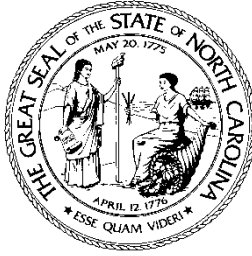


GENERAL ASSEMBLY OF NORTH CAROLINA



**SPECIAL PROVISIONS**  
**HOUSE APPROPRIATIONS, AGRICULTURE AND NATURAL AND ECONOMIC**  
**RESOURCES PACKAGE**

**AUGUST 4, 2021**

|   |           |
|---|-----------|
| <b>2021-AGRIC-H1(S10.1)I</b> .....                | <b>1</b>  |
| TOBACCO TRUST FUND ADMINISTRATIVE EXPENSES        |           |
| <b>2021-AGRIC-H2(S10.2)I</b> .....                | <b>1</b>  |
| FEE AUTHORITY FOR STATE PHYTOSANITARY CERTIFICATE |           |
| <b>2021-AGRIC-H3(S10.3)I</b> .....                | <b>1</b>  |
| HEMLOCK RESTORATION REPORT                        |           |
| <b>2021-AGRIC-H5(S10.4)I</b> .....                | <b>2</b>  |
| TIMBER SALES/RETENTION AND USE OF PROCEEDS        |           |
| <b>2021-AGRIC-H12(S10.5)I</b> .....               | <b>2</b>  |
| GO GLOBAL NC PROGRAM                              |           |
| <b>2021-AGRIC-H7-P</b> .....                      | <b>2</b>  |
| AGRICULTURAL MARKETING FACILITIES SPECIAL FUND    |           |
| <b>2021-AGRIC-H6-P</b> .....                      | <b>3</b>  |
| ANIMAL SHELTER SUPPORT FUND AMENDMENTS            |           |
| <b>2021-AGRIC-H4-P</b> .....                      | <b>4</b>  |
| DUPONT STATE RECREATIONAL FOREST FUNDS            |           |
| <b>2021-AGRIC-H13-P</b> .....                     | <b>4</b>  |
| OVERSIGHT COMMITTEE STUDY OF DACS FEES            |           |
| <b>2021-AGRIC-H9(S10.6)-P</b> .....               | <b>4</b>  |
| FOOD BANK AND FOOD ASSISTANCE PROGRAM FUNDS       |           |
| <b>2021-AGRIC-H10(S10.7)-P</b> .....              | <b>5</b>  |
| MEAT AND SEAFOOD PROCESSING GRANTS                |           |
| <b>2021-AGRIC-H11(S10.8)-P</b> .....              | <b>6</b>  |
| SWINE AND DAIRY ASSISTANCE PROGRAM                |           |
| <b>2021-COMM-H2(S11.1)I</b> .....                 | <b>8</b>  |
| COMMUNITY DEVELOPMENT BLOCK GRANTS                |           |
| <b>2021-COMM-H1(S11.2)-P</b> .....                | <b>11</b> |
| COMMERCE NONPROFITS/REPORTING REQUIREMENTS        |           |
| <b>2021-COMM-H3(S11.3)I</b> .....                 | <b>12</b> |
| NC BIOTECHNOLOGY CENTER                           |           |

|   |           |
|---|-----------|
| <b>2021-COMM-H13(S11.5)I.....</b>   | <b>13</b> |
| STATE SMALL BUSINESS CREDIT INITIATIVE FUNDS                                  |           |
| <b>2021-COMM-H8(S11.6)I.....</b>  | <b>13</b> |
| MODIFY FILM GRANT   |           |
| <b>2021-COMM-H5(S11.7) .....</b>  | <b>14</b> |
| ONE NC SMALL BUSINESS PROGRAM CHANGES   |           |
| <b>2021-COMM-H9(S11.8)I.....</b>  | <b>15</b> |
| TIER THREE ONE NC ALLOTMENT   |           |
| <b>2021-COMM-H4(S11.9)I.....</b>  | <b>15</b> |
| RURAL READY SITES REPORT CHANGE   |           |
| <b>2021-COMM-H10(S11.11)I.....</b>  | <b>16</b> |
| EDPNC MARKETING FUNDS   |           |
| <b>2021-COMM-H16-P.....</b>   | <b>16</b> |
| NORTH CAROLINA RURAL TOURISM RECOVERY PILOT PROGRAM                           |           |
| <b>2021-COMM-H7(S11.12)-P.....</b>  | <b>17</b> |
| RURAL DOWNTOWN TRANSFORMATION GRANT PROGRAM                                   |           |
| <b>2021-COMM-H12-P.....</b>   | <b>18</b> |
| ESPORTS INDUSTRY GRANT FUND   |           |
| <b>2021-COMM-H11-P.....</b>   | <b>21</b> |
| MOTORSPORT INDUSTRY SUPPORT   |           |
| <b>2021-DEQ-H9(S12.1)I.....</b>   | <b>23</b> |
| GREAT COHARIE TIMBER SALES  |           |
| <b>2021-DEQ-H4-P .....</b>  | <b>23</b> |
| REVISE STEWARDSHIP PROGRAM DIRECTIVES   |           |
| <b>2021-DEQ-H14(S12.2)I.....</b>  | <b>24</b> |
| OVERSIGHT COMMITTEE STUDY OF DEQ FEES   |           |
| <b>2021-DEQ-H10(S12.3)-P.....</b>   | <b>24</b> |
| EXTEND SHELLFISH LEASING MORATORIA  |           |
| <b>2021-DEQ-H16(S12.4)-P.....</b>   | <b>24</b> |
| COMMERCIAL FISHING LICENSE BUYBACK  |           |
| <b>2021-DEQ-H15-P .....</b>   | <b>25</b> |
| NORTHERN SHELLFISH LAB FACILITY STUDY   |           |
| <b>2021-DEQ-H18(S12.5)I.....</b>  | <b>25</b> |
| SHALLOW DRAFT NAVIGATION CHANNEL DREDGING AND AQUATIC WEED<br>FUND AMENDMENTS |           |
| <b>2021-DEQ-H22(S12.6)I.....</b>  | <b>26</b> |
| COMMERCIAL LEAKING UNDERGROUND STORAGE TANK CLEANUP FUND<br>CHANGES           |           |
| <b>2021-DEQ-H12(S12.7)I.....</b>  | <b>26</b> |
| BERNARD ALLEN MEMORIAL DRINKING WATER FUND CLARIFICATION                      |           |
| <b>2021-DEQ-H13(S12.8)I.....</b>  | <b>27</b> |
| ROCKINGHAM/GUILFORD COUNTY FUNDS EXTENSION                                    |           |

|   |           |
|---|-----------|
| <b>2021-DEQ-H19(S12.10)I.....</b>   | <b>27</b> |
| DAM SAFETY EMERGENCY FUND   |           |
| <b>2021-DEQ-H6-P .....</b>  | <b>28</b> |
| EROSION AND SEDIMENTATION FEE CHANGES   |           |
| <b>2021-DEQ-H20(S12.11)-P.....</b>  | <b>29</b> |
| VOLKSWAGEN SETTLEMENT   |           |
| <b>2021-DEQ-H8(S12.12)-P.....</b>   | <b>29</b> |
| WATER INFRASTRUCTURE FUND ENHANCEMENT   |           |
| <b>2021-DEQ-H7-P .....</b>  | <b>30</b> |
| BIRD ISLAND FUNDS   |           |
| <b>2021-DEQ-H25(S12.13) .....</b>   | <b>30</b> |
| WATER AND SEWER INFRASTRUCTURE FUNDS  |           |
| <b>2021-DEQ-H29-P .....</b>   | <b>35</b> |
| HIGHLY TREATED WASTEWATER PILOT PROGRAM   |           |
| <b>2021-DEQ-H24(S12.14)-P.....</b>  | <b>35</b> |
| STORMWATER INFRASTRUCTURE FUNDS   |           |
| <b>2021-DEQ-H3-P .....</b>  | <b>36</b> |
| CLARIFY PERMITTING IN ISOLATED WETLANDS   |           |
| <b>2021-DEQ-H27-P .....</b>   | <b>38</b> |
| CLARIFY LOCAL AUTHORITY FOR STORMWATER ORDINANCES   |           |
| <b>2021-DEQ-H28-P .....</b>   | <b>40</b> |
| RECONCILE TITLE V AIR QUALITY RULE EFFECTIVE DATE   |           |
| <b>2021-DEQ-H26-P .....</b>   | <b>40</b> |
| SOUTHERN STATES ENERGY BOARD FUNDS  |           |
| <b>2021-DEQ-H30-P .....</b>   | <b>40</b> |
| CLARIFY EQIP FUNDING REQUIREMENTS   |           |
| <b>2021-DEQ-H31-P .....</b>   | <b>41</b> |
| CARTERET WATER ACCESS DREDGING  |           |
| <b>2021-DEQ-H2-P .....</b>  | <b>41</b> |
| AMEND DAM SAFETY EXEMPTION  |           |
| <b>2021-LAB-H1(S13.1)-P .....</b>   | <b>41</b> |
| BE PRO BE PROUD   |           |
| <b>2021-DNCR-H9(S14.1)-P.....</b>   | <b>42</b> |
| DISPOSITION OF LAND AT CERTAIN HISTORIC SITES   |           |
| <b>2021-DNCR-H10(S14.2)I.....</b>   | <b>45</b> |
| U.S.S. NORTH CAROLINA BATTLESHIP COMMISSION DYNAMIC PRICING<br>CONFORMING CHANGE AND DNCR ATTRACTION RULEMAKING<br>EXEMPTIONS |           |
| <b>2021-DNCR-H11(S14.3)I.....</b>   | <b>46</b> |
| ADD MARKETING AS PERMISSIBLE USE OF ZOO AND AQUARIUM FUNDS  |           |
| <b>2021-DNCR-H7-P.....</b>  | <b>46</b> |
| INCREASE REPAIR AND RENOVATION PROJECT SPENDING CAP   |           |

|  |           |
|--|-----------|
| <b>2021-DNCR-H5-P.....</b>   | <b>47</b> |
| NC TRANSPORTATION MUSEUM ROLLING STOCK   |           |
| <b>2021-DNCR-H6(S24.1)-P.....</b>  | <b>47</b> |
| SYMPHONY CHALLENGE GRANT   |           |
| <b>2021-DNCR-H3-P.....</b>   | <b>47</b> |
| SUPPORT FOR NC TRAILS  |           |
| <b>2021-DNCR-H4-P.....</b>   | <b>50</b> |
| GRANTS TO ADAPT OR CONSTRUCT PARKS FACILITIES FOR PERSONS WITH<br>DISABILITIES |           |
| <b>2021-DNCR-H14-P.....</b>  | <b>50</b> |
| AMERICAN INDIAN HERITAGE COMMISSION  |           |
| <b>2021-DNCR-H13-P.....</b>  | <b>51</b> |
| AUTHORIZE BAKERS LAKE STATE NATURAL AREA                                       |           |
| <b>2021-WRC-H2(S15.1)I.....</b>  | <b>52</b> |
| ABANDONED AND DERELICT VESSELS   |           |

1  
2 **Special Provision 2021-AGRIC-H1(S10.1)i**

3 **TOBACCO TRUST FUND ADMINISTRATIVE EXPENSES**

4 **SECTION 10.1.** G.S. 143-717(i) reads as rewritten:

5 "(i) Limit on Operating and Administrative Expenses. – All administrative expenses of  
6 the Commission shall be paid from the Fund. No more than ~~three hundred fifty thousand dollars~~  
7 ~~(\$350,000)~~ three hundred seventy-five thousand dollars (\$375,000) may be used each fiscal year  
8 for administrative and operating expenses of the Commission and its staff, provided that the  
9 Commission may annually adjust the administrative expense cap imposed by this subsection, so  
10 long as that any cap increase does not exceed the amount necessary to provide for statewide  
11 salary and benefit adjustments enacted by the General Assembly."  
12

13 **Special Provision 2021-AGRIC-H2(S10.2)i**

14 **FEE AUTHORITY FOR STATE PHYTOSANITARY CERTIFICATE**

15 **SECTION 10.2.(a)** G.S. 106-420 reads as rewritten:

16 **"§ 106-420. Authority of Board of Agriculture to adopt regulations.**

17 The Board of Agriculture is hereby authorized to adopt reasonable regulations to implement  
18 and carry out the purposes of this Article as to eradicate, repress and prevent the spread of plant  
19 pests (i) within the State, (ii) from within the State to points outside the State, and (iii) from  
20 outside the State to points within the State. The Board of Agriculture shall adopt regulations for  
21 eradicating such plant pests as it may deem capable of being economically eradicated, for  
22 repressing such as cannot be economically eradicated, and for preventing their spread within the  
23 State. Regulations may provide for quarantine of areas. It may also adopt reasonable regulations  
24 for preventing the introduction of dangerous plant pests from without the State, and for governing  
25 common carriers in transporting plants, articles or things liable to harbor such pests into, from  
26 and within the State. The Board is authorized, in order to control plant pests, to adopt regulations  
27 governing the inspection, certification and movement of nursery stock, (i) into the State from  
28 outside the State, (ii) within the State, and (iii) from within the State to points outside the State.  
29 The Board is further authorized to prescribe and collect a schedule of fees to be collected for its  
30 nursery inspection, nursery dealer certification, narcissus bulb inspection, plant pest inspection,  
31 phytosanitary certification, and plant pest certification activities."

32 **SECTION 10.2.(b)** G.S. 150B-1(d) reads as rewritten:

33 "(d) Exemptions from Rule Making. – Article 2A of this Chapter does not apply to the  
34 following:

35 ...

36 (26) The Board of Agriculture in the Department of Agriculture and Consumer  
37 Services with respect to the following:

38 ...

39 d. Fees for State phytosanitary certificates.

40 ...."

41  
42 **Special Provision 2021-AGRIC-H3(S10.3)i**

43 **HEMLOCK RESTORATION REPORT**

44 **SECTION 10.3.** The North Carolina Forest Service shall report on the hemlock  
45 restoration initiatives funded by this act. The report shall include the following with respect to  
46 each hemlock restoration initiative funded during the 2021-2023 fiscal biennium:

47 (1) Identification of goals and outcomes for the initiative.

48 (2) A description of the measures used or data collected to evaluate the efficiency  
49 and effectiveness of the initiative in reaching its desired goals and outcomes.

50 (3) The performance of each initiative with respect to the identified goals and  
51 outcomes.

1 The Forest Service shall provide its report to the chairs of the Joint Legislative  
2 Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal  
3 Research Division no later than October 1 following the completion of each fiscal year in the  
4 2021-2023 fiscal biennium.

5  
6 **Special Provision 2021-AGRIC-H5(S10.4)i**

7 ***TIMBER SALES/RETENTION AND USE OF PROCEEDS***

8 **SECTION 10.4.(a)** G.S. 146-30(d)(6) reads as rewritten:

9 "(6) The following provisions apply with respect to land owned by or under the  
10 supervision and control of the Department of Agriculture and Consumer  
11 Services:

- 12 a. The net proceeds derived from the sale of land ~~or timber from land~~  
13 ~~owned by or under the supervision and control of the Department of~~  
14 ~~Agriculture and Consumer Services~~ shall be deposited with the State  
15 Treasurer in a capital improvement account to the credit of the  
16 Department of Agriculture and Consumer Services, to be used for such  
17 specific capital improvement projects or other purposes as are  
18 provided by transfer of funds from those accounts in the ~~Capital~~  
19 ~~Improvement Appropriations Act~~ an act of the General Assembly.  
20 b. The net proceeds derived from the sale of timber and other products of  
21 land shall be deposited in accounts at the Department of Agriculture  
22 and Consumer Services to be used for operational expenses of the  
23 Department incurred for restoration and stewardship of the land."

24 **SECTION 10.4.(b)** G.S. 106-6.3 reads as rewritten:

25 **"§ 106-6.3. Create special revenue fund for research stations.**

26 The Research Stations Fund is established as a special revenue fund within the Department  
27 of Agriculture and Consumer Services, Division of Research Stations. This Fund shall consist of  
28 receipts from the sale of timber and other commodities produced on the Department's research  
29 stations and any gifts, bequests, or grants for the benefit of this Fund. No General Fund  
30 appropriations shall be credited to this Fund. Any balance exceeding one million dollars  
31 (\$1,000,000) in this Fund at the end of any fiscal year shall revert to the General Fund. The  
32 Department shall use this Fund only to develop, improve, repair, maintain, operate, or otherwise  
33 invest in research stations operated by the Department's Research Stations Division."

34  
35 **Special Provision 2021-AGRIC-H12(S10.5)i**

36 ***GO GLOBAL NC PROGRAM***

37 **SECTION 10.5.** Funds appropriated in this act to the Department of Agriculture and  
38 Consumer Services for international marketing may be used by the Department to rebrand the  
39 Department's international marketing section as Go Global NC.

40  
41 **Special Provision 2021-AGRIC-H7-P**

42 ***AGRICULTURAL MARKETING FACILITIES SPECIAL FUND***

43 **SECTION #.** Article 1 of Chapter 106 of the General Statutes is amended by adding  
44 a new section to read:

45 **"§ 106-6.4. Create special revenue fund for certain facilities.**

46 The Agricultural Marketing Facilities Fund is established as a special revenue fund within  
47 the Department of Agriculture and Consumer Services, Marketing Division. This Fund shall  
48 consist of receipts from the lease or rental of property or facilities, admissions, fees, and any  
49 gifts, bequests, or grants collected at the Department's farmers markets and agricultural centers.  
50 The Department shall use this Fund to develop, improve, repair, maintain, operate, expand, or  
51 otherwise invest in the Department's farmers markets and agricultural centers."

1  
2 **Special Provision 2021-AGRIC-H6-P**

3 **ANIMAL SHELTER SUPPORT FUND AMENDMENTS**

4 **SECTION #.** Article 5A of Chapter 19A of the General Statutes reads as rewritten:

5 "Article 5A.

6 "Animal Shelter Support Fund.

7 **"§ 19A-67. Animal Shelter Support Fund.**

8 (a) Creation. – The Animal Shelter Support Fund is established as a special fund in the  
9 Department of Agriculture and Consumer Services. The Fund consists of appropriations by the  
10 General Assembly or contributions and grants from public or private sources.

11 (b) Use. – The Fund shall be used by the Animal Welfare Section of the Department of  
12 Agriculture and Consumer Services to ~~reimburse~~ provide grants to local governments for  
13 expenses related to their operation of a registered animal shelter due to any of the following:

14 (1) The denial, suspension, or revocation of the shelter's ~~registration~~ registration,  
15 or compliance with new or newly applicable requirements for maintenance of  
16 registration.

17 (2) An unforeseen catastrophic disaster at an animal shelter.

18 (c) Rules. – The Board of Agriculture shall issue rules detailing eligible expenses and  
19 application guidelines that comply with the requirements of this Article.

20 (d) ~~Reversion. – Any appropriated and unencumbered funds remaining at the end of each~~  
21 ~~fiscal year in excess of two hundred fifty thousand dollars (\$250,000) shall revert to the General~~  
22 ~~Fund.~~

23 **"§ 19A-68. ~~Distributions~~ Grants to counties and cities from Animal Shelter Support Fund.**

24 (a) ~~Reimbursable Eligible Costs. – Local~~ Except as otherwise provided in this subsection,  
25 governments eligible for distributions from the Animal Shelter Support Fund may receive  
26 ~~reimbursement funding~~ only for the direct operational costs of the animal shelter following an  
27 event described in G.S. 19A-67(b). For purposes of this subsection, direct operational costs shall  
28 include veterinary services, sanitation services and needs, animal sustenance and supplies, and  
29 temporary housing and sheltering. Counties and cities shall not ~~be reimbursed~~ receive funding  
30 for administrative costs or capital expenditures for facilities and ~~equipment~~ equipment, unless  
31 those costs are required in order to restore or maintain a shelter's registration.

32 (b) ~~Cost Share. – A local government requesting distributions from the Animal Shelter~~  
33 ~~Support Fund must provide a local match based on their most recent development tier designation~~  
34 ~~as defined in G.S. 143B-437.08. Local governments located in development tier one counties~~  
35 ~~must provide a match equivalent to one dollar (\$1.00) for every three dollars (\$3.00) distributed~~  
36 ~~from the Fund. Local governments located in development tier two counties must provide a~~  
37 ~~match equivalent to one dollar (\$1.00) for every two dollars (\$2.00) distributed from the Fund.~~  
38 ~~Local governments located in development tier three counties must provide a match equivalent~~  
39 ~~to one dollar (\$1.00) for every one dollar (\$1.00) distributed from the Fund.~~

40 (c) Application. – A county or city eligible for ~~reimbursement~~ a grant from the Animal  
41 Shelter Support Fund shall apply to the Department of Agriculture and Consumer Services ~~within~~  
42 ~~60 days of when the reimbursable cost has been incurred. Services.~~ The application shall be  
43 submitted in the form required by the Department and shall include an itemized listing of the  
44 costs for which ~~reimbursement funding~~ is sought.

45 (d) ~~Distribution. – The Department shall make payments from the Animal Shelter~~  
46 ~~Support Fund to eligible counties and cities that have made timely application for reimbursement~~  
47 ~~within 30 days of receipt of requests.~~

48 (e) Limitation. – Grants from the Animal Shelter Support Fund are limited to fifty  
49 thousand dollars (\$50,000) per grantee in any fiscal year.

