



HOUSE BILL 1105: Coronavirus Relief Act 3.0, Secs. 2.1 - 2.5: Earthquake Disaster Relief

2019-2020 General Assembly

Committee:		Date:	October 26, 2020
Introduced by:		Prepared by:	Jared Simmons Staff Attorney
Analysis of:	Secs. 2.1 - 2.5 of S.L. 2020-97		

OVERVIEW: Secs. 2.1 through 2.5 of S.L. 2020-97 establish the Earthquake Disaster Recovery Reserve (Recovery Reserve), and make various appropriations to provide necessary and appropriate relief and assistance from the effects of the M5.1 earthquake (Alleghany County Earthquake) that occurred on August 9, 2020, in Alleghany County, North Carolina. These sections became effective September 4, 2020.

BILL ANALYSIS:

Section 2.1 directs the State Controller to establish an Earthquake Disaster Recovery Reserve in the State General Fund for disaster relief as provided in Sections 2.2 through 2.5.

Section 2.2.(a) creates the Earthquake Disaster Recovery Fund (Fund) to provide necessary and appropriate relief and assistance from the effects of the M5.1 earthquake (Alleghany County Earthquake) that occurred on August 9, 2020 in Alleghany County, North Carolina. Sections 2.2.(b) through (d) establish parameters for the use of the Fund, including that (i) funds expended are necessary for recovery efforts, (ii) unspent funds revert back to the Fund, and (iii) funds are only to be expended in Alleghany County and any additional counties determined to be part of the emergency area as set forth in any gubernatorial executive order or declared as a major disaster by the President of the United States.

Section 2.3 directs the State Controller to transfer \$24,000,000 from the Savings Reserve in the General Fund to the Recovery Reserve and then to the Fund for recovery efforts.

Section 2.4 appropriates \$24,000,000 from the Fund to the Department of Public Safety, Division of Emergency Management (Division) to be allocated as follows:

- \$600,013 to Alleghany County for repairs and renovations for the county courthouse.
- \$160,000 to the Bruce Wayne Osbourne Post No. 7034, Veterans of Foreign Wars of the United States to repair damage caused by the Alleghany County Earthquake.
- The remainder of funds must be used for the following related to the effects of the Alleghany County Earthquake: short-term housing and rental assistance, demolition for reconstruction, reconstruction of homes and septic systems, home repair, county and municipal water and sewer repair, county assistance, and other earthquake-related recovery efforts. Any funds allocated for these purposes must not be used to provide grants to for-profit businesses.

Section 2.5 requires any recipient that receives alternative funds that cover the losses or needs for which the State funds are provided to remit the funds received from the State to the appropriate State agency. The agency must transfer those funds to the Fund.

EFFECTIVE DATE: These sections became effective September 4, 2020.

Kory Goldsmith
Director



Legislative Drafting
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