

ROY COOPER GOVERNOR

CHARLES PERUSSE STATE BUDGET DIRECTOR

February 26, 2020

#### **MEMORANDUM**

TO: Department Heads and Chief Fiscal Officers

State Departments, Agencies and Institutions

FROM: Charles Perusse

State Budget Director

SUBJECT: Summary of Hurricane Florence Legislation and other Disaster Recovery and

Resiliency Related Legislation post Hurricane Florence – Version 2: Senate Bill 3 (Session Law 2018-136), House Bill 4 (Session Law 2018-134), Senate Bill 2 (Session Law 2018-135), Senate Bill 823 (Session Law 2018-138), Senate Bill 469 (Session Law 2018-145), Senate Bill 827 (Session Law 2018-141), Senate Bill 429 (Session Law 2019-224), House Bill 200 (Session Law 2019-250), and

Senate Bill 356 (Session Law 2019-251)

The North Carolina General Assembly has enacted several pieces of legislation to address the damage caused by Hurricane Florence. They appropriated disaster funds and crafted special provision language to aid in recovery and resiliency efforts in Session Laws 2018-134, 2018-135, 2018-136, 2018-138, 2018-141, 2018-145, 2019-224, 2019-250, and 2019-251. These bills may be downloaded from the General Assembly's website at <a href="http://www.ncleg.net">http://www.ncleg.net</a>. The Governor also issued several Executive Orders related to Hurricane Florence. You can find the Executive Orders by going to the following hyperlink: <a href="https://governor.nc.gov/news/executive-orders">https://governor.nc.gov/news/executive-orders</a>

Hurricanes Florence, Matthew, Michael, Dorian, and additional Disaster Recovery and Resiliency legislation enacted into law from October 2018 through November 2019, and relevant Executive Orders issued during the same period, are included. This memorandum begins by describing general provisions and follows by detailing specific provisions chronologically by Department. For agencies affected by this legislation, this summary is not intended to replace the agency's responsibility to review relevant legislation.

#### SUMMARY OF AVAILABILITY AND APPROPRIATIONS

Session Laws 2018-134, 2018-136, 2019-250, and 2019-251 directed state availability to support hurricane recovery efforts. A complete summary of the availability provided by these bills are illustrated below:

| Disaster Funding History  |               | FY 2018-20    |
|---|---------------|---------------|
| Transfer from Savings Reserve, S.L. 2018-134  | \$            | 56,500,000    |
| Transfer from Savings Reserve, S.L. 2018-136  |               | 700,000,000   |
| Transfer from Education Lottery Reserve per G.S. $166A-19.40\{c\}$ - S.L. $2018-136$          |               | 25,000,000    |
| Transfer from Shallow Draft Navigation Channel Dredging and Aquatic Weed Fund - S.L. 2018-136 |               | 2,000,000     |
| Transfer of S.L. 2016-124 funds - Authorized in S.L. 2018-136                                 |               | 930,477       |
| Transfer from Highway Fund - S.L. 2018-136  |               | 65,000,000    |
| Transfer from Savings Reserve, S.L. 2019-250  |               | 121,585,594   |
| General Fund Appropriation, S.L. 2019-250   |               | 60,907,813    |
| General Fund Appropriation, S.L. 2019-251   |               | 36,000,000    |
| Unreserved Fund Balance, S.L. 2019-251  |               | 64,000,000    |
| Total Hurricane Disaster Recovery Availability  | \$            | 1,131,923,884 |
| Less Appropriations in S.L. 2018-134  | \$            | 56,500,000    |
| Less Appropriations in S.L. 2018-136  |               | 398,430,477   |
| Less Appropriations in S.L. 2018-138  |               | 299,800,000   |
| Less Appropriations in S.L. 2019-224  |               | 94,103,000    |
| Less Appropriations in S.L. 2019-250  |               | 182,493,407   |
| Less Appropriations in S.L. 2019-251  |               | 100,000,000   |
| Total Appropriated  | 1,131,326,884 |               |
| Unappropriated Balance Remaining in Hurricane   |               |               |
| Florence Disaster Recovery Reserve  | \$            | 597,000       |

Session Laws 2018-134, 2018-136, 2018-138, 2019-224, 2019-250, and 2019-251 appropriated funds for recovery efforts to various state agencies. The table below summarizes state agency allocations made by the General Assembly for Disaster Recovery and Resiliency efforts from Hurricane Florence initial legislation up to the current date.

#### **GENERAL PROVISIONS**

#### EACH APPROPRIATION AND ALLOCATION IS MAXIMUM AND CONDITIONAL

|  | Session Law      |    |              |                |                |    |                 |  |
|--|------------------|----|--------------|----------------|----------------|----|-----------------|--|
|  | Total S.L. 2018- |    |              |                |                |    |                 |  |
| Agency   | 134,136,138*     |    | 2019-224     | 2019-250       | 2019-251       | To | Total by Agency |  |
| Agriculture and Consumer Services              | \$ 310,000,000   | \$ | (15,000,000) | \$ 5,000,000   |                | \$ | 300,000,000     |  |
| Community College System Office                | 18,500,000       |    | 4,900,000    |                |                | \$ | 23,400,000      |  |
| Department of Environmental Quality            | 32,750,000       |    | 22,675,000   | 17,650,000     |                | \$ | 73,075,000      |  |
| Department of Health and Human Services        | 12,000,000       |    |              |                |                | \$ | 12,000,000      |  |
| Housing and Finance Agency                     | 10,000,000       |    |              |                |                | \$ | 10,000,000      |  |
| Department of Insurance                        | 930,477          |    |              |                |                | \$ | 930,477         |  |
| Department of Public Instruction               | 91,500,000       |    |              | 1,700,000      |                | \$ | 93,200,000      |  |
| Department of Public Safety*                   | 150,000,000      |    | 28,000,000   | 130,643,407    |                | \$ | 308,643,407     |  |
| State Budget and Management (Golden L.E.A.F. ) | 30,000,000       |    | 4,500,000    | 15,000,000     |                | \$ | 49,500,000      |  |
| Department of Transportation                   | 65,000,000       |    |              |                | 100,000,000    | \$ | 165,000,000     |  |
| University of North Carolina - Board of        |                  |    |              |                |                |    |                 |  |
| Governors                                      | 33,000,000       |    | 10,160,000   |                |                | \$ | 43,160,000      |  |
| Wildlife Resources Commission                  | 50,000           |    | 1,000,000    | 500,000        |                | \$ | 1,550,000       |  |
| Administrative Office of the Courts            | 1,000,000        |    |              |                |                | \$ | 1,000,000       |  |
| Office of State Management and Budget          |                  |    | 27,868,000   | 1,800,000      |                | \$ | 29,668,000      |  |
| Department of Natural and Cultural Resources   |                  |    | 5,000,000    |                |                | \$ | 5,000,000       |  |
| Emergency Response and Disaster Relief Fund    |                  |    | 5,000,000    | 5,000,000      |                | \$ | 10,000,000      |  |
| Elizabeth City State University                |                  |    |              | 5,200,000      |                | \$ | 5,200,000       |  |
| Total by Session Law(s)                        | \$ 754,730,477   | \$ | 94,103,000   | \$ 182,493,407 | \$ 100,000,000 | \$ | 1,131,326,884   |  |

<sup>\*</sup>Note: Refer to the agency table in <u>OSBM's March 2018 Florence Memo</u> for the breakout of agency allocations under Session Laws 2018-134, 136, and 138.

