



STATE OF NORTH CAROLINA
OFFICE OF STATE BUDGET AND MANAGEMENT



JOSH STEIN
GOVERNOR

KRISTIN WALKER
STATE BUDGET DIRECTOR

March 6, 2025

TO: Governor Josh Stein

The Honorable Phil Berger
President Pro Tempore of the Senate

The Honorable Destin Hall
Speaker of the House

Mr. Kevin Leonard, Executive Director
North Carolina Association of County Commissioners

Ms. Rose Williams, Executive Director
North Carolina League of Municipalities

FROM: Kristin Walker *Kristin Walker*
State Budget Director

SUBJECT: Schedule of Anticipated Administrative Rule Actions and Summary of
Administrative Rules Affecting Local Governments

Enclosed is a report required by G.S. 150B-21.28. The report contains a schedule of rule actions state agencies anticipate taking in Fiscal Year 2025-26 that might affect the state government or local governments, or that might create a substantial economic impact. The second part of this report includes a summary of rules agencies adopted in Fiscal Year 2023-24 that had an economic impact on local governments.

Please contact Loretta Peace-Bunch (loretta.peace.bunch@osbm.nc.gov) should you have any questions or comments about these items.

Enclosure

CC: Brian Liebman
Kara McCraw
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Erin Wynia
Adam Pridemore
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North Carolina Rules with Economic Impact 2025

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Background

On May 17, 1994, Governor James B. Hunt Jr. issued Executive Order No. 49 entitled “Fiscal Notes on Administrative Rules Affecting Local Governments.” The Executive Order set forth policies and procedures for state agencies to follow when proposing permanent rules with an impact on local governments. Through Session Law 1995-415, the General Assembly incorporated these policies, as well as other changes, in [G.S. 150B-21.28](#) of the [Administrative Procedure Act](#) (APA). The revised APA increases state agencies’ awareness of the effect proposed rules would have on local governments and enables local governments to be more involved in estimating the fiscal impact of permanent rules on local budgets.

According to requirements in the APA, the North Carolina Office of State Budget and Management (OSBM) prepares annually a report containing a schedule of anticipated rule actions in the upcoming fiscal year, as well as a summary of the projected economic impact on local governments of rules adopted in the preceding fiscal year. OSBM provides a copy of this annual report to the Governor, the General Assembly, the North Carolina Association of County Commissioners, and the North Carolina League of Municipalities, as required by the APA.

Outline

I. Summary

The Summary section contains statistics on anticipated rule actions in the following fiscal year that might have an economic impact, and rules adopted in the previous year with projected impact on local governments.

II. Schedule of Anticipated Rule Actions, July 1, 2025 – June 30, 2026

This section contains information on rules state agencies expect to adopt in SFY 2025-26 that would have an impact on: i) state expenditure or distribution of funds; ii) local government revenues or expenditures; or iii) would create a substantial economic impact. Substantial impact is statutorily defined as an aggregate financial impact to all parties involved of \$1,000,000 or greater over a 12-month period ([G.S. 150B-21.4\(b1\)](#)). The information in this section is organized by agency and agency division, and it includes the rule title, the North Carolina Administrative Code (NCAC) citation, staff contact information, proposed action, anticipated impact, and a brief description of the rule change.

III. Rules that Affected Local Governments, Adopted July 1, 2023 – June 30, 2024

The last section provides information on rules North Carolina agencies adopted in SFY 2023-24 that have a projected impact on local governments. The information is organized by agency and by adoption date, and it includes the rule title, NCAC citation, staff contact information and expected net impact on local government revenues and expenditures over a five-year period.

I. Summary

In SFY 2025-26, state agencies anticipate taking action on 51 different rule packages, based on reports submitted by 60 percent of agencies. This report uses the terms “rule change” or “rule” to refer to a package of permanent individual rules an agency proposes to adopt together that constitute a new policy. Therefore, the number of individual rules on which the agencies plan to take action is higher than the number noted in this report. See Table 1 below for a breakdown by agency.

The 51 rule package actions agencies anticipate making in SFY 2025-26 is a smaller amount than the 56 actions agencies anticipated engaging in during the current fiscal year (SFY 2024-25), based on information presented in the 2024 NC Rules with Economic Impact Report. Approximately 53% of the 51 anticipated rule actions with economic impact for the following year include an *amendment* to existing regulations. Approximately 22% of the anticipated rule actions are related to rule packages agencies are required to *readopt* per G.S. 150B-21.3A. Rule actions that include new rule *adoptions* make up 47% of the anticipated actions, and 14% include rule *repeals* (see Table 2).

