



2023 - 2024 State Budget Report

NCACC Analysis and Highlights

Overview

Following a summer long negotiation between the House and the Senate, which at one point included the expansion of legalized gaming in the form of casinos across the state, a budget deal has been struck. The General Assembly plans to spend \$29.8 billion in FY 2023-24 and \$30.9 billion in FY 2024-25. With considerable shortages of teachers and state workers, this budget has prioritized salary adjustments by giving most state employees a 7% pay raise across the biennium. Teachers will also receive an average pay raise of 7% in that same time period, while starting teaching pay will increase by 11% to \$41,000 in FY 24-25. Additionally, this budget agreement grows the Rainy-Day fund balance by \$125 million for a total of just under \$5 billion and cuts taxes by \$1.2 billion over the next two years. The budget also invests billions of dollars in capital and infrastructure projects, including water infrastructure and K-12 public school capital infrastructure, throughout the state. The budget includes more than 2000 special provisions, and NCACC urges counties to search the budget document for their counties and municipalities. Once enacted, counties can search for direct grants at <https://www.osbm.nc.gov/directed-grants-database>.

In addition to making financial investment in county priorities, the budget also makes various policy changes impacting counties, including the modification of a General Assembly commission to expand the commission's oversight of, and ability to investigate, local governments and local officials (Section 27.10). More details of this and other special provisions impacting counties are at the end of this document.

Governor Cooper has announced that the budget will go into law without his signature.

Highlights of the [budget special provisions](#), as well as the accompanying [money report](#), include:

Capital/Infrastructure

Lottery

The budget invests over \$400 million in 2023-24 toward public school capital funding via the Education Lottery Fund. This amount equals over 43% of appropriated lottery proceeds. The lottery funds earmarked for public school capital infrastructure flow through three different funds within the Education Lottery Fund as follows:

- **\$100M** in Public School Building Capital Fund distributed to counties based on school population numbers.
- **\$254M** FY23-24 in Needs-Based Public School Capital Fund to which counties can apply for grants for specific capital projects.
- **\$50M** FY23-24 in the recently created Public School Repair & Renovation Fund distributed equally (\$500,000) to each county to be used for enlargement, improvement, expansion, repair, or renovation of classroom facilities at public school buildings, but may not be used for retirement of indebtedness.

The budget also increases the maximum grant awards in the Needs-Based Public School Capital to \$42 million for an elementary school, \$52 million for a middle school, or \$62 million for a high school.

Provides that if a county declines or otherwise forfeits a grant award, the county may not be awarded an additional grant for 24 months from the date the initial grant was declined or forfeited.

Directs project construction must be initiated within 24 months of award of grant funds.

State Capital and Infrastructure Fund (SCIF)

- **\$2B** for more than 200 local water and wastewater projects across the state.
- **\$700M** for highway maintenance programs, including contract resurfacing, general maintenance, and bridge construction and preservation.
- **\$5B** into the State Capital and Infrastructure Fund across the biennium, including **\$1.67B** for new state agency and UNC capital projects.
- Notable projects include increasing total authorization for ECU Brody School of Medicine, advanced planning funds



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Capital/Infrastructure (Continued)

State Capital and Infrastructure Fund (SCIF) (Continued)

for a new business school at N.C. State University, and additional funds for the planning and construction of the Downtown Education Campus, which once completed will house the UNC System Office, the Community Colleges System Office, the Department of Public Instruction, and the Department of Commerce.

- Replenishes the state agency repair and renovation accounts by **\$200M** each year of the biennium.
- **\$530M** across the biennium for UNC System repairs and renovations.
- **\$100M** in each year of the biennium for new construction and repairs and renovations of community college facilities. Completes the four-year community college capital commitment for a total of **\$400M**.
- Targeted direct allotments for capital projects at community colleges across the state.
- Targeted direct allotments to counties for various capital projects across the state.

Broadband

Last biennium, members of the General Assembly invested billions in American Rescue Plan funds to expand broadband throughout the state, a long-standing legislative goal for NCACC. This year, legislators appropriated funds to improve digital literacy and expand capacity for the Department of Information Technology to administer grants.

