

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

H

3

HOUSE BILL 74  
Committee Substitute Favorable 3/3/25  
Senate Appropriations/Base Budget Committee Substitute Adopted 4/29/25

Short Title: House Budget Technical Corrections.

(Public)

Sponsors:

Referred to:

February 11, 2025

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE VARIOUS TECHNICAL AND CLARIFYING CHANGES TO THE  
3 CURRENT OPERATIONS APPROPRIATIONS ACT OF 2023 AND TO OTHER ACTS.  
4 The General Assembly of North Carolina enacts:

5  
6 **PART I. GENERAL PROVISIONS**

7  
8 **EXTEND THE TIME LINE FOR CERTAIN DIRECTED GRANTS TO NON-STATE**  
9 **ENTITIES**

10 **SECTION 1.1.(a)** This section applies to any directed grants appropriated as  
11 nonrecurring funds in S.L. 2022-74 for the 2022-2023 fiscal year that (i) remain unexpended as  
12 of the effective date of this section and (ii) are subject to reversion on December 31, 2024, as set  
13 forth in Section 1 of S.L. 2024-40. Notwithstanding any provision of law to the contrary, the  
14 grants described by this section shall not revert on December 31, 2024, but shall remain available  
15 for expenditure for the purpose for which the funds were appropriated until the earlier of the date  
16 the funds are expended or the date the funds revert pursuant to subsection (b) of this section.

17 **SECTION 1.1.(b)** Any funds described in subsection (a) of this section that remain  
18 unexpended as of December 31, 2024, shall revert to the appropriate fund at the end of the  
19 2025-2026 fiscal year.

20 **SECTION 1.1.(c)** This section is effective retroactively to December 31, 2024.

21  
22 **PART IA. DISASTER RELIEF RELATED PROVISIONS**

23  
24 **NCORR FUNDS TRANSFER CORRECTION**

25 **SECTION 1A.1.** Section 2B.2(a1) of S.L. 2025-2 reads as rewritten:

26 "**SECTION 2B.2.(a1)** Additional Transfer. – The State Controller shall transfer all funds  
27 remaining in the Hurricane Florence Disaster Recovery Fund that remain ~~unexpended~~  
28 unencumbered as of the date this act becomes law to the Savings Reserve."  
29

30 **AGRICULTURAL DISASTER CROP LOSS PROGRAM CORRECTION**

31 **SECTION 1A.2.(a)** Section 2D.2(b) of S.L. 2025-2 reads as rewritten:

32 "**SECTION 2D.2.(b)** Verification of Loss. – A person seeking financial assistance for losses  
33 of agricultural commodities under the Program shall submit to the Department a Form 578 on  
34 file with the USDA Farm Service Agency or a form provided by the Department for reporting  
35 acreage or plantings of crops or reporting infrastructure damage or loss that is not typically



1 reported on Form 578, along with any other documentation deemed appropriate by the  
 2 Department, no later than ~~45-60~~ days after this section becomes effective. For nursery crops,  
 3 fruit-bearing trees and bushes, and specialty crops where the survival level is not immediately  
 4 known, the Department may extend this deadline by an additional ~~45-60~~ days, upon written  
 5 request by the person received no later than ~~45-60~~ days after this subpart becomes effective and  
 6 upon approval by the Department. A person receiving assistance under this Program must provide  
 7 a signed affidavit, under penalty of perjury, certifying that each fact of the loss presented by the  
 8 person is accurate."

9 **SECTION 1A.2.(b)** Section 2D.2(c) of S.L. 2025-2 reads as rewritten:

10 **"SECTION 2D.2.(c) Criteria.** – The Department shall administer the financial assistance  
 11 program authorized by this subpart in accordance with the following criteria:

- 12 ...
- 13 (2) The Department shall gather all claim information, except from those  
 14 applicants granted a deadline extension, no later than ~~45-60~~ days after this  
 15 subpart becomes law. The Department shall, as closely as possible, estimate  
 16 the amount of the funds needed to be held in reserve for payments related to  
 17 losses of nursery, bush, tree, and specialty crops for which losses will not be  
 18 fully known or calculated. The Department shall set aside funds as it deems  
 19 appropriate based on the estimated percentage of these losses.

20 ...."

21  
 22 **LOCAL GOVERNMENT FEMA LOAN REIMBURSEMENT FROM PREVIOUS**  
 23 **DISASTERS**

24 **SECTION 1A.3.** Units of local governments that received loan funds under Section  
 25 1.5(1) of S.L. 2018-138 or Section 1.2(3)a. of S.L. 2019-250 to assist with cashflow management  
 26 while awaiting federal reimbursement, may apply to the Department of Public Safety, Office of  
 27 Recovery and Resiliency, for forgiveness of any portion, in whole or in part, of the outstanding  
 28 principal and interest of each loan received if all of the following conditions apply:

- 29 (1) The unit of local government applied for Public Assistance reimbursement  
 30 from the Federal Emergency Management Agency (FEMA) and that  
 31 application was denied, in whole or in part.  
 32 (2) The unit of local government does not have any active appeals or active  
 33 arbitrations for Public Assistance reimbursement from FEMA.  
 34 (3) The project worksheet has been closed.

35  
 36 **PART II. EDUCATION**

37  
 38 **REVISE DEADLINE FOR UNC REPORT ON STATE BUDGET ALLOCATIONS AND**  
 39 **POLICIES**

40 **SECTION 2.1.** G.S. 116-11(9b) reads as rewritten:

41 "(9b) The Board of Governors shall report by ~~February 1~~ March 1 of each year to  
 42 the Joint Legislative Education Oversight Committee, the Senate  
 43 Appropriations Committee on Education/Higher Education, the House of  
 44 Representatives Appropriations Subcommittee on Education, and the Fiscal  
 45 Research Division on the actions and adjustments necessary to its budgetary  
 46 policies, regulations, and standards resulting from the Current Operations  
 47 Appropriations Act for the administration and operation of The University of  
 48 North Carolina and the distribution of State and federal funds to constituent  
 49 institutions. The report shall include at least the following information for  
 50 each constituent institution:

- 1 a. Guidelines related to State salaries of University of North Carolina
- 2 employees, including range, median, and mean of faculty salaries at
- 3 the institution.
- 4 b. Budget allocations and reductions, including for operating expenses
- 5 and specific programs.
- 6 c. Distribution of additional State allocations for enrollment funding.
- 7 d. Use of State funds and budget flexibility.
- 8 e. Availability of federal funds.
- 9 f. Tuition and fees.
- 10 g. Composition of the student population at the institution, including
- 11 headcount enrollment and full-time student enrollment for both
- 12 undergraduate and graduate students, and aggregate data on residency
- 13 status, median household income, gender, race, and ethnicity.
- 14 h. Student retention and graduation rates.
- 15 i. Postsecondary educational attainment rate at the institution, including
- 16 comparison to statewide data.
- 17 j. A comparison to prior fiscal year expenditures and appropriations.
- 18 k. The total amount of mandatory student fee revenue collected by
- 19 institution and fee type.
- 20 l. Any source of student auxiliary revenue that represents greater than
- 21 ten percent (10%) of the overall student auxiliary revenue by
- 22 institution and revenue type.
- 23 m. Any source of sales revenue that represents greater than ten percent
- 24 (10%) of the overall sales revenue by institution and sales revenue
- 25 type."
- 26

**UNC BOARD OF GOVERNORS TEMPORARY EMPLOYMENT AUTHORITY**

**SECTION 2.2.(a)** G.S. 126-5(c1)(8) reads as rewritten:

"(8) Employees of The University of North Carolina who are exempt from the minimum wage and overtime compensation provisions of the Fair Labor Standards Act, ~~including instructional and research staff, student-oriented professionals,~~ finance professionals, business office professionals, auditor professionals, information technology professionals, physicians, dentists, pilots, ~~and the faculty of the North Carolina School of Science and Mathematics.~~ Mathematics, and all temporary employees. The Board of Governors of The University of North Carolina shall have the authority to establish positions under this subdivision to be exempt from this Chapter without further review or approval by any other State agency."

**SECTION 2.2.(b)** This section becomes effective January 1, 2026.

**REQUIRE THE OFFICE OF THE STATE FIRE MARSHAL TO MAINTAIN THE ONLINE REPORTING PORTAL ON THE STORAGE AND DEPLOYMENT OF AQUEOUS FILM-FORMING FOAMS**

**SECTION 2.3.(a)** G.S. 58-82B-10 reads as rewritten:

**"§ 58-82B-10. Duties of Office of the State Fire Marshal.**

The Office of the State Fire Marshal (OSFM) shall do all of the following:

- 47 ...
- 48 (2) ~~Assist the North Carolina Collaboratory, established under G.S. 116-255, in~~
- 49 ~~the development of~~ Develop and maintain, with the assistance of the North
- 50 Carolina Collaboratory established under G.S. 116-255, an online reporting
- 51 portal for fire departments operated, regulated, or managed by one or more

units of State and local government, including those located at or serving public airports, with the requirements of this Article.

...."

SECTION 2.3.(b) G.S. 116-255(b)(6) reads as rewritten:

"(6) ~~Maintain an online reporting portal, in partnership with~~ Assist the Office of State Fire Marshal, ~~Marshal in the maintenance of the online reporting portal~~ on the storage and deployment of Aqueous Film-Forming Foams (AFFF) as required by G.S. 58-82B-10."

