

HOUSE BILL 891: Civil Actions/State Agency and AG Litigation.

2025-2026 General Assembly

Committee: House Judiciary 1. If favorable, re-refer to Date: May 6, 2025

Rules, Calendar, and Operations of the House

Introduced by: Reps. Blackwell, Schietzelt, Blust, Howard **Prepared by:** Brad Krehely

Analysis of: PCS to First Edition Committee Co-Counsel

H891-CSRN-18

OVERVIEW: House Bill 891 would enact the Government Agency Forum Selection Act to provide that the General Court of Justice maintains primary jurisdiction to hear civil actions involving the State or a local political subdivision of the State. It also would provide that the Attorney General must not advance an argument in any jurisdiction that would result in the invalidation of any State statute.

The Proposed Committee Substitute creates exceptions found in G.S. 1-665(b)(2)-(7) and prohibits the Attorney General from entering into a class action lawsuit unless the Attorney General received approval from the General Assembly when the General Assembly is in regular session. If the General Assembly is not in regular session, the Attorney General must seek joint approval from the Speaker and President Pro Tempore of the Senate as agents of the State through the General Assembly.

BILL ANALYSIS:

Section 1

Chapter 1 of the General Statutes addresses civil procedure. Currently, North Carolina has not articulated a public policy preference for the State's General Court of Justice to maintain primary jurisdiction to hear civil actions involving the State or a political subdivision of the State.

Section 1 would enact the Government Agency Forum Selection Act. It would provide that the General Court of Justice maintains primary jurisdiction to hear civil actions involving the State or a local political subdivision of the State as follows:

- ➤ Where a State court has concurrent jurisdiction with a federal court: An action brought by the State or a local political subdivision of the State must be brought in State court.
- ➤ If the federal court has exclusive jurisdiction over the subject matter of an action: A State or local political subdivision of the State may file a civil action in federal court.
- ➤ If the State or a local political subdivision of the State is a defendant in a civil action: the State or local political subdivision must not seek to remove, or consent to removal of, the action from State court to federal court.

These statutes would not apply to any of the following:

- ➤ The Speaker and the President Pro Tempore of the Senate, as agents of the State, having standing to intervene for the General Assembly in any judicial proceeding challenging a State statute or provision of the State Constitution.
- Lawsuits against an employee, officer, or agent of a judicial department entity, including judges.

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- > Lawsuits against district attorneys.
- Lawsuits against law enforcement officers and agencies.
- > Lawsuits against local governments.
- Lawsuits filed by people who are incarcerated.
- > Lawsuits involving Medicaid.
- > Employment discrimination claims.

This section also would include a severability clause.

Section 2

Currently, the Attorney General must not, as a party, amicus, or any other participant in any action pending before a court in <u>another state</u>, advance any argument that would invalidate any State statute.

Section 2 would provide that the Attorney General must initiate actions on behalf of the State to enforce or defend State law and clarify that the Attorney General must not advance an argument <u>in any jurisdiction</u> that would result in the invalidation of any State statute.

This section also would prohibit the Attorney General from entering into a class action lawsuit unless the Attorney Geneal received approval from the General Assembly when the General Assembly is in regular session (the period from the date set by law of resolution that the General Assembly convenes until the General Assembly adjourns sine die or recesses or adjourn for more than 10 days). If the General Assembly is not in regular session, the Attorney General must seek joint approval from the Speaker and President Pro Tempore of the Senate as agents of the State through the General Assembly.

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