#### **Vetoed Legislation**

#### See full summary documents for additional detail

#### North Carolina Department of Transportation Legislative Changes.

SL 2024-15 (H198)

S.L. 2024-15 makes various changes to transportation laws and laws that relate to the North Carolina Department of Transportation.

This bill was vetoed by the Governor on May 23, 2024, and that veto was overridden by the General Assembly on June 27, 2024. This act has various effective dates. Please see the full summary for more detail.

#### Increase Frequency of Tax Revenue Transfer to Highway Fund — North Carolina Department of Transportation Legislative Changes.

SL 2024-15 (H198), Sec. 18

Section 18 of S.L. 2024-15 increases from quarterly to monthly the frequency of transfers from the General Fund to the Highway Fund of proceeds collected from the State general rate of sales tax.

This bill was vetoed by the Governor on May 23, 2024, and that veto was overridden by the General Assembly on June 27, 2024. This section of the act became effective July 1, 2024.

#### Mask Exemption Modifications — Various Criminal and Election Law Changes. SL 2024-16 (H237), Sec. 1

Section 1 of S.L. 2024-16 modifies the health and safety exemption from certain laws prohibiting the wearing of certain face coverings in public.

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

Section 1 of S.L. 2024-16 became effective June 27, 2024, and applies to offenses committed on or after that date.

#### Enhance Punishment if the Defendant was Wearing a Mask — Various Criminal and Election Law Changes.

SL 2024-16 (H237), Sec. 2

Section 2 of S.L. 2024-16 enhances the criminal punishment if a defendant wears a mask to conceal the defendant's identity during the commission of another crime.

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

Section 2 of S.L. 2024-16 became effective June 27, 2024, and applies to offenses committed on or after that date.

#### 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.

#### Increase Penalty for Impeding Road During a Demonstration — Various Criminal and Election Law Changes.

SL 2024-16 (H237), Sec. 4

Section 4 of S.L. 2024-16 imposes criminal and civil liability on individuals who obstruct emergency vehicles during demonstrations.

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

Section 4 of S.L. 2024-16 becomes effective December 1, 2024, and applies to offenses committed and causes of action arising on or after that date.

#### **Various Criminal and Election Law Changes.**

SL 2024-16 (H237)

Section 5 of S.L. 2024-16, effective June 27, 2024, and applicable to contributions made or received on or after that date, restructures the reporting requirements for contributions made to candidate campaign committees and political committees in North Carolina by federal political committees and other political organizations. This bill was vetoed by the Governor on June 21, 2024, and the veto was overridden by the General Assembly on June 27, 2024.

#### **Juvenile Justice Modifications.**

SL 2024-17 (H834)

#### S.L. 2024-17 does the following:

- Modifies the definition of "delinquent juvenile" related to juveniles who are 16 and 17
  years old to exclude any offense punishable as a Class A, B1, B2, C, D, or E felony if
  committed by an adult.
- Modifies the transfer process for juvenile cases from juvenile to superior court by creating a new indictment return appearance.
- Modifies certain laws to create a new process for removal of a case from superior court to juvenile court.
- Modifies the laws regarding notification of a delinquent juvenile's school and how the school can use that information.
- Changes the timing requirement for subsequent secured custody hearings for juveniles.
- Makes technical changes and a modification to certain dispositional alternatives.
- Increases the punishment for an adult who solicits a minor to commit a crime.
- Modifies the number of days the complainant and the victim have to request a review by the prosecutor of the juvenile court counselor's decision not to approve the filing of a petition.

This bill was vetoed by the Governor on June 14, 2024, and that veto was overridden by the General Assembly on June 27, 2024. This act has various effective dates. Please see the full summary for more detail.

#### Titles for Off-Road Vehicles/Low-Speed Vehicle Inspections.

SL 2024-46 (H155)

#### S.L. 2024-46 does the following:

- Authorizes the Division of Motor Vehicles to issue certificates of title for all-terrain vehicles and utility vehicles.
- Removes travel-lane based operation limitation on modified utility vehicles.
- Authorizes off-site safety inspections of low-speed vehicles by licensed safety inspection stations.

This bill was vetoed by the Governor on July 3, 2024, and that veto was overridden by the General Assembly on September 9, 2024. This act has various effective dates. Please see full summary for more details.

#### **Tenancy in Common/E-Notary/Small Claims Changes.**

SL 2024-47 (H556)

Section 1 of S.L. 2024-47 codifies common law rules governing concurrent ownership of real property as tenants in common.

This bill was vetoed by the Governor on July 3, 2024, and that veto was overridden by the General Assembly on September 9, 2024. Section 1 of the act became effective September 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.

### Preemption of Local Regulations – Tenancy in Common/E-Notary/Small Claims Changes.

SL 2024-47 (H556), Sec. 7

Section 7 of S.L. 2024-47 prohibits counties and cities from adopting certain ordinances or resolutions that would prohibit landlords from refusing to rent to a tenant because the tenant's lawful source of income to pay rent includes funding from a federal housing assistance program.

This bill was vetoed by the Governor on July 3, 2024, and that veto was overridden by the General Assembly on September 9, 2024. This section of the act became effective September 9, 2024.

#### Summary Ejectment and Small Claims Action Changes – Tenancy in Common/E-Notary/Small Claims Changes.

SL 2024-47 (H556), Secs. 8-9

Sections 8 and 9 of S.L. 2024-47 do the following:

- Clarify authorized litigation costs in summary ejectment matters.
- Provide that judgment in a small claim action can be rendered electronically by the magistrate.
- Begin the appeal period in a small claim action when a judgment is rendered by the magistrate.

This bill was vetoed by the Governor on July 3, 2024, and that veto was overridden by the General Assembly on September 9, 2024. Section 8 of this act became effective September 9, 2024, and the amendments contained in this section are intended to be clarifying of the General Assembly's intent under previous amendments to this statute. Section 9 of this act becomes effective October 1, 2024, and applies to judgments rendered on or after that date.

#### No Central Bank Digital Currency Payments to the State.

SL 2024-48 (H690)

S.L. 2024-48 prohibits a State agency or the General Court of Justice from accepting a payment using central bank digital currency, or from participating in any test of central bank digital currency by any Federal Reserve branch.

This bill was vetoed by the Governor on July 5, 2024, and that veto was overridden by the General Assembly on September 9, 2024. This act became effective September 9, 2024.

#### **2024 Building Code Regulatory Reform.**

SL 2024-49 (S166)

Session Law 2024-49 amends various development regulations, amends various North Carolina State Building Codes, amends various construction contractors and design professionals' regulations, amends various environment and environmental health regulations, and reorganizes the Building Code Council.

