Health and Human Services

See full summary documents for additional detail

Extend Quality Improvement Plan Flexibility – Disaster Recovery Act of 2025 - Part I.

SL 2025-2 (H47), Sec. 5.9

Section 5.9 of S.L. 2025-2 (House Bill 47) extends the temporary flexibility for the enforcement of quality improvement plans and annual review rules by the North Carolina Medical Board and the North Carolina Board of Nursing until one year after the issuance of the state of emergency issued by the Governor under Executive Order No. 315 on September 25, 2024. This temporary flexibility only applies to the enforcement of quality improvement plans and annual review rules for collaborative practice agreements for physician assistants and nurse practitioners who reside or are employed in the affected area.

This section became law on March 19, 2025.

Social Work Interstate Licensure Compact.

SL 2025-7 (H231)

S.L. 2025-7 (House Bill 231) makes North Carolina a member of the Social Work Licensure Compact (Compact), facilitating the licensure of social workers across state lines.

All states who participate in the Compact must do the following:

- Have licensure, education, examination, and discipline standards.
- Participate in the Social Work Licensure Compact Commission's (Commission) data system, follow the Commission's rules, and nominate a delegate to participate in Commission meetings.
- Implement procedures to conduct criminal background checks and notify the Commission about any criminal or disciplinary activity of the state's licensees.
- Authorize individuals holding a multistate license to practice in the state.
- Designate the categories of social work that are eligible for multistate licenses. Member states can charge an additional fee for granting a multistate license.

All social workers participating in the Compact must:

- Hold an unencumbered license in a home state.
- Pay applicable fees.
- Pass a criminal background check.
- Notify the home state of any adverse action taken by any other state.
- Meet continuing education requirements.
- Follow the laws of the state in which the client is located when care is provided.

Once a state determines an applicant has submitted a valid application for multistate licensure, it must issue the multistate license at the appropriate licensure level.

Nothing in the Compact can be construed to limit a state licensing authority's ability to enforce its own laws and regulations, issue single-state licenses, or take adverse action against a single or multistate licensee practicing in the state.

Only home states can take adverse action against a regulated social worker's multistate license. Remote states can only take action against the authorization for an individual to practice remotely in that one state. Remote states can report conduct warranting adverse action to a licensee's home state. Member states can take notice of the investigation results of any other member state. Results of any investigation must be reported to the Compact's data center where it will be accessible to all member states.

The Compact will be administered by the Commission, which has the power to levy fees on member states to fund its operations and powers necessary to implement the provisions of the Compact.

This act became effective October 1, 2025.

Birth Certificates for Persons Adopted.

SL 2025-9 (S248)

S.L. 2025-9 (Senate Bill 248) requires the State Registrar to provide county registrars of deeds with electronic access to adoptee birth certificates. The county registrars must provide a certified copy of an adoptee birth certificate to the adoptee, the adoptee's children, the adoptive parents, the adoptee's spouse, and the adoptee's siblings upon request. If a requested adoptee birth certificate has not been digitized, the county registrar of deeds may request the State Registrar to digitize the certificate, and the State Registrar must fulfill the request within two business days.

This act becomes effective January 1, 2026.

Automatic State Adoption of Any Temporary Federal Relief Issued by the Secretary of the United States Department of Health and Human Services or the Centers for Medicare and Medicaid Services – Various Disaster Recovery Reforms.

SL 2025-18 (H251), Sec. 5

Section 5 of S.L. 2025-18 (House Bill 251) automatically modifies or waives rules for the regulations of hospitals to conform to corresponding federal rule waivers or modifications in an emergency area during times of declared emergencies. The waiver or modification remains in effect at least until the corresponding federal waiver or modification expires. The Division of Health Service Regulation, Department of Health and Human Services, is not prohibited from further waiving or modifying any rules.

This section became effective June 26, 2025.

Adult Protection Multidisciplinary Teams.

SL 2025-23 (S400)

S.L. 2025-23 (Senate Bill 400) authorizes counties to establish Case Review Multidisciplinary Teams, consisting of various professionals associated with social services, law enforcement, and health care, to (i) review selected active cases in which disabled adults or older adults are being served by adult protective services and (ii) make recommendations to the board of county commissioners for addressing systemic problems and service gaps that may exist in the delivery of services to disabled adults and older adults.

This act became effective October 1, 2025.

Pooled Trust Transfers/Public Benefits Eligibility.

SL 2025-24 (S344)

S.L. 2025-24 (Senate Bill 344) requires the Department of Health and Human Services to amend its rules and policies for determining eligibility for the Medicaid program and the State-County Special Assistance program so that a disabled individual aged 65 years or older may transfer funds into a pooled special needs trust without incurring an eligibility penalty period when the transfer is made for fair market value.

This act became effective June 26, 2025.

Designate the Department of Health and Human Services as the State Agency Responsible for Managing School Nurse Funds – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 1.1

Section 1.1 of S.L. 2025-27 (House Bill 576) makes the Department of Health and Human Services the state agency responsible for managing school nurse funds. Previously, this had been done by the Division of Public Health.

This section became effective June 27, 2025.

Temporarily Extend Option to Decrease Medicaid Enrollment Burden on County Departments of Social Services – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 2.1

Section 2.1 of S.L. 2025-27 (House Bill 576) extends the temporary authority of the federally facilitated marketplace to make North Carolina Medicaid eligibility determinations for certain applicants until June 30, 2028.

This section became effective June 27, 2025.

Clarify Enrollment in Medicaid Managed Care After Release from Incarceration – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 2.2

Section 2.2 of S.L. 2025-27 (House Bill 576) makes a technical correction to lengthen the period of time after release from incarceration when a Medicaid beneficiary will receive services through NC Medicaid Direct before enrolling with a prepaid health plan (PHP).

This section became effective June 27, 2025, and applies to (i) inmates released on or after June 27, 2025, and (ii) inmates released on or after January 1, 2025, who are not enrolled with a PHP on June 27, 2025.

Conform North Carolina Law to Federal Requirements for Medicaid Categorical Risk Levels for Provider Screenings – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 2.3

Section 2.3 of S.L. 2025-27 (House Bill 576) conforms the law to reflect updated Medicaid provider screening requirements in federal regulations that took effect in 2023 and 2024. The conforming changes require heightened screening for skilled nursing facilities, portable x-ray suppliers, newly-enrolling hospice organizations, and certain providers that received a waiver of fingerprinting requirements when they initially enrolled due to a national, state, or local emergency.

The heightened screening for skilled nursing facilities are retroactively effective January 1, 2023. The heightened screening for portable x-ray suppliers, newly-enrolling hospice organizations, and certain providers that received a waiver of fingerprinting requirements when they initially enrolled due to a national, state, or local emergency are retroactively effective January 1, 2024.

Clarify Medicaid Subrogation Rights in Managed Care Environment – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 2.4

Section 2.4 of S.L. 2025-27 (House Bill 576) makes clarifying changes to the Medicaid subrogation statute to reflect changes to the Medicaid program that are associated with the transition to a managed care model and prepaid health plan (PHP) contracts, which began in 2021. The changes (i) explicitly authorize PHPs to receive subrogation payments for their enrollees when the PHP is designated by DHHS and (ii) require certain information related to a subrogation claim to be sent to those PHPs.

