

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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HOUSE BILL 180

Short Title: Fiscally Responsible & Sustainable Budgeting. (Public)

Sponsors: Representatives Butler, Harrison, Morey, and Price (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Rules, Calendar, and Operations of the House

February 25, 2025

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE THE LEGISLATIVE AND EXECUTIVE BRANCHES TO
3 COLLABORATE ON LONG-TERM BUDGET ASSESSMENTS THAT MEASURE
4 ONGOING BUDGET SUSTAINABILITY UTILIZING A CURRENT SERVICES
5 BASELINE TO ENSURE FISCAL RESPONSIBILITY.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** Article 3 of Chapter 143C of the General Statutes is amended by adding
8 a new section to read:

9 "**§ 143C-3-4.1. Long-term budget assessment.**

10 The Director shall collaborate annually with the legislative branch to create and update a
11 long-term budget assessment and consensus revenue forecast covering at least the following five
12 years and which shall include at least the following:

- 13 (1) A projection of spending required to maintain current services and programs
14 in the context of changes to the cost of delivering services, including inflation
15 and changes to the size of the population and the population served.
16 (2) An analysis of the cost of program changes or policies to be enacted as well
17 as those mandated by statute or the courts that may not have been included in
18 the base year.
19 (3) An analysis of the cost to the State for maintaining or increasing employee
20 salaries and benefits to reflect current economic factors, including inflation
21 and benefit cost increases.
22 (4) A comparison of potential impacts on the State budget based upon fiscal
23 scenarios related to economic performance, changes to transfers from the
24 federal government, or both."

25 **SECTION 2.** G.S. 143C-3-5 reads as rewritten:

26 "**§ 143C-3-5. Budget recommendations and budget message.**

27 (a) Budget Proposals. – The Governor shall present budget recommendations, consistent
28 with G.S. 143C-3-1, 143C-3-2, ~~and 143C-3-3~~ 143C-3-3, and 143C-3-4.1 to each regular session
29 of the General Assembly at a mutually agreeable time to be fixed by joint resolution.

30 ...

31 (f) Budget Message. – The Governor's budget recommendations shall be accompanied
32 by a written budget message that does all of the following:

- 33 (1) Explains the goals embodied in the recommended budget.
34 (2) Explains important features of the activities anticipated in the budget.
35 (3) Explains the assumptions underlying the statement of revenue availability.



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- 1 (4) Sets forth the reasons for changes from the previous biennium or fiscal year,
2 as appropriate, in terms of programs, program goals, appropriation levels, and
3 revenue yields.
- 4 (5) Identifies anticipated sources of funding for major spending initiatives.
- 5 (6) Prepares a fiscal analysis that addresses the State's budget outlook for the
6 upcoming five-year ~~period~~-period, consistent with the assessment required
7 under G.S. 143C-3-4.1. This fiscal analysis shall include detailed estimates
8 for five years for any proposals to create new or significantly expand programs
9 and for proposals to create new or change existing law.

10 "

11 **SECTION 3.** This act is effective when it becomes law and applies to the adoption
12 of the Current Operations Appropriations Act for the fiscal year beginning on or after that date.