This bill was vetoed by the Governor on July 5, 2024, and that veto was overridden by the General Assembly on September 11, 2024. This act has various effective dates. Please see the full summary for more details.

#### **Recording of Court-Filed Documents.**

SL 2024-54 (S445)

#### S.L. 2024-54 does the following:

- Exempts any certified copy of a court-filed document from formatting requirements applicable to paper documents presented to a register of deeds for registration.
- Begins the small claims appeal period when a judgment is rendered.
- Requires written findings of indigency in small claims appeals.
- Modifies criteria for plaintiff's motion to dismiss summary ejectment appeal.
- Requires the clerk to disburse certain payments made during summary ejectment appeal within five days of request.
- Increases punishment for willful and wanton damage to the residential real property of another.
- Prohibits fraudulent rental, lease, or advertisement for sale of residential real property.

This bill was vetoed by the Governor on July 8, 2024, and that veto was overridden by the General Assembly on November 19, 2024. This act has various effective dates. Please see the full summary for more detail.

#### Statutory Changes for Department of Public Instruction Funding in Arrears – Require ICE Cooperation & Budget Adjustments.

SL 2024-55 (H10), Sec. 6.2

Section 6.2 of S.L. 2024-55 removes statutory language that directed the State Board of Education (SBE) to allocate funds for the purpose of operating kindergarten in each local school administrative unit (LEA) based on the average daily membership for the best continuous three out of the first four school months of students in kindergarten during the last school year in the LEA. In addition, the section removes statutory language that states that an LEA would not become ineligible for funding if either the highest of the first two months' total projected average daily membership for the current year or the higher of the first two months' total prior year average daily membership would have otherwise made the LEA eligible for a small county allotment.

This section further provides that eligibility for funding is based on the allotted average daily membership of the LEA and that the initial allocation is based on the allotted daily membership of the LEA and cannot be adjusted for current year actual average daily membership.

Finally, the section makes appropriations changes for the 2024-2025 fiscal year to accommodate the transition to an arrears-based funding model, as well as changes in average salaries, special population headcounts, and other technical adjustments.

This bill was vetoed by the Governor on September 20, 2024, and that veto was overridden by the General Assembly on November 20, 2024. This section of the act became effective July 1, 2024.

### Retroactive Payments for Scholarship Funds – Require ICE Cooperation & Budget Adjustments.

SL 2024-55 (H10), Sec. 6.5A

Section 6.5A of S.L. 2024-55 directs the North Carolina State Education Assistance Authority (SEAA) to distribute additional funds for Opportunity Scholarship and Personal Education Student Account for Children with Disabilities (PESA) awards as soon as practicable. To be eligible for an award, a student must meet the following criteria:

- Have submitted an application for the 2024-2025 school year by March 1, 2024.
- Be otherwise eligible to receive a scholarship award but have not yet received an award.
  A student who received a PESA award for the fall semester and is also eligible to receive
  an Opportunity Scholarship award would receive an Opportunity Scholarship award for
  the spring semester only.

• Be enrolled in an eligible nonpublic school by October 1, 2024, and remain continuously enrolled in the same school for the spring semester.

The section requires nonpublic schools receiving scholarship funds from SEAA on behalf of an eligible student to directly reimburse any tuition and fees paid by the student's parent or guardian, up to the amount disbursed by SEAA, within 60 days of receiving the scholarship funds. The nonpublic school is responsible for arranging the method of reimbursement with the parent or guardian.

The section also makes the following changes to the reporting requirements:

- For the 2024-2025 fiscal year, SEAA must report the nonpublic schools in which scholarship grant recipients are enrolled and award amounts per recipient to the Department of Public Instruction (DPI) by April 1, 2025.
- For the 2024-2025 fiscal year, DPI must report to the Joint Legislative Education Oversight Committee (JLEOC) on the cumulative difference between the scholarship grant award amount for each prior public school attendee enrolled in a nonpublic school and the average State per pupil allocation by June 1, 2025.
- No later than April 1, 2025, SEAA must report to JLEOC on any reasons eligible students did not receive an award of scholarship funds for the fall semester of the 2024-2025 school year and the number of students impacted by each reason.

This bill was vetoed by the Governor on September 20, 2024, and that veto was overridden by the General Assembly on November 20, 2024. This section of the act became effective July 1, 2024.

#### Require Sheriffs to Cooperate with ICE – Require ICE Cooperation & Budget Adjustments.

SL 2024-55 (H10), Sec. 9.1

Section 9.1 of S.L. 2024-55 does the following:

- Requires that Immigration and Customs Enforcement of the United States Department of Homeland Security (ICE) be queried when an individual charged with certain offenses is in custody and that person's legal residency or United States citizenship status is undetermined.
- Requires a judicial official to order that a prisoner subject to a detainer and administrative warrant be held in custody until ICE resolves the request or 48 hours, whichever occurs first.
- Appropriates \$278,994 in recurring funds to hire two full-time jail inspectors.

This bill was vetoed by the Governor on September 20, 2024, and that veto was overridden by the General Assembly on November 20, 2024.

Subsection (a) of Section 9.1 became effective December 1, 2024, and applies to offenses committed on or after that date. The remainder of Section 9.1 became effective July 1, 2024.

#### Completing Access to Broadband Program – Require ICE Cooperation & Budget Adjustments.

SL 2024-55 (H10), Sec. 10.1

Section 10.1 of S.L. 2024-55 makes the following changes to the Completing Access to Broadband (CAB) Program:

- Directs the Department of Information Technology (DIT) to utilize up to \$190 million of funds appropriated to the CAB Program, to provide the county project cost responsibility for the 37 counties that had committed, as of May 1, 2024, to both participate in the CAB Program and provide the county's cost share match.
- Requires broadband service providers selected for a project under the CAB Program to provide at least 30% of the total estimated project cost.
- Eliminates the requirement that county governments provide at least 35% of the total estimated project costs.
- Eliminates the requirement that county governments provide DIT its portion of total estimated project costs upon executing an agreement with a broadband service provider.

This bill was vetoed by the Governor on September 20, 2024, and that veto was overridden by the General Assembly on November 20, 2024. This section of the act became effective July 1, 2024, and applies to grant funding requests submitted on or after that date.

