



HOUSE BILL 74: House Budget Technical Corrections.

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

2025-2026 General Assembly

Committee:	Senate Appropriations/Base Budget	Date:	April 28, 2025
Introduced by:	Reps. Lambeth, Arp, Strickland, K. Hall	Prepared by:	Dan Ettefagh
Analysis of:	PCS to Second Edition		Staff Attorney
	H74-CSLUxfra-1		

OVERVIEW: *The PCS for House Bill 74 would make technical and other clarifying changes to the 2023 State Budget as well as other acts.*

BILL ANALYSIS: The PCS for House Bill 74 would do the following:

- Section 1.1 would extend, for certain directed grants, the period for reversion from December 31, 2024, to June 30, 2026.
- Section 1A.1 would, for NCORR Funds, change the terminology from "unexpended" funds to "unencumbered" funds for funds remaining in the Florence Fund from previous disasters.
- Section 1A.2, for the Agricultural Disaster Crop Loss Program, would change the period for verification of loss and accompanying criteria for DACS and applicants for assistance under the Program from 45 days to 60 days.
- Section 1A.3 would allow for local government cashflow loans for Hurricanes Matthew and Florence to be forgiven if the project for the loan is closed and there are no pending administrative actions before FEMA for reimbursement for that project.
- Section 2.1 would change the deadline for the Board of Governors to report on State budget allocations and policies from February 1 to March 1.
- Section 2.2 would amend G.S. 126-5(c1)(8), regarding exemptions from the State Human Resources Act (SHRA), by adding student-oriented professionals and temporary employees to the list of UNC employees exempt from the SHRA.
- Section 2.3 would require the Office of the State Fire Marshall, instead of the North Carolina Collaboratory, to maintain an online reporting portal on the storage and deployment of aqueous film-forming foams.
- Section 2.4 would permit the North Carolina Collaboratory to use unexpended nonrecurring funds appropriated in 2021-2022 to study cyanobacterial algal bloom treatment for other water quality research projects.
- Section 4.1(a) and (b) would reallocate the funds allocated to the City of Oxford by the 2023 budget to the South Granville Water and Sewer Authority for the same purpose and to Franklin, Catawba, and Hertford counties for other projects.

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- Section 4.1(c) would transfer four million dollars allocated in Section 12.2(e)(139) of the 2023 budget to the Office of State Budget and Management for grants to the Stokesdale Fire District, Rockingham County, and the Alamance County Sheriff's Department.
- Section 4.1(d) would transfer allocations to the City of Archdale, the City of Asheboro, the City of Randleman, Randolph County, and the City of Trinity from the Department of Environmental Quality to the Office of State Budget and Management for water and wastewater grants.
- Section 4.2 would (i) remove the requirement that certain infrastructure be publicly owned to qualify for funding; (ii) add electrical infrastructure as a qualifying purpose for funding; (iii) add 501(c)(12) organizations to the definition of "government partnership"; (iv) expand the eligible allocation of funds to include purposes beyond site selection and acquisition; and (v) require that money for megasite agreements be disbursed to EDPNC on a quarterly basis in equal installments.
- Section 4.3 would (i) reallocate unspent funds previously allocated for statewide selectsite site selection for selectsite site selection within a Hurricane Helene affected county; (ii) expand the eligible uses of previously allocated selectsite funds to include purposes beyond due diligence (e.g., acquisition, analysis, planning, installation, site-prep, and due diligence); and (iii) require that money for selectsite agreements be disbursed to EDPNC on a quarterly basis in equal installments.
- Section 5.1 would (i) correct the earlier move of the State Highway Patrol away from the Department of Public Safety by addressing and moving the Center for Missing Persons to the new independent State Highway Patrol and (ii) amend and establish alerts that may be issued by the Center for Missing Persons.
- Section 5.4 would increase from 7 to 30 days old the age of an infant for a parent to be able to safely surrender the infant for purposes of G.S. 14-318.2 (criminal liability), which harmonizes that statute with the same change already made to G.S. 14-322.3 (immunity).
- Section 6.1 would reallocate or extend certain General Government directed grant provisions from the 2023 budget.
- Section 6.2 would change the effective date of a Session Law that concerns underinsured motorist insurance.
- Section 6.4 would change a reporting requirement for the State Bar Review Committee to an expiration of the committee, occurring on 12/31/26.
- Section 7.1 would make various changes relating to the use of grant funds allocated from the SCIF.
- Section 7.2 would appropriate \$4.5 million from the OSBM Flex fund to be used for the purchase of real property and a loading dock for the UNC School of the Arts.
- Section 7.3 would clarify that the WRC may use other available receipts for a portion of its match of non-State dollars for the Setzer Hatchery Project.
- Section 8.1 would correct a bridge name designation in the 2023 budget from "Dana Bumgardner Bridge" to "Representative Dana Bumgardner Bridge".
- Section 8.2 would allow \$5 million allocated to the City of Concord for the Concord-Padgett Regional Airport in the 2023 budget to be used by the city for any capital improvement at that airport.

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- Part IX would (i) expand the type of real property interest that may be donated to be eligible for the credit to match the federal definition for a qualified conservation contribution, which would include an easement, (ii) provide a detailed proration formula for reducing the amount of credit to which a taxpayer is entitled when the applications for a credit exceed the maximum overall amount or the maximum amount that is prioritized for forestland and farmland conservation, (iii) align the “no double benefit” provision in the individual income statute with its corporate counterpart, and (iv) allow an allocated, but unused, credit to be transferred by will or through intestate succession.

EFFECTIVE DATE: Except as otherwise provided, this act would be effective when it becomes law.