

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL 445
Health Care Committee Substitute Adopted 4/17/25
House Committee Substitute Favorable 5/20/26

Short Title: Regulatory Reform Act of 2026.

(Public)

Sponsors:

Referred to:

March 25, 2025

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH
3 CAROLINA.

4 The General Assembly of North Carolina enacts:

5
6 **PART I. ENVIRONMENT AND NATURAL RESOURCES REFORMS**

7
8 **REPEAL 2023 FISHERIES HARVEST REPORTING REQUIREMENT**

9 **SECTION 1.(a)** G.S. 113-170.3(d), (e), (f), and (g) are repealed.

10 **SECTION 1.(b)** The catch line of G.S. 113-170.3 reads as rewritten:

11 "**§ 113-170.3. Record-keeping requirements; ~~mandatory reporting for certain~~**
12 **fisheries requirements.**"

13
14 **EXTEND IBT STUDY DEADLINE AND IBT MORATORIUM**

15 **SECTION 2.** S.L. 2025-74 reads as rewritten:

16 "...

17 "**SECTION 2.(a)** Study. – The North Carolina Collaboratory at the University of North
18 Carolina at Chapel Hill (Collaboratory) shall study the current statutory process for approval of
19 surface water transfers and provide any recommendations for legislation revising that process
20 that the Collaboratory finds is needed. As part of its study, the Collaboratory shall review all of
21 the following:

22 (1) The adequacy of the requirements for an environmental impact study set forth
23 in G.S. 143-215.22L(d) in ensuring that all impacts on upstream and
24 downstream users of water in the river basin are comprehensively and
25 equitably compiled and considered.

26 (2) Whether the information on which the Environmental Management
27 Commission (EMC) bases final certification decisions adequately takes into
28 account (i) issues of economic equity for lower income and lower population
29 communities in the source river basin that would experience potential impacts
30 on future economic growth due to the proposed transfer, (ii) negative impacts
31 of increases in water pollutant concentration caused by large surface water
32 transfers on riverine ecosystems, and (iii) whether the denial of the surface
33 transfer request would result in a substantial increase in utility rates or
34 otherwise cause a financial hardship due to alternative infrastructure
35 construction costs for the requesting party.



- 1 (3) Changes to the process needed to reflect the impact of recent climate trends
 2 that impact the range of water flows in the State's mainstem rivers during
 3 periods of extreme heat, drought, or flooding events.
- 4 (4) How to build into the certification process incentives for parties requesting
 5 surface water transfers to implement land use, infrastructure, and drought
 6 resiliency policies that will reduce the size of transfers needed to meet future
 7 water demands.
- 8 (5) Any other matters the Collaboratory deems relevant to its efforts to increase
 9 the fairness and effectiveness of the surface water transfer certification
 10 requirements.

11 **"SECTION 2.(b) Consultation.** – In conducting the study required by subsection (a) of this
 12 section, the Collaboratory will consult with the Army Corps of Engineers and other private or
 13 public entities with management responsibilities over water impoundments with respect to the
 14 impact of significant surface water transfers, as defined in Section 3 of this act, on those
 15 impoundments continuing to meet their present levels and future projected needs for
 16 hydroelectric power generation and water supply.

17 **"SECTION 2.(c) Report.** – The Collaboratory shall report its findings, together with any
 18 proposed legislation, to the ~~2027 General Assembly upon its convening.~~ 2028 General Assembly
 19 no later than January 15, 2028.

20 **"SECTION 3. Moratorium on Certain Surface Water Transfer Certificates.** – In order to
 21 permit sufficient time for the ~~General Assembly Collaboratory~~ to complete the study described
 22 in Section 2 of this act, the EMC shall not issue a certificate authorizing a significant new surface
 23 water transfer or a significant increase in an existing surface water transfer until the end of the
 24 moratorium provided in this section. The moratorium in this section shall end ~~March 1, 2027.~~
 25 August 1, 2028. For purposes of this section, a proposed new or increased surface water transfer
 26 is significant if it would result in a total increase in transfer between river basins, as defined in
 27 G.S. 143-215.22G, in excess of 15,000,000 gallons per day.

28"

30 **MOVE ARBOR WEEK FROM MARCH TO NOVEMBER**

31 **SECTION 3.** G.S. 103-6 reads as rewritten:

32 **"§ 103-6. Arbor Week.**

33 The week in ~~March–November~~ of each year containing ~~March–November~~ 15 is hereby
 34 designated as Arbor Week in North Carolina."

36 **INCREASE CIVIL PENALTY FOR WATER THEFT**

37 **SECTION 4.(a)** G.S. 14-151 reads as rewritten:

38 **"§ 14-151. Interfering with gas, electric, ~~and steam~~ steam, and water appliances or meters;**
 39 **penalties.**

40 (a) It is unlawful for any person to willfully, with intent to injure or defraud, commit any
 41 of the following acts:

42 ...

- 43 (4) Make any connection or reconnection with the gas mains, water pipes, service
 44 pipes, or wires of any person, furnishing to consumers natural or artificial gas,
 45 water, or electricity, or turn on or off or in any manner interfere with any valve
 46 or stopcock or other appliance belonging to that person, and connected with
 47 the person's service or other pipes or wires, or enlarge the orifices of mixers,
 48 or use natural gas for heating purposes except through mixers, or electricity
 49 for any purpose without first procuring from the person a written permit to
 50 turn on or off the stopcock or valve, or to make the connection or
 51 reconnections, or to enlarge the orifice of mixers, or to use for heating

1 purposes without mixers, or to interfere with the valves, stopcocks, wires, or
 2 other appliances of them, as the case may be. For the purposes of this
 3 subsection, "water pipes" means water pipes, fire hydrants, flushing
 4 assemblies, blow-offs, sampling stations, and all other appurtenances
 5 connected to a water distribution system, whether above or below ground.

6 ...

7 (e) Whoever is found in a civil action to have violated any provision of this section is
 8 liable to the electric, gas, or water supplier in triple the amount of losses and damages sustained
 9 or five thousand dollars (\$5,000), whichever is ~~greater~~, except that whoever is found in a
 10 civil action to have violated subdivision (a)(4) of this section by the connection or reconnection
 11 with any water pipe is liable to the water supplier in triple the amount of losses and damages
 12 sustained or ten thousand dollars (\$10,000), whichever is greater, and attorneys' fees.

13"

14 **SECTION 4.(b)** This section becomes effective December 1, 2026, and applies to
 15 offenses committed on or after that date.

17 **ALLOW LIQUEFIED PETROLEUM GAS REFILLS DURING EMERGENCIES**

18 **SECTION 5.(a)** G.S. 119-54(a) reads as rewritten:

19 "(a) It is the purpose of this Article to provide for the adoption and promulgation of a code
 20 of safety, and such rules and regulations setting forth minimum general standards of safety for
 21 the design, construction, location, installation, and operation of the equipment used in handling,
 22 storing, measuring, transporting, distributing, and utilizing liquefied petroleum gases and to
 23 provide for the administration and enforcement of the code and such rules and regulations thereby
 24 adopted. Words used in this Article shall be defined as follows:

25 (1) "Board" means the North Carolina Board of Agriculture.

26 (2) "Commissioner" means the Commissioner of Agriculture or his designated
 27 agent.

28 (3) "Dealer" means any person, firm, or corporation who is engaged in or desires
 29 to engage in:

30 a. The business of selling or otherwise dealing in liquefied petroleum
 31 gases which require handling, storing, measuring, transporting, or
 32 distributing liquefied petroleum gas; or

33 b. The business of installing, servicing, repairing, adjusting, connecting,
 34 or disconnecting containers, equipment, or appliances which use
 35 liquefied gas. A person who engages in any of the aforementioned
 36 activities only in connection with his or his employer's use of liquefied
 37 petroleum gas and not as a business shall not be deemed to be a
 38 "dealer" for the purposes of this Article.

39 (3a) "Emergency supplier" means a Class A dealer that provides liquefied
 40 petroleum gas to a consumer during a qualifying emergency, pursuant to
 41 G.S. 119-58(c).

42 (4) "Liquefied petroleum gas" means any material which is composed
 43 predominantly of any of the following hydrocarbons, or mixtures of the same:
 44 propane, propylene, butanes (normal butanes or isobutane), butylenes.

45 (5) "Qualifying emergency" means (i) a state of emergency as declared by the
 46 Governor, General Assembly, or the governing body of a municipality or
 47 county pursuant to Article 1A of Chapter 166A of the General Statutes, (ii) a
 48 state of emergency declared by the President of the United States, (iii) when
 49 severe weather or similar circumstances exist that may result in a person being
 50 placed in imminent danger of death or injury due to lack of heat caused by a
 51 lack of liquefied petroleum gas, or (iv) when a waiver from delivery

1 limitations affecting the delivery of liquefied petroleum gas has been lawfully
 2 ordered."

3 **SECTION 5.(b)** G.S. 119-58 reads as rewritten:

4 **"§ 119-58. Unlawful acts.**

5 ...

6 (b) Every supply tank or container with a total capacity greater than 5 gallons and with
 7 its regulating equipment connected in a service system, shall be identified while in service by the
 8 supplier with an attached tag, label, or other marking that includes the ~~name~~ name, address, and
 9 contact information of the person supplying liquefied petroleum gas to the ~~system, and system,~~
 10 and the name of the tank or container owner. Except as provided in subsection (c) of this section,
 11 it shall be unlawful for any person, other than the supplier or the owner of the system, to
 12 disconnect, interrupt or fill the system with liquefied petroleum gas without the consent of the
 13 supplier. If another registered supplier is requested by the consumer to connect service and is
 14 given permission by the consumer to do so, the new supplier shall notify the former supplier
 15 before disconnecting the former service and connecting the new service and shall cap or plug all
 16 disconnected equipment ~~outlets~~ outlets, perform a leak test, and leave the equipment in a
 17 condition consistent with this Article and the rules adopted pursuant to this Article.

18 (c) When a qualifying emergency is in effect, a person other than the supplier or the
 19 owner of the system may fill or refill a properly inspected and certified system, as required by
 20 law, with liquefied petroleum gas, provided the following conditions are met:

- 21 (1) The consumer demonstrates that they have less than a twenty percent (20%)
 22 supply of liquefied petroleum gas remaining in the tank or container for use
 23 as the primary energy for heating or cooking.
- 24 (2) The consumer makes a good-faith effort to procure delivery of liquefied
 25 petroleum gas from the current supplier or owner.
- 26 (3) The current supplier or owner is unable to make a scheduled fill or refill within
 27 three business days of the good-faith procurement effort.
- 28 (4) The emergency supplier attaches a nonpermanent tag to the tank or container
 29 that includes the name, address, and contact information of the emergency
 30 supplier, as well as the date of the emergency service. The tag shall not deface
 31 or otherwise obstruct any name, tag, label, or other marking on the tank or
 32 container.
- 33 (5) The emergency supplier provides no more than twenty percent (20%) of the
 34 capacity of the tank or container in liquefied petroleum gas as part of the
 35 emergency refill performed pursuant to this subsection.
- 36 (6) The emergency supplier makes a good-faith effort to notify the current
 37 supplier or owner promptly after the emergency service and, within five days
 38 after an emergency fill or refill has occurred, provides to the current supplier
 39 or owner written documentation of: (i) the name and address of the customer
 40 and of the emergency supplier, (ii) the date of delivery, (iii) the approximate
 41 amount of liquefied petroleum gas that was delivered, (iv) whether or not a
 42 leak was detected by the emergency supplier, and (v) the services provided to
 43 address any leak detected, as needed."

44 **SECTION 5.(c)** G.S. 119-59 reads as rewritten:

45 **"§ 119-59. Sanctions for violations.**

46 (a) Criminal. – A dealer who violates a provision of this Article or a rule adopted under
 47 it is guilty of a Class 1 ~~misdemeanor~~ misdemeanor, except that any person that violates
 48 G.S. 119-58(b) is guilty of a Class A1 misdemeanor.

49 (b) Injunction. – The Commissioner or an agent of the Commissioner may apply to any
 50 superior court judge and the court may temporarily restrain or preliminarily or permanently
 51 enjoin any violation of this Article or a rule adopted under it.

1 (c) Civil Penalty. – The Commissioner may assess a civil penalty against any person who
2 violates a provision of this Article or a rule adopted under it. The penalty may not exceed three
3 hundred dollars (\$300.00) for the first violation, five hundred dollars (\$500.00) for a second
4 violation, and one thousand dollars (\$1,000) for a third or subsequent ~~violation~~–violation. The
5 Commission may assess a civil penalty against any person who violates G.S. 119-58(b) of up to
6 one thousand dollars (\$1,000) for the first violation, up to two thousand dollars (\$2,000) for a
7 second violation, and up to three thousand dollars (\$3,000) for a third or subsequent violation. In
8 determining the amount of a penalty, the Commissioner shall consider the degree and extent of
9 harm or potential harm that has resulted or could have resulted from the violation. The clear
10 proceeds of civil penalties assessed pursuant to this subsection shall be remitted to the Civil
11 Penalty and Forfeiture Fund in accordance with G.S. 115C-457.2.

12 (d) Registration. – The Commissioner may deny, suspend, or revoke the registration of a
13 dealer who violates a provision of this Article or a rule adopted under it."

14 **SECTION 5.(d)** G.S. 119-60 reads as rewritten:

15 "**§ 119-60. Liquefied petroleum gas accidents; liability limitations.**

16 Any person who provides assistance upon request of any police agency, fire department,
17 rescue or emergency squad, or any governmental agency in the event of an accident or other
18 emergency involving the use, handling, transportation, transmission or storage of liquefied
19 petroleum gas, when the reasonably apparent circumstances require prompt decisions and
20 actions, or any person acting as an emergency supplier pursuant to G.S. 119-58(c), shall not be
21 liable for any civil damages resulting from any act of commission or omission on his part in the
22 course of his rendering such assistance unless such acts or omissions amount to willful or wanton
23 negligence or intentional wrongdoing. Nothing in this section shall be deemed or construed to
24 relieve any person from liability for civil damages (a) where the accident or emergency referred
25 to above involved his own facilities or equipment or (b) resulting from any act of commission or
26 omission on his part in the course of providing care or assistance in the normal and ordinary
27 course of conducting his own business or profession, nor shall this section be construed to relieve
28 from liability for civil damages any other tortfeasor not referred to herein. When the assistance
29 takes the form of rendering first aid or emergency health care treatment, questions of liability
30 shall be governed by G.S. 90-21.14."

31 **SECTION 5.(e)** Notwithstanding G.S. 119-59, the Department of Agriculture and
32 Consumer Services shall only issue warnings for the failure of a supplier, pursuant to
33 G.S. 119-58(b), to either attach a tag, label, or other marking to a tank or container that includes
34 the address and contact information of the person supplying liquefied petroleum gas to the system
35 and that identifies whether the tank or container is owned by the supplier, or to conduct a leak
36 test.

37 **SECTION 5.(f)** This section becomes effective December 1, 2026, and applies to
38 offenses committed on or after that date. Subsection (e) of this section expires December 1, 2027.

39
40 **TIME LIMIT FOR DETERMINING NONCOMMERCIAL UST DISCHARGE RISK**
41 **AND REQUIRING FURTHER REMEDIATION FOR CERTAIN LOW-RISK**
42 **DISCHARGES**

43 **SECTION 6.(a)** G.S. 143-215.94V is amended by adding a new subsection to read:

44 "(d1) For noncommercial tanks where the Commission has received the information
45 required by subsection (c) of this section from an owner, operator, or landowner, the Commission
46 shall, within five years of receipt of such information: (i) determine the level of risk of the
47 discharge, and cleanup or other measures to be required; and (ii) notify the owner, operator, or
48 landowner of that determination. For a discharge determined to be low-risk from a
49 noncommercial tank, if the Commission fails to notify the owner, operator, or landowner in the
50 required time frame, the Commission shall be prohibited from requiring cleanup, further cleanup,
51 or further action, including filing of a Notice of Residual Petroleum pursuant to G.S. 143B-279.9

1 and G.S. 143B-279.11, unless the Commission later determines that the discharge or release
 2 poses an unacceptable level of risk or a potentially unacceptable level of risk to human health or
 3 the environment in which case the Commission shall produce written findings of fact sufficient
 4 to demonstrate an unacceptable level of risk, or a potentially unacceptable level of risk. Nothing
 5 in this section shall be construed to impair the Department's and Commission's continuing
 6 authority to require cleanup, further cleanup, or further action, including filing of a Notice of
 7 Residual Petroleum pursuant to G.S. 143B-279.9 and G.S. 143B-279.11, for noncommercial
 8 tanks with discharges determined to be intermediate or high-risk, notwithstanding any
 9 requirement of this subsection."

10 **SECTION 6.(b)** This section is effective when it becomes law and applies to
 11 discharges occurring before, on, or after that date as follows: (i) for discharges from
 12 noncommercial tanks occurring five or more years prior to the effective date of this section for
 13 which the Commission has not previously notified an owner, operator, or landowner of its
 14 determination as to the level of risk of the discharge, and actions required in response to the
 15 discharge, the Commission shall have one year from the effective date of this section to notify
 16 the owner, operator, or landowner accordingly; and (ii) for all other discharges occurring before
 17 the effective date of this section for which the Commission has not previously notified an owner,
 18 operator, or landowner of its determination as to the level of risk of the discharge, and actions
 19 required in response to the discharge, the Commission shall have five years from the effective
 20 date of this section to notify the owner, operator, or landowner accordingly.

21 **PART II. EDUCATION REFORMS**

22 **ALLOW STUDENTS TO COMPLETE SURVEYS ASSOCIATED WITH NATIONALLY** 23 **NORM-REFERENCED COLLEGE ADMISSIONS TESTS**

24 **SECTION 7.(a)** G.S. 115C-76.65 reads as rewritten:

25 **"§ 115C-76.65. Parental rights to opt-in to protected information surveys.**

26 ...

27 (c) ~~Except for protected information surveys that are given as part of the Centers for~~
 28 ~~Disease Control and Prevention's Youth Risk Behavior Surveillance System or National Youth~~
 29 ~~Tobacco Survey or the North Carolina Youth Tobacco Survey, Except as provided in subsection~~
 30 ~~(c1) of this section, no student shall be permitted to participate in a protected information survey~~
 31 ~~without the prior written or electronic consent of the parent or the adult student. A parent shall~~
 32 ~~be provided notice of the opportunity to opt-out of any protected information survey given as part~~
 33 ~~of the Center for Disease Control and Prevention's Youth Risk Behavior Surveillance System or~~
 34 ~~National Youth Tobacco Survey or the North Carolina Youth Tobacco Survey.~~

35 (c1) If a public school unit has provided notice of the opportunity for students to opt out
 36 of participation in protected information surveys, the public school unit may allow students to
 37 participate in the following protected information surveys without prior written or electronic
 38 consent of the parent or the adult student:

- 39 (1) A survey given as part of the Centers for Disease Control and Prevention's
 40 Youth Risk Behavior Surveillance System.
- 41 (2) National Youth Tobacco Survey.
- 42 (3) North Carolina Youth Tobacco Survey.
- 43 (4) A survey included as part of the test administration required by
 44 G.S. 115C-174.23.

45"

46 **SECTION 7.(b)** G.S. 115C-174.11(c)(4) reads as rewritten:

47 (4) ~~To the extent funds are made available, the State Board of Education shall use~~
 48 ~~a competitive bid process to adopt one nationally norm-referenced college~~
 49 ~~admissions test to make available to local school administrative units, regional~~
 50 ~~admissions test to make available to local school administrative units, regional~~
 51 ~~admissions test to make available to local school administrative units, regional~~

1 schools, and charter schools to administer to all students in the eleventh grade
2 unless the student has already taken a comparable test and scored at or above
3 a level set by the State Board. The State Board of Education shall require the
4 administration of an alternate to the nationally norm-referenced college
5 admissions test or an alternate precursor test to the nationally norm-referenced
6 college admissions test to a student who (i) exhibits severe and pervasive
7 delays in all areas of conceptual, linguistic, and academic development and in
8 adaptive behaviors, including communication, daily living skills, and
9 self-care, (ii) is following the extended content standards of the Standard
10 Course of Study as provided in G.S. 115C-81.5, or is following a course of
11 study that, upon completing high school, may not lead to admission into a
12 college-level course of study resulting in a college degree, and (iii) has a
13 written parental request for an alternate assessment.

14 The State Board of Education shall ensure that parents of students enrolled
15 in all public schools, including charter and regional schools, have the
16 necessary information to make informed decisions regarding participation in
17 the nationally norm-referenced college admissions test and precursor test.

18 Alternate assessment and nationally norm-referenced college admissions
19 test assessment results of students with disabilities shall be included in school
20 accountability reports, including charter and regional schools, provided by the
21 State Board of Education. The State Board of Education shall adopt and make
22 available to public school units one nationally norm-referenced college
23 admissions test pursuant to G.S. 115C-174.23."

24 **SECTION 7.(c)** Part 5 of Article 10A of Chapter 115C of the General Statutes is
25 amended by adding to the Part G.S. 115C-174.22 from Part 4 of that Article.

26 **SECTION 7.(d)** Part 5 of Article 10A of Chapter 115C of the General Statutes, as
27 amended by subsection (c) of this section, reads as rewritten:

28 "Part 5. Career and College Readiness.

29 **"§ 115C-174.22. Tools for student learning.**

30 To the extent funds are made available for this purpose, and except as otherwise provided in
31 ~~G.S. 115C-174.11(e)(4)~~, G.S. 115C-174.23, the State Board shall plan for and require the
32 administration of diagnostic tests in the eighth and tenth grades that align to the nationally norm
33 referenced college admissions test adopted by the State Board through the competitive bid
34 process pursuant to ~~G.S. 115C-174.11(e)(4)~~. G.S. 115C-174.23(a). The results of the tests shall
35 be used to help diagnose student learning and provide for students an indication of whether they
36 are on track to be remediation free at a community college or university.

37 **"§ 115C-174.23. Nationally norm-referenced college admissions test.**

38 (a) To the extent funds are made available, the State Board of Education shall use a
39 competitive bid process to adopt one nationally norm-referenced college admissions test. The
40 State Board shall make the test available to public school units to administer to all students in the
41 eleventh grade unless the student has completed a comparable test and scored at or above a level
42 set by the State Board.

43 (b) The State Board shall require the administration of an alternate to the nationally
44 norm-referenced college admissions test or an alternate precursor test to the nationally
45 norm-referenced college admissions test to a student who meets all of the following criteria:

46 (1) Exhibits severe and pervasive delays in all areas of conceptual, linguistic, and
47 academic development and in adaptive behaviors, including communication,
48 daily living skills, and self-care.

49 (2) Is following the extended content standards of the Standard Course of Study
50 as provided in G.S. 115C-81.5, or is following a course of study that, upon

completing high school, may not lead to admission into a college level course of study resulting in a college degree.

(3) Has a written parental request for an alternate assessment.

(c) The State Board of Education and public school units shall permit students to complete any surveys included as part of the administration of the nationally norm-referenced college admissions test required by this section. Prior to the administration of the nationally norm-referenced college admissions test, public school units shall provide notice regarding the information collected in the surveys to parents of children in eleventh grade. Parents may opt out of a survey permitted by this subsection prior to the administration of the survey by providing notice in accordance with a policy adopted by the governing body of the public school unit.

(d) The State Board of Education shall ensure that parents of students enrolled in all public school units have the necessary information to make informed decisions regarding participation in the nationally norm-referenced college admissions test, precursor test, and any associated surveys included as part of the test administration required by this section.

(e) The State Board of Education shall include alternate assessment and nationally norm-referenced college admissions test assessment results for students with disabilities in public school unit accountability reports.

...."

SECTION 7.(e) Part 4 of Article 10A of Chapter 115C of the General Statutes, as amended by subsection (c) of this section, is repealed.

SECTION 7.(f) This section is effective when it becomes law and applies to administrations of the national norm-referenced college admissions test pursuant to G.S. 115C-174.23(a), as enacted by this section, beginning with the 2026-2027 school year.

EXPAND ALLOWABLE USE OF PESA SCHOLARSHIP

SECTION 8.(a) G.S. 115C-591 reads as rewritten:

"§ 115C-591. Definitions.

The following definitions apply in this Article:

...

(4a) One-to-one classroom aide. – A person who holds at least a high school diploma, or its equivalent, and who supports an eligible student in a classroom, and other educational settings as necessary, at the request of the Part 1 or 2 nonpublic school in which the eligible student is enrolled.

...."

SECTION 8.(b) G.S. 115C-595 reads as rewritten:

"§ 115C-595. Parental agreement; use of funds.

(a) Parental Agreement. – The Authority shall provide the parent of a scholarship recipient with a written agreement, applicable for each year the eligible student receives scholarship funds under this Article, to be signed and returned to the Authority prior to receiving the scholarship funds. The agreement shall be submitted to the Authority electronically. The parent shall not designate any entity or individual to execute the agreement on the parent's behalf. A parent or eligible student's failure to comply with this section shall result in a forfeit of scholarship funds and those funds may be awarded to another eligible student. The parent shall agree to the following conditions in order to receive scholarship funds under this Article:

...

- (3) Use the scholarship funds deposited into a personal education student account only for the following qualifying education expenses of the eligible student:
 - a. Tuition and fees for a G.S. 115C-562.5 compliant school, disbursed as provided in subdivision (1) of subsection (a1) of this section.
 - b. Textbooks required by a nonpublic school.

- 1 c. Tutoring and teaching services provided by an individual or facility
2 accredited by a State, regional, or national accrediting organization.
- 3 d. Curricula.
- 4 e. Fees for nationally standardized norm-referenced achievement tests,
5 advanced placement tests, or nationally recognized college entrance
6 exams.
- 7 f. Fees charged to the account holder for the management of the PESA.
- 8 g. Fees for services provided by a public school, including individual
9 classes and extracurricular programs.
- 10 h. Premiums charged to the account holder for any insurance or surety
11 bonds required by the Authority.
- 12 i. Educational therapies from a licensed or accredited practitioner or
13 provider.
- 14 j. Educational technology defined by the Authority as approved for use
15 pursuant to G.S. 115C-591(2a).
- 16 k. Student transportation, pursuant to a contract with an entity that
17 regularly provides student transportation, to and from (i) a provider of
18 education or related services or (ii) an education activity.
- 19 l. Transaction or merchant fees charged to the account holder, not to
20 exceed two and one-half percent (2.5%) of the cost of the item or
21 service.
- 22 m. Education-related support services provided by a one-to-one
23 classroom aide to an eligible student enrolled in a Part 1 or 2 nonpublic
24 school. A one-to-one classroom aide shall not provide services to other
25 students during the instructional day. The nonpublic school in which
26 an eligible student is enrolled shall submit documentation to the
27 Authority describing the education-related support services requested
28 for an eligible student each semester in the manner prescribed by the
29 Authority.
- 30 (3a) Use of scholarship funds for reimbursement of tuition. – Notwithstanding
31 sub-subdivision a. of subdivision (3) of this subsection, a parent of an eligible
32 student may pay tuition to Part 1 or 2 nonpublic schools that are not
33 G.S. 115C-562.5 compliant schools with funds other than funds available in
34 the personal education student account and then request reimbursement from
35 the Authority from scholarship funds if the parent complies with the
36 provisions of subdivision (2) of subsection (a1) of this section.
- 37 (4) Not use scholarship funds for any of the following purposes:
- 38 a. Computer hardware or other technological devices not defined by the
39 Authority as educational technology approved for use pursuant to
40 G.S. 115C-591(2a).
- 41 b. Consumable educational supplies, including paper, pen, or markers.
- 42 c. Tuition and fees at an institution of higher education, as defined in
43 G.S. 116-143.1, or a private postsecondary institution.
- 44 d. Tuition and fees for a nonpublic school that meets the requirements of
45 Part 3 of Article 39 of this Chapter.
- 46 e. Educational-related support services provided by a one-to-one
47 classroom aide who is any of the following:
- 48 1. A parent, guardian, legal custodian, sibling, or grandparent of
49 the eligible student.
- 50 2. An employee or independent contractor of the Part 1 or 2
51 nonpublic school in which the eligible student is enrolled.

1"

2 SECTION 8.(c) This section is effective when it becomes law and applies beginning
3 with the 2026-2027 school year.

4
5 **REMOVE DEADLINE FOR EDUCATOR PREPARATION PROGRAM RULE**
6 **ADOPTION**

7 SECTION 9.(a) All of the following provisions are repealed:

8 (1) Section 7(b) of S.L. 2017-189.

9 (2) Section 7(f) of S.L. 2017-189.

10 (3) Section 4 of S.L. 2019-149.

11 SECTION 9.(b) By October 15, 2026, the State Board of Education, in consultation
12 with the Department of Public Instruction, The University of North Carolina System Office, the
13 Community Colleges System Office, and the North Carolina Independent Colleges and
14 Universities, shall report to the Joint Legislative Education Oversight Committee on
15 recommendations for an educator preparation program accountability model, including any
16 necessary changes to State law that would be required to implement the accountability model.

17 SECTION 9.(c) This section is effective when it becomes law.

18
19 **PART III. BUSINESS AND DEVELOPMENT REFORMS**

20
21 **SITE-SPECIFIC VESTING PLAN CHANGES**

22 SECTION 10.(a) G.S. 160D-108.1 reads as rewritten:

23 "**§ 160D-108.1. Vested rights – site-specific vesting plans.**

24 ...

25 (c) Approval and Amendment of Plans. – If a site-specific vesting plan is based on an
26 approval required by a local development regulation, the local government shall provide
27 whatever notice and hearing is required for that underlying approval. A duration of the underlying
28 approval that is less than ~~two~~five years does not affect the duration of the site-specific vesting
29 plan established under this section. If the site-specific vesting plan is not based on such an
30 approval, a legislative hearing with notice as required by G.S. 160D-602 shall be held.

31 A local government may approve a site-specific vesting plan upon any terms and conditions
32 that may reasonably be necessary to protect the public health, safety, and welfare. Conditional
33 approval results in a vested right, although failure to abide by the terms and conditions of the
34 approval will result in a forfeiture of vested rights. A local government shall not require a
35 landowner to waive the landowner's vested rights as a condition of developmental approval. A
36 site-specific vesting plan is deemed approved upon the effective date of the local government's
37 decision approving the plan or another date determined by the governing board upon approval.
38 An approved site-specific vesting plan and its conditions may be amended with the approval of
39 the owner and the local government as follows: any substantial modification must be reviewed
40 and approved in the same manner as the original approval; minor modifications may be approved
41 by staff, if such are defined and authorized by local regulation.

42 ...

43 (e) Duration and Termination of Vested Right. –

44 (1) A vested right for a site-specific vesting plan remains vested for a period of
45 ~~two~~five years. This vesting shall not be extended by any amendments or
46 modifications to a site-specific vesting plan unless expressly provided by the
47 local government.

48 (2) Notwithstanding the provisions of subdivision (1) of this subsection, a local
49 government may provide for rights to be vested for a period exceeding ~~two~~
50 five years but not exceeding ~~five~~eight years where warranted in light of all
51 relevant circumstances, including, but not limited to, the size and phasing of

- 1 development, the level of investment, the need for the development, economic
2 cycles, and market conditions or other considerations. These determinations
3 are in the sound discretion of the local government and shall be made
4 following the process specified for the particular form of a site-specific
5 vesting plan involved in accordance with subsection (a) of this section.
- 6 (3) Upon issuance of a building permit, the provisions of G.S. 160D-1111 and
7 G.S. 160D-1115 apply, except that a permit does not expire and shall not be
8 revoked because of the running of time while a vested right under this section
9 is outstanding.
- 10 (4) A right vested as provided in this section terminates at the end of the
11 applicable vesting period with respect to buildings and uses for which no valid
12 building permit applications have been filed.
- 13 (f) Subsequent Changes Prohibited; Exceptions. –
- 14 (1) A vested right, once established as provided for in this section, precludes any
15 ~~zoning action~~ land development regulation by a local government which
16 would change, alter, impair, prevent, diminish, or otherwise delay the
17 development or use of the property as set forth in an approved site-specific
18 vesting plan, except under one or more of the following conditions:
- 19 a. With the written consent of the affected landowner.
- 20 b. Upon findings, by ordinance after notice and an evidentiary hearing,
21 that natural or man-made hazards on or in the immediate vicinity of
22 the property, if uncorrected, would pose a serious threat to the public
23 health, safety, and welfare if the project were to proceed as
24 contemplated in the site-specific vesting plan.
- 25 c. To the extent that the affected landowner receives compensation for
26 all costs, expenses, and other losses incurred by the landowner,
27 including, but not limited to, all fees paid in consideration of financing,
28 and all architectural, planning, marketing, legal, and other consulting
29 fees incurred after approval by the local government, together with
30 interest as provided under G.S. 160D-106. Compensation shall not
31 include any diminution in the value of the property which is caused by
32 the action.
- 33 d. Upon findings, by ordinance after notice and an evidentiary hearing,
34 that the landowner or the landowner's representative intentionally
35 supplied inaccurate information or made material misrepresentations
36 that made a difference in the approval by the local government of the
37 site-specific vesting plan or the phased development plan.
- 38 e. Upon the enactment or promulgation of a State or federal law or
39 regulation that precludes development as contemplated in the
40 site-specific vesting plan or the phased development plan, in which
41 case the local government may modify the affected provisions, upon a
42 finding that the change in State or federal law has a fundamental effect
43 on the plan, by ordinance after notice and an evidentiary hearing.
- 44 (2) ~~The establishment of a vested right under this section does not preclude the~~
45 ~~application of overlay zoning or other development regulations which impose~~
46 ~~additional requirements but do not affect the allowable type or intensity of~~
47 ~~use, or ordinances or regulations which are general in nature and are~~
48 ~~applicable to all property subject to development regulation by a local~~
49 ~~government, including, but not limited to, building, fire, plumbing, electrical,~~
50 ~~and mechanical codes. Otherwise applicable new regulations become~~
51 ~~effective with respect to property which is subject to a site-specific vesting~~

plan upon the expiration or termination of the vesting rights period provided for in this section.

- (3) Notwithstanding any provision of this section, the establishment of a vested right does not preclude, change, or impair the authority of a local government to adopt and enforce development regulations governing nonconforming situations or uses.

...."

SECTION 10.(b) This section is effective when it becomes law and applies to permit applications filed and appeals filed on or after the effective date.

DEVELOPER CHOICE FOR PERFORMANCE GUARANTEES FOR DRIVEWAY AND ENCROACHMENT PROJECTS

SECTION 11.(a) G.S. 136-93 reads as rewritten:

"§ 136-93. Openings, structures, pipes, trees, and issuance of permits.

(a) No opening or other interference whatsoever shall be made in any State road or highway other than streets not maintained by the Department of Transportation in cities and towns, nor shall any structure be placed thereon, nor shall any structure which has been placed thereon be changed or removed except in accordance with a written permit from the Department of Transportation or its duly authorized officers, who shall exercise complete and permanent control over such roads and highways. No State road or State highway, other than streets not maintained by the Department of Transportation in cities and towns, shall be dug up for laying or placing pipes, conduits, sewers, wires, railways, or other objects, and no obstruction placed thereon, without a written permit as hereinbefore provided for, and then only in accordance with the regulations of said Department of Transportation or its duly authorized officers or employees; and the work shall be under the supervision and to the satisfaction of the Department of Transportation or its officers or employees, and the entire expense of replacing the highway in as good condition as before shall be paid by the persons, firms, or corporations to whom the permit is given, or by whom the work is done. The Department of Transportation, or its duly authorized officers, may, in its discretion, before granting a permit under the provisions of this section, require the applicant to file a satisfactory bond, payable to performance guarantee in favor of the State of North Carolina, in such an amount as may be deemed sufficient by the Department of Transportation or its duly authorized officers, conditioned upon the proper compliance with the requirements of this section by the person, firm, or corporation granted such permit. The form of the performance guarantee may consist of a bond, irrevocable letter of credit, parent guaranty, or other instrument that provides equivalent security to a surety bond or irrevocable letter of credit at the election of the applicant. Any person making any opening in a State road or State highway, or placing any structure thereon, or changing or removing any structure thereon without obtaining a written permit as herein provided, or not in compliance with the terms of such permit, or otherwise violating the provisions of this section, shall be guilty of a Class 1 misdemeanor: Provided, this section shall not apply to railroad crossings. The railroads shall keep up said crossings as now provided by law.

...."

SECTION 11.(b) This section is effective when it becomes law and applies to permit applications filed on or after that date.

AUTHORIZE OPTIONAL DELEGATION OF ZONING APPROVALS TO PLANNING BOARDS

SECTION 12.(a) G.S. 160D-602 reads as rewritten:

"§ 160D-602. Notice of hearing on proposed zoning map amendments.

...

1 (f) Delegation. – The governing board may, by ordinance, delegate or assign the
2 authority for the rezoning of property to a designated planning board. The governing board shall
3 provide a right of appeal and review before the governing board in accordance with rules adopted
4 by the governing board. This authority shall be exercised by the designated planning board under
5 such rules, regulations, and guidelines as may be established by the governing board."

6 **SECTION 12.(b)** This section applies only to the City of Winston-Salem.

8 **RESIDENTIAL RIGHT OF USE IN COMMERCIAL ZONING DISTRICTS**

9 **SECTION 13.** G.S. 160D-703 is amended by adding a new subsection to read:

10 "(a1) Residential Right of Use in Commercial Districts. – A local government zoning
11 regulation shall allow the siting of (i) buildings and structures subject to the North Carolina
12 Residential Code and (ii) multifamily housing structures with more than four residential dwelling
13 units, in all areas zoned for nonagricultural commercial, business, or industrial use. The zoning
14 regulation shall have a maximum height restriction of not less than 60 feet."

16 **ALLOW CONSTRUCTION AND SITING OF ACCESSORY DWELLING UNITS**

17 **SECTION 14.(a)** Part 1 of Article 9 of Chapter 160D of the General Statutes is
18 amended by adding a new section to read:

19 **"§ 160D-917. Accessory dwelling units.**

20 (a) A local government shall allow the development of at least one accessory dwelling
21 unit which conforms to the North Carolina Residential Code for One- and Two-Family
22 Dwellings, including applicable provisions from fire prevention codes, for each single-family
23 detached dwelling in areas zoned for residential use that allow for development of single-family
24 detached dwellings. An accessory dwelling unit may be built or sited concurrently or after the
25 primary single-family detached dwelling has been constructed or sited. Nothing in this section
26 shall prohibit a local government from permitting accessory dwelling units in any area not
27 otherwise required under this section.

28 (b) In permitting accessory dwelling units under this section, a local government shall
29 not do any of the following:

- 30 (1) Prohibit the use of the primary single-family detached dwelling and the
31 accessory dwelling for long-term rentals by separate households.
- 32 (2) Require placement in a conditional zoning district.
- 33 (3) Establish minimum parking requirements or other parking restrictions,
34 including imposition of additional parking requirements where an existing
35 structure is converted for use as an accessory dwelling unit.
- 36 (4) Prohibit the connection of the accessory dwelling unit to existing utilities
37 systems serving the primary single-family detached dwelling, provided the
38 utility service to that primary single-family detached dwelling has capacity to
39 serve both dwellings.
- 40 (5) Charge any fees in excess of those charged for the permitting of a
41 single-family detached dwelling similar in nature.
- 42 (6) Set a maximum accessory dwelling unit size of less than 800 square feet.

43 (c) A local government may do any of the following:

- 44 (1) Impose a setback minimum for accessory dwelling units of 10 feet or the
45 setback minimum imposed generally upon lots in the same zoning
46 classification, whichever is less.
- 47 (2) Require that accessory dwelling units be located to the side or rear of the
48 primary single-family detached dwelling.
- 49 (3) Require that accessory dwelling units be smaller than the primary
50 single-family detached dwelling.

1 (d) Except as otherwise provided in this section, a local government may regulate
2 accessory dwelling units pursuant to this Chapter and nothing in this section shall be construed
3 to impair the authority of a local government to adopt and enforce ordinances pursuant to Part 2
4 of this Article to comply with State and federal law, rules, and regulations, or permits consistent
5 with the interpretations and directions of the State or federal agency issuing the permit.

6 (e) Nothing in this section shall apply to any of the following:

7 (1) The validity or enforceability of private covenants or other contractual
8 agreements among property owners related to dwelling type restrictions.

9 (2) Properties located in a historic preservation district established pursuant to
10 Part 4 of this Article.

11 (3) Properties designated as a National Historic Landmark by the United States
12 Department of the Interior.

13 (4) An accessory dwelling unit that is not connected to water, well and septic, and
14 sewer.

15 (f) For the purposes of this section, the term "accessory dwelling unit" means an attached
16 or detached residential structure that is used in connection with, or that is an accessory to, a
17 primary single-family detached dwelling and that has less total square footage than the primary
18 single-family detached dwelling."

19 **SECTION 14.(b)** A local government that has enacted an ordinance that meets the
20 requirements of this section and G.S. 160D-917, as enacted by this section, is not required to
21 adopt a new ordinance.

22 **SECTION 14.(c)** Local governments shall adopt development regulations to
23 implement the provisions in this section no later than July 1, 2027. If a local government fails to
24 adopt development regulations as required by this section by July 1, 2027, accessory dwelling
25 units shall be allowed in that local government without any limitations.

26 **SECTION 14.(d)** Subsection (a) of this section becomes effective October 1, 2026,
27 and applies to applications for accessory dwelling unit permits on or after that date. The
28 remainder of this section is effective when it becomes law.

30 DE NOVO REVIEW OF AGENCY RULES

31 **SECTION 15.(a)** G.S. 150B-34 reads as rewritten:

32 **"§ 150B-34. Final decision or order.**

33 (a) In each contested case the administrative law judge shall make a final decision or
34 order that contains findings of fact and conclusions of law. The administrative law judge shall
35 decide the case based upon the preponderance of the ~~evidence, giving due regard to evidence.~~
36 The administrative law judge may be informed by the demonstrated knowledge and expertise of
37 the agency with respect to facts and inferences within the specialized knowledge of the
38 agency-agency but shall apply traditional de novo review to the interpretation of State rules and
39 regulations.

40 (b) Repealed by Session Laws 1991, c. 35, s. 6.

41 (c) Repealed by Session Laws 2011-398, s. 18. For effective date and applicability, see
42 editor's note.

43 (d) Except for the exemptions contained in G.S. 150B-1, the provisions of this section
44 regarding the decision of the administrative law judge shall apply only to agencies subject to
45 Article 3 of this Chapter, notwithstanding any other provisions to the contrary relating to
46 recommended decisions by administrative law judges.

47 (e) An administrative law judge may grant judgment on the pleadings, pursuant to a
48 motion made in accordance with G.S. 1A-1, Rule 12(c), or summary judgment, pursuant to a
49 motion made in accordance with G.S. 1A-1, Rule 56, that disposes of all issues in the contested
50 case. Notwithstanding subsection (a) of this section, a decision granting a motion for judgment
51 on the pleadings or summary judgment need not include findings of fact or conclusions of law,

1 except as determined by the administrative law judge to be required or allowed by G.S. 1A-1,
2 Rule 12(c), or Rule 56."

3 **SECTION 15.(b)** G.S. 150B-51 reads as rewritten:

4 "**§ 150B-51. Scope and standard of review.**

5 (a), (a1) Repealed by Sessions Laws, 2011-398, s. 27. For effective date and applicability,
6 see editor's note.

7 (b) The court reviewing a final decision may affirm the decision or remand the case for
8 further proceedings. It may also reverse or modify the decision if the substantial rights of the
9 petitioners may have been prejudiced because the findings, inferences, conclusions, or decisions
10 are:

11 (1) In violation of constitutional provisions;

12 (2) In excess of the statutory authority or jurisdiction of the agency or
13 administrative law judge;

14 (3) Made upon unlawful procedure;

15 (4) Affected by other error of law;

16 (5) Unsupported by substantial evidence admissible under G.S. 150B-29(a),
17 150B-30, or 150B-31 in view of the entire record as submitted; or

18 (6) Arbitrary, capricious, or an abuse of discretion.

19 (c) In reviewing a final decision in a contested case, the court shall determine whether
20 the petitioner is entitled to the relief sought in the petition based upon its review of the final
21 decision and the official record. With regard to asserted errors pursuant to subdivisions (1)
22 through (4) of subsection (b) of this section, the court shall conduct its review of the final decision
23 using the de novo standard of review. With regard to asserted errors pursuant to subdivisions (5)
24 and (6) of subsection (b) of this section, the court shall conduct its review of the final decision
25 using the whole record standard of review. In conducting its review of the final decision, the
26 court may be informed by the agency's interpretation of its own rules or regulations but shall
27 apply traditional de novo review to the interpretation of State rules and regulations.

28 (d) In reviewing a final decision allowing judgment on the pleadings or summary
29 judgment, the court may enter any order allowed by G.S. 1A-1, Rule 12(c) or Rule 56. If the
30 order of the court does not fully adjudicate the case, the court shall remand the case to the
31 administrative law judge for such further proceedings as are just."

32 **SECTION 15.(c)** This section is effective when it becomes law and applies to actions
33 pending or filed on or after that date.

34
35 **PROHIBIT LOCAL GOVERNMENTS FROM REQUIRING EMPLOYERS TO**
36 **BARGAIN WITH LABOR ORGANIZATIONS OR SET WAGES OR BENEFITS IN**
37 **CONSULTATION WITH A LABOR ORGANIZATION OR SIMILAR ENTITY**

38 **SECTION 16.** G.S. 95-79 reads as rewritten:

39 "**§ 95-79. Certain agreements declared illegal.**

40 (a) Any agreement or combination between any employer and any labor union or labor
41 organization whereby persons not members of such union or organization shall be denied the
42 right to work for said employer, or whereby such membership is made a condition of employment
43 or continuation of employment by such employer, or whereby any such union or organization
44 acquires an employment monopoly in any enterprise, is hereby declared to be against the public
45 policy and an illegal combination or conspiracy in restraint of trade or commerce in the State of
46 North Carolina.

47 (b) Any provision that directly or indirectly conditions the purchase of agricultural
48 products, the terms of an agreement for the purchase of agricultural products, or the terms of an
49 agreement not to sue or settle litigation upon an agricultural producer's status as a union or
50 nonunion employer or entry into or refusal to enter into an agreement with a labor union or labor
51 organization is invalid and unenforceable as against public policy in restraint of trade or

1 commerce in the State of North Carolina. Further, notwithstanding G.S. 95-25.8, an agreement
2 requiring an agricultural producer to transfer funds to a labor union or labor organization for the
3 purpose of paying an employee's membership fee or dues is invalid and unenforceable against
4 public policy in restraint of trade or commerce in the State of North Carolina. For purposes of
5 this subsection, the term "agricultural producer" means any producer engaged in any service or
6 activity included within the provisions of section 3(f) of the Fair Labor Standards Act of 1938,
7 29 U.S.C. § 203, or section 3121(g) of the Internal Revenue Code of 1986, 26 U.S.C. § 3121.

8 (c) It shall be unlawful for any unit of local government to withhold any license, permit,
9 zoning approval, financial incentives, or any other type of assistance, either directly or indirectly,
10 from an employer based on the refusal of the employer to negotiate or sign any agreement with
11 a labor organization except as required by State or federal law."

13 **ORDINANCE EXEMPTION FOR CERTAIN NONCONFORMING ON-PREMISES** 14 **SIGNS**

15 **SECTION 17.** G.S. 160D-912.1 is amended by adding a new subsection to read:

16 "(e) This section shall not apply to an ordinance regulating on-premises advertising signs
17 that was lawfully adopted by a local government, and: (i) included an amortization period of 10
18 or more years during which a nonconforming sign was allowed to remain in place before it was
19 required to be removed or brought into compliance with the current sign ordinance and (ii) the
20 date of compliance under the amortization period expired on or prior to July 1, 2024."

22 **PART IV. JUSTICE AND PUBLIC SAFETY REFORMS**

23 **ADD APPROVED FIREARM SAFETY AND TRAINING COURSE**

25 **SECTION 18.(a)** G.S. 14-415.12(a)(4) reads as rewritten:

26 "(4) The applicant has successfully completed an approved firearms safety and
27 training course which involves the actual firing of handguns and instruction
28 in the laws of this State governing the carrying of a concealed handgun and
29 the use of deadly force. The North Carolina Criminal Justice Education and
30 Training Standards Commission shall prepare and publish general guidelines
31 for courses and qualifications of instructors which would satisfy the
32 requirements of this subdivision. An approved course shall be any course
33 which satisfies the requirements of this subdivision and is certified or
34 sponsored by any of the following:

- 35 a. The North Carolina Criminal Justice Education and Training
36 Standards Commission.
- 37 a1. The North Carolina Concealed Carry Association.
- 38 b. The National Rifle Association.
- 39 b1. The United States Concealed Carry Association.
- 40 c. A law enforcement agency, college, private or public institution or
41 organization, or firearms training school, taught by instructors
42 certified by the North Carolina Criminal Justice Education and
43 Training Standards Commission, the North Carolina Concealed Carry
44 Association, the United States Concealed Carry Association, or the
45 National Rifle Association.
- 46 d. The North Carolina Private Protective Services Board and Secretary
47 of Public Safety pursuant to G.S. 74C-13.

48 Every instructor of an approved course shall file a copy of the firearms course
49 description, outline, and proof of certification annually, or upon modification
50 of the course if more frequently, with the North Carolina Criminal Justice
51 Education and Training Standards Commission."

1 **SECTION 18.(b)** This section becomes effective July 1, 2026, and applies to permit
2 applications submitted on or after that date.

3
4 **CHANGE TO STATE BUREAU OF INVESTIGATION SUBPOENA AUTHORITY**

5 **SECTION 19.(a)** G.S. 15A-298 reads as rewritten:

6 **"§ 15A-298. Subpoena authority.**

7 ~~The Director of the State Bureau of Investigation or the Director's designee may issue an~~
8 ~~administrative subpoena to a communications common carrier or an electronic communications~~
9 ~~service to compel production of business records if the records:~~

- 10 (1) ~~Disclose information concerning local or long distance toll records or~~
11 ~~subscriber information; and~~
12 (2) ~~Are material to an active criminal investigation being conducted by the State~~
13 ~~Bureau of Investigation.~~

14 (a) The Director of the State Bureau of Investigation or the Director's designee may issue
15 an administrative subpoena to a communications common carrier or an electronic communication
16 service provider to compel production of business records or other information pertaining to a
17 subscriber or customer of such service, exclusive of the contents of communications, if the
18 records are material to an active criminal investigation being conducted by the State Bureau of
19 Investigation.

20 (b) A communications common carrier or electronic communication service provider
21 shall disclose to the State Bureau of Investigation all of the following information within a
22 reasonable time of a subpoena being issued pursuant to subsection (a) of this section:

- 23 (1) The subscriber's or customer's name.
24 (2) The subscriber's or customer's address.
25 (3) The length of service, including the start date and any applicable termination
26 date.
27 (4) The type of service utilized.
28 (5) Any other account associated with the account for which records are sought,
29 including joint or linked accounts.
30 (6) Telephone, computer, or device instrument number or other subscriber or
31 customer number or identities, including any temporarily assigned network
32 address.
33 (7) Telephone, computer, or other device connection records, including records
34 of session times and durations.
35 (8) The means and source of payment for such service, including any credit card
36 or bank account number.

37 (c) The Director, the Director's designee, and other employees of the State Bureau of
38 Investigation are authorized to disseminate to any federal, State, tribal, or local law enforcement
39 agency any information acquired under this section in furtherance of a criminal investigation.

40 (d) A communications common carrier or electronic communication service provider
41 shall not provide to a subscriber or customer any notification of a subpoena issued pursuant to
42 subsection (a) of this section."

43 **SECTION 19.(b)** This section is effective when it becomes law and applies to
44 subpoenas issued on or after that date.

45
46 **THIRD-PARTY CRIMINAL HISTORY RECORD CHECK VENDORS FOR CERTAIN**
47 **LOCAL GOVERNMENT CHECKS**

48 **SECTION 20.** Notwithstanding G.S. 153A-94.2(b) and G.S. 160A-164.2(b),
49 municipalities and counties may enter contracts with third-party vendors supplying criminal
50 history record checks to conduct criminal history record checks required pursuant to those
51 sections. All contracts entered pursuant to this section shall terminate on or before December 1,

1 2026, or when the State Bureau of Investigation request for proposal is awarded, whichever
2 occurs later. Third-party vendors conducting criminal history record checks pursuant to this
3 authority shall comply with any restrictions or requirements set by law governing fingerprints
4 and other information collected by the Bureau for a criminal record check, as required by
5 G.S. 143B-1209.09.

6
7 **PART V. SEVERABILITY AND EFFECTIVE DATE**

8 **SECTION 21.(a)** If any provision of this act or its application is held invalid, the
9 invalidity does not affect other provisions or applications of this act that can be given effect
10 without the invalid provisions or application and, to this end, the provisions of this act are
11 severable.

12 **SECTION 21.(b)** Except as otherwise provided, this act is effective when it becomes
13 law.