

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2019**

**SESSION LAW 2019-86**  
**HOUSE BILL 812**

AN ACT TO AMEND AND CLARIFY THE STATUTES GOVERNING THE NUTRIENT  
OFFSET CREDIT PROGRAM.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 143-214.26 reads as rewritten:

**"§ 143-214.26. Nutrient offset credits.**

(a) Nutrient offset credits may be purchased to ~~partially~~ offset nutrient loadings to surface waters as required by the Environmental Management Commission. Nutrient offset credits shall be effective for the duration of the nutrient offset project unless the Department of Environmental Quality finds the credits are effective for a limited time period. Nutrient offset projects authorized under this section shall be ~~all of the following:~~

- (1) ~~Consistent—consistent~~ with rules adopted by the Commission for implementation of nutrient management strategies.
- (2) ~~Located within the same hydrologic area, as defined in G.S. 143-214.11, in which the associated nutrient loading takes place.~~

(b) A government entity, as defined in G.S. 143-214.11, may purchase nutrient offset credits through either:

- (1) Participation in a nutrient offset bank that has been approved by the Department if the Department approves the use of the bank for the required nutrient offsets.
- (2) Payment of a nutrient offset fee established by the Department into the Riparian Buffer Restoration Fund established in G.S. 143-214.21.

(c) A party other than a government entity, as defined in G.S. 143-214.11, may purchase nutrient offset credits through either:

- (1) Participation in a nutrient offset bank that has been approved by the Department if the Department approves the use of the bank for the required nutrient offsets.
- (2) Payment of a nutrient offset fee established by the Department into the Riparian Buffer Restoration Fund established in G.S. 143-214.21. This option is only available to an applicant who demonstrates that the option under subdivision (1) of this subsection is not available.

(d) To offset NPDES-permitted wastewater nutrient sources, credits may only be acquired from nutrient offset projects located in either of the following areas:

- (1) The same hydrologic area. For purposes of this subdivision, "hydrologic area" means an eight-digit cataloging unit designated by the United States Geological Survey.
- (2) A location that is downstream from the source and upstream from the water body identified for restoration under the applicable TMDL or nutrient management strategy.

(e) To offset stormwater or other nutrient sources, credits may only be acquired from an offset project located within the same hydrologic area, as defined in G.S. 143-214.11.



(f) The permissible credit sources identified in subsections (d) and (e) of this section may be further limited by rule as necessary to achieve nutrient strategy objectives."

**SECTION 2.** This act is effective when it becomes law and applies to nutrient offset credits purchased on or after that date.

In the General Assembly read three times and ratified this the 27<sup>th</sup> day of June, 2019.

s/ Bill Rabon  
Presiding Officer of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

s/ Roy Cooper  
Governor

Approved 11:45 a.m. this 8<sup>th</sup> day of July, 2019