#### **BEAD Deployment – Require ICE Cooperation & Budget Adjustments.**

SL 2024-55 (H10), Sec. 10.2

Section 10.2 of S.L. 2024-55 makes various changes to the laws that relate to broadband deployment and the Department of Information Technology (DIT), which include:

- Establishing the Growing Rural Economies with Access to Technology for Broadband Equity, Access, and Deployment Fund (GREAT 3.0 Fund), as a special revenue fund in DIT, to pay for infrastructure costs of projects designed to extend broadband service to unserved and underserved areas and to community anchor institutions.
- Directing the Broadband Infrastructure Office in DIT to implement a competitive subgrantee selection process in conformance with the Broadband Equity, Access, and Deployment (BEAD) Program from the Infrastructure Investment and Jobs Act (P.L. 117-58).
- Requiring DIT to submit annual and periodic reports concerning the implementation of the GREAT 3.0 Program to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division.
- Appropriating to DIT up to \$23 million in federal funds received for digital literacy from the State Digital Equity Capacity Grant Program under the Infrastructure Investment and

Jobs Act (P.L. 117-58), to be used in accordance with the North Carolina Digital Equity Plan.

• Eliminating the sunset provision for the Broadband Pole Replacement Program, which is set to expire on December 31, 2024.

This bill was vetoed by the Governor on September 20, 2024, and that veto was overridden by the General Assembly on November 20, 2024. This section of the bill became effective July 1, 2024.

## Allow Chancellor of the University of North Carolina at Asheville to Use Remaining Tuition Grant Funds to Help UNCA — Disaster Relief-3/Budget/Various Law Changes.

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

Please see the summary for Section 4A.4 of S.L. 2024-53.

#### Extension of MH/DD/SUS Facility Licenses and License Renewal Deadlines – Disaster Relief-3/Budget/Various Law Changes.

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

Section 1C.1 of S.L. 2024-57 delays, from December 31, 2024, to March 1, 2025, the expiration and renewal deadline for licenses issued to facilities providing services to individuals with mental illness, developmental disabilities, or substance use disorders, referred to as "licensable facilities" under G.S. 122C-3, that are located in a county under a federal disaster declaration due to Hurricane Helene.

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.

### Authorization for the Division of Health Service Regulation to Temporarily Waive — Disaster Relief-3/Budget/Various Law Changes.

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

Sec. 1C.2 of S.L. 2024-57 amends G.S. 153A-221 to allow the Division of Health Service Regulation, Department of Health and Human Services to temporarily waive rules applicable to local confinement facilities during a state of emergency declared by the Governor, a national emergency declared by the President, a public health emergency declared by the Secretary of the United States Department of Health and Human Services, or when there is an emergency that poses a risk to prisoners or confinement facility staff.

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.

## Extension of Registrations and Registration Renewal Deadlines for Multiunit Assisted Housing with Services Facilities – Disaster Relief-3/Budget/Various Law Changes.

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

Section 1C.3 of S.L. 2024-57 extends registrations and registration deadlines for multiunit assisted housing with services facilities, as defined in G.S. 131D-2.1(10), located in areas affected by Hurricane Helene that hold a valid, current registration issued by the Department of Health and Human Services, Division of Health Regulation (DHSR) as follows:

- Registrations for calendar year 2024 are extended from December 31, 2024, to March 1, 2025.
- The deadline for the facility to submit its registration application and fee for calendar year 2025 to DHSR is 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 of the act became effective December 11, 2024.

#### Extension of Adult Care Home and Family care Home Licenses and License Renewal Deadlines — Disaster Relief-3/Budget/Various Law Changes.

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

Section 1C.4 of S.L. 2024-57 notwithstands the law (G.S. 131D-2.4(d)) pertaining to licensure renewals for adult care homes and family care homes (as defined in G.S. 131D-2.1) that are due to expire on December 31, 2024. This section allows valid adult care home and family care home licenses issued by the Division of Health Service Regulation (DHSR), Department of Health and Human Services, to be extended to March 1, 2025, and provides that the deadline for the adult care home or family care home to submit to DHSR a renewal application and pay the applicable fee for license renewal for the 2025 calendar year is March 1, 2025. Section 1A.3 of the act provides that this section applies to those adult care homes and family care homes in the affected area (as defined in Section 1A.4) which are North Carolina counties designated before, on, or after the effective date of the act under a major declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Helene.

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.

## Extension of Deadline for Renewal of Adult Care Home Administrator Certification and Completion of Continuing Education Requirements – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1C.5

Section 1C.5 of S.L. 2024-57 extends the following to March 1, 2025, for certified administrators of adult care homes who either work as administrators or live in the affected area: (i) the validity of the administrator certification, (ii) the deadline to complete annual continuing education requirements, and (iii) the deadline to submit applications for renewal and pay renewal fees.

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 act became effective December 11, 2024.

## 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.

#### Extend the Validity of Certain Septic System Permits within the Affected Area – Disaster Relief-3/Budget/Various Law Changes.

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

Section 1D.4 of S.L. 2024-57 extends the validity of permits and authorizations issued for the construction, installation, and operation of on-site wastewater systems, including those issued by an engineer or Authorized On-Site Wastewater Evaluator, in an affected area<sup>[1]</sup> to 10 years from the date of issuance.

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, and applies to permits and authorizations that were current and valid at any point during the period beginning January 1, 2024, and ending December 11, 2024.

<sup>[1]</sup> An "affected area" is defined in S.L. 2024-57 as "[t]he counties designated before, on, or after the effective date of this act under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Helene."

#### Temporary Public Water System Approval in Disaster Areas – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1D.5

Section 1D.5 of S.L. 2024-57 allows a supplier of water to temporarily operate a transient non-community public water system in the affected area for up to 59 days, without having been issued an operating permit by the Department of Environmental Quality (DEQ). DEQ can revoke this temporary authorization upon issuing a written notice to the transient non-community public water system citing a public health risk.

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.

#### Temporary Pump and Haul Wastewater Permits – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1D.6

Section 1D.6 of S.L. 2024-57 provides that temporary pump and haul wastewater permits issued to a temporary housing unit in an affected area remain valid for 12 months, with an option to extend the permit for no more than 12 months, provided the permit holder complies with certain requirements including septage management, public health and environmental protection, and monitoring and reporting.

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, and applies to permits issued through March 1, 2025.

## Authorize Waiver of Submission and Approval of Sedimentation and Pollution Control Plan Prior to Initiation of Land-Disturbing Activities in Certain Circumstances — Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1D.7

Sec. 1D.7 of S.L. 2024-57 provides that, to the extent authorized by federal law, the Sedimentation Control Commission, Department of Environmental Quality, or a local government that administers a delegated erosion and sedimentation control program, as applicable, must waive the requirement that persons conducting land-disturbing activity in an affected area file an erosion and sedimentation control plan (Plan) for approval of the agency with jurisdiction, and obtain a General Permit NCG01000 (NCG01), prior to initiating land-disturbing activity. If the applicable agency with jurisdiction waives the requirement for an approved Plan prior to initiation of activities, persons conducting such land-disturbing activities must: (i) install all erosion control measures required prior to initiation of land-disturbing activities; (ii) notify the agency with jurisdiction of the date on which land disturbing activity will be initiated; and (iii) submit a Plan to the agency with jurisdiction, for the agency's approval, within 30 days of initiation of the land-disturbing activity, and apply for a NCG01 after receipt of Plan approval. Notwithstanding a waiver for a submittal and approval of a Plan authorized pursuant to this section, all other provisions statutes governing erosion and sedimentation control and rules adopted thereunder apply, including required inspections and enforcement authority for noncompliance.

