GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2025

H.B. 645 Apr 1, 2025 HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30254-LRa-3G

Short Title: Friendly NC Act. (Public)

Sponsors: Representative von Haefen.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ENSURE A FRIENDLY NORTH CAROLINA.

Whereas, it is the policy of the State of North Carolina to proactively foster economic and social progress, fostering a free and inclusive environment for all people; and

Whereas, regressive social policies have deterred potential residents, workforce, businesses, and investors from engaging with the State, ultimately hampering its economic growth and reputation as a welcoming environment to live and work; and

Whereas, such policies fail to reflect the values of hospitality, community, and opportunity that North Carolinians hold dear; and

Whereas, it has been demonstrated in numerous research studies that jurisdictions with more inclusive social policies consistently correlate with a higher economic standard of living; and

Whereas, to maintain its position as one of the nation's fastest-growing states, foster long-term prosperity, and drive meaningful progress, North Carolina must promote nondiscrimination and ensure that it remains welcoming to all individuals, facilitating an inclusive and dynamic workforce and economy; Now, therefore,

The General Assembly of North Carolina enacts:

PART I. HATE CRIME PREVENTION

ENACT THE HATE CRIMES PREVENTION ACT

SECTION 1.1.(a) G.S. 14-3 reads as rewritten:

- "§ 14-3. Punishment of misdemeanors, infamous offenses, offenses committed in secrecy and malice, or with deceit and intent to defraud, or with ethnic animosity. as a hate crime.
- (c) If any Class 2 or Class 3 misdemeanor is committed because of the by a person motivated by, in whole or in part, a victim's race, color, religion, nationality, or country of origin, actual or perceived personally identifying characteristic, the offender shall be guilty of a Class 1 misdemeanor. If any Class A1 or Class 1 misdemeanor offense is committed because of the by a person motivated by, in whole or in part, a victim's race, color, religion, nationality, or country of origin, actual or perceived personally identifying characteristic, the offender shall be guilty of a Class H felony.
- (d) <u>In addition to any other remedies at law or in equity, a victim of an offense punished under subsection (c) of this section, or an immediate family member of the victim, may, in a civil action in any court of competent jurisdiction, obtain appropriate relief from the person who</u>



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 committed the offense, including actual damages, punitive damages, any reasonable attorneys' fees, and any other litigation costs reasonably incurred. For purposes of this subsection, the term (i) "actual damages" includes damages for emotional distress and (ii) "immediate family member" means a child, sibling, parent, grandparent, or legal guardian of the victim.

(e) In addition to any other remedies at law or in equity, a person who has been convicted of or who has pleaded guilty or no contest to having engaged in conduct in violation of subsection (c) of this section may be ordered to participate in a restorative justice session with the victim of the offense if the victim requests a restorative justice session. If restorative justice under this subsection is ordered, the court shall select a member of a local Human Relations Commission, an attorney, a mediator, or an alternative dispute resolution professional, who has training in racial equity education, to conduct the restorative justice session. All costs of a restorative justice session ordered under this subsection shall be paid by the defendant.

(f) For purposes of this section, the term "personally identifying characteristic" means any characteristic protected by the nondiscrimination provisions of the International Convention on Civil and Political Rights (ICCPR), identified in supporting decisions or General Comments of the United Nations Human Rights Committee (UNHRC), or both protected by the nondiscrimination provisions of the ICCPR and identified in supporting decisions or General Comments of the UNHRC."

SECTION 1.1.(b) G.S. 14-401.14 reads as rewritten:

"§ 14-401.14. Ethnic intimidation; teaching any technique to be used for ethnic intimidation. Intimidation by hate crime; teaching any technique to be used in the commission of a hate crime.

(a) If a person shall, because of race, color, religion, nationality, or country of origin, motivated by, in whole or in part, a person's actual or perceived personally identifying characteristic, shall assault another that person, or damage or deface the property of another that person, or threaten to do any such act, he the person shall be guilty of a Class 1 misdemeanor.

. . .

- (c) In addition to any other remedies at law or in equity, a victim of an offense committed under this section, or an immediate family member of the victim, may, in a civil action in any court of competent jurisdiction, obtain appropriate relief from the person who committed the offense, including actual damages, punitive damages, any reasonable attorneys' fees, and any other litigation costs reasonably incurred. For purposes of this subsection, the term (i) "actual damages" includes damages for emotional distress and (ii) "immediate family member" means a child, sibling, parent, grandparent, or legal guardian of the victim.
- (d) In addition to any other remedies at law or in equity, a person who has been convicted of or who has pleaded guilty or no contest to having engaged in conduct in violation of subsection (a) of this section may be ordered to participate in a restorative justice session with the victim of the offense if the victim requests a restorative justice session. If restorative justice under this subsection is ordered, the court shall select a member of a local Human Relations Commission, an attorney, a mediator, or an alternative dispute resolution professional, who has training in racial equity education, to conduct the restorative justice session. All costs of a restorative justice session ordered under this subsection shall be paid by the defendant.
- (e) For purposes of this section, the term "personally identifying characteristic" is as defined in G.S. 14-3."

SECTION 1.1.(c) G.S. 15A-1340.16(d)(17) reads as rewritten:

"(17) The offense for which the defendant stands convicted was committed against a victim because of the motivated by, in whole or in part, a victim's race, color, religion, nationality, or country of origin.actual or perceived personally identifying characteristic. For purposes of this subdivision, the term "personally identifying characteristic" is as defined in G.S. 14-3."

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SECTION 1.1.(d) Article 8 of Chapter 14 of the General Statutes is amended by adding a new section to read:

"§ 14-34.11. Felonious assault as a hate crime.

- (a) For purposes of this section, the term (i) "personally identifying characteristic" is as defined in G.S. 14-3 and (ii) "serious bodily injury" is bodily injury that creates a substantial risk of death or that causes serious permanent disfigurement, coma, a permanent or protracted condition that causes extreme pain, or permanent or protracted loss or impairment of the function of any bodily member or organ or that results in prolonged hospitalization.
- (b) Anyone who, motivated by, in whole or in part, the actual or perceived personally identifying characteristic of a person, assaults that person and inflicts serious bodily injury to the person or attempts to assault that person and inflict serious bodily injury to the person is guilty of committing the offense of felonious assault as a hate crime.
- (c) Except as provided otherwise by this section, an offense committed under this section is a Class F felony.
- (d) An offense committed under this section is a Class E felony if either of the following applies:
 - (1) Death results from the offense.
 - (2) The offense includes a violation or attempted violation of any of the following:
 - <u>a.</u> <u>G.S. 14-39 (kidnapping).</u>
 - <u>b.</u> <u>G.S. 14-27.21 (first-degree forcible rape).</u>
 - <u>c.</u> <u>G.S. 14-27.22 (second-degree forcible rape).</u>
 - d. G.S. 14-27.26 (first-degree forcible sexual offense).
 - e. G.S. 14-27.27 (second-degree forcible sexual offense).
- (e) Evidence of expressions or associations of the accused may not be introduced as substantive evidence at trial unless the evidence specifically relates to the crime charged under this section. Nothing in this section shall affect the rules of evidence governing the impeachment of a witness.
- (f) In addition to any other remedies at law or in equity, a victim of an offense committed under this section, or an immediate family member of the victim, may, in a civil action in any court of competent jurisdiction, obtain appropriate relief from the person who committed the offense, including actual damages, punitive damages, any reasonable attorneys' fees, and any other litigation costs reasonably incurred. For purposes of this subsection, the term (i) "actual damages" includes damages for emotional distress and (ii) "immediate family member" means a child, sibling, parent, grandparent, or legal guardian of the victim.
- (g) In addition to any other remedies at law or in equity, a person who has been convicted of or who has pleaded guilty or no contest to having engaged in conduct in violation of subsection (b) of this section may be ordered to participate in a restorative justice session with the victim of the offense if the victim requests a restorative justice session. If restorative justice under this subsection is ordered, the court shall select a member of a local Human Relations Commission, an attorney, a mediator, or an alternative dispute resolution professional, who has training in racial equity education, to conduct the restorative justice session. All costs of a restorative justice session ordered under this subsection shall be paid by the defendant."

SECTION 1.1.(e) Article 13A of Chapter 143B of the General Statutes is amended by adding a new section to read:

"§ 143B-1209. Hate crime statistics.

- (a) Establishment. The State Bureau of Investigation shall collect, analyze, and disseminate information regarding the commission of offenses punishable under G.S. 14-3(c), 14-401.14, or 14-34.11. The information collected, analyzed, and disseminated by the State Bureau of Investigation shall include all of the following:
 - (1) The total number of offenses committed for each type.

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Identifying characteristics of the person who committed the offense and the (2) victim from each offense.

