The Advocate
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Regulatory Reform Delivers Major Wins for Housing, Property Rights and REALTORS®

Months of advocacy have culminated in a significant legislative victory for North Carolina REALTORS®. Senate Bill 445-Regulatory Reform Act has passed the General Assembly and is now headed to Governor Stein for consideration. This legislation advances several top NCR housing priorities by increasing housing opportunities, reducing unnecessary regulatory barriers, improving development certainty and strengthening property rights across the state.

SB 445 is a major step forward in addressing North Carolina's housing challenges while creating a more predictable regulatory environment for property owners, developers, and real estate professionals.

Expand Housing Through Accessory Dwelling Units

One of the bill's most impactful provisions requires local governments with a population of 50,000 or greater that are not in coastal areas to allow at least one Accessory Dwelling Unit (ADU) on eligible single-family properties. ADUs provide flexible housing for multigenerational living by providing affordable housing for adult children and creating opportunities for older family members to age in place. This important housing option increases the supply of attainable housing without changing the character of existing neighborhoods.

The legislation also prevents unnecessary local restrictions by limiting excessive parking requirements, unreasonable permitting fees, and barriers to long-term rental use while establishing clear standards for local governments.

Additional Industry Wins

Senate Bill 445 has several other important provisions that benefit REALTORS®, property owners, and consumers, including:

- Allowing de novo judicial review of state agency rules and regulations, providing greater certainty in legal disputes. This review allows an appellate or higher court to examine a lower court's decisions without yielding or being influenced by the trial judge's legal conclusion.
- Providing an ordinance exemption for nonconforming signs on premises, reducing unnecessary regulatory burdens.
- Extending vested development rights from two years to five years, giving developers and investors greater certainty for approved projects.
- Allowing residential building in commercial districts that will create new opportunities for housing development through redevelopment.
- Providing development fee transparency by requiring local governments to publish fee schedules, provide cost estimates, establish disclosure timeframes, and increase accountability through the permitting process.
- Allowing master-metered water billing authority for qualifying mobile home parks.

Together, these reforms help streamline development, improve transparency, and remove barriers that impede housing production across North Carolina.

One bill. Many solutions. Senate Bill 445 is more than a regulatory reform bill. It's a comprehensive victory that expands housing opportunities, protects private property rights, increases transparency, and removes barriers that slow development. It is another example of NC REALTORS® turning advocacy into meaningful results for our members and the consumers they serve.

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