

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023**

**SESSION LAW 2024-55  
HOUSE BILL 10**

AN ACT TO REQUIRE COMPLIANCE WITH IMMIGRATION DETAINERS AND ADMINISTRATIVE WARRANTS; TO REQUIRE CERTAIN REPORTS FROM LOCAL LAW ENFORCEMENT; AND TO MAKE VARIOUS CHANGES IN THE BUDGET OPERATIONS OF THE STATE.

The General Assembly of North Carolina enacts:

**PART I. INTRODUCTION**

**INTRODUCTION**

**SECTION 1.1.** The appropriations made in this act are for maximum amounts necessary to provide the services and accomplish the purposes described in the budget in accordance with the State Budget Act. Savings shall be effected where the total amounts appropriated are not required to perform these services and accomplish these purposes, and the savings shall revert to the appropriate fund at the end of the fiscal year, except as otherwise provided by law.

**PART II. CURRENT OPERATIONS AND EXPANSION/GENERAL FUND**

**GENERAL FUND AVAILABILITY**

**SECTION 2.2.(a)** The General Fund availability for the 2024-2025 fiscal year set out in Section 2.2(a) of S.L. 2023-134 is repealed. The General Fund availability derived from State tax revenue, nontax revenue, and other adjustments used in developing the budget for the 2024-2025 fiscal year is as follows:

	<b>FY 2024-2025</b>
<b>Unappropriated Balance Remaining FY 2023-24</b>	<b>1,564,437,931</b>
Actual Reversions	571,165,447
Actual Under Collections	(31,867,737)
<b>Total, Prior Year-End Fund Balance</b>	<b>2,103,735,641</b>
<b>Revised Consensus Revenue Forecast</b>	
Tax Revenue	32,574,000,000
Non-Tax Revenue	1,590,300,000
<b>Total, Tax and Non-Tax Revenue</b>	<b>34,164,300,000</b>
<b>Statutory Reservations of Revenue</b>	
State Capital and Infrastructure Fund	(1,461,333,238)
<b>Total, Statutory Reserves</b>	<b>(1,461,333,238)</b>
<b>Discretionary Reservations of Revenue</b>	
State Capital and Infrastructure Fund	(700,000,000)
Savings Reserve	(125,000,000)



Clean Water and Drinking Water Reserve	(1,000,000,000)
Economic Development Project Reserve	(250,000,000)
Medicaid Contingency Reserve	(250,000,000)
State Emergency Response and Disaster Relief Fund	(75,000,000)
Housing Reserve	(45,000,000)
Transportation Reserve	(100,000,000)
NCInnovation Reserve	(250,000,000)
Education Reserve	(248,000,000)
<b>Total, Discretionary Reserves</b>	<b>(3,043,000,000)</b>

**Revised Total General Fund Availability** **31,763,702,403**

**General Fund Net Appropriations**

S.L. 2023-14, Care for Women, Children, and Families Act	(79,336,285)
S.L. 2023-134, 2023 Appropriations Act	(30,823,313,998)
S.L. 2024-40, Adjustments to the 2023 Appropriations Act	(9,148,046)
H.B. 10, Require ICE Cooperation & Budget Adjustments	(735,357,983)
<b>Total, General Fund Net Appropriations</b>	<b>(31,647,156,312)</b>

**Unappropriated Balance Remaining** **116,546,091**

**SECTION 2.2.(b)** Education Reserve. – There is established in the General Fund an Education Reserve. The State Controller shall reserve to the Education Reserve from funds available in the General Fund the sum of two hundred forty-eight million dollars (\$248,000,000) in nonrecurring funds for the 2024-2025 fiscal year. The State Controller shall transfer the funds reserved in this subsection and available in the Education Reserve to the Board of Governors of The University of North Carolina (Budget Code: 16012) for related educational programs as provided in this act, and the funds transferred are appropriated for these programs for the 2024-2025 fiscal year.

**SECTION 2.2.(c)** Section 2.2(h) of S.L. 2023-134 reads as rewritten:

**"SECTION 2.2.(h)** Economic Development Project Reserve. – The State Controller shall reserve to the Economic Development Project Reserve established in Section 2.2 of S.L. 2021-180 from funds available in the General Fund the sum of six hundred thirty million dollars (\$630,000,000) in nonrecurring funds for the 2023-2024 fiscal year and the sum of ~~one hundred million dollars (\$100,000,000)~~ two hundred fifty million dollars (\$250,000,000) for the 2024-2025 fiscal year. The State Controller shall transfer funds available in the Economic Development Project Reserve to State agencies and departments for economic development initiatives in accordance with the following schedule, and the funds transferred are appropriated for the fiscal year in which they are transferred:

State Agency or Department	2023-2024	2024-2025
...		
(4) <u>Department of Transportation</u> <u>(Highway Fund Budget Code: 84210)</u>	<u>0</u>	<u>150,000,000"</u>

**SECTION 2.2.(d)** Notwithstanding G.S. 143C-4-2(i), no transfer shall be made to the Unfunded Liability Solvency Reserve for the 2024-2025 fiscal year.

**PART III. [RESERVED]**

**PART IV. OTHER AVAILABILITY AND APPROPRIATIONS [RESERVED]**

## **PART V. GENERAL PROVISIONS**

### **ELIMINATE EDUCATION ENROLLMENT RESERVE FUNDS**

**SECTION 5.1.** 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 sixty million dollars (\$60,000,000) in recurring funds for the 2024-2025 fiscal year for the Education Enrollment Reserve is hereby eliminated. These funds are used to support budget requirements associated with enrollment changes provided in Section 6.1 of this act for the Community College System and in Section 6.3 of this act for public school enrollment.

## **PART VI. EDUCATION**

### **COMMUNITY COLLEGE ENROLLMENT ADJUSTMENT**

**SECTION 6.1.** To account for an increase in enrollment, there is appropriated from the General Fund to the Community College System (i) the recurring sum of sixty-four million forty-three thousand four hundred eleven dollars (\$64,043,411), resulting in an increase in General Fund net appropriations, and (ii) the recurring sum of twelve million seven hundred twenty-three thousand four hundred forty-two dollars (\$12,723,442) in receipts.

### **STATUTORY CHANGES FOR DPI FUNDING IN ARREARS**

**SECTION 6.2.(a)** G.S. 115C-47(1a) reads as rewritten:

"(1a) To Establish and Maintain Kindergartens. – All of the following shall apply to the powers and duties of establishing and maintaining kindergartens:

- a. Local boards of education shall provide for their respective local school administrative unit kindergartens as a part of the public school system for all children living in the local school administrative unit who are eligible for admission pursuant to sub-subdivision c. of this subdivision provided that funds are available from State, local, federal, or other sources to operate a kindergarten program as provided in this subdivision.
- b. All kindergarten programs so established shall be subject to the supervision of the Department of Public Instruction and shall be operated in accordance with the standards adopted by the State Board of Education, upon recommendation of the Superintendent of Public Instruction. ~~Among the standards to be adopted by the State Board of Education shall be a provision that the Board will allocate funds for the purpose of operating and administering kindergartens to each school administrative unit in the State based on the average daily membership for the best continuous three out of the first four school months of pupils in the kindergarten program during the last school year in that respective school administrative unit. Such allocations are to be made from funds appropriated to the State Board of Education for the kindergarten program.~~
- c. Any child who meets the requirements of G.S. 115C-364 shall be eligible for enrollment in kindergarten. Any child who is enrolled in kindergarten and not withdrawn by the child's parent or legal guardian shall attend kindergarten.
- d. Notwithstanding any other provision of law to the contrary, subject to the approval of the State Board of Education, any local board of education may elect not to establish and maintain a kindergarten program. Any funds allocated to a local board of education which does

not operate a kindergarten program may be reallocated by the State Board of Education, within the discretion of the Board, to a county or city board of education which will operate such a program."

