



# From the Desk of Representative

*Erin Pate*

District 37

**Proudly Serving Southern Wake County!**

**May 28, 2026**

The last two weeks at the General Assembly have been somewhat of a rollercoaster. We have been able to achieve significant victories for the NC taxpayer, students, teachers and state employees; override misguided vetoes by the Governor; and pass good bills that save you, the taxpayer, money.

But these past few weeks I have been engaged in heated arguments with people who want to continue to rip off the southern Wake taxpayer and are using dishonest tactics to do that. It has been intense and ugly. But sticking up for you at the General Assembly is my job and I'm going to continue to do my job.

I'm thankful that I could take a break from the budget room this week for a couple of hours to see our daughter Madison's final high school band concert. And I'm thankful for the opportunity to refuel and recharge this Memorial Day weekend with my family at the shore.

With this break, Wayne and I are mindful of the sacrifices made by our heroes in uniform who bravely and valiantly gave their lives so we have the freedom to debate ideas in the public domain, fight for what we think is right, and raise our families the way we wish.

I hope you too had a relaxing and enjoyable weekend, and found time to thank the noble few who sacrificed it all



so that we can live free in the greatest country in the world.

-Representative Erin Paré

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our official website

**RepErinParé.com**



## BUDGET FRAMEWORK AGREEMENT ACHIEVED: TAXES AND PAY

*Promises Made.*  
***Promises Kept.***

### 2026 BUDGET DEAL

✓ **PAY RAISES  
FOR TEACHERS**

LARGEST SINCE 2006 &  
#1 IN THE SOUTHEAST FOR  
STARTING TEACHER PAY

✓ **PAY RAISES FOR  
LAW ENFORCEMENT**

ADDITIONAL BENEFITS FOR STATE  
HIGHWAY PATROL, SBI, SWORN,  
AND UNSWORN PERSONNEL

✓ **PAY RAISES FOR  
STATE EMPLOYEES**

✓ **COLA BONUSES FOR  
STATE RETIREES**

✓ **TAX RELIEF  
FOR NORTH  
CAROLINIANS**

✓ **REPEALS DATA  
CENTER ELECTRICITY  
TAX EXEMPTION**

**N★C** HOUSE  
REPUBLICANS

## **Major Wins for Teachers and Education**

At the heart of this historic deal is a transformative investment in North Carolina's teachers—the backbone of our public schools.

- Average 8% teacher pay raise — the largest average increase since 2006.
- The starting teacher salary has increased to \$48,000 (before local supplements), making North Carolina #1 in the Southeast for new teachers.
- Bonuses for veteran educators and continued strong support for public schools.

## **Support for State Employees and Law Enforcement**

- 3% raise for state employees plus one-time bonuses of up to \$1,750.
- 13% across-the-board raise for state law enforcement and correctional officers at the Department of Adult Corrections.
- \$1,750 bonus for local law enforcement.

These investments recognize the dedication of our public servants and help retain top talent in critical roles.

## **Tax Relief for Families and Economic Growth**

- Gradual reductions in the personal income tax rate: down to 3.49% (2027–2029), 3.24% (2030–2032), and 2.99% (2033–2034), with potential for further revenue-triggered cuts.
- No changes to the scheduled phase-out of the corporate income tax.
- Two constitutional amendments for the November 2026 ballot: a cap on the state income tax rate at 3.5% and a limit on local property tax increases.

**Our budget framework keeps more of YOUR money where it belongs — in YOUR wallet. We're cutting taxes while delivering record support for teachers and schools.**

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**HB1089 CONSTITUTIONAL AMENDMENT  
LIMITING PROPERTY TAX INCREASES  
PASSED**

The House approves two Constitutional Amendments to **make North Carolina more**

***Affordable***

- ✓ *Deliver Property Tax **Relief** for families*
- ✓ ***Cap** the Personal Income Tax at 3.5%*



Last week the General Assembly passed HB 1089 "Constitutional Amendment Property Tax Levy Limit" into law. This bill will put the question on the ballot in November for voters to decide whether the General Assembly should place limits on property tax increases.

A significant number of other states have adopted levy limits or other limitations that rein-in property tax increases by local governments.

