A BILL TO BE ENTITLED
AN ACT TO PROVIDE STATE MATCH FOR DISASTER RELIEF FROM HURRICANE
DORIAN AND OTHER NAMED STORMS AND CONTINGENT FUNDING FOR THE
RURAL HEALTH CARE STABILIZATION FUND.

The General Assembly of North Carolina enacts:

PART I. APPROPRIATIONS AND ALLOCATIONS

SECTION 1.1. Hurricane Florence Federal Match. – There is appropriated from the
General Fund the sum of seventy million eight hundred twelve thousand three hundred thirty-six
dollars ($70,812,336) in nonrecurring funds for the 2019-2020 fiscal year to the Hurricane
Florence Disaster Recovery Fund created in S.L. 2018-134 to be allocated to the Department of
Public Safety to be used to provide State match for Florence federal disaster assistance programs.

SECTION 1.2.(a) State Emergency Response and Disaster Relief Appropriation. –
In addition to any other funds appropriated during the 2019-2020 fiscal year, there is appropriated
from the General Fund the sum of thirty-one million six hundred seventy-three thousand two
hundred fifty-eight dollars ($31,673,258) in nonrecurring funds for the 2019-2020 fiscal year to
the State Emergency Response and Disaster Relief Fund to be allocated to the Department of
Public Safety and used as follows:

(1) Eleven million one hundred ninety-seven thousand thirteen dollars
($11,197,013) to provide State match for federal disaster assistance programs
related to Hurricane Matthew.

(2) Four million one hundred seventy-six thousand two hundred forty-five dollars
($4,176,245) to provide State match for federal disaster assistance programs
related to Hurricane Michael.

(3) Sixteen million three hundred thousand dollars ($16,300,000) to provide State
match for federal disaster assistance programs related to Hurricane Dorian.

SECTION 1.2.(b) Department of Transportation Appropriation. – In addition to any
other funds appropriated during the 2019-2020 fiscal year, there is appropriated from the General
Fund the sum of thirty million dollars ($30,000,000) in nonrecurring funds for the 2019-2020
fiscal year to the Department of Transportation (DOT) to be used for current and future activities
related to recovery from Hurricane Dorian such as debris removal and repair of highway
infrastructure damage.

SECTION 1.3. Rural Health Care Stabilization Fund Contingent Funding. – If
Senate Bill 537, 2019 Regular Session, or substantially similar legislation enacted during the
2019 Regular Session establishing a Rural Health Care Stabilization Fund, becomes law, there is
appropriated from the General Fund to the Office of State Budget and Management the sum of thirteen million three hundred ninety-seven thousand dollars ($13,397,000) in nonrecurring funds for the 2019-2020 fiscal year, and the sum of six million six hundred three thousand dollars ($6,603,000) in nonrecurring funds for the 2020-2021 fiscal year, to be used for the Rural Health Care Stabilization Fund. Sections 2.1 through 2.7 of this act do not apply to the funds described in this section. If House Bill 966, 2019 Regular Session, becomes law, this section is repealed.

PART II. MISCELLANEOUS

REIMBURSEMENT FOR FUNDS PROVIDED UNDER THIS ACT

SECTION 2.1. A recipient of State funds under this act shall use best efforts and take all reasonable steps to obtain alternative funds that cover the losses or needs for which the State funds are provided, including funds from insurance policies in effect and available federal aid. State funds paid under this act are declared to be excess over funds received by a recipient from the settlement of a claim for loss or damage covered under the recipient's applicable insurance policy in effect. Further, each institution of higher education and non-State entity that receives State funds under this act shall also seek private donations to help cover the losses or needs for which these State funds are provided.

ADDITIONAL LIMITATIONS ON USE OF FUNDS

SECTION 2.2.(a) The Governor shall ensure that funds appropriated in this act are expended in a manner that does not adversely affect any person's or entity's eligibility for federal funds that are made available, or that are anticipated to be made available, as a result of Hurricane Florence. The Governor shall also, to the extent practicable, avoid using State funds to cover costs that will be, or likely will be, covered by federal funds.

SECTION 2.2.(b) The Governor may not use the funds described in this act to make reallocations under G.S. 166A-19.40(c). Nothing in this act shall be construed to prohibit the Governor from exercising the Governor's authority under this statute with respect to funds other than those described in this act.

INVOLVEMENT OF HISTORICALLY UNDERUTILIZED BUSINESSES

SECTION 2.3. It is the intent of the General Assembly that, during this time of rebuilding and relief efforts, each State agency should strive to acquire goods and services from historically underutilized business vendors, whether directly as principal contractors or indirectly as subcontractors or otherwise.

LEGISLATIVE REVIEW OF FEDERAL FUNDING AND REMAINING UNMET NEEDS

SECTION 2.4. It is the intent of the General Assembly to review the funds appropriated by Congress for disaster relief and to consider actions needed to address any remaining unmet needs. It is also the intent of the General Assembly to review the adequacy of the measures funded by this act at that time.

PROHIBITION ON USE OF STATE FUNDS TO CONSTRUCT CERTAIN RESIDENCES

SECTION 2.5.(a) No State funds appropriated in this act may be expended for the construction of any new residence within the 100-year floodplain unless the construction is in an area regulated by a unit of local government pursuant to a floodplain management ordinance and the construction complies with the ordinance. For purposes of this act, the term "100-year floodplain" means any area subject to inundation by the one percent (1%) annual chance flood...
event, as indicated on the most recent Flood Insurance Rate Map prepared by the Federal
Emergency Management Agency under the National Flood Insurance Program.

SECTION 2.5.(b) Homeowners in the 100-year floodplain who receive
homeowner's housing assistance pursuant to this act shall have in effect federal flood insurance,
if available, as a precondition to receipt of State homeowner's housing assistance for losses
resulting from future flooding.

SECTION 2.5.(c) Funds loaned to small and mid-sized businesses shall be used only
for eligible purposes under the Small Business Administration (SBA) disaster loan assistance
program, as described in the federal disaster declarations designated by the SBA as NC-00111.
Payments for economic losses shall be limited to documented business expenses necessary for
the continued operation of the business.

EACH APPROPRIATION AND ALLOCATION IS MAXIMUM AND CONDITIONAL

SECTION 2.6. The appropriations and allocations made in this act are for maximum
amounts necessary to implement this act. Savings shall be effected where the total amounts
appropriated or allocated are not required to implement this act.

APPROPRIATION OF FEDERAL FUNDS

SECTION 2.7. Appropriation/Federal Funds. – Funds received on or after
September 1, 2019, for federal disaster assistance programs for State disasters as a result of
Hurricane Dorian are appropriated in the amounts provided in the notifications of award from
the federal government or any entity acting on behalf of the federal government to administer
federal disaster recovery funds. The Office of State Budget and Management and affected State
agencies shall report all notifications of award to the Joint Legislative Commission on

PART III. EFFECTIVE DATE

SECTION 3.1. Except as otherwise provided, this act is effective when it becomes
law.