50 ...."  
51

1 **Special Provision 2021-AGRIC-H4-P**

2 ***DUPONT STATE RECREATIONAL FOREST FUNDS***

3 **SECTION #.(a)** Nonrecurring funds appropriated in this act to the Department of  
4 Agriculture and Consumer Services for creation and implementation of a master recreational  
5 facility plan for the DuPont State Recreational Forest (Forest) shall be allocated as follows:

- 6 (1) One hundred thousand dollars (\$100,000) for the 2021-2022 fiscal year for  
7 the creation of a master recreational facility plan that includes a network of  
8 recreational trails within the Forest, including new trail segments and  
9 improvements or extensions of existing trails.
- 10 (2) One hundred thousand dollars (\$100,000) for the 2021-2022 fiscal year and  
11 five hundred fifty thousand dollars (\$550,000) for the 2022-2023 fiscal year  
12 for the implementation of the facility plan, including engineering, design, and  
13 construction activities for new and existing trails, trail support facilities, and  
14 recreational facilities. Of these funds, the Department may use no more than  
15 two hundred twenty-five thousand dollars (\$225,000) for the planning, design,  
16 and construction of a trail spur connecting the Forest to the French Broad  
17 River Paddle Trail and the Mountains-to-Sea Trail.

18 **SECTION #.(b)** The Department shall enter into a Memorandum of Understanding  
19 (MOU) with at least one nonprofit partner organization to implement and maintain the trails  
20 funded in subsection (a) of this section.

21  
22 **Special Provision 2021-AGRIC-H13-P**

23 ***OVERSIGHT COMMITTEE STUDY OF DACS FEES***

24 **SECTION #.** The Joint Legislative Oversight Committee on Agriculture and Natural  
25 and Economic Resources shall study the existing fee structure for permitting, compliance, and  
26 oversight services performed by the Department of Agriculture and Consumer Services with the  
27 goal of identifying areas where fee income does not adequately support the services provided.  
28 The Committee shall identify, with respect to each service identified as having an insufficient  
29 fee, the amount of the fee that was or could have been charged, the cost incurred by the  
30 Department of Agriculture and Consumer Services in performing the service, and, if applicable,  
31 the reason for not charging the fee or for the fee shortfall. The Committee shall provide its report  
32 to the 2022 Regular Session of the 2021 General Assembly upon its convening.

33  
34 **Special Provision 2021-AGRIC-H9(S10.6)-P**

35 ***FOOD BANK AND FOOD ASSISTANCE PROGRAM FUNDS***

36 **SECTION 10.6.** Funds appropriated in this act from the State Fiscal Recovery Fund  
37 to the Department of Agriculture and Consumer Services for support of North Carolina food  
38 banks shall be allocated as follows:

- 39 (1) Forty million dollars (\$40,000,000) to distribute to North Carolina food banks.  
40 These funds may be used for the purchase and distribution of food,  
41 infrastructure and equipment, capacity-building for the food banks and their  
42 partner agencies, benefits counseling, partnerships with community  
43 workforce development organizations, and any other use consistent with the  
44 rules implementing the State Fiscal Recovery Fund.
- 45 (2) Five million dollars (\$5,000,000) to Reinvestment Partners, a nonprofit  
46 organization, for its Produce Prescription Program, which provides a monthly  
47 forty dollar (\$40.00) per household benefit for each eligible Food and  
48 Nutrition Services recipient enrolled by the recipient's health care provider, to  
49 serve individuals impacted by the COVID-19 emergency. Individuals  
50 receiving assistance pursuant to this subdivision are limited to three months  
51 of food assistance.



**Special Provision 2021-AGRIC-H10(S10.7)-P**  
**MEAT AND SEAFOOD PROCESSING GRANTS**

**SECTION 10.7.(a)** Findings. – The General Assembly finds that the COVID-19 pandemic of 2020-2021 resulted in serious and substantial impacts on the food supply chain and revealed bottlenecks and lack of capacity among the small and independent meat processors who serve small livestock producers. These bottlenecks and lack of capacity have a substantial negative impact on the ability of these small livestock producers to have their livestock slaughtered and processed. In addition, seafood processors lack capacity to meet increased and altered consumer demand for seafood products due to supply chain disruptions and other long-term changes in the market for seafood and seafood products. The General Assembly further finds that financial assistance to these processors for expansion, facility improvements, and workforce development is necessary to reduce disruptions in the supply chain for fresh meat and seafood and to help small producers get their products to market.

**SECTION 10.7.(b)** Use of Funds and Limitation. – The funds appropriated in this act from the State Fiscal Recovery Fund to the Department of Agriculture and Consumer Services for grants to meat and seafood processors shall be used to provide grants as specified in this section to reduce or prevent impacts on the supply chain for fresh meat in the State and to improve the resiliency of the fresh meat and seafood supply chain to future disruptions. The following limitations and reservations apply:

- (1) No more than thirty-five percent (35%) of the funds allocated in this section may be used for grants to seafood processors.
- (2) No more than two million dollars (\$2,000,000) of the funds allocated in this section may be used to supplement grants previously awarded to reflect construction cost inflation.

**SECTION 10.7.(c)** Grant Types and Criteria. – The Department shall develop policies and procedures for the disbursement of the grants authorized by this section that include, at a minimum, the following:

- (1) The Department may provide three categories of grants:
  - a. Capacity enhancement grant. – This grant is available to an eligible meat or seafood processing facility that is experiencing slowdowns in production or has limited capacity to accommodate increased demand for meat or seafood processing. A capacity enhancement grant may be used for expansion of an existing eligible facility and for fixtures or equipment at an existing eligible facility that will expand animal throughput, processing capacity, the amount or type of products produced, or processing speed. A grant under this sub-subdivision may not exceed five hundred thousand dollars (\$500,000).
  - b. Workforce development grant. – This grant is available to an eligible meat or seafood processing facility that is experiencing slowdowns in production or has limited capacity to accommodate increased demand for meat or seafood processing due to workforce limitations or reductions due to a pandemic or other natural disaster. A workforce development grant may be used for educational and workforce training provided either by the facility or by an accredited institution of higher education. A grant under this sub-subdivision may not exceed one hundred thousand dollars (\$100,000).
  - c. Planning grant. – This grant is available to a nonprofit entity or institution of higher education to complete feasibility or siting studies for a new eligible meat processing facility. No more than five percent

- (5%) of funds allocated by this section may be used for grants under this sub-subdivision.
- (2) Eligible facility. – For purposes of this section, an eligible meat or seafood processing facility is a food processing facility that meets both of the following requirements:
- a. The plant contracts with independent livestock producers or seafood harvesters to process animals or seafood.
  - b. The United States Department of Agriculture (USDA) contracts with Department inspectors to conduct federal inspection activities authorized by the Talmadge-Aiken Act of 1962 (7 U.S.C. § 1633) at the plant, the plant is otherwise regulated by the USDA or the United States Food and Drug Administration, or the plant is a State-inspected facility.
- (3) Prioritization. – The Department may prioritize projects that will create additional jobs.
- (4) Cost-sharing. – Recipients shall provide matching funds for a grant under this section in the amount of one dollar (\$1.00) from nongrant sources for every two dollars (\$2.00) provided by the grant.
- (5) Clawback. – If fixtures or equipment purchased with grant funds provided under this Article are disposed of during a period of time as the Department may specify following the date the fixtures or equipment funded by this act are placed in service, the grant recipient shall repay to the Department a proportionate share of the grant funding received as the Department may specify. As used in this subdivision, the term "disposed of" means disposed of, taken out of service, or moved out of State.

**Special Provision 2021-AGRIC-H11(S10.8)-P**  
**SWINE AND DAIRY ASSISTANCE PROGRAM**

**SECTION 10.8.(a)** The General Assembly makes the following findings:

- (1) The impact of COVID-19 on the global supply chain has been widespread across industries, especially within our country's food supply chain.
- (2) Due to COVID-19, at least two swine integrators ended operations resulting in the loss of contracts and income for many family farmers. Dairy producers and processors in the State lost more than half of their market with COVID-19 related shutdowns of the school systems and food service industries, and these markets may never fully recover.
- (3) Significant numbers of swine farms have lost contracts, and dairies have been forced out of business due to the COVID-19 pandemic.
- (4) The continuous and future pressures on the food supply chain will remain an issue for North Carolina's number one industry, agriculture, as a result of COVID-19.
- (5) The most effective program for administration of financial assistance to the swine and dairy industries is a three-fold approach based on verifiable documentation from producers as specified in this section.

**SECTION 10.8.(b)** Allocation of Funds. – The funds appropriated in this act from the State Fiscal Recovery Fund to the Department of Agriculture and Consumer Services for emergency support of swine and dairy producers shall be allocated by the Department to provide financial assistance as specified in subsection (e) of this section to compensate eligible swine and dairy producers for losses incurred as a result of termination of contracts or ceased production due to the COVID-19 pandemic. These funds may only be used for purposes consistent with the

rules implementing the Coronavirus State Fiscal Recovery Fund established under the American Rescue Plan Act.

**SECTION 10.8.(c)** Definitions. – The following definitions shall apply in this section:

- (1) Dairy producer. – A Grade A milk producer who can demonstrate to the satisfaction of the Department that the producer is or was in compliance with federal Grade A milk regulations during the time period specified in sub-subdivision (2)a. of subsection (d) of this section.
- (2) Department. – The Department of Agriculture and Consumer Services.
- (3) Swine integrator. – A person, other than a grower, who provides 250 or more animals to a swine farm and who either has an ownership interest in the animals or otherwise establishes management and production standards for the permit holder for the maintenance, care, and raising of the animals. An ownership interest includes a right or option to purchase the animals.
- (4) Swine producer. – A person who holds or held a permit for an animal waste management system under Part 1A of Article 21 of Chapter 143 of the General Statutes during the time period specified in sub-subdivision (1)a. of subsection (d) of this section.

**SECTION 10.8.(d)** Eligibility Requirements. – A swine or dairy producer must provide to the Department the following information in order to demonstrate the producer's eligibility for financial assistance pursuant to this section:

- (1) For swine producers, all of the following:
  - a. A contract termination letter from a swine integrator or other documentation of contract termination between March 1, 2020, and June 30, 2022.
  - b. Proof that the swine operation is permitted by the State.
  - c. Any other information deemed appropriate by the Department.
- (2) For dairy producers, all of the following:
  - a. Milk production records, showing ceased production during any time between March 1, 2020, and June 30, 2022.
  - b. Proof that the dairy operation was permitted as a Grade A milk producer by the Food and Drug Protection Division of the Department during the time that production was ceased as documented under sub-subdivision a. of this subdivision.
  - c. Any other information deemed appropriate by the Department.

**SECTION 10.8.(e)** Financial Assistance Procedures. – The Department shall award financial assistance based on the following procedures:

- (1) The Department shall award a one-time financial assistance relief payment of thirty-one thousand five hundred dollars (\$31,500) to each eligible applicant.
- (2) In addition to the financial assistance awarded under subdivision (1) of this subsection, the Department shall award either, but not both, of the following to a qualifying eligible applicant:
  - a. Financial assistance to be administered as follows:
    1. A cost share for closure of swine lagoons for swine operations that will not secure a contract with another swine integrator and will cease swine production, or for closure of dairy waste structures associated with dairy operations that will cease milk production. These cost shares shall be limited to ninety percent (90%) of the lagoon closure cost, not to exceed one hundred thousand dollars (\$100,000) per operation.

2. If an applicant who receives a cost share pursuant to this sub-subdivision demonstrates a need for additional water supply for agricultural uses, then the applicant may request an additional cost share to convert the decommissioned lagoon to an agricultural water supply pond. These cost shares shall be limited to ninety percent (90%) of the actual cost, not to exceed thirty thousand dollars (\$30,000) per operation.
  - b. Financial assistance to swine producers for a fixed dollar amount per head space for producers who are able to secure a production contract with another swine integrator but must invest in upgrades to existing barns or completely rebuild animal housing. The maximum award under this sub-subdivision for renovations shall be ten dollars (\$10.00) per head space for renovation to animal housing or twenty dollars (\$20.00) per head space for rebuilt animal housing, but no award under this sub-subdivision may exceed ninety percent (90%) of the actual cost of the renovation or construction. A swine producer shall produce documentation of a new contract or letter of intent with a swine integrator to establish eligibility for this financial assistance.
  - c. The financial assistance provided under sub-subdivision b. of this subdivision is available to the purchaser of a swine operation, provided that the seller otherwise meets the eligibility requirements of this section on the date of the sale.
- (3) In determining the amount of financial assistance awarded to applicants pursuant to this section and in reviewing and approving funded activities, the Department shall comply with applicable federal rules and guidance governing the State Fiscal Recovery Fund. If the Department determines that a person who received financial assistance provided inaccurate information to the Department, then the recipient shall refund the entire amount of the financial assistance. If the recipient does not refund the appropriate amount, the North Carolina Department of Revenue shall utilize the provisions of G.S. 105-242 to collect the money from the recipient.
  - (4) Applicants for financial assistance awarded pursuant to this subsection shall submit the eligibility documents required by subsection (d) of this section no later than June 30, 2023.
  - (5) All swine or dairy producers who receive financial assistance pursuant to this section shall provide a signed affidavit, under penalty of perjury, certifying that each fact of the loss presented by the producer is accurate.
  - (6) The Department may audit the financial and other records of each recipient of funds in order to ensure that the funds are used in accordance with the provisions of this program. The Department may require any documentation or proof it deems necessary to efficiently administer this program, including the ownership structure of each entity and the social security numbers of each applicant. The Department may require the submission of dated, signed, and continuous records.

**SECTION 10.8.(f) Administrative Costs.** – The Department may use up to five percent (5%) of the total funds allocated in this section for technical and administrative support.

**Special Provision 2021-COMM-H2(S11.1)i**  
***COMMUNITY DEVELOPMENT BLOCK GRANTS***

**SECTION 11.1.(a)** Of the funds appropriated in this act for federal block grant funds, the following allocations are made for the fiscal years ending June 30, 2022, and June 30, 2023, according to the following schedule:

**COMMUNITY DEVELOPMENT BLOCK GRANT**

|                                |             |
|--------------------------------|-------------|
| 1. State Administration        | \$1,560,286 |
| 2. Neighborhood Revitalization | 15,419,796  |
| 3. Economic Development        | 21,696,109  |
| 4. Infrastructure              | 5,000,000   |
| 5. Rural Community Development | 5,000,000   |

**TOTAL COMMUNITY DEVELOPMENT**

|  |                     |
|--|---------------------|
| <b>BLOCK GRANT – 2020 Program Year</b> | <b>\$48,676,191</b> |
| <b>2021 Program Year</b>               | <b>\$48,676,191</b> |

**SECTION 11.1.(b)** If federal funds are reduced below the amounts specified in this section after the effective date of this act, then every program in each of these federal block grants shall be reduced by the same percentage as the reduction in federal funds.

**SECTION 11.1.(c)** Any block grant funds appropriated by the Congress of the United States in addition to the funds specified in this section shall be expended as follows: each program category under the Community Development Block Grant shall be increased by the same percentage as the increase in federal funds.

**SECTION 11.1.(d)** The Department of Commerce shall consult with the Joint Legislative Commission on Governmental Operations prior to reallocating Community Development Block Grant Funds. Notwithstanding the provisions of this subsection, whenever the Director of the Budget finds either of the following conditions exist:

- (1) If a reallocation is required because of an emergency that poses an imminent threat to public health or public safety, then the Director of the Budget may authorize the reallocation without consulting the Commission. The Department of Commerce shall report to the Commission on the reallocation no later than 30 days after it was authorized and shall identify in the report the emergency, the type of action taken, and how it was related to the emergency.
- (2) If the State will lose federal block grant funds or receive less federal block grant funds in the next fiscal year unless a reallocation is made, then the Department of Commerce shall provide a written report to the Commission on the proposed reallocation and shall identify the reason that failure to take action will result in the loss of federal funds. If the Commission does not hear the issue within 30 days of receipt of the report, the Department may take the action without consulting the Commission.

**SECTION 11.1.(e)** By September 1, 2021, and September 1, 2022, the Department of Commerce shall report to the chairs of the House of Representatives Appropriations Committee on Agriculture and Natural and Economic Resources; the chairs of the Senate Appropriations Committee on Agriculture, Natural, and Economic Resources; the Joint Legislative Economic Development and Global Engagement Oversight Committee; and the Fiscal Research Division on the use of Community Development Block Grant Funds appropriated in the prior fiscal year. The report shall include the following:

- (1) A discussion of each of the categories of funding, including information on the statewide need in each category.
- (2) Information on the number of applications that were received in each category and the total dollar amount requested in each category.
- (3) A list of grantees, including the grantee's name, county, category under which the grant was funded, the amount awarded, and a narrative description of the project.

**SECTION 11.1.(f)** Funds allocated to the Economic Development Category in subsection (a) of this section shall be made available as grants for eligible activities listed in this subsection. The funds available for grants under this Category may be used for all of the following, subject to the national objectives and eligible activities allowed under guidance issued by the United States Department of Housing and Urban Development:

- (1) Acquisition of real property.
- (2) Demolition and rehabilitation of buildings and improvements.
- (3) Removal of material and architectural barriers.
- (4) Public improvements, including parks, streets, sidewalks, and water and sewer lines.
- (5) Loans and grants to public or private nonprofit entities for construction and rehabilitation activities.
- (6) Assistance to private, for-profit entities for economic development.
- (7) Technical assistance to public or nonprofit entities for neighborhood revitalization or economic development activities.
- (8) Assistance to for-profit and nonprofit entities to facilitate economic development activities.

**SECTION 11.1.(g)** Funds allocated to the Neighborhood Revitalization Category in subsection (a) of this section shall be made available as grants for eligible activities listed in this subsection. The funds available for grants under this Category may be used for all of the following, subject to the national objectives and eligible activities allowed under guidance issued by the United States Department of Housing and Urban Development:

- (1) Essential repairs to prevent abandonment and deterioration of housing in low- and moderate-income neighborhoods.
- (2) Demolition and rehabilitation of buildings and improvements.
- (3) Public improvements, including parks, streets, sidewalks, and water and sewer lines.

**SECTION 11.1.(h)** Funds allocated for the Rural Community Development Category in subsection (a) of this section shall be made available as grants for eligible activities listed in this subsection. These funds shall provide grants that support community development and comprehensive growth projects to be awarded by the North Carolina Department of Commerce. The Rural Community Development Category will provide grants to units of local government in development tier one and development tier two areas, as defined in G.S. 143B-437.08, and rural census tracts, as defined in G.S. 143B-472.127(a)(2), of development tier three areas to support projects that promote broad-based community development activities, increased local investment and economic growth, and stronger and more viable rural neighborhoods. In awarding grants under this section, preference shall be given to projects in development tier one areas, as defined in G.S. 143B-437.08. The funds available for grants under this category may be used for all of the following, subject to the national objectives and eligible activities allowed under guidance issued by the United States Department of Housing and Urban Development:

- (1) Essential repairs to prevent abandonment and deterioration of housing in low- and moderate-income neighborhoods.

- (2) Public improvements, including parks, streets, sidewalks, and water and sewer lines.
- (3) Public facilities, including neighborhood and community facilities and facilities for individuals with special needs.
- (4) Public services, including employment, crime prevention, and energy conservation.
- (5) Assistance to private, for-profit entities for economic development.
- (6) Technical assistance to public or nonprofit entities for neighborhood revitalization or economic development activities.
- (7) Assistance to for-profit and nonprofit entities to facilitate economic development activities.

**SECTION 11.1.(i)** For purposes of this section, eligible activities under the category of infrastructure in subsection (a) of this section shall be defined as provided in the HUD State Administered Community Development Block Grant definition of the term "infrastructure." Notwithstanding the provisions of subsection (d) of this section, funds allocated to the Infrastructure Category in subsection (a) of this section shall not be reallocated to any other category.

**SECTION 11.1.(j)** Throughout each year, deobligated funds arise in the various funding categories and program years of the Community Development Block Grant (CDBG) program as a result of (i) projects coming in under budget, (ii) projects being cancelled, or (iii) projects being required to repay funds. Surplus federal administrative funds in the CDBG program may vary from year to year based upon the amount of State-appropriated funds allocated and the amount of eligible in-kind funds identified.

**SECTION 11.1.(k)** To allow the Department of Commerce and the Department of Environmental Quality to quickly deploy deobligated and surplus federal administrative funds as they are identified throughout the program year, the following shall apply to the use of deobligated CDBG funds and surplus federal administrative funds:

- (1) All surplus federal administrative funds shall be divided equally between the Departments of Commerce and Environmental Quality and shall be used as provided in subdivisions (2) and (3) of this subsection.
- (2) All deobligated funds allocated to the Department of Commerce and any surplus federal administrative funds, as provided for in subdivision (1) of this subsection, may be used by the Department for all of the following:
  - a. To issue grants in the CDBG Economic Development or Neighborhood Revitalization Program Category.
  - b. For providing training and guidance to local governments relative to the CDBG program, its management, and administrative requirements.
  - c. For any other purpose consistent with the Department's administration of the CDBG program if an equal amount of State matching funds is available.
- (3) All deobligated funds allocated to the Department of Environmental Quality and any surplus federal administrative funds, as provided for in subdivision (1) of this subsection, may be used by the Department for all of the following:
  - a. To issue grants in the CDBG infrastructure program category.
  - b. For any other purpose consistent with the Department's administration of the CDBG program if an equal amount of State matching funds is available.

**Special Provision 2021-COMM-H1(S11.2)-P**  
**COMMERCE NONPROFITS/REPORTING REQUIREMENTS**



1           **SECTION 11.2.(a)** The entities listed in subsection (b) of this section shall do the  
2 following for each year that State funds are expended:

- 3           (1) By September 1 of each year, and more frequently as requested, report to the  
4 chairs of the Joint Legislative Oversight Committee on Agriculture and  
5 Natural and Economic Resources; the chairs of the House of Representatives  
6 Appropriations Committee on Agriculture and Natural and Economic  
7 Resources; the chairs of the Senate Appropriations Committee on Agriculture,  
8 Natural, and Economic Resources; and the Fiscal Research Division on prior  
9 State fiscal year program activities, objectives, and accomplishments and prior  
10 State fiscal year itemized expenditures and fund sources. If State funds are  
11 used to provide matching funds for competitive grants from the federal  
12 government or a nongovernmental entity, the report should include a list and  
13 description of the grants that are awarded.
- 14           (2) Provide to the chairs of the Joint Legislative Oversight Committee on  
15 Agriculture and Natural and Economic Resources; the chairs of the House of  
16 Representatives Appropriations Committee on Agriculture and Natural and  
17 Economic Resources; the chairs of the Senate Appropriations Committee on  
18 Agriculture, Natural, and Economic Resources; and the Fiscal Research  
19 Division a copy of the entity's annual audited financial statement within 30  
20 days of issuance of the statement.

