



2025 North Carolina Legislation Related to Planning and Development

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During the legislative long session in 2025, the North Carolina General Assembly made notable changes to the laws related to planning and development regulations. Zoning topics included down-zoning (a carryover from late 2024), flag regulations, waiting periods for reapplication, and split jurisdiction. Infrastructure topics included pavement standards for subdivision streets, regionalization of local utilities, and new transportation-funding alternatives. The General Assembly amended environmental laws, including those concerning Department of Environmental Quality (DEQ) water permits, 401 water-quality certifications, stormwater permits, and more. Helene-recovery legislation from 2024 was notably amended and updated in 2025. The General Assembly adopted changes, large and small, to the State Building Code; most notably, implementation of the 2024 North Carolina State Building Code was further delayed.

This bulletin is organized by topic rather than by bill; for example, topics addressed by the regulatory-reform bill are dispersed throughout the bulletin's sections.

Checklist for Local Governments

Due to the number and variety of bills reviewed and passed in the 2025 legislative session, local governments may want to use the following checklist to ensure that local codes, policies, and practices comply with amended state law.

- Adjust zoning practices to account for the limits on down-zonings.
- Establish procedures and consider ordinance amendments that could ensure that proper documentation is provided before any enforcement action related to a U.S. or North Carolina flag.
- Remove any waiting periods for refileing a request for a zoning amendment or application for a development approval when the first is withdrawn or rejected.
- If in Buncombe, Orange, Watauga, or Wake County, note the additional exemption from development regulations for University of North Carolina projects.
- If in a jurisdiction with pending or upcoming development projects in areas where the property is split across multiple jurisdictions, take note of the new rules confirming that the project as a whole should be considered and allowing the property owner to elect to have the jurisdiction covering the majority of the property to exercise land use jurisdiction.
- Remove any regulations requiring pavement-design standards stricter than the standards of the North Carolina Department of Transportation.
- When rezoning qualifying property in a voluntary agricultural district or enhanced voluntary agricultural district, be sure to contact the local agricultural advisory board.
- Coastal communities only: Note the new rules for upland basin marinas and expect that these projects may be processed faster than other major Coastal Area Management Act (CAMA) approvals and other state water-quality reviews. Also note that man-made ditches will not be designated as Areas of Environmental Concern (AECs) and likely are no longer covered by CAMA rules.
- Communities in the Falls Lake watershed: Note the limited exemption for small projects.
- Those who have a brownfields project in process: Evaluate how the new timing of tax exclusions and fees might affect that project. If working with a development partner, discuss how the changes might affect the project and the project's timelines.

- For local governments in Helene-affected counties, note the specific legislative changes that apply to your area.
- Recognize that implementation of the 2024 North Carolina State Building Code was delayed but that it may be used as an alternative method of construction at the owner's request.
- For building-code inspections, do not charge fees or fail inspections if the permit holder cancels the inspection over one business day in advance.
- Review technical building-code changes, including licensing for inspectors from nearby states, exemption from fire-flow requirements for model homes, changes for family child-care homes, exemptions for certain in-building emergency-responder communication requirements.

Zoning

Limits on Down-Zoning

Late in 2024, the General Assembly adopted legislation to greatly constrain local government authority for down-zonings. Given the timing, that legislation was not included in the School's bulletin on 2024 North Carolina legislation related to planning and development regulation. Moreover, the impacts of the down-zoning bill rippled into 2025 and garnered a fair bit of legislative attention. The bill and the legislative response are summarized here.

Section 3K.1 of the Disaster Recovery Act of 2024, Part III, [Session Law 2024-57](#) (S.B. 382), amended [Chapter 160D, Section 601\(d\) of the North Carolina General Statutes](#) [hereinafter G.S.] to broadly define “down-zoning” and to provide that local governments cannot adopt a down-zoning without written consent from all affected landowners.

The prior version of G.S. 160D-601(d) prevented an individual from requesting to reduce the development rights on their neighbor's property without consent from the neighbor. The old law, though, maintained local government authority to make decisions about rezoning property and adjusting zoning standards. The local legislative body—the town council or county commission—had authority under prior law to make local legislative decisions to adjust rules according to local needs and priorities.

The new legislation went much further: it prohibited local-government-initiated down-zoning and it broadened the definition of down-zoning. The legislation amended G.S. 160D-601(d) to read as follows (strike-throughs show cut text and underlines show added text):

(d) Down-Zoning. – No amendment to zoning regulations or a zoning map that down-zones property shall be ~~initiated nor is it enforceable~~ initiated, enacted, or enforced without the written consent of all property owners whose property is the subject of the down-zoning amendment, ~~unless the down-zoning amendment is initiated by the local government.~~ Amendment. For purposes of this section, “down-zoning” means a zoning ordinance that affects an area of land in one of the following ways:

- (1) By decreasing the development density of the land to be less dense than was allowed under its previous usage.

- (2) By reducing the permitted uses of the land that are specified in a zoning ordinance or land development regulation to fewer uses than were allowed under its previous usage.
- (3) By creating any type of nonconformity on land not in a residential zoning district, including a nonconforming use, nonconforming lot, nonconforming structure, nonconforming improvement, or nonconforming site element.¹

Under the new law, unless there is consent from the owner, an amendment to the zoning text or map may not reduce the density of development, reduce the permitted uses of the land, nor create nonconforming situations in nonresidential zoning districts. Such limitations were notable restrictions on local legislative authority. As outlined in the Coates' Canons blog post [Limits on "Down-Zoning"](#), the legislation raised questions about whether and how local governments can address situations such as newly created land uses, general updates to zoning and development ordinances, changes in jurisdiction, floodplain ordinances, and more.²

In the early days of the 2025 long legislative session, legislators introduced an array of local bills aimed at unwinding the down-zoning bill for particular communities. These included the following, among others:

- H.B. 68 (Vance and Granville)
- S.B. 65 (Buncombe County)
- H.B. 161 (Randolph County)
- H.B. 170 (Union County)
- H.B. 204 (Cabarrus County)
- H.B. 225 (Wake Forest and Rolesville)
- S.B. 136 (Rutherford County)
- S.B. 137 (Henderson County)
- S.B. 138 (Mecklenburg County)
- S.B. 165 (Union and Iredell Counties)
- S.B. 185 (Forsyth County)
- H.B. 263 (Durham and Person)

Notably one town, the Town of Mills River, successfully obtained an exemption: [Session Law 2025-32](#) allowed Mills River to adopt its unified-development ordinance despite Session Law 2024-57.

Additionally, there were bills to restore the down-zoning authority statewide. Senate Bill 419 and House Bill 24 were companion bills that would have unwound the changes to down-zoning authority. Senate Bill 587 would have restored the down-zoning authority and established a statewide standard for nonconformities.

As of this writing, the down-zoning limits of S.L. 2024-57 are still in place; the General Assembly has not acted to unwind those limitations.

With no resolution to the quandaries of the down-zoning language, many questions arose about the scope of the prohibition on down-zoning. The definitions of Chapter 160D provide some guidance about scope and limitations. The down-zoning provision applies to "amendment[s] to zoning regulations or a zoning map." G.S. 160D-102 provides relevant and specific definitions for "zoning map amendment or rezoning" and "zoning regulation."

Zoning regulation is defined simply as "[a] zoning regulation authorized by Article 7 of this Chapter." Therefore, an amendment to an ordinance under a different article—such as a subdivision ordinance under Article 8—could not be a down-zoning. Historic-preservation regulations are quirky in this regard. While historic districts are authorized under Article 9,

1. S.L. 2024-57, § 3K.1.(a).

2. See Adam Lovelady, [Limits on "Down-Zoning"](#), COATES' CANONS: NC LOC. GOV'T L. (Dec. 20, 2024), <https://canons.sog.unc.edu/2024/12/limits-on-down-zoning/>.

the specific language ties back to Article 7 and specifically references zoning districts,³ so preservation-ordinance amendments may potentially still be down-zonings if they reduce density, reduce uses, or create nonconformities in nonresidential districts.

Zoning map amendment or rezoning is defined to be “[a]n amendment to a zoning regulation for the purpose of changing the zoning district that is applied to a specified property or properties.” The term is defined to include

- “(i) the initial application of zoning when land is added to the territorial jurisdiction of a local government that has previously adopted zoning regulations and
- “(ii) the application of an overlay zoning district or a conditional zoning district.”⁴

The term is defined not to include

- “(i) the initial adoption of a zoning map by a local government,
- “(ii) the repeal of a zoning map and re adoption of a new zoning map for the entire planning and development regulation jurisdiction, or
- “(iii) updating the zoning map to incorporate amendments to the names of zoning districts made by zoning text amendments where there are no changes in the boundaries of the zoning district or land uses permitted in the district.”⁵

These definitions—and the ways that some actions are included and some actions are excluded—may be helpful as communities navigate questions about down-zonings.