This section became effective June 27, 2025, and applies to subrogation for Medicaid claims brought by Medicaid beneficiaries against third parties on or after that date.

Align Capacity of Medical Foster Homes Operating in the State Under the Supervision of the United States Department of Veterans Affairs with Federal Regulations – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 3.1

Section 3.1 of S.L. 2025-27 (House Bill 576) aligns the capacity of medical foster homes under the supervision of the United State Department of Veterans Affairs with federal regulations by changing the capacity to care for no more than three persons. It was previously no more than four persons.

This section became effective June 27, 2025.

Authorize the Department of Health and Human Services to Inspect Residences or Facilities Believed to be Operating as Adult Care Homes Without a License and Increase Penalties for Unlawful Adult Care Home Operations – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 3.2

Section 3.2 of S.L. 2025-27 (House Bill 576) raises the penalty for operating an unregistered multiunit housing with service program to a Class H felony, including a fine of $1,000 a day for each day the facility operates in violation. The Department of Health and Human Services, along with county departments of social services, are permitted to inspect (i) a residence or facility believed to be operating as an assisted living residence without appropriate licensure or registration, or (ii) a registered multiunit assisted housing with services facility to determine if it is operating as a licensable adult care home facility without a license. The penalty for operating an assisted living facility without a license or registration is raised to a Class H felony, including a fine of $1,000 a day for each day the facility operates in violation.

This section becomes effective December 1, 2025, and applies to offenses committed on or after that date.

Align Hospital Reporting Requirements under the Hospital Violence Protection Act with the Hospital License Renewal Process – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 3.3

Section 3.3 of S.L. 2025-27 (House Bill 576) makes technical and clarifying changes to align the hospital reporting requirements under the Hospital Violence Protection Act, enacted in 2023, with the hospital license renewal application process. Each hospital must report to the Department of Health and Human Services, Division of Health Services Regulation on violent acts annually by February 28th for the prior federal fiscal year ending September 30th.

This section of the act became effective on June 27, 2025.

Repeal North Carolina New Organizational Vision Award Program. – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 3.4

Section 3.4 of S.L. 2025-27 (House Bill 576) repeals Part 6 of Article 6 of Chapter 131E of the General Statutes. the "North Carolina New Organizational Vision Award (NC NOVA) Special Licensure Designation."

This section of the act became effective June 27, 2025.

Designate the North Carolina Office of Emergency Medical Services as the Entity Responsible for Approving Individuals to Administer Epinephrine – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 3.5

Section 3.5 of S.L. 2025-27 (House Bill 576) designates the North Carolina Office of Emergency Medical Services as the entity responsible for approving individuals to administer epinephrine after completing the medical services training program.

This section of the act became effective on June 27, 2025.

Revise the Composition of Local Child Fatality Review Teams to Support Greater Efficiency – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 4.1

Section 4.1 of S.L. 2025-27 (House Bill 576) amends the composition of the Local Child Fatality Review Teams (Local Teams) by doing the following:

- Allows the social service directors and local health directors to designate a member of senior management to join in their place.
- Adds the requirement that a staff member of the county department of social services or of the consolidated human services agency, appointed by the county department of social services or the consolidated human services agency, be included on the Local Teams.
- Removes the limitation on the number of ad hoc members that may participate on the Local Teams.

This section became effective July 1, 2025.

Remove Erroneous References to the Commission for Public Health from Statutes Governing the Statewide Chemical Alcohol Testing Program Administered by the Forensic Tests for Alcohol Branch – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 4.2

Section 4.2 of S.L. 2025-27 (House Bill 576) substitutes erroneous references to the Commission for Public Health with the Department of Health and Human Services in the statutes governing the statewide chemical alcohol testing program.

This section became effective June 27, 2025.

Remove References to the North Carolina Medical Society's Defunct Cancer Committee – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 4.3

Section 4.3 of S.L. 2025-27 (House Bill 576) made conforming changes throughout the public health statutes (Chapter 130A) to remove references to the defunct Cancer Committee of the North Carolina Medical Society.

This section became effective June 27, 2025.

Authorize Local Registrars at Local Health Departments to Remove Outdated References to Paper Format Vital Records – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 4.4

Section 4.4 of S.L. 2025-27 (House Bill 576) removes the requirement for local registrars at Local Health Departments to submit paper copies of vital records to the County Register of Deeds.

This section became effective June 27, 2025.

Align State Law with Updated Federal Guidelines Concerning the Communication of Mammographic Information to Patients – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 4.5

Section 4.5 of S.L. 2025-27 (House Bill 576) requires all health care facilities to provide a summary of a mammographic report to a patient in terms that can be understood by a layperson and that contains an assessment of the patient's breast density. It aligns State communication of mammographic breast density information to patients with federal guidelines.

This section became effective on June 27, 2025.

Extend the Option for North Carolinians to Donate a Portion of Their Tax Refunds to the Breast and Cervical Cancer Control Program – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 4.6

Section 4.6 of S.L. 2025-27 (House Bill 576) extends the option to donate a portion of State tax refunds to the Breast and Cervical Cancer Control Program until January 1, 2030.

This section became effective June 27, 2025.

Authorize Magistrates to Accept for Filing Petitions for Adult Protective Services Emergency Orders After Business Hours and to Hear Ex Parte Motions Regarding the Petitions When a District Court Judge is Unavailable – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 5.1

Section 5.1 of S.L. 2025-27 (House Bill 576) allows for a magistrate to accept the filing of a petition for an order authorizing the provision of emergency services to a disabled adult in emergency situations when the office of the clerk is closed. The chief district court judge may authorize one

or more magistrates to hear motions and issue ex parte orders for the provision of emergency services to disabled adults outside of the clerk's business hours.

This section becomes effective November 1, 2025, and applies to petitions filed under G.S. 108A-106 seeking an order ex parte for the provision of emergency services filed on or after this date.

Align State Law with the Federal Prohibition on Conditional Employment of Applicants of Child Care Institutions Prior to Obtaining Criminal History Record Check Results – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 5.2

Section 5.2 of S.L. 2025-27 (House Bill 576) aligns State law on conditional employment at a childcare institution with federal regulations by directing that a child care institution must not conditionally employ an applicant prior to receiving the results of the applicant's criminal history record check.

This section became effective June 27, 2025.

Align Dissemination of Background Check Information for Prospective Adoptive Parents and Foster Care Parents with Federal Policy, Law, and Standards – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 5.3

Section 5.3 of S.L. 2025-27 (House Bill 576) does the following:

- Allows the North Carolina Department of Health and Human Services (the Department) to provide a prospective adoptive parent a copy of their criminal history for purposes of reviewing or challenging the accuracy of the criminal history.
- Allows the Department to provide a foster parent or a prospective foster parent a copy of their criminal history information for purposes of reviewing or challenging the accuracy of the criminal history. Public child placing agencies are required to have an employee on staff that is trained and certified to receive criminal history information.

This section became effective June 27, 2025.

Support Implementation of Capacity Restoration Pilot Programs – Department of Health and Human Services Revisions.

