

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
House Committee Substitute #2 Favorable 6/2/26
Fifth Edition Engrossed 6/3/26

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9 **SECTION 1.(a)** G.S. 113-170.3(d), (e), (f), and (g) are repealed.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 **MOVE ARBOR WEEK FROM MARCH TO NOVEMBER**

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

16 "**§ 103-6. Arbor Week.**

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

19
20 **INCREASE CIVIL PENALTY FOR WATER THEFT**

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

22 "**§ 14-151. Interfering with gas, electric, ~~and steam~~steam, and water appliances or meters;**
23 **penalties.**

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

26 ...

27 (4) Make any connection or reconnection with the gas mains, water pipes, service
28 pipes, or wires of any person, furnishing to consumers natural or artificial gas,
29 water, or electricity, or turn on or off or in any manner interfere with any valve
30 or stopcock or other appliance belonging to that person, and connected with
31 the person's service or other pipes or wires, or enlarge the orifices of mixers,
32 or use natural gas for heating purposes except through mixers, or electricity
33 for any purpose without first procuring from the person a written permit to



1 turn on or off the stopcock or valve, or to make the connection or
 2 reconnections, or to enlarge the orifice of mixers, or to use for heating
 3 purposes without mixers, or to interfere with the valves, stopcocks, wires, or
 4 other appliances of them, as the case may be. For the purposes of this
 5 subsection, "water pipes" means water pipes, fire hydrants, flushing
 6 assemblies, blow-offs, sampling stations, and all other appurtenances
 7 connected to a water distribution system, whether above or below ground.

8 ...

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

15"

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

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

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

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

- 26
- 27 (1) "Board" means the North Carolina Board of Agriculture.
 - 28 (2) "Commissioner" means the Commissioner of Agriculture or his designated
 29 agent.
 - 30 (3) "Dealer" means any person, firm, or corporation who is engaged in or desires
 31 to engage in:
 - 32 a. The business of selling or otherwise dealing in liquefied petroleum
 33 gases which require handling, storing, measuring, transporting, or
 34 distributing liquefied petroleum gas; or
 - 35 b. The business of installing, servicing, repairing, adjusting, connecting,
 36 or disconnecting containers, equipment, or appliances which use
 37 liquefied gas. A person who engages in any of the aforementioned
 38 activities only in connection with his or his employer's use of liquefied
 39 petroleum gas and not as a business shall not be deemed to be a
 40 "dealer" for the purposes of this Article.
 - 41 (3a) "Emergency supplier" means a Class A dealer that provides liquefied
 42 petroleum gas to a consumer during a qualifying emergency, pursuant to
 43 G.S. 119-58(c).
 - 44 (4) "Liquefied petroleum gas" means any material which is composed
 45 predominantly of any of the following hydrocarbons, or mixtures of the same:
 46 propane, propylene, butanes (normal butanes or isobutane), butylenes.
 - 47 (5) "Qualifying emergency" means (i) a state of emergency as declared by the
 48 Governor, General Assembly, or the governing body of a municipality or
 49 county pursuant to Article 1A of Chapter 166A of the General Statutes, (ii) a
 50 state of emergency declared by the President of the United States, (iii) when
 51 severe weather or similar circumstances exist that may result in a person being

1 placed in imminent danger of death or injury due to lack of heat caused by a
2 lack of liquefied petroleum gas, or (iv) when a waiver from delivery
3 limitations affecting the delivery of liquefied petroleum gas has been lawfully
4 ordered."

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

6 "§ 119-58. Unlawful acts.

7 ...

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

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

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

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

50 "§ 119-59. Sanctions for violations.

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

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

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

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

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

21 "**§ 119-60. Liquefied petroleum gas accidents; liability limitations.**

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

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

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

45
46 **TIME LIMIT FOR DETERMINING NONCOMMERCIAL UST DISCHARGE RISK**
47 **AND REQUIRING FURTHER REMEDIATION FOR CERTAIN LOW-RISK**
48 **DISCHARGES**

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

50 "(d1) For noncommercial tanks where the Commission has received the information
51 required by subsection (c) of this section from an owner, operator, or landowner, the Commission

1 shall, within five years of receipt of such information: (i) determine the level of risk of the
2 discharge, and cleanup or other measures to be required; and (ii) notify the owner, operator, or
3 landowner of that determination. For a discharge determined to be low-risk from a
4 noncommercial tank, if the Commission fails to notify the owner, operator, or landowner in the
5 required time frame, the Commission shall be prohibited from requiring cleanup, further cleanup,
6 or further action, including filing of a Notice of Residual Petroleum pursuant to G.S. 143B-279.9
7 and G.S. 143B-279.11, unless the Commission later determines that the discharge or release
8 poses an unacceptable level of risk or a potentially unacceptable level of risk to human health or
9 the environment in which case the Commission shall produce written findings of fact sufficient
10 to demonstrate an unacceptable level of risk, or a potentially unacceptable level of risk. Nothing
11 in this section shall be construed to impair the Department's and Commission's continuing
12 authority to require cleanup, further cleanup, or further action, including filing of a Notice of
13 Residual Petroleum pursuant to G.S. 143B-279.9 and G.S. 143B-279.11, for noncommercial
14 tanks with discharges determined to be intermediate or high-risk, notwithstanding any
15 requirement of this subsection."

