

The Daily Bulletin: 2026-05-04

PUBLIC/HOUSE BILLS

H 1114 (2025-2026) [GSC TECHNICAL CORRECTIONS 2026](#). Filed Apr 29 2026, *AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE GENERAL STATUTES AND SESSION LAWS, INCLUDING REPEALING OBSOLETE LANGUAGE DESCRIBING PAST TRANSFERS OR REORGANIZATIONS OF STATE AGENCIES, AS RECOMMENDED BY THE GENERAL STATUTES COMMISSION.*

Part I.

Recodifies GS 143A-13, as amended, as GS 147-33.131 in new Article 3E (Lieutenant Governor) of GS Chapter 147, and makes the following changes. Designates Lieutenant Governor as President of the Senate and requires performing any duties assigned by the Governor or NCGA. Specifies where the Lieutenant Governor must maintain an office, and when the office must be open. Recodifies GS 147-33 (compensation and expenses of Lieutenant Governor) as GS 147-33.132 of new Article 3E.

Recodifies GS 143A-48.1 as GS 143-815 in new Article 85 (Council on the Holocaust) in GS Chapter 143.

Recodifies GS 143A-66.1, 143A-66.2, and 143A-66.3 as GS 106-1005, 106-1006, and 106-1007, respectively, in new Article 82A (Forestry Council) in GS Chapter 106.

Repeals GS Chapter 143A (State Government Reorganization) as amended above.

Enacts GS 143C-1-C (types of State agency transfers), which categorizes two types of transfers: Type I (transfer of an existing State agency to a principal State department, including transfer of its statutory authority, rulemaking, and other duties (as described) and records, personnel, and other property (as described) to a principal State department) and Type II (an intact transfer of a State agency to a principal State department, where it is administered by the transferee department as described but exercises its statutory powers and functions (other than management functions), independently).

Defines *management functions*.

Specifies the State divisions headed by members of the State's general executive officers in GS 147-3. Updates reference to "Governor's Council" to "Governor's Cabinet."

Part II.

Renames GS Chapter 143B to "Executive Branch" (currently titled "Executive Organization Act of 1973"). Repeals GS 143B-1 (title), 143B-2 (interim applicability), GS 143B-5 (continuation of the Governor's powers and duties, GS 143B-7 (continuation of functions), GS 143B-9(b) (head of a principal State department must appoint a chief deputy or chief assistant, who will not be subject to the North Carolina Human Resources Act), GS 143B-13(e) (outdated provision), GS 143B-19 (outdated provision), GS 143B-21 (concerning abolition of certain agencies by the Executive Organization Act of 1973), GS 143B-22 (concerning references to statute, contract, or other document pertaining to functions, powers, obligations, and duties of a State agency assigned by the Executive Organization Act of 1973), GS 143B-23 (completion of unfinished business), GS 143B-25 (agencies not enumerated), GS 143B-26 (constitutional references), GS 143B-28 (goals of continuing reorganization), GS 143B-51(b) (transfer of functions, powers, duties, and obligations heretofore vested in any agency enumerated in Article 17 of Chapter 143A to DNCR), GS 143B-53 (organization of DNCR), GS 143B-138.1 (Department of Health and Human Services—functions and organization), GS 143B-168.3 (Child Care Commission—powers and duties), GS 143B-168.10C (Adjustments to NC Prekindergarten Program Fund), GS 143B-181.1(b) (Division of Aging functioning under the authority of the Department of Health and Human Services and the Secretary of Health and Human Services as provided in the Executive Organization Act of 1973), GS 143B-216.33(b) (Division of Services for the Deaf and the Hard of Hearing operating under the authority of the Department of Health and Human Services and the Secretary of Health and Human Services as provided in the Executive Organization Act of 1973), GS 143B-219 (no compensation for Advisory Commission for the North Carolina State Museum of Natural Sciences), GS 143B-279.3 (DEQ structure), Part 3 of

Article 7 of GS Chapter 143B (Wildlife Resources Commission), GS 143B-348(b) (outdated language), Part 8 of Article 8 of GS Chapter 143B (Highway Safety Program), GS 143B-368 (Department of Administration functions), GS 143B-431(a)2) and (3) (certain provisions about functions of the Department of Administration), GS 143B-432 (transfers to Department of Commerce), GS 143B-451 (Navigation and Pilotage commissions), GS 143B-801 (Transfer of Office of Juvenile Justice authority to the Division of Juvenile Justice of the Department of Public Safety), GS 143B-1203(a) (transfer of the Criminal Justice Information Network Governing Board to the Department of Public Safety), and GS 143B-1490(b) (transfer of authority in the Commissioner and Commission of Correction to the Post-Release Supervision and Parole Commission).

No longer allows the definitions in GS 143B-3 (pertaining to the executive branch) to differ when context clearly requires otherwise. Makes technical changes.

Makes technical changes to GS 143B-4.

Expands the scope of GS 143B-6 (concerning principal departments) to include principal offices. Adds the Office of the Governor and the Office of the Lieutenant Governor as the principal State offices. Adds Department of Adult Correction, Department of Agriculture and Consumer Services, Department of Insurance, Department of Justice, Department of Labor, Department of Public Instruction, Department of the State Auditor, Department of the State Treasurer, and the Department of the Secretary of State to the principal State departments. Removes language describing executive and administrative powers and duties vested in those departments. Makes technical and organizational changes. Makes conforming changes, including to section title.

Requires the Governor to set the salaries for the chief deputy or chief assistant to principal State department heads (currently, Governor is required to set salaries only for department heads themselves) in GS 143B-9 (appointment of department heads), as amended by the act. Makes technical and conforming changes.

Makes technical changes and removes references to the Executive Organization Act of 1973 as the source of the Department of Natural and Cultural Resources' (DNCR) power and duties in GS 143B-49.

Expands DNCR's duties to include development and preservation of libraries, historical records, and historic sites and property and an appreciation of art and music in GS 143B-50 (DNCR's duties). Makes technical changes.

Removes limit on adopting rules to those that are not inconsistent with the management and responsibilities of the Secretary of DNCR and laws of the State in GS 143B-73 on the USS NC Battleship Commission. Makes technical and conforming changes.

Updates reference to "NC Pharmaceutical Association" with "NC Association of Pharmacists," "Duke Foundation" with "Duke Endowment." and "NC Hospital Association" with "NC Healthcare Association" and makes technical and conforming changes to GS 143B-166 (NC Medical Care Commission). Removes outdated language.

Changes title of GS 110-87.1 to Child Care Commission (was, Child Care Commission members; selection; quorum). Removes outdated language and makes technical changes.

Updates reference to "Department of Community Colleges" with "Community Colleges System Office" and makes technical and conforming changes to GS 143B-181 (Governor's Advisory Council on Aging).

Replaces reference to GS 143A-6(b) (Type II administrative transfer under GS Chapter 143, now repealed by the act) with directive that the NC State Commission of Indian Affairs is administratively located in the Department of Administration but exercises its powers independently of the Secretary of Administration in GS 143B-404 (NC State Commission of Indian Affairs). Makes technical changes.

Removes statutory references in GS 143B-431.01(b), as amended (Department of Commerce contracting functions): (1) describing types of functions the Department of Commerce (DOC) is permitted to contract out to an NC nonprofit corporation and (2) describing those types of independent agencies, boards, or commissions where DOC cannot contract out as described above. Makes technical changes.

Changes the title of GS 143B-348, as amended by the act, to Department of Transportation--head (was, Department of Transportation--head; rules, regulations, etc. of Board of Transportation head) and makes technical changes.

Removes, in GS 143B-1490, the power of the Post-Release Supervision and Parole Commission (Commission) of the Division of Community Supervision and Reentry of the Department of Adult Correction to revoke, terminate, and suspend paroles for

persons placed on probation before the Executive Organization Act of 1973. Removes provision keeping the Board of Parole's rules and regulations in effect until replaced by the Commission. Makes technical changes.

Replaces reference to GS 143B-439 (Type II administrative transfer under GS Chapter 143, now repealed by the act) with directive that the Credit Union Commission is administratively located in DOC but exercises its powers independently of the Secretary of Commerce.

Amends GS 143B-431.01 to prohibit the Department of Commerce from contracting with a North Carolina nonprofit regarding the functions of an agency board or commission that exercises its powers independently of the Secretary (was, the functions in GS 143B-432(a)(2)).

Changes the title of GS 143B-1203 from "Transfer; definitions" to "Definitions."

Makes conforming changes and removes outdated language from GS 143B-13 (appointment of commission members).

Makes conforming changes (removes reference to title "Executive Organization Act of 1973") and other technical changes to GS 154B-13 (appointment, qualifications, terms and removal of members of commissions), GS 143B-16 (appointment and removal of board, council, and committee members), GS 143-17, as amended (commission investigations and orders), GS 143B-51 (functions of DNCR), GS 143B-68 (Public Librarian Certification Commission), GS 143B-93 (Roanoke Island Historical Association), GS 143B-96 (Edenton Historical Association), GS 143B-100 (Historic Bath Commission), GS 143B-104 (Historic Hillsborough Commission), GS 143B-108 (Historic Murfreesboro Commission), GS 143B-135.132 (NC Trails Committee), GS 143B-158(g) (Commission for the Blind), GS 143B-217 (Department of Revenue--creation), GS 143B-293.2(c1) (NC Oil and Gas Commission), GS 143B-324.2(c) and (d) (Western North Carolina Public Lands Council), GS 143B-345 (DOT), GS 143B-366 (Department of Administration--creation), and GS 143B-1454(a)(Division of Prisons--functions with respect to adults).

Removes outdated language and makes technical changes to GS 143B-63 (Historical Commission) and GS 143B-1491, as amended (Commission members).

Removes outdated language and makes conforming changes (removes reference to title "Executive Organization Act of 1973") and technical changes to GS 143B-72 (Tryon Palace Commission), GS 143B-74 (USS NC Battleship Commission), GS 143B-80 (Executive Mansion Fine Arts Committee), GS 143B-88 (NC Carolina Arts Council--members, quorum, selection, compensation), GS 143B-135.207 (NC Zoological Park Council), GS 143B-217 (Department of Revenue), GS 143B-154 (Social Services Commission), GS 143B-394 (NC Council for Women), and GS 143B-394.26 (State Youth Advisory Council).

Makes technical changes to GS 143B-83 (NC Awards Commission, creation, powers, and duties), GS 143B-87 (NC Arts Council--creation, powers, and duties).

Part III.

Makes conforming changes (removal of reference to GS Chapter 143A) and technical changes to GS 18B-500 (alcohol law enforcement agents), GS 126-3 (establishing Office of State Human Resources (OSHR)), GS 126-19 (EEO plans), GS 97-77 (NC Industrial Commission), GS 143-745 (definitions pertaining to internal auditing), GS 150B-2(8a) as amended (definition of rule under Article 1 of the APA), and GS 159D-38(e) (describing administrative placement of the NC Capital Finances Agency in the Department of the State Treasurer).

Clarifies that GS 53C-2-1 creates the State Banking Commission (SBC). Specifies that the SBC is administratively located in DOC but exercises its powers independently of the Secretary of Commerce. Makes technical change.

Makes technical changes and specifies that the following commissions, offices, or divisions are administratively located in DOC but exercises its respective powers independently of the Secretary of Commerce: Office of Commissioner of Banks (GS 53C-2-3), Savings Institution Division (new GS 54B-4.1), NC Utilities Commission (GS 62-10), Cape Fear Navigation and Pilotage Commission (GS 76A-1), Morehead City Navigation and Pilotage Commission (GS 76A-31), and the NC Rural Electrification Authority (GS 117-1). Requires the Cape Fear Navigation and Pilotage Commission and the Morehead City Navigation and Pilotage Commission to report its activities to the Governor through the Secretary of Commerce.

Makes technical changes to GS 143-746 (internal auditing required).

Updates statutory citation that establishes NC Wildlife Resources Commission in GS 113-128 (definitions relating to agencies and their powers).

Expands the powers of the Department of Transportation (DOT) under GS 136-18 to include contracting with the US government to obtain the benefits available to the State under the Federal Highway Safety Act of 1966 and, with the Governor's approval, to coordinate the activities of all departments and agencies of the State and its subdivisions to obtain these benefits. Makes conforming change by repealing GS 147-12(a)(10) (power to contract with the US to obtain the State benefits under the Federal Highway Safety Act of 1966 and coordinate the activities of all departments and agencies of the State and its subdivisions to obtain these benefits).

Repeals GS 134-34.11 (listing of certain GS provisions repealed effective July 1, 1979), without reenacting the list of repealed statutes contained within the section. Repeals GS 143-50 (transferring described powers relating to State printing to the Secretary of Administration), 143-247 (transferring duties, powers, jurisdiction and responsibilities of listed departments and directors to the Wildlife Resources Commission [WRC]), 143-248 (transferring described land and improvements and other personal property to the WRC), 143-249 (transferring described personnel to the WRC), 143-326 (transferring described powers and resources of the described commissions to the Department of Local Affairs), 143-344 (transferring described powers and resources from the Division of Purchase and Contract to the Department of Administration), 143-345 (savings clause related to transfers to the Department of Administration), 147-13.1 (governor's power to coordinate State agencies), and 147-34 (setting office hours for the Secretary of State).

Specifies, in GS 143-240, that the WRC is administratively located in the Department of Environmental Quality (DEQ), but exercises its powers independently of the Secretary of DEQ. Limits the Secretary's direction and supervision only to the WRC's management functions of coordinating and reporting. Makes technical changes.

Recodifies GS 143-745(a)(1) (definition of agency head for purposes of internal auditing) as GS 143-745(a)(3).

Part IV.

Directs the Revisor of Statutes to renumber the definitions in GS 20-4.01 (definitions pertaining to the Division of Motor Vehicles [DMV]) so they are in alphabetical order.

Repeals GS 20-16(a)(8) (DMV's authority to suspend the license of a person convicted of illegal transportation of alcoholic beverages).

Makes clarifying change to GS 30-48 (right of surviving community-property spouse), as enacted by SL 2025-25.

Clarifies that the described insurance holding company system is exempt from the reporting requirements of GS 58-19-26 (group capital calculation) as enacted by SL 2025-45, if, among the other listed requirements, its sole insurer writes insurance business only in the state of its domicile (previously, no limit on where the sole insurer could write the insurance business). Makes organizational and technical changes.

Requires the Insurance Commissioner to comply with GS 93B-8.1 (use of criminal history records) in taking adverse action against a license under GS 58-33-46. Removes reference to crimes of moral turpitude. Removes provisions defining soliciting, negotiating, and selling. Makes technical changes.

Removes provisions allowing credit for amounts paid for a temporary license against the fee required for an appointment by the sponsoring company in fees listed in GS 58-33-125 (GS Chapter 58, Article 33 and Article 21 license fees). Makes technical changes.

Narrows scope of types of instructors under GS 58-33-132 by removing prelicensing courses from the types of educational courses governed by Insurance Commission rules in GS 58-33-132 (instructor qualifications). Makes conforming and technical changes.

Makes technical and organizational changes to GS 95-174 (definitions pertaining to identification of toxic or hazardous substances).

Now names the Department of Administration (DOA) (was, Board of Public Buildings and Grounds) as the other entity who must issue a request with the Governor for the NC Historical Commission to act in an advisory capacity relative to buildings constructed, erected, or remodeled in the State under GS 100-5. Requires DOA to provide the NC Historical Commission with offices as described in GS 143-244 (was, Board of Public Buildings and Grounds).

Repeals Article 29 (the Commission to Study the Care of the Aged and Handicapped) and Article 31C (concerning service on the National Tobacco Grower Settlement Trust) of GS Chapter 143.

Makes organizational changes to GS 116-15 (licensing of certain nonpublic postsecondary educational institutions). Makes the following changes to the reorganized section. Updates statutory references of what GS Chapters do not apply to the nonpublic postsecondary institutions to include GS Chapter 115C (was 115). Makes organizational, clarifying, and technical changes.

Makes technical changes to GS 116-209.16A as amended (information on career and major options).

Makes organizational changes to GS 143-552 (definitions pertaining to state and local educational entity employees) and makes the following changes to the reorganized statute. Adds *community college*, *local board of education*, and *State entity*. Makes changes to *employing entity*, *net disposable earnings*, and *employee*.

Makes technical changes to GS 143-553 (concerning conditional continuing employment).

Updates statutory cross references to replace repealed statutes and makes other technical changes to GS 143-554 (right of employee appeal).

Makes the following changes to GS 143-555 (definitions pertaining to public officials). Removes *employing entity*. Makes technical changes to the other definitions.

Makes technical changes to GS 143-556 (concerning notification to the appointing authority and investigations).

Repeals GS 143-558 (definition of *employing entity* pertaining to legislators). Makes technical changes to GS 143-559 (notification to Legislative Ethics Committee and investigations).

Updates statutory cross references and makes other technical changes to GS 153A-234 (pertaining to the State Fire Marshal).

Removes provisions authorizing a different meaning of the defined terms when required by context in GS 159-7(b) (definitions pertaining to the Local Government Budget and Fiscal Control Act). Makes other technical and clarifying changes to the statute.

Removes the Genetic Engineering Review Board, the Northeastern NC Farmers Market Commission, the Southeastern NC Farmers Market Commission, the Commission on School Facility Needs, the State Health Plan Purchasing Alliance Board, the Health and Wellness Trust Fund Commission, and the NC Council on Ocean Affairs from those boards and commissions where members of the General Assembly are prohibited from serving under GS 120-123. Updates statutory cross references. Updates “NC Seafood Industrial Park Authority” to “NC Marine Industrial Park Authority”; “NC Board of Science and Technology” to “NC Board of Science, Technology, and Innovation”; “NC Council for Women” to “NC Council for Women and Youth Involvement”; and “Alarm System Licensing Board” to “Security Systems Licensing Board.”

Makes technical changes.

Repeals Article 17 of GS Chapter 143 (the State Post-War Reserve Fund).

Replaces references to “tobacco allotment holders” with “former allotment holders” in GS 143-715 (policy and purpose of the Tobacco Trust Fund). Makes technical changes. Removes *national tobacco grower settlement trust* from the defined terms in GS 143-716. Modifies the examples of qualified agricultural programs in the term’s definition. Makes technical and conforming changes.

Removes requirement that flue-cured tobacco and burley tobacco farmers sit on the Tobacco Trust Fund Commission (Commission) in GS 143-717. Instead, requires two tobacco farmers appointed by the Governor, three tobacco farmers appointed by the President Pro Tempore of the Senate, and two tobacco farmers appointed by the Speaker of the House. Changes one of the Speaker of the House’s appointees to former tobacco farmer (was, a former flue-cured allotment holder who is not also a flue-cured tobacco farmer). Removes outdated language. Specifies that if a vacancy occurs on the Commission, then a quorum becomes a majority of its membership instead of the default of ten members. Makes technical and clarifying changes.

Removes provisions requiring a priority use of funds from the Tobacco Trust Fund (Fund) in GS 143-719 and makes conforming changes to the statute’s title. Makes technical changes.

Replaces references to “allotment holders” with “former allotment holders” in GS 143-720 (benefit and administration of Fund for compensatory programs). Removes requirements that: (1) direct payments to the described persons engaged in tobacco-related businesses be based on losses resulting in 1998 and thereafter and (2) payments from the Fund and National Tobacco Grower Settlement (Trust) not exceed compensable economic losses. Removes Commission’s authority to use the criteria uses for Trust payments to correspond with the Trust to ensure tobacco farmers and allotment holders are treated fairly. Makes technical and conforming changes.

No longer allows State agencies to enter into contracts for auditing services without the State Auditor’s approval in audits requested by the Governor in GS 147-64.7 (State Auditor Authority). Removes limit that Auditor’s power to subpoena witnesses for testimony be taken in a manner prescribed by law. Removes the venue requirements for an action by an Auditor to enforce a subpoena. Updates statutory cross references and makes clarifying and technical changes.

Effective July 1, 2026, removes the July 1, 2026, expiration date of SL 2005-384 as amended.

Retroactive to July 26, 2025, clarifies that the effective is the effective date of the part governing Sections 47(b) and 48(e) of SL 2025-25, not the effective date of the act itself.

Repeals new GS 58-56A-55 (specifying that all requirements relating to the coverage of prescription drugs and pharmacy services under GS Chapter 58 that apply to health benefit plans are applicable to a pharmacy benefits manager in the same way they are applicable to an insurer) as enacted by SL 2025-37. Repeals Section 7.2 of SL 2025-37 (pertaining to pharmacist credentialing and healthcare services provided by pharmacists, applying certain requirements to third-party administrators and pharmacy benefits managers).

Repeals Section 2 (effective October 1, 2025, amended GS 78A-36 to allow a securities salesman to be registered with more than one dealer if the dealers employing or associating with the salesman is under common ownership or control, or the registration is otherwise allowed) and Section 3 (retroactive to September 9, 2024, removed provisions of GS 42-46 only allowing attorneys’ fees if the landlord is the prevailing party. Limited an award of attorneys’ fees and described costs in the specified summary ejection appeals to when a landlord is the prevailing party) of SL 2025-52.

Part V.

Effective when it becomes law, except as otherwise provided.

Intro. by Davis.

GS 18B, GS 20, GS 30, GS 53C, GS 54B, GS 58, GS 62, GS 95, GS 97, GS 100, GS 106, GS 113, GS 116, GS 117, GS 120, GS 126, GS 136, GS 140, GS 143, GS 143A, GS 143C, GS 147, GS 150B, GS 153A, GS 159, GS 159D

Business and Commerce, Insurance, Courts/Judiciary, Motor Vehicle, Development, Land Use and Housing, Property and Housing, Education, Higher Education, Government, APA/Rule Making, General Assembly, Public Safety and Emergency Management, State Agencies, Department of Administration, Department of Adult Correction, Department of Commerce, Department of Natural and Cultural Resources (formerly Dept. of Cultural Resources), Department of Environmental Quality (formerly DENR), Department of Health and Human Services, Department of Public Safety, Department of Revenue, Department of Transportation, Office of State Auditor, State Government, Executive, State Personnel

[View summary](#)

Part I. Retirement Systems

Amends GS 135-4, applicable to the Retirement System for Teachers and State Employees, by adding to the provisions that apply to State employees who served in the uniformed services who were not dishonorably discharged and returned to service of the State within two years, that if a member forfeited services previously credited by electing to receive a return of accumulated contributions, and subsequently purchases the maximum amount of service allowed, then that member must have the service previously credited restored. Effective January 1, 2027, and applies to members of the Teachers' and State Employees' Retirement System with forfeited service that was previously credited under GS 135-4(g) who subsequently purchase the maximum amount of service allowed on or after January 1, 2027.

Amends GS 128-26, applicable to the Local Governmental Employee's Retirement System, to provide that if a member forfeited service previously credited uniformed service credit by electing to receive a return of accumulated contributions and subsequently purchases the maximum amount of service allowed, then that member must have the service previously credited restored. Effective January 1, 2027, and applies to members of the Local Governmental Employee's Retirement System with forfeited service that was previously credited under GS 128-26(a1) who subsequently purchase the maximum amount of service allowed on or after January 1, 2027.

Amends GS 135-9(b) (applicable to the Retirement System for Teachers and State Employees), GS 128-31(b) (applicable to the Local Governmental Employee's Retirement System), and GS 120-4.29 (Legislative Retirement System) by adding that the ability to offset any overpayment of benefits or erroneous payments to members in a State-administered retirement system, the Disability Salary Continuation Plan, or the Disability Income Plan of NC, including benefits to the State Health Plan, does not apply to the fully contributory death benefit for retired members.

Amends GS 135-5 and GS 128-27, concerning the anti-pension-spiking contribution-based benefit cap, by adding to the conditions that apply to the cap that for any member whose retirement allowance was: (1) initially restored to the pre-contribution-based benefit cap level, (2) subsequently suspended for at least three years because of being restored to service, and (3) recalculated based on becoming reemployed for at least three years on the basis of the member's compensation and service before and after the prior retirement period without restrictions, the amount required to restore the member's benefit to the pre-contribution-based benefit cap level must be reduced on a dollar-for-dollar basis by the amount required to restore the initial retirement allowance. Makes additional technical, organizational, and clarifying changes.

Amends GS 135-3 by making the following changes to the members of the Retirement System for Teachers and State Employees whose membership is terminated on or after July 1, 1963. Excludes service as a member of the Legislative Retirement System from the provisions that apply to: (1) beneficiaries who retired on an early or service retirement and is reemployed by or engaged to perform services for an employer participating in the System on a part time, temporary, interim, or fee for service basis and whose retirement allowance will be suspended upon meeting the specified income thresholds; or (2) beneficiaries who retired on an early or service retirement allowance and is restored to service as an employee or teacher and whose retirement allowance will cease. Sets GS 120-4.21(d), which prohibited a member from receiving a service retirement allowance greater than 75% of the member's "highest annual salary" or from receiving any service retirement allowance whatsoever while employed in a position that makes the member a contributing member of either the Teachers' and State Employees' Retirement System or the Consolidated Judicial Retirement System, to expire on July 1, 2026. Amends GS 120-4.21(c), which prohibits a member from receiving a service retirement allowance greater than 75% of his "highest annual salary" so that it is no longer limited members retiring before September 1, 2025. Effective July 1, 2026, and applies to all members of the Legislative Retirement system on or after that date, including those who retired after September 1, 2025. Provides that if the service retirement allowance of a member who retired on or after September 1, 2005, and before July 1, 2026, was suspended in accordance with GS 120-4.21(d) prior to its expiration on July 1, 2026, then that service retirement allowance must continue to be suspended until the member withdraws from membership in either the Teachers' and State Employees' Retirement System or the Consolidated Judicial Retirement System and the member is not entitled to any retroactive reinstatement of a service retirement allowance related to the expiration of GS 120-4.21(d).

Enacts new GS 58-86-41, providing as follows. Requires each eligible fire department and rescue or emergency medical services squad, under rules adopted by the Board of Trustees of the Local Governmental Employees' Retirement System, to certify on account of each eligible worker, any information necessary to administer the Firefighters' and Rescue Squad Workers' Pension Fund.

Amends GS 143-166.30 concerning the forfeiture of benefits from the Supplemental Retirement Income Plan for State Law-Enforcement Officers for certain felonies, by adding that pending the determination of whether GS 135-18.10A (Forfeiture of retirement benefits for certain felonies related to employment or holding office) applies to the conviction, that the administrator of the Plan may prohibit the withdrawal of contributions from the law enforcement officer's account for up to 60 days from the date of conviction. Makes additional clarifying changes. Makes the same change to GS 143-166.50, applicable to participants in the Supplemental Retirement Income Plan for Local Government Law-Enforcement Officers.

Amends GS 135-6, and GS 128-8 to allow the State Treasurer and the Board of Trustees to appoint employees as they deem advisable to carry out the terms and conditions of the Retirement System, removing the requirement that the relevant Board engage actuarial and other services required to transact the Retirement System's business. Requires the Board of Trustees to allow the State Treasurer to establish compensation plans for employees with specialized skills or knowledge necessary for the proper administration of the System. Makes these employees exempt from the Office of State Human Resources' classification and compensation rules, and limits the total number of these employees across the two systems to no more than 40% of the employees of the Retirement Systems Division. Makes conforming changes to GS 126-5.

Makes organizational changes to GS 135-6. Amends GS 135-6 and GS 128-28 by removing the Attorney General from acting as the legal adviser to the Boards of Trustees and instead requires the State Treasurer to designate a licensed attorney employed by the Department of State Treasurer to act as the legal adviser. Also allows the State Treasurer to designate legal counsel to represent the interests of the administration of benefit programs under the relevant Articles. Makes the same applicable to the Legislative Retirement System under GS 120-4.10.

Amends GS 135-6 and GS 128-28 by changing the compensation for trustees so that during Board session, trustees receive \$100/per day, except for any trustee whose salary is paid from State funds. Makes these same provisions applicable to the Supplemental Retirement Income Act of 1984 under GS 135-96 and the Achieving a Better Life Experience Program Trust under GS 147-86.72.

Amends GS 135-5 and GS 128-27 by providing that if multiple beneficiaries are designated and living at the time of the member's death and any beneficiary elects to renounce their part of the member's contributions, the renunciation does not result in another beneficiary becoming eligible for benefits.

Amends GS 135-7, and GS 128-29, concerning the Legislative Enacting Implementation Arrangement (LEIA), as follows. Amends the purpose of the LEIA to include providing for ongoing administrative implementation of legislative provisions regarding the retirement of, or payment of retirement benefits to, public officers or public employees. Removes the prohibition on the Board of Trustees directing any employer contributions into the LEIA after January 1, 2035. Removes the listed restrictions on the allocation of LEIA funds to (1) the implementation of legislative provisions regarding the retirement of, or payment for retirement benefits to, public officers or public employees, or (2) be used for administrative or information technology purchases, and instead makes it subject to purposes that the Board determines are necessary to prevent an interruption to the System's normal operations. Allows the Board to transfer assets of the LEIA to the Retirement System as an additional employer contribution (was, any assets of the LEIA not used to pay allowed administrative expenses for timely administrative implementation of legislative provisions were required to be transferred to the Retirement System as additional employer contribution). Effective July 1, 2026.

Part II. State Health Plan

Amends GS 135-48.43, setting out categories of coverage available under the State Health Plan for Teachers and State Employees (Plan), to no longer limit maternity benefits to employees and enrolled spouses. Effective 30 days after the act becomes law.

Amends GS 125-48.38 which requires benefits payable for covered expenses under the Plan be reduced by any benefits payment for the same expenses under Medicare, by allowing an additional exception to Medicare being the primary carrier for instances when the Treasurer has determined that the administrative costs of coordinating with Medicare is likely to exceed the financial benefit of the coordination to the Plan.

Amends GS 147-86.11 by adding an exception to the requirement that moneys deposited with the State Treasurer remain on deposit with the State Treasurer until final disbursement to the ultimate payee, for the purposes of operating the Plan.

Part III. NC Investment Authority

Amends GS 58-31-1 to require that the State Treasurer deposit the assets of the State Property Fire Insurance Fund with the North Carolina Investment Authority (Authority) to invest.

Amends GS 58-86-20 to require that the assets of the North Carolina Firefighters' and Rescue Squad Workers' Pension Fund be deposited with the Authority to invest. Makes additional technical and clarifying changes.

Amends GS 58-87-5 to require that the assets of the Volunteer Rescue/EMS Fund be deposited with the Authority to invest.

Amends GS 74C-30 to require that the assets of the Private Protective Services Education Fund be deposited with the Authority to invest.

Amends GS 74D-30 to require that the assets of the Security Systems Education Fund be deposited with the Authority to invest.

Amends GS 113-173.1 to require that the assets of the North Carolina Commercial Fishing Resources Fund be deposited with the Authority to invest. Makes a clarifying change.

Amends GS 113-175.1 to require that the assets of the Marine Resources Fund be deposited with the Authority to invest.

Amends GS 113-175.5 to require that the assets of the North Carolina Marine Resources Endowment Fund be deposited with the Authority to invest.

Amends GS 115C-546.10 to require that the assets of the Needs-Based Public School Capital Fund be deposited with the Authority to invest.

Amends GS 116-209 to require that the assets of the Reserve Trust Fund be deposited with the Authority to invest. Makes additional technical and clarifying changes.

Amends GS 116-209.25 to require that the assets of Parental Savings Trust Fund be deposited with the Authority to invest. Makes conforming changes.

Amends GS 120-4.18 to make the State Treasurer the custodian of the assets of the Legislative Retirement System and requires that the assets be deposited with the Authority to invest.

Amends GS 122E-3 to require that the assets of the North Carolina Housing Trust Fund be deposited with the Authority to invest. Requires the Authority, instead of the Treasurer, to provide the quarterly and annual reports of Fund revenues and interest earnings.

Amends GS 127A-40.1 by making the State Treasurer the custodian of assets of the North Carolina National Guard Pension Fund and requires that the Fund's assets be deposited with the Authority to invest. Makes additional organizational and technical changes.

Amend GS 131A-32 to require that the assets of the Rural Health Care Stabilization Fund be deposited with the Authority to invest.

Amends GS 135-66 to require that the assets of the Consolidated Judicial Retirement System be deposited with the Authority to invest.

Amends GS 135-1110 to require that the assets of the Disability Income Plan of North Carolina be deposited with the Authority to invest.

Amends GS 143-58.5 to require that the assets of the Alternative Fuel Revolving Fund be deposited with the Authority to invest.

Amends GS 143-166.82 to require that the assets of the Sheriffs' Supplemental Pension Fund be deposited with the Authority to invest.

Amends GS 143-250.1 to require that the assets of the Wildlife Endowment Fund be deposited with the Authority to invest.

Amends GS 143-719 to require that the assets of the Tobacco Trust Fund be deposited with the Authority to invest.

Amends GS 143B-135.236 to require that the assets of the North Carolina Conservation Easement Endowment Fund be deposited with the Authority to invest.

Amends GS 143C-9-2 to require that the assets of the Trust Fund for Mental Health, Developmental Disabilities, and Substance Abuse Services and Bridge Funding be deposited with the Authority to invest.

Amend GS 147-54.5 to require that the assets of the Investor Protection and Education Trust Fund be deposited with the Authority to invest.

Amends GS 147-69.6 to require that the assets of the Swain County Settlement Trust Fund be invested according to Article 6 of GS Chapter 147 instead of in the specified investments.

Amends GS 161-50.2 to require that the assets of the Registers of Deeds' Supplemental Pension Fund be deposited with the Authority to invest.

Amends GS 147-86.57 which sets out the definition of terms that apply to the Iran Divestment Act by adding that Investment Authority means the North Carolina Investment Authority. Amends GS 147-86.58 by making the Board of Directors of the Investment Authority, rather than the State Treasurer, responsible for adopting a policy prohibiting investing funds with a company engaging in investment activities with Iran and expands upon who the prohibition applies to by including the Investment Authority. Makes conforming changes. Also changes responsibility from the State Treasurer to the Board of Directors of the Investment Authority for developing the list of restricted companies. Makes conforming changes to GS 147-86.60, and GS 147-86.61. Makes these same changes to the statutes concerning divestment from companies boycotting Israel in GS 147-86.80 and GS 147-86.81. Specifies that the policies previously adopted by the State Treasurer under GS 147-86.58 and GS 147-86.81 remain in effect until the applicable policy is adopted by the Board of Directors of the North Carolina Investment Authority.

Amends GS 135-1 by amending the definition of compensation for the Retirement System for Teachers and State Employees by amending the definition of compensation to include all special pay contribution of annual leave made to a 401(a) Special Pay Plan for the benefit of an employee; excludes from compensation any payment for the reimbursement of expenses or payments for housing or any other allowances, and performance-related bonuses paid to employees of the Investment Authority. Amends GS 128-21 Local Governmental Employee's Retirement System by excluding from compensation any payment for the reimbursement of expenses or payments for housing or any other allowances. Effective retroactively to July 1, 2025, and applies to any performance-related bonuses paid to employees of the Investment Authority on or after that date.

Part IV. Technical and Clarifying Changes

Amends GS 135-5, by amending conditions that apply when determining the special retirement allowance for law enforcement officers by specifying that the specified requirements apply to transfers of eligible accumulated contributions from the Supplemental Retirement Income Plan of North Carolina made on or after July 1, 2022. Makes additional organizational, clarifying, and technical changes and makes language gender neutral.

Repeals the following and provides that any inchoate or accrued rights of any member on January 1, 207, must not be diminished: (1) 135-5(c) through (d4) (Disability Retirement Benefits of Members Leaving Service Prior to January 1, 1988, Allowance on Disability Retirement of Persons Retiring on or after July 1, 1959, but prior to July 1, 1963, Allowance on Disability Retirement of Persons Retiring on or after July 1, 1963, but prior to July 1, 1969, Allowance on Disability Retirement of Persons Retiring on or after July 1, 1969, but prior to July 1, 1971, Allowance on Disability Retirement of Persons Retiring on or after July 1, 1971, but prior to July 1, 1982, Allowance on Disability Retirement of Persons Retiring on or after July 1, 1982, Who Left Service prior to January 1, 1988), (j) (provisions effective July 1, 1959, with respect to any retirement allowance payments due after such date to any retired member who was retired prior to July 1, 1959, on a service or disability retirement allowance), (s) (Increases in Benefits to Those Persons on Disability Retirement Who Were Retired prior to July 1, 1971), and (x) (Increases in Benefits to Those Persons on Disability Retirement Who Were Retired prior to July 1, 1971); (2) GS 135-10.1(b) (If an applicant for disability retirement fails to furnish requested additional medical information within 90 days following the request for that information, then the application shall be declared null and void, unless the applicant is eligible for early or service retirement), and (3) GS 135-28.1(e) (applicable a judge of a district court who made made application for disability retirement prior to January 1, 1974). Makes conforming and technical changes to GS 135-3, and GS 105-259.

Amends GS 128-27 as follows. Removes the requirement that the board of Trustees require each employee enrolling in the retirement system provide information on the application concerning any mental or physical incapacities. Amends the conditions that apply when the surviving designated beneficiary may elect or receive the reduced retirement allowance provide by a 100% joint and survivor payment option instead of a return of accumulated contributions by adding that if multiple beneficiaries are designated and living at the time of the member's death and any beneficiary elects to renounce their portion of the accumulated contributions, the renunciation does not result in another beneficiary becoming eligible for benefits. Makes additional organizational, technical, and clarifying changes.

Amends GS 135-4, GS 128-26, and GS 135-6 by making organizational, technical, and clarifying changes.

Amends GS 135-48.41(d) to specify that the provision applies to former employees who are receiving retirement benefits under Article 1A of GS Chapter 120 or Article 4 of GS Chapter 135. Makes conforming and clarifying changes.

Repeals the following and specifies that any inchoate or accrued rights of any member on January 1, 2027, are not diminished: (1) GS 120-4.11(2) (making former members of the General Assembly who served prior to June 15, 1983 eligible for the retirement system), (2) GS 120-4.12(c)(2) (defining prior service to mean the number of years served by former members of the General Assembly who were vested in the Legislative Retirement Fund); (3) GS 120-4.13(a) (requiring the Board of Trustees to set up procedures to transfer membership from the Legislative Retirement Fund to the Retirement System and to recompute benefits paid to retirees of the Legislative Retirement Fund who elect to transfer to the Retirement System), and (4) GS 120-4.15(a) and (b) (concerning certain repayment of contributions withdrawn from the Legislative Retirement Fund and System).

Recodifies and repeals portions of GS 135-5(e). Recodified portions are now in GS 120-4.23; makes additional conforming, and clarifying changes. Effective January 1, 2027.