SECTION 2.3.(c) Subsection (i) of Section 8.10 of S.L. 2021-180 reads as rewritten:

"SECTION 8.10.(i) ~~The Collaboratory, in partnership with the~~ The Office of the State Fire Marshal ~~(OSFM)~~ (OSFM), in partnership with the Collaboratory and any unit of State and local government deemed relevant by ~~the Collaboratory,~~ OSFM, shall develop and maintain the online reporting portal as required by G.S. 58-82B-10, as enacted by subsection (h) of this section, and G.S. 116-255(b)(6), as enacted by Section 8.8 of this act. The portal shall consist of an online reporting tool and related database that captures the storage and deployment of Aqueous Film-Forming Foams (AFFF) by fire departments in the State that are operated, managed, or overseen by units of local government, including those located at or serving public airports. The reporting tool shall be easily accessible to firefighters and fire department personnel to upload the data. The required inventory data shall include, at a minimum, the following:

...."

**NORTH CAROLINA COLLABORATORY MAY USE CYANOBACTERIAL ALGAL BLOOM TREATMENT PILOT PROJECT FUNDS FOR OTHER RESEARCH PROJECTS**

SECTION 2.4. Section 8.18(c) of S.L. 2021-180 reads as rewritten:

"SECTION 8.18.(c) The nonrecurring funds appropriated in this act for the 2021-2022 fiscal year to the Board of Governors of The University of North Carolina and allocated to the Collaboratory for the study of a cyanobacterial algal bloom treatment provided in subsection (b) of this section shall not revert to the General Fund at the end of the 2021-2022 fiscal year but shall remain available until expended. If these funds are not fully expended after the Collaboratory completes the evaluation required by this section, the Collaboratory may in its discretion use these funds for other research projects related to the study, analysis, and improvement of surface water quality in the State, including research projects related to nutrient-impaired coastal waters."

**PART III. HEALTH AND HUMAN SERVICES [RESERVED]**

**PART IV. AGRICULTURE AND NATURAL AND ECONOMIC RESOURCES**

**REALLOCATE WATER INFRASTRUCTURE FUNDS**

SECTION 4.1.(a) Notwithstanding any provision of S.L. 2023-134 or the Committee Report referenced in Section 43.2 of that act to the contrary, three million dollars (\$3,000,000) of the funds allocated to the City of Oxford for the Kerr Lake Regional Water project by Section 12.2(e)(136) of S.L. 2023-134 shall instead be allocated to the South Granville Water and Sewer Authority for one or more water or wastewater infrastructure projects.

SECTION 4.1.(b) Notwithstanding any provision of S.L. 2023-134 or the Committee Report referenced in Section 43.2 of that act to the contrary, seven million dollars (\$7,000,000) of the funds allocated to the City of Oxford for the Kerr Lake Regional Water project by Section 12.2(e)(136) of S.L. 2023-134 shall be transferred to the Office of State Budget and Management to provide grants to the following local governments and purposes:

- 1 (1) Three million dollars (\$3,000,000) to Franklin County for an infrastructure  
2 project.
- 3 (2) One million dollars (\$1,000,000) to Catawba County for a wastewater  
4 infrastructure project.
- 5 (3) Three million dollars (\$3,000,000) to Hertford County for a water or  
6 wastewater infrastructure project.

7 **SECTION 4.1.(c)** Notwithstanding any provision of S.L. 2023-134 or the Committee  
8 Report referenced in Section 43.2 of that act to the contrary, four million dollars (\$4,000,000) of  
9 the funds allocated by Section 12.2(e)(139) of S.L. 2023-134 shall be transferred to the Office of  
10 State Budget and Management to provide grants in the following amounts for the following  
11 purposes:

- 12 (1) Three million two hundred thousand dollars (\$3,200,000) to Stokesdale Fire  
13 District, Inc., a nonprofit corporation, for a new building.
- 14 (2) Seven hundred thousand dollars (\$700,000) to Rockingham County to be  
15 distributed by the County as fire department grants.
- 16 (3) One hundred thousand dollars (\$100,000) to the Alamance County Sheriff's  
17 Department for equipment.

18 **SECTION 4.1.(d)** Funds provided to the City of Archdale, the City of Asheboro, the  
19 City of Randleman, Randolph County, and the City of Trinity (local governments) by Section  
20 12.2(e) of S.L. 2023-134 shall, notwithstanding any provision of law to the contrary, be  
21 transferred to the Office of State Budget and Management to provide grants in the same amounts  
22 to the same local governments for water and wastewater projects.

23 **SECTION 4.1.(e)** Notwithstanding any provision of S.L. 2023-134 or the Committee  
24 Report referenced in Section 43.2 of that act to the contrary, funds allocated to the City of  
25 Claremont for the Lyle Creek Sewer project by Section 12.2(e)(39) of S.L. 2023-134 shall instead  
26 be used by the City of Claremont for any regional wastewater infrastructure improvements.

## 27 **REVISE MEGASITES READINESS PROGRAM**

28 **SECTION 4.2.** Section 11.11 of S.L. 2022-74, as amended by Section 11.11 of S.L.  
29 2023-134, reads as rewritten:

30 **"SECTION 11.11.(a)** Purpose. – It is in the best economic and developmental interests of  
31 the State to support the development of megasites to ensure the State's ongoing competitiveness  
32 for major manufacturing opportunities, including, but not limited to, the aerospace, automotive,  
33 clean energy, food processing, semiconductor, and life science industries. The purpose of this  
34 section is to establish a competitive grant program serving to do the following:

- 35 (1) Identify and evaluate up to seven megasites for preferred development and  
36 marketing.
- 37 (2) Assist local governments or a partnership of local governments in the  
38 acquisition of a newly identified or existing megasite.
- 39 (3) Support local governments or a partnership of local governments to analyze,  
40 plan, install, or upgrade public infrastructure, including ~~publicly owned~~ water,  
41 gas, and sewer systems, transportation infrastructure, and the ~~electrical utility~~  
42 ~~lines~~ electric infrastructure necessary to meet the needs of prospective  
43 employers for megasites.
- 44 (4) Support local governments or a partnership of local governments to fund  
45 on-site preparation, including clearing, grading, or other related expenses for  
46 megasites.
- 47 (4a) Support local governments or a partnership of local governments in  
48 conducting due diligence, including, but not limited to, the following: site  
49 characteristics, preliminary engineering reports for water and wastewater  
50

provision to the site, assessments related to road and highway infrastructure to serve the site, and other assessments as needed.

- (5) Facilitate coordination between the economic development entities, the North Carolina Department of Environmental Quality, and the North Carolina Department of Transportation to expedite needs related to timely site development.

...

"SECTION 11.11.(c) Definitions. – The following definitions apply in this section:

...

- (4) Government partnership. – Either (i) a North Carolina nonprofit entity that is tax exempt under section 501(c)(3) or 501(c)(12) of the Internal Revenue Code in partnership with one or more local governments or (ii) a group of local governments.

...

"SECTION 11.11.(d) Allocation. – EDPNC shall allocate monies in the Fund on the following basis:

...

- (2) All other funds appropriated to the Fund for local government grants for the ~~acquisition of megasites determined pursuant to subdivision (1) of this subsection.~~ purposes described in subsection (a) of this section. A grant for the acquisition of a megasite is limited to eighty-five percent (85%) of the lesser of the property's purchase price or tax value. The percentage actually provided in the grant shall be determined by EDPNC based on total development needs for the megasite, prior investment in the megasite by one or more local governments, the ability of one or more local governments to invest in the megasite, and the ability and level of participation promised by the local government in exchange for a grant from the Fund. Monies may only be granted for, and used to acquire, a megasite for which (i) one or more local governments have a binding option or offer to purchase and (ii) all basic due diligence must be complete, including, but not limited to, boundary surveys, title searches, State Historic Preservation Office reviews, and wetlands delineation.

...

"SECTION 11.11.(f) Agreements Required. – Monies ~~may~~ shall be disbursed from the Fund to EDPNC on a quarterly basis in four equal installments per year. EDPNC may use funds only in accordance with agreements that are (i) entered into between EDPNC and a local government or a government partnership and (ii) approved by the Economic Investment Committee established pursuant to G.S. 143B-437.54. The agreement must include all of the performance criteria, remedies, and other safeguards required to secure the assistance provided to ready the megasite for a major employer and must require EDPNC to recapture a proportionate amount of assistance provided under this section for failure by a local government or government partnership to meet and maintain the megasite for availability for the purposes for which the assistance was provided.

...."

**SELECTSITE MODIFICATIONS**

**SECTION 4.3.(a)** Notwithstanding any provision of law to the contrary, funds transferred to the North Carolina Selectsite Fund by Section 11.12(a) of S.L. 2023-134 for purposes consistent with Section 11.12(e)(1) of that act, that remain unspent as of April 1, 2025, shall not be used for those purposes but shall instead be used for engaging a national site selection firm through a competitive bid process to produce a report identifying and evaluating up to five

1 and not less than three selectsites located in a county declared a major disaster by the President  
2 of the United States, on September 28, 2024, under the Stafford Act (P.L. 93-288) as a result of  
3 Hurricane Helene.

4 **SECTION 4.3.(b)** Section 11.12 of S.L. 2023-134 reads as rewritten:

5 **"SECTION 11.12.(a)** Funds appropriated by Section 11.4 of S.L. 2022-74 to the Department  
6 of Commerce (Department) and allocated to the nonprofit corporation with which the  
7 Department contracts pursuant to G.S. 143B-431.01(b) that remain unspent as of June 30, 2023,  
8 shall be transferred to the North Carolina Selectsite Fund established in subsection (c) of this  
9 section to be used for purposes consistent with subdivision (e)(1) of this section. Of the funds  
10 appropriated from the Economic Development Project Reserve established in Section 2.2 of this  
11 act to the Department to be allocated to the nonprofit corporation with which the Department  
12 contracts pursuant to G.S. 143B-431.01(b), the sum of ten million dollars (\$10,000,000) in  
13 nonrecurring funds for the 2024-2025 fiscal year shall be used to support local governments or a  
14 partnership of local governments in conducting ~~due diligence as the activities~~ described in  
15 ~~subdivision~~ subdivisions (b)(2), (b)(3), (b)(4), and (b)(5) of this section.

