

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 913
Committee Substitute Favorable 4/29/25

Short Title: Liability/Unfair/Deceptive Develop. Actions.

(Public)

Sponsors:

Referred to:

April 14, 2025

A BILL TO BE ENTITLED
AN ACT TO HOLD LOCAL GOVERNMENTS ACCOUNTABLE FOR DEVELOPMENT
DECISIONS.

The General Assembly of North Carolina enacts:

SECTION 1. Article 14 of Chapter 160D of the General Statutes is amended by adding a new section to read:

"§ 160D-1425. Damages, attorneys' fees, and costs.

(a) The court may allow the person with standing to recover reasonable attorneys' fees attributed to an action brought pursuant to this Article.

(b) The court shall allow the person with standing to recover reasonable attorneys' fees attributed to the action in any action brought pursuant to this Article in which any of the following occurs:

(1) The person with standing successfully shows the local government intentionally acted in violation of this Chapter.

(2) The person with standing successfully shows the local government intentionally delayed action on a development approval to cause the person to seek action under this Article.

(3) The person with standing successfully shows the local government acted in a flagrantly unfair or deceptive manner with respect to the development approval with intent to cause the person with standing to initiate an action under this Article.

(c) Upon a finding by the court that subdivision (3) of subsection (b) of this section applies, the court shall award punitive damages in addition to any reasonable attorneys' fees attributed to the action in an amount as determined by the court, up to 10 times the damages. For purposes of this subsection, damages shall mean loss of revenue, increases in costs due to the delays caused by the local government's actions, and any other damages proven by the prevailing party.

(d) The court shall not award attorneys' fees against the local government under this section if the court finds that the local government acted in reasonable reliance on any of the following:

(1) A judgment or an order of a court applicable to a local government in the same or similar circumstances.

(2) The published opinion of an appellate court, an order of the North Carolina Business Court, or a final order of the Trial Division of the General Court of Justice.

(3) A written opinion, decision, or letter of the Attorney General."



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1 **SECTION 2.** This act becomes effective October 1, 2025, and applies to causes of
2 action arising on or after that date.