16 **SECTION 6.(b)** This section is effective when it becomes law and applies to
17 discharges occurring before, on, or after that date as follows: (i) for discharges from
18 noncommercial tanks occurring five or more years prior to the effective date of this section for
19 which the Commission has not previously notified an owner, operator, or landowner of its
20 determination as to the level of risk of the discharge, and actions required in response to the
21 discharge, the Commission shall have one year from the effective date of this section to notify
22 the owner, operator, or landowner accordingly; and (ii) for all other discharges occurring before
23 the effective date of this section for which the Commission has not previously notified an owner,
24 operator, or landowner of its determination as to the level of risk of the discharge, and actions
25 required in response to the discharge, the Commission shall have five years from the effective
26 date of this section to notify the owner, operator, or landowner accordingly.
27

28 **PART II. EDUCATION REFORMS**

29 30 **ALLOW STUDENTS TO COMPLETE SURVEYS ASSOCIATED WITH NATIONALLY** 31 **NORM-REFERENCED COLLEGE ADMISSIONS TESTS**

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

33 "(4) ~~To the extent funds are made available, the State Board of Education shall use~~
34 ~~a competitive bid process to adopt one nationally norm-referenced college~~
35 ~~admissions test to make available to local school administrative units, regional~~
36 ~~schools, and charter schools to administer to all students in the eleventh grade~~
37 ~~unless the student has already taken a comparable test and scored at or above~~
38 ~~a level set by the State Board. The State Board of Education shall require the~~
39 ~~administration of an alternate to the nationally norm-referenced college~~
40 ~~admissions test or an alternate precursor test to the nationally norm-referenced~~
41 ~~college admissions test to a student who (i) exhibits severe and pervasive~~
42 ~~delays in all areas of conceptual, linguistic, and academic development and in~~
43 ~~adaptive behaviors, including communication, daily living skills, and~~
44 ~~self-care, (ii) is following the extended content standards of the Standard~~
45 ~~Course of Study as provided in G.S. 115C-81.5, or is following a course of~~
46 ~~study that, upon completing high school, may not lead to admission into a~~
47 ~~college level course of study resulting in a college degree, and (iii) has a~~
48 ~~written parental request for an alternate assessment.~~

49 The State Board of Education shall ensure that parents of students enrolled
50 in all public schools, including charter and regional schools, have the

1 necessary information to make informed decisions regarding participation in
2 the nationally norm-referenced college admissions test and precursor test.

3 ~~Alternate assessment and nationally norm-referenced college admissions~~
4 ~~test assessment results of students with disabilities shall be included in school~~
5 ~~accountability reports, including charter and regional schools, provided by the~~
6 ~~State Board of Education. The State Board of Education shall adopt and make~~
7 ~~available to public school units one nationally norm-referenced college~~
8 ~~admissions test pursuant to G.S. 115C-174.23."~~

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

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

13 "Part 5. Career and College Readiness.

14 "**§ 115C-174.22. Tools for student learning.**

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

22 "**§ 115C-174.23. Nationally norm-referenced college admissions test.**

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

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

- 31 (1) Exhibits severe and pervasive delays in all areas of conceptual, linguistic, and
32 academic development and in adaptive behaviors, including communication,
33 daily living skills, and self-care.
34 (2) Is following the extended content standards of the Standard Course of Study
35 as provided in G.S. 115C-81.5, or is following a course of study that, upon
36 completing high school, may not lead to admission into a college level course
37 of study resulting in a college degree.
38 (3) Has a written parental request for an alternate assessment.

39 (c) The State Board of Education and public school units shall allow students with
40 parental consent as required by G.S. 115C-76.65(c) to complete any surveys included as part of
41 the administration of the nationally norm-referenced college admissions test required by this
42 section. Prior to the administration of the nationally norm-referenced college admissions test,
43 public school units shall provide notice regarding the information collected in the surveys to
44 parents of children in eleventh grade.

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

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

1"

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

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

7
8 **EXPAND ALLOWABLE USE OF PESA SCHOLARSHIP**

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

10 **"§ 115C-591. Definitions.**

11 The following definitions apply in this Article:

12 ...

13 **(4a)** One-to-one classroom aide. – A person who holds at least a high school
14 diploma, or its equivalent, and who supports an eligible student in a classroom,
15 and other educational settings as necessary, at the request of the Part 1 or 2
16 nonpublic school in which the eligible student is enrolled.

17"

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

19 **"§ 115C-595. Parental agreement; use of funds.**

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

28 ...

- 29 (3) Use the scholarship funds deposited into a personal education student account
30 only for the following qualifying education expenses of the eligible student:
- 31 a. Tuition and fees for a G.S. 115C-562.5 compliant school, disbursed as
32 provided in subdivision (1) of subsection (a1) of this section.
 - 33 b. Textbooks required by a nonpublic school.
 - 34 c. Tutoring and teaching services provided by an individual or facility
35 accredited by a State, regional, or national accrediting organization.
 - 36 d. Curricula.
 - 37 e. Fees for nationally standardized norm-referenced achievement tests,
38 advanced placement tests, or nationally recognized college entrance
39 exams.
 - 40 f. Fees charged to the account holder for the management of the PESA.
 - 41 g. Fees for services provided by a public school, including individual
42 classes and extracurricular programs.
 - 43 h. Premiums charged to the account holder for any insurance or surety
44 bonds required by the Authority.
 - 45 i. Educational therapies from a licensed or accredited practitioner or
46 provider.
 - 47 j. Educational technology defined by the Authority as approved for use
48 pursuant to G.S. 115C-591(2a).
 - 49 k. Student transportation, pursuant to a contract with an entity that
50 regularly provides student transportation, to and from (i) a provider of
51 education or related services or (ii) an education activity.