#### S.L. 2018-134 and S.L. 2018-136, Sec. 1

The appropriations and allocations made in this act are for maximum amounts necessary to implement this act. Savings shall be affected where the total amounts appropriated or allocated are not required to implement this act.

## INVOLVEMENT OF HISTORICALLY UNDERUTILIZED BUSINESSES S.L. 2018-134, Sec. 5.1, S.L. 2018-136, Sec. 5.21, and S.L. 2019-250, Sec. 4.3

Specifies that it is the intent of the General Assembly that each State agency should strive to acquire goods and services from historically underutilized business vendors, whether directly as principal contractors or indirectly as subcontractors, as part of the Hurricane Florence recovery effort.

## CREATION OF HURRICANE FLORENCE DISASTER RECOVERY FUND S.L. 2018-134, Sec. 3.1 and S.L. 2018-136, Sec. 2.1.(d)

Directs the establishment of the Hurricane Florence Disaster Recovery Fund (HFDRF). The purpose of the fund is to provide necessary and appropriate relief and assistance from the effects of Hurricane Florence. The Fund shall be maintained as a special fund and administered by the Department of Public Safety (DPS). Florence relief and recovery efforts shall be budgeted and accounted for in the fund and drawn only as needed. Funds that are not expended, encumbered, or disbursed shall remain available to implement the provisions of this act or subsequent acts necessitated as a result of Hurricane Florence, until otherwise directed by the General Assembly.

#### ADDITIONAL LIMITATIONS ON USE OF FUNDS

#### S.L. 2018-134, Sec. 5.7, S.L. 2018-136, Sec. 4.3.(a), and S.L. 2019-250, Sec. 4.2.(a)

States that the Governor shall ensure that funds appropriated in this act are expended in a manner that does not adversely affect any person's or entity's eligibility for federal funds that are made available, or that are anticipated to be made available, as a result of Hurricane Florence. The Governor shall also, to the extent practicable, avoid using State funds to cover recovery cost that will be covered by the Federal Government.

## LEGISLATIVE REVIEW OF FEDERAL FUNDING AND REMAINING UNMET NEEDS S.L. 2018-134, Sec. 5.2, S.L. 2018-136, Sec. 5.22, and S.L. 2019-250, Sec. 4.4

Sets forth the General Assembly's intent to review the 2018 and 2019 funds appropriated by Congress for disaster relief and to consider actions needed to address any remaining unmet needs.

#### APPROPRIATION OF FEDERAL FUNDS

#### S.L. 2018-134, Sec. 4.3 and S.L. 2019-250, Sec. 4.6

Appropriates Federal funds received on or after September 13, 2018, under the Stafford Act (P.L. 93-288) and other federal disaster assistance programs for State disasters as a result of Hurricane Florence. The section also directs the Office of State Budget and Management (OSBM) and affected State agencies to report all notifications of federal awards to the Joint Legislative Commission on Governmental Operations (GovOps) and the Fiscal Research Division (FRD) of the General Assembly.

#### REIMBURSEMENT FOR FUNDS PROVIDED UNDER THIS ACT

#### S.L. 2018-136, Sec. 4.2.(a) and S.L. 2019-250, Sec. 4.1

States that recipients of State funding under this act shall use best efforts and take all reasonable steps to obtain alternative funds that cover the losses or needs for which the State funds are provided, including funds from insurance policies in effect and available federal aid. Further, each institution of higher education and non-State entity that receives State funds under this act shall also seek private donations to help cover the losses or needs for which these State funds are provided.

#### S.L. 2018-136, Sec. 4.2.(b)

If a recipient obtains alternative funds pursuant to subsection (a) of this section, the recipient shall remit the funds to the State agency from which the State funds were received. A recipient is not required to remit any amount in excess of the State funds provided to the recipient under this act. The State agency shall transfer these funds to the HFDRF.

## HURRICANE FLORENCE DISASTER REOVERY APPROPRIATION AND AVAILABILITY S.L. 2018-136, Sec. 2.1.(c)

Instructs the Office of State Controller to establish a Hurricane Florence Disaster Recovery Reserve in the State General Fund to maintain funds reserved for disaster recovery in this act. The State Controller shall transfer funds to the HFDRF in DPS only as needed to meet the appropriations set out in this act or other related acts of the General Assembly.

## AUDIT OF HURRICANE FLORENCE DISASTER RECOVERY FUND S.L. 2018-136, Sec. 5.19

The State Auditor (OSA) shall conduct a preliminary financial and performance audit of the Hurricane Florence Disaster Recovery Fund by March 1, 2019. OSA shall also conduct additional periodic financial and performance audits of the Fund and a final financial and performance audit as requested by the Director of the Budget and the General Assembly.

## TRANSFERS, APPROPRIATIONS, REVERSION, REALLOCATIONS S.L. 2019-224, Sec. 1.4

Disaster Relief for Future Events – The State Controller shall transfer \$5,000,000 from the Hurricane Florence Disaster Recovery Reserve to the State Emergency Response and Disaster Relief Fund (SERDRF) to ensure enough funds to provide relief and assistance for future emergencies and not including Hurricane Florence and Michael.

#### S.L. 2019-224, Sec. 1.5

Departmental Receipts are appropriated for 2019-2020 up to the amounts needed to implement disaster recovery provisions provided in this act.

#### S.L. 2019-250, Sec. 1.2.(1)

Allocates \$5,000,000 of Appropriations from the unappropriated balance in the General Fund for the State Emergency Response and Disaster Relief Fund to ensure enough funds are available to provide relief and assistance for Hurricane Dorian, recent storms and future emergencies

## DIRECTED GRANTS, OTHER MODIFICATIONS, AND CLARIFICATIONS S.L. 2019-224, Sec. 3.1.(a)

Describes Directed Grants as non-recurring funds allocated by a state agency to a non-state entity and lists requirements that directed grants that are subject to, including the following: subject to provisions of subsections (b) through (k) of G.S. 143C-6-23, grants of \$100,000 or less may be made in a single annual payment and those more than \$100,000 shall be made in quarterly or monthly payments and the state agency that is administering the grant shall begin disbursement of funds no later than 100 days after the date the act becomes law, State agencies disbursing funds shall report to the Fiscal Research Division on the status of funds disbursed and details all requirements for the report; funds appropriated in this act shall not revert until June 30, 2021 and grants to non-profit organizations are for nonsectarian, nonreligious purposes.

## IMPLEMENTATION OF ACT/OTHER DISASTER RECOVERY-RELATED CORRECTIONS AND MODIFICATIONS

#### FLEXIBILITY FOR USE OF CERTAIN FUNDS/REPORTING

#### S.L. 2019-250, Sec. 3.1.(a-d)

Any state agency that received funds pursuant to this act or any of the acts listed below may reallocate unexpended and unobligated program funds to the same programs and purposes for damage caused by Hurricanes Matthew, Florence, Michael, Dorian, or future storms:

- S.L. 2016-124.
- S.L. 2017-119.
- S.L. 2018-5, Section 5.6
- S.L. 2018-134.
- S.L. 2018-136.
- S.L. 2018-138.
- S.L. 2019-3.
- S.L. 2019-224.

