

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

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HOUSE BILL 913  
PROPOSED COMMITTEE SUBSTITUTE H913-PCS10482-CO-12

Short Title: Liability/Unfair/Deceptive Develop. Actions.

(Public)

Sponsors:

Referred to:

April 14, 2025

1 A BILL TO BE ENTITLED  
2 AN ACT TO HOLD LOCAL GOVERNMENTS ACCOUNTABLE FOR DEVELOPMENT  
3 DECISIONS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Article 14 of Chapter 160D of the General Statutes is amended by  
6 adding a new section to read:

7 "**§ 160D-1425. Damages, attorneys' fees, and costs.**

8 (a) The court may allow the person with standing to recover reasonable attorneys' fees  
9 attributed to an action brought pursuant to this Article.

10 (b) The court shall allow the person with standing to recover reasonable attorneys' fees  
11 attributed to the action in any action brought pursuant to this Article in which any of the following  
12 occurs:

13 (1) The person with standing successfully shows the local government  
14 intentionally acted in violation of this Chapter.

15 (2) The person with standing successfully shows the local government  
16 intentionally delayed action on a development approval to cause the person to  
17 seek action under this Article.

18 (3) The person with standing successfully shows the local government acted in a  
19 flagrantly unfair or deceptive manner with respect to the development  
20 approval with intent to cause the person with standing to initiate an action  
21 under this Article.

22 (c) Upon a finding by the court that subdivision (3) of subsection (b) of this section  
23 applies, the court shall award punitive damages in addition to any reasonable attorneys' fees  
24 attributed to the action in an amount as determined by the court, up to 10 times the damages. For  
25 purposes of this subsection, damages shall mean loss of revenue, increases in costs due to the  
26 delays caused by the local government's actions, and any other damages proven by the prevailing  
27 party.

28 (d) The court shall not award attorneys' fees against the local government under this  
29 section if the court finds that the local government acted in reasonable reliance on any of the  
30 following:

31 (1) A judgment or an order of a court applicable to a local government in the same  
32 or similar circumstances.

33 (2) The published opinion of an appellate court, an order of the North Carolina  
34 Business Court, or a final order of the Trial Division of the General Court of  
35 Justice.

36 (3) A written opinion, decision, or letter of the Attorney General."



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1                   **SECTION 2.** This act becomes effective October 1, 2025, and applies to causes of  
2 action arising on or after that date.