The disposition of each offense. (3)

Report by Law Enforcement Agencies. – By no later than the fifteenth day of each month, all State and local law enforcement agencies shall report information to the State Bureau of Investigation on offenses committed in the law enforcement agency's jurisdiction that the law enforcement agency determines to meet the criteria set forth in subsection (a) of this section. A report shall include (i) any information about the offenses required by the State Bureau of Investigation and (ii) only the offenses committed during the month prior to the date the report is submitted. The State Bureau of Investigation shall set the format in which reports are to be submitted under this subsection.

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Report by the State Bureau of Investigation. – By January 15 of each year, the State Bureau of Investigation shall submit to the General Assembly a report on the information the State Bureau of Investigation collected and analyzed under subsection (a) of this section during the calendar year prior to the date the report is submitted. Additionally, the State Bureau of Investigation shall publish a copy of the report required under this subsection on its website.

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Requests for Information. – Upon request of a local law enforcement agency, a unit of local government, or a State agency, the State Bureau of Investigation shall share any information collected and analyzed under subsection (a) of this section with the requesting local law enforcement agency, unit of local government, or State agency."

SECTION 1.1.(f) The State Bureau of Investigation shall develop and implement guidelines for (i) the information required to be submitted by local law enforcement agencies under G.S. 143B-1209(b), as enacted by subsection (e) of this section, and (ii) the format in which the information is to be reported by local law enforcement agencies under G.S. 143B-1209(b). The State Bureau of Investigation shall publish the guidelines required under this subsection on its website no later than 60 days prior to the date the first report is required to be submitted under G.S. 143B-1209.

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SECTION 1.1.(g) Notwithstanding any provision of G.S. 143B-1209, as enacted by subsection (e) of this section, to the contrary, the first report required under G.S. 143B-1209(b) shall be submitted by February 15, 2026, and the first report required under G.S. 143B-1209(c) shall be submitted and published by January 15, 2027.

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SECTION 1.1.(h) There is appropriated from the General Fund to the State Bureau of Investigation the sum of one million eight hundred ninety thousand dollars (\$1,890,000) in nonrecurring funds for the 2025-2026 fiscal year to cover any costs incurred in establishing the hate crimes statistics database required under G.S. 143B-1209(a), as enacted by subsection (e) of this section.

SECTION 1.1.(i) There is appropriated from the General Fund to the State Bureau of Investigation the sum of five hundred thirty thousand dollars (\$530,000) in recurring funds for the 2025-2026 fiscal year to hire an additional employee to manage the hate crimes statistics database required under G.S. 143B-1209(a), as enacted by subsection (e) of this section.

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SECTION 1.1.(j) G.S. 17D-2(c) reads as rewritten:

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Duties of the academy. The North Carolina Justice Academy shall have, but is not "(c) limited to, the following functions:

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It shall develop and provide training to law enforcement officers on how to (5) identify, respond to, and report a hate crime. For purposes of this subdivision, the term "hate crime" means an offense punishable under G.S. 14-3(c), <u>14-401.14</u>, or 14-34.11."

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SECTION 1.1.(k) G.S. 17C-6(a) reads as rewritten:

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1 2	"(a) Commiss		lition to powers conferred upon the Commission elsewhere in this Chapter, the ll have the following powers, which shall be enforceable through its rules and
3 4			fication procedures, or the provisions of G.S. 17C-10:
5 6 7 8		(2)	Establish minimum educational and training standards that must be met in order to qualify for entry level employment and retention as a criminal justice officer in temporary or probationary status or in a permanent position. The standards for entry level employment shall include all of the following:
10 11 12			d. Education and training under G.S. 17D-2(c)(5) on how to identify, respond to, and report a hate crime.
13 14 15		(14)	Establish minimum standards for in-service training for criminal justice officers. In-service training standards shall include all of the following:
16 17 18			j. Training under G.S. 17D-2(c)(5) on how to identify, respond to, and report a hate crime.
19 20 21		(17)	Establish minimum educational and training standards for employment and continuing education for criminal justice officers concerning:
22 23 24		"	c. Pursuant to G.S. 17D-2(c)(5), identifying, responding to, and reporting a hate crime.
25		SECT	FION 1.1.(<i>I</i>) G.S. 17E-4(a) reads as rewritten:
26	"(a)		Commission shall have the following powers, duties, and responsibilities, which
27	` '		hrough its rules and regulations, certification procedures, or the provisions of
28			G.S. 17E-9:
29	G.B. 17L	o una c	,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
30		(2)	Establish minimum educational and training standards that may be met in
31 32 33		(-)	order to qualify for entry level employment as an officer in temporary or probationary status or in a permanent position. The standards for entry level employment of officers shall include all of the following:
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35 36			d. Training under G.S. 17D-2(c)(5) on how to identify, respond to, and report a hate crime.
37 38 39 40		(11)	Establish minimum standards for in-service training for justice officers. In-service training standards shall include all of the following:
41 42 43			j. Training under G.S. 17D-2(c)(5) on how to identify, respond to, and report a hate crime.
44 45 46		(13)	Establish minimum educational and training standards for employment and continuing education for officers concerning:
47 48			c. Pursuant to G.S. 17D-2(c)(5), identifying, responding to, and reporting a hate crime.
49 50		" SECT	FION 1.1.(m) G.S. 7A-413 is amended by adding a new subsection to read:

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The Conference shall develop and provide training to prosecutors on how to prosecute "(e) hate crimes. For purposes of this subsection, the term "hate crimes" means an offense punishable under G.S. 14-3(c), 14-401.14, or 14-34.11."

SECTION 1.1.(n) Subsections (a) through (e) of this section become effective December 1, 2025, and apply to offenses committed on or after that date. Subsection (f) of this section becomes effective January 1, 2026. The remainder of this section becomes effective July 1, 2025.

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PROHIBIT DEFENSE BASED ON ACTUAL OR PERCEIVED PERSONALLY **IDENTIFYING CHARACTERISTIC**

SECTION 1.2.(a) Article 6 of Chapter 14 of the General Statutes is amended by adding a new section to read:

"§ 14-18.3. Prohibited defense.

- Prohibition. Notwithstanding any provision of law to the contrary, the discovery of, perception of, or belief about another person's actual or perceived personally identifying characteristics, whether or not accurate, is not a defense to a prosecution under this Article and is not provocation negating malice as an element of murder.
- Construction. Nothing in this section shall be construed as precluding the admission of evidence of a victim's or witness's conduct, behavior, or statements that is relevant and otherwise admissible.
- Definition. For purposes of this section, the term "personally identifying characteristic" is as defined in G.S. 14-3."
- SECTION 1.2.(b) Article 8 of Chapter 14 of the General Statutes is amended by adding a new section to read:

"§ 14-34.12. Prohibited defense.

- Prohibition. Notwithstanding any provision of law to the contrary, the discovery of, perception of, or belief about another person's actual or perceived personally identifying characteristics, whether or not accurate, is not a defense to a prosecution under this Article.
- Construction. Nothing in this section shall be construed as precluding the admission of evidence of a victim's or witness's conduct, behavior, or statements that is relevant and otherwise admissible.
- Definition. For purposes of this section, the term "personally identifying characteristic" is as defined in G.S. 14-3."
- **SECTION 1.2.(c)** Prosecutions for offenses committed before the effective date of this section are not abated or affected by this section, and the statutes that would be applicable but for this section remain applicable to those prosecutions.
- **SECTION 1.2.(d)** This section becomes effective December 1, 2025, and applies to offenses committed on or after that date.

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PART II. DEFINITION OF DISCRIMINATION

SECTION 2.1. Chapter 12 of the General Statutes is amended by adding a new section to read:

"§ 12-3.3. Definition of discrimination.