If state agencies reallocate funds they have to report on funding authorization, original program and purpose of funds, amount of funds expended and that remain, amount to be reallocated and the hurricane or event to which funds are being reallocated at least 30 days prior to the reallocation to the chairs of the Senate Appropriations/Base Budget Committee, and the Fiscal Research Division. Golden L.E.A.F., Inc. has this flexibility but does not have to report to the NCGA or FRD. This section expires when all funds appropriated under this act or listed above have been expended or obligated.

## USE OF PREQUALIFED CONSTRUCTION CONTRACTORS BY LOCAL GOVERNMENTS S.L. 2019-250, Sec. 3.2

Amends G.S. 166A-19.15 to include contracts for the repair, rehabilitation, or construction of private residential structures funded by State or federal funds as a result of a disaster declared by the Governor covering the local jurisdiction (political subdivision). The political subdivision is authorized to contract with contractors prequalified by the Division of Emergency Management for that disaster.

#### DEPARTMENT OF PUBLIC INSTRUCTION

## APPROPRIATIONS AND ALLOCATIONS OF FUNDS FOR DISASTER RELIEF S.L. 2018-134, Sec. 4.1.(1)

Provides \$6.5 million to the Department of Public Instruction (DPI) to supplement or replace lost compensation of school lunch employees due to school closures resulting from Hurricane Florence.

## FLEXIBILITY IN THE SCHOOL CALENDAR AND COMPENSATION TO SCHOOL EMPLOYEES

#### CALENDAR FLEXIBILITY

S.L. 2018-135, Sec. 1.1

Provides calendar flexibility to public school units located in counties impacted by Hurricane Florence. School districts in disaster-declared counties may (1) deem up to 20 school days as already completed; (2) set their own requirements for making up any number of instructional days or hours missed due to Hurricane Florence; or (3) implement a combination of the two. School districts located outside of disaster-declared counties that missed in excess of two days due to the storm may do either or a combination of the following: (1) Make up any number of the instructional days or equivalent hours missed, (2) Deem as completed any number of the instructional days or equivalent hours missed.

#### **EMPLOYEE COMPENSATION**

S.L. 2018-135, Sec. 1.2

Provides that public school employees will be compensated the same as if they had worked any scheduled instructional days deemed completed by the public-school unit during September and October of 2018. The board of directors of a charter school may, but is not required, to provide such compensation for its employees.

Also directs that \$6.5 million in nonrecurring funds provided to DPI shall be used to compensate school nutrition employees for scheduled missed instructional days due to Hurricane Florence in September and October 2018 when compensation would have been provided by school meal receipts or federal funds. If funds are insufficient, DPI will ensure that priority is given to public school units with greatest economic need when awarding available funds.

#### REPORTING REQUIREMENTS

S.L. 2018-135, Sec. 1.3

Requires the Superintendent of Public Instruction to submit a report to the House of Representatives Committee on Appropriations and the Senate Appropriations/Base Budget Committee, the Joint Legislative Education Oversight Committee, and FRD on the implementation of this act by school districts including: all missed days, make-up days, and days deemed completed, and any compensation provided to employees pursuant to this act, by March 15, 2019.

## HURRICANE FLORENCE DISASTER RECOVERY APPROPRIATION AND AVAILABILITY S.L. 2018-136, Sec. 2.3

Directs the Office of State Budget and Management (OSBM) to transfer \$25 million from the Education Lottery Reserve to the Hurricane Florence Disaster Recovery Reserve. This transfer ratifies prior budgetary action taken by Governor Cooper which transferred \$25 million from the Education Lottery Fund to DPI to be used to repair K-12 schools.

#### ALLOCATIONS OF FUNDS FOR DISASTER RELIEF

#### S.L. 2018-136, Sec. 4.1

Allocates a total of \$60 million to DPI from the HFDRF - \$25 million transferred from the Education Lottery Reserve to the HFDRF (as directed in Section 2.3) and \$35 million transferred from the Savings Reserve in the General Fund to HFDRF.

#### AVERAGE DAILY MEMBERSHIP DETERMINATION

#### S.L. 2018-136, Sec. 5.1

Adjusts the allotted average daily membership (ADM) of public-school units for the 2018-19 school year to assist units impacted by Hurricane Florence as follows: ADM adjustments for school district and charter schools in disaster-designated counties will be calculated based on the highest student population of the first four months rather than just the first two months of school. This change will assist districts and charters that experienced reduced membership due to student displacement from the storms.

## APPROPRIATIONS/AVAILABILITY/ALLOCATIONS OF FUNDS FOR HURRICANE FLORENCE DISASTER RELIEF

#### S.L. 2018-138, Sec. 1.3.(1)

Provides an additional \$23.5 million to DPI for public school units (including local school administrative units, laboratory schools, and innovative schools) damaged by Hurricane Florence to repair and renovate public school facilities including furnishings and equipment.

#### S.L. 2018-138, Sec. 1.3.(2)

Provides \$1.5 million to DPI to repair or replace school nutrition food, equipment and supplies damaged by the hurricane and not covered by insurance/FEMA.

#### TRANSFER OF FUNDS TO THE EDUCATION FUND

#### S.L. 2018-138, Sec. 2.1

Transfers up to \$350,000 from the State Public School Fund to the Education Fund to support the Florence Aid to Students and Teachers of North Carolina (FAST NC).

#### PRINCIPAL ADM HOLD HARMLESS

#### S.L. 2018-138, Sec. 2.2.(a)

Establishes a Hold Harmless for the purposes of determining the average daily membership (ADM) of a school supervised by the principals under the 2018-19 Principal Annual Salary Schedule. The greater of the ADM for the 2017-18 school year or the 2018-19 school year shall be used between January 1, 2019 and June 30, 2019. This section applies principals (1) of a school located in a county designated a major disaster area as a result of Hurricane Florence and (2) the school was closed for at least 15 days due to Hurricane Florence.

## EXPAND PRINCIPAL ADM HOLD HARMLESS ELIGIBILITY/CERTAIN SCHOOLS AFFECTED BY HURRICANE FLORENCE

#### S.L. 2018-145, Sec. 22

Modifies the Hold Harmless established under Section 2.2. (a) of S.L. 2018-138 for principals supervising schools that were closed due to Hurricane Florence. This section expands eligibility for Principal ADM

Hold Harmless from schools closed for at least 15 school days in September, October, and November 2018 due to Hurricane Florence to schools closed for at least 10 school days.

## ALLOCATION OF FUNDS FOR DISASTER RELIEF FOR HURRICANE DORIAN S.L. 2019-250, Sec. 1.2.(7)

Allocates \$1,700,000 to DPI as a directed grant to Hyde County for repairs to the Ocracoke School caused by Hurricane Dorian.

#### COMMUNITY COLLEGES; UNIVERSITY OF NORTH CAROLINA SYSTEM

## EMERGENCY SCHOLARSHIP GRANTS FOR POSTSECONDARY STUDENTS S.L. 2018-136, Sec. 5.3

Section 5.3(a) establishes the Hurricane Florence Emergency Grant Program for Postsecondary Students to provide emergency scholarship grants in an amount up to \$1,250 per student to eligible students who have suffered financial hardship due to damage from Hurricane Florence. The emergency grants shall be used to allow students to maintain enrollment in a North Carolina institution of higher education by addressing emergency financial needs, including costs related to textbooks, tuition, fees, and living expenses. Eligible institutions include public community colleges, University of North Carolina (UNC) constituent institutions, and certain private postsecondary institutions.

