A BILL TO BE ENTITLED
AN ACT TO ENACT THE DISASTER RELIEF AND MITIGATION ACT OF 2021 AND TO
APPROPRIATE FUNDS.

The General Assembly of North Carolina enacts:

PART I. NORTH CAROLINA OFFICE OF RECOVERY AND RESILIENCY (NCORR)

POWERS AND DUTIES

SECTION 1.1.(a) Article 13 of Chapter 143B of the General Statutes reads as rewritten:

"Article 13.
"Department of Public Safety.


(a) The North Carolina Office of Recovery and Resiliency (Office) (NCORR) is created in the Department of Public Safety. The Office shall execute multi-year recovery and resiliency projects and administer funds provided by the Community Development Block Grant Disaster Recovery program for Hurricanes Florence and Matthew. The Office will provide general disaster recovery coordination and public information; citizen outreach and application case management; audit, finance, compliance, and reporting on disaster recovery funds; and program and construction management services. The Office shall also contract for services from vendors specializing in housing, construction, and project management services. Safety. NCORR shall support resiliency in the State by carrying out the following functions and activities:

(1) Bring resilience expertise to disaster recovery and hazard mitigation programs administered by the Department of Public Safety.

(2) Serve as North Carolina's lead State agency for the coordination of resilience efforts across State agencies, The University of North Carolina, and other stakeholders to maximize efficient planning, design, and implementation of activities that improve recovery and resilience.

(3) Provide support and technical assistance to build the capacity of State agencies, local governments, nonprofits, and businesses in North Carolina to initiate resiliency planning, identify and prioritize resilient projects and practices, implement resiliency strategies, and evaluate program effectiveness.

(4) Execute multiyear recovery and resiliency projects.
(5) Administer funds provided by the Community Development Block Grant Disaster Recovery program pursuant to subsection (c) of this section.

(6) Provide general disaster recovery coordination and public information, citizen outreach, and application case management.

(7) Audit, finance, comply with, and report on disaster recovery funds and program and construction management services.

(8) Contract for services from vendors specializing in housing, construction, and project management services.

(9) Develop and administer a grant program for financially distressed local governments to assist with recovery and resiliency capacity.

(10) Provide technical assistance to local governments.

(b) The Office NCORR shall develop and administer a grant program for financially distressed local governments to assist with recovery capacity. The grants shall cover the salaries, benefits, and operating costs for up to two three-year positions and may also be used to purchase one vehicle per community as necessitated by the individual circumstances of each community. The Office NCORR shall also, in consultation with the Local Government Commission, develop and administer a one-time emergency fund for local governments in disaster-affected areas that need immediate cash flow assistance. These funds shall be used to meet local government debt service obligations, to meet payroll obligations for local governments, and to meet vendor payments where nonpayment would result in negative financial outcome.

(c) Notwithstanding any other provision of law, all Community Development Block Grant Disaster Recovery awards received by the State in response to the declarations and executive orders described in Section 3.1 of S.L. 2016-124, or in any subsequent federally declared disasters, disaster shall be administered by the North Carolina Office of Recovery and Resiliency of the Department of Public Safety, NCORR, including circumstances where the designated grantee is an agency other than the North Carolina Office of Recovery and Resiliency.

(d) Funds appropriated to NCORR may be used to locate employees in key regions or to foster partnerships with councils of government in order to address capacity gaps and aid local governments to access federal funds and recovery projects and activities.

SECTION 1.1.(b) Section 5.7(a) of S.L. 2018-136, as amended by Section 12.5 of S.L. 2020-78, reads as rewritten:

"SECTION 5.7.(a) …

The Secretary may reassign up to 15 existing positions of the Division of Emergency Management to the Office NCORR. In addition, the Secretary may create new three-year time-limited positions if State and federal funds are available to support those positions. The reassigned positions assigned to the Office NCORR shall retain the employment status of the positions at the time of the reassignment after implementation of this act is completed. The three-year time-limited new positions created in this section shall be temporary positions based upon availability of State and federal funds and are exempt from the provision of the State Human Resources Act, Chapter 126 of the General Statutes, except Articles 6 and 7 of that Chapter.

