

State Government

See full summary documents for additional detail

Treatment of Religious Institutions During a State of Emergency – Various Criminal and Election Law Changes.

SL 2024-16 (H237), Sec. 3

Section 3 of S.L. 2024-16 prevents the executive branch or local governments from distinguishing between religious institutions and other entities during an emergency in a way that imposes additional limitations on religious institutions.

This bill was vetoed by the Governor on June 21, 2024, and the veto was overridden by the General Assembly on June 27, 2024.

This section becomes effective October 1, 2024, and applies to any emergency orders or regulations in effect on or after that date.

Office of State Human Resources/Various State Human Resources Act Changes.

SL 2024-23 (H223)

S.L. 2024-23 makes various technical and clarifying changes to the State Human Resources Act and related statutes and does the following:

- Requires the State Human Resources Commission (Commission) to adopt rules or policies mandating that a closing date be posted for each job opening unless an exception for critical classifications has been approved by the Commission or through a special exception through the Office of State Human Resources.
- Clarifies that a potential State or local government supervisor can inspect confidential information in a personnel file to prevent application fraud.
- Removes the requirement that job openings be filled no sooner than 21 days after listing.
- Grants the Commission the authority to adopt temporary rules and permanent rules to allow local agencies to hire and pay trainees for local government positions that are subject to the State Human Resources Act.
- Allows an applicant for State employment or a State employee to allege denial of National Guard preference and file for a contested case hearing after following the grievance appeal process.
- Makes clarifications to the statutes addressing fraudulent disclosure and willful nondisclosure on an application for State employment and the laws governing the Temporary Solutions Program.
- Permits the Department of Health and Human Services (DHHS) to directly hire temporary employees into vacant positions if certain criteria are met and requires DHHS to report on the number and types of positions filled under this temporary authority by July 1, 2025. This section expires 180 calendar days from the date of enactment.

Except as otherwise provided, this act became effective June 28, 2024.

SHALOM (Standing Up to Hate and Leading with Our Moral Principles) Act.

SL 2024-27 (H942)

S.L. 2024-27 adopts a definition of antisemitism as a tool and guide for recognizing, combating, tracking, and reporting antisemitic incidents in North Carolina, and informing related training and education.

This act became effective July 1, 2024.

Establish Annual Great Trails State Day – North Carolina Farm Act of 2024.

SL 2024-32 (S355), Sec. 16

Section 16 of S.L. 2024-32 designates the third Saturday of October of each year, beginning in 2024, as North Carolina Great Trails State Day. The North Carolina Great Trails State Coalition (Coalition) is designated as the lead organization for recognition of North Carolina Great Trails State Day and is directed to develop a plan to raise awareness of, promote, and implement the first annual North Carolina Great Trails State Day. The Coalition includes 107 members, including nonprofit organizations, local governments, and private companies. The Coalition must report to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources no later than September 30, 2024, regarding its plan to raise awareness of and promote the first annual North Carolina Great Trails State Day.

This section became effective July 3, 2024.

Amend Composition of the North Carolina Sentinel Landscapes Committee – North Carolina Farm Act of 2024.

SL 2024-32 (S355), Sec. 17

Section 17 of S.L. 2024-32 makes the following changes to the North Carolina Sentinel Landscapes Committee:

- Adds two voting members: the Secretary of Transportation or the Secretary's designee, and a representative of the North Carolina Sentinel Landscapes Partnership.
- Adds two nonvoting ex officio members: the Eastern North Carolina Sentinel Landscapes Coordinator and a representative from the United States Department of Defense Readiness and Environmental Protection Integration Program.
- Makes the Commissioner of Agriculture or the Commissioner's designee the permanent chair of the Sentinel Landscapes Committee.

This section became effective July 3, 2024.

Add One Member to the Community Conservation Assistance Program Advisory Committee – North Carolina Farm Act of 2024.

SL 2024-32 (S355), Sec. 18

Section 18 of S.L. 2024-32 adds the Extension Administrator of the Cooperative Extension Service at North Carolina Agricultural and Technical State University (NC A&T State University) or the Extension Administrator's designee as the sixteenth member of the Community Conservation Assistance Program (CCAP) Advisory Committee.

