

# Environment, Natural Resources, and Energy

See full summary documents for additional detail

## **H630 - Drinking Water Protection/Coal Ash Cleanup Act. (SL 2016-95)**

S.L. 2016-95: (1) repeals all provisions related to the Coal Ash Management Commission in the General Statutes; (2) requires a coal combustion residuals impoundment owner to provide permanent alternative water supplies for residents in areas surrounding coal combustion residuals surface impoundments; (3) allows reconsideration of risk classifications for coal combustion residuals surface impoundments based on fulfillment of certain criteria; and (4) modifies appointments and other provisions governing the Mining Commission and the Oil and Gas Commission.

This act became effective July 14, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 11.8: Establish North Carolina Policy Collaboratory at the University of North Carolina at Chapel Hill . (SL 2016-94)**

Sec. 11.8 of S.L. 2016-94 directs that the \$1 million in recurring funds appropriated to the Board of Governors of The University of North Carolina (The University) for the 2016-2017 fiscal year to establish and operate a North Carolina Policy Collaboratory at the University of North Carolina at Chapel Hill must be used to create a Collaboratory that facilitates the dissemination of the policy and research expertise of The University for practical use by State and local government.

The Collaboratory:

- Must conduct research on natural resources management, including research related to the environmental and economic components of the management of the natural resources within the State and of new technologies for habitat, environmental, and water quality improvement.
- Must develop and disseminate relevant best practices to interested parties.
- May lead or participate in projects across the State related to natural resource management.
- May make recommendations to the General Assembly.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 14.1: Mercury Switch Sunset Modification. (SL 2016-94)**

Sec. 14.1 of S.L. 2016-94 repeals, effective June 30, 2017, the statutes governing removal, collection, and recovery of mercury switches from end-of-life vehicles. Under prior law, the statutes in question would have expired December 31, 2017.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 14.3: Air and Water Quality Account Funding. (SL 2016-94)**

Sec. 14.3 of S.L. 2016-94 amends the distribution of tax revenue among various environmental funds and accounts.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 14.5: Risk-Based Management Actions Preapproval. (SL 2016-94)**

Sec. 14.5 of S.L. 2016-94 modifies the statutes governing cleanup of contamination resulting from the discharge or release of petroleum from an underground storage tank (UST), to provide that, for the purpose of completing risk-based management actions leading to no further action or closure, the Department of Environmental Quality may use up to \$500,000 annually from the Commercial Leaking Petroleum Underground Storage Tank Cleanup Fund (Commercial Fund) to preapprove and authorize a person to proceed with one or more tasks associated with the assessment or cleanup of a discharge or release from a UST regardless of: (i) the priority of the site, based on the degree of risk to human health and the environment posed by the discharge or release; and (ii) whether, based on the scope of the work to be performed and the schedule of reasonable and necessary costs, that sufficient funds will be available in the Commercial Fund to pay or reimburse the cost of that task within 90 days after the Department determines that the owner, operator, or landowner has submitted a claim with documentation sufficient to establish that the claim is eligible for reimbursement.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 14.11: Promote Shellfish Industry. (SL 2016-94)**

Sec. 14.11 of S.L. 2016-94, as amended by Sec. 6.1 of S.L. 2016-123, amends the shellfish leasing statutes as follows:

- Changes the date on which the rent for shellfish bottom leases must be paid from April 1 to July 1 of each year.
- Allows an amendment to a shellfish bottom lease to authorize use of the water column to be transferred with the shellfish superincumbent bottom lease.
- Extends the authorized period for demonstration or research aquaculture development projects from two to five years.
- Increases the threshold for being considered commercial production from \$1,000 to \$5,000.
- Increases the period for water column leases to perpetual franchises from five to 10 years.
- Allows a water column lease to a perpetual franchise to be transferred with the superincumbent perpetual franchise.

This section also directs the Chief Sustainability Officer of the University of North Carolina at Chapel Hill to convene a stakeholder working group to study how to ecologically restore oyster populations and habitats and achieve economic stability of the shellfish aquaculture industry. The results of this study must be reported to the Fiscal Research Division, the Environmental Review Commission, and the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources by December 31, 2018.

