

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025**

**HOUSE BILL 437
RATIFIED BILL**

AN ACT TO ESTABLISH DRUG-FREE HOMELESS SERVICE ZONES AND INCREASE THE PUNISHMENT IMPOSED FOR COMMITTING CERTAIN DRUG OFFENSES IN A DRUG-FREE HOMELESS SERVICE ZONE AND TO BAN UNAUTHORIZED PUBLIC CAMPING OR SLEEPING IN THE STATE AND LOCAL GOVERNMENT UNITS OF THE STATE.

The General Assembly of North Carolina enacts:

DRUG-FREE HOMELESS SERVICE ZONES

SECTION 1.(a) This section shall be known as "The Drug-Free Homeless Service Zones Act."

SECTION 1.(b) G.S. 90-95(e) reads as rewritten:

"(e) The prescribed punishment and degree of any offense under this Article shall be subject to the following conditions, but the punishment for an offense may be increased only by the maximum authorized under any one of the applicable conditions:

...

(8) Any person 21 years of age or older who commits an offense under G.S. 90-95(a)(1) on property used for a child care center, or for an elementary or secondary school or within 1,000 feet of the boundary of real property used for a child care center, or for an elementary or secondary school shall be punished as a Class E felon. For purposes of this subdivision, the transfer of less than five grams of marijuana for no remuneration shall not constitute a delivery in violation of G.S. 90-95(a)(1). For purposes of this subdivision, a child care center is as defined in G.S. 110-86(3)a., and that is licensed by the Secretary of the Department of Health and Human Services.

(8a) Any person who commits an offense under G.S. 90-95(a)(1) in a drug-free homeless service zone is guilty of a Class E felony if the person knows or reasonably should know that it is a drug-free homeless service zone. Any operator of a facility-based service who intentionally allows a person to commit an offense under G.S. 90-95(a)(1) in a drug-free homeless service zone is guilty of a Class H felony. For purposes of this subdivision, the transfer of less than five grams of marijuana for no remuneration shall not constitute a delivery in violation of G.S. 90-95(a)(1). The following definitions apply in this subdivision:

a. Drug-free homeless service zone. – The following areas related to a facility-based service:

1. If the facility-based service does not provide the services described in sub-sub-subdivision 2. of this sub-subdivision, the exterior and interior of any building and any accompanying grounds used by a facility-based service and the area within 100 feet of that building or its accompanying grounds, if at least one sign is permanently affixed in a visible manner at the



exterior of the main entrance of the facility that identifies the building and its accompanying grounds as a drug-free homeless service zone. The presence of this sign shall raise a presumption that the person committing the offense knows or reasonably should know that it is a drug-free homeless service zone.

2. If the facility-based service provides shelter or housing for victims of domestic violence that may be endangered if the purpose or location of the facility were to become known, the interior of any building and any outdoor area that may only be accessed by entering through the building used by a facility-based service, if at least one sign is permanently affixed in a visible manner inside the building and within 5 feet of the main entrance of the facility that identifies the building as a drug-free homeless service zone. The presence of this sign shall raise a presumption that the person committing the offense knows or reasonably should know that it is a drug-free homeless service zone.

b. Facility-based service. – Any emergency or temporary shelter or transitional housing provider that receives local, State, or federal funds for the purpose of providing shelter to homeless persons.

c. Operator. – A sole proprietorship, corporation, partnership, joint venture, limited partnership, limited liability partnership, limited liability company, or any other entity or business association, or contractor or subcontractor of the same, that is the recipient of local, State, or federal funds to use for the provision of a facility-based service.

...."

SECTION 1.(c) This section becomes effective December 1, 2026, and applies to offenses committed on or after that date.

UNAUTHORIZED PUBLIC CAMPING AND SLEEPING

SECTION 2.(a) Article 9 of Chapter 160D of the General Statutes is amended by adding a new section to read:

"§ 160D-917. Camping in public spaces.

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

(1) Department. – The North Carolina Department of Labor.

(2) Public camping or sleeping. – Lodging or residing overnight in a temporary outdoor habitation used as a dwelling or living space and evidenced by the erection of a tent or other temporary shelter, the presence of bedding or pillows, or the storage of personal belongings or lodging or residing overnight in an outdoor space without a tent or other temporary shelter. The term does not include (i) lodging or residing overnight in a motor vehicle that is registered, insured, and located in a place where it may be lawfully used or (ii) camping for recreational purposes on property designated for those purposes.

(b) Except as provided in subsection (c) of this section, a local government may not authorize or otherwise allow any person to regularly engage in public camping or sleeping on any public property, including any public building or its grounds and any public right-of-way under the jurisdiction of the local government.

(c) The governing board of a local government may, by majority vote, designate property owned by the local government within its jurisdictional boundaries to be used for a continuous period of no longer than one year for the purposes of public camping or sleeping. Except for a local government on the Unit Assistance List prepared by the Local Government Commission, the local government shall, in making the property designation, establish and maintain minimum standards and procedures related to the designated property for the purposes of:

- (1) Ensuring the safety and security of the designated property and the persons lodging or residing on the designated property.
- (2) Maintaining sanitation, which must, at a minimum, include providing access to clean and operable restrooms and running water.
- (3) Coordinating with the appropriate department, agency, or entity to provide access to behavioral health services, which must include substance abuse and mental health treatment resources.
- (4) Prohibiting illegal substance use and alcohol use on the designated property and enforcing the prohibition against such use.

(d) The local government's designation of property under subsection (c) of this section shall not become effective until the designated property is certified by the Department. To obtain the certification, the local government shall submit a request to the Commissioner of Labor which shall include documentation proving all of the following:

- (1) There are not sufficient open beds in homeless shelters in the local government for the homeless population of the local government.
- (2) The designated property is not contiguous to property zoned for residential use by the local government.
- (3) The designated property would not adversely and materially affect the property value or safety and security of other existing residential or commercial property in the local government and would not negatively affect the safety of children.
- (4) The local government has developed a plan to satisfy the minimum standards and procedures prescribed in subsection (c) of this section.

(e) Within 10 days after receipt of a request to certify a designated property, the Department shall notify the local government of the date the request was received and of any omissions or errors in the request. The Department shall certify the designated property within 45 days after receipt of a complete submission from the local government, and the designated property shall be deemed certified on the forty-fifth day if the Department takes no action.

(f) Within 30 days after certification of a designated property by the Department, the local government shall publish the minimum standards and procedures required by subsection (c) of this section on the local government's website. The local government shall continue to make the standards and procedures publicly available for as long as any local government property remains designated under subsection (d) of this section.

(g) The Department may inspect any designated property at any time, and the Department shall provide notice to the local government recommending closure of the designated property if the requirements of this section are no longer satisfied. A local government shall publish any notice recommending closure on the local government's website not later than five business days after receipt of the notice.

(h) Any resident of the local government, any owner of a business located in the local government, or the Attorney General may bring a civil action in any court of competent jurisdiction against the local government to enjoin a violation of subsection (b) of this section. If the resident or business owner prevails in a civil action, the court may award reasonable expenses incurred in bringing the civil action, including court costs, reasonable attorneys' fees, investigative costs, witness fees, and deposition costs. An application for an injunction under this subsection shall be accompanied by an affidavit attesting to all of the following:

- (1) The applicant has provided written notice of the alleged violation to the governing board of the local government via United States mail or electronic mail addressed to the manager or administrator of the local government.
- (2) The applicant has provided the local government with fifteen business days, from the date the written notice was sent by the applicant, to cure the alleged violation.
- (3) The local government has failed to take all reasonable actions within its governmental powers to cure the alleged violation within fifteen business days from the date the written notice of the alleged violation was sent by the applicant.
- (i) This section does not apply during any time period in which:
 - (1) The Governor has declared a state of emergency pursuant to G.S. 166A-19.20.
 - (2) A local government has declared a state of emergency pursuant to G.S. 166A-19.22."

SECTION 2.(b) No later than June 30, 2027, the Department of Labor shall adopt the rules necessary to implement the provisions of this section.

SECTION 2.(c) Subsection (a) of this section becomes effective June 30, 2027. The remainder of this section is effective when it becomes law.

EFFECTIVE DATE

SECTION 3. Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 1st day of July, 2026.

s/ Rachel Hunt
President of the Senate

s/ Destin Hall
Speaker of the House of Representatives

Josh Stein
Governor

Approved _____m. this _____ day of _____, 2026