The CCAP provides cost share funds to reduce the input of nonpoint source pollution into waters of the State. The CCAP Advisory Committee, which currently consists of 15 members, meets quarterly to review the progress of the CCAP.

This section became effective July 3, 2024.

Cooperative Extension Technical Changes – North Carolina Farm Act of 2024.

SL 2024-32 (S355), Sec. 19

Section 19 of S.L. 2024-32 makes several technical changes to outdated references to North Carolina State University and adds references to the Cooperative Extension Service at North Carolina Agricultural and Technical State University (NC A&T State University). Section 19 also adds a new member to the Structural Pest Control Committee to be appointed by the Dean of the College of Agriculture and Environmental Sciences at NC A&T State University.

This section became effective July 3, 2024.

Board of Crop Seed Improvement and Seed Board Amendments – North Carolina Farm Act of 2024.

SL 2024-32 (S355), Sec. 20

Section 20 of S.L. 2024-32 does all of the following:

- Requires the Board of Crop Seed Improvement to cooperate with North Carolina Agricultural and Technical State University (NC A&T State University) to foster and promote the development and distribution of pure strains of crop seeds among North Carolina farmers.
- Adds two members to the Board of Crop Seed Improvement:
 - Dean of the College of Agriculture and Environmental Sciences at NC A&T State University.
 - Associate Dean of Agriculture Research of the College of Agriculture and Environmental Sciences at NC A&T State University.
- Adds four members to the Seed Board:

- One appointed upon the recommendation of the Associate Dean of Agriculture Research at NC A&T State University.
- One appointed upon the recommendation of the Extension Administrator of the North Carolina Cooperative Extension Service, NC A&T State University.
- Two at-large members appointed by the Commissioner of Agriculture.

This section became effective July 3, 2024.

Various General Local Laws.

SL 2024-38 (H593)

S.L. 2024-38 does the following:

- Provides an additional civil penalty for violating motor vehicle restrictions on a designated road segment in Macon County, effective December 1, 2024.
- Amends certain regulations applicable to sanitary districts, effective July 8, 2024.
- Clarifies funds allocated to certain localities, effective July 8, 2024.
- Requires the State, effective July 8, 2024, to transfer certain real property to the City of Monroe.

Charter Schools/Pension/Employee Stock Ownership Plan.

SL 2024-42 (S559)

S.L. 2024-42 allows four specified charter school boards of directors to elect participation in the North Carolina State Health Plan for Teachers' and State Employees' (SHP); amends the law to create additional flexibility for charter schools to elect participation in the SHP; makes conforming and effective date changes for the North Carolina Firefighters' and Rescue Squad Workers' Pension Fund; addresses parental leave for charter school employees; and clarifies the definition of an historically underutilized business as it relates to an Employee Stock Ownership Plan. See below for additional information and effective dates.

- Section 1 of S.L. 2024-42 notwithstanding the time limitation in current law (G.S. 135-48.54) to allow the board of directors for the following charter schools to elect to participate in the N.C. State Health Plan: NC Leadership Academy in Forsyth County, Alpha Academy in Cumberland County, Durham Charter in Durham County, and United Community School in Mecklenburg County. This section became effective July 8, 2024.
- Section 2 of the act amends the law (G.S. 135-48.54) regarding the process for a charter school operated by a private nonprofit corporation or operated by a municipality to elect participation in the State Health Plan. These charter schools can elect to become a participating employer in the State Health Plan through the following two methods: (i) the board of directors of the charter school can elect to participate no later than two years from the date both parties have signed the written charter (under G.S. 115C-218.15); or (ii) the board of directors can elect to participate any time after that two-year mark if the board files an application with the Board of Trustees for participation in the

Plan and the Board approves the application. The approval or denial of the application must be made within 180 days of receipt of a complete application and if approved the written notification of approval must provide the date for the charter school employees to be enrolled. This section became effective 30 days after the act became law on July 8, 2024.