Section 5.3(b) establishes eligibility criteria and application components and timelines for the Program. Applications must show that students are enrolled in an eligible institution of higher education, have a financial need related to Hurricane Florence, and either attend an institution located in a county with a federal disaster declaration related to Hurricane Florence or list such a county as their place of residence. Institutions must begin accepting applications for emergency grants by November 1, 2018.

Section 5.3(c) addresses the award of grants through the Program. Participating institutions must award grants as soon as practicable and may establish priority based on the funds available and severity of financial need. If no priority is established, awards should be made in the order in which applications are received. Students may receive multiple awards provided the total awarded to an individual does not exceed \$1,250.

Section 5.3.(d) requires recipients to use best efforts to obtain alternative funds to cover losses and requires that, if recipients of these awards are successful in obtaining alternative funds to cover financial needs for which they applied to this Program, those recipients remit an amount equal to the amount of alternative funds obtained.

Section 5.3(e) directs that \$2 million of the sum allocated to the UNC Board of Governors from the Hurricane Florence Disaster Recovery Fund (HFDRF) for fiscal year 2018-19 be used for the purpose of providing emergency grants through this Program. The section directs the Board of Governors to allocate the \$2 million to UNC constituent institutions based on the impact of Hurricane Florence on enrolled students. Eligible institutions include those in disaster-declared counties and those with students who reside in disaster-declared counties or transferred to the institution due to damages from Hurricane Florence.

Section 5.3(f) directs that \$5 million of the sum allocated to the State Board of Community Colleges System Office from the HFDRF for fiscal year 2018-19 be used for the purpose of providing emergency grants through this Program. The section directs the State Board of Community Colleges to allocate the \$5 million to community colleges based on the impact of Hurricane Florence on enrolled students.

Eligible institutions include those in disaster-declared counties and those with students who reside in disaster-declared counties or transferred to the institution due to damages from Hurricane Florence.

Section 5.3(g) directs that \$1 million of the sum allocated to the UNC Board of Governors from the HFDRF for fiscal year 2018-19 be allocated to the State Education Assistance Authority (SEAA) for the purpose of providing emergency grants through this program to students attending certain private postsecondary institutions. Eligible institutions include those in disaster-declared counties and those with students who reside in disaster-declared counties or transferred to the institution due to damages from Hurricane Florence.

Section 5.3(h) requires the UNC Board of Governors, the State Board of Community Colleges, and SEAA to report to the House and Senate Appropriations committees, the Joint Legislative Education Oversight Committee, the Office of Recovery and Resiliency (NCORR), and FRD on the implementation of this Program at institutions of higher education receiving funding through this section.

#### ALLOCATION OF FUNDS FOR DISASTER RELIEF

#### S.L. 2019-224, Sec. 1.3 and 2.1.(1)

Allocates \$6,400,000 to the North Carolina Community College System Office to offset the full-time equivalent losses at affected community colleges due to enrollment declines caused by Hurricane Florence. Section 1.3 reallocated \$1,500,000 in community college disaster repair funds to offset the \$6.4 million in Section 2.1.(1).

#### S.L. 2019-224, Sec. 2.1.(8)

Allocates \$10,160,000 to the University of North Carolina Board of Governors to be used to fund the following: the NC Policy Collaboratory for the ModMon program and to study flooding and resiliency against future storms in Eastern NC and to develop an implementation plan with recommendations. The Collaboratory shall report on the implementation plan to the Joint Legislative Emergency Management Oversight Committee no later than December 1, 2020. These funds shall revert on December 30, 2020. Also allocates funds to UNC-W for repairs and renovations at Dobo Hall which was damaged by Hurricane Florence.

#### S.L. 2019-250, Sec. 1.2.(6)

Allocates \$5,200,000 to Elizabeth City State University for repairs to academic and residential buildings impacted by Hurricane Dorian.

#### **COMMUNITY COLLEGE OFFSET**

#### S.L. 2019-250, Sec. 3.4

Funds allocated to the Community Colleges System Office in Section 4.1 of S.L. 2018-136 may be used to offset a receipt shortfall due to enrollment declines caused by Hurricane Florence.

#### SMALL BUSINESS RECOVERY LOANS

## PROHIBITION ON USE OF STATE FUNDS TO CONSTRUCT CERTAIN RESIDENCES S.L. 2018-136, Sec. 5.23.(c)

Requires that all funds loaned to small and mid-sized businesses be used only for eligible purposes under the Small Business Administration (SBA) disaster loan assistance program, as described in the federal disaster declarations designated by the SBA as NC 14911 and NC 14912. In addition, this section requires that payments for economic losses be limited to documented business expenses necessary for the continued operation of said business.

## APPROPRIATIONS/AVAILABILITY/ALLOCATIONS OF FUNDS FOR HURRICANE FLORENCE DISASTER RELIEF

S.L. 2018-138, Section 1.3.(4)

Allocates \$5,000,000 of the appropriated Hurricane Florence Disaster Recovery Fund to the Office of State Budget and Management for The Golden L.E.A.F. (Long-Term Economic Advancement Foundation), Inc., a nonprofit corporation, to provide grants to eligible entities capable of making loans to small businesses affected by Hurricane Florence. These funds and funds received by Golden L.E.A.F. pursuant to S.L. 2018-136 shall not be subject to G.S. 143C-6-23(d).

#### LOCAL GOVERNMENT INFRASTRUCTURE FUND

## CREATION OF OFFICE OF RECOVERY AND RESILIENCY/GRANTS S.L. 2018-136, Sec. 5.7.(b)

Directs the newly established Office of Recovery and Resiliency to develop and administer a grant program for financially distressed local governments to assist with recovery capacity. The grants shall cover the salaries, benefits, and operating costs for up to two three-year positions and may also be used to purchase one vehicle per community as necessitated by the individual circumstances of each community. The Office shall also, in consultation with the Local Government Commission, develop and administer a one-time emergency fund for local governments in disaster-affected areas that need immediate cash flow assistance. These funds shall be used to meet local government debt service obligations, to meet payroll obligations for local governments, and to meet vendor payments where nonpayment would result in negative financial outcome.

## APPROPRIATIONS/AVAILABILITY/ALLOCATIONS OF FUNDS FOR HURRICANE FLORENCE DISASTER RELIEF

S.L. 2018-138, Sec. 1.5.(1)

Allocates up to \$20,000,000 to be made available by the Office of Recovery and Resiliency (NCORR) in DPS to provide loans to local governments in counties declared a major disaster area as a result of Hurricane Florence. These funds assist with cash flow management while the local governments await federal reimbursement. The Office is required to enter into agreements with local governments to ensure the proper use of the funds and for the return of the funds to the State once the local governments have received Federal reimbursement. The Office is directed to operate the program on a revolving loan fund basis to assist the maximum number of local governments possible. Funds returned to the State will be deposited in the HFDRF.

## EXPAND INFRASTRUCTURE FUND ELIGIBILITY S.L. 2018-138, Sec. 2.10

States that in spite of provisions in S.L. 2018-136 or the Committee Report described in Section 6.1 of that act, funds provided to The Golden L.E.A.F. (Long-Term Economic Advancement Foundation), Inc., and funds used to provide grants to local governments to repair and replace infrastructure, vehicles and equipment, and facilities may be used to provide grants for similar purposes to organizations exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code. In addition, Golden L.E.A.F. may also provide grants to private nonprofit organizations and established religious organizations to repair and replace places of worship damaged or destroyed by flooding caused by Hurricane Florence.