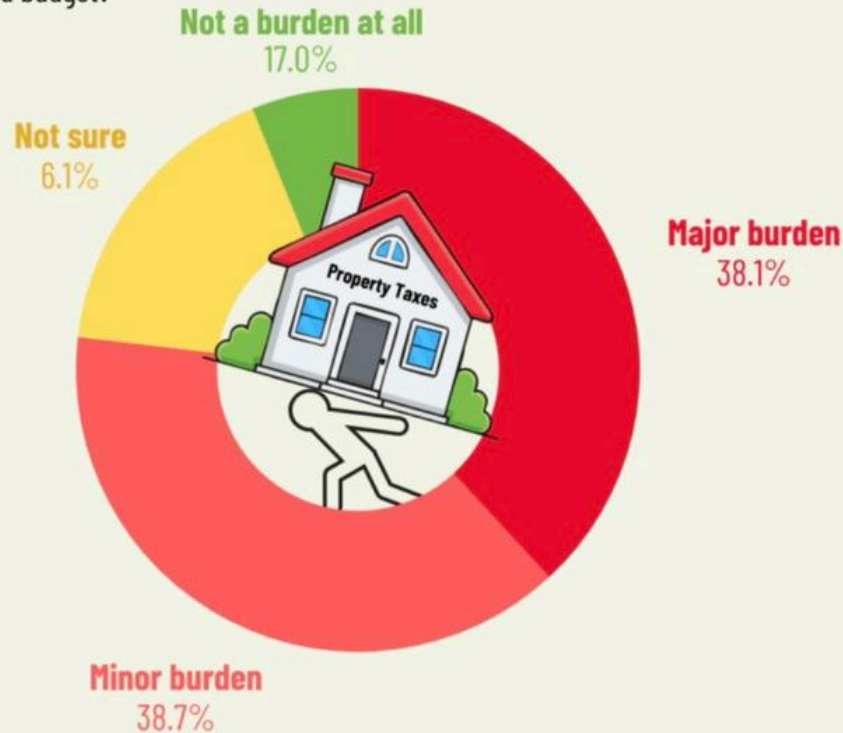
Recent poll about property tax reform below.

"I'm not at all surprised by these results. Property tax increases have gotten out of control. Time for reasonable limits," Rep. Paré.

"When asked if they would support limiting property tax increases, 73.2% said they would support such a limitation, and only 11.9% said they would oppose."

## Property Tax Burden

Is your property tax a major burden, minor burden, or not a burden at all on your household budget?



Harper Polling

THE CAROLINA JOURNAL POLL

Harper Polling, on behalf of the Carolina Journal, surveyed 600 likely 2026 general election voters from March 22-23, 2026 with a margin of error of  $\pm 4.00\%$

## HB 1042 PROPERTY TAX AFFORDABLE HOUSING EXEMPTION "BLUE RIDGE" LOOPHOLE BILL PASSED BY HOUSE

Background: Blue Ridge Housing of Bakersville is a 2013 North Carolina Court of Appeals case in which the central issue was what constitutes a sufficient degree of nonprofit ownership for purposes of qualifying for the low-income housing property tax exemption in NC.

The case involved an affordable rental housing development financed with Low Income Housing Tax Credits. The owner of the property was a two-member LLC: the general partner and managing member was a nonprofit and owned 0.1% of the LLC. The passive investor-member was a partnership comprised of banks, insurance funds, and other private investors, and it owned 99.9% of the LLC. To the extent the nonprofit had only a 0.1% ownership interest in the property, the tax assessor challenged the exemption arguing that the nonprofit did not have a sufficient ownership interest to allow the exemption. The Court found that the nonprofit's 0.1% ownership interest justified a property tax exemption based on a number of factors.

Observers tend to agree the outcome in the case was reasonable given the fact pattern. However, the lack of guardrails associated with government financing, combined with a lack of statutory guidance and administrability issues, could explain

the significant increase in the use of the exemption without assurances of providing long-term affordable housing in exchange for the tax benefit.

Over the last five years, NC tax administrators have observed a significant increase in the use of this exemption as a direct result of this case. Specifically, this exemption has seen a 75% increase in values excluded in the last two years, and from 2021 to 2025, the number of exemptions increased an average of 93%. In a January 2026 presentation to the House Select Committee on Property Tax Reduction and Reform, the NC Association of County Commissioners and the Self-Help Credit Union described their observations that the increase is from for-profit private equity investors initiating the creation of joint ventures with passive nonprofits to buy older properties, where rents are naturally well below the statutory requirements, to obtain the exemption while increasing rents, in effect using public funds for private gain.