- Section 3 of the act amends the North Carolina Firefighters' and Rescue Squad Workers' Pension Fund (FFRSWP Fund) as follows:
 - Section 3(a) amends the retroactive membership law for the FFRSWP Fund effective January 1, 2025, to increase the membership dues from \$10 to \$15 per month for retroactive membership. This change conforms to the dues increase contained in S.L. 2024-29. This section became effective July 8, 2024.
 - Section 3(b) of the act amends Section 11.3 of S.L. 2024-29, effective January 1, 2025, to change the date from July 1, 2024, to January 1, 2025, that an eligible retired firefighter or rescue squad worker receives a \$175 per month pension. This section became effective July 8, 2024.
 - Section 3(c) of the act applies to Sections 11.1 through 11.3 of S.L. 2024-29, as amended by Section 3(b) and Section 3(a) of this act, to provide that these sections apply to membership contributions to the FFRSWP Fund on or after January 1, 2025. Any membership contribution payments made on or before March 31, 2025, for service in the 2024 calendar year, will be \$10 per month. These sections apply to pension benefit amounts payable from the FFRSWP Fund to a member or beneficiary on or after January 1, 2025. If a member or beneficiary becomes eligible to receive a pension benefit from the FFRSWP Fund on or before December 31, 2024, but the benefit amount is paid on or after January 1, 2025, the pension amount due to the member or beneficiary is the amount applicable to the pension benefit amount that was effective for each respective month to which the benefit applies. This section became effective July 8, 2024.
 - Section 3(d) of the act changed the effective date to January 1, 2025, for Sections 11.1 through 11.3 of S.L. 2024-29. This section became effective July 8, 2024.
- Section 4 of the act allows boards of directors of charter schools that contract with education management organizations (EMOs) or charter management organizations (CMOs) to require the EMOs or CMOs to provide paid parental leave to the teachers they employ for the charter schools. This leave must be consistent with the parental leave provided to public school teachers employed by local boards of education. If a board of directors requires the EMO or CMO to provide the parental leave by contract, then the board of directors is eligible to receive funds for substitute teachers. This section became effective July 8, 2024, and applies beginning with the 2024-2025 school year.
- Section 5 of the act amends the term "historically underutilized business" (G.S. 143-128.4) regarding an Employee Stock Ownership Plan (ESOP). For an ESOP company to qualify for certification as an historically underutilized business, at least 51% of the company's plan participants must be members of at least one of the following groups listed and defined in G.S. 143-128.4(b): Black, Hispanic, Asian American, American Indian, Female, Disabled, Disadvantaged. Further, an ESOP company seeking to be certified as an historically underutilized business must provide an attestation that it meets the requirements for certification and provide supporting documentation as may be required by the Secretary

of Administration. This section became effective July 1, 2024. (Note: The content of this section was also enacted in Section 5 of S.L. 2024-44 with the same effective date.)

C-PACE Program.

SL 2024-44 (S802)

S.L. 2024-44:

- Establishes the commercial property assessed capital expenditure program (C-PACE Program), to be administered by the Economic Development Partnership of North Carolina (EDPNC) under the supervision of the Department of Commerce, providing a procedure by which owners of qualifying commercial property can apply to EDPNC for long-term financing to be provided by private lenders that will pay for property improvements that include energy efficiency, water conservation, renewable energy, and resilience measures, with repayment of the financed amount secured by a lien upon the improved property.
- Modifies the criteria under which an employee stock ownership (ESOP) company can qualify as a minority business or an historically underutilized business for purposes of public contract provisions in Chapter 143 of the General Statutes.
- Requires the Department of Environmental Quality and the Environmental Management Commission, no later than August 1, 2024, to develop and submit draft rules to the United States Environmental Protection Agency (USEPA) for USEPA's approval that establish methodologies and permitting requirements for the discharge of low-risk treated domestic wastewaters following site specific criteria to surface waters of the State.

The provisions regarding development of rules for wastewater discharge became effective July 8, 2024. The remainder of the act became effective July 1, 2024.

Amend Effective Dates for Rules Submitted to the Codifier of Rules by Certain Agencies Exempt From the Standard Rulemaking Process – Regulatory Reform Act of 2024.