**SECTION 6.2.(b)** G.S. 115C-111.05 reads as rewritten:

**"§ 115C-111.05. Funding for children with disabilities.**

To the extent funds are made available for this purpose, the State Board shall allocate funds for children with disabilities to each local school administrative unit on a per child basis. Each local school administrative unit shall receive funds for the lesser of (i) all children who are identified as children with disabilities or (ii) thirteen percent (13%) of its ~~allocated~~allotted average daily membership in the local school administrative unit for the current school year."

**SECTION 6.2.(c)** G.S. 115C-150.9 reads as rewritten:

**"§ 115C-150.9. Funding for academically or intellectually gifted students.**

To the extent funds are made available for this purpose, the State Board shall allocate funds for academically or intellectually gifted students on a per child basis. A local school administrative unit shall receive funds for a maximum of four percent (4%) of its ~~allocated~~allotted average daily membership for the current school year, regardless of the number of students identified as academically or intellectually gifted in the unit."

**SECTION 6.2.(d)** G.S. 115C-472.18(b) reads as rewritten:

"(b) Phase-Out Provision. – If a local school administrative unit becomes ineligible for funding under the schedule in subsection (a) of this section, funding for that unit shall be phased out over a five-year period. Funding for such local school administrative units shall be reduced in equal increments in each of the five years after the unit becomes ineligible. Funding shall be eliminated in the fifth fiscal year after the school administrative unit becomes ineligible. Allotments for eligible local school administrative units under this subsection shall not be reduced in any fiscal year by more than twenty percent (20%) of the amount received during the fiscal year when the local school administrative unit became ineligible to receive funds under this section. ~~A local school administrative unit shall not become ineligible for funding if either the highest of the first two months' total projected average daily membership for the current year or the higher of the first two months' total prior year average daily membership would otherwise have made the unit eligible for funds under the schedule in subsection (a) of this section.~~Eligibility for funding is based on the allotted average daily membership of the unit. The initial allocation is based on the allotted average daily membership of the unit and shall not be adjusted for current year actual average daily membership."

**SECTION 6.2.(e)** The appropriation for the State Public School Fund, as reflected in Section 2.1(a) of S.L. 2023-134, is reduced by the sum of thirty-six million two hundred twenty-four thousand four hundred twenty-two dollars (\$36,224,422) in recurring funds for the 2024-2025 fiscal year to accommodate the transition to an arrears-based funding model as well as changes in average salaries, special population headcounts, and other technical adjustments.

## **FUNDS FOR ADM CONTINGENCY RESERVE**

**SECTION 6.3.** There is appropriated from the General Fund to the Department of Public Instruction the sum of ninety-five million dollars (\$95,000,000) in recurring funds for the 2024-2025 fiscal year to be allocated to the ADM Contingency Reserve to fund growing public school units.

## **ADDITIONAL FUNDS FOR OPPORTUNITY SCHOLARSHIPS**

**SECTION 6.4.(a)** Of the nonrecurring funds appropriated in this act to the Board of Governors of The University of North Carolina for the 2024-2025 fiscal year from the Education Reserve (Reserve) for related education programs, the sum of two hundred forty-eight million dollars (\$248,000,000) shall be allocated to the State Education Assistance Authority to provide additional funds for applicants for the award of opportunity scholarships pursuant to Part 2A of

Article 39 of Chapter 115C of the General Statutes. These funds shall not be allocated to the Opportunity Scholarship Grant Fund Reserve and shall instead be made available for scholarship awards in the 2024-2025 school year.

**SECTION 6.4.(b)** There is appropriated from the General Fund to the Opportunity Scholarship Grant Fund Reserve the sum of two hundred fifteen million four hundred sixty thousand dollars (\$215,460,000) in additional recurring funds for the 2024-2025 fiscal year to be used for the purposes set forth in G.S. 115C-562.8.

**SECTION 6.4.(c)** G.S. 115C-562.8(b), as amended by Section 8A.6(g) of S.L. 2023-134, reads as rewritten:

"(b) The General Assembly finds that, due to the critical need in this State to provide opportunity for school choice for North Carolina students, it is imperative that the State provide an increase of funds for 15 years to the Opportunity Scholarship Grant Fund Reserve. Therefore, there is appropriated from the General Fund to the Reserve the following amounts for each fiscal year to be used for the purposes set forth in this section:

<b>Fiscal Year</b>	<b>Appropriation</b>
2017-2018	\$44,840,000
2018-2019	\$54,840,000
2019-2020	\$64,840,000
2020-2021	\$74,840,000
2021-2022	\$84,840,000
2022-2023	\$94,840,000
2023-2024	\$176,540,000
2024-2025	\$191,540,000
2025-2026	<del>\$415,540,000</del> <u>\$625,000,000</u>
2026-2027	<del>\$430,540,000</del> <u>\$675,000,000</u>
2027-2028	<del>\$445,540,000</del> <u>\$700,000,000</u>
2028-2029	<del>\$460,540,000</del> <u>\$725,000,000</u>
2029-2030	<del>\$475,540,000</del> <u>\$750,000,000</u>
2030-2031	<del>\$490,540,000</del> <u>\$775,000,000</u>
2031-2032	<del>\$505,540,000</del> <u>\$800,000,000</u>

For the 2032-2033 fiscal year and each fiscal year thereafter, there is appropriated from the General Fund to the Reserve the sum of ~~five hundred twenty million five hundred forty thousand dollars (\$520,540,000)~~ eight hundred twenty-five million dollars (\$825,000,000) to be used for the purposes set forth in this section. When developing the base budget, as defined by G.S. 143C-1-1, for each fiscal year specified in this subsection, the Director of the Budget shall include the appropriated amount specified in this subsection for that fiscal year."

**ADDITIONAL FUNDS FOR NORTH CAROLINA PERSONAL EDUCATION STUDENT ACCOUNTS FOR CHILDREN WITH DISABILITIES PROGRAM**

**SECTION 6.5.(a)** There is appropriated from the General Fund to the Board of Governors of The University of North Carolina the sum of twenty-four million seven hundred thousand dollars (\$24,700,000) in recurring funds for the 2024-2025 fiscal year to be allocated to the State Education Assistance Authority for the North Carolina Personal Education Student Accounts for Children with Disabilities Program in accordance with Article 41 of Chapter 115C of the General Statutes.