21           **SECTION 11.2.(b)** The following entities shall comply with the requirements of  
22 subsection (a) of this section:

- 23           (1) North Carolina Biotechnology Center.
- 24           (2) High Point Market Authority.
- 25           (3) RTI International.

26  
27 **Special Provision   2021-COMM-H3(S11.3)i**  
28 ***NC BIOTECHNOLOGY CENTER***

29           **SECTION 11.3.(a)** Recurring funds appropriated in this act to the Department of  
30 Commerce for the North Carolina Biotechnology Center (Center) for each fiscal year in the  
31 2021-2023 biennium shall be allocated for the following purposes in the following proportions:

- 32           (1) Job creation: AgBiotech Initiative, economic and industrial development, and  
33 related activities: twenty-one percent (21%) of the funding.
- 34           (2) Science and commercialization: science and technology development, Centers  
35 of Innovation, business and technology development, education and training,  
36 and related activities: sixty-five percent (65%) of the funding.
- 37           (3) Center operations: administration, professional and technical assistance and  
38 oversight, corporate communications, human resource management, financial  
39 and grant administration, legal, and accounting: fourteen percent (14%) of the  
40 funding.

41           **SECTION 11.3.(b)** The nonrecurring funds appropriated in this act to the  
42 Department of Commerce for the Center for each fiscal year in the 2021-2023 biennium may be  
43 used for the following purposes:

- 44           (1) Expand the NC BIONEER Venture Challenge start-up competition statewide.
- 45           (2) Expand NCBiotech grant and loan program funding.
- 46           (3) Train new workers statewide to meet biomanufacturing job growth.
- 47           (4) Recruit new life sciences companies to the State.
- 48           (5) Five hundred thousand dollars (\$500,000) of the nonrecurring funds in each  
49 fiscal year of the biennium shall be used to support funding for early stage  
50 loans to North Carolina agricultural technology companies.



1           **SECTION 11.3.(c)** The Center shall not use any of the nonrecurring funds allocated  
2 in subsection (b) of this section for administrative costs and shall report on the expenditure of  
3 those funds each year pursuant to Section 11.2 of this act.

4           **SECTION 11.3.(d)** The Center shall prioritize funding and distribution of loans over  
5 funding and distribution of grants.

6           **SECTION 11.3.(e)** Up to ten percent (10%) of the sum of each of the allocations in  
7 subsection (a) of this section may be reallocated to subdivision (a)(1) or subdivision (a)(2) of this  
8 section if, in the judgment of Center management, the reallocation will advance the mission of  
9 the Center.

10  
11 **Special Provision   2021-COMM-H13(S11.5)i**

12 ***STATE SMALL BUSINESS CREDIT INITIATIVE FUNDS***

13           **SECTION 11.5.** Of the funds appropriated in this act from the State Small Business  
14 Credit Initiative funds received pursuant to ARPA to the Department of Commerce, the sum of  
15 one hundred twenty million four hundred sixty-one thousand nine hundred twenty-seven dollars  
16 (\$120,461,927) in nonrecurring funds shall be used to provide a grant to the North Carolina Rural  
17 Center, Inc., a nonprofit corporation, to be used in accordance with the State Small Business  
18 Credit Initiative Act of 2010, P.L. 111-240, as amended by section 3301 of ARPA.

19  
20 **Special Provision   2021-COMM-H8(S11.6)i**

21 ***MODIFY FILM GRANT***

22           **SECTION 11.6.(a)** G.S. 143B-437.02A reads as rewritten:

23 **"§ 143B-437.02A. The Film and Entertainment Grant Fund.**

24           (a)   Creation and Purpose of Fund. – There is created in the Department of Commerce a  
25 special, nonreverting account to be known as the Film and Entertainment Grant Fund to provide  
26 funds to encourage the production of motion pictures, television shows, movies for television,  
27 productions intended for on-line distribution, and commercials and to develop the filmmaking  
28 industry within the State. The Department of Commerce shall adopt guidelines providing for the  
29 administration of the program. Those guidelines may provide for the Secretary to award the grant  
30 proceeds over a period of time, not to exceed three years. Those guidelines shall include the  
31 following provisions, which shall apply to each grant from the account:

32           (1)   The funds are reserved for a production on which the production company has  
33 qualifying expenses of at least the following:

34           a.   For a feature-length film:

35               1.   ~~Three million dollars (\$3,000,000),~~ One million five hundred  
36                 thousand dollars (\$1,500,000), if for theatrical viewing.

37               2.   ~~One million dollars (\$1,000,000),~~ Five hundred thousand  
38                 dollars (\$500,000), if a movie for television.

39           b.   For a television series, ~~one million dollars (\$1,000,000)~~ five hundred  
40                 thousand dollars (\$500,000) per episode.

41           c.   For a commercial for theatrical or television viewing or on-line  
42                 distribution, two hundred fifty thousand dollars (\$250,000).

43           (2)   The funds are not used to provide a grant in excess of any of the following:

44                 ...

45           b.   An amount more than seven million dollars (\$7,000,000) for a  
46                 feature-length film, more than ~~twelve~~ fifteen million dollars  
47                 ~~(\$12,000,000)~~ (\$15,000,000) for a single season of a television series,  
48                 or two hundred fifty thousand dollars (\$250,000) for a commercial for  
49                 theatrical or television viewing or on-line distribution.

50                 ...."

1           **SECTION 11.6.(b)** This section becomes effective July 1, 2021, and applies to  
2 grants made on or after that date.

3  
4 **Special Provision   2021-COMM-H5(S11.7)**

5 **ONE NC SMALL BUSINESS PROGRAM CHANGES**

6           **SECTION 11.7.(a)** G.S. 143B-437.80 reads as rewritten:

7 **"§ 143B-437.80. North Carolina SBIR/STTR Incentive Program.**

8           (a) Program. – There is established the North Carolina SBIR/STTR Incentive Program  
9 to be administered by the North Carolina Board of Science, Technology, and Innovation. In order  
10 to foster job creation and economic development ~~in~~ throughout the State, the Board may provide  
11 grants to eligible businesses to offset costs associated with applying ~~to the United States Small~~  
12 ~~Business Administration for federal~~ Small Business Innovative Research (SBIR) grants or Small  
13 Business Technology Transfer Research (STTR) grants. The grants shall be paid from the One  
14 North Carolina Small Business Account established in G.S. 143B-437.71.

15           ...  
16           (c) Grant. – The North Carolina Board of Science, Technology, and Innovation may  
17 award grants to reimburse an eligible business ~~for up to fifty percent (50%) for a percentage of~~  
18 ~~the costs of preparing and submitting a SBIR/STTR Phase I proposal, up to a maximum of three~~  
19 ~~twelve thousand dollars (\$3,000). (\$12,000). The maximum percentage for reimbursement is one~~  
20 ~~hundred percent (100%) for an eligible business located in a development tier one or two area,~~  
21 ~~as defined in G.S. 143B-437.08, and is fifty percent (50%) for any other eligible business. A~~  
22 ~~business may receive only one grant two grants under this section per year. A business may~~  
23 ~~receive only one grant under this section with respect to each federal proposal submission. Costs~~  
24 ~~that may be reimbursed include costs incurred directly related to preparation and submission of~~  
25 ~~the grant such as word processing services, proposal consulting fees, project-related supplies,~~  
26 ~~literature searches, rental of space or equipment related to the proposal preparation, educational~~  
27 ~~programs, and salaries of individuals involved with the preparation of the proposals. Costs that~~  
28 ~~shall not be reimbursed include travel expenses, large equipment purchases, facility or leasehold~~  
29 ~~improvements, and legal fees. A grant to a business partnered with a public institution of higher~~  
30 ~~education in this State does not count toward the maximum grant limitation provided in this~~  
31 ~~section.~~

32           ...  
33           (e) Education and Outreach. – The North Carolina Board of Science, Technology, and  
34 Innovation may use up to ten percent (10%) of funds appropriated for grants under this section  
35 to provide education and outreach, including training, materials, and location and other  
36 associated costs, to aid in the awareness and successful completion of SBIR/STTR Phase I  
37 proposals."

38           **SECTION 2.** G.S. 143B-437.81(c) reads as rewritten:

39           "(c) Grant. – The North Carolina Board of Science, Technology, and Innovation may  
40 award grants to match the funds received by a business through a SBIR/STTR Phase I proposal  
41 up to a maximum of ~~one two~~ hundred thousand dollars ~~(\$100,000). (\$200,000).~~ Seventy-five  
42 percent (75%) of the total grant shall be remitted to the business upon receipt of the SBIR/STTR  
43 Phase I award and application for funds under this section. Twenty-five percent (25%) of the  
44 total grant shall be remitted to the business upon submission by the business of the Phase II  
45 application to the funding agency and acceptance of the Phase I report by the funding agency. ~~A~~  
46 ~~business may receive only one grant under this section per year. A business may receive only~~  
47 ~~one grant under this section with respect to each federal proposal submission. award. Over its~~  
48 ~~lifetime, a business may receive a maximum of five 10 awards under this section. An award to a~~  
49 ~~business partnered with a public institution of higher education in this State does not count toward~~  
50 ~~the maximum award limitation provided in this section."~~

1 **Special Provision 2021-COMM-H9(S11.8)i**

2 ***TIER THREE ONE NC ALLOTMENT***

3 **SECTION 11.8.(a)** G.S. 143B-437.71 reads as rewritten:

4 **"§ 143B-437.71. One North Carolina Fund established as a special revenue fund.**

5 (a) Establishment. – The One North Carolina Fund is established as a special revenue  
6 fund in the Department of Commerce.

7 (b) Purposes. – Moneys in the One North Carolina Fund may only be allocated pursuant  
8 to this subsection. Moneys may be allocated to local governments for use in connection with  
9 securing commitments for the recruitment, expansion, or retention of new and existing businesses  
10 and to the One North Carolina Small Business Account created pursuant to subsection (c) of this  
11 section in an amount not to exceed three million dollars (\$3,000,000). Moneys in the One North  
12 Carolina Fund allocated to local governments shall be used for the following purposes only:

13 (1) Installation or purchase of equipment.

14 (2) Structural repairs, improvements, or renovations to existing buildings to be  
15 used for expansion.

16 (3) Construction of or improvements to new or existing water, sewer, gas, or  
17 electric utility distribution lines or equipment for existing buildings.

18 (4) Construction of or improvements to new or existing water, sewer, gas, or  
19 electric utility distribution lines or equipment for new or proposed buildings  
20 to be used for manufacturing and industrial operations.

21 (5) Any other purposes specifically provided by an act of the General Assembly.

22 (b1) Awards. – The amounts committed in Governor's Letters issued in a single fiscal  
23 ~~biennium—year~~ may not exceed ~~twenty-eight—seventeen~~ million dollars  
24 ~~(\$28,000,000).(\$17,000,000).~~ Of the amount authorized in this subsection, three million dollars  
25 (\$3,000,000) is reserved for agreements with local governments located in development tier three  
26 areas, as defined in G.S. 143B-437.08, with total employment of 115,000 or less, using the data  
27 specified in G.S. 143B-437.52(c)(3).

28 (c) There is created in the One North Carolina Fund a special account, the One North  
29 Carolina Small Business Account, to be used for the North Carolina SBIR/STTR Incentive  
30 Program and the North Carolina SBIR/STTR Matching Funds Program, as specified in Part 2I  
31 of Article 10 of Chapter 143B of the General Statutes."

32 **SECTION 11.8.(b)** This section becomes effective July 1, 2021.

33  
34 **Special Provision 2021-COMM-H4(S11.9)i**

35 ***RURAL READY SITES REPORT CHANGE***

36 **SECTION 11.9.** Section 15.7A(d) of S.L. 2017-57 reads as rewritten:

37 **"SECTION 15.7A.(d)** Report. – The Department of Commerce shall submit a report  
38 detailing its use of State funds appropriated by this section. The report shall be submitted to the  
39 chairs of the Joint Legislative Oversight Committee on Agriculture and Natural and Economic  
40 Resources, the chairs of the Joint Legislative Economic Development and Global Engagement  
41 Oversight Committee, the chairs of the House of Representatives Appropriations on Agriculture  
42 and Natural and Economic Resources, the chairs of the Senate Appropriations on Agriculture,  
43 Natural, and Economic Resources, and the Fiscal Research Division by September 1, 2017, 2021,  
44 and by September 1 of each subsequent year ~~State funds are received, and more frequently as~~  
45 ~~requested, until all funding appropriated by this section is expended and eligible projects are~~  
46 completed. The Department shall report on each existing eligible project, including any new  
47 agreements entered into and the amount of funds utilized or encumbered for each. The report  
48 shall include the information required by this section for the most recently ended fiscal year. The  
49 report shall include all of the following:

50 (1) For projects that are not completed:

51 a. The name of the project.

- b. Total amount of funds awarded for each project.
  - c. Amount expended to date for each project.
  - d. A summary and description of each project.
  - e. An expected date of completion for each project.
  - f. An anticipated number of jobs created by each project.
  - g. The current status of the project, including any issues resulting in a delay.
- (2) For projects that are completed:
- a. Whether the site of the project is occupied.
  - b. How many jobs were created by the project."

**Special Provision 2021-COMM-H10(S11.11)i**

**EDPNC MARKETING FUNDS**

**SECTION 11.11.** Of the funds appropriated in this act to the Department of Commerce for the nonprofit corporation with which the Department contracts pursuant to G.S. 143B-431.01(b), the sum of sixty million dollars (\$60,000,000) shall be used for the following purposes in the following amounts:

- (1) Thirty million dollars (\$30,000,000) for travel and tourism marketing in the State.
- (2) Thirty million dollars (\$30,000,000) for business marketing in the State.

Of the funds allocated in subdivisions (1) and (2) of this section, the nonprofit corporation shall use no more than ten million dollars (\$10,000,000) for each purpose in each of the next three fiscal years.

**Special Provision 2021-COMM-H16-P**

**NORTH CAROLINA RURAL TOURISM RECOVERY PILOT PROGRAM**

**SECTION #.(a)** Allocation. – Of the funds appropriated from the State Fiscal Recovery Fund to the Department of Commerce (Department) in this act, the sum of one million five hundred thousand dollars (\$1,500,000) shall be allocated to the North Carolina nonprofit corporation with which the Department contracts pursuant to G.S. 143B-431.01(b) for the establishment of a pilot program in accordance with this section. The funds allocated in this section shall be used as follows:

- (1) One million two hundred eighty-five thousand dollars (\$1,285,000) for marketing expenses.
- (2) Seventy-five thousand dollars (\$75,000) for administrative costs.
- (3) Seventy thousand dollars (\$70,000) for one temporary full-time equivalent position in Visit NC.
- (4) Seventy thousand dollars (\$70,000) for one temporary full-time equivalent position in the nonprofit corporation with which the Department contracts pursuant to G.S. 143B-431.01(b).

**SECTION #.(b)** Program. – The North Carolina Rural Tourism Recovery Pilot Program (Program) is established. The Program shall initially be conducted and administered in the following counties: Chowan, Edgecombe, Gates, Graham, Halifax, Haywood, Hertford, Madison, Martin, Mitchell, Perquimans, Tyrrell, Vance, Warren, Washington, and Yancey. The Program shall begin in those counties on October 1, 2021, and terminate on September 30, 2022.

**SECTION #.(c)** Administration. – The nonprofit corporation with which the Department contracts pursuant to G.S. 143B-431.01(b) shall administer the Program. The nonprofit corporation shall coordinate with the Department and other interested public and private stakeholders to ensure the coordination of State efforts to develop a robust Program for the selected counties in subsection (b) of this section.

1           **SECTION #.(d)** Reports. – The Department, in coordination with the nonprofit  
2 corporation and Visit NC, shall provide a report no later than December 1, 2021, to the chairs of  
3 the Joint Legislative Economic Development and Global Engagement Oversight Committee and  
4 the Fiscal Research Division on the implementation of the Program and information reported by  
5 participating counties, Tourism Development Authorities, destination marketing organizations,  
6 and local businesses. The report shall include, at a minimum, all of the following:

- 7           (1) Recommendations on expansion of the Program to other counties in the State.
- 8           (2) Recommendations regarding legislative proposals or additional funding  
9           needed to execute or expand the Program and whether the Program should be  
10          expanded.

11          The Department, in coordination with the nonprofit corporation and Visit NC, shall  
12 submit a report no later than February 1, 2023, to the chairs of the House Appropriations  
13 Committee, the chairs of the Senate Appropriations/Base Budget Committee, and the Fiscal  
14 Research Division containing, at a minimum, all of the following:

- 15          (1) Data on outcomes related to the implementation of the Program.
- 16          (2) The expenditure of funds provided for in this section.
- 17          (3) Recommendations on modification or expansion of the Program, including  
18          the need for continued support with State funds.

19  
20 **Special Provision    2021-COMM-H7(S11.12)-P**

21 ***RURAL DOWNTOWN TRANSFORMATION GRANT PROGRAM***

22          **SECTION 11.12.(a)** Allocation. – Of the funds appropriated in this act from the  
23 State Fiscal Recovery Fund for Rural Downtown Transformation grants, the sum of fifty million  
24 dollars (\$50,000,000) shall be allocated to the Department of Commerce, Rural Economic  
25 Developmental Division (REDD), to administer a rural downtown transformation grant program  
26 pursuant to this section. The program shall enable eligible units of local government to fully  
27 leverage resources toward enhancing their communities' prospects for economic growth. Of the  
28 funds allocated in this section, twenty-five million dollars (\$25,000,000) shall be used for  
29 neighborhood revitalization grants and twenty-five million dollars (\$25,000,000) shall be used  
30 for community development enhancement grants, consistent with this section.

31          **SECTION 11.12.(b)** Program. – There is created the Rural Downtown  
32 Transformation Grant Program (Program) to be administered by REDD to provide neighborhood  
33 revitalization and community development enhancement grants to eligible units of local  
34 government.

35          **SECTION 11.12.(c)** Neighborhood Revitalization Grants. – Neighborhood  
36 revitalization grants shall be used to support public improvement projects that complement  
37 affordable housing investments and help pandemic-impacted neighborhoods retain downtown  
38 businesses. Eligible projects for a neighborhood revitalization grant include all of the following:

- 39          (1) Sidewalks and walkways.
- 40          (2) Parks and playgrounds.
- 41          (3) Signage and lighting.
- 42          (4) Benches and planter boxes.
- 43          (5) Public restrooms.
- 44          (6) Public venues, public parking, and infrastructure.

45          **SECTION 11.12.(d)** Community Development Enhancement Grants. – Community  
46 development enhancement grants shall be used for any of the following:

- 47          (1) Support the acquisition of land and buildings.
- 48          (2) Preparation and development of neighborhood properties and business sites.
- 49          (3) Removal of structural and physical barriers to enhance community growth and  
50          economic development opportunities.



1 In addition, community development enhancement grant funds may be used by the  
2 Department of Commerce in partnership with the Department of Environmental Quality to assess  
3 environmental hazards on potentially contaminated eligible property or business sites and to  
4 conduct necessary environmental removal or remedial activities to allow the property or business  
5 sites to be permitted for development.

6 **SECTION 11.12.(e)** Training; Technical Assistance. – Program funds may be used  
7 to deliver training and technical assistance for local government units to effectively leverage  
8 State and federal assistance.

9 **SECTION 11.12.(f)** Eligibility. – A unit of local government is eligible for a Rural  
10 Downtown Transformation Grant under this section if it is either (i) a community negatively  
11 impacted by the COVID-19 pandemic at a disproportionate level when compared to the rest of  
12 the State or (ii) located in a qualified census tract, as defined by the United States Department of  
13 Housing and Urban Development.

14 **SECTION 11.12.(g)** Application. – An applicant for a Rural Downtown  
15 Transformation Grant must show a reasonable expectation that the funding will yield private  
16 sector investment and job creation, community development projects, or neighborhood  
17 revitalization.

18 **SECTION 11.12.(h)** Administration. – REDD may use up to three percent (3%) of  
19 the funds allocated in this section to administer the Program.

20  
21 **Special Provision 2021-COMM-H12-P**  
22 ***ESPORTS INDUSTRY GRANT FUND***

23 **SECTION #.(a)** Article 10 of Chapter 143B of the General Statutes is amended by  
24 adding a new section to read:

25 **"§ 143B-437.02B. The Esports Industry Grant Fund.**

26 (a) Creation and Purpose of Fund. – There is created in the Department of Commerce a  
27 special, nonreverting account to be known as the Esports Industry Grant Fund to provide funds  
28 to encourage esports events to be held within the State. The Department of Commerce shall adopt  
29 guidelines providing for the administration of the program. The guidelines may provide for the  
30 Secretary to award the grant proceeds over a period of time, not to exceed three years. The  
31 guidelines shall include the following provisions, which shall apply to each grant from the  
32 account:

- 33 (1) The funds are reserved for a production for which a production company has  
34 qualifying expenses of at least two hundred fifty thousand dollars (\$250,000)  
35 with respect to a single production.  
36 (2) The funds may not be used to provide a grant in excess of an amount more  
37 than twenty-five percent (25%) of the qualifying expenses for a single  
38 production.  
39 (3) The funds shall not be used to provide a grant to more than one production  
40 company for a single production.  
41 (4) The funds shall not be used to provide a grant for a production that meets one  
42 or more of the following:  
43 a. It contains material that is "obscene," as defined in G.S. 14-190.1, or  
44 that is "harmful to minors," as defined in G.S. 14-190.13.  
45 b. It has the primary purpose of political advertising, fundraising, or  
46 marketing, other than by commercial, a product, or service.  
47 c. It consists of live sporting event programming, including pre-event  
48 and post-event coverage and scripted sports entertainment. For  
49 purposes of this exception, a live sporting event is a scheduled sporting  
50 competition, game, or race that is originated solely by an amateur,  
51 collegiate, or professional organization, institution, or association for

- live or tape-delayed television or satellite broadcast. The term does not include commercial advertising, an episodic television series, a television pilot, a music video, a motion picture, or a documentary production in which sporting events are presented through archived historical footage or similar footage taken at least 30 days before it is used.
- d. It fails to display a promotional logo, website link, statement, or some combination thereof that has been approved by the Department indicating that the production was recorded in or broadcast from North Carolina. The production company shall offer additional marketing opportunities to be evaluated by the Department that offer promotional value to the State.
- (5) Priority for the use of funds shall be given to productions that are reasonably anticipated to maximize the benefit to the State, in consideration of at least the following factors:
- a. Percentage of employees that are permanent residents in the State.
- b. The anticipated number of in-person spectators.
- c. The extent to which the production invests in permanent improvements to open public spaces, commercial districts, traditional downtown areas, public landmarks, residential areas, or similar properties or areas or in programs that develop the esports industry in the State.
- d. The duration of the production activities in the State.
- (b) Definitions. – The following definitions apply in this section:
- (1) Department. – The Department of Commerce.
- (2) Employee. – A person who is employed for consideration and whose wages are subject to withholding under Article 4A of Chapter 105 of the General Statutes.
- (3) Esports event. – A scheduled form of multiplayer video game competition, particularly between professional players, individually or as teams, organized by an amateur, collegiate, or professional organization, institution, or association that is broadcast live or in a recorded format. An esports event does not include a live sporting event.
- (4) Highly compensated individual. – An individual who directly or indirectly receives compensation in excess of one million dollars (\$1,000,000) for personal services with respect to an esports event. An individual receives compensation indirectly when a production company pays a personal service company or an employee leasing company that pays the individual.
- (5) Loan-out company. – A personal service corporation that employs an individual who is hired by a production company.
- (6) Production. – An esports event held in this State with in-person spectators, in addition to participants or competitors, that is intended for commercial distribution on television, websites, the internet, or other digital platforms.
- (7) Production company. – A person engaged in the business of producing esports productions.
- (8) Qualifying expenses. – The sum of the amounts listed in this subdivision, substantiated pursuant to subsection (d) of this section, and spent in this State by a production company in connection with a production, less the amount paid in excess of one million dollars (\$1,000,000) to a highly compensated individual:

- a. Goods and services leased or purchased in this State from a North Carolina vendor. For goods with a purchase price of twenty-five thousand dollars (\$25,000) or more, the amount included in qualifying expenses is the purchase price less the fair market value of the good at the time the production is completed. Goods and services include the cost of tangible and intangible property used for, and services performed primarily and customarily in, production, including preproduction and postproduction and other direct costs of producing the production in accordance with generally accepted entertainment industry practices. Goods and services exclude costs for development, marketing, and distribution; costs of financing for the event, of bonding related to the event, of production-related insurance coverage obtained on the event; and expenses for insurance coverage purchased from a related member.
- b. Compensation and wages and payments on which withholding payments are remitted to the Department of Revenue under Article 4A of Chapter 105 of the General Statutes. Payments made to a loan-out company for services provided in North Carolina shall be subject to gross income tax withholding at the applicable rate under Article 4 of Chapter 105 of the General Statutes.
- c. Employee fringe contributions, including health, pension, and welfare contributions.
- d. Per diems, stipends, and living allowances paid for work being performed in this State.
- (9) Related member. – Defined in G.S. 105-130.7A.
- (10) Secretary. – The Secretary of Commerce.
- (11) Video game. – A game that employs electronics to create an interactive system between one or more players and a user interface or input device to generate visual feedback on a video display device for the player or players.
- (c) Application. – A production company shall apply to the Secretary for a grant on a form prescribed by the Secretary. The Secretary shall evaluate the applications to ensure the production is created for entertainment purposes. The notification must include the title of the production, the name of the production company, a financial contact for the production company, the proposed dates on which the production company plans to hold the event, the proposed location of the event, and any other information required by the Department. The application shall include all documentation and information the Secretary deems necessary to evaluate the grant application.
- (d) Award. – The amounts committed for grants allowed under this section in a single fiscal year may not exceed five million dollars (\$5,000,000).
- (e) Substantiation. – The Secretary shall work with the North Carolina Division of Tourism, Film, and Sports Development to adopt guidelines to provide a process to verify the actual qualifying expenses of a certified production. The Secretary may not release grant funds until the substantiation process required by this subsection is complete and the final verified amount of qualified expenses is determined. The process shall require each of the following:
- (1) The production company shall submit all the qualifying expenses for the production and data substantiating the qualifying expenses, including documentation on the net expenditure on equipment and other tangible personal property to an independent certified public accountant licensed in this State.
- (2) The accountant shall conduct a compliance audit, at the certified production's expense, pursuant to guidelines established by the Secretary and submit the



1 results as a report, along with the required substantiating data, to the  
2 production company and the North Carolina Division of Tourism, Film, and  
3 Sports Development.

4 (3) The North Carolina Division of Tourism, Film, and Sports Development shall  
5 review the report and advise the Department on the final verified amount of  
6 qualifying expenses made by the certified production.

7 (f) Report. – The Department shall provide to the Department of Revenue, and the  
8 Department of Revenue must include in the economic incentives report required by  
9 G.S. 105-256, the following information, itemized by production company:

10 (1) The location of the site used in the production for which a grant was awarded.

11 (2) The qualifying expenses, classified by whether the expenses were for goods,  
12 services, or compensation paid by the production company.

13 (3) The number of people employed in the State with respect to grants awarded,  
14 including the number of residents of the State employed.

15 (4) The total number of in-person attendees at the event, including both  
16 participants and observers.

17 (5) The total cost of the grants awarded.

18 (g) Guidelines. – The Department of Commerce shall develop guidelines related to the  
19 administration of the Esports Industry Grant Fund and to the selection of events that will receive  
20 grants from the Fund. At least 20 days before the effective date of any guidelines or nontechnical  
21 amendments to the guidelines, the Department of Commerce shall publish the proposed  
22 guidelines on the Department's website and provide notice to persons who have requested notice  
23 of proposed guidelines. In addition, the Department must accept oral and written comments on  
24 the proposed guidelines during the 15 business days beginning on the first day that the  
25 Department has completed these notifications."

26 **SECTION #.(b)** This section is effective when it becomes law.

27  
28 **Special Provision 2021-COMM-H11-P**

29 **MOTORSPORT INDUSTRY SUPPORT**

30 **SECTION #.(a)** Of the funds appropriated in this act from the State Fiscal Recovery  
31 Fund to the Office of State Budget and Management, the sum of forty-five million dollars  
32 (\$45,000,000) in nonrecurring funds for the 2021-2022 fiscal year shall be allocated as follows:

33 (1) Ten million dollars (\$10,000,000) to the City of Rockingham for water and  
34 sewer and related infrastructure projects for service to the Rockingham  
35 Speedway.

36 (2) Twenty million dollars (\$20,000,000) to Wilkes County to coordinate with  
37 relevant local government units for water and sewer and related infrastructure  
38 projects for service to the North Wilkesboro Speedway.

39 (3) Fifteen million dollars (\$15,000,000) to the City of Concord for water and  
40 sewer projects and related infrastructure for service to the Charlotte Motor  
41 Speedway.

42 **SECTION #.(b)** Of the funds appropriated in this act from the State Fiscal Recovery  
43 Fund to the Office of State Budget and Management, the sum of five million dollars (\$5,000,000)  
44 shall be allocated to the Department of Commerce to be provided, in collaboration with the North  
45 Carolina Motorsports Association, a nonprofit organization, in the form of grants to local  
46 governments to enhance amenities and increase opportunities for events at motorsport venues in  
47 recognition of the impact those events have on local tourism, travel, and hospitality industries.  
48 To be eligible for a grant under this subsection, a motorsport venue must be located in this State  
49 and must be either (i) presently sanctioned by the National Association for Stock Car Auto  
50 Racing, LLC (NASCAR), the National Hot Rod Association, or the International Hot Rod  
51 Association or (ii) have hosted a NASCAR Cup Series race on or after September 29, 1996. An

1 eligible sanctioned motorsport venue must apply to the Department of Commerce for grant funds  
2 under this subsection before December 30, 2021, to be eligible. Funds received pursuant to this  
3 subsection shall be used to offset negative economic impacts of the COVID-19 pandemic,  
4 support safe reopening, and aid planned expansions or upgrades delayed due to the COVID-19  
5 pandemic. The local government unit shall select a qualifying use approved by the motorsport  
6 venue. Local governments receiving funds under this subsection shall ensure that uses for the  
7 funds comporting with this subsection are expeditiously undertaken. The Department of  
8 Commerce shall disburse funds in equal amounts among the eligible applicants. The Department  
9 of Commerce may use up to three percent (3%) of funds allocated in this subsection for  
10 administration of the motorsports grant program described in this subsection.

11 **SECTION #.(c) Small Venue Support.** – Of the funds appropriated in this act from  
12 the State Fiscal Recovery Fund to the Office of State Budget and Management, the sum of one  
13 million dollars (\$1,000,000) shall be allocated to the Department of Commerce to be provided,  
14 in collaboration with applicant small motorsports venues, in the form of grants to local  
15 governments for such venues. The following shall apply to grants awarded under this subsection:

16 (1) Eligibility. – A motorsports venue is eligible to apply for a grant on behalf of  
17 the county in which the small venue is located if it qualifies under subsection  
18 (a) or (b) of this section or if it is a small motorsports venue, which is a venue  
19 that meets all of the following requirements:

- 20 a. For calendar years 2017, 2018, 2019, and 2021, the venue annually  
21 held at least two racing events for motorsports vehicles powered by  
22 engines with at least four cylinders, for which event admissions were  
23 charged for spectators, and for which participants received prize  
24 money for winning, points in a points standing scheme used for  
25 comparing competitors participating across multiple motorsports  
26 racing events, or both.
- 27 b. For calendar years 2017, 2018, 2019, and 2021, the venue maintained  
28 continuous and uninterrupted track general liability insurance and  
29 participant or competitor insurance.
- 30 c. For calendar year 2020, the venue shows economic loss. For purposes  
31 of this subsection, economic loss means a reduction in gross receipts  
32 from reported gate admissions when compared to the yearly average  
33 gross receipts from reported gate admissions from calendar years  
34 2017, 2018, and 2019.

35 (2) Application. – A venue eligible under this subsection may apply to the  
36 Department for a grant on a form prescribed by the Department and must  
37 include any supporting documentation required by the Department. The  
38 application must be filed with the Department on or before December 30,  
39 2021. The Department may not accept late applications.

40 (3) Award. – The Department may award a grant to the county in which an  
41 applicant venue is located in an amount equal to the economic loss the  
42 applicant venue shows. The total of all funds granted under this subsection  
43 may not exceed the amount of the appropriation referenced in this section. The  
44 Department must calculate the total amounts of grants requested from the  
45 applications timely filed under this subsection. If the total amount of grants  
46 requested exceeds the maximum amount of funds available, the Department  
47 must (i) first, proportionately reduce or eliminate grants under this subsection  
48 to recipient venues receiving grants under subsections (a) and (b) of this  
49 section and (ii) second, if grants requested still exceed the maximum amount  
50 of funds available, reduce each grant award on a proportionate basis. The  
51 Department's grant determinations based on applications timely filed are final.

- (4) Use. – Grants are provided under this subsection in recognition of the impact motorsport venues and motorsports events have on local tourism, travel, and hospitality industries. Funds received by a county pursuant to this subsection shall be used to enhance amenities and increase opportunities at applicant venues, to offset negative economic impacts of the COVID-19 pandemic, support safe reopening, and aid planned but COVID-19 delayed expansions or upgrades at such venues. The county shall select a qualifying use approved by the applicant venue. Counties receiving funds under this subsection shall ensure that uses for the funds comporting with this subsection are expeditiously undertaken. The Department may use up to one and one-half percent (1.5%) of the funds allocated in this subsection for administration of the grant program described in this subsection.
- (5) Clawback. – If a county received a grant under this program for which the applicant submitted incorrect information or was otherwise ineligible to apply, the county must forfeit the grant awarded under this subsection and is liable for the amounts received.

**SECTION #.(d)** Funds allocated in this section shall remain available until expended or until December 31, 2024, whichever is later.

**Special Provision 2021-DEQ-H9(S12.1)i**  
***GREAT COHARIE TIMBER SALES***

**SECTION 12.1.** The Department of Environmental Quality shall deposit revenue generated from timber harvesting on the Great Coharie property managed by the Department's Stewardship Program in the Conservation Grant Endowment Interest Fund (Fund Code: 64307-6705) for the purpose of restoration and stewardship of that property.

**Special Provision 2021-DEQ-H4-P**  
***REVISE STEWARDSHIP PROGRAM DIRECTIVES***

**SECTION #.** G.S. 143-214.15 reads as rewritten:  
**"§ 143-214.15. Compensatory mitigation for diverse habitats.**

...

(d) ~~The Office of Land and Water Stewardship Program of the Department of Environmental Quality shall catalog-maintain an inventory of all its land holdings and determine how many of those holdings are potential wildlife habitats, either as currently held or with some modification. The Wildlife Resources Commission shall conduct a third party review of this inventory, and the Commission and the Office of Land and Water Stewardship shall both report their findings to the Environmental Review Commission as part of the report required under subsection (f) of this section.~~

(e) If private individuals, corporations, or other nongovernmental entities wish to purchase any of the inventory of land suitable for wildlife habitat, then the ~~Office of Land and Water Stewardship Program~~ of the Department of Environmental Quality shall issue a request for proposal to all interested respondents for the purchase of the ~~land, and the land. The~~ State shall accept a proposal and proceed to dispose of the land only if the Department determines that the proposal meets both of the following requirements:

- (1) The proposal provides for the maintenance in perpetuity of management measures listed in the original mitigation instrument or otherwise needed on an ongoing or periodic basis to maintain the functions of the mitigation site.
- (2) Where the functions of the mitigation site include provision of recreation or hunting opportunities to members of the general public, the proposal includes measures needed to continue that level of access.

1 The instrument conveying a property interest in a mitigation site shall be executed in the  
2 manner required by Article 16 of Chapter 146 of the General Statutes, and shall reflect the  
3 requirements of this subsection.

4 (f) The Department of Environmental Quality shall report to the Environmental Review  
5 Commission by March 1 of each year ~~on its progress in complying with~~ on changes in inventory  
6 during the preceding year under the provisions of this section."

7  
8 **Special Provision 2021-DEQ-H14(S12.2)i**  
9 ***OVERSIGHT COMMITTEE STUDY OF DEQ FEES***

10 **SECTION 12.2.** The Joint Legislative Oversight Committee on Agriculture and  
11 Natural and Economic Resources shall study the existing fee structure for permitting,  
12 compliance, and oversight services performed by the Department of Environmental Quality with  
13 the goal of identifying areas where fee income does not adequately support the services provided.  
14 The Committee shall identify, with respect to each service identified as having an insufficient  
15 fee, the amount of the fee that was or could have been charged, the cost incurred by the  
16 Department of Environmental Quality in performing the service, and, if applicable, the reason  
17 for not charging the fee or for the fee shortfall. The Committee shall provide its report to the  
18 2022 Regular Session of the 2021 General Assembly upon its convening.

19  
20 **Special Provision 2021-DEQ-H10(S12.3)-P**  
21 ***EXTEND SHELLFISH LEASING MORATORIA***

22 **SECTION 12.3.(a)** Section 7 of S.L. 2019-37 reads as rewritten:

23 **"SECTION 7.** Notwithstanding G.S. 113-202 and G.S. 113-202.1, a moratorium on new  
24 shellfish cultivation leases and new water column leases for aquaculture shall be imposed for all  
25 those waters enclosed by a line beginning at 34° 13.10221' N -77° 48.79544' W on the mainland  
26 side near Wrightsville Beach Bridge; running southeasterly to a point at 34° 12.51584' N -77°  
27 47.81847' W on Wrightsville Beach; following the shoreline southwesterly to a point at 34°  
28 11.121' N -77° 48.848' W at Masonboro Inlet; running southwesterly to a point at 34° 10.927'  
29 N -77° 48.771' W at Masonboro Inlet; continuing southwesterly to a point at 34° 05.04108' N -77°  
30 52.08324' W near IWW marker #159 continuing running southwesterly to a point at 34°  
31 03.64140' N -77° 53.41338' W on the mainland adjacent to the eastern mouth of Snow's Cut;  
32 running northeasterly along the shoreline to the point of beginning. The moratorium shall expire  
33 ~~July 1, 2021.~~ July 1, 2026. For purposes of this section, a new shellfish cultivation lease or water  
34 column lease shall include applications for either type of lease received by the Secretary, but not  
35 granted as of July 1, 2019."

36 **SECTION 12.3.(b)** Section 8 of S.L. 2019-37 reads as rewritten:

37 **"SECTION 8.** Notwithstanding G.S. 113-202 and G.S. 113-202.1, a moratorium on new  
38 shellfish cultivation leases and new water column leases for aquaculture shall be imposed for all  
39 those waters enclosed by a line beginning at 34° 43.24641' N -76° 41.68436' W; running easterly  
40 following the Highway 70 High Rise Bridge to a point at 34° 43.27819' N -76° 41.22259' W;  
41 running southerly to a point 34° 42.375275' N -76° 40.80078' W on the southern tip of Radio  
42 Island; running southerly to a point 34° 41.98273' N -76° 40.81929' W; following the shoreline  
43 westerly to the Emerald Isle Bridge at a point 34° 40.05410' N -77° 03.80531' W; running  
44 northwesterly following the bridge to a point 34° 40.77658' N -77° 04.02674' W on the mainland  
45 near the Emerald Isle High Rise Bridge; running easterly following the shoreline to the point of  
46 beginning. The moratorium shall expire ~~July 1, 2021.~~ July 1, 2026. For purposes of this section,  
47 a new shellfish cultivation lease or water column lease shall include applications for either type  
48 of lease received by the Secretary, but not granted as of July 1, 2019."

49  
50 **Special Provision 2021-DEQ-H16(S12.4)-P**  
51 ***COMMERCIAL FISHING LICENSE BUYBACK***

1           **SECTION 12.4.(a)** Funds appropriated in this act to the Division of Marine Fisheries  
2 of the Department of Environmental Quality for a commercial fishing license buyback program  
3 shall be used by the Division to implement a voluntary fisheries license buyback program for  
4 holders of underutilized Standard Commercial Fishing Licenses (SCFLs). The program shall  
5 include the following requirements:

- 6           (1) SCFLs repurchased with funds provided by this section shall revert to the pool  
7 of available commercial fishing licenses established by Section 5.2 of S.L. 1997-400,  
8 as amended by Section 4.24 of S.L. 1998-225.
- 9           (2) Any holder of an SCFL who sells the license back through the program funded  
10 by this section shall not be eligible to receive an SCFL or a Retired Standard  
11 Commercial Fishing License for three years following the date of sale through  
12 the buyback program.

13           **SECTION 12.4.(b)** The Division of Marine Fisheries shall report to the chairs of the  
14 Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and  
15 the Fiscal Research Division as follows:

- 16           (1) No later than December 1, 2021, on its plan for the voluntary license buyback  
17 program with consideration of a reverse auction model.
- 18           (2) No later than April 15, 2022, an interim report on progress in implementing  
19 the buyback program, including any required legislative changes.
- 20           (3) No later than September 1, 2022, a final report on activities and results of the  
21 buyback program.

22  
23 **Special Provision   2021-DEQ-H15-P**

24 ***NORTHERN SHELLFISH LAB FACILITY STUDY***

25           **SECTION #.** The Department of Environmental Quality shall investigate and report  
26 on relocating the Division of Marine Fisheries' northern shellfish sanitation laboratory to space  
27 located within facilities allocated to other State agencies or entities, including facilities allocated  
28 to The University of North Carolina or any of its constituent institutions. The report shall include  
29 estimates of net costs or savings associated with collocation compared to leasing privately owned  
30 space. The Department shall report no later than April 1, 2022, to the chairs of the Joint  
31 Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the  
32 Fiscal Research Division.

33  
34 **Special Provision   2021-DEQ-H18(S12.5)i**

35 ***SHALLOW DRAFT NAVIGATION CHANNEL DREDGING AND AQUATIC WEED***  
36 ***FUND AMENDMENTS***

37           **SECTION 12.5.** G.S. 143-215.73F(b) reads as rewritten:

- 38           "(b) Uses of Fund. – Revenue in the Fund may only be used for the following purposes:
- 39           (1) To provide the State's share of the costs associated with any dredging project  
40 designed to keep shallow draft navigation channels located in State waters or  
41 waters of the ~~state~~ State located within lakes navigable and safe.
  - 42           (2) For aquatic weed control projects in waters of the State under Article 15 of  
43 Chapter 113A of the General Statutes. Funding for aquatic weed control  
44 projects is limited to one million dollars (\$1,000,000) in each fiscal year.
  - 45           (3) ~~For the compensation of a beach and inlet management project manager with~~  
46 ~~the Division of Coastal Management of the Department of Environmental~~  
47 ~~Quality for the purpose of overseeing all~~ For administrative support of  
48 activities related to beach and inlet management in the State. Funding for the  
49 position is limited to ninety-nine thousand dollars (\$99,000) in each fiscal  
50 year. State, limited to one hundred thousand dollars (\$100,000) in each fiscal  
51 year.



- 1           (3a) For administrative support of Fund operations, limited to one hundred  
2 thousand dollars (\$100,000) in each fiscal year.  
3           (4) To provide funding for siting and acquisition of dredged disposal easement  
4 sites associated with the maintenance of the Atlantic Intracoastal Waterway  
5 between the border with the state of South Carolina and the border with the  
6 Commonwealth of Virginia, under a Memorandum of Agreement between the  
7 State and the federal government.  
8           (5) For assessments and data collection regarding dredge material disposal sites  
9 located in the State."  
10

11 **Special Provision    2021-DEQ-H22(S12.6)i**

12 **COMMERCIAL LEAKING UNDERGROUND STORAGE TANK CLEANUP FUND**  
13 **CHANGES**

14           **SECTION 12.6.** G.S. 143-215.94B(i) reads as rewritten:

15           "(i) During each fiscal year, the Department shall use up to ~~one million dollars~~  
16 ~~(\$1,000,000)~~ two million dollars (\$2,000,000) of the funds in the Commercial Fund to fund  
17 necessary assessment and cleanup to be conducted by the Department of discharges or releases  
18 for which a responsible party has been identified but for which the responsible party can  
19 demonstrate that undertaking the costs of assessment and cleanup will impose a severe financial  
20 hardship. Any portion of the ~~\$1,000,000~~ two million dollars (\$2,000,000) designated each fiscal  
21 year, which is not used during that fiscal year to address situations of severe financial hardship,  
22 shall revert to the Commercial Fund for the uses otherwise provided by this section. The  
23 Commission shall adopt rules to define severe financial hardship; establish criteria for assistance  
24 due to severe financial hardship pursuant to this section; and establish a process for evaluation  
25 and determinations of eligibility with respect to applications for assistance due to severe financial  
26 hardship. The Commission shall create a subcommittee of the Commission's Committee on Civil  
27 Penalty Remissions as established by G.S. 143B-282.1 to render determinations of eligibility  
28 under this subsection."  
29

30 **Special Provision    2021-DEQ-H12(S12.7)i**

31 **BERNARD ALLEN MEMORIAL DRINKING WATER FUND CLARIFICATION**

32           **SECTION 12.7.** G.S. 87-98 reads as rewritten:

33 **"§ 87-98. Bernard Allen Memorial Emergency Drinking Water Fund.**

34           ...

35           (c) The Department shall disburse monies from the Fund based on financial need and on  
36 the risk to public health posed by groundwater contamination and shall give priority to the  
37 provision of services under this section to instances when an alternative source of funds is not  
38 available. The Fund shall not be used to provide alternative water supply to households with  
39 incomes greater than three hundred percent (300%) of the current federal poverty ~~level.~~ level,  
40 provided that this income limitation shall not apply in cases of contamination that includes  
41 per-fluoroalkyl or poly-fluoroalkyl substances. The Fund may be used to provide alternative  
42 drinking water supplies if the Department determines that the concentration of one or more  
43 contaminants in the private drinking water well or improved spring exceeds the federal maximum  
44 contaminant level, or the federal drinking water action level as defined in 40 Code of Federal  
45 Regulations § 141.1 through § 141.571 (1 July 2007) and 40 Code of Federal Regulations § 143.3  
46 (1 July 2007). For a contaminant for which a federal maximum contaminant level or drinking  
47 water action level has not been established, the State groundwater standard established by the  
48 Environmental Management Commission for the concentration of that ~~contaminant~~ contaminant,  
49 a health goal established by the North Carolina Department of Health and Human Services, or a  
50 health advisory standard established by the United States Environmental Protection Agency shall  
51 be used to determine whether the Fund may be used to provide alternative drinking water

1 supplies. The Fund may also be used to provide alternative drinking water supplies as provided  
2 in this section if the Department determines that the concentration of one or more contaminants  
3 in a private drinking water well is increasing over time and that there is a significant risk that the  
4 concentration of a contaminant will exceed the federal maximum contaminant level or drinking  
5 water action level, or the State groundwater standard. A determination of the concentration of a  
6 contaminant shall be based on a sample of water collected from the private drinking water well  
7 within the past 12 months.

8 ...

9 ~~(c4) The Department may use up to one hundred thousand dollars (\$100,000) annually of~~  
10 ~~the monies in the Fund to pay the personnel and other direct costs associated with the~~  
11 ~~implementation of this section.~~

12 ...."

13  
14 **Special Provision 2021-DEQ-H13(S12.8)i**

15 ***ROCKINGHAM/GUILFORD COUNTY FUNDS EXTENSION***

16 **SECTION 12.8.** Subsection 14.20A(b) of S.L. 2016-94, as amended by Section 1 of  
17 S.L. 2017-17 and Section 2 of S.L. 2019-75, reads as rewritten:

18 **"SECTION 14.20A.(b)** Notwithstanding G.S. 143C-6-23(f1)(1) and G.S. 143C-1-2, funds  
19 allocated by this section shall be held in reserve by the Office of State Budget and Management  
20 and the allocations to each County shall be released when the County and one or more of the  
21 municipalities specified in subsection (a) of this section reach agreement on the funds allocated  
22 to that County by this section through interlocal agreements or the formation of regional water  
23 and sewer authorities or a combination of interlocal agreements and regional water and sewer  
24 authorities. Funds not spent or encumbered by June 30, 2021, 2023, shall be returned by the local  
25 governments or regional water and sewer authority to the Office of State Budget and  
26 Management and revert to the General Fund."

27  
28 **Special Provision 2021-DEQ-H19(S12.10)i**

29 ***DAM SAFETY EMERGENCY FUND***

30 **SECTION 12.10.(a)** Part 3 of Article 21 of Chapter 143 of the General Statutes is  
31 amended by adding a new section to read:

32 **"§ 143-215.32A. Dam Safety Emergency Fund.**

33 (a) Establishment; Purpose. – There is established the Dam Safety Emergency Fund  
34 within the Department, as set forth in this section. The Fund shall be used to defray expenses  
35 incurred by the Department in developing and implementing an emergency dam safety remedial  
36 plan.

37 (b) Eligible Expenses. – The Fund may be used for expenses incurred in developing and  
38 implementing an emergency dam safety remedial plan that has been approved by the Department,  
39 including expenses incurred to contract with any third party for services related to plan  
40 development or implementation.

41 (c) Conditions for Use. – These funds shall be used upon the Department's determination  
42 that sufficient funds or corrective action cannot be obtained from other sources without incurring  
43 a delay that would significantly increase the threat to life or risk of damage to property or the  
44 environment.

45 (d) Cost Recovery. – Costs of site investigation and the development and implementation  
46 of an emergency dam safety remedial plan, including attorney's fees and other expenses of  
47 bringing the cost recovery action, may be recovered from the owners of the dam by appropriate  
48 legal action by the Commission. Funds recovered pursuant to this subsection shall be used to  
49 reimburse the Dam Safety Emergency Fund.

1       (e) Standards for Funded Activities. – Emergency dam safety remedial plan development  
2 and implementation activities shall be conducted in accordance with standards set forth in  
3 G.S. 143-215.29."

4       **SECTION 12.10.(b)** G.S. 143-215.29(a) reads as rewritten:

5       "(a) Any project for which the Commission's approval is required under G.S. 143-215.26,  
6 143-215.27, and 143-215.28, and any project undertaken pursuant to an order of the Commission  
7 issued pursuant to this section or G.S. 143-215.32 or funded from the Fund established in  
8 G.S. 143-215.32A shall be designed and supervised by an engineer legally qualified in the State  
9 of North Carolina."

10  
11 **Special Provision   2021-DEQ-H6-P**

12 ***EROSION AND SEDIMENTATION FEE CHANGES***

13       **SECTION #.(a)** G.S. 113A-54.2(a) reads as rewritten:

14       "(a) An application and compliance fee of ~~sixty five dollars (\$65.00)~~ one hundred fifty  
15 dollars (\$150.00) per acre of disturbed land shown on an erosion and sedimentation control plan  
16 or of land actually disturbed during the life of the project shall be charged for the review of an  
17 erosion and sedimentation control plan and related compliance activities under this Article."

18       **SECTION #.(b)** G.S. 113A-60(d) reads as rewritten:

19       "(d) A local government may submit to the Commission for its approval a limited erosion  
20 and sedimentation control program for its jurisdiction that grants the local government the  
21 responsibility only for the assessment and collection of fees and for the inspection of  
22 land-disturbing activities within the jurisdiction of the local government. The Commission shall  
23 be responsible for the administration and enforcement of all other components of the erosion and  
24 sedimentation control program and the requirements of this Article. The local government may  
25 adopt ordinances and regulations necessary to establish a limited erosion and sedimentation  
26 control program. An ordinance adopted by a local government that establishes a limited program  
27 shall conform to the minimum requirements regarding the inspection of land-disturbing activities  
28 of this Article and the rules adopted pursuant to this Article regarding the inspection of  
29 land-disturbing activities. The local government shall establish and collect a fee to be paid by  
30 each person who submits an erosion and sedimentation control plan to the local government. The  
31 amount of the fee shall be an amount equal to eighty percent (80%) of the amount established by  
32 the Commission pursuant to G.S. 113A-54.2(a) plus any amount that the local government  
33 requires to cover the cost of inspection and program administration activities by the local  
34 government. The total fee shall not exceed ~~one hundred dollars (\$100.00)~~ two hundred thirty  
35 dollars (\$230.00) per acre. A local government that administers a limited erosion and  
36 sedimentation control program shall pay to the Commission the portion of the fee that equals  
37 eighty percent (80%) of the fee established pursuant to G.S. 113A-54.2(a) to cover the cost to the  
38 Commission for the administration and enforcement of other components of the erosion and  
39 sedimentation control program. Fees paid to the Commission by a local government shall be  
40 deposited in the Sedimentation Account established by G.S. 113A-54.2(b). A local government  
41 that administers a limited erosion and sedimentation control program and that receives an erosion  
42 control plan and fee under this subsection shall immediately transmit the plan to the Commission  
43 for review. A local government may create or designate agencies or subdivisions of the local  
44 government to administer the limited program. Two or more units of local government may  
45 establish a joint limited program and enter into any agreements necessary for the proper  
46 administration of the limited program. The resolutions establishing any joint limited program  
47 must be duly recorded in the minutes of the governing body of each unit of local government  
48 participating in the limited program, and a certified copy of each resolution must be filed with  
49 the Commission. Subsections (b) and (c) of this section apply to the approval and oversight of  
50 limited programs."

51       **SECTION #.(c)** This section is effective when it becomes law.



1 **Special Provision 2021-DEQ-H20(S12.11)-P**

2 ***VOLKSWAGEN SETTLEMENT***

3 **SECTION 12.11.(a)** Section 10(b) of S.L. 2020-79 reads as rewritten:

4 "SECTION 10.(b) In accordance with Section 13.2 of S.L. 2017-57, as amended by Section  
5 13.11 of S.L. 2018-5 (the Settlement Directives), there is appropriated from the Volkswagen  
6 Litigation Environmental Mitigation Fund (Fund) the sum of thirty million six hundred  
7 eighty-one thousand eight hundred eighty-six dollars (\$30,681,886) to fund Phase 1 of the August  
8 28, 2018, Beneficiary Mitigation Plan (Plan) prepared as set forth in the Trust agreement and  
9 submitted by the Department of Environmental Quality to the General Assembly pursuant to the  
10 Settlement Directives. The funds appropriated in this act shall be allocated for the following  
11 purposes set forth in Phase 1 of the Plan:

- 12 (1) Diesel bus and vehicle replacements or upgrades.
- 13 (2) Zero emissions vehicle infrastructure – Level 2 charging stations.
- 14 (3) Zero emissions vehicle infrastructure – DC fast charging stations.

15 The Department of Environmental Quality in its capacity as the lead agency designated under  
16 the procedures set forth in the Trust agreement may transfer and use up to one million five  
17 hundred thirty-four thousand ninety-four dollars (\$1,534,094) for administrative purposes in  
18 executing the Plan.

19 Funds remaining from Phase 1 of the Plan that are unobligated and unencumbered at the end  
20 of the 2019-2021 fiscal biennium shall ~~be returned to the Trustee by the Department of~~  
21 ~~Environmental Quality as set forth in the Trust agreement.~~remain available until expended."

22 **SECTION 12.11.(b)** This section is effective June 30, 2021.

23  
24 **Special Provision 2021-DEQ-H8(S12.12)-P**

25 ***WATER INFRASTRUCTURE FUND ENHANCEMENT***

26 **SECTION 12.12.(a)** G.S. 159G-22 is amended by adding a new subsection to read:

27 "(j) Unused CWSRF and DWSRF State Match. – Funds appropriated to the Department  
28 for the Clean Water State Revolving Fund or the Drinking Water State Revolving Fund to provide  
29 State matching funds that are in excess of the amount required to draw down all available federal  
30 capitalization grant funds may also be used for water and wastewater infrastructure grants  
31 awarded from the Wastewater Reserve, the Drinking Water Reserve, or the Viable Utility  
32 Reserve."

33 **SECTION 12.12.(b)** G.S. 159G-39 reads as rewritten:

34 "**§ 159G-39. Review of applications and award of loan or grant.**

35 ...

36 (e) ~~Viable Utility Reserve Terms-Approval.~~ – The Department shall not award a grant  
37 from the Viable Utility Reserve Fund unless the Local Government Commission approves the  
38 award of the grant and the terms of the grant. Any emergency grant application submitted under  
39 G.S. 159G-31(e) shall be deemed approved by the Local Government Commission upon  
40 submission.

41 (f) Grant Terms. –

- 42 (1) Viable Utility Reserve. – The Department and the Local Government  
43 Commission may, in their discretion, impose specific performance measures  
44 or conditions on any grant awarded from the Viable Utility Reserve, including  
45 any grant submitted under G.S. 159G-31(e).
- 46 (2) Drinking Water Reserve or Wastewater Reserve. – The Department may  
47 impose specific performance measures or conditions on any grant awarded  
48 from the Drinking Water Reserve or Wastewater Reserve to ensure an  
49 adequately funded program for the repair, maintenance, and management of  
50 the water or wastewater infrastructure."

51 **SECTION 12.12.(c)** G.S. 159G-45(d) reads as rewritten:

"(d) The Authority and the Local Government Commission shall establish the frequency of the cycle for assessment and review of local government units under this section, ~~which shall be no less than every two years.~~ section. The frequency of the cycle shall be not less than once every two years."

**Special Provision 2021-DEQ-H7-P**  
***BIRD ISLAND FUNDS***

**SECTION #.** Funds appropriated by S.L. 2018-5 for acquisition of the Sunset Beach West tract for the Bird Island Coastal Reserve may be used by the Department to complete various acquisition-related activities related to incorporation of the tract into the reserve, such as the purchase and installation of signage, updates to printed materials, property stewardship, and the planning and implementation of walking and kayak trails. These funds may also be used for outreach supplies and temporary staff to support public programs and activities.

**Special Provision 2021-DEQ-H25(S12.13)**  
***WATER AND SEWER INFRASTRUCTURE FUNDS***

**SECTION 12.13.(a)** Allocation. – Funds appropriated in this act from the State Fiscal Recovery Fund to the Department of Environmental Quality for the Water Infrastructure Fund shall be allocated for water and sewer infrastructure as follows:

- (1) Five hundred million dollars (\$500,000,000) for the Viable Utility Reserve to be used for the purposes set forth in subdivisions (1) through (5) of G.S. 159G-32(d).
- (2) Three hundred million dollars (\$300,000,000) for the Drinking Water Reserve and the Wastewater Reserve to provide project construction grants for public water systems and wastewater systems that the Department categorizes as at-risk. The limits set forth in G.S. 159G-36(c)(3) shall not apply to grants awarded from funds allocated by this subdivision.
- (3) Six hundred million dollars (\$600,000,000) for the Drinking Water Reserve and the Wastewater Reserve to provide project construction grants for public water systems and wastewater systems not eligible for funding under subdivisions (1) and (2) of this subsection. The limits set forth in G.S. 159G-36(c)(3) shall not apply to grants awarded from funds allocated by this subdivision.
- (4) Eighty million dollars (\$80,000,000) to the Water Infrastructure Fund for the Drinking Water Reserve and the Wastewater Reserve for any of the following grants:
  - a. Asset inventory and assessment grants, as defined in G.S. 159G-33(a)(3a) and G.S. 159G-34(a)(3a).
  - b. Rate study grants intended to determine a rate structure that will enable a public water system or wastewater system to generate sufficient revenues to adequately fund management and operations, personnel, appropriate levels of maintenance, and reinvestment to facilitate the provision of reliable water or wastewater services.
  - c. Merger/regionalization feasibility grants, as defined in G.S. 159G-33(a)(3) and G.S. 159G-34(a)(3).
  - d. Training grants to increase the capacity of a public water system or wastewater system to operate efficiently and maintain adequate maintenance and revenue collection practices.
  - e. Planning grants to conduct project engineering, design, or other preconstruction activities.

1           **SECTION 12.13.(b)** Limitation on Certain Grants. – Notwithstanding  
2 G.S. 159G-36(c), the amount of grants awarded under subdivision (a)(4) of this section may not  
3 exceed four hundred thousand dollars (\$400,000) to the same grant recipient for the 2021-2023  
4 fiscal biennium.

5           **SECTION 12.13.(c)** Reversion of Unneeded Funds. – Funds in excess of the  
6 amounts needed for the projects listed in subsections (d), (e), and (f) of this section may be used  
7 by the Department for other water and sewer infrastructure projects subject to applicable law and  
8 the applicable directives and limitations set forth in subdivision (a)(1), (a)(2), or (a)(3) of this  
9 section. The unused funds from projects listed in subsection (d) of this section may be used for  
10 projects eligible for funding from the Viable Utility Reserve, and the unused funds from projects  
11 listed in subsections (e) and (f) of this section may be used for projects eligible for funding from  
12 the Drinking Water Reserve or the Wastewater Reserve.

13           **SECTION 12.13.(d)** VUR Directed Projects. – Of the funds allocated by subdivision  
14 (a)(1) of this section, the following sums shall be granted to the indicated local governments and  
15 public entities for water and wastewater infrastructure projects:

- 16           (1) One million ninety-one thousand seven hundred ninety-seven dollars  
17           (\$1,091,797) to the Town of Andrews.
- 18           (2) Five million dollars (\$5,000,000) to the Town of Bailey.
- 19           (3) Five million dollars (\$5,000,000) to the Town of Bath.
- 20           (4) Twenty-three million three hundred forty-nine thousand fifty-one dollars  
21           (\$23,349,051) to the Town of East Spencer.
- 22           (5) One hundred fifty thousand dollars (\$150,000) to the Town of Ellerbe.
- 23           (6) One million dollars (\$1,000,000) to the Town of Hot Springs.
- 24           (7) Eight million three hundred fifty thousand dollars (\$8,350,000) to the Town  
25           of Madison.
- 26           (8) Five million dollars (\$5,000,000) to the Town of Maysville.
- 27           (9) One million five hundred thousand dollars (\$1,500,000) to the Town of  
28           Middlesex.
- 29           (10) Ten million dollars (\$10,000,000) to Rockingham County.
- 30           (11) One million four hundred thousand dollars (\$1,400,000) to the City of  
31           Southport.
- 32           (12) Five million nine hundred ninety-four thousand dollars (\$5,994,000) to the  
33           City of Trinity.
- 34           (13) Four hundred twenty-five thousand dollars (\$425,000) to the Town of Tryon.
- 35           (14) Six hundred thousand dollars (\$600,000) to the Town of Walstonburg.

36           **SECTION 12.13.(e)** At-Risk Directed Projects. – Of the funds allocated by  
37 subdivision (a)(2) of this section, the following sums shall be granted to the indicated local  
38 governments and public entities for water and wastewater infrastructure projects:

- 39           (1) Twenty-two million seven hundred thirty-three thousand seven hundred  
40           dollars (\$22,733,700) to the Town of Benson.
- 41           (2) Six million dollars (\$6,000,000) to the Town of Blowing Rock.
- 42           (3) Three hundred thousand dollars (\$300,000) to Burke County.
- 43           (4) Five million three hundred thousand dollars (\$5,300,000) to Davidson  
44           County.
- 45           (5) Five hundred thousand dollars (\$500,000) to the Town of Denton.
- 46           (6) Two million six hundred thousand dollars (\$2,600,000) to the Town of Four  
47           Oaks.
- 48           (7) Sixteen million ninety thousand dollars (\$16,090,000) to the Town of Kenly.
- 49           (8) Eleven million dollars (\$11,000,000) to McDowell County.
- 50           (9) Nine hundred fifty thousand dollars (\$950,000) to the Town of Micro.
- 51           (10) Two million dollars (\$2,000,000) to the Town of Mount Gilead.

- (11) One million nine hundred ninety-five thousand dollars (\$1,995,000) to the Town of Pine Level.
- (12) Two million eight hundred twenty-four thousand two hundred dollars (\$2,824,200) to the Town of Ranlo.
- (13) Three million one hundred thousand dollars (\$3,100,000) to the Town of Red Springs.
- (14) One hundred thousand dollars (\$100,000) to the Town of Robbinsville.
- (15) One million five hundred thousand dollars (\$1,500,000) to the Town of Roseboro.
- (16) Seven million dollars (\$7,000,000) to the Town of Rosman.
- (17) Nine hundred thousand dollars (\$900,000) to the Town of Salemburg.
- (18) One hundred sixty thousand dollars (\$160,000) to the City of Saluda.
- (19) Six million five hundred thousand dollars (\$6,500,000) to the Town of Selma.
- (20) One million three hundred thousand dollars (\$1,300,000) to the Town of Sparta.
- (21) One million two hundred five thousand one hundred thirty dollars (\$1,205,130) to the Town of Taylorsville.
- (22) One hundred thousand dollars (\$100,000) to the Town of Winton.
- (23) Three million dollars (\$3,000,000) to Yadkin County.

**SECTION 12.13.(f)** Other Directed Projects. – Of the funds allocated by subdivision (a)(3) of this section for project construction grants, the following sums shall be granted to the indicated local governments and public entities for water and wastewater infrastructure projects:

- (1) Three hundred fifteen thousand dollars (\$315,000) to the Village of Alamance.
- (2) Three million six hundred nineteen thousand dollars (\$3,619,000) to Alexander County.
- (3) Two million three hundred thousand dollars (\$2,300,000) to the Town of Angier.
- (4) Ten million dollars (\$10,000,000) to the City of Burlington.
- (5) Thirty million dollars (\$30,000,000) to the Water and Sewer Authority of Cabarrus County.
- (6) Eight million eight hundred thousand dollars (\$8,800,000) to Catawba County.
- (7) One million dollars (\$1,000,000) to Clay County.
- (8) Twenty-four million dollars (\$24,000,000) to the Town of Clayton, to be allocated as follows:
  - a. Four million dollars (\$4,000,000) for improvements to the Town's water storage infrastructure.
  - b. Twenty million dollars (\$20,000,000) for a wastewater treatment facility.
- (9) Nineteen million dollars (\$19,000,000) to Cleveland County Water.
- (10) Five hundred thousand dollars (\$500,000) to the Town of Clyde.
- (11) Three million dollars (\$3,000,000) to Davie County.
- (12) Four hundred fifty thousand dollars (\$450,000) to the Town of Dunn.
- (13) Two million four hundred thousand dollars (\$2,400,000) to the Town of Elon.
- (14) Three hundred twenty thousand dollars (\$320,000) to the Town of Faison.
- (15) One hundred seventy-five thousand dollars (\$175,000) to the Town of Franklin.
- (16) Nine million seven hundred three thousand dollars (\$9,703,000) to Gaston County.

- (17) Ten million four thousand dollars (\$10,004,000) to the City of Gastonia, to be allocated as follows:
- a. Four million four hundred twenty-five thousand dollars (\$4,425,000) for wastewater outfalls.
  - b. Five million five hundred seventy-nine thousand dollars (\$5,579,000) for rehabilitation of a supervisory control and data acquisition system.
- (18) Three million seven hundred fifty thousand dollars (\$3,750,000) to the Town of Graham.
- (19) One hundred fifty thousand dollars (\$150,000) to the Town of Granite Falls.
- (20) Four hundred one thousand four hundred forty-seven dollars (\$401,447) to the Town of Green Level.
- (21) Ten million dollars (\$10,000,000) to the City of Greensboro.
- (22) Two million dollars (\$2,000,000) to the Handy Sanitary District.
- (23) Ten million dollars (\$10,000,000) to Henderson County.
- (24) Four million two hundred thousand dollars (\$4,200,000) to the City of Hendersonville. These funds shall be used for the Edneyville High School line extension.
- (25) One hundred thousand dollars (\$100,000) to the Town of Highlands.
- (26) Twenty-two million dollars (\$22,000,000) to the City of King.
- (27) Thirty-nine million dollars (\$39,000,000) to the City of Kings Mountain for a wastewater expansion project southwest of the City.
- (28) Ten million two hundred eighty thousand dollars (\$10,280,000) to the Town of LaGrange.
- (29) Eight million dollars (\$8,000,000) to the Town of Lake Lure.
- (30) Two hundred thousand dollars (\$200,000) to Lincoln County.
- (31) Eight hundred thousand dollars (\$800,000) to the Town of Locust.
- (32) Twelve million dollars (\$12,000,000) to Madison County.
- (33) One million dollars (\$1,000,000) to the Town of Midland.
- (34) Two million five hundred thousand dollars (\$2,500,000) to Montgomery County.
- (35) Eight million dollars (\$8,000,000) to the Town of Mt. Pleasant.
- (36) Two hundred thirty thousand dollars (\$230,000) to the City of New Bern.
- (37) Five hundred thousand dollars (\$500,000) to the Town of North Wilkesboro.
- (38) Eight million seven hundred thousand dollars (\$8,700,000) to the Town of Pembroke.
- (39) Seven hundred fifty thousand dollars (\$750,000) to Richmond County.
- (40) One million seven hundred seventeen thousand dollars (\$1,717,000) to Sampson County.
- (41) Thirty-four million dollars (\$34,000,000) to the City of Sanford.
- (42) Seven million four hundred thousand dollars (\$7,400,000) to the City of Shelby.
- (43) Three million dollars (\$3,000,000) to the Town of Smithfield.
- (44) Thirty million dollars (\$30,000,000) to the South Granville Water and Sewer Authority.
- (45) Seven hundred fifty thousand dollars (\$750,000) to the Southern Wayne Sanitation District.
- (46) Three million seven hundred thousand dollars (\$3,700,000) to the Town of Spring Hope.
- (47) Twenty million dollars (\$20,000,000) to the City of Statesville.
- (48) Eight hundred thousand dollars (\$800,000) to the Town of Stedman.
- (49) Two million dollars (\$2,000,000) to the Town of Surf City.

- (50) Five hundred thousand dollars (\$500,000) to the Town of Swepsonville.
- (51) Five hundred thousand dollars (\$500,000) to the City of Thomasville.
- (52) Two million four hundred forty-five thousand dollars (\$2,445,000) to the Town of Troutman.
- (53) Four million dollars (\$4,000,000) to Union County for design, permitting, and construction of an expansion of the Poplin Road pump station and the Twelve Mile Creek Water Reclamation Facility to provide expanded service and capacity for wastewater.
- (54) Thirty-five million dollars (\$35,000,000) to Union County for the Yadkin Regional Water Supply Project.
- (55) Eight hundred one thousand nine hundred eighty-three dollars (\$801,983) to the Town of Valdese.
- (56) Eighty thousand dollars (\$80,000) to the Town of Walkertown for a sewer extension along Sullivantown Road.
- (57) Thirteen million dollars (\$13,000,000) to Yancey County.

**SECTION 12.13.(g)** Economic Development Projects. – Of the funds allocated by subdivision (a)(3) of this section for project construction grants, the Department of Environmental Quality shall transfer the sum of forty-two million four hundred eleven thousand four hundred forty-four dollars (\$42,411,444) to the Department of Commerce to provide the following grants for water and sewer infrastructure projects intended to advance economic development or affordable housing objectives for the recipients:

- (1) One million one hundred sixty-five thousand four hundred forty-four dollars (\$1,165,444) to Alexander County.
- (2) Four million dollars (\$4,000,000) to the Anson Economic Development Corporation.
- (3) Five million eight hundred seventy-one thousand dollars (\$5,871,000) to the City of Burlington.
- (4) Two hundred fifty thousand dollars (\$250,000) to Habitat for Humanity of Gaston County.
- (5) Eight million dollars (\$8,000,000) to the Town of Holly Springs. This allocation shall be conditional upon the provision of seven million dollars (\$7,000,000) in matching funds from non-State sources, including no less than two million dollars (\$2,000,000) from the Town.
- (6) One million one hundred twenty-five thousand dollars (\$1,125,000) to the Town of Mocksville.
- (7) Twenty-two million dollars (\$22,000,000) to the Wayne County Development Alliance for Project Butter.

The Department of Commerce may use one and one-half percent (1.5%) of the funds allocated by this subsection for administrative costs.

**SECTION 12.13.(h)** National Guard Project Planning. – Of the funds allocated by subdivision (a)(3) of this section for project construction grants, the Department of Environmental Quality shall transfer the sum of five hundred thousand dollars (\$500,000) to the Department of Public Safety to provide a planning grant to the North Carolina National Guard for a water and sewer infrastructure project at the site formerly known as Fountain Correctional Center for Women.

**SECTION 12.13.(i)** Of the funds allocated by subdivision (a)(3) of this section for project construction grants, the Department of Environmental Quality shall use twenty million dollars (\$20,000,000) for the Innovative Highly Treated Wastewater Pilot Program established in Section 12.13A of this act.

**SECTION 12.13.(j)** Administrative Costs. – The Department may use one and one-half percent (1.5%) of the funds allocated by this section, other than the funds transferred in

subsections (g), (h), and (i) of this section, for administrative costs. The Department shall not charge the grant fee authorized by G.S. 159G-24 for grants made from funds subject to the set aside of administrative costs authorized by this subsection.

**Special Provision 2021-DEQ-H29-P**

***HIGHLY TREATED WASTEWATER PILOT PROGRAM***

**SECTION 12.13A.(a)** For purposes of this section, "highly treated wastewater legislation" refers to House Bill 916, Second Edition, 2021 Regular Session, or other legislation substantially similar to Sections 1, 3, and 4 of that bill. If the highly treated wastewater legislation becomes law, then the Department shall use funds allocated to it by Section 12.13(i) of this act to establish an Innovative Highly Treated Wastewater Pilot Program within the Division of Water Infrastructure. To implement the Program, the Department shall do the following:

- (1) Review and qualify wastewater systems meeting the standards set forth in G.S. 143-215(f), as enacted by the highly treated wastewater legislation, either as a single unit or as a combination of treatment devices. The Department shall require the manufacturer of the wastewater system within five days of the qualification under this subdivision to file with the Department a performance bond or other surety with a minimum term of five years to be executed in favor of the permittee in the amount sufficient to cover system replacement. Operation, maintenance, abuse, or change in hydraulic flows or wastewater characteristics shall not be attached to the performance bond or surety.
- (2) Identify local governments, sanitary districts, or public authorities considered distressed, as defined by G.S. 159G-20, or that include residential or commercial developments or subdivisions that are unable to be served by existing wastewater systems.
- (3) Work with the entities identified under subdivision (2) of this subsection to select, permit, and install at least four wastewater systems producing highly treated wastewater, as defined in the highly treated wastewater legislation.

**SECTION 12.13A.(b)** If the highly treated wastewater legislation does not become law by June 30, 2023, then the funds allocated by this section shall revert to the Wastewater Reserve to be used for any of the purposes authorized in G.S. 159G-32(b).

**Special Provision 2021-DEQ-H24(S12.14)-P**

***STORMWATER INFRASTRUCTURE FUNDS***

**SECTION 12.14.(a)** Establishment of the Fund. – Funds appropriated in this act from the State Fiscal Recovery Fund to the Department of Environmental Quality for stormwater infrastructure shall be used by the Department to establish the Local Assistance for Stormwater Infrastructure Investments Fund (Fund) as a special fund in the Department. The Fund shall be used to provide grants to eligible entities as defined in this section for projects that will improve or create infrastructure for controlling stormwater quantity and quality.

**SECTION 12.14.(b)** Directed Projects. – Of the funds allocated by this section, the following sums shall be granted to the indicated local governments and public entities for stormwater projects:

- (1) Four hundred thousand dollars (\$400,000) to the Town of Angier.
- (2) Seven hundred thousand dollars (\$700,000) to the City of Brevard.
- (3) Five hundred thousand dollars (\$500,000) to the Town of Dunn.
- (4) Nine million eight hundred thousand dollars (\$9,800,000) to the Fayetteville Public Works Commission.
- (5) One million five hundred thousand dollars (\$1,500,000) to the Town of Four Oaks.
- (6) Three hundred fifty thousand dollars (\$350,000) to the City of Hope Mills.



(7) One million five hundred thousand dollars (\$1,500,000) to the City of Mooresville.

(8) Seventy-five thousand dollars (\$75,000) to the City of New Bern.

**SECTION 12.14.(c)** Allocation of Undirected Funds. – The Department shall use seventy percent (70%) of the funds allocated in this section for construction grants as specified in subdivision (e)(1) of this section and thirty percent (30%) of the funds allocated in this section for planning grants as specified in subdivision (e)(2) of this section.

**SECTION 12.14.(d)** Eligible Entity. – An eligible entity for a grant under this section shall be a city or county that (i) documents in a form and manner as the Department may specify a stormwater quality or quantity issue and (ii) demonstrates that it would experience a significant hardship raising the revenue necessary to finance stormwater management activities within its jurisdiction based on income and unemployment data, population trends, and any other data determined relevant by the Department.

**SECTION 12.14.(e)** Grant Types. – The Department shall make the following types of grants from the Fund:

(1) Construction grants. – A construction grant is available for the development and implementation of a new stormwater utility or stormwater control measure (SCM), the rehabilitation of existing SCMs, the retrofitting of existing stormwater conveyances to provide SCMs for quantity and quality control purposes, or the installation of innovative technologies or nature-based solutions for flood control.

(2) Planning grants. – A planning grant is available for research or investigative studies, alternatives analyses, the preparation of engineering concept plans or engineering designs, and similar activities intended to help an eligible entity determine the best solutions for the entity's stormwater quality or quantity issue and to engineer and permit the solutions.

**SECTION 12.14.(f)** Limitation. – The following limits apply to grants from the Fund:

(1) Construction grants may not exceed fifteen million dollars (\$15,000,000).

(2) Planning grants may not exceed five hundred thousand dollars (\$500,000).

**SECTION 12.14.(g)** Administration. – The Department may adopt any policies or procedures regarding the application process, applicant record keeping and reporting, and any other administrative details not inconsistent with this section. The Department may use up to one and one-half percent (1.5%) of the funds allocated by this section for the administrative costs of establishing and implementing the program.

**SECTION 12.14.(h)** Report. – The Department shall submit a report no later than September 1, 2022, and annually thereafter to the chairs of the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division on the projects and activities funded by this section until all funds have been expended by grant recipients. The Department shall include in its initial report and may include in subsequent reports recommendations regarding legislative changes or additional funding needed to assist small and financially distressed communities to comply with stormwater standards and requirements and to mitigate the adverse impacts of extreme weather events on stormwater-related flood events. The reports shall also include, at a minimum, the following:

(1) The beginning and ending balance of the Fund for the quarter.

(2) A listing of grant recipients, amount provided to each recipient, and the grant type funded.

(3) An overview of the use of funds by grant recipients, including a description of projects constructed or planning milestones achieved.



1 **CLARIFY PERMITTING IN ISOLATED WETLANDS**

2 **SECTION #.(a)** G.S. 143-212 reads as rewritten:

3 **"§ 143-212. Definitions.**

4 ...

5 **(3a)** "Isolated wetlands" means either of the following:

6 a. A wetland confirmed to be isolated by the United States Army Corps  
7 of Engineers prior to June 22, 2020.

8 b. A wetland that has been determined to be non-jurisdictional by the  
9 United States Army Corps of Engineers after June 22, 2020, and for  
10 which an evaluation confirmed by the Department documents that a  
11 significant nexus is not present pursuant to the Clean Water Act  
12 Jurisdiction Following the U.S. Supreme Court's Decision in Rapanos  
13 v. United States & Carabell v. United States memorandum dated  
14 December 02, 2008.

15 ...

16 **(6)** "Waters" means any stream, river, brook, swamp, lake, sound, tidal estuary,  
17 bay, creek, reservoir, ~~waterway,~~ waterway, wetland, or other body or  
18 accumulation of water, whether surface or underground, public or private, or  
19 natural or artificial, that is contained in, flows through, or borders upon any  
20 portion of this State, including any portion of the Atlantic Ocean over which  
21 the State has jurisdiction.

22 **(7)** "Wetlands" means areas that are inundated or saturated by an accumulation of  
23 surface or ground water at a frequency and duration sufficient to support, and  
24 that under normal circumstances do support, a prevalence of vegetation  
25 typically adapted for life in saturated soil conditions. Wetlands do not include  
26 prior converted cropland as defined in the National Food Security Act Manual,  
27 Fifth Edition. Wetlands classified as waters of the State are restricted to waters  
28 of the United States as defined by 33 C.F.R. § 328.3 and 40 C.F.R. § 230.3  
29 and isolated wetlands that are either basins or bogs as described in the North  
30 Carolina Wetland Assessment User Manual prepared by the North Carolina  
31 Wetland Functional Assessment Team, version 4.1, October 2010."

32 **SECTION #.(b)** G.S. 143-215.1 reads as rewritten:

33 **"§ 143-215.1. Control of sources of water pollution; permits required.**

34 **(a)** Activities for Which Permits Required. – Except as provided in ~~subsection (a6)~~  
35 subsections (a6) and (a8) of this section, no person shall do any of the following things or carry  
36 out any of the following activities unless that person has received a permit from the Commission  
37 and has complied with all conditions set forth in the permit:

38 ...

39 **(a8)** No permit shall be required under this section for activities in wetlands that are not  
40 waters of the United States, except isolated wetlands that are either basins or bogs as described  
41 in the North Carolina Wetland Assessment User Manual prepared by the North Carolina Wetland  
42 Functional Assessment Team, version 4.1, October 2010.

43 ...."

44 **SECTION #.(c)** Section 4.18(a) of S.L. 2015-286 reads as rewritten:

45 **"SECTION 4.18.(a)** ~~For the purposes of implementing Section .1300 of Subchapter 2H of~~  
46 ~~Chapter 2 of Title 15A of the North Carolina Administrative Code (Discharges to Isolated~~  
47 ~~Wetlands and Isolated Waters), the isolated wetlands provisions of Section .1300 shall apply only~~  
48 ~~to Basin Wetlands and Bogs and no other wetland types as described in the North Carolina~~  
49 ~~Wetland Assessment User Manual prepared by the North Carolina Wetland Functional~~  
50 ~~Assessment Team, version 4.1 October 2010 that are not jurisdictional wetlands under the federal~~  
51 ~~Clean Water Act. The isolated wetlands provisions of Section .1300 shall not apply to an isolated~~

1 man-made ditch or pond constructed for stormwater management purposes or any other  
2 man-made isolated pond."

3  
4 **Special Provision 2021-DEQ-H27-P**

5 **CLARIFY LOCAL AUTHORITY FOR STORMWATER ORDINANCES**

6 **SECTION #.(a)** G.S. 160D-925 reads as rewritten:

7 **"§ 160D-925. Stormwater control.**

8 (a) A local government may adopt and enforce a stormwater control regulation to protect  
9 water quality and control water quantity. A local government may adopt a stormwater  
10 management regulation pursuant to this Chapter, its charter, other applicable laws, or any  
11 combination of these powers.

12 (a1) Notwithstanding the authority granted under subsection (a) of this section, a local  
13 government may not enact, implement, or enforce a local government stormwater control  
14 regulation that establishes a stormwater control requirement that exceeds stormwater control  
15 requirements necessary to comply with or implement (i) federal or State law, (ii) a condition of  
16 a permit, certificate, or other approval issued by a federal agency, or (iii) a condition of a permit,  
17 certificate, or other approval issued by a State agency, which condition is required to comply  
18 with federal or State law governing stormwater standards. Further, any local government  
19 stormwater control regulation that includes a riparian buffer requirement for the protection of  
20 water quality shall be subject to the limitations established in G.S. 143-214.23A. Local  
21 stormwater control regulations in effect on the date of this act in violation of the limitations of  
22 this subsection are void and unenforceable.

23 (b) A federal, State, or local government project shall comply with the requirements of a  
24 local government stormwater control regulation unless the federal, State, or local government  
25 agency has a National Pollutant Discharge Elimination System (NPDES) stormwater permit that  
26 applies to the project. A local government may take enforcement action to compel a State or local  
27 government agency to comply with a stormwater control regulation that implements the NPDES  
28 stormwater permit issued to the local government. To the extent permitted by federal law,  
29 including Chapter 26 of Title 33 of the United States Code, a local government may take  
30 enforcement action to compel a federal government agency to comply with a stormwater control  
31 regulation.

32 (c) A local government may implement illicit discharge detection and elimination  
33 controls, construction site stormwater runoff controls, and post-construction runoff controls  
34 through an ordinance or other regulatory mechanism to the extent allowable under State law.

35 (d) A local government that holds an NPDES permit issued pursuant to G.S. 143-214.7  
36 may adopt a regulation, applicable within its planning and development regulation jurisdiction,  
37 to establish the stormwater control program necessary for the local government to comply with  
38 the permit. A local government may adopt a regulation that bans illicit discharges within its  
39 planning and development regulation jurisdiction. A local government may adopt a regulation,  
40 applicable within its planning and development regulation jurisdiction, that requires (i) deed  
41 restrictions and protective covenants to ensure that each project, including the stormwater  
42 management system, will be maintained so as to protect water quality and control water quantity  
43 and (ii) financial arrangements to ensure that adequate funds are available for the maintenance  
44 and replacement costs of the project.

45 (e) Unless the local government requests the permit condition in its permit application,  
46 the Environmental Management Commission may not require as a condition of an NPDES  
47 stormwater permit issued pursuant to G.S. 143-214.7 that a city implement the measure required  
48 by 40 Code of Federal Regulations § 122.34(b)(3)(1 July 2003 Edition) in its extraterritorial  
49 jurisdiction."

50 **SECTION #.(b)** G.S. 143-214.7 reads as rewritten:

51 **"§ 143-214.7. Stormwater runoff rules and programs.**

1 ...  
2 (c) The Commission shall develop model stormwater management programs that may be  
3 implemented by State agencies and units of local government. Model stormwater management  
4 programs shall be developed to protect existing water uses and assure compliance with water  
5 quality standards and classifications. A State agency or unit of local government may submit to  
6 the Commission for its approval a stormwater control program for implementation within its  
7 jurisdiction. To this end, State agencies may adopt rules, and units of local government are  
8 authorized to adopt ordinances and regulations necessary to establish and enforce stormwater  
9 control ~~programs~~ ~~programs~~; provided, however, ordinances and regulations adopted hereunder  
10 shall be subject to the same limitations set forth in G.S. 160D-925. Units of local government are  
11 authorized to create or designate agencies or subdivisions to administer and enforce the programs.  
12 Two or more units of local government are authorized to establish a joint program and to enter  
13 into any agreements that are necessary for the proper administration and enforcement of the  
14 program.

15 ...  
16 (d) The Commission shall review each stormwater management program submitted by a  
17 State agency or unit of local government and shall notify the State agency or unit of local  
18 government that submitted the program that the program has been approved, approved with  
19 modifications, or disapproved. The Commission shall approve a program only if it finds that the  
20 standards of the program ~~equal~~ ~~equal~~, but do not exceed, those of the model program adopted by  
21 the Commission pursuant to this section.

22 ...."  
23 **SECTION #.(c) G.S. 143-214.23A reads as rewritten:**  
24 **"§ 143-214.23A. Limitations on local government riparian buffer requirements.**

25 (a) As used in this section:  
26 (1) "Local government ordinance" means any action by a local government  
27 carrying the effect of law approved before or after October 1, 2015, whether  
28 by ordinance, comprehensive plan, policy, resolution, or other measure.  
29 (2) "Protection of water quality" means nutrient removal, pollutant removal,  
30 stream bank protection, or protection of an endangered species as required by  
31 federal law.  
32 (3) "Riparian buffer area" means an area subject to a riparian buffer requirement.  
33 (4) "Riparian buffer requirement" means a landward setback from surface waters.  
34 (b) Except as provided in this section, a local government may not enact, implement, or  
35 enforce a local government ordinance that establishes a riparian buffer requirement that exceeds  
36 riparian buffer requirements necessary to comply with or ~~implement~~ ~~implement~~ (i) federal or  
37 State law or law, (ii) a condition of a permit, certificate, or other approval issued by a federal or  
38 State agency, or (iii) a condition of a permit, certificate, or other approval issued by a  
39 State agency, which condition is required to comply with federal or State law governing  
40 stormwater standards.

41 ...  
42 (d) A local government may request from the Commission the authority to enact,  
43 implement, and enforce a local government ordinance that establishes a riparian buffer  
44 requirement for the protection of water quality that exceeds riparian buffer requirements for the  
45 protection of water quality necessary to comply with or ~~implement~~ ~~implement~~ (i) federal or State  
46 law or law, (ii) a condition of a permit, certificate, or other approval issued by a federal or State  
47 agency, or (iii) a condition of a permit, certificate, or other approval issued by a State  
48 agency, which condition is required to comply with federal or State law governing stormwater  
49 standards. To do so, a local government shall submit to the Commission an application requesting  
50 this authority that includes the local government ordinance, including the riparian buffer  
51 requirement for the protection of water quality, scientific studies of the local environmental and

1 physical conditions that support the necessity of the riparian buffer requirement for the protection  
2 of water quality, and any other information requested by the Commission. Within 90 days after  
3 the Commission receives a complete application, the Commission shall review the application  
4 and notify the local government whether the application has been approved, approved with  
5 modifications, or disapproved. The Commission shall not approve a local government ordinance  
6 that establishes a riparian buffer requirement for the protection of water quality unless the  
7 Commission finds that the scientific evidence presented by the local government supports the  
8 necessity of the riparian buffer requirement for the protection of water quality.

9 ...."

#### 10 11 **Special Provision 2021-DEQ-H28-P**

##### 12 ***RECONCILE TITLE V AIR QUALITY RULE EFFECTIVE DATE***

13 **SECTION #.** Notwithstanding the time lines set forth in G.S. 150B-21.3 for the  
14 effective date of rules, or any other provision of law pertaining to procedures for the adoption of  
15 rules, 15A NCAC 02Q .0203 (Permit and Application Fees), as adopted by the Environmental  
16 Management Commission on January 14, 2021, and approved by the Rules Review Commission  
17 on February 18, 2021, shall take effect on May 1, 2021.

#### 18 19 **Special Provision 2021-DEQ-H26-P**

##### 20 ***SOUTHERN STATES ENERGY BOARD FUNDS***

21 **SECTION #.(a)** G.S. 104D-3 reads as rewritten:

##### 22 **"§ 104D-3. Submission of budgets of Board.**

23 (a) Pursuant to Article III(a) of the compact, the Board shall submit its budgets of  
24 estimated expenditures to the Director of the Budget for presentation to the General Assembly.

25 (b) Each fiscal year, the Office of State Budget and Management shall pay the amount  
26 necessary to cover the State's responsibility for the budgets of the Board as required by Article  
27 III(b) of the compact. The Office shall transfer funds from the agency that administratively  
28 houses the State Energy Office to meet the requirements prescribed under this section."

29 **SECTION #.(b)** The Office of State Budget and Management (Office) shall  
30 determine if arrears exist as to the amount owed to the Southern States Energy Board. If the  
31 Office determines any arrears exist, then the Office shall pay the State's share owed for that fiscal  
32 year and transfer funds from the agency that administratively housed the State Energy Office or  
33 its equivalent during the fiscal year for which the arrearage is owed.

34 **SECTION #.(c)** This section is effective July 1, 2021.

#### 35 36 **Special Provision 2021-DEQ-H30-P**

##### 37 ***CLARIFY EQIP FUNDING REQUIREMENTS***

38 **SECTION #.(a)** Subsection 11(f) of S.L. 2020-79 reads as rewritten:

39 **"SECTION 11.(f)** Maximum Share. – Notwithstanding any provision of law to the contrary,  
40 funds appropriated for a water resources development project shall be used to provide no more  
41 than fifty percent (50%) of the nonfederal portion of funds for the project. This subsection applies  
42 to funds appropriated in this act and to funds appropriated prior to the 2019-2021 fiscal biennium  
43 that are unencumbered and proposed for reallocation to provide the nonfederal portion of funds  
44 for water resources development projects. The limitation on fund usage contained in this  
45 subsection applies only to projects in which a local government or local governments participate.  
46 This subsection shall not apply to, and there shall be no local match required for, the  
47 Environmental Quality Incentives Program (EQIP). Furthermore, Section 36.3(e) of S.L.  
48 2013-360, Section 36.2(e) of S.L. 2014-100, and Section 31.3(e) of S.L. 2015-241 shall not apply  
49 to funds made available as part of EQIP in any fiscal year, including prior years. For purposes of  
50 this subsection, a single project shall consist of all the landowners and other participants under a

1 project design contract approved by the Natural Resource Conservation Service under the EQIP  
2 program along a contiguous stretch of stream."

3 **SECTION #.(b)** This section is effective when it becomes law.  
4

5 **Special Provision 2021-DEQ-H31-P**  
6 **CARTERET WATER ACCESS DREDGING**

7 **SECTION #.** Notwithstanding G.S. 143-215.73F, there shall be no match required  
8 for funds appropriated by this act from the Shallow Draft Navigation Channel Dredging and  
9 Aquatic Weed Fund to Carteret County for dredging at the Highway 24 Boat Ramp park in  
10 Carteret County.  
11

12 **Special Provision 2021-DEQ-H2-P**  
13 **AMEND DAM SAFETY EXEMPTION**

14 **SECTION #.** G.S. 143-215.25A reads as rewritten:

15 **"§ 143-215.25A. Exempt dams.**

16 (a) Except as otherwise provided in this Part, this Part does not apply to any dam:

17 ...

18 (8) That is less than 20 feet in height or that has an impoundment capacity of less  
19 than 15 acre-feet, when a qualified engineer who demonstrates to the  
20 satisfaction of the Department experience in dam design conducts dam failure  
21 analyses based on both storm-induced failure and normal weather geologic,  
22 structural, or seismic failure scenarios and determines that the dam is not a  
23 high hazard dam.

24 ...."  
25

26 **Special Provision 2021-LAB-H1(S13.1)-P**  
27 **BE PRO BE PROUD**

28 **SECTION 13.1.(a)** Program Established; Purpose. – The Department of Labor shall  
29 use the funds allocated in this act for the Be Pro Be Proud program to create, implement, operate,  
30 and support the Be Pro Be Proud initiative, a three-year mobile statewide workforce development  
31 pilot program. The program shall focus on generating student, parent, and educator interest in  
32 technical professions within the construction, manufacturing, transportation, and utility  
33 industries by emphasizing the high-tech, high-wage potential of these student career paths. The  
34 program shall also support progress towards North Carolina's postsecondary attainment goals to  
35 increase postsecondary degrees and certificates in the skilled trade professions.

36 **SECTION 13.1.(b)** Components of the Program. – In meeting the goals of the pilot  
37 program, Be Pro Be Proud shall provide for at least the following:

38 (1) A custom-built mobile workshop that brings elements of up to 12 skilled  
39 professions to middle and high school students through simulators and virtual  
40 reality experiences. Students will learn about various careers, job  
41 responsibilities, and average statewide wages for each career while stepping  
42 virtually into these professions. Students may engage directly with partners  
43 and will be invited to sign up to learn more about one or more professions of  
44 interest.

45 (2) Information and data collection for students by setting up a digital profile on  
46 Be Pro Be Proud's national "Join the Movement" partnership. With the  
47 consent of parents and students participating in the mobile workshops, the data  
48 collected shall be shared with the Community Colleges System Office,  
49 Department of Public Instruction, Department of Commerce, myFutureNC  
50 Commission, industry associations, and companies that are prompted to  
51 connect with the potential student recruits. The database management system

shall provide a connection for student internships, scholarships, apprenticeships, full-time jobs, and other opportunities.

- (3) Follow-up opportunities for interested students to pursue their interests through hands-on leadership opportunities, including gaining onsite learning experiences, volunteering, and participating in networking opportunities with potential job and postsecondary school recruiters.
- (4) Motivation for interested educators to stay engaged through a combination of outreach and professional development opportunities.
- (5) Operation of the pilot program to coincide with the public school instructional calendar and various events for students that take place throughout the summer. A Be Pro Be Proud team shall operate the day-to-day functions of the statewide tour and engage with students. Additional volunteers shall be recruited to assist with the pilot program, including partner associations, companies, and schools, as well as teachers, parents, and students.
- (6) In collaboration with the N.C. Trucking Association, the operation, implementation, and support for a workforce development program to increase operators with commercial drivers licenses, transportation dispatchers, and technicians across the State.

**SECTION 13.1.(c)** Administration. – The Department of Labor shall administer the program from funds available to the Department and shall coordinate with other interested public and private stakeholders to ensure the coordination of State efforts to develop a skilled trades workforce.

**SECTION 13.1.(d)** Retention of Funds. – Notwithstanding G.S. 143C-1-2(b), funds allocated in this act for the purposes set forth in this section shall not revert but shall remain available for nonrecurring expenditures for the purposes of this section until June 30, 2024.

**SECTION 13.1.(e)** Report. – The Department of Labor shall submit a report by April 1 of each year in which it spends State funds appropriated by this act on the Be Pro Be Proud initiative to the chairs of the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal Research Division regarding the activities undertaken with the funds appropriated by this section.

#### **Special Provision 2021-DNCR-H9(S14.1)-P**

#### ***DISPOSITION OF LAND AT CERTAIN HISTORIC SITES***

**SECTION 14.1.(a)** G.S. 146-30 reads as rewritten:

#### **"§ 146-30. Application of net proceeds.**

(a) The net proceeds of any disposition made in accordance with this Subchapter shall be handled in accordance with the following priority:

- (1) First, in accordance with the provisions of any trust or other instrument of title whereby title to real property was acquired.
- (2) Second, as provided by any other act of the General Assembly.
- (3) Third, by depositing the net proceeds with the State Treasurer.

Nothing in this section, however, prohibits the disposition of any State lands by exchange for other lands, but if the appraised value in fee simple of any property involved in the exchange is at least twenty-five thousand dollars (\$25,000), then the exchange shall not be made without consultation with the Joint Legislative Commission on Governmental Operations.

...

(d) Notwithstanding any other provision of this Subchapter, the following exceptions apply:

...

- (11) Except as otherwise provided in this subsection, the net proceeds derived from the sale of real property donated to the State and allocated to the Division of



1 State Historic Sites or the Division of State History Museums in the  
2 Department of Natural and Cultural Resources shall be deposited in the State  
3 Historic Sites and Museums Fund, created in G.S. 121-7.7, and shall be used  
4 in accordance with that section.

5 (12) The net proceeds derived from the sale of real property donated to the State  
6 and allocated to the Tryon Palace Historic Site and Gardens in the Department  
7 of Natural and Cultural Resources shall be deposited in the Tryon Palace  
8 Historic Sites and Gardens Fund, created in G.S. 121-21.1, and shall be used  
9 in accordance with that section.

10 (13) The net proceeds derived from the sale of real property from the Bentonville  
11 Battlefield State Historic Site donated to the State and allocated to the  
12 Division of State Historic Sites in the Department of Natural and Cultural  
13 Resources shall be deposited in the Bentonville Battlefield Fund, created in  
14 G.S. 121-7.5, and shall be used in accordance with that section.

15 (14) The net proceeds derived from the sale of real property from the North  
16 Carolina Transportation Museum donated to the State and allocated to the  
17 Department of Natural and Cultural Resources shall be deposited in the North  
18 Carolina Transportation Museum Fund, created in G.S. 121-7.6, and shall be  
19 used in accordance with that section."

20 **SECTION 14.1.(b)** G.S. 121-7.7(a) reads as rewritten:

21 "(a) Fund. – The State Historic Sites and Museums Fund is created as a special,  
22 interest-bearing revenue fund in the Division of State Historic Sites and the Division of State  
23 History Museums. The Fund consists of all receipts derived from the lease or rental of property  
24 or facilities, disposition of structures or products of the land, donations, gifts, devises, and  
25 admissions and fees collected at the State Historic Sites, State History Museums, and Maritime  
26 Museums. The Fund also consists of the net proceeds derived from the sale of real property  
27 pursuant to G.S. 146-30(d)(11). The revenues in the Fund may be used only for the operation,  
28 interpretation, maintenance, preservation, development, and expansion of the individual State  
29 Historic Site, State History Museum, and Maritime Museum where the receipts are generated.  
30 The respective Division and the staff from each State Historic Site, State History Museum, and  
31 Maritime Museum shall determine how the funds shall be used at that Historic Site, State History  
32 Museum, and Maritime Museum."

33 **SECTION 14.1.(c)** G.S. 121-21.1 reads as rewritten:

34 **"§ 121-21.1. Tryon Palace Historic Sites and Gardens Fund.**

35 (a) Fund. – The Tryon Palace Historic Sites and Gardens Fund is hereby created as a  
36 special, interest-bearing, and nonreverting fund in the Division of Tryon Palace Historic Sites  
37 and Gardens. The Fund shall be treated as a special trust ~~fund and shall be credited with interest~~  
38 ~~by the State Treasurer pursuant to G.S. 147-69.2 and G.S. 147-69.3. The Fund fund and~~ shall be  
39 used for operation, interpretation, repair, renovation, expansion, and maintenance at Tryon  
40 Palace Historic Sites and Gardens.

41 (b) ~~Disposition of Fees. – All entrance fee receipts shall be credited to the Tryon Palace~~  
42 ~~Historic Sites and Gardens Fund.~~ Fund Sources. – The Fund consists of (i) all revenues derived  
43 from donations, gifts, devises, grants, admissions, and fees collected at the Tryon Palace Historic  
44 Sites and Gardens, (ii) the net proceeds derived from the sale of real property pursuant to  
45 G.S. 146-30(d)(12), and (iii) interest on funds in the Fund credited by the State Treasurer  
46 pursuant to G.S. 147-69.2 and G.S. 147-69.3.

47 (c) Report. – The Tryon Palace Commission shall submit to the Joint Legislative  
48 Oversight Committee on Agriculture and Natural and Economic Resources, the House of  
49 Representatives Appropriations Committee on Agriculture and Natural and Economic  
50 Resources, the Senate Appropriations Committee on Natural and Economic Resources,  
51 Resources and the Fiscal Research Division by September 30 of each year a report on the Tryon

1 Palace Historic Sites and Gardens Fund that shall include the source and ~~amounts~~amount of all  
2 funds credited to the Fund and the purpose and amount of all expenditures from the Fund during  
3 the prior fiscal year."

4 **SECTION 14.1.(d)** G.S. 121-7.5 reads as rewritten:

5 **"§ 121-7.5. Bentonville Battlefield Fund.**

6 (a) Fund. – The Bentonville Battlefield Fund is created as a ~~special~~special,  
7 interest-bearing, and nonreverting fund in the Department of Natural and Cultural Resources,  
8 Division of State Historic Sites. ~~The interest earned by the Fund shall be credited to the Fund by~~  
9 ~~the State Treasurer pursuant to G.S. 147-69.2 and G.S. 147-69.3. The Fund shall be treated as a~~  
10 special trust fund and shall be used for operation, interpretation, maintenance, preservation,  
11 development, and expansion at Bentonville Battlefield State Historic Site.

12 (b) ~~Disposition of Fees. – Notwithstanding Chapter 146 of the General Statutes, all~~  
13 ~~receipts derived from donations or the lease, rental, or other disposition of structures or products~~  
14 ~~of the land owned by or under the supervision or control of the Division of Historic Sites in~~  
15 ~~Johnston County shall be credited to the Fund.~~Fund Sources. – Notwithstanding Chapter 146 of  
16 the General Statutes, the Fund consists of (i) all revenues derived from donations, gifts, devises,  
17 grants, admissions, and fees collected for the benefit of the Bentonville Battlefield State Historic  
18 Site, (ii) the net proceeds derived from the sale of real property pursuant to G.S. 146-30(d)(13),  
19 and (iii) interest on funds in the Fund credited by the State Treasurer pursuant to G.S. 147-69.2  
20 and G.S. 147-69.3.

21 (c) ~~The monies credited to this Fund pursuant to this section are annually appropriated to~~  
22 ~~the Department of Natural and Cultural Resources.~~

23 (d) Report. – The Division of State Historic Sites shall submit to the Joint Legislative  
24 Oversight Committee on Agriculture and Natural and Economic Resources and the Fiscal  
25 Research Division by September 30 of each year a report on the Bentonville Battlefield Fund  
26 that shall include the source and amount of all funds credited to the Fund and the purpose and  
27 amount of all expenditures from the Fund during the prior fiscal year."

28 **SECTION 14.1.(e)** G.S. 121-7.6 reads as rewritten:

29 **"§ 121-7.6. North Carolina Transportation Museum special fund.**

30 (a) Fund Established. – The North Carolina Transportation Museum Fund is created as a  
31 ~~special~~special, interest-bearing, nonreverting enterprise fund in the Department of Natural and  
32 Cultural Resources. The Fund shall be treated as a special trust fund and shall be used to pay all  
33 costs associated with the operation, interpretation, development, expansion, preservation, and  
34 maintenance of the North Carolina Transportation Museum.

35 (b) ~~Monies Credited to the Fund. – Notwithstanding Chapter 146 of the General Statutes,~~  
36 ~~all receipts derived from the lease, rental, or other disposition of structures or products of the~~  
37 ~~land, as well as all admissions and fees, gifts, donations, grants, and bequests, shall be credited~~  
38 ~~to the Fund. The Fund shall be credited with interest by the State Treasurer pursuant to~~  
39 ~~G.S. 147-69.2 and G.S. 147-69.3.~~Fund Sources. – Notwithstanding Chapter 146 of the General  
40 Statutes, the Fund consists of (i) all revenues derived from donations, gifts, devises, grants,  
41 admissions, and fees collected by or for the benefit of the North Carolina Transportation Museum  
42 Fund, (ii) the net proceeds derived from the sale of real property pursuant to G.S. 146-30(d)(14),  
43 and (iii) interest on funds in the Fund credited by the State Treasurer pursuant to G.S. 147-69.2  
44 and G.S. 147-69.3.

45 (c) Emergency Reserve. – The Department of Natural and Cultural Resources shall  
46 establish, out of existing unobligated funds including lapsed salaries and unobligated special  
47 funds, an emergency reserve fund in the amount of three hundred thousand dollars (\$300,000).  
48 Any use of the emergency reserve will require reimbursement from museum receipts.

49 (d) Audit. – The Fund shall be subject to the oversight of the State Auditor pursuant to  
50 Article 5A of Chapter 147 of the General Statutes. The Fund shall reimburse the State Auditor  
51 for the cost of any audit.

1 (e) Report. – The Department of Natural and Cultural Resources shall submit to the Joint  
2 Legislative Oversight Committee on Agriculture and Natural and Economic Resources and the  
3 Fiscal Research Division by September 30 of each year a report on the North Carolina  
4 Transportation Museum Fund that shall include the source and amount of all funds credited to  
5 the Fund and the purpose and amount of all expenditures from the Fund during the prior fiscal  
6 year."

7  
8 **Special Provision 2021-DNCR-H10(S14.2)i**

9 ***U.S.S. NORTH CAROLINA BATTLESHIP COMMISSION DYNAMIC PRICING***  
10 ***CONFORMING CHANGE AND DNCR ATTRACTION RULEMAKING EXEMPTIONS***

11 **SECTION 14.2.(a)** G.S. 143B-73 reads as rewritten:

12 **"§ 143B-73. U.S.S. North Carolina Battleship Commission – creation, powers, and duties.**

13 There is hereby created the U.S.S. North Carolina Battleship Commission of the Department  
14 of Natural and Cultural Resources with the power and duty to adopt, amend, and rescind rules  
15 ~~and regulations~~ under and not inconsistent with the laws of this State necessary in carrying out  
16 the provisions and purposes of this ~~Part~~ Part, including the following:

- 17 (1) The U.S.S. North Carolina Battleship Commission is authorized and  
18 empowered to adopt such rules ~~and regulations~~ not inconsistent with the  
19 management responsibilities of the Secretary of the Department provided by  
20 Chapter 143A of the General Statutes and laws of this State and this Chapter  
21 that may be necessary and desirable for the operation and maintenance of the  
22 U.S.S. North Carolina as a permanent memorial and exhibit commemorating  
23 the heroic participation of the men and women of North Carolina in the  
24 prosecution and victory of the Second World War and for the faithful  
25 performance and fulfillment of its duties and obligations.
- 26 (2) The U.S.S. North Carolina Battleship Commission shall have the power and  
27 duty to charge reasonable admission and related activity fees for admission to  
28 the ship and to establish standards and adopt rules and regulations: (i)  
29 establishing and providing for a proper charge for admission to the ship; and  
30 (ii) for the maintenance and operation of the ship as a permanent memorial  
31 and exhibit.
- 32 (3) The Commission shall adopt rules ~~and regulations~~ consistent with the  
33 provisions of this Chapter. The Commission is exempt from the requirements  
34 of Chapter 150B of the General Statutes and G.S. 12-3.1 when adopting,  
35 amending, or repealing rules for operating hours and admission fees or related  
36 activity fees at the U.S.S. North Carolina Battleship. ~~The Commission shall~~  
37 ~~submit a report to the Joint Legislative Oversight Committee on Agriculture~~  
38 ~~and Natural and Economic Resources and the Fiscal Research Division on the~~  
39 ~~amount and purpose of a fee change within 30 days following its effective~~  
40 ~~date."~~

41 **SECTION 14.2.(b)** G.S. 150B-1(d) reads as rewritten:

42 **"§ 150B-1. Policy and scope.**

43 ...

44 (d) Exemptions from Rule Making. – Article 2A of this Chapter does not apply to the  
45 following:

46 ...

- 47 (23) The Department of Natural and Cultural Resources with respect to operating  
48 hours, admission fees—fees, or related activity fees at historic sites and  
49 museums pursuant to G.S. 121-7.3.
- 50 (24) Tryon Palace Commission with respect to operating hours, admission fees  
51 fees, or related activity fees pursuant to G.S. 143B-71.

(25) U.S.S. Battleship Commission with respect to operating hours, admission fees fees, or related activity fees pursuant to G.S. 143B-73.  
...."

**Special Provision 2021-DNCR-H11(S14.3)i**

***ADD MARKETING AS PERMISSIBLE USE OF ZOO AND AQUARIUM FUNDS***

**SECTION 14.3.(a)** G.S. 143B-135.188(b) reads as rewritten:

"(b) Fund. – The North Carolina Aquariums Fund is hereby created as a special fund. The North Carolina Aquariums Fund shall be used for the following purposes with respect to the aquariums and the pier operated by the Division of North Carolina Aquariums:

- (1) Repair, renovation, expansion, maintenance, and educational exhibit construction. Funds used for repair, renovation, and expansion projects may be transferred to a capital projects fund to account for use of the funds for each project.
- (2) Payment of the debt service and lease payments related to the financing of facility expansions, subject to G.S. 143B-135.190.
- (3) Matching of private funds that are raised for these purposes.
- (4) Marketing the North Carolina Aquariums."

**SECTION 14.3.(b)** G.S. 143B-135.209(a) reads as rewritten:

"(a) Fund. – The North Carolina Zoo Fund is created as a special fund. The North Carolina Zoo Fund shall be used for the following types of projects and activities at the North Carolina Zoological Park and to match private funds raised for these ~~types of projects~~ projects and activities:

- (1) Repair, renovation, expansion, maintenance, and educational exhibit construction. Funds used for repair, renovation, and expansion projects may be transferred to a capital projects fund to account for use of the funds for each project.
- (2) Renovations of exhibits in habitat clusters, visitor services facilities, and support facilities (including greenhouses and temporary animal holding areas).
- (3) The acquisition, maintenance, or replacement of tram equipment as required to maintain adequate service to the public.
- (4) Marketing the North Carolina Zoological Park."

**Special Provision 2021-DNCR-H7-P**

***INCREASE REPAIR AND RENOVATION PROJECT SPENDING CAP***

**SECTION #.(a)** G.S. 143B-135.188(d) reads as rewritten:

"(d) Approval. – The Secretary may approve the use of the North Carolina Aquariums Fund for repair and renovation projects at the aquariums-related facilities that comply with the following:

- (1) The total project cost is less than ~~three hundred thousand dollars (\$300,000)~~ five hundred thousand dollars (\$500,000).  
...."

**SECTION #.(b)** G.S. 143B-135.209(c) reads as rewritten:

"(c) Approval. – The Secretary may approve the use of the North Carolina Zoo Fund for repair and renovation projects at the North Carolina Zoological Park recommended by the Council that comply with the following:

- (1) The total project cost is less than ~~three hundred thousand dollars (\$300,000)~~ five hundred thousand dollars (\$500,000).  
...."

**Special Provision 2021-DNCR-H5-P**

**NC TRANSPORTATION MUSEUM ROLLING STOCK**

**SECTION #.** No later than June 30, 2022, and notwithstanding Part 1 of Article 3A of Chapter 143 of the General Statutes, the Department of Natural and Cultural Resources shall transfer to the North Carolina Transportation Museum Foundation any ownership interest in the caboose marked RNCX 400500 currently located at the North Carolina Transportation Museum.

**Special Provision 2021-DNCR-H6(S24.1)-P**

**SYMPHONY CHALLENGE GRANT**

**SECTION 14.6.(a)** Of the funds appropriated in this act to the Office of State Budget and Management – Special Appropriations, the sum of two million dollars (\$2,000,000) in recurring funds for each year of the 2021-2023 fiscal biennium shall be allocated to the North Carolina Symphony as provided in this section. It is the intent of the General Assembly that the North Carolina Symphony raise at least five million dollars (\$5,000,000) in non-State funds for the 2021-2022 fiscal year and five million dollars (\$5,000,000) in non-State funds for the 2022-2023 fiscal year. The North Carolina Symphony cannot use funds transferred from the organization's endowment to its operating budget to achieve the fundraising targets set out in subsections (b) and (c) of this section.

**SECTION 14.6.(b)** For the 2021-2022 fiscal year, the North Carolina Symphony shall receive allocations from the Office of State Budget and Management as follows:

- (1) Upon raising the initial sum of two million dollars (\$2,000,000) in non-State funding, the North Carolina Symphony shall receive the sum of six hundred thousand dollars (\$600,000).
- (2) Upon raising an additional sum of two million dollars (\$2,000,000) in non-State funding for a total amount of four million dollars (\$4,000,000) in non-State funds, the North Carolina Symphony shall receive the sum of seven hundred thousand dollars (\$700,000).
- (3) Upon raising an additional sum of one million dollars (\$1,000,000) in non-State funding for a total amount of five million dollars (\$5,000,000) in non-State funds, the North Carolina Symphony shall receive the final sum of seven hundred thousand dollars (\$700,000) in the 2021-2022 fiscal year.

**SECTION 14.6.(c)** For the 2022-2023 fiscal year, the North Carolina Symphony shall receive allocations from the Office of State Budget and Management as follows:

- (1) Upon raising the initial sum of two million dollars (\$2,000,000) in non-State funding, the North Carolina Symphony shall receive the sum of six hundred thousand dollars (\$600,000).
- (2) Upon raising an additional sum of two million dollars (\$2,000,000) in non-State funding for a total amount of four million dollars (\$4,000,000) in non-State funds, the North Carolina Symphony shall receive the sum of seven hundred thousand dollars (\$700,000).
- (3) Upon raising an additional sum of one million dollars (\$1,000,000) in non-State funding for a total amount of five million dollars (\$5,000,000) in non-State funds, the North Carolina Symphony shall receive the final sum of seven hundred thousand dollars (\$700,000) in the 2022-2023 fiscal year.

**Special Provision 2021-DNCR-H3-P**

**SUPPORT FOR NC TRAILS**

**SECTION #.(a)** Fund Created. – The Complete the Trails Fund (CTF) is established as a special fund within the Department of Natural and Cultural Resources. The Fund consists of appropriations or allocations directed by the General Assembly to the Fund, contributions, and grants from public or private sources. The CTF shall be administered by the North Carolina Trails

1 Program within the Division of Parks and Recreation. Funds appropriated in this act to the  
2 Department for support of the North Carolina Trails System shall be allocated to the CTF for the  
3 purpose of planning, construction, promotion, and maintenance of component trails of the North  
4 Carolina Trails System. It is the intent of the General Assembly that, where practicable, these  
5 activities be carried out through partnerships with local governments or nonprofit organizations.

6 **SECTION #.(b) Eligible Activities.** – Except as otherwise specified, funds  
7 distributed under this section may be used for any of the following:

- 8 (1) Planning, design, and related environmental assessment or permitting  
9 activities for natural surface trails and paddle trail facilities.
- 10 (2) Land and easement acquisition for natural surface and paddle trails.
- 11 (3) Construction or rehabilitation of natural surface trails, bridges and  
12 boardwalks, and trail facilities such as trailheads and camping sites.
- 13 (4) Trail signage.
- 14 (5) Maintenance activities, including the installation of water bars, relocation of  
15 eroded trail segments, and other activities that will mitigate or prevent future  
16 erosion or deterioration of trails.
- 17 (6) Matching funds for federal grants provided to a local government or nonprofit  
18 organization for any of the purposes set forth in this subsection.

19 **SECTION #.(c) Directive.** – Wherever possible and appropriate, bridges,  
20 boardwalks, signage, and other trail facilities shall follow standard designs and specifications as  
21 the Department may specify.

22 **SECTION #.(d) Funding Requirements.** – Funds appropriated by this act to the State  
23 Capital and Infrastructure Fund and allocated to the Department of Natural and Cultural  
24 Resources for the CTF shall be distributed as set forth in this subsection.

- 25 (1) Capacity building funds. – The sum of six hundred thousand dollars  
26 (\$600,000) shall be used for capacity building grants to partner local  
27 governments and nonprofit organizations. The Department shall identify  
28 partners for activities identified in subsection (b) of this section and enter into  
29 Memoranda of Understanding (MOUs) with those partners. Upon signing an  
30 MOU with one or more partners for a component of the North Carolina Trails  
31 System, the Department shall distribute fifty thousand dollars (\$50,000)  
32 among the local governments or nonprofit organizations that have signed  
33 MOUs for that component. Where there is more than one partner organization  
34 for a trail component, the Department shall apportion the funds under this  
35 subdivision based on relative scope of activity for which each partner  
36 organization assumes responsibility in the MOU. Funds allocated by this  
37 subdivision that are not spent or encumbered by June 30, 2023, shall be  
38 reallocated at the Department's discretion among the uses described in  
39 subdivisions (2) and (5) of this subsection.
- 40 (2) Development funds for land-based trails. – The sum of twenty-five million  
41 one hundred thousand dollars (\$25,100,000) shall be distributed by the  
42 Department in accordance with the partner organization MOUs developed  
43 under subdivision (1) of this subsection for each component of the State Trail  
44 System that is land-based, or has significant land-based components as  
45 follows:
  - 46 a. The Department shall distribute fifteen million one hundred  
47 thousand dollars (\$15,100,000) to the partner organizations for  
48 each land-based trail in proportion to the number of miles of  
49 that trail not yet constructed. These funds may be used for any  
50 of the purposes described in subdivisions (b)(2) through (b)(7)  
51 of this section.



b. The Department shall use ten million dollars (\$10,000,000) to provide grants for land or easement acquisition to partner organizations identified as set forth in subdivision (1) of this subsection.

Funds provided under this subdivision will be used only for trail development activities in North Carolina.

(3) Funds for new paddle trails. – The sum of one million twenty-five thousand dollars (\$1,025,000) shall be distributed by the Department in equal amounts to the partner organizations for the Roanoke River Paddle Trail authorized by subsection (g) of this section and for the Dan River Trail under the MOUs developed under subdivision (1) of this subsection. With respect to segments of the Dan River Trail that cross the boundary between the State and the Commonwealth of Virginia, the partner organizations for the Dan River Trail may expend trail development funds for the portions of those segments located within the State if the Commonwealth of Virginia or other non-State of North Carolina funding sources provide funding proportionate to the mileage of those segments located in the Commonwealth of Virginia. Trails funded under this subdivision are not eligible for funding under sub-subdivision (2)a. of this subsection, but may apply for funds under sub-subdivision (2)b. of this subsection.

(4) Development funds for existing paddle trails. – The sum of four hundred twenty-five thousand dollars (\$425,000) shall be distributed by the Department in equal amounts to the partners for the Yadkin River Paddle Trail and the French Broad River Paddle Trail. These trails are not eligible for additional funding under subdivision (2) of this subsection.

(5) Funds for connecting trails. – The sum of two million one hundred fifty thousand dollars (\$2,150,000) shall be used to provide grants for planning and development of connecting trails to eligible local governments. For purposes of this subdivision, an "eligible local government" is a municipality that is (i) less than 25,000 in population and (ii) is located within 6 miles of an existing or planned segment of a component of the State Trails System. Two-thirds of the funds allocated by this subdivision shall be reserved for municipalities with a population less than 5,000 with no match required. One-third of the funds allocated by this subdivision shall be reserved for other eligible local governments and shall be matched dollar for dollar with non-State funds.

(6) Saluda Grade study. – The Department shall use no more than two hundred thousand dollars (\$200,000) of the funds allocated by subdivision (5) of this subsection to contract with Conserving Carolina, a nonprofit corporation, to study the feasibility and cost of conversion of the Saluda Grade rail corridor in Polk County to provide a connecting trail from the Ecusta Trail to the French Broad River Paddle Trail. Any funds remaining after completion of the contract shall be used for the purposes described in subdivision (2) of this subsection.

**SECTION #.(e) Administrative Expenses.** – Of the funds appropriated to the CTF by this act, the Department may use up to one percent (1%) for operating and administrative expenses.

**SECTION #.(f) Reports.** – The Department shall provide a report no later than March 1, 2022, to the chairs of the Joint Legislative Oversight Committee on Agriculture and Natural Resources and the Fiscal Research Division regarding any adjustments to the funding allocations in this section needed to maximize progress towards completion of the State Trails System. The Department shall also report annually no later than October 1 to the chairs of the Joint Legislative

Oversight Committee on Agriculture and Natural Resources and the Fiscal Research Division on projects funded during the prior fiscal year. The report shall include a list of projects grouped by State Trail System components and shall also include, at a minimum, the project location, the amount of funding awarded, and project metrics such as feet of trail, number of bridges, other trail facilities, or boardwalks constructed, acres of land acquired, or easements obtained.

**SECTION #.(g)** Authorize Roanoke River Paddle Trail. – The General Assembly authorizes the Department of Natural and Cultural Resources to add the Roanoke River Paddle Trail in Halifax, Northampton, Bertie, Martin, and Washington Counties to the State Parks System as a State trail, as provided in G.S. 143B-135.54(b). The Department shall support, promote, encourage, and facilitate the establishment of trail segments and facilities on State park lands and on lands of other federal, State, local, and private landowners. On segments of the Roanoke River Paddle Trail that cross or abut property controlled by agencies or owners other than the Department's Division of Parks and Recreation, the laws, rules, and policies of those agencies or owners shall govern the use of the property. The State may receive donations of appropriate land and may purchase other needed lands for the Roanoke River Paddle Trail with existing funds in the Land and Water Fund, the Parks and Recreation Trust Fund, the federal Land and Water Conservation Fund, and other available sources of funding.

#### **Special Provision 2021-DNCR-H4-P**

#### ***GRANTS TO ADAPT OR CONSTRUCT PARKS FACILITIES FOR PERSONS WITH DISABILITIES***

**SECTION #.(a)** Grant Purposes. – Funds allocated in this act from the State Capital and Infrastructure Fund to the Parks and Recreation Trust Fund to provide matching grants to local parks facilities for children with disabilities and veterans with disabilities shall be used exclusively for grants to local government units or public authorities, as defined in G.S. 159-7, for construction of special facilities or adaptation of existing facilities that meet the unique needs of children with disabilities and veterans with disabilities or that enable them to participate in recreational and sporting activities, regardless of their abilities.

**SECTION #.(b)** Match. – Notwithstanding any provision of G.S. 143B-135.56 to the contrary, a local government unit or public authority receiving a grant under this section shall provide matching funds in the amount of one dollar (\$1.00) of local funds for every five dollars (\$5.00) of State funds.

**SECTION #.(c)** Limitation. – Grants made under this section shall not exceed five hundred thousand dollars (\$500,000) per project.

#### **Special Provision 2021-DNCR-H14-P**

#### ***AMERICAN INDIAN HERITAGE COMMISSION***

**SECTION #.(a)** Article 2 of Chapter 143B of the General Statutes is amended by adding a new Part to read:

"Part 30A. American Indian Heritage Commission.

#### **"§ 143B-135.5. American Indian Heritage Commission established.**

**(a)** Creation and Duties. – There is created the American Indian Heritage Commission in the Department of Natural and Cultural Resources. The Commission shall advise and assist the Secretary of Natural and Cultural Resources in the preservation, interpretation, and promotion of American Indian history, arts, customs, and culture. The Commission shall have the following powers and duties:

- (1)** Assist in the coordination of American Indian cultural events.
- (2)** Advise the Secretary of Natural and Cultural Resources on the oversight and management of all State-managed American Indian historic sites.
- (3)** Promote public awareness of the annual American Indian Heritage Month Celebration.

- 1           (4) Encourage American Indian cultural tourism throughout the State of North  
2           Carolina.
- 3           (5) Advise the Secretary of Natural and Cultural Resources upon any matter the  
4           Secretary may refer to it.
- 5       (b) Members. – The Commission shall consist of 12 members. The initial board shall be  
6       selected on or before October 1, 2021, as follows:
- 7           (1) One representative recommended by each of the following tribes: Coharie,  
8           Eastern Band of Cherokee Nation, Haliwa-Saponi, Lumbee, Meherrin,  
9           Occaneechi Band of the Saponi Nation, Sappony, and Waccamaw-Siouan.
- 10          (2) One representative recommended by each of the following organizations:  
11          Cumberland County Association for Indian People, Guilford Native American  
12          Association, Metrolina Native American Association, and the Triangle Native  
13          American Society.
- 14       (c) Terms. – The members recommended by the Coharie, Eastern Band of Cherokee  
15       Nation, Haliwa-Saponi, and Lumbee Tribes and the members recommended by the Cumberland  
16       County Association for Indian People and the Guilford Native American Association shall serve  
17       initial terms of two years expiring on June 30, 2023. The members recommended by the  
18       Meherrin, Occaneechi Band of the Saponi Nation, Sappony, and Waccamaw-Siouan Tribes and  
19       the members recommended by the Metrolina Native American Association and the Triangle  
20       Native American Society shall serve initial terms of three years expiring on June 30, 2024. Upon  
21       the expiration of the terms of the initial members of the Commission, each member shall be  
22       appointed to terms for three years and shall serve until a successor is appointed.
- 23       (d) Vacancies. – A vacancy shall be filled in the same manner as the original appointment.  
24       Appointees to fill vacancies shall serve the remainder of the unexpired term and until their  
25       successors have been duly appointed and qualified.
- 26       (e) Removal. – The Commission may remove a member for misfeasance, malfeasance,  
27       nonfeasance, or neglect of duty.
- 28       (f) Officers. – The chair shall be elected from among the membership. The Commission  
29       shall select its other officers from among the membership as it deems necessary. All officers  
30       serve for one year or until successors are qualified.
- 31       (g) Meetings; Quorum. – The Commission shall meet at least semiannually to conduct  
32       business. The Commission shall establish the procedures for calling, holding, and conducting  
33       regular and special meetings. A majority of Commission members shall constitute a quorum. The  
34       Department of Natural and Cultural Resources shall provide space for the Commission to meet.
- 35       (h) Compensation. – The Commission members shall receive no salary as a result of  
36       serving on the Commission but shall receive per diem, subsistence, and travel expenses in  
37       accordance with the provisions of G.S. 138-5 and G.S. 138-6, as applicable.
- 38       (i) Staffing. – The Secretary of the Department of Natural and Cultural Resources shall  
39       be responsible for staffing the Commission."

40           **SECTION #.(b)** This section is effective when it becomes law.

41  
42 **Special Provision    2021-DNCR-H13-P**

43 ***AUTHORIZE BAKERS LAKE STATE NATURAL AREA***

44           **SECTION #.(a)** The General Assembly authorizes the Department of Natural and  
45 Cultural Resources to add Bakers Lake State Natural Area in Bladen County to the State Parks  
46 System, as provided in G.S. 143B-135.54(b). The requirement of G.S. 143B-135.54(b) that  
47 additions be accompanied by adequate appropriations for land acquisition, development, and  
48 operations shall not apply to the authorization set forth in this section; provided, however, that  
49 the State may receive donations of appropriate land and may purchase other needed lands for the  
50 Bakers Lake State Natural Area with existing funds in the Land and Water Fund, the Parks and

1 Recreation Trust Fund, the federal Land and Water Conservation Fund, and other available  
2 sources of funding.

3 **SECTION #.(b)** This section is effective when it becomes law.  
4

5 **Special Provision 2021-WRC-H2(S15.1)i**

6 ***ABANDONED AND DERELICT VESSELS***

7 **SECTION 15.1.(a)** Funds appropriated in this act to the Wildlife Resources  
8 Commission and allocated for removal of abandoned and derelict vessels shall be used by the  
9 Commission in the manner set forth in subdivision (10) of Section 2.1 of S.L. 2019-224, as  
10 amended by Section 4 of S.L. 2020-74.

11 **SECTION 15.1.(b)** The Joint Legislative Oversight Committee on Agriculture and  
12 Natural and Economic Resources shall assess the problem of abandoned and derelict vessels in  
13 the waters of the State and upon the lands of the State and determine measures needed (i) to  
14 facilitate the identification of owners or other responsible persons for abandoned or derelict  
15 vessels for the purpose of requiring those persons to take responsibility for their vessels and, (ii)  
16 in cases where no responsible owner may be found, to provide the State with adequate authority  
17 and funding to expeditiously remove or otherwise dispose of the abandoned and derelict vessels.  
18 In its study, the Committee shall also consider the efficacy and need for new or revised insurance  
19 requirements for private vessel owners and for enhancement to civil or criminal remedies with  
20 respect to owners of abandoned or derelict vessels. The Committee shall provide its report to the  
21 2022 Regular Session of the 2021 General Assembly upon its convening.