

- (1) Projects that update and prepare transportation infrastructure for storms, mudslides, and flooding events taking projections of future risk into consideration.
- (2) Risk assessments for critical transportation routes, building on existing and future reports such as the I-95 and I-40 Flood Resilience Feasibility Study.
- (3) Creating community-informed flood risk and vulnerability assessments that identify resilience gaps and project opportunities for transportation routes in North Carolina to help maintain vital transportation functions following flooding events.

SECTION 5.9.(i) North Carolina Insurance Underwriting Association (NCIUA) Coastal Resilient Roof Grant Pilot Program. – NCIUA shall establish the Coastal Resilient Roof Grant Pilot Program, adopt rules, and award amounts for resilient roof grant applicants under this pilot program. NCIUA must provide a match of one dollar (\$1.00) in non-State funds for one dollar (\$1.00) provided in State grant funds. No eligible structure, as defined by NCIUA rules, may receive more than three thousand three hundred dollars (\$3,300) in State funds under this pilot program. NCIUA may use matching funds for evaluator costs and grants but shall not use any of the funds allocated for the pilot program for administrative costs. State funds allocated for this pilot program that are not encumbered or spent by June 30, 2025, shall revert to the General Fund. NCIUA will include a report on the pilot program funded by this subsection in the annual report required by G.S. 58-45-65. The report shall include information on the number of grants provided, geographical distribution of grants by county, and the average insured value of the structures receiving grant funding for resiliency improvements under this program. The NCIUA will provide this portion of its annual report to the Chairs of the Joint Legislative Emergency Management Oversight Committee and the Fiscal Research Division. The following definitions apply in this subsection:

- (1) Coastal area. – Defined in G.S. 58-45-5.
- (2) Eligible expense. – Costs for the replacement or upgrade of the roof of an eligible structure when the replacement or upgrade results in the roof meeting applicable resiliency standards issued by the Institute for Business and Home Safety or another construction storm resiliency standard that the NCIUA finds to be equivalent for purposes of reduction of risk of loss to the Coastal Property Insurance Pool (Pool) established by Article 45 of Chapter 58 of the General Statutes.
- (3) Eligible structure. – An eligible residential structure as defined by NCIUA rules and insured under a policy issued by the NCIUA through the Pool.

SECTION 5.9.(j) Statutory Authority for the Coastal Resilient Roof Grant Pilot Program. – G.S. 58-45-15 reads as rewritten:

"§ 58-45-15. Powers and duties of Association.

The Association shall, pursuant to the provisions of this Article and the plan of operation, and with respect to the insurance coverages authorized in this Article, have the power on behalf of its members:

- ...
- (6) To provide grants for mitigation of risk of loss to policyholders with premiums, funds appropriated to the Association for that purpose by the General Assembly, or funds donated or granted to the Association."

SECTION 5.9.(k) Streamflow Rehabilitation Assistance Program. – Chapter 139 of the General Statutes is amended by adding a new Article to read:

"Article 6.

"Streamflow Rehabilitation Assistance Program.

"§ 139-65. Streamflow Rehabilitation Assistance Program.

(a) Program Established. – The Streamflow Rehabilitation Assistance Program is established. The purpose of the Program shall be to assist an eligible grantee in protecting and restoring the integrity of drainage infrastructure through routine maintenance to existing streams and drainage ways by removing blockages caused by accumulated debris or sediment, stabilization and restoration of streams and streambanks, and for rehabilitation or improvement of small watershed structural projects constructed pursuant to the Watershed Protection and Flood Prevention Act of 1954, as amended. Project engineering, permitting, and administrative costs are eligible for payment through the Program. Program funds may also be used to provide nonfederal match for related disaster recovery activities funded by the federal government. For purposes of this section, an "eligible grantee" shall include any of the following:

- (1) A Soil and Water Conservation District established under this Chapter.
- (2) A political subdivision, including a city, a county, a water or sewer authority established under Chapter 162A of the General Statutes, a metropolitan or county water or sewer district established under Chapter 162A of the General Statutes, a county service district established under Chapter 153A of the General Statutes, a municipal service district established under Chapter 160A of the General Statutes, a sanitary district established under Chapter 130A of the General Statutes, and a drainage district established under Chapter 156 of the General Statutes.
- (3) A nonprofit organization.