- Discrimination is defined as any action, policy, practice, or omission that imposes harm or disadvantage on, excludes, or denies opportunities to, a group or member of a group, without an objectively verifiable and overriding necessity directly linked to a specific, lawful, and compelling objective. No justification shall be deemed valid unless it meets the following strict criteria:
 - Objective necessity. The action, policy, or practice must serve a clear, <u>(1)</u> compelling, and demonstrable necessity, and there must be no reasonable,

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alternative means to achieve the objective that would impose less harm or 1 2 disparity. Evidence-based justification. – Any justification must be supportable by clear, 3 **(2)** 4 consistent, and empirically verifiable evidence, not assumptions, stereotypes, 5 or generalizations about distinct groups. 6 Least harmful means. – If an action, policy, or standard disproportionately <u>(3)</u> 7 affects a group or member of a group, it must be the least restrictive or harmful 8 method available to achieve the stated objective. 9 The provisions of this section shall not be construed to diminish or infringe upon any right protected under the First Amendment to the United States Constitution or the Constitution 10 11 of North Carolina." 12 **SECTION 2.2.** Chapter 41A of the General Statutes is amended by adding a new 13 section to read: "§ 41A-3.1. Definition of discrimination. 14 For the purposes of this Chapter, "discrimination" is defined by G.S. 12-3.3." 15 16 PART III. PROTECTION AGAINST HOUSING DISCRIMINATION 17 **SECTION 3.1.(a)** G.S. 41A-3 reads as rewritten: 18 19 "§ 41A-3. Definitions. 20 For the purposes of this Chapter, the following definitions apply: The following definitions 21 apply in this Chapter: 22 (1) The "Commission" means the Commission. – The North Carolina Human Relations Commission: Commission. 23 24 (1a) "Covered multifamily dwellings" means: Covered multifamily dwelling. – A building, including all units and common use areas, in which there 25 26 are four or more units if the building has one or more elevators; or Ground floor units and ground floor common use areas in a building 27 b. 28 with four or more units. "Familial status" means one Familial status. – One or more persons who have 29 (1b) 30 not attained the age of 18 years being domiciled with: 31 A parent or another person having legal custody of the person or a. 32 persons; or The designee of the parent or other person having custody, provided 33 b. the designee has the written permission of the parent or other person. 34 35 The protections against discrimination on the basis of familial status shall apply to any person who is pregnant or is in the process of securing legal 36 37 custody of any person who has not attained the age of 18 years. "Family" includes Family. – Includes a single individual; individual. 38 (2) "Financial institution" means any Financial institution. - Any banking 39 (3) corporation or trust company, savings and loan association, credit union, 40 insurance company, or related corporation, partnership, foundation, or other 41 institution engaged primarily in lending or investing funds; funds. 42 43 (3a) "Handicapping condition" means (i) a Handicapping condition. – (i) A physical or mental impairment which substantially limits one or more of a 44 45 person's major life activities, (ii) a record of having such an impairment, or 46 (iii) being regarded as having such an impairment. Handicapping condition 47 does not include current, illegal use of or addiction to a controlled substance as defined in 21 U.S.C. § 802, the Controlled Substances Act. The protections 48 49 against discrimination on the basis of handicapping condition shall apply to a

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buyer or renter of a dwelling, a person residing in or intending to reside in the

with the buyer or renter.

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 - "Housing accommodation" means any Housing accommodation. Any improved or unimproved real property, or part thereof, which is used or occupied, or is intended, arranged, or designed to be used or occupied, as the home or residence of one or more individuals; individuals.

dwelling after it is sold, rented, or made available, or any person associated

- Non-business purpose. Any purpose that does not concern a prospective or (4a) actual buyer's or tenant's actual ability to pay compensation in a real estate transaction based upon the actual knowledge of the owner, lessor, agent, or vendor.
- "Person" means any Person. Any individual, association, corporation, (5) political subdivision, partnership, labor union, legal representative, mutual company, joint stock company, trust, trustee in bankruptcy, unincorporated organization, or other legal or commercial entity, the State, or governmental entity or agency; agency.
- "Real estate broker or salesman" means a Real estate broker or salesperson. (6) Any person, whether licensed or not, who, for or with the expectation of receiving a consideration, lists, sells, purchases, exchanges, rents, or leases real property, or who negotiates or attempts to negotiate any of these activities, or who holds himself out as engaged in these activities, or who negotiates or attempts to negotiate a loan secured or to be secured by mortgage or other encumbrance upon real property, or who is engaged in the business of listing real property in a publication; or a person employed by or acting on behalf of any of these persons; person.
- (7) "Real estate transaction" means the Real estate transaction. – The sale, exchange, rental, or lease of real property; property.
- "Real property" means a Real property. A building, structure, real estate, (8) land, tenement, leasehold, interest in real estate cooperatives, condominium, and hereditament, corporeal and incorporeal, or any interest therein."

SECTION 3.1.(b) G.S. 41A-4 reads as rewritten:

"§ 41A-4. Unlawful discriminatory housing practices.

- It is an-unlawful discriminatory housing practice for any person in a real estate transaction, because of the protected status of another person to:transaction to discriminate against a person by doing any of the following based upon a non-business purpose:
 - Refuse to engage in a real estate transaction; (1)
 - (2) Discriminate against a person in the terms, conditions, or privileges of a real estate transaction or in the furnishing of facilities or services in connection therewith;
 - (2a), (2c) Repealed by Session Laws 2009-388, s. 1, effective October 1, 2009.
 - (3) Refuse to receive or fail to transmit a bona fide offer to engage in a real estate transaction;
 - (4) Refuse to negotiate for a real estate transaction;
 - (5) Represent to a person that real property is not available for inspection, sale, rental, or lease when in fact it is so available, or fail to bring a property listing to his attention, or refuse to permit him to inspect real property;
 - (6) Make, print, circulate, post, or mail or cause to be so published a statement, advertisement, or sign, or use a form or application for a real estate transaction, or make a record or inquiry in connection with a prospective real estate transaction, which indicates directly or indirectly, an intent to make a limitation, specification, or discrimination with respect thereto;

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- (7) Offer, solicit, accept, use, or retain a listing of real property with the understanding that any person may be discriminated against in a real estate transaction or in the furnishing of facilities or services in connection therewith; or
- (8) Otherwise make unavailable or deny housing.

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- (b1) It is an unlawful discriminatory housing practice for any person or other entity whose business includes engaging in residential real estate related transactions to discriminate against any person in making available such a transaction, or in the terms and conditions of such a transaction, because of race, color, religion, sex, national origin, handicapping condition, or familial status. based upon a non-business purpose. As used in this subsection, "residential real estate related transaction" means:
 - (1) The making or purchasing of loans or providing financial assistance (i) for purchasing, constructing, improving, repairing, or maintaining a dwelling, or (ii) where the security is residential real estate; or
 - (2) The selling, brokering, or appraising of residential real estate.

The provisions of this subsection shall not prohibit any financial institution from using a loan application which inquires into a person's financial and dependent obligations or from basing its actions on the income or financial abilities of any person.

- (c) It is an unlawful discriminatory housing practice for a person to induce or attempt to induce another to enter into a real estate transaction from which such person may profit:
 - (1) By representing that a change has occurred, or may or will occur in the composition of the residents of the block, neighborhood, or area in which the real property is located with respect to race, color, religion, sex, national origin, handicapping condition, or familial status of the owners or occupants; or
 - (2) By representing that a change has resulted, or may or will result in the lowering of property values, an increase in criminal or antisocial behavior, or a decline in the quality of schools in the block, neighborhood, or area in which the real property is located.
- (d) It is an unlawful discriminatory housing practice to deny any person who is otherwise qualified by State law access to or membership or participation in any real estate brokers' organization, multiple listing service, or other service, organization, or facility relating to the business of engaging in real estate transactions, or to discriminate in the terms or conditions of such access, membership, or participation because of race, color, religion, sex, national origin, handicapping condition, or familial status.based upon a non-business purpose.

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(g) It is an unlawful discriminatory housing practice to discriminate in land-use decisions or in the permitting of development based on race, color, religion, sex, national origin, handicapping condition, familial status, or, except as otherwise provided by law, the fact that a development or proposed development contains affordable housing units for families or individuals with incomes below eighty percent (80%) of area median income. It is not a violation of this Chapter if land-use decisions or permitting of development is based on considerations of limiting high concentrations of affordable housing."

SECTION 3.1.(c) G.S. 41A-5(a) reads as rewritten:

"§ 41A-5. Proof of violation.

- (a) It is a violation of this Chapter if:
 - (1) A person by his-the person's act or failure to act intends to discriminate against a person. A person intends to discriminate if, in committing an unlawful discriminatory housing practice described in G.S. 41A-4 he the person was motivated in full, or in any part at all, by race, color, religion, sex, national

origin, handicapping condition, or familial status. a non-business purpose. An intent to discriminate may be established by direct or circumstantial evidence. A person's act or failure to act has the effect regardless of intent of

(2) A person's act or failure to act has the effect, regardless of intent, of discriminating, as set forth in G.S. 41A-4, against a person of a particular race, color, religion, sex, national origin, handicapping condition, or familial status. based upon a non-business purpose. However, it is not a violation of this Chapter if a person whose action or inaction has an unintended discriminatory effect, proves that his action or inaction was motivated and justified by business necessity.

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PART IV. PROTECTION AGAINST EMPLOYMENT DISCRIMINATION

SECTION 4.1.(a) G.S. 143-422.2 reads as rewritten:

"§ 143-422.2. Legislative declaration.

