



HOUSE BILL 251: Various Disaster Recovery Reforms.

2025-2026 General Assembly

Committee: Senate Rules and Operations of the Senate	Date: May 21, 2025
Introduced by: Reps. Hastings, Greene, Balkcom, Bell	Prepared by: Kyle Evans
Analysis of: Fourth Edition	Staff Attorney

OVERVIEW: *House Bill 251 would do the following:*

- *Prohibit discrimination based on political affiliation or political speech by the State when providing disaster recovery assistance.*
- *Make it a Class F felony for any person to loot another person's temporary housing in an emergency area during a declared state of emergency.*
- *Automatically waive certain State rules pertaining to hospitals in a disaster area if the US Secretary of Health and Human Services issues a temporary waiver or modification of certain related federal requirements.*
- *Temporarily exempt certain eligible commercial buildings located within a Helene-affected county from having to comply with upgraded State Building Code requirements related to fire-resistant windows.*
- *Authorize the owner of a lawfully established building damaged by a historic flood event to replace or reconstruct the building within the base floodplain to the same or lesser extent or volume existing immediately before the historic flood event without regard for changes in State or local regulations adopted after the building was lawfully established.*
- *Exempt the processing of tree stumps into mulch or other soil amendments from solid waste composting rules and other State-only requirements, permitting, rules and limitations related to composting and mulch.*
- *Require units of local government in Helene-affected counties managing vegetative debris removal to transport that material to a composting site for reuse when the cost of doing so is equal to or less than transporting the material to a landfill.*

CURRENT LAW & BILL ANALYSIS:

NONDISCRIMINATION IN STATE DISASTER RECOVERY ASSISTANCE

State and local governmental bodies and other organizations and personnel who carry out emergency management functions under the provisions of this Article are required to do so in an equitable and impartial manner. Such State and local governmental bodies, organizations, and personnel shall not discriminate on the grounds of race, color, religion, nationality, sex, age, or economic status in the distribution of supplies, the processing of applications, and other relief and assistance activities.

[G.S. 166A-19.74.](#)

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House Bill 251

Page 2

The Governor is authorized to make State funds available for emergency assistance for recovery from emergencies for which federal assistance is either not available or does not adequately meet the needs of citizens. The Governor is authorized to make emergency assistance in the form of grants available to individuals, families, and eligible entities if certain criteria are met. [G.S. 166A-19.41](#).

Section 2 would make it a Class I felony for the State or its agencies and employees to deny or discriminate against a United States citizen, United States national, or qualified alien as defined in 826 U.S.C. § 1641 for disaster recovery assistance based on political affiliation or political speech. This section would become effective December 1, 2025, and apply to offenses committed on or after that date.

Section 3 would modify G.S. 166A-19.41 to require that any State emergency assistance in the form of grants must be administered free from discrimination. Specifically, no applicant for any State emergency assistance in the form of grants may be required to provide any personal demographic information unless that information was necessary to award the grant or to otherwise comply with State or federal law.

THEFT OF TEMPORARY HOUSING DURING EMERGENCY

Article 36A of Chapter 14 of the General Statutes governs the criminal penalties associated with riots, civil disorders, and emergencies. Specifically, G.S. 14-288.6(a) establishes the crime of trespass during an emergency, making it a Class 1 misdemeanor to unlawfully enter upon the premises of another person when the usual security of property is not effective due to one of the listed emergencies or disasters. G.S. 14-288.6(b) establishes the crime of looting, making it a Class H felony to commit the offense of trespass during an emergency and unlawfully take or damage the property of another person. Additionally, any person whose person or property is injured due to a violation of G.S. 14-288.6 can sue the violator for three times the actual damages sustained, as well as court costs and attorneys' fees.

Section 4 would revise G.S. 14-288.6(a) such that the offense of trespass during an emergency would occur when a person unlawfully enters upon the premises of another person in an emergency area during a declared state of emergency when the usual security of property is not effective due to the occurrence or aftermath of the emergency that prompted the declared state of emergency.

This section would increase the penalty for looting temporary housing. Specifically, it would provide that any person who commits the crime of trespass during an emergency under G.S. 14-288.6(a) and unlawfully takes or damages the temporary housing of another would be guilty of looting and would be punished as a Class F felon. Looting property other than temporary housing would be punishable as a Class H felony.

Lastly, the term "emergency area" would be defined to mean the geographical area covered by a declared state of emergency. The term "temporary housing" would include:

- Any structure being used for human shelter which is designed to be transportable and is not permanently attached to the ground, another structure, or a utility system.
- A vehicle being used as temporary living quarters.
- Any equipment used to transport or deliver a temporary living structure or vehicle.
- Any item attached or intended to be attached to a temporary living structure or vehicle that provides air conditioning, heating, or a source of power.

This section would become effective December 1, 2025, and would apply to offenses committed on or after that date.