Table 1. Number of Anticipated Rules with Economic Impact in SFY 2025-26

<i>Agency</i>	<i>Number of Rule Packages</i>	<i>Percentage of Total</i>
Department of Environmental Quality	13	25.5%
Department of Labor	9	17.6%
Department of Health and Human Services	7	13.7%
Department of State Treasurer	6	11.8%
Wildlife Resources Commission	6	11.8%
Department of Public Instruction	4	7.8%
Board of Elections	3	5.9%
Board of Examiners for Engineers and Surveyors	1	2.0%
North Carolina Industrial Commission	1	2.0%
Department of Administration	1	2.0%
Total Anticipated Rules	51	100.0%

Table 2. Number of Anticipated Rules by Type of Action

<i>Type of Impact</i>	<i>Number of Rule Packages</i>	<i>Percentage of Total</i>
Amend	16	31.4%
Adopt	12	23.5%
Readopt	11	21.6%
Adopt, Amend, and Repeal	6	11.8%
Adopt and Amend	5	9.8%
Repeal and Adopt	1	2.0%
Repeal and Amend	0	0.0%
Repeal	0	0.0%
Total Anticipated Rules	51	100.0%

The Department of Environmental Quality (DEQ), Department of Labor (DOL), Department of Health and Human Services (DHHS), Department of State Treasurer, and Wildlife Resources Commission (WRC) anticipate carrying out the majority of the rulemaking in SFY 2025-26. Note that eight of the nine DOL actions are readoptions of existing regulations, which are required for the agency to comply with the review of existing regulation provisions in [G.S. 150B-21.3A](#).

As agencies continue to engage in the existing rule review process, there might be additional rulemaking actions than those contained in this report. Based on the [Periodic Review Schedule](#) published by the Office of Administrative Hearings (accessed February 4, 2025), agencies will review -- either in whole or in part -- 126 rule chapters in the 2025-26 fiscal year. At this point, it is unclear how many individual rules will be repealed or readopted, and of those readopted, how many will result in an economic impact. Since agencies may still be in the planning stages for their re Adoption packages, they may not be able to state whether the rules will be readopted with substantive changes. Therefore, it is possible for the total number of rule actions with economic impact to be higher in the upcoming year than the 51 reported here.

Table 3 presents the number of anticipated rule actions in the next fiscal year that agencies estimate will have a state government, local government, or substantial economic impact. “Substantial economic impact” is defined in [G.S. 150B-21.4\(b1\)](#) as an aggregate economic impact of \$1 million or more over a 12-month period. Compared to the projections for the current fiscal year, as detailed in the 2024 NC Rules with Economic Impact Report, there is a reduction in the number of rules expected to have various impacts:

State Government Impact: The number of rule packages projected to impact state government decreased from 34 to 26.

Local Government Impact: The number of rule packages projected to impact local government decreased from 23 to 14.

Substantial Economic Impact: The number of rule packages projected to have potential substantial economic impact decreased from 11 to 10.

Table 3. Number of Rule Packages Anticipated in SFY2025-26, by Type of Impact*

<i>Type of Impact</i>	<i>Number of Rule Packages</i>	<i>Percentage of Total</i>
State Government	26	51.0%
Local Government	14	27.5%
Substantial Economic Impact	10	19.6%

*For more details, see Section II, Table 6 of this report.

In SFY 2023-24, state agencies adopted 15 rule changes estimated to have an impact on local governments (either a cost or benefit), as shown in Table 4.

Table 4. Number of Rule Packages Adopted in SFY 2023-24 with Local Government Impact, by Agency*

<i>Agency</i>	<i>Number of Rule Packages</i>	<i>Percentage of Total</i>
Wildlife Resources Commission	8	40.0%
Department of Health and Human Services	4	20.0%
State Board of Elections	3	15.0%
Department of Public Safety	1	5.0%
Department of Environmental Quality	1	5.0%

State Board of Education	1	5.0%
Office of State Human Resources	1	5.0%
Department of State Treasurer	1	5.0%
Total Adopted Rules	20	100.0%

*For more details, see Section III, Table 7 of this report.

Table 5 presents the estimated quantified impact on local governments over a five-year period resulting from the rules adopted in SFY 2023-24. The net present value of these quantified impacts on local governments is approximately \$21.28 million in costs (computed using a 7% discount rate, as mandated in [G.S. 150B-21.4\(b1\)](#) for fiscal note analyses). It's important to note that these rule changes may yield additional impacts over the next five years, including significant unquantifiable benefits for local and state governments as well as private entities. For instance:

- The Department of Public Safety's rules support a state-coordinated search and rescue program, which is expected to deliver significant benefits in terms of saving lives and protecting property.
- The Department of State Treasurer's rules establish surety requirements for non-taxing authorities (NTAs) to join the Local Governmental Employees' Retirement System ("LGERs"). This provision will benefit LGERs and its members by mitigating the risk of an NTA defaulting on its obligation to pay withdrawal liabilities.
- The Office of State Human Resources' rules expand the paid parental leave (PPL) program to include all state employees, including public school employees. They also extend PPL benefits to include miscarriage or death of a newborn child. This expansion will yield significant benefits for state/local government employers and employees in the form of increased productivity for several years after returning to work, improved employee retention rates, and improved infant health.

While these impacts are expected to be substantial, they are inherently difficult to quantify with precision. As such, they have not been included in Table 5. Additional information on these rule changes is contained in Table 7 in Section III of this report.