- 1 l. Transaction or merchant fees charged to the account holder, not to
- 2 exceed two and one-half percent (2.5%) of the cost of the item or
- 3 service.
- 4 m. Education-related support services provided by a one-to-one
- 5 classroom aide to an eligible student enrolled in a Part 1 or 2 nonpublic
- 6 school. A one-to-one classroom aide shall not provide services to other
- 7 students during the instructional day. The nonpublic school in which
- 8 an eligible student is enrolled shall submit documentation to the
- 9 Authority describing the education-related support services requested
- 10 for an eligible student each semester in the manner prescribed by the
- 11 Authority.
- 12 (3a) Use of scholarship funds for reimbursement of tuition. – Notwithstanding
- 13 sub-subdivision a. of subdivision (3) of this subsection, a parent of an eligible
- 14 student may pay tuition to Part 1 or 2 nonpublic schools that are not
- 15 G.S. 115C-562.5 compliant schools with funds other than funds available in
- 16 the personal education student account and then request reimbursement from
- 17 the Authority from scholarship funds if the parent complies with the
- 18 provisions of subdivision (2) of subsection (a1) of this section.
- 19 (4) Not use scholarship funds for any of the following purposes:
- 20 a. Computer hardware or other technological devices not defined by the
- 21 Authority as educational technology approved for use pursuant to
- 22 G.S. 115C-591(2a).
- 23 b. Consumable educational supplies, including paper, pen, or markers.
- 24 c. Tuition and fees at an institution of higher education, as defined in
- 25 G.S. 116-143.1, or a private postsecondary institution.
- 26 d. Tuition and fees for a nonpublic school that meets the requirements of
- 27 Part 3 of Article 39 of this Chapter.
- 28 e. Educational-related support services provided by a one-to-one
- 29 classroom aide who is any of the following:
- 30 1. A parent, guardian, legal custodian, sibling, or grandparent of
- 31 the eligible student.
- 32 2. An employee or independent contractor of the Part 1 or 2
- 33 nonpublic school in which the eligible student is enrolled.

...."

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

REMOVE DEADLINE FOR EDUCATOR PREPARATION PROGRAM RULE ADOPTION

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

- (1) Section 7(b) of S.L. 2017-189.
- (2) Section 7(f) of S.L. 2017-189.
- (3) Section 4 of S.L. 2019-149.

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

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

NEEDS-BASED PUBLIC SCHOOL CAPITAL FUND PRIORITIZATION CHANGE

SECTION 9.5. G.S. 115C-546.10 reads as rewritten:

"§ 115C-546.10. Fund created; purpose; prioritization.

There is created the Needs-Based Public School Capital Fund as an interest-bearing, nonreverting special fund in the Department of Public Instruction. The State Treasurer shall be the custodian of the Needs-Based Public School Capital Fund and shall invest its assets in accordance with the provisions of G.S. 147-69.2 and G.S. 147-69.3. The Department of Public Instruction shall award grants from the Fund to counties to assist with their critical public school building capital needs in accordance with the following priorities:

- (1) Counties designated as development tier one areas.
- (2) Counties with greater need and less ability to generate sales tax and property tax revenue.
- (3) Counties with a high debt-to-tax revenue ratio.
- (4) The extent to which a project will address critical deficiencies in adequately serving the current and future student population.
- (5) Projects with new construction or complete renovation of existing facilities.
- (6) Projects that will consolidate two or more schools into one new facility.
- (7) Counties that have not received a grant under this Article in the previous three years. Projects for a local school administrative unit for which a grant has not been awarded under this Article in the previous three years."

PART III. BUSINESS AND DEVELOPMENT REFORMS**SITE-SPECIFIC VESTING PLAN CHANGES**

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

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

...

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

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

...

(e) Duration and Termination of Vested Right. –

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

- 1 (2) Notwithstanding the provisions of subdivision (1) of this subsection, a local
2 government may provide for rights to be vested for a period exceeding ~~two~~
3 five years but not exceeding ~~five~~eight years where warranted in light of all
4 relevant circumstances, including, but not limited to, the size and phasing of
5 development, the level of investment, the need for the development, economic
6 cycles, and market conditions or other considerations. These determinations
7 are in the sound discretion of the local government and shall be made
8 following the process specified for the particular form of a site-specific
9 vesting plan involved in accordance with subsection (a) of this section.
- 10 (3) Upon issuance of a building permit, the provisions of G.S. 160D-1111 and
11 G.S. 160D-1115 apply, except that a permit does not expire and shall not be
12 revoked because of the running of time while a vested right under this section
13 is outstanding.
- 14 (4) A right vested as provided in this section terminates at the end of the
15 applicable vesting period with respect to buildings and uses for which no valid
16 building permit applications have been filed.
- 17 (f) Subsequent Changes Prohibited; Exceptions. –
- 18 (1) A vested right, once established as provided for in this section, precludes any
19 ~~zoning action~~development regulation by a local government which would
20 change, alter, impair, prevent, diminish, or otherwise delay the development
21 or use of the property as set forth in an approved site-specific vesting plan,
22 except under one or more of the following conditions:
- 23 a. With the written consent of the affected landowner.
- 24 b. Upon findings, by ordinance after notice and an evidentiary hearing,
25 that natural or man-made hazards on or in the immediate vicinity of
26 the property, if uncorrected, would pose a serious threat to the public
27 health, safety, and welfare if the project were to proceed as
28 contemplated in the site-specific vesting plan.
- 29 c. To the extent that the affected landowner receives compensation for
30 all costs, expenses, and other losses incurred by the landowner,
31 including, but not limited to, all fees paid in consideration of financing,
32 and all architectural, planning, marketing, legal, and other consulting
33 fees incurred after approval by the local government, together with
34 interest as provided under G.S. 160D-106. Compensation shall not
35 include any diminution in the value of the property which is caused by
36 the action.
- 37 d. Upon findings, by ordinance after notice and an evidentiary hearing,
38 that the landowner or the landowner's representative intentionally
39 supplied inaccurate information or made material misrepresentations
40 that made a difference in the approval by the local government of the
41 site-specific vesting plan or the phased development plan.
- 42 e. ~~Upon the enactment or promulgation of a~~As required by State or
43 federal law or regulation that precludes development as contemplated
44 in the site-specific vesting plan or the phased development plan, in
45 which case the local government may modify the affected provisions,
46 upon a finding that the change in State or federal law has a
47 fundamental effect on the plan, by ordinance after notice and an
48 evidentiary hearing.
- 49 f. Due to site conditions resulting from a natural disaster in an area with
50 a declared disaster declaration pursuant to Chapter 166A of the
51 General Statutes the local government determines that under current

1 site conditions the site no longer meets applicable State or federal
 2 safety, environmental, or engineering standards, or that preclusion of
 3 the development regulation would present a material risk to life,
 4 health, or property.

