND THE NEW RIVER*.

Adds the described territories located at Marine Corps Base Camp Lejeune, the Greater Sandy Run Training Area, Marine Corps Air Station New River, Marine Corps Special Operations Command at Stones Bay and the New River to the Jacksonville corporate limits.

Species that the act does not create or increase any right for a city to regulate or influence activities of the federal government or any activities and operations occurring in or on the Base, Air Station, or Commands.

Effective June 30, 2026. Specifies that property in the described territory as of January 1, 2026, is subject to municipal taxes for taxes imposed for taxable years beginning on or after July 1, 2026.

Intro. by Lazzara.

UNCODIFIED, Onslow

[View summary](#)**Military and Veteran's Affairs**

ACTIONS ON BILLS

PUBLIC BILLS

H 56: UNC ENROLLMENT. (NEW)

House: Added to Calendar

House: Failed Concur In S Com Sub

H 268: ADDITIONAL CAPITAL APPROPRIATIONS. (NEW)

House: Serial Referral To Rules, Calendar, and Operations of the House Stricken

House: Withdrawn From Com

House: Added to Calendar

House: Failed Concur In S Com Sub

H 328: REGULATE HEMP-DERIVED CONSUMABLES. (NEW)

House: Withdrawn From Com

House: Added to Calendar

House: Failed Concur In S Com Sub

H 562: HEALTHCARE INVESTMENT ACT. (NEW)

House: Serial Referral To Rules, Calendar, and Operations of the House Stricken

House: Withdrawn From Com

House: Added to Calendar

House: Failed Concur In S Com Sub

H 696: MEDICAID & HHS ADJUST./OTHER CRITICAL NEEDS (NEW).

House: Conferees Changed

Senate: Conf Com Reported

Senate: Held As Material

Senate: Placed On Cal For 04/22/2026

House: Conf Com Reported

House: Ruled Material

House: Placed On Cal For 04/22/2026

H 832: EDUCATION OMNIBUS. (NEW)

House: Withdrawn From Com

House: Added to Calendar

House: Failed Concur In S Com Sub

H 1017: SOUND BASIC EDUCATION FOR EVERY CHILD.

House: Filed

H 1019: MIKE CLAMPITT 1ST RESPONDER TAX FAIRNESS ACT.

House: Filed

H 1020: PESA CLASS AIDES & AMP CHILD. WARTIME VETS FUNDS.

House: Filed

H 1021: FUNDS FOR FACILITIES OF DAV ORGANIZATIONS.

House: Filed

H 1022: PICKLEBALL WELLNESS INITIATIVE: HEALTH EQUITY.

House: Filed

H 1023: DIVINE NINE SPECIAL REGISTRATION PLATE ACT.

House: Filed

H 1024: REVISE NC 529 PROGRAM.

House: Filed

H 1026: REMOTE INSTRUCTION FOR EXCESS EMERGENCIES.

House: Filed

H 1029: NC DIGITAL ASSET AND STABLECOIN ACT.

House: Filed

H 1030: US DEPARTMENT OF EDU.

House: Filed

H 1031: UNIVERSAL FREE BREAKFAST AND LUNCH.

House: Filed

H 1032: REPEAL TWO PERCENT LOCAL GROCERY TAX.