This act 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 March 1, 2025.

#### Tree Ordinance Restriction in Disaster Declared Counties – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1D.8

Section 1D.8 of S.L. 2024-57 prohibits local governments in an affected area<sup>[1]</sup> from enforcing ordinances regulating the removal, replacement, and preservation of trees on private property or requiring a permit for any activity relating to trees, on the portion of any private property that is more than 10 feet from the property boundary. This section does not apply to imminent threats to public safety or areas where tree removal or maintenance activities are prohibited by State or federal law.

This act 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 March 1, 2025.

<sup>[1]</sup> An "affected area" is defined in S.L. 2024-57 as "[t]he counties designated before, on, or after the effective date of this act under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Helene."

#### Right to Connect Temporary Housing to Wastewater Treatment System – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1D.9

Section 1D.9 of S.L. 2024-57 requires local health departments to allow a homeowner in an affected area<sup>[1]</sup> to connect temporary housing to an existing subsurface wastewater treatment and dispersal system, provided that the homeowner signs an affidavit developed by the Department of Health and Human Services (Department) authorizing the use of the wastewater system with temporary housing for up to 12 months or until permanent housing is established, whichever occurs first. The Department and its employees, agents, and contractors bear no liability to a homeowner who signs an affidavit related to the homeowner's decision to connect to an existing subsurface wastewater treatment and dispersal system.

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 and expires June 1, 2025.

An "affected area" is defined in S.L. 2024-57 as "[t]he counties designated before, on, or after the effective date of this act under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Helene."

#### Modify DEQ Water Infrastructure Bridge Loan Program – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 1D.10

Section 1D.10 of S.L. 2024-57 makes the following revisions to the Water Infrastructure Bridge Loan Program (Program) established in Section 4C.7 of S.L. 2024-53 (The Disaster Recovery Act of 2024 – Part II):

- Extends eligibility to receive emergency bridge loans under the Program to nonprofit water corporations
- Stipulates that loans awarded under the Program mature upon the earlier of (i) receipt of federal or State disaster relief by the drinking water or wastewater provider, or (ii) June 30, 2030
- Defines the term "operational capacity"
- Requires the Division of Water Infrastructure of the Department of Environmental Quality
  to submit information on the administration of the program as part of its comprehensive
  annual report on the Water Infrastructure Fund, rather than as a separate, standalone
  report.

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.

#### Extend Certain Concealed Handgun Permits – Disaster Relief-3/Budget/Various Law Changes.

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

Section 1E.1 of S.L. 2024-57 provides that any concealed handgun permit issued pursuant to Article 54B of Chapter 14 of the General Statutes to a resident of a county designated under a federal major disaster declaration as a result of Hurricane Helene, with an expiration date on or after September 25, 2024, but no later than December 31, 2024, remains valid until 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 of the act became effective December 11, 2024.

#### Modify Cashflow Loan Program — Disaster Relief-3/Budget/Various Law Changes.

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

Section 1F.1 of S.L. 2024-57 modifies Section 4E.5 of S.L. 2024-53, which required the Local Government Commission (Commission) to use \$100 million of the funds appropriated to the

Department of the State Treasurer (Department) to provide cashflow loans to local governments in the areas affected by Hurricane Helene. Section 1F.1 of S.L. 2024-57 amends Section 4E.5 of S.L. 2024-53 by moving the cashflow loan program from the Commission to the Department as a whole. This section also provides that local governments seeking loans are not required to get approval from the Commission.

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.

### 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.

## Permit Chair of Board of Governors to Designate a Member of the Board of Directors for Project Kitty Hawk — Disaster Relief-3/Budget/Various Law Changes.

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

Section 2A.6 of S.L. 2024-57 allows the Chair of the Board of Governors of the University of North Carolina (BOG) to designate another individual to be an ex officio voting member of the board of directors for Project Kitty Hawk instead of the Chair of the BOG serving in that role.

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.

### Campus Law Enforcement Teaching Hospital Clarification — Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2A.7

Section 2A.7 of S.L. 2024-57 clarifies that teaching hospitals are allowed to establish their own law enforcement agencies.

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.

#### North Carolina Collaboratory to Establish and Operate the Office of Learning Research – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2A.8

Section 2A.8 of S.L. 2024-57 establishes the Office of Learning Research (OLR) within the North Carolina Collaboratory (Collaboratory).

OLR Established – Provides \$1.5 million in recurring funds to the Collaboratory to establish and operate the OLR, beginning in the 2024-2025 fiscal year. The purpose of OLR is to identify and evaluate the efficacy and efficiency of programs, activities, initiatives, procedures, and any other factors related to elementary and secondary education in the State.

Funding and Duties of OLR – Funds provided to the Collaboratory for OLR must be used to at least do the following:

- Provide information and support needed by elementary and secondary public schools, university leaders, and elected officials to make evidence-based decisions.
- Collaborate with constituent institutions of The University of North Carolina and other stakeholders to implement innovative policies and programs to accelerate learning for all students.
- Work with external research resources and partners to evaluate local, State, and federal programs in order to establish metrics and assess return on investment.
- Support the operations of OLR.

Collaboratory May Relocate OLR – The Collaboratory can, in consultation with The University of North Carolina System Office and the Provost at the University of North Carolina at Chapel Hill (UNC-CH), relocate OLR within UNC-CH. If the Collaboratory relocates OLR, it must do the following:

- Continue to administer funds appropriated for OLR for the operations of OLR.
- Continue to determine, fund, manage, and oversee the research portfolio of OLR. The entity to which OLR is relocated must otherwise oversee the operations of OLR.
- Within 60 days of the relocation, report to the Joint Legislative Education Oversight Committee (JLEOC) on where OLR was relocated and any other information the Collaboratory deems relevant to the relocation.

Access to Information – All units of State and local government, including the State Board of Education, Department of Public Instruction, and public school units, must provide reasonable access to records, data, processes, personnel, and any other relevant information otherwise permitted under State and federal law.

Report – The Collaboratory must report by July 1, 2025, to the JLEOC on the progress made in establishing and operating OLR. For each fiscal year OLR is in operation, the Collaboratory must include in its annual report information on the activities of OLR from the prior fiscal year.

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.