(b) Program Administration. – The Soil and Water Conservation Commission shall supervise and administer the Streamflow Rehabilitation Assistance Program as provided in this section. No more than five percent (5%) of Program funding may be used for administration costs.

(c) Program Functions. – Under the Streamflow Rehabilitation Assistance Program, the Soil and Water Conservation Commission shall do the following:

- (1) Establish criteria to allocate funds to eligible grantees.
- (2) Develop a process for soliciting and reviewing applications and for selecting applicants to participate in the Program.
- (3) Adopt temporary and permanent rules as necessary to implement this Program.

(d) Restriction on Funded Activities. – The Commission shall ensure that debris removed from streams with funds provided under this Article are either removed from the 100-year floodplain or processed in such a manner that the debris would not pose a risk of blockage or significant impairment of normal streamflow during a subsequent flood event. For purposes of this subsection, "100-year floodplain" means any area subject to inundation by the one percent (1%) annual chance flood event, as indicated on the most recent Flood Insurance Rate Map prepared by the Federal Emergency Management Agency under the National Flood Insurance Program.

(e) Report. – No later than January 31 of each year, the Division of Soil and Water Conservation of the Department of Agriculture and Consumer Services shall prepare a comprehensive report on the implementation of this section. The report shall be submitted to the Environmental Review Commission and the Fiscal Research Division as a part of the report required by G.S. 106-850(e)."

SECTION 5.9.(f) Streamflow Rehabilitation Assistance Program. – G.S. 14-234(d3) reads as rewritten:

"(d3) Subsection (a) of this section does not apply to an application for or the receipt of a grant under the ~~Agriculture Cost Share Program for Nonpoint Source Pollution Control created pursuant to Article 72 of Chapter 106 of the General Statutes, the Community Conservation Assistance Program created pursuant to Article 73 of Chapter 106 of the General Statutes, or the Agricultural Water Resources Assistance Program created pursuant to Article 5 of Chapter 139~~

~~of the General Statutes an exempted public program~~ by a member of the Soil and Water Conservation Commission if the requirements of G.S. 139-4(e) are met, and does not apply to a district supervisor of a soil and water conservation district if the requirements of G.S. 139-8(b) are met. For purposes of this subsection, an exempted public program is any of the following:

- (1) The Agriculture Cost Share Program for Nonpoint Source Pollution Control created pursuant to Article 72 of Chapter 106 of the General Statutes.
- (2) The Community Conservation Assistance Program created pursuant to Article 73 of Chapter 106 of the General Statutes.
- (3) The Agricultural Water Resources Assistance Program created pursuant to Article 5 of Chapter 139 of the General Statutes.
- (4) The Streamflow Rehabilitation Assistance Program created pursuant to Article 6 of Chapter 139 of the General Statutes."

SECTION 5.9.(m) Streamflow Rehabilitation Assistance Program. – G.S. 139-4(d) reads as rewritten:

"(d) In addition to the duties and powers hereinafter conferred upon the Soil and Water Conservation Commission, it shall have the following duties and powers:

- ...
- (9) To create, implement, and supervise the Agriculture Cost Share Program for Nonpoint Source Pollution Control created pursuant to Article 72 of Chapter 106 of the General Statutes, the Community Conservation Assistance Program created pursuant to Article 73 of Chapter 106 of the General Statutes, ~~and the Agricultural Water Resources Assistance Program created pursuant to Article 5 of this Chapter.~~ Chapter, and the Streamflow Rehabilitation Assistance Program created pursuant to Article 6 of this Chapter.
 - (10) To review and approve or disapprove the application of a district supervisor for a grant under the Agriculture Cost Share Program for Nonpoint Source Pollution Control, the Community Conservation Assistance Program, or the Agricultural Water Resources Assistance Program as provided by G.S. 139-8(b).

...."