Table 5. Estimated Net Impact on Local Governments of Rules Adopted by Agencies in SFY 2023-2024, (in thousands of \$)*

<i>Agency</i>	<i>SFY</i> <i>2023-24</i>	<i>SFY</i> <i>2024-25</i>	<i>SFY</i> <i>2025-26</i>	<i>SFY</i> <i>2026-27</i>	<i>SFY</i> <i>2027-28</i>
Wildlife Resources Commission	\$0	\$2	\$0	\$0	\$0
Department of Health and Human Services	\$18	\$0	\$0	\$0	\$0
State Board of Elections	\$0	\$100	\$100	\$100	\$100
Department of Public Safety	\$2,436	\$2,436	\$2,436	\$2,436	\$2,436
Department of Environmental Quality	-\$2	-\$2	-\$2	-\$2	-\$2
State Board of Education	-\$635	-\$635	-\$635	-\$635	-\$635
Office of State Human Resources	\$500	\$500	\$500	\$500	\$500
Department of State Treasurer	\$2,469	\$2,469	\$2,469	\$2,469	\$2,469
Total Impact of Adopted Rules	\$4,786	\$4,870	\$4,868	\$4,868	\$4,868

*Note that positive values are net costs to local governments and negative values are net benefits.

Table 6. Schedule of Anticipated Rule Actions between July 1, 2025 and June 30, 2026

#	Division	Rule Title and Description	NCAC Citation(s)	Contact			Rule Action	Required by	Impacts		
				Name	Phone			Federal Law/Regulation	State	Local	Substantial
Board of Examiners for Engineers and Surveyors											
1	North Carolina Board of Examiners for Engineers and Surveyors	Biennial renewal of licenses and continuing professional competency requirements	21 NCAC 56 .0505, .0606, and .1700 et seq.	S. Wesley Tripp III	919-781-2000, ext. 111	Amend	No	-	-	SE	
During the 2025 legislative session, the Board will seek statutory authority from the General Assembly to shift from annual renewal of licenses to biennial renewal of licenses. The per year cost of a license will not increase. The current \$75 cost to renew a license for one year will shift to \$150 for two years. The Board will also seek to amend its continuing professional competency rules to correspond with the proposed biennial renewal cycle.											
Department of Administration											
1	Purchase and Contract	Purchase and Contract	01 NCAC 05	Donya M. Strong	984-789-0342	Amend	No	S	-	-	
The amendments to Subchapter 05 update the Purchase and Contract rules to better align with the eVP system.											
Department of Environmental Quality											
1	Air Quality/Environmental Management Commission	CAA 111(d) Rules for GHGs from EGUs	15A NCAC, Subchapter 02D .2700	Katie Quinlan	(919) 707-8702	Adopt	Yes	S	L	SE	
Adopt rules to implement EPA's final emission guidelines for control of greenhouse gas (GHG) emissions from existing fossil fuel-fired steam electric generating units (EGUs) under 40 CFR Part 60, Subpart UUUU. EPA finalized the emission guideline rule in May of 2024 and North Carolina's State Plan is due to EPA by May of 2026. Rulemaking is one component of the State Plan process.											
2	Air Quality/Environmental	CAA 111(d) Rules for Methane Emissions	15A NCAC, Subchapter 02D .2800	Katie Quinlan	(919) 707-8702	Adopt	Yes	S	U	SE	

* S = State Impact, L = Local Impact, SE = Substantial Economic Impact of \$1,000,000 or greater in a 12-month period, U = Impact Unknown.

II. Schedule of Anticipated Rules Actions in SFY 2025-2026

	Management Commission	from Oil and Gas Facilities								
		Adopt rules to implement EPA's final emission guidelines for control of methane emissions from oil and gas facilities under 40 CFR Part 60, Subpart OOOOc. EPA finalized the emission guidelines in March of 2024 and North Carolina's State Plan is due to EPA by March of 2026. Rulemaking is one component of the State Plan process.								
3	Air Quality/Environmental Management Commission	Air Curtain Incinerator Rules Revisions	15A NCAC 02D .1905 and 15A NCAC 02Q .0810	Katie Quinlan	(919) 707-8702	Amend	Yes	S	U	-
		Revise rules pertaining to air curtain incinerators (ACIs)/air curtain burners (ACBs) to reflect EPA's April 2024 final action to remove Title V permitting requirements for ACIs that burn less than 35 tons per day of only wood waste, clean lumber, yard waste, or a mixture of these materials, pursuant to 40 CFR Part 60, Subparts EEEE and FFFF. Additional revisions will be proposed to address internal comments received by other DAQ staff and update the Title V exclusionary limit in Rule 02Q .0810. Note: the Disaster Recovery Act of 2024 has already removed the Title V permit requirement for these ACIs consistent with EPA's final action, until such time that the State Rule is updated to match the federal rule. Therefore, any impacts from the removal of the Title V permit requirement are not attributable to this Rule action, although they will still be estimated in the regulatory impact analysis.								
4	Air Quality/Environmental Management Commission	Synthetic Minor Permit Fee Revisions	15A NCAC 02Q .0203	Katie Quinlan	(919) 707-8702	Amend	No	S	L	SE
		Revise permit fees for synthetic minor facilities. Would require parallel legislative changes to increase maximum fee amounts for this category.								
5	Air Quality/Environmental Management Commission	Revisions to Risk Management Program Rules	15A NCAC 02D .2100	Katie Quinlan	(919) 707-8702	Amend	Yes	U	U	U
		Revisions to the provisions for Risk Management Programs to align with changes to the EPA's requirements in 40 CFR Part 68 that were finalized in 2024.								
6	Coastal Management/Coastal Resources Commission	State Guidelines for Land Use Planning	15A NCAC 07B	Rachel Love-Adrick	252-515-5403	Readopt	No	S	-	-
		Readoption as required by 150B-21.3A								
7	Coastal Management/Coastal Resources Commission	State Guidelines for Land Use Planning	15A NCAC 07B	Rachel Love-Adrick	252-515-5403	Amend	No	U	U	-
		Amendments to State's planning guidelines. Changes my increase the expenses of local governments related to the cost of Land Use Plans. Additional changes could offset costs.								