#### Revise State Education Assistance Authority Board of Directors Member Requirements – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2A.9

Section 2A.9 of S.L. 2024-57 broadens the pool of potential appointees to the board of directors of the State Education Assistance Authority to include those individuals who have experience as a chief financial officer or chief administrative officer of a nonpublic school that enrolls students receiving opportunity scholarship funds, rather than only those individuals who serve as a chief financial officer or chief administrative officer of such a school at the time of appointment.

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 July 1, 2024.

#### Extend Certain Opportunity Scholarship Domicile Verification Requirements – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2A.10

Section 2A.10 of S.L. 2024-57 grants an additional year for the North Carolina State Education Assistance Authority (SEAA) to establish a domicile determination system for all Opportunity Scholarship recipients by allowing the parents of recipients to certify that they meet the domicile requirements for the 2025-2026 school year, with 6% of those certifications being verified by SEAA.

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.

### Six-month Extension for Full Implementation of Child Fatality Prevention System Changes — Disaster Relief-3/Budget/Various Law Changes.

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

Section 2B.2 of S.L. 2024-57 extends the deadlines by six months for the Department of Health and Human Services (DHHS) to implement the changes as enacted by the 2023 Appropriations Act to the Child Fatality Prevention System.

DHHS must ensure all Local Teams are provided guidelines, training and have begun utilizing the System by January 1, 2026.

Establishment of North Carolina Citizen Review Panels (G.S. 108A-15.20) becomes effective July 1, 2025, and participation in the National Fatality Review Case Reporting System (G.S. 7B-1413.5) becomes effective January 1, 2026.

The remainder of the changes to the North Carolina Child Fatality Prevention System and to disclosure in child fatality or near fatality cases become effective July 1, 2025, instead of January 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 act became effective December 11, 2024.

#### Foster Care Trauma-Informed Assessment – Disaster Relief-3/Budget/Various Law Changes.

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

Section 2B.3 of S.L. 2024-57 amends Sections 9J.12(a) and (c) of S.L. 2023-134 by extending the deadlines for the trauma-informed, standardized assessment (assessment) statewide rollout and extending the reversion of the associated funds as follows:

- The assessment template deadline is extended to August 30, 2025.
- The beginning date of the phased-in approach of the assessment is extended to January 30, 2026, and the deadline for statewide operation is extended to December 31, 2026.
- The reversion date for the funds appropriated for the assessment is extended to June 30, 2026.

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.

#### Delay Effective Date of Entertainment Event Ticket Sale/Resale Transparency – Disaster Relief-3/Budget/Various Law Changes.

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

Section 2C.3 of S.L. 2024-57 delays the effective date of Section 24 of S.L. 2024-45 which enacts G.S. 75-44, titled Ticket Price Transparency, from an original effective date of January 1, 2025, to be effective April 1, 2025.

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.

#### Expedite Effective Dates for CAMA Provisions Requiring NOAA Approval – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2C.4

Section 2C.4 of S.L. 2024-57, modifies Sections 4C.11 and 4C.12 of S.L. 2024-53, which amended provisions enacted in the 2024 regulatory reform bill (Sec. 15.1 of S.L. 2024-45) that required rulemaking: (i) for changes to permit requirements applicable to dock, pier, and walkway replacement in the coastal area; and (ii) to establish a measurement line that represents the location of the first line of stable and natural vegetation for dune building projects conducted pursuant to terminal groin construction. Sections 4C.11 and 4C.12 of S.L. 2024-53 added these provisions to statute. Section 2C.4.(a) of S.L. 2024-57 further amended these provisions to: (i) eliminate language requiring approval of the National Oceanic and Atmospheric Administration (NOAA) prior to the provisions becoming effective; and (ii) make these provisions retroactively effective to October 25, 2024.

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 act became effective December 22, 2024. This section became effective October 25, 2024.

### Modify Statute Shielding Individuals from Prosecution Related to Certain Local Ordinances — Disaster Relief-3/Budget/Various Law Changes.

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

Section 2D.1 of S.L. 2024-57 modifies the requirements for an individual to avoid criminal prosecution for violations of certain local government ordinances. This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024. Section 2D.1 of S.L. 2024-57 became effective January 1, 2025, and applies to offenses committed on or after that date.

#### **Create Two Special Superior Court Judge Positions – Disaster Relief-** 3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2D.4

Section 2D.4 of S.L. 2024-57 creates two new special superior court judge positions to begin on January 1, 2025, each to be filled by appointment of the General Assembly, with one seat nominated by the Speaker of the House and one nominated by the President Pro Tempore of the Senate. For these purposes, this provision also appropriates \$287,846 in recurring funds and \$14,452 in nonrecurring funds for the 2024-2025 fiscal year.

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 Various Superior Court Districts – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Section 2D.5

Section 2D.5 of S.L. 2024-57 repeals Superior Court District 10E in Wake County and Superior Court District 31D in Forsyth County.

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 on January 1, 2029.

### Burke County Business Park Site Development – Disaster Relief-3/Budget/Various Law Changes.

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

Section 2E.3 of S.L. 2024-57 reallocates \$20 million of the \$23.52 million that originally went to Burke Partnership for Economic Development, Inc. (Burke Partnership) for megasite capital and acquisition costs in western North Carolina and allows Burke Partnership to instead use that \$20 million for site development and preconstruction activities at the Burke Business Park in Burke County, subject to Burke Partnership entering into contracts with Burke County and the Department of Commerce that, among other things, provide for (i) acceptable uses of funds, (ii) fund recoupment requirements, (iii) clawback provisions, and (iv) fund repayment provisions.

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.

#### Clarify Authority to Modify Loan and Technical Correction to Consumer Finance Act — Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2E.4

Section 2E.4(a) of S.L. 2024-57 modifies the North Carolina Consumer Finance Act (Act) by adding the following limitations and prohibitions on loan practices and agreements:

- A loan contract can be modified or restructured if the interest rate after the original maturity date does not exceed 8% per annum.
- A loan modification or restructuring can provide for a reduction of interest rate, reduction
  of principal, reduction in the amount of accrued interest, suspension of or modification
  of payment amounts, extension of the term of the loan, or any combination of these
  terms.
- A modification of payment amounts for the term of a loan modification or restructuring must not provide for a balloon payment and is not subject to the requirement that a loan contract provide for the repayment of the amount loaned in substantially equal installments at approximately equal periodic intervals of time.
- A licensee must document the terms of any agreement to modify or restructure an
  existing loan contract by setting forth the terms of the modified or restructured loan in
  its loan records and provide to the borrower a written notice of the changes.
- A licensee must not charge a borrower a fee to modify or restructure a loan unless a licensee, by agreement with the borrower, collects a deferral charge and defers the due date of all or part of one or more installments under an existing loan contract.
- A licensee must not require additional collateral as a condition for a loan modification or restructuring.

