

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2019**

**H**

**D**

**HOUSE BILL 1023  
PROPOSED COMMITTEE SUBSTITUTE H1023-PCS30531-MMa-9**

Short Title: Storm Recovery Act of 2019.

(Public)

Sponsors:

Referred to:

October 22, 2019

A BILL TO BE ENTITLED  
AN ACT TO PROVIDE DISASTER RELIEF FROM HURRICANE DORIAN AND OTHER  
NAMED STORMS.

The General Assembly of North Carolina enacts:

**PART I. APPROPRIATIONS AND ALLOCATIONS**

**SECTION 1.1.** Hurricane Florence Federal Match. – The State Controller shall transfer 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 from the Savings Reserve to the Hurricane Florence Disaster Recovery Fund created in S.L. 2018-134, and these funds are appropriated within the Fund and shall be used to provide State match for Florence federal disaster assistance programs.

**SECTION 1.2.** Other Disaster Relief Appropriations/Allocations; Nonrecurring Funds. – In addition to any other funds appropriated during the 2019-2020 fiscal year, there is appropriated from the Savings Reserve the sum of one hundred eighty-six million three hundred fifty-three thousand two hundred fifty-eight dollars (\$186,353,258) in nonrecurring funds for the 2019-2020 fiscal year. These funds shall be allocated as follows:

- (1) \$38,173,258 to the State Emergency Response and Disaster Relief Fund to be used for the following purposes:
  - a. \$11,197,013 to provide State match for federal disaster assistance programs related to Hurricane Matthew.
  - b. \$4,176,245 to provide State match for federal disaster assistance programs related to Hurricane Michael.
  - c. \$17,800,000 to provide State match for federal disaster assistance programs related to Hurricane Dorian as well as similar State assistance programs that may supplement federal assistance or cover housing repairs and rehabilitation for those who may not qualify for federal assistance.
  - d. \$5,000,000 to ensure that sufficient funds are available to provide relief and assistance for Hurricane Dorian, recent storms, and future emergencies, as authorized by G.S. 166A-19.42.
- (2) \$40,000,000 to the North Carolina Office of Recovery and Resiliency in the Department of Public Safety (NCORR) to be used for the following purposes:
  - a. \$20,000,000 to provide flexible local government loans to assist distressed communities impacted by Hurricane Matthew. Loans may be used for repairs, staff support and technical assistance, cash-flow