5 g. Upon adoption of a floodplain ordinance adopted by the local
 6 government for the purposes of compliance with the National Flood
 7 Insurance Program.

8 (2) The establishment of a vested right under this section ~~does not preclude~~
 9 precludes the application of overlay zoning or other development regulations
 10 which impose additional requirements but do not affect the allowable type or
 11 intensity of use, or ordinances or regulations which are general in nature and
 12 are applicable to all property subject to development regulation by a local
 13 government, including, but not limited to, building, fire, plumbing, electrical,
 14 and mechanical codes. Otherwise applicable new development regulations
 15 become effective with respect to property which is subject to a site-specific
 16 vesting plan upon the expiration or termination of the vesting rights period
 17 provided for in this section.

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

22"

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

25
 26 **EXPAND ALTERNATE INSPECTION METHOD FOR COMPONENTS OR**
 27 **ELEMENTS TO INCLUDE HOME POWER INSTALLATIONS**

28 **SECTION 10.5.(a)** G.S. 160D-1106 reads as rewritten:

29 "**§ 160D-1106. Alternate inspection method for ~~component or element,~~components,**
 30 **elements, or home power installations.**

31 (a) Notwithstanding the requirements of this Article, a local government shall accept and
 32 approve, without further responsibility to inspect, a design or other proposal for a ~~component or~~
 33 ~~element~~component, element, or home power installation in the construction of buildings from
 34 an architect licensed under Chapter 83A of the General Statutes or professional engineer licensed
 35 under Chapter 89C of the General Statutes provided all of the following apply:

36 (1) When required by the North Carolina State Building Code, the submission
 37 design or other proposal is completed under valid seal of the licensed architect
 38 or licensed professional engineer.

39 (2) Field inspection of the installation or completion of a ~~component or element~~
 40 ~~of the~~component, element, or home power installation within or connected to
 41 a building is performed by a licensed architect or licensed professional
 42 engineer or a person under the direct supervisory control of the licensed
 43 architect or licensed professional engineer.

44 (3) The licensed architect or licensed professional engineer under subdivision (2)
 45 of this subsection provides the local government with a signed written
 46 document certifying that the ~~component or element of the~~component,
 47 element, or home power installation within or connected to a building
 48 inspected under subdivision (2) of this subsection is in compliance with the
 49 North Carolina State Building Code. The certification required under this
 50 subdivision shall be provided by electronic or physical delivery, ~~and~~and its
 51 receipt shall be promptly acknowledged by the local government through

1 reciprocal means. The certification shall be made on forms created by the
 2 ~~Building Code Council and Residential Code Council~~ responsible Code
 3 Council which shall include at least the following:

- 4 a. Permit number.
- 5 b. Date of field inspection.
- 6 c. Type of field inspection.
- 7 d. Contractor's name and license number.
- 8 e. Street address of the job location.
- 9 f. Name, address, and telephone number of the person responsible for
 10 the field inspection.
- 11 g. A description of the component, element, or home power installation
 12 covered by the certification.

13 (a1) In accepting certifications of inspections under subsection (a) of this section, a local
 14 government shall not require information other than that specified in this section.

15 (b) Upon the acceptance and approval receipt of a signed written document by the local
 16 government as required under subsection (a) of this section, notwithstanding the issuance of a
 17 certificate of occupancy, the local government, its inspection department, and the inspectors are
 18 discharged and released from any liabilities, duties, and responsibilities imposed by this Article
 19 with respect to or in common law from any claim arising out of or attributed to the ~~component~~
 20 ~~or element~~ component, element, or home power installation in the construction of the building
 21 for which the signed written document was submitted.

22 (c) With the exception of the requirements contained in subsection (a) of this section, no
 23 further certification by a licensed architect or licensed professional engineer is required for any
 24 ~~component or element~~ component, element, or home power installation designed and sealed by
 25 a licensed architect or licensed professional engineer for the manufacturer of the ~~component or~~
 26 ~~element~~ component, element, or home power installation under the North Carolina State Building
 27 Code.

28 (d) As used in this section, the following definitions apply:

- 29 (1) Component. – Any assembly, subassembly, or combination of elements
 30 designed to be combined with other components to form part of a building or
 31 structure. Examples of a component include an excavated footing trench
 32 containing no concrete, a foundation, and a prepared underslab with
 33 slab-related materials without concrete. The term does not include a system.
- 34 (2) Element. – A combination of products designed to be combined with other
 35 elements to form all or part of a building component. The term does not
 36 include a system.
- 37 (3) Home power installation. – An electric generating or energy storage system,
 38 standby system, or associated equipment, connected at 600 volts or less,
 39 intended to provide electrical power to a building or structure subject to the
 40 North Carolina Residential Code that requires a building permit or other
 41 approval.
- 42 (4) Responsible Code Council. – Either the Building Code Council or Residential
 43 Code Council in accordance with Article 9 of Chapter 143 of the General
 44 Statutes."

45 **SECTION 10.5.(b)** G.S. 143-143.2 reads as rewritten:

46 "**§ 143-143.2. Electric wiring of houses, buildings, and structures.**

47 (a) The electric wiring of houses or buildings for lighting or for other purposes shall
 48 conform to the requirements of the North Carolina State Building Code and any other applicable
 49 State and local laws.

50 (b) In order to protect the property of citizens from the dangers incident to defective
 51 electric wiring of buildings, it shall be unlawful for any firm or corporation to allow any electric

1 current for use in any newly erected building to be turned on without first having had an
2 inspection made of the wiring by the appropriate official electrical inspector or inspection
3 department and having received from that inspector or department a certificate approving the
4 wiring of such building. It shall be unlawful for any person, firm, or corporation engaged in the
5 business of selling electricity to furnish initially any electric current for use in any building,
6 unless said building shall have first been inspected by the appropriate official electrical inspector
7 or inspection department and a certificate given as required by this subsection.

8 (c) In the event that there is no legally appointed inspector or inspection department with
9 jurisdiction over the property involved, subsections (a) and (b) of this section shall have no force
10 or effect.