- (a) It is the public policy of this State to protect and safeguard the right and opportunity of all persons to seek, obtain and hold employment without discrimination account of race, religion, color, national origin, age, sex or handicap-by employers which regularly employ 15 one or more employees. For the purposes of this section, "discrimination" is defined by G.S. 12-3.3.
- (b) It is recognized that the practice of denying employment opportunity and discriminating in the terms of employment foments domestic strife and unrest, deprives the State of the fullest utilization of its capacities for advancement and development, and substantially and adversely affects the interests of employees, employers, and the public in general.
 - (c) Repealed by Session Laws 2017-4, s. 1, effective March 30, 2017."

SECTION 4.1.(b) G.S. 126-16 reads as rewritten:

"§ 126-16. Equal opportunity for employment and compensation by State departments and agencies and local political subdivisions.

All State agencies, departments, and institutions and all local political subdivisions of North Carolina shall give equal opportunity for employment and compensation, without regard to race, religion, color, national origin, sex, age, disability, or genetic information <u>compensation</u> without discrimination as defined by G.S. 12-3.3 to all persons otherwise qualified."

SECTION 4.1.(c) G.S. 126-34.02(b) reads as rewritten:

- "(b) The following issues may be heard as contested cases after completion of the agency grievance procedure and the Office of State Human Resources review:
 - Discrimination or harassment. An applicant for State employment, a State employee, or former State employee may allege discrimination or harassment based on race, religion, color, national origin, sex, age, disability, genetic information, or political affiliation if the employee believes that he or she has been discriminated against in his or her application for employment or in the terms and conditions of the employee's employment, or in the termination of his or her employment.
 - (2) Retaliation. An applicant for State employment, a State employee, or former State employee may allege retaliation for protesting discrimination based on race, religion, color, national origin, sex, age, disability, political affiliation, or genetic information—if the employee believes that he or she has been retaliated against in his or her application for employment or in the terms and conditions of the employee's employment, or in the termination of the employee's employment.
 - (3) Just cause for dismissal, demotion, or suspension. A career State employee may allege that he or she was dismissed, demoted, or suspended for disciplinary reasons without just cause. A dismissal, demotion, or suspension

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which is not imposed for disciplinary reasons shall not be considered a disciplinary action within the meaning of this section. However, in contested cases conducted pursuant to this section, an employee may appeal an involuntary nondisciplinary separation due to an employee's unavailability in the same fashion as if it were a disciplinary action, but the agency shall only have the burden to prove that the employee was unavailable. In cases of such disciplinary action the employee shall, before the action is taken, be furnished with a statement in writing setting forth the specific acts or omissions that are the reasons for the disciplinary action and the employee's appeal rights. The employee shall be permitted 15 days from the date the statement is delivered to appeal under the agency grievance procedure. However, an employee may be suspended without warning pending the giving of written reasons in order to avoid undue disruption of work, to protect the safety of persons or property, or for other serious reasons.

- Veteran's preference. An applicant for State employment or a State (4) employee may allege that he or she was denied veteran's preference in violation of the law.
- (5) Failure to post or give priority consideration. – An applicant for State employment or a State employee may allege that he or she was denied hiring or promotion because a position was not posted in accordance with this Chapter; or a career State employee may allege that he or she was denied a promotion as a result of a failure to give priority consideration for promotion as required by G.S. 126-7.1; or a career State employee may allege that he or she was denied hiring as a result of the failure to give him or her a reduction-in-force priority.
- Whistleblower. A whistleblower grievance as provided for in this Chapter." (6) **SECTION 4.1.(d)** This section is effective when it becomes law.

PART V. PROTECT AGAINST PUBLIC ACCOMMODATION DISCRIMINATION

SECTION 5.1.(a) Chapter 143 of the General Statutes is amended by adding a new Article to read:

"Article 49B.

"Equal Access to Public Accommodations.

"§ 143-422.10A. Short title; definitions.

- This Article shall be known and may be cited as the "Equal Access to Public Accommodations Act."
 - (b) The following definitions apply in this Article:
 - Discrimination. As defined by G.S. 12-3.3. (1)
 - **(2)** Non-business purpose. – Any purpose that does not concern a prospective or actual customer's or client's actual ability to pay compensation in exchange for goods or services based on the actual knowledge of the proprietor or vendor.
 - Place of accommodation. Has the same meaning as defined in <u>(3)</u> G.S. 168A-3(8) but shall exclude any private club or other establishment not, in fact, open to the public.

"§ 143-422.11A. Legislative declaration.

It is the public policy of this State to protect and safeguard the right and opportunity of all individuals within the State to enjoy fully and equally the goods, services, facilities, privileges, advantages, and accommodations of places of public accommodation free of discrimination based upon a non-business purpose.

"§ 143-422.12A. Investigations; conciliations.

- The Human Relations Commission in the Department of Administration shall have (a) the authority to receive, investigate, and conciliate complaints of discrimination in public accommodations. Throughout this process, the Human Relations Commission shall use its good offices to effect an amicable resolution of the complaints of discrimination.
- If the Commission is unable to effect an amicable resolution of the charges of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures provided in G.S. 41A-7."

SECTION 5.1.(b) This section is effective when it becomes law.

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PART VI. PROTECTION AGAINST CREDIT DISCRIMINATION

SECTION 6.1.(a) Article 1 of Chapter 75 of the General Statutes is amended by adding a new section to read:

"§ 75-45. Discrimination by lenders prohibited.

- Discrimination Prohibited. A person engaged in any form of lending money in this State, or to residents of this State, may discriminate in the extension of credit only on the basis of a prospective or actual borrower's or customer's ability to repay the extension of credit.
- Filing of Complaint With Human Relations Commission. Any person who claims credit discrimination or who reasonably believes that he or she will be irrevocably injured by a violation of subsection (a) of this section may file a complaint with the North Carolina Human Relations Commission established under G.S. 7A-761. Upon receipt of a complaint, the Commission shall work with the relevant parties to develop an amicable resolution to the charge of discrimination. If the Commission is unable to effect an amicable resolution of the charges of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures provided in G.S. 41A-7. Filing of a complaint pursuant to this subsection shall not preclude the filing of an action pursuant to subsection (c) of this section. For the purposes of this section, "discrimination" is defined by G.S. 12-3.3.
- Violation an Unfair and Deceptive Trade Practice. A violation of subsection (a) of this section shall constitute an unfair trade practice in violation of G.S. 75-1.1."

SECTION 6.1.(b) This section is effective when it becomes law.

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PART VII. PROTECTION AGAINST INSURANCE DISCRIMINATION

SECTION 7.1.(a) G.S. 58-3-25 reads as rewritten:

"§ 58-3-25. Discriminatory practices prohibited.

. . .

(c) No insurer shall refuse to insure or refuse to continue to insure an individual; limit the amount, extent, or kind of coverage available to an individual; or charge an individual a different rate for the same coverage, because of the race, color, or national or ethnic origin of that individual. discrimination as defined by G.S. 12-3.3. This subsection supplements the provisions of G.S. 58-3-120, 58-33-80, 58-58-35, and 58-63-15(7)."

SECTION 7.1.(b) This section is effective when it becomes law.

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PART VIII. PROTECTION AGAINST EDUCATION DISCRIMINATION

SECTION 8.1.(a) G.S. 115C-47 is amended by adding a new subdivision to read:

"(70) To Adopt a Policy on Nondiscrimination in Schools. – Each local board of education shall adopt a policy to establish that the local board of education and school personnel employed by the local board shall not engage in discrimination as defined by G.S. 12-3.3. The policy shall include that any person who claims to have been injured by an unlawful discriminatory practice or who reasonably believes that he or she will be irrevocably injured by an unlawful discriminatory practice may file a complaint with the North Carolina Human Relations Commission established under G.S. 7A-761. Upon

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receipt of a complaint, the Commission shall work with the relevant parties to develop an amicable resolution to the charge of discrimination. If the Commission is unable to effect an amicable resolution of the charges of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures provided in G.S. 41A-7."

SECTION 8.1.(b) Part 1I of Article 9 of Chapter 115C of the General Statutes is amended by adding a new section to read:

"§ 115C-112.10. Nondiscrimination requirement.

A nonpublic school that accepts eligible students receiving scholarship grants shall not engage in discrimination as defined by G.S. 12-3.3. Any person who claims to have been injured by an unlawful discriminatory practice or who reasonably believes that he or she will be irrevocably injured by an unlawful discriminatory practice may file a complaint with the North Carolina Human Relations Commission (Commission) established under G.S. 7A-761. Upon receipt of a complaint, the Commission shall work with the relevant parties to develop an amicable resolution to the charge of discrimination. If the Commission is unable to effect an amicable resolution of the charge of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures provided by G.S. 41A-7."

SECTION 8.1.(c) G.S. 115C-218.45(e) reads as rewritten:

"(e) Except as otherwise provided by law or the mission of the school as set out in the charter, the school shall not limit admission to students on the basis of intellectual ability, measures of achievement or aptitude, athletic ability, or disability. A charter school shall not limit admission to students on the basis of race, creed, national origin, religion, or ancestry. subject any student to discrimination as defined by G.S. 12-3.3. A charter school whose mission is single-sex education may limit admission on the basis of sex. Within one year after the charter school begins operation, the charter school shall make efforts for the population of the school to reasonably reflect the racial and ethnic composition of the general population residing within the local school administrative unit in which the school is located or the racial and ethnic composition of the special population that the school seeks to serve residing within the local school administrative unit in which the school is located. The school shall be subject to any court-ordered desegregation plan in effect for the local school administrative unit."

SECTION 8.1.(d) G.S. 115C-218.55 reads as rewritten:

"§ 115C-218.55. Nondiscrimination in charter schools.

A charter school shall not discriminate against any student on the basis of ethnicity, national origin, gender, or disability subject any student to discrimination as defined by G.S. 12-3.3. Any person who claims to have been injured by an unlawful discriminatory practice or who reasonably believes that he or she will be irrevocably injured by an unlawful discriminatory practice may file a complaint with the North Carolina Human Relations Commission established under G.S. 7A-761. Upon receipt of a complaint, the Commission shall work with the relevant parties to develop an amicable resolution to the charge of discrimination. If the Commission is unable to effect an amicable resolution of the charges of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures provided in G.S. 41A-7."

SECTION 8.1.(e) G.S. 115C-562.5(c1) reads as rewritten:

"(c1) A nonpublic school shall not engage in discrimination as defined by G.S. 12-3.3 or discriminate with respect to the categories listed in 42 U.S.C. § 2000d, as that statute read on January 1, 2014. Any person who claims to have been injured by an unlawful discriminatory practice or who reasonably believes that he or she will be irrevocably injured by an unlawful discriminatory practice may file a complaint with the North Carolina Human Relations Commission established under G.S. 7A-761. Upon receipt of a complaint, the Commission shall work with the relevant parties to develop an amicable resolution to the charge of discrimination. If the Commission is unable to effect an amicable resolution of the charges of discrimination, the

complainant and the Commission may proceed with an enforcement action using the procedures provided in G.S. 41A-7. For the purposes of this section, "discrimination" is defined by G.S. 12-3.3."

SECTION 8.2. G.S. 115D-77 reads as rewritten:

"§ 115D-77. Nondiscrimination policy.

It is the policy of the State Board of Community Colleges and of local boards of trustees of the State of North Carolina not to discriminate among students on the basis of race, gender, national origin, religion, age, or disability.engage in discrimination as defined by G.S. 12-3.3.

The State Board and each board of trustees shall give equal opportunity for employment and compensation of personnel at community colleges without discrimination. Any person who claims to have been injured by an unlawful discriminatory practice or who reasonably believes that he or she will be irrevocably injured by an unlawful discriminatory practice may file a complaint with the North Carolina Human Relations Commission established under G.S. 7A-761. Upon receipt of a complaint, the Commission shall work with the relevant parties to develop an amicable resolution to the charge of discrimination. If the Commission is unable to effect an amicable resolution of the charges of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures provided in G.S. 41A-7. For the purposes of this section, "discrimination" is defined by G.S. 12-3.3."

SECTION 8.3. G.S. 116-11 is amended by adding a new subdivision to read:

"(2b) The Board of Governors shall adopt a policy to provide that The University of North Carolina and its affiliates and personnel employed by The University of North Carolina and its affiliates shall not engage in any form of discrimination as defined by G.S. 12-3.3. The policy shall include that any person who claims to have been the subject of discrimination or who reasonably believes that he or she will be irrevocably injured by an unlawful discriminatory practice may file a complaint with the North Carolina Human Relations Commission established under G.S. 7A-761. Upon receipt of a complaint, the Commission shall work with the relevant parties to develop an amicable resolution to the charge of discrimination. If the Commission is unable to effect an amicable resolution of the charges of discrimination, the complainant and the Commission may proceed with an enforcement action using the procedures provided in G.S. 41A-7. For the purposes of this section, "discrimination" is defined by G.S. 12-3.3."

SECTION 8.4. This Part is effective when it becomes law.

PART IX. PROTECTION AGAINST DISCRIMINATION IN JURY SERVICE

SECTION 9.1.(a) G.S. 15A-1214 is amended by adding a new subsection to read:

"(k) A citizen may not be excluded from jury service in this State on account of discrimination as defined by G.S. 12-3.3."

SECTION 9.1.(b) This section is effective when it becomes law.

PART X. ALIGN STATE ANTIDISCRIMINATION LAWS

SECTION 10.1.(a) The General Assembly finds that:

- (1) North Carolina does not have a comprehensive antidiscrimination statute similar in scope to some of the ordinances that cities in this State have adopted.
- (2) Instead, the State has a patchwork of protections against unlawful discrimination with a range of requirements and remedies that are not necessarily consistent.
- (3) Therefore, this legislation amends various protection statutes that now exist in order to broaden and refine existing State antidiscrimination law to achieve equality for all.

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(4) Aligning all State antidiscrimination laws into a single and consistent array of rights, obligations, and protections will best serve the people of this State.

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SECTION 10.1.(b) The Legislative Research Commission (LRC) shall conduct a review of State antidiscrimination laws to develop legislative proposals that will further equality for all in North Carolina through comprehensive legislation. The LRC shall report its findings and recommendations to the 2027 General Assembly.

SECTION 10.1.(c) This section is effective when it becomes law.

PART XI. PROTECTION OF MINORS AND ADULTS WHO HAVE DISABILITIES FROM ATTEMPTS TO CHANGE SEXUAL ORIENTATION AND GENDER IDENTITY

SECTION 11.1.(a) Chapter 90 of the General Statutes is amended by adding a new Article to read:

"Article 1O.

"Mental Health Protection Act.

"§ 90-21.160. Short title.

This Article shall be known as the "Mental Health Protection Act."

"§ 90-21.161. Definitions.

The following definitions apply in this Article:

 (1) Adult under guardianship. – An adult who has been adjudicated incompetent, in accordance with Chapter 35A of the General Statutes, and who is incapable of providing consent for conversion therapy or a similar course of therapy or treatment.

(2) Conversion therapy. – As defined by the American Psychological Association in the most recent edition of the Dictionary of Psychology.

"§ 90-21.162. Conversion therapy prohibited.

 (a) The following professionals shall not engage in conversion therapy with an individual under 18 years of age or an adult under guardianship:

 (1) <u>Licensed clinical social worker as defined in G.S. 90B-3.</u>

(2) <u>Licensed marriage and family therapist as defined in G.S. 90-270.47.</u>
 (3) <u>Licensed clinical mental health counselor as defined in G.S. 90-330.</u>

 (4) Psychiatrist licensed in accordance with Article 1 of this Chapter.

(5) <u>Licensed psychologist as defined in G.S. 90-270.136.</u>

 (b) Conversion therapy practiced by any professional listed in subsection (a) of this section shall be considered unprofessional conduct and shall subject each licensed professional who engages in the practice of conversion therapy to discipline under the licensed professional's respective licensing entity.

(c) The Department of Health and Human Services shall report to the appropriate licensing entity any professional found to be in violation of this section. The Department may adopt rules to set forth and implement reporting requirements of violations of this section.

§ 90-21.163. Prohibited State funding.

No State funds, nor any funds belonging to a municipality, agency, or political subdivision of this State, shall be expended for the purpose of conducting conversion therapy, referring an individual for conversion therapy, health benefits coverage for conversion therapy, or a grant or contract with any entity that conducts conversion therapy or refers individuals for conversion therapy."

 SECTION 11.1.(b) This section is effective when it becomes law and applies to acts on or after that date.

PART XII. ENSURE DOMESTIC VIOLENCE PROTECTIVE ORDERS ARE AVAILABLE FOR SAME-SEX COUPLES

SECTION 12.1. G.S. 50B-1(b) reads as rewritten:

- "(b) For purposes of this section, the term "personal relationship" means a relationship wherein the parties <u>involved:involved either:</u>
 - (1) Are current or former spouses; spouses.
 - (2) Are persons of opposite sex who live together or have lived together; together.
 - (3) Are related as parents and children, including others acting in loco parentis to a minor child, or as grandparents and grandchildren. For purposes of this subdivision, an aggrieved party may not obtain an order of protection against a child or grandchild under the age of 16;16.
 - (4) Have a child in common; common.
 - (5) Are current or former household members; members.
 - (6) Are persons of the opposite sex—who are in a dating relationship or have been in a dating relationship. For purposes of this subdivision, a dating relationship is one wherein the parties are romantically involved over time and on a continuous basis during the course of the relationship. A casual acquaintance or ordinary fraternization between persons in a business or social context is not a dating relationship."

SECTION 12.2. This Part is effective when it becomes law and applies to domestic violence protective orders issued on or after that date.

PART XIII. CODIFY THE ESSENTIAL HOLDINGS OF ROE V. WADE AND PLANNED PARENTHOOD OF SOUTHEASTERN PA V. CASEY

SECTION 13.1.(a) Chapter 90 of the General Statutes is amended by adding a new Article to read:

"Article 1P.

"Codify Roe and Casey Protections.

"§ 90-21.170. Short title.

This Article shall be known and may be cited as "Codify Roe and Casey Protections."

"§ 90-21.171. Purpose.

The purpose of this Article is to codify the essential holdings of Roe v. Wade, 410 U.S. 113 (1973), and Planned Parenthood of Southeastern Pennsylvania v. Casey, 505 U.S. 833 (1992).

"§ 90-21.172. Allowable requirements.

- (a) The State shall not impose an undue burden on the ability of a woman to choose whether or not to terminate a pregnancy before fetal viability.
 - (b) The State may do any of the following:
 - (1) Restrict the ability of a woman to choose whether or not to terminate a pregnancy after fetal viability, unless such a termination is necessary to preserve the life or health of the woman.
 - (2) Enact laws, rules, or regulations, as applicable, to further the health or safety of a woman seeking to terminate a pregnancy.
- (c) For the purposes of this section, the term "undue burden" means any burden that places a substantial obstacle in the path of a woman seeking to terminate a pregnancy prior to fetal viability.
- (d) Nothing in this Article shall be construed to have any effect on laws regarding conscience protection."

SECTION 13.1.(b) This section is effective when it becomes law.

PART XIV. UNLIMITED RIGHT TO USE CONTRACEPTION TO PREVENT PREGNANCY

SECTION 14.1.(a) Chapter 90 of the General Statutes is amended by adding a new Article to read:

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1 "<u>Article 44.</u>

"§ 90-751.1. Title.

This Article may be cited as the "Right to Use Contraception Act."

"§ 90-751.2. Legislative declaration.

The right to use contraception implicates the fundamental liberty to prevent pregnancy. It is the policy of the State of North Carolina that this State has no legitimate governmental interest in limiting the freedom to use contraception to prevent pregnancy."

"Right to Use Contraception.

SECTION 14.1.(b) This section is effective when it becomes law.

PART XV. RIGHT TO ACCESS ASSISTED REPRODUCTIVE TECHNOLOGY

SECTION 15.1. Chapter 90 of the General Statutes is amended by adding a new Article to read:

"Article 1Q.

"Assisted Reproductive Technology.

"§ 90-21.180. Definitions.

As used in this Article, the following terms have the following meanings:

- (1) Assisted reproductive technology. All treatments or procedures that include the handling of human oocytes or human embryos, including in vitro fertilization, gamete intrafallopian transfer, and zygote intrafallopian transfer.
- (2) Health care provider. Either of the following:
 - a. An individual who is licensed, certified, or otherwise authorized under this Chapter to provide health care services in the ordinary course of business or practice of a profession or in an approved education or training program.
 - <u>b.</u> A health care facility licensed under Chapter 131E of the General Statutes to provide health care services to patients.

The term "health care provider" includes (i) an agent or employee of a health care facility that is licensed, certified, or otherwise authorized to provide health care services, (ii) the officers and directors of a health care facility, and (iii) an agent or employee of a health care provider who is licensed, certified, or otherwise authorized to provide health care services.

- (3) Health care service. A health or medical procedure or service rendered by a health care provider that meets either of the following criteria:
 - <u>a.</u> Provides testing, diagnosis, or treatment of a health condition, illness, <u>injury</u>, or disease.
 - b. Dispenses drugs, medical devices, medical appliances, or medical goods for the treatment of a health condition, illness, injury, or disease.

"§ 90-21.182. Right to access assisted reproductive technology.

Neither the State nor any of its political subdivisions shall prohibit, unreasonably limit, or interfere with any of the following:

- (1) The right of a patient to access assisted reproductive technology.
- (2) The right of a health care provider to provide or assist with the provision of evidence-based information related to assisted reproductive technology.
- (3) The right of a health care provider to perform or assist with the performance of assisted reproductive technology.

"§ 90-21.184. Fertilized human egg or human embryo not a human being.

A fertilized human egg or human embryo that exists in any form outside of the uterus of a human body shall not, under any circumstance, be considered an unborn fetus, an unborn child, a minor child, a natural person, or any other term that connotes a human being for any purpose under State law.

"§ 90-21.186. Construction.

Nothing in this Article shall be construed to prohibit the enforcement of health and safety laws related to the operation of health care facilities or the provision of health care services by health care providers."

INCREASE FUNDING FOR MEDICAID MATERNAL SUPPORT SERVICES

SECTION 15.2. Effective July 1, 2025, there is appropriated from the General Fund to the Department of Health and Human Services, Division of Health Benefits, the sum of five hundred thousand dollars (\$500,000) in recurring funds for the 2025-2026 fiscal year to be used to increase funding for Medicaid maternal support services, also known as the Baby Love Program. These funds shall provide a State match for nine hundred thirteen thousand dollars (\$913,000) in recurring federal funds for the 2025-2026 fiscal year, and those federal funds are appropriated to the Division of Health Benefits to be used for this same purpose.

SECTION 15.3. Except as otherwise provided, this Part is effective when it becomes

 law.

PART XVI. ENVIRONMENTAL JUSTICE IN NORTH CAROLINA

SECTION 16.1.(a) The General Assembly finds all of the following:

- (1) According to American Journal of Public Health studies published in 2014 and 2018 and affirmed by decades of research, Black, Indigenous, and Persons of Color (BIPOC) and individuals with low income are disproportionately exposed to environmental hazards and unsafe housing, facing higher levels of air and water pollution, mold, lead, and pests.
- (2) The cumulative impacts of environmental harms disproportionately and adversely impact the health of BIPOC and communities with low income, with climate change functioning as a threat multiplier. These disproportionate adverse impacts are exacerbated by lack of access to affordable energy, healthy food, green spaces, and other environmental benefits.
- (3) Since 1994, Executive Order 12898 has required federal agencies to make achieving environmental justice part of their mission by identifying and addressing disproportionately high and adverse human health or environmental effects of its programs, policies, and activities on minority populations and populations with low incomes in the United States.
- (4) In 2018, the Secretary of the North Carolina Department of Environmental Quality established the Secretary's Environmental Justice and Advisory Board.
- (5) Executive Order 14008 issued in 2021 created the White House Environmental Justice Interagency Council within the Executive Office of the President and the White House Environmental Justice Advisory Council within the Environmental Protection Agency.
- (6) Following Executive Order 14008, the U.S. Department of the Interior enacted Secretary Order 3399 to establish the Climate Task Force to address current and historic environmental injustice. This order also made it the Department's mission to consider environmental justice when conducting National Environmental Protection Act analyses.
- (7) Executive Order 14096 issued in 2023 established a goal that forty percent (40%) of the overall benefits of certain federal climate, clean energy, affordable and sustainable housing, and other investments flow to disadvantaged communities that are marginalized by underinvestment and overburdened by pollution.

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- (8) Governor Cooper issued Executive Order 246 in 2022 and Executive Order 292 in 2023 directing various actions to advance environmental justice in North Carolina, including requirements that agencies consider environmental justice when taking actions related to climate change, resilience, and clean energy, and identify an environmental justice lead to serve as the point person for agency environmental justice efforts.
- (9) State agencies receiving federal funds are also subject to the antidiscrimination requirements of Title VI of the Civil Rights Act of 1964.
- (10) In response to the documented inadequacy of state and federal environmental and land use laws to protect vulnerable communities, increasing numbers of states have adopted formal environmental justice laws and policies.
- (11) The 1991 Principles of Environmental Justice adopted by The First National People of Color Environmental Leadership Summit demand the right of all individuals to participate as equal partners at every level of decision making, including needs assessment, planning, implementation, enforcement, and evaluation.
- (12) Section 33 of Article I of the North Carolina Constitution establishes the government as a vehicle for the common benefit, protection, and security of the State's citizens and not for the particular emolument or advantage of any single set of persons who are only a part of that community. This principle, coupled with Section 1 of Article I of the North Carolina Constitution's guarantee of equal rights to enjoying life, liberty, and enjoyment of the fruits of their own labor, and the assurance of timely and equitable justice for all set forth in Article I. Sections 18 and 19 of Article I of the North Carolina Constitution encourage political officials to identify how particular communities may be unequally burdened or receive unequal protection under the law due to race, income, or geographic location.
- (13) Lack of a clear environmental justice policy has resulted in a piecemeal approach to understanding and addressing environmental justice in North Carolina and creates a barrier to establishing clear definitions, metrics, and strategies to ensure meaningful engagement and more equitable distribution of environmental benefits and burdens.
- (14) It is the State's responsibility to pursue environmental justice for its residents and to ensure that its agencies do not contribute to unfair distribution of environmental benefits to or environmental burdens on low-income, limited-English proficient, and BIPOC communities.

SECTION 16.1.(b) Chapter 143 of the General Statutes is amended by adding a new Article to read:

"<u>Article 21D.</u> "<u>Environmental Justice.</u>

"§ 143-215.130. Purpose.

The purpose of this Article is to identify, reduce, and eliminate environmental health disparities to improve the health and well-being of all State residents.

"§ 143-215.131. Definitions.

The following definitions apply in this Article:

- (1) Communities of color. Communities in which the share of nonwhites and Hispanic or Latino (of any race) residents is forty percent (40%) or higher or at least ten percent (10%) higher than the residing county or State share.
- (2) Community. A group of individuals living in geographic proximity to one another as a census block group or at the municipal level.

1 (3) Disproportionate impact. – Disproportionately higher adverse health or 2 environmental effects on communities of color, low-income communities, 3 limited English language proficiency communities, or indigenous 4 communities at levels that are statistically significant. 5 (4) Environmental benefits. – The assets and services that enhance the capability 6 of communities and individuals to function and flourish in society. Examples 7 of environmental benefits include access to a healthy environment and clean 8 natural resources, including air, water, land, green spaces, constructed 9 playgrounds, and other outdoor recreational facilities and venues; affordable 10 clean renewable energy sources; public transportation; fulfilling and dignified 11 green jobs; healthy homes and buildings; health care; nutritious food; 12 indigenous food and cultural resources; environmental enforcement; and 13 training and funding disbursed or administered by governmental agencies. 14 <u>(5)</u> Environmental burdens. – Any significant impact to clean air, water, and land, 15 including any destruction, damage, or impairment of natural resources resulting from intentional or reasonably foreseeable causes. Examples of 16 17 environmental burdens include climate change impacts; air and water 18 pollution; improper sewage disposal; improper handling of solid wastes and 19 other noxious substances; excessive noise; activities that limit access to green 20 spaces, nutritious food, indigenous food or cultural resources, or constructed 21 outdoor playgrounds and other recreational facilities and venues; inadequate 22 remediation of pollution; reduction of groundwater levels; increased flooding or stormwater flows; home and building health hazards, including lead paint, 23 24 lead plumbing, asbestos, and mold; and damage to inland waterways and 25 waterbodies, wetlands, forests, green spaces, or constructed playgrounds or 26 other outdoor recreational facilities and venues from private, industrial, commercial, and government operations or other activities that contaminate 27 28 or alter the quality of the environment and pose a risk to public health. 29 Environmental justice. – The just treatment and meaningful involvement of (6) 30 all people, regardless of income, race, color, national origin, tribal affiliation, 31 or English language proficiency, in State action that affect human health, 32 well-being, quality of life, and the environment so that people: Are protected from disproportionate and adverse human health effects 33 34 and environmental hazards, including those related to climate change, 35 the cumulative impacts of environmental and other burdens, and the legacy of racism or other structural barriers. 36 Have equitable access to environmental benefits in which to live, play, 37 <u>b.</u> 38 work, learn, grow, worship, and engage in cultural and subsistence practices. 39 40 Have meaningful participation in decision-making processes, <u>c.</u> including the development, implementation, and enforcement of 41 environmental laws, regulations, and policies. 42 43 Environmental justice communities. – Communities of color, low-income <u>(7)</u> communities, indigenous communities, and limited English language 44 45 proficiency communities that experience, or are at risk of, environmental 46 burdens or lack access to environmental benefits. 47 <u>Indigenous communities. – Communities where "American Indian Tribes," as</u> (8) 48 defined by 01 NCAC 15 .0292, reside or where the share of American and 49 Alaskan Native populations are five percent (5%) higher than the residing 50 county or State share.

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- Limited English language proficiency communities. Communities where at (9) least one percent (1%) or more of households do not have a member 14 years or older who speaks English "very well" as defined by the U.S. Census Bureau.
- (10)Low-income communities. – Communities in which the share of population experiencing poverty is more than twenty percent (20%) or the share of households in poverty is at least five percent (5%) higher than the residing county or State share.
- Meaningful participation. The opportunity for all individuals to participate <u>(11)</u> in energy, climate change, and environmental decision making. Examples include needs assessments, planning, implementation, permitting, compliance and enforcement, and evaluation. Meaningful participation also integrates diverse knowledge systems, histories, traditions, languages, and cultures of indigenous communities in decision-making processes and requires that communities are enabled and administratively assisted to participate fully through education and training. Finally, meaningful participation requires the State to operate in a transparent manner with regard to opportunities for community input and also encourages the development of environmental, energy, and climate change stewardship.
- (12)Program. - The Environmental Justice Program of the Department of Environmental Quality.
- (13)Rules Review Commission. – As defined in G.S. 143B-30.1.

"§ 143-215.132. Environmental justice State policy.

It is the policy of the State that no segment of the population of the State should, because of its racial, cultural, or economic makeup, bear a disproportionate share of environmental burdens or be denied an equitable share of environmental benefits. It is further the policy of the State to provide the opportunity for the meaningful participation of all individuals, with particular attention to environmental justice communities, in the development, implementation, or enforcement of any law, regulation, or policy.

"§ 143-215.133. Implementation of State policy.

- As used in this Article, "covered agencies" means the following State agencies: the (a) Departments of Environmental Quality, Health and Human Services, Transportation, Commerce, Public Safety, Agriculture and Consumer Services, and Public Instruction and the Utilities Commission.
- The covered agencies shall consider cumulative environmental burdens and access to environmental benefits when making decisions about the environment, energy, climate, and public health projects; facilities and infrastructure; and associated funding.
- Each of the covered agencies shall create and adopt on or before July 1, 2027, a community engagement plan that describes how the agency will engage with environmental justice communities as it evaluates new and existing activities and programs. Each plan shall describe how the agency plans to provide meaningful participation in compliance with Title VI of the Civil Rights Act of 1964.
- The covered agencies shall submit an annual summary beginning on January 15, 2026, and annually thereafter, to the Environmental Justice Advisory Council, detailing all complaints alleging environmental justice issues or Title VI violations and any agency action taken to resolve the complaints. The Advisory Council shall provide any recommendations concerning those reports within 60 days after receipt of the complaint summaries. Agencies shall consider the recommendations of the Advisory Council pursuant to sub-subdivision (c)(1)e. of G.S. 143-215.135 and substantively respond in writing if an agency chooses not to implement any of the recommendations within 90 days after receipt of the recommendations.

- (e) The Program, in consultation with the Environmental Justice Advisory Council and the Interagency Environmental Justice Committee, shall review the definitions contained in G.S. 143-215.131 at least every five years and recommend revisions to the General Assembly to ensure the definition achieves the environmental justice State policy.
- (f) The Program, in consultation with the Interagency Environmental Justice Committee and the Environmental Justice Advisory Council, shall issue guidance on how the covered agencies shall determine which investments provide environmental benefits to environmental justice communities on or before September 15, 2025. A draft version of the guidance shall be released for a 40-day public comment period before being finalized.
 - (g) Covered Agency Baseline Spending Reports.
 - (1) On or before February 15, 2026, the covered agencies shall, in accordance with the guidance document developed by the Program pursuant to subsection (f) of this section, review the past three years and generate baseline spending reports that include all of the following:
 - a. Where investments were made, if any, and which geographic areas, at the municipal or census block group level, where practicable, received environmental benefits from those investments.
 - <u>b.</u> <u>A description and quantification of the environmental benefits as an outcome of the investment.</u>
 - (2) The covered agencies shall publicly post the baseline spending reports on their respective websites.
- (h) On or before July 1, 2026, it shall be the goal of the covered agencies to direct investments proportionately in environmental justice communities.
 - (1) Beginning on January 15, 2028, and annually thereafter, the covered agencies shall either integrate the following information into existing annual spending reports or issue annual spending reports that include all of the following:
 - a. Where investments were made and which geographic areas, at the municipal and census block group level, where practicable, received environmental benefits from those investments.
 - <u>b.</u> The percentage of overall environmental benefits from those investments provided to environmental justice communities.
 - (2) The covered agencies shall publicly post the annual spending reports on their respective websites.
- (i) Beginning on January 15, 2027, the covered agencies shall each issue and publicly post an annual report summarizing all actions taken to incorporate environmental justice into its policies or determinations, rulemaking, permit proceedings, or project review.

"§ 143-215.134. Rulemaking.