16 **"SECTION 11.12.(b)** Purpose. – It is in the best economic and developmental interests of  
17 the State to support the development of selectsites to ensure the State's ongoing competitiveness  
18 for major manufacturing opportunities, including, but not limited to, the aerospace, automotive,  
19 clean energy, food processing, semiconductor, and life science industries. The purpose of this  
20 section is to establish a competitive grant program serving to do the following:

- 21 (1) Identify and evaluate up to ~~15~~20 selectsites of less than 1,000 acres for  
22 preferred development and marketing.
- 23 (2) Assist local governments or a partnership of local governments in the  
24 acquisition of a newly identified or existing selectsite.
- 25 (3) Support local governments or a partnership of local governments to analyze,  
26 plan, install, or upgrade ~~public~~ infrastructure, including ~~publicly owned~~ water,  
27 gas, and sewer systems; transportation infrastructure; and ~~the electrical utility~~  
28 ~~lines~~ electric infrastructure necessary to meet the needs of prospective  
29 employers for selectsites.
- 30 (4) Support local governments or a partnership of local governments to fund  
31 on-site preparation, including clearing, grading, or other related expenses for  
32 selectsites.
- 33 (5) Support local governments or a partnership of local governments in  
34 conducting due diligence, including, but not limited to, the following: site  
35 characteristics, preliminary engineering reports for water and wastewater  
36 provision to the site, assessments related to road and highway infrastructure  
37 to serve the site, and other assessments as needed.
- 38 (6) Facilitate coordination between the economic development entities and the  
39 North Carolina Department of Environmental Quality and the North Carolina  
40 Department of Transportation to expedite needs related to timely site  
41 development.

42 ...

43 **"SECTION 11.12.(d)** Definitions. – The definitions in Section 11.11(c) of S.L. 2022-74  
44 apply in this section. For purposes of this section, a "selectsite" is a parcel of contiguous property  
45 consisting of less than 1,000 acres that is viable for industrial development and listed in the report  
46 pursuant to subsection ~~(h)~~(e) of this section. For purposes of this section, "Fund" is the North  
47 Carolina Selectsite Fund.

48 **"SECTION 11.12.(e)** Allocation. – EDPNC shall allocate monies in the Fund on the  
49 following basis:

- 50 (1) Unspent funds transferred pursuant to subsection (a) of this section shall be  
51 used for engaging a national site selection firm through a competitive bid

process to produce a report identifying and evaluating 15 selectsites for preferred development and marketing, of which seven must be less than 500 acres and of which an additional two must be less than 100 acres.

(2) Funds appropriated to the Fund for local government grants shall be allocated for the purposes outlined in subdivisions (b)(2), (b)(3), (b)(4), and (b)(5) of this section for selectsites determined pursuant to subdivision (1) of this ~~subsection~~ subsection or through a similar selectsite site selection process authorized by the General Assembly. EDPNC shall prioritize local government grants that have the greatest potential to reduce the time for site readiness and reduce the risk of unforeseen conditions that could affect the site viability for advanced manufacturing projects. EDPNC shall base the grant amount on total development needs for the selectsite, prior investment in the selectsite by one or more local governments, the ability of one or more local governments to invest in the selectsite, and the ability and level of participation promised by the local government in exchange for a grant from the Fund. Monies may only be granted for, and used to acquire, a selectsite for which (i) one or more local governments have a binding option or offer to purchase and (ii) all basic due diligence has been completed, including, but not limited to, boundary surveys, title searches, State Historic Preservation Office reviews, and wetlands delineation.

...

"SECTION 11.12.(g) Agreements Required. – Monies ~~may~~ shall be disbursed from the Fund to EDPNC on a quarterly basis in four equal installments per year. EDPNC may use funds only in accordance with agreements entered into between EDPNC and a local government or a government partnership. The agreement must include all of the performance criteria, remedies, and other safeguards required to secure the assistance provided to ready the selectsite for a major employer and must require EDPNC to recapture a proportionate amount of assistance provided under this section for failure by a local government or government partnership to meet and maintain the selectsite for availability for the purposes for which the assistance was provided.

...."

**PART V. JUSTICE AND PUBLIC SAFETY**

**TRANSFER NORTH CAROLINA CENTER FOR MISSING PERSONS TO THE STATE HIGHWAY PATROL**

SECTION 5.1.(a) All functions, powers, duties, and obligations vested in the North Carolina Center for Missing Persons in the Department of Public Safety are transferred to, vested in, and consolidated within the State Highway Patrol by a Type I transfer, as defined in G.S. 143A-6.

SECTION 5.1.(b) Article 17 of Chapter 143B of the General Statutes, as enacted by S.L. 2024-57, is amended by adding a new Part 4 to be entitled "North Carolina Center for Missing Persons."

SECTION 5.1.(c) Subpart B of Part 5 of Article 13 of Chapter 143B of the General Statutes is recodified as Part 4 of Article 17 of Chapter 143B of the General Statutes, as enacted by S.L. 2024-57, as follows:

<u>Former Citation</u>	<u>Recodified Citation</u>
143B-1010	143B-1760
143B-1011	143B-1761
143B-1012	143B-1762
143B-1013	143B-1763
143B-1014	143B-1764



1	143B-1015	143B-1765
2	143B-1016	143B-1766
3	143B-1017	143B-1767
4	143B-1018	143B-1768
5	143B-1019	143B-1769
6	143B-1020	143B-1770
7	143B-1021	143B-1771
8	143B-1022	143B-1772
9	143B-1023	143B-1773

10           **SECTION 5.1.(d)** Part 4 of Article 17 of Chapter 143B of the General Statutes, as  
 11 recodified by subsection (c) of this section, reads as rewritten:

12                           "Part 4. North Carolina Center for Missing Persons.

13   **"§ 143B-1760. North Carolina Center for Missing Persons established.**

14           There is established within the ~~Department of Public Safety~~ State Highway Patrol the North  
 15 Carolina Center for Missing Persons, which shall be organized and staffed in accordance with  
 16 applicable laws. The purpose of the Center is to serve as a central repository for information  
 17 regarding missing persons and missing children, with special emphasis on missing children. The  
 18 Center may utilize the Federal Bureau of Investigation/National Crime Information Center's  
 19 missing person computerized file (hereinafter referred to as FBI/NCIC) through the use of the  
 20 Police Information Network in the North Carolina Department of Justice.

21   ...

22   **"§ 143B-1762. Control of the Center.**

23           The Center is under the direction of the ~~Secretary of the Department of Public Safety~~  
 24 Commander of the State Highway Patrol and may be organized and structured in a manner as the  
 25 Secretary deems appropriate to ensure that the objectives of the Center are achieved. The  
 26 ~~Secretary-Commander~~ may employ those Center personnel as the General Assembly may  
 27 authorize and provide funding for.

28   **"§ 143B-1763. Secretary-Commander to adopt rules.**

29           The ~~Secretary-Commander of the State Highway Patrol~~ shall adopt rules prescribing all of  
 30 the following:

- 31           (1) Procedures for accepting and disseminating information maintained at the
- 32                           Center.
- 33           (2) The confidentiality of the data and information, including the missing person
- 34                           report, maintained by the Center.
- 35           (3) The proper disposition of all obsolete data, including the missing person
- 36                           report; provided, data for an individual who has reached the age of 18 and
- 37                           remains missing must be preserved.
- 38           (4) Procedures allowing a communication link with the Police Information
- 39                           Network and the FBI/NCIC's missing person file to ensure compliance with
- 40                           FBI/NCIC policies.
- 41           (5) Forms, including but not limited to a missing person report, considered
- 42                           necessary for the efficient and proper operation of the Center.

43   ...

44   **"§ 143B-1765. Dissemination of missing persons data by law-enforcement agencies.**

45   ...

46           If the report involves a missing child and the report meets the criteria established in  
 47 ~~G.S. 143B-1021(b)~~, G.S. 143B-1771(b), as soon as practicable after receipt of the report, the law  
 48 enforcement agency shall notify the Center and the National Center for Missing and Exploited  
 49 Children of the relevant data about the missing child.

50   ...

51   **"§ 143B-1766. Responsibilities of Center.**

1 The Center shall do all of the following:

2 ...

- 3 (9) Maintain a directory of existing public and private agencies, groups, and  
4 individuals that provide effective assistance to families in the areas of  
5 prevention of child abduction, location of missing children and missing  
6 persons, and follow-up services to the child or person and family, as  
7 determined by the ~~Secretary of Public Safety~~Commander of the State  
8 Highway Patrol.

9 ...

- 10 (13) Perform such other activities that the ~~Secretary of Public Safety~~Commander  
11 of the State Highway Patrol considers necessary to carry out the intent of its  
12 mandate.

13 ...

14 **"§ 143B-1768. Release of information by Center.**

15 The following may make inquiries of, and receive data or information from, the Center:

16 ...

- 17 (4) Any person engaged in bona fide research when approved by the ~~Secretary;  
18 Commander of the State Highway Patrol~~; provided, no names or addresses  
19 may be supplied to this person.  
20 (5) Any other person authorized by the Secretary of the ~~Department of Public  
21 Safety~~Commander of the State Highway Patrol pursuant to  
22 ~~G.S. 143B-1013~~G.S. 143B-1763.