SL 2025-27 (H576), Sec. 6.1

Section 6.1 of S.L. 2025-27 (House Bill 576) sets requirements for the implementation of pilot programs for community-based capacity restoration programs and detention center capacity restoration programs. It also mandates a study to be completed by the North Carolina

Department of Health and Human Services and the Administrative Office of the Courts (AOC). Those agencies are required to submit proposed legislative changes for the creation of a permanent process for capacity restoration to the Joint Legislative Oversight Committee on Health and Human Services by January 1, 2026.

This section became effective on June 27, 2025.

Decouple Rated License and Subsidized Child Care – Child Care Regulatory Reforms.

SL 2025-36 (H412), Part I

Part I of S.L. 2025-36 (House Bill 412) requires the Department of Health and Human Services, Division of Child Development and Early Education to do the following by May 1, 2026:

- Develop a proposed plan to separate the Quality Rating and Improvement System (QRIS) rating from participation in the State subsidized child care program and make recommendations on plan implementation while meeting the federal Child Care and Development Fund requirements. The current plan will continue to be utilized until the proposed plan is first authorized by the General Assembly and then approved by the federal government.
- Provide an update on the QRIS Modernization rules process under S.L. 2024-34.
- Submit the plan to the chairs of the House and Senate Appropriations Committees, the chairs of the House and Senate Appropriations Committees on Health and Human Services, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division.
- Complete a new market rate study containing potential rates not segmented by the star-ratings and new market rates for the QRIS. The rates cannot be implemented unless authorized by the General Assembly and approved by the federal Administration of Children and Families.
- Make the new market rate study available to the public.

The requirements of this Part of the act do not impact the star-rating requirements for the N.C. Prekindergarten Program.

This Part became effective July 1, 2025.

Regulatory Changes – Child Care Regulatory Reforms.

SL 2025-36 (H412), Part II

Part II of S.L. 2025-36 (House Bill 412) does the following:

- Makes child care regulatory changes including the following:
    - Permits a lead teacher to plan and implement daily activities for no more than two groups, and if the lead teacher is responsible for two groups at least one other

individual overseeing the group must be engaging in the Early Childhood Credential coursework or seeking on the job training for the five-year pathway to seek future Lead Teacher qualification.
    - Clarifies the mandatory licensing standards regarding out-of-school child care provided at operational elementary and middle schools for school-aged children.
    - Increases the group size for infants and toddlers for child care centers meeting certain requirements.
    - Permits five years or more of documented work experience teaching in a licensed child care facility in North Carolina to serve as the equivalent to the North Carolina Early Childhood Credential and ensures this work experience is treated the same as if it were earned in other ways when awarding a star-rating.
    - Requires administrators and lead teachers to have the North Carolina Early Childhood Credential or its equivalent, and all other staff to meet standards established by the North Carolina Child Care Commission (the Commission).
- Adds the Weikart Youth Program Quality Assessment as an assessment tool for out-of-school child care programs and award of star rating.
- Requires the Division of Child Development and Early Education (the Division), Department of Health and Human Services (DHHS) to establish a school age/out-of-school care credential in consultation with North Carolina Community Colleges System.
- Requires the Division to award the North Carolina Early Childhood Administration Credential or the North Carolina Family Child Care Credential to individuals who have completed continuing education courses equivalent to child care curriculum courses as determined by the Community College System.
- Requires the Commissioner of Insurance to establish a workgroup to examine the potential for the development of group liability insurance opportunities for all child care providers and for certain nongovernmental contractors that contract with DHHS and any county or local agency for the provision of services to minors.
- Creates an exemption for certain Department of Defense family child care homes from child care licensure requirements.
- Requires the Division, in coordination with the Child Care Commission, to clarify rules governing multiuse child care centers.
- Allows a child care program that was licensed prior to a state of emergency to be deemed licensed during the state of emergency whether it expands provision of services to more children if the required staff-child ratio is maintained.

This Part became effective July 1, 2025.

Interstate Medical Licensure Compact – Healthcare Workforce Reforms.

SL 2025-37 (H67), Part I

Part I of S.L. 2025-37 (House Bill 67) makes North Carolina a member of the Interstate Medical Licensure Compact (Compact), which creates a voluntary, expedited pathway to state licensure for physicians who want to practice medicine in multiple states. Licenses issued under the

Compact would be full and unlimited licenses to practice medicine in any state that is a member of the Compact.

In order to receive a license under the Compact, a physician must meet the following criteria: (i) graduation from an accredited medical school, (ii) passing each component of United States Medical Licensing Examination within three attempts, (iii) successfully completing graduate medical education, (iv) holding a specialty certification, (v) possessing an unrestricted license to practice medicine, (vi) not having criminal convictions, (vii) not having been professionally disciplined, (viii) not having had a controlled substance license or permit suspended, and (ix) not being under active investigation.

The application process requires the physician seeking Compact licensure to do the following: (i) file an application with member board of the state of principal license, (ii) undergo a criminal background check, (iii) have the application evaluated by the medical board of the primary state of licensure, and (iv) pay any fees and complete the registration process outlined by the Interstate Medical Licensure Compact Commission.

Physicians licensed under the Compact must designate a state of principal license in the application process. The state of principal license is the state where the physician possesses a license to practice medicine and is either (i) the principal residence of the physician, (ii) where the physician conducts 25% of their practice in the state, or (iii) the location of the physician's employer.

If a license issued by a medical board in the state of principal license is revoked, then all licenses issued to the physician by medical boards in other member states will automatically be revoked. If a license is revoked by a medical board not in the state of principal licensure, then any Compact licenses granted to the physician would be revoked for 90 days to allow the medical boards in other member states time to investigate. Any disciplinary action taken against a physician would be deemed unprofessional conduct subject to discipline by medical boards in other member states.

The Interstate Medical Licensure Compact Commission (Commission) is the body charged with administering the Compact. It is composed of two voting representatives from each member state. The Interstate Commission must meet at least once a year, provide public notice of all meetings, make its official records available, and establish an executive committee. Its powers include (i) promulgating rules, (ii) issuing advisory opinions, (iii) enforcing compliance with the Compact, (iv) establishing a budget, (v) reporting annually to the legislatures of member states, (vi) maintaining records, and (vii) performing such functions necessary to achieve the purposes of the Compact, some of those functions include creating application and renewal licensure processes. The Commission will also establish a database of all physicians who are either licensed or have applied for licensure. Medical boards of each Compact member state must report to the Commission any public action, complaint, or disciplinary information against a physician with a Compact license. Member boards would be able to share information with other member boards upon request.

The North Carolina Medical Board has the authority to implement a fee for licensing physicians through the Compact.

This Part becomes effective January 1, 2026.

International Physician Licensure – Healthcare Workforce Reforms.