- (a) On or before July 1, 2027, the Department of Environmental Quality, in consultation with the Environmental Justice Advisory Council and the Interagency Environmental Justice Committee, shall adopt rules to:
 - (1) Define cumulative environmental burdens;
 - (2) <u>Implement consideration of cumulative environmental burdens within the Program; and</u>
 - (3) <u>Inform how the public and the covered agencies implement the consideration of cumulative environmental burdens and use the environmental justice mapping tool developed by the Program.</u>
- (b) On or before July 1, 2028, and as appropriate thereafter, the covered agencies, in consultation with the Environmental Justice Advisory Council, shall adopt or amend policies and procedures, plans, guidance, and rules, where applicable, to implement this Article.
 - (c) The following requirements apply to rulemaking by covered agencies:

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- (1) Prior to drafting new rules required by this Article, agencies shall consult with the Environmental Justice Advisory Council to discuss the scope and proposed content of rules to be developed. Agencies shall also submit draft rulemaking concepts to the Advisory Council for review and comment. Any proposed rule shall be provided to the Advisory Council not less than 45 days prior to submitting the proposed rule or rules to the Rules Review Commission (RRC).
- (2) The Advisory Council shall vote and record individual members' support or objection to any proposed rule before it is submitted to RRC and make documentation of that proceeding as part of the rulemaking record submitted to RRC.

"§ 143-215.135. Environmental Justice Advisory Council and Interagency Environmental Justice Committee.

- (a) Advisory Council and Interagency Committee.
 - (1) There is created:
 - a. The Environmental Justice Advisory Council (Advisory Council) to provide independent advice and recommendations to State agencies and the General Assembly on matters relating to environmental justice, including the integration of environmental justice principles into State programs, policies, regulations, legislation, and activities.
 - b. The Interagency Environmental Justice Committee (Interagency Committee) to guide and coordinate State agency implementation of the environmental justice State policy and provide recommendations to the General Assembly for amending the definitions and protections set forth in this Article.
 - (2) Appointments to the groups created in this subsection shall be made on or before December 15, 2025.
 - (3) Both the Advisory Council and the Interagency Committee shall consider and incorporate the Equitable Access & Just Transition to Clean Energy provisions of the North Carolina Clean Energy Plan in their work.
- (b) Meetings. The Advisory Council and the Interagency Committee shall each meet not more than eight times per year, with at least four meetings occurring jointly. Meetings may be held in person, remotely, or in a hybrid format to facilitate maximum participation and shall be recorded and publicly posted on the Secretary's website.
 - (c) Duties.
 - (1) The Advisory Council shall have the following duties:
 - a. To advise State agencies on environmental justice issues and on how to incorporate environmental justice into agency procedures and decision making and evaluate the potential for environmental burdens or disproportionate impacts on environmental justice communities as a result of State actions and the potential for environmental benefits to environmental justice communities.
 - <u>b.</u> <u>To advise State agencies in the development of community engagement plans.</u>
 - c. To advise State agencies on the use of the environmental justice mapping tool established by the Program and on the enhancement of meaningful participation, reduction of environmental burdens, and equitable distribution of environmental benefits.
 - d. To review and provide feedback to the relevant State agency, pursuant to G.S. 143-215.134(c), on any proposed rules for implementing this Article.

1 To receive and review annual State agency summaries of complaints <u>e.</u> 2 alleging environmental justice issues, including Title VI complaints, 3 and suggest options or alternatives to State agencies for the resolution 4 of systemic issues raised in or by the complaints. 5 (2) The Interagency Committee shall have the following duties: 6 To consult with the Program in the development of the guidance 7 document required by G.S. 143-215.133(f) on how to determine which 8 investments provide environmental benefits to environmental justice 9 communities. On or before July 1, 2025, to develop, in consultation with the Program 10 <u>b.</u> 11 and the Environmental Justice Advisory Council, a set of core 12 principles to guide and coordinate the development of the State agency 13 community engagement plans required under G.S. 143-215.133(c). 14 (3) The Advisory Council and the Interagency Committee shall jointly: 15 Consider and recommend to the General Assembly, on or before December 1, 2026, amendments to the terminology, thresholds, and 16 criteria of the definition of environmental justice communities. 17 18 including whether to include populations more likely to be at higher 19 risk for poor health outcomes in response to environmental burdens. 20 Examine existing data and studies on environmental justice and b. 21 consult with State, federal, and local agencies and affected 22 communities regarding the impact of current statutes, regulations, and policies on the achievement of environmental justice. 23 24 (d) Membership. – 25 Advisory Council. – Each member of the Advisory Council shall be well (1) 26 informed regarding environmental justice principles and committed to achieving environmental justice in North Carolina and working 27 28 collaboratively with other members of the Advisory Council. To the greatest extent practicable, Advisory Council members shall represent diversity in 29 30 race, ethnicity, age, gender, urban and rural areas, and different regions of the 31 State. The Advisory Council shall consist of the following 11 members, with 32 a goal to have more than fifty percent (50%) residing in environmental justice communities: 33 34 The head of the Program or designee. <u>a.</u> 35 The following members appointed by the Governor: b. One representative of municipal government. 36 1. 37 <u>2.</u> One representative of a social justice organization. One representative of mobile home park residents. 38 3. One representative of a statewide environmental organization. 39 4. 5. 40 One person representing an organization working on food 41 security issues. One person who resides in a census block group that is designated as 42 <u>c.</u> 43 an environmental justice community by the House of Representatives upon the recommendation of the Speaker of the House of 44 45 Representatives. 46 One person who is a representative of immigrant communities in d. 47 North Carolina appointed by the Senate upon the recommendation of 48 the President Pro Tempore of the Senate. 49 One representative of a State-recognized Native American Indian <u>e.</u> 50 tribe, recommended and appointed by the North Carolina Indian 51 Affairs Commission.

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- Session 2025 The Executive Director of the North Carolina Housing Finance 1 f. 2 Agency or designee. 3 The Executive Director of the North Carolina Land and Water Fund g. 4 or designee. 5 (2) Interagency Committee. - The Interagency Committee shall consist of the following nine members: 6 The Superintendent of Public Instruction or designee. 7 8 The Secretary of the Department of Environmental Quality or <u>b.</u> 9 designee. The Secretary of Transportation or designee. 10 <u>c.</u> 11 d. The Director of the North Carolina Housing Finance Agency or 12 designee. 13 The Commissioner of the Department of Agriculture and Consumer <u>e.</u> Services or designee. 14 The Secretary of the Department of Health and Human Services or 15 f. designee. 16 The Director of the Division of Emergency Management of the 17 g. 18 Department of Public Safety or designee. The Secretary of the Department of Natural and Cultural Resources or 19 <u>h.</u> 20 designee. 21 The Chair of the Utilities Commission or designee. i. 22 The Advisory Council and the Interagency Committee may each elect two <u>(3)</u> cochairs. 23 24 (4) After initial appointments, all appointed members of the Advisory Council shall serve six-year terms and serve until a successor is appointed. The initial 25 26 terms shall be staggered so that one-third of the appointed members shall serve a two-year term, another third of the appointed members shall serve a 27 28 four-year term, and the remaining members shall be appointed to a six-year 29 30 Vacancies of the Advisory Council shall be appointed in the same manner as (5) 31 original appointments. 32 (6) assistance of the Program." 33 34
 - The Advisory Council shall have the administrative, technical, and legal

SECTION 16.1.(c) Reports. – On or before December 15, 2027, the Program shall submit a report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division of the General Assembly describing whether the baseline spending reports completed pursuant to G.S. 143-215.133(g), as enacted by subsection (b) of this section, indicate if any municipalities or portions of municipalities are routinely underserved with respect to environmental benefits, taking into consideration whether those areas receive, averaged across three years, a significantly lower percentage of environmental benefits from State investments as compared to other municipalities or portions of municipalities in the State. This report shall include a recommendation as to whether a statutory definition of "underserved community" and any other revisions to Article 21D of Chapter 143 of the General Statutes, as enacted by subsection (b) of this section, are necessary to best carry out the policies described in this section.

SECTION 16.1.(d) This section is effective when it becomes law.

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PART XVII. DIVISION OF MOTOR VEHICLES TO OFFER APPLICATION, FORM, AND TEST IN NATIVE LANGUAGE OF APPLICANT

SECTION 17.1.(a) G.S. 20-7 reads as rewritten:

"§ 20-7. Issuance and renewal of drivers licenses.

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1	(c2) Applicants with Limited English Proficiency. – Upon the request of the applicant, the
2	Division shall provide a copy of any application, form, or test required for licensure under this
3	section in the native language of the applicant.
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5	SECTION 17.1.(b) This section becomes effective October 1, 2025.
6	
7	PART XVIII. EFFECTIVE DATE
8	SECTION 18.1. Except as otherwise specifically provided, this act is effective when

SECTION 18.1. Except as otherwise specifically provided, this act is effective when it becomes law.

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