SL 2024-45 (S607), Sec. 6

Section 6 of S.L. 2024-45 provides that any rules adopted by State agencies that are exempt from the standard rulemaking requirements under the Administrative Procedure Act, including the State Bar, become effective on the first day of the month following submission to the Codifier of Rules for publication in the North Carolina Administrative Code.

This section became effective July 9, 2024.

Delivery of Permits Issued by State Agencies – Regulatory Reform Act of 2024.

SL 2024-45 (S607), Sec. 22.1

Section 22.1 of S.L. 2024-45 requires executive branch, county, and city agencies to establish a policy to send permits issued by the agency using certain methods instead of requiring the permittee to receive in-person delivery at an office or physical location.

This section became effective July 9, 2024.

Eliminate Annual Report on State Employees Who Have Been Work First Recipients – Regulatory Reform Act of 2024.

SL 2024-45 (S607), Sec. 31

Section 31 of S.L. 2024-25 eliminates the requirement that the Director of the Budget annually report to the General Assembly on the number of State employees who are Work First Program recipients.

This section became effective July 9, 2024.

Notary Public Changes – Tenancy in Common/E-Notary/Small Claims Changes.

SL 2024-47 (H556), Sec. 2-6

Sections 2-6 of S.L. 2024-47 extend the expiration dates on emergency video notarizations and emergency video witnessing from June 30, 2024, to July 1, 2025, and amend confidentiality and geolocation technology requirements in North Carolina's notary public laws.

This bill was vetoed by the Governor on July 3, 2024, and that veto was overridden by the General Assembly on September 9, 2024. Sections 3, 4, and 5 of this act became effective July 1, 2024. Sections 2 and 6 became effective September 9, 2024.

Extension of State of Emergency – Disaster Recovery Act of 2024.

SL 2024-51 (H149), Sec. 3.1

Section 3.1 of S.L. 2024-51 extends the statewide declaration of emergency issued by the Governor in Executive Order No. 315 until March 1, 2025.

This section of the act became effective on October 10, 2024.

Storm Debris Open Burning Regulatory Relief – Disaster Recovery Act of 2024.

SL 2024-51 (H149), Secs 10.3 and 10.4

Sections 10.3 and 10.4 of S.L. 2024-51 authorize open burning of storm-related debris in certain circumstances as follows:

- From the date that the state of emergency was declared by the Governor under Executive Order No. 315 through March 31, 2025, the open burning of storm-related debris is permissible without an air quality permit if compliance with certain rules are met. Open burning of storm-related debris cannot, however, be initiated in a county for which the Department of Environmental Quality or the Forsyth County Office of Environmental Assistance and Protection has forecasted an "Air Quality Action Day Code 'Orange' or above" during the 24-hour time period covered by that Air Quality Action Day. For purposes of this section, "storm-related debris" means any solid and engineered wood products, vegetative land-clearing debris, or yard trash that originates from designated counties in an emergency area as a result of the impacts of Hurricane Helene occurring on September 25-30, 2024. The section does not:
 - Allow: (i) the burning of inert debris, including asphalt shingles, tar paper, insulation, drywall, concrete, bricks, or glass, (ii) the burning of tires, wire, plastics, refuse, salvageable items, or dangerous or hazardous materials, (iii) any activity that would violate federal law, or (iv) any activity that causes an imminent threat to public health or safety.
 - Exempt or excuse a person from: (i) the consequences, damages, or injuries that may result from this conduct; (ii) complying with laws, ordinances, rules, or orders of other governmental entities having jurisdiction even though the open burning is conducted in compliance with this section.
- During a state of emergency declared by the Governor due to a natural disaster or due to a pending disaster, the Commissioner of Agriculture (Commissioner) is authorized to waive permitting requirements under the statutes governing regulation of open fires for the open burning of storm-related debris generated as a result of a natural disaster in areas affected by the disaster. A waiver issued pursuant to this subsection can include limitations on burning with respect to property setbacks, timing of burns, and other matters as the Commissioner deems necessary or advisable for the protection of health, safety, and protection of property. For purposes of this section, "storm-related debris" means any solid and engineered wood products, vegetative land-clearing debris, or yard trash that originates from designated counties in an emergency area.

