GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

HOUSE BILL 926

Committee Substitute Favorable 4/29/25
Committee Substitute #2 Favorable 5/6/25
Committee Substitute #3 Favorable 6/17/25
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Short Title: Regulatory Reform Act of 2025. (Public)

Sponsors:

Referred to:

April 14, 2025

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FURTHER REGULATORY RELIEF TO THE CITIZENS OF NORTH CAROLINA.

The General Assembly of North Carolina enacts:

ALLOW AUTHORIZED ON-SITE WASTEWATER EVALUATOR TO PREPARE A SITE DENIAL LETTER FOR SUBSURFACE WASTEWATER SYSTEMS

SECTION 1.(a) Definitions. – For purposes of this section, "Application Submittal Rule" means 15A NCAC 02T .0604 (Application Submittal).

SECTION 1.(b) Application Submittal Rule. – Until the effective date of the revised permanent rule that the Environmental Management Commission is required to adopt pursuant to subsection (d) of this section, the Commission shall implement the Application Submittal Rule as provided in subsection (c) of this section.

SECTION 1.(c) Implementation. – A letter from either the local county health department or an Authorized On-Site Wastewater Evaluator certified pursuant to Article 5 of Chapter 90A of the General Statutes denying the site for all subsurface systems shall be submitted to the Division by the applicant.

SECTION 1.(d) Additional Rulemaking Authority. – The Commission shall adopt a rule to amend the Application Submittal Rule consistent with subsection (c) of this section. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be substantively identical to the provisions of subsection (c) of this section. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1), as though 10 or more written objections had been received as provided in G.S. 150B-21.3(b2).

SECTION 1.(e) Sunset. – This section expires when permanent rules adopted as required by subsection (d) of this section become effective.

SURVEYOR RIGHT OF ENTRY

SECTION 2.(a) G.S. 89C-19.2 is repealed.

SECTION 2.(b) Article 22B of Chapter 14 of the General Statutes is amended by adding a new section to read:

"**§ 14-159.15. Limited right of entry by professional land surveyors.**

(a) For the purposes of this section, the following terms are defined as follows:

(1) Critical infrastructure. – As defined in 42 U.S.C. § 5195c.

(2) Landowner. – The owner, lessee, or occupant of a parcel of land.

(3) Practice of land surveying. – As defined in G.S. 89C-3.

(4) Professional land surveyor. – As defined in G.S. 89C-3. For purposes of this section, this term includes any agents, employees, or personnel under the supervision of a professional land surveyor.

(b) A professional land surveyor shall have the right to enter upon the lands of others, if necessary to perform surveys for the practice of land surveying, including the location of property corners, boundary lines, rights-of-way, and easements, and may carry with them their customary equipment and vehicles. An entry by a professional land surveyor to perform the practice of land surveying under this section shall not constitute trespass under this Article or Article 22A of this Chapter and shall not cause the professional land surveyor to be subject to arrest or a civil action by reason of the entry.

(c) Nothing in this section shall be construed as giving authority to a professional land surveyor to destroy, injure, damage, or move anything on the lands of another without the written permission of the landowner, and nothing in this section shall be construed as removing civil liability for such damage.

(d) No professional land surveyor shall have a civil cause of action against a landowner for personal injury or property damage incurred while on the land for purposes consistent with those described in subsection (b) of this section, except when such damages and injury were willfully or deliberately caused by the landowner.

(e) Nothing in this section shall be construed as giving authority to a professional land surveyor to do the following:

(1) Enter lands traversed by an operating railroad or properties owned, held, used, or operated by a railroad or their subsidiaries.

(2) Enter lands containing critical infrastructure."

SECTION 2.(c) This section applies to acts on or after its effective date.

AWARD ATTORNEYS' FEES FOR TRESPASS TO REAL PROPERTY OR SURVEYOR NEGLIGENCE

SECTION 2.5. G.S. 6-21 reads as rewritten:

"**§ 6-21. Costs allowed either party or apportioned in discretion of court.**

Costs in the following matters shall be taxed against either party, or apportioned among the parties, in the discretion of the court:

…

(13) In actions for trespass upon real property.

(14) In actions against any professional land surveyor as defined in G.S. 89C-3(9) or any person acting under the surveyor's supervision and control for physical damage or economic or monetary loss due to negligence or deficiency in performance of surveying or platting.

The word "costs" as used in this section includes reasonable attorneys' fees in whatever amounts the court in its discretion determines and allows. Attorneys' fees in actions for alimony, however, shall not be included in the costs as provided in this section but shall be determined and provided for in accordance with G.S. 50-16.4."

PROHIBIT INSPECTION DEPARTMENTS FROM CHARGING FEES FOR CERTAIN INSPECTION CANCELLATIONS

SECTION 3. G.S. 160D-1104 is amended by adding a new subsection to read:

"(d2) An inspection department shall not charge the permit holder a fee or fail an inspection of a building or structure subject to the North Carolina Residential Code, if the permit holder cancels a scheduled inspection more than one business day before the scheduled inspection."

LIMIT DESIGN METHODOLOGY AND CONSTRUCTION STANDARDS FOR CERTAIN MUNICIPAL STREETS

SECTION 4.(a) G.S. 160D-702 reads as rewritten:

"**§ 160D-702. Grant of power.**

…

(c) A zoning or other development regulation shall not do any of the following:

(1) Set a minimum square footage of any structures subject to regulation under the North Carolina Residential Code.

(2) Require a parking space to be larger than 9 feet wide by 20 feet long unless the parking space is designated for handicap, parallel, or diagonal parking.

(3) Require additional fire apparatus access roads into developments of one- or two-family dwellings that are not in compliance with the required number of fire apparatus access roads into developments of one- or two-family dwellings set forth in the Fire Code of the North Carolina Residential Code for One- and Two-Family Dwellings.

(4) Establish or require pavement design standards for public roads or private roads that are more stringent than the minimum pavement design standards adopted by the Department of Transportation.

(d) For purposes of this section, the term "public road" shall mean any road, street, highway, thoroughfare, or other way of passage that is owned by a city or the Department of Transportation."

SECTION 4.(b) This section becomes effective January 1, 2026, and applies to projects initiated on or after that date.

EXPAND CULINARY ABC PERMIT

SECTION 5. G.S. 18B-1001(11) reads as rewritten:

"(11) Culinary Permit. – A culinary permit authorizes a permittee to possess up to 12 liters of either fortified wine or spirituous liquor, or 12 liters of the two combined, in the kitchen of a business and to use those alcoholic beverages for culinary ~~purposes.~~ purposes only. The permit may be issued for ~~either~~ any of the following:

a. ~~Restaurants;~~Restaurants.

b. ~~Hotels;~~Hotels.

c. Cooking schools.

d. Food businesses.

e. Eating establishments.

A culinary permit may also be issued to a catering service to allow the possession of the amount of fortified wine and spirituous liquor stated above at the business location of that service and at the cooking site. The permit shall also authorize the caterer to transport those alcoholic beverages to and from the business location and the cooking site, and use them in cooking."

EXEMPT MODEL HOMES FROM FIRE PROTECTION WATER SUPPLY REQUIREMENT DURING CONSTRUCTION

SECTION 6.(a) Definitions. – For the purposes of this section, the following definitions apply:

(1) Code. – The North Carolina State Building Code, and amendments to the Code, as adopted by the Councils.
(2) Councils. – The Building Code Council and Residential Code Council.
(3) Model home. – As defined in G.S. 160D-1501(a).
(4) Water Supply Rules. – Section 3312.1, when required, of the North Carolina Fire Code, and Section 3313.1, where required, of the North Carolina Building Code.

SECTION 6.(b) Water Supply Rules. – Until the effective date of the rules to amend Water Supply Rules, the Office of the State Fire Marshal, the Councils, and State and local governments enforcing the Code shall implement Water Supply Rules as provided in subsection (c) of this section.

SECTION 6.(c) Implementation. – Notwithstanding Water Supply Rules, the fire code official is authorized to reduce the fire-flow requirements for an isolated model home at a subdivision project site where development of full-fire flow requirements is impractical or pending.

SECTION 6.(d) Additional Rulemaking Authority. – The Council shall adopt rules to amend Water Supply Rules to be consistent with subsection (c) of this section. Notwithstanding G.S. 150B-19(4), the rules adopted by the Council pursuant to this section shall be substantively identical to the provisions of subsection (c) of this section. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided in G.S. 150B-21.3(b2).

