

Legislative Report 2026 Convention



2025-2026 Legislative Session

The 2025 long session of the North Carolina General Assembly (NCGA) saw the passage of only 97 bills—a record low for long sessions. The NCGA also failed to pass a budget during the recent long session. As a result, a key focus of the 2026 session was negotiating the budget, which finally passed on July 1, 2026. Heading into the short session, Republicans held majorities in both the Senate (30-20) and House (71-49). This report summarizes labor and employment updates from the 2026 short session as of August 31, 2026.

Bills Passed During the Short Session

The 2026 State Budget (SB 257)

After months of negotiation, the General Assembly passed the full 2026-27 budget in the first week of July. Some significant provisions include pay raises for public school teachers and various state employees. Two firefighter-benefit proposals that unions had advocated for – a pension increase and expanded cancer-benefit coverage – were not included in the final version.

Worker Safety Act of 2026 (HB 258)

This bill modernizes the process for filing complaints under North Carolina's Retaliatory Employment Discrimination Act (REDA), the law that protects workers from retaliation for exercising rights such as filing a workers' compensation claim, reporting a workplace safety hazard, or engaging in other legally protected activity.

Public Workforce Modernization Act (SB 1041)

This bill overhauls the North Carolina Human Resources Act. It reorganizes and modernizes rules on classification, hiring, salaries and benefits, workplace safety and workers' compensation for state employees, whistleblower protections, and equal employment opportunity, while preserving employees' existing career-status rights and any grievances, appeals, or claims pending when the new law takes effect. It also expands paid parental leave policies for public school teachers and state employees.

Regulatory Reform Act of 2026 (SB 445)

This bill constitutes a major deregulatory effort touching on a variety of policy areas including environmental permitting, housing, and occupational licensing. Most notably, it requires courts and administrative law judges to apply "de novo" review – rather than deferring to an agency's own interpretation – when interpreting state agency rules in contested cases. Earlier versions of the bill included a provision prohibiting local governments from holding employers accountable for refusing to bargain with labor unions. The NC State AFL-CIO vehemently opposed the provision, which was ultimately removed from the bill.

Bills Introduced but Not Passed

NC Right to Work Amendment (SB 1082)

This bill would have asked voters in the November 2026 general election to add a "right to work" provision to the North Carolina Constitution. North Carolina has had a right-to-work statute since 1947. The NC State AFL-CIO and its affiliates took swift action to oppose the proposed bill, which sought to make it harder for a future General Assembly to repeal "right to work." The bill was ultimately unsuccessful.

Equality in State Agencies / Prohibition on DEI (HB 171)

Passed in 2025 and vetoed by Governor Stein in July 2025, this bill would bar state agencies and local governments from using public funds to promote, fund, implement, or maintain diversity, equity,

and inclusion (DEI) programs. The House voted in the short session to override the Governor’s veto; because both chambers must vote to override, the bill does not take effect unless and until the Senate also votes to override, which had not happened as of this report.

Election Law Changes (HB 958)

This bill, flagged as an “anti-voter bill” by Governor Josh Stein, attempts to make it more difficult to vote, further politicizes the State Board of Elections by replacing civil servants with political appointees, and creates a new State Auditor-run post-election audit process. Governor Stein vetoed the bill on August 17, 2026. Legislators have indicated they do not plan to attempt a veto override until after the November 2026 elections.

Looking ahead

The General Assembly adjourned its regular 2026 voting business in early August but can still reconvene for limited purposes through the rest of the year. Legislative leaders have signaled they do not plan to take up any veto overrides – including House Bill 171 and House Bill 958 – until after the November 2026 elections.

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We will continue to monitor legislative events and advocate for improved labor and employment conditions throughout the state. We thank our legislative allies and, most importantly, our affiliates and members who have been supportive of our policy agenda and involved in our legislative efforts.

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