House: Filed

H 1033: DENTAL BOARD REFORM.*House: Filed***S 779: MEDICAID REBASE.***Senate: Filed***S 780: MODERNIZE MEDICAID PRIMARY CARE RATES.***Senate: Filed***S 781: HEALTH INSURANCE PREMIUM TAX CREDIT.***Senate: Filed***S 782: SAFE SCHOOLS TRANSPARENCY ACT.***Senate: Filed***S 783: SCHOOL MENTAL HEALTH SUPPORT ACT.***Senate: Filed***S 784: ENSURE SAME-SEX DOMESTIC VIOLENCE PROT. ORDER.***Senate: Filed***S 785: OPT-IN TO STUDENT HEALTH.***Senate: Filed***S 786: PROTECT NC PROSPERITY & HEALTH.***Senate: Filed***S 787: AI ETHICS AND LITERACY ACROSS EDUCATION.***Senate: Filed***S 788: GUARDING FREEDOMS & PUBLIC SAFETY ACT.***Senate: Filed***S 789: HOMES FOR HEROES.***Senate: Filed***S 790: SMALL BUSINESS CAPITAL IMPROVEMENT ACCOUNT.***Senate: Filed***S 791: ENHANCED PENALTY/DOM. VIOLENCE STRANGULATION.***Senate: Filed***S 792: KAYLA'S ACT: PROTECTING DOM. VIOLENCE VICTIMS.***Senate: Filed***S 793: RIGHT TO IVF.***Senate: Filed***S 794: NC VICTIMS OF CRIME ASSISTANCE ACT.***Senate: Filed***S 795: MODIFY TAXATION OF 1031 EXCHANGES.***Senate: Filed***S 796: COMPACT TO AWARD PRIZES FOR CURING DISEASE.**

Senate: Filed

S 797: HANDS FREE NC.

Senate: Filed

S 798: ELDERLY PROP. TAX APPRECIATION EXCLUSION.

Senate: Filed

S 799: RESTORE STATE EMP/TEACHER RETIREE MED BENEFIT.

Senate: Filed

S 800: ZERO-BASED BUDGETING.

Senate: Filed

S 801: PROTECT SPECIAL OPS FORCES/NO DOXING/FUNDS.

Senate: Filed

S 802: AGENCY VACANT PROPERTY.

Senate: Filed

S 804: FAIR MAPS ACT.

Senate: Filed

S 805: INCREASE ORAL HEALTH CARE ACCESS IN NC.

Senate: Filed

S 806: NO BUDGET, NO PAY ACT.

Senate: Filed

S 808: BOARD OF COSMETIC ART EXAMINERS AMENDMENTS.

Senate: Filed

S 812: TAX FRAUD ANALYTICS FUNDING.

Senate: Filed

S 813: NC ECONOMIC FORECASTING INITIATIVE.

Senate: Filed

S 814: NATHANIEL DENNY; NC DEPT I.T.

Senate: Filed

S 815: CONST. AMEND./PERMITLESS CARRY.

Senate: Filed

S 816: CHILD. OF WARTIME VETS SCH'SHIP FUNDS & FLEX.

Senate: Filed

LOCAL BILLS

H 1018: EAST SPENCER/REMOVE CAP:SATELLITE ANNEXATIONS.

House: Filed

H 1025: CONETOE MAYOR VOTING AUTHORITY.

House: Filed

H 1027: DUNN/REMOVE CAP ON SATELLITE ANNEXATIONS.

House: Filed

H 1028: HARNETT COUNTY JETPORT.

House: Filed

H 1034: TOWN OF STANLEY CHARTER AMEND./MANAGER.

House: Filed

H 1035: EVEN-YR ELECTIONS/VOTING/PINK HILL.

House: Filed

S 214: VARIOUS LOCAL PROVISIONS VII. (NEW)

Senate: Conf Com Reported

Senate: Held As Material

Senate: Placed On Cal For 04/22/2026

House: Conf Com Reported

House: Ruled Material

House: Placed On Cal For 04/22/2026

S 803: BEAUFORT DIST. B OCCUPANCY TAX.

Senate: Filed

S 807: RESTORE DOWN-ZONING AUTH./WOODFIN.

Senate: Filed

S 809: REMOVE SATELLITE ANNEXATION CAP/SPRUCE PINE.

Senate: Filed

S 810: EVEN-YEAR MUNICIPAL ELECTIONS/CATAWBA CO.

Senate: Filed

S 811: WEAVERVILLE/REMOVE CAP: SATELLITE ANNEXATIONS.

Senate: Filed

S 817: ANNEX VARIOUS MILITARY PROPERTY/JACKSONVILLE.

Senate: Filed

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