House Bill 251

Page 3

AUTOMATIC STATE ADOPTION OF ANY TEMPORARY FEDERAL RELIEF ISSUED BY THE SECRETARY OF THE US DEPARTMENT OF HEALTH AND HUMAN SERVICES OR THE CENTERS FOR MEDICARE AND MEDICAID SERVICES

Section 1135 of the Social Security Act (42 U.S.C. § 1320b-5) allows the U.S. Secretary of Health and Human Services (Secretary) to temporarily waive or modify certain Medicare, Medicaid, and Children's Health Insurance Program (CHIP) requirements in emergency areas to ensure that (i) sufficient health care items and services are available to meet the needs of individuals enrolled in Social Security Act programs in the emergency area and time periods, and (ii) providers who give such services in good faith can be reimbursed and exempted from sanctions (absent any determination of fraud or abuse). Examples of waivers or modifications under this section include:

- Suspending certain preapproval requirements to expedite treatment.
- Allowing providers with out-of-State licenses to practice in emergency areas.
- Allowing hospitals to provide screening/triage of patients at a location offsite from the hospital's campus.
- Allowing hospitals to house patients in units not otherwise appropriate under the Medicare Conditions of Participation or for a duration that exceeds regulatory requirements.
- Allowing temporary increases in certified bed capacity for hospitals and nursing homes.

Section 1812(f) of the Social Security Act (42 U.S.C. § 1395d) allows the Secretary to waive the Medicare skilled nursing facility (SNF) three-day inpatient hospital stay requirement in an emergency area. This allows Medicare recipients to qualify for SNF care without first staying in a hospital for three consecutive days.

G.S. 131E-84(a1) allows the Division of Health Service Regulation of the Department of Health and Human Services (Division) to waive rules of the Commission for Public Health (Commission) pertaining to hospitals or allow a hospital to temporarily increase its bed capacity in the event of any of the following:

- Declaration of a state of emergency by the Governor, declaration of a national emergency by the President of the United States, or declaration of a public health emergency by the Secretary.
- Issuance of a temporary waiver or modification under 1135 or 1812(f) of the Social Security Act by the Secretary or the Centers for Medicare and Medicaid Services. In this case, the Division may only waive Commission rules pertaining to hospitals or increase bed capacity to the extent necessary to be consistent with the federal waiver.
- Determination by the Division of the existence of an emergency that poses a risk to the health or safety of patients.

Section 5 would, if the Secretary or the Centers for Medicare and Medicaid Services issue a temporary waiver or modification under Section 1135 or 1812(f) of the Social Security Act, automatically waive or modify Commission rules pertaining to hospitals to the extent necessary to be consistent with the federal waiver or modification. The waiver or modification would last at least until the federal waiver or modification expires. The Division would be allowed to further waive or modify any rules of the Commission if the waiver or modification reduces regulatory requirements on hospitals in a manner consistent with federal law.

House Bill 251

Page 4

AUTHORIZE A TEMPORARY EXEMPTION FROM CERTAIN STATE BUILDING CODE REQUIREMENTS PERTAINING TO FIRE-RESISTANT WINDOWS FOR DOWNTOWN, COMMERCIAL STRUCTURES DAMAGED BY HURRICANE HELENE

Section 6 would allow eligible buildings to be temporarily exempt from compliance with current fire-resistant window requirements under the North Carolina State Building Code (Code). An eligible building is one that meets all of the following criteria:

- Is located in a Helene-affected county, was in existence prior to September 27, 2024, and was directly damaged or destroyed by Hurricane Helene.
- Is located within the central business district or downtown commercial district of a city, as defined by G.S. 160A-1, as of September 27, 2024.
- Is solely classified as a commercial occupancy under the Code and not classified under any residential or mixed-use occupancy group.
- Is undergoing reconstruction, rebuilding, rehabilitation, or repair solely for the purpose of restoring the building to substantially its previous condition, use, occupancy, and size, without expanding its original footprint, height, or changing its occupancy classification under the Code.

Owners of eligible buildings would be allowed to reconstruct or repair the eligible building using window assemblies that have the same fire-protection rating that existed in the eligible building as of September 27, 2024. Eligible buildings would not be required to upgrade to the current fire-protection ratings required by the Code.

To utilize the exemption, the owner of an eligible building would be required to submit an affidavit to the local building inspections department with the permit application. The exemption would have to be claimed within two years after the effective date of this act and would not relieve owners of eligible buildings from complying with other fire safety requirements.

This section would be effective when it becomes law and would apply to eligible buildings for which a Certificate of Occupancy is issued on or after that date.

HISTORIC FLOOD EVENT BUILDING CODE EXEMPTIONS

A local government may adopt ordinances to regulate uses in flood hazard areas and grant permits for the use of flood hazard areas that are consistent with the requirements of Part 6 of Article 21 of Chapter 143 of the General Statutes.