\* H 1 0 2 3 - P C S 3 0 5 3 1 - M M A - 9 \*

- 1 assistance, and other related activities while awaiting federal  
2 reimbursement.
- 3 b. \$10,000,000 to provide flexible local government grants to assist  
4 distressed communities impacted by Hurricane Dorian. Grants may be  
5 used for repairs, staff support and technical assistance, cash-flow  
6 assistance, and other related activities.
- 7 c. \$10,000,000 to assist local governments with the development of  
8 resilience implementation frameworks. This may include up to 24  
9 time-limited, full-time equivalent positions to provide technical  
10 assistance to local governments and Regional COGs.
- 11 (3) \$1,350,000 to the Department of Environmental Quality to be used as follows:
- 12 a. \$50,000 for repair, restoration, and related environmental disaster  
13 recovery activities at the Department's Coastal Reserves.
- 14 b. \$1,300,000 for four time-limited, full-time equivalent positions to  
15 provide coastal resilience planning in 20 counties designated as  
16 coastal-area counties under G.S. 113A-103 to work with local  
17 governments and federal partners on plans and implementation.
- 18 (4) \$30,000 to the Wildlife Resources Commission for repair, restoration, and  
19 related disaster recovery activities at boating access areas operated by the  
20 Commission.
- 21 (5) \$36,000,000 to the Department of Transportation (DOT) to be used as follows:
- 22 a. \$30,000,000 for cash-flow assistance for federal disaster recovery  
23 activities such as debris removal, repair of highway infrastructure  
24 damage, and other recovery activities related to Hurricane Dorian.
- 25 b. \$2,000,000 for the Living Shoreline projects.
- 26 c. \$2,000,000 to expand the Flood Inundation Mapping Alert Network  
27 for Transportation.
- 28 d. \$2,000,000 for a Flood Risk and Vulnerability Assessment on the  
29 Strategic Highway Corridor System.
- 30 (6) \$42,100,000 to the Division of Emergency Management, Department of  
31 Public Safety to be used as follows:
- 32 a. \$5,000,000 to expand flood mitigation studies.
- 33 b. \$4,800,000 for water level and breach monitoring systems for 1,510  
34 high and intermediate risk dams.
- 35 c. \$32,300,000 to update LiDAR topography data.
- 36 (7) \$5,200,000 to Elizabeth City State University for repairs to academic and  
37 residential buildings impacted by Hurricane Dorian.
- 38 (8) \$3,500,000 as a directed grant to Hyde County for the following purposes:
- 39 a. \$1,700,000 for repairs to the Ocracoke School necessitated by  
40 Hurricane Dorian.
- 41 b. \$1,800,000 for construction of a pump station and related watershed  
42 restoration infrastructure for the Lake Mattamuskeet watershed.
- 43 (9) \$20,000,000 to the Office of State Budget and Management for The Golden  
44 L.E.A.F. (Long-Term Economic Advancement Foundation), Inc., to provide  
45 grants to governmental entities and organizations exempt from federal income  
46 tax under section 501(c)(3) of the Internal Revenue Code. The funds may be  
47 used to repair, replace, construct, or improve infrastructure or equipment  
48 damaged as a result of Hurricanes Matthew, Florence, Michael, or Dorian as  
49 well as to construct or improve infrastructure to support hazard mitigation.  
50 For the purposes of this program, infrastructure includes nonresidential  
51 buildings that serve the public, water, sewer, stormwater, and other publicly

1 owned assets. Golden L.E.A.F. may also provide grants to 501(c)(3) nonprofit  
2 organizations and established religious organizations to repair or replace  
3 places of worship damaged or destroyed by Hurricane Florence.

4 The funds allocated to Golden L.E.A.F. in this subdivision are not subject  
5 to G.S. 143C-6-23(d).

6 **SECTION 1.3.** Other Disaster Relief Appropriations/Allocations; Recurring Funds.

7 – In addition to any other funds appropriated during the 2019-2021 fiscal biennium, the sum of  
8 three hundred fifty-seven thousand eight hundred thirteen dollars (\$357,813) in recurring funds  
9 is appropriated from the General Fund for the 2019-2020 fiscal year and the sum of seven  
10 hundred fifty-three thousand one hundred twenty-five dollars (\$753,125) in recurring funds is  
11 appropriated for the 2020-2021 fiscal year to be allocated as follows:

- 12 (1) \$250,000 in recurring funds in each year of the 2019-2021 fiscal biennium for  
13 a grant to the United Way of North Carolina, a nonprofit organization, to  
14 support operations of the NC 2-1-1 program.
- 15 (2) \$107,813 in recurring funds in the 2019-2020 fiscal year to the Department of  
16 Public Safety, Division of Emergency Management for three additional  
17 full-time equivalent positions and five hundred three thousand one hundred  
18 twenty-five dollars (\$503,125) in recurring funds and seven full-time  
19 equivalent positions in the 2020-2021 fiscal year. The positions shall be used  
20 to support the management of federal grants and other Division operations.  
21 The positions funded during the 2019-2020 fiscal year are effective January  
22 1, 2020.

23  
24 **PART II. COUNTIES COVERED BY ACT**

25 **SECTION 2.1.** Applicability. – Except as otherwise provided, Sections 1.1 and 1.2  
26 of this act apply to the following North Carolina counties:

- 27 (1) For disaster relief and recovery related to Hurricane Matthew, those counties  
28 identified in Part III of S.L. 2016-124.
- 29 (2) For disaster relief and recovery related to Hurricane Florence or Michael,  
30 those counties identified in S.L. 2018-136 or S.L. 2019-3.
- 31 (3) Declared a major disaster by the President of the United States under the  
32 Stafford Act (P.L. 93-288) as a result of Hurricane Dorian.