SL 2025-37 (H67), Part II

Part II of S.L. 2025-37 (House Bill 67) allows licensure for internationally-trained physicians. Applicants for licensure must do the following:

- Be offered employment in a North Carolina hospital or physician's office in a rural county.
- Have a valid license to practice medicine in a foreign country.
- Complete 130 weeks of medical education at a school eligible to be certified by the Educational Commission for Foreign Medical Graduates.
- Complete two years of postgraduate training or actively practice medicine for 10 years after graduation.
- Pass an exam, receive specialty certification, or demonstrate clinical competence to the North Carolina Medical Board.
- Not have a revoked, suspended, restricted, or denied license, conviction for a crime of moral turpitude, or a violation of a law involving the practice of medicine in any jurisdiction.
- Practice medicine for at least five years.
- Speak English fluently.
- Be legally authorized to work in the United States.
- Pay application fee.

The license is inactive if the licensee leaves the qualifying employment. Practicing medicine outside of one of the qualifying employment areas is a Class 3 misdemeanor. The Medical Board is required to collect information to evaluate the implementation and success of the international licensure provisions of this part.

This Part becomes effective January 1, 2026.

Master's Level Psychologist Reforms – Healthcare Workforce Reforms.

SL 2025-37 (H67), Part III

Part III of S.L. 2025-37 (House Bill 67) allows certain licensed psychological associates to practice without supervision by a licensed psychologist or licensed psychological associate and addresses the practice of neuropsychology and forensic psychology by licensed psychological associates. It also allows certain licensed psychological associates to provide health services without supervision, or to qualify for certification as a health services provider psychological associate. It changes the process for appointing psychologist members to the North Carolina Psychology

Board by creating a nominating committee to present three individuals to the Governor for approval.

This Part became effective October 1, 2025.

Physician Assistant Interstate Licensure Compact – Healthcare Workforce Reforms.

SL 2025-37 (H67), Part IV

Part IV of S.L. 2025-37 (House Bill 67) does the following:

- Makes North Carolina a member of the Physician Assistant (PA) Licensure Compact (the Compact), which allows PAs to practice in any state that is a member of the Compact.
- Requires states participating in the Compact to license PAs using a nationally recognized exam, conduct criminal background checks on PA applicants, have a mechanism to investigate complaints against PAs, participate in the Compact Commission's Data System, notify the Commission of any adverse action against a licensee or license applicant and the existence of significant investigative information regarding a licensee or license applicant, and to follow all the Compact's rules.
- Allows PAs to practice in states different from their states of licensure if they meet education, certification, and licensure requirements in their home state and have a license unencumbered by any adverse actions or discipline. The privilege to practice in the other state lasts until the home state license expires, lapses, or is revoked.
- Requires designation of the state in which the PA licensee resides as the licensee's home state and that the Compact Commission be notified if the home state changes. The PA must also agree to accept service of process by mail at this address for any action brought by the Commission or participating state.
- Allows any Compact state to take adverse action against any PA practicing in that state including investigating PAs and revoking their Compact privileges. Home states must give the same priority to conduct reported by remote states that they would give to conduct reported in their own state.

- Establishes the PA Licensure Compact Commission (the Commission) with each member state having one member on the Commission. The Commission is charged with administering the Compact. Commission meetings are open to the public except if discipline, contract negotiation, or legal matters are being discussed. The Commission must be funded by assessments levied on member states and is prohibited from incurring financial obligations without sufficient funds on hand to meet those obligations. An Executive Committee of nine individuals is tasked with running the Commission. Both Commission and Executive Committee members are held harmless and indemnified for their official actions. The Commission has the following powers: (i) establishing a code of ethics, fees, bylaws, and fiscal year, (ii) maintaining financial records, (iii) adopting rules, (iv) taking actions necessary to administer the compact, (v) maintaining insurance, (vi) taking necessary legal actions, (vii) accepting gifts and donations, (viii) leasing, purchasing,

and disposing of real property, (ix) borrowing money, (x) appointing committees, (xi) electing officers, and (xii) approving state membership in the Compact.

- Requires the Commission to develop and maintain a data and reporting system accessible to all Compact member states. All member states must report (i) identifying information of licensees, (ii) licensure data, (iii) adverse action taken against licensees, (iv) denials of licensure applications, (v) significant investigative information, and (vi) other information as determined by rule.
- Makes the Compact effective after seven states enact legislation that is not materially different from the Model Compact. Additional states become members of the Compact after they enact legislation that is not materially different from the Model Compact. Any state may leave the Compact by repealing the Compact-enacting legislation.

This Part becomes effective April 1, 2026.

Pharmacist Test and Treat – Healthcare Workforce Reforms.

SL 2025-37 (H67), Part V

Part V of S.L. 2025-37 (House Bill 67) allows licensed pharmacists to test for and treat influenza. It requires insurers to cover healthcare services lawfully provided by pharmacists if those services would have been covered had they been provided by a different healthcare provider. It also standardizes the credentialing process of pharmacists by insurers and clarifies that the coverage requirements for prescription drugs apply to third-party administrators and pharmacy benefits managers, as well as insurers.

This Part became effective October 1, 2025.

Physician Assistant Reforms – Healthcare Workforce Reforms.

SL 2025-37 (H67), Part VI

Part VI of S.L. 2025-37 (House Bill 67) allows certain physician assistants in team-based settings to practice without supervision by a physician. It also allows them to prescribe drugs, initiate non-pharmacological therapies, certify medical documents, be qualified technicians under the Women's Right to Know Act, be attending providers for purposes of postpartum insurance coverage, and perform health assessments for childcare facilities. The North Carolina Medical Board will have the power to adopt the rules necessary to implement the provisions of this part.

The provision giving the Medical Board the power to adopt rules became effective July 1, 2025. The remaining provisions become effective when the permanent rules implementing those provisions are adopted by the Medical Board or June 30, 2026, whichever occurs first.

Pharmacist Collaborative Practice – Healthcare Workforce Reforms.

SL 2025-37 (H67), Part VII

Part VII of S.L. 2025-37 (House Bill 67) allows clinical pharmacist practitioners to perform medical tasks, acts, and functions when working under a practice agreement with a licensed physician. It establishes requirements for those agreements. It also requires insurers to cover services provided by clinical pharmacist practitioners and clarifies that prescription drug coverage provisions of Chapter 58 (Insurance) of the General Statutes also applies to third-party administrators and pharmacy benefits managers.

This Part became effective October 1, 2025.

Alleviate the Dangers of Surgical Smoke – Healthcare Workforce Reforms.

SL 2025-37 (H67), Part VIII

Part VIII of S.L. 2025-37 (House Bill 67) does the following:

- Requires hospitals and ambulatory surgical centers to adopt and implement policies that require the use of an evacuation/filtering system for surgical smoke that is likely to be generated during a surgical procedure.
- Authorizes the Department of Health and Human Services to take adverse action against a hospital or ambulatory surgical facility for violation of this requirement.

This Part becomes effective January 1, 2026.

Community College Behavioral Health Workforce Enhancement – Healthcare Workforce Reforms.

SL 2025-37 (H67), Part IX

Part IX of S.L. 2025-37 (House Bill 67) directs the Commission for Mental Health, Developmental Disabilities, and Substance Abuse Services (Commission) to engage in rulemaking to allow graduates from Community Colleges with associate degrees in human services fields and specified experience to qualify as an Associate Professional, a Qualified Professional, or a Qualified Substance Abuse Prevention Professional.

This Part became effective July 1, 2025.

Marriage and Family Therapy Licensure Reforms – Healthcare Workforce Reforms.

