

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

H.B. 222
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30110-NBa-56

Short Title: C.O.O.P.E.R. Accountability Act.

(Public)

Sponsors: Representative B. Jones.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO ENACT THE CLOSE OUT OPERATIONS PROVIDE EMERGENCY RELIEF
3 ACT (C.O.O.P.E.R. ACT), TO APPROPRIATE FUNDS FOR DISASTER RECOVERY,
4 TO IMPOSE AUDITING, REPORTING, AND MONITORING REQUIREMENTS, AND
5 TO REVISE THE OFFICE OF RECOVERY AND RESILIENCY RESPONSIBILITIES.

6 The General Assembly of North Carolina enacts:

7
8 **PART I. TRANSFER AND APPROPRIATION TO NCORR; REPORTING; AUDITOR**
9 **OVERSIGHT**

10 **SECTION 1.1.(a)** Funding. – There is appropriated from the State Emergency
11 Response and Disaster Relief Fund (SERDRF) to the Department of Public Safety, Office of
12 Recovery and Resiliency (NCORR), the sum of two hundred seventeen million dollars
13 (\$217,000,000) for the 2025-2026 fiscal year to complete the homeowner recovery projects for
14 Hurricanes Matthew and Florence.

15 **SECTION 1.1.(b)** Reporting Requirements. – According to the following schedule
16 set forth in this subsection, NCORR shall report to the Joint Legislative Commission on
17 Governmental Operations (Commission) and the Fiscal Research Division on all funds allocated
18 to homeowner recovery projects for Hurricanes Matthew and Florence and thereafter shall
19 regularly report future disbursements of all funds allocated to remaining homeowner recovery
20 projects as they are disbursed until all homeowner recovery projects are completed. These reports
21 shall include detailed information on all expenditures, obligations, encumbrances, and associated
22 Notices to Proceed or other documentation relating to funds appropriated by or received for those
23 purposes. The reporting schedule is as follows:

- 24 (1) Beginning on the first business day of the month after this act becomes law
25 and continuing on the first business day of each subsequent month until all
26 funds are disbursed and projects completed, a report detailing the expectations
27 for that month on all specific items listed in this subsection.
28 (2) Beginning on the first business day after the fifteenth of the month after this
29 act becomes law and continuing on the first business day after the fifteenth of
30 each subsequent month until all funds are disbursed and projects completed,
31 a report detailing the progress through the month in relation to the stated
32 expectations in the report submitted preceding it.
33 (3) Beginning in the second report submitted pursuant to subdivision (1) of this
34 subsection, a report detailing a 30-day lookback period, including the progress
35 of measurable outcomes compared to the expectation for the month
36 immediately preceding it.



1 **SECTION 1.1.(c)** Prioritization. – NCORR shall prioritize (i) entering into a
2 memorandum of understanding with the Housing Finance Agency to retrieve eligible funding for
3 the homeowner recovery program and (ii) spending those funds received from the Housing
4 Finance Agency for the remaining unmet needs for the homeowner recovery projects consistent
5 with subsection (a) of this section.

6 **SECTION 1.1.(d)** Clawback. – If, after the homeowner recovery projects for
7 Hurricanes Matthew and Florence are completed, NCORR has remaining funds appropriated for
8 the program, then those funds shall revert to the Savings Reserve.

9 **SECTION 1.1.(e)** Evaluation of Previous Six Months. – Within 30 calendar days of
10 this act becoming law, NCORR shall reevaluate all persons who were removed, denied, or
11 otherwise ruled ineligible by NCORR within the past 180 calendar days. If any persons' eligibility
12 were changed by this review, NCORR shall include this information in the next report due
13 pursuant to subsection (b) of this section after the review is completed. To the extent that any
14 persons are deemed eligible for the programs or other assistance, these persons and projects shall
15 be included in subsequent reporting.

16 **SECTION 1.2.(a)** Auditor Oversight. – NCORR shall report to the Office of the
17 State Auditor (i) all disaster relief funds appropriated in this act, (ii) previous funds appropriated
18 under S.L. 2024-57, and (iii) any other funds that have been disbursed to NCORR as of the
19 enactment of this section and thereafter shall regularly report future disbursements of all disaster
20 relief funds allocated to NCORR for disaster relief as they are disbursed. These reports shall
21 include detailed information on all expenditures for personnel, administrative expenses, capital,
22 supplies, and direct aid, and any documents relating to funds appropriated by or received by the
23 State of North Carolina for disaster relief for Hurricanes Matthew and Florence.

24 **SECTION 1.2.(b)** Auditor Reporting Time Line. – NCORR shall send the required
25 information and documents relating to funds already disbursed to the Office of the State Auditor
26 as soon as practicable but no later than seven business days after this bill becomes law.
27 Thereafter, NCORR shall send the required information and documents relating to subsequent
28 disbursements to the Office of the State Auditor on a weekly basis.

29 **SECTION 1.2.(c)** Failure to Report. – If NCORR fails to report expenditures within
30 the specified time line, the Office of the State Auditor shall notify the Commission. NCORR
31 shall provide an explanation and accounting of the failure to report expenditures in a timely
32 manner to the Office of the State Auditor and the Commission.