SECTION 5.9.(n) Streamflow Rehabilitation Assistance Program. – G.S. 139-4(e) reads as rewritten:

"(e) A member of the Commission or an organization or unit of local government of which the member is an employee, officer, or elected member of the governing body may apply for and receive a grant under the Agriculture Cost Share Program for Nonpoint Source Pollution Control, the Community Conservation Assistance Program, ~~or the Agricultural Water Resources Assistance Program.~~ Program, or the Streamflow Rehabilitation Assistance Program if:

- (1) The member does not vote on the application or attempt to influence the outcome of any action on the application; and
- (2) The application is approved by the Commissioner of Agriculture."

SECTION 5.9.(o) Streamflow Rehabilitation Assistance Program. – G.S. 139-8(b) reads as rewritten:

"(b) A district supervisor or an organization or unit of local government of which the supervisor is an employee, officer, or elected member of the governing body may apply for and receive a grant under the Agriculture Cost Share Program for Nonpoint Source Pollution Control created pursuant to Article 72 of Chapter 106 of the General Statutes, the Community Conservation Assistance Program created pursuant to Article 73 of Chapter 106 of the General Statutes, ~~or the Agricultural Water Resources Assistance Program created pursuant to Article 5 of this Chapter.~~ Chapter, or the Streamflow Rehabilitation Assistance Program created pursuant to Article 6 of this Chapter if:

- ~~1.~~(1) The district supervisor does not vote on the application or attempt to influence the outcome of any action on the application; and
- ~~2.~~(2) The application is approved by the Commission."

SECTION 5.9.(p) North Carolina Office of Recovery and Resiliency Coordination.

– Subpart D of Part 5 of Article 13 of Chapter 143B of the General Statutes is amended by adding a new section to read:

"§ 143B-1041. Interagency coordination.

(a) The Office shall establish an intergovernmental working group composed of representatives from the Department of Environmental Quality 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. Beginning January 1, 2022, and biannually thereafter, the Office shall report to the Joint Legislative Commission on Governmental Operations and the Fiscal Research Division regarding the findings and recommendations of the working group.

(b) The Office of Recovery and Resiliency and the Division of Emergency Management of the Department of Public Safety, the Director of the Division of Coastal Management of the Department of Environmental Quality, and the Secretary of the Department of Transportation, or their respective designees, shall meet at least quarterly beginning January 1, 2022, in order to coordinate the grant making and technical assistance activities each agency is carrying out related to subsection (a) of this section."

SECTION 5.9.(q) Division of Emergency Management Contracting. –

G.S. 166A-19.12 is amended by adding two new subdivisions to read:

"(24) The Division may contract for services from vendors specializing in housing, rehabilitation, or construction on private residential structures funded by State or federal funds provided to the State as a result of a disaster declared by the President under the Stafford Act or a disaster declared by the Governor under G.S. 166A-19.21. Nothing in this subdivision is intended to exempt the Division from other requirements of Article 8 of Chapter 143 of the General Statutes.

(25) The Division may contract for services from vendors specializing in housing elevation, acquisition, demolition, and mitigation reconstruction on private residential structures to implement the federal Hazard Mitigation Grant Program on behalf of the State or political subdivisions. Nothing in this subdivision is intended to exempt the Division from other requirements of Article 8 of Chapter 143 of the General Statutes."

SECTION 5.9.(r) Clean Water Management Trust Fund Reporting. –

G.S. 143B-135.244 reads as rewritten:

"§ 143B-135.244. Clean Water Management Trust Fund: reporting requirement.

The Chair of the Board of Trustees shall report no later than December 1 each year to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the Environmental Review Commission, the Subcommittees of the House of Representatives and Senate Appropriations Committees with jurisdiction over natural and economic resources, and the Fiscal Research Division of the General Assembly regarding the implementation of this Part. The report shall include a list of the projects awarded grants from the Fund for the previous 12-month period. The list shall include for each project a description of the project, the amount of the grant awarded for the project, and the total cost of the project. For projects funded for the purpose set forth in G.S. 143B-135.234(c)(12), the report shall also include the amount of flood storage capacity enhanced or restored for each project."

SECTION 5.9.(s) Flood Storage Capacity Project Reporting. – G.S. 143-214.11A is amended by adding a new subsection to read: