



2024 End of Session Report

From the Legislative Short Session

Session Overview

The 2024 legislative short session commenced on April 24, 2024. As in the long session, Republicans held veto-proof majorities in both the House and the Senate. The County Caucus, the group of legislators who have previously served as a county commissioner prior to service in the legislature, increased from 33 in the long session to 34 by the time the short session commenced as former Guilford County commissioner Alan Branson was appointed to replace Rep. Jon Hardister who resigned his seat during the interim.

The General Assembly temporarily adjourned its 2024 Short Session on June 28, 2024. According to the [adjournment resolution](#), the House and Senate may reconvene at several specific dates throughout the summer and fall; the resolution also limits what the General Assembly may consider during the reconvened sessions. A week-long session is contemplated Nov. 19-22, with many matters open for consideration, including budget bills. The General Assembly will not formally conclude the short session by adjourning “sine die” until mid-December.

Thus far in the short session, 45 bills have become session laws. This number is down significantly from recent short sessions. In 2022 there were 75 session laws; in 2020 there were 97.

Legislative short sessions primary focus on revising the second year of the two-year budget that legislators passed during the long session. This year, legislators had close to a billion dollars in additional revenue not previously allocated in last year’s budget to fund priorities for the 2024-25 fiscal year. Political observers expected leaders in the House and Senate to dispense with the traditional method of law making and running bills through each chamber’s committees and floor sessions in favor of using a parliamentary procedure to bring a pre-negotiated budget to each chamber floor for an up or down vote, without the ability for amendment. However, the two chambers were unable to reach an agreement on the amount of money to spend in the short session budget due to disagreements between the chambers.

After the breakdown of budget negotiations — and just days apart — the [Senate](#) and [House](#) each passed their own 2024-2025 spending plans. While the two budgets shared many priorities, such

as expanded spending on opportunity scholarships (also known as private school vouchers) and funds to stabilize the state's childcare system in light of expiring COVID dollars, legislators did not reach consensus on specific spending amounts, as well as additional teacher and state employee raises. Additionally, legislators agreed on language to remove matching fund requirements for counties participating in the Completing Access to Broadband program. (Similar legislation was introduced late in session; [Senate Bill 743 Broadband/Grant Changes](#) is summarized below.)

The House budget also dedicated funds to:

- Low-wealth and small county school capital allotments
- Opioid abatement in the form of directed grants to 25 counties and expanded opioid antagonist distribution programs
- Support Medicaid costs associated with enrollment, service and capitalization costs
- PFAS treatment and prevention

Neither chamber's spending plan became law, though ultimately legislators passed a slimmed-down budget providing some funds to address the looming the "childcare funding cliff" and to replace expiring federal SLFRF (State and Local Fiscal Recovery Funds) funds appropriated to state agencies with general fund revenue. NCACC's full analysis of each chamber's budget can be found [here](#).

Outside of the budget, legislators did not shy away from controversy this session, but many contentious issues have yet to gain full approval by both chambers. -Even legislation the two chambers agreed on did not always gain full legislative passage. For example, majorities in both the House and Senate agreed on perennial [legislation to require sheriffs in all 100 counties to comply with federal immigration detainers](#); the legislation currently sits in a conference committee. [Legislation to expand opportunity scholarships](#) — state funds distributed to families for private school tuition — was also an early priority for the General Assembly this session, with the stand-alone appropriations bills passing both chambers early in the session in May. The expansion was also included in each chamber's budget; however, the expansion had not passed the General Assembly in any form upon adjournment in late June.

Additionally, the General Assembly debated several proposed constitutional amendments, which if approved legislatively would be put on the November ballot for voter approval. Those amendment proposals include capping the state income tax rate at 5%; clarifying that only American citizens may vote; requiring photo identification when voting, regardless of voting method; shifting responsibility of filling Council of State vacancies; and repealing a law requiring literacy tests to vote. To date, only the proposed constitutional amendment clarifying citizen voting is set to be on the ballot this November.

Legislation That Became Law This Session

While the budget is considered the most critical work of a session, legislators also debated dozens of bills with potential county impact. Legislation that gained General Assembly approval and became law is summarized below.