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II. Schedule of Anticipated Rules Actions in SFY 2025-2026

8	Coastal Management/Coastal Resources Commission	General Permit for Replacement of Existing Bridges and Culverts in Estuarine Waters, Estuarine and Public Trust Shorelines, Public Trust Areas and Coastal Shorelines	15A NCAC 07H .2300	Gregg Bodnar	252-515-5416	Adopt and Amend	No	S	L	-
Increases the timeframe that a General Permit is in effect after it is issued from 120-days to two years. Positive fiscal impact related to permit fees for NCDOT, local governments, and private property owners.										
9	Coastal Management/Coastal Resources Commission	Approval Procedures	15A NCAC 07H .0314	Gregg Bodnar	252-515-5416	Adopt	No	S	L	-
Provide greater flexibility to local governments and large oceanfront HOAs in allowing use of wheat straw bales for dune protection. Positive impacts for local governments and DCM.										
10	Marine Fisheries/Marine Fisheries Commission	Permit rule amendments for various purposes	15A NCAC 03I .0101, .0114, 03O .0501, .0502, .0503	Catherine Blum	252-515-5500	Amend	No	S	-	-
<p>1) Consistent with other MFC rules, add a condition for all permits to make it unlawful for a permittee to harass N.C. Division of Marine Fisheries (DMF) employees in the process of data collection and public health protection. The proposed rule amendments will help DMF more optimally fulfill its duties of collecting data on regulated fishing activity from all participants for the conservation of marine and estuarine resources and ensure its employees can perform their job functions in an environment that is both physically safe and free from unlawful harassment. Providing clear data collection requirements and protections for DMF employees fulfills DMF's responsibility as a management agency and an employer. Proposed changes give clarity about the data collection requirements and consequences of unlawfully harassing a DMF employee to ensure stakeholders have comprehensive requirements in rule. Though the proposed rule changes provide clear benefits to the marine and estuarine resources and DMF employees, these benefits are unquantifiable. These rule amendments will only result in new time costs to persons who would have otherwise refused to participate in the already established data collection processes. 2) Require any seafood dealer that reports trip tickets electronically to report quota monitoring logs electronically. These proposed amendments are expected to have unquantifiable State benefits in the form of increased efficiency for DMF staff processing data submitted electronically versus data submitted in written paper format. 3) Add email as an additional means for permittees to satisfy notification requirements for two permits. These proposed amendments are expected to have unquantifiable State benefits if a permittee opts to use email in the form of increased efficiency for DMF staff processing data submitted electronically versus data submitted by telephone.</p>										
11	Waste Management	Coal Combustion Residuals (CCR) Management	15A NCAC 13B .2000	Jason Watkins	336-776-9674	Adopt	Yes	U	-	U

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II. Schedule of Anticipated Rules Actions in SFY 2025-2026

Rules are necessary to fill voids between "NC Coal Ash Management Act" in the General Statutes and Federal "Disposal of Coal Combustion Residuals From Electric Utilities" law. Most fiscal impacts to the regulated community have been or will be the result of the General Statutes, Federal Law, or existing rules for industrial and municipal solid waste landfills in 13B .0500 and .1600. The purpose of putting the CCR-specific requirements in rule is to assist the State in being approved for a State-level CCR permitting program. Also note that S.L. 2023-138, s. 3.(c) exempts rules governing permitting for closure and post-closure of CCR surface impoundments and landfills from the fiscal note requirements in G.S. 150B-21.4 and from RRC review by S.L. 2023-138, s. 3.(c).

12	Water Resources/ Environmental Management Commission	Surface Water Triennial Review	15A NCAC 02B .0219 and .0226	Chris Ventaloro	919-707-9016	Amend	Yes	S	L	-
		Update surface water standards as required by the federal Clean Water Act. Anticipate cost savings to state and local governments, no substantial economic impact.								
13	Water Resources/ Environmental Management Commission	Amend Lab Certification Rule	15A NCAC 02H .0804	Todd Crawford	919-745-4366	Amend	Yes	S	L	-
		Amending rule to add Total Nitrogen and Pharmaceutical Pollutants to list of parameters that can be certified.								

Department of Health and Human Services

1	DCDEE/ Child Care Commission	Quality Rating Improvement System (QRIS)-"Pathways to the Stars: Where Quality and Choice Meet"	10 A NCAC 09 Section .2800	Julie Peck	336-406-3296	Adopt and Amend	Yes	S	-	U
		This set of rules is proposed for adoption and amendment by the NC Child Care Commission in response to Session Laws 2023-40 and 2024-34 regarding the modernization of the state's quality rating improvement system (QRIS). QRIS is based on a star-rating licensing system that applies to child care centers and family child care homes that meet all minimum child care requirements which include but are not limited to health and safety standards and those who voluntarily choose to meet higher standards. The proposed rules incorporate all the elements of QRIS required by legislation as well as additional changes necessary for administrative clarity. The rules preserve the integrity of the state's existing QRIS while providing more options for child care facilities to demonstrate and meet quality standards. These options include adjustments to current requirements related to staff/child ratio and enrollment that will result in more availability for families, options for early childhood education professionals to meet education standards at all star levels, and a choice of three licensure pathways to earn a Star Rated License. This will enable operators to demonstrate quality care practices by meeting standards that best fit the needs of the families they serve and the early childhood education professionals they employ.								

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II. Schedule of Anticipated Rules Actions in SFY 2025-2026

2	DCDEE/ Child Care Commission	Annual Ongoing Training Requirements for Additional Caregivers and Substitute Providers	10A NCAC 09 .1703	Julie Peck	336-406- 3296	Amend	Yes	S	-	-
An amendment to this Rule is necessary to address a finding of noncompliance with federal regulations from an Administration for Children and Families (ACF) monitoring visit. Specifically, the rule must be amended to include annual ongoing training requirements for additional caregivers and substitute providers who work in a family child care home for less than 5 hours a week to comply with federal regulations.										
3	DCDEE/ Child Care Commission	Pre-Service/Orientation Training Requirements	10A NCAC 09 .0704, .0710, .0711, .0714, .1729, .1101, .2101 .2408, .2510	Julie Peck	336-406- 3296	Amend	Yes	S	-	-
Amendments to these Rules are necessary to address a finding of noncompliance with federal regulations from an Administration for Children and Families (ACF) monitoring visit. Specifically, the Rules must be amended to address child development, including the major domains (cognitive, social, emotional, physical development, and approaches to learning) for directors and staff in Licensed Child Care Centers, providers and staff in Family Child Care Homes, and staff in Religious Sponsored Facilities that are CCDF-eligible.										
4	Division of MH/DD/SAS Commission for MH/DD/SAS	Disposal of Unused Controlled Sustances from Nursing Home	10A NCAC 26E .0406	Denise Baker	984-236- 5272	Amend	No	S	-	-
Amendment is to provide clarity regarding the use of federally recognized options for disposing of and destroying unused controlled substances from nursing homes, including outsourcing the destruction to reverse distributors, in order to help ensure safe, secure, and timely disposal and destruction of unused controlled substances in North Carolina										
5	Division of MH/DD/SAS Commission for MH/DD/SAS	Medication Units and Mobile Units	10A NCAC 27G .3605	Denise Baker	984-236- 5272	Adopt	No	S	-	-
Adopt rules for the licensure, inspection, and operation of opioid treatment program medication units and opioid treatment program mobile units										
6	Office of the Secretary	Update the Delegation of Authority to Enforce the Commission for Public Health Sanitation rules	15A NCAC 01O .0101, .0102, .0103, .0104, .0105, .0106, .0107, .0108, .0109	Raj Premakumar	919-855- 4800	Readopt	No	U	U	U
Anticipate amendment of the rules governing eligibility for delegated authority, agents serving as contractors, and related authorization rules to align with proposed changes.										

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II. Schedule of Anticipated Rules Actions in SFY 2025-2026

7	DPH/ Commission for Public Health	Local Health Department Accreditation	10A NCAC 48	Virginia Niehaus	919-634- 0184	Repeal and Adopt	No	S	L	-
	Anticipated updates to the rules governing local health department accreditation.									
North Carolina Industrial Commission										
1	Department of Insurance	Foreign Language and Sign Language Interpreters	This will be a new rule in 11 NCAC 23B. Unsure at this time of the rule number.	Gina Cammarano	919-807- 2524	Adopt	No	S	-	-
	This rule, which will apply to tort claims brought under the State Tort Claims Act, will be similar to the interpreter rule (11 NCAC 23A .0619) that applies to our workers' compensation claims. The rule will set forth the procedures for parties to follow when a foreign language or sign language interpreter is needed in a tort claim hearing. Based on our initial fiscal analysis and past trends, we anticipate an average additional yearly cost to the State that ranges from hundreds of dollars to the low tens of thousands of dollars. We do not anticipate any cost to local government or any substantial impact.									
Department of Labor										
1	Departmental	Training in Human Trafficking for Lodging Establishments. Establish rules regarding requirements of NCDOL pursuant to Session Law 2024-26.	13 NCAC Chapter 21	Jill Cramer or Ashley Snyder	919-707- 7710	Adopt	No	-	-	U
	Article 24 of Chapter 130A of the NC General Statutes was adopted in Session Law 2024-26 and requires the NC Dept of Labor to develop a training course or identify existing training courses to educate employees of lodging establishments on human trafficking. The law requires NCDOL to maintain a training log; provide signage; and impose an administrative penalty for violations of the Act.									
2	Boiler and Pressure Vessel	Boiler and Pressure Vessel - Readoption of existing rules per Periodic Review	13 NCAC 13	Jill Cramer or Ashley Snyder	919-707- 7710	Readopt	No	U	U	U

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II. Schedule of Anticipated Rules Actions in SFY 2025-2026

3	Elevator and Amusement Device Division	Elevator and Amusement Device Division - Readoption of existing rules per Periodic Review	13 NCAC 15	Jill Cramer or Ashley Snyder	919-707-7710	Readopt	No	U	U	U
4	Migrant Housing	Migrant Housing - Readoption of existing rules per Periodic Review	13 NCAC 16	Jill Cramer or Ashley Snyder	919-707-7710	Readopt	No	-	-	U
5	Private Personnel Services	Private Personnel Services - Readoption of existing rules per Periodic Review	13 NCAC 17	Jill Cramer or Ashley Snyder	919-707-7710	Readopt	No	-	-	U
6	Retaliatory Employment Discrimination	Retaliatory Employment Discrimination - Readoption of existing rules per Periodic Review	13 NCAC 19	Jill Cramer or Ashley Snyder	919-707-7710	Readopt	No	U	U	U
7	Controlled Substances Examination Regulation	Controlled Substances Examination Regulation - Readoption of existing rules per Periodic Review	13 NCAC 20	Jill Cramer or Ashley Snyder	919-707-7710	Readopt	No	U	U	U
8	Conciliation and Arbitration Division	Conciliation and Arbitration Division - Readoption of existing rules per Periodic Review	13 NCAC 04	Jill Cramer or Ashley Snyder	919-707-7710	Readopt	No	-	-	U
9	Departmental Rules	Departmental Rules - Readoption of existing	13 NCAC 01	Jill Cramer or Ashley Snyder	919707-7710	Readopt	No	-	-	-

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II. Schedule of Anticipated Rules Actions in SFY 2025-2026

rules per Periodic Review

State Board of Elections										
1	Election Observers	08 NCAC 20 .0101, .0102, .0103	Paul Cox	919-814-0717	Adopt and Amend	No	-	L	-	
These rules establish legal procedures that county boards of elections must follow in the rare event that they are going to object to an election observer's appointment or the poll workers are going to remove an unruly observer from the voting site. The rules also require county boards to make available to observers at the polling place identification tags for the observers to be identifiable to voters and poll workers.										
2	Canvass Deadlines	08 NCAC 02. 0110; 08 NCAC 09 .0107, .0110	Paul Cox	919-814-0717	Adopt and Amend	No	-	U	-	
These rules impose deadlines for county boards of elections to complete election protest proceedings and recounts.										
3	Petitions	08 NCAC 22	Adam Steele	919-814-0654	Adopt	No	U	U	-	
These rules will establish guidelines and legal procedures for the conduct of petitions that can be statewide or county level, depending on the jurisdiction of the subject of the petition. The rules will require petitioners and their representatives to follow certain procedures to initiate and file their petition. The rules will also guide and impose requirements on the State Board and county boards of elections for the processing and review of the petitions.										
State Board of Education										
1	DPI Educator Preparation and Licensure Division	"Licensure" (There is no title in the NCAC.)	16 NCAC 06C .0300	Ryan Collins, Thomas Ziko	(984) 236-2245	Adopt, Amend, and Repeal	No	-	-	SE
Teacher licensure rules are likely to be adopted, amended, and repealed to provide pathways to excellence and build licensing on articulated standards of practice, multiple practice evidence points of attainment of knowledge of the practice, and advanced/lead teacher support. Changes may necessitate increased licensure fees to support the program.										
2	DPI Educator Preparation and Licensure Division	Teacher Education	16 NCAC 06C .0200	Ryan Collins, Thomas Ziko	(984) 236-2245	Adopt, Amend, and Repeal	No	-	L	SE
Education preparation program rules are likely to be adopted, amended, or repealed to implement SBE policies on program approvals, renewals and revocations. Changes may result in costs to approved programs in community colleges and private education. programs.										

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II. Schedule of Anticipated Rules Actions in SFY 2025-2026

3	DPI Human Resources Division	Personnel	16 NCAC 06C .0400	Ryan Collins, Thomas Ziko	(984) 236-2245	Adopt, Amend, and Repeal	No	S	L	SE
Rules governing school personnel salaries and benefits are likely to be adopted, amended, or repealed to implement legislation and SBE policies. Changes may result in costs or benefits to the State, local boards of education and teachers.										
4	DPI Office of Federal Programs	Federal Programs	16 NCAC 06H .0100	Ryan Collins, Thomas Ziko	(984) 236-2245	Adopt, Amend, and Repeal	Yes	U	L	SE
Rules governing SBE administered federal programs, particularly special education, are likely to be adopted, amended, or repealed to implement SBE policies. Changes may result in costs or benefits to local boards of education, students, and parents.										
Department of State Treasurer										
1	Retirement Systems Division	Contribution-Based Benefit Cap "Watchlist"		Patrick Kinlaw	(919) 814-4157	Adopt	No	-	-	-
The rule would provide defined terms and outline conditions of how RSD creates a list of employees that are "likely", as stated in statute, to require and additional employer contribution under the Contribution-Based Benefit Cap.										
2	Retirement Systems Division	Return-to-Work Overpayment Due to Employer Reporting Errors		Patrick Kinlaw	(919) 814-4157	Adopt	No	S	L	SE
Retired members of the Retirement Systems may return to work with an employer of the same Retirement System and suspend their monthly retirement benefit. Under G.S. 135-6(f) (TSERS) and 128-28(g) (LGERS), if an employer fails to report the member to the Retirement System within a predetermined period of time, then the employer "may be" assessed the penalties due to the member receiving an overpayment. The rule would define under what circumstances RSD would address the penalty to the employer to ensure that all employers are being treated equally.										
3	Retirement Systems Division	RSD Determinations for the De Minimis Least Impactful		Patrick Kinlaw	(919) 814-4157	Adopt	No	-	-	-
Should a retired member return to work during the required waiting period, the Retirement Systems Division shall determine the lesser financial impact between two: moving their effective retirement date, making them ineligible to have received the retirement benefit and any other associated benefits such as health insurance (TSERS) and repaying all of the retirement benefits received up until that point, or make a lump-sum payment equal to three times the amount of compensation earned during the period. The Retirement Systems Division cannot determine the complete financial impact of the loss of health insurance. Therefore, the rule would allow RSD to provide the member an opportunity to make the determination of what is considered to have the least financial impact on the member.										

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II. Schedule of Anticipated Rules Actions in SFY 2025-2026

4	Retirement Systems Division	Contributory Death Benefit Administrative Changes	20 NCAC 02M.0202, .0203, .0204	Patrick Kinlaw	(919) 814-4157	Amend	No	S	L	U
The amendment of the Contributory Death Benefit rules would change the effective application date to better match that of other benefits provided by the Retirement Systems by changing the application date requirement of within 60 days from the effective retirement date to instead coincide with the receipt of their first monthly retirement benefit payment date. In addition, the amendment would make administrative changes that would allow for the previously stated change to be implemented in a more simplified and efficient manner.										
5	Local Government Commission	Local Government Commission Decennial Rules Review	20 NCAC 03 (the entire chapter)	Laura Rowe	919-814-3851	Adopt, Amend, and Repeal	No	U	U	U
The Local Government Commission is currently in the decennial review process and therefore, some rules with local government impact may be adopted, re-adopted, amended, or repealed during FY 25-26.										
6	Local Government Commission	Capital Facilities Finance Agency Decennial Rules Review	20 NCAC 09 (the entire chapter)	Laura Rowe	919-814-3851	Adopt, Amend, and Repeal	No	U	U	U
The Capital Facilities Finance Agency is currently in the decennial review process and therefore, some rules with local government impact may be adopted, re-adopted, amended, or repealed during FY 25-26.										
Wildlife Resources Commission										
1	NCWRC	Game Lands	15A NCAC 10D	Carrie Ruhlman	919-707-0011	Amend	No	S	U	-
Multiple modifications to include changes to use, establishment of a new game land, target shooting, fishing, permit requirements, and administrative updates.										
2	NCWRC	Inland Fishing	15A NCAC 10C	Carrie Ruhlman	919-707-0011	Amend	No	S	U	-
Modify size and/or creel limits; modify list of waters designated as Public Mountain Trout Waters to further classifications: Hatchery Supported, Delayed Harvest or Wild Trout.										
3	NCWRC	Wildlife Management	15A NCAC 10B	Carrie Ruhlman	919-707-0011	Adopt and Amend	No	S	U	-
Modify hunting and trapping seasons and bag limits and regulations in CWD surveillance areas.										
4	NCWRC	Water Safety	15A NCAC 10F	Carrie Ruhlman	919-707-0011	Amend	No	S	L	-
Modify and add no wake zones throughout the state.										

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II. Schedule of Anticipated Rules Actions in SFY 2025-2026

5	NCWRC	Wildlife Service Agents	15A NCAC 10G .0400	Carrie Ruhlman	919-707- 0011	Readopt	No	-	-	-
Update requirements and regulations for WSAs.										
6	NCWRC	Conservation Access Pass	15A NCAC 10A	Carrie Ruhlman	919-707- 0011	Adopt	No	S	U	SE
Require unlicensed individuals using WRC property to have a Conservation Access Pass.										

* S = State Impact, L = Local Impact, SE = Substantial Economic Impact of \$1,000,000 or greater in a 12-month period, U = Impact Unknown.

III. Rules with Estimated Local Government Impact Adopted in SFY 2023-2024

Table 7. Rules with Estimated Local Government Impact Adopted Between July 1, 2023 and June 30, 2024

Agency, Division	Title of Rule Change	Citation(s)	Contact	Date Adopted	Quantified Impact on Local Government (thousands):*				
					2023- 24	2024- 25	2025- 26	2026- 27	2027- 28
Department of Environmental Quality									
Coastal Resources Commission/DCM	General Permit Time Period Extension	15A NCAC 07H .1102, .1202, .1302, .1402, .1502, .2002, .2102, .2202, .2302, .2402, .2702	Mike Lopazanski	11/9/23	-\$2	-\$2	-\$2	-\$2	-\$2
Total quantified impact for Department of Environmental Quality:					-\$2	-\$2	-\$2	-\$2	-\$2
Department of Health and Human Services									
Commission for Public Health/DPH	Sanitation of Summer Camps	15A NCAC 18A .1001-.1022, .1027	Virginia Niehaus	2/7/24	\$27	\$0	\$0	\$0	\$0
Commission for Public Health/DPH	Sanitation of Residential Care Facilities	15A NCAC 18A .1601-.1621	Virginia Niehaus	2/7/24	\$26	\$0	\$0	\$0	\$0
Commission for Public Health/DPH	Public Swimming Pools	15A NCAC 18A .2518, .2539	Virginia Niehaus	2/7/24	\$27	\$0	\$0	\$0	\$0
Medical Care Commission/DHSR	EMS and Trauma Rules	10A NCAC 13P	Shanah Black	2/2/24	-\$62	\$0	\$0	\$0	\$0
Total quantified impact for Department of Health and Human Services:					\$18	\$0	\$0	\$0	\$0
Department of State Treasurer									
DST	LGERS Surety	20 NCAC 02C .0210 -.0211	Laura Rowe	7/27/23	\$2,469	\$2,469	\$2,469	\$2,469	\$2,469
Total quantified impact for Department of State Treasurer:					\$2,469	\$2,469	\$2,469	\$2,469	\$2,469
Department of Public Safety									
DPS	Regional Response Team Program	14B NCAC 03 .0501-.0509	Will Polk	11/1/23	\$2,436	\$2,436	\$2,436	\$2,436	\$2,436
Total quantified impact for Department of Public Safety:					\$2,436	\$2,436	\$2,436	\$2,436	\$2,436

* Note that positive values are net costs to local governments and negative values are net benefits. The table does not present unquantified costs and benefits.

III. Rules with Estimated Local Government Impact Adopted in SFY 2023-2024

Office of State Human Resources									
OSHR	Paid Parental Leave	20 NCAC 02C .0210 -.0211	Denise Mazza	6/6/24	\$500	\$500	\$500	\$500	\$500
Total quantified impact for Office of State Human Resources:					\$500	\$500	\$500	\$500	\$500
State Board of Education									
SBE	Remote Academies Rental and Damage Fees	16 NCAC 06G .0601	Thomas Ziko	9/7/23	-\$635	-\$635	-\$635	-\$635	-\$635
Total quantified impact for State Board of Education:					-\$635	-\$635	-\$635	-\$635	-\$635
State Board of Elections									
Board of Elections	Election observer identification and procedures for removal or challenge	08 NCAC 20 .0101, .0102, .0103	Paul Cox	1/2/24	\$0	\$0	\$0	\$0	\$0
Board of Elections	Electronic pollbook certification	08 NCAC 04 .0401, .0402	Paul Cox	2/15/24	\$0	\$0	\$0	\$0	\$0
Board of Elections	Photo identification for voting	08 NCAC 17 .0101, .0109	Paul Cox	2/15/24	\$0	\$100	\$100	\$100	\$100
Total quantified impact for State Board of Elections:					\$0	\$100	\$100	\$100	\$100
Wildlife Resources Commission									
WRC	Public Fishing and Boating Access	15A NCAC 10E .0101-.0104	Carrie Ruhlman	2/22/24					Unquantified
WRC	Chronic Wasting Disease	15A NCAC 10B .0501, .0503	Carrie Ruhlman	10/26/23					Unquantified
WRC	Land and Water Access	15A NCAC 10D .0103, .0209, .0215, .0216, .0225, .0233, .0243, .0245, .0252, .0256, .0276, .0283, .0293, .0294	Carrie Ruhlman	2/22/24					Unquantified
WRC	Rewards	15A NCAC 10A .1301-.1303	Carrie Ruhlman	2/22/24					Unquantified

* Note that positive values are net costs to local governments and negative values are net benefits. The table does not present unquantified costs and benefits.

III. Rules with Estimated Local Government Impact Adopted in SFY 2023-2024

WRC	No Wake Zone	15A NCAC 10F .0308, .0310, .0314	Carrie Ruhlman	12/7/23	\$0	\$1	\$0	\$0	\$0
WRC	No Wake Zone	15A NCAC 10F .0310, .0314	Carrie Ruhlman	4/18/24	\$0	\$1	\$0	\$0	\$0
WRC	Declaratory Rulings	15A NCAC 10A .0501-.0503	Carrie Ruhlman	2/22/24			Unquantified		
WRC	Wildlife Management	15A NCAC 10B .0202, .0203, .0211, .0223; 10D .0103, .0251; 10H .0101, .0102, .0105, .0109	Carrie Ruhlman	2/22/24			Unquantified		
Total quantified impact for Wildlife Resources Commission:					\$0	\$2	\$0	\$0	\$0
Total for ALL Agencies (quantifiable net impact only)*:					\$4,786	\$4,870	\$4,868	\$4,868	\$4,868

* Note that positive values are net costs to local governments and negative values are net benefits. The table does not present unquantified costs and benefits.