The federal government administers the National Flood Insurance Program (NFIP) which is a voluntary program. When a community elects to participate, a local government must adopt floodplain regulations that meet or exceed the federal minimum standards in order for local residents and businesses to have access to federal flood insurance and in order for the community to access some disaster assistance. The minimum floodplain development standards are outlined at [44 CFR §§ 60.3](#). In general, these federal minimums prohibit development in the floodway, require elevation of habitable floors in the floodplain areas, and limit the location of manufactured homes in the floodplain.¹

To participate in the NFIP, a community agrees to, among other things:

- Adopt and enforce a flood damage prevention ordinance

¹ "Frequently Asked Questions about Local Floodplain Regulations in North Carolina," November 12, 2024 Adam Lovelady, Professor, UNC School of Government and Steve Garrett, State NFIP Coordinator, North Carolina Division of Emergency Management

House Bill 251

Page 5

- Require permits for all development in the floodplain
- Require new or substantially improved homes and manufactured homes to be elevated above the Base Flood Elevations (BFEs)
- Require other structures be flood proofed or elevated above the BFE
- Conduct field inspections; cite and remedy building or code violations
- Resolve non-compliance issues and violations
- Advise FEMA and the state when updates to flood maps are needed
- Maintain records of all development within the Special Flood Hazard Area

(see [North Carolina Floodplain Management 2017 Quick Guide North Carolina Department of Crime Control and Public Safety](#))

A community eligible for the sale of flood insurance which:

- Fails to adequately enforce flood plain management regulations meeting the minimum federal requirements are subject to probation. Probation results in formal notification to the community that the Federal Insurance Administrator regards the community's flood plain management program as not compliant with NFIP criteria. An additional policy premium is charged on policies sold or renewed during the period of probation.
- Fails to adequately enforce its flood plain management regulations meeting the minimum federal requirements and does not correct deficiencies identified and remedy all violations to the maximum extent possible in accordance with compliance deadlines established during a period of probation is subject to suspension of NFIP eligibility.
- Repeals its flood plain management regulations, allows its regulations to lapse, or amends its regulations so that they no longer meet the minimum federal requirements must be suspended from the NFIP. The community eligibility shall remain terminated after suspension until copies of adequate flood plain management regulations have been received and approved by the Federal Insurance Administrator.

See [44 CFR Part 59](#) for more detail on actions that a community must take to become eligible and to remain eligible for NFIP, and ramifications of ineligibility.

Section 7 would authorize the owner of a lawfully established building or structure damaged by a historic flood event to replace or reconstruct the building or structure within the base floodplain to the same or lesser extent or volume existing immediately before the historic flood event, without regard to changes in State or local regulations adopted after the building or structure was lawfully established. Replacement or reconstruction that increases the extent or volume of the building or structure within the base floodplain would not be authorized unless hydrologic and hydraulic analyses, prepared in accordance with standard engineering practice by a registered design professional, demonstrate that the proposed replacement or reconstruction will not result in any increase in the base flood elevation. The bill would also limit local government authority to adopt ordinances to regulate uses in flood hazard areas and grant permits for the use of flood hazard areas to reflect the provisions of the bill.

This section would have a delayed effective date contingent on approval of FEMA. No later than August 1, 2025, the State's Department of Insurance must prepare and submit to FEMA the proposed changes made by the section. This section would become effective on the later of the following dates:

- October 1, 2025.
- The first day of a month that is 30 days after the Commissioner of Insurance certifies to the Revisor of Statutes that FEMA has approved the proposed changes.

House Bill 251

Page 6

Section 8 would require the Department of Environmental Quality, the Department of Agriculture and Consumer Services, and a unit of local government, as applicable, to waive all of the following requirements, to the extent the requirements are State or local in origin and not otherwise required to satisfy federal law, as they may apply to activities to process tree stumps and other vegetative debris into mulch or soil amendments in the counties designated before, on, or after the effective date of this act under a major disaster declaration by the President of the United States under the Stafford Act (P.L. 93-288) as a result of Hurricane Helene:

- Solid waste composting rules for Type 1 facilities.
- Stormwater and sedimentation and erosion control requirements.
- Air quality permit requirements for vegetative debris processing equipment.
- Soil amendment or compost product registration required by the Department of Agriculture and Consumer Services.
- State Fire Code limitations on mulch pile storage.

This section would become effective when it becomes law and expire July 1, 2027.

Section 9 would require units of local government in Helene-affected counties managing vegetative debris removal within their jurisdictions to transport that material to a composting site for reuse as mulch or soil amendment when the transportation and disposal costs for processing tree stumps and other vegetative material at a composting site are equal to or less than transporting the material to a landfill.

This section would become effective when it becomes law and expire July 1, 2027.

EFFECTIVE DATE: Except as otherwise provided, this act would be effective when it becomes law.