



HOUSE BILL 547: Children's Services Protection Act.

2025-2026 General Assembly

Committee:	House Rules, Calendar, and Operations of the House	Date:	May 6, 2025
Introduced by:	Reps. Chesser, Balkcom, N. Jackson, Schietzelt	Prepared by:	Debbie Griffiths Staff Attorney
Analysis of:	Second Edition		

OVERVIEW: *House Bill 547 would limit liability for certain nongovernmental contractors that contract with certain public agencies to provide services to minors.*

BILL ANALYSIS: House Bill 547 would provide that nongovernmental contractors that contract with a public agency to provide services to minors may be held liable for injury or damage caused by their negligence but would not be held liable for injury or damage caused by the negligence of the public agency.

A "nongovernmental contractor" would be defined as "Any corporation, organization, or association, incorporated or otherwise, that is organized or operating in the State, or an individual operating a facility licensed under Article 2 of Chapter 122C of the General Statutes [facilities for individuals with mental health disorders, developmental disabilities, or substance abuse disorders] or Article 1A of Chapter 131D of the General Statutes [addressing foster care]."

A "public agency" would be defined as "[t]he Department of Health and Human Services (DHHS) and any county or local agency administering programs of public assistance" under the statutes dealing with social services.

The bill would provide that:

- The nongovernmental contractor and the public agency must each bear their own litigation costs.
- The liability of the nongovernmental contractor would be limited to the monetary limits equivalent to those of a public agency as provided by G.S. 143-299.2. The maximum the State would pay to all claimants for injury or damage to one person arising out of one occurrence would be \$1 million minus any commercial liability insurance purchased by the State.
- The action be filed in a court of competent jurisdiction instead of the Industrial Commission.

EFFECTIVE DATE: This act would become effective October 1, 2025, and apply to claims arising from acts or omissions occurring on or after that date and contracts entered into or renewed on or after that date.

*Brad Krehely, Staff Attorney for the Legislative Analysis Division, contributed to this summary.

Kara McCraw
Director



Legislative Analysis
Division
919-733-2578