

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025**

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SENATE BILL 972

Short Title: Cut State Agency Costs By 10%. (Public)

Sponsors: Senators Burgin and Corbin (Primary Sponsors).

Referred to: Rules and Operations of the Senate

May 4, 2026

A BILL TO BE ENTITLED

AN ACT TO REDUCE STATE AGENCY BUDGETS BY TEN PERCENT BY JUNE 30, 2028.

The General Assembly of North Carolina enacts:

SECTION 1. Findings/Purpose. – The General Assembly finds that advances in technology and service delivery will enhance State government efficiency and effectiveness. A managed reduction in budgets will provide the flexibility to scale into these advances and efficiencies. The purpose of this act is to ensure structural savings in State agency costs achieved by reducing budgets by ten percent (10%).

SECTION 2. Budget Reduction Requirement. – By June 30, 2028, the total budgets of State agencies shall be reduced by not less than ten percent (10%). The Director is granted flexibility to administer cost reduction to mitigate any substantial burden affecting agencies, provided that the overall reduction percentage reaches the ten percent (10%) target.

SECTION 3. Agency Implementation Plans. – By January 1, 2027, each State agency head shall submit to the Director a detailed budget reduction implementation plan specifying each agency's ten percent (10%) reduction target methodology. The Director shall approve or require revision of each plan by no later than February 1, 2027, and shall publish approved plans on the Office of State Budget and Management's website.

SECTION 4. Reporting. – By October 1, 2027, the Director shall report to the Fiscal Research Division regarding progress made in complying with this act.

SECTION 5. Appropriation. – Effective July 1, 2026, there is appropriated from the General Fund to the Office of State Budget and Management the sum of two hundred thousand dollars (\$200,000) in nonrecurring funds for the 2026-2027 fiscal year to implement this act.

SECTION 6. Effective Date. – Except as otherwise provided, this act is effective when it becomes law.