SECTION 6.(e) Additional Residential Code Council Rulemaking Authority. – The Residential Code Council shall adopt rules to amend the 2024 North Carolina State Building Code volumes specified within G.S. 143-138(a)(1) through (10) to make conforming changes to codes applicable to residential construction consistent with rules adopted by the Building Code Council as required by subsection (d) of this section. Rules adopted pursuant to this subsection are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this subsection shall become effective as provided in G.S. 150B-21.3(b1) as though 10 or more written objections had been received as provided in G.S. 150B-21.3(b2).

SECTION 6.(f) Sunset. – This section expires when permanent rules adopted as required by subsections (d) and (e) of this section become effective.

ADVANCED TEACHING ROLES – LIMITED CLASS SIZE EXCEPTION AND TRACK ROLES IN STUDENT INFORMATION SYSTEM

SECTION 7.(a) Notwithstanding G.S. 115C-301 and G.S. 115C-310.7, for any ATR unit that received its final year of grant funding under G.S. 115C-310.11 in the 2024-2025 school year, the State Board of Education may authorize ATR schools within the ATR unit to exceed the maximum class size requirements for kindergarten through third grade for the 2025-2026 and 2026-2027 school years. For the purposes of this subsection, "ATR unit" and "ATR school" are as defined in G.S. 115C-310.3.

SECTION 7.(b) G.S. 115C-310.15 is amended by adding a new subsection to read:

"(d) The Department of Public Instruction shall create designations for teachers serving in advanced teaching roles in the student information system."

SECTION 7.(c) This section is effective when it becomes law.

END DUAL LICENSURE REQUIREMENTS FOR AUDIOLOGISTS

SECTION 8.(a) G.S. 93D-14 reads as rewritten:

"**§ 93D-14. Persons not affected.**

(a) Nothing in this Chapter shall apply to a physician licensed to practice medicine or surgery in the State of North Carolina.

(b) Any person who meets the requirements of ~~having both a doctoral degree in Audiology and~~ holding a valid ~~permanent~~ unrestricted license as an audiologist under Article 22 of Chapter 90 of the General Statutes of North Carolina is exempt from licensure under this Chapter. ~~A person who does not meet both requirements of having a doctoral degree in Audiology and holding a valid permanent license as an audiologist under Article 22 of Chapter 90 of the General Statutes of North Carolina must become a registered apprentice or be licensed by the Board before fitting or selling hearing aids in the State of North Carolina.~~

~~(c) Nothing in this Chapter shall be construed to exempt an audiology assistant or certified technician, working under the supervision of a licensee or a person exempt from licensure under this Chapter, from being subject to the provisions of this Chapter. Such a person, before engaging in fitting or selling hearing aids, as defined in this Chapter, must be registered as an apprentice under a Registered Sponsor or be licensed by the Board.~~

(d) The provisions of this Chapter shall not apply to the activities and services of an audiology student pursuing a course of study in an accredited college or university, if these activities and services constitute a part of such person's course of study."

SECTION 8.(b) This section is effective when it becomes law.

LOCKED HEARING AID DISCLOSURES FOR HEARING AID FITTERS, DEALERS, AND AUDIOLOGISTS

SECTION 9.(a) Chapter 93D of the General Statutes is amended by adding a new section to read:

"**§ 93D-7.1. Disclosure of locked hearing aid software; additional disclosures and record keeping.**

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

(1) Locked hearing aid. – A prescription hearing aid or an over-the-counter hearing aid that uses either proprietary programming software or locked, nonproprietary programming software that restricts programming or servicing of the device to specific facilities or providers.

(2) Locked, nonproprietary programming software. – Software that any provider or seller can render inaccessible to other hearing aid programmers.

(3) Proprietary programming software. – Software used to program hearing aids that is supplied by a hearing aid distributor or manufacturer for exclusive use by affiliated providers or sellers. This software is locked and inaccessible to nonaffiliated providers or sellers.

(b) Disclosure of Locked, Nonproprietary or Proprietary Programming Software. – To the extent not inconsistent with federal law, any person licensed under this Chapter who engages in fitting or selling of locked hearing aids shall, at the time of purchase of any locked hearing aid, provide the purchasing patient with a written notice, in 12-point type or larger, stating:

"The locked hearing aid being purchased uses locked, nonproprietary or proprietary programming software and can only be serviced or programmed at specific facilities or locations."

The purchasing patient shall sign the notice at the time of purchase with physical or electronic signature. The licensee shall retain a copy of the signed notice in the patient's file for at least three years, subject to the conditions of subsection (d) of this section.

(c) Written Receipt of Sale. – Upon consummation of a sale of a locked hearing aid, in addition to complying with G.S. 93D-7, the licensee shall give to the purchasing patient a written receipt signed, with physical or electronic signature, by or on behalf of the licensee and the patient, containing all of the following information:

(1) The date of consummation of the sale.

(2) The make, model number, and serial number of the hearing aid sold.
(3) Whether the locked hearing aid is new, used, or reconditioned.
(4) The licensee's name and license number, and the name and license number of any other hearing aid dispenser, apprentice, temporary licensee, or trainee licensee who provided any recommendation or consultation regarding the purchase.
(5) The address of the principal place of business of the licensee, and the address and office hours at which the licensee shall be available for fitting or post-fitting adjustments and servicing of the hearing aid sold.
(6) The terms of any guarantee or written warranty made to the purchasing patient with respect to the locked hearing aid.

If multiple locked hearing aids are sold in a single transaction, a single written notice under subsection (b) of this section and a single written receipt under this subsection may be used to satisfy the requirements of this section, provided that the required information for each locked hearing aid sold is documented.

(d) Record Keeping. – The licensee shall maintain, for a period of at least three years after the sale of a locked hearing aid, the following records for each locked hearing aid transaction:

(1) A copy of the written notice described in subsection (b) of this section as signed by the purchasing patient.
(2) A copy of the written receipt described in subsection (c) of this section.
(3) The results of any audiologic tests or measurements performed as part of the fitting and dispensing of the locked hearing aid or aids.
(4) A copy of any written recommendations prepared as part of the fitting and dispensing of the locked hearing aid or aids.

These records shall be kept at the licensee's principal place of practice and shall be made available for inspection by the Board."

SECTION 9.(b) The North Carolina State Hearing Aid Dealers and Fitters Board may adopt rules to implement subsection (a) of this section.

SECTION 9.(c) This section becomes effective October 1, 2025.

SECTION 9.1.(a) Article 22 of Chapter 90 of the General Statutes is amended by adding a new section to read:

"**§ 90-308. Disclosure of locked hearing aid software by audiologists; receipt and record requirements.**

(a) Disclosure of Locked, Nonproprietary or Proprietary Programming Software. – To the extent not inconsistent with federal law, a licensed audiologist who engages in the fitting or selling of locked hearing aids, as defined in G.S. 93D-7.1(a)(1), shall, at the time of purchase of any locked hearing aid, provide the purchasing patient with a written notice in at least 12-point type stating:

"The locked hearing aid being purchased uses locked, nonproprietary or proprietary programming software and can only be serviced or programmed at specific facilities or locations."

The purchasing patient shall sign the notice at the time of purchase with physical signature or electronic signature. The audiologist shall retain a copy of the signed notice in the patient's file in addition to the record requirements of subsection (c) of this section.

(b) Written Receipt of Sale. – Upon the consummation of a sale of a locked hearing aid, in addition to complying with G.S. 93D-7, the audiologist shall give the purchasing patient a written receipt signed, with physical or electronic signature, by or on behalf of the audiologist and the patient, containing all of the following information:

(1) The date of consummation of the sale.
(2) The make, model, and serial number of the locked hearing aid sold.

(3) Whether the hearing aid is new, used, or reconditioned.
(4) The audiologist's name and license number. If any other hearing care professionals licensed under this Article, such as another audiologist or temporary licensee, provided any recommendation or consultation for the purchase, their name and applicable license number shall also be noted.
(5) The address of the principal place of business of the audiologist, and the address and office hours at which the audiologist shall be available for fitting or post-fitting adjustments and servicing of the hearing aid sold.
(6) The terms of any guarantee or written warranty made to the purchasing patient with respect to the locked hearing aid.

If multiple locked hearing aids are sold in a single transaction, a single written notice under subsection (a) of this section and a single written receipt under this subsection may be used to satisfy the requirements of this section, provided that the required information for each locked hearing aid sold is documented.