11 (c1) For the purposes of subsection (b) of this section, an inspection made of the wiring of
12 a "home power installation," as defined in G.S. 160D-1106(d), may be conducted in accordance
13 with G.S. 160D-1106.

14 (d) As used in this section, "building" includes any structure."

15 **SECTION 10.5.(c)** By July 1, 2027, the Residential Code Council shall develop a
16 home power installation work certification as required by G.S. 160D-1106, as amended by
17 subsection (a) of this section, and make it available on the Office of the State Fire Marshal's
18 website.

19 **SECTION 10.5.(d)** The Residential Code Council may adopt or amend rules to
20 implement provisions enacted by this section, to become effective July 1, 2027.

21 **SECTION 10.5.(e)** Subsections (a) and (b) of this section become effective July 1,
22 2027. The remainder of this section is effective when it becomes law.

23 24 **DEVELOPER CHOICE FOR PERFORMANCE GUARANTEES FOR DRIVEWAY** 25 **AND ENCROACHMENT PROJECTS**

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

27 **"§ 136-93. Openings, structures, pipes, trees, and issuance of permits.**

28 (a) No opening or other interference whatsoever shall be made in any State road or
29 highway other than streets not maintained by the Department of Transportation in cities and
30 towns, nor shall any structure be placed thereon, nor shall any structure which has been placed
31 thereon be changed or removed except in accordance with a written permit from the Department
32 of Transportation or its duly authorized officers, who shall exercise complete and permanent
33 control over such roads and highways. No State road or State highway, other than streets not
34 maintained by the Department of Transportation in cities and towns, shall be dug up for laying
35 or placing pipes, conduits, sewers, wires, railways, or other objects, and no obstruction placed
36 thereon, without a written permit as hereinbefore provided for, and then only in accordance with
37 the regulations of said Department of Transportation or its duly authorized officers or employees;
38 and the work shall be under the supervision and to the satisfaction of the Department of
39 Transportation or its officers or employees, and the entire expense of replacing the highway in
40 as good condition as before shall be paid by the persons, firms, or corporations to whom the
41 permit is given, or by whom the work is done. The Department of Transportation, or its duly
42 authorized officers, may, in its discretion, before granting a permit under the provisions of this
43 section, require the applicant to file a satisfactory ~~bond, payable to~~ performance guarantee in
44 favor of the State of North Carolina, in such an amount as may be deemed sufficient by the
45 Department of Transportation or its duly authorized officers, conditioned upon the proper
46 compliance with the requirements of this section by the person, firm, or corporation granted such
47 permit. The form of the performance guarantee may consist of a bond, irrevocable letter of credit,
48 parent guaranty, or other instrument that provides equivalent security to a surety bond or
49 irrevocable letter of credit at the election of the applicant. Any person making any opening in a
50 State road or State highway, or placing any structure thereon, or changing or removing any
51 structure thereon without obtaining a written permit as herein provided, or not in compliance

1 with the terms of such permit, or otherwise violating the provisions of this section, shall be guilty
2 of a Class 1 misdemeanor: Provided, this section shall not apply to railroad crossings. The
3 railroads shall keep up said crossings as now provided by law.

4"

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

7
8 **AUTHORIZE OPTIONAL DELEGATION OF ZONING APPROVALS TO**
9 **WINSTON-SALEM PLANNING BOARD**

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

11 "**§ 160D-602. Notice of hearing on proposed zoning map amendments.**

12 ...

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

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

19
20 **RESIDENTIAL RIGHT OF USE IN COMMERCIAL ZONING DISTRICTS**

21 **SECTION 13.** Article 7 of Chapter 160D of the General Statutes is amended by
22 adding a new section to read:

23 "**§ 160D-703.1. Residential right of use in commercial districts.**

24 (a) Residential Right of Use in Commercial Districts. – A local government zoning
25 regulation shall allow all of the following as a use by right on property undergoing
26 redevelopment, except for properties that are on or adjacent to sites with known contamination
27 that have not been remediated, in all areas zoned for nonagricultural commercial, business, or
28 light industrial use:

29 (1) The siting of buildings and structures subject to the North Carolina Residential
30 Code.

31 (2) The siting of multifamily housing structures with more than four residential
32 dwelling units.

33 (3) Buildings and structures containing both residential dwelling units and
34 nonresidential uses, provided that only the residential component of any such
35 building or structure is a use by right, regardless of whether the nonresidential
36 component requires a permit, special use authorization, or other approval.

37 (b) Limitation on Height Restrictions. – A zoning regulation under subsection (a) of this
38 section shall not establish a maximum building height of less than 60 feet.

39 (c) Definitions. – For purposes of this section, "redevelopment" means the demolition
40 and reconstruction of, or rehabilitation and improvement of, an existing structure or structures
41 on a parcel, or the clearing and new construction on a parcel that contains or previously contained
42 an impervious surface, building, or other structure associated with a prior use. Redevelopment
43 does not include the construction of a new primary structure on a vacant parcel that has never
44 been developed.

45 (d) Applicability. – This section applies only to cities with a population of 50,000 or
46 greater that are located in counties with a population of 275,000 or greater."

47
48 **ALLOW CONSTRUCTION AND SITING OF ACCESSORY DWELLING UNITS**

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

51 "**§ 160D-917. Accessory dwelling units.**

1 (a) A local government shall allow the development of at least one accessory dwelling
2 unit which conforms to the North Carolina Residential Code, including applicable provisions
3 from fire prevention codes, for each single-family detached dwelling in areas zoned for
4 residential use that allow for development of single-family detached dwellings. An accessory
5 dwelling unit may be built or sited concurrently or after the primary single-family detached
6 dwelling has been constructed or sited. Nothing in this section shall prohibit a local government
7 from permitting accessory dwelling units in any area not otherwise required under this section.

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

10 (1) Prohibit the use of the primary single-family detached dwelling and the
11 accessory dwelling for long-term rentals by separate households.

