



HOUSE BILL 437: Drug-Free Zones/Unauthorized Public Camping.

2025-2026 General Assembly

Committee:		Date:	August 4, 2026
Introduced by:	Reps. Rhyne, Chesser, Pickett	Prepared by:	Stewart Sturkie
Analysis of:	House Bill 437 (Ratified)		Staff Attorney

OVERVIEW: House Bill 437 would increase the punishment for the offense of manufacture, sale, or delivery, or possession with the intent to manufacture, sell, or deliver a controlled substance, if the offense occurs in a drug-free homeless service zone. It would also prohibit local governments from authorizing or allowing individuals to regularly engage in public camping on public property in most circumstances.

CURRENT LAW:

G.S. 90-95(a)(1) prohibits the manufacture, sale, or delivery, or possession with intent to manufacture, sell, or deliver a controlled substance.

BILL ANALYSIS:

Section 1 of House Bill 437 would enact a new G.S. 90-95(e)(8a) which would create a Class E felony for anyone who manufactures, sells, or delivers a controlled substance in a drug-free homeless service zone if the person knows or reasonably should know it is a drug-free homeless service zone.

Additionally, it would create a Class H felony for any operator of a facility-based service that intentionally allows a person to manufacture, sell, or deliver a controlled substance in a drug-free homeless service zone.

A "drug-free homeless service zone" would include either of the following:

- If the facility-based service provides shelter or housing for victims of domestic violence, the interior of the building and any outdoor area that can only be accessed through the building, if the facility posts a sign inside the building and within 5 feet of the main entrance identifying the facility as a drug-free homeless service zone.
- 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 grounds, if the facility permanently posts a sign 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.

"Facility-based service" would include emergency or temporary shelters or transitional housing providers that receive government funding to provide shelter to homeless persons.

Section 2 would do the following:

- Define "public camping or sleeping" as "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

Kara McCraw
Director



Legislative Analysis
Division
919-733-2578

House Bill 437

Page 2

term would 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.

- Prohibit a local government from authorizing or otherwise allowing any person to regularly engage in public camping or sleeping on any public property.
- Permit, by majority vote of the local government's governing board, the designation of property owned by the local government to be used for a continuous period of no longer than one year for the purposes of public camping or sleeping. The local government would be required to establish and maintain minimum standards and procedures for the purposes of:
 - Ensuring the safety and security of the designated property and the people lodging or residing on the property.
 - Maintaining sanitation.
 - 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.
 - Prohibiting illegal substance use and alcohol use.
- Provide that the local government's designation of property for camping or sleeping would not become effective until certified by the Department of Labor (Department). To obtain certification, the local government would be required to submit a request to the Commissioner of Labor which shall include documentation proving all of the following:
 - There are not sufficient beds open in homeless shelters in the local government.
 - The designated property is not contiguous to property zoned for residential use by the local government.
 - 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 affect the safety of children.
 - The local government has developed a plan to satisfy the required minimum standards and procedures for designating property owned by the local government for public camping or sleeping.
- Require the Department to certify the designated property within 45 days after the receipt of complete submission from the local government. If the Department takes no action, the designated property would be deemed certified on the forty-fifth day.
- Require that the local government publish the required minimum standards and procedures on the local government's website within 30 days after certification of the designated property.
- Provide that the Department can inspect any designated property at any time and can provide notice to the local government recommending closure of the designated property if the requirements for public camping and sleeping on designated property are no longer satisfied. A local government would be required to publish any notice recommending closure on the local government's website not later than five business days after receipt of the notice.

House Bill 437

Page 3

- Provide that any resident or business owner of the local government, or the Attorney General, can bring a civil action against the local government to enjoin a violation of the requirements for public camping or sleeping on designated property.
- Require that an application for an injunction be accompanied by an affidavit attesting to all of the following:
 - The applicant has provided written notice of the alleged violation to the local government's governing board via United States mail or electronic mail addressed to the manager or administrator of the local government.
 - 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.
 - 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.
- Provide that the prohibition on public camping or sleeping without designation of property for that purpose would not apply during a period in which (i) the Governor has declared a state of emergency under G.S. 166A-19.20 or (ii) a local government has declared a state of emergency under G.S. 166A-19.22.
- Require the Department, by June 30, 2027, to adopt rules necessary to implement the provisions of Section 2.

EFFECTIVE DATE: Section 1 of this act would become effective December 1, 2026, and would apply to offenses committed on or after that date. Section 2 would become effective June 30, 2027, except the requirement for the Department to adopt rules to implement Section 2 would become effective when the act becomes law.

**Susan Sitze, Amy Darden, Ike McRee, Hannah Kendrick, Jessica Boney, and Rob Ryan, Staff Attorneys with the Legislative Analysis Division, substantially contributed to this summary.*