…"

SECTION 1.1.(c) The North Carolina Office of Recovery and Resiliency shall establish an intergovernmental working group composed of representatives from the Department of Environmental Quality and other relevant State agencies, local governments, and other stakeholders to identify legislative, economic, jurisdictional, and other challenges related to stream management and flooding reduction. The working group shall make recommendations to the Joint Legislative Emergency Management, Disaster Recovery, and Resiliency Activities Oversight Committee by February 1, 2022. The working group shall terminate upon submission of its recommendations or by February 1, 2022, whichever is earlier.
FUND ADDITIONAL POSITIONS/RESILIENCE ACTIVITIES

SECTION 1.2. There is appropriated from the General Fund to the Department of Public Safety, North Carolina Office of Recovery and Resiliency, the sum of one million one hundred seventy-nine thousand one hundred seven dollars ($1,179,107) in recurring funds for each year of the 2021-2023 biennium. The funds shall be used to support up to 10 full-time equivalent positions to carry out resiliency programming, which may include advising State decision makers on recovery and resilience activities; leading and coordinating resilience efforts across State agencies, as well as federal, regional, and local governments, universities, and other public and private stakeholders; and providing expertise and technical support to communities with resiliency planning and projects to protect communities from flooding and other natural disasters.

FUND ADDITIONAL POSITIONS/RESILIENT COMMUNITIES PROGRAM

SECTION 1.3.(a) There is appropriated from the General Fund to the Department of Public Safety, North Carolina Office of Recovery and Resiliency (NCORR), the sum of three hundred eighty thousand seven hundred sixty-three dollars ($380,763) in recurring funds for each year of the 2021-2023 biennium and the sum of ten million one hundred thousand dollars ($10,100,000) in nonrecurring funds for the 2021-2022 fiscal year to support the North Carolina Resilient Communities Program, which shall support local government and community leaders with incorporating resilience into operations, planning, and policy and identifying priority projects to protect communities from flooding and other natural hazards. These funds shall be used to do the following:

1. Create up to three permanent full-time positions to staff the NC Resilient Communities Program.
2. Provide support for local communities and regional organizations to plan for natural hazards.
3. Provide grant funding to support implementation of priority projects that enhance resilience to natural hazards in local communities.
4. Develop a data portal to make flood and other natural hazards data and modeling available to local users.
5. Support local capacity building and provide technical assistance to local governments and communities consistent with the NC Resilient Communities Program.

SECTION 1.3.(b) Funds appropriated in subsection (a) of this section may be used to locate NCORR staff in key regions, to foster partnerships with councils of government in order to address capacity gaps, and to aid local governments to access federal funds for resiliency and recovery projects and activities. Any nonrecurring funds appropriated in subsection (a) of this section that are not expended or encumbered by June 30, 2022, shall remain available to implement this section.

FUND FLOOD RESILIENCE BLUEPRINT

SECTION 1.4.(a) There is appropriated from the General Fund to the Department of Public Safety, North Carolina Office of Recovery and Resiliency (NCORR), twenty million dollars ($20,000,000) in nonrecurring funds for the 2021-2022 fiscal year to be used to develop a statewide Flood Resilience Blueprint for major watersheds impacted by flooding, including, among others, the Cape Fear River and the Neuse River Basins. Any funds appropriated in this subsection that are not expended or encumbered by June 30, 2022, shall remain available to implement this section.

SECTION 1.4.(b) The watershed blueprint required by subsection (a) of this section shall form the backbone of a State flood planning process that increases community resilience to flooding, shall be a resource for riverine and stream management to reduce flooding, and should
support the establishment and furtherance of local government stormwater maintenance programs. NCORR shall identify the major watersheds affected by flooding and direct these funds toward the activities which are central to the creation of an actionable blueprint, namely flood risk assessment, identification of data gaps, and recommendations to reduce flood risk for each target watershed. When developing the blueprints, NCORR shall incorporate local knowledge, community goals, and the best available science and hydrologic modeling to create a decision tool for flood mitigation investments and strategies from local watersheds up to whole river basins. A successful blueprint should ultimately lead to a prioritized set of projects and funding strategies that the State can implement. NCORR is encouraged to examine examples from other states such as the Louisiana Coastal Master Plan or the flood resilience planning processes in South Carolina and Virginia.