12 (2) Require placement in a conditional zoning district.

13 (3) Establish minimum parking requirements or other parking restrictions,
14 including imposition of additional parking requirements where an existing
15 structure is converted for use as an accessory dwelling unit.

16 (4) Prohibit the connection of the accessory dwelling unit to existing utilities
17 systems serving the primary single-family detached dwelling, provided the
18 utility service to that primary single-family detached dwelling has capacity to
19 serve both dwellings.

20 (5) Charge any fees in excess of those charged for the permitting of a
21 single-family detached dwelling similar in nature.

22 (6) Set a maximum accessory dwelling unit size of less than 800 square feet or
23 greater than 1000 square feet.

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

25 (1) Impose a setback minimum for accessory dwelling units of 10 feet or the
26 setback minimum imposed generally upon lots in the same zoning
27 classification, whichever is less.

28 (2) Require that accessory dwelling units be located to the side or rear of the
29 primary single-family detached dwelling.

30 (3) Require that accessory dwelling units be smaller than the primary
31 single-family detached dwelling.

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

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

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

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

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

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

46 (f) After an accessory dwelling unit has been permitted for construction on a parcel, the
47 parcel may not be further subdivided such that the accessory dwelling unit would be located on
48 a different parcel than the primary single-family detached dwelling.

49 (g) For the purposes of this section, the term "accessory dwelling unit" means an attached
50 or detached residential structure that is used in connection with, or that is an accessory to, a
51 primary single-family detached dwelling located on the same parcel as the primary single-family

1 detached dwelling and that has less total square footage than the primary single-family detached
2 dwelling.

3 (h) This section applies only to cities with a population of 50,000 or greater."

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

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

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

14 **DE NOVO REVIEW OF AGENCY RULES**

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

16 **"§ 150B-34. Final decision or order.**

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

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

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

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

31 (e) An administrative law judge may grant judgment on the pleadings, pursuant to a
32 motion made in accordance with G.S. 1A-1, Rule 12(c), or summary judgment, pursuant to a
33 motion made in accordance with G.S. 1A-1, Rule 56, that disposes of all issues in the contested
34 case. Notwithstanding subsection (a) of this section, a decision granting a motion for judgment
35 on the pleadings or summary judgment need not include findings of fact or conclusions of law,
36 except as determined by the administrative law judge to be required or allowed by G.S. 1A-1,
37 Rule 12(c), or Rule 56."

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

39 **"§ 150B-51. Scope and standard of review.**

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

42 (b) The court reviewing a final decision may affirm the decision or remand the case for
43 further proceedings. It may also reverse or modify the decision if the substantial rights of the
44 petitioners may have been prejudiced because the findings, inferences, conclusions, or decisions
45 are:
46

47 (1) In violation of constitutional provisions;

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

50 (3) Made upon unlawful procedure;

51 (4) Affected by other error of law;

1 (5) Unsupported by substantial evidence admissible under G.S. 150B-29(a),
2 150B-30, or 150B-31 in view of the entire record as submitted; or

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

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

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

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

19
20 **PROHIBIT LOCAL GOVERNMENTS FROM REQUIRING EMPLOYERS TO**
21 **BARGAIN WITH LABOR ORGANIZATIONS OR SET WAGES OR BENEFITS IN**
22 **CONSULTATION WITH A LABOR ORGANIZATION OR SIMILAR ENTITY**

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

24 "**§ 95-79. Certain agreements declared illegal.**

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

32 (b) Any provision that directly or indirectly conditions the purchase of agricultural
33 products, the terms of an agreement for the purchase of agricultural products, or the terms of an
34 agreement not to sue or settle litigation upon an agricultural producer's status as a union or
35 nonunion employer or entry into or refusal to enter into an agreement with a labor union or labor
36 organization is invalid and unenforceable as against public policy in restraint of trade or
37 commerce in the State of North Carolina. Further, notwithstanding G.S. 95-25.8, an agreement
38 requiring an agricultural producer to transfer funds to a labor union or labor organization for the
39 purpose of paying an employee's membership fee or dues is invalid and unenforceable against
40 public policy in restraint of trade or commerce in the State of North Carolina. For purposes of
41 this subsection, the term "agricultural producer" means any producer engaged in any service or
42 activity included within the provisions of section 3(f) of the Fair Labor Standards Act of 1938,
43 29 U.S.C. § 203, or section 3121(g) of the Internal Revenue Code of 1986, 26 U.S.C. § 3121.

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

48
49 **ORDINANCE EXEMPTION FOR CERTAIN NONCONFORMING ON-PREMISES**
50 **SIGNS**

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

1 "(e) This section shall not apply to an ordinance regulating on-premises advertising signs
2 that was lawfully adopted by a local government, and: (i) included an amortization period of 10
3 or more years during which a nonconforming sign was allowed to remain in place before it was
4 required to be removed or brought into compliance with the current sign ordinance and (ii) the
5 date of compliance under the amortization period expired on or prior to July 1, 2024."
6

7 **REDUCE CONTINUING EDUCATION HOURS FOR USED MOTOR VEHICLE** 8 **DEALER LICENSE RENEWAL**

9 **SECTION 17.5.** G.S. 20-288(a1) reads as rewritten:

10 "(a1) A used motor vehicle dealer may obtain a license by filing an application, as
11 prescribed in subsection (a) of this section, and providing the following:

- 12 (1) The required fee.
- 13 (2) Proof that the applicant, within the last 12 months, has completed a 12-hour
14 licensing course approved by the Division if the applicant is seeking an initial
15 license and one ~~six-hour~~ four-hour course approved by the Division for each
16 year of the licensing period immediately preceding the renewal if the applicant
17 is seeking a renewal license. The requirements of this subdivision do not apply
18 to a used motor vehicle dealer the primary business of which is the sale of
19 salvage vehicles on behalf of insurers or to a manufactured home dealer
20 licensed under G.S. 143-143.11 who complies with the continuing education
21 requirements of G.S. 143-143.11B. The requirement of this subdivision does
22 not apply to persons age 62 or older as of July 1, 2002, who are seeking a
23 renewal license. This subdivision also does not apply to an applicant who
24 holds a license as a new motor vehicle dealer as defined in G.S. 20-286(13)
25 and operates from an established showroom located in an area within a radius
26 of 30 miles around the location of the established showroom for which the
27 applicant seeks a used motor vehicle dealer license. An applicant who also
28 holds a license as a new motor vehicle dealer may designate a representative
29 to complete the licensing course required by this subdivision.