(c) Record Keeping. – A licensed audiologist shall maintain, for a period of at least three years after the sale of a locked hearing aid, the following records for each locked hearing aid transaction:

(1) A copy of the written notice described in subsection (a) of this section as signed by the purchasing patient.
(2) A copy of the written receipt described in subsection (b) of this section.
(3) The results of any audiologic tests or measurements performed as part of the fitting and dispensing of the locked hearing aid or aids.
(4) A copy of any written recommendations prepared as part of the fitting and dispensing of the hearing aid or aids.

These records shall be kept at the audiologist's principal place of practice and shall be made available for inspection by the Board."

SECTION 9.1.(b) The North Carolina Board of Examiners for Speech and Language Pathologists and Audiologists may adopt rules to implement subsection (a) of this section.

SECTION 9.1.(c) This section becomes effective October 1, 2025.

ALLOW BUYER'S AGENT COMPENSATION TO BE INCLUDED IN THE OFFER TO PURCHASE

SECTION 10.(a) Definitions. – For purposes of this section, "Offer and Sales Contracts Rule" means 21 NCAC 58A .0112 (Offer and Sales Contracts).

SECTION 10.(b) Offer and Sales Contracts Rule. – Until the effective date of the revised permanent rule that the Real Estate Commission is required to adopt pursuant to subsection (d) of this section, the Commission shall implement the Offer and Sales Contracts Rule as provided in subsection (c) of this section.

SECTION 10.(c) Implementation. – A broker acting as an agent in a real estate transaction may use a preprinted offer or sales contract form containing provisions concerning the payment of a commission or compensation, including the forfeiture of earnest money, to a broker or firm.

SECTION 10.(d) Additional Rulemaking Authority. – The Commission shall adopt a rule to amend the Offer and Sales Contracts Rule consistent with subsection (c) of this section. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be substantively identical to the provisions of subsection (c) of this section. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1), as though 10 or more written objections had been received as provided in G.S. 150B-21.3(b2).

SECTION 10.(e) Sunset. – This section expires when permanent rules adopted as required by subsection (d) of this section become effective.

PROHIBIT WAITING PERIODS FOR REFILING OF DEVELOPMENT APPLICATIONS

SECTION 11. G.S. 160D-601 is amended by adding a new subsection to read:

"(e) Withdrawn or Denied Applications. – A development regulation or unified development ordinance may not include waiting periods prohibiting a landowner, developer, or applicant from refiling a denied or withdrawn application for a zoning map amendment, text amendment, development application, or request for development approval."

LIMIT LOCAL GOVERNMENT AUTHORITY TO REGULATE THE DISPLAY OF AMERICAN FLAGS ON PRIVATE PROPERTY

SECTION 12.(a) G.S. 144-7 reads as rewritten:

"**§ 144-7. Display of official governmental flags; public restrictions.**

(a) A county, city, consolidated city-county, or unified government shall not prohibit an official governmental flag from being flown or displayed if the official governmental flag is flown or displayed:

(1) In accordance with the patriotic customs set forth in 4 U.S.C. §§ 5-10, as amended; and

(2) Upon private or public property with the consent of either the owner of the property or of any person having lawful control of the property.

(b) Notwithstanding subsection (a) of this ~~section,~~ section: (i) for the purpose of protecting the public health, safety, and welfare, reasonable restrictions on flag size, number of flags, location, and height of flagpoles are not prohibited, provided that such restrictions shall not discriminate against any official governmental flag in any ~~manner.~~manner; and (ii) with respect to the flag of the United States of America and the flag of the State of North Carolina, however, enforcement of a restriction as to a particular property shall require evaluation of and written findings of fact to document the public health, safety, and welfare concerns justifying enforcement of the ordinance at that particular property. If a traffic-based justification is asserted concerning such flag on a particular property, a site study conducted by the Department of Transportation shall be performed to evaluate whether traffic concerns will arise with manner or placement of the display of such flag at a particular location, and such flag shall only be prohibited if the Department of Transportation determines traffic concerns would in fact arise.

(c) For purposes of this section, an "official governmental flag" shall mean any of the following:

(1) The flag of the United States of America.

(2) The flag of nations recognized by the United States of America.

(3) The flag of the State of North Carolina.

(4) The flag of any state or territory of the United States.

(5) The flag of a political subdivision of any state or territory of the United States."

SECTION 12.(b) This section is effective when it becomes law, and any citation, fine, penalty, action, proceeding, or litigation pending on that date that has resulted from application of an ordinance contrary to the provisions of this section is abated by this section.

ALLOW OFF-SITE FOOD SERVICE FOR WORKPLACE EVENTS

SECTION 13. G.S. 130A-248 is amended by adding a new subsection to read:

"(c4) Notwithstanding any provision of this Part, a permitted food establishment may serve food or drink in a workplace setting at an off-site location for the employees of that designated workplace and their invited guests. Food may be sold individually to employees or guests of the

designated workplace. The food establishment shall notify the local health department before initiating off-site service at a designated workplace. The food establishment shall provide an off-site location schedule to the local health department upon the request of the local health department. The food establishment shall comply with all of the following requirements, and if the local health department inspects the off-site location, only these requirements shall be assessed:

(1) All food served at the off-site location shall be prepared and cooked at the permitted food establishment. Food may be assembled during service at the off-site location with no further cooking.

(2) Assembling and serving food or drink shall only take place indoors.

(3) Food or drink shall be protected from contamination during transportation, display, assembling, and service.

(4) Utensils used during food service shall be returned to the permitted food establishment to be washed, rinsed, and sanitized. The permitted food establishment shall provide extra serving utensils from the food establishment to the off-site location.

(5) The food establishment shall utilize Time as a Public Health Control as required in Section 3-501.19 of the NC Food Code.

(6) No permitted food establishment shall operate in the same location for more than three days in a seven-day period.

(7) Food employees shall be employed by the holder of the food establishment permit and at least one food employee shall always be present from the time food or drink leaves the permitted establishment until the end of the serving period at the off-site location.

(8) One food employee present at the off-site establishment location shall be a certified food protection manager as required in Section 2-102.12 in the NC Food Code.

(9) Handwashing facilities shall be conveniently located, easily accessible, and supplied with water, soap, and single-use towels at the off-site location. Portable or plumbed handwashing facilities may be used. Handwashing facilities for food employees shall not be located in a restroom.

(10) Customers or guests shall not be allowed to serve themselves."

EXTEND NOTICE REQUIRED BEFORE CONTESTED CASE HEARINGS

SECTION 14.(a) G.S. 150B-23(b) reads as rewritten:

"(b) ~~The parties to a contested case shall be given a notice of hearing not less than 15 days before the hearing by the Office of Administrative Hearings.~~ Not less than 30 days before the initial hearing date, the Office of Administrative Hearings shall give notice of the week and county in which the hearing will be held to the parties to a contested case. Not less than 15 days before the hearing, formal notice of the hearing shall be given to the parties in writing by the Office of Administrative Hearings. If prehearing statements have been filed in the case, the notice shall state the date, hour, and place of the hearing. If prehearing statements have not been filed in the case, the notice shall state the date, hour, place, and nature of the hearing, shall list the particular sections of the statutes and rules involved, and shall give a short and plain statement of the factual allegations. A party may waive notice in writing as to their notice."

SECTION 14.(b) G.S. 150B-38 reads as rewritten:

"**§ 150B-38. Scope; hearing required; notice; venue.**

(a) The provisions of this Article shall apply to:

(1) Occupational licensing agencies.

(2) The State Banking Commission, the Commissioner of Banks, and the Credit Union Division of the Department of Commerce.

(3) The Department of Insurance and the Commissioner of Insurance.
(4) The State Chief Information Officer in the administration of the provisions of Article 15 of Chapter 143B of the General Statutes.
(5) The North Carolina State Building Code Council.
(5a) The Office of the State Fire Marshal and the State Fire Marshal.
(6) Repealed by Session Laws 2018-146, s. 4.4(b), effective December 27, 2018.

(b) Prior to any agency action in a contested case, the agency shall give the parties in the case an opportunity for a hearing without undue delay and notice not less than ~~15 days~~ 30 days before the hearing. Notice to the parties shall include all of the following:

(1) A statement of the date, hour, place, and nature of the hearing.
(2) A reference to the particular sections of the statutes and rules involved.
(3) A short and plain statement of the facts alleged.

…."

ENCOURAGE ARTICLE 3A AGENCIES TO NEGOTIATE INFORMALLY

SECTION 15. G.S. 150B-22 reads as rewritten:

"**§ 150B-22. Settlement; contested case.**

(a) It is the policy of this State that any dispute between an agency and another person that involves the person's rights, duties, or privileges, including licensing or the levy of a monetary penalty, should be settled through informal procedures. In trying to reach a settlement through informal procedures, the agency may not conduct a proceeding at which sworn testimony is taken and witnesses may be cross-examined.

(b) If the agency and the other person do not agree to a resolution of the dispute through informal procedures, either the agency or the person may commence an administrative proceeding to determine the person's rights, duties, or privileges, at which time the dispute becomes a "contested case." A party or person aggrieved shall not be required to petition an agency for rule making or to seek or obtain a declaratory ruling before commencing a contested case pursuant to G.S. 150B-23.

(c) This section applies to agencies covered under both this Article and Article 3A of this Chapter."

SWIMMING POOL AMENDMENTS

SECTION 16. G.S. 130A-39(b) reads as rewritten:

"(b) A local board of health may adopt a more stringent rule in an area regulated by the Commission for Public Health or the Environmental Management Commission where, in the opinion of the local board of health, a more stringent rule is required to protect the public health; otherwise, the rules of the Commission for Public Health or the rules of the Environmental Management Commission shall prevail over local board of health rules. However, a local board of health may not adopt a rule concerning a private pool serving a single family dwelling otherwise exempt from regulation pursuant to G.S. 130A-280 or a rule concerning the grading, operating, and permitting of food and lodging facilities as listed in Part 6 of Article 8 of this Chapter and as defined in G.S. 130A-247(1), and a local board of health may adopt rules concerning wastewater collection, treatment and disposal systems which are not designed to discharge effluent to the land surface or surface waters only in accordance with G.S. 130A-335(c)."

SECTION 17. G.S. 130A-280 reads as rewritten:

"**§ 130A-280. ~~Scope.~~Scope and definitions.**

(a) This ~~Article~~ Part provides for the regulation of public swimming pools in the State as they may affect the public health and safety. ~~As used in this Article, the term "public swimming pool" means any structure, chamber, or tank containing an artificial body of water used by the public for swimming, diving, wading, recreation, or therapy, together with buildings,~~

~~appurtenances, and equipment used in connection with the body of water, regardless of whether a fee is charged for its use. The term includes municipal, school, hotel, motel, apartment, boarding house, athletic club, or other membership facility pools and spas, spas operating for display at temporary events, and artificial swimming lagoons. As used in this Article, an "artificial swimming lagoon" means any body of water used for recreational purposes with more than 20,000 square feet of surface area, an artificial liner, and a method of disinfectant that results in a disinfectant residual in the swimming zone that is protective of the public health.~~ This ~~Article~~ Part does not apply to any of the following:

(1) A private pool serving a single family dwelling and used only by the residents of the dwelling and their ~~guests.~~guests, regardless of whether their guests gain use of the private pool through a sharing economy platform or pay a fee for its use. In all cases in which a fee is exchanged for access to a private pool serving a single family dwelling that is used only by the residents of the dwelling and their guests, the private pool shall be maintained in good and safe working order.

(2) ~~A private pool serving a single family dwelling meeting the minimum requirements of this subdivision which is offered to, and used by, individuals on a temporary basis utilizing a sharing economy platform. For the purposes of this subdivision, a sharing economy platform means an online platform used to facilitate peer-to-peer transactions to acquire, provide, or share access to goods and services. For the purposes of this subdivision, a pool must meet all of the following minimum requirements:~~

~~a. Pools must have proper fencing and barriers to prevent unsupervised access, especially by children. The fence should be at least 4 feet high with a self-latching gate.~~

~~b. Pools must have clear and conspicuous signage posted around the pool area specifying pool rules, depth markers, and any potential hazards.~~

~~c. Pools must be equipped with basic lifesaving equipment, including life rings and reaching poles.~~

~~d. Pool decks and surrounding areas must have non-slip surfaces.~~

~~e. Pools must have properly fitted covers for all submerged suction outlets.~~

~~f. Pools must be well-maintained with proper chemical balance and cleanliness to ensure safe and healthy swimming conditions.~~

(3) Therapeutic pools used in physical therapy programs operated by medical facilities licensed by the Department or operated by a licensed physical therapist, nor to therapeutic chambers drained, cleaned, and refilled after each individual use.

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

(1) Artificial swimming lagoon. – Any body of water used for recreational purposes with more than 20,000 square feet of surface area, an artificial liner, and a method of disinfectant that results in a disinfectant residual in the swimming zone that is protective of the public health.

(2) Public swimming pool. – Any structure, chamber, or tank containing an artificial body of water used by the public for swimming, diving, wading, recreation, or therapy, together with buildings, appurtenances, and equipment used in connection with the body of water, regardless of whether a fee is charged for its use. The term includes municipal, school, hotel, motel, apartment, boarding house, athletic club, or other membership facility pools and spas, spas operating for display at temporary events, and artificial swimming lagoons.

(3) Sharing economy platform. – An online platform used to facilitate peer-to-peer transactions to acquire, provide, or share access to goods and services."

ZONING REGULATIONS/UNIVERSITY PROPERTY

SECTION 18. G.S. 160D-913 reads as rewritten:

"**§ 160D-913. Public buildings.**

(a) Except as provided in G.S. 143-345.5 and this section, local government zoning and development regulations are applicable to the erection, construction, and use of buildings by the State of North Carolina and its political subdivisions.

(b) Except as provided in G.S. 143-345.5, this Chapter shall not apply to the construction, erection, alteration, enlargement, renovation, substantial repair, movement to another site, demolition, or use of any building or property by the State of North Carolina, ~~including~~ if the project is managed by the State Construction Office, or The University of North Carolina or any of its constituent institutions, if the project is managed or authorized by The University of North Carolina, and the project is located in whole or in part in Buncombe, Orange, Watauga, or Wake ~~County and the project is managed by the State Construction Office.~~County.

(c) Except as provided in G.S. 143-345.5, this Chapter shall not apply to the construction, erection, alteration, enlargement, renovation, substantial repair, movement to another site, demolition, or use of any building or property when the project is managed by the Legislative Services Commission.

(d) Notwithstanding the provisions of any general or local law or ordinance, except as provided in Part 4 of Article 9 of this Chapter, no land owned by the State of North Carolina may be included within an overlay district or a conditional zoning district without approval of the Council of State or its delegate.

(e) For properties exempt from this Chapter under subsection (b) or (c) of this section, the State Construction Office or the Legislative Services Commission shall consult with the appropriate county or city with jurisdiction with regard to all of the following:

(1) Water and sewer services to be provided to the project.
(2) Stormwater implications of the project.
(3) Impacts on traffic patterns and parking.
(4) Perimeter buffering, landscaping, tree protection, and riparian buffer requirements.
(5) Local environmental regulations adopted under Part 2 of Article 9 of this Chapter."

DOWNSTREAM INUNDATION MAPS

SECTION 19. G.S. 143-215.31 reads as rewritten:

"**§ 143-215.31. Supervision over maintenance and operation of dams.**

…

(a1) The owner of a dam classified by the Department as a high-hazard dam or an intermediate-hazard dam shall develop an Emergency Action Plan for the dam as provided in this subsection:

…

(6) Information included in an Emergency Action Plan that constitutes sensitive public security information, as provided in G.S. 132-1.7, shall be maintained as confidential information and shall not be subject to disclosure under the Public Records Act. For purposes of this section, "sensitive public security information" ~~shall include~~ includes Critical Energy Infrastructure Information protected from disclosure under rules adopted by the Federal Energy Regulatory Commission in ~~18 C.F.R. § 388.112.~~18 C.F.R. § 388.112, but does

not include Emergency Action Plans or downstream inundation maps associated with impoundments or dams not regulated by the Federal Emergency Regulatory Commission.

…."