SL 2025-37 (H67), Part X

Part X of S.L. 2025-37 (House Bill 67) amends the licensure by reciprocity provisions for marriage and family therapists by: (i) reducing the practical experience requirement from five years to two

years, and (ii) allowing applicants to pass the exam required by the marriage and family therapy board in California, in lieu of the national exam.

This Part became effective October 1, 2025, and will apply to applications for licensure on or after that date.

School Contracted Health Services.

SL 2025-40 (S77)

S.L. 2025-40 (Senate Bill 77) requires local educational agencies (LEAs) to contract with the parent's choice of nurse when providing nursing services pursuant to a child's individualized education program (IEP) if the following conditions are met:

- The child received nursing services from the nurse (i) prior to the nursing services being required by the child's IEP or (ii) prior to the child enrolling in his or her current school.
- The parent's choice of nurse is employed by a nursing agency and willing to provide the nursing services required by the child's IEP.
- The nursing agency employing the parent's choice of nurse is willing to enter into a contract with the LEA that otherwise meets all standard contract terms required for any other nursing agency contracted by the LEA, including licensing and liability requirements.
- The contracted rate is equal to or less than the contracted rate of other nurses contracted by the LEA.

Nursing services are defined as services that can only be provided by a nurse licensed in accordance with Article 9A of Chapter 90 of the General Statutes. The act does not limit the LEA's responsibility to provide a free appropriate public education.

This act became effective July 1, 2025, and applies beginning with the 2025-2026 school year.

Emergency Medical Services Personnel Provisions.

SL 2025-42 (H975)

S.L. 2025-42 (House Bill 975) directs the North Carolina Office of Emergency Medical Services (Office) and the Medical Care Commission (Commission) to adopt rules that permit emergency medical services (EMS) personnel to carry pepper spray. It also allows EMS personnel to transport or render aid to an injured police K-9 unit or search and rescue dog without being licensed by the North Carolina Veterinary Medical Board (Board). EMS personnel who provide such assistance in good faith are not subject to prosecution.

The Part of this act pertaining to the adoption of rules by the Office and the Commission for the carrying of pepper spray by EMS personnel became effective on July 1, 2025. The Part of this act that allows EMS personnel to transport and render aid to injured dogs without a license from the Board became effective July 30, 2025, and applies to acts on or after that date. The Part of this

act that immunizes EMS personnel from prosecution for transporting and rendering aid to injured dogs became effective July 30, 2025, and applies to acts on or after that date.

Allow Resident Taxpayers to Enroll in the Organ and Tissue Donation Program via their Income Tax Return – Improve Health and Human Services.

SL 2025-60 (S600), Part II

Part II of S.L. 2025-60 (Senate Bill 600) does the following:

- Allows a resident taxpayer or spouse to elect to become an organ and tissue donor through a fillable check box within the organ and tissue donation section of the income tax return. The section explains that the resident taxpayer is not required to record a response to file an income tax return, pay taxes, or receive a refund.
- Authorizes the Secretary of the Department of Revenue to request any information necessary within this section of the income tax return to facilitate a resident taxpayer's or spouse's election as an organ and tissue donor.
- Allows the Department of Revenue to furnish the information of an individual who has elected to become an organ and tissue donor to (i) the Division of Motor Vehicles, Department of Transportation, (ii) any procurement organization, and (iii) any organization responsible for maintaining a list of individuals who have authorized an anatomical gift.
- Adds the election on an income tax return to the methods of making a valid anatomical gift within the Revised Anatomical Gift Act (Act). The election is valid upon the filing of the return and remains valid until revoked by the donor in a manner prescribed by the Act.

This part becomes effective January 1, 2027, and applies to tax returns for taxable years beginning on or after January 1, 2027.

Prohibit the Manufacturing, Selling, and Distributing of Intravenous Solution Containers and Intravenous Tubing Intentionally Made with Di(2-ethylhexyl) Phthalate – Improve Health and Human Services.

SL 2025-60 (S600), Part III

Part III of S.L. 2025-60 (Senate Bill 600) prohibits the sale and distribution of intravenous (IV) solution containers and the manufacture, sale, and distribution of IV tubing made with Di(2-ethylhexyl) phthalate in North Carolina.

This Part became effective on July 3, 2025.

Allow Use of Epinephrine Nasal Spray in Addition to Auto-Injectors – Improve Health and Human Services.

SL 2025-60 (S600), Part IV

Part IV of S.L. 2025-60 (Senate Bill 600) expands reference to epinephrine delivery systems in statutes governing public schools to include nasal sprays in addition to auto-injectors.

This Part became effective July 3, 2025, and applies beginning with the 2025-2026 school year.

Registered Nurses in Schools – Improve Health and Human Services.

SL 2025-60 (S600), Part V

Part V of S.L. 2025-60 (Senate Bill 600) clarifies that the State Board of Education (SBE) cannot impose a four-year degree requirement for an individual to be hired or contracted for as a school nurse. In addition, this section requires that a school nurse be paid on the certified nurse pay scale as established by the SBE if the nurse is a registered nurse licensed under Article 9A of Chapter 90 of the General Statutes and has at least two years of experience serving in a hospital or health clinic.

This Part gives the SBE authority to adopt temporary rules until permanent rules can be adopted. The Department of Public Instruction must conform salary manuals with this section's requirements.

Part V became effective July 3, 2025, and applies to school nurses hired or contracted for on or after that date.

Justice-Related Medicaid Changes – Medicaid Modernization.

SL 2025-64 (H546), Part I

Part I of S.L. 2025-64 (House Bill 546) makes justice-related changes to the North Carolina Medicaid program, including (i) directing the development of a new Medicaid team-based care coordination service for the screening and treatment of substance use disorder and (ii) directing the Department of Health and Human Services, Division of Health Benefits (DHB), to continue to implement Medicaid policy changes required by federal law to suspend, rather than terminate, Medicaid benefits upon a Medicaid beneficiary's incarceration and to report on its progress.

This Part became effective July 7, 2025.

Expedient Implementation of Medicaid Work Requirements – Medicaid Modernization.

SL 2025-64 (H546), Part II

Part II of S.L. 2025-64 (House Bill 546) amends recently enacted legislation to (i) provide additional authority for the implementation of work requirements for North Carolina Medicaid beneficiaries upon federal approval of those work requirements and (ii) require reporting of any funding needs for the implementation of any approved work requirements.

This Part became effective July 7, 2025.

Telehealth Service Provider Eligibility – Medicaid Modernization.

SL 2025-64 (H546), Part III

Part III of S.L. 2025-64 (House Bill 546) allows health care providers licensed in North Carolina who provide telehealth services, and provider groups with those providers, to be eligible for enrollment as Medicaid providers or provider groups, regardless of whether the providers or provider groups maintain a physical presence in the State.

This Part became effective July 7, 2025.

Children and Families Specialty Plan – Medicaid Modernization.

SL 2025-64 (H546), Part IV

Part IV of S.L. 2025-64 (House Bill 546) makes changes to legislation authorizing the Children and Families Specialty Plan, an upcoming new Medicaid prepaid health plan, to conform with the terms of the existing contract for the operation of that Plan.

