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Focusing on Legislative Representation

LEGISLATIVE REPORT April 29, 2026

INTRODUCTION

What a way to start the short session last week! The House and Senate announced that they had reached an agreement on the Medicaid shortfall to fund the amount requested by the Department of Health and Human Services in the amount of \$319 million. The bill also includes a variety of requirements in the Federal law regarding work requirements and limitations on who can receive Medicaid as well as other cost savings measures that include audits, fraud detection and changes to Autism treatment and GLP-1s.

This agreement placed into another bill has already been approved by both the House and the Senate and we understand that the Governor will sign the bill into law despite his reservation about some of the provisions included.

There are also signs of cooperation on a budget being completed during the short session but there is a long way to go!

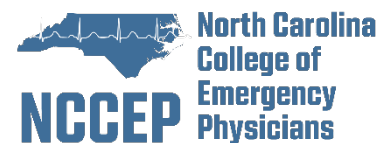
BILLS OF INTEREST

House Bill 696, Health Care Practitioner Transparency Act. This conference report includes the long-awaited agreement between the House and Senate to provide \$319 million in funding to address Medicaid rebase funding needs. This funding will allow Medicaid to continue through this fiscal year which ends June 30, 2026. Along with the needed funding, the bill includes a variety of cost cutting measures to address ever increasing Medicaid costs. The conference report also includes monthly, instead of quarterly, data checks for information concerning changes in circumstances that may affect medical assistance beneficiaries' eligibility to receive medical assistance benefits. This data check would be done by DHHS. The conference report also focuses on Medicaid fraud, waste and abuse. In addition, the conference report includes the following provisions:

- establishes the Blue Ribbon Commission on Public Education with membership appointed by the Speaker, President Pro Tem of the Senate and Governor.
- appropriates \$319 million in nonrecurring funds for the Medicaid rebase.



NORTH CAROLINA COLLEGE OF EMERGENCY PHYSICIANS



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- provides technical updates to comply with Federal law which states that Medicaid coverage for individuals who are not United States citizens shall be limited to coverage that is federally required for the State's participation in the Medicaid program.
- provides for prepayment claims reviews for Medicaid.
- provides that except as required by federal law or regulation, DHHS shall not prohibit PHPs from requiring itemized bills for inpatient hospital outlier claims that are greater than \$250,000 or more than two standard deviations from the median claim amount of the applicable billing code.
- provides that DHHS shall annually establish all Medicaid copayments at the maximum allowable under federal law.
- provides new oversight and restrictions on ABA providers who bill Medicaid. This section provides that telehealth services may not comprise more than 50% of the services provided by the licensed qualified autism service provider, unless exceptions are developed. This section also provides that at least 10% of all services provided by a paraprofessional must involve the observation and direction of the paraprofessional by a licensed qualified autism service provider. The section also provides that any plan involving more than 16 hours of services per week must be approved by the PHP or DHHS.
- provides for a 2026 one-time assessment for new health advancement administrative costs.
- provides for increased bed capacity for facilities licensed to provide a program of oversight respite services.

The Conference report was approved by both the House and the Senate and will next be considered by the Governor.

House Bill 1017, Sound Basic Education for Every Child, would enact provisions to put in place requirements as set out in the *Leandro* case. It would appropriate funding for teacher raises, children with disabilities, expanding NC Pre-K, and the NC Teaching Fellows Program, and would authorize a \$4 billion school construction bond referendum for the 2026 ballot. **Introduced by Representative von Haefen and referred to the House Rules Committee.**

House Bill 1024, Revise NC 529 Program, would establish a matching program for contributions to the parental savings trust fund and create a tax deduction for certain contributions to qualified tuition programs. **Introduced by Representatives Roberson, Price, and T. Brown and referred to the House Appropriations Committee.**

House Joint Resolution 1030, US Department of Edu., would urge members of the United States Congress to support the devolution of power from the U.S. Department of Education to the states. **Introduced by Representatives Biggs, Potts, K. Hall, and Carver and referred to the House Education K-12 Committee.**

House Bill 1031, Universal Free Breakfast and Lunch. This bill provides that all public school units must offer students two meals per day, breakfast and lunch, at no cost to the student. **Introduced by Reps. Quick, Buansi, Johnson-Hostler and Roberson and assigned to the House Rules Committee.**