Amends GS 135-109 to allow the Department of State Treasurer and Board of Trustees to require beneficiaries to annually provide a statement of the beneficiary's monthly income. Makes additional clarifying changes.

Amends GS 135-3 by providing that if a member is unable to make a lump-sum payment, they can have the entirety of their net monthly (was, their monthly) retirement benefit withheld until three times the amount of compensation earned during the six months following retirement has been recovered.

Amends GS 120-4.11 to specify that the listed members and former members of the NCGA are members in the retirement system (was, are eligible for membership in the system).

Amend GS 135-106 by clarifying that listed conditions apply if the member has been approved and is in receipt of primary Social Security disability benefits. Makes additional organizational, clarifying, and technical changes.

Amends GS 135-108 by updating statutory cross-references.

Directs the Revisor of Statutes to replace the phrase "(Form 6-E or 26 Form 7-E)" with the phrase "by electronic submission in a form approved by the Board of Trustees or by written designation duly acknowledged and filed with the Board of Trustees" in GS 135-5(g) and GS 128-27(g). Makes conforming changes to GS 135-10.1 and GS 128-32.1.

Amends GS 143-166.60 by making a technical change.

Requires the Revisor of Statutes to replace the reference to "GS 135-4" with "GS 135-4.5" in GS 135-5(f) and reference to "GS 128-26" with "GS 128-26.5" in GS 128-27(f).

Amends GS 120-4.25, concerning the return of accumulated contributions once a person is no longer a member of the NCGA, to provide that if they become a member afterwards, credit can be allowed as provided in GS 120-4.15, in addition to GS 120-4.14.

Corrects a statutory cross reference in GS 120-4.21.

Makes a technical change to GS 147-69.2A.

Corrects statutory cross-references in GS 128-38.40 and GS 147-65.1.

Intro. by Wheatley, Carson Smith.

GS 58, GS 74C, GS 74D, GS 105, GS 113, GS 115C, GS 116, GS 120, GS 122E, GS 126, GS 127A, GS 128, GS 131A, GS 135, GS 143, GS 143B, GS 143C, GS 147

[View summary](#)

Employment and Retirement, Government, General Assembly, Public Safety and Emergency Management, State Agencies, Department of State Treasurer, State Government, State Personnel, Local Government, Military and Veteran's Affairs

H 1175 (2025-2026) [AFFORDABILITY IN HEALTHCARE ACT](#). Filed Apr 30 2026, *AN ACT TO LOWER HEALTHCARE COSTS, INCREASE COMPETITION IN THE HEALTH INSURANCE MARKET, AND IMPROVE VALUE AND TRANSPARENCY BY LEVERAGING THE STATE'S PURCHASING POWER; TO ESTABLISH A LOW-COST, AFFORDABLE HEALTH PLAN OPTION ON THE AFFORDABLE CARE ACT HEALTH INSURANCE MARKETPLACE; TO CREATE A HEALTHCARE PURCHASING CONSORTIUM TO ALIGN PUBLIC PROCUREMENT; TO APPROPRIATE FUNDS FOR IMPLEMENTATION; TO CONTINUE AND EXPAND HEALTHY OPPORTUNITIES ACTIVITIES TO PROMOTE CHRONIC DISEASE PREVENTION; TO ELIMINATE CERTIFICATE OF NEED REVIEW FOR INPATIENT REHABILITATION SERVICES, REHABILITATION FACILITIES, AND REHABILITATION BEDS; TO PROVIDE GREATER PROTECTION FOR ESSENTIAL RURAL HEALTH SERVICES; AND TO PRESERVE COMPETITION IN HEALTHCARE BY REGULATING THE CONSOLIDATION AND CONVEYANCE OF HOSPITALS.*

Includes whereas clauses.

Part I.

Sets out NCGA findings on healthcare costs.

Adds new Article 94, Low-Cost Health Plan Option, to GS Chapter 58, providing as follows.

Defines *low-cost health plan option* as a qualified health plan, or group of qualified health plans, made available through a State-facilitated arrangement and ordered on the Exchange in accordance with this Article for the purpose of increasing competition, improving affordability, and expanding consumer choice. Defines *reference-based rate* as a reimbursement rate benchmarked to Medicare or another objective schedule adopted under the Article.

Requires the Department of Health and Human Services (DHHS) to consult with the Department of Insurance (DOI) and State Treasurer in establishing and administering the North Carolina Low-Cost Health Plan Option (Option). Requires the Option to be offered on the Exchange statewide. Allows using one or more participating carriers or third-party administrators to underwrite, administer, and operate the Option.

Requires DHHS to set procurement requirements to reduce premiums and out-of-pocket costs. Allows DHHS to require participating carriers to use value-based payment, tiered networks, advanced primary care models, or other designs consistent with affordability and quality. Allows DHHS to set reference-based rates for provider reimbursement under the Option, including rates expressed as a percentage of Medicare, with adjustments for rural access, critical access hospitals, and other essential providers. Requires that DHHS, beginning with the initial plan year and for each plan year thereafter, ensure that the Option meets specified affordability outcomes for premiums, administrative expenses, and out-of-pocket costs. Sets out steps that must be taken when DHHS determines that an affordability outcome cannot be met due to network adequacy requirements, provider participation, federal restrictions, or other constraints outside of DHHS control.

Requires that the Option be financed primarily through premiums and other revenues associated with plan operations. Allows requesting appropriations for specified functions and expenses.

Requires DHHS to report annually to the specified NCGA committee and division on enrollment, premiums, claims, administrative costs, network adequacy, consumer satisfaction, quality outcomes, and any recommended statutory changes.

Requires that the Option be offered on the Federally Facilitated Marketplace, or Exchange, beginning with the plan year 2028, unless DHHS certifies in writing to the Joint Legislative Oversight Committee on Health and Human Services that an earlier plan year is feasible.

Requires DHHS to begin planning, procurement, and implementation of this Part when this Part becomes effective.

Part II.

Adds new Article 85, Public Health Consortium, to GS Chapter 143, providing as follows.

Establishes the Public Health Purchasing Consortium (Consortium) to coordinate, aggregate, and strategically align the healthcare purchasing power of public entities in the state. Makes the State Treasurer the chair of the Consortium and sets out membership requirements. Sets out the Consortium's six duties, including developing model procurement standards for carriers, Third-Party Administrators, Pharmacy Benefit Managers, and other vendors; coordinating strategies to improve competition, transparency, and affordability; and supporting implementation of the Option created under Article 94 of GS Chapter 58. Allows establishing a secure data-sharing framework, with data disclosed only for public purchasing purposes. Allows a county, municipality, or other political subdivision to participate in Consortium initiatives upon approval by its governing board and execution of a participation agreement, which may address specified topics. Requires an annual report to the specified NCGA committees.

Part III.

Requires that DHHS, the Department of Insurance, and the Department of State Treasurer enter into interagency agreements to implement Parts I and II. Allows DHHS to issue requests for information and requests for proposals and take actions necessary to ensure that the Option is operational by the date required.

Effective July 1, 2026, appropriates \$25 million in recurring funds from the General Fund to DHHS and \$10 million in nonrecurring funds for 2026-27 to implement the Plan and Consortium.

Part IV.

Appropriates \$175 million in recurring funds and associated receipts for 2026-27 from the General Fund to DHHS, Division of Health Benefits (DHB), to continue and expand Health Opportunities Pilots activities to promote chronic disease prevention, reduce avoidable healthcare utilization, and improve health outcomes through interventions addressing health-related social needs. Sets out for allowable uses of the funds, with priority given to interventions and program designs expected to reduce the incidence or severity of chronic disease. Prohibits using funds to supplant existing state funding for similar purposes, unless expressly authorized by the NCGA.

Requires DHB to report annually, beginning in 2027, while funds remain available to the specified NCGA committees and division on the specified items related to the Healthy Opportunities Pilots.

Effective July 1, 2026.

Part V.

Adds Parts to Article 11B, Transparency in Health Care Costs, of GS Chapter 131E and makes the following changes.

Amends GS 131E-214.13 governing pricing disclosure for frequently reported Diagnostic Related Group (DRG), Current Procedural Technology (CPT), and the Healthcare Common Procedure Coding System (HCPCS). Adds CPT, DRG, HCPCS, and statewide data processor to the defined terms. Changes the reporting requirements in subsections (b) and (d) to now require hospitals to quarterly (was, annually) report to the statewide data processor (was, the Department of Health and Human Services (DHHS)) specified information about (1) the 100 most frequently reported admissions by DRG for inpatients and (2) total costs for the 20 most common surgical procedures and the 20 most common imaging procedures performed in outpatient settings or ambulatory surgical facilities (facilities) along with CPT and HCPCS codes. Specifies that when calculating the amount, each hospital or facility must include charges for each billable item and service associated with the DRG or procedure regardless of whether a physician or nonphysician practitioner performed the service. Reorganizes the rulemaking provisions and adds that the Medicare Care Commission (Commission) must establish procedures for the statewide data processor to receive and submit data reported to DHHS for publication on its website. Makes conforming changes.

Enacts GS 131E-214.18 to authorize DHHS to assess civil penalties for violations of Article 11B in addition to any federal penalty. Sets the daily penalty at no less than .01% of the annual salary of the CEO of the noncompliant hospital or facility or more than \$2,000.

Adds receipt of data from hospitals and facilities reported pursuant to GS 131E-214.13, as amended, to the duties of a statewide data processor set forth in GS 131E-214.4 and requires submitting the data to DHHS.

Makes the above changes effective on the later of January 1, 2027, or the date rules adopted by the Commission regarding uniform reporting pursuant to GS 131E-214.13(d) becomes effective. Directs the Commission to notify the Revisor of Statutes when rules pursuant to GS 131E-214.13(f1)(1) and (2) become effective.

Part VI.

Enacts GS 131E-214.30, as follows. Requires at the time a health service facility participating in an insurer's healthcare provider network (1) treats an insured individual for anything other than screening and stabilization; (2) admits an insured individual to receive emergency services; (3) schedules a procedure for non-emergency services for an insured individual; or (4) seeks prior authorization from an insurer for the provision of non-emergency services to an insured individual, to provide the insured individual with a written disclosure pertaining to billing, out-of-network services, and consumer protections, as described. Requires emergency services facilities to disclose to an insured individual if it does not have a contract for services with the insured's insurer, and to provide information about consumer protections, as described, as soon as practicable after the facility begins providing emergency services.

Enacts GS 131E-214.31, as follows. Requires at the time a healthcare provider not participating in the insured's network (1) treats an insured individual for anything other than screening and stabilization; (2) schedules a procedure for non-emergency services for an insured individual; or (3) seeks prior authorization from an insurer for the provision of non-emergency services to an insured individual, to provide the insured individual with a written disclosure that warns the insured that the healthcare provider is not in the insured's healthcare provider network and provides consumer protection information, as described.

Designates failure to comply with the above requirements as an unfair and deceptive trade practice. Clarifies that nothing in Article 11B of GS Chapter 131E forecloses other remedies available under law or equity.

Repeals the definition of *health benefit plan* in GS 58-3-200(a)(1) and *insurer* in GS 58-3-200(a)(2) (definitions section of provisions pertaining to miscellaneous insurance and managed care coverages and networks). Adds definition of terms *clinical laboratory*, and *healthcare provider*.

Requires an insurer upon request under GS 58-3-200(d) (services outside provider networks), to determine whether a healthcare provider able to meet the needs of the insured is available to the insured without unreasonable delay by reference to the insured's location and the specific medical needs of the insured.

Applies to healthcare services provided on or after October 1, 2026, and to contracts issued, renewed, or amended on or after that date.

Part VII.

Adds new Article 11C to GS Chapter 131E, entitled "Fair Billing and Collection Practices for Hospitals and Ambulatory Surgical Facilities," as follows. Recodifies GS 131E-91 (fair billing and collections practices for hospitals and ambulatory surgical facilities) as GS 131E-214.50, and reorganizes that provision into new Article 11C. Requires a hospital or ambulatory surgical facility to first present an itemized list of charges to the patient detailing the specific nature of the charges or expenses incurred by the patient before referring the bill to collection as another required collections practice under new GS 131E-214.50. Enacts new GS 131E-214.52 (patient's right to a good faith estimate) as part of new Article 11C, as follows. Defines *CMS*, *facility* (licensed hospital or ambulatory surgical facility), *items and services*, *service package*, and *shoppable service* (a non-urgent service that can be scheduled by the patient in advance). Requires a facility to provide, upon a patient's request, a good faith estimate for a shoppable service as described. Limits a patient's final bill from exceeding more than 5% of the good faith estimate. Requires DHHS to adopt rules to implement the statute. Directs DHHS to notify the Revisor when the rules required under GS 131A-214.52 take effect.

Effective on the later of January 1, 2027, or the date the rules adopted by DHHS become effect. Applies to acts occurring after the effective date.

Part VIII.

Adds new GS 131E-214.54 (concerning facility fees) to Article 11C, as follows. Defines *ambulatory surgical facility*, *campus*, *facility fee* (any fee charged or billed by a health care provider for outpatient services provided in a hospital-based facility that

is (i) intended to compensate the health care provider for the operational expenses of the health care provider, (ii) separate and distinct from a professional fee, and (iii) charged regardless of the modality through which the health care services were provided), *health care provider, health systems, hospital, hospital-based facility, professional fee, and remote location of a hospital.*

Places the following limits on facility fees: (1) prevents a health care provider from assessing a charge, bill, or collecting a facility fee unless the services are provided on a hospital's main campus, at a remote location of a hospital, or at a facility that includes an emergency department or ambulatory surgical center and (2) regardless of where the services are provided, no health care provider can assess a charge, bill, or collect a facility fee for outpatient evaluation and management services, or any other outpatient, diagnostic, or imaging services identified by DHHS. Requires DHHS to annually identify those services.

Requires each hospital and health system to submit a report annually to DHHS by July 1st on the six specified matters. Specifies that all violations of the statute are an unfair trade practice. Subjects health care providers that violate the statute to a civil penalty of not more than \$1,000 per occurrence.

Requires DHHS to adopt rules to implement new GS 131E-214.54. Effective on the later of January 1, 2027 or the date DHHS adopts the rules discussed above. Requires DHHS to notify the Revisor when the rules adopted under GS 131E-214.54 take effect.

Part IX.

Expands the State Auditor's responsibilities under GS 147-64.6 to include a periodic review of health service facilities that: (1) receive State funds and (2) are licensed under GS Chapter 122C that are recipients of State funds for information on the prices these facilities charge out-of-network or uninsured patients and their transparency about those prices. Requires that the State Auditor report findings to the specified NCGA committee by April 1, 2027, and periodically thereafter as specified.

Part X.

Expands the obligations pertaining to non-expedited appeals under GS 58-50-61(k) to include utilization review organizations (currently just insurers). Requires providing contact information for the insurer instead of the coordinator. Makes clarifying and technical changes. Requires an insurer to provide their contact information as part of the written information they must provide as part of a first-level grievance review (currently have to provide review contact information for the coordinator) and makes technical changes to GS 58-50-62(e) (concerning first-level grievance reviews). Requires the insurer to provide information on how and where to submit written material for a second-level grievance review and contact information for the insurer (currently, just have to provide the coordinator's contact information) in GS 58-50-62(f) (second-level grievance reviews).

Part XI-A.

Amends GS 131E-176 (the definitions pertaining to certificates of need) so that rehabilitative health services; rehabilitation health service facilities; rehabilitation health service facility beds; rehabilitation facility hospitals for rehabilitation of injured, disabled, or sick persons and nursing provided at a non-inpatient rehabilitation facility for the rehabilitation of sick, injured, or disabled individuals are no longer included in the definitions. Amends term *rehabilitation facility* so that it means a facility that has been classified and designated as an inpatient rehabilitation facility by the Centers for Medicare and Medicaid Services (currently, means a public or private inpatient facility which is operated for the primary purpose of assisting in the rehabilitation of individuals with disabilities through an integrated program of medical and other services which are provided under competent, professional supervision).

Part XI-B.

Adds new Article 9B, Essential Rural Health Services Protection Act, to GS Chapter 131E, providing as follows. Defines *essential rural health services* as any of the following services when provided in a rural county or when reasonably necessary to maintain access for residents of a rural county: emergency services; obstetrical services, including labor and delivery; inpatient services; surgical services necessary for emergency stabilization or urgent intervention; behavioral health services, including inpatient psychiatric services; dialysis services; diagnostic imaging or laboratory services necessary for emergency diagnosis or treatment; primary care services, if the Department determines that loss or material reduction of the service would likely leave a rural county without reasonable local access; and any other service designated by the Department by rules

adopted pursuant to this Article as essential to preserving access to care in rural counties. Defines *rural county* as one with a population density of 250 or fewer persons per square mile. Defines additional terms used in the Article.

Prohibits implementing a *material change* (as defined, including closure of an essential rural health service, reduction in hours or capacity, or relocation of essential services) affecting essential rural health services unless notice is given to DHHS at least 120 days before the proposed effective date of the material change. Sets out what must be included in the notice.

After receiving a notice, DHHS must evaluate whether the proposed material change is reasonably likely to do one or more of the seven listed scenarios, including materially reducing access to an essential rural health service for residents of a rural county; reduce the availability of emergency services, obstetrical services, behavioral health services, primary care, inpatient services, or other essential rural health services in a rural county; increase patient travel times or care delays beyond levels reasonably consistent with maintaining meaningful rural access; or create or worsen discriminatory admission, transfer, referral, staffing, or contracting practices that shift disproportionate burdens to essential rural providers. Sets out issues DHHS must consider in conducting the review and requires getting public input when DHHS determines it is necessary to complete its evaluation.

Requires DHHS to adopt rules establishing one or more financial viability thresholds for essential rural providers. If an essential rural provider falls below those thresholds, requires DHHS to initiate a rural financial viability review, reviewing specified issues. Allows DHHS, upon finding that continued access to essential rural health services is reasonably likely to be materially impaired as a result of an essential rural provider's financial viability status, to impose reporting requirements on the essential rural provider, impose a mitigation plan, or take other enforcement action.

Requires DHHS to do one of the following within 60 days of determining that a notice meets the statutory requirements: (1) issue a written notice that no further action is required; (2) approve the proposed material change subject to a mitigation plan that satisfies this statute's criteria; or (3) issue a written determination prohibiting the proposed material change if DHHS finds that, even with a mitigation plan, (i) essential rural health services would not be adequately protected in the affected service area or (ii) the proposed material change is reasonably likely to materially destabilize the financial viability of an essential rural provider. Sets out actions that may be included in a mitigation plan, including a requirement to phase in proposed material changes over time, requirement to maintain a financial assistance policy for uninsured and underinsured patients, and reporting and monitoring requirements. Allows extending the time for making the determination on the notice as long as specified notice is given to the person when public input or additional information is necessary. Prohibits a person from implementing a material change while a review is pending.

Requires an opportunity for public comment when a proposed material change (1) involves a hospital or hospital authority or (2) is reasonably likely to materially affect essential rural health services in a rural county.

Prohibits a person subject to the Article from: (1) engaging in any pattern or practice of admission, transfer, referral, staffing, contracting, or operational behavior that has the purpose or effect of materially undermining an essential rural provider's ability to maintain essential rural health services; (2) selectively retaining lower-acuity or better-insured patients, or shift disproportionate numbers of higher-acuity, uninsured, underinsured, or Medicaid patients, in a manner reasonably likely to materially destabilize access to essential rural health services in a rural county; (3) knowingly failing to provide the notice required; or (4) knowingly submitting materially false information to the DHHS.

Requires a person subject to a mitigation plan to report annually with DHHS for a period not to exceed five years. Requires DHHS to report annually, beginning November 1, 2027, to the specified NCGA committee and division notices, determination, mitigation plans, enforcement actions, and observed effects on rural access to essential health services.

Allows DHHS to assess civil penalties not to exceed \$10,000 per day for each violation of the Article, an order, or mitigation plan. Proceeds of the penalties are to be remitted to the Civil Penalty and Forfeiture Fund. Allows DHHS to seek injunctive relief in Wake County or a county affected by a violation.

Allows DHHS to adopt rules necessary to implement the Article.

Effective January 1, 2027, and applies to material changes affecting essential rural health services proposed, announced, or implemented on or after that date.

Part XII.

Amends GS 58-50-61 (concerning utilization reviews), as follows. Defines an *urgent health care service* to mean a health care service (including mental or behavioral health services) with respect to which the application of the time periods for making an urgent care determination that, in the opinion of a healthcare provider with knowledge of the covered person's medical condition, either: (1) could seriously jeopardize the person's life or health or their ability to regain maximum function or (2) would subject the person to severe pain that can't be adequately managed without the care or treatment that is subject to utilization review. Defines *prior authorization* (process by which insurers and utilization review organizations (URO) determine coverage on the basis of medical necessity and/or covered benefits prior to the rendering of those services) and *course of treatment*. Now defines *health care provider* as it defined in GS 90-410.

Creates two different timelines for prospective and concurrent utilization reviews based on the urgency of the healthcare service. Specifies that the current three-business day deadline is for nonurgent healthcare services. For urgent healthcare services, requires the insurer or its utilization review organization (URO) to conduct the review and make the determination or noncertification by not later than 24 hours after receiving the necessary information to conduct the review, unless the provider and the insurer or the insurer's URO does not have access to the electronic health records of the covered person. Extends the notice obligations pertaining to utilization reviews to URO's that conduct utilization reviews.

Sets forth three requirements that apply to an appeals review, including that any appeal not involving a mental health matter be reviewed by a licensed physician meeting the specified criteria, that appeals initiated by a licensed mental health professional be reviewed by a licensed mental health professional rather than a licensed physician and the licensed physician or licensed mental health professional consider all known clinical aspects of the healthcare service under review.

Requires an insurer to make any current utilization review requirements and restrictions available on its website. Specifies that any new prior authorization requirements or restrictions amendments thereof are not in effect unless and until the insurer's website has been updated to reflect the new/amended requirements or restrictions. Directs that a claim cannot be denied for failure to obtain a prior authorization if the prior authorization requirement or amended requirement was not in effect on the date of service of the claim.

Sets forth the following requirements that apply to the length of time an approved prior authorization remains valid in certain circumstances:

- If a covered person enrolls in a new health benefit plan offered by the same insurer under which the prior authorization was approved, then the previously approved prior authorization remains valid for the initial 90 days of coverage under the new health benefit plan. Clarifies that this does not require coverage of a service if it is not a covered service under the new health benefit plan.
- If a healthcare service, other than for in-patient care, requires prior authorization and is for the treatment of a covered person's chronic condition, then the prior authorization shall remain valid for no less than six months from the date the healthcare provider receives notification of the prior authorization approval.

Requires, by January 1, 2028, insurers offering a health benefit plan or a utilization review agent acting on behalf of an insurer offering a health benefit plan, to implement and maintain a prior authorization application programming interface meeting the requirements under 45 C.F.R. § 156.223(b) as it existed on January 1, 2025.

Extends liability for violations of GS 58-50-61 to agents of the insurer. Prevents an insurer from using an artificial intelligence-based algorithm as the sole basis for a utilization review determination.

Makes additional technical and clarifying changes.

Applies to insurance contracts, including contracts with URO's, issued, renewed, or amended on or after October 1, 2026.

Directs the State Treasurer and the Executive Administrator of the State Health Plan to review all practices of the State Health Plan and all contracts with, and practices of, any third party conducting any utilization review on behalf of the State Health Plan to ensure compliance with GS 58-50-61, as amended by the act.

Makes conforming changes to GS 58-50-75 and GS 90-21.52.

Part XIII.

Enacts new Article 11D, Preserving Competition in Healthcare Act, to GS Chapter 131E. Sets forth defined terms.

Defines *hospital entity* to include any licensed hospital, whether corporate or governmental, and any affiliated entity. Defines

transaction to include all of the following, so long as the value of the assets, control, or governance interest equals or exceeds \$5 million:

1. The sale, transfer, lease, exchange, optioning, conveyance, or other disposition of no less than 50% of the assets or operations of any hospital entity to any person or entity other than another hospital entity that controls, is controlled by, or is under common control with such hospital entity;
2. the transfer of control or governance of a hospital entity to a person or entity other than another hospital entity that controls, is controlled by, or is under common control with such hospital entity;
3. any binding legal obligation between two or more persons that results in a transfer of control, responsibility, or governance of no less than 50% of a hospital entity's assets to an acquiring entity;
4. any transaction, regardless of its exact form, that would be subject to review under the Article if it was structured as a purchase, merger, or joint venture;
5. any of the above transactions that is entered into by a hospital entity or by any person or entity that controls, is controlled by, or is under common control with such hospital entity; or
6. dispositions of no less than 50% of a hospital entity's assets made in the course of a bankruptcy proceeding.

Enacts GS 131E-214.61, requiring the State Auditor (Auditor), the Attorney General (AG), and the State Treasurer (Treasurer) (collectively, the Governing Actors) to collectively act or decide together on any or decision that is required by them under the Article. Excludes from the Article's scope in GS 131E-214.62 those transactions that are in the usual and regular course of a hospital entity's activities which the Governing Parties have provided a written waiver for the transaction. Deems the Governing Parties' determination final and not subject to judicial review unless found to be arbitrary and capricious.

Establishes, in GS 131E-214.64, a procedure for hospital entities to notify the Governing Parties of proposed transactions and for the Governing Parties to review and make determinations with respect to transactions subject to the Article, as described. Requires hospital entities subject to the Article to provide the Governing Parties with written notice of a proposed transaction and certification that a copy of the Article has been provided to each member of the governing board or board of trustees of the hospital entity. Allows for a single written notice to suffice for both the hospital entity and acquiring entity, subject to the Governing Parties requesting more information as needed. Provides for the effect of the notice and directs the Governing Parties to adopt rules regarding required content and manner of the written notice. Sets forth a 60-day timeline for the Governing Parties' review in GS 131E-214.66, within which the Governing Parties must notify the hospital entity in writing of its decision to either object to or take no action regarding the proposed transaction. Provides for the Governing Parties to extend the review period for up to another 60 days. Prohibits the parties from consummating the transaction during the review period.

Additionally requires in GS 131E-214.68, for the hospital entity to give written notice of the proposed transaction by publication in at least one newspaper in general circulation in each relevant county, as specified, within ten days after providing written notice to the Governing Parties. Details requirements of the published written notice and deems failure to provide this notice as sufficient grounds for the Governing Parties to object to the proposed transaction.

Requires in GS 131E-214.70, for the hospital entity and acquiring entity to hold at least one public hearing within 30 days after providing written notice to the Governing Parties, but not within 14 days after publication of written notice. Details hearing requirements, including seven days' written notice to the Governing Parties of the time, date, and location of the public hearing. Also requires the hospital entity and acquiring entity to give written notice to the relevant local governing bodies, as specified. Requires the Governing Parties' approval to conduct the public hearing electronically. Provides specific hearing requirements for hospital entities that are nonprofits or publicly owned entities. Allows the Governing Parties to conduct an additional public hearing, subject to similar notice requirements. Deems the parties to the proposed transaction responsible for the costs of all public hearings. Excludes dispositions made in the course of a bankruptcy proceeding.

Lists eight general considerations the Governing Parties must address in making a determination about the proposed transaction in GS 131E-214.72, including (1) whether the fair market value of any asset to be transferred from the hospital entity to the acquiring entity has been manipulated by the actions of the parties in a manner that causes the fair market value of the asset to decrease; (2) whether the proposed transaction may have a significant effect on the cost, availability, accessibility, or quality of healthcare services for any affected community by considering six required factors; (3) any objections raised in the comments submitted to the AG; and (4) whether the proposed transaction complies with all applicable State and federal laws and regulations, including antitrust laws. Lists eight additional considerations the Governing Parties must take into account in making a decision about any proposed transaction subject to the provisions of the Article that would alter the control

or governance of a tax-exempt or publicly owned hospital entity. Finally, for any proposed transaction subject to the provisions of the Article that involves a hospital owned by a municipality or a hospital authority, requires the Governing Parties to determine whether the transaction complies with the provisions of Article 2 of GS Chapter 131E governing the sale or conveyance of any rights of ownership the municipality or hospital authority has in a hospital entity.

Enacts GS 131E-214.76, granting the Governing Parties authority to contract, consult and receive advice from any State or US agency, or contract with experts or consultants, to assist in transaction review. Allows the Governing Parties to request from the Department of Health and Human Services (DHHS) a report of the anticipated effects of any proposed transaction on access to, or the pricing of, healthcare services in any part of the State; allows extension of the review period upon requests of such reports so long as the total review period does not exceed 180 days from the Governing Parties' notice that the parties have submitted a complete notice. Authorizes the Governing Parties to impose specified fees upon the acquiring entity of up to \$50,000 for the cost of all the contracts entered into by the Governing Parties, the Governing Parties' actual review costs and DHHS's actual costs for report preparations. Allows the acquiring entity to seek an order from a court to limit its liability for imposed fees. Details procedures for such an objection and the effect of failing to pay imposed fees.

Establishes requirements for instances in which the Governing Parties objects to the proposed transaction in GS 131E-214.78. Requires the Governing Parties to file an action seeking injunctive relief in superior court, as described. Details procedures of such actions based on whether the hospital entity is a nonprofit or publicly owned entity, or a for-profit entity. In either instance, the court can issue a final determination approving the transaction, approving the transaction subject to modification, or disapproving the transaction. Allows appeal of the court's decision, except prohibits the Governing Parties from appealing a court's approval of the transaction subject to the same modification the Governing Parties initially sought. Allows any party to decline to enter into a transaction modified by court order. Deems modified transactions entered into not subject the renewed objections by the Governing Parties.

Following either the conclusion of the review process by the Governing Parties under GS 131E-214.72 or, if necessary, after a final decision of any judicial action authorized under GS 131E-214-78, requires the acquiring party to submit an annual report on its compliance with the terms of the purchase agreement for the transaction, including any representations made to, or modifications made by the Governing Parties. Directs the Governing Parties to adopt rules to specify the required contents of the annual report. Requires entities that acquired a nonprofit or publicly owned hospital entities to also submit a report on its charitable activities and the disposition of its charitable assets. Authorizes the Governing Parties to file an action for relief as specified to restore the benefits of healthcare provider competition if the Governing Parties deem it reasonable and necessary to do so based on the acquiring entity's failure to comply with the terms of the agreement either approved by the Governing Parties or issued by a court, including any modifications thereto.

Prohibits an acquiring entity from changing the financial assistance policy regarding uninsured or underinsured in effect immediately proceeding consummation of the transaction without first providing 120 days' written notice to the AG, its hospital staff, and patients who have previously benefited from the hospital entity's policy, with a limited exception for increases to applicable eligibility income limits. Clarifies that this provision does not prevent a hospital from increasing its applicable income limits used to determine patient eligibility for financial assistance at any time following consummation of the transaction, and it does not require an acquiring entity to provide prior notice to the Governing Parties. Details notice requirements for patients who previously benefited from the policy. Includes education requirements for the acquiring entity's physicians regarding new financial assistance policies and verbally informing patients of the new policy during the notice period.

Enacts GS 131E-214.82, as follows. Deems any transaction in violation of the Article void. Subjects each member of the governing board and each chief financial officer of the transaction entered in violation of the Article up to \$50,000 per transaction unless the violation was made in wanton disregard of the law, in which case the penalty may be up to \$1 million per violation. Directs the Governing Parties to initiate an action for determination of the penalty amount in the Superior Court for Wake County. Prohibits DHHS from issuing hospital licensed to any party of a transaction entered in violation of the notice, public hearing, and review requirements of the Article. Specifies the effect of the Article on the Governing Parties' authority and the effect of the Article's penalties and remedies.

Effective December 1, 2026, and applies to activities occurring on or after that date.

[View summary](#)

**Government, Budget/Appropriations, State Agencies,
Department of Health and Human Services, Department of
Insurance, Department of State Treasurer, Health and Human
Services, Health, Health Care Facilities and Providers, Health
Insurance, Public Health**

H 1178 (2025-2026) [THE NC TEACHER PAY COMPETITIVENESS ACT](#). Filed Apr 30 2026, *AN ACT TO INCREASE TEACHER COMPENSATION AND ESTABLISH A PHASED FRAMEWORK FOR CONTINUED COMPENSATION INCREASES FOR TEACHERS OVER TIME IN ORDER TO COMPETE WITH PEER STATES IN THE SOUTHEASTERN UNITED STATES AND TO REVISE ELIGIBILITY REQUIREMENTS AND REDUCE FUNDS FOR THE OPPORTUNITY SCHOLARSHIP PROGRAM.*

Contains whereas clauses.

Part I.

Adds new GS 115C-302.5A, setting 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 \$4,387 for teachers with 0 years of experience to \$5,987 for 25 or more years of experience.

Beginning with 2027-28 and ending with 2032-33 directs the Department of Public Instruction (DPI) to raise the monthly amounts for each step of the teacher salary schedule each fiscal year 3.67%. From 2033-34 onward, required DPI to raise the monthly amounts for each step of the teacher salary schedule for each fiscal year by the sum of one plus the 12-month percent change in the second quarter Employment Cost Index for elementary and secondary school workers as reported by the Federal Bureau of Labor Statistics.

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 \$350 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.

Requires DPI to provide annual reports to the specified NCGA committee and to publish those reports on its website by February 15, starting in 2027.

Adds GS 115C-302.5C, creating the Teacher Salary Reserve (Reserve), administered by DPI to provide teacher raises in accordance with new GS 115C-302.5C. Lists appropriations to the Reserve from the General Fund starting in 2026-27 (\$825.1 million) through 2032-33 (\$2,163,700,000). For each fiscal year after the 2032-23 fiscal year, increases the appropriations from the General Fund to the Reserve by \$283.2 million over the amount appropriated or the preceding fiscal year. Tasks the Director of the Budget with implementing the above appropriations.

Adds GS 115C-302.6, directing the State Board of Education (SBE) to allocate funds to eligible local school administrative units to provide salary supplements to teachers and qualifying school administrators in those units. Prevents SBE from allocating those funds if it determines that a local school administrative unit has supplanted non-State funds received under the statute. Defines sixteen terms. Provides methods for calculating county allocations, per teacher funding amounts, and unit funding amounts (caps at \$5,000 per eligible teacher). Provides for charter school funding. Requires SBE to submit an annual report on the seven matters related to supplemental funding to the specified NCGA division and committee.

Amends Section 3.3 of SL 2025-89 so that the supplemental teacher funds authorized by that section only apply to the 2025-26 school year.

Effective July 1, 2026, and applies beginning with the 2026-2027 school year.

Part II.

Amends GS 115C-562.1 by redefining an *eligible student* as a student residing in North Carolina who has not yet received a high school diploma and who meets certain requirements. Requires an eligible student to satisfy one of the following criteria: (1) full-time attendance at a NC public school or a Department of Defense (DOD) school located in NC; (2) receipt of a previous scholarship grant; (3) attainment of the age to start school; (4) placement in foster care; (5) adoption one year or less before the scholarship grant application; (6) parent or legal guardian who is active duty or who has been discharged within 12 months prior to application; or (7) both enrollment in a nonpublic school during spring semester prior to the school year for which the student is applying and was previous enrollment in either a NC public school or a DOD school located in NC. Prohibits an eligible student from enrolling in a postsecondary institution earning 12 hours of academic credit. Requires the eligible student to either reside in a household with an income level not exceeding 200% of the federal free or reduced-price lunch eligibility threshold or is in foster care. Excludes distributions from the estate of a decedent the calculation of income and the household income of the foster parent.

Adds definitions of *full-time student* (a student enrolled exclusively in a nonpublic school whose parents have released the local school administrative unit of all obligations to educate the eligible student while the student is receiving a scholarship grant) and *part-time student* (a student enrolled part time in a public school and part time in a nonpublic school).

Amends GS 115C-562.2 to require the State Education Assistance Authority (Authority) to begin awarding scholarship grants on March 15. Sets out the priority for awarding the grants, with first priority given to eligible students who received a grant for the school year prior to the application if they applied by March 1, and 50% of the remaining funds are to be disbursed to eligible students residing in households with an income level not exceeding the federal free or reduced-price lunch eligibility threshold, and the rest disbursed to all other eligible students.

Replaces subsections (b2), (b3), and (b4) with subsection (a1) which sets out the criteria for determining the amount of the scholarship grant. Limits the grant to \$7,942 for full-time students and \$3,971 for part-time students residing in households with an income level not exceeding the federal free or reduced-price lunch eligibility threshold. Limits the grant to \$7,148 for full-time students and \$3,574 for part-time students of the required tuition and fees for the nonpublic school the student will attend for eligible students residing in households with an income level exceeding the federal free or reduced-price lunch eligibility threshold. Allows a nonpublic school to include tuition and fees for books, transportation, equipment, or other items required by the nonpublic school. Prohibits scholarship grants from exceeding the required tuition and fees for the nonpublic school, as applicable to the eligible student.

Removes language from GS 115C-562.8 (opportunity scholarships [Scholarship]) articulating the importance of funding the Scholarship for fifteen years. Reduces the Scholarship funding set forth in the statute from \$700 million to \$320 million for 2027-28, continuing to decrease funds until it is at \$250 million instead of \$800 million for 2031-32. Appropriates \$235 million for fiscal years 2032-33 and beyond.

Specifies that eligible student who receives a Scholarship in the 2026-2027 school year is eligible to receive a scholarship in the 2027-28 fiscal year, at the same funding level as the prior year. Reduces the unencumbered, nonrecurring funds available at the end of the 2025-26 that would otherwise be carried forward in 2026-27 for Scholarships by \$150 million. Reduces the funds appropriated for Scholarships for 2026-27 to be awarded in 2027-28 by \$110 million. Applies beginning with applications for Scholarships in the 2027-28 school year.

H 1181 (2025-2026) **PROPERTY TAX MODIFICATIONS**. Filed Apr 30 2026, *AN ACT TO MODIFY THE INCOME ELIGIBILITY LIMIT FOR THE ELDERLY OR DISABLED PROPERTY TAX HOMESTEAD EXCLUSION FOR MARRIED COUPLES, TO ELIMINATE THE DEFERRED TAX LIABILITY UNDER THE PROPERTY TAX HOMESTEAD CIRCUIT BREAKER, TO EXPAND THE PROPERTY TAX HOMESTEAD CIRCUIT BREAKER BY PROVIDING AN ALTERNATE MEANS TO QUALIFY BASED ON AREA MEDIAN INCOME, TO APPROPRIATE MONEY TO THE NORTH CAROLINA ASSOCIATION OF COUNTY COMMISSIONERS TO ASSIST COUNTIES WITH PROPERTY REAPPRAISALS, AND TO IMPOSE AN EXCISE TAX ON THE TRANSFER OF CONTROLLING INTERESTS IN ENTITIES THAT HOLD AN INTEREST IN REAL PROPERTY.*

Section 1.