This Part became effective July 7, 2025.

Continue Medicaid Coverage for Pregnant Women for Twelve Months Postpartum – Medicaid Modernization.

SL 2025-64 (H546), Part V

Part V of S.L. 2025-64 (House Bill 546) makes permanent (i) the current 12-month postpartum Medicaid coverage period for pregnant women and (ii) the funding for the nonfederal share of the cost of that coverage through the modernized hospital assessments.

This Part became effective July 7, 2025.

Medicaid Healthcare Access and Stabilization Program Reimbursement for Psychiatric Hospitals – Medicaid Modernization.

SL 2025-64 (H546), Part VI

Part VI of S.L. 2025-64 (House Bill 546) makes freestanding psychiatric hospitals eligible to receive increased Medicaid reimbursements, known as Healthcare Access and Stabilization Program or "HASP" reimbursements. Freestanding psychiatric hospitals will finance the State share of the cost of the HASP reimbursements through new hospital assessments. Implementation of these changes is contingent upon federal approval, and the Department of Health and Human Services (DHHS) is directed to request that approval.

The portions of this Part that amend the hospital assessment statutes to add freestanding psychiatric hospitals became effective on the first day of the next assessment quarter after it became law, which was October 1, 2025, and apply to hospital assessments imposed on or after that date. The remainder of this Part became effective July 7, 2025.

Adult Care Home Medicaid Personal Care Services Coverage – Medicaid Modernization.

SL 2025-64 (H546), Part VII

Part VII of S.L. 2025-64 (House Bill 546) requires the Department of Health and Human Services, Division of Health Benefits, to consult with stakeholders and submit a request for federal approval to provide Medicaid personal care services to individuals who reside in adult care homes or special care units and who have income that is above the threshold for eligibility for the State-County Special Assistance program but below a specified level. The request must ensure that the cost of the new coverage is offset by savings or cost avoidance and complies with applicable legal requirements, and the request will only be implemented if all criteria are met and federal approval is received.

This Part became effective July, 7, 2025.

SCRIPT Act.

SL 2025-69 (S479)

S.L. 2025-69 (Senate Bill 479) does the following:

- Clarifies the pharmacy of choice provisions of Chapter 58 (Insurance) apply to pharmacy benefit managers (PBM) to the same extent that they apply to health benefit plans and allows PBMs to provide a monetary advantage to pharmacies located (i) in counties with fewer than 20,000 residents, (ii) in urban communities without any pharmacies in a 2-mile radius, and (iii) in rural communities without any pharmacies in a 15-mile radius.
- Implements licensing for pharmacy services administrative organizations (PSAO).

- Requires PBMs to report rebate and spread pricing information to the Commissioner of Insurance.
- Prohibits PBMs from requiring multiple specialty accreditations for specialty pharmacies.
- Makes changes to pharmacy audit procedures.
- Requires PBMs to reimburse affiliated and non-affiliated pharmacies the same rate for the same services.
- Requires insurers to calculate out-of-pocket costs after taking into account all prescription rebates.
- Requires drug manufacturers to notify interested parties about price increases.
- Requires the Board of Pharmacy to report on the number of openings and closings of small and large pharmacies each year.
- Requires the State Health Plan (SHP) to study the economic feasibility of incorporating many of these provisions into the SHP when the third-party administrative services contract is renewed.
- Extends pharmacy benefit reimbursement rates in Medicaid managed care until June 30, 2031.

The pharmacy of choice, rebate reporting, specialty accreditation, reimbursement, and SHP provisions became effective October 1, 2025. The drug manufacturer notice provisions become effective January 1, 2026. The PSAO licensing provisions become effective October 1, 2026. The out-of-pocket-cost calculation provisions become effective January 1, 2027. The remaining provisions became effective July 9, 2025.

Revise Laws Pertaining to the Disclosure and Release of Autopsy Information Compiled or Prepared by the Office of the Chief Medical Examiner – 2025 Public Safety Act.

SL 2025-70 (S429), Sec. 2

Section 2 of S.L. 2025-70 (Senate Bill 429) amends the statutes relating to the availability of autopsy records by doing the following:

- For autopsies related to criminal investigations, upon notice from the investigating law enforcement agency or prosecuting district attorney, the records would not be a public record until the holder of the records is notified that the criminal investigation or prosecution has concluded, a determination has been made to terminate the criminal investigation, or some portion of the records have been introduced as evidence at a public trial. The records would only be permitted to be released to the following persons or for the following purposes:
    - To the personal representative of the decedent's estate to fulfill lawful duties, to a beneficiary of a benefit or claim related to the decedent's death for purposes of receiving the benefit, or to the decedent's spouse, child or stepchild, parent or stepparent, sibling, or legal guardian.

    - By the entity performing the autopsy as necessary to conduct a thorough and complete death investigation, to consult outside physicians and other professionals, and to conduct necessary toxicological screenings.
    - When disclosing information to the investigating public law enforcement agency or prosecuting district attorney.
    - When necessary to address public health or safety concerns, for public health purposes, to facilitate research, to facilitate education, to release decedent remains to transporters, funeral homes, family members, or others for final disposition, to comply with State or federal reporting requirements or in connection with State or federal grants, or to comply with any other duties imposed by law.
- For autopsies related to the death of a child under the age of 18, the records would not be a public record and may only be released with the written consent of the child's parent or guardian. Without that consent, the records may only be released to the following persons or for the following purposes:
    - To the personal representative of the decedent's estate to fulfill lawful duties, or to a beneficiary of a benefit or claim associated with the decedent for purposes of receiving the benefit or resolving the claim.
    - When necessary to conduct a thorough and complete death investigation, to consult with outside physicians and other professionals during the investigation, and to conduct necessary toxicology screenings.
    - When necessary to address public health or safety concerns, for public health purposes, to facilitate research, to facilitate education, to release decedent remains for final disposition, to comply with State or federal reporting requirements or in connection with State or federal grants, or to comply with any duty imposed by law.
    - The deceased's surviving spouse, parents, children or children's legal guardian or custodian, the deceased's legal guardian or custodian, or any person holding power of attorney of healthcare attorney for the deceased.
    - The legal representatives of any person authorized to receive records.
- For autopsy records that are both criminal investigation records and records of the death of a child under the age of 18, the provisions related to criminal investigations would prevail.
- Persons that disclose or release records in violations of these provisions will be guilty of a Class 1 misdemeanor.

This section became effective October 1, 2025.

Increase Punishment for Fentanyl Offenses – 2025 Public Safety Act.

SL 2025-70 (S429), Sec. 14

Section 14 of S.L. 2025-70 (Senate Bill 429) modifies the North Carolina Controlled Substances Act to provide for increased penalties related to the possession and sale of fentanyl and carfentanil. The punishment is increased as provided below:

- Possession of fentanyl and carfentanil is increased from a Class I felony to a Class H felony.
- Sale, delivery, and possession with intent to sell or deliver fentanyl and carfentanil is increased from a Class G felony to a Class F felony.
- Trafficking offenses for possession of fentanyl and carfentanil are increased as provided below:
    - 4 grams or more, but less than 14 grams is increased from a Class F felony to a Class E felony.
    - 14 grams or more, but less than 28 grams is increased from a Class E felony to a Class D felony.
    - 28 grams or more remains a Class C felony.