30 "

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

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

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

- 34 "(4) The applicant has successfully completed an approved firearms safety and
35 training course which involves the actual firing of handguns and instruction
36 in the laws of this State governing the carrying of a concealed handgun and
37 the use of deadly force. The North Carolina Criminal Justice Education and
38 Training Standards Commission shall prepare and publish general guidelines
39 for courses and qualifications of instructors which would satisfy the
40 requirements of this subdivision. An approved course shall be any course
41 which satisfies the requirements of this subdivision and is certified or
42 sponsored by any of the following:
- 43 a. The North Carolina Criminal Justice Education and Training
44 Standards Commission.
 - 45 a1. The North Carolina Concealed Carry Association.
 - 46 b. The National Rifle Association.
 - 47 b1. The United States Concealed Carry Association.
 - 48 b2. U.S. LawShield.

1 c. A law enforcement agency, college, private or public institution or
2 organization, or firearms training school, taught by instructors
3 certified by the North Carolina Criminal Justice Education and
4 Training Standards Commission, the North Carolina Concealed Carry
5 Association, the United States Concealed Carry Association, U.S.
6 LawShield, or the National Rifle Association.

7 d. The North Carolina Private Protective Services Board and Secretary
8 of Public Safety pursuant to G.S. 74C-13.

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

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

15 **CHANGE TO STATE BUREAU OF INVESTIGATION SUBPOENA AUTHORITY**

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

17 **"§ 15A-298. Subpoena authority.**

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

21 (1) ~~Disclose information concerning local or long distance toll records or~~
22 ~~subscriber information; and~~

23 (2) ~~Are material to an active criminal investigation being conducted by the State~~
24 ~~Bureau of Investigation.~~

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

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

34 (1) The subscriber's or customer's name.

35 (2) The subscriber's or customer's address.

36 (3) The length of service, including the start date and any applicable termination
37 date.

38 (4) The type of service utilized.

39 (5) Any other account associated with the account for which records are sought,
40 including joint or linked accounts.

41 (6) Telephone, computer, or device instrument number or other subscriber or
42 customer number or identities, including any temporarily assigned network
43 address.

44 (7) Telephone, computer, or other device connection records, including records
45 of session times and durations.

46 (8) The means and source of payment for such service, including any credit card
47 or bank account number.

48 (c) The Director, the Director's designee, and other employees of the State Bureau of
49 Investigation are authorized to disseminate to any federal, State, tribal, or local law enforcement
50 agency any information acquired under this section in furtherance of a criminal investigation.
51

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

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

6
7 **THIRD-PARTY CRIMINAL HISTORY RECORD CHECK VENDORS FOR CERTAIN**
8 **LOCAL GOVERNMENT CHECKS**

9 **SECTION 20.** Notwithstanding G.S. 153A-94.2(b) and G.S. 160A-164.2(b),
10 municipalities and counties may enter contracts with third-party vendors supplying criminal
11 history record checks to conduct criminal history record checks required pursuant to those
12 sections. All contracts entered pursuant to this section shall terminate on or before December 1,
13 2026, or when the State Bureau of Investigation request for proposal is awarded, whichever
14 occurs later. Third-party vendors conducting criminal history record checks pursuant to this
15 authority shall comply with any restrictions or requirements set by law governing fingerprints
16 and other information collected by the Bureau for a criminal record check, as required by
17 G.S. 143B-1209.09.

18
19 **INCREASE FINES FOR INTENTIONAL OR RECKLESS LITTERING**

20 **SECTION 21.(a)** G.S. 14-399 reads as rewritten:

21 "**§ 14-399. Littering.**

22 (a) No person, including any firm, organization, private corporation, or governing body,
23 agents or employees of any municipal corporation shall intentionally or recklessly throw, scatter,
24 spill or place or intentionally or recklessly cause to be blown, scattered, spilled, thrown or placed
25 or otherwise dispose of any litter upon any public property or private property not owned by the
26 person within this State or in the waters of this State including any public highway, public park,
27 lake, river, ocean, beach, campground, forestland, recreational area, trailer park, highway, road,
28 street or alley except:

- 29 (1) When the property is designated by the State or political subdivision thereof
30 for the disposal of garbage and refuse, and the person is authorized to use the
31 property for this purpose; or
32 (2) Into a litter receptacle in a manner that the litter will be prevented from being
33 carried away or deposited by the elements upon any part of the private or
34 public property or waters.

35 ...

36 (c) Any person who violates subsection (a) of this section in an amount not exceeding 10
37 pounds and not for commercial purposes is guilty of a Class 3 misdemeanor punishable by a fine
38 of not less than ~~five hundred dollars (\$500.00)~~ one thousand dollars (\$1,000) nor more than ~~one~~
39 ~~thousand dollars (\$1,000)~~ three thousand dollars (\$3,000) for the first offense. In addition, the
40 court may require the violator to perform community service of not less than eight hours nor
41 more than 24 hours. The community service required shall be to pick up litter if feasible, and if
42 not feasible, to perform other labor commensurate with the offense committed. Any second or
43 subsequent violation of subsection (a) of this section in an amount not exceeding 10 pounds and
44 not for commercial purposes within three years after the date of a prior violation is a Class 3
45 misdemeanor punishable by a fine of not less than ~~one thousand dollars (\$1,000)~~ three thousand
46 dollars (\$3,000) nor more than ~~three thousand dollars (\$3,000)~~ five thousand dollars (\$5,000).
47 In addition, the court may require the violator to perform community service of not less than 16
48 hours nor more than 50 hours. The community service required shall be to pick up litter if
49 feasible, and if not feasible, to perform other labor commensurate with the offense committed.