NO SECOND BITE FOR STORMWATER PERMITTING REVIEW

SECTION 20. G.S. 143-214.7(b6) reads as rewritten:

"(b6) Permitting under the authority granted to the Commission by this section shall comply with the procedures and time lines set forth in this subsection. For any development necessitating stormwater measures subject to this section, applications for new permits, permit modifications, permit transfers, permit renewals, and decisions to deny an application for a new permit, permit modification, transfer, or renewal shall be in writing. Where the Commission has provided a digital submission option, such submission shall constitute a written submission. The Commission shall act on a permit application as quickly as possible. The Commission may conduct any inquiry or investigation it considers necessary before acting on an application and may require an applicant to submit plans, specifications, and other information the Commission considers necessary to evaluate the application. If the Commission fails to act on an application for a permit or for a renewal of a permit as specified in this subsection after the applicant submits all information required by the Commission, the application shall be deemed approved without modification. ~~[The following provisions apply:]~~The following provisions apply:

(1) The Commission shall perform an administrative review of a new application and of a resubmittal of an application determined to be incomplete under subdivision (3) of this subsection within 10 working days of receipt to determine if the information is administratively complete. If complete, the Commission shall issue a receipt letter or electronic response stating that the application is complete and that a 70-calendar day technical review period has started as of the original date the application was received. If required items or information is not included, the application shall be deemed incomplete, and the Commission shall issue an application receipt letter or electronic response identifying the information required to complete the application package before the technical review begins. When the required information is received, the Commission shall then issue a receipt letter or electronic response specifying that it is complete and that the 70-calendar day review period has started as of the date of receipt of all required information. The Commission shall develop an application package checklist identifying the items and information required for an application to be considered administratively complete. After issuing a letter or electronic response requesting additional information based on the original submittal under this subdivision, the Commission shall not subsequently request additional information that was not previously identified as missing or required in that additional information letter or electronic response from the original submittal. The Commission may, however, respond to subsequent additional information letters or electronic responses with a request for additional information limited to information missing from that subsequent additional information letter or electronic response.

…."

MODIFY THE FALLS RESERVOIR WATER SUPPLY NUTRIENT STRATEGY RULES TO EXEMPT NEW RESIDENTIAL DEVELOPMENT DISTURBING LESS THAN 1 ACRE

SECTION 21.(a) Definitions. – For purposes of this section and its implementation, "Falls Lake New Development Rule" means 15A NCAC 02B .0277 (Falls Reservoir Water Supply Nutrient Strategy: Stormwater Management for New Development).

SECTION 21.(b) Falls Lake New Development Rule. – Until the effective date of the revised permanent rule that the Environmental Management Commission (Commission) is required to adopt pursuant to subsection (d) of this section, the Commission shall implement the Falls Lake New Development Rule as provided in subsection (c) of this section.

SECTION 21.(c) Implementation. – Except as required pursuant to federal law or permit, no stormwater permit, management plan, or post-construction stormwater controls shall be required under the Falls Lake New Development Rule or local ordinances adopted thereunder for single family and duplex residential dwellings that cumulatively disturb less than 1 acre, which is not part of a larger common plan of development. Notwithstanding any authority granted under the Falls Lake New Development Rule or pursuant to other statute or rule, no local government may establish requirements more restrictive than that established by this subsection.

SECTION 21.(d) Additional Rulemaking Authority. – The Commission shall adopt a rule to amend the Falls Lake New Development Rule consistent with subsection (c) of this section. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be substantively identical to the provisions of subsection (c) of this section. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1), as though 10 or more written objections had been received as provided in G.S. 150B-21.3(b2).

SECTION 21.(e) Sunset. – This section expires when permanent rules adopted as required by subsection (d) of this section become effective.

ALLOW RENEWAL OR EXTENSION OF CONTRACTS FOR JOINT MUNICIPAL POWER AGENCIES

SECTION 22.(a) G.S. 159B-5 reads as rewritten:

"**§ 159B-5. Joint ownership of a project; provisions of the contract or agreement with respect thereto.**

…

Notwithstanding the provisions of any other law to the contrary, the initial term for any contracts with respect to the sale or purchase of capacity, output, power or energy from a project ~~may extend for a period not exceeding~~ shall not exceed 50 years from the later of either the effective date of the contract or the date ~~a~~ the project is estimated to be placed in normal continuous ~~operation; and the~~ operation and may be renewed or extended by the joint agency and the member municipality for additional periods not to exceed 50 years from the date of expiration of the preceding term. The execution and effectiveness thereof shall not be subject to any authorizations or approvals by the State or any agency, commission or instrumentality or political subdivision thereof except as in this Chapter specifically required and provided."

SECTION 22.(b) G.S. 159B-11 reads as rewritten:

"**§ 159B-11. General powers of joint agencies; prerequisites to undertaking projects.**

(a) Each joint agency shall have all of the rights and powers necessary or convenient to carry out and effectuate the purposes and provisions of this Chapter, including, but without limiting the generality of the foregoing, the rights and powers:

…

(12) To acquire by private negotiated purchase or lease or otherwise an existing project, a project under construction, or other property, either individually or jointly, with one or more municipalities or joint agencies in this State or any state contiguous to this State owning electric distribution facilities or with any political subdivisions, agencies or instrumentalities of any state contiguous to

this State or with other joint agencies created pursuant to this Chapter; to acquire by private negotiated purchase or lease or otherwise any facilities for the development, production, manufacture, procurement, handling, storage, fabrication, enrichment, processing or reprocessing of fuel of any kind or any facility or rights with respect to the supply of water, and to enter into agreements by private negotiation or otherwise, for a period not exceeding fifty (50) years, for the development, production, manufacture, procurement, handling, storage, fabrication, enrichment, processing or reprocessing of fuel of any kind or any facility or rights with respect to the supply of ~~water; no~~ water, which contracts may be renewed or extended for additional periods not to exceed 50 years from the date of expiration of the preceding term. No provisions of law with respect to the acquisition, construction or operation of property by other public bodies shall be applicable to any agency created pursuant to this Chapter unless the legislature shall specifically so state.

…."

SECTION 22.(c) G.S. 159B-12 reads as rewritten:

"**§ 159B-12. Sale of capacity and output by a joint agency; support contracts; other contracts with a joint agency.**

(a) Any municipality which is a member of the joint agency may contract to buy from the joint agency power and energy for its present or future requirements, including the capacity and output of one or more specified projects. As the creation of a joint agency is an alternative method whereby a municipality may obtain the benefits and assume the responsibilities of ownership in a project, any such contract may provide that the municipality so contracting shall be obligated to make the payments required by the contract whether or not a project is completed, operable or operating and notwithstanding the suspension, interruption, interference, reduction or curtailment of the output of a project or the power and energy contracted for, and that such payments under the contract shall not be subject to any reduction, whether by offset or otherwise, and shall not be conditioned upon the performance or nonperformance of the joint agency or any other member of the joint agency under the contract or any other instrument. Any contract with respect to the sale or purchase of capacity or output of a project entered into between a joint agency and its member municipalities may also provide that if one or more of such municipalities shall default in the payment of its or their obligations with respect to the purchase of said capacity or output, then in that event the remaining member municipalities which are purchasing capacity and output under the contract shall be required to accept and pay for and shall be entitled proportionately to and may use or otherwise dispose of the capacity or output which was to be purchased by the defaulting municipality. Notwithstanding the provisions of any other law to the contrary, the initial term for any such contract with respect to the sale or purchase of capacity, output, power, or energy from a project ~~may extend for a period not exceeding~~ shall not exceed a period of 50 years from the later of either the effective date of the contract or the date ~~a~~ the project is estimated to be placed in normal continuous ~~operation.~~operation and may be renewed or extended by the joint agency and the member municipality for additional periods not to exceed 50 years from the date of expiration of the preceding term.

(b) If any municipality which is a member of the joint agency has contracted to buy from the joint agency the capacity and output of one or more specified projects as contemplated by and containing characteristics authorized by subsection (a) of this section, and if the joint agency has acquired one or more projects and financed the acquisition of any project by issuing bonds pursuant to the provisions of this Chapter, and if the joint agency sells or otherwise disposes of any project, and if the proceeds of the sale or other disposition of any project, together with other moneys available to the joint agency for the purpose of paying the bonds, are not sufficient to pay or provide for the payment of the principal of, premium, if any, and interest on all of such bonds issued to finance the acquisition of the existing project or projects, the municipality may

enter into a support contract with the joint agency to pay a proportionate share of the principal of, premium, if any, and interest on bonds issued by the joint agency to (i) refinance the bonds issued to finance the acquisition of any existing project being sold or otherwise disposed of that are not defeased from other sources, (ii) finance any collateral posting requirements of replacement power supply arrangements entered into by the joint agency, and (iii) finance any required reserves and other costs associated with the support contracts and the issuance of the bonds authorized by G.S. 159B-14.

