

A hand is shown from the side, holding a large, dark brown gear. The gear is interlocked with several other gears of different sizes, all set against a backdrop of a sunset or sunrise with a gradient from blue to orange. The lighting creates a strong silhouette of the hand and the gears.

**Chatham County
Intergovernmental Relations Report
August 2025**

Agenda

NC General
Assembly Updates

Impacts of Federal
Legislation,
Executive Orders,
and Funding Cuts

Looking Ahead in
Chatham



The Raleigh Report

The Latest from the NC General Assembly

House and Senate pass 2025-8 Senate Joint Resolution 772, adjourning the 2025 Regular Session to a date certain and limiting the matters that may be considered upon reconvening.



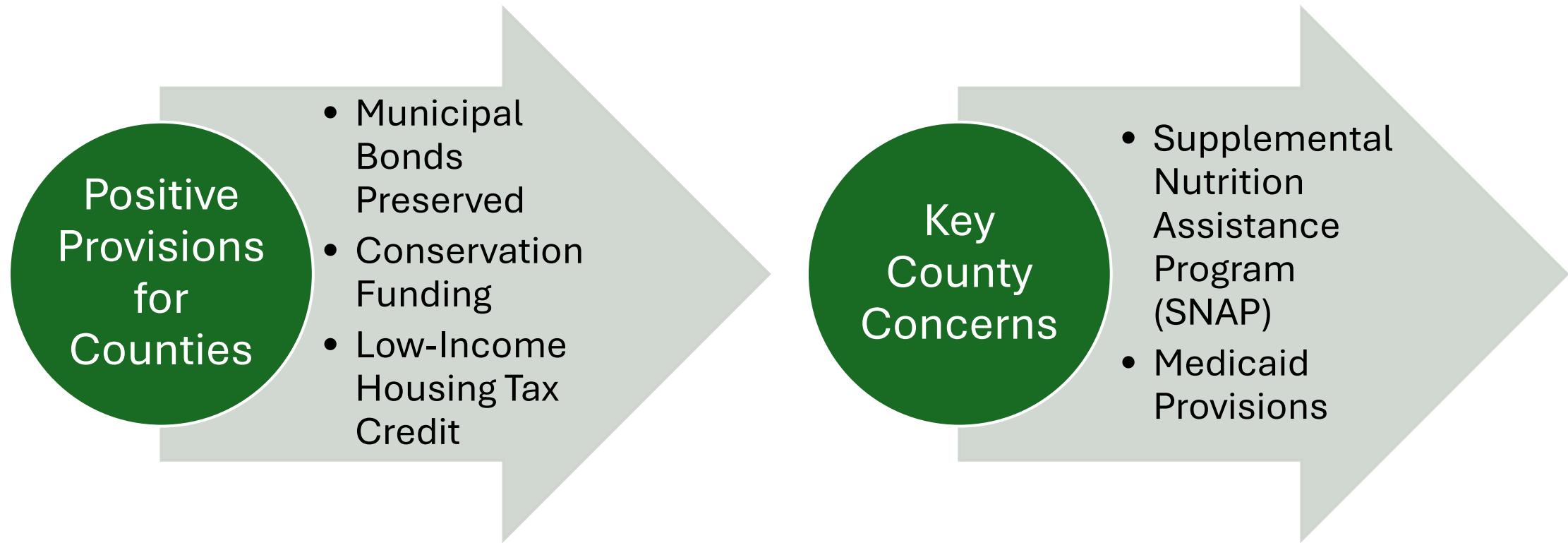
What does this mean for bills Chatham has been tracking?

SB 587 – Would restore local government downzoning authority

Capitol Hill Highlights



Impacts of the One Big Beautiful Bill (OBBB)



Impacts of OBBB – SNAP

Cost Shift to States:

NC faces a \$420 million cost increase starting in FY 2027-2028

If the state cannot cover this, the entire SNAP program could be lost

Error Rate Penalties:

Beginning October 2027, NC must pay a share of benefit costs based on error rates.

Even with a below-average error rate, NC will owe 15% of benefit costs.