American and North Carolina Flags

The Regulatory Reform Act of 2025, [Session Law 2025-94](#) (H.B. 926), modified a number of laws relevant to land use, planning, and zoning.

One of those provisions limits enforcement of regulations that would restrict showing the U.S. flag or the North Carolina flag. Specifically, Section 12 of the act requires a detailed and documented evaluation of the need to enforce any restriction on U.S. or N.C. flags. Specifically, in order to enforce an ordinance against a display of a U.S. or N.C. flag, the enforcing entity must evaluate and create “written findings of fact to document the public-health, safety, and welfare concerns justifying enforcement of the ordinance at that particular property.” If the justification is based on traffic, a Department of Transportation site study is required “to evaluate whether traffic concerns will arise with manner or placement of the display of [the] flag at a particular location,” and the “flag shall only be prohibited if [the department] determines that traffic concerns would in fact arise.”⁶ The legislation abates “any citation, fine, penalty, action, proceeding, or litigation pending” when the legislation became law on October 6, 2025.

Even though this documentation requirement does not specify a standard for justifying an enforcement action, the need to provide property-specific analysis and written documentation certainly complicates any attempt to enforce regulations against a U.S. or N.C. flag.

3. G.S. 160D-944 (“Any local government may, as part of a zoning regulation adopted pursuant to Article 7 of this Chapter or as a development regulation enacted or amended pursuant to Article 6 of this Chapter, designate and from time to time amend one or more historic districts within the area subject to the regulation.” “A development regulation may treat historic districts either as a separate use district classification or as districts that overlay other zoning districts.”).

4. G.S. 160D-102(34).

5. *Id.*

6. S.L. 2025-94, sec. 12.(a), § 144-7(b).

Local governments may want to consider updating enforcement policies to include a findings-of-fact process before initiating enforcement against a display of either the U.S. or N.C. flag. In doing so, a local government may want to consider what “public health, safety, and welfare concerns” might justify regulating a U.S. or N.C. flag and who is best positioned to prepare the written findings if enforcement is necessary.

In addition, local governments may need to update ordinance language related to flag displays. In addition to accommodating the extra analysis required to enforce regulations against U.S. or N.C. flag displays, there is a potential for creating unconstitutional content-based distinctions by treating some flags differently from others. Commercial and noncommercial flags can be subjected to different requirements, just as one might have different treatment for “on-premises” and “off-premises” flags or for flags that involve government speech and flags that do not.⁷ But regulations that distinguish between a U.S. or N.C. flag and other flags because of their specific messages arguably are making content-based distinctions. Those distinctions are “presumptively unconstitutional, so local governments may wish to consider carefully any regulations creating content-based distinctions between U.S. or N.C. flags and other flags.”⁸ This point is in addition to the need to ensure that enforcement officials have developed the necessary written justification before enforcing regulations against U.S. and N.C. flags. Local governments might even consider whether to prepare findings of fact prior to enforcement action against most noncommercial flag displays.

Waiting Period

Staying with [S.L. 2025-94](#) (H.B. 926), Section 11 of the Regulatory Reform Act prohibits “a development regulation or unified development ordinance” from “includ[ing] waiting periods” during which “a landowner, developer, or applicant” cannot refile “a denied or withdrawn application for a zoning map amendment, text amendment, development application, or request for development approval.”

Many local governments currently have ordinances that include waiting periods between submissions of zoning amendment proposals for the same property, so this may be one to pay particular attention to. The law became effective when the bill became law without the governor’s signature on October 6, 2025, so any waiting periods that would have started after October 6 are nullified. The fate of waiting periods that were running on October 6 is less clear, but the prohibition would likely be intended to end any waiting period currently in effect.

While the effect of this change is clear for legislative zoning decisions, it also applies to quasi-judicial approvals such as special use permits, variances, and some major plat approvals. With quasi-judicial requests, the application of the ban on waiting periods may function somewhat differently. This is because quasi-judicial decisions are subject to some of the same principles

7. See *Va. State Bd. of Pharm. v. Va. Citizens Consumer Council, Inc.*, 425 U.S. 748, 771 n.24 (1976) (while “commercial speech enjoys First Amendment protection,” it may still be regulated differently from other forms of speech); *City of Austin v. Reagan Nat’l Advert. of Austin, LLC*, 596 U.S. 61, 73, 76 (2022) (“the Court has previously understood distinctions between on-premises and off-premises signs, like the one at issue in this case, to be content neutral”); *Pleasant Grove City v. Summum*, 555 U.S. 460, 469 (2009) (“government speech is not restricted by the Free Speech Clause”).

8. See *Reed v. Town of Gilbert*, 576 U.S. 155 (2015) (explaining that “content-based laws . . . are presumptively unconstitutional” and that “[g]overnment regulation of speech is content based if a law applies to particular speech because of the topic discussed or the idea or message expressed.”) (citations omitted).

that apply to (fully) judicial court decisions. Among those is the principle of *res judicata*, which says that once a tribunal (like a court or board of adjustment) has ruled on a case, that same case cannot be litigated again. The language of the Regulatory Reform Act of 2025 suggests that an application for a quasi-judicial development approval that is denied could be immediately refiled. This might seem to run counter to the principle of *res judicata*, but the act does not guarantee that the matter will be heard again on its merits. Presumably, one could refile an application for a denied quasi-judicial request and see it automatically rejected as already decided. This nuance would not apply to legislative decisions but raises the question of how to address quasi-judicial applications that are refiled.

Zoning for University Property

G.S. 160D-913 deals with the application of zoning and other development regulations to state and university property. Section 18 of the Regulatory Reform Act of 2025 ([Session Law 2025-94](#) (H.B. 926)) concerns itself with subsection (b) of that statute, which exempts certain state government projects from development regulation.

Previously, G.S. 160D-913(b) exempted state government projects (including UNC system projects) that were both in Wake County and managed by the State Construction Office. The Regulatory Reform Act of 2025 expands this scope geographically and perhaps substantively as well.

First, it expands the geographic reach of the exemption, which previously included Wake County but now also includes Buncombe, Orange, and Watauga Counties.

Second, it alters the language regarding what projects might qualify. State government projects managed by the State Construction Office are still exempt. However, this act expands the university exemption to include projects managed or authorized by the University of North Carolina. If a project in Buncombe, Orange, Wake, or Watauga is managed or authorized by the UNC system or one of its constituent institutions but not the State Construction Office, that project would not have been exempt from local development regulation before but will be now. This provision became effective when the bill became law without the governor's signature on October 6, 2025.

Land Use Law Clarifications

Section 29 of the Regulatory Reform Act of 2025 ([S.L. 2025-94](#) (H.B. 926)) includes several clarifications to existing land use laws. First, Section 29.(a) adds a line to the end of G.S. 160D-108 stating that “[a] vested right obtained by permit or other local government approval shall not preclude the use or extinguish the existence of any other vested right or use by right attached to the property.” This change clarifies that vested rights complement, rather than replace, one another.

Similarly, Section 29.(b) of the law adds a sentence to the end of G.S. 160D-705(c), which relates to special use permits. That sentence reads, “If a special use permit expires and does not vest, the current zoning classification or regulation for the property applies.”⁹ This outcome would have been the case under existing law, but this sentence clarifies that expiration of a special use permit does not alter the underlying zoning classification.

Finally, Section 29.(d) of the law modifies the definition of “[l]andowner or owner” at G.S. 160D-102(18) to clarify that the term includes all title holders of record, and not just a single owner.

9. S.L. 2025-94, § 29.(b).

These new provisions became effective when the bill became law without the governor's signature on October 6, 2025.

Split Jurisdiction

General Statute 160D-203 deals with property that lies within the development-regulation jurisdiction of multiple local governments, which the statute refers to as *split jurisdiction*. Prior to the passage of the Regulatory Reform Act of 2025 ([S.L. 2025-94](#) (H.B. 926)), the local governments whose jurisdictions covered a split parcel could enter into an interlocal agreement (with the written consent of the landowner) to have one of the local governments take exclusive development jurisdiction over that particular property. The new law makes two significant changes.