Session Law 2024-1 — 2023 Budget Tech/Other Corrections »

Makes various technical corrections and changes, including the following of interest to counties:

- It adds “settlement project” to the definition of project ordinances in G.S. 159-13.2, allowing counties to budget over multiple years any projects financed in whole or in part by revenues received pursuant to an order of the court or other binding agreement resolving a legal dispute, such as opioid settlement funds. (Section 1.1)
- It provides that a sheriff may enter into a contract to provide school resource officers to a nonpublic school. If the sheriff does so, it requires the nonpublic school to provide funds at least equal to the compensation, benefits, and related expenses of any school resource officer assigned to the school. (Section 2.8A.(a))
- It extends the timeline for directed grants to non-state entities. (Section 1.3) *This section of the law became effective on June 30, 2024.*
- It makes various technical changes to county specific grants and appropriations. It removes “auxiliary containers” as defined by G.S. 153A-145.11(c)(1) from the definition of “solid waste” as found in G.S. 130A-290(a)(35)h. (Section 1.5)

Unless otherwise noted above, provisions in this law became effective July 1, 2024.

Session Law 2024-32 — North Carolina Farm Act of 2024 »

- It prohibits cities and counties from imposing stormwater fees for property used for bona fide farm purposes. (Section 14.(a))

The legislation was effective when it was signed into law on July 3, 2024.

Session Law 2024-45 — Regulatory Reform Act 2024 »

This bill makes changes to various state laws and regulations including the following impacting counties:

- It requires tax collectors to advertise a tax lien by posting a notice of the lien in a conspicuous manner on the property/parcel to be advertised. This would be required in addition to the

requirement to advertise tax liens via the newspaper. (Section 22) *This section is effective for taxes imposed for taxable years beginning on or after Jan. 1, 2025.*

- It creates a framework for local governments to plan for and regulate advanced air mobility radar for traffic control of unmanned aircraft systems, or drones. (Section 23) *This section is effective Oct. 1, 2024.*
- It restores language inadvertently deleted last year prohibiting counties from requiring the forced connection to county sewer in certain circumstances. (Section 26)
- It prohibits public water and sewer systems from imposing unauthorized conditions and implementing certain preference systems for allocating services to residential development. (Section 12). It requires monetary compensation to owners of on-premises advertisements for the replacement or upgrade of nonconforming signs due to a change in local government regulations. (Section 23.1) *This section is effective when it became law on July 9, 2024, and applies to on-premises advertising signs removed on or after Oct. 1, 2021. For any on-premises advertising sign removed on or after Oct. 1, 2021, but prior to July 9, 2024, construction work on relocation in accordance with G.S. 160D-912.1(b), as enacted by this section, must begin within two years of July 9, 2024.*
- It directs each county agency to establish a policy to send any permits issued by the agency to permittees via US mail or electronic mail instead of requiring the permittee to receive in-person delivery of the permit at a physical location. A permittee may opt to receive a permit from a county agency in person at their sole discretion. (Section 22.1)
- It clarifies recently enacted prohibition on counties and cities enacting certain ordinances, rules, and regulations related to battery-charged security fences. (Section 22.5)

Unless otherwise noted above, these provisions became effective when the bill became law without the governor's signature on July 9, 2024.

Session Law 2024-34 — HHS Omnibus »

Among other things, this bill includes the following:

- It directs Trilium Health Resources to submit an alternative board structure to the Secretary of the Department of Health and Human Services. It allows the Secretary to approve the new alternative board structure and to appoint the initial board members without each county in the catchment area adopting a resolution approving the board structure or appointing the board members. (Section 16)
- It amends the requirements to be appointed a local health director to include the option of a bachelor's degree in a field related to public health, with at least seven years of experience in health programs that includes three years of supervisory experience. (Section 3)
- It extends the temporary authority of the federally facilitated marketplace to make North Carolina Medicaid eligibility determinations until June 30, 2025. This change is intended to decrease the Medicaid enrollment burden on county departments of social services. (Section 9)

Sections 9 and 16 became effective when the legislation became law; Section 3 is effective Aug. 1, 2024.

Session Law 2024-44 — C-PACE Program »

Establishes the Commercial Property Assessed Capital Expenditure (C-PACE) program to be administered by the Economic Development Partnership of North Carolina. A local government may elect to participate in the C-PACE program. The bill requires a county to concur with the decision of a city within its borders to elect to participate in C-PACE.

