



**This Bill Analysis
reflects the contents
of the bill as it was
presented in
committee.**

HOUSE BILL 306: Affordable Housing for Local Employees.

2025-2026 General Assembly

Committee:	House Housing and Development. If favorable, re-refer to Rules, Calendar, and Operations of the House	Date:	April 16, 2025
Introduced by:	Rep. Pickett	Prepared by:	Ike McRee
Analysis of:	PCS to First Edition H306-CSCOX-9		Committee Co-Counsel

OVERVIEW: *The proposed committee substitute (PCS) for House Bill 306 would authorize the Towns of Blowing Rock and Boone, Counties of Dare, Durham, and Watauga, the Dare County Board of Education, the Durham Public Schools Board of Education, and the Watauga County Board of Education to construct and provide affordable housing for town and county employees and public school teachers.*

CURRENT LAW: Under G.S. 66-58, the Umstead Act, governmental units are generally prohibited from engaging in the sale of goods and services in competition with citizens of the State, unless specifically exempted. G.S. 115C-518 provides for the disposition of school property when a local board of education determines that a building site or other real or personal property is unnecessary or undesirable for public school purposes. Undesirable or unnecessary property is usually offered to the board of county commissioners at a fair market price or sold by advertisement for sealed bids or at public auction under Article 12 of Chapter 160A of the General Statutes.

BILL ANALYSIS: The PCS for House Bill 306 would authorize the Towns of Boone and Blowing Rock, Counties of Dare, Durham, and Watauga, the Dare County Board of Education, the Durham Public Schools Board of Education, and the Watauga County Board of Education to (i) enter into a joint venture, land trust, or similar arrangement to construct and provide affordable housing on property they own, (ii) convey property they own to the partnership, joint venture, land trust, or similar entity to construct, provide, and maintain affordable housing for their town and county employees and school teachers, (iii) contract with any person, partnership, corporation, or other business entity to finance, construct, or maintain the affordable housing, and (iv) rent or sell the affordable housing units for residential use to their employees, establish rents or sales prices, charge below market rates and financing, and place reasonable restrictions and buyback provisions on the resale of the affordable housing units.

EFFECTIVE DATE: The act would become effective when it becomes law.

BACKGROUND: Similar legislation has been enacted for the Edgecombe County Board of Education (S.L. 2009-161), the City of Brevard, Town of Rosman, Transylvania County, and the Transylvania County Board of Education (S.L. 2009-154), the City of Asheville and the Asheville City Board of Education (S.L. 2007-239), the Hertford County Board of Education (S.L. 2006-86), the Bertie County Board of Education (S.L. 2006-61), and the Dare County Board of Education (S.L. 2004-16).

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