23 **"§ 143B-1769. Provision of toll-free service; instructions to callers; communication with  
24 law-enforcement agencies.**

25 The Center shall provide a toll-free telephone line for anyone to report the disappearance of  
26 any individual or the sighting of any missing child or missing person. The Center personnel shall  
27 instruct the caller, in the case of a report concerning the disappearance of an individual, of the  
28 requirements contained in ~~G.S. 143B-1014~~G.S. 143B-1764 of first having to submit a missing  
29 person report on the individual to the law-enforcement agency having jurisdiction of the area in  
30 which the individual became or is believed to have become missing. Any law-enforcement  
31 agency may retrieve information imparted to the Center by means of this phone line. The Center  
32 shall directly communicate any report of a sighting of a missing person or a missing child to the  
33 law-enforcement agency having jurisdiction in the area of disappearance or sighting.

34 **"§ 143B-1770. Improper release of information; penalty.**

35 Any person working under the supervision of the Director of Victims and Justice Services  
36 who knowingly and willfully releases, or authorizes the release of, any data, information, or  
37 records maintained or possessed by the Center to any agency, entity, or person other than as  
38 specifically permitted by ~~Subpart B~~this Part or in violation of any rule adopted by the ~~Secretary  
39 Commander of the State Highway Patrol~~ is guilty of a Class 2 misdemeanor.

40 **"§ 143B-1771. North Carolina AMBER Alert System established.**

41 (a) There is established within the North Carolina Center for Missing Persons the  
42 AMBER Alert System. The purpose of AMBER Alert is to provide a statewide system for the  
43 rapid dissemination of information regarding abducted children.

44 (b) The AMBER Alert System shall make every effort to disseminate information on  
45 missing children as quickly as possible when all of the following criteria are met:

- 46 (1) The child is 17 years of age or ~~younger~~younger.  
47 (2) ~~The~~If abduction is ~~not known or~~ suspected to be by a parent of the child,  
48 ~~unless the child's life is~~must be suspected to be in imminent danger of serious  
49 ~~injury or death~~injury or death.  
50 (3) The child is ~~believed~~believed (i) to have been abducted and (ii) to be in danger  
51 of injury or death.

- 1                   a.     ~~To have been abducted, or~~  
 2                   b.     ~~To be in danger of injury or death;~~  
 3                 (4)    The child is not a runaway or voluntarily ~~missing; and~~missing.  
 4                 (5)    The abduction has been reported to and investigated by a law enforcement  
 5                   agency.

6                 If the abduction of the child is known or suspected to be by a parent of the child, the Center,  
 7                 in its discretion, may disseminate information through the AMBER Alert System if the child is  
 8                 believed to be in danger of injury or death.

9                 ...

10                (f)    The ~~Department of Public Safety, State Highway Patrol,~~ on behalf of the Center, may  
 11                accept grants, contributions, devises, and gifts, which shall be kept in a separate fund, which shall  
 12                be nonreverting, and shall be used to fund the operations of the Center and the AMBER Alert  
 13                System.

14                **"§ 143B-1772. North Carolina Missing Endangered System Silver Alert established.**

15                (a)    There is established within the North Carolina Center for Missing Persons the ~~Missing~~  
 16                ~~Endangered System Silver Alert.~~ The purpose of the ~~Missing Endangered System Silver Alert~~  
 17                is to provide a statewide system for the rapid dissemination of information regarding a missing  
 18                person ~~or missing child aged 65 or older~~ who is believed to be suffering from dementia,  
 19                Alzheimer's disease, or a cognitive impairment ~~that, in light of the person's or child's missing~~  
 20                ~~status, requires the person or child to be protected from potential abuse or other physical harm,~~  
 21                ~~neglect, or exploitation that causes an irreversible deterioration of intellectual faculties that~~  
 22                ~~makes them unable to meet their own needs or to seek help without assistance.~~

23                (b)    If the Center or a law enforcement agency receives a request that involves a missing  
 24                person ~~or missing child~~ as described in subsection (a) of this section, and at the time of receipt  
 25                no more than 72 hours have passed since the person ~~or child~~ went missing, the Center ~~or law~~  
 26                ~~enforcement agency~~ shall issue an alert providing for rapid dissemination of information  
 27                statewide regarding the missing ~~person or missing child.~~ person. The Center ~~or law enforcement~~  
 28                ~~agency~~ shall make every effort to disseminate the information as quickly as possible when the  
 29                person's ~~or child's~~ status as missing has been reported to a law enforcement ~~agency.~~  
 30                agency, including procedures for the use of the Wireless Emergency Alert.

31                (c)    The Center ~~and all law enforcement agencies~~ shall adopt guidelines and develop  
 32                procedures for issuing ~~an a 90-day~~ alert for missing persons ~~and missing children~~ as described in  
 33                subsection (a) of this section and shall provide education and training to encourage radio and  
 34                television broadcasters to participate in the alert. The guidelines and procedures shall ensure that  
 35                specific health information about the missing person ~~or missing child~~ is not made public through  
 36                the alert or otherwise.

37                (d)    The Center ~~and all law enforcement agencies~~ shall consult with the Department of  
 38                Transportation and develop a procedure for the use of overhead permanent changeable message  
 39                signs to provide information on the missing person ~~or missing child~~ meeting the criteria of this  
 40                section when information is available that would enable motorists to assist in the recovery of the  
 41                missing ~~person or missing child.~~ person. The Center and the Department of Transportation shall  
 42                develop guidelines for the content, length, and frequency of any message to be placed on an  
 43                overhead permanent changeable message sign.

44                **"§ 143B-1773. North Carolina Blue Alert System established.**

45                ...

46                (c)    The Center shall adopt guidelines and develop procedures for the statewide  
 47                implementation of the Blue Alert System and shall provide education and training to encourage  
 48                radio and television broadcasters to participate in the ~~alert.~~ alert, including procedures for the use  
 49                of the Emergency Alert System and the Wireless Emergency Alert.

50                ...

51                **"§ 143B-1774. North Carolina Missing Endangered Alert established.**

1       (a) There is established within the North Carolina Center for Missing Persons the Missing  
2 Endangered Alert. The purpose of the Missing Endangered Alert is to provide a statewide system  
3 for the rapid dissemination of information regarding a missing person, aged 64 or younger, or  
4 missing child who is believed to be suffering from dementia, Alzheimer's disease, or a cognitive  
5 impairment that causes an irreversible deterioration of intellectual faculties that makes them  
6 unable to meet their own needs or to seek help without assistance and that is not a risk to the  
7 general public.

8       (b) If the Center receives a request that involves a missing person or missing child as  
9 described in subsection (a) of this section, and at the time of receipt no more than 72 hours have  
10 passed since the person or child went missing, the Center shall issue an alert providing for rapid  
11 dissemination of information statewide regarding the missing person or missing child. The Center  
12 shall make every effort to disseminate the information as quickly as possible when the person's  
13 or child's status as missing has been reported to a law enforcement agency, including procedures  
14 for the use of the Wireless Emergency Alert.

15       (c) The Center shall adopt guidelines and develop procedures for issuing a 90-day alert  
16 for missing persons and missing children as described in subsection (a) of this section and shall  
17 provide education and training to encourage radio and television broadcasters to participate in  
18 the alert. The guidelines and procedures shall ensure that specific health information about the  
19 missing person or missing child is not made public through the alert or otherwise.

20       (d) The Center shall consult with the Department of Transportation and develop a  
21 procedure for the use of overhead permanent changeable message signs to provide information  
22 on the missing person or missing child meeting the criteria of this section when information is  
23 available that would enable motorists to assist in the recovery of the missing person or missing  
24 child. The Center and the Department of Transportation shall develop guidelines for the content,  
25 length, and frequency of any message to be placed on an overhead permanent changeable  
26 message sign.

27 **"§ 143B-1775. North Carolina Ashanti Alert established.**

28       (a) There is established within the North Carolina Center for Missing Persons the Ashanti  
29 Alert. The purpose of the Ashanti Alert is to provide a statewide system for the rapid  
30 dissemination of information regarding a missing person over 18 years of age that is suspected  
31 to have been abducted and there is both abductor and vehicle information available.

32       (b) If the Center receives a request that involves a missing person as described in  
33 subsection (a) of this section, and at the time of receipt no more than 72 hours have passed since  
34 the person went missing, the Center shall issue an alert providing for rapid dissemination of  
35 information statewide regarding the missing person. The Center shall make every effort to  
36 disseminate the information as quickly as possible when the person's status as missing has been  
37 reported to a law enforcement agency, including procedures for the use of the Emergency Alert  
38 System and the Wireless Emergency Alert.

39       (c) The Center shall adopt guidelines and develop procedures for issuing a 24-hour alert  
40 for missing persons as described in subsection (a) of this section and shall provide education and  
41 training to encourage radio and television broadcasters to participate in the alert.

42       (d) The Center shall consult with the Department of Transportation and develop a  
43 procedure for the use of overhead permanent changeable message signs to provide information  
44 on the missing person or missing child meeting the criteria of this section when information is  
45 available that would enable motorists to assist in the recovery of the missing person or missing  
46 child. The Center and the Department of Transportation shall develop guidelines for the content,  
47 length, and frequency of any message to be placed on an overhead permanent changeable  
48 message sign.

49 **"§ 143B-1776. North Carolina Missing – Weather Alert established.**

50       (a) There is established within the North Carolina Center for Missing Persons the Missing  
51 – Weather Alert. The purpose of the Missing – Weather Alert is to provide a statewide system

1 for the rapid dissemination of information regarding a missing person or child that is missing  
2 during times of extreme heat or cold and is not in a vehicle, or immediately following a significant  
3 weather event.

4 (b) If the Center receives a request that involves a missing person as described in  
5 subsection (a) of this section, and at the time of receipt no more than 72 hours have passed since  
6 the person went missing, the Center shall issue an alert providing for rapid dissemination of  
7 information statewide regarding the missing person. The Center shall make every effort to  
8 disseminate the information as quickly as possible, including procedures for the use of the  
9 Wireless Emergency Alert.