- **\$3.75M** in each year of the biennium to supplement existing administrative capacity in support of high-speed internet efforts.
- **\$14M** from the Growing Rural Economies with Access to Technology (GREAT) Program to complete the project to improve broadband access at all 47 rural colleges.
- **\$12.5M** in 2023-24 and **\$6.6M** in 2024-25 for an awareness campaign with targeted community-based efforts and digital literacy offerings.
- Revises the eligibility for the Completing Access to Broadband program to exclude eligibility to those counties that both (1) are a development tier three area, as provided in the annual ranking performed by the Department of Commerce pursuant to [G.S. 143B-437.08](#) for the 2023 calendar year and (2) have utilized federal funding for broadband infrastructure projects on or after May 1, 2021, is not eligible. Previously excluded all counties that had previously utilized federal funding (Section 38.7).

Public Education

K-12 Schools

- **\$4.8M** in each year of the biennium in additional funds to increase all tiers of the Small County supplemental funding allotment.
- **\$16.7M** in each year of the biennium for the Low-Wealth Counties Supplemental Funding and At-Risk Student Services allotments resulting from changes in local factors like per-capita income and number of students living in poverty. The allotment formulas are unchanged from previous years.
- **\$4M** in each year of the biennium to allot additional flexible funds to schools with a student population made up of more than 80% economically disadvantaged students that exceed growth on school-wide Education Value-Added Assessment System (EVAAS) measures. (See Section 7.45)

School Safety Appropriations

- **\$35M** in each year of the biennium for the school safety grants program to support students in crisis, school safety training, and the purchase of safety equipment.
- **\$900,000** in 2023-24 for the Center for Safer Schools to conduct a school safety awareness campaign and continue contracts to conduct threat assessment team development.
- **\$850,000** in each year of the biennium for the Center for Safer School's anonymous tip line, which facilitates anonymous reporting of school safety threats.



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Public Education (Continued)

K-12 Schools (Continued)

Compensation

- **\$176M** in 2023-24 and **\$304M** in 2024-25 to increase teacher salaries by an average of 7% over the biennium.
- **\$30M** in each year of the biennium in additional funding for the Teacher Supplement Assistance Allotment, providing funds in most counties (see Section 7A.4). The revised net appropriation for the program is \$200 million.
- **\$4.7M** in each year of the biennium for additional bus driver salary increases in addition to across the board raises to bring total salary increase for bus drivers to around 9%.

Non-Budget Related Policy Provisions of Note

- Expands the Opportunity Scholarship Program (private school vouchers) to make all students and families in North Carolina eligible to receive a scholarship regardless of family income. Award amounts are determined on a sliding scale based on income. Ramps up funding for the Program over the course of the next several years to eventually reach over \$500M per year by 2031-2032. (Section 8A.6) A separate section of the budget (Section 7.82) provides the General Assembly's intent to reinvest in the public schools any savings realized by the state each year, beginning in the 2025-2026 school year, because of the transfer of a student from a public school unit to a nonpublic school.
- Requires the Department of Public Instruction to develop a model for funding services for children with disabilities on the basis of the reported cost of the services provided. (Section 7.7)
- Requires career exploration and development plans for middle and high school students. (Section 7.13)

Community Colleges/UNC System

- **\$10M** in 2023-24 and **\$20M** in 2024-25 to assist community colleges in starting programs in nursing and health-related career fields that require significant start-up funds.
- **\$10M** in 2023-24 and **\$15M** in 2024-25 to colleges to develop and expand courses that lead to a degree or credential in healthcare-related fields.
- Reduces funds provided to the UNC School of Government by **\$2.5M**; and provides **\$2M** in start-up funds to establish the new School of Civic Life and Leadership
- **\$5.2M** to the North Carolina Collaboratory for competitive grants to constituent institutions for opioid abatement and research