Section 2E.4(b) of S.L. 2024-57 makes a technical correction to the 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. Section 2E.4(a) became effective December 11, 2024, and applies to loan contracts modified or restructured on or after that date. Nothing in Section 2E.4(a) invalidates or impairs a loan modification or restructuring that occurred prior to December 11, 2024. The remainder of this section became effective December 11, 2024.

### Certain Notary Modifications — Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 2E.5

Section 2E.5 of S.L. 2024-57 validates any emergency video notarizations and emergency video witnessing performed from July 1, 2024 through September 8, 2024.

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

#### Correct Improper Statutory Reference in Session Law 2024-42 — Disaster Relief-3/Budget/Various Law Changes.

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

Section 2G.1 of S.L. 2024-57 amends the introductory language of Section 2.(b) of S.L. 2024-42 to clarify that the statute being amended by that act is G.S. 135-48.1.

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

## Eliminate Additional Means of Notice to Advertise Property Tax Liens Currently Required by Law – Disaster Relief-3/Budget/Various Law Changes. SL 2024-57 (S382), Sec. 2J.1

Section 2J.1 of S.L. 2024-57 repeals <u>Section 22 of S.L. 2024-45</u>, which required tax collectors to provide an additional means of notice to advertise property tax liens, effective for taxes imposed for taxable years beginning on or after January 1, 2025. Specifically, the requirement being repealed by this section would have required a tax collector to visit each affected parcel to post notice of the lien directly on or at the parcel's physical location in addition to the existing requirement of advertising the lien in local newspapers.

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.

### 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.

#### **Various Election Changes – Disaster Relief-3/Budget/Various Law Changes.** SL 2024-57 (S382), Sec. 3A.4-3A.5

Sections 3A.4 and 3A.5 of S.L. 2024-57, effective January 1, 2025, do the following:

- Change the request deadline for absentee ballots.
- Specify a standard deadline for cure documentation for absentee ballots and provisional ballots and for the counting of such ballots properly cured.
- Require the meeting of county boards of elections on Election Day to be continuous until all absentee ballots received through the close of polls on Election Day have been counted.
- Authorize a political party headquarters building fund to use contributions for any legal action and allow political parties to use that fund to make unlimited donations to any existing legal defense fund.

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.
  - o 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.

## Update Laws Regarding Multiple Employer Welfare Arrangements (MEWAS) That Provide Employee Welfare Benefit Plans – Disaster Relief-3/Budget/Various Law Changes.

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

Section 3G.1 of S.L. 2024-57 amends Article 50A (Association Health Plans) of Chapter 58 (Insurance) to allow statewide chambers of commerce to be licensed by the Insurance Commissioner to establish a multiple employer welfare arrangement (MEWA).

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 January 1, 2025, and applies to licenses issued under Chapter 50A of Chapter 58 on or after that date.

# 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 (\$382), 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.

#### Modifications to the Schools for the Deaf and Blind – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Secs. 3J.1 - 3J.9

Sections 3J.1 - 3J.9 of S.L. 2024-57 make additional changes to support the transition of the Schools for the Deaf and Blind (Schools) to being independent State agencies.

Clarify Independence of Schools — Clarifies that each of the Schools is an independent State agency and requires the Department of Administration (DOA) to provide support to the Schools for certain administrative matters, including finance, human resources, and procurement, through a memorandum of understanding, beginning July 1, 2025. The Department of Public Instruction (DPI) must include the Schools in the same insurance coverage purchased for DPI and its employees. The Schools are granted the same immunities provided to other educational entities such as the State Board of Education (SBE) and local boards of education, but these immunities are waived to the extent the Schools are indemnified by insurance or covered by the State Tort Claims Act. The Schools are also eligible to receive regional or statewide systems of support from DPI and can apply for grants available to public school units, but are not eligible to receive local school administrative unit funding allotments. DPI must not remit any funds to the Pay Plan Reserve before distributing funds to the Schools for automatic step increases authorized by law.

Clarify Quorum Requirements and Qualifications of Board Members of the Schools – Prohibits employees of the Schools from serving on the board of trustees and clarifies that only voting members count towards establishment of a quorum.

Clarify Authority of School Leaders for Schools for the Deaf and Blind – Changes the nomenclature of the chief administrator from "director" to "superintendent" and establish that the superintendent must meet the same qualifications as superintendents of local boards of education. Also clarifies that the superintendent is subject to all lawful actions of the board of trustees and must carry out the board's rules and regulations. This section becomes effective July 1, 2025.

Authority for Schools for the Deaf and Blind to Purchase Liability Insurance – Identifies the Schools as State agencies for coverage under the State Tort Claims Act and authorizes representation by the Attorney General's Office for litigation. This section also authorizes the Schools to purchase directors and officers insurance and liability insurance.

Appeals of Admissions Eligibility to Schools for the Deaf and Blind Boards of Trustees – Clarifies that the obligation of the Schools to provide a free appropriate public education to students begins upon a student's enrollment. This section also allows a parent to appeal a superintendent's admission decision to the board of trustees but does not allow due process hearings on enrollment decisions.

Transition Support and Type I-Like Transfer for Schools for the Deaf and Blind – Directs DPI to administratively house the Schools for the 2024-2025 school year. DPI, the SBE, and the

Superintendent of Public Instruction have immunity for civil liability in carrying out these functions. Beginning July 1, 2024, the powers, duties, and functions of the Schools transfer from DPI to the Schools.

During the 2024-2025 school year, the following are required:

- The schools must report to the Joint Legislative Education Oversight Committee (JLEOC) by January 15, 2025, on the implementation of statutory requirements.
- DOA must study the costs and positions needed to support the Schools and report to the Fiscal Research Division and JLEOC by May 1, 2025.
- The Office of State Budget and Management (OSBM) and the Office of the State Controller (OSC) must establish the Schools as State agencies before July 1, 2025.
- OSBM, OSC, DOA, and DPI must provide a liaison to the Schools during this transition period to assist with questions.
- The North Carolina Collaboratory must study the administrative structure, operations, and policies of the Schools and how to optimize operation to ensure success for each School and its students. The Collaboratory must report its findings to the Fiscal Research Division and Joint Legislative Education Oversight Committee by May 1, 2025.

Governor Morehead School Facilities – Reallocates certain properties to the Governor Morehead School for the Blind (GMS) that were previously reallocated to the Department of Health and Human Services (DHHS) by DPI. This section also requires GMS and DHHS to enter into memorandums of understanding for shared use of those facilities.

Schools for the Deaf and Blind Technical Corrections – Makes conforming changes to statutes related to cyberbullying and digital learning dashboards to reflect updated terminology used to refer to the Schools.