First, by striking “entire parcel” at the end of what is now G.S. 160D-203(a) and replacing it with “land, including all development phases on the land,” the law resolves uncertainty about whether multiparcel developments would be subject to this statute or only individual parcels.¹⁰ Now, it is clear that G.S. 160D-203 should be applied to an entire project property, rather than only for individual parcels split between jurisdictions.

Second, the act splits the statute into subsections, adding a subsection (b) that states that if the local governments do not enter into an agreement, the owner of the land can choose to follow the development regulations of the local government where the majority of the total acreage of the parcel (presumably this should be interpreted to mean the entire project) is located.¹¹

The new provisions became effective when the bill became law without the governor's signature on October 6, 2025.

Infrastructure

Pavement Standards

Section 4 of the Regulatory Reform Act of 2025 ([S.L. 2025-94](#) (H.B. 926)) prohibits development regulations from requiring pavement-design standards for public or private roads that are stricter than the N.C. Department of Transportation's minimum standards. It applies to projects initiated on or after January 1, 2026.

School of Government Study of Regionalization

In [Session Law 2025-77](#) (H.B. 694), the General Assembly found that the state has a significant number of distressed water and wastewater systems and that some systems are not sized appropriately for the areas they serve. As a consequence, this law tasks the Environmental Finance Center (EFC) at the University of North Carolina at Chapel Hill School of Government with studying and reporting on the benefits, costs, and obstacles to regionalization of water and wastewater services. The EFC is to provide recommendations regarding legislative or regulatory changes that will lead to more informed decision-making on financial stability and the potential of regionalization measures to address financial instability. It also must identify particular public water or wastewater systems that would benefit significantly from regionalization.

10. *Id.*, § 29.(c).

11. *Id.*

In undertaking this work, the EFC is to consult with the State Water Infrastructure Authority, the Local Government Commission, the North Carolina League of Municipalities, the North Carolina Association of County Commissioners, and any other entity the EFC finds relevant to the issues it is studying. The EFC is also reaching out to—and would like to hear from—local governments involved in regional water and wastewater systems.

A report of findings and recommendations is due no later than April 1, 2026, to the chair of the House Oversight Committee, the chair of the Senate Committee on Regulatory Reform, and the Joint Legislative Commission on Government Operations.

Transportation Funding

Mecklenburg County has new options for local transportation funding, thanks to new legislation. [Session Law 2025-39](#) (H.B. 948) is entitled the Projects for Advancing Vehicle-Infrastructure Enhancements Act, or the PAVE Act. It authorizes Mecklenburg County to adopt a sales tax for public transportation if approved by referendum. The legislation authorizes a county to establish a metropolitan public transportation authority, and the law sets certain requirements if Mecklenburg chooses to establish such an authority.

Agriculture

[Session Law 2025-12](#) (H.B. 126) allows local governments to require additional review of rezoning projects in voluntary agricultural districts. It does so by adding rezoning actions to G.S. 106-740, which previously regulated only condemnations of land in voluntary agricultural districts.

As modified, G.S. 106-740 allows ordinances adopted under the statutes regulating voluntary agricultural districts and enhanced voluntary agricultural districts¹² to require the following process before a “State or local public agency or governmental unit may formally initiate any action” to rezone qualifying farmland within the district:

- The agency or body that intends to rezone the qualifying farmland requests that the local agricultural advisory board hold a public hearing and make a recommendation.
- The agricultural advisory board has forty-five days from the date it receives the request for a public hearing to hold the hearing and submit findings and recommendations.
- The local government then must wait 120 days after the board submits findings and recommendations to initiate the rezoning.¹³

The new law applies to rezonings that would be initiated on or after October 1, 2025.

While the statute does not describe what constitutes “formally initiating” a rezoning, some of the effect of the law will hinge on how this term is interpreted. Specifically, whether “formally initiate” means the rule applies to agencies or units *applying* for rezoning or *executing* an approved rezoning will have a significant effect on the timing of potential rezonings. It also may or may not affect private-sector rezonings if the formal initiation of the rezoning is when the

12. G.S. 160, §§ 737–743.5.

13. S.L. 106-740, § 1.

local government goes to update its zoning map after the hearing. This point could also affect whether any part of the process of reviewing rezoning applications could run concurrently with the agricultural advisory board's review.

Environmental Regulations

DEQ Water Permits

[Session Law 2025-48](#) (S.B. 472) makes several changes to water-related permits. It introduces the concept of an *upland basin marina* and provides special rules for permitting the same. It also provides review deadlines for certain wetlands water-quality-certification applications and excludes man-made ditches from areas that can be designated as AECs under coastal-management law.

Upland Basin Marinas

Section 2 of [S.L. 2025-48](#) introduces a new class of project subject to permitting under CAMA: upland basin marinas. To define and regulate this use, it introduces a new Part 5A to Article 7 of G.S. 143. New G.S. 113A-129.11 defines "upland basin marina" as any marina "constructed by excavating or dredging lands of elevations above the current mean or ordinary high-water mark" that is designed to accommodate more than ten vessels or boat slips. A new G.S. 113A-129.10 states the General Assembly's finding that upland basin marinas promote public welfare and its intention that laws pertaining to upland basin marinas be construed broadly to further their intent.

The new G.S. 113A-129.12(c) states that submitting an application for a major CAMA permit for an upland basin marina satisfies several other requirements for water-quality certification, CAMA management, use standards for several AECs, avoidance of significant adverse impacts, and compliance with state water-quality antidegradation requirements.

A new G.S. 113A-129.12 also requires the Division of Water Resources and Division of Coastal Management to approve applications for upland basin marinas within sixty days of submittal of a completed application or the application is deemed approved. It also limits the agencies' ability to request supplemental information and includes ten criteria on which the Division of Water Resources or the Division of Coastal Management must base their approval or denial of an application for an upland basin marina.

DEQ must allow an applicant for an upland basin marina project to use innovative technology to maintain or improve dissolved oxygen levels near the entrance to the marina. DEQ also can require the permittee to provide a bond or set aside funds for long-term operation and maintenance of the innovative technology.

The law governing upland basin marinas was effective when the act was signed into law on July 2, 2025.

Review of Certain 401 Applications

Section 1 of [S.L. 2025-48](#) alters G.S. 143-214.1A in two ways. First, it adds projects involving construction of an upland basin marina to a list of projects for which DEQ has several review deadlines and limitations. Those projects previously included certain maintenance dredging projects, electric generation projects located at an existing or former electric generating facility, and projects involving the distribution or transmission of several kinds of energy or fuel.

Second, it adds a subsection (c) that provides a number of deadlines and other limitations on review of projects that are (1) not subject to the deadlines referenced in the paragraph immediately above, (2) eligible for a U.S. Army Corps of Engineers Nationwide Permit or Regional General Permit, and (3) covered under an individual water-quality certification. This subsection applies deadlines to a number of actions, including deadlines for DEQ to post notice, provide notice of fees, determine whether the application is complete, review responses to requests for additional information, determine whether a public hearing is required, and make a final decision. Failure to approve or deny in the requisite time frame results in a waiver of the water-quality-certification requirement.

For projects covered by this particular subsection, DEQ must issue a certification if it determines that the proposed discharges will comply with state water-quality requirements. DEQ can include conditions, but those conditions can only include any effluent or other limitations needed to ensure that the proposed discharges will comply with state water-quality standards. DEQ is to deny a certification application only if it determines that no reasonable conditions or limitations would ensure that the proposed discharges would meet those standards. A denial must include a statement explaining why DEQ determined that the proposed discharges would not comply with state requirements.

The new subsection (c) to G.S. 143-214.1A applies to applications pending or submitted on or after October 1, 2025.

Man-Made Ditches

Section 3 of [S.L. 2025-48](#) excludes man-made ditches from areas that can be designated as areas of environmental concern under CAMA. It also specifically exempts man-made ditches from designation as estuarine waters or waterways and lands under or flowed by tidal waters or navigable waters. It also exempts areas within man-made ditches from the definition of *marshland* under G.S. 113-229(n)(3). As a consequence, local governments should be aware that CAMA regulations are likely not to apply to activities that impact man-made ditches.

These provisions became law when they were signed into law on July 1, 2025.

401-Certification-Processing Requirements for Projects Eligible for a Nationwide or Regional General Permit (S.L. 2025-50 (H.B. 768))

The Army Corps of Engineers oversees certain permits for activities impacting streams and wetlands, including water-quality certifications under Section 401 of the Clean Water Act. Under the permitting scheme, some qualifying activities are pre-permitted under a Nationwide Permit or a Regional General Permit. If such activities meet stated criteria, they are permitted. Nationwide and Regional General Permits require certification from the state environmental agency to confirm that the activity meets state water-quality requirements.