Amends GS 105-277.1 to allow married applicants residing with their spouses to qualify for the property tax homestead exclusion provided in GS 105-277.1 if their income does not exceed 115% of the income eligibility limit determined under GS 105-277.1(a2).

Sets an area median income (AMI) limit of 70% under GS 105-277.1B (property tax homestead circuit breaker) for a household of two persons in the county in which the property is located, as determined by the most recent figure reported by the United States Department of Housing and Urban Development as of January 1 preceding the taxable year for which the benefit is claimed. Deems the tax limitation in GS 105-277.1B(f) a general tax limitation for a qualifying owner that has owned the property as a permanent resident for at least five consecutive years and has occupied the property for at least five years.

Removes provisions pertaining to deferred taxes, gaps in deferral, creditor limitations, and construction of GS 105-277.1B. Creates an alternate tax limitation for a qualifying owner that has owned the property as a permanent residence for at least 10 consecutive years and has occupied the property as a permanent residence for at least 10 years, relieving that person of the portion of the principal amount of tax that is imposed for the current tax year on his or her permanent residence and exceeds the percentage of the qualifying owner's income set out in the table in the act. Provides for apportionment if a permanent residence is subject to tax by more than one taxing unit and the total tax liability exceeds the tax limit imposed by this statute. Specifies that a property receiving the benefit under GS 105-277.1B loses its eligibility for the benefit as a result of a disqualifying event. Describes how to compute the tax if a disqualifying event occurs. Removes reference to "tax deferred" in provision specifying construction of GS 105-277.1B. Makes conforming changes.

Now requires a property owner eligible for the circuit breaker under GS 105-277.1B to file an application for the benefit triennially under GS 105-282.1.

Repeals GS 105-277.1F(a)(2) (applying the section to GS 105-277.1B) and GS 105-365.1(a)(3) (setting a date of delinquency for a deferred tax under GS 105-227.1B).

Removes authorization to disclose the amount of property taxes deferred on a property tax receipt under GS 153A-148 (county employees) and GS 160A-208.1 (city employees).

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

Section 2.

Notwithstanding GS 105-380 and GS 105-381, directs the governing body of a taxing unit to release the unpaid deferred taxes under GS 105-277.1B on any property for which a disqualifying event has not occurred. Specifies that any lien under GS 105-355(a) corresponding to the released deferred taxes is also extinguished.

Section 3.

Appropriates \$20 million for 2026-27 from the General Fund to the NC Association of County Commissioners for grants to local governments to transition those local governments to shortened reappraisal cycles and to educate the public on property taxes and property tax relief programs offered by the State. Sets out allowable uses of the grant funds. Requires prioritizing grant awards to local governments operating on a reappraisal cycle of more than four years. Effective July 1, 2026.

Section 4.

Adds new Article 8F, Excise Tax on Controlling Interest Transfers, in GS Chapter 105, providing as follows.

Sets out the purpose and scope of the tax. Defines *controlling interest* as either: (1) in the case of a corporation, either more than 50% of the total combined voting power of all classes of stock of such corporation, or more than 50% of the capital, profits, or beneficial interest in the voting stock of such corporation or (2) in the case of a partnership, association, trust, or other entity, more than 50% of the capital, profits, or beneficial interest in such partnership, association, trust, or other entity. Sets out other defined terms.

Imposes an excise tax on the sale or transfer, by one or more persons or by one or more transactions, within any 36-month period, of a controlling interest in an entity that possesses a real property interest in the state when the property's interest exceeds \$100. Sets the tax rate at \$1 on each \$500, or fractional part thereof, of the value of the real property interest. Sets out reporting, payment, and payment recording requirements.

Exempts from the tax: (1) transfers of an interest in an entity that is traded on a public stock exchange; (2) transfers resulting from death, whether by will or statutory succession; (3) transfers between spouses; and (4) transfers that are exempt under GS 105-228.29 (setting out exemptions from the tax due by a person conveying an interest in real estate located in North Carolina other than a governmental unit or an instrumentality of a governmental unit) except transfers by "merger" under that statute.

Sets out penalties for failure to file and makes it a Class 1 misdemeanor to willfully provide false information on the value of the property or the percentage of interest.

Applies to transfers occurring on or after January 1, 2027.

Section 5.

Except as otherwise provided, effective July 1, 2027.

Intro. by Cervania, Rubin.

[APPROP, GS 105, GS 153A, GS 160A](#)

[View summary](#)

[Development, Land Use and Housing, Property and Housing, Government, Budget/Appropriations, Tax, Local Government](#)

H 1184 (2025-2026) [VOUCHER SCHOOL TRANSPARENCY ACT](#). Filed Apr 30 2026, *AN ACT TO INCREASE ACCOUNTABILITY AND REPORTING STANDARDS FOR NONPUBLIC SCHOOLS RECEIVING OPPORTUNITY SCHOLARSHIP FUNDS AND TO REQUIRE THE STATE AUDITOR TO ANNUALLY REVIEW AUDITS OF AT LEAST THREE NONPUBLIC SCHOOLS RECEIVING OPPORTUNITY SCHOLARSHIP FUNDS.*

Part I.

Amends GS 115C-562.5 as follows. Adds to or otherwise changes requirements of nonpublic schools that accept eligible students who receive scholarship grants. Makes annual the tuition and fees documentation required to be provided to the State Education Assistance Authority (Authority). Requires nonpublic schools adopt a policy requiring criminal history checks under GS 115C-332 of all teachers, applied uniformly for all applicants before extending an unconditional job offer. Permits a nonpublic school to employ an applicant conditionally while a decision regarding the applicant and their criminal history are pending. Permits policies that allow for periodic checks of criminal histories of teachers. Requires that a nonpublic school that receives an inquiry from any other public school unit or nonpublic school in the State to indicate if an employee's criminal history was relevant to the employee's resignation or dismissal.

Modifies provision (a)(5) to include among information provided by nonpublic schools to the Authority graduation rates of students receiving scholarship grants, including four-year cohort graduation rates, in a manner consistent with Title I of the Elementary and Secondary Education Act of 1965, as amended, and any associated federal regulations.

Requires the administration of nationally standardized tests in grades 3 through 8 (was, 3 and 8).

Modifies provision (a)(6) to subject nonpublic schools to an audit in any year in which the school accepts students receiving \$100,000 or more in scholarship grants awarded under this part. Nonpublic schools accepting students receiving less than \$100,000 must contract pursuant to this provision for an audit every three years. Audit reports must be shared by the nonpublic school with the Authority by the end of the calendar year in which the audit is conducted.

Expands the information nonpublic schools must provide annually to the Division of Nonpublic Education, Department of Administration (Division), to include the following:

- All attendance records of students receiving scholarship grants from the previous school year.
- The percentage of teachers with a teacher license.
- Whether the nonpublic school is accredited and, if so, the identity of that accreditor.
- Documentation of a completed fire inspection in the previous 365 days.
- Curriculum used by the nonpublic school for each grade level.
- The number of students receiving scholarship grants for the first time who attended a public school unit in the previous school year.
- The number of students receiving scholarship grants who attended a public school unit in the previous school year.
- Requires nonpublic schools to report to the Authority the number of children enrolled who receive scholarship funds and who have a disability and an Individualized Education Plan (IEP). For any such children, the school must also report whether it is educating each child in compliance with GS 115C-106.3(6) and applicable policies adopted by the State Board of Education (SBE) for local school administrative units under GS Chapter 115C, Article 9. The information in this paragraph should only be reported to the extent it does not violate federal law and to the extent it can be provided without revealing personally identifiable information of a student.

Directs nonpublic schools to comply with the requirements of GS Chapter 115C, Article 8C, including:

- School Risk Management Plan. – The nonpublic school, in coordination with local law enforcement agencies, shall adopt a School Risk Management Plan (SRMP) relating to incidents of school violence. In constructing and maintaining these plans, the nonpublic school must use the School Risk and Response Management System. These plans are not considered a public record and are not subject to inspection and examination under GS 132-6.
- Schematic diagrams and school crisis kits. – The nonpublic school shall provide schematic diagrams and keys to the main entrance of school facilities to local law enforcement agencies, in addition to implementing the provisions in GS 115C-105.52.
- School safety exercises. – At least once a year, the nonpublic school shall hold a full school-wide lockdown exercise with local law enforcement and emergency management agencies that are part of the school's SRMP.
- Safety information provided to the Department of Public Safety, Division of Emergency Management. – The nonpublic school shall provide the following: (i) schematic diagrams, including digital schematic diagrams, and (ii) emergency response information requested by the Division for the SRMP. The schematic diagrams and emergency response information are not considered public records as the term *public record* is defined under GS 132-1 and shall not be subject to inspection and examination under GS 132-6.

Expands requirement found in provision (c)(1) that a nonpublic school enrolling more than 25 students in any grade whose tuition and fees are paid at least in part by scholarship grant shall report to the Authority on the aggregate standard test performance of eligible students in grades three through eight and 11 (was previously grades three, eight, and 11).

Requires the Office of Learning Research at UNC to study and report on the following to the specified NCGA committee by December 31, 2026: (1) recommendations for nationally standardized tests for use in third grade through eighth grade that would be appropriate for administering to (a) students in nonpublic schools who are receiving Opportunity Scholarships beginning with the 2027-2028 school year and (b) students attending schools in public school units, also requires that the Office recommend only one test for use in each grade; (2) alignment between the selected nationally standardized tests and the standard course of study for third grade through eighth grade, respectively, including a crosswalk between the standards assessed by the nationally standardized tests and the standard course of study; and (3) feasibility of developing a through-grade assessment for third through eighth grade that would meet the following criteria: a. assess mastery of the standard course of study, b. consist of multiple testing events throughout the year that are aggregated into a summative score, c. replace the current end-of-grade assessments for third and eighth grade, d. yield data that can be used with the Education Value-Added 40 Assessment System (EVAAS), and e. comply with federal law.

Requires the Authority to designate as the nationally standardized assessments to be administered by nonpublic schools, the tests recommended by the Office of Learning Research for use in grades three through eight.

Requires for the report required under GS 115C-62.5(a)(1) for 2026-27, that the nonpublic school also provide documentation for required tuition and fees charged to students receiving scholarship grant funds under Part 2A of Article 39 of GS Chapter 115C.

Appropriates \$50,000 for 2026-27 from the General Fund to the UNC Board of Governor's to be allocated to the NC Collaboratory for the Office of Learning Research to conduct the study.

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

Part II.

Amends GS 147-64.6(c) to add as an annual responsibility of the State Auditor (Auditor) to review at least three completed audits of nonpublic schools that are reported to the Auditor pursuant to GS 115C-562.5(a)(6). Requires the Auditor to then report each year no later than March 15 to the Joint Legislative Education Oversight Committee the results of this review, including the uses of taxpayer funds by the nonpublic schools and academic outcomes of students receiving scholarship grants under GS Chapter 115C, Article 39, Part 2A.

Part III.

Effective when it becomes law, unless otherwise provided.

Intro. by Ball, Clark, R. Pierce, Rubin.

[APPROP, GS 115C, GS 147](#)

[View summary](#)

**Education, Elementary and Secondary Education,
Government, Budget/Appropriations, State Agencies, UNC
System, Office of State Auditor**

H 1192 (2025-2026) [ENERGY AND HOUSING AFFORDABILITY ACT](#). Filed Apr 30 2026, *AN ACT TO MODIFY THE STATUTES GOVERNING COST RECOVERY FOR FUEL-RELATED CHARGES, TO PROMOTE THE DEVELOPMENT OF ON-SITE GENERATION CAPACITY BY LARGE ELECTRICITY CUSTOMERS, AND TO APPROPRIATE FUNDS TO THE WORKFORCE HOUSING LOAN PROGRAM.*

Part I.

Amends GS 62-133.2 instead of requiring that the North Carolina Utilities Commission (Commission) permit an electric public utility generating power by fossil or nuclear fuel to charge an increment or decrement as a rider for changes in the cost of fuel, to now specify that those utilities must request approval from the Commission and conditions this on the Commission establishing a fuel cost and purchased power cost sharing mechanism in new (d3). New (d3) requires the Commission to establish the cost sharing mechanism by order or rule. Sets out provisions governing the baseline, calculation of variances, sharing allocation, review of what portion of a variance was reasonably and prudently incurred, and an annual accounting and reporting requirement. Amends the requirements for annualized information and data that the electric public utilities must submit to the Commission, to now require that it be submitted at least 30 days before the annual hearing, and to require that the information on fuel procurement practices and fuel inventories for each facility include unredacted fuel supply agreements. Requires that the Commission use consecutive historical 12-month periods (was, use consecutive test periods) in reaching its decision. Makes conforming changes.

Part II.

Sets out NCGA findings.

Enacts new GS 62-159.5 establishing the Bring Your Own Generation (BYOG) Program. Defines BYOG as an arrangement under which an eligible large customer develops, owns, or contracts for on-site generation capacity and connects that capacity to the electric grid for the purpose of serving some or all of the customer's own load, and providing available capacity as a grid service resource. Defines eligible large customer as an electric utility customer with a peak demand of one megawatt (MW) or

greater, or at some other level of peak demand as defined by rule or order of the Commission. Sets out and defines additional terms.

Requires each electric public utility to file an application with the Commission for approval of a BYOG Program that provides standardized terms and conditions for: (1) an interconnection agreement with participating eligible large customers connecting on-site generation capacity and (2) a grid services agreement for participating eligible large customers to offer grid service resources to the utility. Also requires the application to include rates and interconnection fees and a description of the cost allocation method used to establish rates. Also allows the participating eligible large customers to make their on-site generation capacity or controllable load available to the electric public utility as a grid service resource under the terms of a grid services agreement. Requires each electric public utility to file for Commission approval rates for electric services applicable to participating eligible large customers and sets out additional requirements for those rates. Sets out the required timeline by which an electric public utility must process applications from eligible large customers.

Requires the Department of Commerce to consult with the State Energy Office and Department of Environmental Quality to develop: (1) a single point-of-contact process through which eligible large customers seeking to develop on-site generation capacity may coordinate with relevant State agencies regarding applicable permits and approvals; (2) a model permit checklist identifying all State-level permits, registrations, and approvals that may be required for on-site generation capacity of different technologies at different scales.

Subjects local government development regulation that imposes a permit requirement applicable to the construction of new on-site generation capacity to four requirements, including setting out requiring for the timing of application decisions, that the permit application be available electronically, and that the local government only apply land use requirements for on-site generation capacity that is reasonably related to public safety, building code compliance, or compatibility with local land use plans.

Requires an electric public utility to file an annual report with the Commission on the BYOG Program and set out what must be included in the report. Requires the Commission to report a summary of those reports annually to the NCGA, along with recommendations for modifying the BYOG Program.

Requires that no later than 180 days after the section becomes effective that: (1) an electric public utility submit an application for a BYOG Program, and (2) the Department of Commerce develop the single point-of-contact process and the model permit checklist.

Part III.

Appropriates \$35 million for 2026-27 from the General Fund to the NC Housing Finance Agency to be allocated to the Workforce Housing Loan Program. Effective July 1, 2026.

Intro. by Schietzelt, Moss, Paré.

[APPROP, GS 62](#)

[View summary](#)

[Development, Land Use and Housing, Property and Housing, Environment, Energy, Government, Budget/Appropriations, State Agencies, Department of Commerce, Department of Environmental Quality \(formerly DENR\), Public Enterprises and Utilities](#)

H 1197 (2025-2026) [REVISE NC TEACHING FELLOWS PROGRAM](#). Filed Apr 30 2026, *AN ACT TO REVISE THE NORTH CAROLINA TEACHING FELLOWS PROGRAM AND TO APPROPRIATE FUNDS FOR A STUDY OF PARTICIPATION IN THE TEACHING FELLOWS PROGRAM BY THE NORTH CAROLINA COLLABORATORY.*

Section 1.

Removes the current loan forgivable schedule set forth in GS 116-209.62(g) (awards of forgivable loans under the NC Teaching Fellows Program [Program]). Instead, awards forgivable loans to individuals holding a bachelor's degree seeking preparation for licensure authorizes the Program to provide forgivable loans of up to \$10,000 per academic year for up to two academic years. For all other students, directs the Program to provide forgivable loans of up to \$10,000 per academic year for

up to four academic years. Effective July 1, 2026, and applies beginning in 2026-27 to all students enrolled in an educator preparation program participating in the Program.

Section 2.

Retroactively applies both Section 8A.4 of SL 2023-134's and Section 2.14 of SL 2024-1's revisions to the Program to all persons participating in the Program, including teachers who are continuing or entering service repayment beginning in the 2024-25 academic year.

Section 3.

Authorizes, in new GS 116-209.62(f1), the NC Teaching Fellows Commission (Commission) to establish a process to regularly evaluate institutions of higher education (IHE's) selected to participate in the Program, to ensure that they meet Program qualifications and to establish term limits for IHE participants. Expands the Commission's annual report topic to include outcomes from any such evaluation process established.

Section 4.

Appropriates \$50,000 from the General Fund to the UNC Board of Governors for 2026-27 to be allocated to the North Carolina State University for the Friday Institute to study student participation in the Program, including the reasons some students opt to repay their loans in cash instead of through service. Directs the Friday Institute to report this information to the specified NCGA committee by February 15, 2027.

Section 5.

Effective July 1, 2026. Except as otherwise provided, applies beginning with the 2026-27 academic year.

Intro. by Ball, von Haefen, Prather, Johnson-Hostler.

[APPROP, GS 116](#)

[View summary](#)

[Education, Elementary and Secondary Education, Higher Education, Government, Budget/Appropriations, State Agencies, UNC System](#)

H 1198 (2025-2026) [SANE NURSES DATA/REGISTRATION INFO REQS.](#) Filed Apr 30 2026, *AN ACT TO REQUIRE PROGRAMS APPROVED BY THE BOARD THAT TRAIN SEXUAL ASSAULT NURSE EXAMINERS TO ANNUALLY REPORT CERTAIN INFORMATION AND TO IMPLEMENT A NURSING DATABASE FOR NURSE LICENSURE, TRAINING, AND EMPLOYMENT INFORMATION.*

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

Creates a nurse information database in new GS 90-171.43B requiring all active State licensees register with the Board their respective training and education credentials and the location and business entity with which they practice. Tasks Board with developing a database with this information. Requires nurses to update information when it changes. Instructs State licensed nurses to submit the information to the Board within a year of the act becoming law.

Authorizes the Board to adopt rules to implement the act.

Appropriates \$50,000 from the General Fund to the Department of Health and Human Services (DHHS) for 2026-27 to assist the Board in implementing the data collection. Effective July 1, 2026.

Effective October 1, 2026, except as otherwise provided.

Intro. by Johnson-Hostler, Greenfield.

[APPROP, GS 90](#)

[View summary](#)

**Business and Commerce, Occupational Licensing,
Courts/Judiciary, Criminal Justice, Government,
Budget/Appropriations, Health and Human Services, Health,
Health Care Facilities and Providers**

H 1199 (2025-2026) [THE SEATBELT ACT](#). Filed Apr 30 2026, *AN ACT TO ENACT THE STRONGER ENFORCEMENT AND ACCOUNTABILITY FOR TRANSPORTATION BEHAVIOR AND EMERGING LIVE-SAVING TECHNOLOGY (SEATBELT) ACT.*

Part I.

Titles the act as “The Stronger Enforcement and Accountability for Transportation Behavior and Emerging Life-saving Technology (SEATBELT) Act.”

Part II.

Enacts new GS 20-17.10, providing as follows. Defines Intelligent Speed Assistance (ISA) as an aftermarket system that uses location-based technology to automatically regulate vehicle acceleration or speed according to the speed limit.

Specifies that the statute applies to a person whose drivers license was revoked, or whose driving privilege was limited, under either GS 20-16.1 (Mandatory suspension of driver's license upon conviction of excessive speeding; limited driving permits for first offenders), or for a violation of: (1) GS 20-140 (reckless driving), (2) GS 20-141 (speed restrictions), (3) G. 20-141.1 (speed limits in school zones), (4) GS 20-141.3 (unlawful racing on streets or highways), (5) GS 20-141.4 (felony and misdemeanor death by vehicle; felony serious injury by vehicle; aggravated offenses; repeat felony death by vehicle), (6) GS 20-141.5 (speeding to elude arrest; seizure and sale of vehicles), (7) GS 20-141.6 (aggressive driving), or (8) GS 20-141.10 (street takeover).

Requires when the Division of Motor Vehicles (DMV) restores a license, or grants a limited driving privilege, to a person subject to the statute, that the person agrees to and indicates on their license that they may only operate a vehicle equipped with a functioning ISA system. This requirement remains in effect for one year from the date of restoration.

Requires proof of the installation of an ISA system in at least one of the person’s designated vehicles before issuing the person a license. Cancels a license upon the person operating a vehicle that has not been designated and equipped with a functioning ISA system, or upon removing the ignition interlock system for any designated motor vehicle. Sets out notification requirements when reporting a conviction of a person subject to the statute. Makes violations of this section an offense of driving while license revoked.

Sets out limitations on the data that is collected by the ISA system and prohibits disclosing the data unless it is required by law, or the disclosed data is depersonalized and aggregated for research or evaluation purposes.

Makes it a Class A misdemeanor to tamper with, circumvent, or attempt to circumvent an ISA system that is required to be installed by judicial order, statute, or as otherwise required as a condition to operate a motor vehicle, for the purpose of avoiding or altering the ISA system’s speed or acceleration controls in the operation of a vehicle.

Requires an annual report, beginning on January 1, 2028, by the DMV to the specified NCGA committee chairs, and on the DMV’s website, on the effectiveness of ISA system usage.

Adds the ISA system to GS 20-179.5 (affordability) that applies to the ignition interlock system.

Applies to offenses committed on or after December 1, 2027.

Requires the DMV, to contract with at least two qualified vendors to implement this Part.

Requires DMV to adopt rules to implement this Part.

Part III.

Amends GS 20-16. so that the procedures under the statute for reporting results of a chemical analysis or refusal to submit to the analysis is triggered when a person has an alcohol concentration of 0.08 (was, 0.15) or more. Makes technical changes.

Amends GS 20-16.2 by amending the conditions under which a person may apply for a limited driving privilege after their license has been revoked to also require that all vehicles that the person will be authorized to drive have been equipped with an approved type of ignition interlock system. Makes technical changes.

Amends GS 20-16.5 by amending the conditions that must be met in order for a person whose drivers license has been revoked for 30 to 45 days to apply for a limited driving privilege to require that all vehicles that the person will be authorized to drive have been equipped with an approved type of ignition interlock system.

Amends GS 20-17.8 (restoration of a license after certain driving while impaired convictions; ignition interlock), so that it applies to a person whose license was revoked as a result of conviction of driving while impaired and the person had an alcohol concentration of 0.08 (was, 0.15) or more, or they refused to submit to a chemical analysis (was not previously included). Specifies that the statute applies to a person whose license was revoked due to a conviction of driving by a person under age 21 after consuming alcohol and removes the provision that make it applicable to a person whose license was revoked due to a conviction under GS 20-141.4 (except convictions under (a2)). Makes technical changes.

Amends GS 20-138.3 by adding to the conditions to be met before a person who is convicted under the State and had their license revoked can apply for a limited driving privilege to require all vehicles that the person will be authorized to drive have been equipped with an approved type of ignition interlock system.

Amends GS 20-179.3 by amending the conditions to be met before a person convicted of impaired driving can be eligible for a limited driving privilege to require all vehicles that the person will be authorized to drive have been equipped with an approved type of ignition interlock system.

Amends GS 20-179.3 by amending the circumstances under which a judge must include the specified items in a limited driving privilege order for a person whose license was revoked for a conviction under GS 20-138.1 to require that the person have had an alcohol concentration of 0.08 (was, 0.15) or more or have refused to submit to a chemical analysis.

Applies to offenses committed on or after December 1, 2027.

Part IV.

Amends GS 8-50.4, which applies to the use of results of an electronic speed measuring system so that the statute now applies to speed and traffic safety monitoring systems instead of speed measuring systems. Makes conforming changes to GS 17C-6.

Amends GS 153A-246.1 (counties) and GS 160A-300.4 (municipalities) to change the term electronic speed measuring system to electronic speed and traffic safety monitoring system, now defined as a mobile or fixed device consisting of an automated traffic camera and sensor capable of (1) measuring a vehicle's speed, positioning, or both, and (2) producing one or more digital photos or videos of a vehicle violating a posted speed limit, GS 20-158 (vehicle control signs and signals), or GS 20-173 (pedestrians' right-of-way at crosswalks). Also allows a county/municipality to adopt ordinances for the civil enforcement of violations of GS 20-158 in a school zone, or GS 20-173 in a school zone by means of electronic speed and traffic safety monitoring systems. Makes conforming changes.

Effective October 1, 2026.

Part V.

Appropriates \$9 million for 2026-26 (appear to intend 2026-27) from the General Fund to the Administrative Office of the Courts for recording district court proceedings. Effective July 1, 2026.

Part VI.

Provides that prosecutions for offenses committed before the act's effective date are not abated or affected by this act and the statutes that would be applicable but for this act remain applicable to those prosecutions.

[View summary](#)

**Courts/Judiciary, Motor Vehicle, Government,
Budget/Appropriations, State Agencies, Department of
Transportation, Local Government**

H 1201 (2025-2026) **YOUTH PLACEMENT STUDY**. Filed Apr 30 2026, *AN ACT TO CONDUCT A TEMPORARY PLACEMENT PILOT PROGRAM THROUGH THE DEPARTMENT OF HEALTH AND HUMAN SERVICES AND FOR THE DEPARTMENT TO STUDY AND REPORT ON VARIOUS LICENSURE AND YOUTH PLACEMENT REFORMS.*

Section 1.

Establishes a Temporary Placement Pilot Program (Program), administered by the Department of Health and Human Services (DHHS) to provide high-acuity youth, who would require placement in a psychiatric residential treatment facility (PRTF), and be eligible for temporary placement in a lower-level setting that assures safety for the youth through sufficient wrap-around services and support, as described. Focuses on providing those youth with therapeutic alternatives to other temporary placements used during high-volume periods.

Section 2.

Requires DHHS to study the outcomes of the Program as well as the four specified matters that relate to youth mental health. Requires DHHS to report its results to the specified NCGA committee by October 1, 2026.

Section 3.

Appropriates \$100,000 from the General Fund to DHHS to conduct the Program. Effective July 1, 2026.

Intro. by K. Brown.

APPROP, STUDY

[View summary](#)

**Government, Budget/Appropriations, State Agencies,
Department of Health and Human Services, Health and
Human Services, Mental Health**

H 1205 (2025-2026) **ORTHODONTIC TREATMENT IN-PERSON EXAM REQ**. Filed Apr 30 2026, *AN ACT TO REQUIRE AN IN-PERSON EVALUATION FOR PATIENTS PRIOR TO ORTHODONTIC DEVICE SERVICES.*

Enacts new GS 90-29.6 limiting who can sell an orthodontic device (as defined) or provide a service related to the design or manufacture of an orthodontic device to a patient, unless the person is licensed dentist meeting the statute's criteria, or a person who receives confirmation from a licensed dentist who has provided the services. Prohibits selling an orthodontic device or providing a service related to the design or manufacture of the device unless the patient has received: (1) an in-person intraoral dental exam and exam of their head and neck; (2) review of recently performed x-rays and other imaging sufficient to allow the dentist to detect the patient's conditions that preclude or contraindicate the provision of safe orthodontic treatment, including the specified issues; (3) a prescription for an orthodontic device issued by a licensed dentist who will perform the specified activities; (4) advice and counsel by a licensed dentist on available treatment options and associated risks; and (5) review of the patient's medical and dental health histories.

Sets out requirements for patient consent. Requires licensed dentists to maintain records regarding the sale of an orthodontic device and provision of services for no less than seven years after the sale or services. Prohibits requiring a patient to agree to use a particular type of device as a condition of performing the exam or review. Requires the dentist to disclose and provide patient records.

Effective October 1, 2026.

Allows the NC State Board of Dental Examiners to adopt rules to implement this act.

Appropriates \$50,000 for 2026-27 from the General Fund to the Department of Health and Human Services to educate the public on this act; requires consulting with the NC State Board of Dental Examiners. Effective July 1, 2026.

[View summary](#)

**Business and Commerce, Occupational Licensing,
Government, Budget/Appropriations, State Agencies,
Department of Health and Human Services, Health and
Human Services, Health, Health Care Facilities and Providers**

H 1206 (2025-2026) **PREGNANT WORKERS FAIRNESS ACT/FUNDS**. Filed Apr 30 2026, *AN ACT TO ELIMINATE DISCRIMINATION AND PROMOTE WOMEN'S HEALTH AND ECONOMIC SECURITY BY ENACTING THE NORTH CAROLINA PREGNANT WORKERS FAIRNESS ACT AND APPROPRIATE FUNDING FOR IMPLEMENTATION.*

Adds new Article 24, Pregnant Workers Fairness Act, to GS Chapter 95, effective January 1, 2027, providing as follows.

Defines a *covered entity* as: (1) a private employer engaged in an industry affecting commerce who employs 15 or more employees; (2) the executive, judicial, and legislative branches of state government; and (3) a unit of local government.

Defines *qualified employee* as an employee or applicant who, with or without reasonable accommodation, can perform the essential functions of the employment position. An employee or applicant is also qualified if any inability to perform an essential function is for a temporary period, the essential function could be performed in the near future, and the inability to perform that function can be reasonably accommodated. Sets out and defines additional terms used in the Article.

Makes it an illegal employment practice for a covered entity to: (1) fail or refuse to make reasonable accommodations to the known limitations of a qualified employee related to pregnancy, childbirth, or related medical conditions, unless the covered entity demonstrates that the accommodation would impose an undue hardship on the operation of its business; (2) impose an accommodation upon a qualified employee for a known limitation related to pregnancy, childbirth, or related medical conditions without first engaging in the interactive process with that employee to identify an effective accommodation; (3) require a qualified employee to accept a particular accommodation for a known limitation related to pregnancy, childbirth, or related medical conditions where an alternative accommodation identified through the interactive process would be equally effective and would not impose an undue hardship on the covered entity; (4) deny employment opportunities to a qualified employee based on the need to make reasonable accommodations to that employee's known limitations related to pregnancy, childbirth, or related medical conditions; (5) require a qualified employee to take leave, whether paid or unpaid, where another reasonable accommodation can be provided to address that employee's known limitations related to pregnancy, childbirth, or related medical conditions; and (6) take any adverse action in the terms, conditions, or privileges of employment against a qualified employee on account of that employee's request for or use of a reasonable accommodation for known limitations related to pregnancy, childbirth, or related medical conditions.

Prohibits discriminating against an employee who has opposed any act or practice illegal under this Article, or because they made a charge or participated in an investigation, proceeding, or hearing under the Article. Also prohibits coercing, intimidating, threatening, or interfering with an individual who has exercised protected rights under the Article.

Allows an aggrieved employee, after exhausting grievance procedures, to bring a civil action in superior court in the county where the violation occurred, where the covered entity has its principal place of business, or where the employee resides.

Allows the court to award injunctive relief, back pay and lost benefits, compensatory damages, punitive damages, and reasonable attorneys' fees and costs. Specified that this does not waive the State's sovereign immunity beyond the extent expressly provided. Allows a state employee to bring a civil action in state superior court and prohibits the State from asserting sovereign immunity as a defense. Sets a statute of limitations of three years from the date the unlawful employment practice occurred.

Requires the Commissioner of Labor to adopt rules to carry out the Article and for the Chief Justice of the Supreme Court to adopt policies to implement the Article for the judicial branch and for the Legislative Service Officer to adopt policies to implement the Article for the legislative branch.

Includes a severability clause.

Effective July 1, 2026, appropriates \$600,000 for 2026-27 from the General Fund, with \$200,000 each allocated to the Department of Labor, Administrative Office of the Courts, and Legislative Services Office.

Intro. by Budd, Rubin, Liu.

APPROP, GS 95

[View summary](#)

Courts/Judiciary, Court System, Administrative Office of the Courts, Employment and Retirement, Government, Budget/Appropriations, General Assembly, State Agencies, Department of Labor, State Government, Executive, State Personnel, Local Government

H 1207 (2025-2026) **KEEPING NC OPEN FOR BUSINESS**. Filed Apr 30 2026, *AN ACT TO ESTABLISH A MUNICIPAL WINTER ROAD OPERATIONS GRANT PROGRAM.*

Contains whereas clauses.

Enacts Article 14D to GS Chapter 136, establishing the Municipal Winter Road Operations Cost Share Program (Program) within the Department of Transportation (Department). Specifies the article's purpose as improving municipal preparedness and response for snow and ice events by supporting the acquisition of equipment, staffing readiness, and coordinated contracting for snow and ice removal on municipal streets and public rights-of-way. Authorizes the Department to reimburse up to 75% of the four listed snow-related costs incurred by a municipality so long as the municipality contracts with one or more private service providers located within the state that are capable of performing snow and ice removal using appropriately equipped vehicles, to provide supplemental snow and ice removal services. Authorizes reimbursement for municipal removal of snow or ice so long as the services meet the two weather related requirements set forth in the statute. Authorizes the Department to adopt rules establishing minimum contractual standards. Requires any equipment used under a Program contract be equipped with recording and GPS tracking devices capable of recording route coverage, duration, and time stamps so that data can be collected for verification of services, billing and reimbursement, and operational transparency. Requires municipalities receiving reimbursement to provide a public plowing status map. Provides for application process. Tasks the Department with administering the Program and reporting annually to the specified NCGA committee.

Appropriates \$10 million in recurring funds from the General Fund to the Department for each fiscal year beginning in 2026-27 to support operational costs under Article 14D. Appropriates \$20 million from the General Fund to the Department for 2026-27 to support the acquisition and installation of snow and ice-removal equipment. Specifies that the funds appropriated do not revert, and remain available until expended.

Appropriates \$5 million from the Highway Fund to the Department for 2026-27 to build up a salt and brine reserve to distribute to local governments in need, with priority to be given based on need, geography, and population.

Effective July 1, 2026.

Intro. by Ball, Budd.

APPROP, GS 136

[View summary](#)

Government, Budget/Appropriations, Public Safety and Emergency Management, State Agencies, Department of Transportation, Local Government

H 1208 (2025-2026) **COMMUNITY SAFETY RISK PROTECTION ACT**. Filed Apr 30 2026, *AN ACT TO REQUIRE THE SURRENDER OF FIREARMS BY A RESPONDENT UPON THE ISSUANCE OF A CIVIL NO-CONTACT ORDER, AND TO AUTHORIZE THE ISSUANCE OF AN INDIVIDUAL RISK PROTECTION ORDER TO RESTRICT A PERSON'S ACCESS TO FIREARMS IF THE PERSON POSES A DANGER OF PHYSICAL HARM TO SELF OR OTHERS.*

Section 1

Enacts GS 50-9.1 to require a respondent to surrender to the sheriff all specified firearms, ammunition, and related permits to purchase or carry upon issuance of an emergency or ex parte no-contact order if the court finds: (1) the use or threatened use of a deadly weapon by the defendant or a pattern of prior conduct involving the use or threatened use of violence with a firearm

against persons, (2) threats to seriously injure or kill the victim, (3) threats to commit suicide by the defendant, or (4) serious injuries inflicted upon the victim. Requires the court inquire of the complainant and identify in its order, and again of the respondent at the ten-day hearing, firearms, ammunition and permits in the care, custody, possession, ownership, or control of the respondent. Requires immediate surrender upon service or within 24 hours. Provides for storage by the sheriff and associated costs. Sets forth required terms of the order, including notice of prohibitions while the order is in effect and how to request retrieval upon the order's expiration.

Details retrieval conditions without court order, including the court not entering a permanent order or the order is denied after a hearing, and the court does not find the respondent is precluded from owning or possessing a firearm under state or federal law or pursuant to criminal disposition, subject to a criminal history check as described. Provides a procedure by which the respondent can motion to request return within 90 days of the order's expiration or final criminal disposition. Upon motion, notice must be sent to the complainant and a hearing held to determine whether the respondent is precluded from owning or possessing a firearm, including an inquiry addressing four specified criteria. Requires denial if the respondent is precluded from owning or possessing firearms under state or federal law or if the respondent has any pending criminal charges committed against the person who is subject of the order. Establishes a process for a third-party owner to motion to request return of items in the sheriff's possession whereby the court must order their return, after notice and hearing, so long as the owner is otherwise eligible; if denied, the sheriff must dispose of the items. Allows for the sheriff to apply to the court to dispose of firearms, ammunition, or permits after notice to the respondent and all parties known or believed to have an ownership or possessory interest if (1) the respondent or owner has not motioned for their return or retrieved the items within the specified time periods, (2) the third-party owner is precluded from possession, or (3) the respondent or third-party owner fails to remit required fees within the specified time periods. Provides for any lawful disposition.

Makes it unlawful for those subject to an order prohibiting firearm possession or purchase to fail to surrender items as ordered, fail to disclose all related information requested by the court, or provide false information to the court. Makes it a Class H felony to possess, purchase, or receive, or attempt the same, a firearm, machine gun, ammunition, or permits to purchase or carry if ordered by the court so long as the order and any successive order is effective. Exempts official use by law enforcement officers or US Armed Forces members. Allows the court to order additional relief provided by law.

Makes conforming changes to GS 14-269.8 to reference new GS 50C-9.1 and GS 50E-9, as enacted and described above and below, regarding the unlawful purchase or possession of firearms, machine guns, ammunition, or permits to purchase or carry as long as protective orders are in effect.

Applies to no-contact orders issued on or after December 1, 2026.

Section 2

Enacts new GS Chapter 50E. States the Chapter's purpose and sets forth two defined terms. Establishes a process for certain professionals to petition a district court for an individual risk protection order (IRPO). Persons with standing include the head of a law enforcement office or agency or their designee; a judicial official; and specified licensed medical providers, social workers, therapists, and counselors who have treated the person against whom the IRPO is sought, or a family member of that person, within the preceding six months. Provides for venue, contents of the petition, verification, nondisclosure of the petitioner's address if requirements are met, court costs, electronic filing, and confidentiality. Limits disclosure to the petitioner, the person against whom the IRPO is sought, and their family members. Directs the Administrative Office of the Courts (AOC) to annually report to the specified NCGA committee and division, beginning December 1, 2026, on five data points related to IRPO petitions. Provides for service of the summons. Lists eight requirements of an IRPO, including a statement of the supporting grounds; whether a mental health evaluation or chemical dependency evaluation is required; a description of required relinquishment and retrieval of any firearms, ammunition or permits in the respondent's care, custody, possession, ownership, or control; and a description of the process for seeking its termination. Details hearing requirements on the petition to determine whether a final IRPO should be issued within 10 days of any ex parte IRPO or the date the petition was served. Allows issuance if three requirements are satisfied, including that the court finds by a preponderance of the evidence that the respondent poses a danger of causing physical harm to self or others by having custody or control, owning, purchasing, possessing, or receiving a firearm upon consideration of any relevant evidence. Provides a nonexhaustive list of factors the court may consider. Details requirements for a hearing and issuance of an ex parte IRPO, including allowing for hearings by video conference and authorizing the chief district court judge to designate a judge or magistrate to be reasonably available to issue ex parte IRPOs when court is not in session.

Requires surrender of firearms, ammunition, and permits to the sheriff and provides substantially similar provisions governing inquiry, surrender, retrieval, return to respondent or third-party owner, and disposal as those enacted regarding no-contact orders in new GS 50C-9.1, above, though no findings are required regarding pending criminal charges against an individual as in the circumstance of a no-contact order.

Makes it unlawful for those subject to an IRPO prohibiting firearm possession or purchase to fail to surrender items as ordered, fail to disclose all related information requested by the court, or provide false information to the court. Makes it a Class H felony to possess, purchase, or receive, or attempt the same, a firearm, machine gun, ammunition, or permits to purchase or carry if ordered by the court so long as the order and any successive order is effective. Exempts official use by law enforcement officers or US Armed Forces members. Allows the court to order additional relief provided by law.

Deems ex parte IRPOs effective until the date of the hearing or 10 days from issuance, and final IRPOs effective for a fixed period up to one year. Allows for renewal(s) upon motion by the petitioner subject to described required findings. Allows the respondent to move for termination once every 12-month period the order is in effect and provides notice and hearing requirements. Requires termination if the respondent proves by a preponderance of the evidence that they no longer pose a danger of causing physical harm to self or others by having a firearm in their custody or control.

Requires clerks to deliver copies of IRPOs to the respective sheriff in the counties IRPOs are issued and promptly notify sheriffs of any extensions, modifications, or revocations. Requires sheriffs to enter IRPOs and subsequent communications in the National Crime Information Center registry and provide access of the order to the courts. Provides for copies of IRPOs to be sent to the police department of the municipality of the petitioner's residence. Provides for service of the IRPO and summons, if not yet served, to the respondent upon issuance. Requires law enforcement petitioners to provide, or attempt to provide, notice of the petition to any known third party who may be at risk of unlawful conduct from the respondent.

Makes it a Class A1 misdemeanor for any person subject to an effective IRPO to possess, purchase, or receive, or attempt the same, a firearm, ammunition, or permits to purchase or carry concealed firearms. Makes it a Class 1 misdemeanor for a person to give a false statement when petitioning for an IRPO or for a person to give false information to law enforcement for IRPO issuance. Deems the Chapter's remedies nonexclusive. Specifies that the Chapter does not create any civil or criminal liability for any person or entity for acts or omissions related to obtaining an IRPO.

Amends specified sections of GS Chapter 15C to permit IRPO petitioners to participate in the Address Confidentiality Program. Requires IRPO petitioner applications to include evidence that the applicant is at risk for violence or other unlawful conduct from the IRPO respondent. Makes conforming changes.

Makes the above provisions effective December 1, 2026.

Directs the AOC to develop forms to implement the procedures of new GS Chapter 50E. Further directs AOC to develop and implement a statewide electronic system or use existing technology to allow courts to share information to determine whether prior orders under GS Chapter 50E have been issued for a respondent. Appropriates \$10,000 from the General Fund to AOC for 2026-27 to meet these requirements. Effective July 1, 2026.

Intro. by Budd.

APPROP, GS 50

[View summary](#)

Courts/Judiciary, Civil, Civil Law, Criminal Justice, Criminal Law and Procedure, Government, Budget/Appropriations, Public Safety and Emergency Management, State Agencies, Department of Justice, Health and Human Services, Mental Health

H 1209 (2025-2026) **STRENGTHEN ED BY EMBEDDED NEW TEACHER SUPPORT**. Filed Apr 30 2026, *AN ACT TO APPROPRIATE FUNDS TO INCREASE EMBEDDED SUPPORT FOR TEACHERS PARTICIPATING IN THE NEW TEACHER SUPPORT PROGRAM.*

Contains whereas clauses.

Appropriates \$1 million from the General Fund to the UNC Board of Governors in recurring funds for 2026-27 for the North Carolina New Teacher Support Program (Program) to establish a sustainable, statewide approach to embedding structured new teacher support directly within local school administrative units. Directs that the funds appropriated above will be used in programs designed to address the needs of teachers who will begin their teaching careers in North Carolina public schools including the eight listed supportive measures. Effective July 1, 2026.

Intro. by Ball, R. Pierce, Prather, Budd.

APPROP

[View summary](#)

**Education, Elementary and Secondary Education,
Government, Budget/Appropriations, State Agencies, UNC
System**

H 1210 (2025-2026) **FIREARM & AMP CONFLICT DE-ESCALATION TRAINING ACT**. Filed Apr 30 2026, *AN ACT TO REQUIRE THE PROVISION OF FIREARM SAFETY AND DE-ESCALATION INSTRUCTION TO CERTAIN STUDENTS IN PUBLIC SCHOOL; TO REQUIRE CLERKS OF COURT TO CONDUCT A STATEWIDE SEARCH OF MENTAL HEALTH RECORDS WHEN PRESENTED WITH A RELEASE FORM SIGNED BY AN APPLICANT FOR A CONCEALED HANDGUN PERMIT; TO MODIFY THE AUTHORITY OF MAGISTRATES AND JUDGES TO ISSUE ORDERS OF INVOLUNTARY COMMITMENT; AND TO APPROPRIATE FUNDS FOR A PILOT PROGRAM FOR A CO-RESPONDER PROGRAM.*

Section 1.

Enlarges the Center for Safer Schools (Center)'s powers and duties under GS 143B-1209.100 to include (1) developing, in consultation with any local or State entity it deems necessary, firearm safety instruction that meets the five listed requirements pertaining to the safe storage and handling of firearms and (2) developing, in consultation with any local or State entity it deems necessary, instruction for students on de-escalation techniques for conflict or other stressful situations that meets the three enumerated requirements. Prohibits the use or presence of live ammunition, live fire, or live firearms in the firearm safety instruction. Requires both courses to be viewpoint neutral and age and grade appropriate.

Applicable beginning with the 2026-27 school year, adds new GS 115C-105.50 requiring each public school unit to require each school under its control to provide annual instruction on the above courses, beginning in kindergarten. Allows parents to opt-out of either course. Makes conforming change to GS 115C-76.25. Authorizes the Center and the State Board of Education (SBE) to use the temporary rules procedure set forth in the APA to adopt or amend any rules necessary to implement the provisions of this act.

Appropriates \$250,000 from the General Fund to the Center for Safer Schools for 2026-27 for the Center to cover any costs associated with developing the courses above. Effective July 1, 2026.

Section 2.

Amends the application process for concealed handguns in GS 14-415.14 so that a clerk of court presented with a release form must conduct an electronic Statewide search for, and promptly disclose to the sheriff, any records concerning the mental health or capacity of the applicant who signed the form and authorized the release of the records. Makes conforming changes to GS 122C-54 (pertaining to disclosure of mental health records under the Mental Health, Developmental Disabilities, and Substance Abuse Act of 1985). Effective December 1, 2026, and applies to applications on or after that date.

No later than December 1, 2026, requires the Administrative Office of the Courts (AOC) to develop and implement a process or system that allows for an electronic Statewide search, as described above. Allows the AOC to use any funds available for the implementation or maintenance of eCourts to cover any costs incurred from developing and implementing a process or system in line with the above.

Section 3.

Adds new GS 7A-201 (involuntary commitments) so that if a magistrate or presiding judge over a civil or criminal matter has reasonable grounds to believe a party to a proceeding before the magistrate or judge meets the criteria for involuntary commitment under Part 7 of Article 5 of GS Chapter 122C, the magistrate or judge is vested with the authority to make findings of fact and issue a custody order in the same manner, upon the same grounds, and with the same effect as an order

issued by a clerk or magistrate pursuant to GS 122C-261. Specifies that proceedings thereafter are in accordance with Part 7 of Article 5 of GS Chapter 122C. Disqualifies the magistrate or judge from presiding over any other part of the process. Clarifies that except for the disqualification provisions, the statute does not modify a magistrate's or judges duties under Part 7 of Article 5 of GS Chapter 122C. Makes conforming changes to GS 122C-261 (affidavit and petition before clerk or magistrate when immediate hospitalization is not necessary). Applies to proceedings on or after October 1, 2026.

Section 4.

Appropriates \$474,680 funds from the General Fund to the Department of Public Safety for each year of 2026-27 to be allocated to each county in this State in equal amounts to use to fund pilot program co-responder models designed to integrate mental health professionals with law enforcement responding to mental health related calls by people in distress needing assistance. Directs that the funds should be used to hire and integrate within the law enforcement agency of each locality identified below one full-time mental health professional to be paired with law enforcement, either on a dedicated team or as part of a specialized unit, in responding to calls and incidences identified as involving mental health crises or persons with mental health issues. Effective retroactive to July 1, 2025.

Intro. by Budd.

[APPROP, GS 7A, GS 14, GS 115C, GS 122C, GS 143B](#)

[Courts/Judiciary, Civil, Civil Law, Court System, Administrative Office of the Courts, Criminal Justice, Criminal Law and Procedure, Education, Elementary and Secondary Education, Government, Budget/Appropriations, Public Safety and Emergency Management, State Agencies, UNC System, Department of Public Safety, Health and Human Services, Mental Health](#)

[View summary](#)

H 1211 (2025-2026) [HOME EQUITY INVESTMENT LOAN ACT](#). Filed Apr 30 2026, *AN ACT TO REGULATE HOME EQUITY INVESTMENT LOANS AS RESIDENTIAL MORTGAGE LOANS, TO IMPOSE CERTAIN CONSUMER PROTECTIONS ON THOSE LOANS, TO PROHIBIT CERTAIN MANDATORY ARBITRATION TERMS IN COVERED MORTGAGE TRANSACTIONS, TO MAKE VIOLATIONS UNFAIR OR DECEPTIVE ACTS OR PRACTICES, AND TO AUTHORIZE FEES TO IMPLEMENT THIS ACT.*

Enacts Article 21A, the Home Equity Investment Loan Act, to GS Chapter 53 construing a home equity investment loan (HEI loan) as a residential mortgage for purposes of GS Chapters 53, 24, and 45 subject to all otherwise applicable State residential mortgage laws, including licensing, collection, foreclosure, and usury laws. Prevents HEI loans from being treated as a reverse mortgage, as described, unless the transaction independently satisfies Article 21 of GS Chapter 53. Clarifies that if the transaction meets the definition of HEI loan under the new Article, it is governed by the Article.

Defines HEI loan as a transaction or arrangement, including an option contract, futures contract, derivative, shared appreciation agreement, shared value agreement, home equity sharing agreement, home equity investment, equity investment option, or similar agreement, however denominated, under which funds are advanced to or on behalf of a homeowner and a person obtains a right to receive from or on behalf of the homeowner, or from the proceeds of the dwelling or residential real estate, an amount determined in whole or in part by reference to the value, equity, appreciation, sale proceeds, or future value of a dwelling or of residential real estate upon which a dwelling is constructed or intended to be constructed. The term includes any transaction or arrangement described in this subdivision that is secured by a mortgage, deed of trust, or other equivalent consensual security interest in a dwelling located in this State or in residential real estate upon which there is constructed or intended to be constructed a dwelling, and any transaction or arrangement structured to evade the application of new Article 21A. The term does not include a transaction or arrangement made, insured, guaranteed, or administered by a federal, State, or local government agency, a government-sponsored enterprise, or an agency or enterprise of a political subdivision of this State.

Prevents a person from acting to make, broker, or service a HEI loan with respect to a dwelling located in the State unless the person is authorized to engage in the mortgage business under GS Chapter 53, Article 19. Effective when the act becomes law, specifies that a person authorized to engage in the mortgage business under Article 19B GS Chapter 53 cannot make an HEI loan on or after October 1, 2026, unless the person is authorized by the Commissioner to make home equity investment loans under this subsection. Provides for an application for such authorization and \$500 fee. Provides for purchase and assignee

responsibility of HEI loans, including being subject to new Article 21A, all affirmative claims, counterclaims, defenses, rights of setoff, and rights of recoupment with respect to the loan that the homeowner may assert against the company or any prior holder, servicer, or assignee of the loan.

Enumerates ten required disclosures in GS 53-274.5 that a company provide to the homeowner within the time specified, pertaining to an HEI loan. Authorizes the Commissioner to prescribe disclosure forms by rule. Prevents a company from closing on an HEI loan under GS 53-274.6 unless the homeowner has been represented by independent legal counsel paid for by the company, as specified as well as ensuring that the homeowner has received the housing counseling described in GS 53-274.7. Requires the company to pay closing costs under GS 53-274.8. Limits the amount of an HEI loan to the sum of the: (1) total amount of funds actually advanced to or for the benefit of the homeowner, excluding any amount the company is required to pay; (2) total amount of property taxes, insurance premiums, assessments, and other similar charges actually and reasonably advanced by the company to protect the collateral and not reimbursed by the homeowner; (3) either shared appreciation, not exceeding 10% of the increase in the value of the home as specified or shared value, not exceeding 10% of the value of the home at the time of payment. Allows for prepayment of the loan by the homeowner. Prevents company from obtaining a deficiency judgment against the homeowner if the loan payments are past due. Prevents HEI loan contracts from waiving or disclaiming any protections to the homeowner. Provides for annual statements, process in the event of company default, enforcement and civil actions. Specifies five occurrences when a HEI contract can specify that the loan becomes due. Requires company to offer refinancing, as described, if homeowner informs the company it cannot repay the loan without selling the dwelling. Requires the company to give notice to the homeowner of intent to seek foreclosure or otherwise enforce the debt. Enumerates ten prohibited acts that the company cannot do. Effective when the act becomes law, authorizes the Commissioner to adopt rules to enforce the new article in GS 53-274.15.

Effective October 1, 2026, and applies to home equity investment loan applications made on or after that date, except as otherwise provided.

Effective October 1, 2026, and applicable to HEI loans and contracts for deed entered into on or after that date, makes conforming change to GS 53-244.030(30) (residential mortgage loan definition).

Makes conforming change to GS 24-10.2 (definition consumer home loan).

Effective October 1, 2026, and applicable to equity lines of credit entered into on or after that date, makes equity line of credit made by a bank subject to the provisions of GS 24-10.3 (relating to certain mandatory arbitration provisions prohibited in covered mortgage transactions) in GS 24-9. Specifies that GS 24-9 (loans exempt from fee and rate limitations) does not apply to HEI loans. Makes conforming change to GS 53-244.118.

Effective October 1, 2026, and applicable to covered mortgage transactions entered into, and to contracts or other agreements relating to covered mortgage transactions executed, on or after that date, adds GS 24-10.3, describing mandatory arbitration provisions prohibited in covered mortgage transactions (residential mortgage loans and an extension of credit under an open-end consumer credit plan secured by the principal dwelling of the borrower).

Expands the definition of *home loan* in GS 45-101 to include HEI loans.

Until rules adopted under GS 53-274.15 become effective, specifies that a company complies with GS 53-274.5(a)(9) by providing examples of the total amount due at payment assuming (1) no appreciation, (2) annual appreciation of 3%, and (3) annual appreciation of 6%.

Intro. by Longest, Liu.

GS 24, GS 53

[View summary](#)

Banking and Finance, Business and Commerce, Consumer Protection, Development, Land Use and Housing, Property and Housing

Amends GS 47C-3-102 to prohibit a unit owners' association from putting limits on unit owners' ability to install, maintain, and use solar panels as a power source.

Amends GS 47F-3-102 to prohibit a home owners' association from putting limits on lot owners' ability to install, maintain, and use: (1) solar panels as a power source, (2) edible or pollinator gardens within the lot owners' boundaries or (3) accessory dwelling units that meet applicable building and environmental codes that are also allowed by zoning restrictions.

Appropriates \$100,000 for 2026-27 from the General Fund to the Department of Justice for education on these provisions.

Intro. by Liu, Johnson-Hostler.

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

[View summary](#)

[Development, Land Use and Housing, Property and Housing, Government, Budget/Appropriations, State Agencies, Department of Justice](#)

H 1213 (2025-2026) [PROTECT TAXPAYERS AND CONSUMERS](#). Filed Apr 30 2026, *AN ACT TO REPEAL THE SALES AND USE TAX EXEMPTION FOR DATA CENTERS*.

Amends GS 105-164.13 by repealing the following sales tax exemptions for data centers: (1) computer software sold to a person who operates a datacenter and is used within the datacenter; (2) sales of electricity for use at an eligible internet datacenter and eligible business property to be located and used at an eligible internet datacenter; and (3) sales of electricity for use at a qualifying datacenter and datacenter support equipment to be located and used at the qualifying datacenter.

Amends GS 105-164.3 by repealing the definitions of *datacenter*, *eligible internet datacenter*, and *qualifying datacenter*.

Effective July 1, 2026, and applies to sales occurring on or after that date.

Intro. by Loftis, Ward, Harrison.

[GS 105](#)

[View summary](#)

[Government, Tax, Public Enterprises and Utilities](#)

H 1214 (2025-2026) [MAKE E-VERIFY GREAT AGAIN](#). Filed Apr 30 2026, *AN ACT TO INCREASE THE NUMBER OF EMPLOYERS WHO ARE REQUIRED TO PARTICIPATE IN THE FEDERAL E-VERIFY PROGRAM, REQUIRE STATE AND LOCAL GOVERNMENT EMPLOYERS TO COMPLY WITH ARTICLE 2 OF CHAPTER 64 OF THE GENERAL STATUTES, CREATE A GOOD-FAITH SAFE HARBOR FOR EMPLOYERS WHO UNKNOWINGLY RECEIVE FRAUDULENT DOCUMENTATION RELATED TO E-VERIFY, ALLOW THE COMMISSIONER OF LABOR TO CONDUCT RANDOM AND RISK-BASED COMPLIANCE CHECKS RELATED TO E-VERIFY, ALLOW EMPLOYERS TO CURE FIRST VIOLATIONS OF E-VERIFY REQUIREMENTS, INCREASE THE CIVIL PENALTIES FOR EMPLOYERS WHO FAIL TO COMPLY WITH E-VERIFY REQUIREMENTS, PROTECT EMPLOYEES FROM RETALIATION FOR GOOD-FAITH REPORTS OF SUSPECTED VIOLATIONS OF E-VERIFY REQUIREMENTS, AND APPROPRIATE FUNDS TO THE DEPARTMENT OF LABOR FOR THE ENFORCEMENT OF THIS ACT*.

Amends the definition of employer under GS 64-25, as it applies to Article 2, Verification of Work Authorization, of GS Chapter 64, to now define *employer* as any person, business entity or organization that transacts business in this state and that employs five (was 25) or more employees in the state. Now includes within the term any entity required to participate in E-Verify pursuant to GS 126-7.1(i) (State and local entities), GS 153A-99.1 (counties), and GS 160A-169.1 (municipalities); previously the term excluded State agencies, counties, municipalities, or other governmental bodies.

Amends GS 64-26 by adding that an employer is deemed to be in good-faith compliance with Article 2 if it timely enrolls in and uses E-Verify, properly completes and retains required forms and documentation, and does not knowingly or with reckless disregard accept fraudulent documentation. Protects these employers from civil penalties solely because an employee submitted fraudulent information or documentation that could not have reasonably been detected.

Amends GS 64-29 to require the North Carolina Commissioner of Labor (Commissioner), if, after investigating determines that a complaint was not false or frivolous, to proceed according to new GS 64-30A for violations of GS 64-26 (verification of employee work authorization) or GS 64-33.1 (consequence of violations of GS 143-133.3) for violations of GS 143-133.3 (E-Verify compliance). Allows the Commissioner to conduct random or risk-based compliance checks of employers to determine compliance with GS 64-26 or GS 143-133.3; if there is a nonfrivolous possibility of a violation, requires the Commission to proceed under GS 64-30A or GS 64-33.1. Expands upon when the Commissioner may issue a subpoena for specified employment records or policies to include when it is part of a compliance check.

Repeals GS 64-30 (actions to be taken by the Commissioner upon determining that the complaint is not false or frivolous).

Enacts new GS 64-30A allowing employers a cure period when there is a possible violation of GS 64-26. Allows a cure period if the violation occurs when the Commissioner has not previously issued an order against the employer. Gives the employer 30 days after receiving notice to cure the alleged violation by enrolling in E-Verify, completing required verifications, and otherwise complying with GS 64-26. If the employer fails to cure the violation or if they are not entitled to the cure period, requires the Commissioner to hold a hearing to determine if a violation has occurred. Sets out penalties for first, second, and third or subsequent violations. Requires the Commissioner, upon concluding that there is a reasonable likelihood that an employee is an unauthorized alien, to notify US Immigration and Customs Enforcement and local law enforcement agencies.

Repeals GS 64-31, GS 64-32, and GS 64-33, which set out penalties for violations of GS 64-26.

Amends GS 64-33.1 to require the Commissioner to hold a hearing to determine if a violation of GS 143-133.3 has occurred.

Enacts new GS 64-33.2 requiring the clear proceeds of all civil penalties imposed under the Article to be remitted to the Civil Penalty and Forfeiture Fund.

Amends GS 64-34 to require the Commissioner to maintain records of compliance checks; makes additional conforming changes.

Amends GS 126-7.1 to require state agencies, departments, institutions, universities, community colleges, and local education agencies to comply with Article 2 of GS Chapter 64.

Amends GS 153A-99.1 to require counties to comply with Article 2 of GS Chapter 64. Amends GS 160A-169.1 to require the same of municipalities.

Requires the Commissioner to amend its rules and make changes consistent with the above, using temporary rulemaking when necessary.

Applies to violations occurring on or after October 1, 2026.

Amends GS 95-241 to prevent discriminating or retaliating against an employee who files a claim or provides information with respect to Article 2 of GS Chapter 64. Applies to discriminatory or retaliatory actions taken on or after October 1, 2026.

Appropriates \$448,195 in recurring funds for 2026-27 from the General Fund to the Department of Labor for five full-time positions to enforce the Act. Specifies that these positions are designated as exempt policymaking positions. Effective July 1, 2026.

Intro. by Gillespie, N. Jackson, Moss.

[APPROP, GS 64, GS 95, GS 126, GS 153A, GS 160A](#)

[View summary](#)

[Employment and Retirement, Government, Budget/Appropriations, State Agencies, Department of Labor, State Government, State Personnel, Local Government, Immigration](#)

PREPARED FOOD AND BEVERAGE TAX REVENUES BY ALLOWING THOSE MUNICIPALITIES TO RECEIVE THEIR PROPORTIONAL SHARE AND TO USE THOSE FUNDS TO PROMOTE TRAVEL AND TOURISM.

Part I.

Amends Section 6.2 of the Town Charter for the Town of Garner (SL 1977-333) so that the town council (was, board of aldermen) can authorize the town manager to also settle (1) eminent domain cases filed by the town when the amount involved does not exceed the amount budgeted for property or easement acquisition for the approved capital improvement program and (2) claims made by the town or debts owed to the town when the amount involved does not exceed \$10,000. Increases the cap on the referral to the town manager for settlement for personal injury or property damages from \$100 to \$10,000. Requires all of these settlements to be reported to the town council in a timely manner. Directs that such settlements constitute a complete release of the town from all damages sustained by a person involved in the settlement arising out of the same claim.

Part II.

Makes the following changes to SL 1991-54, as amended, (Wake County's room occupancy and prepared food and beverage taxes). Adds new defined term *promote travel and tourism*. Deletes *retailer* and makes technical change to *prepared food and beverage*. Modifies *undesignated proceeds*. Makes organizational and clarifying changes. Now requires Wake County and Raleigh to amend an interlocal agreement after the levy of a tax under that agreement to include at least three other municipalities as parties to the agreement. Removes reference to the effective date of the act in describing the exemption from Wake County's prepared food and beverage tax for retail sales tax exempt from taxation under GS 105-164.13. Specifies that the prepared food and beverage tax applies to all prepared grocery food so that it is no longer limited to prepared food in the grocery deli or other similar department. Removes outdated language.

Removes language projecting the annual net proceeds from the prepared food and beverage tax and the accompanying distributions required based on that projection. Modifies the amount that the county can deduct from the gross proceeds of the prepared food and beverage tax from 3% of all gross proceeds to 3% of the first \$500,000 of gross proceeds collected each year and 1% of all remaining gross receipts collected each year after that. Sets out a schedule for distribution of the remaining funds to include distribution to the Greater Raleigh Convention and Visitors Bureau and county municipalities in the amounts described to promote travel and tourism or to fund the listed activities. Directs municipalities to maintain these funds in a special nonreverting fund as specified. Specifies that money in those funds that remain unspent and unencumbered after a period of five years revert to Wake County and be placed in the Small Tourism Projects Grant Fund (Fund). Provides for quarterly reports to the Wake County Board of Commissioners on the municipalities receipts and expenditures, including those described.

Removes provisions requiring the county to transfer specified amounts to Raleigh, along with provisions governing the city's use of those proceeds. Modifies the distribution to Wake County so that the county now retains a sum equal to: (1) the amount of prepared food and beverage tax collected in the unincorporated areas of the county, (2) the shares of prepared food and beverage tax levied by Wake County and attributable to the Town of Angier and the City of Durham, (3) the amount deducted from the Town of Cary's distribution, and (4) the amount of funds forfeited by a municipality, if any, for failure to be expended within five years of receipt. Provides for quarterly reports by the Board of Commissioners on its receipts and expenditures, to be posted on the county website. Expands the county's permitted uses of the funds received to include the Fund, promoting travel and tourism, planning related to the Raleigh Civic Center Complex or similar facilities for sports, culture, and arts, and for small tourism project grants with priority given to cities other than Raleigh and Cary. Removes provisions requiring unspent funds to be held in reserves and the listed future revenue allocations of the prepared food and beverage tax.

Makes technical change to GS 153A-154.1 (uniform provisions for local meals taxes) to modify the statutory cross-reference for the definition of *prepared food and beverages* and *alcoholic beverages* so that it mirrors those definitions in GS 105-164.4L (definitions pertaining to sales and use taxes).

Effective July 1, 2026, and applies to the distribution of proceeds of the prepared food and beverage tax on or after that date. Within 90 days of this Part becoming law, requires Wake County and the City of Raleigh to amend the interlocal agreement in accordance Section 5(b)(2) of SL 1991-594, as amended, including by the act.

H 1216 (2025-2026) **JOHN ROLLINS SCHOLARSHIP PROTECTION ACT**. Filed Apr 30 2026, *AN ACT TO PROTECT PRIVATE SCHOLARSHIPS BY PROHIBITING SCHOLARSHIP DISPLACEMENT IN PUBLIC INSTITUTIONS OF HIGHER EDUCATION.*

Contains whereas clauses.

Enacts Article 34A, The John Rollins Scholarship Protection Act” in GS Chapter 116. Contains four definitions, including *institutional financial aid* (all grants, scholarships, tuition waivers, and other forms of financial assistance provided to a student based on need or merit by a public institution of higher education. Institutional financial aid does not include loans or funds related to work-study programs). Prevents, in GS 116-286, a public institution of higher education from reducing the institutional financial aid of a student due to that student's receipt of a private scholarship. Requires the Board of Governors of The University of North Carolina and the State Board of Community Colleges to each adopt a policy to enforce GS 116-286, to include reporting requirements from each public institution of higher education on the cost of attendance and the average financial aid given to students with private scholarship compared to those without. Requires the Board of Governors to report the information to the specified NCGA committee by March 15 each year. Adds new GS 115D-40.4 requiring the State Board of Community College and each community college to comply with the provisions of new GS 116-286 to ensure that the institutional financial aid provided to a student is not reduced due to the student's receipt of a private scholarship.

Appropriates \$160,000 in recurring funds from the General Fund to the Board of Governors beginning in 2026-27 to be allocated to the UNC constituent institutions based on enrollment to increase funds available for financial aid to students. Appropriates \$580,000 in recurring funds from the General Fund to the Community Colleges System Office beginning in 2026-27 to be allocated to community colleges based on enrollment to increase funds available for financial aid to students. Effective July 1, 2026.

Effective when it becomes law and applies beginning with scholarships awarded in the 2027-2028 academic year, except as otherwise provided.

Intro. by Ager.

APPROP, GS 115D, GS 116

[View summary](#)

Education, Higher Education, Government, Budget/Appropriations, State Agencies, Community Colleges System Office, UNC System

PUBLIC/SENATE BILLS

S 936 (2025-2026) **2026 DST ADMIN/TECHNICAL/CLARIFYING CHANGES.-AB** Filed Apr 29 2026, *AN ACT TO MAKE ADMINISTRATIVE, TECHNICAL, AND CLARIFYING CHANGES TO THE LAWS RELATED TO THE DEPARTMENT OF STATE TREASURER.*

Identical to [H 1126](#), filed on 4/29/26.

Part I. Retirement Systems

Amends GS 135-4, applicable to the Retirement System for Teachers and State Employees, by adding to the provisions that apply to State employees who served in the uniformed services who were not dishonorably discharged and returned to service of the State within two years, that if a member forfeited services previously credited by electing to receive a return of accumulated contributions, and subsequently purchases the maximum amount of service allowed, then that member must have the serve previously credited restored. Effective January 1, 2027, and applies to members of the Teachers’ and State Employees’ Retirement System with forfeited service that was previously credited under GS 135-4(g) who subsequently purchase the maximum amount of service allowed on or after January 1, 2027.

Amends GS 128-26, applicable to the Local Governmental Employee's Retirement System, to provide that if a member forfeited service previously credited uniformed service credit by electing to receive a return of accumulated contributions and subsequently purchases the maximum amount of service allowed, then that member must have the service previously credited restored. Effective January 1, 2027, and applies to members of the Local Governmental Employee's Retirement System with forfeited service that was previously credited under GS 128-26(a1) who subsequently purchase the maximum amount of service allowed on or after January 1, 2027.

Amends GS 135-9(b) (applicable to the Retirement System for Teachers and State Employees), GS 128-31(b) (applicable to the Local Governmental Employee's Retirement System), and GS 120-4.29 (Legislative Retirement System) by adding that the ability to offset any overpayment of benefits or erroneous payments to members in a State-administered retirement system, the Disability Salary Continuation Plan, or the Disability Income Plan of NC, including benefits to the State Health Plan, does not apply to the fully contributory death benefit for retired members.

Amends GS 135-5 and GS 128-27, concerning the anti-pension-spiking contribution-based benefit cap, by adding to the conditions that apply to the cap that for any member whose retirement allowance was: (1) initially restored to the pre-contribution-based benefit cap level, (2) subsequently suspended for at least three years because of being restored to service, and (3) recalculated based on becoming reemployed for at least three years on the basis of the member's compensation and service before and after the prior retirement period without restrictions, the amount required to restore the member's benefit to the pre-contribution-based benefit cap level must be reduced on a dollar-for-dollar basis by the amount required to restore the initial retirement allowance. Makes additional technical, organizational, and clarifying changes.

Amends GS 135-3 by making the following changes to the members of the Retirement System for Teachers and State Employees whose membership is terminated on or after July 1, 1963. Excludes service as a member of the Legislative Retirement System from the provisions that apply to: (1) beneficiaries who retired on an early or service retirement and is reemployed by or engaged to perform services for an employer participating in the System on a part time, temporary, interim, or fee for service basis and whose retirement allowance will be suspended upon meeting the specified income thresholds; or (2) beneficiaries who retired on an early or service retirement allowance and is restored to service as an employee or teacher and whose retirement allowance will cease. Sets GS 120-4.21(d), which prohibited a member from receiving a service retirement allowance greater than 75% of the member's "highest annual salary" or from receiving any service retirement allowance whatsoever while employed in a position that makes the member a contributing member of either the Teachers' and State Employees' Retirement System or the Consolidated Judicial Retirement System, to expire on July 1, 2026. Amends GS 120-4.21(c), which prohibits a member from receiving a service retirement allowance greater than 75% of his "highest annual salary" so that it is no longer limited members retiring before September 1, 2025. Effective July 1, 2026, and applies to all members of the Legislative Retirement system on or after that date, including those who retired after September 1, 2025. Provides that if the service retirement allowance of a member who retired on or after September 1, 2005, and before July 1, 2026, was suspended in accordance with GS 120-4.21(d) prior to its expiration on July 1, 2026, then that service retirement allowance must continue to be suspended until the member withdraws from membership in either the Teachers' and State Employees' Retirement System or the Consolidated Judicial Retirement System and the member is not entitled to any retroactive reinstatement of a service retirement allowance related to the expiration of GS 120-4.21(d).

Enacts new GS 58-86-41, providing as follows. Requires each eligible fire department and rescue or emergency medical services squad, under rules adopted by the Board of Trustees of the Local Governmental Employees' Retirement System, to certify on account of each eligible worker, any information necessary to administer the Firefighters' and Rescue Squad Workers' Pension Fund.

Amends GS 143-166.30 concerning the forfeiture of benefits from the Supplemental Retirement Income Plan for State Law-Enforcement Officers for certain felonies, by adding that pending the determination of whether GS 135-18.10A (Forfeiture of retirement benefits for certain felonies related to employment or holding office) applies to the conviction, that the administrator of the Plan may prohibit the withdrawal of contributions from the law enforcement officer's account for up to 60 days from the date of conviction. Makes additional clarifying changes. Makes the same change to GS 143-166.50, applicable to participants in the Supplemental Retirement Income Plan for Local Government Law-Enforcement Officers.

Amends GS 135-6, and GS 128-8 to allow the State Treasurer and the Board of Trustees to appoint employees as they deem advisable to carry out the terms and conditions of the Retirement System, removing the requirement that the relevant Board engage actuarial and other services required to transact the Retirement System's business. Requires the Board of Trustees to allow the State Treasurer to establish compensation plans for employees with specialized skills or knowledge necessary for the

proper administration of the System. Makes these employees exempt from the Office of State Human Resources' classification and compensation rules, and limits the total number of these employees across the two systems to no more than 40% of the employees of the Retirement Systems Division. Makes conforming changes to GS 126-5.

Makes organizational changes to GS 135-6. Amends GS 135-6 and GS 128-28 by removing the Attorney General from acting as the legal adviser to the Boards of Trustees and instead requires the State Treasurer to designate a licensed attorney employed by the Department of State Treasurer to act as the legal adviser. Also allows the State Treasurer to designate legal counsel to represent the interests of the administration of benefit programs under the relevant Articles. Makes the same applicable to the Legislative Retirement System under GS 120-4.10.

Amends GS 135-6 and GS 128-28 by changing the compensation for trustees so that during Board session, trustees receive \$100/per day, except for any trustee whose salary is paid from State funds. Makes these same provisions applicable to the Supplemental Retirement Income Act of 1984 under GS 135-96 and the Achieving a Better Life Experience Program Trust under GS 147-86.72.

Amends GS 135-5 and GS 128-27 by providing that if multiple beneficiaries are designated and living at the time of the member's death and any beneficiary elects to renounce their part of the member's contributions, the renunciation does not result in another beneficiary becoming eligible for benefits.

Amends GS 135-7, and GS 128-29, concerning the Legislative Enacting Implementation Arrangement (LEIA), as follows. Amends the purpose of the LEIA to include providing for ongoing administrative implementation of legislative provisions regarding the retirement of, or payment of retirement benefits to, public officers or public employees. Removes the prohibition on the Board of Trustees directing any employer contributions into the LEIA after January 1, 2035. Removes the listed restrictions on the allocation of LEIA funds to (1) the implementation of legislative provisions regarding the retirement of, or payment for retirement benefits to, public officers or public employees, or (2) be used for administrative or information technology purchases, and instead makes it subject to purposes that the Board determines are necessary to prevent an interruption to the System's normal operations. Allows the Board to transfer assets of the LEIA to the Retirement System as an additional employer contribution (was, any assets of the LEIA not used to pay allowed administrative expenses for timely administrative implementation of legislative provisions were required to be transferred to the Retirement System as additional employer contribution). Effective July 1, 2026.

Part II. State Health Plan

Amends GS 135-48.43, setting out categories of coverage available under the State Health Plan for Teachers and State Employees (Plan), to no longer limit maternity benefits to employees and enrolled spouses. Effective 30 days after the act becomes law.

Amends GS 125-48.38 which requires benefits payable for covered expenses under the Plan be reduced by any benefits payment for the same expenses under Medicare, by allowing an additional exception to Medicare being the primary carrier for instances when the Treasurer has determined that the administrative costs of coordinating with Medicare is likely to exceed the financial benefit of the coordination to the Plan.

Amends GS 147-86.11 by adding an exception to the requirement that moneys deposited with the State Treasurer remain on deposit with the State Treasurer until final disbursement to the ultimate payee, for the purposes of operating the Plan.

Part III. NC Investment Authority

Amends GS 58-31-1 to require that the State Treasurer deposit the assets of the State Property Fire Insurance Fund with the North Carolina Investment Authority (Authority) to invest.

Amends GS 58-86-20 to require that the assets of the North Carolina Firefighters' and Rescue Squad Workers' Pension Fund be deposited with the Authority to invest. Makes additional technical and clarifying changes.

Amends GS 58-87-5 to require that the assets of the Volunteer Rescue/EMS Fund be deposited with the Authority to invest.

Amends GS 74C-30 to require that the assets of the Private Protective Services Education Fund be deposited with the Authority to invest.

Amends GS 74D-30 to require that the assets of the Security Systems Education Fund be deposited with the Authority to invest.

Amends GS 113-173.1 to require that the assets of the North Carolina Commercial Fishing Resources Fund be deposited with the Authority to invest. Makes a clarifying change.

Amends GS 113-175.1 to require that the assets of the Marine Resources Fund be deposited with the Authority to invest.

Amends GS 113-175.5 to require that the assets of the North Carolina Marine Resources Endowment Fund be deposited with the Authority to invest.

Amends GS 115C-546.10 to require that the assets of the Needs-Based Public School Capital Fund be deposited with the Authority to invest.

Amends GS 116-209 to require that the assets of the Reserve Trust Fund be deposited with the Authority to invest. Makes additional technical and clarifying changes.

Amends GS 116-209.25 to require that the assets of Parental Savings Trust Fund be deposited with the Authority to invest. Makes conforming changes.

Amends GS 120-4.18 to make the State Treasurer the custodian of the assets of the Legislative Retirement System and requires that the assets be deposited with the Authority to invest.

Amends GS 122E-3 to require that the assets of the North Carolina Housing Trust Fund be deposited with the Authority to invest. Requires the Authority, instead of the Treasurer, to provide the quarterly and annual reports of Fund revenues and interest earnings.

Amends GS 127A-40.1 by making the State Treasurer the custodian of assets of the North Carolina National Guard Pension Fund and requires that the Fund's assets be deposited with the Authority to invest. Makes additional organizational and technical changes.

Amend GS 131A-32 to require that the assets of the Rural Health Care Stabilization Fund be deposited with the Authority to invest.

Amends GS 135-66 to require that the assets of the Consolidated Judicial Retirement System be deposited with the Authority to invest.

Amends GS 135-1110 to require that the assets of the Disability Income Plan of North Carolina be deposited with the Authority to invest.

Amends GS 143-58.5 to require that the assets of the Alternative Fuel Revolving Fund be deposited with the Authority to invest.

Amends GS 143-166.82 to require that the assets of the Sheriffs' Supplemental Pension Fund be deposited with the Authority to invest.

Amends GS 143-250.1 to require that the assets of the Wildlife Endowment Fund be deposited with the Authority to invest.

Amends GS 143-719 to require that the assets of the Tobacco Trust Fund be deposited with the Authority to invest.

Amends GS 143B-135.236 to require that the assets of the North Carolina Conservation Easement Endowment Fund be deposited with the Authority to invest.

Amends GS 143C-9-2 to require that the assets of the Trust Fund for Mental Health, Developmental Disabilities, and Substance Abuse Services and Bridge Funding be deposited with the Authority to invest.

Amend GS 147-54.5 to require that the assets of the Investor Protection and Education Trust Fund be deposited with the Authority to invest.

Amends GS 147-69.6 to require that the assets of the Swain County Settlement Trust Fund be invested according to Article 6 of GS Chapter 147 instead of in the specified investments.

Amends GS 161-50.2 to require that the assets of the Registers of Deeds' Supplemental Pension Fund be deposited with the Authority to invest.

Amends GS 147-86.57 which sets out the definition of terms that apply to the Iran Divestment Act by adding that Investment Authority means the North Carolina Investment Authority. Amends GS 147-86.58 by making the Board of Directors of the Investment Authority, rather than the State Treasurer, responsible for adopting a policy prohibiting investing funds with a company engaging in investment activities with Iran and expands upon who the prohibition applies to by including the Investment Authority. Makes conforming changes. Also changes responsibility from the State Treasurer to the Board of Directors of the Investment Authority for developing the list of restricted companies. Makes conforming changes to GS 147-86.60, and GS 147-86.61. Makes these same changes to the statutes concerning divestment from companies boycotting Israel in GS 147-86.80 and GS 147-86.81. Specifies that the policies previously adopted by the State Treasurer under GS 147-86.58 and GS 147-86.81 remain in effect until the applicable policy is adopted by the Board of Directors of the North Carolina Investment Authority.

Amends GS 135-1 by amending the definition of compensation for the Retirement System for Teachers and State Employees by amending the definition of compensation to include all special pay contribution of annual leave made to a 401(a) Special Pay Plan for the benefit of an employee; excludes from compensation any payment for the reimbursement of expenses or payments for housing or any other allowances, and performance-related bonuses paid to employees of the Investment Authority. Amends GS 128-21 Local Governmental Employee's Retirement System by excluding from compensation any payment for the reimbursement of expenses or payments for housing or any other allowances. Effective retroactively to July 1, 2025, and applies to any performance-related bonuses paid to employees of the Investment Authority on or after that date.

Part IV. Technical and Clarifying Changes

Amends GS 135-5, by amending conditions that apply when determining the special retirement allowance for law enforcement officers by specifying that the specified requirements apply to transfers of eligible accumulated contributions from the Supplemental Retirement Income Plan of North Carolina made on or after July 1, 2022. Makes additional organizational, clarifying, and technical changes and makes language gender neutral.

Repeals the following and provides that any inchoate or accrued rights of any member on January 1, 2027, must not be diminished: (1) 135-5(c) through (d4) (Disability Retirement Benefits of Members Leaving Service Prior to January 1, 1988, Allowance on Disability Retirement of Persons Retiring on or after July 1, 1959, but prior to July 1, 1963, Allowance on Disability Retirement of Persons Retiring on or after July 1, 1963, but prior to July 1, 1969, Allowance on Disability Retirement of Persons Retiring on or after July 1, 1969, but prior to July 1, 1971, Allowance on Disability Retirement of Persons Retiring on or after July 1, 1971, but prior to July 1, 1982, Allowance on Disability Retirement of Persons Retiring on or after July 1, 1982, Who Left Service prior to January 1, 1988), (j) (provisions effective July 1, 1959, with respect to any retirement allowance payments due after such date to any retired member who was retired prior to July 1, 1959, on a service or disability retirement allowance), (s) (Increases in Benefits to Those Persons on Disability Retirement Who Were Retired prior to July 1, 1971), and (x) (Increases in Benefits to Those Persons on Disability Retirement Who Were Retired prior to July 1, 1971); (2) GS 135-10.1(b) (If an applicant for disability retirement fails to furnish requested additional medical information within 90 days following the request for that information, then the application shall be declared null and void, unless the applicant is eligible for early or service retirement), and (3) GS 135-28.1(e) (applicable a judge of a district court who made application for disability retirement prior to January 1, 1974). Makes conforming and technical changes to GS 135-3, and GS 105-259.

Amends GS 128-27 as follows. Removes the requirement that the board of Trustees require each employee enrolling in the retirement system provide information on the application concerning any mental or physical incapacities. Amends the conditions that apply when the surviving designated beneficiary may elect or receive the reduced retirement allowance provide by a 100% joint and survivor payment option instead of a return of accumulated contributions by adding that if multiple beneficiaries are designated and living at the time of the member's death and any beneficiary elects to renounce their portion of the accumulated contributions, the renunciation does not result in another beneficiary becoming eligible for benefits. Makes additional organizational, technical, and clarifying changes.

Amends GS 135-4, GS 128-26, and GS 135-6 by making organizational, technical, and clarifying changes.

Amends GS 135-48.41(d) to specify that the provision applies to former employees who are receiving retirement benefits under Article 1A of GS Chapter 120 or Article 4 of GS Chapter 135. Makes conforming and clarifying changes.

Repeals the following and specifies that any inchoate or accrued rights of any member on January 1, 2027, are not diminished: (1) GS 120-4.11(2) (making former members of the General Assembly who served prior to June 15, 1983 eligible for the

retirement system), (2) GS 120-4.12(c)(2) (defining prior service to mean the number of years served by former members of the General Assembly who were vested in the Legislative Retirement Fund); (3) GS 120-4.13(a) (requiring the Board of Trustees to set up procedures to transfer membership from the Legislative Retirement Fund to the Retirement System and to recompute benefits paid to retirees of the Legislative Retirement Fund who elect to transfer to the Retirement System), and (4) GS 120-4.15(a) and (b) (concerning certain repayment of contributions withdrawn from the Legislative Retirement Fund and System).

Recodifies and repeals portions of GS 135-5(e). Recodified portions are now in GS 120-4.23; makes additional conforming, and clarifying changes. Effective January 1, 2027.

Amends GS 135-109 to allow the Department of State Treasurer and Board of Trustees to require beneficiaries to annually provide a statement of the beneficiary's monthly income. Makes additional clarifying changes.

Amends GS 135-3 by providing that if a member is unable to make a lump-sum payment, they can have the entirety of their net monthly (was, their monthly) retirement benefit withheld until three times the amount of compensation earned during the six months following retirement has been recovered.

Amends GS 120-4.11 to specify that the listed members and former members of the NCGA are members in the retirement system (was, are eligible for membership in the system).

Amend GS 135-106 by clarifying that listed conditions apply if the member has been approved and is in receipt of primary Social Security disability benefits. Makes additional organizational, clarifying, and technical changes.

Amends GS 135-108 by updating statutory cross-references.

Directs the Revisor of Statutes to replace the phrase "(Form 6-E or 26 Form 7-E)" with the phrase "by electronic submission in a form approved by the Board of Trustees or by written designation duly acknowledged and filed with the Board of Trustees" in GS 135-5(g) and GS 128-27(g). Makes conforming changes to GS 135-10.1 and GS 128-32.1.

Amends GS 143-166.60 by making a technical change.

Requires the Revisor of Statutes to replace the reference to "GS 135-4" with "GS 135-4.5" in GS 135-5(f) and reference to "GS 128-26" with "GS 128-26.5" in GS 128-27(f).

Amends GS 120-4.25, concerning the return of accumulated contributions once a person is no longer a member of the NCGA, to provide that if they become a member afterwards, credit can be allowed as provided in GS 120-4.15, in addition to GS 120-4.14.

Corrects a statutory cross reference in GS 120-4.21.

Makes a technical change to GS 147-69.2A.

Corrects statutory cross-references in GS 128-38.40 and GS 147-65.1.

Intro. by Ford, Alexander, Hanig.

[GS 58](#), [GS 74C](#), [GS 74D](#), [GS 105](#), [GS 113](#), [GS 115C](#), [GS 116](#), [GS 120](#), [GS 122E](#), [GS 126](#), [GS 127A](#), [GS 128](#), [GS 131A](#), [GS 135](#), [GS 143](#), [GS 143B](#), [GS 143C](#), [GS 147](#)

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S 938 (2025-2026) [PRIVATIZE SPIRITUOUS LIQUOR](#). Filed Apr 29 2026, *AN ACT TO CEASE STATE AND LOCAL OPERATION OF SPIRITUOUS LIQUOR SALES AND TO TRANSITION TO PRIVATELY OWNED PACKAGE STORES*.

Part I.

Section 1.

Directs that, on or after July 1, 2028, but no later than July 1, 2029, the local ABC boards will cease operations of any ABC stores and transfer all real property owned by the board and any fixtures and inventory used in the operation of ABC stores by public sale to the highest qualified bidder or bidders. Lists three requirements governing the ABC store sales, including that the inventory, fixtures, permit, and store location, including real property (if owned by the local ABC board), be sold as a package. Specifies that if a city or county has authorized the establishment and operation of an ABC store prior to July 1, 2027, and that city or county votes against off-premises spirituous liquor sales before July 1, 2028, the local ABC board applicable to that city or county must do both of the following: (1) sell any spirituous liquor within their possession in the applicable city or county to a liquor wholesaler permitted under GS 18B-1109.1, as enacted by Part IV of the act and (2) offer any real property and fixtures for sale in any manner otherwise authorized by law. Clarifies that the act does not relieve an ABC Board of its debts or liabilities and prioritizes payment of any funds received under the act to satisfy said debts or liabilities, with any remaining distributed pursuant to GS 18B-805(e).

Tasks the ABC Commission (Commission) with developing a bid process by March 1, 2028. Directs, on July 1, 2029, for the Commission to cease the operation of the State warehouse. On or after July 1, 2029, and no later than December 31, 2029, directs the Commission to sell any remaining inventory of spirituous liquor (spirits) held in the State warehouse to a liquor wholesaler, described above. Directs for any funds received to be used first to pay any amount owed to a distiller for inventory held in the warehouse, and any remaining funds shall be remitted to the General Fund to be used to fund education. Tasks the Department of Administration (DOA) with initiating proceedings to separate off and sell the described real property after the Commission ceases operations and sells off its inventory of spirits. Provides for priority use of sale proceeds and an appraisal. Requires DOA to assign the Commission office space by December 31, 2030. Of the funds appropriated to the Department of Public Safety (DPS) in Section 40.4(a) of SL 2023-134 for advance planning on a new ABC campus, directs any unexpended and unencumbered funds to revert to the General Fund.

Effective July 1, 2027.

Part II.

Section 2.

Makes the following changes to Article 6 of GS Chapter 18B (ABC Elections). Replaces references to “ABC store” with “Off-premises spirituous liquor (liquor)” or “off-premises sale of spiritous liquor” and “an ABC store that is designated as a mixed beverage ABC store” to “package store” throughout the Article. Removes references to the Commission’s authority to sell liquor throughout the Article. Makes technical and conforming changes throughout the Article.

Sets the following requirements for a city holding an off-premises spirituous liquor elections in GS 18B-600 (places eligible to hold ABC elections): (1) retains population requirement applicable to ABC stores; (2) the county where the city is located does not allow the off-premises sale of spiritous liquor; and (3) at least one other city in the county allows the off-premises sale of spirituous liquor. Authorizes the commission to issue liquor permits to qualified persons in the jurisdiction in GS 18B-603 if the off-premises sale of spirituous liquor is approved.

Deems any city or county that has authorized the establishment and operation of an ABC store prior to July 1, 2027, to have authorized the off-premises sale of spirituous liquor for purposes of Article 6 , as amended by the act, unless the city or county votes against authorizing off-premises spirituous liquor sales before July 1, 2028. A city or county that votes against off-premises spirituous liquor sales before July 1, 2028, may continue to operate ABC stores until July 1, 2029. If any city or county holds an off-premises spirituous liquor election on or after July 1, 2027, but prior to July 1, 2028, and the off-premises sale of spirituous liquor is approved, no off-premises sale of spirituous liquor is allowed until July 1, 2028.

Effective July 1, 2027, and applies to elections held on or after that date.

Part III.

Section 3.

Makes the following changes to Article 7, “Local ABC Boards,” in GS Chapter 18B. Replaces references to “ABC store” with “Off-premises spirituous liquor (liquor)” or “off-premises sale of spiritous liquor” and “an ABC store that is designated as a mixed beverage ABC store” to “package store” throughout the Article. Removes references to the Commission’s authority to sell liquor throughout the Article. Makes technical and conforming changes throughout the Article.

Modifies the mission of local ABC Boards in GS 18B-700 so that it is now monitoring the sale of spirits and managing funds received as a result (was, controlling the sale of spirits and promoting customer friendly, modern, and efficient stores). Removes provisions pertaining to compensation of general managers (GM) of local boards and nepotism. Removes GM's from the list of persons requiring to be bonded under the statute.

Removes most of the provision of GS 18B-701, listing the powers and duties of the local ABC Boards, except the following new and existing duties: (1) to authorize the operation of package stores, (2) distribute funds received pursuant to GS 105-113.82, (3) employ local ABC officers or make other provisions for enforcing ABC law, and (4) performing any other activity authorized or required by ABC law. Limits the local board's duty to comply with the Commission's rules under GS Chapter 18B, and removes provisions specifying requirement to meet all standards for performance and training established by the Commission.

Removes all of the provision of GS 18B-702, the financial operations ABC Boards, except as follows. Retains the provisions listing the duties and powers of the finance officer, but removes duty to file a statement of financial condition of the local board and to supervise the investment of idle funds. Narrows the compliance obligations governing disbursement of local board funds so that it just Chapter 18B (currently, also the budget, preaudit obligations, and disbursements). Removes references to supervising money handled by authorized employees. Adds provisions requiring a local board to make specified statutory distributions of funds received pursuant to GS 105-113.82. Provides for other distributions after making the statutory distributions to the general fund of the city or county where the board is established, so long as no other distribution or schedule is provided for by law. Provides for expenditures of alcoholism funds. Now prohibits a local board from borrowing money. Retains provisions pertaining to the applicability of criminal statutes and local acts.

Replaces references to "ABC system" with "ABC board" throughout GS 18B-703 (merger of local ABC board (currently, operations)). Removes provisions governing agreements for joint store operations. Replaces reference to "stores operated by the systems of" with "package stores" in the subject jurisdiction that serve the same general area as one of the conditions for merger. Requires the involved parties to agree upon a formula to distribute the funds received pursuant to GS 105-113.82 (was, formula for profit distribution).

Repeals GS 18B-705 (compliance with performance standards), GS 18B-707 (authorization to sample spirituous liquor products) and GS 18B-708 (sale of certain spirituous liquors below distiller's price).

Adds new GS 18B-709, pertaining to authorizations of additional package stores. Imposes the following population requirements on the amount of package stores that may be authorized by a local board:

- If the jurisdiction of the local ABC board has a total population of less than 100,000, not more than one store per 20,000.
- If the jurisdiction of the local ABC board has a total population of at least 100,000 but less than 250,000, not more than one store per 25,000.
- If the jurisdiction of the local ABC board has a total population of 250,000 or more, not more than one store per 30,000.

Specifies that if a jurisdiction holds a liquor election and is required to merge with an existing local board, the merged local board may authorize at least one package store within the jurisdiction that held the election. Any additional stores must meet the above population requirements. Requires Commission approval for the location of package stores, as described. Prevents a local board from placing a package store in a location where the municipality's governing board has passed an ordinance barring package stores there after an evidentiary hearing on the matter. Allows for municipal objection to a location.

Specifies that any ABC store in operation by a local board on July 1, 2027, may be sold, and the authority to operate as a package store is valid. From July 1, 2028, until June 30, 2029, specifies that the amendments to Article 7 apply to local ABC boards that have ceased operation of ABC stores. Local ABC boards that have not yet ceased operation of ABC stores during this period will continue to have any necessary authority provided by Article 7 as it reads on June 30, 2028. On July 1, 2029, the provisions of this section apply to all local ABC boards.

Effective July 1, 2028, except as provided above.

Part IV.

Section 4.

Makes the following changes to Article 9, “Issuance of Permits,” of GS Chapter 18B. Provides for an off-premises spirituous liquor (liquor) permit in GS 18B-900 (permit qualifications). Sets the liquor permit fee at \$1,000 in GS 18B-902. Makes conforming changes to GS 18B-903 to account for new liquor permit.

Section 5.

Makes the following changes to Article 10, “Retail Activity” of GS Chapter 18B. Defines *package store* in GS 18B-1000 (definitions concerning establishments) and excludes a package store from a *retail business*. Allows off-premises fortified wine permits in GS 18B-1001 (kinds of ABC permits) to be issued for package stores. Creates the off-premises spirituous liquor permits, authorizing the retail sale of spirituous liquor in the manufacturer's original container for consumption off the premises, only issued to package stores. Requires warning signage. Makes conforming change to GS 18B-1004 (hours for sale and consumption) to account for liquor permits.

Section 6.

Makes the following changes to Article 11, “Commercial Activity” of GS Chapter 18B. Replaces references to “ABC store” with “Off-premises spirituous liquor (liquor)” or “off-premises sale of spirituous liquor” and “an ABC store that is designated as a mixed beverage ABC store” to “package store” throughout the Article. Removes references to the Commission’s authority to sell liquor throughout the Article. Makes technical and conforming changes throughout the Article.

Creates a liquor wholesaler commercial permit in GS 18B-1100 (commercial permits). Expands the persons in GS 18B-1105 to whom holders of distillery permits may sell, deliver, and ship spirits to include licensed wholesalers under GS Chapter 18B so long as the spirits are not for resale in the State. Clarifies that the above does not prohibit the distiller from selling spirits to the described nonresident sellers for resale in the State if it’s shipped from the distillery to wholesalers licensed under GS Chapter 18B. Removes requirement that spirits sold must be listed as a code item and sold at a price set by the Commission. Authorizes the holder of a distillery permit to obtain a liquor wholesaler permit to sell, deliver, and ship at wholesale the described amounts of spirits. Provides for sales reports to the Commission.

Deletes the provisions of GS 18B-1105.1 (authorization of liquor importer bottler permit), except the following. Allows the holder of a liquor importer/bottler permit to import spirits from outside the US in closed containers and to bottle, package, or label imported spirituous liquor. Adds provisions allowing those permit holders to store and sell the spirits to liquor wholesalers for resale. Adds GS 18B-1109.1 (authorization of liquor wholesaler permits) enumerating four powers granted to those permit holders, including to receive, possess, and transport spirits. Replaces reference to “local boards” with “liquor wholesalers” in GS 18B-1110.1 (authorization of packaging and logistic permit). Expands the authorizations for a holder of a salesman permit under GS 18B-1111 to sell and transport spirits for a liquor wholesaler. Makes conforming change to GS 18B-1113.1 to account for resale provisions of GS 18B-1005. Specifies that the spirits have to come to rest at the licensed premises of a liquor wholesaler in the State before being resold to a package store. Removes definition of distillery in the statute.

Prevents the sale of mixed beverages in conjunction with a consumer tasting at package stores under GS 18B-1114.7 (authorization of spirits for special events). Removes provisions placing additional limits on tastings on ABC stores. Now limits delivery of spirits to a liquor wholesaler, for delivery to an off-premises spirituous liquor permit holder, for delivery to a mixed beverages permit holder, or transport through the State to another state (was, delivery to ABC store or for transport to another state) in GS 18B-1115. Removes references to State code in requirements for a bill of lading. Expands the requirements for transportation by boat to spirits. Removes provisions pertaining to state warehouse carriers. Expands the purchase restrictions in GS 18B-1118 to liquor wholesalers and liquor importers/bottlers. Makes conforming change to account for sale of spirits by liquor wholesalers and liquor importers/bottlers.

Section 7.

Enacts Article 14, “Spirituous Liquor Franchise Law” to GS Chapter 18B, as follows. Provides for liberal construction of the Article to promote the four listed underlying purposes and policies. Emphasizes that the effect of new Article 14 may not be waived or varied by contract or agreement. Any contract or agreement purporting to do so is void and unenforceable to the extent of that waiver or variance. Exempts a North Carolina distillery holding a valid liquor wholesaler permit from new GS 18B-1404, 18B-1405, and 18B-1407. Defines four terms, including *agreement* (a commercial relationship between a liquor wholesaler and a distillery. The agreement may be of a definite or indefinite duration and is not required to be in writing. Lists five scenarios that are prima facie evidence of an agreement.)

Prohibits distilleries from engaging in or attempting to perform any of the four listed acts of inducement, coercion, or discrimination in GS 18B-1402.

Requires, in GS 18B-1403, for each agreement to designate the sales territory of the wholesaler. Prohibits distilleries from entering into more than one agreement for each brand of spirituous liquor or beverage it offers in any territory. Prevents wholesalers from distributing any brand of spirituous liquor to a package store whose premises are located outside the territory designated in the wholesaler's agreement for that brand. Allows a wholesale to distribute spirits outside of its territory with Commission approval under the circumstances described. Requires redesignations of sales territories after July 1, 2028, to be reported to the Commission in 30 days. Requires wholesalers to service package stores without discrimination and to make good faith efforts to provide any brand of spirits it is authorized to distribute in the territory. Prevents in GS 18B-1404 a distillery from acting to amend, cancel, terminate, or refuse to continue to renew any agreement, or cause a wholesaler to resign from an agreement, unless good cause (defined) exists for the refusal to continue with the agreement under GS 18B-1405. Provides process for a distillery's notice of intent to terminate an agreement. Prohibits a distillery from acting to unreasonably withhold or delay consent to any transfer of the wholesaler's business whenever the wholesaler to be substituted meets the material and reasonable qualifications and standards required of the distillery's wholesalers under GS 18B-1406. Allows distilleries to object to a transfer of a wholesaler's business to members of the wholesaler's family (defined). Provides for judicial remedies. in GS 18B-1407, Prohibits price fixing, discrimination, and retaliatory action by a distillery. Prohibits a distillery from interfering with the wholesaler's change of management or personnel unless the current or potential management or personnel fails to meet reasonable qualifications and standards required by the distillery. Prohibits a distillery from requiring a waiver of any of the conditions of GS Chapter 18B. Clarifies, in GS 18B-1413, that a purchaser of a distillery and their successors are subject to all the terms and conditions of an agreement, except if any of the four instances of good cause exist. Enumerates three prohibited practices in GS 18B-1414. Specifies the Article's intent to prohibit discrimination on the basis of the listed protected classes in GS 18B-1415. Clarifies, in GS 18B-1416, that nothing in the Article relieves a distillery or wholesaler of any obligation, duty, or prohibition imposed by any other provision of GS Chapter 18B or by GS 75-1.1 or by any other provision of State law, and the remedies provided in the Article are nonexclusive.

Section 8.

Specifies that sections 4 through 7 become effective January 1, 2028. The Commission may issue liquor wholesaler permits beginning January 1, 2028, but must limit the permits such that a liquor wholesaler may not sell spirituous liquor to any package store until July 1, 2028.

Part V.

Section 9.

Makes the following changes to Article 1, "General Provisions" of GS Chapter 18B. Replaces references to the operation or establishment of an ABC store with "the off-premises sale of spirituous liquor is lawful" throughout the Article. Replaces references to "ABC stores" with "package stores." Makes technical and conforming changes.

Expands the types of permits that the Native American tribes may issue in their territories under GS 18B-112 to include spirits.

Section 10.

Makes the following changes to Article 2, "state administration" of GS Chapter 18B. Replaces references to the operation or establishment of an ABC store with "the off-premises sale of spirituous liquor is lawful" throughout the Article. Replaces references to "ABC stores" with "package stores." Makes technical and conforming changes.

Narrows the Commission's authority under GS 18B-203 to approve or disapprove the location of package stores (currently approves the opening and location of ABC stores). Removes provisions from the enumerated list of Commission powers pertaining to construction of warehouse and distribution of spirits. Expands its power pertaining to warning signs to include providing them to spirituous liquor permittees. Deletes provisions of GS 18B-208 (Commission bonds and funds) except the following. Retains provisions of the ABC Commission Fund and makes the following changes. Removes outdated language. Removes provisions relating to bonds and bailment surcharges, as described.

Section 11.

Makes the following changes to Article 3, “sale, possession, and consumption to GS Chapter 18B. Removes references to ABC store in GS 18B-301. Makes it unlawful for a person to consumer the listed alcoholic beverages on the premises of a package store holding an off-premises spirituous liquor permit.

Section 12.

Allows a mixed beverage permittee to purchase spirits from either an ABC store or a package store in its county in GS 18B-404 (currently, just ABC store).

Section 13.

Removes provisions in GS 18B-503 pertaining to the sale of spirits only allowing the sale of such seized alcohol to the local ABC board serving the city or county in which the liquor was seized or the closest ABC board if none exists. Instead, adds spirits to the sale procedure set forth in the statute.

Section 14.

Applies GS 18B-808’s warning signage requirements to package stores. Makes conforming changes.

Section 15.

Makes the following changes to Article 10, “retail activity,” of GS Chapter 18B, as modified by the act. Allows a mobile bar services permittee in GS 18B-1001 to purchase spirits from a package store and an ABC store (currently, can only purchase from an ABC store that sells spirits). Allows mixed beverages permittees to purchase spirits from a package store or an ABC store.

Section 16.

Sections 9 through 15 of this act become effective July 1, 2028, and expire June 30, 2029.

Part VI.

Effective July 1, 2029, makes the following revisions to GS Chapter 18B after the phase out of ABC stores.

Section 17.

Removes *ABC system*, *bailment surcharge*, and *general manager* from GS Chapter 18B’s general definitions. Replaces references to the operation or establishment of an ABC store with “the off-premises sale of spirituous liquor is lawful” in *special ABC area*. Modifies *finance officer*. Removes the Governor’s power to order the closure of all ABC stores during a state of emergency in GS 118B-110. Removes provisions of GS 18B-112 authorizing the Commission to enter into agreements with Native American tribes to sell spirits. Allows for the two named tribes to adopt ordinances to sell spirits.

Section 18.

Removes references to the local ABC board in GS 18B-121 (claims for relief created for sale to underage person) and GS 18B-124 (joint and several liability).

Section 19.

Removes the listed enumerated powers of the Commission that relate to State ABC warehouses, local ABC stores, bailment charges, and the distribution of spirits to the listed federal entities in GS 18B-203. Replaces reference to local ABC store with “off-premises spirituous liquor premises” in enumerated power relating to signage. Allows the Commission to approve the opening and location of any off-premises spirituous liquor premises (was, approval of ABC stores). Tasks the Commission with developing warning signage pertaining to alcohol consumption during pregnancy. Repeals GS 18B-204 (state warehouses) and GS 18B-205 (required accounts and reports). Removes provisions of GS 18B-208 (Commission bonds and funds) pertaining to bailment surcharges, issuing bonds, and outdated language.

Section 20.

Removes references to “ABC store/ABC store employee” or replaces those references with “a package store,” as described in GS 18B-301 (possession of fortified wine and spirituous liquor) and GS 18B-305 (other prohibited sales).

Section 21.

Removes references to ABC stores and electronic payments in GS 18B-404 (additional provisions for purchase and transportation by mixed beverage permittees).

Section 22.

Replaces references to “local board” with “package stores.” Removes provisions limiting sales of spirits to ABC stores in GS 18B-503 (disposition of seized alcoholic beverages). Expands the provisions pertaining to sale of forfeited alcohol by public auction to include spirits. Removes references to the local board in provisions authorizing a judge to order delivery of forfeited property in GS 18B-504 (pertaining to forfeiture).

Section 23.

Repeals Article 8 of GS Chapter 18B, pertaining to the operation of ABC stores.

Section 24.

Makes the following changes to Article 10 of GS Chapter 18B, as amended by the act. Modifies the mobile bar services permit under GS 18B-1001 to direct permittees to purchase spirits from package stores (was, ABC stores). Now allows a guest room cabinet permit to be issued to the described golf course holding a mixed beverages permit or located in a county the off-premises sale of spirituous liquor has been established (was, where ABC stores have been established). Replaces references to “operation of an ABC stores” with “off-premises sale of spirituous liquor” in GS 18B-1006 (miscellaneous provisions). Replaces references to the described ABC store in GS 18B-1007 with “package store.”

Section 25.

Replaces references to the “establishment of ABC stores” with “off-premises sales of spirituous liquor” in GS 18B-1114.1 (authorization of winery special event permit) and GS 18B-1114.5 (authorization of malt beverage special event permit).

Sections 16-25 are effective July 1, 2029.

Part VII.

Section 27.

Makes the following changes to Article 2C, “alcoholic beverage license tax and excise taxes” of GS Chapter 105.

Amends *wholesaler or importer* in GS 105-113.68 (definitions) so it applies to wholesalers and importers of spirits and includes distilleries that sell spirits, or spirits produced for the permittee under contract, at wholesale to a package store or at retail. Includes distillery permits, liquor importer/bottler permits, and liquor wholesaler permits in the types of permits to whom the definition applies. Adds a \$15 off-premises spirits fee to GS 105-11.77 (city retail licenses) and a \$25 off-premises spirits fee to GS 105-11.78 (county retail licenses) and makes conforming change to each statute’s title. Adds liquor wholesalers as one of the entities to obtain a city wholesaler license under GS 105-113.79. Makes conforming changes. Increases the excise tax on spirits from 30% to 60% under GS 105-113.80 (excises taxes on malt, wine and liquor) for sales in package stores (was, ABC stores). Specifies that the price of the liquor is calculated at the wholesale’s price (was, seller’s price plus ABC add-ons). Expands the circumstances under which exemptions are allowed in GS 105-113.81 to include spirituous liquor.

Expands the net amount of the excise taxes that the Secretary must distribute under GS 105-113.82 (pertaining to distribution of alcoholic beverage taxes) to include spirituous liquor. Makes organizational changes. Requires the Secretary to now distribute 30% of the tax on spirits to the local ABC board in counties or cities in which the off-premises sale of spirituous liquor is authorized. Specifies that if more than one county or city in which the off-premises sale of spirituous liquor is authorized are served by a single local ABC board, the local ABC board will receive the portion of the amount distributed that is attributable to each city and county within the board’s jurisdiction, that portion to be determined on the basis of population. Limits the use of funds distributed to ABC boards to those set forth in new GS 18B-702. Provides for additional distributions to DHHS, DPI, and the Commission in the amounts specified. Makes conforming changes, including to statute title. Amends GS 105-113.83 (payment and reporting of excise tax) so that the monthly payment is now made by a resident wholesaler or importer who first handles the liquor 27 in this State and by a distillery if the liquor is sold to the consumer at the distillery. Tasks the wholesaler or reporter with the reporting requirement (was, ABC board).

For the taxable year beginning July 1, 2028, and ending June 30, 2029, the amendments provided in this section apply only to spirituous liquor distributed by wholesalers and importers and sold in package stores. Spirituous liquor sold in ABC stores will continue to be taxed pursuant to Article 2C of GS Chapter 105 as it reads on June 30, 2028. For the taxable year beginning July 1, 2029, the provisions of this section apply to all spirituous liquor.

Effective for taxes imposed for taxable years beginning on or after July 1, 2028, except as otherwise provided.

Part VIII.

Section 28.

Applies GS 105-251.2 to liquor wholesalers, effective July 1, 2028, and expires June 30, 2029.

Effective July 1, 2029, deletes reference to ABC store and continues to apply GS 105-251.2 to liquor wholesalers.

Section 29.

Amends GS 150B-1(d) (exemptions from rulemaking) so that ABC determinations relating to package stores are exempt, effective July 1, 2028, and expires June 30, 2029. Effective July 1, 2029, deletes provisions to ABC warehouses so that the Commission's decision pertaining to alcoholic beverages sold in package stores are only subject to the exemption under GS 150B-1(d).

Part IX.

Effective July 1, 2027, unless otherwise specified.

Intro. by Burgin.

GS 18B, GS 105, GS 150B

[View summary](#)

Alcoholic Beverage Control, Government, Tax, Native Americans

S 982 (2025-2026) [MAKE ENF. LIABLE & TRANSPARENT \(MELT\) ACT](#). Filed Apr 30 2026, *AN ACT TO MAKE ENFORCEMENT LIABLE AND TRANSPARENT.*

Part I.

Contains five legislative findings pertaining to SL 2025-85 (An Act to Modify Eligibility for Release and Require Notification of Release to ICE when a Prisoner is Subject to an Immigration Detainer and Administrative Warrant), warrantless immigration arrests, and access to legal counsel for immigrants. Titles Part I the "Repeal Session Law 2025-85 and Support Immigrant Legal Defense Act."

Repeals SL 2025-85. Adds new GS 15A-407 prohibiting United States Immigration and Customs Enforcement (ICE) or United States Customs and Border Protection (CBP) from taking a person into custody, searching a person or property, entering a residence, or otherwise conducting an immigration enforcement action within the territorial jurisdiction of North Carolina unless the officer is acting pursuant to a *valid judicial warrant* (defined) issued by a federal or State court based on probable cause. Clarifies that administrative warrants and other specified non-judicial documents are insufficient to (1) detain, arrest, or search a person or their domicile; (2) continue custody of an individual; or (3) access State or local government records, databases, or systems. Prohibits State or local law enforcement agencies and employees from detaining or continuing to detain a person solely on an administrative warrant or detainer, transferring custody of a person to ICE or CBP without a judicial warrant, or providing access to nonpublic areas of a detention facility to CBP or ICE for the purpose of questioning, interviewing, or arresting a person without a judicial warrant. Provides for local governments and law enforcement to retain the right to decline to cooperate with federal immigration enforcement without a judicial warrant. Allows for a person aggrieved by a violation of the statute to seek declaratory or injunctive relief. Excludes any evidence obtained in violation of the statute from admissibility in any State proceeding.

Specifies, in new GS 15A-408 that, no county jail, local confinement facility, district confinement facility, satellite jail, or work release unit can hold a person solely on the basis of a federal immigration detainer or administrative warrant beyond the time

the person would otherwise be eligible for release under State law. Directs that State and local law enforcement may, but are not required to, communicate with federal authorities regarding immigration status, except where required by federal court order. Clarifies that nothing in the statute prohibits compliance with valid criminal warrants or judicial orders unrelated to civil immigration enforcement.

Appropriates \$4 million from the General Fund to the Department of Administration (DOA) for 2026-27 to be transferred to the Office of State Budget and Management to be allocated to the four nonprofits in the amounts specified. Lists six allowable uses of the funds. Specifies that the funds remain available until spent. Requires each grantee to submit an annual report to DOA and the specified NCGA committee.

Contains a severability clause.

Effective July 1, 2026, and applies to any person detained or arrested by the United States Immigration and Customs Enforcement or United States Customs and Border Protection on or after that date.

Part II.

Amends GS Chapter 17F to add the following new sections regulating law enforcement officer (LEO) identification and use of facial coverings.

New GS 17F-22 prohibits LEO use of facial coverings in the course of duties. Defines terms including *facial covering* as an item that obscures the wearer's facial identity, except for clear and surgical masks, helmets during transportation, and religious head coverings. Allows use of facial coverings for active undercover or tactical operations and identity protection during prosecution, as governed by occupational health and safety or reasonable accommodation laws.

New GS 17F-23 requires LEOs to wear clear and accurate identification of their agency on their uniforms and identify themselves by name or badge number upon request.

New GS 17F-24 requires federal law enforcement (including ICE and CBP) to wear operational body-worn cameras while in the state, to be turned on while on active duty and the footage retained. Specifies that a federal LEO is civilly liable for any injury caused by a violation of the statute, to the extent allowed by federal law. Effective July 1, 2026.

Expands the criminal offense classes of impersonation of a law enforcement officer under GS 14-277 to add new felony designations for impersonating a federal LEO including any impersonation of a federal immigration enforcement agent. Applies to offenses committed on or after December 1, 2026.

Part III.

Adds GS 64-6 prohibiting any employee or political subdivision of the State from entering into any agreement with the United States Attorney General to perform immigration officer functions.

Adds new GS 17F-25, prohibiting LEOs from assisting federal law enforcement in the apprehension, arrest, or detention of persons for alleged or suspected immigration violations in any of the five listed locations. Voids any current or future cooperation agreements between State or local LEO and federal law enforcement if the agreement violates the above. Prohibits criminal justice officers from assisting federal law enforcement in the apprehension, arrest, or detention of persons for alleged or suspected immigration violations in any of the locations listed in the statute. Specifies that a federal LEO is civilly liable for any injury caused by a violation of the statute, to the extent allowed by federal law. Effective July 1, 2026.

Part IV.

Adds new GS 17F-26 requiring the US Department of Homeland Security (DHS) to provide the Governor with a weekly list of all people detained within and deported from this state and the charges against each detainee and deportee. Requires immediate notice from DHS to the Governor and the juvenile's school if a juvenile less than 18 years of age is detained or deported. Applies to all detentions and deportations committed on or after July 1, 2026.

Part V.

Adds new GS 95-31.1, prohibiting a state, local, federal, or private entity from retaliating against a place of employment based on its designation as a Fourth Amendment workplace (private or public place of employment that has trained its staff on the

United States Constitution's Fourth Amendment protections against unreasonable searches and seizures). Effective July 1, 2026.

Intro. by Chitlik, Theodros, Murdock.

[APPROP, GS 14, GS 15A, GS 17F, GS 64, GS 95](#)

[View summary](#)

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

S 986 (2025-2026) [WORKFORCE ACT OF 2026](#). Filed Apr 30 2026, *AN ACT TO PROVIDE FOR THE CONTINUATION AND EXPANSION OF PROGRAMS AND SERVICES PROVIDED BY THE STATE FOR WORKFORCE DEVELOPMENT AND TO APPROPRIATE FUNDS FOR THOSE PURPOSES.*

Part I titles the act as the Workforce Act of 2026 and specifies the purpose of the act's appropriations.

Part II.

States legislative findings. Appropriates \$3.1 million in recurring funds from the General Fund to the Community Colleges System Office (Office) for 2026-27 to administer the ApprenticeshipNC program.

Part III.

States legislative findings. Appropriates \$350,000 in recurring funds from the General Fund to the Department of Commerce (Department) for 2026-27 to be used for operational expenses and staffing to support NC Workforce Credentials pursuant to the act and state law. Directs the Department to engage employers to provide workforce data and link data on industry-valued credentials to five labor market outcomes, including wage outcomes and work location. Requires consultation with the Office, UNC System, and other stakeholders to align with the rules and regulations of federal Workforce Pell Grants and institutionalize workforce data sharing across State government. Directs the Department to encourage entities issuing industry-valued credentials to submit data to the NC Longitudinal Data System for incorporation into the System's warehouse. Requires the Department to give substantial weight to demonstrated wage outcomes and evidence that a credential provides students a positive return on investment. Authorizes the Department to use up to \$50,000 each fiscal year for outreach and communications.

States legislative findings. Amends GS 115D-10.19 to authorize the Office to use up to 4% of funds appropriated to the NC Community College Short-Term Workforce Development Grant Program for administration of the Program. Appropriates \$1 million in recurring funds from the General Fund to the Office for 2026-27 for the NC Community College Short-Term Workforce Development Grant Program.

Part IV.

Directs the State Education Assistance Authority to incorporate private colleges and universities in the State into the common digital transcript developed pursuant to SL 2023-134, Section 8A.15. Requires consultation with specified State entities. Directs the SEAA to report to the specified NCGA committee by March 15, 2027. Specified required content.

Part V.

States legislative findings. Directs the UNC System Office to expand the current initiative for the 2026-27 academic year to accelerate the transfer of course credits among postsecondary institutions using postsecondary transfer technology. Requires consultation with the Community Colleges System Office. Requires the expansion to provide and improve technology at participating institutions to simplify the credit transfer process, compare credit transfer options, and make decision making more efficient for students. Appropriates \$2.5 million from the General Fund to the UNC Board of Governors (BOG) for 2026-27 for the expanded initiative and requires the funds be used to identify and develop programs to accelerate the transfer of postsecondary course credits. Directs the UNC System Office to report to the specified NCGA committee by March 15, 2027. Specifies required content.

States legislative findings. Appropriates \$1.5 million in nonrecurring funds from the Information Technology Reserve to the Department for 2026-27 to enhance NC Careers.

Part VI.

Directs the NC Collaboratory to evaluate programs and initiatives established in Parts I through V of the Act each academic year through 2029-30 and annually report to the specified NCGA committee by March 15. Specifies required content. Appropriates \$600,000 from the General Fund to the UNC BOG for 2026-27 to be allocated to the Collaboratory for required evaluation and reporting.

Part VII.

Effective July 1, 2026.

Intro. by Settle, Hise, Corbin.

APPROP, GS 115D

[View summary](#)

Business and Commerce, Education, Elementary and Secondary Education, Higher Education, Employment and Retirement, Government, Budget/Appropriations, State Agencies, Community Colleges System Office, UNC System, Department of Commerce, Department of Public Instruction

S 990 (2025-2026) **STUDENTS FIRST ACT**. Filed Apr 30 2026, *AN ACT TO ENACT THE PROTECT CAMPUS SURVIVOR'S ACT AND TO APPROPRIATE FUNDS TO THE UNIVERSITY OF NORTH CAROLINA TO SUPPORT PUBLIC EDUCATION.*

Part I.

Amends GS 116-43.17, which deems research data, records, and information of a proprietary nature of state institutions of higher learning as not public records. Expands the statute to deem personally identifiable student disciplinary records as not public records, even if release is permitted by the Family Educational Rights and Privacy Act (FERPA). Defines *personally identifiable student disciplinary records* as any records that are made, received, or maintained by a public institution of higher education that contain personally identifiable information of or about a student which relate to a complaint, investigation, or resolution of an alleged violation of or noncompliance with the disciplinary or conduct rules or other policy of the institution. Includes the UNC System Office, constituent higher education institutions of UNC, the Community Colleges System Office, and community colleges, and any individual who attends or has attended such an institution and about whom records are maintained. Defines *personally identifiable information*.

Amends GS 115D-78 (relating to community colleges) and GS 132-1.2 (governing public records) to provide that personally identifiable student disciplinary records are not public records.

Part II.

Directs the Office of Learning Research (Office) at the NC Collaboratory to establish a work group of experts in public education finance and relevant stakeholders to study and develop a strategy to transition North Carolina to a weighted student funding model for K-12th grade public education. Directs the work group to report to the specified NCGA committee on a three-year strategy to transition from the allotment-based funding model to a weighted student funding formula model. Details the requirements for the identified strategy, including five options that must be considered under the new formula, and whether distribution of funds to local school administrative units should be transitioned from the NC Department of Public Instruction to the State Education Assistance Authority (Authority).

Appropriates \$300,000 from the General Fund to the UNC Board of Governors (BOG) for 2026-27 to be allocated to the NC Collaboratory for the Office to establish the work group to develop a transition strategy.

Part III.

Establishes the Student-Based Educational Wallet Pilot Program (pilot) for 2027-28 to be administered by the Authority in coordination with one public school unit. States the purpose of the pilot and the goal to establish a streamlined process for

students to participate in credit-bearing activities. Defines nine terms. Requires the Authority to select one participating school unit by August 1, 2026, and the unit to identify the high school in the unit that will participate in the pilot by January 1, 2027, with a list of eligible students, eligible activities, and approved providers. Requires the unit to enter into a data-sharing agreement with the Authority for administration of the pilot. Requires applications be made available to eligible students by February 2, 2027, for award of funds for a student-based educational wallet (SBEW) to be used for qualified educational expenses defined to include tuition, fees, and materials for approved providers for eligible activities. Defines *eligible activities* to include specified programs, courses, or experiences outside of the traditional classroom by an approved provider of the unit. Requires admission of students into the pilot for the 2027-28 school year by April 15, 2027, subject to a signed parental agreement. Provides for a lottery process if funds are insufficient to admit all eligible students.

Caps awards at \$395 and details limitations, including requiring a preapproval process for qualifying educational expenses. Details requirements of the parental agreement and review of whether an eligible activity is credit-bearing. Provides for administration of the pilot through an online portal and authorizes the Authority to contract with a firm or institution to manage SBEWs. Authorizes the Authority to audit compliance via a random sampling and permits contracting with an independent entity to conduct the audits. Allows the Authority to remove a parent or eligible student from the pilot and close an SBEW for noncompliance. Authorizes the Authority to use up to \$50,000 of funds allocated for the pilot for administration. Deems pilot applications and personally identifiable information of students not public record. Prohibits approved providers from issuing refunds to parents. Directs the Collaboratory to consult with the Authority and the unit to report to the specified NCGA committee on the pilot by February 15, 2028. Specifies required content of the report.

Appropriates \$445,000 from the General Fund to the UNC Board of Governors for 2026-27 to be allocated to the Authority to administer the pilot. Specifies that the funds remain available until the end of the 2027-28 fiscal year.

Part IV.

Effective July 1, 2026.

Intro. by Lee, Galey, Overcash.

[APPROP, STUDY, GS 115D, GS 116, GS 132](#)

[View summary](#)

[Education, Elementary and Secondary Education, Higher Education, Government, Budget/Appropriations, Public Records and Open Meetings, State Agencies, Community Colleges System Office, UNC System](#)

S 1002 (2025-2026) [MICRO-BUDGET PRODUCTIONS & FILM GRANT CHANGES](#). Filed Apr 30 2026, *AN ACT TO MODIFY THE FILM AND ENTERTAINMENT GRANT FUND*.

Expands the eligibility requirements of the Film and Entertainment Grant Fund (Fund) in GS 143B-437.02A so that the funds are reserved for both online streaming productions as well a television series at \$500,000 per episode (was, just TV series). Increases the caps on funds as follows: (1) from \$7 million to \$20 million for a feature-length film or single season of episodes intended for online distribution (was, just feature-length film) and (2) from \$15 million to \$25 million for a single season of a TV show. Specifies that the grant amount for the first season of a TV show, when added to any grant for a pilot episode, cannot exceed \$25 million. Now prohibits funds from being awarded to recorded concerts or other live performance events for theatrical or other release. Removes game shows from the types of productions that cannot receive funds from the Fund. Modifies definition of “highly compensated individual” to an individual who receives compensation in excess of \$4 million (was, \$1 million). Makes conforming change to definition of *qualifying expenses*. Defines *production* for an online show as all the episodes produced for a single calendar year, provided there are at least six episodes with an average running time of at least 20 minutes. Removes the statutory cross-reference to *production company* and defines the term as a person engaged in the business of making original motion pictures or video content for theatrical, commercial, advertising, or educational purposes. Sets forth qualifying expenses for game shows and productions that document purportedly unscripted real-life situations primarily using unfamiliar people in lieu of professional actors.

Creates a Micro-Budget Productions Account (Account) in the Fund to provide grant funds to encourage smaller productions to develop the filmmaking industry within the state in the amounts described. Requires the production company to have qualifying expenses of at least \$50,000 in the state but no more than \$1,499,000 for the production. Also requires that the

production have at least 75% of the filming occur in the state by or with a production company with company headquarters in the state. Instructs the Department of Commerce (DOC) to adopt guidelines providing for Account administration, including the grant awards for those micro-budget productions described in the statute.

Appropriates \$1.5 million from the General Fund to DOC for 2026-27 to the Account for purposes consistent with the act. Effective July 1, 2026.

Applies to grants made on or after July 1, 2026.

Intro. by Lee.

APPROP, GS 143B

[View summary](#)

Business and Commerce, Development, Land Use and Housing, Community and Economic Development, Government, Budget/Appropriations, State Agencies, Department of Commerce

S 1007 (2025-2026) [HUMAN TRAFFICKING OMNIBUS](#). Filed Apr 30 2026, *AN ACT DIRECTING THE HUMAN TRAFFICKING COMMISSION TO CONTRACT WITH A VENDOR TO DEVELOP AND IMPLEMENT A REPORTING AND RESPONSE SYSTEM TO USE FOR IDENTIFYING AND REPORTING SUSPECTED HUMAN TRAFFICKING; TO IMPOSE AN EXCISE TAX ON CERTAIN PRURIENT MATERIALS; TO CORRECT THE EXCEPTIONS LISTED TO THE PROHIBITION ON THE VIEWING OF PORNOGRAPHY ON GOVERNMENT NETWORKS AND DEVICES; TO CLARIFY THAT THIRD-PARTY CONTRACTORS ARE RESPONSIBLE FOR ENSURING THEIR EMPLOYEES RECEIVE CERTAIN HUMAN TRAFFICKING AWARENESS TRAINING; AND TO APPROPRIATE FUNDS TO THE DEPARTMENT OF PUBLIC SAFETY TO ALLOCATE TO THE CLEVELAND COUNTY SHERIFF'S OFFICE FOR COSTS RELATED TO ITS TASK FORCE TO COMBAT HUMAN TRAFFICKING, CHILD SEXUAL ASSAULT, AND CHILD SEXUAL EXPLOITATION.*

Section 1.

Titles this part the "Human Trafficking Identification and Reporting Act." Sets out legislative findings.

Amends GS 7A-354(c) to give the North Carolina Human Trafficking Commission (HTC) the power to develop and implement a human trafficking reporting and response system in accordance with new section GS 7A-354.2.

Enacts GS 7A-354.2 directing the North Carolina Human Resources Commission (HRC), in consultation with the Department of Information Technology, to develop and implement a human trafficking report and response system. Sets out eight requirements for the system. Authorizes mandated reporters to use the system as the primary mechanism to report suspected human trafficking. Provides that the system will notify law enforcement and child protection officials of high priority reports, provide a secure dashboard of reports, and support real-time communication between investigators and survivors or reporters with consent. Sets out system data privacy expectations and requirements. Authorizes HRC to spend any funds available for this purpose to administer these provisions notwithstanding compliance with other provisions of law. Directs HRC to submit a quarterly report to the specified NCGA committee and describes information to be included in the report. Directs HRC to commission an independent evaluation of the system every two years and to make such evaluations available to the public.

Directs HTC to develop and implement a public awareness campaign on the new reporting system.

Requires HRC's first quarterly report to be submitted by March 1, 2027.

Appropriates \$200,000 for 2026-27 and \$100,000 for 2027-28 from the General Fund to the Administrative Office of the Courts (AOC), HTC to implement the response system and to provide vendor grants for costs incurred.

Effective July 1, 2026.

Section 2.

Adds new Article 2F, Harmful Materials Tax, to GS Chapter 105.

Defines *harmful materials vendor* as a retailer selling material harmful to minors at a physical retail location in the state. Defines *harmful to minors* as quality of material or performance that (1) the average adult person applying contemporary community standards would find that the material or performance has a predominant tendency to appeal to a prurient interest of minors in sex; (2) the average adult person applying contemporary community standards would find that the depiction of sexually explicit nudity or sexual activity in the material or performance is patently offensive to prevailing standards in the adult community concerning what is suitable for minors; and (3) the material or performance lacks serious literary, artistic, political, or scientific value for minors. Defines *material* as physical depictions or representations, including those created using artificial intelligence, but excluding material consisting entirely of written words. Defines *retailer* pursuant to GS 105-164.3(229) and *Secretary* as Secretary of Revenue.

Imposes a 10% tax on harmful materials vendors, due when a return is required to be filed (quarterly, by the 20th day of the relevant month, on a form prescribed by the Secretary). Requires persons to keep records of all documents used to determine information provided in the return to be open to Secretary inspection for the applicable statute of limitations.

Requires harmful materials vendors to register with the Secretary.

Directs Secretary to credit 50% of tax proceeds to the AOC for allocation to HTC and the remainder to the Domestic Violence Center Fund.

Effective October 1, 2026.

Section 3.

Amends GS 143-805 to add officials or employees investigating matters involving incarcerated offenders or matters related to misuse of Department of Adult Correction devices to list of exceptions to prohibition on viewing pornography on government devices. Effective upon becoming law and applicable to investigations before, on, or after that date.

Amends GS 42A-39 (Human trafficking awareness reporting and training requirements for vacation rentals) to require third-party contractors to ensure that employees performing housekeeping or check-in/check-out services receive human trafficking awareness training. Effective upon becoming law and applicable to training required to be completed on or after that date.

Amends GS 130A-511(b)(1) to provide that human trafficking training for lodging establishment employees does not have to conform to the requirements of the Administrative Procedure Act. Effective upon becoming law and applicable to training developed or identified before, on, or after that date.

Section 4.

Appropriates \$150,000 for 2026-27 and \$150,000 for 2027-28 from the General Fund to the Department of Public Safety to be allocated to the Cleveland County Sheriff's Office to establish a counter trafficking task force.

Effective July 1, 2026.

Section 5.

Except as otherwise provided, effective when the act becomes law.

Intro. by Alexander, Barnes, Lazzara.

[APPROP, Cleveland, GS 7A, GS 42A, GS 105, GS 130A, GS 143](#)

[View summary](#)

Courts/Judiciary, Court System, Administrative Office of the Courts, Government, Budget/Appropriations, State Agencies, Department of Public Safety, Department of Revenue, Office of State Human Resources (formerly Office of State Personnel), Tax

Adds new GS 113A-115.2 establishing a pilot program to authorize construction of shoreline stabilization pilot projects (Project[s]) at locations statewide where oceanfront homes face imminent danger of being lost to the ocean. Tasks the NC Collaboratory (Collaboratory) with evaluating potential locations and recommending a limited number of pilot projects sufficient to evaluate different shoreline conditions, erosion risks, and management approaches, based on the five enumerated criteria. Requires the Division of Coastal Management (DCM) with the Collaboratory to establish monitoring periods for the projects, including a defined monitoring period. Instructs DCM and the Collaboratory to submit reports on the monitoring to the specified NCGA committee and Environmental Management Commission (EMC) within 60 days after the conclusion of each project's monitoring period. Requires either the local government or homeowner's association with jurisdiction over a Project location to do the following: (1) fund the Project in its entirety; (2) obtain all governmental permits and authorizations required; and (3) post bond or other financial assurance prior to construction. Exempts that governing entity from the limitations on erosion controls in GS 113A-115.1 for the duration of the Project (the period during which the stabilization structure is in place and active monitoring is being conducted) to terminate upon the removal of the structure, expiration or revocation of the permit, or a final agency determination requiring removal, whichever occurs first.

Appropriates \$850,000 from the General Fund to the Collaboratory to carry out the evaluation described above and to update the State's Beach and Inlet Management Plan, as described.

Directs the Department of Environmental Quality to amend the management program it adopted pursuant to the federal Coastal Zone Management Act to ensure the management program is consistent with GS 113A-115.2, as enacted by the act, and seek approval of the proposed amended management plan by the United States Secretary of Commerce or the Secretary's authorized designee no later than six months after the act becomes law.

Intro. by Brinson, Lazzara, Hanig.

[APPROP, GS 113A](#)

[View summary](#)

[Development, Land Use and Housing, Property and Housing, Environment, Environment/Natural Resources, Government, State Agencies, UNC System, Department of Environmental Quality \(formerly DENR\)](#)

S 1009 (2025-2026) [REPEAL HARDENED STRUCTURE BAN](#). Filed Apr 30 2026, *AN ACT TO ELIMINATE THE BAN ON HARDENED STRUCTURES AND TO REQUIRE THE NORTH CAROLINA COLLABORATORY TO UPDATE THE STATE'S BEACH AND INLET MANAGEMENT PLAN AND TO APPROPRIATE FUNDS FOR THAT PURPOSE.*

Repeals GS 113A-115.1 (limitations on erosion control structures). Adds GS 113A-115.2 (regulation of erosion control structures) prohibiting the Environmental Management Commission (EMC) from prohibiting the placement or construction of temporary or permanent erosion control structures. Requires the EMC to adopt rules to regulate the placement, construction, maintenance, and permitting of such structures to ensure that an erosion control structure will not result in significant adverse impacts to private property or to the public recreational beach, taking into consideration the specified potential benefits of the project and the mitigation measures incorporated into the project's design. Effective September 1, 2026, and applies to applications for erosion control structures submitted on or after that date.

Requires the EMC to adopt temporary rules to implement new GS 113A-115.2 by August 1, 2026, with permanent rules to follow.

Requires the Department of Environmental Quality (DEQ) to amend the management program it adopted pursuant to the federal Coastal Zone Management Act to ensure the management program is consistent with the repeal of GS 113A-115.1, as enacted by the act, and GS 113A-115.2, as enacted by the act. Directs DEQ to seek approval of the proposed amended management plan by the United States Secretary of Commerce or the Secretary's authorized designee no later than six months after the effective date of this act.

Appropriates \$850,000 from the General Fund to the NC Collaboratory at UNC-Chapel Hill to update the State's Beach and Inlet Management Plan, as described. Requires the Collaboratory to issue the updated plan by December 1, 2027.

Intro. by Brinson, Lazzara, Hanig.

[APPROP, GS 113A](#)

[View summary](#)

Development, Land Use and Housing, Environment, Aquaculture and Fisheries, Environment/Natural Resources, Government, Budget/Appropriations, State Agencies, UNC System, Department of Environmental Quality (formerly DENR)

S 1010 (2025-2026) **FUTURE NC INFRASTRUCTURE ACT**. Filed Apr 30 2026, *AN ACT TO ENACT THE FRAMEWORK FOR UPGRADING TECHNOLOGY, UTILITIES, RESILIENCY, AND ECONOMIES NORTH CAROLINA INFRASTRUCTURE ACT; TO ESTABLISH THE NORTH CAROLINA INFRASTRUCTURE INVESTMENT COMMISSION; AND TO REQUIRE THE COMMISSION TO DEVELOP AND SUBMIT A COMPREHENSIVE STATEWIDE INFRASTRUCTURE INVESTMENT PLAN.*

Titles the act as the "Framework for Upgrading Technology, Utilities, Resiliency, and Economies (FUTURE) NC Infrastructure Act." States legislative findings and the act's purpose. Establishes a 10-member NC Infrastructure Investment Commission (Commission) with four members appointed by the NCGA, two members appointed by the Governor, and four members appointed by the State Treasurer. Requires appointment of initial members within 60 days of the act becoming law and a first meeting within 30 days of appointment of a quorum. Provides for the Commission's chair, meetings, staffing and expenses. Houses the Commission within the Department of State Treasurer. Directs the Commission to develop a comprehensive statewide infrastructure investment plan that provides a long-term vision. Lists eight elements the Commission may consider including a 20-year framework for infrastructure investment that addresses the major needs across transportation, water, wastewater, stormwater, resiliency, and other critical systems, and exploration of six funding strategies. Requires the Commission to submit an interim plan to specified NCGA leaders, committees, and the Governor within 12 months of its first meeting, and a final plan by March 31, 2028. Prohibits State implementation without NCGA approval. Terminates the Commission upon submission of the final plan and transfers Commission records to the State Treasurer for retention.

Appropriates \$300,000 from the General Fund to the Department of State Treasurer for 2026-27 for administration of the Commission. Effective July 1, 2026.

Intro. by Lee, Moffitt, Lazzara.

APPROP

[View summary](#)

Development, Land Use and Housing, Community and Economic Development, Government, Budget/Appropriations, State Agencies, Department of State Treasurer, Health and Human Services, Health, Public Health, Transportation

S 1011 (2025-2026) **ALLERGY SAFE SCHOOLS ACT**. Filed Apr 30 2026, *AN ACT TO INCREASE FOOD ALLERGY SAFETY IN PUBLIC SCHOOLS BY REQUIRING A NURSE IN EVERY SCHOOL, REQUIRING SCHOOL STAFF TO ATTEND TRAINING ON RECOGNIZING AND TREATING ANAPHYLAXIS, REQUIRING MEDICAL ACTION PLANS FOR STUDENTS WITH FOOD ALLERGIES, AND PROHIBITING FOOD AT SCHOOL CELEBRATIONS.*

Part I.

Amends GS 115C-47 to require local boards of education to ensure that each school within the unit is staffed by at least one full-time, permanent school nurse.

Amends GS 115C-150.12C, 115C-218.75, 115C-238.66, and 116-239.8 to require schools for the deaf and blind, charter schools, regional schools, and lab schools to staff at least one full-time, permanent school nurse.

Appropriates \$92 million in recurring funds from the General Fund to the Department of Public Instruction (DPI) for 2026-27 to increase the School Health Personnel Allotment to be used to increase positions for school nurses to meet the act's requirements. Specifies that the funds are supplemental to funds provided for school nurses.

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

Part II.

Directs the Department of Health and Humans Services (DHHS) to consult with DPI and experts in the field of food allergies and anaphylaxis to develop and publish to the DHHS website a uniform statewide training program and standardized guidelines for school personnel on the management of life-threatening allergies in schools. Requires the program and guidelines to include three listed components and be updated biennially.

Appropriates \$300,000 from the General Fund to DHHS, Division of Public Health for 2026-27 to develop the program and guidelines. Effective July 1, 2026.

Part III.

Amends GS 115C-12, adding to the State Board of Education's duties (1) adoption of rules establishing a medical condition action plan be implemented by each public school unit for each student at risk for a medical emergency diagnosed by a doctor, and (2) adoption of a rule in consultation with DPI and DHHS establishing the required response of public school unit employees when a student has a medical emergency not otherwise covered by a medical condition action plan for which DPI must provide each unit and each unit must implement.

Amends GS 115C-375.1 regarding the provision of medical care to students. Replaces references to the board of education with the governing body of a public school unit. Eliminates the existing prohibition against teachers and other authorized public school employees from being required to administer drugs or medication or attend lifesaving techniques programs. Adds a new provision to require governing bodies to implement the medical condition action plan adopted by the State Board for each student at risk of a medical emergency diagnosed by a doctor. Establishes three required elements of the plan. Extends existing immunity provisions for employees administering medication or emergency care to students to those implementing the medical condition action plan. Makes organizational, conforming, and clarifying changes. Provides for the staff member with the highest decision-making authority, in the event there is no principal, to determine which persons will participate in the medical care program as described in existing law.

Amends GS 115C-375.2A to require public school units (was, local boards of education) to provide a supply of emergency epinephrine (epi) delivery systems on school property for use by trained school personnel. Eliminates the previous requirement for the principal to designate one or more school personnel to receive initial and annual training on the storage and use of epi delivery systems. Now requires all public school unit employees who routinely interact with students in the course of performing their duties to receive annual training from a school nurse or qualified local health department representative regarding the storage and emergency use of the epi delivery systems. Provides for the staff with the highest decision-making authority to develop, if there is no principal, the emergency action plan for the use of the epi delivery systems. Makes conforming changes.

Directs the State Board to adopt temporary implementing rules.

Amends GS 115C-47 (local boards of education), 115C-218.75 (charter schools), 115C-238.66 (regional schools), and GS 116-239.8 (lab schools) to require the schools implement the medical condition action plan and medical emergency plan adopted by the State Board.

Applies beginning with the 2026-27 school year.

Part IV.

Enacts GS 115C-264.6 to require local boards of education to adopt policies for school, classroom, and birthday celebrations for elementary and middle schools and high schools as follows. Requires elementary and middle school policies to require all celebrations be non-food; include guidelines and activities for non-food celebrations; and include a form for an administrator or teacher to request an exception if tied to curriculum and served as a community snack, based on criteria developed by the local board. Requires high school policies to prohibit soft drinks from being served and encouraging teachers and parents to consider non-food options.

Amends GS 115C-150.12C (schools for deaf and blind students), 115C-218.75 (charter schools), 115C-238.66 (regional schools), and 116-239.8 (lab schools) to require the schools to adopt a policy for non-food school celebrations consistent with GS 115C-264.6.

Applies beginning with the 2026-27 school year.

Intro. by Chitlik.

APPROP, GS 115C, GS 116

[View summary](#)

**Education, Elementary and Secondary Education,
Government, Budget/Appropriations, State Agencies, UNC
System, Department of Health and Human Services,
Department of Public Instruction, State Board of Education,
Local Government, Health and Human Services, Health**

S 1012 (2025-2026) **BAN ONLINE FOR-PROFIT CHARTERS**. Filed Apr 30 2026, *AN ACT TO PROHIBIT THE USE OF FOR-PROFIT CHARTER MANAGEMENT COMPANIES, TO REQUIRE STUDENTS THAT ATTEND REMOTE CHARTER ACADEMIES TO COMPLETE STATE-MANDATED ASSESSMENTS IN-PERSON IN THE PRESENCE OF A SOCIAL WORKER, TO LIMIT REMOTE CHARTER ACADEMY CHARTER RENEWAL TERMS TO ONE YEAR, TO REQUIRE YEARLY FINANCIAL AUDITS OF REMOTE CHARTER ACADEMIES, AND TO PROHIBIT THE RENEWAL OF A CHARTER FOR LOW-PERFORMING REMOTE CHARTER ACADEMIES.*

Amends Article 14A, Part 2 of GS Chapter 115C (Operation of Charter Schools) to prohibit charter schools from being managed or serviced by for-profit education or charter management organizations. Authorizes management or services by nonprofit education or charter management organizations. Applies to contracts entered into on or after July 1, 2026.

Amends GS 115C-218.122(c) to provide that remote charter academies shall (was, may) require in-person attendance to fulfill state mandated student assessments in accordance with new GS 115C-174.17. Makes organizational changes.

Enacts GS 115C-174.17 directing the Department of Public Instruction to develop an in-person testing program for remote charter school students to complete all State-mandated assessments. Sets out minimum program requirements.

Amends GS 115C-218.123(b) to require Review Board approval of charter or charter modification to create a remote charter academy every year (was, five years).

Amends GS 115C-218.124 to require a nonprofit with a school code for in-person instruction in addition to a school code for a remote charter academy to provide separate financial reports for each school code (was, jointly). Requires remote charter academies to submit a financial audit of the previous year with its renewal application. Reduces the renewal term to one year (was, five years) and provides that a remote charter academy identified as low-performing is not eligible for renewal.

Applies to applications for new charters or renewals submitted on or after July 1, 2026.

Appropriates \$100,000 in recurring funds for 2026-27 from the General Fund to the Department of Public Instruction to hire High-Performing Placement Coaches to counsel families through school transitions for students at remote charter academies not renewed for being low-performing.

Appropriates \$62,000 in recurring funds for 2026-27 from the General Fund to the Department of Public Instruction to establish the in-person assessment program.

Effective July 1, 2026.

Intro. by Chitlik, Applewhite.

APPROP, GS 115C

[View summary](#)

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

S 1013 (2025-2026) **2026 OFFICE OF THE STATE AUDITOR AGENCY BILL.-AB** Filed Apr 30 2026, *AN ACT TO MAKE VARIOUS CHANGES FOR THE OFFICE OF THE STATE AUDITOR.*

Makes various technical changes to GS 147-64.6(c). Moves requirement that Auditor collect actual audit costs from governmental agencies to new GS 147-64.6(f) with added specifications. Requires auditee's written response in final audit reports of economy and efficiency and program results to be included in the final report if received within 15 days (was, 15 to 30 days) from draft report receipt.

Enacts four new subdivisions related to Auditor responsibilities.

New GS 147-64.6(c)(25) authorizes Auditor to elect exemption from Department of Administration oversight on purchasing, contracts, acquisition and maintenance of real property, and leasing of office space under specified existing provisions of GS Chapters 143 and 146. Requires such that election be made in writing and sent to the Secretary of Administration.

New GS 147-64.6(c)(26) authorizes Auditor to enter into an agreement with the Conference of District Attorneys to assign resource prosecutors to district attorneys to perform specified duties.

New GS 147-64.6(c)(27) authorizes Auditor to enter into an agreement with the State Bureau of Investigation to assign agents to Auditor-referred matters.

New GS 147-64.6(c)(28) authorizes Auditor to enter into agreements with experts to assist in auditing Medicaid Providers. Sets out fee requirements and directs Auditor and contractors to work with Department of Health and Human Services and refer matters to appropriate law enforcement entities as necessary. Provides that actions under such agreements are not under the federal Medicaid Audit Contractors Program.

Makes technical changes to GS 147-647(b)(2) and removes exception to Auditor approval requirement for audits called by the Governor under GS 143C-2-1.

Effective October 1, 2026.

Provides that the Auditor may change existing appropriated benefits and positions for performing financial statement audits to receipt-supported positions and benefits without the appropriated funds reverting to the General Fund. Effective July 1, 2026.

Intro. by Sawrey, Jones.

[GS 147](#)

[View summary](#)

[Government, State Agencies, Office of State Auditor](#)

S 1017 (2025-2026) [JUSTICE FOR STORM CHANTAL SURVIVORS ACT](#). Filed Apr 30 2026, *AN ACT TO ESTABLISH A TROPICAL STORM CHANTAL MITIGATION FUND AND APPROPRIATE FUNDS FOR THAT PURPOSE*.

Establishes the Tropical Storm Chantal Mitigation Fund within the Department of Public Safety, Division of Emergency Management (NCEM) to be maintained as a special fund. Permits NCEM to use up to 4% of funds for administration purposes. States that the purpose of the Fund is to provide mitigation buyouts, relocations, rehabilitations, reconstructions for eligible homeowners affected by Tropical Storm Chantal in the *affected area* (Alamance, Caswell, Chatham, Durham, Moore, Orange, and Person counties). Provides that funds are to be distributed in affected area on a per capita basis and that no person shall receive more than \$500,000.

Appropriates \$25 million from the General Fund to NCEM for the Tropical Storm Chantal Mitigation Fund. Provides that unused funds will revert to the Disaster Relief and Mitigation Fund on June 30, 2028.

Effective July 1, 2026.

Intro. by Chitlik, Murdock.

[APPROP](#)

[View summary](#)

[Government, Budget/Appropriations, Public Safety and Emergency Management, State Agencies, Department of Public Safety](#)

Section 1.

Establishes the Breakthrough Therapies Research (BTR) Grant Fund as a non-reverting special fund in the Department of Health and Human Services, Division of Mental Health, Developmental Disabilities, and Substance Use Services (Division) to award two BTR Grants to pay for costs of an eligible project or study, intended to last three years.

Defines “breakthrough therapies” as a drug designated as a Breakthrough Therapy granted an expedited approval pathway by the United States Food and Drug Administration (FDA).

Directs the Division to accept applications in a timely fashion and to make awards by August 1, 2027. Limits eligibility to federal medical or research entities and academic institutions in the State with requisite infrastructure and experience. Requires all research be conducted in the State and that participants must be 21 or older. Requires grant recipient to attest that grant funds will be used to research psychedelic drugs in adherence with FDA protocols and federal law, including the April 18, 2026, Executive Order on “Accelerating Medical Treatments for Serious Mental Illness” (EO). Requires research to concentrate on a specified population (veterans, first responders, frontline healthcare personnel, or individuals who have experienced domestic violence or sexual assault) to treat anxiety and/or depression. Requires grantees to measure participant pain levels and to submit research findings and recommendations to the Task Force established by Section 2 of this act by January 15, 2031.

Directs the Division to award up to five grants of at least \$1 million based on Task Force recommendation by July 1, 2027. Directs the Division to announce grant recipients and report to the specified NCGA committee on July 1, 2027, on specified project or study information. Permits the Division to adopt rules for the purposes of this act.

Section 2.

Establishes the Breakthrough Therapies Task Force within the Division and sets out membership requirements. Requires appointment of an initial Task Force by December 1, 2026. Sets out nine duties including specified reporting requirements to the Division and review of BTR Grant projects or studies.

Expires December 31, 2031.

Section 3.

Appropriates \$5.4 million for 2026-27 from the General Fund to the Division, with \$5 million deposited into the BTR Grant Fund and \$400,000 for administrative costs. Effective July 1, 2026.

Section 4.

Directs the Division to identify opportunities and take necessary actions for the State to leverage federal funding for BTR Grants, including under the EO.

Intro. by Chitlik, Brinson.

APPROP

[View summary](#)

**Government, Budget/Appropriations, State Agencies,
Department of Health and Human Services, Health and
Human Services, Mental Health**

Adds two new subsections to GS 62-110.1 to require electric public utilities to submit a grid utilization report for Utilities Commission (NCUC) approval as part of the biennial integrated resource plan. Requires that the report include (1) an assessment of current system performance compared to optimal use of electrical grid assets, (2) an analysis on the potential to increase grid utilization, (3) a projected timeframe for implementing plans to increase grid utilization, and (4) any other

information requested by NCUC. Directs NCUC to issue a final order on the grid utilization report including any targets, timeframes, or other guidance necessary for an electric public utility to improve grid utilization performance.

Requires electric public utilities to submit specified electric grid utilization metrics to be used in the development of the grid utilization report to NCUC by November 1, 2026.

Directs NCUC to issue a final order on these proposed metrics within 240 days of filing, including a determination of how such metrics may inform the NCUC's consideration of future utility requests for approval of cost recovery for capital investments.

Appropriates \$10,000 for 2026-27 from the General Fund to NCUC to implement this act, effective July 1, 2026.

Intro. by Brinson, Barnes, Salvador.

[APPROP, GS 62](#)

[View summary](#)

[Environment, Energy, Government, Budget/Appropriations, Public Enterprises and Utilities](#)

S 1020 (2025-2026) [AFFORDABLE HOUSING EFFICIENCY GRANT PROGRAM](#). Filed Apr 30 2026, *AN ACT TO ESTABLISH THE AFFORDABLE HOUSING EFFICIENCY GRANT PROGRAM TO PROVIDE FLEXIBLE INCENTIVE FUNDING FOR ENERGY EFFICIENCY AND ELECTRIC BUILDING UPGRADES IN AFFORDABLE MULTIFAMILY HOUSING*.

Adds new Part 37, Affordable Housing Efficiency Grant Program, to Article 7 of GS Chapter 143B. Defines six terms including *affordable multifamily housing* as multifamily residential buildings of five or more dwelling units where at least 50% of the units are reserved for or occupied by households with incomes below 80% of the area median income adjusted for household size or as otherwise defined by the Department of Environmental Quality (DEQ).

Establishes the titular grant program within DEQ to provide flexible incentive grants to affordable multifamily housing for *energy efficiency upgrades* (measures that reduce energy consumption) and *electric building upgrades* (improvements that replace fossil fuel systems with high-efficiency electric alternatives). Sets out program priorities as projects that reduce energy costs for low-income residents, improve building performance, enhance indoor environmental quality, and support clean energy goals. Directs DEQ to implement rules implementing the Part, including addressing specified criteria. Provides that grants may be used for energy efficiency upgrades, electric building upgrades, related health and safety improvements, and project costs. Directs DEQ to perform all duties required to facilitate the program and authorizes DEQ to partner with local government units, utilities, or nonprofits. Limits eligibility to affordable multifamily housing buildings that have been in service as such for at least 15 years and are located in potentially underserved communities (as per criteria to be established by DEQ). Sets out incentive amounts for early adoption based on specified criteria. Requires grant recipients to comply with applicable building codes, energy standards, and federal requirements and to maintain affordability commitments for a length of time to be specified by DEQ.

Requires grant recipients to report annually on project outcomes, including specified criteria, to DEQ. Directs DEQ to submit an annual report regarding the program to the specified NCGA Committee.

Appropriates \$5 million in recurring funds for 2026-27 from the General Fund to DEQ to staff and operate the program. Allows up to 6% of funds to be used for administrative costs.

Effective July 1, 2026.

Intro. by Salvador, Theodros.

[APPROP, GS 143B](#)

[View summary](#)

[Development, Land Use and Housing, Property and Housing, Environment, Energy, Government, Budget/Appropriations, State Agencies, Department of Environmental Quality \(formerly DENR\)](#)

S 1024 (2025-2026) [MY POWER BILL IS TOO HIGH](#). Filed Apr 30 2026, *AN ACT TO REPEAL MULTIYEAR RATE-MAKING AUTHORITY AUTHORIZED BY S.L. 2021-165 AND TO DIRECT A REEXAMINATION OF PERFORMANCE-BASED RATE MAKING TO BETTER PROTECT NORTH CAROLINA CUSTOMERS.*

Contains whereas clauses.

Amends GS 62-133 by adding new subsection (g) requiring rates for electric public utilities to be established only through a general rate case. Prohibits the Utilities Commission from approving or implementing any form of automatic or preauthorized multiyear rate adjustment mechanism.

Amends GS 62-133.16 by changing the following definitions: (1) *earning sharing mechanism*: an annual ratemaking mechanism that shares surplus earnings between the electric public utility and customers over a period of time covered by a PBR plan (was, covered by an MYRP); (2) removing the *multiyear rate plan* (MYRP) definition; (3) *performance-based regulation* (PBR): alternative rate-making approach that includes decoupling, an earning sharing mechanism, and one or more performance incentive mechanisms (was, decoupling, one or more performance incentive mechanisms, and an MYRP, including an earnings sharing mechanism or an alternative regulatory mechanism); and (4) *rate year*: the year for which base rates are effective (removing an MYRP reference in the definition).

Further amends GS 62-133.16 by removing reference to a MYRP; making small, technical changes; removing several additional requirements for a PBR application with an MYRP and shifting one of those to be a requirement under PBR, which is that the Commission must establish a rider to refund amounts related to the earnings sharing mechanism, and to refund or collect amounts related to PIM rewards or penalties, and decoupling adjustments in a proceeding authorizing a PBR plan; eliminating a requirement related to changes in revenue requirements for the second and third rate years allocation for a MYRP; eliminating an exclusion related to first year of MYRP from the limitations on PIM penalties/rewards; revising the plan period for an approved PBR application to 12 months (was, 36 months).

Also, adds GS 62-133.16(k) clarifying that nothing in GS 62-133.16 should be construed to authorize multiyear rate plans or automatic rate adjustments outside of a general rate proceeding.

Makes conforming changes to GS 62-133.16 to delete MYRP and substitute it with PBR.

Requires the Utilities Commission (Commission) to study the effectiveness of performance-based rate making authorized by SL 2021-165. Provides five required components of the study. Requires the Commission to report its findings and recommendations to the Joint Legislative Energy Policy Commission by March 1, 2027.

Appropriates \$10,000 for 2026-27 from the General Fund to the Utilities Commission to be used for purposes consistent with this act, effective July 1, 2026.

Intro. by Murdock, Salvador.

[APPROP, STUDY, GS 62](#)

[View summary](#)

[Environment, Energy, Government, Budget/Appropriations, Public Enterprises and Utilities](#)

S 1026 (2025-2026) [POWER BILL PROTECTION/LARGE LOAD TARIFF](#). Filed Apr 30 2026, *AN ACT TO REFORM NORTH CAROLINA'S APPROACH TO INTEGRATION OF LARGE-LOAD ELECTRICITY CUSTOMERS THROUGH AMENDMENT OF THE PUBLIC UTILITIES ACT.*

Section 1.

Defines *large load customer* in GS 62-3 (definitions pertaining to public utilities) so that it means a nonresidential customer for retail electric service who has an actual or projected peak demand equal to or greater than 50 megawatts (MW). For a nonresidential customer who operates facilities located at multiple sites, the aggregate demand of the nonresidential customer across multiple sites shall be used for purposes of determining the applicability of any threshold, requirement, or limitation in GS Chapter 62. Defines a *very large load customer* to mean a large-load customer who has an actual or projected peak demand equal to or greater than 100 MW. Makes organizational changes. Makes conforming change to GS 62-133.5 to account for organizational changes.

Section 2.

Enacts Article 6C, pertaining to large-load electricity customers (Customers) to GS Chapter 62, as follows. Imposes, in GS 62-127.1, electric service tariffs for Customers. Requires each public utility to apply to the Utilities Commission (UC) for approval of tariffs for the provision of electric service to Customers. Authorizes the UC to approve a tiered tariff schedule that includes different rates, terms, and conditions for different classes for Customers. Instructs the UC to require that an electric public utility incorporate the eight enumerated terms and conditions to any tariff applicable to Customers. Allows the UC to require that an electric public utility limit which very large-load customers can receive electric service under a tariff to those very large-load customers who either (1) procure dedicated or incremental energy resources under the program established in new GS 62-127.2 or (2) participate in a UC-approved mechanism to mitigate system cost impacts. Limits the UC's authority to approve tariffs for Customers only if it finds that the tariff is just and reasonable and designed to ensure the five listed conditions, including that the proposed rates will not result in residential or small commercial customers having to cross-subsidize Customers.

Adds new GS 62-127.2, pertaining to dedicated or incremental energy supply for Customers, as follows. Requires each electric public utility to file an application requesting approval of a program to allow Customers to select clean energy facilities from which the electric public utility will procure energy and capacity on behalf of the Customer. Provides for terms and conditions. Limits each contracted amount of capacity to no more than 125% of the maximum annual peak demand of the Customer's facilities. Requires that in addition to the Customer's normal retail bill, the cost of any clean energy resources and capacity produced by the electric public utility for the Customer to be paid by the Customer. Requires the UC to ensure that all other ratepayers are held neutral, neither advantaged nor disadvantaged, from the impact of the clean energy resources procured on behalf of the Customer. Requires, in new GS 62-127.3, the UC to adopt rules to implement the article, as described.

Directs the tariff application required to be filed with the UC to be filed by the electric public utility no later than 180 days after the section becomes law. Effective January 1, 2028, prevents an electric public utility from providing electric service to a Customer except under the terms of a tariff approved by the UC. The application required to be filed with the UC pursuant to GS 62-127.2, as enacted by subsection (a) of this section, must be filed by the electric public utility no later than 180 days after the section becomes law.

Section 3.

Directs the UC to evaluate and modify as necessary existing standby service charges, including any eligibility limits based on maximum electricity demands, for the purpose of Customers to self-develop dedicated or incremental generation resources in order to meet their electricity needs through self-supply.

Section 4.

Adds new GS 62-157.1, creating Grid Modernization Funds (Fund[s]), as follows. Contains findings pertaining to the investment in increased electric generation and transmission infrastructure. Requires the UC, after a hearing, to order an electric public utility to create a Fund for the purpose of reducing the system-wide costs incurred as a result of serving the growing electricity demands of Customers, to be supervised and administered by the UC. Allows electric public utilities to apply Fund funds to grid modernization projects that are designed to reduce low-income energy burdens and to encourage peak load reduction, energy efficiency, demand response measures, and distributed energy resources, including virtual power plants. Directs the UC to ensure that all such projects are consistent with the statute and GS 62-110.9 (requirements for reductions in CO2 emissions from electric public utilities). Instructs the UC to require that an electric public utility assess a surcharge on the purchases of electric power by Customers to fund these projects. Provides for monthly surcharges set by the UC, assessed as described, after notice and an opportunity for interested parties to be heard. Authorizes the UC to conduct a hearing to review an electric public utility's implementation of grid modernization projects and the surcharge on electricity purchased by Customers. Allows the UC, after notice and an opportunity for other parties to be heard, to approve a revision to the surcharge or make other appropriate adjustments to the administration of the grid modernization projects fund. Requires an electric public utility to submit an annual report to the UC and State Energy Office, as described.

Section 5.

Adds new GS 62-108, requiring the UC to establish a current grid modernization plan (Plan) to maintain and improve the adequacy, reliability, and resiliency of the electric grid for the benefit of the people of North Carolina. Requires the UC to consider the Plan when acting upon any petition by an applicant for a certificate to construct a new transmission line. Provides for public hearings on the Plan and requires the UC to consult with electric power suppliers, the Public Staff and other

interested parties in developing the Plan. Sets out annual reporting requirements. Makes conforming changes to GS 62-101 and GS 62-105 (pertaining to transmission lines).

Section 6.

Amends GS 62-110.1 (certificate for construction of a generating facility) to require the UC to mandate that an applicant for construction of an electric generating facility for new growth anticipated by Customers (as described) demonstrate the reasonableness of such future growth projections by distinguishing between confirmed and speculative sources of new electricity demand and to file any agreements between the applicant and the Customer. Prevents the UC from granting such a certificate unless the applicant demonstrates that its future demand growth projections are reasonable and supported by competent evidence.

Section 7.

Requires, in new GS 62-353, each Customer to file an annual report with the Department of Environmental Quality (DEQ) and the UC containing the seven required pieces of information about its facilities during the prior year. Tasks the UC with compiling statistical information on the aggregate amounts of energy and water consumed by the Customers to publish on its website. Designates the Customer reports themselves as confidential. Makes conforming change to GS 143-355 (DEQ's powers and duties).

Section 8.

Appropriates \$10,000 from the General Fund to the UC for 2026-27 to be used for purposes consistent with the act.

Section 9.

Effective July 1, 2026, except as otherwise provided.

Intro. by Salvador, Grafstein.

[APPROP, GS 62](#)

[View summary](#)

[Environment, Energy, Government, APA/Rule Making, State Agencies, Department of Environmental Quality \(formerly DENR\), Public Enterprises and Utilities](#)

S 1027 (2025-2026) [EXTREME HEAT/BAN UTILITY DISCONNECTIONS](#). Filed Apr 30 2026, *AN ACT TO PROVIDE UTILITY SHUT-OFF PROTECTIONS DURING PERIODS OF EXTREME HEAT, EXTREME COLD, AND POOR AIR QUALITY; TO PROTECT RESIDENTIAL TENANTS FROM PERIODS OF EXTREME HEAT AND POOR AIR QUALITY BY AUTHORIZING THE INSTALLATION OF PORTABLE COOLING AND AIR FILTRATION DEVICES; AND TO MAKE VARIOUS TECHNICAL CHANGES.*

Amends GS 62-159.1 by adding subsection (c) which prohibits public utilities and electric membership corporations from suspending or disconnecting service to a residential retail customer during a period of extreme heat, period of poor air quality, or extreme cold with a high temperature under 32 degrees Fahrenheit. Requires public utilities and electric membership corporations to offer customers with delinquent accounts, adversely affected by the extreme weather event, the option of settling any unpaid balance through participation in a deferred payment plan.

Amends GS 42-40 by making the following changes to the definitions: (1) *action* (making small, technical changes); (2) adding *air quality alert* (an alert that includes a warning regarding unhealthy or very unhealthy air quality in the area where a tenant's address is located); (3) adding *heat-related alert* (an alert that includes an excessive heat warning, excessive heat watch, extreme heat index advisory, or heat advisory in the area where a tenant's address is located); (4) moving the definition of *landlord*; (5) adding *period of extreme heat* (period beginning 24 hours before effective time of any heat-related alert given by the National Weather Service, or beginning at the effective time of any heat-related alert issued without announcement, and ending 48 hours after the alert expires, includes all overlapping or sequential alerts); (6) adding *period of poor air quality* (period beginning 24 hours before the effective time of any air quality alert issued by the Environmental Protection Agency or the NC Department of Environmental Quality (DEQ), or beginning at the effective time of an alert issued without advance announcement, and ending 48 hours after the alert expires, includes all overlapping or sequential alerts); (7) adding *portable air filtration device* (an air purifier or similar device designed to improve indoor air quality, excluding a device that requires

alteration of premises to install or use); (8) adding *portable cooling device* (an air conditioner, or evaporative cooler, including a window-mounted device or device designed to sit on the floor, but excluding a device that requires alteration of premises to install or use); (9) *premises* (making small, technical changes); and (10) *protected tenant* (making small, technical changes).

Adds new GS 42-42.4 prohibiting a landlord from (1) prohibiting or restricting a tenant from installing a portable cooling device or portable air filtration device, unless one of the listed exceptions applies and (2) enforcing a restriction on portable cooling or air filtration devices against a tenant unless it is allowed under GS 42-42.4 and is delivered to the tenant in writing within 48 hours of notice of the default (if provided, then a tenant must remove the offending device within 48 hours of written notice if already installed). Provides that landlord is immune from liability for any claims for damages, injury, or death caused by such device installed or used by the tenant. Requires landlord to include written information in a written rental agreement or lease notifying a tenant of their rights, responsibilities, and restrictions related to installation and operation of such devices.

Adds GS 42-42.5 prohibiting a landlord from effecting an involuntary termination of electric utility or water services for the premises due to lack of payment by tenant during a period of extreme heat or poor air quality for the area where premises is located, except as provided. If a tenant's electricity or water utility service has been disconnected for lack of payment, the tenant can request the landlord reconnect the service during a period of extreme heat or poor air quality. Requires landlord to inform tenants in any notice of disconnection of the ability to seek reconnection and to provide information about how to make such request. Provides requirements for landlord who receives such a request and outlines what a landlord may require of the tenant, including a repayment plan that complies with the Chapter. Details permissions and restrictions related to the repayment plan.

Appropriates \$100,000 in recurring funds for 2026-27 from the General Fund to the NC Utilities Commission to assemble and disseminate a report of disconnections on an annual basis.

Effective July 1, 2026, and applies to rental agreements or leases entered into or renewed on or after that date.

Intro. by Salvador, Murdock, Waddell.

[APPROP, GS 42, GS 62](#)

[View summary](#)

[Development, Land Use and Housing, Property and Housing, Government, Budget/Appropriations, Public Enterprises and Utilities](#)

S 1028 (2025-2026) [NC AIRPORT SECURITY CONTINUITY](#). Filed Apr 30 2026, *AN ACT TO ENACT THE NC AIRPORT SECURITY CONTINUITY AND FEDERAL WORKER RELIEF ACT*.

Titles the Act the "NC Airport Security Continuity and Federal Worker Relief Act."

Establishes the NC Federal Worker Airport Security Emergency Fund (Emergency Fund) as a special fund within the Highway Fund to be administered by the Department of Transportation, Division of Aviation (Division). Provides that funds allocated under this act will be considered emergency operational continuity grants.

Sets out the purpose of the Emergency Fund to provide interest-free loans to Transportation Security Officers and Air Traffic Controllers at North Carolina airports who work without pay due to a federal funding lapse.

Permits the Division to only allocate funds upon the Secretary of Transportation's certification that a person in a qualifying position at an eligible airport has not been paid for two consecutive weeks because of a federal funding lapse. Makes airports receiving an allocation from the Emergency Fund responsible for loan eligibility, amount, and disbursement of the loan. Requires airports to administer the automatic repayment of the loan when the federal government issues back pay to affected workers and to implement any other Division-imposed requirements.

Directs the Division to establish procedures and adopt rules in accordance with the act's purpose and to submit a report to the specified NCGA committees and division within 60 days of an allocation of funds under this act.

Appropriates \$25 million for 2026-27 from the Highway Fund to the Department of Transportation to be transferred to the Emergency Fund. Provides that funds appropriated do not revert but remain available for use consistent with this act.

Intro. by Garrett, Grafstein.

APPROP

[View summary](#)

**Government, Budget/Appropriations, State Agencies,
Department of Transportation, Transportation**

S 1029 (2025-2026) **TAX RELIEF ON ESSENTIALS FOR WORKING FAMILIES**. Filed Apr 30 2026, *AN ACT TO EXEMPT FEMININE HYGIENE PRODUCTS, DIAPERS, AND GROCERIES FROM SALES TAX AND TO APPROPRIATE MONEY TO THE NORTH CAROLINA ASSOCIATION OF REGIONAL COUNCILS OF GOVERNMENT.*

Amends GS 105-164.13 to exclude from sales tax feminine hygiene products, as now defined under GS 105-164.3; excludes grooming and hygiene products, as defined. Further amends GS 105-164.13 to exclude from sales tax sales of children or adult diapers or incontinence underpads (replacing the existing exemption for sales of diapers or incontinence pads on prescription by an enrolled State Medicaid/health Choice provider for use by program beneficiaries when the provider is reimbursed by the State Medicaid program or a Medicaid MCO).

Repeals GS 105-164.13B(b), which requires the Secretary of Revenue (Secretary) to administer local sales and use taxes imposed on food as if they were imposed under Article 39, which authorizes counties to levy a 1 cent sales and use tax, applicable to local sales taxes on food imposed under specified state laws. Amends GS 105-467(a), which defines and limits the scope of the county sales and use tax that can be levied under Article 39, to eliminate from the tax's scope the sales price of food that is not otherwise exempt from state sales and use tax under GS 105-164.13B, and the sales prices of a bundled transaction that include food subject to local tax under the statute. Makes conforming changes to reflect the exemption enacted for food.

Amends GS 105-164.3 to exclude only prepared food (was, food or prepared food) from the definition of amenity as it applies to state sales and use taxes imposed under Article 5.

Applies to sales made on or after October 1, 2026.

Appropriates \$1.6 million from the General Fund to the NC Association of Regional Councils of Government for 2026-27 to be equally allocated among regional councils and used for education on available tax relief.

Intro. by Mohammed.

APPROP, GS 105

[View summary](#)

**Government, Budget/Appropriations, Tax, Local Government,
Health and Human Services, Health**

S 1030 (2025-2026) **COMMUNITY SCALE WEATHERIZATION + HEALTH**. Filed Apr 30 2026, *AN ACT TO EXPAND THE WEATHERIZATION ASSISTANCE PROGRAM FOR LOW-INCOME FAMILIES TO INCLUDE HEALTH AND SAFETY IMPROVEMENTS AND TO AUTHORIZE COMMUNITY-SCALE PROJECTS.*

Amends GS 143B-344.46 to provide that the State Energy Office shall (was, may) administer the Weatherization Assistance Program for Low-Income Families and the Heating/Air Repair and Replacement Program functions. Directs the Department of Environmental Quality (DEQ) to adopt rules including provisions for soliciting proposals, prioritizing projects, allocating funds, and reporting requirements. Authorizes DEQ to use federal funds, State appropriations, utility contributions, and other available sources to fund the programs.

Adds new GS 143B-344.47 enacting the Weatherization Assistance Program for Low-Income Families. Defines nine terms. Directs DEQ to solicit proposals for low-income weatherization programs from potential sponsors. Specifies proposal requirements and certain source limitations on sponsor match funds. Authorizes DEQ to accept, accept in part, or reject proposals. Authorizes DEQ to prioritize projects that maximize energy efficiency and the useable life of an affordable home and improve residents' health and safety. Authorizes DEQ to consider local and State benefits, availability of funds from other sources, preservation of affordable housing, and balance of participation in proportion to population when allocating funds. Permits a sponsor to submit a proposal for community-scaled projects and requires a sponsor to identify priority communities

to be served by the project, based on indicators determined by DEQ and specified categories. Authorizes DEQ to prioritize community-scaled project proposals serving areas with low-income households. Requires DEQ to approve or deny proposals within 90 days of receipt.

Effective December 1, 2026.

Appropriates \$10 million for 2026-27 from the General Fund to DEQ for the Weatherization Assistance Program for Low-Income Families. States that up to 10% of these funds may be used for administrative costs. Effective July 1, 2026.

Intro. by Salvador, Mohammed, Grafstein.

[APPROP, GS 143B](#)

[View summary](#)

Development, Land Use and Housing, Property and Housing, Government, Budget/Appropriations, State Agencies, Department of Environmental Quality (formerly DENR), Health and Human Services, Social Services, Public Assistance

S 1031 (2025-2026) [RETURNING CITIZENS READY TO WORK](#). Filed Apr 30 2026, *AN ACT TO APPROPRIATE FUNDS FOR THE EXPANSION OF STATEWIDE LOCAL REENTRY COUNCIL SERVICES*.

Appropriates \$2.261 million in recurring funds for 2026-27 from the General Fund to the Department of Adult Correction (DAC) to be allocated equally to the 17 local reentry councils in the State for each council to hire a Housing Support Specialist and a Support Specialist.

Appropriates \$3.825 million in recurring funds for 2026-27 from the General Fund to the DAC to be allocated equally to the 17 local reentry councils to provide reentry assistance. Specifies that funds do not revert.

Appropriates \$867,000 in recurring funds for 2026-27 from the General Fund to the DAC to be allocated equally to the 17 local reentry councils to provide transportation vouchers to individuals on post-release supervision. Specifies that funds do not revert.

Appropriates \$140,000 in recurring funds for 2026-27 from the General Fund to the DAC to contract with two specified community colleges to hire a Reentry Educator Navigator for each specified community college.

Appropriates \$25,000 for 2026-27 from the General Fund to the DAC for the State Reentry Council Collaborative to develop online professional development models to teach State agencies, educational institutions, and other nongovernmental stakeholders how to best serve individuals with criminal records.

Effective July 1, 2026.

Intro. by Mohammed.

[APPROP](#)

[View summary](#)

Courts/Judiciary, Criminal Justice, Corrections (Sentencing/Probation), Government, Budget/Appropriations, State Agencies, Community Colleges System Office, Department of Adult Correction

S 1032 (2025-2026) [MODIFY EMERGENCY JUDGE PROVISIONS](#). Filed Apr 30 2026, *AN ACT TO EXPAND THE REASONS FOR WHICH AN EMERGENCY JUDGE MAY BE ASSIGNED*.

Amends GS 7A-52(a)(7) to add that an emergency judge may be assigned court coverage based on need as determined by the chief district court judge.

Effective July 1, 2026, appropriates \$500,000 for 2026-27 from the General Fund to the Administrative Office of the Courts to pay for costs of emergency judge.

[View summary](#)

Courts/Judiciary, Court System, Administrative Office of the Courts, Government, Budget/Appropriations

S 1033 (2025-2026) [NC CHILDREN'S SAFE SCREENS ACT/FUNDS](#). Filed Apr 30 2026, *AN ACT ENACTING THE NORTH CAROLINA CHILDREN'S SAFE SCREENS ACT TO PROTECT CHILDREN ONLINE, ESTABLISHING THE ONLINE SAFETY DIVISION AT THE DEPARTMENT OF JUSTICE AND THE CYBERBULLYING UNIT AT THE STATE BUREAU OF INVESTIGATION, CREATING THE NORTH CAROLINA ONLINE CHILD SAFETY COMMISSION, AND APPROPRIATING FUNDS FOR THOSE PURPOSES.*

Section 1.

Adds new Article 11, Online Safety Division, to GS Chapter 114, providing as follows. Establishes the Online Safety Division (Division) within the Office of the Attorney General, with the following duties: (1) investigation of complaints made under GS Chapter 114B (NC Children's Safe Screens Act); (2) education of law enforcement agencies and the general public about the online safety of all North Carolinians, with an emphasis targeting harmful activities and dark patterns; (3) issuance of online safety standards and guidelines and review of relevant industry codes pertaining to internet safety, age-appropriate design, and compliance with the NC Children's Safe Screens Act; and (4) facilitating advisory panels on internet safety, including child development experts, technology specialists, parent representatives, community stakeholders, and industry representatives. Specifies that the Division includes the NC Online Child Safety Commission (Commission) created in new GS Chapter 114B.

Establishes a children's online safety fund (Fund) in the Department of Justice (DOJ) administered by the Commission and used exclusively for prevention, education, and enforcement activities under GS Chapter 114B. Provides for annual reports by the Commission to the NCGA on Fund expenditures and outcomes.

Section 2.

Enacts new GS Chapter 114B, NC Children's Safe Screens Act, providing as follows. Defines terms used in the Chapter, including defining *covered platform* as an internet platform providing online services having more than 5 million users in North Carolina and revenue exceeding \$25 million annually. Makes it State public policy that its children are owed a duty of care with regard to their online activities in order to limit foreseeable harm and their exposure to dark patterns and harmful content on covered platforms; also endorses age-appropriate design and strong parental controls as central to protecting children. Requires covered platforms to require parental notifications for accounts created by children (defines *child* as an individual under age 18) and requires offering robust, easy-to-use parental supervision tools. Makes it illegal for covered platforms to use dark patterns (manipulative design elements in online environments) or deploy features known to be addictive or manipulative. Requires covered platforms to define cyberbullying and include provisions for reporting to the Division and provide intervention and support services for affected children. Requires platforms to submit an annual Child Impact Assessment to the Division for new and existing services; sets out required content and requires retaining documentation supporting the annual assessments for at least three years. Requires covered platforms to use the highest privacy settings by default for all users likely to be children and establish strict data minimization principles that include the nine specified elements, including requiring deletion when no longer needed, prohibiting profiling and behavioral advertising targeting children, and data broker restrictions for children's information. Allows the Attorney General to bring civil actions to enforce this Article. Allows, when the defendant is found to have knowingly violated the Chapter, imposing civil penalties of up to \$500,000 per violation. Sets out what must be considered in setting the amount of the penalty. Requires penalty proceeds to be remitted to the Civil Penalty and Forfeiture Fund. Clarifies that GS Chapter 114B does not create a private right of action. Requires the Commission to refer all matters requiring civil enforcement to the AG, whose authority to bring civil actions under GS Chapter 114B is exclusive. Provides for limited injunctive relief.

Establishes the eleven-member North Carolina Online Child Safety Commission (Commission) (nine voting members and the AG and Superintendent of Public Instruction as two ex officio members) within DOJ to protect the state's children from online harms through research, education, regulation, enforcement and ongoing adaptation to the evolving digital landscape. Sets out additional Commission duties. Voting members are to be appointed by the Governor and must have expertise in and commitment to child welfare, digital technology, mental health, education, or related fields relevant to children's online safety; sets out additional membership qualifications. Sets terms at four years, staggered, and prohibits serving more than two

consecutive terms. Provides for a chair and vice-chair, professional support staff, investigative staff, and specialized units. Requires the Commission to conduct a comprehensive review of its activities and impact, assess changing technological landscapes and emerging challenges, revise strategic priorities and approaches as needed, and recommend statutory amendments to maintain effectiveness, every three years.

Requires the Commission to give expert guidance to, among others, the Governor and General Assembly on matters relating to online child safety, educational institutions on digital literacy and safety curricula, technology platforms on best practices for age-appropriate design, and parents and caregivers on tools and strategies to protect children online. Requires the Commission to: (1) conduct research and data collection as specified; (2) develop and oversee the specified educational initiatives; (3) handle complaints in the specified manner; (4) adopt binding regulations on age verification, minor account data practices, default safety settings, complaint procedures, and platform transparency disclosure; and (5) coordinate and collaborate with listed entities.

Requires the Commission to prepare and publish an annual “State of Children’s Online Safety in North Carolina” report that includes the specified items. Requires the Commission to conduct annual compliance reviews of covered platforms that include seven specified measures. Requires the Commission to submit annual recommendations to the NCGA on five specified issues. Requires the Commission to hold at least four public hearings including specialized hearings on emerging issues of concern. Requires the Commission to engage with the industry in five specified ways, including convening an annual Industry Safety Summit with platform representatives and reviewing and approving updates to industry codes of practice. Requires the Commission to publish annual transparency reports that detail information related to enforcement actions, complaints, penalties, and other Commission actions. Requires the Commission to annually audit and evaluate five listed programs and initiatives, including digital literacy programs in schools and public awareness campaign effectiveness. Requires the Commission to establish annual research priorities based on identified gaps, commission or conduct studies on priority areas, award research grants from the Children's Online Safety Fund, publish findings and recommendations based on research, and ensure research informs regulatory and educational approaches.

Includes a severability clause.

Section 3.

Requires initial appointments to the Commission to be made and the first meeting to be convened by September 1, 2026. Requires the Commission to take specified actions during its first year. Requires the Commission to develop a phased implementation plan that: (1) prioritizes addressing the most serious harms, (2) accommodates different compliance timelines based on platform size, (3) allows for industry adjustment to new requirements, and (4) includes benchmarks for measuring progress. Requires the Commission, every three years, to: (1) review its activities and impact, (2) assess changing technological landscapes and emerging challenges, (3) revise strategic priorities and approaches as needed, and (4) recommend statutory amendments to maintain effectiveness.

Section 4.

Enacts new GS 143B-1209 establishing the Cyberbullying Unit (Unit) within the State Bureau of Investigation to protect children online and aid in the enforcement of new Article 11. Requires the Unit, in addition to other duties, to operate a toll-free number and website on online child safety and cyberbullying.

Section 5.

Effective July 1, 2026, appropriates from the General Fund to the Fund \$6 million in recurring funds for 2026-27 to fund its work as provided by the act. These funds shall not revert at the end of the fiscal biennium. Effective July 1, 2026, appropriates from the General Fund to the Fund \$10 million for 2026-27 to fund its work as provided by the act. These funds shall not revert at the end of the fiscal biennium.

Effective July 1, 2026, appropriates from the General Fund to the State Bureau of Investigation (SBI) \$2 million for 2026-27 to create the Cyberbullying Unit at the SBI. These funds shall not revert at the end of the fiscal biennium.

Section 6.

Effective July 1, 2026, except as otherwise provided. Specifies that the substantive requirements and provisions of new GS Chapter 114B apply to acts or omissions occurring on or after December 1, 2026.

Intro. by Garrett, Salvador, Batch.

APPROP, GS 114, GS 114B

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Business and Commerce, Consumer Protection, Courts/Judiciary, Civil, Civil Law, Government, Budget/Appropriations, Public Safety and Emergency Management, State Agencies, Department of Justice, Health and Human Services, Social Services, Child Welfare

S 1034 (2025-2026) **FUND DRUG TREATMENT/MENTAL HEALTH COURTS**. Filed Apr 30 2026, *AN ACT APPROPRIATING FUNDS TO CREATE AND SUPPORT LOCAL JUDICIALLY MANAGED ACCOUNTABILITY AND RECOVERY COSTS*.

Appropriates \$4.2 million in recurring funds beginning in 2026-27 from the General Fund to the Administrative Office of the Courts (AOC) to create and sustain local judicially managed accountability and recovery courts authorized by and exempt from the requirements of Article 62 of GS Chapter 7A. Provides that these courts will primarily serve criminal defendants with substance use disorders. Directs these courts to recommend treatment plans and monitor individuals' progress while under the court's jurisdiction.

Appropriates another \$4.2 million in recurring funds beginning in 2026-27 from the General Fund to the AOC to create and sustain local judicially managed accountability courts as described in the prior section of this act to provide services as described above for criminal defendants with a mental health diagnosis or treatment history.

Effective July 1, 2026.

Intro. by Mohammed.

APPROP

[View summary](#)

Courts/Judiciary, Court System, Administrative Office of the Courts, Government, Budget/Appropriations

S 1035 (2025-2026) **REVISE MATH GRADUATION REQUIREMENTS**. Filed Apr 30 2026, *AN ACT TO CHANGE HIGH SCHOOL GRADUATION REQUIREMENTS FOR MATHEMATICS TO FOLLOW CERTAIN MATHEMATICS PATHWAYS ADOPTED BY THE STATE BOARD OF EDUCATION, TO REQUIRE MATHEMATICS PATHWAYS TO BE INCLUDED IN CAREER DEVELOPMENT PLANS, TO REQUIRE THE STATE BOARD OF EDUCATION TO ADOPT RULES FOR CERTAIN MATHEMATICS PATHWAYS FOR GRADUATION, AND TO APPROPRIATE FUNDS TO THE DEPARTMENT OF PUBLIC INSTRUCTION TO IMPLEMENT THE PROVISIONS OF THIS ACT*.

Amends GS 115C-83.31, concerning high school graduation requirements, to require passing grades in four math courses: NC Math 1; NC Math 2; and two additional courses required as part of one of four listed pathway-aligned options adopted by the State Board of Education (State Board).

Amends GS 115C-158.10 to require the State Board's rules setting forth requirements for career development plans to include pathway-aligned sequences of math courses adopted by the State Board pursuant to GS 115C-83.31, as amended.

Makes the above sections effective July 1, 2028, and apply beginning with students entering the ninth grade during the 2028-29 school year.

Directs the State Board to adopt rules for pathway-aligned sequences of math courses to be offered in high schools in the State by July 1, 2027. Requires consultation with the UNC Board of Governors and State Board of Community Colleges regarding minimum admission standards and workforce and industry needs. Exempts application to children with disabilities whose IEP team has determined cannot satisfy the standard state graduation requirements. Details the four required pathway-aligned sequences of math courses the State Board must adopt: a college preparatory pathway; a career and technical education pathway; a quantitative reasoning and statistics pathway; and a science, technology, engineering, and math pathway. Directs each school administrative unit to submit the number of students following each pathway at the conclusion of each year, beginning with the 2028-29 school year. Directs DPI to submit a report to the specified NCGA committee by March 15,

2034, with specified data. Appropriates \$1 million from the General Fund to the Department of Public Instruction for 2026-27 to implement the act. Effective July 1, 2026.

Intro. by Garson.

[APPROP, GS 115C](#)

[View summary](#)

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

S 1036 (2025-2026) [MUTUAL AID/TRIBAL POLICE & AMP SHERIFF'S OFFICES](#). Filed Apr 30 2026, *AN ACT AUTHORIZING TRIBAL POLICE CHIEFS TO ENTER INTO MUTUAL AID AGREEMENTS WITH OTHER LAW ENFORCEMENT AGENCIES IN THE STATE.*

Expands the types of law enforcement agencies and heads thereof to include tribal police departments/tribal police department chiefs in GS 160A-288 (authorizing mutual aid agreements between the listed local law enforcement agencies in the statute). Appropriates \$10,000 from the General Fund to the Department of Public Safety for 2026-27 to assist with administering the requirements of the act.

Intro. by Corbin.

[APPROP, GS 160A](#)

[View summary](#)

[Government, Budget/Appropriations, Public Safety and Emergency Management, State Agencies, Department of Public Safety, Native Americans](#)

S 1037 (2025-2026) [DIGITAL NC ACT](#). Filed Apr 30 2026, *AN ACT TO ENACT THE DATA INFRASTRUCTURE, GOVERNANCE, INNOVATION, TECHNOLOGY, ACCOUNTABILITY, AND LEADERSHIP FOR NORTH CAROLINA ACT (THE DIGITAL NC ACT) BY ESTABLISHING THE BOARD OF GOVERNORS OF THE NORTH CAROLINA DIGITAL SOVEREIGNTY AUTHORITY AND DIRECTING THE BOARD TO DEVELOP AND PRESENT TO THE GENERAL ASSEMBLY A COMPREHENSIVE PLAN FOR THE MODERNIZATION, CONSOLIDATION, AND CYBER DEFENSE OF THE STATE'S INFORMATION TECHNOLOGY ENTERPRISE.*

Contains the NCGA's finding pertaining to the continued technological competitiveness, operational efficiency, and cybersecurity posture of the State.

Establishes the nine-member Board of Governors of the Carolina Digital Sovereignty Authority (Board) appointed by the Governor, House of Representatives and Senate in equal thirds, to be administratively housed in with the Department of Information Technology (DIT) for budgeting and logistical support, only. Specifies Board member qualifications. Provides for staggered, four-year terms, vacancies, removal, reappointment, a chair, meetings, quorum, disqualifications, and reimbursement for limited expenses. Prevents a Board member from serving more than two consecutive, full, four-year terms without at least a one-year break in membership. Provides for the initial terms, as follows: three to serve two-year terms, three to serve three-year terms, and three to serve four-year terms, as designated by the respective appointing authority, so as to establish staggered terms.

Requires the Board to develop a comprehensive plan (Plan) for modernization, consolidation, and cyber defense of the State's information technology enterprise, to at minimum address and make specific legislative and administrative recommendations on each of the ten areas identified, including a twenty-year vision, infrastructure modernization and asset liquidation, workforce consolidation, establishing an Innovation Center for Excellence to serve Cabinet agencies, cybersecurity and the State's national guard's cyber protection teams, and strategic oversight. Requires the Board to consult with the identified government stakeholder and private sector subject matter experts it deems appropriate. Requires DIT to provide the Board with professional and support staff, as described. Directs the Board to submit the Plan along with proposed legislation to implement the Plan to the specified NCGA members, committees, and division by no later than March 1, 2027. Allow for interim reports and requires the Board to appear before the specified NCGA committee upon request.

Clarifies that the act does not reorganize DIT, transfer personnel or property, establish a fee-for-service structure, realign cybersecurity functions, or otherwise effect any of the substantive changes addressed by the Plan.

Appropriates \$100,000 from the General Fund to DIT for 2026-27 to support the Board. Requires initial Board appointments to be made within 90 days after July 1, 2026, and for the Board to hold its first meeting not later than 30 days after a quorum of members is appointed.

Effective July 1, 2026.

Intro. by Lee, Hise, Overcash.

APPROP, UNCODIFIED

[View summary](#)

**Business and Commerce, Government,
Budget/Appropriations, General Assembly, State Agencies,
Department of Information Technology**

S 1038 (2025-2026) **HENRY'S LAW**. Filed Apr 30 2026, *AN ACT TO REQUIRE DENTISTS TO REPORT ADVERSE EVENTS TO THE NORTH CAROLINA BOARD OF DENTAL EXAMINERS AND TO DIRECT THE COLLABORATORY TO CONDUCT A STUDY OF ANESTHESIA PROVIDER REQUIREMENTS AND APPROPRIATE FUNDS FOR THAT PURPOSE.*

Enacts GS 90-30.3, which sets forth reporting requirements of adverse events (anaphylaxis, aspiration, cardiac arrest, or unplanned advanced airway placement) by dentists that hold a permit to administer general anesthesia or sedation to the State Dental Board (Board), including process and timeline. Requires the Board to investigate and take disciplinary action if the evidence show that a licensee has violated the Article. Effective October 1, 2026.

Directs the NC Policy Collaboratory (Collaboratory) at UNC-Chapel Hill to evaluate whether a second health care provider who is qualified to provide anesthesia services is needed when utilizing drugs that can lead to deep sedation, such as propofol. Instructs the Collaboratory to submit a report to the specified NCGA committee by April 1, 2027, including any legislative recommendations.

Appropriates \$100,000 from the General Fund for 2026-27 to the UNC Board of Governors to allocate to the Collaboratory to conduct the study. Effective July 1, 2026.

Intro. by Lee.

APPROP, STUDY, GS 90

[View summary](#)

**Business and Commerce, Occupational Licensing,
Government, State Agencies, UNC System, Health and Human
Services, Health, Health Care Facilities and Providers**

S 1040 (2025-2026) **REPEAL CON FOR ASCS AND INPATIENT REHAB**. Filed Apr 30 2026, *AN ACT REPEALING CERTIFICATE OF NEED LAWS FOR AMBULATORY SURGICAL FACILITIES AND FOR INPATIENT REHABILITATION SERVICES, FACILITIES, AND BEDS; APPROPRIATING FUNDS TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES TO IMPLEMENT THESE CHANGES AND DEVELOP A PLAN FOR THE PHASED ELIMINATION OF THE STATE'S REMAINING CERTIFICATE OF NEED LAWS; AND DELETING OBSOLETE DEFINITIONS FOR BEHAVIORAL HEALTH FACILITIES THAT ARE NO LONGER SUBJECT TO CERTIFICATE OF NEED REVIEW.*

Section 1.