10 (c) The Center shall adopt guidelines and develop procedures for issuing a 30-day alert  
11 for missing persons as described in subsection (a) of this section and shall provide education and  
12 training to encourage radio and television broadcasters to participate in the alert."

13 **SECTION 5.1.(e)** The State Highway Patrol shall adopt rules, or amendments to  
14 rules, consistent with the provisions of this section. The State Highway Patrol may use the  
15 procedure set forth in G.S. 150B-21.1 to adopt or amend any rules as required under this section.  
16

## 17 **CLARIFICATION ON SAFE SURRENDER OF INFANTS**

18 **SECTION 5.4.** G.S. 14-318.2 reads as rewritten:

19 "**§ 14-318.2. Child abuse a misdemeanor.**

20 (a) Any parent of a child less than 16 years of age, or any other person providing care to  
21 or supervision of such child, who inflicts physical injury, or who allows physical injury to be  
22 inflicted, or who creates or allows to be created a substantial risk of physical injury, upon or to  
23 such child by other than accidental means is guilty of the Class A1 misdemeanor of child abuse.

24 (b) The Class A1 misdemeanor of child abuse is an offense additional to other civil and  
25 criminal provisions and is not intended to repeal or preclude any other sanctions or remedies.

26 (c) A parent who abandons an infant less than ~~seven~~ 30 days of age pursuant to  
27 G.S. 14-322.3 shall not be prosecuted under this section for any acts or omissions related to the  
28 care of that infant."  
29

## 30 **PART VI. GENERAL GOVERNMENT**

### 31 **VARIOUS DIRECTED GRANT REVISIONS**

32 **SECTION 6.1.** Section 6.1(a) of S.L. 2024-1, as amended by Section 2E.1(a) of S.L.  
33 2024-57, reads as rewritten:  
34

35 "**SECTION 6.1.(a)** Notwithstanding any provision of S.L. 2023-134 or the Committee  
36 Report referenced in Section 43.2 of that act to the contrary, the following directed grants to be  
37 allocated by the Office of State Budget and Management – Special Appropriations for the  
38 2023-2024 fiscal year are amended as follows:  
39

40 ...

41 (2) The directed grant to the Banner American Legion Auxiliary Unit #109, Inc.,  
42 in the sum of one hundred twenty-five thousand dollars (\$125,000) in  
43 nonrecurring funds for the 2023-2024 fiscal year shall ~~instead not~~ be provided  
44 to Banner Post 109, ~~Incorporated-Incorporated~~, but shall be provided to  
45 Banner American Legion Auxiliary Unit #109, Inc., as provided in S.L.  
46 2023-134.

47 ...

48 (37) Budgeted receipts from the ARPA Temporary Savings Fund to provide  
49 additional funds to Wake Forest Institute for Regenerative Medicine in the  
50 sum of five million dollars (\$5,000,000) in nonrecurring funds for each fiscal  
51 year of the 2023-2025 fiscal biennium shall ~~instead not be~~ provided to  
RegenMed Development Organization, a 501(c)3 ~~organization-organization~~

but shall be provided to Wake Forest Institute for Regenerative Medicine as provided in S.L. 2023-134.

- ...
- (48) The directed grant to Greater Rocky Mount Family Medical Center, Inc., in the sum of three hundred fifty thousand dollars (\$350,000) in nonrecurring funds for the 2023-2024 fiscal year to expand dental and behavioral health services shall instead be provided to the Opportunities Industrialization Center, Incorporated, of Rocky Mount.
  - (49) The directed grant to Open Door Ministries of High Point Foundation, Inc., in the sum of five hundred thousand dollars (\$500,000) in nonrecurring funds for the 2023-2024 fiscal year shall instead be provided to Open Door Ministries of High Point, Inc.
  - (50) The directed grant to the Union County Schools in the sum of eight million dollars (\$8,000,000) in nonrecurring funds for the 2023-2024 fiscal year for an athletic facility and related equipment shall not revert on June 30, 2026, but shall remain available until June 30, 2028.
  - (51) The directed grant to the Gray's Creek Ruritan Club 516 in the sum of two hundred forty-five thousand dollars (\$245,000) in nonrecurring funds for the 2023-2024 fiscal year to support its mission of community improvement shall not be provided to the Gray's Creek Ruritan Club 516 but instead shall be provided as follows:
    - a. Sixty-five thousand dollars (\$65,000) to the Kidsville News! Literacy and Education Foundation, Inc., for the Summer Reading, Literacy, and Education Program.
    - b. One hundred eighty thousand dollars (\$180,000) to the North Carolina Human Trafficking Commission for the WORTH Court to support mental health and substance abuse services for human trafficking survivors in Cumberland County."

**UNDERINSURED MOTORIST INSURANCE AMENDMENT EFFECTIVE DATE TECHNICAL CORRECTION**

**SECTION 6.2.** Section 8 of S.L. 2024-29 is amended by adding a new subsection to read:

"SECTION 8.(d) Subsection (a) of this section becomes effective July 1, 2025, and applies to policies issued or renewed on or after that date."

**NORTH CAROLINA STATE BAR GRIEVANCE REVIEW COMMITTEE**

**SECTION 6.4.** Section 27.11(e) of S.L. 2023-134 reads as rewritten:

~~"SECTION 27.11.(e) Report-Expiration. – By April 1, 2024, the Committee shall submit a report to the Joint Legislative Commission on Governmental Operations containing any legislative recommendations to address and alleviate the concerns listed in subsection (c) of this section of the grievance review process. The report shall also contain any potential improvements and changes in oversight of the North Carolina State Bar. The Committee shall expire upon submitting the report under this subsection. The Committee shall expire on December 31, 2026."~~

**PART VII. STATEWIDE**

**SCIF GRANT CHANGES**

**SECTION 7.1.(a)** Section 40.8(a) of S.L. 2023-134, as enacted by Section 9.1(a) of S.L. 2024-1, is amended by adding a new subdivision to read:

"(4) The funding allocated to the City of Charlotte in the sum of seventeen million five hundred thousand dollars (\$17,500,000) for the 2023-2024 fiscal year and the sum of two million five hundred thousand dollars (\$2,500,000) for the 2024-2025 fiscal year shall instead be used to provide grants to the following entities and purposes:

- a. Five million dollars (\$5,000,000) to Appalachian State University to be used for the renovation project at Edwin Duncan Hall.
- b. One million five hundred thousand dollars (\$1,500,000) to Appalachian State University to be used for the renovation project at Wey Hall.
- c. Two million five hundred thousand dollars (\$2,500,000) to Appalachian State University to be used for the addition and renovation project at Peacock Hall, with a total project authorization increase of two million five hundred thousand dollars (\$2,500,000) from the previously authorized amount.
- d. Four million one hundred thousand dollars (\$4,100,000) to Wayne County for a capital project at Rosewood Middle School.
- e. Two hundred fifty thousand dollars (\$250,000) to The Hudson Volunteer Fire Department, Inc., to be used for capital improvements and equipment.
- f. Two million dollars (\$2,000,000) to North Catawba Fire-Rescue Department, Inc., to be used for capital improvements and equipment.
- g. Three hundred twenty-five thousand dollars (\$325,000) to Grace Chapel Volunteer Fire Department, Inc., to be used for capital improvements and equipment.
- h. Two million dollars (\$2,000,000) to the City of Lenoir to be used for Harpers Avenue Area infrastructure improvements.
- i. One hundred ten thousand dollars (\$110,000) to King's Creek Volunteer Fire Department, Inc., to be used for capital improvements and equipment.
- j. Two hundred thousand dollars (\$200,000) to The Gamewell Volunteer Fire Department, Inc., to be used for capital improvements and equipment.
- k. Two hundred seventy-five thousand dollars (\$275,000) to Caldwell County to be used for a new ambulance.
- l. One hundred forty thousand dollars (\$140,000) to Collettsville Volunteer Fire Department, Inc., to be used for capital improvements and equipment.
- m. Six hundred thousand dollars (\$600,000) to Patterson Fire-Rescue Department, Inc., to be used for capital improvements and equipment.
- n. One million dollars (\$1,000,000) to the Town of Hudson for downtown infrastructure improvements."

**SECTION 7.1.(b)** Section 40.17(a) of S.L. 2021-180, as enacted by Section 9.1(d) of S.L. 2021-189 and amended by Section 18.1 of S.L. 2022-6, Section 16 of S.L. 2022-11, Section 40.2 of S.L. 2022-74, Section 40.5(n) of S.L. 2023-134, and Section 9.1(c) of S.L. 2024-1, reads as rewritten:

**"SECTION 40.17.(a)** Notwithstanding any provision of law or the Committee Report referenced in Section 43.2 of this act to the contrary, the following grants and funds allocated from the State Capital and Infrastructure Fund are amended as follows

...

1 (18) The funds to the Department of Natural and Cultural Resources for Charlotte  
2 Hawkins Brown in the sum of one million dollars (\$1,000,000) for the  
3 2021-2022 fiscal year shall be used for ~~the purchase and development of~~  
4 ~~approximately 100 acres adjacent to the Charlotte Hawkins Brown State~~  
5 ~~Historic Site in Guilford County to be added to the Historic Site County.~~

6 ...  
7 (82) The remaining amount of funding allocated to Clay County in the sum of two  
8 million dollars (\$2,000,000) in nonrecurring funds for the 2021-2022 fiscal  
9 year for a new 911 call center may also be used for capital costs and equipment  
10 associated with the construction of a farmers market."