This section becomes effective December 1, 2025, and applies to offenses committed on or after that date.

Board of Funeral Service Modifications.

SL 2025-76 (H1003)

S.L. 2025-76 (House Bill 1003) makes various changes to the practice of funeral service.

Part I makes the following revisions to the North Carolina Crematory Act (Article 13F of Chapter 90 of the General Statutes):

- Repeals the Crematory Authority, which is an advisory committee within the Board of Funeral Services (Board) that suggests rules to the Board for carrying out and enforcing the Crematory Act.
- Allows crematory managers to manage multiple crematories within a 50-mile radius of each other.
- Authorizes a crematory to temporarily operate for 30 days without a crematory manager if certain conditions are met.
- Clarifies the conditions that would constitute a change of ownership of a crematory, which would necessitate the new owner having to apply for a new crematory license or permit.
- Revises certain provisions relating to when the Board may take disciplinary action against a crematory licensee.
- Provides that the rights of disposition of human remains are governed under G.S. 130A-420 in the Public Health Laws, and repeal provisions in Article 13F that provide separate requirements for disposition of human remains.
- Requires every crematory licensee and hydrolysis licensee to submit each month to the Board fees assessed per cremation or reduction.
- Provide that alkaline hydrolysis may only be performed by permitted funeral establishments and must be performed on the physical premises of a permitted funeral establishment.

Part II exempts transportation protection agreements from being regulated as a preneed funeral contract or as a life insurance policy. "Transportation protection agreement" is defined as "an

agreement that primarily provides for the coordination and arranging of all professional services related to the preparation of human remains or cremated remains for the purpose of initial and subsequent transportation of those remains."

This Part also allows a licensed funeral director or an employee of a funeral establishment to request information from an insurance carrier related to a prospective beneficiary of a life insurance policy, if provided written authorization of the prospective policy beneficiary. The insurance carrier is required to provide the funeral provider this information within no later than one business day.

Part III makes various revisions to the Practice of Funeral Service (Article 13A of Chapter 90 of the General Statutes).

This Part would add definitions for "branch establishment," "principal funeral establishment," "alkaline hydrolysis," "embalming facility," and "funeral merchandise or funeral supplies."

Funeral Establishments

- Allows a single funeral establishment manager to manage multiple funeral establishments within a 50-mile radius of the manager's principal funeral establishment.
- Allows a funeral establishment to temporarily operate for 30 days without a licensed manager, if certain conditions are met.
- Revises certain requirements related to funeral establishment preparation rooms.

Business Permit: Removal and Transportation

- Creates a new business permit for engaging in the removal and transportation of a dead human body.
- Establishes a maximum application fee of $300 for the removal and transportation business permit.
- Increases the maximum application fee for an individual removal and transportation permit, from $125 to $200.
- Revises certain provisions pertaining to when the Board may take disciplinary action against a removal and transportation permit holder.

Board of Funeral Service

- Provides for an equal number of Board appointments from the North Carolina Funeral Directors Association and the Funeral Directors & Morticians Association of North Carolina, giving each trade association three appointments. Previously, the Funeral Directors Association had four appointments, and the Funeral Directors & Morticians Association had two appointments.
- Increases the maximum amount of attorney's fees and costs that the Board may recover associated with holding a disciplinary hearing, from $2,500 to $5,000.
- Revises certain provisions pertaining to when the Board may take disciplinary action against licensees.

- Sets the maximum cap that the Board can charge licensees to attend Board-sponsored continuing education courses at $50.

License/Permit Holders

- Prohibits licensees from engaging in the practice of funeral directing or funeral service independently of a permitted funeral establishment, with an exception for licensees who submit an affidavit attesting to ownership or employment with a funeral establishment directly damaged by Hurricane Helene. This exception to the prohibition on independent practice for Helene-effected licensees expires July 1, 2030.
- Specifies that the recovery of human tissue is prohibited in any funeral establishment, crematory, hydrolysis facility, or other facility licensed by the Board.
- Requires funeral establishments and crematories to identify (tag) decedent remains upon taking custody. Previously, these facilities identified the remains prior to the point of burial or following cremation.
- Clarifies the conditions that would constitute a change of ownership of a funeral establishment, which would necessitate the new owner having to apply for a new funeral establishment permit.

Applicants for Licensure

- Allows applicants for funeral director, embalmer, or funeral service licensee to have passed licensing exams within the past five years. Previously, applicants had to have passed these exams within the past three years.
- Eliminates the 60-day waiting period for applicants to retake the licensing examination after failing two consecutive times.
- Allows resident trainees to serve under the supervision of a licensee who has been licensed for at least one year. Previously, resident trainees had to serve under the supervision of a licensee who has been licensed for at least five years.
- Allows two resident trainees to train under the supervision of a registered resident trainee supervisor. Previously, only one resident trainee was allowed per supervisor.
- Mandates that all applicants consent to a criminal history record check.
- Authorizes the Board and an applicant to consent to the use of a criminal background check vendor other than the Department of Public Safety, provided that the cost of this background check is paid for by the applicant.
- Eases restrictions on out-of-State funeral directors, embalmers, or funeral service licensees to get licensed by reciprocity in North Carolina.
- Establishes immunity from civil liability for the Board and its officers and employees when acting in good faith and in compliance with law, for denying licensure to an applicant based on information provided in the applicant's criminal history record check.
- Revises a provision related to applicants for licensure who have criminal convictions for sexual offenses against a minor.

Part IV makes the following revisions to Preneed Funeral Funds (Article 13D of Chapter 90 of the General Statutes):

- Allows funds deposited in trust under a revocable or irrevocable preneed funeral contract to be withdrawn by the trustee and used to purchase a prearrangement insurance policy, with written permission of the preneed funeral contract purchaser.
- Requires a preneed licensee to observe any religious practices specified in writing by a preneed funeral contract purchaser, except to the extent that these practices interfere with the statutory requirements for cremation or related to documentation and recordkeeping.
- Specifies certain information that each preneed licensee must submit to the Board as part of its annual report on its preneed funeral contract sales.
- Clarifies that it is the responsibility of the performing funeral home to file a certificate of performance with the Board upon fulfilment of the preneed funeral contract, and to require financial institutions to provide funds to those establishments actually performing service, rather than the original contracting establishment.
- Strengthens language requiring insurance companies to provide policy status information for any preneed insurance policy to both the preneed funeral establishment and the Board.
- Grants the Board authority to freeze the preneed funeral funds of a preneed funeral establishment if necessary to protect the purchaser of the preneed funeral contracts.
- Revises certain provisions pertaining to when the Board may take disciplinary action against funeral licensees.

The provisions regarding the North Carolina Crematory Act became effective October 1, 2025. The remainder of the act became law July 9, 2025.

Prevent Sexual Exploitation/Women and Minors.