33  
34 **PART III. IMPLEMENTATION OF ACT/OTHER DISASTER RECOVERY-RELATED**  
35 **CORRECTIONS AND MODIFICATIONS**

36  
37 **FLEXIBILITY FOR USE OF CERTAIN FUNDS/REPORTING**

38 **SECTION 3.1.(a)** Notwithstanding any other provision of law, any State agency that  
39 received funds pursuant to this act or any of the following enactments may reallocate unexpended  
40 and unobligated program funds to the same programs or purposes for damage caused by  
41 Hurricane Matthew, Florence, Michael, Dorian, or future storms:

- 42 (1) S.L. 2016-124.  
43 (2) S.L. 2017-119.  
44 (3) Section 5.6 of S.L. 2018-5.  
45 (4) S.L. 2018-134.  
46 (5) S.L. 2018-136.  
47 (6) S.L. 2018-138.  
48 (7) S.L. 2019-3.  
49 (8) S.L. 2019-224.

50 **SECTION 3.1.(b)** Any State agency that reallocates funds pursuant to subsection (a)  
51 of this section shall report, at least 30 days prior to the reallocation, to the chairs of the Senate

1 Appropriations/Base Budget Committee, the chairs of the House of Representatives  
2 Appropriations Committee, and the Fiscal Research Division. The report shall identify all of the  
3 following:

- 4 (1) The original funding authorization.
- 5 (2) The original program or purpose for the use of the funds.
- 6 (3) The amount of funds expended or obligated for the original program or  
7 purpose.
- 8 (4) The amount of funds that remain unexpended or unencumbered.
- 9 (5) The amount of funds to be reallocated.
- 10 (6) The hurricane or other authorized event to which the funds are being  
11 reallocated.

12 **SECTION 3.1.(c)** This section expires when all funds appropriated under this act or  
13 any act listed in subsection (b) of this section have been expended or obligated.  
14

### 15 **USE OF STATE POOL OF PREQUALIFIED CONSTRUCTION CONTRACTORS**

16 **SECTION 3.2.(a)** G.S. 166A-19.15(f)(1) reads as rewritten:

17 "(f) Additional Powers. – In carrying out the provisions of this Article each political  
18 subdivision is authorized to do the following:

- 19 (1) To appropriate and expend funds, make contracts, obtain and distribute  
20 equipment, materials, and supplies for emergency management purposes and  
21 to provide for the health and safety of persons and property, including  
22 emergency assistance, consistent with this Article. This authority includes  
23 awarding contracts for the repair, rehabilitation, or construction of private  
24 residential structures funded by State or federal funds following a disaster  
25 declared by the Governor under G.S. 166A-19.21 covering the political  
26 subdivision. Notwithstanding Article 8 of Chapter 143 of the General Statutes,  
27 a political subdivision is authorized to contract directly with contractors  
28 prequalified by the Division pursuant to G.S. 166A-19.12(23) on the basis of  
29 price, qualification, capacity, and any other objective criteria established by  
30 the political subdivision."

31 **SECTION 3.2.(b)** G.S. 143-129(e) reads as rewritten:

32 "(e) Exceptions. – The requirements of this Article do not apply to:

- 33 ...
- 34 (13) Contracts for disaster recovery private residential construction or repair  
35 awarded pursuant to G.S. 166A-19.12(23) and G.S. 166A-19.15(f)(1)."