The Commissioner must:

- Suspend or terminate a waiver of permitting requirements for open burning of storm-related debris upon determination of (i) the Commissioner that hazardous forest fire conditions exist in the affected area or (ii) the Environmental Management

Commission that open burning in the affected area is causing significant contravention of ambient air quality standards or that an air pollution episode exists.

- Issue a press release containing relevant details of waivers granted pursuant to this section, and suspension or termination of a waiver, to news media and governmental agencies serving the area affected.

Open burning conducted pursuant to authority granted by this section does not exempt or excuse a person from: (i) the consequences, damages, or injuries that can result from this conduct; or (ii) complying with laws, ordinances, rules, or orders of other governmental entities having jurisdiction even though the open burning is conducted in compliance with this section.

These sections became effective October 10, 2024.

Construction Fee Moratorium – Disaster Recovery Act of 2024.

SL 2024-51 (H149), Sec. 16.2

Section 16.2 of S.L. 2024-51 imposes, in the area impacted by Hurricane Helene, a three-month moratorium on permit, inspection, or certificate of occupancy fees charged by the Department of Insurance, counties, and cities on property damaged by Hurricane Helene.

This section became effective on October 10, 2024, and applies to permit applications dated on or after September 26, 2024, and expired on December 31, 2024.

Authorize State Agencies to Exercise Regulatory Flexibility for Employment-Related Certifications – The Disaster Recovery Act of 2024 - Part II.

SL 2024-53 (S743), Sec. 4E.1

Section 4E.1 of S.L. 2024-53 does the following:

- Defines "employment-related certification" and "State agency" for purposes of this section. This provision expires March 1, 2025.
- Provides State agencies the authority to (i) delay renewal dates of employment-related certifications for residents of areas affected by Hurricane Helene and (ii) delay or modify any educational or examination requirements for employment-related certifications for residents of areas affected by Hurricane Helene. This provision expires March 1, 2025.
- Requires each State agency to report to the Joint Legislative Administrative Procedure Oversight Committee and the Joint Legislative Commission on Governmental Operations on its use of regulatory flexibility under this section no later than March 1, 2025.
- Requires State agencies to exercise the authority granted in this section to the maximum extent practicable in order to protect the economic well-being of the citizens and businesses in areas affected by Hurricane Helene, while also continuing to protect public health, safety, and welfare. This provision expires March 1, 2025.
- Allows State agencies to adopt emergency rules for the implementation of this section in accordance with the Administrative Procedure Act (APA). Notwithstanding the provision

providing for the adoption of emergency rules under the APA, an agency must not commence the adoption of temporary rules pursuant to this section. Notwithstanding the provision setting the effective date and expiration date of emergency rules under the APA, an emergency rule adopted pursuant to this section expires March 1, 2025. This provision expires March 1, 2025.

This section became effective October 25, 2024.

Flexibility for Building Permit Issuance/Inspections in Disaster Area – The Disaster Recovery Act of 2024 - Part II.

SL 2024-53 (S743), Sec. 4E.3

Section 4E.3 of S.L. 2024-53 authorizes local governments in the area impacted by Hurricane Helene to adopt a resolution providing that, due to damage and disruption caused by Hurricane Helene, the local government's inspection department is unable to (i) review residential building plans within the statutorily required number of days, (ii) issue building permits for commercial and multifamily buildings within the statutorily required number of days, or (iii) timely conduct inspections required by the North Carolina State Building Code. Once the resolution is adopted, this section allows local governments to use and contract with a licensed professional engineer or licensed architect to perform independent third-party plan review, inspections, or other inspection department work.

This section became effective October 25, 2024, and applies to applications for building permits made on or after September 26, 2024, and expires March 1, 2025.