The changes clarifying the independence of the schools, clarifying quorum requirements, and purchasing liability insurance became effective July 1, 2024. The changes related to the superintendent of the Schools becomes effective July 1, 2025. The remainder of the changes became effective December 11, 2024. This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

### Charter School Appeal Changes – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.10

Section 3J.10 of S.L. 2024-57 repeals the State Superintendent's ability to appeal a final decision of the Charter School Review Board related to grants, renewals, revocations, or amendments of a charter to the State Board of Education.

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.

#### New Cooperative Innovative High Schools – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.11

Section 3J.11 of S.L. 2024-57 permits Dare Early College High School and Rockingham County CTE Innovation High School to operate as cooperative innovative high schools beginning with the 2024-2025 school year.

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.

#### Changes to the AI School Safety Pilot Program — Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.12

Section 3J.12 of S.L. 2024-57, as amended by Section 3J.17(h) of S.L. 2024-57, requires the public school units participating in the AI Safety Pilot Program (Pilot Program), New Hanover County Schools and Davidson County Schools, to contract with the same vendor for a system that offers threatening object detection, intruder detection, person down detection, door open detection, tag and track, facial recognition, forensic face search, and a license plate reader. The vendor will be determined by the first public school unit to enter into a contract for a school safety solution. Funds for the Pilot Program must be spent on integrating AI technology into existing cameras, video management systems, and alerting protocols. Additionally, the participating public school units, in coordination with the Center for Safer Schools rather than the Department of Public Instruction, receive a one-year extension to report on the Pilot Program to the Joint Legislative Education Oversight Committee.

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.

#### Changes to the Special Needs Pilot Program — Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.13

Section 3.J.13 of S.L. 2024-57 changes the participating local school administrative units in the pilot program for the special education digital intervention software platform to be Cabarrus County Schools, Union County Schools, and Vance County Schools. The Department of Public Instruction must submit an interim report for the pilot program to the Joint Legislative Education Oversight Committee and the Fiscal Research Division of the General Assembly by June 30, 2025, with a final report due October 15, 2027.

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.

### Expand Availability and Eligible Credits of SparkNC Pilot – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.14

Section 3J.14 of S.L. 2024-57 expands the credits a student can earn in the SparkNC Pilot Program (Program) to now include both, High-Tech credits and Health Science credits. Additionally, a student can earn up to four credits, but cannot complete the same learning experience more than once for credit. A High-Tech credit will be deemed to satisfy the computer science requirement for high school graduation. This section also expands eligibility for the Program to include all public school units. The Department of Public Instruction will provide a directed grant to SparkNC to be used to partner with and provide services to the maximum number of public school units possible. This section also changes the final report date for the Program from March 1, 2026, to February 15, 2027.

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.

#### Principal Licensure Portfolio Waiver – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.15

Section 3J.15 of S.L. 2024-57 waives the portfolio requirement for an administrator license for any individual who meets the following criteria:

- Completed at least one course as part of an approved administrator preparation program before August 31, 2025.
- Meets all other licensure requirements.
- Does not otherwise qualify for a waiver of administrator licensure requirements.

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.

### **Update Advanced Teaching Roles Program – Disaster Relief- 3/Budget/Various Law Changes.**

SL 2024-57 (S382), Sec. 3J.16

Section 3J.16 of S.L. 2024-57 modifies and recodifies the Advanced Teaching Roles (ATR) program. The ATR program develops advanced teaching roles and organizational models that link

teacher performance and professional development to salary increases for classroom teachers in selected local school administrative units (LEAs). LEAs can submit proposals to the State Board of Education (SBE) to participate in the ATR program and receive budget flexibility. Participating LEAs (ATR units) can receive grants to support the implementation of the program for up to two three-year terms, during which time the units also receive class size flexibility. Additionally, ATR units can receive funding for ATR salary supplements for certain designated teachers.

This section includes the following changes to the ATR program:

- Limits advanced teaching roles to teachers who provide instruction directly to students or are otherwise accountable for student performance.
- Establishes earlier Request for Proposal (RFP), submission, and selection deadlines for new LEAs to participate in the ATR program.
- Removes the 30% cap on salary supplements provided to ATR teachers.
- Limits how fast an ATR unit can expand to (i) no more than 5% of teachers or 25% of schools within the first year and (ii) no more than 10% of teachers or 50% of schools in years two and three.
- Modifies the requirements related to how the SBE must review ATR units every five years.
- Requires the Department of Public Instruction (DPI) to provide guidance and support to ATR units when needed.
- Allows ATR grant funds to not revert until October 1 of the subsequent fiscal year.
- Clarifies that if State funds are insufficient to cover the full amount of ATR salary supplements designated by law, the SBE and ATR unit must disburse any supplement funds pro rata. If those funds have been disbursed pro rata, the ATR units are encouraged but not required to fund the remainder of the supplement from alternate funding sources.

Additionally, this section requires DPI to study the feasibility of measuring class size by student-to-teacher ratio and report to the Joint Legislative Education Oversight Committee no later than March 15, 2025.

The current ATR statutes are repealed effective July 1, 2025. The remainder of the provisions became effective December 11, 2024, and the modifications apply beginning with the 2025-2026 school year. This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

## Transfer Center for Safer Schools to the State Bureau of Investigation and Repeal the Task Force for Safer Schools – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.17

Section 3J.17 of S.L. 2024-57 transfers the Center for Safer Schools (Center) from the Department of Public Instruction (DPI) to the State Bureau of Investigation (SBI) as a Type I transfer with a new budget fund created for the Center where all funds supporting the Center will be transferred

and be administered by the Executive Director of the Center. The Executive Director must be appointed by the Director of the SBI. Various school safety grant programs will be overseen by the Executive Director instead of the Superintendent of Public Instruction. An additional \$370,000 is appropriated to create four full-time criminal justice specialist positions for the Center. Position number 60009394 is also transferred from DPI to the SBI.

This section also repeals the Task Force for Safer Schools.

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.

