

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

H.B. 740
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30324-MQfa-24A

Short Title: Constituent Portal/Contractor Liability Limit.

(Public)

Sponsors: Representative Johnson.

Referred to:

A BILL TO BE ENTITLED
AN ACT TO DIRECT AND FUND THE ISSUANCE OF A REQUEST FOR PROPOSALS
FOR THE DEVELOPMENT AND CREATION OF A DISASTER FOCUSED
CONSTITUENT ENGAGEMENT PORTAL AND TO ESTABLISH LIMITS OF
CONTRACTOR LIABILITY UNDER CERTAIN STATE PROCUREMENT
CONTRACTS.

The General Assembly of North Carolina enacts:

PART I. DISASTER FOCUSED CONSTITUENT PORTAL

SECTION 1.1. The Department of Information Technology shall issue a request for proposals for the development and creation of a disaster relief portal, focused on constituent engagement, that will operate as a central platform for relevant updates and constituent services in response to natural disasters occurring in the State. The disaster focused constituent engagement portal shall be designed to consolidate critical information and programs from all relevant State agency websites into a single, centralized portal where affected citizens can engage with State agencies, find resources, and receive real-time information.

SECTION 1.2. There is appropriated from the General Fund to the Department of Information Technology the sum of five hundred thousand dollars (\$500,000) in nonrecurring funds for the 2025-2026 fiscal year to be used for the purposes described in this Part.

SECTION 1.3. This Part becomes effective July 1, 2025.

PART II. CONTRACTOR LIABILITY LIMITS/STATE CONTRACTS

SECTION 2.1. Article 3 of Chapter 143 of the General Statutes is amended by adding a new section to read:

"§ 143-49.2. Contractor liability in State contracts.

(a) All contracts subject to the provisions of this Article and Article 8 of this Chapter shall include a limitation on the contractor's liability to the State for damages. Except as otherwise provided in this section, the limitation of liability shall be for damages arising from any cause whatsoever, regardless of the form of action. The amount of liability shall be determined based on the nature of the goods, services, or construction work covered by the contract; however, there shall be a presumptive limitation of no more than two times the value of the contract. Limitation of liability pursuant to this section shall specifically include, but not be limited to, the contractor's liability for damages. The amount of liability for damages may be raised to no more than three times the value of the contract if all of the following apply:



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(1) The Secretary or the Secretary's designee completes a risk assessment prior to the bid solicitation or request for proposals that determines an increase in the liability amount is necessary to protect the State's best interests.

(2) The bid solicitation or request for proposals indicates that increased liability will be required for the resulting contract.

(b) Prior to entering into any contract subject to the provisions of this Article or Article 8 of this Chapter, the Secretary or the Secretary's designee shall reasonably determine that the contractor possesses sufficient financial resources, either independently or through third-party sources, such as insurance, to satisfy the agreed upon limitation of liability. The limitation of liability required by this section shall not apply to liability of the contractor for intentional or willful misconduct, damage to tangible personal property, or physical injuries to persons. Nothing in this subsection limits the contractor's liability directly to third parties or affects the rights and obligations related to contribution among joint tortfeasors established by Chapter 1B of the General Statutes and other applicable law.

(c) Not later than March 1 of each year, the Secretary shall report annually to the Joint Legislative Commission on Governmental Operations and the Joint Legislative Oversight Committee on General Government regarding the contracts containing liability amounts of more than two times the value of the contract."

SECTION 2.2. This Part is effective when it becomes law and applies to contracts awarded, renewed, or amended on or after that date.

PART III. EFFECTIVE DATE

SECTION 3.1. Except as otherwise provided, this act is effective when it becomes law.