



2025-2026 General Assembly

SENATE BILL 257: 2026 Appropriations Act, Sec. 22.5: Eliminate Office for Historically Underutilized Businesses

Analysis of: S.L. 2026-41, Sec. 22.5

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Prepared by: Legislative Analysis
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Section 22.5 of S.L. 2026-41 (Senate Bill 257) abolishes the Office for Historically Underutilized Businesses and any related advisory committees in the Department of Administration and transfers the North Carolina Small Business Enterprise Program to the Office of Purchase & Contract in the Department of Administration. This section eliminates statutory references to required or encouraged use of minority-owned, women-owned, and disabled-owned businesses in State and local contracting, purchasing, and reporting, and substitutes "small business" participation. This section also prohibits governmental entities from establishing or requiring compliance with goals for minority- or women-owned business participation in design-build, design-build bridging, and public-private partnership projects and restricts such requirements unless federally mandated. This section also repeals statutes and local acts establishing or requiring participation goals, reporting, or plans related to minority- or women-owned business enterprise participation, including local acts authorizing such requirements.

This section became effective July 1, 2026.

Kara McCraw
Director



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