## 11 12 **UNC SCHOOL OF THE ARTS BUILDING PURCHASE**

13 **SECTION 7.2.(a)** Notwithstanding G.S. 143C-5-2 and Article 6 of Chapter 146 of  
14 the General Statutes, there is appropriated from the funds available in the OSBM Flexibility  
15 Funds established in S.L. 2021-180 and described under project code FLEX21 to the University  
16 of North Carolina School of the Arts Foundation the sum of four million five hundred thousand  
17 dollars (\$4,500,000) in nonrecurring funds for the 2025-2026 fiscal year to be used to purchase  
18 certain real property, and improvements thereon, adjacent to the Stevens Center, located at 411  
19 W. 4th Street in Winston-Salem and for a new loading dock.

20 **SECTION 7.2.(b)** This section becomes effective July 1, 2025.

## 21 22 **WRC/SETZER HATCHERY**

23 **SECTION 7.3.** Section 40.1(*l*) of S.L. 2023-134 reads as rewritten:

24 "**SECTION 40.1.(l)** For project code WRC23-1, the Wildlife Resources Commission is  
25 authorized to spend up to thirty-nine million seven hundred thousand dollars (\$39,700,000) on  
26 the project but shall commit to providing funding of at least nineteen million seven hundred  
27 thousand dollars (\$19,700,000) in non-State funds from the Commission's ~~endowment~~  
28 endowment, and other available receipts, as a match to the intended State allocations totaling  
29 twenty million dollars (\$20,000,000) for the project. The Commission shall use the endowment  
30 funds described in this subsection on the project prior to expending any State funds."

## 31 32 **PART VIII. TRANSPORTATION**

### 33 34 **BRIDGE NAMING CLARIFICATION**

35 **SECTION 8.1.** Section 41.7 of S.L. 2023-134 reads as rewritten:

36 "**SECTION 41.7.** Notwithstanding any provision of law to the contrary, the Department of  
37 Transportation shall designate as follows:

38 ...  
39 (3) The bridge on U.S. Highway 74 that crosses over the Catawba River at the  
40 Mecklenburg County and Gaston County line and is numbered 350091 by the  
41 Department as the "Representative Dana Bumgardner Bridge."

42 ...."

### 43 44 **CLARIFICATION ON USE OF CITY OF CONCORD AIRPORT FUNDS**

45 **SECTION 8.2.** Notwithstanding any provision of law or the Committee Report  
46 described in Section 43.2 of S.L. 2023-134 to the contrary, the sum of five million dollars  
47 (\$5,000,000) in nonrecurring funds for the 2023-2024 fiscal year allocated to the City of Concord  
48 for the Concord-Padgett Regional Airport may be used by the city for any capital improvement  
49 at the airport.

## 50 51 **PART IX. FINANCE**



1  
2 **VARIOUS CLARIFYING CHANGES TO THE CONSERVATION TAX CREDIT**

3 **SECTION 9.1.(a)** G.S. 105-130.34, as enacted by Section 15 of S.L. 2024-32, is  
4 recodified as G.S. 105-130.34A and reads as rewritten:

5 **"§ 105-130.34A. Credit for certain real property donations.**

6 (a) ~~Credit.~~ Credit; Limitation. – Subject to the limitations in this section, a C Corporation  
7 that makes a qualified donation ~~of real property located in North Carolina during the taxable year~~  
8 ~~that is useful (i) for forestland or farmland preservation, (ii) for fish and wildlife conservation,~~  
9 ~~(iii) as a buffer to limit land use activities that would restrict, impede, or interfere with military~~  
10 ~~training, testing, or operations on a military installation or training area or otherwise be~~  
11 ~~incompatible with the mission of the installation, (iv) for floodplain protection in a county that,~~  
12 ~~in the five years preceding the donation, was the subject of a Type II or Type III gubernatorial~~  
13 ~~disaster declaration, as provided in G.S. 166A-19.21, as a result of a natural disaster, (v) for~~  
14 ~~historic landscape conservation, or (vi) for public trails or access to public trails~~ is allowed a  
15 credit against the tax imposed by this Part equal to twenty-five percent (25%) of the fair market  
16 value of the ~~donated property.~~ qualified donation. The ~~aggregate~~ amount of credit allowed ~~to a~~  
17 ~~corporation in a taxable year under this section for~~ under this subsection may not exceed five  
18 hundred thousand dollars (\$500,000), whether the corporation makes, directly or indirectly as an  
19 owner of a pass-through entity, one or more qualified donations ~~made during the taxable year,~~  
20 ~~whether made directly or indirectly as an owner of a pass-through entity, may not exceed five~~  
21 ~~hundred thousand dollars (\$500,000).~~ calendar year. The credit may not be taken for the year in  
22 which the qualified donation is made but may be taken for the taxable year beginning during in  
23 the calendar year in which the application for the credit becomes effective as provided in  
24 subsection ~~(a2)-(c)~~ of this section.

25 ~~(a1)~~ (b) Definitions. – The following definitions apply in this section:

- 26 (1) Allocated credit. – A requested credit minus the reduction required under  
27 subsection (h) of this section.
- 28 (2) Cap remainder. – The amount that is the difference between the maximum  
29 amount and the amount of prioritized credit requests allowed.
- 30 (3) Maximum amount. – The amount set out in subsection (h) of this section that  
31 is the total aggregate amount of all credits allowed to taxpayers under this  
32 section and G.S. 105-153.11 for qualified donations made in a calendar year.
- 33 (4) Nonprioritized credit request. – A credit request under this section or  
34 G.S. 105-153.11 that is for a qualified donation for a use other than forestland  
35 or farmland preservation.
- 36 (5) Prioritized amount. – The amount set out in subsection (h) of this section that  
37 is for prioritized credit requests.
- 38 (6) Prioritized credit request. – A credit requested under this section or  
39 G.S. 105-153.11 that is for a qualified donation for forestland or farmland  
40 preservation.
- 41 (7) Qualified Donation. ~~donation.~~ – A qualified donation ~~of real property~~ is a  
42 donation of a qualified real property interest located in North Carolina that  
43 meets all of the following conditions:
- 44 ~~(1)a.~~ The real property ~~It is~~ donated in perpetuity for one of the qualifying  
45 following uses listed in subsection (a) of this section and is accepted  
46 in perpetuity for the qualifying use for which the qualified real  
47 property interest is donated.
- 48 1. Forestland or farmland preservation.
- 49 2. Fish or wildlife conservation.
- 50 3. A buffer to limit land use activities that would restrict, impede,  
51 or interfere with military training, testing, or operations on a



1 ~~(e)(f)~~ Carryforward. – ~~Any~~ If the allocated credit exceeds the cap in subsection (e) of this  
2 section, any unused portion of this ~~the allocated~~ credit may be carried forward for the next  
3 succeeding five years.

4 ~~(d) No Double Benefit.~~ ~~That portion of a qualifying donation that is the basis for a credit~~  
5 ~~allowed under this section is not eligible for deduction as a charitable contribution under~~  
6 ~~G.S. 105-130.9.~~

7 ~~(g) Transferability.~~ ~~An allocated credit allowed under subsection (a) of this section may~~  
8 ~~not be transferred.~~

9 ~~(e)(h) Ceiling; Use; Allocation.~~ ~~The total aggregate amount of all total allocated credits~~  
10 ~~allowed to taxpayers under this section and G.S. 105-153.11 for donations made in a taxable year~~  
11 ~~may not exceed five million dollars (\$5,000,000), of which three million two hundred fifty~~  
12 ~~thousand dollars (\$3,250,000) is reserved for credits to taxpayers that have made a qualified~~  
13 ~~donation of real property for forestland or farmland conservation. If funds reserved for credits~~  
14 ~~for qualified donations of real property for forestland or farmland conservation remain after~~  
15 ~~disposition of all timely filed applications for that type of credit, the Secretary shall allocate any~~  
16 ~~funds remaining to credits for other types of qualified donations under this section. The Secretary~~  
17 ~~shall, first, fully fund any prorated credits in accordance with subsection (f) of this section and,~~  
18 ~~second, if funds remain after fully funding prorated credits, reopen the application period for~~  
19 ~~credits under this section for which funds have become available. If the Secretary reopens the~~  
20 ~~application period and notwithstanding the application deadline in subsection (a2) of this section,~~  
21 ~~the additional applications must be filed with the Secretary on or before October 15 of the year~~  
22 ~~following the calendar year in which the donation was made. The Secretary may not accept late~~  
23 ~~additional applications permitted under this subsection. The Secretary's determinations based on~~  
24 ~~additional applications timely filed in accordance with this subsection are final.~~ a prioritized  
25 amount. If the total requested credits are equal to or less than the maximum amount, the Secretary  
26 shall allow the total requested credits. If the total requested credits are greater than the maximum  
27 amount, the Secretary shall allocate the total requested credits in accordance with this subsection.

28 ~~(f)(i) Reduction.~~ ~~The Secretary shall calculate the total amount of credits claimed from~~  
29 ~~applications timely filed under subsection (a2) of this section. If the total amount of requested~~  
30 ~~credits claimed for donations made in a calendar year exceeds this~~ exceed the maximum amount,  
31 the Secretary shall allow a portion of prorate the total requested credits claimed by allocating the  
32 maximum amount in credits in proportion to the size of the credit claimed by each taxpayer. in  
33 accordance with this subsection. If a requested credit claimed under this section is reduced as  
34 provided in this subsection, the Secretary shall notify the ~~corporation~~ C Corporation of the  
35 amount of the reduction of the credit on or before December 31 of the year following the calendar  
36 year in which the qualified donation was made. The Secretary's allocations based on applications  
37 filed under subsection (a2)(c) of this section are final and shall not be adjusted to account for  
38 credits applied for requested but not claimed. ~~reduced under this subsection. The total requested~~  
39 credits shall be reduced as follows:

40 (1) If the total requested credits are (i) all prioritized credit requests or (ii) all  
41 nonprioritized credit requests, then the Secretary shall prorate the total  
42 requested credits based on the proportion of each requested credit to the total  
43 requested credits.