### 37 **COMMUNITY DEVELOPMENT BLOCK GRANT FOR DISASTER RECOVERY** 38 **MODIFICATION**

39 **SECTION 3.3.** Section 5.11(a) of S.L. 2016-124 reads as rewritten:

40 "**SECTION 5.11.(a)** Notwithstanding any other provision of law, all Community  
41 Development Block Grant Disaster Recovery ~~Program funds awards~~ received by the ~~Department~~  
42 ~~of Commerce~~ State in response to the declarations and executive orders described in Section 3.1  
43 of this ~~act~~ act, or in any subsequent federally declared disasters, shall be ~~transferred to the~~  
44 ~~Emergency Management Division of the Department of Public Safety~~ administered by the North  
45 Carolina Office of Recovery and Resiliency of the Department of Public Safety, including  
46 circumstances where the designated grantee is an agency other than the North Carolina Office of  
47 Recovery and Resiliency."

### 49 **COMMUNITY COLLEGE OFFSET**

50 **SECTION 3.4.** Notwithstanding any provision of S.L. 2018-136 or the Committee  
51 Report described in Section 6.1 of that act to the contrary, funds allocated to the Community

1 Colleges System Office in Section 4.12 of S.L. 2018-136 may be used to offset a receipt shortfall  
2 due to enrollment declines caused by Hurricane Florence.

3  
4 **MODIFICATIONS TO DISASTER RECOVERY RECOMMENDED BY THE JOINT**  
5 **LEGISLATIVE COMMITTEE ON PROGRAM EVALUATION**

6 **SECTION 3.5.(a)** G.S. 166A-19.11 reads as rewritten:

7 **"§ 166A-19.11. Powers of the Secretary of Public Safety.**

8 The Secretary shall be responsible to the Governor for State emergency management  
9 activities. The Secretary shall have the following powers and duties as delegated by the  
10 Governor:

11 ...

12 (3a) To notify the Director of the Budget, the Office of the Governor, the chairs of  
13 the House of Representatives and Senate Appropriations Committees, the  
14 chairs of the House of Representatives and Senate Appropriations Committees  
15 on Justice and Public Safety, the Fiscal Research Division, and any other State  
16 entities deemed necessary of the potential for using Community Development  
17 Block Grant-Disaster Recovery (CDBG-DR) funds to cover the nonfederal  
18 share of matching requirements for eligible programs at the following times:

19 a. June 1 of each year.

20 b. Within five days of a presidential disaster declaration for the State of  
21 North Carolina.

22 (3b) To report annually by December 1 to the chairs of the House of  
23 Representatives and Senate Appropriations Committees on Justice and Public  
24 Safety on the amount of State funds used to pay contractors for performing  
25 CDBG-DR activities that could have been paid for using federal CDBG-DR  
26 funds during the calendar year.

27 ...."

28 **SECTION 3.5.(b)** Article 1A of Chapter 166A of the General Statutes is amended  
29 by adding a new section to read:

30 **"§ 166A-19.13. Data collection, reporting, use of State and federal funds.**

31 (a) The Department of Public Safety shall establish mechanisms to regularly solicit input  
32 from entities receiving federal or State disaster recovery funds regarding ways to improve the  
33 administration of the funds and associated programs. The mechanisms may include surveys and  
34 focus groups.

35 (b) By December 1, 2020, the Department of Public Safety shall modify its policies and  
36 procedures for disaster recovery to do the following:

37 (1) Where permitted by State law and administrative rule, require the Office of  
38 Recovery and Resiliency (Office) to use cost as a factor when awarding  
39 contracts for professional services that may be eligible for reimbursement  
40 from federal funds. Contracts subject to Article 3D of Chapter 143 of the  
41 General Statutes are exempt from this subsection.

42 (2) Establish minimum competencies for staff who administer the Community  
43 Development Block Grant-Disaster Recovery (CDBG-DR) program,  
44 including experience with either traditional CDBG programs or CDBG-DR  
45 programs.

46 (3) Describe how the input obtained from the mechanisms established in  
47 subsection (a) of this section will be incorporated into revisions of its policies  
48 and procedures.