Section 3.(a) of [Session Law 2025-50](#) (H.B. 768) amends G.S. 143-214.1A to streamline DEQ's application processing. The statute now requires the following timeline and processing requirements:

- Notify the applicant of any required fee within five business days of application receipt (or automatically waive the fee).
- Determine application completeness within thirty business days after the beginning of the review period; determine application completeness within twenty business days of receiving an amended application (or it is automatically deemed complete).
- Notify the applicant that a public hearing is necessary (if a hearing is necessary) within the same timeline for determining application completeness.
- Approve or deny the application within ten business days of determining completeness (if no hearing is necessary) and within fifteen days of closing the record if a public hearing is required.
- Issue certification either without conditions or with only the conditions that are necessary to ensure that proposed discharges into navigable waters will comply with state water-quality requirements.
- Deny certification only upon determining that no reasonable conditions would ensure compliance with state water-quality requirements.

This section is effective October 1, 2025.

No Second Bite at Stormwater

Section 20 of the Regulatory Reform Act of 2025 ([S.L. 2025-94](#) (H.B. 926)) limits requests for additional information to applicants seeking stormwater permits under G.S. 143-214.7(b6). It prohibits the Environmental Management Commission (and presumably any governmental body to whom the Commission has granted permitting authority) from making new requests for additional information after the first request. The Commission can follow up when the applicant's initial response to the request for additional information is inadequate but cannot request information that was not asked for in the first request. As an illustration, imagine that SogCo applies for a postconstruction stormwater permit. Then the regulator asks for three pieces of additional information. If SogCo does not provide those three pieces of information, the regulator can ask for the missing items. It cannot, however, ask for new information that was not included in the three pieces it asked for in the initial request for additional information.

Falls Lake Rules

Section 21 of the Regulatory Reform Act of 2025 ([S.L. 2025-94](#) (H.B. 926)) orders the Environmental Management Commission to modify nutrient rules related to the Falls Lake watershed to exempt new individual homes. Specifically, unless required by federal law, no stormwater permit, management plan, or poststormwater controls can be required under the Falls Lake new-development rule or local stormwater ordinance adopted under the Falls Lake rule for single-family and duplex residential dwellings that cumulatively disturb less than one acre and are not part of a larger common plan of development. This regulation is in effect as legislation until the Environmental Management Commission passes a revision to the rule, which will not be subject to the usual procedures in Chapter 150B, Article 2A, Part 3, but will be subject to legislative review under G.S. 150B-21.3(b1). The statutory provision became effective when the bill became law without the governor's signature on October 6, 2025.

Brownfields

[Session Law 2025-53](#) (S.B. 387) makes a few changes to the details of the tax-exclusion and fee policies associated with the N.C. Brownfields Program. With regard to the tax, the law amends G.S. 105-277.13 as follows.

It clarifies that the exclusion is available for owners of real property subject to a brownfields agreement that DEQ has entered into.

It also states that subsequent qualifying improvements (after the first round) are also entitled to their own exclusionary period. This means that if a brownfields project had one building added in 2027 and another in 2029, each building would have its own separate timeline for tax exclusion. This could make recordkeeping for tax exclusions more complicated but would allow for improvements to occur over time without a loss of the tax benefit.

The new law amends the definition of *qualifying improvements* to mean improvements made after DEQ provides written confirmation that the property is *eligible* for a brownfields agreement rather than after it is subject to a brownfields agreement. This means that development work starting from receipt of a letter of eligibility, which often precedes a final brownfields agreement by a number of months, if not more, can be eligible for the tax exclusion once the agreement is entered into. This change allows prospective developers to begin development work on their projects earlier without losing the benefit of brownfields tax exclusion, though the exclusion still takes effect after the brownfields agreement is completed.

The law increases flexibility in fee schedule and handling of unanticipated costs. Before, a \$2,000 fee was due at the time of application, and the remainder was due at two separate milestones. The new language allows fees (minus the initial \$2,000 fee) to be paid “on a time schedule that the Department may specify.”¹⁴ It also allows DEQ to recover costs that were not anticipated in the brownfields agreement if it provides documentation supporting any such fee.

Finally, the new law allows DEQ and the N.C. Department of Justice to recover a fee from the owner of a brownfields property (subject to a Notice of Brownfields Property) that is out of compliance to cover documented costs of enforcement and of returning the site to compliance.

The changes to the tax provisions are effective for taxes imposed for taxable years beginning on or after July 1, 2025. The provisions related to fees were effective when the bill became law on July 2, 2025.

Helene Recovery

Following the devastation of Helene in Western North Carolina in the fall of 2024, the General Assembly adopted several rounds of legislation to provide funding for recovery, to address regulatory relief, and to otherwise support the recovery efforts. In late 2024, the General Assembly adopted three disaster-recovery acts. In 2025, in the new legislative session, the General Assembly continued those legislative efforts. Recovery legislation covered a range of topics. The summary below is not an exhaustive list of the legislation. Rather, it is an overview of the provisions related to planning and development regulations.

The Disaster Recovery Act of 2024 (2024 Recovery Act) was passed in three parts. Part I ([Session Law 2024-51](#) (H.B. 149)) addressed building-permit fees, licenses for family care homes, and more. Part II ([Session Law 2024-53](#) (S.B. 743)) addressed building-code shot clocks,

14. S.L. 2025-53, sec. 2, § 130A-310.39(a)(2).

building-inspector certifications, local government funding for permitting assistance, mines for storm debris, and more. Parts I and II were summarized in a Coates' Canons blog post called [Planning and Permitting Aspects of Helene Recovery Legislation](#).¹⁵ Part III ([Session Law 2024-57](#) (S.B. 382)) addressed permit extension, temporary housing and utilities, tree ordinances and sedimentation control, water and sewer permits and allocations, and more. Part III was summarized in the Coates' Canons blog post [More Planning and Permitting Aspects of Helene Recovery Legislation](#).¹⁶

In March 2025, the governor signed Part I ([Session Law 2025-2](#) (H.B. 47)) of the Disaster Recovery Act of 2025 (2025 Recovery Act). The act appropriated funds for a variety of recovery programs and efforts, addressed a range of regulatory-relief matters, and addressed oversight and closeout of the N.C. Office of Recovery and Resilience. In June the state passed [Session Law 2025-18](#) (H.B. 251), An Act to Make Various Reforms Related to Disaster Response and Recovery, addressing building-code modifications, among other things. Also in June, the state passed the Disaster Recovery Act of 2025, Part II ([Session Law 2025-26](#) (H.B. 1012)). The act appropriated and reallocated various funds for recovery. [Session Law 2025-89](#) (H.B. 125) addressed internet-related grant funding by making changes that prioritize sending funds to Helene-affected areas, among other actions. Additionally, [Session Law 2025-97](#) (S.B. 449) made several noteworthy changes to the regulatory relief for western North Carolina's recovery.

While the Helene-recovery legislation had a few provisions that applied statewide, noted in other sections of this bulletin, many provisions applied to the *affected area*, defined to be counties designated by presidential major-disaster declaration (“[t]he counties designated before, on, or after the effective date of this act under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Helene”¹⁷). Some provisions apply to a different subset of local governments—for example, the permit-extension provisions are applicable “only to development approvals issued by local governments located in the affected area that qualify, in whole or in part, for FEMA Public Assistance Categories C through G.”¹⁸ Local governments may therefore be subject to different recovery provisions.

The following sections highlight particular provisions of recovery legislation relating to planning and development regulations.

Recovery-Permit Extension

Under Section 1D.3 of the 2024 Recovery Act, Part III ([Session Law 2024-57](#)), a range of development approvals were extended through 2027 and beyond. Subsequently Section 1.5 of [Session Law 2025-97](#) (S.B. 449) revised the applicability and timeline of permit extension for areas qualifying for FEMA Public Assistance Categories C through G.

15. See generally Adam Lovelady, [Planning and Permitting Aspects of Helene Recovery Legislation](#), COATES' CANONS: NC LOC. GOV'T L. (Oct. 24, 2025), <https://canons.sog.unc.edu/2024/10/planning-and-permitting-aspects-of-helene-recovery-legislation/>.

16. Adam Lovelady, [More Planning and Permitting Aspects of Helene Recovery Legislation](#), COATES' CANONS: NC LOC. GOV'T L. (Jan. 27, 2025), <https://canons.sog.unc.edu/2025/01/more-planning-and-permitting-aspects-of-helene-recovery-legislation/>.