Non-Budget Related Policy Provisions of Note

- Makes changes to how local boards of trustees of community colleges are appointed. The budget bill requires eight members of the board to be appointed by the General Assembly. The bill requires four trustees to be elected by the board of commissioners of the county in which the main campus of the institution is located, one of whom may be a county commissioner. In addition, the bill contains improved language, at NCACC's urging, to ensure county representation by allowing each board of commissioners of any other county in the administrative area that provides plant funds to the institution to elect two additional trustees to the board, one of whom may be a county commissioner. There are delineated exceptions to this for Mayland Community College, South Piedmont Community College, and Vance-Granville Community College. (Section 6.10)

Tax and Finance

Finance provisions in this budget reduce individual income tax at a more rapid pace than previously laid out by legislative leadership. Items include expansion and introduction of new tax exemptions that slightly reduce local government revenues. In keeping with the theme of local government transparency over the course of the session, the budget includes provisions requiring counties to provide additional information when issuing bond referenda.

- Decreases the personal income tax rate to 3.99% in tax year 2026; under current law, the rate of 3.99% would be reached in tax year 2027.



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Tax and Finance (Continued)

- Additionally, creates a series of General Fund revenue "triggers" under which the personal income tax rate could drop as low as 2.49%. (Sec. 42.1)
- Reduces the state's income from the Franchise tax by capping the tax on the first \$1 million of a C Corporation's tax base, effective 2025. (Sec. 42.6A)
- Repeals the state privilege license and accompanying one-time \$50 tax for a wide variety of professionals, including but not limited to attorneys, physicians, and architects. (Sec. 42.7)
- Reduces state and local sales tax revenue by extending or expanding existing tax exemptions and by creating new exemptions; the total loss to local governments statewide is estimated to be \$5.5M in FY 2023-24 and \$15.4M in FY 2024-25:
 - Creates a sales tax exemption for items sold by continuing care retirement communities, except for alcohol. (Sec. 42.10)
 - Extends the sunset for the existing exemption for motorsports engines and related items by 4 years. (Sec. 42.11)
 - Expands the existing exemption for aircraft repair parts and accessories to apply to additional aircrafts. (Sec. 42.12)
 - Extends the sunset for the existing exemption for commercial aviation fuel by 5 years (Sec. 42.13)
 - Expands the existing exemption for fuel and other supplies used by freight-bearing vessels that travel the ocean; the expanded language would also apply to vessels that travel inland and intracoastal waterways (Sec. 42.14)
 - Creates a sales tax exemption for breast pumps and related accessories and supplies (Sec. 42.16)
- Changes the excise tax rate on smokeless tobacco from 12.8% of cost price to \$0.40 per ounce and creates a new tax rate for "alternative nicotine products" such as pouches of ground tobacco. (Sec. 42.18)
- Creates a new tax on for-hire ground transport services (e.g., Uber, limousine rentals, taxis). The rate will be 1.5% for non-shared ride services and 1% for shared ride services; tax proceeds will go to the state Highway Fund. (Sec. 42.19)
- Prohibits the Piedmont Authority for Regional Transportation (PART) from levying a short-term car rental tax in an area only composed of Surry County. (Sec. 42.20)
- Creates a property tax exclusion for Smith Reynolds Airport in Forsyth County, reducing the property tax revenue that Forsyth County will receive from the airport. (Sec. 42.23)

Health and Human Services

With the passage of the budget, the long anticipated and NCACC top legislative priority of Medicaid expansion will take place. The Department of Health and Human Services has stated December 1 as the go live date. Legislators also made significant appropriations to address needs related to child welfare, rural healthcare, and substance use disorders including a \$2M appropriation over the biennium to NCACC to continue opioid settlement technical assistance.

Medicaid Expansion

- **\$1.6B** in nonrecurring federal funds awarded to North Carolina for expanding Medicaid.
- Approximately **\$121M** over the biennium to increase Medicaid managed care hospital reimbursements.
- Slightly more than **\$524M** in FY23-24 and **\$720M** in FY24-25 for expected changes in Medicaid enrollment, federal match rates, and continued transition to managed care, among other things.