- The program allows qualifying commercial property owners to apply for long-term financing provided by private lenders to pay for certain property improvements related to energy efficiency, water conservation, renewable energy, and resilience measures. The total amount of financing may not exceed 35% of the value of the property.
- Repayment of the amount financed would be secured by an assessment imposed on the improved property by a participating local government. Once recorded, a C-PACE lien would be placed on the property and remain on the property until the financed amount is paid in full.
- The C-PACE lien would be inferior to all prior and subsequent state, local, and federal taxes or liens and superior to all other liens on the property. C-PACE liens would survive purchases of property sold to satisfy a tax lien, and purchasers would take the property subject to any C-PACE assessment on the property.
- Under the C-PACE program, participating local governments would assign to the lender the right to receive the proceeds from assessment repayments, and delegate all billing, collection, and enforcement duties related to the C-PACE assessment.

The legislation became effective when signed into law on July 1, 2024.

Session Law 2024-16 — Various Criminal and Election Law Changes »

Makes the following changes to criminal, emergency, and public health and safety statutes impacting counties, including:

- It modifies the existing exemption to the general prohibition of wearing masks in public to make clear that a person may wear a medical or surgical grade mask to prevent the spread of contagious disease. *This section of the law became effective when the bill became law notwithstanding the objections of the governor on June 27, 2024.*
- It prohibits executive emergency orders and local government emergency prohibitions or restrictions from imposing additional restrictions on religious institutions not imposed on

public or private for-profit or non-profit entities. *-The section of the law becomes effective Oct. 1, 2024.*

- It increases the criminal penalty for someone who willfully impedes traffic while participating in a demonstration intended to impede traffic, including even greater penalties when obstructing emergency vehicles. Additionally, a person who organizes a demonstration that impedes traffic would be civilly liable for any injury or death that results from obstructing an emergency vehicle's use of the road. *This portion of the law becomes effective Dec. 1, 2024, and applies to offenses committed and causes of action arising on or after that date.*

The bill became law, notwithstanding the governor's veto, on June 27, 2024, and was effective on that date.

Legislation Vetoed By the Governor But Not Yet Overridden by the General Assembly

The following pieces of legislation were passed by the General Assembly but vetoed by the governor. The bills are eligible for consideration for veto override votes at any reconvening of the General Assembly for the remainder of session per the adjournment resolution.

Senate Bill 166 2024 Bldg. Code Regulatory Reform »

The bill amends various development regulations, the North Carolina Building Code, and various environmental and environmental health regulations. Highlights of the bill:

- It requires all local health departments to contract with the North Carolina Department of Health and Human Services (NCDHHS) for the provision of environmental health services and directs the agreement to include quality assurance requirements. Additionally, the bill requires any registered environmental health specialist, registered environmental health specialist intern, or registered environmental health associate contracted to work for a local health department without a contract with NCDHHS is not entitled to the defense or liability protections currently provided by the attorney general as prescribed by statute, nor would they be entitled to defense or liability protections for enforcing a local on-site wastewater rule, regardless of contract status. In the event of a judgment against, or settlement on behalf of, a registered environmental health specialist, registered environmental health specialist intern, or registered environmental health associate, this bill requires that NCDHHS and the local health department would each be required to pay half of the judgement or settlement, unless NCDHHS in its sole discretion agrees otherwise. (Section 3)
- It prohibits unrestricted right of entry as a condition to development approvals. (Section 16)
- It clarifies that landscaping around dwellings or within common areas, or street light fixtures within common areas, are not public safety issues for which local governments may withhold building permits or certificates of occupancy for public safety issues. It requires developers

to submit to the local government a signed affidavit detailing the reasons why the required site improvements related to landscaping and streetlights are not complete, the expected date of completion and compliance, and a statement to complete the required improvements. (Section 4.48)

- It summarizes residential plan review fees reimbursement when local governments fail to perform reviews within certain timeframes. If a local government fails to conduct the initial residential building plan review within 20 business days after submission, requires local governments to refund 10% of building application fees for each business day it fails to conduct the review for up to 10 business days. (Section 1.4)
- It clarifies that local governments reviewing designs for which a seal is required may not make administrative decisions based on the appropriateness of the scope of work covered by seals of designs. Local governments can continue to review those plans, drawings, specifications, reports, or other work that requires a seal for all other state and local compliance issues. (Section 3.5)
- It makes various changes to onsite wastewater statutes, including allowing private compliance inspectors to inspect on-site wastewater systems. (Section 4.4. (a))

This legislation was vetoed by Governor Cooper on July 5 after the General Assembly's adjournment. Votes to override the governor's veto have not yet been scheduled. The provisions in the legislation limit county authority and increase county liability and NCACC urges legislators to sustain the governor's veto.