44 (2) If the total requested credits are (i) a combination of prioritized credit requests  
45 and nonprioritized credit requests and (ii) the amount of prioritized credit  
46 requests is equal to or less than the prioritized amount, the Secretary shall first  
47 allow the prioritized credit requests. The Secretary shall then prorate the cap  
48 remainder based on the proportion of each of the remaining requested credits  
49 to the total requested credits less the prioritized amount.

50 (3) If the total amount of requested credits is (i) a combination of prioritized credit  
51 requests and nonprioritized credit requests and (ii) the amount of prioritized

credit requests is greater than the prioritized amount, the Secretary shall first prorate the prioritized credit requests based on the proportion of each prioritized credit request to the prioritized amount. The Secretary shall then prorate the cap remainder, including the remainder of any prioritized credit requests, based on the proportion of each of the remaining requested credits to the total requested credits less the prioritized amount.

(g)(j) Report. – The Department must include in the economic incentives report required by G.S. 105-256 the following information:

- (1) The number of C Corporations that ~~took~~ requested the credit allowed under ~~this section~~ subsection (a) of this section.
- (2) The total amount of allocated credits claimed by conservation purpose identified by public benefit as listed in subdivision (7) of subsection (b) of this section.
- (3) The total amount of credits carried forward.
- (4) The total cost to the General Fund of the credits taken.
- (5) The total amount of qualified donations."

**SECTION 9.1.(b)** G.S. 105-130.9(4) reads as rewritten:

"(4) The amount of a contribution for which the taxpayer claimed a tax credit pursuant to ~~G.S. 105-130.34~~ G.S. 105-130.34A shall not be eligible for a deduction under this section. The amount of the credit claimed with respect to the contribution is not, however, required to be added to income under G.S. 105-130.5(a)(10)."

**SECTION 9.1.(c)** G.S. 105-153.11, as enacted by Section 15 of S.L. 2024-32, reads as rewritten:

**"§ 105-153.11. Credit for certain real property donations.**

(a) ~~Credit. Credit; Limitation.~~ – Subject to the limitations in this section, an individual or a pass-through entity that makes a qualified donation ~~of real property located in North Carolina during the taxable year that is useful (i) for forestland or farmland preservation, (ii) for fish and wildlife conservation, (iii) as a buffer to limit land use activities that would restrict, impede, or interfere with military training, testing, or operations on a military installation or training area or otherwise be incompatible with the mission of the installation, (iv) for floodplain protection in a county that, in the five years preceding the donation, was the subject of a Type II or Type III gubernatorial disaster declaration, as provided in G.S. 166A 19.21, as a result of a natural disaster, (v) for historic landscape conservation, or (vi) for public trails or access to public trails~~ is allowed a credit against the tax imposed by this Part equal to twenty-five percent (25%) of the fair market value of the ~~donated property~~ qualified donation. A pass-through entity must pass through the credit to its owners as required under subsection (f) of this section. The amount of credit allowed to an individual or pass-through entity may not exceed the limitations provided under subsections (e) and (f) of this section. The credit may not be taken for the year in which the qualified donation is made but may be taken for the taxable year beginning ~~during~~ in the calendar year in which the application for the credit becomes effective as provided in subsection (c) of this section.

(b) Definitions. – The following definitions apply in this section:

- (1) Allocated credit. – A requested credit minus the reduction required under subsection (l) of this section.
- (2) Cap remainder. – The amount that is the difference between the maximum amount and the amount of prioritized credit requests allowed.
- (3) Maximum amount. – The amount set out in subsection (l) of this section that is the total aggregate amount of all credits allowed to taxpayers under this section and G.S. 105-130.34A for qualified donations made in a calendar year.

- 1           (4)    Nonprioritized credit request. – A credit request under this section or  
2           G.S. 105-130.34A that is for a qualified donation for a use other than  
3           forestland or farmland preservation.
- 4           (5)    Pass-through entity. – As defined in G.S. 105-228.90(b)(21).
- 5           (6)    Prioritized amount. – The amount set out in subsection (l) of this section that  
6           is for prioritized credit requests.
- 7           (7)    Prioritized credit request. – A credit requested under this section or  
8           G.S. 105-130.34A that is for a qualified donation for forestland or farmland  
9           preservation.
- 10          (8)    Qualified ~~Donation~~-donation. – A qualified donation ~~of real property~~ is a  
11          donation ~~of a qualified real property interest located in North Carolina~~ that  
12          meets all of the following conditions:
- 13          ~~(1)a.~~    It is donated in perpetuity for one of the ~~qualifying~~  
14          following uses listed in ~~subsection (a) of this section~~ and is accepted  
15          in perpetuity for the ~~qualifying~~ use for which the qualified real  
16          property ~~interest~~ is ~~donated~~-donated:
- 17                1.       Forestland or farmland preservation.
- 18                2.       Fish or wildlife conservation.
- 19                3.       A buffer to limit land-use activities that would restrict, impede,  
20                or interfere with military training, testing, or operations on a  
21                military installation or training area or otherwise be  
22                incompatible with the mission of the installation.
- 23                4.       Floodplain protection in a county that, in the five years  
24                preceding the donation, was the subject of a Type II or Type  
25                III gubernatorial disaster declaration, as provided in  
26                G.S. 166A-19.21, as a result of a natural disaster.
- 27                5.       Historic landscape conservation.
- 28                6.       Public trails or access to public trails.
- 29          ~~(2)b.~~    The person to whom the property ~~It~~ is donated ~~must be to~~ the State, a  
30          local government, or a body that is both organized to receive and  
31          administer lands for conservation purposes and qualified to receive  
32          charitable contributions under the Code. Lands required to be  
33          dedicated pursuant to local governmental regulation or ordinance and  
34          dedications made to increase building density levels permitted under a  
35          regulation or ordinance are not eligible for this credit.
- 36          (9)    Qualified real property interest. – As defined in section 170(h)(2) of the Code.
- 37          (10)   Total allocated credits. – Total requested credits less any reduction required  
38          under subsection (l) of this section and G.S. 105-130.34A(h).
- 39          (11)   Taxed pass-through entity. – As defined in G.S. 105-153.3.
- 40          (12)   Total requested credits. – The sum of nonprioritized credit requests and  
41          prioritized credit requests.
- 42          (c)    Application. – ~~To claim a credit allowed under this section, an~~ An individual or a  
43          pass-through entity must file an application with the Secretary ~~for the credit~~ to request the credit  
44          allowed under subsection (a) of this section. The application must be filed on or before April 15  
45          of the year following the calendar year in which the donation was made. An application is  
46          effective for the year in which it is timely filed. The Secretary may not accept late ~~applications~~  
47          ~~under this subsection~~-applications. The application must be on a form prescribed by the Secretary  
48          and include any information required by the Secretary demonstrating that the donation has met  
49          the conditions ~~for qualifying to qualify~~ for the credit, including the following items:
- 50                (1)    A copy of the certification by the Department of Natural and Cultural  
51                Resources ~~that identifies~~-identifying which of the valid public benefits listed

1 in subdivision (8) of subsection (a)-(b) of this section for which the donated  
2 qualified real property interest is suitable. The certification for a qualified  
3 donation made by a pass-through entity must be filed by the pass-through  
4 entity.

- 5 (2) A self-contained or summary appraisal report as defined in Standards Rule  
6 2-2 in the latest edition of the Uniform Standards of Professional Appraisal  
7 Practice as promulgated by the Appraisal Foundation for the donated ~~property-~~  
8 qualified real property interest. For fee simple absolute donations of real  
9 property, an individual or pass-through entity may submit documentation of  
10 the county's appraised value of the donated ~~property, qualified real property~~  
11 interest, as adjusted by the sales assessment ratio, in lieu of an appraisal report.

12 (d) Substantiation. – An individual or pass-through entity ~~claiming a credit under this~~  
13 ~~section~~ must maintain and make available for inspection by the Secretary any records the  
14 Secretary considers necessary to determine and verify the amount of the credit ~~to which the~~  
15 ~~taxpayer is entitled.~~ allowed under subsection (a) of this section. The burden of proving eligibility  
16 for the credit and the amount of the credit rests upon the ~~individual or pass-through entity,~~  
17 ~~taxpayer,~~ and no credit may be allowed to ~~an individual or pass-through entity a taxpayer that~~  
18 fails to maintain adequate records or to make them available for inspection.