SECTION 1.4.(c) NCORR shall report by July 1, 2022, to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Joint Legislative Emergency Management, Disaster Recovery, and Resiliency Activities Oversight Committee on the implementation of this section.

FUND NEUSE RIVER FLOOD MITIGATION

SECTION 1.5.(a) There is appropriated from the General Fund to the Department of Public Safety, North Carolina Office of Recovery and Resiliency (NCORR), the sum of thirty-two million two hundred thousand dollars ($32,200,000) in nonrecurring funds for the 2021-2022 fiscal year to be allocated as follows and with regard to the Neuse River flood mitigation activities:

(1) $5,200,000 for Seven Spring Levee.
(2) $5,000,000 for Stoney Creek acquisitions.
(3) $12,000,000 for 301/Railroad elevation.
(4) $10,000,000 for buyouts.

SECTION 1.5.(b) The funds appropriated in subsection (a) of this section may be used to create up to three permanent full-time positions to staff these activities. Any funds appropriated in subsection (a) of this section that are not expended or encumbered by June 30, 2022, shall remain available to implement this section.

SECTION 1.5.(c) NCORR shall oversee and administer the projects listed in subsection (a) of this section. NCORR shall consult and coordinate with the appropriate local government units, Federal Emergency Management Agency, United States Army Corps of Engineers, nonprofit corporations, and other entities, as necessary, to complete the respective projects.

FUND LUMBER RIVER FLOOD MITIGATION/RECOVERY FROM STORM DAMAGE

SECTION 1.6.(a) There is appropriated from the General Fund to the Department of Public Safety, North Carolina Office of Recovery and Resiliency (NCORR), the sum of thirty-six million five hundred thousand dollars ($36,500,000) in nonrecurring funds for the 2021-2022 fiscal year to be allocated as follows and with regard to Lumber River flood mitigation activities and other storm damage recovery efforts:

(1) $18,000,000 for channel widening.
(2) $5,000,000 for Lumberton CSX/Floodgates.
(3) $3,500,000 for Fairbluff levee.
(4) $10,000,000 for buyouts.
(5) $14,000,000 for Town of Boiling Spring Lakes dam repair project.
(6) $5,000,000 for Town of Southport waterfront stabilization from storm damage.
SECTION 1.6.(b) The funds appropriated in subsection (a) of this section may be used to create up to three permanent full-time positions to staff these activities. Any funds appropriated in subsection (a) of this section that are not expended or encumbered by June 30, 2022, shall remain available to implement this section.

SECTION 1.6.(c) NCORR shall oversee and administer the projects listed in subsection (a) of this section. NCORR shall consult and coordinate with the appropriate local government units, Federal Emergency Management Agency, United States Army Corps of Engineers, nonprofit corporations, and other entities, as necessary, to complete the respective projects.

PART II. DIVISION OF EMERGENCY MANAGEMENT

ADDITIONAL POWERS AND DUTIES OF THE DIVISION OF EMERGENCY MANAGEMENT

SECTION 2.1. G.S. 166A-19.12 is amended by adding two new subdivisions to read:

"(24) The Division may contract for services from vendors specializing in housing, rehabilitation, or construction on private residential structures funded by State or federal funds provided to the State as a result of a disaster declared by the President under the Stafford Act or a disaster declared by the Governor under G.S. 166A-19.21. Nothing in this subdivision is intended to exempt the Division from other requirements of Article 8 of Chapter 143 of the General Statutes.

(25) The Division may contract for services from vendors specializing in housing elevation, acquisition, demolition, and mitigation reconstruction on private residential structures to implement the federal Hazard Mitigation Grant Program on behalf of the State or political subdivisions. Nothing in this subdivision is intended to exempt the Division from other requirements of Article 8 of Chapter 143 of the General Statutes."