House Bill 556 — Tenancy in Com./E-Notary/SmallClaims Changes »

Among other things, it prohibits counties from enacting, maintaining, or enforcing any ordinance prohibiting an owner, lessee, sublessee, assignee, managing agent, or other person having the right to lease, sublease, or rent a housing accommodation from refusing to lease or rent the housing accommodation to a person because the person's lawful source of income to pay rent includes funding from a federal housing assistance program.

Legislation Considered During the Short Session That Remains Eligible for Consideration

The following pieces of legislation saw action by the General Assembly during the 2024 short session but fell short of full legislative approval. The bills remain eligible for consideration at any reconvening of the General Assembly for the remainder of session per the [adjournment resolution](#).

Senate Bill 88 — Various Elections Changes »

This bill makes various election law changes:

- It provides that if the General Assembly enacts a local law altering a local government's form of government, the local government may only alter that form of government if the alteration is effective subsequent to the federal census following the General Assembly enactment
- It requires the county board of elections to review death and felony conviction records and challenge the ballot of any voter casting a ballot who was not eligible to vote on the day of election due to death or felony conviction
- It requires county board of elections to use signature verification software to check the signatures of voters on an executed absentee ballot before the absentee ballot is accepted by the county board

The legislation has passed the Senate and is in the House Rules Committee.

Senate Bill 625 — Child Welfare, Soc. Serv., and DHHS Reforms »

Among other things, the bill includes the following:

- It requires that the county board of social services members, regional board of social services members, and consolidated health and human services boards have education and training related to the position during their first year serving on the board.
- It requires NCDHHS and other stakeholders to collaborate in the creation of an educational and training program for the board members which must include a segment on potential liabilities of the board. All current board members must complete the education and training by March 1, 2027.
- It creates a procedure to address conflicts of interest which may arise when providing social services.

The House Judiciary 2 Committee approved the bill, and it is now in the House Rules Committee.

Senate Bill 640 — Amend Occupational Licensing Board Statutes »

Sections 6 and 7 of this bill make the following changes to the Machinery Act:

- It excludes malfunctioning or nonfunctioning business equipment with no greater value than scrap from personal property taxation.
- It extends the period for listing property for taxation from January 31 to April 15 and repeals the general extension provisions.
- It allows for extensions if the county has provided for electronic listing of personal property but limits the extension time to no later than June 1.

This legislation passed the House and is currently in the Senate Rules committee awaiting further consideration. These provisions present additional administrative costs to counties and confusion for taxpayers and assessors. NCACC urges commissioners to reach out to their legislative delegations and share these concerns.

Senate Bill 743 — Broadband/Grant Changes »

Section 2 of this bill makes the following changes:

- It updates the Completing Access to Broadband (CAB) program to remove county match requirements and requires broadband service providers to provide at least 30% of the total estimated project cost.
- It authorizes the North Carolina Department of Information Technology to use up to \$190 million of funds it previously received for CAB to provide the county project cost responsibility for the 37 counties that have committed to participate in CAB as of May 1, 2024.

Substantially similar provisions were in both Senate and House budget plans. The legislation has passed the House and now resides in the Senate Rules Committee.

House Bill 864 — PFAS Pollution and Polluter Liability »

Allows the Secretary of the North Carolina Department of Environmental Quality to hold responsible parties financially accountable for the cleanup and abatement of public water systems due to PFAS contamination.

The House Committee on Environment approved this legislation, and it now awaits further action in the House Appropriations Committee.

House Bill 1044 — County Tier Designation Study Bill »

Directs the North Carolina Collaboratory to study the effects of various proposed changes to the county tier designation system. The Collaboratory is directed to submit a preliminary report of the results of the study to the Joint Legislative Oversight Committee on Economic Development and Global Engagement (“EDGE”) and General Assembly’s Fiscal Research Division no later than Dec. 31, 2024. The bill directs a final report to be submitted to EDGE and the Fiscal Research Division no later than Dec. 1, 2025.

The House Committee on State Government approved this legislation, and it now awaits further action in the House Appropriations committee.