49 (c) By January 1, 2020, the Office of Recovery and Resiliency (Office) shall develop  
50 performance metrics for all entities receiving federal or State disaster recovery funds, including  
51 the following:

- 1           (1) Average time-cycle by process step, including from application to fund
- 2           distribution.
- 3           (2) Total number of projects by process step and managed overall.
- 4           (3) Outreach and intake metrics.
- 5           (4) Amount of disaster recovery funds spent on administrative activities.
- 6           (5) Amount of disaster recovery funds disbursed on behalf of recipients.
- 7           (d) The performance metrics required under subsection (c) of this section shall be
- 8 standardized across funding streams to allow for comparisons and identification of areas needing
- 9 improvement."

10           **SECTION 3.5.(c)** Section 5.8 of S.L. 2018-136, as amended by Section 2.14(a) of  
11 S.L. 2018-138, reads as rewritten:

12           **"SECTION 5.8.(a)** Beginning January 1, 2019, the Office of Recovery and Resiliency  
13 (Office) shall provide separate quarterly reports to the Director of the Budget, the standing  
14 Appropriations Committees of the Senate and the House of Representatives, and the Fiscal  
15 Research Division on the use of disaster recovery and assistance funds expended from the  
16 Hurricane Florence Recovery Fund and from Fund, the State Emergency Response and Disaster  
17 Relief Fund for Hurricane ~~Matthew~~. Matthew, and funds appropriated for disaster relief for  
18 Hurricane Dorian. The separate reports shall summarize oversight activities and the results  
19 achieved as well as all of the following:

- 20           (1) Expenditures by program and by source of funds.
- 21           (2) Expenditures required to receive federal grants.
- 22           (3) Federal funding provided to the State to refund certain federally related  
23 spending.
- 24           (4) Actual and projected State spending data including time lines and milestones.
- 25           (5) Total State spending data by agency and by program.
- 26           (6) Total State spending by program and county, where practicable.
- 27           (7) Location and job responsibilities of all time-limited State positions created  
28 under this act or paid for with federal funds received as a result of Hurricane  
29 Florence.

30           **"SECTION 5.8.(a1)** Beginning January 1, 2020, the Office shall provide quarterly reports  
31 to the Director of the Budget, the standing Appropriations Committees of the Senate and the  
32 House of Representatives, and the Fiscal Research Division on the use of Community  
33 Development Block Grant-Disaster Recovery funds expended starting October 1, 2019, and  
34 thereafter. The reports shall include the following performance metrics:

- 35           (1) Average time-cycle by process step, including from application to fund
- 36           distribution, by county where practicable.
- 37           (2) Number of projects by process step and managed overall, by county where
- 38           practicable.
- 39           (3) Average cost per project, excluding the infrastructure program, by county
- 40           where practicable.
- 41           (4) Outreach and intake metrics by county where practicable.
- 42           (5) Amount and percentage of disaster recovery funds spent on administrative
- 43           activities.
- 44           (6) Amount and percentage of disaster recovery funds disbursed on behalf of
- 45           recipients.
- 46           (7) Number and description of contracts issued.
- 47           (8) Status of all activities in progress to meet each of the funding streams'
- 48           operational objectives.
- 49           (9) Additional performance metrics developed by the Office.

50           **"SECTION 5.8.(a2)** Beginning January 1, 2020, the Office shall provide separate quarterly  
51 reports to the Director of the Budget, the standing Appropriations Committees of the Senate and

1 the House of Representatives, and the Fiscal Research Division on the use of disaster recovery  
2 and assistance funds, other than Community Development Block Grant-Disaster Recovery funds,  
3 expended starting October 1, 2019 and thereafter from the Hurricane Florence Recovery Fund  
4 and from the State Emergency Response and Disaster Relief Fund for Hurricane Matthew. The  
5 separate reports shall include the following performance metrics:

- 6 (1) Average time-cycle to distribution or another appropriate measure of time, by  
7 county where practicable.
- 8 (2) Number of projects, by county where practicable.
- 9 (3) Average cost per project, by county where practicable.
- 10 (4) Amount and percentage of disaster recovery funds spent on administrative  
11 activities.
- 12 (5) Amount and percentage of disaster recovery funds encumbered for  
13 administrative activities.
- 14 (6) Amount and percentage of disaster recovery funds disbursed on behalf of  
15 recipients.
- 16 (7) Amount and percentage of disaster recovery funds encumbered on behalf of  
17 recipients.
- 18 (8) Number of individuals, households, entities, or other unit served, by county  
19 where practicable.