As a support contract authorized by this subsection is a replacement for and in lieu of the payment obligations authorized by subsection (a) of this section related to an existing project or projects, any support contract may provide that the contracting municipality is obligated to make the payments required by the support contract unconditionally and without offset, counterclaim, or otherwise, and notwithstanding the performance or nonperformance of the joint agency under the support contract, or of any other municipality entering into a similar support contract with the joint agency, or the delivery of or failure to deliver power or energy or the performance or nonperformance by any party under any related power supply contract. Any support contract entered into between a joint agency and its member municipalities may also provide that if any municipality defaults in the payment of its obligations under the support contract, the remaining member municipalities subject to the contract are required to pay a proportionate share of the defaulted payments.

Notwithstanding the provisions of any other law to the contrary, the obligations of the municipality under a support contract may extend for a period of ~~30~~ 50 years, except for accrued obligations as of the expiration of the period for which the contract may be continued until the accrued obligations are fully satisfied, and, with respect to administrative costs only, for a reasonable period of time thereafter. Such agreements may be renewed or extended for additional periods not to exceed 50 years from the date of expiration of the preceding term.

Obligations under a support contract shall not be taken into account in computing any debt or other limitation that may be imposed by law. Being on account of the refinancing of obligations incurred in connection with the acquisition of a project or projects, the obligations of the municipality under any support contract shall constitute an operating expense of its municipal electric system for all purposes of G.S. 159-47 and other purposes, save only as may have been duly contracted with bondholders of the municipality.

(c) Any municipality may contract with a joint agency, or may contract indirectly with a joint agency through a joint municipal assistance agency, to implement the provisions of G.S. 159B-11(19a) and (19b). Notwithstanding the provisions of any law to the contrary, including, but not limited to, the provisions of G.S. 159B-44(13), any contract between a joint agency and a municipality or a joint municipal assistance agency (or between a municipality and a joint municipal assistance agency) to implement the provisions of G.S. 159B-11(19b) may extend for a period not exceeding ~~30 years; provided, that any such contract~~ 50 years. Such agreements may be renewed or extended for additional periods not to exceed 50 years from the date of expiration of the preceding term. All such agreements in respect of a capital project to be used by or for the benefit of a municipality shall be subject to the prior approval of the Local Government Commission of North Carolina. In reviewing any such contract for approval, said Local Government Commission shall consider the municipality's debt management procedures and policies, whether the municipality is in default with respect to its debt service obligations and such other matters as said Local Government Commission may believe to have a bearing on whether the contract should be approved.

(d) Notwithstanding the provisions of any law to the contrary, the execution and effectiveness of any contracts authorized by this section shall not be subject to any authorizations or approvals by the State or any agency, commission or instrumentality or political subdivision thereof except as in this Chapter specifically required and provided.

Payments by a municipality under any contract authorized by this section shall be made solely from the revenues derived from the ownership and operation of the electric system of said municipality and any obligation under such contract shall not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any property of the municipality or upon any of its income, receipts, or revenues, except the revenues of its electric system, and neither the faith and credit nor the taxing power of the municipality are, or may be, pledged for the payment of any obligation under any such contract. A municipality or joint agency, pursuant to an agreement with a municipality, shall be obligated to fix, charge and collect rents, rates, fees and charges for electric power and energy and other services, activities permitted in this Chapter, facilities and commodities sold, furnished or supplied through the electric system of the municipality sufficient to provide revenues adequate to meet its obligations under any such contract and to pay any and all other amounts payable from or constituting a charge and lien upon such revenues, including amounts sufficient to pay the principal of and interest on general obligation bonds heretofore or hereafter issued by the municipality for purposes related to its electric system and payments pursuant to support contracts authorized by subsection (b) of this section. The willful or negligent failure by any municipality to comply with the obligations applicable to it shall constitute a failure or refusal to comply with the provisions of this Chapter for purposes of G.S. 159-181(c), and the financial powers of the governing board of the municipality that may be vested in the Local Government Commission pursuant to G.S. 159-181(c) shall include those powers incident to carrying out the requirements and obligations specified in this section.

Payments by any joint municipal assistance agency to any joint agency under any contract or contracts authorized by this section, shall be made solely from the sources specified in such contract or contracts and no other, and any obligation under such contract shall not constitute a legal or equitable pledge, charge, lien, or encumbrance upon any property of the joint municipal assistance agency or upon any of its income, receipts, or revenues, or upon any property of any municipality with which the joint agency or joint municipal assistance agency contracts or upon any of such municipality's income, receipts, or revenues in each case except such sources so specified. A joint municipal assistance agency shall be obligated to fix, charge and collect rents, rates, fees, and charges for providing aid and assistance sufficient to provide revenues adequate to meet its obligations under such contract.

Any municipality which is a member of a joint agency may furnish the joint agency with money derived solely from the ownership and operation of its electric system or facilities and provide the joint agency with personnel, equipment and property, both real and personal. Any municipality may also provide any services to a joint agency.

Any member of a joint agency may contract for, advance or contribute funds derived solely from the ownership and operation of its electric system or facilities to a joint agency as may be agreed upon by the joint agency and the member, and the joint agency shall repay such advances or contributions from proceeds of bonds, from operating revenues or from any other funds of the joint agency, together with interest thereon as may be agreed upon by the member and the joint agency."

SECTION 22.(d) This section is effective when it becomes law and applies to contracts executed before, on, or after that date.

APA EXEMPTION FOR RULES TO MODERNIZE WASTEWATER PERMITTING

SECTION 23.(a) Section 5.1 of S.L. 2024-44 reads as rewritten:

"**MODERNIZE WASTEWATER PERMITTING TO SUPPORT ENVIRONMENTALLY SOUND ECONOMIC DEVELOPMENT**

…

"**SECTION 5.1.(d)** No later than August 1, 2024, the Department of Environmental Quality (Department) and the Environmental Management Commission (Commission) shall develop and submit to the United States Environmental Protection Agency for USEPA's ~~approval~~ input draft

rules that establish methodologies and permitting requirements for the discharge of treated domestic wastewaters with low risk following site-specific criteria to surface waters of the State, including wetlands, perennial streams, and unnamed tributaries of named and classified streams and intermittent streams or drainage courses where the 7Q10 flow or 30Q2 flow of the receiving water is estimated to be low flow or zero flow, or under certain conditions non-existent, as determined by the United States Geological Survey (USGS). Within ~~20~~ 60 days of the date USEPA ~~approves the draft rules submitted pursuant to this subsection,~~ notifies the State that a rule must be formally adopted prior to submittal as a program revision for USEPA approval, the Commission shall initiate the process for temporary and permanent rules pursuant to Chapter 150B of the General Statutes. The draft rules submitted to USEPA for ~~approval~~ input shall include all of the following:

…

(2) Criteria for permitting. –

a. Applicants shall be required to demonstrate, through an analysis comparing the limits of the NPDES permit to the characteristics of the receiving water, that a proposed discharge meets criteria for a low-risk discharge as defined in this subsection. When a discharge is determined to be low-risk, the applicant shall ~~demonstrate using simple modeling of the applicant's choosing, provided that the model chosen~~ use a model that is utilized elsewhere in USEPA Region 4, such as the Streeter-Phelps model used in the State of Alabama, to show that the Sag, if any, in the DO of the receiving water will not exceed 0.1mg/l. The Department may, however, require the applicant to use different modeling upon issuing findings of fact that demonstrate that the model initially used by the applicant is unsuitable for the particular discharge and receiving water.

b. Discharges to low flow or zero flow receiving waters shall be subject to the following conditions:

…

7. ~~The~~ All requirements of an NPDES permit shall be met. In addition to any other effluent limits for any other parameters required for an NPDES permit and to ensure the permit to be issued does not violate current State water quality standards approved by USEPA, the following effluent limits for these parameters of the NPDES permit shall generally apply except where (i) the applicant and Department agree to more stringent limits or (ii) complex modeling conducted pursuant to sub-sub-subdivision 8. of this sub-subdivision demonstrates that Sag in the DO content of the receiving water of 0.1 mg/l or less will occur and water quality standards are protected:

I. Biological oxygen demand (BOD_5) shall not exceed 5.0 mg/l monthly average.

II. NH_3, 0.5 mg/l monthly average, 1.0 mg/l daily maximum.

III. Total nitrogen shall not exceed 4.0 mg/l monthly average.

IV. Total phosphorus, 1.0 mg/l monthly average, 2.0 mg/l daily maximum.

V. Fecal coliforms, 14 colonies/100ml or less.

VI Dissolved oxygen, 7.0 mg/l or greater.