**SECTION 6.5.(b)** G.S. 115C-600(a), as amended by Section 8A.13(a) of S.L. 2023-134, reads as rewritten:

"(a) The General Assembly finds that due to the continued growth and ongoing need in this State to provide opportunity for school choice for children with disabilities, it is imperative that the State provide an increase in funds of at least one million dollars (\$1,000,000) each fiscal year for 10 years for the Personal Education Student Accounts for Children with Disabilities

Program. To that end, there is appropriated from the General Fund to the Board of Governors of The University of North Carolina the following amounts each fiscal year to be allocated to the Authority for the Program in accordance with this Article:

<b>Fiscal Year</b>	<b>Appropriation</b>
2023-2024	\$48,943,166
2024-2025	\$49,943,166
2025-2026	<del>\$50,943,166</del> <u>\$75,643,166</u>
2026-2027	<del>\$51,943,166</del> <u>\$76,643,166</u>
2027-2028	<del>\$52,943,166</del> <u>\$77,643,166</u>
2028-2029	<del>\$53,943,166</del> <u>\$78,643,166</u>
2029-2030	<del>\$54,943,166</del> <u>\$79,643,166</u>
2030-2031	<del>\$55,943,166</del> <u>\$80,643,166</u>
2031-2032	<del>\$56,943,166</del> <u>\$81,643,166</u>
2032-2033 and each subsequent fiscal year thereafter	<del>\$57,943,166</del> <u>\$82,643,166</u>

When developing the base budget, as defined by G.S. 143C-1-1, for each fiscal year specified in this section, the Director of the Budget shall include the appropriated amount specified in this section for that fiscal year."

## **RETROACTIVE PAYMENTS FOR SCHOLARSHIP FUNDS**

**SECTION 6.5A.(a)** Definitions. – The following definitions shall apply in this section:

- (1) Authority. – The State Education Assistance Authority.
- (2) Eligible student. – A student who meets all of the following criteria:
  - a. Submitted an application for the award of scholarship funds for the 2024-2025 school year by March 1, 2024, in accordance with G.S. 115C-562.2(a).
  - b. Is otherwise eligible to receive available scholarship funds following the lottery process established by the Authority for the 2024-2025 school year pursuant to G.S. 115C-562.2(d).
  - c. Prior to the date this act becomes law, did not receive an award of at least one of the following for the 2024-2025 school year:
    1. An opportunity scholarship.
    2. A PESA award.
- (3) Opportunity scholarship. – Funds awarded to a student pursuant to Part 2A of Article 39 of Chapter 115C of the General Statutes.
- (4) PESA award. – Funds awarded to a student pursuant to Article 41 of Chapter 115C of the General Statutes.
- (5) Scholarship funds. – An opportunity scholarship or PESA award.

**SECTION 6.5A.(b)** Administration of Funds. – As soon as practicable, the State Education Assistance Authority shall disburse the additional scholarship funds allocated pursuant to Sections 6.4 and 6.5 of this act for the 2024-2025 school year for eligible students. To the extent feasible and notwithstanding any other provision of law to the contrary, the Authority shall award these funds for the fall semester of the 2024-2025 school year for all eligible students who are enrolled by October 1, 2024, in an eligible nonpublic school and remain continuously enrolled in that same school for the spring semester. Notwithstanding G.S. 115C-592(c), a student who receives a PESA award for the fall semester of the 2024-2025 school year and is also eligible for an opportunity scholarship pursuant to this section shall receive the award of the opportunity scholarship in the spring semester of the 2024-2025 school year only. In order to administer the award of scholarship funds for the fall semester of the 2024-2025 school year pursuant to this section, the Authority may establish any procedures that it deems necessary and that are not otherwise inconsistent with this section.

**SECTION 6.5A.(c) Reimbursement of Funds.** – Notwithstanding any provision of law to the contrary, after a nonpublic school receives scholarship funds from the Authority on behalf of an eligible student pursuant to subsection (b) of this section, if the parent or guardian of the eligible student has already paid for the tuition and fees of that student for all or a portion of the fall semester of the 2024-2025 school year, the nonpublic school is responsible for the following:

- (1) Directly reimbursing any funds paid by the parent or guardian, up to the amount disbursed to the nonpublic school for that student by the Authority, within 60 days of receipt of those funds from the Authority.
- (2) Arranging the method of reimbursement with the parent or guardian.

**SECTION 6.5A.(d) Delay Priority Applications Period.** – Notwithstanding G.S. 115C-562.2 and G.S. 115C-592, for the award of scholarship funds in the 2025-2026 school year only, the Authority shall make applications to eligible students available no later than April 1, 2025, and extend any other deadlines for the receipt of applications and notifications of awards accordingly.

**SECTION 6.5A.(e) Delay Certain Reporting Requirements.** – Notwithstanding G.S. 115C-562.7, for the 2024-2025 fiscal year only, the following shall occur:

- (1) The Authority shall report on the information required by G.S. 115C-562.7(e) to the Department of Public Instruction by April 1, 2025.
- (2) The Department of Public Instruction shall report on the information required by G.S. 115C-562.7(f) to the Joint Legislative Education Oversight Committee by June 1, 2025.

**SECTION 6.5A.(f) Report.** – No later than April 1, 2025, the Authority shall report the following to the Joint Legislative Education Oversight Committee:

- (1) Any reasons eligible students did not receive an award of scholarship funds for the fall semester of the 2024-2025 school year.
- (2) The number of students impacted by each reason identified in subdivision (1) of this subsection.

## **PART VII. HEALTH AND HUMAN SERVICES**

### **MEDICAID REBASE**

**SECTION 7.1.** There is appropriated from the General Fund for the 2024-2025 fiscal year to the Department of Health and Human Services, Division of Health Benefits (DHB), (i) the sum of two hundred seventy-seven million dollars (\$277,000,000) in recurring funds and associated receipts to be used to adjust Medicaid funding to account for projected changes in enrollment, enrollment mix, service and capitation costs, and federal match rates, as well as the ongoing transition to managed care and (ii) the sum of one hundred million dollars (\$100,000,000) in nonrecurring funds and associated receipts to be used to support nonrecurring Medicaid costs.

### **MODIFY MEDICAID RECEIVABLES ACCOUNTED FOR AS NONTAX REVENUE**

**SECTION 7.2.** Section 9E.5(b) of S.L. 2023-134 reads as rewritten:

**"SECTION 9E.5.(b)** For the 2023-2024 fiscal year, the Department of Health and Human Services shall deposit from its revenues one hundred sixty-four million five hundred thousand dollars (\$164,500,000) with the Department of State Treasurer to be accounted for as nontax revenue. For the 2024-2025 fiscal year, the Department of Health and Human Services shall deposit from its revenues eighty-eight million four hundred thousand one hundred fifty-nine million five hundred thousand dollars ~~(\$88,400,000)~~ (\$159,500,000) with the Department of State Treasurer to be accounted for as nontax revenue. These deposits shall represent the return of advanced General Fund appropriations, nonfederal revenue, fund balances, or other resources

from State-owned and State-operated hospitals that are used to provide indigent and nonindigent care services. The return from State-owned and State-operated hospitals to the Department of Health and Human Services shall be made from nonfederal resources in the following manner:  
...."

## **PART VIII. AGRICULTURE AND NATURAL AND ECONOMIC RESOURCES**

### **FUNDING FOR WATER AND SEWER PROJECTS IN CHATHAM COUNTY**

**SECTION 8.1.** The sum of fifty-five million one hundred thousand dollars (\$55,100,000) in nonrecurring funds for the 2024-2025 fiscal year is appropriated from the General Fund to the Department of Commerce to be allocated to the City of Sanford for water and sewer expenditures in Chatham County. Funds appropriated under this section shall not revert but shall remain available for purposes consistent with this section until the project is complete. Upon completion, any remaining funds shall be returned to the Department of Commerce and shall revert to the General Fund.