## ALLOCATION OF FUNDS FOR DISASTER RELIEF S.L. 2019-224, Sec. 2.1.(2).a-l

Allocates \$27,868,000 to the Office of State Management and Budget to be used for directed grants across the state to local communities for various disaster recovery projects.

#### S.L. 2019-224, Sec. 2.1.(5)

Allocates \$4,500,000 to Golden L.E.A.F., Inc., and shall be used to provide grants to governmental entities and organizations to be used to repair, replace, construct, or improve infrastructure or equipment damaged by Hurricane Florence and to construct or improve infrastructure to support hazard mitigation.

#### S.L. 2019-250, Sec. 1.2.(3)

Allocates \$15,000,000 to the Department of Public Safety, Office of Recovery and Resiliency to be used to provide flexible local government loans to assist distressed communities impacted by Hurricanes Matthew, Florence, Michael and Dorian. Loans may be used for cash flow assistance while awaiting federal reimbursement. Funds shall also be used to provide flexible local government grants to assist distressed communities impacted by Hurricane Dorian and can be used for repairs, staff support, technical and cash flow assistance.

#### S.L. 2019-250, Sec. 1.2.(4)

Allocates \$15,000,000 to Golden L.E.A.F, Inc., to provide grants to governmental entities and organizations for use to repair, replace, construct or improve infrastructure or equipment damaged by Hurricanes Matthew, Florence, Michael and Dorian and to construct or improve infrastructure to support hazard mitigation.

#### S.L. 2019-250, Sec. 1.2.(8)

Allocates \$1,800,000 to the Office of State Budget and Management to provide a directed grant to Hyde County for construction of a pump station and related watershed restoration infrastructure for the Lake Mattamuskeet watershed.

#### **AGRICULTURE**

## HURRICANE FLORENCE AGRICULTURAL DISASTER PROGRAM OF 2018 S.L. 2018-136, Sec. 5.11

Establishes the Hurricane Florence Disaster Fund as a special fund in the Department of Agriculture and Consumer Services (DACS). The Fund consists of General Assembly appropriations and contributions and grants from public or private sources. The Fund is used for a financial assistance program for farmers affected by Hurricane Florence. DACS may not use funds for administrative purposes. Losses of agricultural commodities, livestock, poultry, and aquacultural species propagated or reared in a controlled or selected environment are covered by the program. The section outlines criteria to quality for financial assistance.

## APPROPRIATIONS/AVAILABILITY/ALLOCATIONS OF FUNDS FOR HURRICANE FLORENCE DISASTER RELIEF

#### S.L. 2018-138, Sec. 1.3

Allocates funds appropriated in Section 1.2 in the HFDRF as follows:

- (3) \$240,000,000 to DACS, Hurricane Florence Agricultural Disaster Program of 2018, established in Section 5.11 of S.L. 2018-136, as amended by Section 2.5 of S.L. 2018-138.
- (5) \$10,000,000 to DEQ, Division of Marine Fisheries for commercial fishing assistance.
- (7) \$50,000 to the Wildlife Resources Commission to conduct the study required by S.L. 2018-138.

## DELAY THE BEGINNING OF PEAK SEASON FOR SOIL TESTING BY THE DEPARTMENT OF AGRICULTURAL AND CONSUMER SERVICES

#### S.L. 2018-138, Sec. 2.4.(a)

Declares that the beginning date for "peak season" in 2018 for soil testing by DACS shall be December 15th.

## CLARIFY HURRICANE FLORENCE AGRICULTURAL DISASTER PROGRAM S.L. 2018-138, Sec. 2.5.(a)

Rewrites Section 5.11(d) of S.L. 2018-136 defining the Hurricane Florence Agricultural Disaster Program so that eligible agricultural commodities must be planted <u>but not harvested</u> on or before September 13, 2018. Section 2.5(b) adds a new subsection 5.11(j1) to S.L. 2018-136. The new subsection adds a reporting requirement for DACS to report certain data to FRD no later than 30 days after the end of each quarter. Section 2.5 became effective October 16, 2018.

## ADDITIONAL AUTHORITY FOR AGRICULTURAL IMPACTS OF HURRICANE MICHAEL S.L. 2018-138, Sec. 2.5.(a)

Declares that if a NC county is included in either a Secretarial Disaster Declaration for Hurricane Michael issued by the U.S. Secretary of Agriculture or a Presidential FEMA declaration for Hurricane Michael, and the Commissioner of Agriculture determines that funds allocated to the Hurricane Florence Agricultural Disaster Program of 2018 are needed to address the impacts of Hurricane Michael in those counties, OSBM or their designee shall transfer the needed funds from the HFDRF to the State Emergency Response and Disaster Relief Fund. DACS can expend those funds for the purposes laid out in Section 5.11 of S.L. 2018-136. Transferred funds are subject to the same reporting requirements.

#### REPURPOSE STREAM DEBRIS REMOVAL FUNDS

#### S.L. 2018-138, Sec. 2.6

Allows the transfer of funds allocated to DACS by S.L. 2016-124 or S.L. 2017-119 for stream debris removal to the HFDRF and used to fund removal of stream debris deposited by Hurricane Florence. DACS will track and submit a quarterly report to the FRD on the funds transferred under this authority.

#### **COMMERCIAL FISHING ASSISTANCE**

#### S.L. 2018-138, Sec. 2.7

Allows funds allocated by S.L. 2018-138 for commercial fishing assistance to be used to reimburse persons holding a Standard Commercial Fishing License, a Retired Standard Commercial Fishing License, or a North Carolina Resident Shellfish License for all or part of the period from September 1, 2018, through November 30, 2018, for reductions in landings demonstrated from trip data ticket or other verified landing compared with average landings over a prior comparable period determined by DEQ's Division of Marine Fisheries. The Division may issue emergency and temporary rules to implement this section and may use up to two and one-half percent (2.5%) of the funds allocated to it by S.L. 2018-138 for administrative costs, including no more than three temporary positions.

## STUDY DERELICT AND ABANDONED VESSELS S.L. 2018-138, Sec. 2.8

The Wildlife Resources Commission (WRC) shall recommend legislation, including appropriate funding levels, needed (i) to facilitate the identification of owners for abandoned or derelict vessels to require them to take responsibility for their vessels and (ii) in cases where no responsible owner may be found, to provide the State with the authority to expeditiously remove or otherwise dispose of the abandoned and derelict vessels. WRC shall consult with a technical working group that includes DEQ's Division of Coastal Management, the NC Coastal Federation, the National Oceanic and Atmospheric Administration Marine Debris program, marine salvage industry experts, commercial and recreational boat owners, and other interested stakeholders. Recommendations are due no later than March 1, 2019 to the specified parties.

#### S.L. 2018-141

Extends the deadline for the Hurricane Florence Agricultural Disaster Program of 2018 from December 10, 2018 to December 20, 2018.

#### **CLARIFY USE OF GRANT FUNDS**

#### S.L. 2018-145, Sec. 6.(e)

Rewrites Section 5.6(b)(6) of S.L. 2018-5 enacted by Section 9.2 of S.L. 2018-97 so that OSBM will be responsible for providing a grant-in-aid of \$20,000 to Transylvania County for storm debris cleanup in streams and rivers. No non-State match is required for these funds.

## DERELICT AND ABANDONED VESSELS STUDY/REVISE DATE FOR SUBMISSION OF RECOMMENDATIONS

#### S.L. 2018-136, Sec. 17

Rewrites Section 2.8 of S.L. 2018-138 to revise the submission date for the study on derelict and abandoned vessels led by the Wildlife Resource Commission. The study is due no later than April 30, 2019 to the specified parties.