Child Welfare

- **\$3.8M** over the biennium for a "permanency initiative" for children in foster care.
- **\$20M** in FY23-24 and **\$60M** in FY 24-25 from the ARPA Temporary Savings Fund the Division of Child and Family Well-Being, the Division of Mental Health, Developmental Disabilities, and Substance Use Services, and the Division of Social Services for families caring for children with behavioral health needs.



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Health and Human Services (Continued)

Child Welfare (Continued)

- **\$5M** over the biennium for emergency short term shelter and therapeutic services for children with critical behavioral health needs—anticipated that this investment will open an additional 50 beds across the state for children in need of these services.
- **\$319M** for the construction of a new UNC Children's Behavioral Health Hospital.

Rural Health Care

- **\$25M** from ARPA Temporary Savings Fund to expand loan repayment for physicians and other healthcare providers who commit to practice in rural and underserved communities.
- **\$5M** from ARPA Temporary Savings Fund for grants to rural healthcare providers for start-up costs and equipment associated with telehealth.
- Creates the "NC Care Initiative," a partnership between ECU Health and UNC Health that creates an integrated health network and will feature the construction of three regional health clinics, a behavioral health facility in Greenville, and rightsizing existing parts of their health systems.
- **\$12.5M** non-recurring in both years of the biennium to the Rural Health Care Stabilization program for loans to rural hospitals in financial crisis.

Behavioral Health

- **\$284M** for behavioral health outreach programs and increases behavioral health provider rates on a recurring basis.
- **\$320M** for Community College allied health and workforce training capital needs.
- **\$40M** for targeted bonuses to employees working in state health facilities and **\$60 million** to increase the wages of direct care workers who provide personal care services to individuals on the state's Innovations Waiver.

Public Health

- **\$4.3M** in both years of the biennium for **\$50,000** grants to each of the state's local health departments
- **Non-Budget Related Policy Provisions of Note**
 - Requires the Department of Health and Human Services to issue a request for proposals to procure a statewide children and families specialty healthcare plan to launch by December 1, 2024. Provisions in this section are substantively similar to [Senate Bill 156/House Bill 340 Medicaid Children & Families Specialty Plan](#). (Section 9E.22)
 - Section 9G.7A grants broad authority to the Secretary of the Department of Health and Human Services when reorganizing LME-MCOs. The secretary is required to direct the dissolution of an LME-MCO when there is:
 - The termination of a behavioral health and intellectual developmental Medicaid Tailored Plan contract.
 - The Secretary delivers a notice of non-compliance to the LME-MCO.

These provisions are the same as those found in Senate Bill 425 Medicaid Agency Omnibus which passed the House and Senate earlier this legislative session.

Agriculture, Natural Resources and Environment, and Commerce

This budget presents significant investment in food security and support for North Carolina Farmers. Of particular interest to counties are billions of dollars in grants for water infrastructure and various economic incentives including the development of megasites across the state.

Food Security

- **\$10M** in the first year and **\$15M** in the second year from the State Fiscal Recovery Reserve to Farmland Preservation for conservation easements – the total for Farmland Preservation **from all sources** is **\$20.1M** in FY 23-24 and **\$25.1M** in FY 24-25.



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Agriculture, Natural Resources and Environment, and Commerce (Continued)

Food Security (Continued)

- **\$6M** in each year of the biennium distributed equally to the state's six food banks.
- **\$2M** in each year to the Conservation Fund for its NC Food Hub Collaborative to support the aggregation, distribution, and marketing of locally sourced food to customers.
- **\$20.5M** for the Tropical Storm Fred Crop Loss Program
- **\$20M** for the NC Agricultural Manufacturing and Processing Initiative (NCAMPI) to provide grants to new and expanding agricultural manufacturing facilities for site development, infrastructure costs, building construction, or equipment
- **\$300,000** for the Pesticide Disposal Assistance Program (PDAP) which provides cost-free assistance to farmers and homeowners in the safe collection and lawful disposal of banned, outdated, or unwanted pesticides.
- **\$3.5M** for the Agricultural Cost Share Program (ACSP) to improve water quality through best management practices on agricultural lands.
- **\$2M** to the ACSP to provide assistance to farmers in the watershed of the Upper French Broad River.