ESTABLISHMENT OF THE DISASTER RELIEF AND MITIGATION FUND

SECTION 2.2.(a) There is established the Disaster Relief and Mitigation Fund (Fund) in the Department of Public Safety, Division of Emergency Management (Division). Any funds appropriated to the Fund shall remain available for expenditure as provided in this section unless directed otherwise by the General Assembly.

SECTION 2.2.(b) The Division shall administer a grant program that allows State agencies, units of local government, and nonprofit corporations to apply for funds to be used for any of the following:

(1) Flood mitigation efforts that stabilize areas and reduce future damage.

(2) Predevelopment assistance to provide small and underserved communities with technical assistance to identify and design shovel-ready projects related to disaster relief and flood mitigation.

(3) Matching funds for federal grants and other federal funding for projects related to disaster relief and flood mitigation.

SECTION 2.2.(c) There is appropriated from the General Fund to the Disaster Relief and Mitigation Fund in the Department of Public Safety, Division of Emergency Management, the sum of twenty million dollars ($20,000,000) in nonrecurring funds for the 2021-2022 fiscal year to be used for the purposes set out in this section.

SECTION 2.2.(d) The State Controller shall transfer from the State Emergency Response and Disaster Relief Fund to the Disaster Relief and Mitigation Fund any remaining
State matching funds appropriated in the following acts to be used as set forth in subdivision (b)(3) of this section:

2. Section 1 of S.L. 2017-119.
3. Section 5.6(b) of S.L. 2018-5.
5. Section 2.6 of S.L. 2020-97.

ESTABLISHMENT OF THE TRANSPORTATION INFRASTRUCTURE RESILIENCY FUND

SECTION 2.3.(a) There is established the Transportation Infrastructure Resiliency Fund (Fund) in the Department of Public Safety, Division of Emergency Management (Division). Any funds appropriated to the Fund shall remain available for expenditure as provided in this section unless directed otherwise by the General Assembly.

SECTION 2.3.(b) The Division shall administer a grant program to ensure transportation resilience against natural disasters. The Division shall consult with the Department of Transportation prior to awarding grants to State agencies, units of local government, and nonprofit corporations. Funds may be used for any of, and activities consistent with, the following:

1. Projects that update and prepare transportation infrastructure for storms, mudslides, and flooding events.
2. Risk assessments for critical transportation routes, building on existing and future reports such as the I-95 and I-40 Flood Resilience Feasibility Study.
3. Creating community-informed flood risk and vulnerability assessments that identify resilience gaps and project opportunities for transportation routes in North Carolina to help maintain vital transportation functions following flooding events.

SECTION 2.3.(c) There is appropriated from the General Fund to the Transportation Infrastructure Resiliency Fund in the Department of Public Safety, Division of Emergency Management, the sum of twenty million dollars ($20,000,000) in nonrecurring funds for the 2021-2022 fiscal year to be used for the purposes set out in this section.

FUND NC 2-1-1 SYSTEM

SECTION 2.4. There is appropriated from the General Fund to the Department of Public Safety, Division of Emergency Management, the sum of two hundred fifty thousand dollars ($250,000) in nonrecurring funds for the 2021-2022 fiscal year to support NC 2-1-1 activities.

PART III. NORTH CAROLINA LAND AND WATER FUND

TARGETED FUNDING FOR FLOOD MITIGATION/REPORTING

SECTION 3.1.(a) There is appropriated from the General Fund to the North Carolina Land and Water Fund in the Department of Natural and Cultural Resources the sum of twenty million dollars ($20,000,000) in nonrecurring funds for the 2021-2022 fiscal year. The Division of Land and Water Stewardship shall use the funds to provide grants to counties, municipalities, nonprofit corporations, and other State agencies for projects addressing the purposes specified in G.S. 143B-135.234(c)(12). The Division shall develop criteria to score projects based on the ability of a project to reduce flood risks.