# EXECUTIVE ORDER NO. 59: AMENDING EXECUTIVE ORDER NO. 55, PARTIALLY RESCINDING EXECUTIVE ORDER NO. 52, AND PROVIDING FOR TEMPORARY SUSPENSION OF MOTOR VEHICLE REGULATIONS TO ENSURE RESTORATION OF UTILITY SERVICES AND TRANSPORTING ESSENTIALS

Section 2(c) directs DPS to temporarily suspend weighing vehicles used to transport livestock, poultry, or crops ready to be harvested including timber and feed to livestock and poultry in the Emergency Area. Section 4 directs exempted vehicles to produce documentation upon request by law enforcement officers that they are carrying loads for the eligible purposes.

## EXECUTIVE ORDER NO. 75: TEMPORARY SUSPENSION OF MOTOR VEHICLE REGULATIONS TO ENSURE RESTORATION OF UTILITY SERVICES AND TRANSPORTING ESSENTIALS

Directs DPS to temporarily suspend weighing vehicles used to transport livestock, poultry or crops ready to be harvested for up to 30 days starting October 10, 2018 in the Hurricane Michael Emergency Area. The maximum hours of service are waived for drivers (1) transporting essential fuels, food, water, medical supplies, and feed for livestock and poultry, (2) transporting livestock, poultry, and crops ready to be harvested and (3) vehicles used in the restoration of utility services. Exempted vehicles must produce documentation upon request by law enforcement officers that they are carrying for eligible purposes.

## TRANSFERS, APPROPRIATIONS, REVERSIONS, REALLOCATIONS S.L. 2019-224, Sec. 1.2

Reversion of Composting Reimbursement Funds – \$17,000,000 received by the Department of Agriculture and Consumer Services (DACS) as reimbursement for composting programs necessitated by damage to livestock caused by Hurricane Florence shall revert to the Hurricane Florence Disaster Relief Fund (HFDRF) and shall be appropriated within the Fund for FY 2019-20 and allocated as directed in Part II of the Act.

#### S.L. 2019-224, Sec. 2.1.(9)

Allocates \$2,000,000 to DACS to be used for the purchase of initial attack bulldozers and tractor plow units for emergency response and for stream debris removal.

#### S.L. 2019-250, Sec. 1.2.(5)

Allocates \$5,000,000 to the Department of Agriculture and Consumer Services, Division of Soil and Water Conservation for stream debris removal.

## DIRECTED GRANTS, OTHER MODIFICATIONS, AND CLARIFICATIONS S.L. 2019-224, Sec. 3.3

Expand DACS Farmer Assistance – a person who experienced a loss of agricultural commodities as a result of excessive rain and flooding that occurred between May 15, 2018-December 31, 2018 and if farm

is located in an NC county that was included in Secretarial Disaster Declaration as a primary or contiguous county is eligible for financial assistance. The Department shall accept completed applications for no more than 10 consecutive days beginning on the effective date of this section. Once the Department has processed all applications for this period, this section will expire.

#### HOUSING FINANCE AGENCY

#### ALLOCATION OF FUNDS FOR DISASTER RELIEF

S.L. 2018-136, Sec. 4.1

Allocates \$10 million to the Housing Finance Agency (HFA) from amounts appropriated to the HFDRF. The Committee Report stated that the funding was intended "to assist with the development of affordable housing and to repair damaged single-family homes and existing properties within the HFA portfolio in impacted counties."

## EXPANDED ELIGIBILITY FOR DISASTER HOUSING ASSISTANCE S.L. 2018-136, Sec. 5.18

Authorizes HFA to use disaster relief funds allocated by Session Law 2018-136 to assist individuals and families with household incomes up to 100% of the local area's median income (adjusted for family size) in counties affected by Hurricane Matthew or Hurricane Florence. The normal maximum, set forth in G.S. 122E-6, is 80% of local area median income. In addition, HFA is granted a waiver from statutory requirements for beneficiaries and eligible projects that are also found in G.S. 122E-6.

#### **NATURAL RESOURCES**

#### **COASTAL DEBRIS CLEANUP**

S.L. 2018-136, Sec. 5.12

Directs that \$400,000 allocated to DEQ for coastal debris cleanup be used to provide a grant to the North Carolina Coastal Federation (NCCF) to contract with third parties to provide clean-up. The Coastal Federation may not use these funds for administrative or overhead costs and must report on their use of these funds by April 1, 2019.

#### LIVING SHORELINES PERMIT REVISIONS

S.L. 2018-136, Sec. 5.13

Directs the Coastal Resources Commission to adopt temporary rules to revise the Commissions general permit for the construction of riprap sills for wetland enhancement in estuarine and public trust waters to make the permit consistent with the United States Army Corps of Engineers – Wilmington District regional general permit for living shorelines. The temporary rules shall not delay or otherwise alter general permits issued for other types of coastal erosion control structures.

#### STUDY DERELICT AND ABANDONED VESSELS

S.L. 2018-138, Sec. 2.8

Directs the Wildlife Resources Commission to recommend legislation needed to aid in identifying parties responsible for abandoned or derelict vessels and, in cases where no responsible owner may be found, to provide the State the authority to expeditiously remove the abandoned and derelict vessels. WRC is required to consult with a technical working group, including DEQ's Division of Coastal Management, the North Carolina Coastal Federation, the National Oceanic and Atmospheric Administration Marine Debris program, marine salvage industry experts, commercial and recreational boat owners, and other interested stakeholders. The recommendations shall be submitted no later than March 1, 2019.

## EXPAND USES FOR CERTAIN WATER RESOURCES FUNDING – HURRICANE MITIGATION

#### S.L. 2018-138, Sec. 2.9

Rewrites S.L. 2018-5, Sec. 13.9 to repurpose a \$5 million grant-in-aid to the Resources Institute, Inc. Originally, the grant was to fund work with coastal local governments to explore opportunities for the development and implementation of emerging techniques that can extend the useful life of beach nourishment projects. Instead, the Resources Institute will use these funds to work with the government of Topsail Island to develop, plan, or implement projects intended to mitigate the impact of future hurricanes on the Island.

### DERELICT AND ABANDONDED VESSELS STUDY/REVISE DATE FOR SUBMISSION OF RECOMMENDATIONS

#### S.L. 2018-145, Sec. 17

Rewrites S.L. 2018-138, Sec. 2.8 to extend the due date of the report from March 1, 2019 to April 20, 2019.

## COASTAL AREA MANAGEMENT ACT (CAMA) EMERGENCY GENERAL PERMIT EXTENSION

#### S.L. 2019-224, Section 3.4

CAMA General Permits authorized in response to Hurricanes Florence and Michael and activated by the Secretary of the Department of Environmental Quality must be issued by October 12, 2019 and all work must be completed by October 12, 2020.

#### ALLOCATION OF FUNDS FOR DISASTER RELIEF

#### S.L. 2019-224, Sec. 2.1.(3).a-d

Allocates \$22,675,000 to the Department of Environmental Quality to be used for various programs and projects across the state related to local infrastructure and coastal storm mitigation including \$3,000,000 to Surry County, \$8,000,000 for disaster-related infrastructure and cleanup needs including water and wastewater infrastructure, coastal management planning and dam safety, \$11,500,000 for the Coastal Storm Mitigation Fund, and \$175,000 for the FerryMon program.