To provide an example, Wake County has been impacted by this particularly hard seeing forgone revenue from this exemption jump from roughly 1.7M in 2021 to 11.4M in 2025. The trajectory for Wake going forward is particularly problematic, as the County has been receiving a consistent and increasingly large number of applications for the exemption.

My bill HB 1042 "Affordable Housing Exemption Mods" corrects this "loophole" and fairly preserves the exemption for legitimate and long-term affordable housing. The bill substantially restructures the property tax exemption for nonprofits that provide low- and moderate-income housing by defining terms, limiting permissible ownership structures, requiring initial and ongoing verification of rent and income limits, and ensuring compliance with long-term affordability requirements through government oversight or a recorded deed restriction, depending on the method of financing.

My bill passed the House last week with unanimous support and now heads to the Senate.

Sample of Properties Exempted Under Blue Ridge Housing Case

County	Number of Properties	Exempted Value	2025 Foregone County Revenue
Alamance	7	\$112,729,488	556,884
Moore	4	\$13,892,390	\$35,981
Stanly	3	\$7,448,939	\$37,990
Wayne	3	\$16,431,660	\$102,846

### Blue Ridge Housing Exemptions



Wake County Properties Exempted Under Blue Ridge Housing Case

Year	Exempted Value	Forgone County Revenue
2021	\$289,993,674	\$1,739,962
2025	\$2,204,668,044	\$11,400,338

## VETO OVERRIDE: HB 87 "EDUCATIONAL CHOICE FOR CHILDREN ACT"

The North Carolina House voted 73-46 on May 20 to override Gov. Josh Stein’s veto of HB 87 "Educational Choice for Children Act," advancing the school choice measure to the Senate, which must concur for it to become law. I voted to override the Governor's veto of this bill.

If the Senate overrides the veto as well, HB87 would add North Carolina to a growing list of states that have opted into the new federal tax-credit program authorized under the One Big Beautiful Bill Act signed by President Donald Trump on July 4, 2025.

Beginning in 2027, individuals can claim a dollar-for-dollar federal tax credit of up to \$1,700 per year for donations to Scholarship Granting Organizations (SGOs). These SGOs then issue scholarships for tuition, tutoring, dual enrollment, special education therapies, transportation, curriculum materials, testing fees, and other qualified educational expenses.

The State Education Assistance Authority — which already administers the Opportunity Scholarship Program in North Carolina — would maintain the list of approved scholarship organizations and submit it to the US Treasury Department. The agency must establish rules by July 1, 2026, or within 120 days of federal guidance, whichever is later.

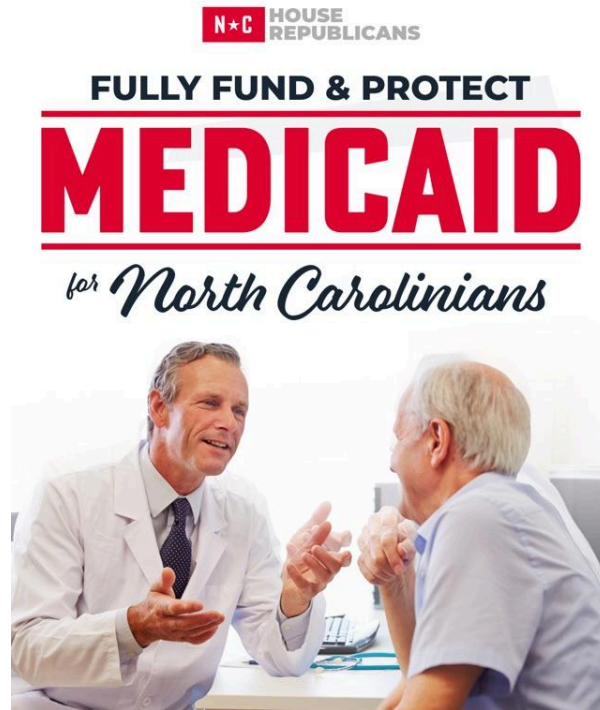
To read more: [NC House overrides Stein veto of federal school choice tax credit bill](#)

## MEDICAID REBASE FUNDED

Another big budget item fully funded, DONE!

At the start of the short session, I voted to fully fund and protect Medicaid for our most vulnerable population, while also cutting costs and strengthening oversight of the program.

No more unchecked spending — this bill delivers stability to those who need it most, while safeguarding taxpayer dollars.