17. See S.L. 2024-57, § 1A.4.

18. S.L. 2025-97, § 1.5.(b).

Note that the discussion in this bulletin is focused on permit extension as revised in 2025. As written, the revised provisions “appl[y] only to development approvals issued by local governments located in the affected area that qualify, in whole or in part, for FEMA Public Assistance Categories C through G.”¹⁹ In other parts of the affected area, Section 1D.3 of the 2024 Recovery Act may still apply without change, in its prerevision form.

For areas qualifying for FEMA Public Assistance Categories C through G, the permit-extension law has a detailed definition of *development approval*, including certain development permits, building permits, subdivision plats, special use permits, conditional use permits, certificates of appropriateness, erosion and sedimentation plans, and other local development approvals, as well as certain air-quality permits, stream-origination permits, water or wastewater permits, water-quality certifications, and other items.²⁰ The law does not extend federal permits or permits with durations specified by federal law.²¹

For any development approval:

- (1) That is current and valid at any point during the period beginning January 1, 2024, and ending December 31, 2027, the running of the period of the development approval and any associated [statutory] vested right . . . is suspended within the affected area during the period beginning January 1, 2024, and ending December 31, 2027.²²

Notably, as provided in Session Law 2025-97 (S.B. 449), the Helene permit extension does not “[r]evive a development approval that expired prior to September 25, 2024.”²³ Additionally, Session Law 2025-97 (S.B. 449) provides an extra twelve months of validity for any development approval that was current and valid on September 25, 2024. Section 1.5 also states that it “shall not be construed or implemented to . . . [a]ffect the ability of a government entity to revoke or modify a development approval pursuant to law, for reasons other than the running of time” or to “[a]ffect any vested rights established under G.S. 160D-108 or other applicable law.”²⁴

19. *Id.*

20. S.L. 2025-97, § 1.5; S.L. 2024-57, § 1D.3.

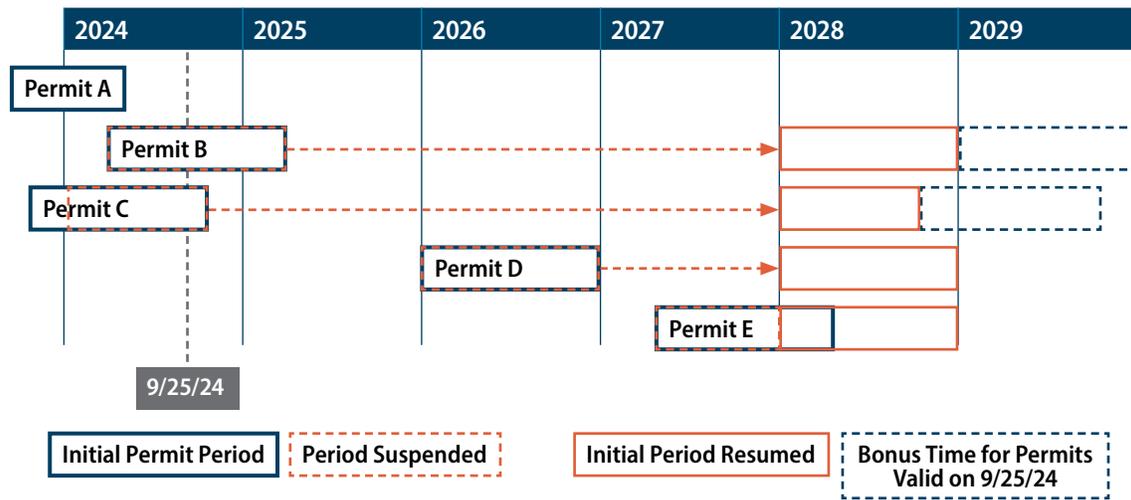
21. *Id.*

22. S.L. 2025-97, sec. 1.5.(a), § 1D.3.(b).

23. *Id.*

24. *Id.*

Figure 1. Permit Extensions Under S.L. 2025-97



Sample Permit-Extension Calculations

Consider these permit scenarios, illustrated in figure 1, in relation to the permit extensions related to Helene recovery.

- Permit A has expired. It was valid between 2024 and 2027, but it was not valid on September 25, 2024. [S.L. 2024-57](#), as amended by [S.L. 2025-97](#), states that the permit-extension legislation does not “[r]evive a development approval that expired prior to September 25, 2024.”
- Permit B’s validity period is suspended until January 1, 2028. Since the full validity period was between January 1, 2024, and December 31, 2027, the full validity period runs starting on January 1, 2028. Additionally, since Permit B was valid on September 25, 2024, it gets one additional year of validity.
- Permit C’s validity period is suspended until January 1, 2028, for the portion of validity beginning January 1, 2024 (the portion that ran before January 1, 2024, has already run and was not suspended). Since permit C was valid on September 25, 2024, it gets one additional year of validity.
- Permit D’s validity period is suspended until January 1, 2028, and begins running again on that date.
- Permit E’s validity period is suspended until January 1, 2028, and begins running again on that date.

Pursuant to Session Law 2025-97 (S.B. 449), the permit-extension provisions do allow for revocation or modification of development approvals if changed site conditions create safety or regulatory concerns. The law may allow local governments to

revoke or modify a development approval automatically extended under this section if, due to changed site conditions resulting from Hurricane Helene or subsequent related natural disasters, the local government determines that it would not issue the permit

under current site conditions based on a determination that the site no longer meets applicable State or federal safety, environmental, or engineering standards, or that the extension of the approval would present a material risk to life, health, or property.²⁵

However, the local government must also “provide written notice to the holder of the development approval of the revocation or modification, including findings of fact to support [such] a determination.”²⁶

Additionally, Section 1D.3 of Session Law 2024-57 created certain rules that would apply to suspended development approvals when they are “contingent upon connection to a water supply system or a sanitary sewer system . . . and there is not sufficient supply or treatment capacity to accommodate requests for additional allocation.”²⁷ Section 1.5 of Session Law 2024-97 then also applies these rules to approvals “extended under subsection (b).”²⁸

As stated in the 2024 Recovery Act Part III, “[t]he provisions of this section shall be liberally construed to effectuate the purposes of this section.”²⁹ Per Session Law 2025-97 (S.B. 449), note that “[t]he extensions granted by this subsection shall run concurrently with, and not in addition to, any other extension of the same development approval provided by State law or local ordinance.”³⁰

Regulatory Flexibility (Now Mostly Expired)

Parts I, II, and III of the 2024 Recovery Act contained provisions that mandated that local governments offer relief from some regulations or offered potential relief to local governments. Particularly relevant to planning and development were the following provisions:

- Section 10.1 of Part I, which authorized DEQ to allow local governments in some Helene-affected areas to use certain infrastructure funding for specified drinking-water- and wastewater-related purposes;³¹
- Section 4E.3 of Part II, which gave local governments in the affected area more flexibility in how they were permitted to do certain inspections-related work;³²
- Section 1D.7 of Part III, which required local governments to waive certain requirements related to “erosion and sedimentation control” for “persons conducting land-disturbing activity in the affected area”;³³
- Section 1D.8 of Part III, which restricts certain local government tree regulation in the affected area.³⁴
- Section 1D.9 of Part III, which restricted when a “local health department” may “deny a homeowner in the affected area the right to connect temporary housing to an existing subsurface wastewater treatment and dispersal system”;³⁵ and

25. *Id.*

26. *Id.*

27. S.L. 2024-57, § 1D.3.(d).

28. S.L. 2025-97, § 1.5.(a).

29. S.L. 2024-57, § 1D.3.(g).

30. S.L. 2025-97, § 1.5.(a).

31. S.L. 2024-51, § 10.1.

32. S.L. 2024-53, § 4E.3.

33. S.L. 2024-57, § 1D.7.(a).

34. *Id.*, § 1D.8.

35. *Id.*, § 1D.9.(a).

- Section 1F.4.(a) of Part III, which allowed “the Office of State Fire Marshal” to “adopt rules, and prepare guidance for local governments . . . relate[d] to . . . temporary manufactured and modular dwellings” located “in the affected area.”³⁶

Section 5.1 of the 2025 Recovery Act Part I extended all of these provisions (and others) until the day that the statewide Helene declaration of emergency expired. Section 3.1 of the 2025 Recovery Act Part II extended the expiration date of that declaration to October 1, 2025.³⁷ But the expiration date does not appear to have been extended again. As a result, almost all of this regulatory flexibility now no longer applies.