#### S.L. 2019-224 Sec. 2.1.(6)

Allocates \$5,000,000 to the Department of Natural and Cultural Resources to support the aquarium at Fort Fisher.

#### S.L. 2019-224, Sec. 2.1.(10)

Allocates \$1,000,000 to the Wildlife Resources Commission to inspect, investigate and remove derelict and abandoned water vessels. "Abandoned and derelict vessel" means a water-going craft located in a canal or the Intercoastal Waterway that has been damaged or destroyed by weather-related events and that is impeding water traffic.

#### S.L. 2019-250, Sec. 1.1.(3)

Allocates \$17,600,000 to the Department of Environmental Quality to match additional federal funds for the Clean Water State Revolving Fund and the Drinking Water State Revolving Fund.

#### S.L. 2019-250, Sec. 1.2.(9)

Allocates \$50,000 to the Department of Environmental Quality for repair, restoration, and related environmental disaster recovery activities at the Department's Coastal Reserves.

#### S.L. 2019-250, Sec. 1.2.(10)

Allocates \$500,000 to the Wildlife Resources Commission for two grant programs to be administered by the Outdoor Heritage Advisory Council.

#### DEPARTMENT OF PUBLIC SAFETY

## CREATION OF OFFICE OF RECOVERY AND RESILIENCY/GRANTS S.L. 2018-136, Sec. 5.7

Creates the Office of Recovery and Resiliency (NCORR) within DPS. The Office will lead the multiyear recovery effort for Hurricanes Florence and Matthew. Up to 15 positions will be reassigned from the Division of Emergency Management (EMD) and additional 30 new time-limited three-year positions can be created by the new Office.

## OFFICE OF RECOVERY AND RESILIENCY REPORTS S.L. 2018-136, Sec. 5.8

Directs NCORR, beginning January 1, 2019, to provide quarterly reports to the Director of the Budget, the standing Appropriations Committees of the Senate and House of Representatives, and FRD on the use of State disaster recovery and assistance funds expended from the Hurricane Florence Recovery Fund. Additionally, the Office is to provide annual reports beginning January 1, 2020. The reports should summarize oversight activities, the results achieved, expenditures by program and source of funds, expenditures required to receive federal grants, federal funding provided to the state to refund certain federally related spending, actual and projected state spending data, state spending data classified by disaster phase (preparedness, response, mitigation and recovery), total state spending by agency and program, total state spending by program and county, and the location and job responsibilities of all time-limited positions created under this act or paid for with federal funds.

## REVISE AUDITING REQUIREMENTS FOR HURRICANES MATTHEW AND FLORENCE S.L. 2018-138, Sec. 2.14

Section 2.14(a) amends language from Section 5.8(a-c) and Section 5.19 of S.L. 2018-136 to clarify that "separate" reports shall be sent to the Director of the Budget, the standing Appropriations Committees of the Senate and House of Representatives, and FRD on the use of disaster recovery and assistance funds expended from the Hurricane Florence Recovery Fund. Furthermore, language is added to include the use of the State Emergency Response and Disaster Relief Fund for Hurricane Matthew in these quarterly reports. Additionally, this section adds a subsection (c) to Section 5.8 in S.L. 2018-136 that stipulates that each report shall include information about all funds expended or encumbered pursuant to this act or any other act providing funds to address impacts of Hurricanes Matthew and Florence, regardless of whether a state or non-state entity administers funds. Non-state entities that administer funds must assist and fully cooperate with NCORR to meet these reporting requirements.

Section 2.14(b) repeals Section 5.8 of S.L. 2016-124, Section 6 of S.L. 2017-119 and subsection 5.6(g) of Session Law 2018-5. Language from the prior Session Laws names OSBM as the reporting office whereas the new and amended language names NCORR.

Section 2.14(c) amends Section 5.19 of S.L. 2018-136 to conduct a preliminary financial audit no later than October 1, 2019, March 1, 2021 and every two years thereafter, whereas the prior language only included "no later than March 1, 2019". Additionally, language was amended to direct the State Auditor to conduct performance audits of the Fund every three years with the first one being no later than March 1, 2020 and sets a date for the final financial and performance audit to be conducted once all funds are expended or by March 1, 2025, whichever occurs first. Prior language was not as specific.

#### CONSOLIDATE CDBG-DR FUNCTIONS

S.L. 2018-138, Sec. 2.15

Subsection 2.15(a) amends language in Section 5.7(a) of S.L. 2018-136 to include and clarify that NCORR shall execute projects and administer funds provided by the Community Development Block

Grant Disaster Recovery (CDBG-DR) program for both Hurricanes Matthew and Florence, rather than just saying "program."

Subsection 2.15(b) amends language in Section 5.11(a) that states that the Department of Commerce (DOC) shall transfer any CDBG-DR funds received in response to declarations or executive orders to NCORR, whereas prior language had funds being transferred to the Division of Emergency Management. Similarly, Section 5.11(b) amends language stating that the Division of Emergency Management shall assist DOC in fulfilling any reporting requirements to NCORR.

## ALLOCATION OF FUNDS FOR DISASTER RELIEF S.L. 2019-224, Sec. 2.1.(4).a-c

Allocates \$22,000,000 to the Department of Public Safety, Office of Recovery and Resiliency to be used for mitigation buyouts, relocations, buyout assistance to local governments and infrastructure repairs for those outside the federally designated "most distressed and impacted" counties, funds for the State Acquisition and Relocation Fund to provide gap funding for buyouts to move families out of the floodplain and to assist financially distressed local governments with staff support and cash flow assistance in order to administer federal grants.

#### S.L. 2019-224, Sec. 2.1.(7).a-d

Allocates \$6,000,000 to the Department of Public Safety, Division of Emergency Management to be used for support to volunteer organizations to provide disaster recovery services, to support the North Carolina Search and Rescue Program, to purchase and install river gauges to improve flood mapping and real-time flood information and to develop a pilot program to help pay for up to two years of flood insurance for eligible applicants and eligible properties and the division shall give priority to applicants and properties in the most impacted and distressed counties and determined by Housing and Urban Development for Hurricanes Matthew and Florence. This legislation includes the following eligibility and reporting requirements for the flood insurance pilot program: The applicant earned no more than 80% of the subject area median income during the preceding calendar year and has not received flood insurance for the subject property from any federal program and the subject property is the applicants primary residence, is insurable and has experienced a repetitive loss as defined by FEMA. Also, the Division shall report to the chairs of the Senate Committee on Appropriations/Base Budget, the chairs of House Committee on Appropriations, and the Fiscal Research Division by March 31, 2020, and March 31, 2021, regarding the implementation of this subsection.

#### S.L. 2019-250, Sec. 1.1.(1)

Allocates \$70,812,336 to the Hurricane Florence Disaster Recovery Fund created in S.L. 2018-134 for the Department of Public Safety to be used to provide State match for Hurricane Florence federal disaster assistance programs.

#### S.L. 2019-250, Sec. 1.1.(2)

Allocates \$33,173,258 to the State Emergency Response and Disaster Relief Fund for the Department of Public Safety, Division of Emergency Management to use to provide state match for federal disaster assistance programs related to Hurricanes Matthew, Michael and Dorian. Note: State Match funds were placed in the Emergency Response and Disaster Relief Reserve and distributed to DPS as needed.