Economic Workforce Development

- **\$1.25B** establishing a Regional Economic Development Reserve within the General Fund.
- **\$1M** for the development of a Regional Water and Wastewater Infrastructure Master Plan.
- **\$3B** in FY 23-24 and **\$3.2B** in FY 24-25 for the Highway Fund.
- **\$250M** in each year of the biennium for **NC Innovation**, a public-private partnership designed to promote startups that spring from academic research in North Carolina.
- **\$107M** for megasites and select sites across the state, including **\$10M** to support local governments to conduct due diligence on new megasites and **\$97.8M** to support the Megasite Readiness Program
- **\$10M** to support select site readiness efforts.
- **\$25M** recurring to Golden LEAF, a nonprofit that works "to increase economic opportunity in North Carolina's rural and tobacco-dependent communities through leadership in grant making, collaboration, innovation, and stewardship as an independent and perpetual foundation."
- **\$16.9M** from anticipated receipts from S.L. 2023-42, Sports Wagering/Horse Racing Wagering, for the North Carolina Major Events, Games, and Attractions to attract major events to the state.
- **\$25M** for the 2029 World University Games.
- **\$4M** to Speedway Motorsports for the All-Star Race.

Environment

- **\$2B** over the biennium for the Clean Water and Drinking Water Reserve.
- **\$39.7M** in the first year and **\$43.3M** in the second year from the **Federal Infrastructure Investment and Jobs Act (IIJA)** to the Clean Water State Revolving Fund
- **\$66M** in the first year and **\$72M** in the second year from the IIJA to the Drinking Water State Revolving Fund
- **\$47.2M** in the first year and **\$23.9M** in the second year from the IIJA for project grants addressing emerging compounds, such as PFAS.
- **\$89.9M** in the first year and **\$89.9M** in the second year from the IIJA for project grants addressing lead service lines in water systems.
- **\$30.8M** in the first year and **\$30.8M** in the second year from the IIJA for grants to public water systems in small and disadvantaged communities that are unable to finance activities needed to comply with drinking water regulations – priority to address emerging compounds, PFAS.



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Agriculture, Natural Resources and Environment, and Commerce (Continued)

Environment (Continued)

- **\$20M** to the Streamflow Rehabilitation Assistance Program (StRAP) for ongoing maintenance and restoration of streams across the state for flood mitigation.
- **\$20M** to the Coastal Storm Damage Mitigation Fund for grants to local governments for coastal storm damage mitigation.
- Increase to the Bernard Allen Drinking Water Fund to **\$700,000** in FY 23-24 and **\$400,000** in FY 24-25.
- **\$2.5M** for the Recycled Materials Management, Environmental Stewardship Initiative, and Waste Reduction Partners programs and **\$500,000** for grants to local governments.
- **\$800,000** in each year for the Inactive Hazardous Sites Cleanup Fund.
- **\$500,000** to the Coastal Federation to support debris and vessel removal efforts.
- **\$5M** to the Coastal Federation to administer a pilot Stormwater Retrofit Cost Share Program, to provide cost share and technical assistance to permittees, repair and install upgrades to stormwater control measures.
- **\$4M** for cost-share grants to local governments to match water resource development project funds provided through the National Resource Conservation Service.
- **\$6M** for matching grants to local governments to implement water resource development projects throughout the state.
- **\$1.5M** for the Cape Fear River Basin Flood Mitigation project
- **\$911,667** for the Carolina Beach Coastal Storm Damage Mitigation, bringing total allocated for federal match to **\$3.6M**.
- **\$107,667** for the Dan River Regional Water Supply project, bringing the total allocated for federal match to **\$141,667**.
- **\$750,000** for the Holden Beach Coastal Storm Damage Recovery project.
- **\$27,784** for the Ocean Isle Coastal Storm Damage Mitigation fund bringing total to **\$1.5M**.
- Establishes policies prohibiting the Department of Environmental Quality from denying a permit application or issuing a permit on the condition that developers must first receive another environmental permit, except when required by state or federal law.
- Cuts processing times for federal air and state stormwater permits issued by DEQ and allowing most businesses to proceed with construction activities before obtaining an air permit.
- Increases the electric vehicle registration fee to \$180 and creates a plug-in hybrid registration fee of \$90.
- Creates 12 new positions within the DEQ to mitigate PFAS and other emerging compounds in our water supplies.