This section became effective July 1, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 14.12: Clarify Aquatic Weed Control Funding Eligibility . (SL 2016-94)**

Sec. 14.12 of S.L. 2016-94 makes clarifying and conforming changes to the Shallow Draft Navigation Channel Dredging and Aquatic Weed Control Funding eligibility.

This section became effective July 1, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 14.13: Development of New Comprehensive Nutrient Management Regulatory Framework. (SL 2016-94)**

Sec 14.13 of S.L. 2016-94 establishes the following nutrient management policies:

- Terminates the Jordan Lake Nutrient Mitigation Demonstration Project (SolarBee Project).
- Directs the Chief Sustainability Officer at the University of North Carolina at Chapel Hill to designate an entity to oversee a continuing study and analysis of nutrient management strategies for Jordan Lake and Falls Lake.
- Directs the Environmental Management Commission to modify its schedule and process for review and readoption of the existing Jordan Lake rules and Falls Lake rules to take into account the results of the study of nutrient management strategies.
- Directs the Department of Environmental Quality (DEQ) to study alternative technologies for in situ approaches to nutrient management in Jordan Lake and Falls Lake.
- Provides that impervious surface added in a city or county within the Jordan Lake watershed after July 26, 2013, and prior to December 31, 2020, will not be counted as built-upon area for purposes of a city's or county's calculation of nutrient loading targets.
- Directs DEQ to study issues related to nutrient impact fees and other water quality impact mitigation programs in Jordan Lake and Falls Lake.
- Provides that the Jordan Lake rules with effective dates between July 1, 2016, and October 15, 2019, must not become effective and provides that the Falls Lake rules with effective dates between July 1, 2016, and October 15, 2022, must not become effective.
- Provides that stormwater treatment practices that have been approved by the Chesapeake Bay Commission for Total Maximum Daily Load (TMDL) compliance in the Chesapeake Bay watershed must be allowed for TMDL compliance in the Jordan Lake and Falls Lake watersheds.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 14.15: Right of Entry Clarification. (SL 2016-94)**

Sec. 14.15 of S.L. 2016-94 creates a new law in the statutes governing the administration provisions and regulatory authority of the Marine Fisheries Commission and the Department of Environmental Quality to provide that the Secretary of Environmental Quality and a local health director has the delegable right of entry upon the premises of any place where entry is necessary to enforce rules for sanitation for the harvesting, processing and handling of scallops, shellfish, and crustacea. If consent for entry is not obtained, an administrative search and inspection warrant must be obtained in accordance with Chapter 15 of the General Statutes. However, if an imminent hazard exists, no warrant is required for entry.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 14.18: Crab Pot Removal Pilot Program. (SL 2016-94)**

Sec. 14.18 of S.L. 2016-94 provides that of the funds appropriated to the Division of Marine Fisheries of the Department of Environmental Quality for the 2016-2017 fiscal year, \$100,000, nonrecurring, will be used for a pilot program for the removal of derelict crab pots in State waters. The pilot program will be administered by North Carolina Sea Grant at North Carolina State University. Sea Grant must report on the performance of the pilot program to the chairs of the Joint Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division on or before May 1, 2017.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 14.21: Catalog of Wetlands and Stream Mitigation Credits.. (SL 2016-94)**

Sec. 14.21 of S.L. 2016-94 directs the Division of Mitigation Services of the Department of Environmental Quality, with the assistance of the Department of Transportation, to catalog all wetland and stream mitigation credits in State ownership. The Division must provide the catalog to the Environmental Review Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, and the Joint Legislative Transportation Oversight Committee by December 31, 2016.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 14.22: Beach Nourishment Studies. (SL 2016-94)**

Sec. 14.22 of S.L. 2016-94 directs three new beach nourishment studies, as follows:

- The first study requires the Division of Coastal Resources in the Department of Environmental Quality (DEQ) to study the benefits of out-of-state coastal storm damage reduction and beach nourishment projects to public infrastructure, public and private property, small business, and tourism in the State. The Division must report its results to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources (ANER Oversight Committee) by November 1, 2016.
- The second study requires each County Tax Office in Brunswick, Carteret, Currituck, Dare, Hyde, New Hanover, Onslow, and Pender counties to compile information on the ownership and mailing addresses for the property in the county and any other mailing addresses associated with the property outside of those coastal counties. Each County Tax Office must submit an electronic list of the property addresses to DEQ and the ANER Oversight Committee by November 1, 2016.
- The third study requires the Department of Commerce to compile readily available economic data that quantifies the contribution of the coastal economy to the State's economy as a whole and directs the Department of Commerce to report its results of the study to DEQ and the ANER Oversight Committee by November 1, 2016.