Current Reach of SNAP in NC:

Serves 1.4 million residents, including:

- 1 in 6 children
- 46,000 veterans
- 4 out of 5 families include a child, senior, or person with a disability

Impacts of OBBB – SNAP

- Cost Shifts to Counties:
 - NC is one of 10 states that administer SNAP at the local level
 - Beginning in FY 2027 county administrative cost share will increase from 50% to 75%, raising the administrative cost share for the counties in those 10 states to \$2.6 billion



Impacts of OBBB - Medicaid

Work Requirement Introduced:

- Applies to the Medicaid expansion population
- Increases administrative costs, which current hospital provider taxes cannot fully cover
- NC law must change to fund these costs by the end of 2025

Limits on Provider Taxes:

- New provider taxes are prohibited
- Caps are reduced for existing provider taxes in Medicaid expansion states
- Estimated \$22.5 billion loss to the NC economy from reduced provider tax revenue

Impacts of OBBB - Medicaid



Cuts to State Directed Payments:

These payments help rural hospitals stay open
The \$6 billion Healthcare Access and Stabilization Program will be eliminated in 2028



Rural Healthcare Fund:

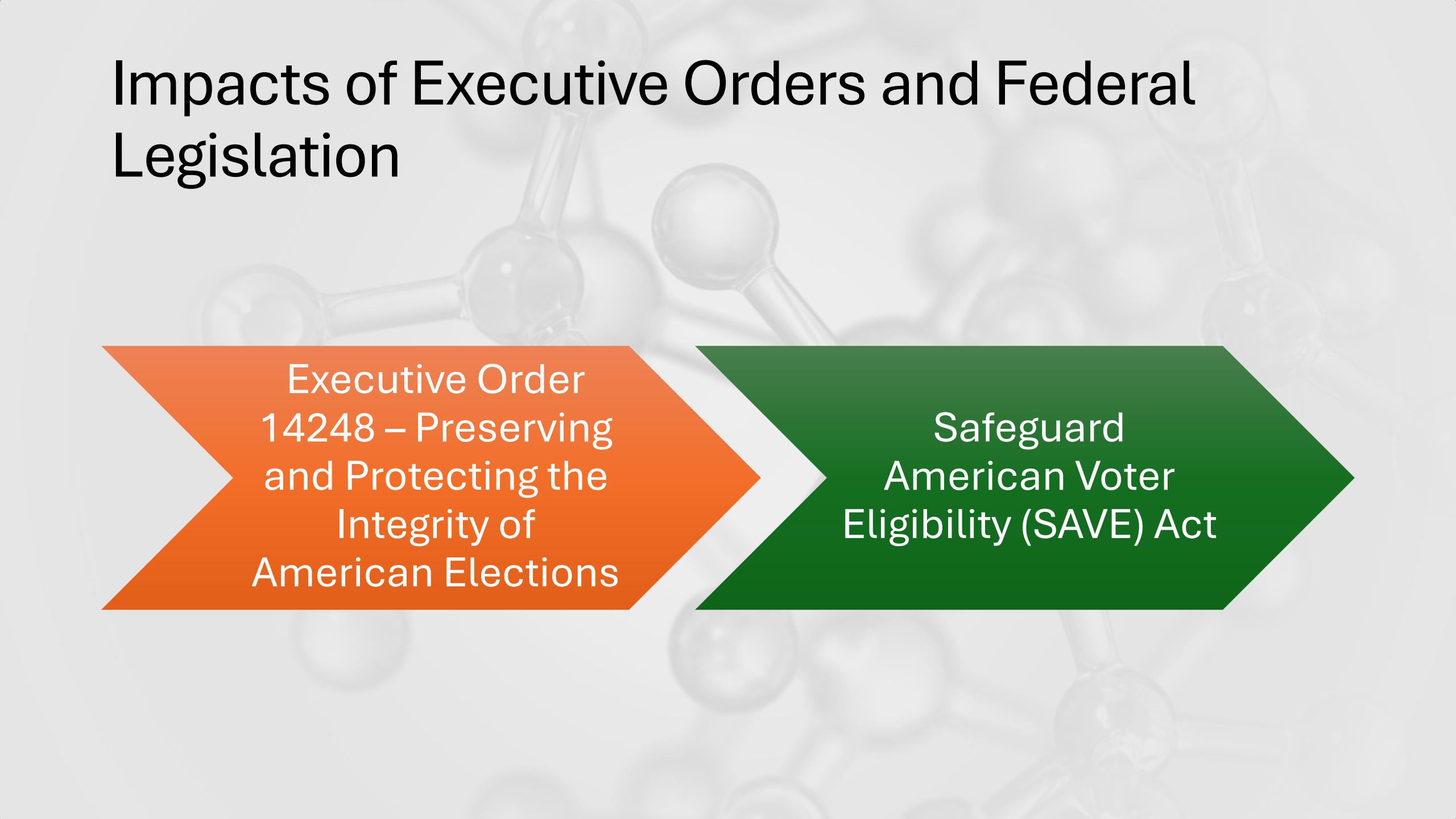
\$50 billion fund created but spread across the entire country – insufficient to offset NC losses



Overall Medicaid Impact:

Estimated \$49.9 billion loss to NC over 10 years
Medicaid expansion is at risk without action from the NC General Assembly

