



The Advocate

10.10.2025

The North Carolina General Assembly has not been in full-time session in Raleigh but has been reconvening monthly to work on the budget, consider gubernatorial vetoes, and advance key legislation. Their September return brought a win for housing initiatives with the passage of [House Bill 926 - Regulatory Reform Act](#) now enacted into law. The bill makes important updates to state and local government regulations and reinforces NCR's long-term advocacy approach in recognizing that meaningful housing progress requires sustained effort over time, not quick fixes. The key housing provisions in HB 926 are:

Modernizes Septic System Approval Process by Expanding Who Can Issue a Site Denial Letter

- Allows either a local county health department official or an Authorized On-Site Wastewater Evaluator (AOWEs) to prepare and submit site denial letters. (Prior to the passage of this legislation only health department officials could issue the letters)
 - The site denial letter is required documentation when a property can't support a subsurface wastewater system.
- Helps property owners and developers get quick answers instead of unnecessary delays.

Ensures Fairness & Consistency in the Inspection Process

- Prohibits inspection departments from charging fees or failing inspections of a building or structure subject to the North Carolina Residential Code when a permit holder cancels an inspection with adequate notice.
 - Adequate notice should be more than one business day

Presents Local Governments from Imposing Pavement Design Standards that Exceed State Department of Transportation Requirements

- Prohibits local governments from establishing or requiring pavement design standards for public or private roads that are more stringent than the minimum pavement design standards adopted by the Department of Transportation.
- Aligns local and state standards that prevents project delays and reduces unnecessary construction costs.

Enhances Fairness and Efficiency in the Development Review Process

Prevents a development regulation or unified development ordinance from including waiting periods prohibiting a landowner, developer, or applicant from refileing a denied or withdrawn application for a zoning map amendment, text amendment, development application, or request for development approval.

Increases Efficiency & Predictability in the Storm Water Sewer Permitting Process

Prevents Duplicative Information Requests From the Environmental Management Commission.

Limits “second bites” at review unless the information was not previously identified as missing or required in an earlier information request.

Clarifies Existing Use Rights on Property

It ensures exiting vested rights remain valid even when new approvals are issued.

This reduces potential legal conflicts.

If a special use permit expires before vesting, the property must follow zoning rules currently in place.

Provides landowners more clarity when moving projects forward by clarifying which jurisdiction's ordinances apply when multiple local governments share authority.

The landowner may elect to apply land use ordinances of the jurisdiction that has the majority of the acreage of the parcel of land.

For a detailed summary of HB 926, [click here](#). The above summary highlights important changes in streamlining housing regulation. The bill also includes additional policy changes that are not part of our legislative agenda. Also, note that the bill includes updates to the North Carolina Real Estate Commission changes to allow buyer's agent compensation to be listed in the Offer to Purchase. This change simply aligns the Commission's Rules with Senate Bill 690, which NCR helped pass earlier this year.

If you have any questions or comments about the Advocate, please contact [Pam Melton](#), Vice President of Advocacy.