20 The separate reports shall provide the performance metrics for each funding stream, where  
21 practicable.

22 "SECTION 5.8.(b) In addition to the quarterly reports required under ~~subsection (a)~~  
23 subsections (a), (a1), and (a2) of this section and beginning January 1, 2020, the Office shall  
24 provide annual reports that compile the information contained in the quarterly reports. The annual  
25 reports shall be submitted to the entities required under subsection (a) of this section.

26 "SECTION 5.8.(c) Each report required by this section shall include information about all  
27 funds expended or encumbered pursuant to this act or any other act providing funds to address  
28 the impacts of Hurricanes ~~Matthew and Florence, Matthew, Florence, Michael, and Dorian,~~  
29 regardless of which State agency or non-State entity administers the funds. State agencies and  
30 non-State entities that administer or receive any funds appropriated in this act shall assist and  
31 fully cooperate with the Office of Recovery and Resiliency in meeting the Office's obligations  
32 under this section."

33 SECTION 3.5.(d) The Office of Recovery and Resiliency (Office) shall make  
34 recommendations regarding the staffing levels that are necessary to do the following:

- 35 (1) Administer the Community Development Block Grant-Disaster Recovery  
36 (CDBG-DR) program during times when the Office is administering  
37 CDBG-DR funds.
- 38 (2) Administer the CDBG-DR program during times when the Office is not  
39 administering CDBG-DR funds.
- 40 (3) Maintain a base-level of staff to provide resiliency planning and coordination,  
41 provide continuous required disaster recovery functions, and ensure the State  
42 is adequately prepared to expand its disaster recovery efforts in the event of  
43 future natural disasters.
- 44 (4) Expand from a base-level of staff to provide necessary functions immediately  
45 following a natural disaster.

46 SECTION 3.5.(e) For each recommendation required under subsection (d) of this  
47 section, the Office shall include the class and number of temporary or permanent full-time  
48 equivalent positions. For each position, the Office shall include an explanation of the necessity  
49 for the position to be permanent if applicable, the funding source of the position, and a job  
50 description of the position with corresponding salary requirements. The Office shall report the  
51 recommendations to the chairs of the House of Representatives and Senate Appropriations

1 Committees, the chairs of the House of Representatives and Senate Appropriations Committees  
2 on Justice and Public Safety, the Joint Legislative Commission on Governmental Operations, and  
3 the Fiscal Research Division by March 1, 2020.

4 **SECTION 3.5.(f)** The Joint Legislative Program Evaluation Oversight Committee  
5 shall include in the biennial work plan of the Program Evaluation Division an evaluation of the  
6 Department of Public Safety's coordination with non-profit organizations for disaster recovery  
7 planning. The Program Evaluation Division shall submit its evaluation to the Joint Legislative  
8 Program Evaluation Oversight Committee and to the chairs of the House of Representatives and  
9 Senate Appropriations Committees on Justice and Public Safety.

#### 10 11 **CORRECTION TO 2019 DISASTER RECOVERY ACT**

12 **SECTION 3.6.(a)** Section 1.1 of S.L. 2019-224 reads as rewritten:

13 **"SECTION 1.1.** Transfer from Hurricane Florence Disaster Recovery Reserve. – The State  
14 Controller shall transfer the sum of ~~ninety-four million one hundred three thousand dollars~~  
15 ~~(\$94,103,000)~~ eighty-nine million one hundred three thousand dollars (\$89,103,000) in  
16 nonrecurring funds for the 2019-2020 fiscal year from the Hurricane Florence Disaster Recovery  
17 Reserve in the General Fund to the Hurricane Florence Disaster Recovery Fund created in S.L.  
18 2018-134, and these funds are appropriated within the Fund and shall be allocated as provided in  
19 Part II of this act."