Tree Ordinances

Section 1D.8 of the 2024 Recovery Act Part III provided the following:

no local government in the affected area may enforce any ordinance regulating the removal, replacement, and preservation of trees on private property, including tree removal, trimming, or maintenance activities, or require a permit for those activities, on the portion of any private property that is more than 10 feet from the property boundary.³⁸

There were exceptions for public safety and “tree removal or maintenance activities prohibited by State or federal law” (such as in “endangered species habitats, riparian buffers, and wetlands”).³⁹

As mentioned above, Section 5.1 of the 2025 Recovery Act Part I had extended Section 1D.8 of the 2024 Recovery Act Part III out until October 1, 2025. Section 1.4 of [Session Law 2025-97](#) (S.B. 449) effectively reextended this section until October 1, 2026, while also modifying the restrictions on local governments and narrowing the scope of local governments to which these restrictions apply.⁴⁰

Section 1.4 changes the old law to now allow “adopt[ion] and enforce[ment]” of tree-preservation ordinances “solely for the purpose of protecting life or property from damage resulting from natural hazards, including, but not limited to, mudslides, slope failures, or flooding”⁴¹ These ordinances are supposed to be “narrowly tailored to protect life or property from such hazards.” Tree-preservation ordinances may not “regulate trees for aesthetic or general environmental purposes” except “as required pursuant to State or federal law,” including laws related to “endangered species habitats, riparian buffers, and wetlands.”⁴²

When first adopted, the tree-preservation-ordinance provisions were applicable across the “affected area,”⁴³ as defined in the 2024 Recovery Act Part III.⁴⁴ Session Law 2025-97 (S.B. 449) narrows the applicability a bit “to local governments located in the affected area that qualify,

36. *Id.*, § 1F.4.(a).

37. S.L. 2025-2, § 5.1; S.L. 2025-26, § 3.1.

38. S.L. 2024-57, § 1D.8.(a).

39. *Id.*, § 1D.8.(b).

40. S.L. 2025-97, § 1.4.

41. *Id.*, § 1.4.(a).

42. *Id.*, § 1.4.(a).

43. S.L. 2024-57, § 1D.8.

44. *See id.*, § 1A.4(1) (defining *affected area*).

in whole or in part, for FEMA Public Assistance Categories C through G.⁴⁵ For other local governments previously affected by Section 1D.8 of the 2024 Recovery Act Part III, restrictions under that section have already expired.⁴⁶

Recovery Reconstruction of Nonconforming Residential Structures

Section 5.7 of the 2025 Recovery Act Part I (Session Law 2025-2 (H.B. 47)) allows for the reconstruction or repair of nonconforming residential structures in the counties affected by Helene.

[R]econstruction or repair of a nonconforming residential structure in the affected area shall be allowed when all of the following criteria are met:

- (1) The structure shall not be enlarged beyond its original footprint.
- (2) The structure shall serve the same or similar residential use.
- (3) There are no alternatives for replacing the structure to provide the same or similar benefits to the structure owner in compliance with current law.
- (4) The structure will be reconstructed so as to comply with a local government's current development regulations to the maximum extent possible.
- (5) If located in an area regulated by a unit of local government pursuant to a floodplain or flood damage prevention regulation, the structure will be compliant with the regulation.
- (6) Reconstruction shall comply with any federal law requiring local government implementation and enforcement.⁴⁷

The law allows reconstruction despite local government development regulations to the contrary. *Development regulation* is defined to include “a unified development ordinance, zoning regulation, subdivision regulation, historic preservation or landmark regulation, or any other regulation adopted pursuant to Chapter 160D of the General Statutes or a local act or charter that regulates land use or development.”⁴⁸ However, a “development regulation” under this law is explicitly not any

- (i) floodplain or flood damage prevention regulation, (ii) local regulation[] adopted pursuant to G.S. 143-138(e) or adopted pursuant to the North Carolina State Building Code, (iii) erosion and sedimentation or stormwater control regulation[] adopted to comply with requirements of federal law, or, (iv) any other regulation[] adopted to comply with requirements of federal law.⁴⁹

This provision was effective upon adoption and “expires June 30, 2030.”⁵⁰

45. See S.L. 2025-97, § 1.4(a).

46. See S.L. 2024-57, § 1D.8.

47. S.L. 2025-2, § 5.7(a).

48. *Id.*, § 5.7(b).

49. *Id.*

50. *Id.*, § 5.7(c).

Proposed Allowance for Recovery Reconstruction in the Floodplain

Section 7 of [Session Law 2025-18](#) (H.B. 251) lets, in certain Western North Carolina counties, “the owner of a lawfully established building or structure damaged by the Helene flood event replace or reconstruct the building or structure within the base floodplain to the same or lesser extent or volume as existed immediately before the flood event.” However, this exception “shall only take effect upon execution of a memorandum of agreement (MOA) between the State of North Carolina and FEMA.”⁵¹ As of this writing, there is no such MOA.

Clarifying Amendment to Local Government Floodplain Regulatory Authority

Section 7 also appears to clarify the extent of local government floodplain regulatory authority. G.S. 143-215.54(a) used to state that cities and counties “may adopt ordinances to regulate uses in flood hazard areas and grant permits for the use of flood hazard areas that are consistent with the requirements of this Part [Part 6 of Article 21 of Chapter 143].” Section 7 amended G.S. 143-215.54(a) to state that these powers are “[s]ubject to G.S. 160D-108.”⁵² G.S. 160D-108 allows for permit choice and vested rights related to “land development regulation[s].”⁵³ G.S. 160D-108 uses a definition of “[l]and development regulation” that comes from G.S. 143-755(e)(3)(e) and includes “[f]loodplain or flood damage prevention regulation[s].”⁵⁴ So even before this amendment, the permit-choice and vested-rights rules in G.S. 160D-108 applied to “[f]loodplain or flood damage prevention regulation[s],” which would seem to include local government “ordinances to regulate uses in flood hazard areas and grant permits for the use of flood hazard areas” In other words, these local regulations already appear to have been “[s]ubject to G.S. 160D-108.” Therefore, the decision to amend G.S. 143-215.54(a) does not appear to be a substantive change to the law.

Note that applying these permit-choice and vested-rights rules when enforcing floodplain-management regulations might create compliance questions under the National Flood Insurance Program. However, since the law does not appear to have substantively changed, this concern existed both before and after this amendment went into effect.

Recovery Building-Code Modifications

For certain commercial buildings or structures in cities in Helene-affected areas, [Session Law 2025-18](#) (H.B. 251) provides an exemption from window fire-protection requirements.

Recovery Permits and Obligation for Processing Tree Stumps and Vegetative Debris

Section 8 of [Session Law 2025-18](#) (H.B. 251) relaxes some “permits or requirements” in certain Helene-affected counties related to “process[ing] tree stumps and other vegetative debris into mulch, compost, or soil amendments.” DEQ, the Department of Agriculture and Consumer Services (DACS), and local governments are instructed to waive certain solid-waste permits; “[a]pproval of” certain “erosion and sedimentation control plans;” “air quality permit requirements”;

51. S.L. 2025-18, § 7.

52. *Id.*

53. G.S. 160D-108.

54. *Id.*; G.S. 143-755(e)(3).

“soil amendment or compost product registration”; and “State Fire Code limitations on mulch pile storage.” But the law requires certain notice, as applicable, to DEQ, DACS, and local governments and sets related standards.⁵⁵

Section 9 then regulates how local governments may perform vegetative debris removal. The section states that when certain local governments in areas affected by Helene are “managing vegetative debris removal within their jurisdictions,” they “shall transport the material to a composting site for reuse as mulch or soil amendment when the transportation and disposal costs for processing tree stumps and other vegetative debris at a composting site are equal to or less than the costs associated with transportation and disposal at a landfill.” The section sets out circumstances in which DEQ and DACS must also follow this rule and help “local governments in complying with the requirements of this section.”⁵⁶

These provisions will expire July 1, 2027.⁵⁷ Additionally, the law requires that “[a]ny material managed under [Section 8] shall be removed from the site for its intended purpose no later than that same date.”⁵⁸

Recovery Water, Sewer, and Septic Permits and Allocations

Reallocating Water and Sewer Allocations

Section 1D.3 of the 2024 Recovery Act Part III provided extensions for a range of development permits, and it also addressed reallocating water and sewer resources from projects that are stalled. A local government may reallocate reserved capacity from projects that are not ready to proceed

if the local government meets all of the following requirements:

- (1) Establishes an allocation plan for existing capacity that determines actual capacity and provides for a fair and equitable process to distribute the remaining capacity.
- (2) Establishes a reallocation plan to meet requests for capacity above permitted capacity that is fair and equitable and requires the following:
 - a. That an applicant for a new or additional allocation demonstrates the ability to begin construction.
 - b. That the holder of a development permit suspended under subsection (b) of this section demonstrates the ability or intent to begin construction in no less than 120 days in order to retain the reserved capacity.
- (3) Does not reallocate capacity to exceed the amount of the reserved capacity.