In addition, this section directs DEQ to include these studies as appendices to the Beach and Inlet Management Plan required by the 2015 Appropriations Act (Sec. 14.6(b)(4) of S.L. 2015-241).

This section became effective July 1, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 14.23: Extend the Sunset on Allowable Term Length of Certain State Revolving Loan Funds. (SL 2016-94)**

Sec. 14.23 of S.L. 2016-94 makes conforming changes to the Water and Sewer Service Related Changes legislation (S.L. 2015-207) to reflect Water Infrastructure loan program revisions made in the 2015 Appropriations Act, effective October 1, 2016.

This section also extends by three months to October 1, 2016, the sunset provided in S.L. 2015-207 on statutory changes that permit the Local Government Commission to authorize a 30-year maturity date for certain water infrastructure loans administered by the Division of Water Infrastructure of the Department of Environmental Quality.

Except as otherwise provided, this section became effective July 14, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 16.3: Umstead Act Conforming Changes. (SL 2016-94)**

Sec. 16.3 of S.L. 2016-94 adds an exception to the Umstead Act's prohibition on State agencies providing goods or services that compete with the private sector for the Department of Natural and Cultural Resources. The exception, which broadens an existing exception for the Department, allows the North Carolina Zoological Park to lease a portion of its property to a private entity to construct and operate a hotel and related facilities.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 16.4: Clarify Vending Facilities Exemption. (SL 2016-94)**

Sec. 16.4 of S.L. 2016-94 adds State Parks to an existing exemption for museums and historic sites operated by the Department of Natural and Cultural Resources from the requirement that the operation of food and vending services by State agencies be offered preferentially to blind persons. The provision also grandfathers from the exemption, any existing contract at a Department facility entered into prior to July 1, 2016.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 16.5: Grassroots Science Amendments. (SL 2016-94)**

Sec. 16.5 of S.L. 2016-94 makes the following changes to the grassroots science museum grant program:

- Renames the program the "North Carolina Science Museums Grant Program."
- Provides that, for the 2016-2017 fiscal year, any museum receiving a grant in the prior fiscal year must be funded, assuming it continues to meet general eligibility criteria for the program.
- Allows any funds remaining at the end of the competitive grant funding process to be distributed equally to all museum applicants funded during that cycle without regard to the economic development tier-based funding caps.
- Grandfathers from the requirement that all applicants be a 501(c)(3) nonprofit, certain museums owned by local government entities that received funding in the 2015-2016 fiscal year.
- Includes in the eligibility criteria a requirement that applicants provide a proposal for use of the funds and the measures that will be used to demonstrate that the use of the funds has had the projected results.
- Authorizes the Department of Natural and Cultural Resources to create one new position to administer the grant program, provide assistance to grant applicants, and foster collaboration between the Museum of Natural Sciences and grant recipients.

This section became effective July 1, 2016.

## **H1030 - 2016 Appropriations Act.**

### **Sec. 16.6: Modify Zoo and Aquarium Special Funds. (SL 2016-94)**

Sec. 16.6 of S.L. 2016-94 makes the following changes to the budgetary special funds for the North Carolina Zoo and Aquariums:

- Clarifies that only receipts from admissions and facility rentals or leases must be credited to the facility's General Fund operating budget.
- Increases the amount that the Department of Natural and Cultural Resources (Department) may transfer from General Fund operating budget back to the special funds from \$1 million to \$1.5 million.

