



April 2026 | nclm.org



With over 12% of current state legislators not on the ballot this fall, many new faces will join the ranks of the NCGA in 2027, reinforcing the need for city officials to constantly form and maintain good relationships with their state legislative leaders.

Legislators Propose Property Tax Limits in NC Constitution

Limits on local property taxes would be prescribed in the North Carolina constitution under a proposal first aired at the NC General Assembly on March 18. The [proposal](#), one of four discussed by the [House Select Committee on Property Tax Reduction and Reform](#), would direct legislators to limit the amount of tax collections from one year to the next, if voters approved a constitutional amendment written to say, “The General Assembly shall enact general laws limiting the amount by which the levy of taxes on property may increase, which may include exceptions.”

The committee debated [this proposal](#) for over an hour at their March meeting. Some committee members wanted the amendment language to contain specific numerical limits, while others expressed their concerns over limiting local revenue-raising capabilities. Limitations could restrict local governments’ ability to pay for key services residents and businesses expect, such as public safety, which typically makes up over 50 percent of a municipality’s budget.

Committee co-chair Rep. Julia Howard told committee members to expect a vote on this proposal at the committee’s last meeting before the start of the Short Session. That vote, scheduled for the committee’s April 15 meeting, would make these proposals eligible for consideration in the Short Session.

Now is the time to express your concern to state legislators about this proposal. Share with them the [general points in this one-pager](#) and the [public-safety points](#)

in this one-pager.

- Describe what property taxes pay for in your city or town. On average, in NC cities and towns, half of the budget funded primarily by these revenues pays for police and fire, while another 20% funds roads.
- Explain the effects of artificial limits on your funding. Examples include higher borrowing costs due to the lower bond ratings that would likely result from these limitations; an inability to respond to skyrocketing costs like those experienced this decade; and difficulties in paying for needs after floods and other natural disasters.
- Discuss the fiscal realities your city or town has faced in paying for essential services. Over the past five years, many North Carolina municipalities have seen an 80% increase in street resurfacing costs, an average 33% increase in entry-level police officer market-rate salaries, and a 50% increase in the cost of a fire truck and other public safety vehicles.
- Ask legislators to remain a partner with your city on economic development. Property taxes pay for basic services that support businesses and continue to allow our state to grow.

In the days since the March 18 committee meeting, affordable housing groups [urged](#) legislators to focus on targeting tax relief to property owners on fixed incomes, such as seniors and disabled veterans. Multiple media outlets also provided coverage of the committee meeting and additional analysis of the proposals presented, including the [Carolina Journal](#) and [NC Newline](#). And The News & Observer/Charlotte Observer published this editorial on March 26, "[NC lawmakers could strangle local governments with property tax measure.](#)"

The House committee also considered three other proposals related to property tax at its March meeting. They too will be considered for a vote by the committee on April 15. Broadly, these proposals seek to close a controversial affordable housing tax loophole and reduce preferential tax treatment currently enjoyed by nonprofit hospitals. You may read these proposals on the [committee's website](#).

Local Bill Filing Deadlines Arrive in April in Advance of Short Session Convening

In advance of the Short Session, which convenes on April 21, **NOW** is the time to reach out to your state senators and representatives to discuss issues affecting your local community that may require legislative fixes. Local bills must be requested by your NC House or Senate member.

For 2026, local bills must meet the following deadlines:

Bills must be submitted to the bill drafting office by **Monday, April 13**.
Filed in their chamber by **Tuesday, May 5**.

Phil Berger Concedes to Sam Page in District 26 Primary Election

State Senate leader Phil Berger of Rockingham County has conceded defeat in his primary election for District 26, which he has held since 2000. The announcement came after a requested recount failed to show any change from the count on primary election night: Berger was down 23 votes, having lost his home county by a 2-1 margin. While Senator Berger has announced his intention to complete his Senate term and continue as the leader of the Senate Republicans through the end of the year, the race to replace him in the power role of Senate President Pro Tempore has begun. Berger is the only Republican to hold that office in the modern era.

So far, three Republican Senators are in the mix to lead the party: Senator Michael Lee of New Hanover County, Senator Ralph Hise of Mitchell County, and Senator Todd Johnson of Union County. Most observers expect that the leadership election will be held following the November election, leading into the 2027 long session of the General Assembly, rather than during the current year. Whoever takes the helm as President Pro Tempore will have authority to appoint committees, control the flow of legislation, and serve as the lead campaigner and spokesperson for Senate Republicans.

A full rundown was published by WUNC, here: [Berger concedes to Page after partial recount doesn't net any votes | WUNC News](#).