Justice and Public Safety

The Justice and Public Safety portion of this budget provides significant funds to aid counties in resilience and recovery following natural disasters. The bill also includes funds for grants to volunteer fire departments and a small appropriation to study judicially-managed and accountability recovery courts formerly known as drug treatment courts.

Justice

- **\$427,000** in each year of the biennium to the Criminal Justice Education and Training Standards Commission to assist implementation of the North Carolina Law Enforcement Accreditation Program (NCLEA).
- **\$233,250** in each year of the biennium for positions at the Sheriffs' Education and Training Standards Commission.
- **\$300,000** to the North Carolina Collaboratory to study judicially-managed and accountability recovery courts.



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Justice and Public Safety (Continued)

Public Safety

- **\$5M** in each year of the biennium to increase the number of Volunteer Fire Department Fund grants awarded to eligible volunteer fire departments.
- **\$1M** in each year of the biennium to provide grants, up to \$50,000, to eligible fire departments for certain emergencies. Grant awards are to replace items authorized in [G.S. 58-87-1\(a1\)\(3\)](#).
- **\$1M** in each year of the biennium to award grants to eligible departments for replacement of fire truck tires.
- **\$2M** in each year of the biennium to North Carolina Emergency Management for continuing operations of the statewide school mobile panic alarm program, the State Emergency Response Application, and the State Risk Management Portal. These programs help schools build emergency plans and make those plans available to first responders.

Emergency/Resiliency

- **\$30M** to NC Emergency Management to establish a new program to provide grants for disaster relief and mitigation as well as transportation mitigation projects.
- **\$5M** to NC Emergency Management for flood studies, risk assessment, and building mitigation strategies for unstudied streams and mapping non-encroachment areas across the State.
- **\$5M** to NC Emergency Management to create a grant program to improve local disaster shelter infrastructure.
- **\$3.3M** for detailed mapping and risk studies for 250 river gauges across the State that are part of the Flood Inundation Mapping and Alert Network (FIMAN).
- **\$1.9M** in 2023-24 for the Capacity Building Competitive Grant Program, which provides grants to local emergency management offices to improve responses to emergencies and disasters.
- **\$4.2M** in each year of the biennium for the North Carolina National Guard Local Cyber Security Joint Task Force Positions for 24 positions to be located across the State to support local governments and critical infrastructure partners in their response to cyber attacks and related threats. These positions are part of the joint cyber security task force partnership with North Carolina Emergency Management.

Non-Budget Related Policy Provisions of Note

- Expands county eligibility for the Criminal Justice Fellows Program to all counties by repealing the limitation of eligibility to counties with a population of 200,000 or less. (Section 18.3)

Elections

- **\$2.7M** to help implement North Carolina's Voter ID law.
- **\$5.6M** to modernize and replace the Statewide Election Information Management System
- **\$50,000** recurring to continue the online application to track mail ballots through the postal system.
- Prohibits North Carolina from becoming a member of the Electronic Registration Information Center, Inc. (ERIC).

Veterans Affairs

- **\$1.5M** in each year of the biennium for county veterans offices across the state.

Other Provisions of Note

Special provisions of interest to counties include new authority for the General Assembly related to investigation of local governments, preemptions of certain local ordinances, and additional requirements for counties who issue bond referenda.

