

March 24, 2009

S 792. WATER INFRASTRUCTURE AUTHORITY/WATER GRANTS. Filed 3/24/09. *TO ESTABLISH THE NORTH CAROLINA WATER AND WASTEWATER INFRASTRUCTURE AUTHORITY TO ADMINISTER THE STATE'S FUNDING FOR WATER AND WASTEWATER INFRASTRUCTURE PROJECTS, TO TRANSFER THE CONSTRUCTION GRANTS AND LOANS SECTION OF THE DIVISION OF WATER QUALITY AND THE FINANCIAL SERVICES UNIT IN THE PUBLIC WATER SUPPLY SECTION OF THE DIVISION OF ENVIRONMENTAL HEALTH FROM THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES TO THE AUTHORITY, TO PROVIDE THAT THE CLEAN WATER MANAGEMENT TRUST FUND SHALL NOT FUND WASTEWATER PROJECTS, TO TRANSFER ANNUALLY THE SUM OF TWENTY-FIVE MILLION DOLLARS FROM THE CLEAN WATER MANAGEMENT TRUST FUND TO THE WATER INFRASTRUCTURE FUND TO PROVIDE GRANT AND LOAN FUNDS FOR WATER AND WASTEWATER INFRASTRUCTURE PROJECTS, TO DIRECT THE AUTHORITY AND THE NORTH CAROLINA ECONOMIC DEVELOPMENT CENTER TO DEVELOP A TRANSITION PLAN TO MOVE THE WATER AND WASTEWATER PROGRAMS FROM THE NORTH CAROLINA RURAL ECONOMIC DEVELOPMENT CENTER TO THE AUTHORITY, AND TO MAKE CONFORMING STATUTORY CHANGES AS RECOMMENDED BY THE JOINT LEGISLATIVE PROGRAM EVALUATION OVERSIGHT COMMITTEE .*

Enacts a new Article 5, North Carolina Water and Wastewater Infrastructure Authority, in GS Chapter 159G, to create a 12-member North Carolina Water and Wastewater Infrastructure Authority (Authority), located in the Department of Environment and Natural Resources (Department), to administer state funding for water and wastewater infrastructure projects. Sets forth the duties of the Authority to include (1) awarding grants and loans for water and wastewater systems and to system operators using a single application and project award process while maintaining distinct funding priorities, (2) implementing and maintaining a strategic plan for the state's water and wastewater infrastructure developed by the State Water Infrastructure Commission (Commission) after that plan is approved by the General Assembly, (3) developing and tracking of performance measures to indicate how the Authority is meeting goals established by the strategic plan, (4) maintaining the baseline inventory of water and wastewater infrastructure, (5) developing and maintaining an integrated database designed to provide ad hoc reporting capabilities based on performance measures, and (6) conducting a detailed needs assessment to determine water and wastewater infrastructure funding needs using the information provided by the Commission. The membership of the Authority consists of four members appointed by the Governor, four members appointed by the President Pro Tempore of the Senate, and four members appointed by the Speaker of the House of Representatives. Provides for membership terms, qualifications, appointment of the chair, meetings, filling of vacancies, compensation, meeting facilities, and appointment of the Executive Director of the Authority. Requires that the chair of the Authority report annually to the Joint Legislative Commission on Governmental Operations, the Environmental Review Commission, the subcommittees on Natural and Economic Resources in both chambers, and the Fiscal Resource Division regarding implementation of its duties by January 1 of each year. Specifies information to be included in the report. Requires that any state agency or other entity that receives state or federal funds for state water and wastewater infrastructure cooperate with the Authority in using and disbursing those funds pursuant to the strategic plan. Requires the Department of Commerce to notify the Authority of grants and loan guarantees that it awards for water and wastewater infrastructure under the Community Development Block Grant program and of funds provided from the Industrial Development Fund.

Makes conforming changes to GS 113A-252, GS 113A-253(c), and GS 113A-254 by deleting that the Clean Water Management Trust Fund provides funding and grants for wastewater collection system projects and wastewater treatment works projects. Amends GS 113A-253.1(a) to provide that of the \$100 million appropriated annually from the General Fund to the Clean Water Management Trust Fund, \$25 million is to be transferred to the Water Infrastructure Fund.

Transfers the Department's Construction Grants and Loans Section of the Division of Water Quality and the Financial Services Unit in the Public Water Supply Section of the Division of Environmental Health to the Authority through a Type I transfer. Makes conforming changes

throughout GS Chapter 159G, Water Infrastructure, to transfer powers and duties of the Department and those divisions to the Authority, where applicable.

Repeals Article 4 of GS Chapter 159G, which established the State Water Infrastructure Commission.

Requires the Authority and the Rural Economic Development Center (Center) to cooperatively develop a transition plan to transfer the Clean Water Partners Program and the water and wastewater portion of the Economic Infrastructure Program, currently operated by the Center, and the unencumbered funds for those programs to the Authority, to be completed by July 1, 2010. The plan must also provide for continued monitoring and funding of projects that have been awarded grants from the Center prior to July 1, 2010.

Effective July 1, 2010.

Intro. by Hartsell.

GS 159G, 113A