## **PART IX. JUSTICE AND PUBLIC SAFETY**

### **REQUIRE SHERIFFS TO COOPERATE WITH ICE**

**SECTION 9.1.(a)** G.S. 162-62 reads as rewritten:

**"§ 162-62. Legal status of prisoners.**

(a) When any person ~~charged with a felony or an impaired driving offense~~ is confined for any period in a county jail, local confinement facility, district confinement facility, ~~or satellite jail/work release unit, satellite jail, or work release unit,~~ the administrator or other person in charge of the facility shall attempt to determine if the prisoner is a legal resident of the United States by an inquiry of the prisoner, or by examination of any relevant documents, or ~~both~~both, if the person is charged with any of the following offenses:

- (1) A felony under G.S. 90-95.
- (2) A felony under Article 6, Article 7B, Article 10, Article 10A, or Article 13A of Chapter 14 of the General Statutes.
- (3) A Class A1 misdemeanor or felony under Article 8 of Chapter 14 of the General Statutes.
- (4) Any violation of G.S. 50B-4.1.

(b) If the administrator or other person in charge of the facility is unable to determine if that prisoner is a legal resident or citizen of the United States or its territories, the administrator or other person in charge of the facility holding the ~~prisoner, where possible,~~ prisoner shall make a query of Immigration and Customs Enforcement of the United States Department of Homeland Security. If the prisoner has not been lawfully admitted to the United States, the United States Department of Homeland Security will have been notified of the prisoner's status and confinement at the facility by its receipt of the query from the facility.

(b1) When any person charged with a criminal offense is confined for any period in a county jail, local confinement facility, district confinement facility, satellite jail, or work release unit, and the administrator or other person in charge of the facility has been notified that Immigration and Customs Enforcement of the United States Department of Homeland Security has issued a detainer and administrative warrant that reasonably appears to be for the person in custody, the following shall apply:

- (1) Prior to the prisoner's release, and after receipt of the detainer and administrative warrant, or a copy thereof, by the administrator or other person in charge of the facility, the prisoner shall be taken without unnecessary delay before a State judicial official who shall be provided with the detainer and administrative warrant, or a copy thereof.

- (2) The judicial official shall issue an order directing the prisoner be held in custody if the prisoner appearing before the judicial official is the same person subject to the detainer and administrative warrant.
- (3) Unless continued custody of the prisoner is required by other legal process, a prisoner held pursuant to an order issued under this subsection shall be released upon the first of the following conditions:
  - a. The passage of 48 hours from receipt of the detainer and administrative warrant.
  - b. Immigration and Customs Enforcement of the United States Department of Homeland Security takes custody of the prisoner.
  - c. The detainer is rescinded by Immigration and Customs Enforcement of the United States Department of Homeland Security.

(b2) No State or local law enforcement officer or agency shall have criminal or civil liability for action taken pursuant to an order issued under subsection (b1) of this section.

(c) ~~Nothing~~ Except as provided in subsection (b1) of this section, nothing in this section shall be construed to deny bond to a prisoner or to prevent a prisoner from being released from confinement when that prisoner is otherwise eligible for release.

...."

**SECTION 9.1.(b)** There is appropriated from the General Fund to the Department of Health and Human Services, Division of Health Services Regulation, Construction Section, the sum of two hundred seventy-eight thousand nine hundred ninety-four dollars (\$278,994) in recurring funds for the 2024-2025 fiscal year to be used to hire two full-time Jail Inspectors.

**SECTION 9.1.(c)** Subsection (a) of this section becomes effective December 1, 2024, and applies to offenses committed on or after that date.

## **PART X. INFORMATION TECHNOLOGY**

### **COMPLETING ACCESS TO BROADBAND PROGRAM CHANGES**

**SECTION 10.1.(a)** Notwithstanding the county project cost responsibility in G.S. 143B-1373.1(d) and (e), of the funds appropriated to the Department of Information Technology (Department) from the State Fiscal Recovery Fund and the Coronavirus Capital Projects Fund for projects under the Completing Access to Broadband grant program (Program) in G.S. 143B-1373.1, the Department shall utilize up to one hundred ninety million dollars (\$190,000,000) to provide the county project cost responsibility required in G.S. 143B-1373.1(e) and the State project cost responsibility for the 37 counties that have committed to the Department to participate in the Program and provide the county match as of May 1, 2024. A county may decline to accept any portion of the county project cost responsibility funding from the Department described in this subsection by notifying the Department within 30 days of the date this act becomes law.

**SECTION 10.1.(b)** G.S. 143B-1373.1 reads as rewritten:

**"§ 143B-1373.1. Completing Access to Broadband program.**

...

(d) A broadband service provider selected for a project under this section ~~may~~ shall provide up to at least thirty percent (30%) of the total estimated project cost. ~~The Office may commit up to thirty five percent (35%) of the total estimated project cost from monies in the CAB Fund. The county requesting the project shall be responsible for at least thirty five percent (35%) of the total estimated project cost and shall utilize federal American Rescue Plan Act (P.L. 117-2) funds or nonrestricted general funds for that purpose. In the event CAB Fund monies are insufficient to fund a project, a county may increase its share of the total estimated project cost, or the Office may adjust the scope of the project to meet the level of available funding. No county~~

may receive more than eight million dollars (\$8,000,000) in aggregate funding from the CAB Fund in any single fiscal year.

~~(e) Notwithstanding the project cost responsibility allocations in subsection (d) of this section, for a county receiving from the federal government less than an aggregate of eight million dollars (\$8,000,000) in federal American Rescue Plan Act (P.L. 117-2) funds, a broadband service provider selected for a project shall provide not less than fifteen percent (15%) of the total estimated project cost. If a broadband service provider provides more than fifteen percent (15%) of the total estimated project cost, the State and county cost responsibilities shall be equally apportioned. The following cost responsibility allocations for counties meeting the requirements of this subsection and the State apply:~~

<b>Direct Federal Funds Received</b>	<b>County Responsibility</b>	<b>State Responsibility</b>
<del>\$250,000, up to \$4,000,000</del>	<del>5%, minimum</del>	<del>Up to 80%</del>
<del>\$4,000,000, up to \$8,000,000</del>	<del>10%, minimum</del>	<del>Up to 75%</del>

~~(f) A broadband service provider selected for a project under this section shall enter into an agreement with the Office that shall include the project description, time lines, benchmarks, proposed broadband speeds, and any other information and documentation the Office deems necessary. All proposed broadband speeds must meet or exceed the federal guidelines for use of American Rescue Plan Act (P.L. 117-2) funds. Upon execution of an agreement, the county shall provide its portion of the total estimated project costs to the Office to be combined with CAB Funds awarded for the project and placed in a separate project account. The Office shall provide project oversight, and, upon completion of established benchmarks in the project agreement, the Office shall disburse funds from the project account to the broadband service provider. The forfeiture provisions in G.S. 143B-1373(l) shall apply to agreements entered into under this section."~~

**SECTION 10.1.(c)** Subsection (b) of this section is effective July 1, 2024, and applies to grant funding requests submitted on or after that date.

