

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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

Short Title: House Budget Technical Corrections.

(Public)

Sponsors:

Referred to:

February 11, 2025

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

PART I. GENERAL PROVISIONS

EXTEND THE TIME LINE FOR CERTAIN DIRECTED GRANTS TO NON-STATE ENTITIES

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

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

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

PART IA. DISASTER RELIEF RELATED PROVISIONS

NCORR FUNDS TRANSFER CORRECTION

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

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

AGRICULTURAL DISASTER CROP LOSS PROGRAM CORRECTION

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

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



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

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

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

...

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

...."

LOCAL GOVERNMENT FEMA LOAN REIMBURSEMENT FROM PREVIOUS DISASTERS

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

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

PART II. EDUCATION

REVISE DEADLINE FOR UNC REPORT ON STATE BUDGET ALLOCATIONS AND POLICIES

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

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

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

UNC BOARD OF GOVERNORS TEMPORARY EMPLOYMENT AUTHORITY

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

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

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

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

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

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

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

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

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

...."

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

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

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

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

...."

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

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

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

PART III. HEALTH AND HUMAN SERVICES [RESERVED]

PART IV. AGRICULTURE AND NATURAL AND ECONOMIC RESOURCES

REALLOCATE WATER INFRASTRUCTURE FUNDS

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

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

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

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

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

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

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

REVISE MEGASITES READINESS PROGRAM

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

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

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

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

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

...

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

...

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

...

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

...

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

...

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

...."

SELECTSITE MODIFICATIONS

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

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

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

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

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

- (1) Identify and evaluate up to ~~45~~20 selectsites of less than 1,000 acres for preferred development and marketing.
- (2) Assist local governments or a partnership of local governments in the acquisition of a newly identified or existing selectsite.
- (3) Support local governments or a partnership of local governments to analyze, plan, install, or upgrade ~~public~~ infrastructure, including ~~publicly owned~~ water, gas, and sewer systems; transportation infrastructure; and ~~the electrical utility lines~~ electric infrastructure necessary to meet the needs of prospective employers for selectsites.
- (4) Support local governments or a partnership of local governments to fund on-site preparation, including clearing, grading, or other related expenses for selectsites.
- (5) Support local governments or a partnership of local governments in conducting due diligence, including, but not limited to, the following: site characteristics, preliminary engineering reports for water and wastewater provision to the site, assessments related to road and highway infrastructure to serve the site, and other assessments as needed.
- (6) Facilitate coordination between the economic development entities and the North Carolina Department of Environmental Quality and the North Carolina Department of Transportation to expedite needs related to timely site development.

...

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

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

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

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

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

...

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

...."

PART V. JUSTICE AND PUBLIC SAFETY

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

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

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

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

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

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

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

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

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

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

21 ...

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

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

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

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

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

43 ...

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

45 ...

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

50 ...

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

The Center shall do all of the following:

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

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

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

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

(4) Any person engaged in bona fide research when approved by the Secretary-Commander of the State Highway Patrol; provided, no names or addresses may be supplied to this person.

(5) Any other person authorized by the Secretary of the Department of Public Safety-Commander of the State Highway Patrol pursuant to G.S. 143B-1013-G.S. 143B-1763.

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

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

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

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

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

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

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

(1) The child is 17 years of age or younger; younger.

(2) ~~The~~ If abduction is ~~not known or~~ suspected to be by a parent of the child, ~~unless the child's life is~~ must be suspected to be in imminent danger of serious injury or ~~death; death~~.

(3) The child is ~~believed~~ believed (i) to have been abducted and (ii) to be in danger of injury or death.

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

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

9 ...

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

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

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

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

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

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

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

45 ...

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

50 ...

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

CLARIFICATION ON SAFE SURRENDER OF INFANTS

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

"§ 14-318.2. Child abuse a misdemeanor.

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

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

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

PART VI. GENERAL GOVERNMENT

VARIOUS DIRECTED GRANT REVISIONS

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

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

...

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

...

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

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

...

(48) The directed grant to Greater Rocky Mount Family Medical Center, Inc., in the sum of three hundred fifty thousand dollars (\$350,000) in nonrecurring funds for the 2023-2024 fiscal year to expand dental and behavioral health services shall instead be provided to the Opportunities Industrialization Center, Incorporated, of Rocky Mount.

(49) The directed grant to Open Door Ministries of High Point Foundation, Inc., in the sum of five hundred thousand dollars (\$500,000) in nonrecurring funds for the 2023-2024 fiscal year shall instead be provided to Open Door Ministries of High Point, Inc.

(50) The directed grant to the Union County Schools in the sum of eight million dollars (\$8,000,000) in nonrecurring funds for the 2023-2024 fiscal year for an athletic facility and related equipment shall not revert on June 30, 2026, but shall remain available until June 30, 2028.