SECTION 3.1.(b) G.S. 143B-135.244 reads as rewritten:

"§ 143B-135.244. Clean Water Management Trust Fund: reporting requirement."
The Chair of the Board of Trustees shall report no later than December 1 each year to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the Environmental Review Commission, the Subcommittees of the House of Representatives and Senate Appropriations Committees with jurisdiction over natural and economic resources, and the Fiscal Research Division of the General Assembly regarding the implementation of this Part. The report shall include a list of the projects awarded grants from the Fund for the previous 12-month period. The list shall include for each project a description of the project, the amount of the grant awarded for the project, and the total cost of the project. Beginning in 2024 and annually thereafter, the report shall also include a review of all projects funded over time pursuant to G.S. 143B-135.234(c)(12) and the extent to which each project reduced flooding during flooding events."

PART IV. COASTAL RESILIENCY/FLOOD MITIGATION/DEPARTMENT OF ENVIRONMENTAL QUALITY

FUND ADDITIONAL POSITIONS AND OTHER PURPOSES/DIVISION OF COASTAL MANAGEMENT/COASTAL RESILIENCY PROGRAM

SECTION 4.1. There is appropriated from the General Fund to the Department of Environmental Quality, Division of Coastal Management, the sum of one million three hundred thousand dollars ($1,300,000) in recurring funds for the 2021-2023 fiscal biennium to be used for the following purposes:

1. Create four additional permanent full-time positions to staff the Resilient Coastal Communities Program.
2. Coastal planning and management grants.

ADDITIONAL FUNDS FOR COASTAL STORM DAMAGE MITIGATION

SECTION 4.2. There is appropriated from the General Fund to the Department of Environmental Quality the sum of thirty million dollars ($30,000,000) in nonrecurring funds for the 2021-2022 fiscal year to be allocated to the Coastal Storm Damage Mitigation Fund. Of the funds appropriated by this section, up to two million dollars ($2,000,000) may be allocated to the North Carolina Coastal Federation to provide grants for living shorelines, oyster reefs, and marsh restoration in order to protect other coastal communities that are vulnerable to storm surge and tidal flooding. Any funds appropriated in this section that are not expended or encumbered by June 30, 2022, shall remain available to implement this section.

PILOT PROGRAM FOR NATURAL INFRASTRUCTURE FLOOD MITIGATION WITHIN THE DIVISION OF MITIGATION SERVICES

SECTION 4.3.(a) There is appropriated from the General Fund to the Department of Environmental Quality, Division of Mitigation Services, the sum of five million dollars ($5,000,000) in nonrecurring funds for the 2021-2022 fiscal year. The funds shall be used in accordance with G.S. 143-214.11A to create one or more pilot projects addressing chronic flooding in the Stoney Creek watershed impacting businesses, roadways, and access to emergency services in Wayne County and Goldsboro. The pilot shall also serve as the basis for expanding natural infrastructure flood mitigation projects to additional watersheds and scaling solutions to enhance community resilience across North Carolina. Any funds appropriated in this subsection that are not expended or encumbered by June 30, 2022, shall remain available to implement this section.

SECTION 4.3.(b) There is appropriated from the General Fund to the Department of Environmental Quality, Division of Mitigation Services, the sum of twenty-five million dollars ($25,000,000) in nonrecurring funds for the 2021-2022 fiscal year to be allocated to the Natural Infrastructure Flood Mitigation program to be used for flood reduction projects in no less than
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Three and up to six additional priority watersheds. Any funds appropriated in this subsection that are not expended or encumbered by June 30, 2022, shall remain available to implement this section.

SECTION 4.3.(c) G.S. 143-214.11A is amended by adding a new subsection to read:
"(c) The Division shall include in the annual report required by G.S. 143-214.13 information on projects funded under this section. The report shall include a list and description of projects funded, the amount of State funds and total budget for each project, and the amount of flood storage capacity enhanced or restored for each project."

