

HOUSE BILL 907: NC Recovery and Resiliency Act.

2025-2026 General Assembly

Committee: House Rules, Calendar, and Operations of the Date: July 28, 2025

House

H907-CSMC-3

Introduced by: Rep. Bell Prepared by: Jennifer McGinnis

Analysis of: PCS to First Edition Staff Attorney

OVERVIEW: The Proposed Committee Substitute (PCS) for House Bill 907 would establish a new statutory program to co-locate multiple State functions and services within one entity, the North Carolina Commission for Preparedness and Recovery (Commission), to ensure preparation for and relief following natural disasters is accomplished in a speedy, efficient, and cost-effective manner through a unified and comprehensive plan.

CURRENT LAW: Various programs relating to disaster preparedness and recovery are housed within different agencies of the State, including the Departments of Commerce, Public Safety, Agriculture and Consumer Services, and Environmental Quality.

BILL ANALYSIS:

The PCS would establish the Commission to:

- Administer disaster readiness programing and resources.
- Provide general disaster recovery coordination and public information; citizen outreach and application case management; audit, finance, compliance, and reporting on disaster recovery funds; and program and construction management services.
- Execute multi-year recovery and resiliency projects and administer funds provided by third parties, governmental entities including grant programs such as the Community Development Block Grant Disaster Recovery program and Hazard Mitigation Grant Program.
- Contract for services from vendors for preparedness and recovery services.

The Commission would have a governing board consisting of 13 members, appointed as follows:

- Seven members appointed by the Governor.
- Three members appointed by the General Assembly, upon the recommendation of the President Pro Tempore of the Senate.
- Three members appointed by the General Assembly, upon the recommendation of the Speaker of the House of Representatives.

The Commission would select and appoint an Executive Director of the Commission, who would be responsible for the supervision of all activities under the jurisdiction of the Commission and would serve as the chief administrative officer of the Commission. Subject to the approval of the governing board, the Executive Director could employ such administrative and operational personnel as may be deemed necessary.

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House 907 PCS

Page 2

The Commission would be required to:

- Establish an intergovernmental working group composed of representatives from DEQ and other relevant State agencies, local governments, and other stakeholders to identify legislative, economic, jurisdictional, and other challenges related to stream management and flooding reduction. The Commission would be required to submit a biennial report on the findings and recommendations of the working group to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division.
- Adopt a comprehensive strategic plan to prepare for and respond to natural disasters occurring in North Carolina, which must be updated quadrennially. The strategic plan must include specific objectives related to the following topics:
 - Readiness. –Issues that may be undertaken by the State prior to a natural disaster to mitigate damage and expedite response.
 - Recovery. –Issues that may be undertaken by the State immediately following a natural disaster
 to restore needed infrastructure, services, and shelter and meet other needs of individuals and
 businesses in the immediate aftermath,
 - Resilience. –Issues that may be undertaken by the State at any point to coordinate and strengthen efforts to reduce losses from future disasters.

Various programs related to disaster readiness, recovery, and resilience located in different agencies would be transferred to the Commission. All (i) statutory authority, powers, duties, and functions, rulemaking, budgeting, and purchasing, (ii) records, (iii) personnel, personnel positions, and salaries, (iv) property, and (v) unexpended balances of appropriations, allocations, reserves, support costs, and other funds related to the following functions or programs and the related, administering entities would be transferred to and vested in the Commission for the following programs:

Program, functions	Current Administering Entity
Resiliency functions	North Carolina Office of Recovery and Resiliency
Home Construction and Repair Program	Department of Commerce, Division of Community
	Revitalization
Recovery functions	Department of Public Safety, Division of
•	Emergency Management
Streamflow Rehabilitation Assistance Program	Department of Agriculture and Consumer Services
Flood Resiliency Blueprint Program	Department of Environmental Quality, Division of
	Mitigation Services
Natural Infrastructure Flood Mitigation Program	Department of Environmental Quality, Division of
	Mitigation Services
Hazard Mitigation State Grant Program	Department of Public Safety, Division of
	Emergency Management
Landslide Mapping Program	Department of Environmental Quality, Division of
	Energy, Mineral and Land Resources
Hazard Mitigation State Centric Pilot Program	Department of Public Safety, Division of
	Emergency Management
Resiliency functions	Department of Public Safety, Division of
•	Emergency Management, Hazard Mitigation
	Section

House 907 PCS

Page 3

Geodetic Survey Program	Department of Public Safety, Division of
	Emergency Management, Hazard Mitigation
	Section
National Flood Insurance Program	Department of Public Safety, Division of
	Emergency Management, Hazard Mitigation
	Section
Floodplain Mapping Program	Department of Public Safety, Division of
	Emergency Management, Hazard Mitigation
	Section
Conservation Reserve Enhancement Program	Department of Agriculture and Consumer Services

The PCS would also establish the Disaster Readiness, Recovery, and Resiliency Fund (Fund) in the Office of the State Treasurer. The principal of the Fund would consist of the following:

- Any proceeds of any contributions, donations, gifts, or grants to the State that are specifically designated for inclusion in the Fund and any investment income that is not used in accordance with subsection (b) of this section.
- Any contributions, donations, or dedications of interests in real property made consistent with the purposes and objectives of the Commission.
- Any appropriations made by the North Carolina General Assembly to the Fund.

The Fund may only be used to undertake (i) the analyses required by, and to implement the results and relief assistance programs resulting from, the Statewide Strategic Readiness and Response Plan, (ii) other duties and responsibilities of the Commission, and (iii) to the extent they are not otherwise covered by the plan, efforts to remove residents from hazard areas, safeguard property, and restore the natural function of the floodplain using a competitive grant process administered by the Commission, including all of the following:

- Mitigation buyouts, relocations, and buyout assistance for homes, including multifamily units.
- Gap funding related to buyouts in order to move residents out of floodplain hazard areas and restore or enhance the natural flood mitigation capacity of functioning floodplains.
- Assistance to low- and moderate-income homeowners to help lower flood risk through flood insurance, structural and nonstructural mitigation projects, or other means.
- Loans and grants to State and local governmental entities for hazard mitigation and infrastructure improvement projects.
- Approved mitigation projects identified in local post-disaster recovery plans created and adopted prior to a disaster.

EFFECTIVE DATE: The act would become effective October 1, 2026.