



# HOUSE BILL 222: C.O.O.P.E.R. Accountability Act.

2025-2026 General Assembly

<b>Committee:</b>	House Judiciary 1. If favorable, re-refer to Appropriations. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	March 4, 2025
<b>Introduced by:</b>	Reps. B. Jones, Johnson, Lowery, Winslow	<b>Prepared by:</b>	Brad Krehely
<b>Analysis of:</b>	PCS to First Edition H222-CSRNa-2		Committee Co-Counsel

**OVERVIEW:** *House Bill 222 would appropriate funds for disaster recovery, would impose auditing, reporting, and monitoring requirements on the Office of Recovery and Resiliency, and would amend the responsibilities of the Office of Recovery and Resiliency. The Proposed Committee Substitute makes technical changes only.*

## BILL ANALYSIS:

### PART I. TRANSFER AND APPROPRIATION TO NCORR; REPORTING; AUDITOR OVERSIGHT

**Section 1.1(a)** would appropriate \$217 million from the State Emergency Response and Disaster Relief Fund (SERDRF) to the Department of Public Safety, Office of Recovery and Resiliency (NCORR) for the 2025-2026 fiscal year. The funds would be used to complete homeowner recovery projects for Hurricanes Matthew and Floyd.

**Section 1.1(b)** would require NCORR to report to the Joint Legislative Commission on Governmental Operations (GovOps) and the Fiscal Research Division on all funds allocated to homeowner recovery projects for Hurricanes Matthew and Florence. Thereafter, NCORR would make regular reports on future disbursements of all funds allocated to remaining homeowner recovery projects as the funds are disbursed until all homeowner recovery projects are completed. This subsection also sets out the reporting schedule.

**Section 1.1(c)** would require NCORR to prioritize (i) entering into a memorandum of understanding with the Housing Finance Agency to retrieve eligible funding and (ii) spending the funds from the Housing Finance Agency for the remaining unmet needs for the homeowner recovery projects.

**Section 1.1(d)** would provide that if NCORR has remaining funds appropriated for the program after the homeowner recovery projects for Hurricanes Matthew and Florence are completed, then those funds would revert back to the Savings Reserve.

**Section 1.1(e)** would provide that within 30 days of the act's effective date, NCORR must reevaluate all persons who were removed, denied, or ruled ineligible within the past 180 calendar days. If any person's eligibility was changed as a result of this review, NCORR must include this information in the next report due under Section 1.1(b).

**Section 1.2(a)** would require NCORR to report to the State Auditor (i) all disaster relief funds appropriated in this act, (ii) previous funds appropriated under The Disaster Recovery Act of 2024 – Part III., and (iii) any other funds disbursed to NCORR as of the enactment of this section and regularly report future disbursements.

Kara McCraw  
Director



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**Section 1.2(b)** would mandate that NCORR send the required information on funds already disbursed to the State Auditor as soon as practicable but no later than 7 business days after the act becomes law. Thereafter, NCORR must send information on subsequent disbursements to the State Auditor each week.

**Section 1.2(c)** would provide that if NCORR fails to report expenditures within the specified time periods, the Office of State Auditor must notify GovOps.

**Section 1.2(d)** would require the State Auditor to report on NCORR's funds expended and disbursed for Hurricanes Matthew and Florence upon the request of GovOps. The State Auditor also would be required to conduct periodic financial and performance audits of the Division of Emergency Management, the Governor's Recovery Office for Western North Carolina, and additional audits at the General Assembly's request.

**Section 1.2(e)** would mandate the State Auditor to provide a public online dashboard that compares the funds the General Assembly appropriated and the amount the Executive Branch spent for Hurricanes Matthew and Florence relief.

**Section 1.3** would require OSBM to perform financial monitoring of NCORR for the duration of its operations, including funding for previous, current and future storm recovery programs. OSBM would oversee and track NCORR's budget, expenditures, and obligations.

**Section 1.4** would provide that if this section conflicts with previous reporting requirements under other session laws, this section will supersede those provisions.

**Section 1.5** would appropriate from SERDRF to the Office of the State Fire Marshal \$1.5 million for supplies and equipment needed for an emergency operations center and new office space.

## **PART II. NCORR DISSOLUTION OF RESPONSIBILITY FOR FUTURE STORMS**

**Section 2.1** would repeal the authority of NCORR to administer all Community Development Block Grant Disaster Recovery awards that the State received in subsequent federally declared disasters.

## **PART III. REVERSION AND LIMITATION OF FUNDS**

**Section 3.1(a)** would provide that funds appropriated in the act would revert to the Savings Reserve if not expended or encumbered by June 30, 2027.

**Section 3.1(b)** would require a recipient of State funds under the act to take all reasonable steps to get alternative funds to cover the losses or needs for which the State funds are provided, including funds from insurance policies and available federal aid. State funds paid under this act would be excess over funds received from the settlement of a claim for loss or damage under the recipient's insurance policy or federal aid.

**Section 3.1(c)** would provide that if a recipient obtains alternative funds pursuant to subsection (b), the recipient must remit the funds to the State agency from which the State funds were received. A recipient would not be required to remit any amount in excess of the State funds provided to the recipient under this act. The State agency must transfer these funds to the Savings Reserve.

**Section 3.1(d)** would provide that any contract entered into for a receipt of funds must include the requirements set forth in subsections (b) and (c).

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**Section 3.1(e)** would provide that the Governor must not use funds described in the act to make budget adjustments or reallocations under the State Budget Act and the Emergency Management Act. This act would not otherwise prohibit the Governor's authority under these statutes for other funds.

**Section 3.1(f)** would require the Governor to ensure that funds in this act are expended in a way that does not adversely affect anyone's eligibility for federal funds for natural disasters. The Governor also would be directed to avoid using State funds to cover costs that would be covered by federal funds.

**EFFECTIVE DATE:** The act would be effective when it becomes law.