## WORKING WITH WAKE'S TWO BEST SHERIFFS!

I had the privilege of meeting with two of Wake's greatest Sheriffs - Sheriff Willie Rowe and Sheriff Donnie Harrison. We discussed solutions to severe capacity issues at Wake's facilities and the need for resources to ensure a more efficient criminal justice process.

Public safety is a nonpartisan issue, and I appreciate my working relationship and friendship with both of these gentlemen.

I am also honored to be named once again as a Defender of Public Safety by the NC Sheriffs Association.



## TOWN OF HOLLY SPRINGS PRESENTS AT THE GENERAL ASSEMBLY

On April 20, the Town of Holly Springs had a great day at the General Assembly. As a chair of the Joint Legislative Oversight Committee on Economic Development, I was proud to have our Town Manager Randy Harrington and Economic Development Chief Irena Krstanovic present before the committee.

Randy highlighted Holly Springs' road to success in the Life Sciences, the potential for continued high-wage job growth, and the beneficial impact of successful economic development in Holly Springs on 38 counties.

We also heard about challenges in transportation and water/wastewater infrastructure, and the need for reform in bidding law.

Stay tuned, as our work continues!



## PROTECTING OUR ROADS FROM DRUNK DRIVERS



Since the short session started in April, I have had the privilege of meeting with a number of my constituents in the district and at the General Assembly. In addition, last week I was happy to visit with MADD (Mothers Against Drunk Driving) to hear about their work educating students in my district and a bill they are supporting at the legislature - HB 1199 The SEATBELT ACT.

I am proud to join my colleagues Rep. **Mike Schietzelt**, **Representative Dr. Tim Reeder**, and Rep. **Allen Chesser** in sponsoring HB1199 the SEATBELT Act. HB1199 would require anyone convicted of driving while impaired to install ignition interlock devices on any vehicles they own or operate for one year. Offenders would

also be able to regain limited driving privileges early under certain conditions if they install a breathalyzer.

According to the CDC, the devices reduce repeat offenses by roughly 70%.

To read more about the bill, click [HERE: NC House lawmakers seek breathalyzer ignition locks for all DWI offenders • NC Newsline](#)

## TV AND PODCAST APPEARANCES

Cute “off camera” moment captured at the taping of the recent State Lines. The best part of doing these shows for me is catching-up with a new mix of people each time - folks I don’t run into every day. We may not agree on everything, but we share a common devotion to state government and to the people of NC.

Link to watch: <https://m.youtube.com/watch?v=btcRY4k8ios&pp=iggCQAE%3D&ra=m>

In addition, please take some time to listen to the last episode of the News and Observer’s “Under the Dome” podcast where Capitol Bureau Chief Dawn Vaughn and I talk about property taxes, the budget, my background working on Capitol Hill and interning at the White House, how I met my husband, military family life, and more! [Rep. Erin Paré on House GOP ma... - Under the Dome - Apple Podcasts](#)



## DISTRICT 37 SCHOOL NEWS





Awesome student news to report all over District 37!

Holly Springs Hawks Varsity Baseball makes it to the State Finals after 15 years.

Bengals Lady Lacrosse makes it to the State Semi-finals.

Fuquay-Varina Middle School JV Baseball wins their conference championship.

Herbert Akins Road Middle School Baseball team won the Wake County middle school championship back-to-back years.

4x800 Team from Willow Spring High School won the NC State Championship.

Lastly, it was great to visit SAS for the WakeEd STEMposium. I was able to visit with Fuquay-Varina High School science teachers and South Lakes Elementary students, families and teachers to see the results of our District 37 students' Project Based Learning.

As a champion of the advancement of STEM in K-12 classrooms, this was a cool experience to see! It was also great to visit with my friend WCPSS Superintendent Dr. Taylor about the good work Wake is doing in STEM advancement.

# NC HOUSE PAGE PROGRAM

The program offers high school students a firsthand look at the legislative process.

- ✓ 4-DAY LONG EXPERIENCE
- ✓ OPEN TO GRADES 10-12
- ✓ FIRST-COME, FIRST-SERVE

**APPLY NOW**

[ncleg.gov/House/PageProgram](https://www.ncleg.gov/House/PageProgram)



The 2026 Short Session House Page Applications are available online beginning **Monday, January 5, 2025**. The Page website can be accessed by visiting the following: <https://www.ncleg.gov/House/PageProgram/>.