20 **SECTION 3.6.(b)** This section is effective July 1, 2019.

#### 21 22 **MODIFICATIONS TO FLOOD INSURANCE PILOT**

23 **SECTION 3.7.(a)** Section 2.1 of S.L. 2019-224 reads as rewritten:

24 **"SECTION 2.1.** Allocations. – The funds appropriated and reallocated in Part I of this act  
25 in the Hurricane Florence Disaster Recovery Fund shall be allocated as follows:

26 ...  
27 (7) \$6,000,000 to the Department of Public Safety, Division of Emergency  
28 Management to be used as follows:

- 29 ...
- 30 d. \$2,000,000 to develop a pilot program to help pay for the cost of up to  
31 two years' flood insurance for eligible applicants and eligible  
32 properties. Subject to the eligibility requirements contained in this  
33 sub-subdivision, when awarding funds, the Division shall give priority  
34 to applicants and subject properties in the most impacted and  
35 distressed counties as determined by the United States Department of  
36 Housing and Urban Development for Hurricane Matthew, Hurricane  
37 Florence, or both. In order to be eligible for funds under the pilot  
38 program, all of the following shall apply:
- 39 1. The applicant earned no more than eighty percent (80%) of the  
40 subject area median income during the preceding calendar year  
41 ~~and has not received flood insurance for the subject property~~  
42 ~~from any federal program, including by the Community~~  
43 ~~Development Block Grant Disaster Recovery or the Federal~~  
44 ~~Emergency Management Agency (FEMA) Housing~~  
45 ~~Assistance Program year.~~
  - 46 2. The subject property is the applicant's primary residence, ~~is~~  
47 ~~insurable, and has experienced a repetitive loss as that term is~~  
48 ~~defined by FEMA.~~ residence and is insurable.

49 ...."

50 **SECTION 3.7.(b)** This section is effective July 1, 2019.



**ABANDONED AND DERELICT VESSELS**

**SECTION 3.8.** Subdivision 2.1(10) of S.L. 2019-224 reads as rewritten:

"(10) \$1,000,000 to the Wildlife Resource Commission (WRC) to inspect, investigate, ~~and remove~~ remove, and dispose of abandoned and derelict and abandoned water vessels.vessels. Notwithstanding any provision of law in Chapter 75A of the General Statutes, the WRC is authorized to use these funds to inspect, investigate, ~~and remove~~ remove, and dispose of abandoned and derelict ~~vessels.vessels~~ and may coordinate with the Department of Environmental Quality, non-governmental organizations and private entities to perform this work. As used in this subdivision, the phrase "abandoned and derelict vessel" means a ~~water going craft located in a canal or the Intracoastal Waterway~~ vessel as defined in G.S. 75A-2(5) located in coastal public trust waters that has been damaged or destroyed by weather-related ~~events and that is impeding water traffic.~~ The phrase does not apply to a vessel that is moored to a dock or otherwise not located in an area of normal water traffic. WRC may also remove and dispose of vessels identified by the Marine Patrol of the Division of Marine Fisheries. ~~events and that the WRC determines has been relinquished, left, or given up by the lawful owner without the intention to later resume any right or interest in the vessel. Prior to this determination, the WRC shall send written notice and make additional reasonable efforts to notify the last known owner of the status of the vessel and post a notice on the vessel advising that the vessel is abandoned. If no response to the written notice to owner or the notice posted on the vessel is received within 30 days, then the WRC may proceed with removal and disposal of the vessel. WRC may also remove an abandoned and derelict vessel located on private property upon the written request of the property owner and by following the other procedures set forth in this section. However, WRC shall prioritize the removal of abandoned and derelict vehicles that are blocking or otherwise impeding vessel traffic in navigable waters."~~

**PART IV. MISCELLANEOUS****REIMBURSEMENT FOR FUNDS PROVIDED UNDER THIS ACT**

**SECTION 4.1.** 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 4.2.(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 4.2.(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

1 Governor from exercising the Governor's authority under this statute with respect to funds other  
2 than those described in this act.