50 ...

1 (d) Any person who violates subsection (a) of this section in an amount exceeding 10
 2 pounds but not exceeding 500 pounds and not for commercial purposes is guilty of a Class 3
 3 misdemeanor punishable by a fine of not less than ~~one thousand dollars (\$1,000)~~ five thousand
 4 dollars (\$5,000) nor more than ~~three thousand dollars (\$3,000)~~ ten thousand dollars (\$10,000).
 5 In addition, the court shall require the violator to perform community service of not less than 50
 6 hours nor more than 100 hours. The community service required shall be to pick up litter if
 7 feasible, and if not feasible, to perform other community service commensurate with the offense
 8 committed.

9 ...

10 (e) Any person who violates subsection (a) of this section in an amount exceeding 500
 11 pounds or in any quantity for commercial purposes, or who discards litter that is a hazardous
 12 waste as defined in G.S. 130A-290 is guilty of a Class I felony punishable by a fine of ~~five~~
 13 ~~thousand dollars (\$5,000)~~ not less than ten thousand dollars (\$10,000) nor more than fifteen
 14 thousand dollars (\$15,000). In addition, the court shall require the violator to perform community
 15 service of not less than 100 hours. The community service required shall be to pick up litter if
 16 feasible, and if not feasible, to perform other community service commensurate with the offense
 17 committed.

18"

19 **SECTION 21.(b)** This section becomes effective December 1, 2026, and applies to
 20 offenses committed on or after that date.

21 22 **PROHIBIT TELEPHONE SOLICITORS FROM MISREPRESENTING CALL** 23 **ORIGINS**

24 **SECTION 22.(a)** G.S. 75-100 is amended by adding a new subdivision to read:

25 "(10) A telephone number is the property of a telephone subscriber, subject to the
 26 terms and conditions of the subscriber's contract with a telephone carrier."

27 **SECTION 22.(b)** G.S. 75-101(10) reads as rewritten:

28 "(10) Telephone solicitor. – Any individual, business establishment, business, or
 29 other legal entity doing business in this State that, directly or through
 30 salespersons or agents, makes or attempts to make telephone solicitations or
 31 causes telephone solicitations to be ~~made.~~ made, and any agent of that
 32 individual, business establishment, business, or legal entity. "Telephone
 33 solicitor" also includes any party defined as a "telemarketer" under the
 34 Telemarketing Sales Rule."

35 **SECTION 22.(c)** G.S. 75-102 reads as rewritten:

36 "**§ 75-102. Restrictions on telephone solicitations.**

37 ...

38 (i) No telephone solicitor shall cause misleading information to be transmitted to users
 39 of caller identification technologies or otherwise block or misrepresent the origin of the telephone
 40 ~~solicitation.~~ solicitation or use any other alteration to the origin of the telephone solicitation that
 41 displays in a way to give the perception that the call originated from any other origin except the
 42 actual origin of the telephone solicitation. No provider of telephone caller identification services
 43 shall be held liable for violations of this subsection committed by other individuals or entities. It
 44 is not a violation of this subsection for a telephone solicitor to utilize the name and number of
 45 the entity the solicitation is being made on behalf of rather than the name and number of the
 46 telephone solicitor.

47 (j) A telephone solicitor ~~or its agent~~ that makes telephone solicitations on its behalf,
 48 provided that the telephone solicitor ensures compliance by its agent, shall keep a record for a
 49 period of 24 months from the date a telephone solicitation is made of the legal name, any fictitious
 50 name used, the resident address, the telephone number, and the job title of each individual who
 51 makes a telephone solicitation for that telephone solicitor. If an individual who makes telephone

1 solicitations for a telephone solicitor uses a fictitious name, the fictitious name shall be traceable
2 only to the specific individual.

3"

4 **SECTION 22.(d)** Article 4 of Chapter 75 of the General Statutes is amended by
5 adding a new section to read:

6 "**§ 75-104.1. Telephone carriers.**

7 (a) A telephone carrier shall not knowingly and intentionally transmit, sell, or otherwise
8 provide the numbers of telephone subscribers to any entity the telephone carrier knows (i) will
9 use the number to violate provisions of this Article, (ii) has previously used telephone subscriber
10 information to violate provisions of this Article, or (iii) has previously provided the information
11 to another entity that has violated provisions of this Article.

12 (b) A telephone carrier shall not be held liable for a telemarketer's violation of
13 G.S. 75-102(i)."

14 **SECTION 22.(e)** G.S. 75-105 reads as rewritten:

15 "**§ 75-105. Enforcement.**

16 ...

17 (b) A telephone subscriber who has received a telephone solicitation from or on behalf
18 of a telephone solicitor in violation of this Article may bring any of the following actions in civil
19 court:

- 20 (1) An action to enjoin further violations of this Article by the telephone solicitor.
- 21 (2) An action to recover five hundred dollars (\$500.00) for the first violation, one
22 thousand dollars (\$1,000) for the second violation, and five thousand dollars
23 (\$5,000) for the third and any other violation that occurs within two years of
24 the first violation.
- 25 (3) An action to recover ten thousand dollars (\$10,000) for each call placed in
26 knowing violation of G.S. 75-102(i).

27"

28 **SECTION 22.(f)** This section becomes effective December 1, 2026, and applies to
29 phone calls placed on or after that date.

30
31 **PART V. SEVERABILITY AND EFFECTIVE DATE**

32 **SECTION 23.(a)** If any provision of this act or its application is held invalid, the
33 invalidity does not affect other provisions or applications of this act that can be given effect
34 without the invalid provisions or application and, to this end, the provisions of this act are
35 severable.

36 **SECTION 23.(b)** Except as otherwise provided, this act is effective when it becomes
37 law.