House Bill 1032, Repeal Two Percent Local Grocery Tax, would exempt groceries from local sales tax. **Introduced by Representatives Chesser, Paré, Reeder, and Schietzelt and referred to the House Commerce and Economic Development Committee.**

House Bill 1039, Const Amend: No Budget No Pay, would amend the State Constitution, if approved by a majority of qualified voters of the State at the general election to be held on November 3, 2026, to disallow the annual salary and other allowances for members of the General Assembly if the General Assembly has not passed a budget by June 30 of a year for a period beginning July 1 and continuing until a budget is ratified or the term of the Legislature ends, whichever occurs first. **Introduced by Representatives Butler, Price, Morey, and Cervania and referred to the House Rules Committee.**

House Bill 1043, CHCCS Act, would enact the “Curriculum Honesty, Compliance, and Child Safety (CHCCS) Act, including provide to:

- expand the legal rights for parents pertaining to their child’s education to include:
 - the right to consent to official changes to their child's name, gender designation, or identity within school records. Prevents a school from changing these without first receiving consent from a parent;
 - the right to access the educational records of their child, including counseling records, intervention records, behavioral and support plans, and communications with third parties regarding the student;
- require the school to provide written notice to the parents, before acting on described sensitive matters (including receiving counseling services related to the student’s sexuality or gender identity, receiving outside referrals related to the student’s mental health, emotional well-being or sexuality or gender identity, or classroom or school-wide discussions regarding gender identity);
- expand the types of curriculum where instruction on gender identity, sexual activity, or sexuality is not allowed under GS 115C-76.55 (age-appropriate instruction for grades kindergarten through fourth grade), to include any electronic, print, or non-print resources for independent use by students and school personnel and not used as part of the standard course of study for any grade or course;
- prohibit teachers teaching students in kindergarten through fourth grade from using any third-party resources for instruction, including instructional materials, supplementary materials, or websites, except those provided by the public school unit; and
- allow a parent to bring a civil action against a public school unit for declaratory relief, injunctive relief, statutory damages of \$5,000 per violation, reasonable attorneys’ fees and costs, and other appropriate relief as determined by the court for violations.

Introduced by Representatives B. Jones, Miller, Balkcom, and N. Jackson and referred to the House Education K-12 Committee.

House Bill 1044, Justice in Mental Health Act. This bill would build additional capacity in state psychiatric hospitals to establish rehabilitative disposition and community safety programs, increase the limit on safekeeper beds and appropriate funds to use for costs related to the additional safekeeper beds. The bill would also appropriate funds for guidance for judges on identifying behavioral health risks among court-involved individuals. **Introduced by Reps. Price, Belk, Prather, and Morey and referred to the House Rules Committee.**

House Bill 1045, Fair Wages in Health Care Act/Funds. This bill would establish occupational minimum wages for certain direct care and health care support workers and would appropriate funds to DHHS for implementation. The bill provides at least the following amounts per hour: home care aide \$18; direct support professional \$18; certified nursing assistant \$20; psychiatric aide \$22; and licensed practical nurse \$24. **Introduced by Reps. G. Brown, Clark, Cervania, and Prather and referred to the House Rules Committee.**

Senate Bill 779, Medicaid Rebase. This bill would provide \$319 million for the Medicaid rebase in a clean bill without the other cost savings measures. **Introduced by Sens. Adcock, Blue and Smith and assigned to the House Rules Committee.**

Senate Bill 780, Modernize Medicaid Primary Care Rates. This bill would provide \$48 million to increase primary care providers Medicaid rates. **Introduced by Sens. Adcock, Burgin, and Corbin and assigned to the House Appropriations Committee.**

Senate Bill 781, Health Insurance Premium Tax Credit, would establish a tax credit for businesses in the state that provide wages for employee health insurance premiums. The credit would be capped at \$400 per eligible employee with an aggregate annual limitation of \$5 million for all taxpayers. The bill would require the Department of Revenue to report each year by county on the number of eligible business tax credit applications the Department has received, the number of tax credit applications approved, and the tax credits approved by March 31 each year and to publish that information on its website. **Introduced by Senator Bradley and referred to the Senate Rules Committee.**