PART V. NORTH CAROLINA FOREST SERVICES

CLARIFY USE OF PREVIOUSLY APPROPRIATED FUNDS FOR THE NORTH CAROLINA FOREST SERVICE

SECTION 5.1.(a) Section 3.9 of S.L. 2020-97 reads as rewritten:
"SECTION 3.9. The funds allocated to the North Carolina Forest Service by subdivision (10) of Section 4.1 of S.L. 2016-124 and that are unencumbered and unexpended for those purposes or for the additional purposes authorized by Section 12.9 of S.L. 2017-57 shall be used by the Department of Agriculture and Consumer Services for the following purposes:

(1) The purchase and renovation of an existing facility for use as a regional headquarters and training facility–construction authorization and partial support of construction of a Region One headquarters and training facility for the North Carolina Forest Service. The facility shall include, but is not limited to, an office building with classrooms, an equipment maintenance facility, and multi-bay equipment shelters.

(2) Support of operations and other receipt-supported activities such as maintenance and repairs at the North Carolina State Fair and the Western North Carolina Agriculture Center."

SECTION 5.1.(b) This section is effective when this act becomes law.

PART VI. EXPAND LEGISLATIVE OVERSIGHT

EMERGENCY MANAGEMENT, DISASTER RECOVERY, AND RESILIENCY ACTIVITIES

SECTION 6.1. Article 12Q of Chapter 120 of the General Statutes reads as rewritten:
"Article 12Q. Joint Legislative Emergency Management, Disaster Recovery, and Resiliency Activities Oversight Committee.

§ 120-70.150. Creation and membership of Joint Legislative Emergency Management, Disaster Recovery, and Resiliency Activities Oversight Committee.

The Joint Legislative Emergency Management, Disaster Recovery, and Resiliency Activities Oversight Committee is established. The Committee consists of 12 members as follows:

(1) Six members of the Senate appointed by the President Pro Tempore of the Senate; and

(2) Six members of the House of Representatives appointed by the Speaker of the House of Representatives.

Terms on the Committee are for two years and begin on the convening of the General Assembly in each odd-numbered year, except the terms of the initial members, which begin on appointment and end on the day of the convening of the 2013 General Assembly—year. Members may complete a term of service on the Committee even if they do not seek reelection or are not
reelected to the General Assembly, but resignation or removal from service in the General Assembly constitutes resignation or removal from service on the Committee.

A member continues to serve until a successor is appointed. A vacancy shall be filled by the officer who made the original appointment.

"§ 120-70.151. Purpose and powers of Committee."

(a) The Joint Legislative Emergency Management, Disaster Recovery, and Resiliency Activities Oversight Committee shall examine, on a continuing basis, issues related to emergency management, disaster recovery, and resiliency activities in North Carolina in order to make ongoing recommendations to the General Assembly on ways to promote effective emergency preparedness, management, response, and recovery. The Committee may examine:

1. Whether the State building code sufficiently addresses issues related to commercial and residential construction in hurricane and flood prone areas, including the extent to which the design, location, and construction of the buildings help reduce or eliminate damages caused by natural disasters.
2. The public health infrastructure in place to respond to natural and nonnatural disasters.
3. Hurricane and other natural disaster preparedness, evacuation, and response.
5. Terrorism preparedness and response, including bioterrorism.
7. Any other topic the Committee believes is related to its purpose.

(b) The Committee may make interim reports to the General Assembly on matters for which it may report to a regular session of the General Assembly. A report to the General Assembly may contain any legislation needed to implement a recommendation of the Committee.

"§ 120-70.152. Organization of Committee."

(a) The President Pro Tempore of the Senate and the Speaker of the House of Representatives shall each designate one or more cochairs of the Joint Legislative Emergency Management, Disaster Recovery, and Resiliency Activities Oversight Committee. The Committee shall meet upon the joint call of the cochairs.

(e) In appointing members to the Committee, the President Pro Tempore of the Senate and the Speaker of the House of Representatives shall take into consideration the goal of having members appointed to the Committee who have knowledge and experience relating to areas that are most frequently the focus of a declaration of a state of emergency.

PART VII. EFFECTIVE DATE

SECTION 7.1. Except as otherwise provided, this act becomes effective July 1, 2021.