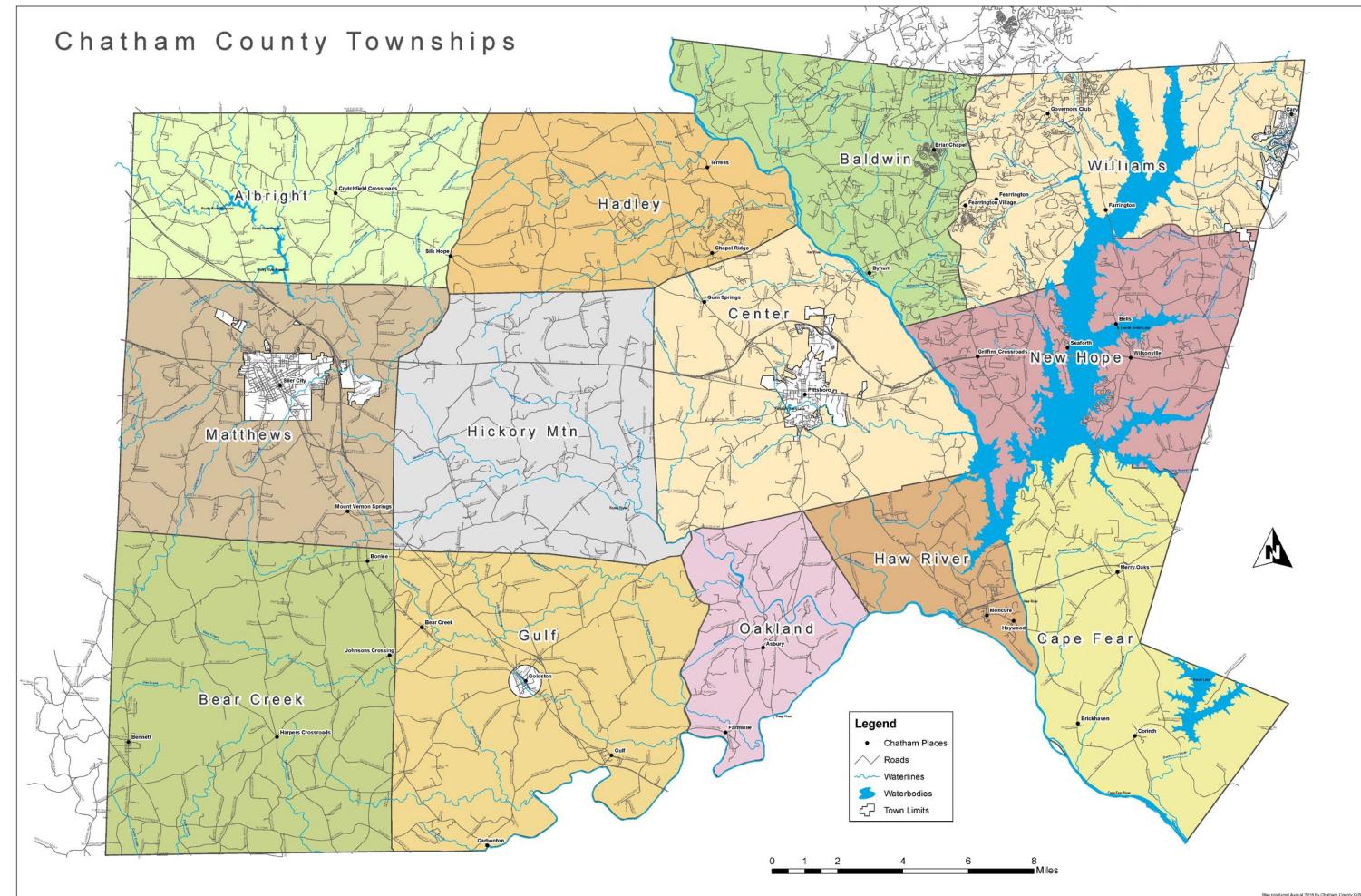
Impacts of Executive Orders and Federal Legislation



Executive Order
14248 – Preserving
and Protecting the
Integrity of
American Elections

Safeguard
American Voter
Eligibility (SAVE) Act

What's Next for Chatham



Chatham Goals for the Coming Months

Advocate

- Advocate for the NC House to take up and pass SB 587 to restore local downzoning authority

Educate

- Educate our state legislators about the impacts on counties from the OBBB

Track

- Track executive orders and pending federal and state legislation

Communicate

- Continue to communicate regularly with our Chatham municipalities, regional partners, and our state and federal delegations

Thank You!



Lindsay K. Ray
Intergovernmental Relations Manager
Lindsay.ray@chathamcountync.gov
919-545-8302