Senate Bill 782, Safe Schools Transparency Act, would require parental notification of school threats and safety plans; create penalties for failure to notify parents of school threats; reinstate the Task Force for Safer Schools; and establish and appropriate \$25 million to the Department of Public Instruction for a School Safety Fund. **Introduced by Senator Bradley and referred to the Senate Appropriations Committee.**

Senate Bill 785, Opt-In to Student Health. This bill provides that a public school unit may conduct a health care screening without parental consent but shall provide a parent notice at the beginning of the school year on all screenings to be conducted and of the results of those screenings for their child. Health screenings include vision, hearing, dental and developmental screenings for cognition, language and motor function. **Introduced by Sen. Bradley and assigned to the House Appropriations Committee.**

Senate Bill 786, Protect NC Prosperity & Health, would provide: (1) \$3 million to the Department of Justice to launch a statewide consumer finance awareness initiative to educate the public about risks, including, but not limited to, phishing, mail fraud, identity theft, pyramid schemes, predatory home-based business opportunities, and money transfer fraud; and (2) \$4 million to the Department of Health and Human Services to launch a statewide health and civil rights awareness initiative to educate the public about the risks to public health and information pertaining to issues including, but not limited to, reproductive, LGBTQIA+, gender, and racial health issues. The Departments would develop websites to provide information to the public about (i) the risks listed above, (ii) links to webpages for various resources related to consumer finance and emerging schemes and fraudulent activities or health and civil rights, as applicable, and (iii) access to a toolkit of information that local communities could use to launch consumer finance awareness/health and civil rights initiatives, as applicable, at the local level. The toolkits would provide materials and resources that could be tailored to a community's needs and used for launching local education and awareness campaigns, events, and local groups focused on the distribution of related information. **Introduced by Senator Bradley and referred to the Senate Appropriations Committee.**

Senate Bill 787, AI Ethics and Literacy Across Education, would direct the State Board of Education to adopt standards for age-appropriate instruction on artificial intelligence (AI) for kindergarten through grade 12. The standards would include at least the following:

- the basic concepts of artificial intelligence, including an age-appropriate understanding of how AI systems source and create content;
- real-world applications of AI;
- economic, legal, and social issues surrounding the use of information provided by AI; and
- responsible, ethical use of AI, including the following topics: privacy; oversight; academic dishonesty; and the effect of human bias on AI models.

The standards adopted by the State Board could allow for AI instruction to be included in the standards for computer science courses offered in middle school and high school. **Introduced by Senator Bradley and referred to the Senate Appropriations Committee.**

Senate Bill 788, Guarding Freedoms & Public Safety Act, would: (1) prohibit a person convicted of a misdemeanor crime of domestic violence offense from purchasing or possessing a firearm; (2) require a universal background check for the sale of a firearm; (3) reenact the pistol purchase permit law; (4) require certification of the safe storage by parents or guardians of students in public schools; and (5) provide funding for the Department of Public Safety. **Introduced by Senator Bradley and referred to the Senate Appropriations Committee.**

Senate Bill 791, Enhanced Penalty/Dom. Violence Strangulation, would do the following:

- increase the offense of assault inflicting serious bodily injury from a Class F to a Class E felony, and the offense of assault inflicting physical injury by strangulation from a Class H to a Class G felony;
- establish a new offense, assault by strangulation, classified as a Class H felony;
- define "strangulation" as impeding the normal breathing or circulation of blood of another person by applying pressure to the throat or neck of the person or by obstructing the nose and mouth of the person; and
- provide \$3 million to the Department of Justice to establish a public awareness campaign regarding these increased punishments.

Introduced by Senator Bradley and referred to the Senate Appropriations Committee.

