NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE RESEARCH COMMISSION

STATE LEGISLATIVE BUILDING RALEIGH, NC 27601



October 29, 2013

Senator Tom Apodaca Chairman Legislative Research Commission North Carolina State Senate 16 W. Jones Street, Room 2010 Raleigh, NC 27601-2808 Representative Tim Moore Chairman Legislative Research Commission North Carolina House of Representatives 16 W. Jones Street, Room 2301 Raleigh, NC 27601-2808

Dear Senator Apodaca and Representative Moore:

Pursuant to G.S. 120-30.13, Senator Apodaca has been designated as the Senate Cochair of the 2013-2014 Legislative Research Commission ("Commission" or "LRC"). Representative Moore has been designated as the House Cochair of the Commission.

As you prepare your agenda for the Commission, pursuant to G.S. 120-30.17, we authorize the Commission to appoint the following Study Committees to study the following matters. The Cochairs and appointees to each Committee are also identified. Please restrict each study committee to a maximum of four meetings unless additional meetings are pre-approved by our offices.

The Commission may make an interim report of the recommendations of its study committees, including recommended legislation, to the 2014 Session of the 2013 General Assembly and shall make a final report to the 2015 General Assembly.

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Authorized House Study Committees

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<u>Wetland and Stream Mitigation</u> - The LRC Committee on Wetland and Stream Mitigation shall study issues related to the overall policies and roles of agencies within State government, the federal government, and the private sector to plan, construct and monitor wetland and stream mitigation. The Committee may study the following:

- (1) The process for annual adjustments of Ecosystem Enhancement Program fees, including whether the use of the Civil Works Construction Cost Index System published by the U.S. Army Corps of Engineers as a basis for fee escalation is necessary given the past direction of the General Assembly to base program fees on actual costs.
- (2) Whether compensatory mitigation should be allowed in any hydrologic area located in the same river basin as the site being mitigated. For purposes of this study, the terms "compensatory mitigation" and "hydrologic area" are defined in G.S. 143-214.11.
- (3) Whether compensatory mitigation fee payment system represents the most efficient and effective way to provide compensatory mitigation and how the program could be revised to lessen its economic impact on the State's businesses and industries.
- (4) Whether the State should withdraw from the Memorandum of Agreement between the Department of Environment and Natural Resources, the Department of Transportation, and the U.S. Army Corps of Engineers, which established the Ecosystem Enhancement Program in 2003.
- (5) Whether the Department of Transportation should purchase its stream and wetland mitigation credits from an approved mitigation bank within the private sector where available.
- (6) Whether the State should consider assuming the Clean Water Act Section 404 permitting role from the federal government.
- (7) Whether the mitigation projects overseen by the Department of Transportation, Natural Systems Unit have been effective and cost efficient.
- (8) Whether the Department of Environment and Natural Resources' internal review process of stream and wetland mitigation projects designed, stamped, and signed by a licensed professional engineer is necessary and/or appropriate.
- (9) Any other issues associated with stream and wetland mitigation deemed appropriate by the Committee.
- (10) Any other issues pertinent to this study.

House Members		House Members	
Rep. Lewis	Co-Chair	Rep. Jeter	
Rep. Millis	Co-Chair	Rep. Pierce	
Rep. Alexander		Rep. McGrady	
Rep. Carney		Rep. Shepherd	
Rep. Catlin		Rep. Stam	
Rep. Hastings		Rep. Tim Moore	Ex Officio

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We will look forward to reviewing the Commission's report regarding the study results, as well as any recommended legislation, prior to dissolution of the Commission on January 15, 2015 pursuant to G.S. 120-30.11. Please let us know if we or our staff may be of assistance.

Thank you for your service.

Sincerely,

Sen. Phil Berger President Pro Tempore of the Senate Rep. Thom Tillis Speaker of the House of Representatives

CC: George Hall, Legislative Services Officer