### 4 **INVOLVEMENT OF HISTORICALLY UNDERUTILIZED BUSINESSES**

5 **SECTION 4.3.** It is the intent of the General Assembly that, during this time of  
6 rebuilding and relief efforts, each State agency should strive to acquire goods and services from  
7 historically underutilized business vendors, whether directly as principal contractors or indirectly  
8 as subcontractors or otherwise.

### 10 **LEGISLATIVE REVIEW OF FEDERAL FUNDING AND REMAINING UNMET 11 NEEDS**

12 **SECTION 4.4.** It is the intent of the General Assembly to review the funds  
13 appropriated by Congress for disaster relief and to consider actions needed to address any  
14 remaining unmet needs. It is also the intent of the General Assembly to review the adequacy of  
15 the measures funded by this act at that time.

### 17 **PROHIBITION ON USE OF STATE FUNDS TO CONSTRUCT CERTAIN 18 RESIDENCES**

19 **SECTION 4.5.(a)** No State funds appropriated in this act may be expended for the  
20 construction of any new residence within the 100-year floodplain unless the construction is in an  
21 area regulated by a unit of local government pursuant to a floodplain management ordinance and  
22 the construction complies with the ordinance. For purposes of this act, the term "100-year  
23 floodplain" means any area subject to inundation by the one percent (1%) annual chance flood  
24 event, as indicated on the most recent Flood Insurance Rate Map prepared by the Federal  
25 Emergency Management Agency under the National Flood Insurance Program.

26 **SECTION 4.5.(b)** Homeowners in the 100-year floodplain who receive  
27 homeowner's housing assistance pursuant to this act shall have in effect federal flood insurance,  
28 if available, as a precondition to receipt of State homeowner's housing assistance for losses  
29 resulting from future flooding.

30 **SECTION 4.5.(c)** Funds loaned to small and mid-sized businesses shall be used  
31 only for eligible purposes under the Small Business Administration (SBA) disaster loan  
32 assistance program, as described in the federal disaster declarations designated by the SBA as  
33 NC-00111. Payments for economic losses shall be limited to documented business expenses  
34 necessary for the continued operation of the business.

### 36 **EACH APPROPRIATION AND ALLOCATION IS MAXIMUM AND CONDITIONAL**

37 **SECTION 4.6.** The appropriations and allocations made in this act are for maximum  
38 amounts necessary to implement this act. Savings shall be effected where the total amounts  
39 appropriated or allocated are not required to implement this act.

### 41 **APPROPRIATION OF FEDERAL FUNDS**

42 **SECTION 4.7.** Appropriation/Federal Funds. – Funds received on or after  
43 September 1, 2019, for federal disaster assistance programs for State disasters as a result of  
44 Hurricane Dorian are appropriated in the amounts provided in the notifications of award from  
45 the federal government or any entity acting on behalf of the federal government to administer  
46 federal disaster recovery funds. The Office of State Budget and Management and affected State  
47 agencies shall report all notifications of award to the Joint Legislative Commission on  
48 Governmental Operations and the Fiscal Research Division of the General Assembly.

### 50 **DIRECTED GRANTS**

1                   **SECTION 4.8.** As used in this act, the phrase "directed grant" is as defined in Section  
2 3.1 of S.L. 2019-224.

3

4 **PART V. EFFECTIVE DATE**

5                   **SECTION 5.1.** Except as otherwise provided, this act is effective when it becomes  
6 law.