Senate Bill 793, Right to IVF. This bill would protect the right to access assisted reproductive technology and appropriate funds to increase funding for Medicaid maternal support services. The bill also provides that a fertilized human egg or human embryo that exists in any form outside of the uterus of a human body shall not be considered an unborn fetus or unborn child that connotes a human being for any purpose under State law. **Introduced by Sen. Bradley and assigned to the House Appropriations Committee.**

Senate Bill 796, Compact to Award Prizes for Curing Disease. This bill would create a compact to award prizes for curing diseases and would provide \$100,000 in nonrecurring funds to support the development of the compact. **Introduced by Sen. Burgin and assigned to the House Appropriations Committee.**

Senate Bill 797, Hands Free NC, would prohibit a person from operating a motor vehicle (1) with a wireless communication device in the person's hand, (2) while watching a video or movie or communicating by video on a wireless communication device, or (3) while texting on a wireless communication device. The bill would also prohibit persons under 18 from operating a motor vehicle while using a wireless communication device. Exceptions are provided for following the

recommended route by an electronic navigation system or communicating in an emergency situation. First offenses (for a person with no prior or no offense in the prior 36 months) would be an infraction punishable by a \$100 fee with no insurance points. Second offenses (where a person is guilty of a first offense within the previous 36 months) would be an infraction with a \$150 fine and insurance points. Third and subsequent offenses (where a person is guilty of two or more offenses within the previous 36 months) would be an infraction with a \$200 fine and insurance points. Violations by school bus operators would be subject to the penalties above but the person would be guilty of a Class 2 misdemeanor instead of an infraction. **Introduced by Senators Burgin, Corbin, and Chaudhuri and referred to the Senate Rules Committee.**

Senate Bill 804, Fair Maps Act, would amend the North Carolina Constitution to provide for an independent redistricting process, establish the North Carolina Citizens Redistricting Commission, and make conforming changes to the General Statutes. **Introduced by Senator Bradley and referred to the Senate Rules Committee.**

Senate Bill 805, Increase Oral Health Care Access in NC. This bill would appropriate \$80 million in recurring funds to increase dental Medicaid reimbursement rates. **Introduced by Sens. Adcock, Burgin, and Corbin and assigned to the House Appropriations Committee.**

Senate Bill 806, No Budget, No Pay Act, would provide that, if, by midnight of June 30, 2026, the presiding officers of the Senate and the House of Representatives of the North Carolina General Assembly have not ratified a Current Operations Appropriations Act for the 2026-2027 fiscal year, the Legislative Services Officer must direct the General Assembly Controller to deposit in an escrow account all compensation and allowances earned by or accruing to each member of the General Assembly on or after July 1, 2026. The Controller would release the funds held in escrow pursuant upon the earlier of the following events: (1) the presiding officers of the Senate and the House ratify a budget the 2026-2027 fiscal year, or (2) adjournment sine die of the 2025 North Carolina General Assembly. **Introduced by Senators Grafstein, Bradley, and Everitt and referred to the Senate Rules Committee.**

Senate Bill 815, Const. Amend./Permitless Carry, would amend the State Constitution, if approved by a majority of qualified voters of the State at the general election to be held on November 3, 2026, to provide that any citizen of the United States who (i) has not been indicted or convicted of a violent crime or felony possession or distribution of a controlled substance and (ii) has not been adjudicated mentally incompetent has the right to carry any legal weapon for self-defense, either openly or concealed, with or without a permit, except on public or private property that is legally posted against it. A system of concealed carry permits would be maintained for purposes of reciprocity with other states and ease of purchasing weapons, but no law-abiding citizen could be required to obtain such a permit to carry a concealed weapon. **Introduced by Senators Moffitt, Lazzara, and Britt and referred to the Senate Rules Committee.**

Senate Bill 826, Posting of State Costs, would require the University of North Carolina and each principal department, state courts, and the Legislative Services Officer to report monthly to the Department of Administration an itemized list of all expenditures with a cost of \$1.00 or more for the purchase of tangible personal property, real property, and services; and provide the total expenditures for the month. The Department would publish the reports on its website in an accessible form to the public within 10 days of receipt. **Introduced by Senator Burgin and referred to the Senate Appropriations Committee.**

Senate Bill 835, Surveillance Pricing Ban, would prohibit the use of surveillance pricing (the practice of varying the prices of consumer goods or services within the same business day based on demand or other factors, including the use of algorithmic pricing) for essential goods and services. Essential goods and services would include goods and services necessary to consumers' health and safety, such as food, water, paper towels, toilet paper, home cleaning products, toiletries, diapers, and feminine products. **Introduced by Senator Grafstein and has not yet been assigned to a Senate committee.**

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