



HOUSE BILL 219: Amend Environmental Laws.

2021-2022 General Assembly

Committee: Senate Rules and Operations of the Senate	Date: June 2, 2022
Introduced by: Reps. Arp, Paré, Szoka, Watford	Prepared by: Kyle Evans
Analysis of: Third Edition	Staff Attorney

OVERVIEW: *House Bill 219 would:*

- *Set a deadline for reversion for certain directed infrastructure projects.*
- *Expand the Department of Environmental Quality's (DEQ) authorization for use of river debris funding.*
- *Make a technical correction to a Flood Resiliency Blueprint provision.*
- *Provide the Division of Marine Fisheries flexibility in maintaining its aircraft.*
- *Align Coastal Area Management Act public notice requirements for land-use plan hearings with existing local government notice requirements.*
- *Direct DEQ to study the express permit and certification review program and the fast-track stormwater permitting program.*

CURRENT LAW & BILL ANALYSIS:

DIRECTED INFRASTRUCTURE PROJECTS DEADLINE FOR REVERSION

Under rules adopted by the Treasury Department of the United States, found at [31 CFR 35.5](#), certain funds allocated to the State as a part of the American Rescue Plan Act of 2021 (ARPA) must be obligated by the fund recipients no later than December 31, 2024, and expended no later than December 31, 2026, or those funds may revert to the federal government.

Sections 12.13 and 12.14 of S.L. 2021-180 allocated ARPA funds to the Department of Environmental Quality (DEQ) for directed water, sewer, and stormwater infrastructure projects. Funds in excess of the amounts needed for the directed infrastructure projects in Section 12.13 revert to DEQ for other eligible water and sewer infrastructure projects. For funds allocated under Section 12.14 to an eligible entity for a disallowed purpose, those funds must revert to DEQ to be used for other eligible stormwater projects.

Section 1 would provide that entities receiving a directed infrastructure grant for certain water and sewer projects (Sections 12.13.(d), 12.13.(e), and 12.13.(f)) and stormwater projects (Section 12.14.(b)) must provide a complete request for funding to the Department of Environmental Quality for an eligible project no later than June 30, 2023. Failure to provide a complete funding request form by June 30, 2023, will cause the directed allocations to fully revert on July 1, 2023. For complete funding requests that are less than the amount allocated to the requesting entity, the excess amount of the directed allocation revert on July 1, 2023.

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AMEND STATE CAPITAL AND INFRASTRUCTURE FUND (SCIF) RIVER DEBRIS FUNDING AUTHORIZATION

Section 40.7 of S.L. 2021-180 directs the DEQ to use SCIF funds for stream debris removal, specifically for the removal and disposal of waterway debris from waters of the State located in a targeted river basin. Subsection (b) of this section exempts those stream debris removal projects from requirements for stormwater or water quality permits under Article 21 of Chapter 143 of the General Statutes. Funds allocated under this section cannot be distributed until the Flood Resiliency Blueprint required under Section 5.9.(c) of S.L. 2021-180 has been completed.

Section 2 would expand the allowable uses of SCIF funds allocated by Section 40.7 of S.L. 2021-180 to include other flood mitigation strategies prioritized throughout the Flood Blueprint Resiliency Plan.

This section would become effective retroactively to July 1, 2021, the effective date of S.L. 2021-180.

FLOOD RESILIENCY BLUEPRINT TECHNICAL CORRECTION

Subdivision (a)(1) of Section 5.9.(a) of S.L. 2021-180 is an allocation to the Department of Public Safety to be used for State match requirements under federal disaster declarations. Subdivision (a)(7) of that section is an allocation to the Department of Environmental Quality to be used to develop a statewide Flood Resiliency Blueprint.

Section 3 would amend Section 5.9.(c) of S.L. 2021-180 to reference subdivision (a)(7), the correct funding source for the Flood Resiliency Blueprint.

This section would become effective retroactively to July 1, 2021, the effective date of S.L. 2021-180.

PROVIDE THE DIVISION OF MARINE FISHERIES FLEXIBILITY IN MAINTAINING DIVISION AIRCRAFT

Section 13.16 of S.L. 2010-31 directed the Division of Marine Fisheries (DMF), headquartered in Morehead City, to use mechanics employed by the Division of Forest Resources (DFR) to perform any required aircraft maintenance for any DMF aircraft. In 2010, when this became law, both DMF and DFR were divisions within the DEQ and DFR's aircraft maintenance facilities were in Kinston. Since then, the General Assembly moved DFR from DEQ to the Department of Agriculture and Consumer Services. As a part of that move, DFR's aircraft maintenance facilities have moved from Kinston to Sanford.

Section 4 would eliminate the requirement that DMF use only DFR aircraft maintenance facilities and allow DMF to use non-DFR aircraft maintenance vendors.

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ALIGN COASTAL AREA MANAGEMENT ACT (CAMA) PUBLIC NOTICE REQUIREMENTS FOR LAND-USE PLAN HEARINGS WITH EXISTING LOCAL GOVERNMENT NOTICE REQUIREMENTS

[G.S. 113A-110](#) requires that CAMA notices be published not less than 30 days before a hearing for a land-use plan or amendment, and that copies of the proposed plan or amendment be made available at a designated office in the county courthouse.

[G.S. 160D-601](#), which provides hearing and notice requirements for local government changes to development regulations, requires that a hearing notice shall be published not less than 10 days and no more than 25 days before the date of the scheduled hearing.

Section 5 would amend the CAMA notice requirement in G.S. 113A-110 for land-use plan/amendment hearings to match the required notice period under G.S. 160D-601. This section would also allow a local government to post the proposed plan/amendment at a designated county or local government office, instead of in the county courthouse.

DEQ STAKEHOLDER STUDY OF THE EXPRESS PERMIT AND CERTIFICATION REVIEW PROGRAM AND THE FAST-TRACK STORMWATER PERMITTING PROGRAM

Section 6 would direct DEQ, no later than July 1, 2022, to convene a stakeholder working group to develop a mutually agreeable approach to expedite permit issuance under the express permit and review certification review program ([G.S. 143B-279.13](#)) and the fast-track permitting for stormwater management program ([G.S. 143-214.7B](#)). The stakeholder group must include industry experts, engineers, environmental consultants, relevant University of North Carolina faculty, the North Carolina Homebuilders Association, and other development interests. DEQ must report its findings, including recommendations for legislative action, to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources no later than December 31, 2022.

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