Stein Presses for State Budget as Revenues Come into Focus

Governor Josh Stein [pressed](#) legislative leaders last month to fund top state priorities, as expected revenues available for next year came more into focus. Making a proposal he termed a “critical needs budget,” Stein tendered [a \\$1.4 billion plan](#) targeting teacher and state employee raises, additional Medicaid funding, and a one-time COLA for state retirees, among other line items. Separately, Stein also [requested](#) that legislators appropriate \$792 million more to address recovery needs in areas affected by Hurricane Helene.

Stein’s proposals came as legislators prepared to reconvene for the legislative Short Session on April 21. Pressure remains on legislative leaders to pass a comprehensive state budget in this session. The last time they enacted a comprehensive state budget was for FY 23-24.

Legislative budget-writers rely on estimated revenues when crafting their bills, and state fiscal staff released their annual “consensus revenue forecast” last week. This year, officials in the state Office of Budget and Management and the legislature’s nonpartisan fiscal staff [predicted](#) the state would collect \$370 million more than expected for the fiscal year running through June.

However, their forecast predicted a dip in revenues available for the next fiscal year due to lowered tax rates and a cloudier economic outlook for the state. “Beginning in 2027, the economic outlook anticipates slowing growth in consumer spending and wages,” they wrote. “The forecast assumes the ongoing conflict in the Middle East will

stabilize and move toward resolution by mid-April. A prolonged Iran conflict could lead to persistently high prices and potential shortages of energy commodities. This would raise prices for businesses and consumers across the globe, reducing business investment and consumer spending on other goods and services and raising the risk of a global recession.”

Read reactions to the revenue forecast from Stein and legislative leaders [here](#).

Town and State Dinners Come to Greensboro and Hickory

During the even-numbered years, NCLM hosts regional Town & State Dinners in locations across the state to provide local officials with the opportunity to engage directly with members of the General Assembly, discuss shared priorities, and strengthen the partnerships that help move communities forward.

Over the past month and a half, NCLM has hosted sold-out dinners in Wilmington, Concord, and most recently, Greensboro (March 25) and Hickory (April 1). This year's series will conclude on April 15 in Raleigh.

Not able to attend any of these regional dinners? Don't worry! In 2027, we will host our biennial Town & State Dinner in Raleigh. More details coming later this year.



GREENSBORO PHOTO ALBUM

Local Leaders Descend on Washington, DC, While Congress Continues Discussion of Key Issues

The annual National League of Cities Congressional City Conference brought together hundreds of local leaders from across the country to Washington, DC, March 15-18. While in Washington, members of the NCLM Executive Committee and mayors from disaster-impacted communities attended a meeting with the White House Office of Intergovernmental Affairs for a discussion on the importance of retaining the structure of the Federal Emergency Management Administration (FEMA), responsible reforms focused on meaningful changes to FEMA programs,

and the vital importance of continuing recovery funds for communities in Western North Carolina who were impacted by Hurricane Helene.

This year's North Carolina delegation represented communities from the mountains to the coast of all sizes, with attendees spending time in educational sessions, panel discussions, and advocacy meetings on Capitol Hill. Many attendees had the chance to meet with their members of Congress, providing their perspective on key issues included in [NLC's Hill Day Messaging Guide](#). The League also continued its annual tradition of sponsoring a reception for all conference attendees from North Carolina, gathering over 80 municipal officials for food and networking.



On Capitol Hill, legislators in both chambers continue to discuss a variety of key issues impacting local governments, though many still seem to be mired in disagreements between the House and Senate. One of those issues is the [21st Century ROAD to Housing Act](#), a bipartisan proposal to increase housing development across the country. The current bill is the result of the combination of two different bills, the Housing for the 21st Century Act from the House of Representatives and the ROAD to Housing Act from the Senate.

Both chambers passed their respective bills, and the current bill is a combination of both. More information about these bills is available from the [Bipartisan Policy Center](#). There remains a disagreement between the House and Senate on the newly combined bill, and it is unclear if those differences will be resolved by the end of this Congress.

Legislators still remain divided on legislation addressing FEMA reforms, though there has been legislation, [H.R. 4669, the FEMA Reform Act of 2025](#), filed and considered by the House. It is expected that this legislation will remain paused while Congress awaits the final report from President Donald Trump's FEMA Reform Council, which is now expected by May.

Mayors in the News

March saw two North Carolina mayors and NCLM leaders join media outlets to discuss important issues facing our state.



Clayton Mayor and NCLM First Vice President Jody McLeod joined [PBS NC's State Lines](#) for a discussion of the ongoing legislative debate regarding property taxes.



Wilmington Mayor and NC Metro Mayors Coalition Chair Bill Saffo was featured on [Spectrum News' In Focus](#), providing a local government perspective on funding to support long-term transportation projects and planning needs for communities across North Carolina.

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