VII. Total suspended solids, 5.0 mg/l monthly average, 8mg/l daily maximum.

VIII. Nitrate, 1.0 mg/l monthly average, 2.0 mg/l daily maximum.

The applicant shall submit simple modeling to support that these limits are being met and that a diminishment (Sag) of dissolved oxygen of more than 0.1mg/l is not projected to occur in the waters receiving the effluent. The Department may, however, require the applicant to use different modeling upon issuing findings of fact that demonstrate that the model initially used by the applicant is unsuitable for the particular discharge and receiving water.

8. If an applicant ~~proposes~~ requests less stringent effluent limits than those set forth in sub-sub-subdivision 7. of this sub-subdivision, the applicant shall conduct more complex modeling using ~~any~~ a model that is accepted elsewhere in USEPA Region 4 that the applicant elects to use to confirm that a Sag in the DO content of the receiving water of 0.1 mg/l or less will occur and water quality standards are protected. The Department may, however, require the applicant to use different modeling upon issuing findings of fact that demonstrate that the model initially used by the applicant is unsuitable for the particular discharge and receiving water.

9. The Department shall not require an applicant to obtain mapping data from the USGS as part of an application. In lieu, an engineer of record licensed in the State of North Carolina may prepare required mapping utilizing either USGS maps or other maps approved by the Department.

10. Within 30 days of the filing of an application for a wastewater discharge subject to this section, the Department shall (i) determine whether or not the application is complete and notify the applicant accordingly and (ii) if the Department determines an application is incomplete, specify all such deficiencies in the notice to the applicant. The applicant may file an amended application or supplemental information to cure the deficiencies identified by the Department for the Department's review. If the Department fails to issue a notice as to whether or not the application is complete within the requisite 30-day period, the application shall be deemed complete. Within 180 days of the filing of a completed application, the Commission shall either grant or deny the permit. If the Commission fails to act in the requisite time frame, ten percent (10%) of the application fee shall be returned to the applicant for each working day beyond the 180-day period.

"**SECTION 5.1.(e)** No later than September 1, 2024, the Department in conjunction with the North Carolina Collaboratory at the University of North Carolina at Chapel Hill (Collaboratory) shall convene a Wastewater General Permit Working Group (Working Group) consisting of Department and Collaboratory staff and a maximum of five consulting experts appointed by the Director of the Collaboratory in the fields of environmental regulation, wastewater regulation, water quality regulation, and wastewater treatment regulation, to develop the draft rules for the implementation of a Wastewater Treatment and Discharge General Permit

process for the State. The Working Group shall report its findings to the Environmental Review Commission no later than March 15, 2025. ~~Following consideration by the Environmental Review Commission, and after~~ After making any changes required by the Environmental Review Commission, the Department shall develop and submit proposed rules to USEPA for its ~~approval.~~ input. Within ~~20~~ 60 days of the date USEPA ~~approves the draft rules submitted pursuant to this subsection,~~ notifies the State that a rule must be formally adopted prior to submittal as a program revision for USEPA approval, the Commission shall initiate the process for temporary and permanent rules pursuant to Chapter 150B of the General Statutes.

…

"**SECTION 5.1.(g)** Temporary and permanent rules adopted pursuant to this section are not subject to: (i) G.S. 150B-21.3(b1) and (b2); and (ii) G.S. 150B-21.3(b3) and G.S. 150B-19.4, as enacted by S.L. 2025-82."

SECTION 23.(b) This section is effective retroactive to July 8, 2024.

PERMITTING BY REGULATION FOR DISPOSAL SYSTEMS THAT DO NOT DISCHARGE TO SURFACE WATERS

SECTION 24.(a) Definitions. – For purposes of this section and its implementation, "Permitting by Regulation Rule" means 15A NCAC 02T .0113 (Permitting by Regulation).

SECTION 24.(b) Permitting by Regulation Rule. – Until the effective date of the revised permanent rule that the Environmental Management Commission (Commission) is required to adopt pursuant to subsection (d) of this section, the Commission shall implement the Permitting by Regulation Rule as provided in subsection (c) of this section.

SECTION 24.(c) Implementation. – Provided no ponding or runoff of discharge water occurs, discharges to the land surface of less than 5,000 gallons per day of water from fractional vapor-compression distillation of potable water, shall be deemed to be permitted pursuant to G.S. 143-215.1(b), and it shall not be necessary for the Division to issue individual permits or coverage under a general permit for construction or operation of these disposal systems provided the system does not result in any violations of surface water or groundwater standards, there is no direct discharge to surface waters, and all criteria required for the specific system are met.

SECTION 24.(d) Additional Rulemaking Authority. – The Commission shall adopt a rule to amend the Permitting by Regulation Rule consistent with subsection (c) of this section. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be substantively identical to the provisions of subsection (c) of this section. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1), as though 10 or more written objections had been received as provided in G.S. 150B-21.3(b2). Rules adopted pursuant to this section are not subject to G.S. 150B-21.3(b3) and G.S. 150B-19.4, as enacted by S.L. 2025-82.

SECTION 24.(e) Sunset. – This section expires when permanent rules adopted as required by subsection (d) of this section become effective.

REDUCE FREQUENCY OF OVERSIGHT FOR CERTAIN PUBLIC WATER SYSTEM SUPPLEMENTAL TREATMENT FACILITIES

SECTION 25.(a) Definitions. – For purposes of this section and its implementation, "Facility Oversight Rule" means 15A NCAC 18C .1303 (Facility Oversight).

SECTION 25.(b) Facility Oversight Rule. – Until the effective date of the revised permanent rule that the Commission for Public Health (Commission) is required to adopt pursuant to subsection (d) of this section, the Commission shall implement the Facility Oversight Rule as provided in subsection (c) of this section.

SECTION 25.(c) Implementation. – The Department may grant written approval to reduce the standard frequency of operator oversight visits required under Subchapter 18C of Title 15A of the North Carolina Administrative Code to not less than once per calendar month for supplemental treatment facilities if the supplemental treatment facility meets all of the following conditions:

(1) Complies with Subchapter 18C of Title 15A of the North Carolina Administrative Code.

(2) Complies with one of the listed subdivisions in subsection (d) of the Facility Oversight Rule.

(3) Feeds only disinfectant chemicals, as defined in Rule .0203 of Subchapter 18D of Title 15A of the North Carolina Administrative Code.

(4) Ensures additional public health protection is provided using all of the following:

a. A physical emergency shutdown switch located on facility premises.

b. Automatic treatment system shutdown when the treatment facility system detects no water flow.

c. Automatic treatment system shutdown when the treatment facility system detects that the treatment chemical levels exceed the maximum residual disinfectant level for the disinfectant.

d. Monthly checks to ensure equipment is calibrated to manufacturer specifications.

e. Remote, real-time access to adequate chemical storage volumes, including remote alarms to indicate low chemical storage volumes.

f. Sensor mechanisms linked to remote alarms for high and low disinfectant residual, high water pressure, high water temperature, water leaks, and no flow.

SECTION 25.(d) Additional Rulemaking Authority. – The Commission shall adopt a rule to amend the Facility Oversight Rule consistent with subsection (c) of this section. Notwithstanding G.S. 150B-19(4), the rule adopted by the Commission pursuant to this section shall be substantively identical to the provisions of subsection (c) of this section. Rules adopted pursuant to this section are not subject to Part 3 of Article 2A of Chapter 150B of the General Statutes. Rules adopted pursuant to this section shall become effective as provided in G.S. 150B-21.3(b1), as though 10 or more written objections had been received as provided in G.S. 150B-21.3(b2). Rules adopted pursuant to this section are not subject to G.S. 150B-21.3(b3) and G.S. 150B-19.4, as enacted by S.L. 2025-82.

SECTION 25.(e) Sunset. – This section expires when permanent rules adopted as required by subsection (d) of this section become effective.

PROTECT THE RIGHT TO RACE

SECTION 26.(a) Chapter 99E of the General Statutes is amended by adding a new Article to read:

"Article 10.

"Racing Facility and Racetrack Nuisance Immunity.

"**§ 99E-90. Racing facility nuisance immunity.**

(a) For purposes of this Article, the following definitions apply:

(1) Area of the racing facility. – Within a 3-mile radius of the perimeter of the property or contiguous group of properties where a racing facility is located.