Extending Certain Governmental Approvals Affecting Development of Real Property Within the Affected Area – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1D.3

Section 1D.3 of S.L. 2024-57 extends certain government approvals affecting the development of real property within areas impacted by Hurricane Helene by the following:

- Directs that for any development approval that is current and valid at any point during the period beginning January 1, 2024, and ending December 31, 2027, the running of the period of the development approval and any associated vested right under GS 160D-108 (concerning permit choice and vested rights) or G.S. 160D-108.1 (site-specific vesting plans) is suspended within the affected area during the period beginning January 1, 2024, and ending December 31, 2027.
- Directs that the running of the period of development approval and associated vested right should not be construed or implemented to: (i) extend any permit or approval issued by the United States or any of its agencies or instrumentalities; (ii) extend any permit or approval for which the term or duration of the permit or approval is specified or

determined pursuant to federal law; (iii) shorten the duration that any development approval would have had in the absence of this section; (iv) prohibit the granting of such additional extensions as are provided by law; (v) affect any administrative consent order issued by the Department of Environmental Quality in effect or issued at any time from the effective date of the section to December 31, 2027; (vi) affect the ability of a government entity to revoke or modify a development approval pursuant to law; or (vii) modify any requirement of law that is necessary to retain federal delegation by the State of the authority to implement a federal law or program.

- Provides that when a development approval that is contingent upon connection to a water supply system or a sanitary sewer system is suspended and there is not sufficient supply or treatment capacity to accommodate requests for additional allocation, the local government that granted the allocation can reallocate reserved capacity from projects whose approvals are suspended but are not ready to proceed if the local government meets the listed requirements for an allocation plan and reallocation plan and does not reallocate capacity to exceed the amount of the reserved capacity.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective December 11, 2024.

Office of Recovery and Resiliency Funds, Audit, Financial Monitoring, and Subrecipient Agreements – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1F.2

Section 1F.2 of S.L. 2024-57 appropriates \$50 million to the North Carolina Office of Recovery and Resiliency (NCORR) from the State Emergency Response and Disaster Relief Fund for the Rebuild NC Program, and directs the State Auditor to conduct periodic audits of NCORR, while the Office of State Budget and Management performs financial monitoring. NCORR is also required to enter into Round 3 Affordable Housing Development Fund agreements with subrecipients of those funds.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

This section became effective December 11, 2024.

Delay 2024 North Carolina State Building Code Effective Date – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1F.3

Section 1F.3 of S.L. 2024-57 delays the effective date of the 2024 North Carolina State Building Code collection from January 1, 2025, to July 1, 2025.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

This section became effective December 11, 2024, and expires July 1, 2025.

Authorize the Office of the State Fire Marshal to Promulgate Rules for Temporary Manufactured and Modular Dwellings – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1F.4

Section 1F.4 of S.L. 2024-57 authorizes the Office of the State Fire Marshal to promulgate rules, and prepare guidance for local governments enforcing the North Carolina State Building Code and the State of North Carolina Regulations for Manufactured Homes, for the placement, construction, installation, and connection of temporary manufactured and modular dwellings. For purposes of this section, a "temporary manufactured and modular dwelling" is a manufactured housing unit that is designed for utilization as a temporary dwelling in an area affected by Hurricane Helene. The Office of the State Fire Marshal must adopt emergency rules to implement the provisions of this section. This section expires March 1, 2025.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024.

Increase Administrative Cap for the Tobacco Trust Fund – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2C.2

Section 2C.2 of S.L. 2024-57 increases the amount that the Tobacco Trust Fund Commission may spend each fiscal year for administrative and operating expenses of the Commission and its staff from \$375,000 to \$485,000.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

This section of the act became effective on December 11, 2024.

Commercial Building Code Council Revision – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2E.6

Section 2E.6 of S.L. 2024-57 amends statutory requirements for one member of the Building Code Council, appointed upon recommendation of the Speaker of the House, requiring that member

to be a design professional licensed in North Carolina with expertise and experience in the design of structures or buildings subject to the North Carolina Building Code.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section became effective January 1, 2025.

Transfer of State Board of Elections to State Auditor – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3A.1-3A.3

Sections 3A.1 through 3A.3 of S.L. 2024-57, effective July 1, 2025, administratively transfer the State Board of Elections to the Department of the State Auditor, with the State Auditor having appointment authority beginning in 2025 for all members of the State Board of Elections and the chair of each of the county boards of elections.

This bill was vetoed by the Governor on November 26, 2024, and the veto was overridden by the General Assembly on December 11, 2024.