Removes *ambulatory surgical facility, ambulatory surgical program, multispecialty ambulatory surgical program, qualified urban ambulatory surgical facility* and *specialty ambulatory surgical program* from the defined terms pertaining to Certificates of Need for Health Care Facilities and Providers in GS 13E-76. Modifies *gastrointestinal endoscopy room* so that it only refers to rooms in a licensed health service facility performing the procedure specified. Removes rehabilitation facilities and ambulatory surgical facilities from the definition of *health service facility*. Makes conforming changes to *health service facility bed*. Excludes rehabilitation facilities from *hospital*, and makes conforming changes to the term. Removes references to

qualified urban ambulatory surgical facilities and the conversion of a specialty ambulatory surgical program to a multispecialty ambulatory surgical program or the addition of a specialty to a specialty ambulatory surgical program from *new institutional health services*. Excludes rehabilitation services provided in an in-patient nursing facility from *nursing care*.

Section 2.

Makes conforming changes to GS 131E-178 (activities requiring certificates of need) to account for the narrowed terms above and removal of ambulatory surgical programs described from the term *new institutional health services*.

Section 3.

Updates the statutory cross-reference in GS 90-21.82A's definition of *ambulatory surgical facility* to account for removal of the term in GS 131E-176.

Section 4.

Repeals GS 131E-146(3) (definition of qualified urban ambulatory surgical facility is that of GS 131E-176) to account for the removal of those provisions by the act. Repeals GS 131E-147.5 (concerning the charity requirements for urban ambulatory surgical facilities). Repeals the following definitions from GS 131E-176: *chemical dependency treatment beds*, *chemical dependency treatment facility*, and *psychiatric facility*.

Section 5.

Appropriates \$50,000 from the General Fund to DHHS's Division of Health Service Regulation for 2026-27 to implement the repeal of certificate of need laws for ambulatory surgical facilities and for inpatient rehabilitation services, facilities, and beds and to development a comprehensive plan for the phased elimination of the State's remaining certificate of needs law. Sets out requirements and deadline for this plan.

Section 6.

Contains a severability clause.

Section 7.

Effective July 1, 2026.

Intro. by Lee, Sawrey, Burgin.

[APPROP, GS 90, GS 131E](#)

[View summary](#)

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

S 1042 (2025-2026) [CHILD WELFARE/FOSTER CARE/CHILD CARE FUNDING](#). Filed Apr 30 2026, *AN ACT TO PROVIDE ADDITIONAL FUNDING FOR CHILD WELFARE, FOSTER CARE, AND CHILD CARE*.

Part I.

Appropriates \$250,000 in recurring funds from the General Fund to the Department of Health and Human Services to be allocated to the Office of Indigent Services (IDS) for 2026-27 to contract with an approved vendor by no later than October 1, 2026, to implement a secure web and mobile based communications platform. States the purpose of the platform is to ensure compliance with federal and State requirements related to described advance notice of court hearings and interagency team meetings initiated by the county department of social services (DSS) such as permanency planning review meetings, child and family team meetings, and placement status change meeting, and communication between attorneys, their clients, and parties to the proceedings. Effective July 1, 2026.

Directs Administrative Office of the Courts (AOC), Indigent Services of NC, the Guardian Ad Litem Program, the Division of Social Services (Division) of the Department of Health and Human Services (DHHS) to enter into a data sharing agreement to enable the selected vendor to receive data necessary for timely notification and communication.

Part II.

Increases the net tax proceeds from the tax on interactive sports wagering operators credited to DHHS under GS 105-113.128 from \$2 million to \$104 million. Increases the amount for gambling addiction education and treatment programs from \$2 million to \$4 million. Allocates \$25 million for child welfare and foster care and \$75 million for child-care services. Lists four annual intended uses of the allocation for child welfare and foster care services and three annual intended uses for the allocation for child-care services. Effective July 1, 2026, and applies to net proceeds credited on or after that date. Tasks DHHS with adopting or amending any rules, policies, or procedures necessary to give effect to the above. Requires the Commission to adhere to the allocation guidelines governing revenues of the NC State Lottery Fund (Fund) in GS 18C-162 (was, Commission could adhere to those guidelines to the extent practicable). Effective July 1, 2026.

Part III.

Requires the Division to develop a plan for implementing a statewide child care subsidy reimbursement rate floor and to submit a report on the plan to the specified NCGA committee and division by December 1, 2026.

Intro. by Burgin.

[APPROP, GS 18C, GS 105](#)

[View summary](#)

[Courts/Judiciary, Juvenile Law, Abuse, Neglect and Dependency, Court System, Administrative Office of the Courts, Government, Budget/Appropriations, State Agencies, Department of Health and Human Services, Tax, Health and Human Services, Social Services, Child Welfare, Lottery and Gaming](#)

S 1043 (2025-2026) [2026 WATER SAFETY ACT](#). Filed Apr 30 2026, *AN ACT TO PROVIDE FUNDS FOR EMERGING CONTAMINANT MITIGATION AND RESEARCH*.

Adds new Part 9, Emerging Contaminant Mitigation, to Article 9 of GS Chapter 130A, with the purpose of providing funding to support the mitigation of the impacts of environmental contamination due to emerging contaminants on local public water and wastewater systems. Defines *emerging contaminants* as PFAS and 1,4-Dioxane. Establishes the Emerging Contaminant Mitigation Fund within the Department of Environmental Quality (DEQ) to support statewide efforts to detect, reduce, mitigate, and prevent exposure to emerging contaminants and to support scientific research and technology development related to removal, treatment, monitoring, and precursor identification for emerging contaminants. Specifies that the fund consists of any funds appropriated by the NCGA and grants from federal agencies or other non-State entities. Allows the Fund to be used by the State Water Infrastructure Authority (SWIA) to provide grants to units of local government operating public water or wastewater treatment systems for: (1) emerging contaminant sampling and monitoring in drinking water, wastewater, surface water, and groundwater; (2) installation or upgrade of water treatment technologies for emerging contaminant removal; (3) emergency response and remediation of emerging contaminant contamination in soil, surface water, and groundwater; and (4) providing technical assistance to significant industrial users for the purpose of eliminating discharges of PFAS and 1,4-dioxane to publicly owned treatment works. Gives priority to public water systems and public wastewater systems (1) for which contamination from emerging contaminants has caused the greatest impacts on public health and the environment and (2) that are or meet the criteria to be categorized as a distressed unit. Requires SWIA to report annually as a part of the report required by GS 159G-72 regarding projects funded under this provision. Makes conforming changes to GS 159G-71. Appropriates \$56 million in recurring funds for 2026-27 from the General Fund to DEQ for the Fund.

Appropriates \$14 million in recurring funds for 2026-27 from the General Fund to the UNC North Carolina Collaboratory to support scientific research on emerging contaminants conducted by or in collaboration with public or nonprofit academic institutions, including any of the six specified issues. Requires consultation with affected stakeholders, scientific experts, and State and local officials to ensure funding is targeted to research in areas of highest environmental and public health impact. Applies GS 116-255(c) to these funds. Requires the Collaboratory to include in their report under GS 116-256 documentation of its use of the funds and updates on the research funded by this section.

Appropriates \$25 million for 2026-27 to the UNC Board of Governors, to be allocated to the NC Collaboratory for any of the eight listed research, development, and remedial activities related to PFAS. Requires a summary of these activities to be

included in the report that must be submitted under GS 116-256.

Enacts new GS 130A-315.1 setting out maximum contaminant levels for Perfluorooctanoic acid (PFOA), Perfluorooctanesulfonic acid (PFOS), Perfluorononanoic acid, Hexafluoropropylene oxide dimer acid, Perfluorohexanesulfonic acid (PFHxS), Perfluorobutanesulfonic acid (PFBS), and mixtures containing two or more of PFHxS, PFNA, and HFPO-DA. Requires the adoption of rules to establish a compliance schedule with respect to these levels for all public water systems.

Requires DEQ, in consultation with the North Carolina Collaboratory, by October 1, 2026, to develop: (1) science-based PFAS concentration limits for commonly detected PFAS, which must be used to establish monitoring, permitting, and pollution reduction requirements for direct discharges to surface waters and significant industrial users ("regulated entities") as provided in this section; (2) source reduction and treatment requirements to be imposed, including requiring regulated entities to do one or more of the specified four actions; and (3) a compliance schedule of up to 36 months to begin no later than January 1, 2027, for regulated entities to achieve the requirements. Requires all National Pollutant Discharge Elimination System (NPDES) permits and pretreatment permits, as applicable, for regulated entities subject to this section to include enforceable limits or conditions for PFAS discharges based on the established concentration limits and available treatment options, as determined by DEQ. Sets out allowable exemptions. Makes this section applicable only to the following regulated entities: (1) significant industrial users that discharge wastewater containing PFAS compounds to a POTW and have exceedances of the established PFAS concentration limits and (2) direct dischargers that discharge wastewater containing PFAS compounds to surface waters of the state under an NPDES permit, and have exceedances of the established PFAS concentration limits. Requires the Environmental Management Commission to adopt temporary and permanent rules to implement the provisions of this section and allows DEQ to issue interim guidance pending rule adoption.

Establishes a moratorium on new or increased interbasin surface water transfers from defined area of Cape Fear River Basin. Prohibits Environmental Management Commission (EMC) from issuing certificates authorizing such transfers. Creates exceptions for existing transfers and any emergency transfer authorized by the Secretary of Environmental Quality. Expires June 1, 2030.

Directs the North Carolina Collaboratory at the University of North Carolina at Chapel Hill (Collaboratory) to study the Cape Fear River Basin to determine its reliable yield of water supply and make recommendations for legislative changes to ensure sustainability of use. Sets out required contents of the study. Directs Collaboratory to consult with the Department of Environmental Quality, the EMC, the State Water Infrastructure Authority, the North Carolina League of Municipalities, and other relevant entities. Requires Collaboratory to report to the General Assembly no later than July 1, 2029.

Appropriates \$1.5 million for 2026-27 from the General Fund to the Board of Governors of the University of North Carolina to be allocated to the Collaboratory for this study. Provides that the funds shall not revert at the end of the 2026-27 fiscal year and shall remain available until the end of the 2028-29 fiscal year.

Requires that the NC Collaboratory carry out a collaborative research effort in partnership with utilities and state regulators to provide utilities, state regulators, and other relevant entities with the knowledge, data, and strategies they need for utility management and decision making. Sets out three issues that must be studied. Requires publicly owned or operated wastewater treatment works and DEQ to partner with the Collaboratory in conducting the study. Allows the Collaboratory to use any prior or future funds appropriated by the NCGA for PFAS-specific research, or other discretionary funds, to carry out this study and present the final results to DEQ, the Environmental Review Commission, and the Environmental Management Commission by January 31, 2029.

Appropriates \$10 million in nonrecurring funds and \$200,000 in recurring funds for 2026-27 from the General Fund to DEQ for the Bernard Allen Drinking Water Fund.

Appropriates \$2,613,925 in nonrecurring funds and \$1,659,393 in recurring funds for 2026-27 from the General Fund to DEQ for lab operations and field work, including the development of new sampling and testing protocols, to identify, reduce, and remediate PFAS contamination.

Includes a severability clause.

Effective July 1, 2026, unless otherwise indicated.

[View summary](#)

**Environment, Environment/Natural Resources, Government,
Budget/Appropriations, State Agencies, UNC System,
Department of Environmental Quality (formerly DENR),
Health and Human Services, Health, Public Health**

S 1044 (2025-2026) **FOUNDATIONAL MATHEMATICS ACT**. Filed Apr 30 2026, *AN ACT TO IMPROVE GRADE LEVEL PROFICIENCY IN MATHEMATICS, CODIFY THE OFFICE OF LEARNING RESEARCH (OLR) AT THE NORTH CAROLINA COLLABORATORY, REQUIRE OLR TO EVALUATE VENDORS OF INSTRUCTIONAL MATERIALS, TO ESTABLISH THE AI INSTRUCTIONAL SUPPORT PROGRAM, AND TO APPROPRIATE FUNDS FOR THOSE PURPOSES.*

Part I.

Adds new Part 1C, High-Quality Mathematics Instruction, to Article 8 of GS Chapter 115C, providing as follows. Sets out definitions, goals, and purposes for the Part. Requires governing bodies of public school units to implement high-quality mathematics instruction in grades K-8 that: (1) aligns with the North Carolina Standard Course of Study, (2) is evidence-based, (3) engages students and provides them with relevant challenges and pathways to deeper understanding, (4) provides students at all levels of language proficiency with opportunities to use written and oral forms of communication to learn and demonstrate understanding of mathematics skills; and (5) is for at least 60 minutes per day.

Requires students in kindergarten through grade eight to be assessed at least three times a school year with assessments that meet the specified criteria. Requires the Department of Public Instruction (DPI) to develop and issue a request for proposal for a mathematics screening assessment tool to be administered to all students in kindergarten through grade eight. Sets out additional requirements for the assessment. Instructs DPI to partner with the vendor it selects to provide guidance and professional development to teachers and administrators to ensure that mathematics screening assessment data is used to meaningfully inform instruction in the areas described. Requires for students who are not grade level proficient in mathematics skills based on the results of either (1) the first diagnostic or formative assessment of a school year or (2) the first diagnostic or formative assessment of the second semester of a school year to be provided with intervention and remediation services documented in a Mathematics Success Plan (MSP), in new GS 115C-83.25. Requires students to receive an MSP through the end of the earlier of eighth grade or when the student demonstrates grade level proficiency on the end-of-grade assessment. Requires that the MSP be regularly adjusted based on multiple data sources, indicating that the student is not progressing toward grade level standards in one or more major mathematics skills. Requires the MSP to include specified information based on the most recently collected data. Requires giving notice, including specified information, to the parent or guardian of a student that has been identified as having difficulty with mathematics skill development and that an MSP has been developed. Allows the use of a multitiered system of support intervention. Requires DPI to develop and follow model documentation of compliance with an MSP checklist and alternative documentation for use with a multitiered system of support intervention.

Effective July 1, 2027.

Amends GS 115C-174.11, concerning testing in elementary school to require the State Board of Education (SBE) to adopt and provide local school administrative units a series of mathematics screener assessment instruments aligned with the standard course of study and new Article 1C. Requires public school units to administer the assessment instrument made available to them to assess progress, diagnose difficulties, and inform instruction and remediation needs for students in kindergarten through eighth grade. Prevents public school units from using the assessments for summative assessment of students in kindergarten through eighth grade, except as required as a condition of receiving federal grants. Subjects local boards of education with an approved renewal school system plan under Section 6(d)(5) of SL 2018-32 to new Part 1C. Applies the provisions of new Part 1C to charter schools (GS 115C-218.85), regional schools (GS 115C-238.66), schools for the deaf and blind (GS 115C-150.12C), and UNC laboratory schools (GS 116-239.8).

Requires DPI to select a vendor for the above described guidance and professional development to teachers and administrators by January 15, 2028. Requires SBE to make assessments available to public school units by the 2028-29 school year. Requires public school units to only use materials approved by the Office of Learning Research (OLR) pursuant to Part II of the act for mathematics instruction starting with the 2028-29 school year. MSPs must include a list of high-quality instructional materials approved by OLR pursuant to Part II of this act to be used for implementation of the MSP.

Appropriates \$21 million from the General Fund to DPI in recurring funds beginning beginning with 2026-27 to implement the above provisions. Expires June 30, 2031.

Part II.

Requires the OLR, in consultation with DPI and the described stakeholders to establish a process for evaluating vendors of instructional materials intended for use in kindergarten through grade eight math instruction using the six criteria listed. Requires OLR to provide DPI with a list of approved vendors by April 30, 2027, with DPI distributing the list to public school units by June 1, 2027.

Part III.

Directs the NC Collaboratory (Collaboratory) to study models used in other states to develop high-quality instructional materials at the state level and to report on the results of that study, including addressing the four specified matters, to the specified NCGA committee by April 15, 2027. Tasks the Collaboratory with conducting additional described analyses on instructional quality, teacher practice, and student outcomes based on the provisions of the act and requires a report by December 15, 2031. Appropriates \$2.5 million from the General Fund to the UNC Board of Governors for 2026-27 to be allocated to the Collaboratory to implement Parts II and III of the act.

Part IV.

Effective July 1, 2026, except as otherwise provided.

Intro. by Corbin, Hise, Lee.

APPROP, STUDY, GS 115C, GS 116

[View summary](#)

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

S 1049 (2025-2026) **LICENSING CERTAIN FIRE SYSTEMS**. Filed Apr 30 2026, *AN ACT TO REQUIRE LICENSING AND PERMITTING FOR INDIVIDUALS AND FIRMS THAT INSTALL AND SERVICE PORTABLE FIRE EXTINGUISHERS AND FIRE SUPPRESSION SYSTEMS, TO REQUIRE DIGITAL REPORTING OF INSPECTIONS, TESTING, AND MAINTENANCE OF PORTABLE FIRE EXTINGUISHERS AND FIRE SUPPRESSION SYSTEMS, AND TO REQUIRE DIGITAL TAGGING OF FIRE SPRINKLERS AND FIRE ALARM SYSTEMS*.

Enacts Article 82C, Licensing and Permitting for the Installation and Servicing of Portable Fire Extinguishers and Fire Suppression Systems, in GS Chapter 58.

Sets forth 11 defined terms. Provides for the State Fire Marshal (Fire Marshal) to administer the Article. Requires the Fire Marshal to establish rules for proper installation, inspection, recharging, repairing, servicing, or testing of fire suppression systems or portable fire extinguishers; and required specifications as to the number, type, size, shape, color, and information and data contained on service tags to be attached to all portable fire extinguishers and fire suppression systems covered by the Article that are installed, inspected, recharged, repaired, serviced, or tested. Permits the Fire Marshal to adopt the applicable standards of the National Fire Protection Association or another nationally recognized organization. Authorizes the Fire Marshal to adopt rules to require an exam of license or permit applicants under the Article. Authorizes the Fire Marshal to apply for and receive grants for the Article's administration from interested parties.

Requires firms to be licensed and persons to be permitted to install, inspect, repair, recharge, service, or test portable fire extinguishers, pre-engineered kitchen fire suppression systems, pre-engineered industrial fire suppression systems, and engineered special hazard fire suppression systems. Makes it unlawful to take such action on any portable fire extinguisher or fire suppression system without attaching the required tag(s) completed in detail, as described. Excludes from the permitting provisions individuals employed by any firm or governmental entity that only engages in the installation and servicing of fire suppression systems or portable fire extinguishers on such items owned by the firm and installed on property under the control of the firm, subject to the rules and regulations adopted under the Article. Provides further exemptions, including fire chiefs,

fire marshals, fire inspectors, and insurance company inspectors, as described, and any firm that engages only in the routine visual inspection of the systems and extinguishers owned by the firm and installed on property under the firm's control.

Sets the license fee at \$250. Sets the permit fee at \$100, except for those military-trained applicants or military spouses who are exempt from such fees under GS 93B-15.1. Exempts government employees and members of a legal organized fire department acting in the member's official capacity.

Sets forth license and permit requirements, including proof of comprehensive liability insurance for prospective licensees.

Provides for keeping a permit on the permittee's person in the course of the work under the permit, and licensees and permittees producing a valid license or permit upon demand by the Fire Marshal, the Fire Marshal's representatives, or any local authority having jurisdiction, or any individual soliciting the services of the licensee or permittee.

Establishes reciprocity with individuals that qualify under GS 93B-15.1 (licensure for individuals with military training and experience) or GS 93B-15.3 (licensure for individuals in neighboring states) as well as a firm that holds a comparable valid out-of-state credential, or may issue a permit to an individual who holds a comparable valid out-of-state credential if the Fire Marshal determines that the other jurisdiction's requirements are substantially equivalent to Article 82C and the applicant has paid the requisite fees.

Details the form of licenses, permits and applications. Requires a licensee or permittee to notify the Fire Marshal within 30 days of any change to application information provided to the Fire Marshal. Requires the Fire Marshal give an applicant 60 days to correct any deficiencies discovered in the application.

Requires the licenses and permits to be issued for each license year, beginning January 1 and expiring the following December 31. Provides for restoration of an inoperative license by paying a penalty within 90 days of expiration. After 90 days of expiration, the former licensee or permittee must apply for a new license or permit.

Details license or permit sanctions and denial procedures. Allows for an applicant to request review of a denial in writing within 30 days after service of the notice of denial, and allows an applicant to request an administrative hearing on the outcome within 30 days after service of the notice of the outcome. Requires surrender of a license or surrender within 30 days of suspension, revocation or nonrenewal. Describes the effect of an order of suspension or revocation.

Authorizes the Fire Marshal to deny, suspend, place on probation, revoke, or refuse to renew any license or permit under the Article for any of the 21 specified reasons, including failure to meet requirements under the Article and subject to GS 93B-8.1, conviction of a crime involving dishonesty or breach of trust.

Authorizes the Fire Marshal to issue cease and desist order for individuals or firms the Fire Marshal believes is or has been violating the Article. Requires the order to include a notice of opportunity for hearing upon request within 30 days of receipt of the order and notice. Provides for service of the order. Provides for noncompliance to result in the revocation of any and all permits and licenses issued by the Fire Marshal for a period of at least six months and no more than five years. Provides for effect of noncompliance on new permits or licenses held by the individual or firm. Establishes that violation of the Article can constitute grounds for license or permit refusal.

Establishes civil penalties for violations of the Article, rules adopted thereunder, or order of the Fire Marshal, as follows: a penalty not exceeding \$1,000 for the first offense, no less than \$1,000 and not exceeding \$2,000 for the second offense, and no less than \$2,000 and not exceeding \$5,000 for a third or subsequent offense. Requires prior notice of a violation and a reasonable waiting period before ordering a fine or civil penalty, as specified. Additionally authorizes the Fire Marshal to bring a civil action to enjoin a violation.

Makes willful or intentional violations of any provision of the Article, rules, or order of the Fire Marshal a Class 1 misdemeanor. Details other conduct that constitutes a Class 1 misdemeanor, including (1) obliterating serial numbers on tags for falsifying service records, (2) improper install or service, (3) allowing another to use a license or permit or use another's license or permit, (4) impersonating a representative of the Fire Marshal, local fire chief, fire marshal, or other fire authority, (5) noncompliance with the Article, and (6) failure to comply with a cease and desist order issued by the Fire Marshal.

Clarifies that the Article does not limit certain State or local government powers. Prohibits local government from imposing any further requirements on licensees or permittees to prove competency.

Authorizes the Department of Insurance to adopt temporary rules for the Article's implementation.

Effective October 1, 2026.

Intro. by Johnson.

GS 58

[View summary](#)

**Business and Commerce, Occupational Licensing,
Government, Public Safety and Emergency Management,
State Agencies, Department of Insurance**

S 1057 (2025-2026) [REQUIRED DISCLOSURES/PROXY ADVISORY SERVICES](#). Filed Apr 30 2026, *AN ACT TO REQUIRE PROXY ADVISORY SERVICES TO MAKE CERTAIN DISCLOSURES*.

Sets out legislative findings.

Enacts Article 10, "Proxy Advisor Transparency Act," to GS Chapter 78C. Defines nine terms.

Requires proxy advisors making a recommendation not based on a written financial analysis against company management on a proposal to conspicuously disclose to shareholders that such recommendation is not based on a written financial analysis.

Requires a proxy advisor providing advice on how to vote or analysis of a proposal to provide this disclosure to the board of directors of each company that is the subject of the service. Requires proxy advisors to publish a statement on the proxy advisor's website that one or more recommendations against company management are not based on a written financial analysis.

Requires proxy advisors making a recommendation against company management on a proposal that is based on a written financial analysis to conspicuously disclose to shareholders that such recommendation is based on a written financial analysis that is available upon request and to make the analysis available within a reasonable time. Requires a proxy advisor providing advice on how to vote or analysis of a proposal to provide the analysis to the board of directors of each company that is the subject of the service.

Requires proxy advisors to register annually with the Secretary of State and to pay an annual fee. Provides that a violation of the Article is an unfair and deceptive trade practice actionable under GS Chapter 75 and subject to Attorney General investigation. Authorizes aggrieved persons (as defined) to seek declaratory judgment or injunctive relief against a proxy advisor and sets out notice requirements.

Contains a severability clause.

Effective October 1, 2026 and applies to proxy advisory services provided on or after that date. Provides that nothing in this act eliminates any claim under GS Chapter 75 regardless of when that claim accrues.

Intro. by Craven, B. Newton, Overcash.

GS 78C

[View summary](#)

Business and Commerce, Corporation and Partnerships

S 1059 (2025-2026) [MILITARY FAMILY FOOD SECURITY & READINESS ACT](#). Filed Apr 30 2026, *AN ACT TO PROVIDE TEMPORARY NUTRITIONAL SUPPORT AND ELIGIBILITY FLEXIBILITY FOR MILITARY FAMILIES DURING PERIODS OF DEPLOYMENT OR ACTIVATION*.

Adds new Part 2A, "Military Family Food Security and Readiness Act," to Article 2 of GS Chapter 108A. Sets out short title and legislative findings. Defines "activated service member" (member of North Carolina National Guard or reserve component of the Armed Forces ordered to duty under Title 10 or Title 32 of the U.S. Code), "deployed" (ordered to active duty outside permanent duty station for 30 consecutive days or more), and "eligible military household" (deployed or activated service member and at least one dependent).

Directs the Department of Health and Human Services (DHHS) to exclude basic housing, subsistence, and family separation allowances and hazard pay in determining eligibility for food and nutrition benefits during deployment or activation to the

extent permitted under federal law or by waiver. Directs DHHS to seek any necessary federal approval or waivers.

Directs DHHS to apply an income eligibility adjustment by up to 25% for eligible military households during a qualifying deployment or activation to the extent permissible by federal law. Requires DHHS to implement equivalent relief through State-funded supplemental nutrition program if federal approval is not granted.

Directs DHHS to establish a State-funded supplemental nutrition program for eligible military households that do not otherwise qualify for nutrition benefits based on income but that demonstrate financial hardship due to deployment or activation. Details documentation necessary to apply for benefits and sets minimum benefit amount and duration. Requires that the monthly benefit be no less than \$150 and no more than \$300. Directs DHHS to submit report on participation, expenditures, and outcomes to the specified NCGA committee by March 1 annually.

Directs DHHS to establish an expedited application process of no more than 10 days and to coordinate with military installations to streamline verification of deployment. Provides that all provisions apply equally to National Guard and Reserve members activated under federal or State authority. Directs DHHS to seek a waiver for able-bodied adults from specified federal work requirement for benefit eligibility purposes. Provides that the act does not apply when a member permanently changes station without dependents.

Appropriates \$77.6 million in recurring funds for 2026-27 from the General Fund to DHHS Division of Social Services to implement the act.

Effective and applicable to qualifying deployments occurring on or after July 1, 2026.

Intro. by Applewhite, Murdock, Bradley.

[APPROP, GS 108A](#)

[View summary](#)

[Government, Budget/Appropriations, State Agencies, Department of Health and Human Services, Health and Human Services, Social Services, Public Assistance, Military and Veteran's Affairs](#)

S 1060 (2025-2026) [MILIT. SEXUAL TRAUMA/STUDY COMM./PILOT PROG.](#) Filed Apr 30 2026, *AN ACT TO ESTABLISH THE NORTH CAROLINA MILITARY SEXUAL TRAUMA STUDY COMMISSION AND TO CREATE A MILITARY SEXUAL TRAUMA SUPPORT PILOT PROGRAM.*

Sets out legislative findings. Defines *military sexual trauma* as sexual assault or repeated threatening sexual harassment during military service and *reserve components* per specified federal regulation.

Establishes the 14-member North Carolina Military Sexual Trauma Study Commission (Commission) and sets out Commission duties and membership requirements. Requires the Commission to submit a final report and any legislative recommendations to the General Assembly by April 1, 2027. Provides that the Commission terminates upon submission of final report.

Directs the Department of Military and Veterans Affairs (DMVA) to partner with the Department of Health and Human Services (DHHS) to develop and implement the two-year Military Sexual Trauma Support Pilot Program (Pilot Program). Requires the Pilot Program to consist of nine enumerated initiatives and apply to active duty service members in North Carolina, reserve component members, veterans, and military spouses and dependents. Directs DMVA to develop a volunteer peer support network as part of the Pilot Program and to designate a Military Sexual Trauma Coordinator to oversee the Pilot Program. Provides that DMVA will be the central coordinating entity for military sexual assault data and will publish annual reports of its findings on the DMVA website. Requires DMVA, in coordination with DHHS, to submit an interim report on the Pilot Program to the General Assembly by March 1, 2027, and a final report by March 1, 2028. Sets out information to be included in the final report. Provides that the Pilot Program will terminate on June 30, 2028, unless unanimously extended by DMVA and DHHS.

Directs the North Carolina National Guard to establish confidential reporting channels for military sexual trauma. Provides that the reports will be anonymized and reported annually to DMVA.

Appropriates \$1 million in recurring funds for 2026-27 from the General Fund to DMVA and \$2 million in recurring funds for 2026-27 from the General Fund to DHHS to implement the Commission and the Pilot Program.

Effective July 1, 2026.

Intro. by Applewhite, Theodros, Chitlik.

[APPROP, STUDY](#)

[View summary](#)

[Government, Budget/Appropriations, State Agencies,
Department of Health and Human Services, Department of
Military & Veterans Affairs, Military and Veteran's Affairs](#)

S 1062 (2025-2026) [COMMUTER TRANSPORTATION STUDY/PIEDMONT TRIAD](#). Filed Apr 30 2026, *AN ACT TO STUDY HOW TO IMPROVE TRANSPORTATION IN THE PIEDMONT TRIAD*.

Directs the North Carolina Department of Transportation (DOT) to study the cost and potential economic benefits of a commuter rail service in the Piedmont Triad, including the cities of Winston-Salem, High Point, and Greensboro and the counties of Forsyth and Guilford. Provides that the study will evaluate additional transportation options and incorporate population and development growth projections through 2050.

Requires that the study evaluate at minimum: governance and implementation structure, mode flexibility, funding and financing, and economic and land use considerations. Sets out specific considerations for each category.

Requires the DOT to report study results and implementation recommendations to the specified NCGA committees and division by December 29, 2026.

Appropriates \$250,000 for 2026-27 from the Highway Fund to the DOT for the study.

Effective July 1, 2026, and expires December 29, 2026.

Intro. by Lowe, Craven.

[APPROP, STUDY](#)

[View summary](#)

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

S 1066 (2025-2026) [ALTERNATIVE BRIDGE FUNDING FORMULA](#). Filed Apr 30 2026, *AN ACT TO APPROPRIATE FUNDS TO THE DEPARTMENT OF TRANSPORTATION TO DEVELOP AN ALTERNATIVE FORMULA FOR FUNDING BRIDGE REPLACEMENT OUTSIDE OF THE STI STRATEGIC MOBILITY FORMULA*.

Directs the Department of Transportation (Department) to develop an alternative funding formula for planning and prioritizing bridge replacement outside of the Strategic Mobility Formula used in the Strategic Transportation Investments Act (STI). The proposed alternative formula must include a prioritization process and revenue source. The Department is to submit the proposed alternative funding formula and recommendations for legislation to the specified NCGA committees and division by December 1, 2026.

Appropriates \$100,000 from the Highway Fund to the Department of Transportation for 2026-27 to be used for the purposes of this act.

Effective July 1, 2026.

Intro. by Lee, Sanderson, Brinson.

[APPROP](#)

LOCAL/SENATE BILLS

S 1073 (2025-2026) **8TH SENATORIAL DISTRICT LOCAL ACT-2**. Filed May 4 2026, *AN ACT RELATING TO THE 8TH SENATORIAL DISTRICT.*

Blank bill.

Intro. by Rabon.

[Brunswick, Columbus, New Hanover](#)

[View summary](#)

ACTIONS ON BILLS

PUBLIC BILLS

H 1123: UNC OMNIBUS & CAPITAL CONTRACTING LAW CHANGES.

House: Withdrawn From Com

House: Re-ref to the Com on Higher Education, if favorable, Rules, Calendar, and Operations of the House

H 1126: 2026 DST ADMIN/TECHNICAL/CLARIFYING CHANGES.-AB

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

House: Withdrawn From Com

House: Re-ref to the Com on Pensions and Retirement, if favorable, State and Local Government, if favorable, Rules, Calendar, and Operations of the House

H 1131: MORE APS STAFF TO ADDRESS ELDER ABUSE.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1132: LEO FACIAL COVERINGS AND IDENTIFICATIONS.

House: Passed 1st Reading

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

H 1133: HBCU/HMSI OMNIBUS.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1134: SECRET PEEPING ON MINOR/INCREASE PUNISHMENT.

House: Passed 1st Reading

House: Ref to the Com on Judiciary 2, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1135: MODIFY MILEAGE AND PER DIEM.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1136: CAPE FEAR IBT MORATORIUM/EMC IBT REDUCTIONS.

House: Passed 1st Reading

House: Ref to the Com on Agriculture and Environment, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1137: APPROPRIATION TO THE LAKE NORMAN CDC.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1138: AGING WITH DIGNITY ACT.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1139: LEARNING & ENRICHMENT IN AFTERSCHOOL PROGRAMS.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1140: STATE EMPLOYEE BEREAVEMENT LEAVE/UP TO 40 HRS.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1141: PROTECTING MEDICAID & AMP AUTISM SERVICES.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1142: EXPAND QUANTUM COMPUTING EDUCATION.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Finance, if favorable, Rules, Calendar, and Operations of the House

H 1143: PRINCIPAL FELLOWS & AMP MSA INTERN STIPENDS.

House: Passed 1st Reading

House: Ref to the Com on Education - K-12, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1144: DOMINIQUE MOODY SAFETY ACT.

House: Passed 1st Reading

House: Ref to the Com on Judiciary 2, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1145: SAFETY FUNDS FOR HIGHWAY 49 & EASTWAY DRIVE.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1146: 2026 GOVERNOR'S BUDGET.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1147: IDD OMNIBUS.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1148: UNIVERSAL PRE-K.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1149: KEEP NC WORKING ACT.

House: Passed 1st Reading

House: Ref to the Com on Commerce and Economic Development, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1150: NC CONSTITUTIONAL RIGHTS ACT/FUNDS.

House: Passed 1st Reading

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

H 1151: ADDITIONAL MAGISTRATES/MECKLENBURG COUNTY.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1152: PROTECTION OF CONSTITUTIONAL RIGHTS.

House: Passed 1st Reading

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

H 1153: BUDGETING ACCOUNTABILITY AND TRANSPARENCY.

House: Passed 1st Reading

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

H 1154: EXPAND THE FARMSHARE FOOD HUB PROGRAM.

House: Passed 1st Reading

House: Ref to the Com on Agriculture and Environment, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1155: THE PEOPLE'S RIGHT TO AMEND ACT.

House: Passed 1st Reading

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

H 1156: WASTEWATER DESIGN FLOW MODIFICATIONS.

House: Passed 1st Reading

House: Ref to the Com on Agriculture and Environment, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1157: RED WOLF SPECIAL REGISTRATION PLATE.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Finance, if favorable, Rules, Calendar, and Operations of the House

H 1158: INCREASE MARKET RATE/RATE FLOOR/CHILD SUBSIDY.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1159: INVESTING IN TEEN MENTAL HEALTH.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1160: REDUCE PARENT COPAYS/CHILD CARE SUBSIDY/FUNDS.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1161: OMNIBUS ARTIFICIAL INTELLIGENCE PROTECTIONS.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1162: STANDING UP FOR WILSON COUNTY VOL. FIRE DEPTS.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1163: WORKFORCE ACT OF 2026.

House: Passed 1st Reading

House: Ref to the Com on Education - K-12, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1164: NSF FOR TAXES PENALTY MODIFICATION.

House: Passed 1st Reading

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

H 1165: HYGIENE PRODUCTS PROTECTIONS/SALES TAX.

House: Passed 1st Reading

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

H 1166: REORGANIZE & FUND RARE DISEASE ADV. COUNCIL.

House: Passed 1st Reading

House: Ref to the Com on Health, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1167: 2026 GOVERNOR'S BUDGET.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1168: LIMIT ELECTRIC UTIL. HIST. FUEL COST RECOVERY.

House: Passed 1st Reading

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

H 1169: PROHIBIT DRIVING WITH ANIMAL IN LAP.

House: Passed 1st Reading

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

H 1170: FUNDING FOR WINSTON-SALEM.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1171: PROHIBIT GAMBLING IN PREDICTION MARKETS.

House: Passed 1st Reading

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

H 1172: THE CIJI GRAHAM ACT.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1173: JALEEYAH'S LAW.

House: Passed 1st Reading

House: Ref to the Com on Judiciary 2, if favorable, Rules, Calendar, and Operations of the House

H 1174: HOA OVERSIGHT ACT.

House: Passed 1st Reading

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

H 1175: AFFORDABILITY IN HEALTHCARE ACT.

House: Passed 1st Reading

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

H 1176: NORTH CAROLINA-IRELAND TRADE COMMISSION.

House: Passed 1st Reading

House: Ref to the Com on Commerce and Economic Development, if favorable, Appropriations, if favorable, Rules, Calendar, and Operations of the House

H 1177: CONSUMER PROTECTION AI BILL OF RIGHTS.

House: Passed 1st Reading

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

H 1178: THE NC TEACHER PAY COMPETITIVENESS ACT.

House: Passed 1st Reading

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

H 1179: SENIOR PROPERTY TAX RELIEF MODERNIZATION ACT.

House: Passed 1st Reading

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

H 1180: DATA CENTER AMENDMENTS.

House: Passed 1st Reading

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

H 1181: PROPERTY TAX MODIFICATIONS.

House: Passed 1st Reading

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

H 1182: PART-TIME STATUS FOR DISABLED STUDENTS.

House: Passed 1st Reading

House: Ref to the Com on Appropriations, if favorable, Rules, Calendar, and Operations of the House

LOCAL BILLS

H 1217: NORLINA/EVEN-YR ELECT./4-YR STAGGERED TERMS.

House: Filed

H 1218: NAVIGABLE WATERS/PINE KNOLL SHORES.

House: Filed

H 1219: MEM. OF UNDERSTANDING TENNESSEE CNTYS/MADISON.

House: Filed

H 1220: AMEND STEDMAN CHARTER.

House: Filed

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