(2) Racing facility. – A designated area where competitive vehicle and motorsport races are conducted. The term includes the track, spectator areas, garages, and any associated grounds, buildings, or appurtenances used to operate the races.

(b) A racing facility shall not be subject to any action brought by a surrounding property owner under any nuisance or taking cause of action if the developer of the racing facility obtained all permits required for construction of the racing facility and established a vested right in the development of the property or contiguous group of properties where the racing facility is located before the surrounding property owner either purchased the real property or constructed any building in the area of the racing facility."

SECTION 26.(b) This section is effective when it becomes law and applies to actions commenced on or after that date.

REQUIRE OCCUPATIONAL LICENSING BOARDS TO VERIFY APPLICANTS' SOCIAL SECURITY NUMBERS

SECTION 27. G.S. 93B-14 reads as rewritten:

"**§ 93B-14. Information on applicants for licensure.**

Every occupational licensing board shall require applicants for licensure to provide to the Board the applicant's social security ~~number.~~ number, and the Board shall verify the authenticity of the applicant's social security number. This information shall be treated as confidential and may be released only as follows:

(1) To the State Child Support Enforcement Program of the Department of Health and Human Services upon its request and for the purpose of enforcing a child support order.

(2) To the Department of Revenue for the purpose of administering the State's tax laws.

(3) To the Social Security Administration for the purpose of verifying the authenticity of the applicant's social security number."

EXPAND DEFINITION OF LOCAL AGENCY TO INCLUDE PUBLIC WORKS AUTHORITY FOR THE PURPOSES OF THE SETOFF DEBT COLLECTION ACT

SECTION 28. G.S. 105A-2(6) reads as rewritten:

"(6) Local agency. – Any of the following:

a. A county, to the extent it is not considered a State agency.

b. A municipality.

c. A water and sewer authority created under Article 1 of Chapter 162A of the General Statutes.

d. A regional joint agency created by interlocal agreement under Article 20 of Chapter 160A of the General Statutes between two or more counties, cities, or both.

e. A public health authority created under Part 1B of Article 2 of Chapter 130A of the General Statutes or other authorizing legislation.

f. A metropolitan sewerage district created under Article 5 of Chapter 162A of the General Statutes.

g. A sanitary district created under Part 2 of Article 2 of Chapter 130A of the General Statutes.

h. A housing authority created under Chapter 157 of the General Statutes, provided that the debt owed to a housing authority has been reduced to a final judgment in favor of the housing authority.

i. A regional solid waste management authority created under Article 22 of Chapter 153A of the General Statutes.

j. A public works authority or public utilities commission created pursuant to a local act of the General Assembly."

CLARIFY EXISTING USE RIGHTS ON PROPERTY

SECTION 29.(a) G.S. 160D-108 reads as rewritten:

"**§ 160D-108. Permit choice and vested rights.**

…

(c) Vested Rights. – Amendments in land development regulations are not applicable or enforceable without the written consent of the owner with regard to any of the following:

(1) Buildings or uses of buildings or land for which a development permit application has been submitted and subsequently issued in accordance with G.S. 143-755.

(2) Subdivisions of land for which a development permit application authorizing the subdivision has been submitted and subsequently issued in accordance with G.S. 143-755.

(3) A site-specific vesting plan pursuant to G.S. 160D-108.1.

(4) A multi-phased development pursuant to subsection (f) of this section.

(5) A vested right established by the terms of a development agreement authorized by Article 10 of this Chapter.

The establishment of a vested right under any subdivision of this subsection does not preclude vesting under one or more other subdivisions of this subsection or vesting by application of common law principles. A vested right, once established as provided for in this section or by common law, precludes any action by a local government that would change, alter, impair, prevent, diminish, or otherwise delay the development or use of the property allowed by the applicable land development regulation or regulations, except where a change in State or federal law mandating local government enforcement occurs after the development application is submitted that has a fundamental and retroactive effect on the development or use. A vested right obtained by permit or other local government approval shall not preclude the use or extinguish the existence of any other vested right or use by right attached to the property.

…."

SECTION 29.(b) G.S. 160D-705 reads as rewritten:

"**§ 160D-705. Quasi-judicial zoning decisions.**

…

(c) Special Use Permits. – The regulations may provide that the board of adjustment, planning board, or governing board hear and decide special use permits in accordance with principles, conditions, safeguards, and procedures specified in the regulations. Reasonable and appropriate conditions and safeguards may be imposed upon these permits. Where appropriate, such conditions may include requirements that street and utility rights-of-way be dedicated to the public and that provision be made for recreational space and facilities. Conditions and safeguards imposed under this subsection shall not include requirements for which the local government does not have authority under statute to regulate nor requirements for which the courts have held to be unenforceable if imposed directly by the local government, including, without limitation, taxes, impact fees, building design elements within the scope of G.S. 160D-702(b), driveway-related improvements in excess of those allowed in G.S. 136-18(29) and G.S. 160A-307, or other unauthorized limitations on the development or use of land.

The regulations may provide that defined minor modifications to special use permits that do not involve a change in uses permitted or the density of overall development permitted may be reviewed and approved administratively. Any other modification or revocation of a special use permit shall follow the same process for approval as is applicable to the approval of a special use permit. If multiple parcels of land are subject to a special use permit, the owners of individual parcels may apply for permit modification so long as the modification would not result in other properties failing to meet the terms of the special use permit or regulations. Any modifications approved apply only to those properties whose owners apply for the modification. The regulation may require that special use permits be recorded with the register of deeds. If a special use permit expires and does not vest, the current zoning classification or regulation for the property applies.

…."

SECTION 29.(c) G.S. 160D-203 reads as rewritten:

"**§ 160D-203. Split jurisdiction.**

(a) If a parcel of land lies within the planning and development regulation jurisdiction of more than one local government, for the purposes of this Chapter, the local governments may, by mutual agreement pursuant to Article 20 of Chapter 160A of the General Statutes and with the written consent of the landowner, assign exclusive planning and development regulation jurisdiction under this Chapter for the ~~entire parcel~~ land, including all development phases on the land, to any one of those local governments.

(b) In the event no mutual agreement or written consent under subsection (a) of this section exists, the landowner of land lying within the planning and development regulation jurisdiction of more than one local government may elect the planning and development regulations of the local government where the majority of the total acreage of the parcel of land is situated.

(c) ~~Such a mutual agreement~~ This section shall only be applicable to planning and development regulations and shall not affect taxation or other nonregulatory matters. The mutual agreement under subsection (a) of this section shall be evidenced by a resolution formally adopted by each governing board and recorded with the register of deeds in ~~the~~ every county where the ~~property~~ land is located within 14 days of the adoption of the last required resolution."

SECTION 29.(d) G.S. 160D-102(18) reads as rewritten:

"(18) Landowner or owner. – ~~The holder~~ All holders of record of the title in fee simple. Absent evidence to the contrary, a local government may rely on the county tax records to determine who is a landowner. The landowner may authorize a person holding a valid option, lease, or contract to purchase to act as his or her agent or representative for the purpose of making applications for development approvals."

AUTHORIZE USE OF CERTAIN SUBSURFACE DISPERSAL PRODUCTS FOR WASTEWATER STORAGE AND DISPERSAL IN TRAFFIC-RATED AREAS UNDER PRIVATE OPTION PERMITS

SECTION 30. G.S. 130A-343 is amended by adding a new subsection to read:

"(j3) Authorize Certain Subsurface Dispersal Products for Use in Traffic-Rated Areas Under Private Option Permits. – A wastewater dispersal product approved pursuant to this section shall be approved for use in wastewater storage and dispersal under areas subject to vehicular traffic and traffic-bearing loads if a professional engineer, licensed pursuant to Chapter 89C of the General Statutes, certifies that the product has been designed with a compatible load rating and the product manufacturer has approved the product for use in traffic-rated areas. Wastewater permits issued pursuant to this subsection shall be issued by a professional engineer, licensed pursuant to Chapter 89C of the General Statutes, under G.S. 130A-336.1, or by an Authorized On-Site Wastewater Evaluator under G.S. 130A-336.2. For the purposes of this section, "traffic-rated areas" does not include Department of Transportation rated areas but does include driveways and private parking areas with impervious or pervious pavement areas."

SEVERABILITY AND EFFECTIVE DATE

SECTION 31.(a) If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of this act that can be given effect without the invalid provision or application and, to this end, the provisions of this act are declared to be severable.

SECTION 31.(b) Except as otherwise provided, this act is effective when it becomes law.