#### Proprietary Schools Changes – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.18

Section 3J.18 of S.L. 2024-57 makes the following changes related to proprietary schools:

- Adjusts the qualifying criteria for members of the State Board of Proprietary Schools (State Board) appointed by the General Assembly.
- Clarifies that a proprietary school that receives federal funds must have a policy that
  complies with federal requirements for refunds. Other proprietary schools must provide
  a student with (i) a full refund, including any nonrefundable fees, if the school cancels
  class or a student withdraws before the first day of class, and (ii) a 75% refund, not
  including any nonrefundable fees, if the student withdraws before completing 25% of the
  period of enrollment.
- Requires all proprietary schools, regardless of the number of years of operation, to hold
  a bond equal to the greatest amount of unearned paid tuition in the school's position
  during the prior fiscal year. Bonds for proprietary schools in operation for fewer than six
  years are subject to quarterly evaluations; bonds for schools in operation for six or more
  years are subject to quarterly evaluations if the State Board deems it necessary.
- Increases the catastrophic loss amount of the Student Protection Fund (Fund) from \$1 million to \$1.5 million and the cap amount from \$1.5 million to \$2 million. The State Board would be required to suspend payments to the Fund as follows:
  - For currently licensed proprietary schools, if the Fund balance equals or exceeds \$1.5 million.
  - For schools applying for initial licensure, if the Fund balance equals or exceeds \$2 million.
  - o If the Fund balance decreases below \$1.5 million, all schools must make payments.

The modifications to the criteria for membership of the State Board became effective December 11, 2024, and apply to appointments made on or after that date. The remaining provisions become effective July 1, 2025, and apply to licenses issued or renewed on or after that date. This bill was vetoed by the Governor on November 26, 2024, and that veto was overridden by the General Assembly on December 11, 2024.

#### Expand Career and College Ready Graduate Program – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.19

Section 3J.19 of S.L. 2024-57 allows college developmental mathematics and developmental reading and English curriculums in the immediate preceding summer of the high school senior year, as well as the senior year, to provide for opportunities for college remediation for students prior to high school graduation.

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

### Permit UNC to Enter into Agreements with Vendors to Buy Back or Trade In Technological Equipment — Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.20

Section 3J.20 of S.L. 2024-57 allows The University of North Carolina to enter into agreements with one or more vendors to trade in any technological equipment purchased from the vendor or allow a vendor to buy back any technological equipment even if it was not purchased from the vendor. When distributing surplus computer equipment or entering into a trade-in or buyback agreement, The University of North Carolina must keep records on the type of computer equipment, the quantity of equipment, and the name of the vendor subject to the agreement. This section adjusts the reporting date for information related to the disposition of computer equipment from December 1 to March 1 of each year.

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.

### Common Digital Credential Pilot — Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.21

Section 3J.21 of S.L. 2024-57 requires the State Education Assistance Authority (SEAA) to transfer up to \$1 million to the Community Colleges System Office (System Office) to conduct a digital credential pilot program with a digital credential provider. The Community Colleges System Office must select at least one community college that is currently enrolling students in a digital credential program for the fall semester of the 2024-2025 academic year to participate in the pilot program. By June 15, 2025, the community college, in consultation with the System Office, the digital credential provider, and any other participating educational institution, must report to the Joint Legislative Education Oversight Committee on the implementation and outcomes of the digital credential pilot 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.

### Data Sharing for Children of Wartime Veterans Scholarships — Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.22

Section 3J.22 of S.L. 2024-57 directs The Department of Military and Veterans Affairs (Department) and the State Education Assistance Authority (SEAA) to enter into a data sharing agreement for the protection of student data related to scholarships by December 2, 2024. The agreement must address the disclosure, sharing, and use of student data for recipients of scholarships and the protection of records maintained by the Department regarding the eligibility of recipients and the records maintained by SEAA as the fiscal agent in disbursing funds for the scholarships. The agreement must require compliance with all applicable State and federal laws governing student data, including the Family Educational Rights and Privacy Act, 20 U.S.C. § 1232g.

No later than 10 business days after the execution of the data sharing agreement, the Department must provide SEAA with all of the following for the 2024-2025 academic year:

- The list of recipients of a scholarship deemed eligible by the Veterans' Affairs Commission, the amount of each recipient's scholarship, and a certification by the Secretary of the Department that the information for recipients of a scholarship is true and accurate.
- Any student data SEAA requests from the Department, in the manner and format requested by SEAA that SEAA deems necessary to administer the scholarship.
- The recipients who qualify for a scholarship to be funded with monies from the Escheat Fund and any supporting documentation requested by SEAA that was used by the Department for making that determination for an eligible student.
- Any additional information SEAA deems necessary for its disbursement of scholarships.

SEAA must use the information provided by the Department to acquire certification of the enrollment of eligible recipients and any other necessary information directly from the enrolling institutions in the manner deemed necessary by SEAA for the disbursement of funds, including administering funds through the electronic grant disbursement system utilized by SEAA in a manner consistent with other State funded financial assistance programs administered by SEAA. If SEAA determines that an enrolling institution has not certified the enrollment and eligibility of a recipient consistent with the scholarship requirements and this section, SEAA must notify the Department within 30 days of the determination. The Department must also provide SEAA with any additional information SEAA deems necessary for its disbursement of scholarships within 10 business days of the Department obtaining the information.

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 July 1, 2024, and applies to the 2024-2025 academic year.

#### Reports on Opportunity Scholarship Testing – Disaster Relief-3/Budget/Various Law Changes.

SL 2024-57 (S382), Sec. 3J.23

Section 3J.23 of S.L. 2024-57 repeals the requirement that the Superintendent of Public Instruction recommend tests for use with the Opportunity Scholarship program and instead requires the Office of Learning Research at The University of North Carolina (OLR) to make the recommendations. OLR must make its recommendations on nationally standardized tests for use in third and eighth grades that would be appropriate for administering to Opportunity Scholarship recipients and students in public school units by no later than December 31, 2025. To the extent practicable, OLR should recommend only one test for use in each grade.

This section requires the North Carolina State Education Assistance Authority (SEAA) to designate the recommended tests as the nationally standardized assessments to be administered by nonpublic schools participating in the Opportunity Scholarship program beginning with the 2026-2027 school year.

This section also waives the requirement that SEAA submit its report on the results of the required testing until December 1, 2027.

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.

### No Local Government Initiated Down-Zoning Without Consent of Affected Property Owner — Disaster Relief-3/Budget/Various Law Changes.

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

Section 3K.1 of S.L. 2024-57 prohibits, without the written consent of affected property owners, local government initiated rezonings or text amendments that (i) decrease the permitted density of development, (ii) reduce the range or permitted uses of the property, or (iii) create any type of nonconformity on land not in a residential zoning district, including a nonconforming use, nonconforming lot, nonconforming structure, nonconforming improvement, or nonconforming site element.

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 on December 11, 2024 and applies to local government ordinances adopted on or after that date, and any local government ordinance enacting down-zoning of property during the 180 days prior to December 11, 2024.

#### Superior Court Judges Shall Serve in that Capacity at the Pleasure of the Chief Justice — Disaster Relief-3/Budget/Various Law Changes.

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

Section 3C.3 of S.L. 2024-57 directs the Chief Justice of the Supreme Court to designate one regular resident superior court judge to serve in that capacity for a district or set of districts when there are two or more regular resident superior court judges for the district or set of districts.

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.