#### GENERAL INFORMATION:

- Pages may only serve one time in the House.
- Each Representative is allotted **up to 5 Page appointments** during the 2025 Long Session.
- **Current sophomore, junior, and senior high school students will be eligible to apply.**
- Check the House Page website for participant eligibility requirements and available dates to serve as a House Page.
- House Pages are processed on a first-come, first-served basis.
- House Page applications are accepted until all weeks are full.

**2025-2026 General Assembly Biennium**

Rep. Paré introduced, sponsored, or co-sponsored the following bills. [Please find links to all of these bills here.](#)

**Introduced bills:**

HB 14 "Gambling Losses Tax Deduction"  
HB 56 "Publish Central Office Employment Information"  
HB 59 "Expand Elderly/Disabled Homestead Exclusion"  
HB 94 "Dis. Veteran Homestead Excl. Prequalification"  
HB151 "SchCalFlex/Wake/CC"  
HB156 "Increase Access for Small Employers/Insurance"  
HB 173 "Wake County ETJ"  
HB 189 "Red Light Camera Interval"  
HB 192 "Raise Teacher Pay & Dollar Allotment Study"  
HB 352 "Modify Water and Sewage Project Bid Req."  
HB 571 "Funds for PTSD Treatment for Police Officers"  
HB 672 "Physician Assist. Omnibus/Team based/Compact"  
HB 811 "Taxpayer Transparency Act"  
HB 837 "Study Alternative Methods for Highway Funding"  
HB 896 "Jesse's Law"  
HB 1020 "PESA Class Aids and Wartime Veteran Funds"  
HB 1042 "Affordable Housing Exemption Modification"

**Sponsored bills:**

HB 4 "Sam's Law"  
HB11 "No Tax on Tips, Overtime, Bonus Pay"  
HB 15 "Support Private Property Rights"  
HB 46 "Make Heath care Affordable"  
HB 76 "Protect Access to In Vitro Fertilization"  
HB124 "Adopt Official State Cookie"  
HB125 "Adopt Official State Star"  
HB137 "Gabe Torres Act"  
HB 35 "Establish Military Appreciation Month"  
HB 39 "Disabled Veteran Motor Vehicle Tax Exclusion"  
HB 67 "Interstate Medical Licensure Compact"  
HB118 "Disabled Veterans Tax Relief Bill"  
HB133 "NC Farmland and Military Protection Act"  
HB 137 "Gabe Torres Act"  
HB 186 "Stars and Stripes Commitment Act"  
HB 309 "Bldg. Code Fam. Child Care Home Class"  
HB 364 "STIP Grant Anticipation Notes"  
HJR 379 "Application for a Convention of States"  
HB 389 "Child Care Workforce Pilot Program/Funds"  
HB 402 "NC REINS Act"  
HB 406 "Clarify Motor Vehicle Dealer Laws"  
HB 412 "Child Care Regulatory Reforms"  
HB 418 "K-5 Performing and Visual Arts Requirement"  
HB 465 "Waive Renewal Fee/Military Drivers Licenses"  
HB 480 "Medical Board Licensing Efficiency Act"  
HB 488 "Modify School Performance Grades"  
HB 523 "School Social Workers/Master's Pay"  
HB 542 "Child Care Mental and Behavioral Services/Funds"  
HB 581 "Career Pathways Transparency Act"  
HB 588 "School Psychologist Omnibus"  
HB 610 "Study Year-Round School"  
HB 611 "Increase AP's in Public School"  
HB 794 "Study Highway Patrol Staffing/Salary Scale"  
HB 800 "Review Effectiveness & Delivery of Child Care"  
HB 814 "Power Infrastructure Resiliency & Eff. (PIRE)"

HB 854 "Require Licensure of Educational Interpreters"  
HB 877 "Childcare Pilot"  
HB 912 "The Hometown Opp. for Mentoring Educators Act"  
HB 1032 "Repeal Two Percent Local Grocery Tax"  
HB 1074 "Prescription Drug Expenses Tax Deduction"  
HB 1086 "Childcare Initiative Funds/Reform/Study"  
HB 1089 "Constitutional Amendment Property Tax Levy Limit"  
HB 1110 "Early Intervention School Attendance Pilot"  
HB 1124 "Interstate Compact of School Psychologists"  
HB 1163 "Workforce Act of 2026"  
HB 1192 "Energy and Housing Affordability Act"  
HB 1199 "The SEATBELT Act"

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Do You Have Unclaimed Cash with the State Treasurer's Office?



**Click Here to Find Out!**

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## Contact



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