(51) The directed grant to the Gray's Creek Ruritan Club 516 in the sum of two hundred forty-five thousand dollars (\$245,000) in nonrecurring funds for the 2023-2024 fiscal year to support its mission of community improvement shall not be provided to the Gray's Creek Ruritan Club 516 but instead shall be provided as follows:

a. Sixty-five thousand dollars (\$65,000) to the Kidsville News! Literacy and Education Foundation, Inc., for the Summer Reading, Literacy, and Education Program.

b. One hundred eighty thousand dollars (\$180,000) to the North Carolina Human Trafficking Commission for the WORTH Court to support mental health and substance abuse services for human trafficking survivors in Cumberland County."

UNDERINSURED MOTORIST INSURANCE AMENDMENT EFFECTIVE DATE TECHNICAL CORRECTION

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

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

NORTH CAROLINA STATE BAR GRIEVANCE REVIEW COMMITTEE

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

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

PART VII. STATEWIDE

SCIF GRANT CHANGES

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

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

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

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

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

...

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

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

UNC SCHOOL OF THE ARTS BUILDING PURCHASE

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

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

WRC/SETZER HATCHERY

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

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

PART VIII. TRANSPORTATION

BRIDGE NAMING CLARIFICATION

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

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

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

CLARIFICATION ON USE OF CITY OF CONCORD AIRPORT FUNDS

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

PART IX. FINANCE

VARIOUS CLARIFYING CHANGES TO THE CONSERVATION TAX CREDIT

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

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

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

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

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

1 military installation or training area or otherwise be
2 incompatible with the mission of the installation.
3 4. Floodplain protection in a county that, in the five years
4 preceding the donation, was the subject of a Type II or Type
5 III gubernatorial disaster declaration, as provided in
6 G.S. 166A-19.21, as a result of a natural disaster.
7 5. Historic landscape conservation.
8 6. Public trails or access to public trails.
9 (2)b. ~~The person to whom the property~~ It is donated must be to the State, a
10 local government, or a body that is both organized to receive and
11 administer lands for conservation purposes and qualified to receive
12 charitable contributions pursuant to G.S. 105-130.9. Lands required to
13 be dedicated pursuant to local governmental regulation or ordinance
14 and dedications made to increase building density levels permitted
15 under a regulation or ordinance are not eligible for this credit.
16 (8) Qualified real property interest. – As defined in section 170(h)(2) of the Code.
17 (9) Total allocated credits. – Total requested credits less any reduction required
18 under subsection (h) of this section and G.S. 105-153.11(l).
19 (10) Total requested credits. – The sum of nonprioritized credit requests and
20 prioritized credit requests.
21 ~~(a2)(c) Application. – To claim the credit provided in this section, a corporation~~ A C
22 Corporation must file an application with the Secretary for the credit to request the credit allowed
23 under subsection (a) of this section. The application must be filed on or before April 15 of the
24 year following the calendar year in which the donation was made. An application is effective for
25 the year in which it is timely filed. The Secretary may not accept late applications under this
26 subsection. applications. The application must be on a form prescribed by the Secretary and
27 include any information required by the Secretary demonstrating that the donation has met the
28 conditions for qualifying to qualify for the credit, including the following items:
29 (1) A copy of the certification by the Department of Natural and Cultural
30 Resources that identifies identifying which of the valid public benefits listed
31 in subdivision (7) of subsection (a1)(b) of this section for which the donated
32 qualified real property interest is suitable.
33 (2) A self-contained appraisal report or summary appraisal report as defined in
34 Standards Rule 2-2 in the latest edition of the Uniform Standards of
35 Professional Appraisal Practice as promulgated by the Appraisal Foundation
36 for the donated property. qualified real property interest. For fee simple
37 absolute donations of real property, a corporation C Corporation may submit
38 documentation of the county's appraised value of the donated property,
39 qualified real property interest, as adjusted by the sales assessment ratio, in
40 lieu of an appraisal report.
41 ~~(a3)(d) Substantiation. – A corporation claiming a credit under this section~~ C Corporation
42 must maintain and make available for inspection by the Secretary any records the Secretary
43 considers necessary to determine and verify the amount of the credit to which the corporation is
44 entitled. allowed under subsection (a) of this section. The burden of proving eligibility for the
45 credit and the amount of the credit rests upon the corporation, taxpayer, and no credit may be
46 allowed to a corporation taxpayer that fails to maintain adequate records or to make them
47 available for inspection.
48 ~~(b)(e) Limitation. Cap. – The allocated credit allowed by this section~~ may not exceed the
49 amount of the tax imposed by this Part against which it is claimed for the taxable year reduced
50 by the sum of all credits allowed, except payments of tax made by or on behalf of the
51 corporation. C Corporation.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(3) The total amount of credits carried forward.

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

(5) The total amount of qualified donations."

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

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

...

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

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

PART X. EFFECTIVE DATE

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