SL 2025-84 (H805)

S.L. 2025-84 (House Bill 805) does the following:

- Provides that the following definitions apply to all administrative rules, regulations, or public policies of North Carolina and its political subdivisions, unless otherwise specified:
    - Biological Sex. – The biological indication of male and female in the context of reproductive potential or capacity, such as sex chromosomes, naturally occurring sex hormones, gonads, and nonambiguous internal and external genitalia present at birth, without regard to an individual's psychological, chosen, or subjective experience of gender.
    - Boy. – A minor human male.
    - Father. – A male parent.
    - Female. – A term that when used to refer to a natural person, means a person belonging, at conception, to the sex characterized by a reproductive system with the biological function of producing ova (eggs).
    - Gender identity. – A term that means an individual's self-declared identity that may not align with biological sex and, being a subjective internal sense, shall not be treated as legally or biologically equivalent to sex.

- Girl. – A minor human female.
- Male. – A term that when used to refer to a natural person, means a person belonging, at conception, to the sex characterized by a reproductive system with the biological function of producing sperm.
- Man. – An adult human male.
- Mother. – A female parent.
- Woman. – An adult human female.

This section becomes effective January 1, 2026.

- Enacts Article 51A of Chapter 66 of the General Statutes, which is entitled "Prevent Sexual Exploitation of Women and Minors Act." This Article does the following:
  - Requires online entity operators to comply with certain age verification and written consent requirements for individuals appearing in pornographic images.
  - Requires online entity operators to establish certain procedures for removing a pornographic image upon request and to prominently display a notice on its website or mobile application that provides instructions on how to request removal of a pornographic image.
  - Prohibits users of online entities from distributing or publishing a pornographic image of an individual to the online entity without that individual's consent.
  - Authorizes the Attorney General to impose civil penalties on online entity operators for violations of this Article.
  - Authorizes civil actions against online entity operators and users of online entities for certain violations of this Article.

This section becomes effective December 1, 2025, and applies to acts or omissions occurring before, on, or after that date.

- Prohibits State funds from being used to fund surgical gender transition procedures, puberty-blocking drugs, or cross-sex hormones for any prisoner incarcerated in the State prison system or the Statewide Misdemeanor Confinement Program or otherwise in the custody of the Department of Adult Correction, or to support the administration of any governmental health plan or government-offered insurance policy offering surgical gender transition procedures, puberty-blocking drugs, or cross-sex hormones to any prisoner incarcerated in the State prison system or the Statewide Misdemeanor Confinement Program or otherwise in the custody of the Department of Adult Correction. This provision does not apply to the State Health Plan for Teachers and State Employees. This section became effective July 1, 2025. The exemption for the State Health Plan for Teachers and State Employees expires 30 days after the Memorandum and Order, dated June 10, 2022, or the permanent injunction ordered therein in Kadel v. Folwell, 1:19CV272 is vacated, overturned, or is no longer in force.
- Provides that certain causes of action for malpractice under G.S. 1-15 arising out of the performance of or failure to perform services while in the course of facilitating or perpetuating gender transition must be commenced within 10 years from the time of discovery by the injured party of both the injury and the causal relationship between the

treatment and the injury against the offending medical professional or entity. This section became effective July 29, 2025, and applies to causes of action accruing before, on, or after that date.

- Provides that when the sex of a person is changed on an amended or new birth certificate, the State Registrar will attach the new certificate to the certificate of birth then on file and will preserve both certificates as a multi-page document. The State Registrar will forward a copy of the new certificate to the register of deeds of the county of birth. The register of deeds of the county of birth will attach the new certificate to the copy of the certificate of birth on file. The register of deeds will preserve both certificates as a multi-page document. Thereafter, when a certified copy of the certificate of birth of the person is issued, it will be a copy of the multi-page document. The State Registrar will adopt rules and policies to implement these requirements. This section becomes effective December 1, 2025.

Please note that the summaries for sections 3.2, 3.3, and 3.4 of S.L. 2025-84 can be found in the Education subject area of this publication.

This bill was vetoed by the Governor on July 3, 2025, and that veto was overridden by the General Assembly on July 29, 2025. Except as otherwise provided, this act became effective July 29, 2025.

Charity Care Exemption for Certain Qualified Urban Ambulatory Surgical Facilities – Continuing Budget Operations.

SL 2025-89 (H125), Sec. 2B.11

Section 2B.11 of S.L. 2025-89 (House Bill 125) exempts ambulatory surgical facilities licensed prior to November 21, 2025, located in counties with a population greater than 125,000 from having to ensure at least 4% of total revenue comes from self-pay and Medicaid patients.

This section becomes effective November 21, 2025.

Gross Premium Tax Offset Changes – Continuing Budget Operations.

SL 2025-89 (H125), Sec. 2B.12

Section 2B.12 of S.L. 2025-89 (House Bill 125) requires the gross premiums tax revenue amounts that are used to pay for the State share of costs of NC Health Works Medicaid coverage to be transferred from the Department of Revenue to a Special Fund in the Department of Health and Human Services rather than to the General Fund. The section also makes conforming changes necessary for implementation of this change.

The conforming change to the hospital assessment statutes is effective on the first day of the next assessment quarter after this act becomes law and applies to assessments imposed on or after that date. The remainder of this section became effective July 1, 2025.

Allow Off-Site Food Service for Workplace Events – Regulatory Reform Act of 2025.

SL 2025-94 (H926), Sec. 13

Section 13 of S.L. 2025-94 (House Bill 926) authorizes a permitted food establishment to serve food or drink in a workplace setting at an offsite location for the employees of that designated workplace and their invited guests. The food establishment must notify the local health department before initiating offsite service at a designated workplace and comply with several other requirements.

This section became effective October 6, 2025.

Reduce Frequency of Oversight for Certain Public Water System Supplemental Treatment Facilities – Regulatory Reform Act of 2025.

SL 2025-94 (H926), Sec. 25

Section 25 of S.L. 2025-94 (House Bill 926) authorizes the Department of Environmental Quality to reduce the frequency of oversight visits for certain public water system supplemental treatment facilities to not less than once per calendar month, if the supplemental treatment facility complies with all existing requirements for public water system treatment facilities and meets additional requirements related to chemical feed, emergency shutdowns, and remote monitoring. This section also directs the Commission for Public Health to amend its existing rules to be consistent with this authorization. In addition, the section exempts these rules from certain requirements of the Administrative Procedure Act, including those requiring ratification by the General Assembly, or supermajority approval by a board or commission, that are applicable when a rule's aggregate financial cost exceeds certain thresholds.

This section became effective October 6, 2025.

Swimming Pool Amendments – Regulatory Reform Act of 2025.

SL 2025-94 (H926), Secs. 16 & 17

Section 16 of S.L. 2025-94 (House Bill 926) prohibits a local board of health from adopting a rule concerning a private pool serving a single-family dwelling otherwise exempt from regulation by the Department of Health and Human Services pursuant to G.S. 130A-280.

Section 17 of S.L. 2025-94 rewrites the S.L. 2024-49 exemption for private swimming pools serving a single-family dwelling used only by residents and their guests to apply regardless of whether the guests gain use of the private pool through a sharing economy platform or pay a fee. In cases where a fee is exchanged for pool access, the private pool must be "maintained in good and safe working order."

This section also makes various technical and organizational changes to G.S. 130A-280.

This section became effective October 6, 2025.