33 **SECTION 1.2.(d)** Audit Requirements. – The State Auditor shall produce a report
34 of funds expended by NCORR for funds disbursed by NCORR for Hurricanes Matthew and
35 Florence upon the request of the Commission. The State Auditor shall conduct additional
36 periodic financial and performance audits of the Division of Emergency Management of the
37 Department of Public Safety, the Governor's Recovery Office for Western North Carolina, and
38 any additional financial or performance audits as requested by the General Assembly. The audits
39 shall include, at a minimum, all areas of examination as prescribed by G.S. 147-64.6.

40 **SECTION 1.2.(e)** Public Dashboard. – The State Auditor shall provide a public
41 online dashboard that compares the amount of funds appropriated by the legislature with the
42 amount expended by the executive branch for Hurricanes Matthew and Florence relief.

43 **SECTION 1.3.** OSBM Monitoring. – OSBM shall perform ongoing financial
44 monitoring of the Office for the duration of the Office's operations, including funding for
45 previous, current, and future storm recovery programs. OSBM shall oversee and track the
46 Office's budget, expenditures, and obligations through OSBM's Office of Internal Audit or
47 appropriate combination of OSBM staff.

48 **SECTION 1.4.** Conflict with Previous Reporting, Auditing, and Monitoring
49 Requirements. – To the extent any provision of this section conflicts with a previous reporting
50 requirement under S.L. 2024-51, S.L. 2024-53, or S.L. 2024-57, this act shall supersede those
51 provisions.

1 **SECTION 1.5.** Appropriation to Office of State Fire Marshal. – There is
2 appropriated from the SERDRF to the Office of the State Fire Marshal the sum of one million
3 five hundred thousand dollars (\$1,500,000) for supplies and equipment needed for an emergency
4 operations center and new office space.
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6 **PART II. NCORR DISSOLUTION OF RESPONSIBILITY FOR FUTURE STORMS**

7 **SECTION 2.1.** G.S. 143B-1040 reads as rewritten:

8 "**§ 143B-1040. Office of Recovery and Resiliency.**

9 ...

10 ~~(e) Notwithstanding any other provision of law, all Community Development Block~~
11 ~~Grant Disaster Recovery awards received by the State in response to the declarations and~~
12 ~~executive orders described in Section 3.1 of S.L. 2016-124, or in any subsequent federally~~
13 ~~declared disasters, shall be administered by the North Carolina Office of Recovery and Resiliency~~
14 ~~of the Department of Public Safety, including circumstances where the designated grantee is an~~
15 ~~agency other than the North Carolina Office of Recovery and Resiliency."~~
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17 **PART III. REVERSION AND LIMITATION OF FUNDS**

18 **SECTION 3.1.(a)** Reversion. – Funds appropriated in this act shall revert to the
19 Savings Reserve if not expended or encumbered by June 30, 2027.

20 **SECTION 3.1.(b)** Receipt of Allocations. – A recipient of State funds under this act
21 shall use best efforts and take all reasonable steps to obtain alternative funds that cover the losses
22 or needs for which the State funds are provided, including funds from insurance policies in effect
23 and available federal aid. State funds paid under this act are declared to be excess over funds
24 received by a recipient from the settlement of a claim for loss or damage covered under the
25 recipient's applicable insurance policy in effect or federal aid. Where a recipient is an institution
26 of higher education or a non-State entity, the requirement regarding alternative funds, and the
27 calculation of alternative funds received, under this subsection includes seeking private donations
28 to help cover the losses or needs for which State funds are provided. An agency awarding State
29 funds for disaster relief shall include a notice to the recipient of the requirements of this
30 subsection.

31 **SECTION 3.1.(c)** Remittance of Funds. – If a recipient obtains alternative funds
32 pursuant to subsection (b) of this section, the recipient shall remit the funds to the State agency
33 from which the State funds were received. A recipient is not required to remit any amount in
34 excess of the State funds provided to the recipient under this act. The State agency shall transfer
35 these funds to the Savings Reserve.

36 **SECTION 3.1.(d)** Contract Requirements. – Any contract or other instrument
37 entered into by a recipient for receipt of funds under this act shall include the requirements set
38 forth in subsections (b) and (c) of this section.

39 **SECTION 3.1.(e)** Limitation on Powers of Governor. – The Governor may not use
40 the funds described in this act to make budget adjustments under G.S. 143C-6-4 or to make
41 reallocations under G.S. 166A-19.40(c). Nothing in this act shall be construed to prohibit the
42 Governor from exercising the Governor's authority under these statutes with respect to funds
43 other than those described in this act.

44 **SECTION 3.1.(f)** Directive. – The Governor shall ensure that funds allocated in this
45 act are expended in a manner that does not adversely affect any person's or entity's eligibility for
46 federal funds that are made available, or that are anticipated to be made available, as a result of
47 natural disasters. The Governor shall also, to the extent practicable, avoid using State funds to
48 cover costs that will be, or likely will be, covered by federal funds.
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50 **PART IV. EFFECTIVE DATE**

51 **SECTION 4.1.** This act is effective when it becomes law.