#### S.L. 2019-250, Sec. 1.2.(2)

Allocates \$9,800,000 to the Department of Public Safety, Division of Emergency Management to be used to expand flood mitigation studies and water level breach monitoring systems for high and intermediate risk dams.

#### S.L. 2019-250, Sec. 1.3.(a).(1)-(3)

Allocates a total of \$2,253,125 of recurring funds to the Department of Public Safety for the following: A grant to the United Way of North Carolina to support operations of the NC 2-1-1 program, funds to the Division of Emergency Management for three additional FTE in FY 2019-20 and seven additional FTE in FY 2020-21 to be used to support the management of federal grants and other division operations and

recurring funds for the long-term service contract for upgrades to the Voice Interoperability Plan for Emergency Responders (VIPER) system.

## COMMUNITY DEVELOPMENT BLOCK GRANT FOR DISASTER RECOVERY MODIFICATION

S.L. 2019-250, Sec. 3.3

Amends Section 5.11(a) of S.L. 2016-124 to make the North Carolina Office of Recovery and Resiliency of the Department of Public Safety the designated state grantee for all Community Development Block Grant Disaster Recovery awards, rather than the Department of Commerce.

## MODIFICATIONS TO DISASTER RECOVERY RECOMMENDED BY THE JOINT LEGISLATIVE COMMITTEE ON PROGRAM EVALUATION

S.L. 2019-250, Sec. 3.5.a-f

Sets out the powers and responsibilities of the Secretary of the Department of Public Safety related to emergency management and use of CDBG-DR funds for nonfederal match and for activities that were covered by state funding that could have been covered by CDBG-DR funding and outlines additional reporting requirements on use of State and Federal funds for Disaster Recovery and Resiliency for the Department of Public Safety as recommended by the Program Evaluation Division of the General Assembly.

#### MODIFICATIONS TO FLOOD INSURANCE PILOT

S.L. 2019-250, Sec. 3.7.(a)

Strikes out language from Section 2.1.(7).d.1-2 of S.L. 2019-224 to make pilot program eligibility requirements more flexible than they were in prior language.

#### ADMINISTRATIVE OFFICE OF THE COURTS

## JUDICIAL BRANCH DISASTER OPERATIONS S.L. 2018-138, Sec. 2.12

Amends language in G.S. 7A-64(b) to authorize the Director of the Administrative Office of the Courts (AOC) to provide disaster assistance to the requesting district attorney supported by facts that at least one of the circumstances apply and adds a new circumstance that "a county within the jurisdiction of the requesting district attorney is subject to a disaster declaration by the Governor pursuant to G.S. 166A-19.3(3)."

Adds language to allow district court sessions to be conducted at a location outside a county seat where "exigent circumstances exist". The location outside of the county seat is to be ordered by the chief district court judge with prior approval of location and facilities by the Administrative Officer of the Courts and after consultation with the Clerk of Superior Court and county officials. The order should be filed in the office of the Clerk of Superior Court in the county and posted at the courthouse within the county seat and notice should be posted in other conspicuous locations. Related to this change in location, the chief district judge can assign magistrates to temporary duty outside the county of their residence, upon the request of a chief district judge of another district. Prior to this change, the language read "an adjoining" district.

The final subsection (d) lays out the duties of the Director of the AOC and replaces "during an emergency" with "when exigent circumstances exist" to match the new language added in subsection (b).

#### DEPARTMENT OF TRANSPORTATION

#### FERRY FEES WAIVER/SECRETARY OF TRANSPORTATION

S.L. 2018-136, Sec. 5.14

The Secretary of Transportation may suspend the collection of tolls for any ferry route serving an emergency area, as declared pursuant to G.S. 166A-19.20 or G.S. 166A-19.22, for the duration of the state of emergency.

#### **DOT REPORTING REQUIREMENTS**

S.L. 2018-136, Sec. 5.15

Requires the department to report within 30 days of the end of each calendar quarter to NCORR on the use of funds allocated from HFDRF, outlining specific information to include in each quarterly report.

#### WAIVER OF CERTAIN DMV FEES

S.L. 2018-134, Sec. 5.5

Waives certain Department of Motor Vehicles (DMV) fees in disaster declared counties and expires on December 31, 2018.

#### DMV DISCLOSURE OF SOCIAL SECURITY NUMBERS

S.L. 2018-145, Sec. 14

Allows DMV to release social security numbers to the Judicial Department for the purpose of administering criminal and motor vehicle laws.

#### **EXECUTIVE ORDER 52**

In conjunction with DPS, waives drivers' services hours, certain height and weight restrictions, and registration and filing penalties for vehicles transporting equipment and supplies for utility restoration and debris removal. Weighing of vehicles transporting livestock and crops is also suspended.

#### **EXECUTIVE ORDER 57**

Waives licensing and excise tax requirements to permit diesel fuels used for non-highway purposes to be used on highways.

#### **EXECUTIVE ORDER 61**

Directs the Ferry Division to suspend fee collection on ferry routes.

#### **EXECUTIVE ORDER 62**

In designated counties, directs DOT to conduct and arrange for hurricane-related debris removal from state-maintained roads and local roads where local resources are insufficient.

#### **EXECUTIVE ORDER 63**

Streamlines the salvage title process for vehicles damaged in disaster declared counties.

#### **EXECUTIVE ORDER 76**

Suspends the collection of fees owed when issuing duplicate drivers' and commercial drivers' licenses. Codified in S.L. 2018-134, Section 5.5.

#### **CLARIFY DOT REPORTING REQUIREMENTS**

S.L. 2019-250, Sec. 3.8.

Amends Section 3 of S.L. 2019-15 to clarify that reporting requirements contained in S.L. 2018-136 and S.L. 2018-138 continue to apply the funds appropriated to DOT in S.L. 2019-15.

#### TRANSPORTATION EMERGENCY RESERVE

#### S.L. 2019-251, Sec. 1.3

Creates a Transportation Emergency Reserve that shall only be used for major disasters and not for snow and ice removal or non-declared emergency operations. The General Assembly appropriated \$64,000,000 from the State's General Fund to establish the reserve. The department is required to increase this initial amount and maintain a balance of \$125,000,000 using highway funds transferred to the reserve at the beginning of each fiscal year.

#### **DISASTER RELIEF FUNDS**

#### S.L. 2019-251, Sec. 1.7

Provides \$36,000,000 from the State's General Fund to cover debris removal and repair of highway infrastructure damage from Hurricane Dorian (\$30 M), Living Shoreline project (\$2 M), expand the Flood Inundation Mapping Alert Network for Transportation (\$2 M), and for a Flood Risk and Vulnerability Assessment on the Strategic Highway Corridor System (\$2 M).

#### **DEPARTMENT OF INSURANCE**

#### CONSTRUCTION FEE MORATORIUM

#### S.L. 2018-136, Sec. 5.16

Specifies that fees associated with the permit, inspection, or certificate of occupancy for Hurricane Florence structures shall not be imposed. Expires December 31, 2018.

#### DEPARTMENT OF INSURANCE REPORTING

#### S.L. 2018-136, Sec. 5.20

Requires the department to report information on grant allocations to volunteer fire departments to the NCORR and FRD.

#### CLARIFY VOLUNTEER FIRE DEPARTMENT ASSISTANCE

#### S.L. 2019-224, Sec. 3.2

Funds allocated to the Department of Insurance, Office of State Fire Marshal, for financial assistance to volunteer fire departments are available to be used to repair damages not covered by insurance policy proceeds.