Water, Sewer, and Septic-System Permits

Additionally, Part III amends certain infrastructure and environmental health permits. Section 1D.4 extends validity for certain on-site wastewater permits. Section 1D.5 allows for temporary public water systems. Section 1D.6 allows for temporary pump-and-haul wastewater permits.

55. S.L. 2025-18, § 8.(b)–.(f).

56. *Id.*, § 9.(a).

57. *Id.*, §§ 8.(g), 9.(b).

58. *Id.*, § 8.(g).

Broadband-Infrastructure Assistance

Section 5.2 of the 2025 Recovery Act Part I required “roadway constructors,” local governments, and the Department of Transportation to assist with broadband infrastructure:

First, Section 5.2 specified when and how roadway constructors must work with broadband providers to help create permanent fixes to broadband issues in certain Helene-affected areas.

Second, Section 5.2 mandated that “[t]he Department of Transportation and local governments . . . allow the underground installation of broadband infrastructure within rights-of-way as needed for repair of broadband infrastructure damaged by Hurricane Helene” in certain areas.⁵⁹

Recovery Infrastructure Funding

Subpart II-C (of the 2025 Recovery Act, Part I) created a Private Road and Bridge Repair and Replacement Program within North Carolina Emergency Management for the repair and replacement of private roads and bridges impacted by Hurricane Helene. Subpart II-F established the Small Business Infrastructure Grant Program to be administered by the Department of Commerce. The program awards grants to local governments for infrastructure repairs affecting small businesses.⁶⁰

The 2025 Recovery Act, Part II ([Session Law 2025-26](#) (H.B. 1012)), provided funding for certain infrastructure-recovery efforts, including flood mitigation, airport repairs and strengthening, and dam safety.

Subpart II-A appropriated funding to the Parks and Recreation Trust Fund to be used in certain Helene-affected areas. A portion of these funds was designated as “matching funds to units of local government or public authorities in accordance with G.S. 143B-135.56(b)(2).”⁶¹

Subpart II-A also appropriated funding to the North Carolina League of Municipalities, the North Carolina Association of County Commissioners, and the North Carolina Association of Regional Councils of Government to provide “technical assistance” to certain Helene-affected local governments. This “technical assistance” relates to “(i) federal financial aid applications, (ii) disaster recovery funding, (iii) . . . planning and permitting assistance, and (iv) building capacity for building and trade inspections.” The entities awarded this funding are supposed to “prioritize assistance to local government[s] in counties with a population of less than 250,000” These funds are not aimed at helping “any unit of local government that has received a separate allocation of federal aid through HUD for Hurricane Helene.”⁶²

Subpart II-B created the Hurricane Helene Local Government Capital Grant Program “to distribute grants to eligible recipients for capital projects” in certain Helene-affected areas “to repair, renovate, or replace infrastructure damaged by Hurricane Helene.” The Office of State Budget and Management (OSBM) is the administrator of the program. Initially, grants under this program were permitted to support only “[capital] projects . . . *denied* eligibility for FEMA Public Assistance reimbursement.”⁶³ [Session Law 2025-97](#) (S.B. 449) later modified this language, permitting grants under the program to support only “projects . . . *not eligible* for FEMA Public

59. S.L. 2025-2, § 5.2.

60. S.L. 2025, §§ 2C.1., 2F.1.

61. S.L. 2025-26, § 2A.3.(a).

62. *Id.*

63. *Id.*, § 2B.1.(b) (emphasis added).

Assistance reimbursement.”⁶⁴ This change appears to have broadened the types of projects that might receive funding under this program. Session Law 2025-97 also then required “the OSBM [to] consult with the Department of Public Safety, Division of Emergency Management, to confirm each project’s ineligibility for FEMA Public Assistance reimbursement.”⁶⁵

Subpart II-C established the Hurricane Helene Flood Mitigation Grant Program for local governments and nonprofits in certain Helene-affected areas to undertake flood mitigation projects related to

- (1) culvert or bridge retrofits or replacements,
- (2) stormwater and drainage system improvements,
- (3) relocation of at-risk infrastructure, and
- (4) hardening of critical facilities and utilities.

The program also provides grants for engineering assistance for “units of local government to identify and design shovel-ready projects related to flood mitigation.”⁶⁶

Subpart II-D established the Aerial Asset Accessibility Grant Program to disburse grants to eligible airport owners “to . . . repair, replace, and restore infrastructure damaged by Hurricane Helene and . . . build and improve capacity for emergency preparedness and disaster response for future natural disasters and emergencies.” This program is only available to owners of a narrow subset of airports.⁶⁷

Subpart II-E established the Dam Safety Grant Fund to provide “grants . . . to eligible dam owners for the purpose of dam repair, modification, or removal.”⁶⁸

Part III of H.B. 1012 also appropriated hundreds of millions of dollars for drinking-water- and wastewater-infrastructure projects. Much of this funding appears designated to help Helene-affected entities. But some of this funding appears to be more broadly available.⁶⁹

Section 4.3 of [Session Law 2025-89](#) (H.B. 125) also changed opportunities for funding related to providing internet service. Section 4.3 repealed G.S. 143B-1373.2 and G.S. 143B-1374, both of which related to internet-related grant-funding programs. Section 4.3 then directed “the Department of Internet Technology [DIT] . . . to award grants to eligible entities to purchase installation materials for satellite internet service.” Local governments are among the eligible entities. The “[i]nstallation materials and internet service must be for the grantee’s own use and not for distribution to other parties,” and grant funds may not “be used for internet service subscriptions.” The law requires that “[DIT] . . . prioritize applicants that operate in” certain Helene-affected areas. Additionally, “[DIT] may . . . give priority to grantees that offer emergency services, disaster relief, educational services, or economic development.”⁷⁰

64. S.L. 2025-97, § 1.2.(a) (emphasis added).

65. *Id.*

66. S.L. 2025-26, § 2C.1.(a)–(c).

67. *Id.*, § 2D.1.

68. *Id.*, § 2E.1.

69. *Id.*, § 3.2.(a).

70. S.L. 2025-89, § 4.3.(c).

State Building Code and Other Code-Enforcement Topics

Delayed Implementation of the 2024 North Carolina State Building Code

The 2024 North Carolina State Building Code was intended to take effect on January 1, 2025, but the effective date was delayed until some future date after certain criteria are met.

The first delay came in the wake of Helene. The 2024 Recovery Act, Part III ([Session Law 2024-57](#)) included a provision at Section 1F.3 to postpone the effective date of the 2024 State Building Code until July 1, 2025.⁷¹

Subsequently, Section 5.12 of the 2025 Recovery Act Part I ([Session Law 2025-2](#) (H.B. 47)) delayed the effective date of the 2024 State Building Code even more:

the 2024 North Carolina State Building Code shall become effective 12 months after the first day of the month following the date the State Fire Marshal certifies, by letter to the Revisor of Statutes with copies sent to the President Pro Tempore of the Senate and the Speaker of the House of Representatives, that both of the following events have occurred:

- (1) The Building Code Council and Residential Code Council have completed all of the following publication and distribution requirements:
 - a. The initial publication and printing of the adopted 2024 North Carolina State Building Code, including all amendments adopted as of the effective date of this act.
 - b. The distribution of copies of the initially published 2024 North Carolina State Building Code to all State and local officials and departments who are required to receive copies of the Code under G.S. 143-138(g) without the necessity of a written request.
 - c. The making of copies of the initial publication of the 2024 North Carolina State Building Code available for purchase by members of the general public.
- (2) The Residential Code Council is fully constituted in accordance with the membership requirements set forth in G.S. 143-136.1.⁷²

State Fire Marshal Brian Taylor issued a [letter on March 31, 2025](#), addressing the delayed effective date and interim use of the 2024 State Building Code. With regard to the criteria listed above to trigger an effective date for the 2024 State Building Code, the Office of State Fire Marshal (OSFM) anticipated that printed and digital copies of the code would be ready by July 1, 2025. OSFM does not oversee “appointment and confirmation of members to the Residential Code Council.” Those activities are responsibilities of the governor and General Assembly.⁷³

“In the interim, pursuant to Section 102.5 of the North Carolina Administrative Code and Policies, the 2024 Code may be used as an alternate method of construction at the building owner’s or his agent’s request.”⁷⁴

71. S.L. 2024-57, § 1F.3.

72. S.L. 2025-2, § 5.12.(b).

73. Off. of State Fire Marshal, [Update Regarding the Effective Date of the 2024 North Carolina State Building Code](#) (Mar. 31, 2025), <https://www.ncosfm.gov/letter-re-2024-state-building-code-effective-date/open>.