GovOps Modifications (Section 27.10) - Expands the scope, power, and duties of the Joint Legislative Commission on Government Operations to include to include oversight, examination, evaluation, and investigation of local governments and local officials and employees. The commission is made up of 42 legislators, appointed by House and Senate leadership, with at least 10 legislators from the minority party.



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Other Provisions of Note (Continued)

Powers and duties of the commission include the following:

- To study the efficiency, economy, and effectiveness of any unit of local government.
- To evaluate the implementation of public policies, as articulated by enacted law, administrative rule, executive order, policy, or local ordinance, by any unit of local government.
- To investigate possible instances of misfeasance, malfeasance, nonfeasance, mismanagement, waste, abuse, or illegal conduct by officers and employees of a unit of local government, as it relates to the officer's or employee's performance of his or her public duties.

The commission additionally has the following powers and authority:

- Access to any document or system of record held by a unit of local government.
- Compel attendance of any officer or employee of any unity of local government.
- Access to any building or facility owned or leased by a unit of local government.

Makes it a Class 2 misdemeanor for any person to conceal, falsify, or refuse to provide to the commission any document, information, or access to any building or facility as required with the intent to mislead, impede, or interfere with the commission's discharge of its duties.

Bond Referendum Transparency (Section 36.3) - Requires counties who are issuing bond referenda to state, on the ballot, that new bonds may result in property tax increases. The ballot must also include language indicating the estimated cumulative cost over the life of the bond, using the higher interest rate charged for similar debt over the maximum bond issuance term. Additionally, the ballot must include the amount of property tax liability increase for each one hundred thousand dollars of property tax value to service the cumulative cost over the life of the bond.

This section is effective December 31, 2023, and applies to bond referendums conducted on or after that date.

Limitations on regulations of auxiliary containers; shopping carts (Section 5.9.(d)) - Prohibits a county from adopting an ordinance, resolution, regulation or rule to do either of the following:

- Restrict, tax, charge a fee, prohibit, or otherwise regulate the use, disposition, or sale of an auxiliary container. An "auxiliary container" is defined as a bag, cup, package, container, bottle, device, or other packaging made of cloth, paper, plastic, foamed plastic, fiber, expanded plastic, cardboard, corrugated material, aluminum, glass, post-consumer recycled material, or similar coated or laminated material that is designed for the consumption, transportation, or protection of merchandise, food, or beverage at a food service facility, manufacturing facility, distribution facility, processing facility, or retail facility.
- Regulate the use of shopping carts, including the imposition of a fee or fine on a business for failure to take possession of a shopping cart that was removed from the premises of the business.

State Wage and Hour Act preempts local governments (Section 5.9.(a)) - Provides that the State's Wage and Hour Act (G.S. 95-25.1), with certain specified exceptions, supersedes and preempts any ordinance, regulation, resolution, or policy adopted or imposed by a unit of local government or other political subdivision of the state that regulates or imposes any requirement upon an employer pertaining to compensation of employees, such as the wage levels of employees, hours of labor, payment of earned wages, benefits, leave, or well-being of minors in the workforce.

Medical Freedom/Covid-19 Vaccinations (Section 5.8) - Prohibits local governments from discriminating against persons based on their refusal to provide proof of a COVID-19 vaccination or to submit to a COVID-19 vaccination. Prohibits public schools, local public health agencies, local public health officials, and local governments from requiring any person to provide proof of or submit to a COVID-19 vaccination.



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Other Provisions of Note (Continued)

Expand Authority to Provide Local Supplements To Certain Court Positions (Section 16.28) - Repeals the requirement that a county must have a population of 300,000 or more to provide local salary supplements to certain officers and employees under [G.S. 7A-300.1](#).

Public Records (Section 27.7.(g)) - Removes statutory language making communications from attorneys to a government body a public record after three years.

Reduce Emissions Inspections Requirements (Section 12.7) - Limits vehicle emissions inspections to only vehicles with a model year within 20 years of the current year and earlier than the 2017 model year, and only to vehicles in Mecklenburg County.