GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2025

HOUSE BILL DRH40329-NM-31

H.B. 569 Mar 27, 2025 HOUSE PRINCIPAL CLERK

D

Н

Short Title: PFAS Pollution and Polluter Liability. (Public) Sponsors: Representative Davis. Referred to:

1 A BILL TO BE ENTITLED

AN ACT TO PROTECT THE CITIZENS OF NORTH CAROLINA FROM DRINKING WATER CONTAMINATED BY GENX AND OTHER PFAS COMPOUNDS.

The General Assembly of North Carolina enacts:

4 5 6

7

8

9

10

11

12

13 14

15

16

17

18 19

20 21

2223

24

25

2627

28

29

30 31

32 33

34

2

3

PART I. ABATEMENT OF PFAS EXCEEDANCES IN PUBLIC WATER SYSTEMS

SECTION 1. Article 1 of Chapter 130A of the General Statutes is amended by adding a new section to read:

"§ 130A-19.1. Abatement of PFAS exceedances.

- (a) The following definitions apply in this section:
 - (1) Permissible concentration level. For an individual per- and polyfluoroalkyl substances (PFAS) compound, or combined PFAS compounds, any maximum contaminant level that may be established by the United States Environmental Protection Agency for the PFAS compound in question, or combined compounds.
 - PFAS manufacturer. Persons that originally make PFAS compounds through processes including, but not limited to, electrochemical fluorination (ECF), telomerization, fluorocarbon polymerization, and production of fluoropolymers. The term shall not include a person that uses previously made PFAS material or items obtained from an original PFAS maker, for example:

 (i) to produce commercial or consumer goods, such as weatherproof caulking, or (ii) as intermediary products for use in the manufacture of commercial goods, such as a greaseproof coating for a pizza box.
 - (3) Responsible party. A PFAS manufacturer whose discharge or release of PFAS into the environment has caused or contributed to the presence of PFAS in a public water system as described in subsection (b) of this section.
 - (4) Secretary. Means the Secretary of Environmental Quality.
- (b) Pursuant to the Secretary's enforcement powers under G.S. 130A-19, authority to adopt rules under G.S. 130A-315, and federally delegated duty to enforce the Federal Safe Drinking Water Act in North Carolina, the Secretary may order a responsible party to pay a public water system any actual and necessary costs incurred by the public water system to remove, correct, or abate any adverse effects upon the water supply resulting from contamination for which the person is responsible if the Secretary determines all of the following:
 - (1) The person is a PFAS manufacturer.



- 1 2 3
- 4 5
- 6 7 8
- 9 10 11 12
- 14 15 16 17

13

- 18 19 20 21
- 22 23 24
- 25 26 27 28 29

> 36 37

34

35

43

44

- The PFAS manufacturer discharged or released PFAS into the environment (2) that has caused or contributed to the presence of PFAS in the public water system.
- The concentration of PFAS in the public water system, including any raw <u>(3)</u> water intake, regardless of the system's raw water source, including surface water, public well, or pumped groundwater storage, has exceeded a permissible concentration level.

Such costs shall include costs to procure, implement, maintain, and operate technology to reduce PFAS concentrations in finished drinking water below the permissible concentration level. If a responsible party refuses to comply with an order, the Secretary may institute an action in the superior court of the county where the public water system exists to enforce the order.

- A responsible party shall be jointly and severally liable for all actual and necessary costs imposed by the Secretary pursuant to subsection (b) of this section. Nothing in this section shall limit or diminish any rights of contribution for costs incurred herein.
- A public water system shall reimburse ratepayers of the system through a reduction in future rates charged if (i) the public water system has previously expended funds to remove, correct, or abate any adverse effects upon its water supply resulting from PFAS contamination, (ii) the amount of funds expended by the public water system for that purpose has been included in rates charged to its ratepayers, and (iii) the funds expended by the public water system are subsequently reimbursed by the responsible party as the result of an order issued pursuant to subsection (b) of this section.
- The remedy under this section is in addition to those provided by existing statutory and common law."

PART II. IMPLEMENTATION FUNDING

SECTION 2.(a) Department Funding. – The sum of three hundred thousand dollars (\$300,000) in nonrecurring funds for the 2025-2026 fiscal year is appropriated from the General Fund to the Department of Environmental Quality (Department) to implement the requirements of this act. These funds shall be deposited into the PFAS Public Water Protection Fund, which is established in the Department as a special fund. The Department may establish time-limited positions with the funds appropriated by this subsection.

SECTION 2.(b) Report. – The Department shall report to the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources no later than December 15, 2025, and annually thereafter, on their use of the funds appropriated by this act, including abatement orders issued by the Secretary of Environmental Quality using the authority conferred by G.S. 130A-19.1, as enacted by Section 1 of this act.

PART III. EFFECTIVE DATE

SECTION 3. Section 2 of this act becomes effective September 1, 2025. Section 1 of this act is effective when it becomes law and applies retroactively to costs incurred by a public water system on or after January 1, 2017, to remove, correct, or abate any adverse effects upon a water supply resulting from contamination, irrespective of when a maximum contaminant level was established by the United States Environmental Protection Agency for the PFAS compound in question. The remainder of this act is effective when it becomes law.

Page 2 DRH40329-NM-31