Modify Certain Procedures Related to Appointments – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3B.1

Section 3B.1 of S.L. 2024-57 requires the Governor to execute vacancy appointments for offices appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives, the President Pro Tempore of the Senate, or the President of the Senate within 15 days of receipt of the written recommendation from the recommending official during periods when the General Assembly is not in session. It also clarifies that the Senate's advice and consent to the Governor for a specific appointment is limited to the Governor's current term of office unless certain conditions are met.

This bill was vetoed by the Governor on November 26, 2024, and the veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024, and applies to appointments made on or after that date.

Designate Parking Spaces in Deck 65 as Legislative Grounds – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3B.2

Section 3B.2 of S.L. 2024-57 expands the definition of State legislative buildings and grounds, under the jurisdiction of the Legislative Services Commission, to include all parking spaces within State Parking Deck 65 located under the Halifax Street Mall.

This bill was vetoed by the Governor on November 26, 2024, and the veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024.

Emergency Management Act Clarification – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3B.3

Section 3B.3 of S.L. 2024-57 clarifies that the Governor cannot waive, modify, suspend, or fail to enforce or execute any provision of Chapter 96 (Employment Security) of the General Statutes under powers granted under the Emergency Management Act.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

This section becomes effective March 1, 2025.

Modify the Appointment Process to Fill Supreme Court and Court of Appeals Vacancies – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3C.1

Section 3C.1 of S.L. 2024-57 modifies the Governor's appointment of persons to fill vacancies occurring in the offices of Justice of the Supreme Court, judge of the Court of Appeals, and judge of the superior court.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024, and applies to appointments made on or after that date.

Abolish the North Carolina Courts Commission – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3C.2

Section 3C.2 of S.L. 2024-57 repealed Article 40A of Chapter 7A of the General Statutes, thereby abolishing the North Carolina Courts Commission.

This bill was vetoed by the Governor on November 26, 2024, and the veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective December 11, 2024.

Powers and Duties of the Attorney General – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3D.1

Section 3D.1 of S.L. 2024-57 does the following:

- Removes the Attorney General's authority to intervene in matters before the Utilities Commission.
- Provides that the Judicial Department and Council of State agencies are not required to get permission from the Attorney General or the Governor before retaining private counsel.
- Requires the Attorney General to report annually to the Joint Legislative Commission on Governmental Operations on all contracts with private counsel to assist with any of the Attorney General's statutory duties.
- Prohibits the Attorney General from advancing any argument in an action in state or federal court in another state that would result in the invalidation of a North Carolina statute.
- Provides that whenever the General Assembly, through the Speaker and President Pro Tempore, participates in an action involving the validity of an act or the State Constitution, the Attorney General may not take positions that are contrary to the positions of the General Assembly.
- Clarifies that the counsel jointly designated as lead counsel by the President Pro Tempore and Speaker has the final decision-making authority regarding positions on behalf of the State.

This bill was vetoed by the Governor on November 26, 2024, and the veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024.

Clarify Provision of Counsel to Judicial Branch Officials and Make Related Changes – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3D.2

Section 3D.2 of S.L. 2024-57 allows the Director of the Administrative Office of the Courts (AOC) to employ staff counsel or retain private counsel to provide legal services to current or former officials or employees of the Judicial Branch for any matter in the scope of the person's official duties. It clarifies that the Director of AOC does not need permission from the Attorney General or the Governor when employing or retaining counsel for the Judicial Branch and makes related changes.

This bill was vetoed by the Governor on November 26, 2024, and the veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024.

BILL ANALYSIS: Section 3D.2 of S.L. 2024-57 creates a new section in the General Statutes to address legal services for the Judicial Branch. It does all of the following:

- Provides that the Director of the Administrative Office of the Courts (AOC) may employ staff counsel or retain private counsel to provide legal services to current or former officials or employees of the Judicial Branch for any matter in the scope of the person's official duties. Staff counsel or private counsel also may be employed by an agency, commission, or other entity in the Judicial Branch.
- Prescribes that the following applies when the Director of AOC employs or retains counsel:
 - Employed or retained counsel must not provide legal services if: the act or omission was not within the scope and course of one's employment; in instances of fraud, corruption, or actual malice of the employee or former employee; defending the action would create a conflict of interest between the State and the employee or former employee; or defending the action would not be in the best interests of the State.
 - The Director of AOC must report to the Attorney General if the claimants seek damages of more than \$1 million or if a final judgment orders the State to pay \$1 million or more.
 - The Director of AOC must report a settlement to the Attorney General if the action involves a sum of \$75,000 or more.
 - If the Attorney General provides for representation in an action for which a current or former Judicial Branch official or employee is a party, then any settlement must be approved by the entity, official, or employee named in the action; if the settlement involves the payment of public money, the Director of AOC also must approve the settlement, but it is not necessary for the Attorney General to approve the settlement.
- Provides that the Director of AOC does not need permission from the Attorney General or the Governor when employing or retaining counsel.
- Allows the Attorney General to represent an official or employee of the Judicial Branch upon that official or employee's request.
- Provides that communications or documents in connection with the provision of these legal services are not public records.
- Provides that a consent judgement entered into by an entity, officer, or employee of the Judicial Branch does not need to be signed personally by the Attorney General but must be signed by the Director of AOC.
- Clarifies that the prohibition on using lapsed salary savings to pay for private counsel does not apply to legal services provided to the Judicial Branch.

EFFECTIVE DATE: This bill was vetoed by the Governor on November 26, 2024, and the veto was overridden by the General Assembly on December 11, 2024. This section became effective December 11, 2024.

Make State Highway Patrol Independent Department – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3E.1 and 3E.2

Section 3E.1 of S.L. 2024-57 establishes the State Highway Patrol (SHP), which is currently located in the Department of Public Safety (DPS), as an independent, cabinet-level department that includes all personnel and responsibilities currently under the SHP. Additionally, the State Capitol Police, also currently in DPS, and all sworn law enforcement personnel within the License and Theft Bureau of the Division of Motor Vehicles (DMV) of the Department of Transportation (DOT) are moved to the SHP.

Section 3E.2 of S.L. 2024-57 makes conforming changes to various statutes consistent with the creation of the new SHP.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

Generally, the new department becomes effective July 1, 2025, however some provisions of the section related to preparation for separation of the SHP from DPS became effective December 11, 2024.

Change Appointments to Utilities Commission – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3F.1

Section 3F.1 of S.L. 2024-57 eliminates one of the Governor’s appointments to the Utilities Commission (Commission), and gives an appointment to the Treasurer. The appointment transfer would become effective July 1, 2025, upon expiration of the term of one of the Governor’s current appointees. In addition, the section requires the Chair of the Commission to be elected by the membership, rather than appointed by the Governor.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

This section became effective December 11, 2024.

Repeal Energy Policy Council – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3F.2

Section 3F.2 of S.L. 2024-57 repeals the Energy Policy Council and transfers one of its responsibilities to the Utilities Commission, to develop contingency and emergency plans to deal

with possible shortages of energy to protect public health, safety, and welfare, and requires such plans to be compiled into an Emergency Energy Program.

This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

This section became effective December 11, 2024.

Major Events, Games, and Attractions Fund Modifications; Clarify Local School Administrative Units as Eligible Recipients of Sports Wagering Tax Proceeds Distributions – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3H.1

Section 3H.1 of S.L. 2024-57 makes the following changes to the criteria that must be met to receive grant funding from the Major Events, Games and Attractions Fund:

- Subsection (a) of this section allows a facility that has hosted an Association of Tennis Professionals event within the preceding 12 months to be an eligible location for an event for which a grant is awarded from the North Carolina Major Events, Games, and Attractions Fund.
- Subsection (b) eliminates the requirement that to be eligible for grant funding, an event must be held at only one location in the State, and the total benefits of the event to the State must outweigh its cost.
- Subsection (c) clarifies that local school administrative units are eligible grant recipients.

This bill was vetoed by the Governor on November 26, 2024, and the veto was overridden by the General Assembly on December 11, 2024. This section of the act became effective December 11, 2024. Subsections (a) and (b) apply to multiparty agreements entered into between the Department of Commerce and site selection organizations and local entities on or after December 11, 2024.