## **BEAD DEPLOYMENT**

**SECTION 10.2.(a)** Definitions. – As used in this section, the following definitions apply:

- (1) **BEAD.** – Broadband Equity, Access, and Deployment.
- (2) **Broadband service.** – For the purposes of this section, a terrestrially deployed mass-market retail service by wire or radio that provides the capability to transmit data to and receive data from all or substantially all internet endpoints, including any capabilities that are incidental to and enable the operation of the communications service, but excluding dial-up internet access service.
- (3) **Broadband serviceable location or BSL.** – A location where broadband service is or could be installed, as identified by the Federal Communications Commission for purposes of its Broadband DATA Maps.
- (4) **Community anchor institution or CAI.** – A school, library, health clinic, health center, hospital or other medical provider, public safety entity, institution of higher education, public housing organization, or community support organization that facilitates greater use of broadband service by vulnerable populations, including, but not limited to, low-income individuals, unemployed individuals, and aged individuals.
- (5) **Department.** – The Department of Information Technology.
- (6) **Eligible location.** – An unserved or underserved BSL not located in a protected area or a CAI where qualifying broadband service is not available.
- (7) **Eligible project.** – A discrete and specific project intended to construct and deploy qualifying broadband service to an eligible location or to a

combination of eligible locations. A "project" may constitute a single unserved or underserved BSL, or a grouping of BSLs in which not less than eighty percent (80%) of BSLs served by the project are unserved or underserved locations, provided that the Office may not award funding under this section to construct and deploy infrastructure for the provision of qualifying broadband service to any served BSL.

- (8) Extremely high cost per location threshold. – A BEAD subsidy cost per location above which the Office may decline to select a proposal if use of an alternative technology meeting the BEAD Program's technical requirements is necessitated by the fact that selection of an eligible project proposing to provision service via end-to-end fiber-optic facilities to each end-user premises would be cost prohibitive. The Office will develop a methodology for calculating this threshold in a manner that maximizes use of the best available technology while ensuring that the program can, at a minimum, meet the prioritization requirements. The Office will post the methodology for public comment before implementation. The Office shall not, unless it is determined that it does not have sufficient funding to select each highest-scoring application in the initial round described in this section, utilize the extremely high cost per location threshold in the initial round.
- (9) FCC. – The Federal Communications Commission.
- (10) High-cost outlier. – Any unserved or underserved location that an applicant identifies as a risk to disproportionately affect the cost of an applicant's project budget.
- (11) IJJA. – Infrastructure Investment and Jobs Act (P.L. 117-58).
- (12) Infrastructure. – Facilities, equipment, materials, and structures that an entity installs either for its core business or public enterprise purposes. Examples include, but are not limited to, copper wire, coaxial cable, optical cable, loose tube cable, communication huts, conduits, vaults, patch panels, mounting hardware, poles, generators, battery and cabinet, network nodes, network routers, network switches, microwave relay, microwave receivers, site routers, outdoor cabinets, towers, easements, rights-of-way, and buildings or structures owned by the entity that are made available for location or collocation purposes.
- (13) Infrastructure costs. – Costs related to the construction of broadband infrastructure for the extension of broadband service for an eligible project, including installation, acquiring or updating easements, backhaul infrastructure, and testing costs. The term also includes engineering and any other costs associated with securing a lease to locate or collocate infrastructure on public or private property or structures, but not including the actual monthly lease payment. The term does not include overhead or administrative costs.
- (14) Low-cost broadband service option. – A broadband service offered to low-income households that meets the eligibility requirements for the federal Affordable Connectivity Program, or similar replacement program, in the project area for at least the length of time defined by federal requirements. A low-cost broadband service option must be made available and include the following elements:
  - a. Provide typical download speeds of at least 100 Mbps and typical upload speeds of at least 20 Mbps.
  - b. Provide typical latency measurements of no more than 100 milliseconds.

- c. Not be subject to nongovernmental imposed surcharges and be subject only to the same acceptable use policies to which subscribers to all other broadband internet access service plans offered to home subscribers by the participating subgrantee must adhere.
  - d. Shall be offered at a price that does not exceed the highest price listed in the FCC's 2024 Urban Rate Survey data for Fixed Broadband Service for a service offering in North Carolina that provides a download speed of 100 Mbps, upload speed of 20 Mbps, and an unlimited capacity allowance. The price may be adjusted by the subgrantee based on the Consumer Price Index, as defined by the United States Bureau of Labor Statistics, beginning with an adjustment in the first new calendar year after the date of enactment of this section.
  - e. In the event the provider later increases the speeds of one of its low-cost plans, it will permit eligible subscribers that are subscribed to that plan to upgrade to those new speeds at no more than a commensurate change in cost.
- (15) Multi-dwelling units (MDUs). – Multiple separate residential units within a single or several buildings.
  - (16) NTIA. – The National Telecommunications and Information Administration of the United States Department of Commerce.
  - (17) Office. – The Broadband Infrastructure Office in the Department of Information Technology.
  - (18) Protected areas. – BSLs subject to an enforceable commitment as defined in the NTIA Notice of Funding Opportunity or where a broadband service provider has been designated to receive funds through other State- or federally funded programs designed specifically for the deployment of qualifying broadband service if such funding is intended to result in construction of broadband to the location within 18 months or for the duration of the federal funding program, or if the broadband service provider is otherwise in good standing with the funding agency's regulations governing the funding program. Any CAI where a private provider submits documentation satisfactory to the Department that such provider currently offers broadband service that will be scalable to a qualifying broadband service after the conclusion of the challenge process shall be also considered protected. Upon submission of documentation satisfactory to the Office, a protected area shall remain protected until project completion.
  - (19) Qualifying broadband service. – A reliable broadband service meeting the following criteria:
    - a. To a location that is not a CAI with a speed of not less than 100 Mbps for downloads and not less than 20 Mbps for uploads.
    - b. To a CAI with a speed of not less than 1 Gbps for downloads and uploads.
  - (20) Reliable broadband service. – Terrestrial-based broadband service (i) with ninety-five percent (95%) of latency measurements during testing windows falling at or below 100 milliseconds round-trip time and (ii) which is designed to ensure that network outages should not exceed, on average, 48 hours over any 365-day period except in the case of natural disasters or other force majeure occurrences. Locations served exclusively by satellite, terrestrial fixed wireless services utilizing entirely licensed spectrum, using a hybrid of licensed and unlicensed spectrum, or a technology not specified by the FCC for purposes of its Broadband DATA Maps do not meet the definition of

"reliable broadband service" and will be considered "unserved" for the purposes of determining eligible locations.

- (21) Secretary. – The Secretary of Information Technology.
- (22) Subgrantee. – An eligible recipient who receives BEAD funds for an eligible project.
- (23) Underserved. – A BSL that has access to reliable broadband service equal to or greater than 25 Mbps download and 3 Mbps upload but less than 100 Mbps download and 20 Mbps upload. Unless otherwise determined by the Department based on competent findings of fact, locations that the FCC's Broadband DATA Maps show to have available qualifying broadband service delivered via (i) DSL or (ii) terrestrial fixed wireless services utilizing entirely licensed spectrum, or using a hybrid of licensed and unlicensed spectrum, shall be considered "underserved" for the purpose of determining eligible locations.
- (24) Unserved. – A BSL that does not have access to reliable broadband service with transmission speeds of at least 25 Mbps download and at least 3 Mbps upload.

**SECTION 10.2.(b)** Consistency With Federal Law. – Except as defined in this section, terms in this section shall have the meaning prescribed to them in the IJJA and in the Notice of Funding Opportunity for the BEAD Program (BEAD NOFO) published by NTIA on May 13, 2022, including any subsequent guidance issued by NTIA with respect to the program after the issuance of the BEAD NOFO. In the event of any actual conflict between this section and legal requirements contained in the IJJA, the provisions of the IJJA shall take precedence. Should any instances of actual conflict arise, the Department shall report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division any actions taken to conform with federal law.

**SECTION 10.2.(c)** Consistency With State Policy. – Consistent with the policy of the State, the Office shall not prescribe the rates of service which applicants may deliver, nor shall the Office indirectly regulate the rates of service which applicants may deliver by affording any preference or differentiated scoring weight based on the specific rate of service which an applicant may deliver. The Office shall not make mandatory any optional conditions contained in Section IV.C.1.e. of the BEAD NOFO.

**SECTION 10.2.(d)** GREAT 3.0 Fund. – The Growing Rural Economies with Access to Technology for Broadband Equity, Access, and Deployment Fund (GREAT 3.0 Fund) is established as a special revenue fund in the Department of Information Technology. The Secretary may award subgrants from the GREAT 3.0 Fund to eligible recipients for eligible projects. The State shall not be obligated for funds committed for project costs from the GREAT 3.0 Fund in excess of those sums appropriated by the General Assembly to the GREAT 3.0 Fund. The funds shall be used by the eligible recipient to pay for infrastructure costs associated with an eligible project. State and federal funds appropriated to this Fund shall be considered an information technology project within the meaning of G.S. 143C-1-2. The grants shall be considered fixed amount subawards for purposes of the federal requirements within the meaning of the Policy Notice on Tailoring the Application of the Uniform Guidance to the BEAD Program issued by the NTIA. The Office shall further make available to awardees all options available under the BEAD Letter of Credit Waiver issued by NTIA.

**SECTION 10.2.(e)** Priority. – The Office shall prioritize projects proposed to address the following in order:

- (1) Unserved BSLs.
- (2) Underserved BSLs.
- (3) Community anchor institutions.

**SECTION 10.2.(f)** Project Proposals; Use of Funds. – The Office may seek proposals to serve unserved BSLs, underserved BSLs, and community anchor institutions collectively or separately, provided that it prioritizes awarding projects that address, at minimum, all unserved BSLs. Once the Office reports that projects will address all unserved BSLs, it shall prioritize projects that address, at minimum, all underserved BSLs. If (i) the Department has entered into subgrant agreements for deployment of service to all unserved and underserved locations in the State, (ii) the General Assembly appropriates funds in a future enactment for purposes consistent with nondeployment activities described in the BEAD NOFO, and (iii) there are funds remaining in the GREAT 3.0 Fund, then the Department may use those funds for those purposes.

**SECTION 10.2.(g)** Challenge Process. – The Office shall develop and implement a formal challenge process that conforms with the published regulations and guidelines of the BEAD Program, including the requirement that challenges based upon speed tests must be conducted and submitted in conformance with the specifications of the NTIA's speed test guidance and may not be submitted by an individual subscriber. In developing the challenge process, the Office shall solicit input from stakeholders and consider the adaptability of the challenge process to fit existing State broadband grant programs and all applicable federal requirements. The challenge process shall be open to submissions from internet providers, county and municipal government entities, and community anchor institutions, and shall establish procedures that allow a period of at least 30 calendar days of the opening of the challenge window to submit challenges, and a period of at least 30 calendar days from notification of any challenge to the classification of a location determined to be valid by the Office during the challenge phase for the submission of rebuttal evidence. Prior to selecting subgrantees, the Office shall publish a statewide map indicating eligible locations that may be included in an eligible project.

**SECTION 10.2.(h)** Prequalification. – The Office shall develop a prequalification process to identify potential subgrantees with the financial, managerial, operational, and technical capacity to complete an eligible project. The Office shall prequalify broadband service providers based on the minimum eligibility criteria in the GREAT 3.0 program. Information submitted by a broadband service provider as part of the prequalification process may be considered during the subgrantee selection process. Information contained in an application that is identified as proprietary by an applicant for a subgrant pursuant to the prequalification process shall not be considered a public record.

**SECTION 10.2.(i)** Applications. – The Office shall develop a subgrantee selection process that shall be administered in multiple rounds. Applications for subgrants will be submitted at times designated by the Office and will include, at a minimum, the following information:

- (1) The identity of the applicant and its qualifications and experience with broadband deployment and administration of federal subgrants.
- (2) The total cost and duration of the proposed project.
- (3) The amount to be funded by the applicant. The applicant shall fund a minimum of twenty-five percent (25%) of the cost of the project unless the project is in an NTIA-defined high-cost area or a waiver is granted pursuant to the BEAD Program guidelines as set forth by NTIA.
- (4) A list of the eligible locations that will have access to qualifying broadband service as a result of the project.
- (5) The proposed construction time line not to exceed four years, unless the Department extends the four-year deadline if (i) the subgrantee has a specific plan for use of the grant funds, with project completion expected by a specific date not more than one year after the four-year deadline; (ii) the construction project is underway; or (iii) extenuating circumstances require an extension of time to allow the project to be completed.

- (6) A description of the services to be provided, including the proposed upload and download broadband speeds to be delivered.
- (7) A description of proposed cost tiers available to customers upon completion of the proposed project.
- (8) A description of the applicant's proposed low-cost broadband service option applicable to eligible subscribers in BEAD-funded areas. The Office may not impose additional requirements on qualifying low-cost service options as a condition of grant eligibility.
- (9) Technology type of the proposed service.
- (10) Any other information or supplementary documentation requested by the Office. The Office shall ensure that subgrant applications contain sufficient information to allow the Office to reasonably evaluate subgrantees' ability to comply with all program requirements, including all subgrantee qualifications and conditions required under federal law.

**SECTION 10.2.(j)** Competitive Subgrantee Selection Process. – The Office shall implement a competitive subgrantee selection process that conforms with published regulations and guidelines under the BEAD Program under the IIJA. Applications receiving the highest score shall receive priority status for the awarding of subgrants pursuant to this section. As a means of breaking a tie for applications receiving the same score, the Office shall give priority to the application proposing to serve the highest number of new unserved and underserved locations. Applications shall be scored on an objective 100-point scale that is published prior to the submission of applications for subgrants. The Office shall determine whether or not a subgrantee has the capacity to perform multiple projects and shall not be required to award multiple projects to a prequalified subgrantee that has failed to demonstrate its ability to perform.

**SECTION 10.2.(k)** Subgrant Award Agreements. – Applicants awarded subgrants pursuant to this section shall enter into an agreement with the Office. Selections are contingent until an agreement is executed. The agreement shall contain all of the elements outlined in subsection (i) of this section and any other provisions the Office may require, provided, however, the Department may not impose requirements or contract conditions requiring that broadband service be offered at a specific price or that otherwise constitutes rate regulation. The agreement shall contain a provision governing the time line, milestones, and minimum requirements and thresholds for disbursement of grant funds measured by the progress of the project or disbursed on any other basis that may be necessary to effectuate every option made available in the BEAD Letter of Credit Waiver issued by NTIA on November 1, 2023. If applicable, the agreement shall identify the amount of matching funds the subgrantee must contribute to the project. The Office shall monitor the project to ensure (i) that the subgrantee is making adequate progress toward project completion by the required deadline; (ii) compliance with all relevant and applicable federal, State, and local laws, rules, and regulations; and (iii) compliance with all NTIA guidelines for the BEAD Program and any guidelines developed by the Office.

**SECTION 10.2.(l)** Letter of Credit. – The Office shall require a letter of credit or an alternative form of satisfactory performance security, such as a performance bond, from the subgrantee to secure the subgrantee's performance of its obligations under the grant contract consistent with the federal requirements. The Office shall give full effect to the NTIA BEAD Letter of Credit Waiver as a means of enabling a subgrantee to satisfy the requirements of this subsection. Subject to further waiver from NTIA to the extent the same may be required, the Office shall permit an alternative means of satisfying the requirement of this subsection for a subgrantee that demonstrates that it has more than one hundred million dollars (\$100,000,000) in telecommunications or electric plant in production in the State.

**SECTION 10.2.(m)** Annual Report. – The Department of Information Technology shall submit an annual report to the Joint Legislative Oversight Committee on Information

Technology and the Fiscal Research Division upon completion of each funding round. The report shall contain at least all of the following:

- (1) The number of subgrant projects applied for and the number of grant agreements entered into.
- (2) A time line for each subgrant agreement and the number of households and businesses expected to benefit from each agreement.
- (3) The amount of matching funds required for each agreement and the total amount of investment.
- (4) A summary of areas receiving subgrants that are now being provided broadband service and the advertised broadband speeds for those areas.
- (5) Any breaches of agreements, grant fund forfeitures, or subsequent reductions or refunds of matching funds.
- (6) Any recommendations for the GREAT 3.0 program, including better sources and methods for improving outcomes and accountability.

**SECTION 10.2.(n)** Progress Report. – Upon completion of two rounds of subgrantee selection, the Department shall report to the Joint Legislative Oversight Committee on Information Technology and the Fiscal Research Division the following:

- (1) The number of remaining unserved and underserved locations in the State.
- (2) The amount of remaining funding for the GREAT 3.0 program.
- (3) The estimated amount of subgrant funding needed to award projects serving all remaining unserved and underserved locations in the State.
- (4) The amount of funding available for nondeployment activities.

**SECTION 10.2.(o)** Limitation of Administrative Funds. – In utilizing grant funds allocated under the IJA for the BEAD Program (BEAD grant funds) for planning and administrative purposes, the Department may not expend more than any of the following:

- (1) The lesser of twenty-two million five hundred thousand dollars (\$22,500,000) or one and one-half percent (1.5%) of allocated BEAD grant funds over the term provided for network deployment in the BEAD NOFO.
- (2) Twenty-five percent (25%) of the applicable amount determined under subdivision (1) of this subsection by the end of the 2024-2025 fiscal year; fifty percent (50%) of the applicable amount by the end of the 2025-2026 fiscal year; and seventy-five percent (75%) of the applicable amount by the end of the 2026-2027 fiscal year.

**SECTION 10.2.(p)** The State Controller shall establish a BEAD Reserve (Reserve) in the General Fund to maintain federal funds received from the IJA for the BEAD Program. The State Controller shall transfer funds to the GREAT 3.0 Fund established in subsection (d) of this section only as needed to meet the appropriations set out in subsequent legislation. Funds reserved in the Reserve do not constitute an "appropriation made by law," as that phrase is used in Section 7(1) of Article V of the North Carolina Constitution.

**SECTION 10.2.(q)** Of funds received for digital literacy from the State Digital Equity Capacity Grant Program under section 60304 in Division F, Title III of the federal Digital Equity Act of 2021 of the IJA in accordance with the North Carolina Digital Equity Plan approved by the NTIA, the Department may utilize up to twenty-three million dollars (\$23,000,000) for, and those funds are hereby appropriated for, that purpose.

**SECTION 10.2.(r)** Section 38.4 of S.L. 2022-74 is repealed.

**SECTION 10.2.(s)** Section 38.10(p) of S.L. 2021-180 reads as rewritten:

**"SECTION 38.10.(p)** This section is effective when it becomes law. ~~Subsections (b) through (k) of this section expire December 31, 2024."~~

## **PART XI. GENERAL GOVERNMENT**

**HFA/EMERGENCY RENTAL ASSISTANCE FUNDS**

**SECTION 11.1.** Notwithstanding any provision of law to the contrary, the Office of State Budget and Management shall transfer to the Housing Trust Fund in the Housing Finance Agency all remaining Emergency Rental Assistance funds allocated in Section 5 of S.L. 2021-1, Section 1.4 of S.L. 2021-3, and Section 3.4 of S.L. 2021-25, as amended, and any interest earned on those funds, Budget Code 23021, Budget Funds 214050 and 214051, for the 2024-2025 fiscal year to be used for eligible programs administered by the Housing Finance Agency. Projects under this section shall comply with the United States Department of the Treasury's Emergency Rental Assistance guidelines, and these funds are hereby appropriated for that purpose.

**PART XII. SALARIES AND BENEFITS**

**UPDATED SALARY-RELATED CONTRIBUTIONS/ADDRESS FUNDING REQUIREMENTS FOR THE NC NATIONAL GUARD PENSION FUND**

**SECTION 12.1.(a)** Section 39.26(c) of S.L. 2023-134 reads as rewritten:

**"SECTION 39.26.(c)** Effective July 1, 2024, the State's employer contribution rates budgeted for retirement and related benefits as a percentage of covered salaries for the 2024-2025 fiscal year for teachers and State employees, State law enforcement officers (LEOs), the University and Community Colleges Optional Retirement Programs (ORPs), the Consolidated Judicial Retirement System (CJRS), and the Legislative Retirement System (LRS) are as set forth below:

	<b>Teachers and State Employees</b>	<b>State LEOs</b>	<b>ORPs</b>	<b>CJRS</b>	<b>LRS</b>
Retirement	16.79%	16.79%	6.84%	<del>37.00%</del> 35.96%	<del>22.00%</del> 19.32%
Disability	0.13%	0.13%	0.13%	0.00%	0.00%
Death	0.13%	0.13%	0.00%	0.00%	0.00%
Retiree Health	6.99%	6.99%	6.99%	6.99%	6.99%
NC 401(k)	0.00%	5.00%	0.00%	0.00%	0.00%

**Total Contribution**

<b>Rate</b>	24.04%	29.04%	13.96%	<del>43.99%</del> 42.95%	<del>28.99%</del> 26.31%
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The rate for teachers and State employees and State law enforcement officers includes one one-hundredth percent (0.01%) for the Qualified Excess Benefit Arrangement."

**SECTION 12.1.(b)** Part XXXIX of S.L. 2023-134 is amended by adding a new section to read:

**"ADDRESS INCREASED FUNDING REQUIREMENTS/NORTH CAROLINA NATIONAL GUARD PENSION FUND**

**"SECTION 39.26A.(a)** Notwithstanding any provision of law or the Committee Report described in Section 43.2 of this act to the contrary, funds appropriated in this act to the Department of State Treasurer are increased by the recurring sum of one million one hundred twenty thousand nine hundred forty-nine dollars (\$1,120,949) for the 2024-2025 fiscal year and are to be used for the State's contribution to the North Carolina National Guard Pension Fund (Budget Code 13412, Budget Fund 100903) to match the actuarially determined contribution amount.

**"SECTION 39.26A.(b)** Notwithstanding any provision of law or the Committee Report described in Section 43.2 of this act to the contrary, funds appropriated in this act to the Administrative Office of the Courts in Budget Code 12000 for the State's contribution for members of the Consolidated Judicial Retirement System are reduced by the recurring sum of nine hundred sixty-two thousand six hundred eighty-seven dollars (\$962,687) for the 2024-2025 fiscal year.

"SECTION 39.26A.(c) Notwithstanding any provision of law or the Committee Report described in Section 43.2 of this act to the contrary, funds appropriated in this act to the Office of Indigent Defense Services in the Administrative Office of the Courts in Budget Code 12001 for the State's contribution for members of the Consolidated Judicial Retirement System are reduced by the recurring sum of sixty-one thousand two hundred forty-six dollars (\$61,246) for the 2024-2025 fiscal year.

"SECTION 39.26A.(d) Notwithstanding any provision of law or the Committee Report described in Section 43.2 of this act to the contrary, funds appropriated in this act to the General Assembly in Budget Code 11000 for the State's contribution for members of the Legislative Retirement System are reduced by a recurring sum of ninety-seven thousand sixteen dollars (\$97,016) for the 2024-2025 fiscal year."

**PART XIII. CAPITAL**

**NON-GENERAL FUND/NON-SCIF CAPITAL PROJECT AUTHORIZATIONS**

**SECTION 13.1.** Section 40.4(a) of S.L. 2023-134 reads as rewritten:

**"SECTION 40.4.(a)** The General Assembly authorizes the following capital projects to be funded with receipts or from other non-General Fund and non-State Capital and Infrastructure Fund sources available to the appropriate department:

<b>Name of Project</b>	<b>Amount of Non-General Fund/Non-SCIF Funding Authorized</b>	
	<b>FY 2023-2024</b>	<b>FY 2024-2025</b>
Department of Natural and Cultural Resources		
Electric Vehicle Fast Chargers	\$2,000,000	\$0
Brunswick Town State Historic Site– Historical Restorations	150,000	0
<u>Mary Ann Brittain Education Center</u>	<u>0</u>	<u>2,200,000</u>
<u>Fort Fisher Aquarium Energy Efficiency System</u>	<u>0</u>	<u>2,000,000</u>
<u>Jennette's Pier Weather Station Upgrades</u>	<u>0</u>	<u>100,000</u>
<u>NCMA West Building Kitchen Storage Upfit</u>	<u>0</u>	<u>250,000</u>
Department of Agriculture and Consumer Services		
Arena and Barn Replacement	1,900,000	0
ASC Lab Renovation	400,000	0
Grain Storage and Drying Improvements	370,000	0
Equipment Shelters Replacement	0	300,000
NCFS Facility and Infrastructure Improvements	1,000,000	0
PTFM Facility and Infrastructure Improvements	1,000,000	0
Raleigh FM Facility and Infrastructure Improvements	1,000,000	0
RS Infrastructure Repairs and Renovations	1,250,000	0
State Fair Gate 8 Restroom Renovation	1,500,000	0
State Fair Infrastructure Improvements	20,000,000	0
State Fair Lunch Facility Renovation	25,500,000	0
Vet Infrastructure Repairs and Renovations	250,000	0
WNCAGCTR Facility and Infrastructure Improvements	1,250,000	0
<u>State Fair Flower Show Building</u>	<u>0</u>	<u>2,250,000</u>
<u>Piedmont Aviary</u>	<u>0</u>	<u>2,000,000</u>
<u>Raleigh State Farmers Market Improvements</u>	<u>0</u>	<u>5,000,000</u>
Department of Public Safety		
Alcoholic Beverage Control– Warehouse Precast Repair	275,000	0

ABC New Campus–Advanced Planning	4,700,000	0
Department of Adult Correction		
Old Craggy Laundry Wastewater/Stormwater Repl.	742,000	0
Wildlife Resources Commission		
Land Acquisition	5,000,000	5,000,000
Game Land Improvements	2,000,000	0
Caswell Depot Expansion	2,460,000	0
Mills River Equipment Storage	355,000	0
Morganton Depot Equipment Storage	340,000	0
Rhems Depot Equipment Storage	415,000	0
Troy Depot Office/Shop & Storage	1,900,000	0
Shooting Range Office & Classroom Constr.	3,100,000	0
Mount Holly Depot	0	2,400,000
Marion Aquaculture Building	0	600,000
<u>Sykes Depot Greenhouse</u>	<u>0</u>	<u>60,000</u>
<u>D7 Storage Building</u>	<u>0</u>	<u>400,000</u>
<u>Caswell Shooting Range Expansion</u>	<u>0</u>	<u>3,850,000</u>
<u>Coastal Restoration &amp; Resiliency</u>	<u>0</u>	<u>500,000</u>
<u>Washington Baum Bridge Public Fishing Access</u>	<u>0</u>	<u>875,000</u>
<u>Department of Military and Veterans Affairs</u>		
<u>Sandhills State Veterans Cemetery</u>	<u>0</u>	<u>2,307,236</u>
<u>Eastern Carolina State Veterans Cemetery</u>	<u>0</u>	<u>507,150</u>
<u>Coastal Carolina State Veterans Cemetery</u>	<u>0</u>	<u>771,750</u>
<u>Salisbury State Veterans Home</u>	<u>0</u>	<u>11,438,910</u>
 <b>TOTAL AMOUNT OF NON-GENERAL FUND/NON-SCIF CAPITAL PROJECTS AUTHORIZED</b>	 <b>\$78,857,000</b>	 <b>\$8,300,000</b> <b><u>\$42,810,046"</u></b>

**PART XIV. TRANSPORTATION**

**RANDOLPH COUNTY MEGASITE TRANSPORTATION IMPROVEMENT FUNDS**

**SECTION 14.1.** The funds transferred from the Economic Development Project Reserve to the Department of Transportation for the 2024-2025 fiscal year pursuant to Section 2.2(c) of this act shall be used to expand highway infrastructure and complete work on roads serving the megasite industrial park in Randolph County.

**PART XV. FINANCE [RESERVED]**

**PART XVI. MISCELLANEOUS**

**STATE BUDGET ACT APPLIES**

**SECTION 16.1.** The provisions of the State Budget Act, Chapter 143C of the General Statutes, are reenacted and shall remain in full force and effect and are incorporated in this act by reference.

**APPROPRIATIONS LIMITATIONS AND DIRECTIONS APPLY**

**SECTION 16.2.** Except where expressly repealed or amended by this act, the provisions of any legislation enacted during the 2023 Regular Session of the General Assembly affecting the State budget shall remain in effect.

**MOST TEXT APPLIES ONLY TO THE 2024-2025 FISCAL YEAR**

**SECTION 16.3.** Except for statutory changes or other provisions that clearly indicate an intention to have effects beyond the 2024-2025 fiscal year, the textual provisions of this act apply only to funds appropriated for, and activities occurring during, the 2024-2025 fiscal year.

**EFFECT OF HEADINGS**

**SECTION 16.4.** The headings to the Parts, Subparts, and sections of this act are a convenience to the reader and are for reference only. The headings do not expand, limit, or define the text of this act, except for effective dates referring to a Part or Subpart.

**SEVERABILITY CLAUSE**

**SECTION 16.5.** If any section or provision of this act is declared unconstitutional or invalid by the courts, it does not affect the validity of this act as a whole or any part other than the part so declared to be unconstitutional or invalid.

**EFFECTIVE DATE**

**SECTION 16.6.** Except as otherwise provided, this act is effective July 1, 2024. In the General Assembly read three times and ratified this the 11<sup>th</sup> day of September, 2024.

s/ Phil Berger  
President Pro Tempore of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

VETO Roy Cooper  
Governor

Became law notwithstanding the objections of the Governor at 2:44 p.m. this 20<sup>th</sup> day of November, 2024.

s/ Ms. Sarah Holland  
Senate Principal Clerk