19 (e) Limitation for Individuals. – The ~~aggregate amount of allocated~~ credit allowed ~~to an~~  
20 ~~individual in a taxable year under this section for under subsection (a) of this section may not~~  
21 ~~exceed two hundred fifty thousand dollars (\$250,000), whether the individual makes, directly or~~  
22 ~~indirectly as an owner of a pass-through entity, one or more qualified donations made during the~~  
23 ~~taxable year, whether made directly or indirectly as owner of a pass-through entity, may not~~  
24 ~~exceed two hundred fifty thousand dollars (\$250,000).~~ calendar year. In the case of property  
25 owned by a married couple, if both spouses are required to file North Carolina income tax returns,  
26 the credit allowed ~~by under subsection (a) of this section may be claimed only if the spouses file~~  
27 a joint return. The ~~aggregate amount of allocated~~ credit allowed ~~to a married couple filing a on~~  
28 ~~the joint tax return may not exceed five hundred thousand dollars (\$500,000). If only one spouse~~  
29 ~~is required to file a North Carolina income tax return, the allocated credit to that spouse may~~  
30 ~~claim the credit allowed by this section on a separate return not exceed two hundred fifty~~  
31 ~~thousand dollars (\$250,000).~~

32 (f) Limitation for Pass-Through Entity-Entities. – The ~~aggregate amount of allocated~~  
33 ~~credit allowed to a pass-through entity in a taxable year under this section for under subsection~~  
34 ~~(a) of this section may not exceed five hundred thousand dollars (\$500,000), whether the~~  
35 ~~pass-through entity makes, directly or indirectly as an owner of another pass-through entity, one~~  
36 ~~or more qualified donations made during the taxable year, whether made directly or indirectly as~~  
37 ~~owner of another pass-through entity, may not exceed five hundred thousand dollars (\$500,000).~~  
38 ~~Each individual who is an owner of a pass-through entity is allowed as a credit an amount equal~~  
39 ~~to the owner's allocated share of the credit to which the pass-through entity is eligible under this~~  
40 ~~subsection, not to exceed two hundred fifty thousand dollars (\$250,000). Each corporation that~~  
41 ~~is an owner of a pass-through entity is allowed as a credit an amount equal to the owner's allocated~~  
42 ~~share of the credit to which the pass-through entity is eligible under this subsection, not to exceed~~  
43 ~~five hundred thousand dollars (\$500,000).~~ calendar year. The pass-through entity must pass  
44 through to each of its owners the owner's distributive share of the credit for which the  
45 pass-through entity qualifies, not to exceed the amounts listed in this subsection. The  
46 pass-through entity may allocate the credit only to an owner that was an owner of the  
47 pass-through entity as of the last day of the calendar year in which the credit was allocated. If an  
48 owner's share of the pass-through entity's credit is limited due to the maximum allowable credit  
49 under this ~~section~~ subsection for a taxable year, the pass-through entity and its owners may not  
50 reallocate the unused credit among the other owners. The maximum allowable credit amounts  
51 are:

1           (1) Two hundred fifty thousand dollars (\$250,000) to an owner who is an  
2           individual.

3           (2) Five hundred thousand dollars (\$500,000) to an owner that is a C Corporation  
4           or a pass-through entity.

5           (g) Taxed Pass-Through Entity-Entities. – A taxed pass-through entity that engages in  
6 an activity that makes it eligible for a credit under subsection (a) of this section as an entity may  
7 not take the credit at the entity level but must pass through to each of its owners the owner's  
8 distributive share of the credit for which the taxed pass-through entity qualifies. ~~Maximum dollar~~  
9 ~~limits~~The maximum allowable credit amounts and other limitations that apply in determining  
10 the amount of credit available to an owner of a pass-through entity apply to the same extent in  
11 determining the amount of a credit for which the taxed pass-through entity qualifies. ~~For purposes~~  
12 ~~of this subsection, the term "taxed pass-through entity" is as defined in G.S. 105-153.3.~~

13           (h) ~~Limitation-Cap.~~ – The allocated credit allowed by this section may not exceed the  
14 amount of the tax imposed by this Part against which it is claimed for the taxable year reduced  
15 by the sum of all credits allowed, except payments of tax made by or on behalf of the  
16 ~~taxpayer individual or pass-through entity.~~

17           (i) ~~Carryforward.~~ – Any If the allocated credit exceeds the cap under subsection (h) of  
18 this section, any unused portion of this the allocated credit may be carried forward for the next  
19 succeeding five years.

20           (j) ~~No Double Benefit.~~ – That portion of a qualifying donation that is the basis for a credit  
21 allowed under this section is not eligible for deduction as a charitable contribution under  
22 G.S. 105-153.5(a)(2)a.

23           (k) Transferability. – Except as otherwise provided in this subsection, an allocated credit  
24 allowed under subsection (a) of this section may not be transferred. A taxpayer that is allowed,  
25 but has not used, an allocated credit under subsection (a) of this section may provide through a  
26 will, bequest, or other instrument of transfer that, upon the taxpayer's death, the unused allowable  
27 credit shall be transferred to a designated beneficiary. If a taxpayer that is allowed, but has not  
28 used, an allocated credit under subsection (a) of this section dies without a will, the unused  
29 allowable credit shall be transferred to the next person who is eligible to receive according to the  
30 rules of intestate succession as described in Chapter 29 of the General Statutes. The carryover  
31 period for credits transferred under this subdivision are subject to the original carryover period  
32 provided in subsection (i) of this section and shall not be extended.

33           ~~(g)(l)~~ Ceiling; Use; Allocation. – The total aggregate amount of all tax total allocated credits  
34 allowed to taxpayers under this section and G.S. 105-130.4 for donations made in  
35 G.S. 105-130.34A for a taxable year may not exceed five million dollars (\$5,000,000), of which  
36 three million two hundred fifty thousand dollars (\$3,250,000) is reserved for credits to taxpayers  
37 that have made a qualified donation of real property for forestland or farmland conservation. If  
38 funds reserved for credits for qualified donations of real property for forestland or farmland  
39 conservation remain after disposition of all timely filed applications for that type of credit, the  
40 Secretary shall allocate any funds remaining to credits for other types of qualified donations  
41 under this section. The Secretary shall, first, fully fund any prorated credits in accordance with  
42 subsection (f) of this section and, second, if funds remain after fully funding prorated credits,  
43 reopen the application period for credits under this section for which funds have become  
44 available. If the Secretary reopens the application period and notwithstanding the application  
45 deadline in subsection (a2) of this section, the additional applications must be filed with the  
46 Secretary on or before October 15 of the year following the calendar year in which the donation  
47 was made. The Secretary may not accept late additional applications permitted under this  
48 subsection. The Secretary's determinations based on additional applications timely filed in  
49 accordance with this subsection are final a prioritized amount. If the total requested credits are  
50 equal to or less than the maximum amount, the Secretary shall allow the total requested credits.

1 If the total requested credits are greater than the maximum amount, the Secretary shall allocate  
 2 the total requested credits in accordance with this subsection.

3 ~~(d)(m)~~ Reduction. – ~~The Secretary of Revenue shall calculate the total amount of credits~~  
 4 ~~claimed from applications timely filed under subsection (c) of this section. If the total amount of~~  
 5 ~~requested credits claimed for donations made in a calendar year exceeds this exceed the~~  
 6 ~~maximum amount, the Secretary shall allow a portion of prorate the total requested credits~~  
 7 ~~claimed by allocating the maximum amount in tax credits in proportion to the size of the credit~~  
 8 ~~claimed by each individual or pass-through entity. in accordance with this subsection. If a~~  
 9 ~~requested credit claimed under this section is reduced as provided in this subsection, the Secretary~~  
 10 ~~shall notify the individuals or pass-through entities of the amount of the reduction of the credit~~  
 11 ~~on or before December 31 of the year following the calendar year in which the qualified donation~~  
 12 ~~was made. The Secretary's allocations based on applications filed under subsection (c) of this~~  
 13 ~~section are final and shall not be adjusted to account for credits applied for requested but not~~  
 14 ~~claimed. reduced under this subsection. The total requested credits shall be reduced as follows:~~

15 (1) If the total requested credits are (i) all prioritized credit requests or (ii) all  
 16 nonprioritized credit requests, then the Secretary shall prorate the total  
 17 requested credits based on the proportion of each requested credit to the total  
 18 requested credits.

19 (2) If the total requested credits are (i) a combination of prioritized credit requests  
 20 and nonprioritized credit requests and (ii) the amount of prioritized credit  
 21 requests is equal to or less than the prioritized amount, the Secretary shall first  
 22 allow the prioritized credit requests. The Secretary shall then prorate the cap  
 23 remainder based on the proportion of each of the remaining requested credits  
 24 to the total requested credits less the prioritized amount.

25 (3) If the total amount of requested credits is (i) a combination of prioritized credit  
 26 requests and nonprioritized credit requests and (ii) the amount of prioritized  
 27 credit requests is greater than the prioritized amount, the Secretary shall first  
 28 prorate the prioritized credit requests based on the proportion of each  
 29 prioritized credit request to the prioritized amount. The Secretary shall then  
 30 prorate the cap remainder, including the remainder of any prioritized credit  
 31 requests, based on the proportion of each of the remaining requested credits  
 32 to the total requested credits less the prioritized amount.

33 ~~(m)(n)~~ Report. – The Department must include in the economic incentives report required by  
 34 G.S. 105-256 the following information:

35 (1) The number of individuals and pass-through entities that ~~took requested~~ the  
 36 credit allowed under subsection (a) of this section.

37 (2) The total amount of allocated credits claimed by conservation  
 38 purpose identified by public benefit as listed in subdivision (8) of subsection  
 39 (b) of this section.

40 (3) The total amount of credits carried forward.

41 (4) The total cost to the General Fund of the credits taken.

42 (5) The total amount of qualified donations."

43 **SECTION 9.1.(d)** G.S. 105-153.5(a)(2)a. reads as rewritten:

44 "a. Charitable Contribution. – The amount allowed as a deduction for  
 45 charitable contributions under section 170 of the Code for that taxable  
 46 year, subject to the following provisions:

47 ...

48 3. Certain Real Property Donations. – A qualified donation that  
 49 is the basis for an allocated credit under G.S. 105-153.11 is not  
 50 eligible for a deduction under this subdivision."



1           **SECTION 9.1.(e)** This section is effective for taxable years beginning on or after  
2 January 1, 2025, for donations made on or after January 1, 2025, and expires for taxable years  
3 beginning on or after January 1, 2027, for donations made on or after January 1, 2027.  
4

5 **PART X. EFFECTIVE DATE**

6           **SECTION 10.1.** Except as otherwise provided, this act is effective when it becomes  
7 law.