



2023-2024 General Assembly

HOUSE BILL 600: Regulatory Reform Act of 2023, Sec. 39: Emergency Supply Chain Declaration for Local Governments

Committee:
Introduced by:
Analysis of: Sec. 39 of S.L. 2023-137

Date: December 11, 2023
Prepared by: Kyle Evans
Staff Attorney

OVERVIEW: Section 39 of S.L. 2023-137 expands the definition of "emergency" in the Emergency Management Act to allow local governments to more easily obtain certain apparatus, supplies, materials, or equipment, or construction or repair work requiring those items, when a supply chain emergency has occurred and other criteria are met.

This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

CURRENT LAW & BILL ANALYSIS:

The North Carolina Emergency Management Act provides additional authority to the Governor, State agencies, and local governments to prevent, prepare for, respond to, or recover from natural and man-made emergencies or hostile military action.

Article 8 of Chapter 143 of the General Statutes governs how government entities can award or enter into contracts for construction, repair work, and the purchase of goods and services.

Section 39 expands the definition of "emergency" to include a "disruption in the supply chain that creates a significant threat to a local government's ability ... to provide essential services such as electricity and water." This section further provides that during an emergency created by a supply chain disruption, government entities otherwise subject to Article 8 of Chapter 143 will be exempt from those requirements when awarding contracts for apparatus, supplies, materials, or equipment, or construction or repair work requiring those items, where such apparatus, supplies, materials, or equipment is either (i) listed in a Emergency Declaration issued pursuant to the NC Emergency Management Act, or (ii) listed in an order or regulation issued by the federal government pursuant to the Defense Production Act of 1950.

EFFECTIVE DATE: This bill was vetoed by the Governor on October 2, 2023, and that veto was overridden by the General Assembly on October 10, 2023. This section became effective on October 10, 2023.

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Director



Legislative Analysis
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