



2025-2026 General Assembly

SENATE BILL 257: 2026 Appropriations Act, Sec. 5.7: Children's Hospital Antitrust/State Action Immunity.

Analysis of: S.L. 2026-41, Sec. 5.7

Date: August 20, 2026
Prepared by: Legislative Analysis
Division Staff

Section 5.7 of S.L. 2026-41 (Senate Bill 257) adds a definition of "North Carolina Children's Health" (NCC) to the list of definitions under Article 37A of Chapter 116 of the General Statutes, The University of North Carolina Health Care System. The NCC is defined as a pediatric health facility and associated sites that (i) receive State funding and (ii) are developed by the University of North Carolina Health Care System (System) in partnership with Duke University Health System (Duke University).

This section further provides that the Board of Directors (Board) of the System can enter into cooperative agreements with Duke University, any component of The University of North Carolina (UNC), NCC, or any combination thereof, to provide pediatric research, health care, and discovery, including the development and joint operation of NCC, without regard to the effect on market competition. Through these partnerships and for these purposes, the System acts according to State policy by ensuring (i) pediatric health care is made available to all parts of North Carolina and (ii) North Carolina is at the forefront of pediatric research, health care delivery, and innovation.

This section provides that these activities by the System constitute "State action" for purposes of antitrust law and that the General Assembly intends that these agreements are immune from the application of federal and State antitrust law.

This section became effective July 1, 2026.

Kara McCraw
Director



Legislative Analysis
Division
919-733-2578