- Adds the following to the criteria for repair and renovation projects paid for from the special funds: (i) the funding must be appropriated by the General Assembly and (ii) the project does not require increased recurring funding for operations of the facilities.
- Amends the reporting requirements for the Aquariums to conform with the reporting requirements for other Department attractions.

This section became effective July 1, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 16.7: Parks and Recreation Trust Fund Eligibility. (SL 2016-94)**

Sec. 16.7 of S.L. 2016-94 modifies the permissible uses of moneys in the Parks and Recreation Trust Fund to allow a portion of those funds to be allocated for capital projects, repair and renovations of facilities, and land acquisition at State recreational forests (in addition to use of the moneys for such projects and activities for the State Parks System).

This section became effective July 1, 2016.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 35.3: Eliminate Portion of Division of Motor Vehicles Transaction Fees Set Aside for Mercury Switch Removal Account. (SL 2016-94)**

Sec. 35.3 of S.L. 2016-94 eliminates the portion of fees allocated to the Mercury Switch Removal Account (\$0.50) from fees imposed on certain Division of Motor Vehicle transactions (fees concerning certificate of title, a registration card, or a registration plate for a motor vehicle), and allocates those funds to the North Carolina Highway Trust Fund.

This section became effective July 1, 2016, and applies to fees paid on or after that date.

### **H1030 - 2016 Appropriations Act.**

#### **Sec. 37.2: Water Resources Development Projects. (SL 2016-94)**

Sec. 37.2 of S.L. 2016-94 allocates \$11.8 million in funds appropriated to the Department of Environmental Quality for various water resources development projects. The \$11.8 million includes \$6.3 million in new funding for 2016-2017, and \$5.5 million in funding carried forward from prior fiscal years.

This section also provides for reporting and matching requirements for the funding, an earmark to the town of Kings Mountain of funds allocated in the provision for various repairs and upgrades to the John H. Moss Reservoir, and a clarification that water resources development funding may be used for 100% of the non-federal share for projects that are a part of the Environmental Quality Incentives Program administered by the Natural Resources Conservation Service of the United States Department of Agriculture.

This section became effective July 1, 2016.

## **S124 - Assumed Business Name/Industrial Commission Contempt/Parks.**

### **Part IV: Remove Property From State Nature and Historic Preserve and Authorize Deletion of Properties from State Park System. (SL 2016-100)**

Part IV of S.L. 2016-100 removes several small tracts from the State Nature and Historic Preserve and from the State Parks System to resolve deed overlaps, to allow for minor road relocations and utility easements, and to improve park management.

This part became effective July 18, 2016.

## **S575 - North Carolina/South Carolina Original Boundary Confirmation. (SL 2016-23)**

S.L. 2016-23 addresses several legal and tax issues related to the reestablishment of the original boundary line existing between North Carolina and South Carolina. North Carolina and South Carolina created a Joint Boundary Commission to relocate and reestablish their 334-mile common boundary. The Commission began its work in 1995 and completed the technical part of its work by May of 2013. For the last three years, efforts have been underway to reduce or eliminate the impact of the work on property owners whose residency or business would be moved from South Carolina to North Carolina, or vice versa, because of the reestablished boundary line. This act addresses not only the tax consequences of the reestablished boundary line but also other issues, such as public education enrollment and drivers licenses. South Carolina enacted similar legislation in June 2016: Act 270, Ratified 292, and Senate Bill 667.

This act became effective June 22, 2016. It is anticipated that the process to complete the reestablishment of the boundary line will be completed by the end of this calendar year. The boundary must be approved by the Governor and the Council of State before the Governor may issue a proclamation declaring the reestablished line as the true boundary line between North Carolina and South Carolina.

## **S770 - North Carolina Farm Act of 2016.**

### **Sec. 14: Exempt Horticultural Uses From the Sedimentation Pollution Control Act. (SL 2016-113)**

Sec. 14 of S.L. 2016-113 exempts production and activities relating or incidental to the production of crops, grains, fruits, vegetables, ornamental and flowering plants, dairy, livestock, poultry, and all other forms of agriculture, including the production of mulch, ornamental plants, sod, and other horticultural products, from the Sedimentation Pollution Control Act.

This section became effective July 26, 2016.