74. *Id.* at 2.

Inspection Cancellations (S.L. 2025-94 (H.B. 926))

[Session Law 2025-94](#) (H.B. 926) amends G.S. 160D-1104 to provide the following: “An inspection department shall not charge the permit holder a fee or fail an inspection of a building or structure subject to the North Carolina Residential Code, if the permit holder cancels a scheduled inspection more than one business day before the scheduled inspection.”⁷⁵

Neighbor State License Recognition Act (S.L. 2025-61 (H.B. 763))

[Session Law 2025-61](#) (H.B. 763) requires certain “occupational licensing boards and State agency licensing boards” to “issue a license, certification, or registration to” individuals licensed in five nearby states who meet certain criteria (establish residency in North Carolina, be “licensed, certified, or registered” in a designated nearby state for at least one year, be in good standing, demonstrate competency as determined by the licensing board, and more).⁷⁶

This provision applies to “all occupational licensing boards and State agency licensing boards” (except for in specifically designated professions such as engineering, architecture, certified public accounting, and law).⁷⁷ The provision applies to the Code Officials Qualifications Board, which oversees building-inspector certificates.⁷⁸ So building inspectors licensed in the listed states may be licensed in North Carolina if they meet the other criteria.

Note that G.S. 143-151.14 already provides for an expedited process for qualified code-enforcement officials from other states to receive such certificates. This process applies to certain code-enforcement officials “in good standing [with] a similar board of another state, district or territory” that has minimally acceptable standards.⁷⁹

Model Homes (S.L. 2025-94 (H.B. 926))

Section 6.(c) of [Session Law 2025-94](#) (H.B. 926) allows a “fire code official . . . to reduce the fire-flow requirements for an isolated model home at a subdivision project site where development of full-fire flow requirements is impractical or pending.” The Building Code Council and Residential Code Council are instructed to adopt rules compliant with the law.⁸⁰

Childcare Facilities (S.L. 2025-36 (H.B. 412))

[Session Law 2025-36](#) (H.B. 412) made a variety of regulatory changes for childcare facilities, including changes to building-code requirements for “family child care homes.” In Section 18, the law slightly modified the definition of *family child care home* in G.S. 110-86.⁸¹ Under Sections 15.(c), 16.(c), and 17.(c), family child care homes located in certain dwellings must meet several requirements: (1) the “[r]ooms and areas within a family child care home where occupants receive care shall be on the same level of exit discharge” and must “be located on the same level with, and within a maximum of 40 feet travel distance to, at least one 2A:10B:C fire extinguisher”; (2) each “family child care home [must] have and maintain a Fire Safety, Evacuation, and Lockdown Plan compliant with Section 404 of the North Carolina Fire Code”;

75. S.L. 2025-94, § 3.

76. S.L. 2025-61, § 1.(a).

77. *Id.*

78. G.S. 143-151.13.

79. G.S. 143-151.14(a).

80. S.L. 2025-94, § 6.(c), .(d), .(e).

81. S.L. 2025-36, § 18.

and (3) the family child care homes must have “carbon monoxide alarm and detection systems” and “smoke alarms compliant with” specified relevant codes.⁸² Section 18 then also made some small changes to the standards for licensing childcare facilities, including making explicit that “family child care homes” must meet “appropriate requirements of the North Carolina State Building Code.”⁸³

The session law also requires “[t]he Division of Child Development and Early Education . . . [to] establish the Licensed Childcare Licensure Workgroup to examine streamlining regulatory requirements related to the physical structures of licensed child care facilities.”⁸⁴ “The Division of Child Development and Early Education [must] report . . . findings and recommendations” to various groups “no later than one year after this act becomes law.”⁸⁵

These requirements were effective when the bill became law on July 1, 2025.⁸⁶ Sections 15, 16, and 17 all expire when the Building Code Council and Residential Code Council adopt certain permanent rules “consistent with” Sections 15.(c), 16.(c), and 17.(c) and those rules “become effective.”⁸⁷

Exemptions from In-Building Emergency-Responder Communication-Coverage Requirements (S.L. 2025-50 (H.B. 768))

For certain building classifications, the North Carolina Building Code requires in-building communication systems for use by emergency responders. Section 1 of [Session Law 2025-50](#) (H.B. 768) exempts the following building or structure types from the requirement: “(1) R-2 Apartment Buildings of Type V construction that meet the egress requirements of the Code” and “(2) Apartment buildings and transient public lodging establishments, including hotels and motels, not exceeding two stories above grade plane and that provide direct exterior egress from each dwelling unit or guest room.” The law also lets certain “emergency responder communication coverage system[s] . . . be disconnected” in those buildings or structures under specific circumstances.⁸⁸

The exemption was applicable when the legislation was signed, July 2, 2025, and the Building Code Council was tasked to amend the applicable codes accordingly.⁸⁹

Niche Building-Code Amendment (S.L. 2025-67 (H.B. 23))

Part VII of [Session Law 2025-67](#) (H.B. 23) makes specific changes to the State Building Code related to “Unlimited Area Buildings.” The session law clarifies that under Sections 507.4 and 507.5 of the State Building Code, “public ways” is defined to “include railroad rights-of-way” in certain fairly specific circumstances. The Building Code Council is tasked to amend the State Building Code accordingly, and Section 7 expires once the Building Code Council adopts certain permanent rules consistent with the section and those rules “become effective.”⁹⁰

82. *Id.*, §§ 15.(c), 16(c), 17(c).

83. *Id.*, § 18.(b).

84. *Id.*, § 19.1.

85. *Id.*, § 19.3.

86. *Id.*, § 20.

87. *Id.*, §§ 15.(d)–(f), 16.(d)–(f), 17.(d)–(f).

88. S.L. 2025-50, § 1.(b), .(c).

89. *Id.*, §§ 1.(d), 4.

90. S.L. 2025-67, § 7.(c)–(e).

Local Bills of Interest

The General Assembly enacted several bills ([S.L. 2025-14](#) (H.B. 26), [S.L. 2025-15](#) (H.B.183), [S.L. 2025-30](#) (H.B. 173), [S.L. 2025-31](#) (H.B. 226), [S.L. 2025-32](#) (H.B. 309)) that each included various changes to local government authority. Across these acts was a broad range of changes to boundaries, charters, elections, leases, and other authority. A few land-use-related provisions are highlighted below.

- The Town of Madison was added to the multitude of municipalities exempt from the cap on satellite annexations.⁹¹
- Property was deannexed from eight municipalities (Town of Andrews, City of Elizabeth City, City of King, Town of Four Oaks, City of Creedmoor, City of Wilson, City of Asheville, and City of Greensboro).⁹²
- The Catawba/Lincoln County boundary line was clarified, effective June 30, 2025, and applying to taxable years beginning on or after July 1, 2025.⁹³
- A freeze was enacted on new extraterritorial jurisdiction in Wake County between January 1, 2025, and December 31, 2028.⁹⁴
- Procedural restrictions were passed that limit moratoria on commercial development in the Town of Taylortown.⁹⁵
- Rural-development authorities were authorized for Hertford County and Transylvania County.⁹⁶

Two provisions of S.L. 2025-32 (H.B. 309) were particularly noteworthy.

First, as referenced above, a number of bills were introduced across the session, seeking to reverse or alter the changes to down-zoning authority in [S.L. 2024-57](#), Section 3K.1. Most of the bills, whether intended to alter the legislation for the entire state or for a small set of local governments, have not become law. However, Section 2.3 of S.L. 2025-32 provides one exception that has become law. This section allows the Town of Mills River to adopt a new unified-development ordinance initiated by its town council in October 2024, regardless of the down-zoning legislation.

Another noteworthy change allows Onslow County to enact an ordinance that delegates to its planning board the authority to make final decisions on zoning-map amendments. This power was granted upon the passage of S.L. 2025-32 on June 30, 2025.

91. S.L. 2025-14.

92. *Id.*; S.L. 2025-30; S.L. 2025-31.

93. S.L. 2025-30.

94. *Id.*

95. *Id.*

96. S.L. 2025-32.